DEC 15 1950

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 81st CONGRESS
FIRST SESSION

VOLUME 95—PART 11

OCTOBER 5, 1949, TO OCTOBER 19, 1949
(PAGES 13851 TO 15152)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1949

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

DEC 17 1980

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 81st CONGRESS, FIRST SESSION

SENATE

WEDNESDAY, OCTOBER 5, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, from whom all holy desires, all good councils, and all just works do proceed, as the torch of a new day lights a fresh path of duty we bow before Thee in humility and hope. With this golden gift of another day we pledge at this white altar of devotion integrity of character, purity of heart, cleanness of hands, and unswerving firmness of purpose in the fulfillment of our high and holy calling as servants of the Republic.

Dedicate us anew to the yet unfinished task that we may win the peace for which brave men have died. And Thine shall be the kingdom, and the power, and the glory forever. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, October 4, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 377) for the relief of Ernest J. Jenkins, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 160) to amend section 801 of the Federal Food, Drug and Cosmetic Act, as amended; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SADOWSKI, Mr. ROGERS of Florida, Mr. WILSON of Oklahoma, Mr. HINSHAW, and Mr. LEONARD W. HALL were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2087. An act for the relief of Joseph T. Sypko;

H. R. 2854. An act for the relief of Wade H. Noland;

H. R. 2919. An act authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse;

H. R. 3605. An act to provide for the documentation of the Canadian-built vessel *North Wind*, owned by a citizen of the United States; and

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Maybank
Anderson	Holland	Miller
Baldwin	Humphrey	Millikin
Bridges	Hunt	Morse
Butler	Ives	Mundt
Cain	Jenner	Murray
Capehart	Johnson, Colo.	Myers
Chapman	Johnson, Tex.	Neely
Chavez	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Pepper
Cordon	Kem	Robertson
Donnell	Kerr	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Eastland	Langer	Sparkman
Ecton	Leahy	Stennis
Ferguson	Lodge	Taft
Flanders	Long	Taylor
Fulbright	Lucas	Thomas, Okla.
George	McCarthy	Thomas, Utah
Gillette	McClellan	Thye
Graham	McFarland	Watkins
Green	McKellar	Wherry
Gurney	McMahon	Wiley
Hayden	Magnuson	Williams
Hendrickson	Malone	Young
Hickenlooper	Martin	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. HOEY], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Maryland [Mr. O'CONOR] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from Ohio [Mr. BRICKER] and the Senator from Maine [Mrs. SMITH] are absent on official business.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. PEPPER, and by unanimous consent, the Committee on Labor and Public Welfare and/or its Subcommittee on Veterans' Affairs was authorized to meet at 2:30, or such other time as it elects to meet this afternoon.

On request of Mr. LUCAS, and by unanimous consent, a subcommittee of the Committee on the Judiciary was authorized to sit during the session of the Senate today.

On request of Mr. LUCAS, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to sit during the session of the Senate today.

CIVIL FUNCTIONS APPROPRIATION BILL, 1950

Mr. McKELLAR. Mr. President, for the information of Senators, I wish to say that the conference committee on the civil functions bill has made a report. I ask unanimous consent that three statements be placed in the RECORD, showing the various items going to the different States. I know that the information will be of interest to Senators and Members of the House alike.

The VICE PRESIDENT. The Senator is not presenting the conference report at this time?

Mr. McKELLAR. No. I merely ask that this information be placed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

H. R. 3734, civil functions appropriation bill, 1950

Passed by Senate	$751,440,690
Conference total	−664,178,190
Reduction in conference	87,262,500
Conference total	$664,178,190
Passed House	−593,292,270
Increase of conference bill over House bill	70,885,920
Increase by Senate (net)	158,148,420
Reduction in conference	−87,262,500
Increase of conference bill over House bill	70,885,920
Total budget estimates	772,458,220
Conference total	−664,178,190
Amount conference bill is under estimates	108,280,000

TABLE 1.—*Rivers and harbors—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5))	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount allowed by Senate	Amount allowed by conferees
(1)	(2)	(3)	(4)	(5)
CONSTRUCTION				
Alabama:				
Tennessee-Tombigbee Waterway	[1]	0	[2] $2,500,000	[3] 0
Demopolis lock and dam, Warrior system	$1,200,000	$824,000	1,200,000	$1,000,000
Alaska:				
Nome Harbor	1,020,000	701,000	701,000	701,000
Wrangell Narrows	500,000	343,000	343,000	343,000
Arkansas: Arkansas River and tributaries:				
Bank stabilization, Little Rock to mouth	0	0	2,000,000	600,000
Bank stabilization below Dardanelle*	0	0	602,000	*500,000
Dardanelle lock and dam	0	0	1,100,000	0
Morrilton cut-off*	0	0	300,000	*250,000
California:				
Crescent City Harbor	700,000	481,000	481,000	481,000
Monterey Harbor	45,520	45,520	45,520	45,520
Sacramento River	2,000,000	1,374,000	2,000,000	1,700,000
San Diego River and Mission Bay	3,000,000	2,061,000	2,500,000	2,200,000
Connecticut:				
Mianus River (Cos Cob Harbor)*	0	0	*79,500	*79,500
New Haven Harbor	300,000	206,000	300,000	250,000
Pawcatuck River, R. I. and Conn	68,500	68,500	68,500	68,500
Delaware:				
Harbor of refuge, Delaware Bay*	0	0	*134,000	*120,000
Indian River Inlet and Bay*	0	0	*360,000	*320,000
District of Columbia: Potomac River, north side of Washington Channel	475,700	327,000	475,700	375,000
Florida:				
Intracoastal Waterway, tributary channels: Okeechobee-Cross Florida waterway*	*350,000	240,000	*350,000	*300,000
Jim Woodruff lock and dam, Apalachicola River	8,900,000	6,113,000	8,900,000	7,500,000
St. Andrew Bay*	*136,000	93,000	*136,000	*125,000
St. Johns River, Jacksonville to ocean	1,200,000	824,000	1,000,000	900,000
Tampa Harbor	617,700	424,000	617,700	500,000
Georgia:				
Savannah Harbor	533,000	366,000	533,000	450,000
Buford Dam, Chattahoochee River	0	0	2,261,000	750,000
Illinois:				
Illinois waterway: Mouth to mile 291	300,000	206,000	300,000	250,000
Mississippi River between Ohio and Missouri Rivers:				
Chain of Rocks	12,000,000	8,243,000	10,000,000	9,000,000
Regulating works	1,000,000	687,000	1,000,000	750,000
Mississippi River between Missouri River and Minneapolis (exclusive of St. Anthony Falls)	1,000,000	687,000	800,000	750,000
Iowa:				
Keokuk, Mississippi River, lock at	0	0	2,000,000	0
Missouri River, Kansas City, Mo., to Sioux City, Iowa	4,000,000	2,748,000	2,748,000	2,500,000
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)				
Kentucky:				
Cumberland River, Ky. and Tenn.: Cheatham lock and dam	2,000,000	1,374,000	1,500,000	1,400,000
Ohio River, Ky., W. Va., and Ohio, open channel work	300,000	206,000	300,000	[4] 250,000
Louisiana:				
Calcasieu River and Pass	995,000	683,000	995,000	900,000
Intracoastal Waterway, Apalachee Bay, Fla., to Mexican border (New Orleans district)	3,500,000	2,404,000	3,000,000	2,500,000
Pearl River, La. and Miss	1,500,000	1,030,000	1,500,000	1,250,000
Waterway from Empire to Gulf of Mexico	588,000	404,000	588,000	500,000
Maine:				
Cape Porpoise Harbor*	0	0	*45,500	*45,500
Josias River*	0	0	*33,500	*33,500
Portland Harbor	300,000	206,000	206,000	206,000
Maryland:				
Baltimore Harbor and channels	800,000	550,000	800,000	650,000
Chester River	0	0	16,400	16,400
Honga River and Tar Bay*	0	0	*42,000	*42,000
Massachusetts:				
Boston Harbor	500,000	343,000	500,000	400,000
Fall River Harbor	1,050,000	721,000	1,050,000	*800,000
Menemsha Creek, Martha's Vineyard*	0	0	*72,700	*72,700
Michigan:				
Port Sanilac Harbor	0	0	400,000	360,000
St. Marys River:				
Power plant	1,860,000	1,278,000	1,860,000	1,700,000
Navigation features	1,140,000	783,000	1,140,000	1,000,000
Traverse City Harbor*	0	240,000	*350,000	*325,000
Minnesota:				
Baudette Harbor*	0	0	*24,500	*24,500
Hastings, small-boat harbor at*	0	*34,270	*34,270	*34,270
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)				
St. Anthony Falls	2,500,000	1,717,000	1,717,000	1,717,000
Two Harbors (Agate Bay)*	*1,250,000	859,000	*1,250,000	*1,000,000
Mississippi: Pearl River, Miss. and La. (See same project under Louisiana.)				
Missouri:				
Missouri River, Kansas City to the mouth	2,500,000	1,717,000	2,500,000	2,250,000
Mississippi River between Ohio and Missouri Rivers. (See same project under Illinois.)				
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)				
Missouri River, Kansas City to Sioux City. (See same project under Iowa.)				
Montana: Missouri River at Fort Peck	3,400,000	2,335,000	2,840,000	2,500,000
Nebraska: Missouri River, Kansas City to Sioux City. (See same project under Iowa.)				
New Jersey:				
Newark Bay, Hackensack and Passaic Rivers	1,000,000	687,000	1,000,000	800,000
New York and New Jersey channels	1,500,000	1,030,000	1,500,000	1,260,000
Shark River*	*150,000	*150,000	*150,000	*150,000
New York:				
Buffalo Harbor	800,000	550,000	550,000	550,000
Dunkirk Harbor*	0	268,000	*390,000	*350,000
Great Kills Harbor*	*114,500	*114,500	*114,500	*114,500
Hudson River	100,000	69,000	100,000	100,000
Hudson River Channel	450,000	309,000	450,000	400,000
New York Harbor, entrance channels and anchorage areas	600,000	412,000	412,000	412,000
New York and New Jersey channels. (See same project under New Jersey.)				
Oswego Harbor	0	0	500,000	0
North Carolina: Stumpy Point Channel*	0	22,000	*32,500	*32,500
Ohio:				
Cleveland Harbor	2,000,000	1,374,000	2,000,000	1,500,000
Ohio River open channel work. (See same project under Kentucky.)				

[1] See table on planning funds.
[2] Includes $200,000 allowed by House for planning.
[3] $200,000 allowed under planning.

TABLE 1.—*Rivers and harbors—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*—Continued

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5))	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount allowed by Senate	Amount allowed by conferees
(1)	(2)	(3)	(4)	(5)
CONSTRUCTION—continued				
Oregon:				
Columbia River at Bonneville	$1,500,000	$1,030,000	$1,500,000	$1,250,000
Columbia and Lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg.*	*161,800	111,000	*161,800	*150,000
Coos Bay	1,000,000	687,000	1,500,000	850,000
Depoe Bay*	0	0	*442,000	*400,000
McNary Lock and Dam, Columbia River, Oreg. and Wash	40,000,000	27,479,480	40,000,000	35,000,000
Umpqua River	100,000	100,000	100,000	100,000
Yaquina Bay and Harbor*	*35,000	24,000	*35,000	*35,000
Snake River, Oreg. and Wash. (See same project under Washington.)				
Pennsylvania:				
Monongahela River, locks 2	4,500,000	3,091,000	4,000,000	3,500,000
Schuylkill River (culm removal)	500,000	343,000	500,000	400,000
Rhode Island:				
Harbor of refuge at Point Judith and Point Judith Pond*	0	0	*176,000	*160,000
Providence River and Harbor*	*210,000	144,000	*210,000	*190,000
Pawcatuck River, R. I. and Conn. (See same project under Connecticut.)				
South Carolina:				
Shipyard River	0	0	430,200	300,000
Winyah Bay	508,200	349,000	508,200	400,000
Tennessee, Cumberland River, Ky. and Tenn. (See same project under Kentucky.)				
Texas:				
Clear Creek and Clear Lake*	0	38,000	*54,700	*54,700
Galveston Harbor*	*204,000	140,000	*204,000	*175,000
Houston Ship Channel	996,000	684,000	996,000	800,000
Intercoastal Waterway, Apalachee Bay, Fla., to the Mexican border (Galveston district): Harlingen, channel to	700,000	481,000	650,000	550,000
Sabine-Neches waterway	1,000,000	687,000	1,000,000	750,000
Trinity River	1,000,000	687,000	687,000	687,000
Virginia:				
Bransons Cove, Lower Machodoc River*	0	0	*28,600	*28,600
Norfolk Harbor	500,000	343,000	1,000,000	500,000
York Spit Channel	500,000	343,000	500,000	400,000
Virgin Islands: St. Thomas Harbor	1,500,000	0	850,000	0
Washington:				
Chief Joseph Dam, Columbia River	5,000,000	3,435,000	10,000,000	5,000,000
Grays Harbor and Chehalis River	800,000	550,000	800,000	650,000
Ice Harbor lock and dam, Snake River	12,000,000	0	0	0
Columbia River at Bonneville. (See same project under Oregon.)				
Columbia and lower Willamette Rivers, Wash. and Oreg. (See same project under Oregon.)				
McNary lock and dam, Columbia River, Oreg. and Wash. (See same project under Oregon.)				
West Virginia:				
Morgantown lock and dam, Monongahela River	3,953,700	2,716,000	3,000,000	2,800,000
Ohio River open channel work. (See same project under Kentucky.)				
Wisconsin:				
Ashland Harbor*	0	0	*45,000	*45,000
Port Wing Harbor*	0	0	*20,000	*20,000
Subtotal, construction, rivers and harbors	146,912,620	92,394,270	145,198,290	113,649,690
PLANNING				
Alabama:				
Alabama-Coosa Rivers, Ala. and Ga	200,000	200,000	200,000	200,000
Tennessee-Tombigbee waterway, Alabama and Mississippi	200,000	200,000	(4)	200,000
Upper Columbia Lock and Dam, Ala. and Ga., Chattahoochee River	200,000	200,000	200,000	200,000
Arkansas:				
Arkansas River and tributaries, Arkansas and Oklahoma	500,000	500,000	500,000	500,000
Overton-Red River waterway, Arkansas and Louisiana	50,000	50,000	50,000	50,000
California: Halfmoon Bay	75,000	75,000	75,000	75,000
Florida: New River	10,000	10,000	10,000	10,000
Illinois: Calumet-Sag Channel	100,000	100,000	100,000	100,000
Kentucky: Dover lock and dam	116,000	116,000	116,000	116,000
Michigan:				
Au Sable River	8,000	8,000	8,000	8,000
Hammond Bay Harbor	22,000	22,000	22,000	22,000
Harrisville Harbor	24,000	24,000	24,000	24,000
Point Lookout Harbor	20,000	20,000	20,000	20,000
Texas:				
McGee Bend Dam, Angelina River	200,000	200,000	200,000	200,000
Guadalupe River	0	0	50,000	0
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican Border (Galveston district): Colorado River	0	0	50,000	0
Virginia: Norfolk Harbor, disposal area	50,000	50,000	50,000	50,000
Washington: Lower Monumental lock and dam, Snake River	225,000	225,000	225,000	225,000
Subtotal, planning, rivers and harbors	2,000,000	2,000,000	[4] 1,900,000	2,000,000
OTHER ITEMS				
Maintenance	53,000,000	53,000,000	[5] 53,000,000	[5] 53,000,000
Operating and care	22,000,000	22,000,000	22,000,000	22,000,000
Examinations and surveys	1,200,000	1,200,000	1,200,000	1,200,000
Contingencies	1,300,000	1,300,000	1,300,000	1,300,000
Removing sunken vessels	300,000	300,000	300,000	300,000
Survey of northern and northwestern lakes	310,000	310,000	310,000	310,000
Prevention of debris in New York Harbor	360,000	360,000	360,000	360,000
California Debris Commission	15,000	15,000	15,000	15,000
Salaries, Office, Chief of Engineers	575,000	575,000	575,000	575,000
Printing for River and Harbor Board	40,000	40,000	40,000	40,000
River and Harbor Board expenses	440,000	440,000	440,000	440,000
Beach Erosion Board expenses	600,000	600,000	600,000	600,000
Work under sec. 3, River and Harbor Act, Mar. 2, 1945	300,000	300,000	300,000	300,000
Transfer to U. S. Geological Survey	200,000	200,000	200,000	200,000
Transfer to Fish and Wildlife Service	1,600,000	1,000,000	1,360,000	1,200,000
Subtotal, other items	82,240,000	81,640,000	82,000,000	81,840,000
Grand total, rivers and harbors	231,152,620	176,034,270	229,098,290	197,489,690

[4] $200,000 for planning allowed by House shows under "Alabama," construction table.

[5] Includes $9,000 for maintenance dredging at Havre de Grace, Md., and $400,000 for realinement of authorized channel of the Hudson River in the vicinity of Kingston, N. Y.

TABLE 2.—*Flood control—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5))	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount allowed by Senate	Amount allowed by conferees
(1)	(2)	(3)	(4)	(5)
CONSTRUCTION				
Arizona: Tucson	[1]	[1]	[1a] $1,250,000	[1a] $400,000
Arkansas:				
Bayou Bodcau Reservoir, Ark. and La. (see Louisiana).				
Blakely Mountain Reservoir	$3,000,000	$2,232,300	2,500,000	2,300,000
Blue Mountain Reservoir	48,000	35,700	35,700	35,700
Bull Shoals Reservoir, Ark. and Mo.	16,500,000	12,277,500	13,277,500	12,777,500
Carden's Bottom drainage district No. 2*	*300,000	223,200	*300,000	*270,000
Conway County levee districts Nos. 1, 2, and 8*	*106,000	78,900	*106,000	*96,000
Conway County levee district No. 6*	*11,000	8,200	*11,000	*11,000
Crawford County levee district*	*319,500	237,800	*319,500	*300,000
Little Rock to Pine Bluff*	*370,000	275,300	*370,000	*333,000
Narrows Reservoir	4,650,000	3,460,000	3,460,000	3,460,000
Nimrod Reservoir	80,000	59,500	59,500	59,500
Norfork Reservoir, Ark. and Mo.	1,000,000	744,100	744,100	744,100
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La.	700,000	520,900	520,900	520,900
West of Morrilton	800,000	595,300	595,300	595,300
California:				
Cherry Valley Reservoir	700,000	520,900	520,900	520,900
Farmington Reservoir	2,000,000	1,488,200	2,000,000	1,700,000
Folsom Reservoir	3,500,000	2,604,300	3,500,000	3,100,000
Isabella Reservoir	3,000,000	2,232,300	2,500,000	2,350,000
Los Angeles County drainage area (exclusive of Whittier Narrows Reservoir)	7,500,000	5,580,700	7,500,000	6,500,000
Merced County stream group	200,000	148,800	200,000	175,000
Pine Flat Reservoir	8,600,000	6,399,200	7,500,000	7,000,000
Sacramento River and major and minor tributaries	800,000	595,300	600,000	600,000
San Antonio Reservoir (part of Santa Ana Basin)			500,000	0
Whittier Narrows Reservoir	5,000,000	3,720,500	5,000,000	4,000,000
Colorado:				
Cherry Creek Reservoir*	*1,026,000	763,500	*1,026,000	*900,000
John Martin Reservoir*	*110,000	81,900	*110,000	*100,000
Connecticut:				
Hartford*	*76,000	56,600	*76,000	*70,000
Norwich*	*320,000	238,100	*320,000	*290,000
Florida: Central and southern	[2] 4,000,000	744,100	4,000,000	1,500,000
Georgia:				
Allatoona Reservoir	7,148,700	5,319,300	7,148,700	6,750,000
Clark Hill Reservoir, Ga. and S. C.	14,500,000	10,789,300	14,500,000	13,000,000
Macon*	*265,000	197,200	*265,000	*240,000
Idaho:				
Heise Roberts area*	277,500	206,500	*340,300	*250,000
Lucky Peak Reservoir	3,500,000	2,604,300	3,500,000	3,000,000
Illinois:				
Coal Creek drainage and levee district*	*607,100	451,700	*607,100	*547,000
Columbia drainage and levee district	500,000	372,100	372,100	372,100
East St. Louis and vicinity	700,000	520,900	520,900	520,900
Farm Creek Reservoirs	2,500,000	1,860,200	1,860,200	1,860,200
Grand Tower drainage and levee district	900,000	669,700	669,700	669,700
Mounds and Mound City	500,000	372,100	710,000	450,000
Prairie du Rocher and vicinity	900,000	669,700	700,000	700,000
Preston levee and drainage district*	*227,000	168,900	*227,000	*200,000
Reevesville*	*111,000	82,600	*111,000	*100,000
Rosiclare	300,000	223,200	300,000	250,000
Wood River drainage and levee district	500,000	372,000	500,000	425,000
Indiana:				
Cagles Mill Reservoir	2,980,000	2,217,400	2,980,000	2,500,000
Cannelton	300,000	223,200	300,000	250,000
Delphi*	*87,000	64,800	*87,000	*80,000
Indianapolis (Fall Creek section)	908,400	675,900	908,400	750,000
New Albany	2,000,000	1,488,200	2,000,000	1,600,000
Iowa:				
Chariton River, Mo. and Iowa. (See Missouri.)				
Coralville Reservoir	3,300,000	2,455,500	2,455,500	2,455,500
Dry Run*	*395,900	294,600	*395,900	*355,000
Little Sioux River	500,000	372,100	372,100	372,100
Missouri River agricultural levees. (See Kansas.)				
Red Rock Reservoir	2,500,000		500,000	
Kansas:				
Fall River Reservoir	277,500	206,500	277,500	250,000
Hulah Reservoir, Okla. and Kans. (See Oklahoma.)				
Kanopolis Reservoir*	*242,000	180,100	*242,000	*218,000
Kansas City, Mo. and Kans.	5,700,000	4,241,300	5,700,000	5,000,000
Missouri River agricultural levees, Kansas, Missouri, Iowa, and Nebraska	8,000,000	5,952,700	5,952,700	5,952,700
Toronto Reservoir	[3]	[3]	[4] 1,000,000	[4a]
Kentucky:				
Ashland	1,000,000	744,100	744,100	744,100
Covington	1,400,000	1,041,700	1,041,700	1,041,700
Dale Hollow Reservoir, Tenn. and Ky. (See Tennessee.)				
Dewey Reservoir*	*1,030,800	767,000	*1,030,800	*900,000
Hawesville*	*758,100	564,100	*758,100	*650,000
Louisville	5,500,000	4,092,500	4,092,500	4,092,500
Maysville	1,000,000	744,100	744,100	744,100
Newport	2,733,000	2,033,600	2,200,000	2,200,000
Russell*		[5] 185,000	[6] *200,000	[6] *185,000
Taylorsville*	*50,000	37,300	*50,000	*45,000
Uniontown*	*130,000	96,700	*130,000	*120,000
Wolf Creek Reservoir	20,200,000	15,030,700	15,030,700	15,030,700
Louisiana:				
Aloha Rigolette area*	*549,600	408,900	*549,600	*500,000
Bayou Bodcau Reservoir, Ark. and La.*	*404,000	300,600	*404,000	*360,000
Jonesville*	*114,000	84,900	*114,000	*105,000
Lake Pontchartrain*	*600,000	446,500	*600,000	*540,000
Mermentau River	1,807,000	1,344,600	1,807,000	1,500,000
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)				
Shreveport	375,000	279,000	375,000	325,000
Maryland:				
Cumberland, Md., and Ridgeley, W. Va.	1,000,000	744,100	744,100	744,100
Savage River Reservoir	1,700,000	1,265,000	1,265,000	1,265,000

[1] Estimate of $75,000 for planning appears in planning table.
[1a] Includes $75,000 for planning allowed by House.
[2] Includes $3,000,000 supplemental budget estimate sent to Senate after bill passed House.
[3] Estimate of $50,000 for planning appears in planning table.
[4] Includes $50,000 allowed by House for planning.
[4a] $50,000 allowed under planning.
[5] Estimate of $15,000 for planning appears in planning table.
[6] Includes $15,000 allowed by House for planning.

TABLE 2.—*Flood control—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*—Continued

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5)) (1)	Amount of budget estimate (2)	Amount allowed by House as allocated by Corps of Engineers (3)	Amount allowed by Senate (4)	Amount allowed by conferees (5)
CONSTRUCTION—continued				
Massachusetts:				
Adams	0	0	$500,000	3$50,000
Birch Hill Reservoir	$46,000	$34,200	46,000	40,000
Holyoke*	*264,400	196,700	*264,400	*240,000
North Adams	0	0	500,000	350,000
Riverdale*	*517,000	384,700	*517,000	*450,000
Tully Reservoir*	*141,000	104,900	*141,000	*130,000
Michigan:				
Mount Clemens*	*302,000	224,700	*302,000	*270,000
Red Run	0	500,000	500,000	500,000
Minnesota:				
Red Lake and Clearwater Rivers	1,500,000	1,116,100	1,116,100	1,116,100
Red River of the North, S. Dak., N. Dak., and Minn	1,000,000	744,100	744,100	744,100
Missouri:				
Chariton River, Mo. and Iowa*	*445,000	331,100	*445,000	*400,000
Clearwater Reservoir	60,000	44,600	60,000	60,000
East Poplar Bluff and Poplar Bluff*	*92,100	68,500	*92,100	*85,000
Kansas Citys, Mo. and Kans. (See Kansas.)				
Missouri River agricultural levees. (See Kansas.)				
Norfork Reservoir, Ark. and Mo. (See Arkansas.)				
Perry County levee districts 1, 2, and 3	1,000,000	744,100	744,100	744,100
Montana: Havre	0	0	400,000	0
Nebraska:				
Gavins Point Reservoir, Nebr. and S. Dak	[7]	[7]	$3,000,000	[8a]
Harlan County Reservoir	12,500,000	9,300,100	13,500,000	11,250,000
Missouri River agricultural levees. (See Kansas.)				
Missouri River, Kensler's Bend, Nebr., to Sioux City, Iowa*	*422,000	314,000	*422,000	*380,000
Omaha	1,700,000	1,264,900	1,500,000	1,500,000
New Hampshire: West Peterboro Reservoir*	*371,800	276,700	*371,800	*330,000
New Mexico:				
Bluewater floodway	[9]	[9]	[10] 200,000	[10a]
Chamita Reservoir	[11]	[11]	[12] 750,000	[12a]
Conchas Reservoir*	35,000	26,000	35,000	*35,000
Jemez Canyon	[13]	[13]	[14] 750,000	[14] 750,000
Rio Grande floodway	[15]	[15]	[16] 771,500	[16a]
New York:				
Almond Reservoir*	*218,800	162,800	*218,800	*200,000
Arkport Reservoir*	*32,000	23,800	*32,000	*30,000
East Sidney Reservoir*	*897,700	668,000	*897,700	*800,000
Elmira*	*1,628,000	1,211,400	*1,628,000	*1,475,000
Hoosick Falls	0	0	400,000	350,000
Mount Morris Reservoir	6,500,000	4,836,600	4,836,600	4,836,600
Olean	1,000,000	744,100	744,100	744,100
Portville	700,000	520,900	520,900	520,900
Syracuse*	*670,000	498,500	*670,000	*600,000
Whitney Point Reservoir*	*321,400	239,200	*321,400	*290,000
North Carolina: Buggs Island Reservoir, Va. and N. C	16,500,000	12,277,500	18,500,000	15,500,000
North Dakota:				
Baldhill Reservoir*	*235,800	175,500	*235,800	*210,000
Garrison Reservoir	31,000,000	23,066,800	31,000,000	27,500,000
Homme Reservoir*	*527,100	392,200	*527,100	475,000
Mandan*	*40,000	29,800	*40,000	*36,000
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)				
Red River of the North. (See Minnesota.)				
Ohio:				
Big Walnut Creek Reservoir	1,800,000	0	[16b]	[16c]
Burr Oak Reservoir*	*1,295,600	964,100	*1,295,600	*1,150,000
Cincinnati*	[17] *650,000	*650,000	*650,000	*650,000
Delaware Reservoir*	*999,400	743,700	*999,400	*900,000
Dillon Reservoir	1,717,000	1,277,600	1,277,600	1,277,600
Ironton*	*250,000	186,000	*250,000	*215,000
Massillon*	*2,133,700	1,587,700	*2,133,700	*1,860,000
Muskingum River Reservoirs	1,800,000	1,339,400	1,800,000	1,550,000
Rocky Fork Reservoir	0	0	[16b]	[16c]
West Fork of Mill Creek Reservoir	1,400,000	1,041,700	1,041,700	1,041,700
Oklahoma:				
Canton Reservoir	183,100	136,200	183,100	165,000
Denison Reservoir, Tex. and Okla	[18] 725,000	223,200	725,000	650,000
Fort Gibson Reservoir	14,000,000	10,417,300	12,500,000	12,000,000
Fort Supply Reservoir*	*116,500	86,700	*116,500	*116,500
Great Salt Plains Reservoir	31,000	23,000	31,000	31,000
Hulah Reservoir, Okla. and Kans	4,748,000	3,533,000	4,748,000	4,248,000
Oologah Dam and Reservoir	[19]	[19]	[20] 550,000	[20] 350,000
Optima Reservoir	[21]	[21]	[22] 500,000	[22a]
Polecat Creek	1,000,000	744,100	1,000,000	900,000
Tenkiller Ferry Reservoir	6,146,200	4,573,300	6,146,200	5,500,000
Wister Reservoir	77,500	57,700	77,500	77,500
Oregon:				
Cottage Grove Reservoir*	*140,000	104,200	*140,000	*140,000
Detroit Reservoir	11,300,000	8,408,200	11,300,000	9,500,000
Dorena Reservoir	2,924,000	2,175,700	2,924,000	2,500,000
Fern Ridge Reservoir	208,000	154,800	208,000	190,000
Lookout Point Reservoir	11,000,000	8,185,000	11,000,000	9,500,000
Milton Freewater*	*710,700	528,800	*710,700	*640,000
Willamette River (bank protection)	500,000	372,100	500,000	450,000

[7] Estimate of $150,000 for planning appears in planning table.
[8] Includes $150,000 allowed by House for planning.
[8a] $150,000 allowed under planning.
[9] Estimate of $12,000 for planning appears in planning table.
[10] Includes $12,000 allowed by House for planning.
[10a] $12,000 allowed under planning.
[11] Estimate of $75,000 for planning appears in planning table.
[12] Includes $75,000 allowed by House for planning.
[12a] $75,000 allowed under planning.
[13] Estimate of $75,000 for planning appears in planning table.
[14] Includes $75,000 allowed by House for planning.
[15] Estimate of $50,000 for planning appears in planning table.
[16] Includes $50,000 allowed by House for planning.
[16a] $50,000 allowed under planning.
[16b] Estimated unobligated balance on Big Walnut Creek Reservoir, Ohio, estimated to be $436,000 on June 30, 1949, recommended by committee to be transferred for use on the Rocky Fork Reservoir, Ohio.
[16c] Transfer of unobligated balance recommended by Senate not agreed to by conferees.
[17] Included in H. Doc. 127.
[18] Includes supplemental of $425,000 in S. Doc. 56.
[19] Estimate of $50,000 for planning appears in planning table.
[20] Includes $50,000 for planning allowed by House.
[21] Estimate of $100,000 for planning appears in planning table.
[22] Includes $100,000 for planning allowed by the House.
[22a] $100,000 allowed under planning.

TABLE 2.—*Flood control—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*—Continued

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5))	Amount of budget estimate	Amount allowed by House as allocated by Corps of Engineers	Amount allowed by Senate	Amount allowed by conferees
(1)	(2)	(3)	(4)	(5)
CONSTRUCTION—continued				
Pennsylvania:				
Conemaugh River Reservoir	$8,500,000	$6,324,800	$8,500,000	$7,400,000
East Branch Clarion River Reservoir	2,500,000	1,860,200	2,500,000	2,100,000
Punxsutawney*	*810,000	602,700	*810,000	*730,000
Sunbury	2,000,000	1,488,200	1,800,000	1,600,000
Wilkes-Barre-Hanover Township*	*380,000	282,800	*380,000	*340,000
Williamsport	2,110,000	1,570,100	2,110,000	1,700,000
South Carolina: Clark Hill Reservoir, Ga. and S. C. (See Georgia.)				
South Dakota:				
Fall River Basin	500,000	372,100	372,100	372,100
Fort Randall Reservoir	25,500,000	18,974,300	25,500,000	23,000,000
Gavins Point Reservoir, Nebr. and S. Dak. (See Nebraska.)				
Missouri River, Kensler's Bend, Nebr. to Sioux City, Iowa. (See Nebraska.)				
Oahe Reservoir, S. Dak. and N. Dak	2,000,000	1,488,200	4,000,000	2,000,000
Red River of the North. (See Minnesota.)				
Tennessee:				
Center Hill Reservoir	7,000,000	5,208,600	7,000,000	6,300,000
Dale Hollow Reservoir, Tenn. and Ky.*	*631,000	469,500	*631,000	*570,000
Memphis, Wolf River and Nonconnah Creek	400,000	297,600	400,000	360,000
Texas:				
Belton Reservoir	2,000,000	1,488,200	1,488,200	1,488,200
Benbrook Reservoir	4,000,000	2,976,400	4,000,000	3,500,000
Brady	1,320,000	----------	0	0
Denison Reservoir, Tex. and Okla. (See Oklahoma.)				
Garza Little Elm Reservoir	3,000,000	2,232,300	2,232,300	2,232,300
Grapevine Reservoir	4,000,000	2,976,400	4,000,000	3,500,000
Lavon Reservoir	3,500,000	2,604,300	2,604,300	2,604,300
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)				
San Angelo Reservoir and floodway	4,800,000	3,571,600	4,300,000	3,900,000
Texarkana Reservoir	6,000,000	4,464,600	5,500,000	5,000,000
Whitney Reservoir	14,000,000	10,417,300	10,500,000	10,500,000
Vermont:				
Rutland	[23]	[23]	[24] 500,000	[24a]
Union Village Reservoir*	*601,000	447,200	*601,000	*540,000
Virginia:				
Bluestone Reservoir, Va. and W. Va. (See West Virginia.)				
Buggs Island Reservoir, Va. and N. C. (See North Carolina.)				
Galax*	[25]	[25]	* [26] 651,000	* [26] 600,000
Philpott Reservoir	2,800,000	2,083,500	2,800,000	2,400,000
Washington:				
Mill Creek*	*365,000	271,600	*365,000	*320,000
Mud Mountain Reservoir	464,000	345,300	464,000	400,000
Tacoma*	*571,600	425,300	*571,600	*500,000
West Virginia:				
Sutton Reservoir	[27] 1,300,000	0	1,300,000	1,000,000
Bluestone Reservoir, W. Va. and Va	1,562,200	1,162,400	1,562,200	1,350,000
Cumberland, Md. and Ridgeley, W. Va. (See Maryland.)				
Parkersburg*	*1,396,900	1,039,400	*1,396,900	*1,265,000
Point Pleasant*	*1,648,000	1,226,300	*1,648,000	*1,450,000
Snagging and clearing	1,000,000	744,100	1,000,000	1,000,000
Emergency bank protection	1,000,000	744,100	1,000,000	1,000,000
Sec. 205 projects	1,000,000	744,100	1,000,000	1,000,000
Subtotal, construction, flood control general	420,877,600	306,325,000	400,826,300	351,835,400
PLANNING				
Arizona:				
Alamo Reservoir	40,000	40,000	0	0
Tucson	75,000	75,000	[28]	[28]
Arkansas:				
Millwood Reservoir	150,000	150,000	200,000	200,000
Water Valley Reservoir, Ark. and Mo	150,000	150,000	150,000	150,000
California:				
Black Butte Reservoir	95,000	95,000	95,000	95,000
Hogan Reservoir	50,000	50,000	50,000	50,000
Salinas River	50,000	50,000	50,000	50,000
San Joaquin River and tributaries	45,000	45,000	45,000	45,000
Success Reservoir	60,000	60,000	60,000	60,000
Terminus Reservoir	60,000	60,000	60,000	60,000
Colorado: Trinidad	25,000	25,000	25,000	25,000
Georgia: Hartwell Reservoir, Ga. and S. C	0	0	75,000	0
Hawaii: Hanapepe River	20,000	20,000	20,000	20,000
Illinois: Henderson River	45,000	45,000	45,000	45,000
Indiana:				
Levee unit 5, Wabash River	50,000	50,000	50,000	50,000
Mansfield Reservoir	40,000	40,000	40,000	40,000
Vincennes	40,000	40,000	40,000	40,000
Kansas:				
Pioneer Reservoir, Kans. and Colo	75,000	75,000	75,000	75,000
Toronto Reservoir	50,000	50,000	[29]	50,000
Kentucky:				
Falmouth Reservoir	50,000	0	50,000	0
Russell*	15,000	15,000	[30]	[30]
Louisiana: Mooringsport Reservoir, Tex. and La	65,000	65,000	65,000	65,000
Massachusetts: Barre Falls Reservoir	10,000	10,000	10,000	10,000
Minnesota: Aitkin	25,000	25,000	25,000	25,000
Missouri:				
Carthage	8,000	8,000	8,000	8,000
Joanna Reservoir	75,000	75,000	75,000	75,000
Meramec River Reservoirs	25,000	25,000	25,000	25,000
Pomme de Terre Reservoir	50,000	50,000	50,000	50,000
Table Rock Reservoir, Ark. and Mo	125,000	125,000	125,000	125,000
Nebraska:				
Gavins Point Reservoir, S. Dak. and Nebr	150,000	150,000	[31]	150,000
Miner's Bend, Nebr. and S. Dak	15,000	15,000	15,000	15,000

[23] Estimate of $75,000 for planning appears in planning table.
[24] Includes $75,000 for planning allowed by House.
[24a] $75,000 allowed under planning.
[25] Estimate of $25,000 for planning appears in planning table.
[26] Includes $25,000 for planning allowed by House.
[27] Supplemental estimate of $1,300,000 in S. Doc. 37.
[28] $75,000 included under construction.
[29] $50,000 included under construction.
[30] $15,000 included under construction.
[31] $150,000 included under construction.

TABLE 2.—*Flood control—Projects included by House and Senate in 1950 civil functions appropriation bill, H. R. 3734, and amounts allowed by conference committee*—Continued

Project (Projects that can be completed with amounts recommended by conferees are marked with asterisk in columns (1) and (5)) (1)	Amount of budget estimate (2)	Amount allowed by House as allocated by Corps of Engineers (3)	Amount allowed by Senate (4)	Amount allowed by conferees (5)
PLANNING—continued				
New Mexico:				
Bluewater floodway	$12,000	$12,000	[32]	$12,000
Chamita Reservoir	75,000	75,000	[33]	75,000
Jemez Canyon Reservoir	75,000	75,000	[34]	[34]
Rio Grande floodway	50,000	50,000	[35]	50,000
New York:				
Davenport Center Reservoir	25,000	0	$25,000	0
Genegantslet Reservoir	35,000	0	35,000	0
Lake Chautauqua and Chadakoin River area	19,000	19,000	19,000	19,000
South Plymouth Reservoir	50,000	50,000	50,000	50,000
Watkins Glen	10,000	10,000	10,000	10,000
North Carolina:				
Reddies No. 1 Reservoir	40,000	40,000	40,000	40,000
Reddies No. 3 Reservoir	30,000	30,000	30,000	30,000
Ohio:				
Martins Ferry	0	0	50,000	0
Reno Beach—Howard Farms	6,000	6,000	6,000	6,000
Oklahoma:				
Boswell Reservoir	100,000	100,000	100,000	100,000
Bradens Bend	35,000	35,000	35,000	35,000
Eufaula Reservoir	150,000	150,000	150,000	150,000
Oolagah Reservoir	50,000	50,000	[36]	[36]
Optima Reservoir	100,000	100,000	[37]	100,000
Pennsylvania:				
Allegheny River Reservoir, Pa. and N. Y	45,000	45,000	45,000	45,000
Bear Creek Reservoir	90,000	90,000	90,000	90,000
Prompton Reservoir	65,000	65,000	65,000	65,000
Shenango River Reservoir, Pa. and Ohio	50,000	50,000	50,000	50,000
South Carolina: Hartwell Reservoir, Ga. and S. C. (See Georgia.)				
Tennessee:				
Rossview Reservoir, Tenn. and Ky	30,000	30,000	30,000	30,000
Three Islands Reservoir	50,000	50,000	50,000	50,000
Texas:				
Canyon Reservoir	150,000	150,000	150,000	150,000
Ferrells Bridge Reservoir	75,000	75,000	75,000	75,000
Mill Creek	25,000	25,000	25,000	25,000
Vermont:				
Ball Mountain Reservoir	90,000	90,000	90,000	90,000
North Hartland Reservoir	85,000	85,000	85,000	85,000
Rutland	75,000	75,000	[38]	75,000
Virginia:				
Galax	25,000	25,000	[39]	[40]
Salem Church	0	0	40,000	0
Washington: Colfax	25,000	25,000	25,000	25,000
West Virginia: Wheeling-Benwood	25,000	25,000	75,000	75,000
Subtotal, planning, flood control, general	3,500,000	3,390,000	2,973,000	3,210,000
OTHER ITEMS				
Preliminary examinations, surveys, and contingencies	5,000,000	5,000,000	5,000,000	5,000,000
Maintenance of completed work	4,000,000	4,000,000	4,000,000	4,000,000
Salaries, Office, Chief of Engineers	725,000	725,000	725,000	725,000
Emergency repairs	1,000,000	1,000,000	1,000,000	1,000,000
Transfer to U. S. Geological Survey	440,000	440,000	440,000	440,000
Transfer to U. S. Fish and Wildlife Service	120,000	120,000	120,000	120,000
Total, flood control, general	435,662,600	321,000,000	415,084,300	366,330,400
Flood control, Mississippi River and tributaries	70,000,000	63,000,000	[41] 73,500,000	[42] 67,000,000
Flood control, Mississippi River and tributaries, emergency fund	500,000	500,000	500,000	500,000
Flood control, Sacramento River	4,000,000	3,500,000	4,000,000	3,600,000
Total, all flood control	510,162,600	388,000,000	493,084,300	437,430,400

[32] $12,000 included under construction.
[33] $75,000 included under construction.
[34] $75,000 included under construction.
[35] $50,000 included under construction.
[36] $50,000 included under construction.
[37] $100,000 included under construction.
[38] $75,000 included under construction.
[39] $25,000 included under construction.
[40] $25,000 for planning included under construction.
[41] Includes budget estimate of $70,000,000 which is to be allocated in accordance with allocation figures submitted to the committee of the budget estimate total, an additional $3,000,000, which is to be allocated by the Corps of Engineers, and $500,000 for the Devil's Swamp project.
[42] Items of work for construction included in the budget estimate of $70,000,000 are to be reduced proportionately in amount this appropriation is under the budget estimate.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Senators for routine matters without debate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ENTITLED "MISSOURI RIVER BASIN AGRICULTURAL PROGRAM"

A letter from the Secretary of Agriculture, transmitting a report entitled "Missouri River Basin Agricultural Program" (with accompanying papers); to the Committee on Agriculture and Forestry.

AUDIT REPORT OF FEDERAL CROP INSURANCE CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Federal Crop Insurance Corporation for the fiscal years ended June 30, 1946, 1947, and 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT OF FEDERAL HOME LOAN BANKS AND HOME LOAN BANK BOARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Federal Home Loan Banks and the Home Loan Bank Board for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry:

S. 2383. A bill to give effect to the International Wheat Agreement signed by the United States and other countries relating to

the stabilization of supplies and prices in the international wheat market; with amendments (Rept. No. 1123).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 4966. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds; with an amendment (Rept. No. 1125);

H. R. 4967. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu; with an amendment (Rept. No. 1126); and

H. R. 5489. A bill to ratify and confirm Act 251 of the Session Laws of Hawaii, 1949; without amendment (Rept. No. 1127).

ELIZABETH K. WEVER

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, to pay a gratuity to Elizabeth K. Wever, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 178) was read, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Elizabeth K. Wever, widow of Russell E. Wever, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 5, 1949, he presented to the President of the United States the following enrolled bills:

S. 934. An act to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland;

S. 1407. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; and

S. 2085. An act to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Lowell B. Mason, of Illinois, to be a Federal Trade Commissioner for a term of 7 years from September 26, 1949 (reappointment).

NOMINATION OF LELAND OLDS TO BE MEMBER OF FEDERAL POWER COMMISSION—EXECUTIVE REPORT OF A COMMITTEE

Mr. JOHNSON of Texas. Mr. President, as in executive session, by direction of the Committee on Interstate and Foreign Commerce, I report adversely the nomination of Leland Olds to be a member of the Federal Power Commission, with the recommendation that the nomination be not confirmed.

The VICE PRESIDENT. The report will be received, and the nomination will be placed on the Executive Calendar.

Mr. KNOWLAND. Mr. President, for the information of the Senate, will the Senator from Texas indicate what the vote of the committee was on the nomination?

Mr. JOHNSON of Texas. Ten to two adversely.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPARKMAN (for himself and Mr. McCARTHY):

S. 2639. A bill to raise the limit placed on the monthly disability compensation payable to veterans suffering from service-connected quadraplegia; to the Committee on Labor and Public Welfare.

By Mr. JOHNSTON of South Carolina:

S. 2640. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MORSE:

S. 2641. A bill for the relief of Kenn D. Rude; to the Committee on the Judiciary.

(Mr. MORSE also (by request) introduced Senate bill 2642, to assist the several States in making more adequate provision for the care and treatment of the mentally sick in State institutions, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. KEFAUVER:

S. 2643. A bill amending the Independent Offices Appropriation Act, 1950, as respects readjustment benefits for veterans; to the Committee on Labor and Public Welfare.

By Mr. BUTLER:

S. 2644. A bill to provide for the transfer of certain mares of the Remount Service to the University of Nebraska; to the Committee on Agriculture and Forestry.

(Mr. MAYBANK introduced Senate Joint Resolution 134, to amend the National Housing Act, as amended, and for other purposes, which was considered, read the third time, and passed, and appears under a separate heading.)

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. JOHNSTON of South Carolina submitted the following resolution (S. Res. 179), which was referred to the Committee on Rules and Administration:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $3,000 (in addition to amounts heretofore made available for such purposes), shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 2087. An act for the relief of Joseph T. Sypko; and

H. R. 2854. An act for the relief of Wade H. Noland; to the Committee on the Judiciary.

H. R. 3605. An act to provide for the documentation of the Canadian-built vessel *North Wind* owned by a citizen of the United States; to the Committee on Interstate and Foreign Commerce.

H. R. 2919. An act authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse; and

H. R. 5105. An act to authorize the sale of certain alloted inherited land on the Pine Ridge Reservation, S. Dak.; to the Committee on Interior and Insular Affairs.

INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS—RESIGNATION AND APPOINTMENT OF CONFEREE

Mr. FLANDERS. Mr. President, I tender my resignation as a member of the committee of conference on the bill H. R. 1689, to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The VICE PRESIDENT. The resignation will be noted.

Mr. FLANDERS. I may say the chairman of the committee was prepared to submit a new candidate for that high office, but he evidently has left the Chamber.

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, since the junior Senator from Vermont [Mr. FLANDERS] has resigned from the conference committee on the executive pay bill, I ask that the Senator from Minnesota [Mr. THYE] be appointed in his stead.

The VICE PRESIDENT. Without objection, the Chair appoints the Senator from Minnesota [Mr. THYE] a conferee in place of the Senator from Vermont [Mr. FLANDERS].

GIVE-AWAY SHOW WEAKENS AMERICA—ADDRESS BY SENATOR WHERRY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "Give-Away Show Weakens America," delivered by him before the Frozen Food Locker Institute, at Chicago, Ill., on October 4, 1949, which appears in the Appendix.]

THE FARM PROGRAM—ADDRESS BY SENATOR AIKEN

[Mr. THYE asked and obtained leave to have printed in the RECORD an address on the farm program, delivered by Senator AIKEN at Blue Earth, Minn., on September 24, 1949, which appears in the Appendix.]

THIRD ANNUAL HARVEST OF HARMONY

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD a statement entitled "Third Annual Harvest of Harmony," prepared by him, relating to the program of the Society for the Preservation and Encouragement of Barber-Shop Singing in America, Inc., which appears in the Appendix.]

THE POLL TAX—PROPOSED AMENDMENT TO VIRGINIA CONSTITUTION

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an article entitled "Proposed Vote Reforms Defended," published in the Roanoke (Va.) Times of October 2, 1949, which appears in the Appendix.]

TRADE RELATIONS WITH RUSSIA AND OTHER COUNTRIES BEHIND THE IRON CURTAIN

[Mr. IVES asked and obtained leave to have printed in the RECORD an article entitled "Iron-Curtain Threat," written by A. N. Spanel, chairman of the International Latex Corp., and an article entitled "Soviet Trade Piracy in the United States," written by J. Anthony Marcus, and published in Plain Talk, which appears in the Appendix.]

THE ROLE OF THE FREE PRESS

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "National Newspaper Week Is People's Freedom Week," published in the Janesville (Wis.) Daily Gazette of October 3, 1949, which appears in the Appendix.]

THE STORY OF STEEL—EDITORIAL FROM THE NEW YORK POST

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "The Story of Steel," from the New York Post Home News of October 5, 1949, which appears in the Appendix.]

LEAVE OF ABSENCE

Mr. FLANDERS asked and obtained consent to be absent on official business for the remainder of the month.

TRANSFER OF VILLAGE CARRIERS IN SECOND-CLASS POST OFFICES TO CITY DELIVERY SERVICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes, which was, on page 2, to strike out lines 6 to 16, inclusive, and insert:

SEC. 3 (a) In assigning carriers in the village delivery service to salary grades in the city delivery service, each village carrier shall be assigned to the lowest grade provided for regular positions in the city delivery service. Each such carrier shall retain credit in his position in the city delivery service for all annual and sick leave which he has accrued and for compensatory time off due for service performed.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, and Mr. ECTON conferees on the part of the Senate.

ERNEST J. JENKINS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 377) for the relief of Ernest J. Jenkins, which was, on page 1, line 6, to strike out "$21,600" and insert "$10,000."

Mr. RUSSELL. I move that the Senate agree to the amendment of the House.

The motion was agreed to.

CARE AND TREATMENT OF THE MENTALLY SICK IN STATE INSTITUTIONS

Mr. MORSE. Mr. President, I ask unanimous consent, out of order, to introduce a bill to provide some Federal assistance to the States in regard to the building and operation of State hospitals. I wish to say a word or two about the bill.

I am introducing the bill as a courtesy to Samuel and Helene Friedman, of Oregon, who are officials of the American Equity Association, an association interested in improvement of the care of the mentally ill. I am introducing it because I think the bill is sufficiently meritorious to entitle it to committee consideration. But I wish to make very clear as I introduce the bill that some of its provisions may be too broad. I am open-minded as to its provisions. I reserve the right to offer amendments to the bill, based upon the facts and evidence brought out in the hearings, and also reserve the right to vote against the bill if the hearings convince me that the bill is not deserving of passage. But I think both the objective of the American Equity Association and their bill are sufficiently meritorious so that the Senate should give the bill early hearings.

There being no objection, the bill (S. 2642) to assist the several States in making more adequate provision for the care and treatment of the mentally sick in State institutions, introduced by Mr. MORSE (by request), was read twice by its title, and referred to the Committee on Labor and Public Welfare.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry be given two additional days to consider the long-range price-support legislation. I should like to state a few of the reasons for my request.

It is inconceivable to me that the Committee on Agriculture and Forestry could properly consider the amendments proposed and all the implications and charges made on the floor yesterday in the very short time which has been allotted. For example, I read in the RECORD that the Senator from Vermont [Mr. AIKEN] believes that if the bill should pass in the form in which it was recommitted to the Committee on Agriculture and Forestry we would have to make available $5,000,000,000 more to the Commodity Credit Corporation to carry out the program. I believe that statement is erroneous, and is not based upon facts. I believe that the committee should hold hearings to determine how accurate that statement is.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WHERRY. To what page of the RECORD is the Senator referring?

Mr. YOUNG. Page 13774.

Most of the opposition to the Russell-Young amendment was with regard to wheat. I should like to point out that in the spring-wheat area at present, and for most of the fall, wheat has been selling above support levels. While I was at home only a month ago one of my sons sold wheat for $2.04 a bushel. The support level was $1.97 a bushel. Since then the price of wheat has increased 4 or 5 cents a bushel. I do not believe that the Commodity Credit Corporation should encounter any loss whatever in the price-support program for wheat.

The charge was made that it would cost the consumers a great deal more for their food requirements. I should like to point out that in this bill there are mandatory supports of 75 to 90 percent for butterfat and milk, under a parity formula which raises the support level.

In the case of the basic commodities, the bill reduces the support levels. For perishable commodities it raises support. For example, under the present support program parity for butter is 57.8 cents a pound. Under the new formula it would be 65.7 cents a pound. Ninety percent under the old program, which is mandatory, would be 50 cents, and 90 percent under the new program would be 59 cents, or an increase of 9 cents a pound for butterfat to the consumers under the Anderson bill, as against present support levels.

In the case of whole milk, milk under the support program now in operation, 100 percent of parity is $3.51 per hundredweight. One hundred percent of parity under the new formula is $4.09 per hundredweight. Ninety percent of parity, or support price, under the new formula is $3.15 per hundredweight. Under the new bill, which is supposed to save money, 90 percent of parity is $3.68.

Another statement which my friend and colleague the distinguished senior Senator from Vermont [Mr. AIKEN] made is that the bill with the 90-percent mandatory support amendment would cost more to operate than the Brannan plan would. I think that statement is completely in error, for the Brannan plan seeks not only to support at rigid levels, at 100 percent of parity, the basic commodities, but it would add others. I should like to read the list of products which would be included: Corn, cotton, wheat, tobacco, whole milk, eggs, chickens, hogs, cattle, and lamb.

If the statement made by the distinguished senior Senator from Vermont is correct, namely, that the Brannan plan would be cheaper than the Anderson bill with the Young-Russell amendment, in short, that we could support prices at 100 percent of parity cheaper than we could support them at 90 percent of parity and add other commodities, then I believe the committee should consider the Brannan plan and should report it favorably, if that statement is true.

I noticed that many of my Republican colleagues voted against 90-percent supports. I believe they should take time to read the hearings at the recent Republican farm conference at Sioux City. I believe I was the only one who was there all the time. Of the more than 100 witnesses who testified, there were

only about 5 who opposed price supports of any kind. I should like to have anyone point out a single farmer who testified at those hearings and who wanted support of any kind asked for lower support levels. I think my Republican colleagues, if they want farm votes next year, should read that record.

I note, too, that the Anderson bill does an excellent job for the dairy farmers, and I am entirely in favor of that; but many of the Senators from the dairy States voted to recommit the bill. I think they should have an opportunity to appear before the committee and say whether they are in favor of the supports or are opposed to them, and to state why they voted to recommit the bill. I think we should know something about the sentiment of these dairy-State Senators who voted to recommit.

The VICE PRESIDENT. The Senator from North Dakota has requested unanimous consent that the Committee on Agriculture be given 2 days, or 48 hours additional, before reporting the farm bill, in addition to the time provided by the motion to recommit the bill, which was adopted by the Senate last night.

Is there objection to the request?

Mr. AIKEN. Yes. Is it debatable?

The VICE PRESIDENT. It is not debatable.

Mr. AIKEN. Then I object.

The VICE PRESIDENT. The Chair might state that, by custom, under the reservation of the right to object following such unanimous-consent requests, discussion often is engaged in. But it is not in order; and any Senator may call for the regular order at any time, and then the Chair must put the question as to whether there is objection.

Mr. WHERRY. So, Mr. President, as I understand the application of the rule, as now expounded by the President of the Senate, it is that if a unanimous-consent request is made and if some Senator reserves the right to object, he can then discuss the request as long as no other Senator asks for the regular order.

The VICE PRESIDENT. The Chair did not quite state that.

Mr. WHERRY. How would it work out?

The VICE PRESIDENT. By custom, that practice has been indulged in; but, as a matter of fact, a unanimous-consent request is not debatable, under the rule.

Mr. WHERRY. I agree with the distinguished President of the Senate as to that. Yet for 7 years it has been customary in the Senate, in case a Senator has wished to have a further explanation made of such a request, so that he could understand it, for the Senator seeking such information to rise and state, "Reserving the right to object, may I ask the distinguished Senator to give an explanation," or a definite question would be asked the Senator proposing the request.

The VICE PRESIDENT. The Senator is correct. It has been a custom which has been indulged in.

Mr. WHERRY. Yes. I think it is a very workable one. I am not taking sides about what was done yesterday; I was not here to participate in that proceeding. But I think the custom is a good one, because very often, following a unanimous-consent request, if opportunity to understand the request is afforded, the request is agreed to. If there is a misunderstanding or lack of understanding, the only other course is for objection to be made. That is according to the rule, and I agree with the Chair's announcement of the rule.

It seems to me it is not only a courtesy to permit an explanation to be requested and made, but I think it is a good custom to permit a Senator to reserve the right to object, following the propounding of a unanimous-consent request; and then, if unnecessary debate transpires, all that any Senator need to do is request the regular order.

However, it seems to me that the point to be borne in mind is that following the propounding of a unanimous-consent request, if opportunity for an explanation is afforded, under the custom in connection with the statement "Reserving the right to object," such a procedure makes it possible for Senators to understand the request; and in many cases, once the request is understood, there is no objection. However, if under such circumstances long debate ensues, any Senator can demand the regular order so I think the procedure is a very good one.

Mr. HOLLAND. Mr. President, reserving the right to object, let me say I have no objection at all to having the Senate grant the courtesy requested; but I should like to be allowed the privilege by the Senate, unless objection is made, to make a brief observation, first, with respect to the statement made by my very good friend the Senator from North Dakota [Mr. YOUNG], who certainly has worked earnestly and zealously in trying to report from the committee and bring to the floor an adequate farm program, for which I commend him. However, I believe a statement should be made for the RECORD at this time—and I hope the Senator from North Dakota will follow me—regarding the statement he made to the effect that the action taken last night in adopting the amendment offered by the Senator from North Dakota, for himself and the distinguished junior Senator from Georgia [Mr. RUSSELL], did not raise the support price. I ask the Senator to reexamine the situation and see if it is not true—for I am certain it is true—that in the case of rice and flue-cured tobacco and burley tobacco, the action taken by the Senate in adopting the Young-Russell amendment would substantially increase the support price above the present wartime program price and above the 90 percent program price involved in the Gore bill, the figures being, in the case of rice, an increase from $1.78 a bushel, under the 90-percent parity, as it would be continued under the Gore bill for 1 year, to $2.07 per bushel, or an increase of 29 cents a bushel, which I think the Senator will agree is a substantial increase.

In the case of flue-cured tobacco, the increase would be from 42.2 cents a pound to 45.3 cents a pound, or an increase of 3.1 cents a pound, which I believe the Senator will agree is a substantial increase.

In the case of burley tobacco, the price would rise from 41 cents a pound to 46 cents a pound, or an increase of 5 cents a pound, which I believe the Senator likewise will agree is a substantial increase.

I would not want the statement made by the distinguished Senator from North Dakota to be misunderstood by anyone as having ignored the facts, which I believe to be facts, as I have just stated them for the RECORD.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. I believe the Senator knows that my amendment did not cover tobacco. It is a very favored farm product. It gets 90 percent of parity, regardless of my amendment.

There the Anderson formula will result in an increase for rice, as the Senator has indicated; but rice is a small crop.

But the whole hue and cry about the big additional cost in supporting basic commodities—cotton, wheat, and corn—under the Young-Russell amendment is completely wrong.

I wish to point out that under this support program, the support level is actually being lowered as a result of the new parity formula. Wheat under this parity formula is being reduced from $2.15 to $1.90 a bushel; and if we take 90 percent of that, which is the support price, you certainly do not have an unreasonably high support.

Mr. HOLLAND. I call attention to the fact that although the Senator may not have intended to bring about an increase in the case of the three items I have mentioned, nevertheless the action which was taken in adopting the Young-Russell amendment would have that result.

His amendment is applied to the Anderson bill which fixes a different standard upon which the parity figures are based, including the price of hired labor, which the Senator so strongly advocated in committee.

Mr. President, still reserving the right to object, I should like further to call the Senator's attention to the fact that the principal reason for hired labor being placed in the formula was because of the insistence of the Senator from North Dakota, in which I think he was sound, that the wheat growers would be more adversely affected by the changed support program than any other group, as compared with present operations. It so happens that they are more fully protected, they are getting more generous treatment under the present plan than any other group. The committee, in an effort to ease the reduction for wheat growers—and largely on that account, I think the Senator will agree—finally agreed to the inclusion of hired labor as one of the new elements to be used under the Anderson program in an effort to ease off the reduction, to be visited upon the wheat growers in the event the Anderson plan was adopted.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield further.

Mr. YOUNG. I appreciate the statement of the able Senator from Florida that I was instrumental in having it included, because it tended to increase the parity program by 6 or 7 percent over the Aiken formula. But it is still 25 cents

below the present parity program, but 10 cents a bushel over the Aiken program. What I am trying to point out is that 90 percent under this new formula does not increase the support level. All it does is eliminate a drastic feature. It does not affect the Anderson bill one iota, so far as next year is concerned. The Anderson bill provides 90 percent for the next year.

Mr. HOLLAND. I appreciate the remarks of the distinguished Senator. I am perfectly willing to allow the additional 2 days, except I call his attention and the Senate's attention to the fact that we are working toward a speedy adjournment, and I think by all means the Senate should have the bill back in time to pass it and then go through conference with the House. I have no objection to the request.

The VICE PRESIDENT. Is there objection?

Mr. HICKENLOOPER. Mr. President, reserving the right to object, I should like to ask the Senator from North Dakota just what date it would require? That is, what is the last date the bill would be required to be returned to the Senate, under his request? I have made some long-range plans for the early part of next week, which I should like to fulfill if at all possible. I shall have to change them, now, in view of the existing situation.

Mr. YOUNG. I should be willing to withdraw the request, if the various Senators do not care to appear, or if my friend, the Senator from Vermont [Mr. AIKEN], will change his statement that the Anderson bill, as amended, would cost more than the Brannan plan. I think it is very significant and very important. It we can support farm products as 100-percent parity, we should take that program.

Mr. HICKENLOOPER. I am not asking the Senator to withdraw the request. I am merely asking about the program, so I can make my own plans.

Mr. YOUNG. I would also withdraw my objection, if my Republican colleague would take a little time this afternoon and tonight to read the farm conference hearings.

Mr. HICKENLOOPER. Still reserving the right to object, my question was, when is the latest date that the bill would again be reported to the Senate, under the request of the Senator from North Dakota?

The VICE PRESIDENT. The Chair might suggest it would be 9:15 Saturday night. The 48 hours ran from 9:15 last night, and a 2 days extension would run it to 9:15 Saturday night.

Mr. HICKENLOOPER. It would be reported, whether or not the Senate was in session, would it?

The VICE PRESIDENT. It would be possible to get consent to do so, if the Senate were not in session. The consent granted does not include that.

Mr. AIKEN. Mr. President, reserving the right to object, I may say I can well understand the desire of the Senator from North Dakota for more time in which to work on the bill which was recommitted last night, but if we are going into hearings on the situation we should not limit the time to 2 days. That would afford only sufficient time for the Secretary of Agriculture and the Commodity Credit Corporation to come before the committee to present one side of the picture. To that I very strenuously object. If the Senator desires to remove the time limit, or if he desires to extend the time so that an adequate hearing can be held, I shall then have no objection to it. But I think we would require at least 4 days, and should not allow time merely for the Secretary and the Commodity Credit Corporation to present their side of the picture.

As for withdrawing the statement that a rigid 90-percent support will cost more than the Brannan plan, I certainly cannot withdraw a statement of fact. The difference between the 90-percent support advocated by the Senator from North Dakota and the Senator from Georgia [Mr. RUSSELL], and the Brannan plan, is this: The Brannan plan indeed advocates high supports. But supports are only one part of the Brannan plan. The Secretary of Agriculture presented a completely rounded program, involving complete controls over farm production and land use practices. The cost of the Brannan program could be controlled. It could be one billion a year or five billion a year, depending on the manner in which the Secretary would apply it. The proposition of the Senator from North Dakota and of the Senator from Georgia for rigid 90-percent supports presents a matter of simply getting price, without program, and it certainly would in the long run, in my opinion, cost as much or more than the Brannan plan.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. The Senator says there would be a 90-percent support, without control. It only applies when there is acreage control or when there are quotas. The Secretary can require 50-percent reduction in acreage if he wants to.

Mr. AIKEN. The Senator is entirely mistaken. The amendment which he offered yesterday provides for 90 percent at all times because it provides mandatory supports when there are acreage allotments or quotas in effect. The Secretary is required to proclaim the allotments on five of the basic commodities every year.

Mr. YOUNG. Our only intent was to get the 90-percent support when there is a proclamation of acreage allotments or quotas. There should be no question about the matter.

Mr. AIKEN. Certain provisions of the 1938 law, which have never been repealed, require the Secretary to proclaim acreage allotments every year. That means we would have mandatory 90-percent supports every year. The Senator from North Dakota could overcome that by withdrawing the provision relating to acreage allotments and have a 90-percent support.

Mr. YOUNG. Mr. President, will the Senator yield again?

Mr. AIKEN. I yield.

Mr. YOUNG. I do not at all follow the Senator. We have been under a support program for years. This is the first time we have had acreage control for a long while.

Mr. AIKEN. Because the acreage allotments were suspended during the war, as they could be under the law. The law says the Secretary shall proclaim acreage allotments before a certain time each year. But that provision can be suspended in the event of a national emergency. It was suspended during the war. But now that the war is over, now that 2 years have elapsed since the war was over, the Secretary is again complying with the law. That is his reason for proclaiming acreage allotments for wheat this year. It would make the situation better, of course, if the Senator from North Dakota would have the amendment read 90-percent support should be in effect only when quotas are in effect, or should be mandatory only when quotas are in effect.

Mr. YOUNG. As one of the sponsors, I should be perfectly willing to have the amendment apply only when a reduction of acreage is required, and certainly the Secretary would not require a reduction of acreage unless he thought there was a surplus, and he could control that as he desired.

Mr. AIKEN. The 90 percent would undoubtedly be in effect anyway when an increase of acreage was required, but it would be much better if the Senator would have his amendment read that 90-percent support should be mandatory when quotas were in effect, and drop out the acreage allotment.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

Mr. LUCAS. Mr. President, reserving the right to object, I want to make one statement. The distinguished Senator from Oklahoma appointed a subcommittee with the Senator from New Mexico [Mr. ANDERSON] as chairman. The subcommittee held hearings for days and weeks upon this very question.

As I recall, thousands of pages of testimony were taken. In addition to that, in order to satisfy everyone, the distinguished chairman of the committee called further hearings when the subcommittee reported back to the full committee, and hearings were held on August 22, 23, 24, and 25 of this year. I hold in my hand a copy of those hearings containing 152 pages of testimony.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LUCAS. I shall yield in a moment. It seems to me, in view of all the testimony which has been taken, it would be fruitless to start hearings again on a 2-day basis. We could not do that.

I now yield to the Senator from North Dakota.

Mr. YOUNG. Mr. President, the Senator is so convincing that I withdraw my request.

Mr. LUCAS. I thank the Senator.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. THOMAS of Oklahoma. At or about what hour is the Committee on Agriculture and Forestry expected to report back to the Senate?

The VICE PRESIDENT. At 9:15 p. m. on Thursday next. The bill was recommitted last night at 9:15 p. m. with instructions to report back to the Senate within 48 hours.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that, as chairman of the committee, I may have until 9:15 tomorrow night to make the report.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. THOMAS of Oklahoma. That is on condition that the Senate is not in session.

RURAL TELEPHONES

The Senate resumed the consideration of the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes.

Mr. THOMAS of Oklahoma. Mr. President, the bill now before the Senate is the so-called rural telephone bill. The committee report on this bill is somewhat brief, and in order that the report may be made more public than it is in its present form, I ask permission to have a copy of the report printed at this point in the RECORD in connection with my remarks.

There being no objection, the report (No. 1071) was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry, to whom was referred the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, having considered same, report thereon with a recommendation that it do pass with amendments.

STATEMENT

Since the passage of the Rural Electrification Act in 1936, this country has witnessed the introduction and operation of a program which has brought untold benefits to farmers. The rural electrification program has been successful from many standpoints as well as that of the extension of electricity to many areas which did not have such service. Today the increased use of electricity on farms is an important element in improving the standard of living of both our farm and nonfarm population.

Telephone service has not kept pace with the extension of electrical service in our rural areas. While there are conflicting estimates as to what percentage of our farmers have adequate telephone service, the record is clear that too many of them are handicapped because they do not have any service at all or the service is not efficient and reliable. In fact the lack of good rural telephone systems is even working hardships on the extension of electrical service to rural areas because the farmer is unable to notify the local company or cooperative that the electrical service has broken down. The question is not whether more or less than 50 percent—or any similar percentage—of our farmers have telephone service, the problem is how to extend such service to the many who do not have it as fast and as efficiently as possible. Your committee believes the bill, H. R. 2960, embodies a program which will help solve this problem and will enable the Government to carry out its proper role in the needed extension of more telephone service to our rural people.

The purpose of this legislation is twofold: first, it provides loans for the expansion of telephone service in rural areas which include cities and villages of 1,500 population or less, and second, it provides loans for the expansion of telephone service in the areas surrounding towns and cities of more than 1,500 population and their suburban residential areas.

GENERAL PROVISIONS

The bill authorizes the Administrator of the Rural Electrification Administration to make loans for the purpose of financing the improvement, expansion, construction, acquisition, and operation of facilities to render telephone service in rural areas. The loans will bear interest at 2 percent and are subject to the same terms and conditions as loans made for rural electrification. The Administrator shall not make a loan unless the security therefor is reasonably adequate and in his judgment such loan will be repaid within the time agreed. Preference must be given to the applications of persons already providing telephone service and to cooperative, nonprofit, limited dividend and mutual associations. In States having a regulatory body authorized to regulate telephone service, an applicant for a loan must first obtain a certificate of convenience; and in the other States, the Administrator must determine that no duplication of service will result or that the existing system is unable or unwilling to provide reasonable service.

AMENDMENTS

The committee recommends the bill as passed by the House be amended in several instances. Loans for refinancing have been prohibited as the committee believes it would be unsound for the Government to refinance present loans at what would undoubtedly be a lower rate of interest and thereby give an unfair advantage over corresponding companies not receiving such loans. A second amendment would strike out the provision for loans for consolidation, as the intent of the legislation is not to create a vast network under one system but to guarantee adequate and reliable local service. Of course, these local systems would be connected with trunk lines or toll wires for long-distance service.

The bill presently provides preference for loans to persons providing telephone service in rural areas and to public bodies, cooperative, nonprofit, limited-dividend, and mutual associations. The committee recommends that public bodies be stricken from the groups having preference in receiving loans as contemplated by this legislation.

The bill is also amended by providing a 1-year period, instead of 6 months, for persons now operating telephone systems to submit their applications before any other applications are received. This procedure is amended further by providing that applications of existing telephone companies, which are applicable to a certain locality, must be processed before the applications received from other persons concerning that locality can be acted upon.

Another amendment would prohibit loans being made to any person who is furnishing service through a telephone system which has more than 1,500 subscribers in rural areas. As a rural area is defined as including any city, village, or borough having 1,500 inhabitants or less, the subscribers in such towns or villages would be included in the limit of 1,500 subscribers. However, cities and villages of 1,500 population or less would, probably without exception, have less than 500 telephone subecribers, thus allowing service up to 1,000 rural subscribers under this provision.

The prohibition against duplication of lines in those States not having a State telephone regulatory body is amended to provide that the Administrator must make his finding in writing in determining that there will be no duplication; or where there may be duplication, he must determine that the existing systems in such areas are unable or unwilling to provide reasonable service before loans can be made.

The bill as passed by the House contained a definition of telephone service for the purposes of the rural telephone-loan program. This definition is amended to state that such systems are those for which voice communication through the use of electricity and wire connections between the transmitting and receiving apparatus is the principal intended use thereof.

The Rural Electrification Act defines a rural area as any area not included within the boundaries of any city, village, or borough having a population in excess of 1,500 inhabitants, and such term shall be deemed to include both the farm and nonfarm population thereof. The bill is amended to include a definition of rural area for the purposes of the rural telephone program, which states that a rural area shall be any area not included within (1) the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 1,500 inhabitants, or (2) any suburban residential area adjoining any such city, village, or borough.

CONCLUSION

Your committee believes that an adequate and reliable rural telephone system is vital to the well-being and economy of the country. Therefore, it strongly recommends the enactment of H. R. 2960, as amended, at the earliest possible date.

Mr. THOMAS of Oklahoma. The bill is very simple. It merely provides for an extension and broadening of the powers of the REA so as to enable it to make loans out of money appropriated by the Congress to existing telephone companies and to new companies which may be organized for the purpose of installing rural telephone service. There are only a few points to which I desire to invite the attention of the Senate before I ask for the consideration of the amendments.

The bill provides for the initiation of this program on a relatively small scale. It provides that persons desiring to organize companies shall be limited to a total number of 1,500 telephones. The REA law provides that they shall be limited to cities or towns or villages of not exceeding 1,500 population. We extend the same size of areas to the telephone system to be organized. In other words, the telephones are to be installed in rural areas, and the existing REA system defines a rural area to be any place outside of a city which has a population not exceeding 1,500 persons, so that any village or town outside of a city of that size is considered to be a rural area.

As I have stated, the bill starts out on a small scale, on the theory that if the system should become popular, and if, thereafter, Congress should desire to enlarge the operations of the new system, it could amend the law to include larger areas.

Loans are to be made out of money appropriated by the Congress. Congress has already appropriated money in connection with an existing bill which is now in conference, in the sum of $250,000, for the REA to use as expense money for hiring the necessary personnel to prepare the forms, and I assume that legal services are required to guide the Administration with respect to its authority under the law.

In addition to the $250,000 which has been appropriated, if the House agrees and the bill finally becomes law, there

will be carried an item of $25,000,000 with which the REA Administrator can make loans. I thought it good policy to have the money provided for at the same time the bill was being considered and passed. If the bill is not passed, of course the money is not expended.

The loans which the Administrator will make will be at the some rate which is effective in connection with REA loans. So the telephone loans will be on the same basis as the REA loans, which is 2 percent. At the present time the Treasury is getting its money at approximately 2 percent interest. I think the actual rate is a fraction less than 2 percent. That may be increased hereafter, but at the present time it is approximately 2 percent. So the Treasury can furnish the money at the same rate and the money can be loaned to the telephone cooperatives.

There is no new administration or bureau established in connection with the bill. The operation is by the REA.

Mr. President, I ask that the committee amendments be first considered, and thereafter such amendments as may be offered from the floor.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Without objection, it is so ordered. The clerk will state the committee amendments.

The legislative clerk proceeded to state the amendments, as follows:

On page 2, line 13, after the word "financing", to strike out "or refinancing"; on page 3, at the beginning of line 6, after "(f)", to strike out "section 7" and insert "sections 7 and 12"; in line 8, after "section 4", to strike out "in the second paragraph thereof" and insert "wherever they appear therein"; in line 9, after the numerals "201", to strike out "of this act."

The amendments were agreed to.

Mr. WHERRY. Mr. President, we have gone pretty rapidly. Have we passed the amendment on page 5?

The PRESIDING OFFICER. The amendments have been agreed to, to and including the amendment in line 9, striking out the words "of this act."

The clerk will state the next amendments.

The next amendments were in line 21, after the word "acquisition", to strike out "consolidation"; on page 4, line 1, after the word "to", to strike out "public bodies"; in line 3, before the word "from", to strike out "6 months" and insert "1 year"; in line 4, after the word "this", to strike out "act" and insert "title."

The amendments were agreed to.

Mr. HILL. Mr. President, the amendments which are now being stated provide for giving to any existing telephone company preference in obtaining loans, so that the existing telephone company may have the first opportunity to serve any particular area in the locality of the existing company. I strongly favor that proference. I think that what we want to do, so far as we can, is to encourage the existing private companies to do the job.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Alabama yield to the Senator from Georgia?

Mr. HILL. I yield.

Mr. GEORGE. Take the case of a privately owned telephone company in a small town of three or four thousand inhabitants. Is it given the opportunity to avail itself of the loan provision?

Mr. HILL. If it serves the rural areas.

Mr. GEORGE. It can get money only to extend lines into the rural areas?

Mr. HILL. It can get money to extend lines into, and improve service for, rural areas, although I wish to say to the Senator that the Senate committee struck out the word "refinancing," and I was going to say something about that a little further along.

Mr. GEORGE. I was going to ask about that, whether loans would be available to an existing company purely for the purpose of improving its present plant without extending its lines.

Mr. HILL. No; it would have to extend its lines into the rural areas. Then, when it extends its lines, or seeks to extend its lines into the rural areas, the question arises whether it might be necessary for it to do some refinancing. The House committee in its report, written by the gentleman from North Carolina, Representative COOLEY, made what I think is a very strong statement on that point. A portion of the money ought to be available if an existing company is to render service to rural areas, perhaps through some refinancing. In order to get the money under the bill, the existing company would have to serve rural areas. It is a rural-area-service bill.

Mr. GEORGE. Take the case of the average small town; the local exchange is already serving some rural homes.

Mr. HILL. The Senator is exactly correct, and I can say, and I think the distinguished chairman of the committee will agree with me, and that the distinguished Senator from Florida, a member of the committee which considered the bill, will agree, that the whole spirit and purpose of the bill is to encourage existing companies to do the necessary work, not to try to set up new companies to do the job, but to try to encourage an existing company to do it.

Mr. GEORGE. Does the bill provide for a competitive company coming into a small town?

Mr. HILL. No. There is nothing in the bill that would lend encouragement in any way to competitive companies to come into a town. On the other hand, we have a very good provision in the bill which prohibits duplication.

Mr. GEORGE. I should think, Mr. President, that in the case of a telephone company serving a small city or town of three or four thousand inhabitants, it would have lines running into the country.

Mr. HILL. That is correct.

Mr. GEORGE. If it is not to be able to improve its facilities, perhaps expand them somewhat, it could not do much in the way of expansion into more distant rural areas, to reach the farmers.

Mr. HILL. The Senator is eminently correct, and I was going to speak about that a little later. In other words, if there is an existing company, it has certain facilities, certain equipment, it has a switchboard to take care of so many calls that will serve so many customers. If the existing company is to serve additional rural clients, it will have to enlarge the switchboard and have greater facilities, and I strongly feel, as I think the Senator feels, as is indicated by the question, that we should encourage existing companies, rather than open the door and invite other companies. We want to encourage those now in business to do what is necessary.

Mr. GEORGE. I think so, because in a small town, generally speaking, the company is privately owned, the company is a small local company, conducing what is definitely a small business operation.

Mr. HILL. It is not only a small business operation, but it is a business which has been served practically 100 percent by private enterprise. So far as I can find, there is no municipality or governing body of any kind in the telephone business today. As I have said before, the spirit of the bill is to encourage the existing companies, existing private enterprises, to serve the rural areas.

Mr. SCHOEPPEL. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the distinguished Senator from Kansas.

Mr. SCHOEPPEL. Is my understanding correct that the distinguished Senator means that there would not be any competition with a local existing company, that it would not have to be a nonprofit mutual or cooperative type of company, in order to obtain benefits under the act and would consideration be given to any company that was in the small cities and rural areas doing business and furnishing telephone service?

Mr. HILL. Not only does it take in the very companies the Senator has described, ordinary profit, private enterprise companies, but the bill gives them the preference, as I think it should.

Mr. SCHOEPPEL. As was indicated by the distinguished senior Senator from Georgia, with reference to his own State, in my State, and a number of oth · rural States, I am quite sure, there are operating in small towns telephone companies that are rendering connecting service to rural areas, whereby the rural areas are served by a mutual type of telephone company, the cooperative type of telephone company, which is expecting the city or town telephone exchanges to furnish them an adequate type of switcher and other service. I have been wondering if experience of the Senator from Alabama has been that in the small towns telephone concerns have been encouraged to develop their lines into the country areas, so that they could give better and more expedited service, largely due to the fact that when the REA's came in, it became necessary to metallize telephone lines in order to better the service.

Mr. HILL. The Senator is entirely correct. That is what we seek to do in the bill, encourage small companies to provide greater and better local service.

Mr. WHERRY. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the Senator from Nebraska.

Mr. WHERRY. In the Senate hearings, on page 191, I find the testimony of a man named Frank S. Barnes, the head of an independent telephone association of Rock Hill, S. C., who has been in business there for 35 or 40 years. On page 197 the chairman addressed this question to Mr. Barnes:

The CHAIRMAN. What I would like to know as a member of the committee, Mr. Barnes, is what objection you have to the enactment of the legislation pending before the committee. I am assuming that you are opposed to the bill.

Mr. BARNES. We are opposed to the bill, the provisions of it.

The CHAIRMAN. That is what I meant. What are the objections?

Mr. BARNES. The objection is to the provision that provides for loans to municipalities or corporate bodies, which would be those which are served, and we feel that it does not protect investments of companies like my company that has made investments in order to render the service. We have private capital and have extended out. That would be placed in competition with Government financed and competing organizations, and there can be competition under provisions of the bill.

I should like to ask, in order to get a little light on that observation, whether he is correct, and what competing Government companies there are.

Mr. HILL. The Senate committee struck from the bill any preference for public bodies, which would mean any preference to any municipality. The distinguished Senator from Florida has advised me that he is going to offer an amendment to make public bodies ineligible for loans, and speaking for myself, I have no particular objection to the amendment. As I just stated in reply to the Senator from Georgia, I do not know of a municipality in the United States that operates a telephone service. We know that municipalities operate light and water service, but they have not gone into the telephone business, and I do not know why they should go into it, or why we should invite them to.

Mr. WHERRY. In Nebraska we do have public light and power service.

Mr. HILL. I called attention earlier to the fact that we struck from the bill any provision with respect to preference for public bodies. The only public bodies that might be affected would be ones such as the water or power districts in the State of Nebraska, and perhaps they exist in the State of Washington, and perhaps some in the State of Oregon, in connection with the Bonneville and Grand Coulee Dams. So far as municipalities are concerned, I would say they are out of the picture.

Mr. WHERRY. I appreciate the Senator's observation, and it clears up in my mind a part of the statement made by Mr. Barnes as it relates to the amendment of the distinguished Senator from Florida [Mr. HOLLAND], if and when such an amendment is adopted.

Mr. HOLLAND. Mr. President, will the Senator from Alabama yield to me for a brief observation?

Mr. HILL. Yes.

Mr. HOLLAND. On this particular point the information which came to the committee was that, out of some 19,000 telephone systems, one telephone exchange is owned by a municipality. The committee took action, at least as I understand, to strike municipalities and public bodies from the bill, but unfortunately, the committee acted at a place where it was effective insofar as striking them out of the preferential list of groups to whom loans could be made, but not sufficiently effective to strike them out entirely from the field of operations of loans to be made under this amendment, if the amendment is adopted. So I caused to be prepared an amendment which, adopted at a different place, would carry out what I at least understood to be the intention of the committee. That amendment has been printed and now lies on the table, and, after the committee amendments have been dealt with, I shall hope to get an opportunity to offer it.

Mr. WHERRY. Mr. President, will the Senator from Alabama yield to me so I may address another query to the Senator from Florida?

Mr. HILL. I yield.

Mr. WHERRY. Does that amendment, then, foreclose any provision that might be relied upon within the bill for any public power company in Nebraska obtaining the same right with respect to telephones they now have for rural electrification?

Mr. HOLLAND. I may say to the Senator that, as I understand, it precludes public bodies as such from obtaining the benefits of any loan.

Mr. WHERRY. Whether they be municipalities or any other political subdivisions which might have been incorporated?

Mr. HOLLAND. I believe that would be the effect of the amendment.

Mr. HILL. I think the Senator from Florida is correct about that. If the term "public body" were used, I think it would have the effect of aiding any body set up, established, or incorporated under any act of the local government, and I think that would include a public power district or a public water district just as it would a municipality. That would be my thought.

Mr. WHERRY. I do not know that they would ever want to use it in Nebraska.

Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. WHERRY. I should like to place in the RECORD a part of the testimony of Barnes, and in that connection I should like to know what the amendments would do, and what the provisions of the bill would do. We are attempting to legislate somewhat on the floor of the Senate. Legislation on the floor of the Senate sometimes has far-reaching effects. Mr. Barnes proceeds with his testimony on page 198. The chairman finally made this statement:

The CHAIRMAN. Well, under the provisions of this legislation, before a competing or duplicating system could be installed in your immediate vicinity, there would have to be a showing made to the REA authorities, and they would have to be convinced that either there are no telephone facilities there, or if they are there, they are not sufficient to satisfy a reasonable demand of the public.

Before the money could be granted and a system could be installed, there would have to be some sort of a license issued by the Department which would be in the nature of permission to set up a competing system. Now you have no occasion to fear that kind of a program against your organization, have you?

Mr. Barnes' answer was:

Mr. BARNES. If the provision is written into the bill, sir, and Mr. Lumpkin, who will follow me on the stand, has some concrete suggestions which he would like to make for protection of the industry under those conditions.

With respect to the loan feature; are there provisions within the bill which absolutely make it mandatory that a showing be made? If so, before whom is such showing to be made?

Mr. HILL. As the Senator knows, in States where there are public-service bodies, where it is necessary to obtain a certificate of convenience and necessity, those who desire to obtain such a certificate must obtain it from the public-service body.

Mr. WHERRY. In the State courts?

Mr. HILL. No; from the public-service commission of the State. If a State does not have such a public-service commission, the administrator has to make a finding and put the finding in writing, the finding being that there will not be duplication resulting from the loan. Such a finding must be made before a loan can be made.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. I should like to point out to the Senator from Alabama that the Administrator makes the determination.

Mr. HILL. In writing.

Mr. AIKEN. Which the lawyers have told us is quite different from a finding. As a layman I am unable to discern the difference. But the lawyers have told us that if the Administrator made a finding, a case could go into the courts and be held up indefinitely. If the Administrator made a determination, that was final.

Mr. HILL. I accept the Senator's correction. The Administrator makes a determination, and he is obliged to make it in writing.

Mr. WHERRY. Is there any appeal from the determination?

Mr. HILL. I do not know that there would be any appeal.

Mr. WHERRY. The bill provides that applicants must go to the duly organized and constituted body which issues certificates of convenience and necessity.

Mr. HILL. That is correct.

Mr. WHERRY. But if there be no such body, then the Administrator makes a determination. I do not know that that would ever occur, because I imagine most States have public service commissions. But if they do not have such a set-up—and I am not familiar with all the testimony respecting this matter—the determination is final, and there is no appeal from it.

Mr. STENNIS. Mr. President, will the Senator yield on that point?

Mr. HILL. Yes; I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I wish to bring up the matter of duplication.

Mr. WHERRY. I was about to inquire about that, but I suggest the Senator proceed.

Mr. STENNIS. I think that is a matter which it is well to have fully explored now, and a record made respecting it. On page 5, along about line 18, 19, or 20, it will be proposed to insert an exception in language to this effect: "Except where existing telephone systems in such area are unwilling or unable to provide reasonable service." That is a question of fact. That, of course, raises a question. Will the Senator from Alabama give us his opinion respecting this language; as to whether or not there would be a right of appeal to a court.

Mr. HILL. It is my opinion that it is doubtful that a party could go into court.

Mr. STENNIS. Mr. President, will the Senator yield further on that point?

Mr. HILL. Yes; I yield.

Mr. STENNIS. Does the Senator not think that that question should be clearly covered so there could be no doubt at all about it? Should not a short amendment be inserted providing that appeal may be taken to the court on this question of fact? Otherwise——

Mr. HILL. I hope the Senator is not going to suggest something that will mean that such matters will be tied up in court. Some REA proposals were carried into court by way of injunction proceedings. I hope the Senator does not mean to present invitation to such action by his proposal.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. STENNIS. Is it clearly in the mind of the Senator from Alabama that there would be a right of appeal?

Mr. HILL. It seems there might be.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. That right exists today.

Mr. HILL. Possibly.

Mr. WHERRY. That is not what I am talking about. I think no administrator should have the right of final determination without some right of appeal. I believe there should be a tribunal where the question could be reviewed, without relying on the injunctive process of the courts. I certainly think that right would exist without any language in the bill; but if there is any doubt about it, I think that can be clarified, so that if any person is injured he may appeal.

I like the language on page 5 with respect to duplicating lines. But suppose some person says the service is not adequate, and should be extended. Consider the investment of a man like Mr. Barnes. Mr. Barnes was apparently very favorable to this legislation. However, he pointed out in a very constructive way what any independent telephone operator in the rural communities would probably ask for. I am not worrying about the larger companies. So far as their rights are concerned, they can probably take care of themselves. However, it seems to me that if the Administrator is the sole one to make the determination, that gives him a great deal of authority and power. Should there not be a right of appeal somewhere along the line, exclusive of the injunctive process, which, of course, would be available?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. As I understand, in 36 States the procedure is laid down by State law, and there is a State agency which passes upon applications for new systems.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. Does the Senator from Vermont mean by that that there must be a showing of necessity and convenience in order to obtain a permit to invest in the telephone service?

Mr. AIKEN. That is correct.

Mr. HILL. Unless the operator can obtain a certificate of convenience and necessity from the State body, the commission, or whatever it may be called, which has jurisdiction, he is not eligible for a loan.

Mr. WHERRY. I understand; but I am talking about the States which the Senator from Vermont has mentioned. He says that there are 36 such States.

Mr. AIKEN. I think there are 36 States which have public service commissions. I assume that if the decision of the public service commission is unfavorable, the States provide for the right of appeal, and establish the procedure. That leaves 12 States without public service commissions. The new telephone lines are not to be built by the Government, but by a cooperative, a corporation, or a person. Any aggrieved party who felt that he had been unjustly treated would probably have the same recourse or right of appeal against a system built by a Government loan that he would have in the case of a private system which obtained money from the local bank. I suspect the procedure would be covered by the State law.

Mr. WHERRY. Would the appeal be to the Interstate Commerce Commission in that case?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HOLLAND. I served on the subcommittee before which this subject was considered, and I should like to state for the RECORD my understanding. I believe it was the understanding of the subcommittee. I see several members of the subcommittee present, as well as members of the full committee. If my understanding is at variance with theirs, they will, of course, correct me.

It was my understanding, in agreeing to the proposed committee amendment, that while we did not set up any new appeal body not now existing, or provide for an appeal in that sense, we did clearly intend that the right of recourse to the appropriate courts should be preserved and protected. We had in mind the fact that in those States in which there are public State agencies which have authority in this field, in all such instances there is available direct recourse to the courts. We did not want to take away from thousands of independent telephone companies which did not happen to exist in one of those States the same right which exists in the other States. So I say to the Senate that it was at least the understanding of the junior Senator from Florida in voting to approve this amendment and suggest its adoption by the Senate, that the full right of recourse to the appropriate judicial bodies was preserved. Under no other circumstances would I have wanted the bill reported favorably.

In completing my answer, let me say that the subcommittee and the committee found a completely different situation here from that which prevailed in the field of power prior to the enactment of the Rural Electrification Act. My recollection is that the evidence showed that there were more than 19,000 independent telephone companies existing in various parts of the Nation and serving important parts of the public, and that the proportion of farm homes, or rather homes outside urban areas -which is a more correct term to use—served throughout the Nation is close to 50 percent, whereas in the case of farms served by electricity prior to the REA, it was less than 10 percent. My recollection is that it was 7 or 8 percent. So we have a completely different problem and a completely different development of privately owned utilities to serve the field. As one member of the committee, under no circumstances did I wish to disturb the rights of independent companies to have full recourse to the courts in the event they were being improperly or unfairly treated by the decision of the administrator, rather far away from them in Washington.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. What did the committee do with respect to the right of appeal in the States which do not have corporate bodies to which an appeal can be taken, States in which an appeal is provided for in the State statutes? The Senator from Vermont [Mr. AIKEN] stated that there are 36 States which have established State agencies which issue certificates of public convenience and necessity. If an application is turned down, appeal is provided for by statute, as in Nebraska. What is the situation in a case in which there is no corporate body to which an appeal can be made? What right of appeal exists after the Administrator has made his finding?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HOLLAND. As one member of the committee, my understanding was that we left the rights of any independent agency in those States in such shape that they would be clearly protected in their right of recourse to the appropriate court. Without establishing a separate independent agency here, quite remote from them, we could not take care of their situation. It was our intention, as I understood, to leave full right of recourse to the judicial bodies in the various States as well as to the Federal courts.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. Would the Senator from Florida say that in the 12 States which do not have public-service bodies, one would have the same right of recourse against a telephone system financed by a Federal loan as against a system financed by a loan from a bank, or through private means? Would it be exactly the same right?

Mr. HOLLAND. Yes.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSTON of South Carolina. The bill provides, on page 5, line 8, as follows:

> In a State in which there is no such agency or regulatory body legally authorized to issue such certificates to the applicant, no loan shall be made under this section unless the Administrator shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, systems, or services will result therefrom in any area except where existing telephone systems in such area are unable or unwilling to provide reasonable service.

That is the very thing we are talking about.

Mr. WHERRY. That is correct; and that is the reason I am asking the question. The committee amendment proposes to grant the Administrator sole power to determine when and if a company can go into the State. It does not go in under State authority. It goes in under Federal authority, when the Administrator determines that certain service is needed. I think my question is still very important if he makes that determination, something which has not happened before.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HOLLAND. I again state it as my understanding that the committee amendment was to prevent any deprivation whatever of the full right of recourse to the courts. I think if the Senator will examine the amendment proposed by the committee he will find that to be the case. The original text of the bill read as follows:

> The Administrator shall determine, and his determination shall be final, that the loan sought to be obtained will not result in the duplication of telephone service to subscribers who are already receiving adequate and reliable telephone service.

As one member of the committee, I was wholly dissatisfied with that recital, because it appeared to give to the Administrator, in respect to the order he entered, a finality which would preclude the right of recourse to the courts. It might not have done so, but it appeared to do so. In order to avoid an appearance of taking away the right of recourse to the courts—again I am suggesting my opinion of why the committee took the action—the committee favored striking out the words I have just read, and inserting:

> No loan shall be made under this section unless the Administrator shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, systems, or service will result therefrom in any area except where existing telephone systems in such area are unable or unwilling to provide reasonable service.

It was my understanding, as one member of the committee, at least, that we were taking away entirely any idea of finality in the finding of the Administrator, but were leaving to any telephone company its full rights to be protected so far as the laws of that State or of the Federal Government would permit it to be protected by going to any court, either State or Federal, where its rights could be adjudicated.

Mr. WHERRY. Mr. President, where does the report contain a statement in line with the observations which have just been made by the Senator from Florida? Perhaps the Senator will look it up later.

Mr. HILL. Very well.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from Pennsylvania.

Mr. MARTIN. Under the proposed amendment on page 5, beginning in line 14, if it were necessary for the Federal Administrator to foreclose on a loan, and take over one of the telephone systems, who would control? Would the Federal Government or would the State authorities control?

Mr. HILL. I would say the property would then belong to the Federal Government. The State really has no interest in the matter, except insofar as compliance with the State statute in regard to its certificate of convenience and necessity might be involved. Of course the mortgage would be held by the Federal Government; and if the Federal Government foreclosed on the mortgage, the Federal Government would own the property.

Mr. MARTIN. Mr. President, will the Senator yield for a further question?

Mr. HILL. I yield.

Mr. MARTIN. Does not the distinguished Senator from Alabama think it is very much more important to keep all types of communication independent from a central authority, and more independent than would be the case regarding electric lines or water lines, because communications are vital so far as the country is concerned?

Mr. HILL. That is one of the purposes of the bill, namely, to keep communications decentralized and to assist small communities to help rural areas, so as to make them independent. That is one of the purposes of the bill.

Mr. MARTIN. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. MARTIN. Could there not be included in the bill some provision whereby, when it is necessary for the Administrator to foreclose, the companies foreclosed could be put under some independent authority? I am anxious to make sure that all communications will be decentralized. All the communications we have today—radio, telephone, and telegraph—are operated as private enterprises, and we have in this country a freedom of communications which no other country possesses. So I wonder whether some such provision could be made.

Mr. HILL. I agree with the Senator from Pennsylvania, and I say that one of the purposes of the bill is to help private enterprise remain as it is, so that it can carry on, do the job, and remain decentralized. That is the very purpose of the bill.

Mr. MARTIN. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. MARTIN. I have some figures about which I should like to ask the distinguished Senator from Alabama. The figures I have are to the effect that since 1940 the number of rural telephones has about doubled; that since VJ-day there have been approximately 1,600,000 telephones installed in the rural areas. That means a thousand a day.

I wonder whether there is any great demand for a change in the theory and the practice which have prevailed since the beginning of the Nation.

Mr. HILL. I may say to the distinguished Senator from Pennsylvania that the figures in this case, as in a great many other cases, vary. But there were less rural telephones in 1945 than there were in 1920.

For instance, take the testimony of Mr. Caldwell, of North Carolina. He showed that in the city of Charlotte, N. C., itself, the Southern Bell Telephone Co. had installed more telephones in that one city in North Carolina since the war than it had in all the rural areas.

Of course, there is a question as to whether by rural areas is meant an area of farm land or an area just outside a city's limits. Of course, nearly all our cities—both our smaller cities, our medium-sized cities, and our great cities—have grown tremendously since the war. Many of them have such areas directly beyond the city limits. Many of the telephones in areas just beyond city limits are classified as being more or less rural telephones.

But we are talking about farm telephones. I have here figures, compiled by the National Rural Electric Association, which show that today about 32 percent of the farms in the members' service areas have telephones. As I have said, there were fewer farm telephones in 1945 than there were in 1920.

If the Senator has had an opportunity—I do not know that he has had, for I know how busy every Member of the Senate is—to read the hearings, particularly the testimony of representatives of the small telephone companies, he will realize the very great need for the enactment of this bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Vermont.

Mr. AIKEN. As I gather, the Senator from Pennsylvania is somewhat disturbed for fear that these telephone systems, once they are financed with Federal money, might not be able to make a go of it, and then the Federal Government might have to take them over and operate them. I do not believe there is anything in this measure which would permit the Federal Government to take over and operate the systems.

In the case of the REA, there are something over 1,000 cooperatives. One of them, which happens to be in New England, got behind in its payments and

had to go into something like a receivership. I do not know exactly what the arrangement was. The Government was not running it. The REA simply had so many subscribers who were summer residents that when the war came on and they had to stay home the cooperative could not keep up its payments. I think that cooperative probably is getting into the black again and will be on its feet. But I do not believe the Federal Government could take over the system and operate it.

Mr. HILL. The Senator from Vermont is entirely correct.

Mr. President, the bill is an amendment to the REA Act. It simply provides authority for loans for the installation of rural telephones, to be made under the REA Act, which provides loans for rural electric lines. There is no authority under the REA Act and no authority under this bill for the operation of these telephones by any Government agency. The Government will not be running any telephone system under this bill.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MARTIN. I should like to ask this question: As I understand, these loans are to be made to supply a needed service which might be unprofitable. When the Government forecloses, how does it expect to get its money back?

Mr. HILL. Let me say to the Senator I am afraid he is going on the wrong assumption. He is thinking in terms of defaults. He is thinking in terms of foreclosure. I well remember, when I sat as a member of the House Committee on Military Affairs, representatives of the private power companies came before us. We were considering what was then called the Muscle Shoals project. We said, "Gentlemen, why do you not all come into the rural areas?" "Oh," they said, "we could not go into the business of supplying electricity to rural areas. To go into that would merely break us." They said, "If you try to go into it, you will break the Treasury of the United States." That has not been our experience. As we know, not only have the REA cooperatives repaid the money, but many of them repaid it ahead of schedule. I think the same thing will happen in connection with the telephone business. The telephone business is going to have an advantage over rural electrification in that the REA loans were made primarily and almost entirely to cooperatives composed of farmers. The farmers had had no previous experience in running any kind of electrical system or in operating any business of that kind. They had to find a manager somewhere, elect a board of directors, and get someone to run the program. They had no experience. As I vision it, many telephone loans are to go to small companies that have had experience, that are in business today, that are operating, and that know how to do the job.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend from Pennsylvania.

Mr. MARTIN. If I may make an observation, let me say that in my State the farmers are engaged in all types of business. They operate telephone lines and electric lines, and they are making a huge success of it. The farmers of Pennsylvania are among our shrewdest businessmen. If the entire fund were to be loaned to farmers, I should not have a great deal of worry in respect to repayments; but otherwise I am seriously worried about repayment. Is this proposal simply an entering wedge for the Federal Government, the great central organization in Washington, to get started in the communications field? If communications are centrally controlled, one of the great political parties—and we both strive for power—could say who should use the communication lines, who should use the telephones, the telegraph, and the radio. Freedom of speech would be lost.

I should like to ask the distinguished Senator, did the committee consider the possibility of the telephone becoming obsolete within a very few years? During the war the walkie-talkie was developed and was most successful. I am wondering whether it will be very long before radio and television will take the place of the expensive telephone lines, poles, conduits, and so on.

Mr. HILL. I may say to the Senator, I am not a member of the committee, but I happened to be the author of the bill which was first introduced 5 years ago, in 1944. I have talked to a good many people. I have considered the subject, I think, very thoroughly. My answer to the Senator's question is that I think we are going to have the walkie-talkie. When we come to consider another amendment a little further on, I may have something to say about it. But I believe the small companies, which through the pending measure, we are trying to help to extend telephone service in the rural areas, will move forward, just as all other companies do. When there are improvements and modern installations, the small companies will meet the situation. They will move forward. We cannot stop progress merely because, 5 years from now, the situation may become a little different.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. THYE. I may say to the able Senator from Pennsylvania, the question of whether there may be changes in the type of telephone equipment which may be used in the near future was discussed with men who are engaged as engineers in this particular field. We came to the conclusion, from all the information we received, that such changes as may occur will come very gradually, that the small companies will make the necessary changes and improvements gradually, and that there will not be a revolution overnight. I do not think we need worry about revolutionary changes in telephone equipment or in the type of telephone service.

Mr. President, I should also like to ask the able Senator from Alabama whether we have not skipped over one of the amendments, on page 4, and have reached other amendments in the bill?

Mr. HILL. The Senator is entirely correct. From a parliamentary standpoint, we are really on page 4, at the top of the page. The discussion took a rather broad turn, and we have discussed many things.

Let me say to my friend from Pennsylvania, the truth is that in the pending bill we are dealing more or less, so far as communication is concerned, with a very small problem. Really, telephone communication in this country is in the hands of the American Telephone & Telegraph Co. It is a big company. It owns the Southern Bell and various other companies. The A. T. & T. really and truly controls the communications of the country so far as telephones are concerned. The fact of the business is, if the small companies are going to render efficient service they must cooperate with the A. T. & T. in the matters of long distance communication and things of that sort. The communication business in the United States is pretty well controlled by A. T. & T. I may say to my friend, since he raises the question, the A. T. & T. controls communications throughout the country, because it controls communications in the big cities and in the densely populated areas where there are many telephone users. The A. T. & T. also pretty well controls all the patents on telephone equipment, and if telephone equipment is required it must be obtained from some subsidiary of the A. T. & T.

Mr. WHERRY. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. WHERRY. From a parliamentary standpoint, I presume we can discuss any amendment contained in the bill.

Mr. HILL. Certainly.

Mr. WHERRY. That is true, whether we are discussing an amendment on page 4, or any other specific amendment.

Mr. HILL. That is true, with respect to any of the amendments.

Mr. WHERRY. That clears the matter. Mr. President, I have several questions I should like to ask the distinguished Senator from Alabama. I am intensely interested in the subject. I desire to help the small indepedents, just as the Senator from Alabama wants to help them. Can the Senator point to any testimony in the hearings which shows there is an actual need of the money to be provided, and an actual demand for it?

Mr. HILL. Yes, indeed.

Mr. WHERRY. That seems to be the point the distinguished Senator is raising.

Mr. HILL. If the Senator will go through the Senate hearings, he will find witness after witness testifying to the need for the money.

Mr. WHERRY. Could the money be obtained anywhere else?

Mr. HILL. No; that was the thought, exactly. That was the burden of the testimony. I think the committee will bear me out in saying that was the burden of the plea. The distinguished chairman here is shaking his head.

Mr. WHERRY. Is he indicating agreement with the Senator, or not?

Mr. HILL. He is indicating confirmation of what I said, that the small exchanges were unable to obtain the money

from any other source. I may say to the Senator, as the author of the bill, if it had been possible for them to obtain the money elsewhere, I do not think I would ever have introduced the bill.

Mr. WHERRY. That brings up another question. I still want to refer to the testimony of Mr. Barnes. He must have been a pretty good witness. He represented quite a few of the companies. I think his testimony is constructive. He is not opposing the pending legislation, if it is to be properly safeguarded. I read from page 204:

Senator ELLENDER. Mr. Barnes, I am sorry I did not arrive in time to hear your statement, but I notice in your statement you say there are 19,000 exchanges, of which 11,000 are operated by independents.

Does the Senator from Alabama agree with that statement?

Mr. HILL. I do not dispute it.

Mr. WHERRY. Is that about the number of independent exchanges in the United States?

Mr. HOLLAND. That is my recollection.

Mr. WHERRY. I read further:

There are 19,000 exchanges, of which 11,000 are operated by independents. Now how many of those do you represent here today, what percentage?

Mr. BARNES. Two thousand four hundred and twenty-two members of the United States Independent Telephone Association. These 2,422 members own and operate 6,625 of the 11,000 independent exchanges.

Senator ELLENDER. So that you represent about 50 percent of the exchanges?

Mr. BARNES. Yes; and they serve 85 percent of the independent telephones, so we represent 85 percent of the independent telephones.

I think that is correct. I have no doubt this man knows. He should be able to speak with authority.

We come to the question of money for which the Senator from Alabama is pleading. He says that the ones which need help the most are the small private enterprises that cannot get money any other place. If someone else wants to organize a telephone system, where there is not an adequate system, he can get a loan and establish it——

Mr. GURNEY. Mr. President, will the Senator yield on that point?

Mr. HILL. I yield.

Mr. GURNEY. There are some small independent telephones companies in my State. I desire to bring into the discussion this afternoon the word "acquisition," in line 19, page 4, of the bill. Thinking of the small telephone companies which have been operating successfully for some time, I should like to ask if this bill would authorize a new association to be established and, by acquisition, which I interpret to mean condemnation, buy out a small independent company which is now operating successfully?

Mr. HILL. Mr. President, will the Senator please restate his question?

Mr. GURNEY. I referred to the word "acquisition." We have been talking about small independent companies. I interpret the word "acquisition", in line 19, page 4, to mean both purchase and condemnation.

Mr. HOLLAND. Mr. President, if the Senator will yield so that I may reply briefly, I will say that the committee, by amendment, is striking out entirely any operation of any telephone system by any public body. There is no question of condemnation under the law as sought to be amended by the committee.

Mr. GURNEY. The word "acquisition" gives the authority of condemnation, does it not?

Mr. HOLLAND. Not as used in this bill. The bill excludes operation by any public body. Condemnation cannot be exercised except by a public body. So the question of condemnation does not enter into the matter in any way.

Mr. GURNEY. Then I think it would be a good idea to change the word "acquisition" to "purchase." I thank the Senator.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. WHERRY. If the Senator does not mind turning back to the top of page 205 of the hearings, I wish to read something which I think is very important, and I should like to have the observation of the distinguished Senator for the record.

I quote from the hearings:

Senator ELLENDER. Well, is your board unanimous in having you appear here today to oppose this bill? In other words, was there any opposition among the independents that you represent as to your testimony here today?

Mr. BARNES. It was action of the board. I am appearing here in accordance with the wishes of the board.

Senator ELLENDER. Well, are we to understand that your entire membership is able to obtain financing so as to expand to the extent they desire?

Mr. BARNES. No, sir; we have members and telephone exchanges which have difficulties. The difficulty arises largely from a revenue standpoint, because if you do not have satisfactory operating conditions, if you are unable to pay maintenance and all the costs of operating the exchange, you are for that reason in an unsound operating condition.

In 36 States that is handled by State determination, according to the rates, and so forth. I continue reading:

Senator ELLENDER. What prompts the question is this. I attended hearings on Friday, I believe, and quite a few independents appeared as being in favor of this bill, and the main reason for appearing was that they were unable to obtain finances so as to maintain what they had. Banks would not loan them any money and they could not obtain more than—I think the limit they could obtain was—$25,000.

Because of their inability to obtain these finances, it caused many farms to be without telephones. If there was an easier way to obtain credit, why they could probably serve more people. Are they correct in that?

Mr. BARNES. We have examined the statements of those companies, and we find they are only 65 in number, representing 1 percent of the total independent companies that have made these signed statements to that effect. They operated three-tenths of 1 percent of the 6,841,000 telephones in the United States.

My question is this: Was that the only guide established before the committee in authorizing $300,000,000 to provide money for small private concerns, or was there other evidence which shows there is a real need? I think the Senator will agree with me that we are worried more about small independents than we are with regard to the large telephone companies in the United States.

Mr. HILL. Yes. I do not happen to be a member of the committee. The testimony shows a very real need for this bill. I think that is the reason the committee reported the bill to the Senate without a dissenting vote.

Let me read a statement of one witness who appeared before the committee. He is a member of the board of directors of the United States Independent Telephone Association and operates companies in Kansas and Missouri. Here is what he said:

While the problem of the syndicated companies is not so serious, particularly in the most densely settled sections, most assuredly a small, individually owned exchange is in a distressed situation insofar as its equipment is concerned, and in an almost hopeless position as to its ability to extend into unserved rural areas, contiguous——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. That has reference to one of the companies which no doubt Mr. Barnes was testifying about in representing 65 of the small companies which are distressed. But I should like to ask the distinguished Senator if there is anything in that report showing the number of independents that need this money. If the whole basis is placed on the aid of the small independents, there should be plenty of testimony from all over the country that they cannot obtain money from any other source and that they must have Government money in order to operate.

Mr. HILL. The Senator speaks about the report. I read now from the House report on the bill.

Mr. WHERRY. What page?

Mr. HILL. It is on page 9 of the House report.

Mr. WHERRY. While I am getting the report, I will ask the Senator to answer one question, because I am intensely interested in the statement the Senator made that there were fewer telephones on farms.

Mr. HILL. I said that in 1945 there were fewer telephones in farm homes than in 1920.

Mr. WHERRY. What was the reason for that?

Mr. HILL. I imagine there were several reasons for it. Of course, the depression came in the meantime, and further, there were many mutual companies in the old days which, because they could not obtain adequate financing, went out of business. Their equipment became obsolete; it was no longer useful or serviceable; they could not get financing to bring it up to date, so they went out of business.

Mr. WHERRY. I do not know whether a statement I have here is true or not, as to all subdivisions of the States, and I ask the Senator, is it not a fact that there are fewer farm homes today than in 1920? Is it not a fact that the telephones are serving more people, but fewer farm homes, in rural areas? When I say rural areas, I do not mean merely farm homes, but rural districts.

Is that not one of the reasons which the Senator had in mind?

Mr. HILL. Undoubtedly in 1945 there were fewer farm homes, in proportion to the number of farm homes in the country being served by telephones, than in 1920.

Mr. WHERRY. Does the Senator think the number of farm homes has decreased?

Mr. HILL. I think the Senator will find that both the number of farms with telephones and the percentage of farms with telephones decreased between 1920 and 1945.

Mr. WHERRY. I did not say anything about the farm telephones. The point I am raising is that in my section of the country larger farms are being operated.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Alabama yield to the Senator from Georgia?

Mr. HILL. I yield.

Mr. GEORGE. Mr. President, I think what has been said has much to do with the question. The roads, too, have been greatly improved, transportation facilities are better, a farmer can go to town by automobile in 10 or 15 minutes from almost any part of a county.

One of the earliest business ventures in which I engaged was the establishment and operation, along with a partner, of a small telephone system in a small town. As early as 1910 or 1915 we had a number of subscribers scattered throughout the county, and even in an adjoining county. With the coming of the depression years, which came early in our section, around 1920 and 1921, due to a combination of causes, the telephone subscribers in the rural areas rapidly dropped off. Whereas we had something over 100 or 150 telephones at one time in the rural areas, at the first sign of a depression a great many of the subscribers discontinued the service. Then in 1930 there was a further dropping off, because the telephone, while vitally necessary and highly useful in the rural areas, can be dispensed with when times are so hard that every penny must be counted by the farmer and his wife.

I think, however, that the building of good roads, the improvement of facilities of transportation, the ability to get to town and to get there very rapidly, the concentration of farming into larger units, the enlarged farm due to the use of machinery—all those things, I think, combine to decrease the number of rural telephones.

I am not clear in my own mind that the existing small system, which is a purely private enterprise in my State, would not be affected, perhaps, by the provision we are considering, because we have a utilities commission that would pass on the question of whether or not the service was needed, and the like. I am not at all clear that it would be true in Georgia, under the existing law, that the small independent companies would have a right of recourse, because when we set up an administrative and judicial system such as has been set up in the past few years, I think we find that the judgments reached by practically all Federal administrators are final, and it is not possible to get around them, if there is a bit of evidence to sustain their findings.

It therefore would be most proper, it seems to me, if on page 5, where the Administrator is required to find a fact, it were said the finding may be questioned in any court having jurisdiction of the parties and of the subject matter. That would take the matter out of the realm of speculation, and would, in my judgment, improve the bill.

I do not think there is any lack of need for telephone service in the rural areas. As REA lines are constructed in the rural areas, and there is a tendency to rebuild the farm homes, and perhaps to increase the rural population, there is a very great need for rural telephone service. Properly safeguarded, it seems to me this is a most worthy bill, and I am glad to support it, because I think there is a need for it, and I think it will be a fine service for the farms and for the people who live in rural areas.

I do not for a moment question that under ordinary, normal conditions a farmer who is able to take care of his REA subscription, get his power, and utilize it for lights and for other necessary purposes about the farm, will be able to take care of his telephone bills. There has been a very great change in the rural life in America, in my section of the country. This is one of the things which would add to the comfort and convenience of the people, and give assurance to the farm population residing in the rural areas of the necessary conveniences and facilities to enable them to protect themselves and their families, to get the doctor, communicate with the man in town for any broken part of the tractor, or any other machinery used on the farm. It would be a very fine thing, in my judgment. While the committee undoubtedly believes that the administrators' findings of fact would not be final, I express the view that they may become final. It could be easily provided in the bill that they might be reviewed in any competent court having jurisdiction of the subject matter and of the parties. That would take it out of the realm of question.

Mr. HILL. Mr. President, the House bill had in it language to the effect that the determination of the Administrator would be final. The Senate committee has stricken that langauge from the bill.

Mr. GEORGE. That is persuasive, and of course, the Administrator's findings in law would not be final, but on a question of fact it is very questionable whether it would be possible to upset the Administrator's finding.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I shall be glad to yield to the Senator from Nebraska, but I should like to say a word before I do so. He is so able, and also so much on his toes, that I have not had time to answer him completely. I was going to read to him some excerpts from the House committee report, because the House committee filed a more comprehensive report than did the Senate committee.

Mr. HOLLAND. Mr. President, will the Senator yield to me for a moment?

Mr. HILL. I yield to the Senator from Florida.

Mr. HOLLAND. I should like to say to the Senator from Nebraska, as a partial answer to his inquiry, that among others, duly authorized representatives of the National Farm Bureau Federation and of the National Grange appeared before the committee and were heard. Representatives of both organizations stated that they were officially authorized to present for their far-flung membership the opinion that this was a badly needed program. Likewise, perhaps two of the most impressive witnesses were Mr. Wickard, the Administrator of the Rural Electrification Administration, and Mr. Ellis, who is the head of the REA manager's organization throughout the Nation. They made a very strong case, in the judgment of the committee, of the need for rural telephones to permit of a more effective use, more speedy repairs, and a meeting of service needs, and so forth, in connection with the use of the REA facilities which are now so far-flung. There certainly was a strong showing of need for this program by the rural population.

Concluding on that point, I may say that several witnesses appeared, speaking directly for small independent organizations, which themselves had felt the need of these facilities, though there were likewise men speaking directly for the independent organization who were against the bill, largely, however, because of the fact that they feared public units might be brought into the picture, or they feared a duplication or unfair competition that would strike at their solvency. The committee thought that they were completely sound in their position, and tried to meet their views by the various amendments placed in the bill.

Mr. HILL. In answer to the Senator from Nebraska, I should like to read a few excerpts from the House committee report.

Mr. MARTIN. Mr. President, will the Senator yield to me first?

Mr. HILL. I yield.

Mr. MARTIN. While we have clearly in mind what the distinguished senior Senator from Georgia observed, I should like to say that I wonder if it would not be for the betterment of the bill if an amendment were to be inserted on page 5, at the proper place, providing that decisions made by the Administrator could be reviewed by the proper courts in the various States. It is a very difficult thing for people from the various States to come to Washington and undertake to discuss these matters with a committee, or a member of a bureau. I wonder if the suggestion of the distinguished Senator from Georgia should not be accepted? It seems to me it would make the bill easier to administer.

Mr. HILL. The Senator from Nebraska asked me a question, and I will say frankly I have not yet had an opportunity to answer him.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. So long as we are writing legislation on the floor, I have no objection to completing the inquiry I

began. The colloquy has resulted in bringing out observations by the distinguished Senator from Florida [Mr. HOLLAND], the distinguished Senator from Georgia [Mr. GEORGE], and the distinguished Senator from Pennsylvania [Mr. MARTIN] about the proposed amendment on page 5. I asked the question I did because I thought it was necessary to have the expressions and observations of members of the Senate committee as to exactly what was meant by the amendment.

I am in full accord with what the committee attempted to do by the committee amendment. I say again, however, that it seems to me that if we could change the proposed amendment so as to include the suggestions of the distinguished Senator from Georgia and the distinguished Senator from Pennsylvania, and also what I suggested earlier in the discussion, there would be no doubt about the question of a review of the facts at least. The law will take care of itself. The finding on the facts might be a permanent finding on the part of the Administrator.

What I say is not said in disrespect of the Administrator of the REA facilities. I know Mr. Wickard very well. I think he is very honorable and that he would do a good, respectable job. On the other hand, experience has been, and I have seen it happen many times, that once an order is written, once a finding is made, it is most difficult to secure a review of such a finding. I think such a finding would be quite far reaching. I am not attempting to write language into the bill. I want to be helpful rather than hurtful. I believe we should give this question our utmost consideration.

Coming back to the question of need, let me say that I appreciate very much what the distinguished Senator from Georgia said, and if the Senator from Alabama does not mind, before he answers my question by reading from the report, I should like to make another observation or two, and perhaps the Senator can answer all the points I make at one time. I have not seen a copy of the House hearings. I understand the Senator from Alabama proposes to read from them.

Mr. HILL. No, I am about to read from the House committee report.

Mr. WHERRY. I have seen the House committee report. The House committee report was presented by Representative Cooley.

Mr. HILL. That is correct. I may say to the distinguished Senator from Nebraska, that, as he no doubt recalls, Representative Cooley, of North Carolina, who presented the report, is the Chairman of the House Committee on Agriculture. He spoke, of course, for the committee.

Mr. WHERRY. I ask the Senator to turn to page 8. The heading is:

THE NECESSITY OF AREA COVERAGE

The key to adequate rural telephone service is area coverage. This means planning, financing, and constructing a rural telephone system so that service will be available to all the subscribers within the company's area who want it, whether the installation and operation of their particular telephone will be profitable or not. In other words, it means planning and building the entire area system as a unit rather than following the prevailing practice of telephone companies of building lines where business is most profitable—

And so forth. The Senator can continue reading from that point, if he desires. I now read from page 11 of the report as follows:

It is the hope and the expectation of the committee that most of the expansion and improvement of the rural telephone system provided for in this bill will be carried out by private industry within the framework of the private enterprise system.

The reason I propounded my question to the distinguished Senator from Alabama was to make a record today, for it seemed to me that a certain fear existed respecting the possibility of borrowing money for rural telephone purposes. A need has been shown for rural telephone service, but the question of borrowing money is involved. The farmers can get the telephones they need provided they are in position to borrow the money necessary. Mr. Barnes made an analysis of the testimony, and he said that only 65 independent telephone operators, out of 11,000, failed to secure the necessary financing.

Mr. President, I agree with the Senator from Georgia that the extension of the telephone service into rural areas is greatly needed, and that it will be most helpful to the farmers. However, we must make a record of what is necessary to be done. It seems to me that if it is a question of money, the record should show that the money necessary for building a telephone system is needed, but the operators cannot obtain it. The way this should be done is through private enterprise. The statement on page 11, however, is entirely different from the statement which appears on page 8 of the report.

Mr. HILL. The House committee report on the page following contains this language, under the heading "The Need for Federal Financing":

In 1945 a finance task group of the rural telephone service committee of the United States Independent Telephone Association completed a study of the needs of small telephone companies. The first paragraph of its report opens with this statement:

"The problem of financing for the small telephone company to provide funds necessary for plant replacement and improved equipment is one of major importance in the independent industry."

The committee goes on to say:

Testimony presented to the committee uniformly substantiated this statement. Although appearing in opposition to the bill, virtually every independent telephone company witness agreed that his company's service would benefit from credit available on the terms provided in the bill.

Then the committee makes this statement, to which I call special attention:

It is significant, the committee believes, that although this is a bill which will make a considerable volume of Federal credit available to private industry at attractive terms, the banks and other usual sources of private credit are so little interested in making telephone company loans that not a single bank or private credit representative appeared to oppose the bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. I do not wish to interrupt, but I should like to make this inquiry while the Senator is on that point: Why could not the independent telephone companies get their financing from the Reconstruction Finance Corporation?

Mr. HILL. I shall read from the House committee report with reference to that question.

Mr. President, I shall not detain the Senate long, but I should like to ask unanimous consent to place in the RECORD an additional excerpt from the House committee report.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Actually, the evidence presented to the committee indicates that there is little, if any, credit available to telephone companies at 4 percent interest, even for periods as short as 10 years. Many companies are paying 6 or 6½ percent interest. Some testified that they were paying more than that. Very few said that they were able to obtain financing at less than 5 percent.

Mr. WHERRY. Mr. President, I appreciate the action of the Senator in placing these excerpts in the RECORD. However, he has not yet answered my question. I have consulted the Reconstruction Finance Corporation with regard to a great many loans. What is the difference between the type of loan made to telephone companies and any others?

Mr. HILL. I was hoping to save time. I shall be glad to read from the report of the House committee.

Mr. WHERRY. It is not necessary to place it all in the RECORD. I should like to have the Senator answer the question, and then he can insert the excerpt from the House committee report.

Mr. HILL. I had not intended to insert the entire report, but I wished to insert the germane part from the House committee report. The House committee considered this question very carefully, and in its report it discusses the matter of RFC loans. This is what the House committee said:

Telephone-company financing is normally based on the life cycle of its plant, which was uniformly stated by telephone-company witnesses to be 25 to 30 years. Since this is the normal amortization period for the company's equipment and facilities, its credit must almost necessarily be based on such a period. It was agreed by almost every witness that telephone-company financing should be for periods of not less than 25 years.

There are very few sources of 25-year credit available to the telephone companies. Most banks are prohibited from making loans for such a long period——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. That is true of any loan.

Mr. HILL. I understand; but let me proceed:

and few banks appear to be interested in the interest rate offered by telephone companies, even on a 10-year loan.

The Reconstruction Finance Corporation has been considered carefully by the inde-

pendent telephone industry as a possible source of credit, but the RFC, like the banks, is not in the business of making long-term loans and its interest rates are too high to permit the use of its loans in developing low-profit rural telephone service. Although RFC loans have been available for many years, it was testified that only eight telephone companies in the United States have obtained RFC financing.

Mr. WHERRY. That is the point I wish to ask the distinguished Senator from Alabama about. The RFC certainly makes different types of loans. It makes advances. I have been to the Reconstruction Finance Corporation and have obtained money on irrigation projects. Why can it not make these loans?

Mr. HILL. It certainly has not made them.

Mr. WHERRY. I agree with the Senator.

Mr. HILL. The RFC has not made such loans.

Mr. WHERRY. Should it not?

Mr. HILL. I know of telephone companies which have made applications for loans, and the applications have been denied.

Mr. WHERRY. This is beside the point, but if Congress appropriates the money it will be up to the Administrator. That is one avenue. At the same time I ask the distinguished Senator why the RFC should not make telephone loans.

Mr. HILL. It may be that the Congress would rather use the REA than the RFC. Both of them are Government agencies.

Mr. WHERRY. One has already established machinery for the making of loans.

Mr. HILL. The REA is set up to make loans for the benefit of farmers, for farm life, farm homes, and so forth. The RFC is set up more for business, banks, insurance companies, railroads, and things of that kind.

Mr. WHERRY. And telephones—railroads, banks, and telephones.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. THYE. Let me say to the very able and distinguished Senator from Nebraska that that very question was asked, and study was given to it. Rural telephone lines run parallel with REA lines in many instances. It is hoped that facilities such as poles, and so forth, can be used to carry both the REA line and the telephone line.

In view of the fact that personnel are already in the field for the REA, and engineers are now in the field working with the local associations, it seemed like sound common sense to permit the rural telephone type of service to go hand in hand with the REA.

After much study and a great deal of testimony the committee finally agreed that that would be good legislation. You and I may ask, "Why is there a decrease in the number of telephones today? The farmer is prosperous." The fact is that the war did not permit of construction, because of restricted materials. Secondly, every time an electric line crosses a nonmetallic telephone system, the nonmetallic telephone system is practically useless because of the static, noise, and interference, which are so great that telephone conversation cannot be heard. Therefore the nonmetallic systems had to be reconstructed. The telephones had to be rebuilt, and additional wires had to be strung, so as to metalize the line. All this became an additional expense upon many an independent, and the independent found it most difficult to finance.

The REA is most important, because the entire farm unit is geared to the electric motor—milking machines, refrigerators, meat coolers, and so forth. If an REA line went out of order the central office would have to be called in order to advise them. Otherwise a farmer might have to drive 12 or 15 miles to advise the REA office that his current was off.

So I would say that farm communities today are more dependent upon good telephone service than they were prior to the installation of all the electric lines which now are in service, because the whole heart of the farm is in and around the electric line which comes to it.

Mr. HILL. The Senator is entirely correct. He has made it very clear that farm life is centered around the electric line. As he says, it now has been found possible to use the same lines for both telephone service and electric service. The Senator has also suggested that in this day of mechanization, when a farmer's tractor breaks down, it is necessary for him to use a telephone to call for repairs.

Mr. THYE. Of course, the repair of a tractor is not so important as the repair of a meat cooler or a deep freeze in the basement of a farm building, for the meat cooler or deep freeze may hold several hundred pounds of meat which will spoil unless the machinery is quickly repaired, once it gets out of order.

Mr. HILL. The Senator is entirely correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. First, let me say that I am not taking exception to the need for telephones in rural communities. I think I have made that clear. Of course, telephone service to rural communities is a fine thing, and all of us favor it; and I am not taking exception to making provision for loans if new systems are to be built parallel to existing ones. I think probably that would be efficient.

But the argument has been made here today that the principal reason for enactment of the bill is that the telephone systems in rural areas need additional financing. Possibly other arguments may be presented later, but that is the principal argument which has been presented to us thus far. But here is the testimony of Mr. Barnes that he has analyzed all the statements contained in the letters in the report, and that only 65 independents have asked for financial aid because they could not get it where they wanted it. It seems to me that if we are to help the private companies, that is one thing. If Senators wish to have this bill passed in order to provide for the installation of new telephones, that is another thing.

Of course, if this bill is not properly safeguarded, but is only for the benefit of sectional interests, I suppose it can be justified; but such a justification has no relationship to the pleas which have been made for private enterprise.

My contention is that if the rural telephone companies want more money today, they can get it from the RFC. If the RFC is not making loans available to them, we should investigate that situation and see why it exists. I do not know why in the world a telephone system has not as much right to borrow money from the RFC as does a man I took to the RFC last week to get a loan on a hatchery several years before it is fully paid for, or as does a man to get a loan on an irrigation project, on which the loan, if made, would continue for a long number of years.

Why is it that only eight telephone companies have received loans from the RFC in recent years? If more loans had been made to telephone companies, probably there would not be the present demand for the enactment of this bill. It is very difficult to comprehend fully any justification with respect to providing help for private enterprise in this connection.

It seems to me that if we are going to establish a unified system, which seems to be what is behind this move, then Mr. Wickard will be found building a system parallel to that of the REA, and having telephone wires on one side and electric wires on the other side.

But so far as financing these enterprises is concerned, I think the necessary loans can be obtained from the RFC. I think the RFC would be just as likely to provide loans for this purpose as it would for any other purpose, when application is made by a small company.

Mr. HILL. Mr. President, the RFC has declined to make these loans, because the RFC does not want to make a loan for a long period of time, at low-interest rates. Unless such a loan can be obtained, these telephone systems cannot be financed. So the RFC is out of this picture.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. FULBRIGHT. It is my understanding that on business loans the RFC is limited to 10-year loans; and that it is only in connection with loans to public bodies, such as cities and States, that the RFC can make loans running up to 40 years. I think that is the answer to this situation.

Mr. HILL. Yes; that is the answer. The fact is that telephone companies have applied to the RFC, but it rarely makes such loans.

Mr. FULBRIGHT. Cannot the same thing be argued in reference to the electric lines?

Mr. HILL. Yes; the same argument could be made in regard to the REA. There must be a pattern of long-term, low-interest loans for the REA and for telephones. The RFC does not make such loans.

I should like to make one reference to the report of the House committee, and then I shall yield to the Senator from

Washington, who has been on his feet, seeking recognition, for some time.

I read now from the report of the House committee in connection with its study of this matter. It wrote a very able report:

> Finally, on the matter of financing, the committee is convinced that in the absence of action by the Federal Government there are millions of farm homes and rural establishments—possibly as many as 50 percent of the total—which will never in the foreseeable future receive adequate telephone service. There are two alternative courses which the Federal Government might take to make telephones available to these rural citizens. One alternative is public operation of the telephone business, so that telephone services—like the postal service—will be available to everyone, with the cost of the entire service assessed against all users and taxpayers. The other—and the committee believes by far the more desirable—alternative is the plan proposed in this bill, which will provide private industry and associations of farmers with the incentive and the financing to do this job themselves.

That is exactly what this bill does. It gives the help, the aid, the incentive, and the encouragement to private industry to do this job.

Mr. President, let me say that the farmers of the United States are going to have telephones. Either they will get them by means of having the Congress enact a bill of this kind to enable private enterprise to do the job—and that is the way I wish to see the job done, and I am sure all other Senators wish to see it done in that way—or else, if it is not done in that way, we shall be confronted with the other system—in other words, the same system as that used for the postal service.

Mr. CAIN and other Senators addressed the Chair.

Mr. HILL. Mr. President, I yield first to the Senator from Washington, to whom I have previously promised to yield; and then I shall be glad to yield to other Senators who may seek recognition.

Mr. CAIN. Mr. President, I wonder whether the able Senator from Alabama and his associates would be willing to accept an amendment which would change the word "acquisition" on page 4, in line 19, to the word "purchase." It seems rather obvious to me that the word "acquisition" was used for the reason that in the top line on page 4 the phrase "public bodies" was once included. "Acquisition" is either by purchase or by condemnation. I think the phraseology should be made clearer.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HILL. I yield to my friend the Senator from Minnesota, who is a member of the committee.

Mr. THYE. I may say to the Senator from Washington that the one reason why the word "acquisition" was used, instead of the word "purchase," is that 30 or 40 farmers might have a small mutual telephone line which has become in such bad condition that a purchase would be out of the question. It might be necessary to make a gift of the line; it might not be possible to find any other way which would serve the purpose in such case, except by means of acquisition. If I and some of my friends had a rural telephone line on which we had been paying 25 cents or 50 cents a month as a central fee to company so and so, we might say to a larger company that we would like them to take over our line. When the representatives of the larger company looked at the line, and saw a certain number of poles and a certain number of wires in need of replacement, and the whole system in need of rebuilding, they might say, "We do not want it; certainly we do not want to buy it." In such case, acquisition might be the only possibility.

Mr. CAIN. I may say to the Senator from Alabama I am not exactly certain I have understood the remarks just made by the Senator from Minnesota. I call attention to the language "such loans may be made for the improvement, expansion, construction, acquisition, and operation" of telephone lines and facilities. The Senator from Minnesota apparently is including within the definition of the word "acquisition" "give away," "for free," or "junk it." He is broadening considerably, and perhaps properly, Webster's definition of the word "acquisition."

Mr. THYE. I was merely endeavoring to give the Senator an insight into the problem which confronted the committee, when it was considering the very question of how anyone would proceed to acquire, or what would be necessary on the part of someone wishing to get rid of something.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. THYE. I yield.

Mr. CAIN. The word "acquisition," as used in line 19, does not include by inference condemnation, does it?

Mr. THYE. No one but a public body could bring such legal action.

Mr. CAIN. Public bodies have been eliminated, have they not?

Mr. THYE. Public bodies have been eliminated from those to whom loans may be granted. Therefore, the words "acquisition" cannot be interpreted to mean action by a public body if it happened to be involved.

Mr. CAIN. I think the Senator has clarified the definition of the word as here used.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. FERGUSON. I should like to make an inquiry and to get the information specifically in the RECORD. It does not mean to confer a right of eminent domain, does it?

Mr. THYE. I think the legally minded Senator from Florida can answer the question. I am a layman, not a lawyer.

Mr. HOLLAND. Mr. President, if the Senator will yield——

Mr. HILL. I yield.

Mr. HOLLAND. Earlier today in the debate, the same question arose in a little different way. I have stated in the RECORD that the committee, by unanimous action, struck from the bill all reference to public bodies. There is a question as to whether, when striking out the word in the place where it occurs, the committee went far enough to ban entirely loans to any public body. I therefore prepared an amendment, which is pending, and which I understand has the support of the authors and sponsors of the bill, which will clearly ban any public body from the field of operation of the proposed law. I have stated earlier in the debate that there could not be any inclusion whatever of the right of eminent domain or of condemnation, under the bill, in the event the amendment is adopted. I believe its adoption is agreed to by the sponsors of the bill.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BALDWIN. A further question, if I may propound it, about the word "acquisition." I note from the copy I have that the word "consolidation" has been stricken out. I assume by that that it is not the purpose of the bill to make it possible to acquire moneys through the lending agency to be set up under the bill, for the purpose of consolidating a large number of telephone companies. I am wondering, however, since the word "acquisition" appears in the bill, unless the term is defined, whether it does not leave open the possibility that by a process of acquisition on the part of one of the smaller telephone companies of a number of other small telephone companies, a consolidation, in effect, could not be brought. A consolidation in effect is an acquisition by one company of a large number of small companies. What does the Senator say about that?

Mr. HILL. It certainly was not intended to be effected by condemnation, as the Senator from Minnesota has shown.

Mr. HICKENLOOPER. Mr. President, will the Senator yield at that point? I have had to attend a committee meeting.

Mr. HILL. I am glad to yield.

Mr. HICKENLOOPER. I suggest to the Senator from Connecticut that there is in the bill a limitation on the number of telephones. A rural area is defined as an area in which there is no city, town, borough, or municipality.

Mr. BALDWIN. That is, an area of more than 1,500 people.

Mr. HICKENLOOPER. That is correct. There is a limitation in the bill that the loan shall not be available to any companies that have in excess of 1,500 telephone lines. The rural area is so defined. There has been some little dispute and some concern as to what the limitation should be, but, as I gather the sense of it, the limitation is included to prevent the consolidation and the creation under the law of great telephone networks.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. If I may state one more thing in the same connection with regard to the word "acquisition," I have in mind a rural and a very small town telephone area in which, for a good many years, there have been two mutual telephone companies located in the town. There has been a little bad blood for a long time. Neither of them will give up. They both operate the telephones, and the subscriber in the town is either on one telephone or the other. My personal interpretation of the word "acquisition"

would be that if a proper presentation could be made, it might be possible for one of these small starving competing telephone companies in the town to take over the other one. There may be many instances like that throughout the United States. We discussed it very thoroughly. Personally I am not much afraid of the word "acquisition."

Mr. BALDWIN. Mr. President, for the benefit of the record, and in the event this question may arise in the future, as I understand the committee and the representations which have been made here by the membership of the committee that had this bill in charge, the word "acquisition" is in no sense to be construed as a term by virtue of which a consolidation could be effected. Is that correct?

Mr. HILL. Let me say to the Senator that I am not a member of the committee, and I should rather the chairman or some other members of the committee would reply to the Senator's question. If the farmers had a small mutual company and it was to the interest of the company to merge with some other small company in that particular local area, I do not think the Senator would want to make them compete one with another; he would want them under one management. I am sure the Senator realizes that the telephone business, like the power business, is, per se, a monopoly. The Senator would not want competition between telephone companies rendering adequate service any more than he would want competition between power companies, because such competition is wholly uneconomical, as the Senator understands.

Mr. BALDWIN. Yes, I understand. The word "acquisition," then used in the sense the committee desires to have it used, is to make it possible to bring together two companies, where there are competing systems, one of which is a small unit in a rural area, as defined in the bill, that cannot be feasibly operated economically. If it cannot be operated feasibly as a unit by itself, it does not bar the making of consolidations in a more or less large number of rural areas, does it?

Mr. HILL. If I may, I yield to the distinguished chairman of the committee for an answer to the Senator's question.

Mr. THOMAS of Oklahoma. The committee understood, so I was advised—and I think I was present on most occasions—that the word "acquisition" might be interpreted to apply to a situation where one company might acquire another; but the main purpose was, for instance, in the case of a small village which has a telephone exchange that is run down and not giving service, which cannot extend its lines into the country, the farmers in the adjacent area can get together and say, "We want service; we cannot get it from this little company; it cannot finance itself; it might not be good business for it to do so; we will organize a cooperative company, make application for a loan, acquire this little exchange in town, rebuild and remodel it, so it can become our central exchange and give us service out in the country." It is in such a situation that the farmers might organize their own company and acquire a small company.

Mr. BALDWIN. By agreement, but not by condemnation, I take it.

Mr. THOMAS of Oklahoma. Condemnation is entirely out of the question, so far as I know.

Mr. THYE. Mr. President, may I ask the distinguished Senator from Alabama if he will yield at this point. The only reason I ask is that the Senator from Iowa [Mr. HICKENLOOPER] made mention of the fact that there was a 1,500 limitation in the committee amendment, and some of the local companies examined the provisions of the bill and found that they themselves would be disqualified. Let me give one example. Here is an organization or a company rendering service to a number of small towns. They likewise render service to all the surrounding community. It happens that they have approximately 35 rural subscribers, and the group of small towns which they serve makes up approximately 2,500 subscribers. So they have more farm subscribers than they have town subscribers, but they are disqualified from coming under the provisions of the bill because it establishes a 1,500 population as the maximum. There are others who are in a similar predicament.

I should like to read a proposed amendment to the committee amendment which, in my opinion, will not permit a great expansion, because of the way it is worded.

On page 4, line 25, strike out the period and insert in lieu thereof a comma, and the following: "unless the number of subscribers or such persons who reside or are located in rural areas exceeds the number of subscribers or such persons who reside or are located in urban areas."

That means that always the rural telephone subscribers must exceed the number of urban subscribers, and we never need to worry that a city of 14,000 or 15,000 population could come under the act, because it is not conceivable that they could expand themselves in a rural area to that extent.

Mr. HILL. Instead of seeking to limit the rural subscribers, good business and efficient operation would dictate that a greater number be encouraged. Many of the REA's have as many as 5,000 or 6,000 subscribers. It makes a strong organization. It means the service costs less money because there are more people bearing the cost. But in a rural area, in which the cost comes largely from the fact that a line is run for a mile with only a subscriber or two, if they could get six customers it would be better than having only one at the end of the mile.

Mr. BALDWIN. As I understand the amendment, it would remove from the present provision in the bill the point which the senior Senator from Iowa made a moment ago, which was to the effect that with the word "acquisition" it would have to be interpreted in the light of the fact that there was a description of a rural area which placed a limitation on the size of the particular unit that could be acquired. It seems to me the effect of the amendment of the senior Senator from Minnesota is to take that away. If we are to acquire these systems so that there shall be a system which is economical in its operation, we must also have a situation in which the number of rural subscribers brought into the new system would exceed those in the urban areas.

Mr. THYE. The Senator is entirely correct.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HICKENLOOPER. I would say that I am not at all in sympathy with the Senator's amendment. I am sympathetic with what he is trying to accomplish. I should like to ask him not to press his amendment until we can give it a little further study, at least so far as I am concerned, for a couple of hours, possibly.

A community with a population of 1,500 persons or less is a rural area; it is not a city.

Mr. HILL. Under the REA Act, any town of 1,500 or under is defined as a rural area.

Mr. HICKENLOOPER. The point I am trying to make is that I have no objection to the inclusion of already existing systems in rural areas, but we should give very careful consideration to whether we want to open the gate so that we can go into areas and begin to consolidate this or that little sysem, or whether we want to put a limitation on existing areas.

Mr. HILL. Let me ask the Senator this question: Is not the place for the limitation not in the rural area but the town or city?

Mr. HICKENLOOPER. No; I do not think so.

Mr. HILL. There will not be a telephone system in the rural area itself alone. The switchboard, the equipment, and the connecting lines with other systems will all be in the town or city. They will not be in the rural area.

Mr. HICKENLOOPER. There are no towns or cities, as such, under the definition, unless they exceed 1,500 population.

Mr. HILL. Certainly the Senator would not limit the rural homes served by any one telephone company to 1,500 persons, would he?

Mr. HICKENLOOPER. That is what is in the bill.

Mr. HILL. I am not sure the committee stopped to analyze this amendment. I think the Senator will agree with this statement: Suppose there were 1,800 rural users on a system; it would not only be to the advantage of the additional 300 who would receive the service, but it would be to the advantage of all the other 1,500 subscribers. It would be of advantage in the economical operation of the system. Bear in mind that unless the additional 300 persons got in on the system it might be impossible for them to get telephone service.

Mr. HICKENLOOPER. This statement I cannot prove at the moment with figures, but I believe the Senator will find that to all intents and purposes there is no rural switchboard in the United States that even approaches 1,500. Wherever there are more than 600 or 700 telephones in a system it will

be found to be a consolidation of small switchboards in small towns in the area. There are many practical differences between the operation of a telephone system and REA. We discussed that in the committee at some length. There are practical limitations on the operation of a telephone system out of one switchboard unless it is tied up with long distance hook-ups on three or four or five switchboards. There is a practical limitation on the number of telephones or drops that can be operated on a single switchboard. I believe 1,500, the committee generally agreed, was in excess of the probable number that would ever be required for one switchboard.

In cases such as the Senator from Minnesota refers to, where there is an already existing system, and where there is a switchboard in each one of several small towns in the area, although interlocked and intermeshed with country telephones, they probably have 3,000 telephones, but there are 5 or 6 switchboards in the area to take care of them.

REA can extend its lines, and send its current a great distance, but there is a practical limitation to the length of a telephone line away from the switchboard that serves it. It would be like hooking up power plants all over the State and calling them one system. I think there is a difference. The theory of the Senator's amendment, I believe, could be worked out.

Mr. HILL. In the case of a telephone system as large a hook-up as possible is advantageous. That would not be competition.

Mr. HICKENLOOPER. Whether the desire is to serve the rural areas which are not now being properly served, or whether it is to lay the basis for a tremendous monopolistic telephone system in certain areas of the country with public money, so far as my views of the bill are concerned, I think it is very much to be supported, so far as serving the rural areas is concerned, where telephone service is inadequate at the present time, or nonexistent, but I would hesitate a long time before I would agree to lend Government aid to the creation of a new network of monopolistic communication systems.

Mr. BALDWIN. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the Senator from Connecticut.

Mr. BALDWIN. On another point, which the Senator was discussing sometime ago, namely, encouragement of the principle of private enterprise in this matter, is there any provision in the bill to the effect that no applicant for a loan under the bill shall be entitled to the loan unless he can demonstrate that he has made application through private sources, and has been denied the loan?

Mr. HILL. There is no affirmative provision to that effect, but the whole record shows, as I have tried to make clear, that the companies desiring to extend their service cannot get the money from private bankers or private insurance companies or private lending agencies. I even called attention to the language in the report of the House committee which said that it was significant—and it is very significant, particularly with reference to the Senator's question—that not one single banker, not an insurance man, not a representative of any lending agency, appeared before the House committee in any way in opposition to the bill.

Mr. BALDWIN. I agree with the Senator that that is very significant. The insurance companies in my State have made a good many loans of this particular type to small independent telephone companies in the Midwest. I do not know that that is a particularly desirable type of business. No doubt there are parts of the country where presently it is not economically feasible to extend telephone service on the basis of private enterprise alone, but I am wondering if it would not support the position the Senator expressed a few moments ago if a provision were inserted in the bill to the effect that an applicant must first show that he had tried to secure the money from private sources, through private means, lending agencies, before he made application for a Government loan.

My reason for suggesting that is that a loan at 2 percent for this particular purpose is a loan at a very low rate of interest. I believe that many of the loans have been made to the small telephone companies at 3¼ or 3½ percent, or something in that neighborhood. Even if the small telephone companies, as they are defined under the bill, can get a loan at 2 percent, they would be very foolish to try to obtain a loan through Government sources. The general effect of that would be, in the long run, as the telephone systems were developed in the rural areas, that the private lending agencies, the bankers, and insurance men, would gradually leave this field, and the Government would gradually take the whole situation over. It seems to me it would be highly desirable to put some provision in the bill which would prevent that possibility.

Mr. HILL. I shall think about the Senator's suggestion, though I am not a member of the committee, and I cannot speak for the committee. I will say frankly that, as the Senator knows, we had all kinds of sad, distressing experiences when we started the REA. The private power companies were very much opposed to the REA, and they dragged it into court and instituted all kinds of court proceedings, injunctions, and things of that kind. I believe it has turned out that the REA has proved to be a bonanza to the private power companies, because it has afforded a market for the sale of their power which they otherwise would not have had.

Mr. BALDWIN. I would say that the adoption of the proposal here presented would be of tremendous benefit to the large telephone companies, because it would extend the periphery of their service, and make it possible for them to give wider service.

Mr. HILL. I shall be glad to think about the Senator's suggestion, although, as I have said, I hope we will not endeavor to put anything in the bill which will open the door for a great deal of litigation.

Mr. BALDWIN. I agree with the Senator. I think the principle of the bill is sound, but it seems to me a provision of the kind I have suggested would be helpful in safeguarding the principle of securing money through regular lending agencies rather than building a system whereby all loans might eventually be sought through a single Government agency.

Mr. FERGUSON. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the Senator from Michigan.

Mr. FERGUSON. What will be the cost of this bill to the taxpayers per annum?

Mr. HILL. If it works out as we believe it will, and as the REA has operated, there will be no cost, except what costs there might be from an administrative standpoint.

Mr. FERGUSON. That is what I want to get at; how much will it cost for the administration of the act? Being a member of the Committee on Appropriations, I should like to find out about that.

Mr. HILL. We are starting out this year, as the Senator knows, with an appropriation for administrative purposes of $250,000. It would be a matter which the Committee on Appropriations, more than any other agency of the Government, would determine. The distinguished Senator from Michigan is one of the senior members of the Committee on Appropriations, where I have the honor to serve with him, and this will be a matter which the committee will determine from year to year.

Mr. FERGUSON. Does the Senator know of any reason why the cost of administration should not be charged under the program so that, in effect, the taxpayers would not be creating a subsidy under the bill?

Mr. HILL. Of course, $250,000 would not be a great deal of money.

Mr. FERGUSON. Next year it will be up around a million, and it will probably continue to mount.

Mr. HILL. Borrowers do not pay the administrative expenses of the RFC, do they?

Mr. FERGUSON. Why should we not start making such a provision?

Mr. HILL. I hope the Senator will not start it by putting a burden on the farmer, when the railroads, insurance companies, and all kinds of big business have been getting all kinds of loans, and Congress has appropriated for the administrative costs.

Mr. FERGUSON. Why should big business get the Government to lend them money and not themselves pay for the cost of administration?

Mr. HILL. The Senator may have something there, but I hope that he will present his view with the thought of it applying to all, and not only where the farmer is involved.

Mr. FERGUSON. I am not singling out the farmer; I am talking about the agencies which are rendering services, which lend money. Take the RFC, for instance, with the Kaiser-Frazer loans, and various others.

Mr. FULBRIGHT. Mr. President, if the Senator from Alabama will yield, theoretically, if they do not make too many loans, the RFC in its strictly lend-

ing capacity will make a profit. As the Senator knows, some loans are now very questionable; but when we take out the straight, direct subsidy program which the RFC administers and look only to the lending operations, it will show a profit, I think, on the whole, which the Senator can attribute to our paying its administrative costs, because the profit reverts to the Treasury.

Mr. FERGUSON. But every year we have to appropriate money to the various governmental lending agencies, and that money comes out of the taxpayers' pockets.

Mr. FULBRIGHT. In the last year this particular agency returned to the Treasury a large part of its original capital, plus some of its earnings.

Mr. FERGUSON. But how much did it cost, in taxpayers' money, during the years to operate?

Mr. FULBRIGHT. I have not made such a calculation, but I know that the earnings went a long way toward off-setting the cost of the particular operation. With respect to many such operations that is not true. If the interest rate is properly set I do not see why administrative costs could not be included; and that is the way to do it.

Mr. FERGUSON. Yes, that is the way to do it.

Mr. FULBRIGHT. It is purely a matter of how much is charged by way of interest.

Mr. FERGUSON. But the way the bill is now drafted the so-called administrative expense comes out of the taxpayers' dollar.

Mr. HILL. That is true.

Mr. FERGUSON. That would amount in the first year to $250,000.

Mr. HILL. The Senator is correct. The bill is an amendment to the REA Act, and that act provides for the administrative expenses to be paid, exactly as the Senator from Michigan has stated.

Mr. CAIN. Mr. President, will the Senator yield for one question?

Mr. HILL. I yield.

Mr. CAIN. Will the Senator help my understanding of the bill by explaining what the phrase "reasonably adequate" in line 2, at the top of page 5, really means?

Mr. HILL. That is the language of the REA Act. "Reasonably adequate" I take it means what a reasonable man would feel was adequate security.

Mr. CAIN. I certainly have no intention of laboring or haggling over the point, but I take it to be a fact that the judgment of the Administrator will be that collateral is either adequate or it is inadequate. I can see no reason for the use, and I fear some misunderstanding will arise through its use, of the phrase "reasonably adequate."

Mr. HILL. I will say to the Senator from Washington that that language came out of the REA Act. Insofar as possible, Mr. President, in writing the bill we followed the language of the REA Act, because that act, we felt, had proved very successful, and it had been construed, it was understood, and we thought it wise to follow that language.

Mr. CAIN. I will only suggest to my friend, the Senator from Alabama, that I think the bill would be strengthened and not hurt by eliminating the word "reasonably" from that phrase.

Mr. HILL. I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. FULBRIGHT. I made inquiry, Mr. President, from the Arkansas Public Service Commission some days ago respecting the situation in that area and I should like to place in the RECORD at this point as a part of my remarks a memorandum which was sent to me, signed by the chief engineer of the Arkansas Public Service Commission. It is addressed to Commissioner Thompson with whom I have corresponded. I call the Senate's attention to the fact that Mr. W. H. Cobb, the chief engineer, estimates that at the present time approximately 15 percent of the possible rural subscribers in Arkansas have telephone service, and he thinks that that figure might well be stepped up under this act in a short time to approximately 50 percent. He does not think that the telephones will quite work up to the 70 percent which the rural electrification program now reaches in my State.

I ask unanimous consent that the memorandum may be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

[Memorandum of September 27, 1949]

To: Commissioner Thompson.

In compliance with your request of September 26 we are making the following report:

It is our opinion that approximately 15 percent of the possible rural subscribers that could receive telephone service are presently being served with some type of telephone service. Approximately 70 percent of the same category of rural people are now receiving electric service, and we anticipate that the saturation point on rural electrification will be about 80 percent. However, it is our belief that rural telephony will not reach the saturation that is expected of rural electrification because of the nature of the service to be rendered. We expect rural telephone service to have a saturation of about 50 percent. Hence, it must be developed to about 3⅓ times the present extent of service.

Respectfully submitted.

W. H. COBB,
Chief Engineer.

Mr. FULBRIGHT. I am, of course, supporting thoroughly the bill, and feel that it would be of great service to the farmers of Arkansas.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, line 4.

Mr. HILL. Mr. President, in connection with that amendment I should like to ask the distinguished chairman of the committee a question. I am in complete accord with the amendment which gives 1 year's time for the existing company to come in and have its preferences. I am afraid that as the language is now drawn it would mean that if the company did not wish to exercise its option or its right or its purpose to come in, there might be a period of a year when nothing would be done.

Mr. THOMAS of Oklahoma. Mr. President, the House bill contains a provision for 6 months. The Senate committee thought that was a little too short a time. So the committee struck out the words "6 months" and inserted the words "1 year" hoping that in conference we might agree on about 9 months.

Mr. HILL. But some other language has been suggested there. I want to have the existing company have the preference. I want it not only to have the preference, but I want its application to be considered; I want the bill to provide that its application must be considered and acted upon before that of anyone else. But I hope that action would not be frozen for a year if the company did not do anything. I desire to suggest certain amendments. If my amendments are objected to I shall not press them. As the language of the committee amendment now is there would be a period of 1 year, but the situation then would be that if a company did not want to come in and apply for a loan, there would be a freezing for a period of 1 year and nothing would be done.

Mr. THOMAS of Oklahoma. I am sure the committee will have no objection to further qualifying or clarifying amendments.

Mr. HILL. The amendments would give the company the first choice, and 1 year's time. They would carry out the intent and purpose of the committee. They would leave the time exactly as it is provided in the committee amendment; the company's application would have to be considered.

The PRESIDING OFFICER. The Chair understands that the amendments of the Senator from Alabama apply to four places on page 4. The amendments will be stated.

The LEGISLATIVE CLERK. On page 4, line 3, it is proposed to strike out the comma and the word "for", and insert in lieu thereof the words "applications for loans received by the Administrator for a period of."

On page 4, lines 4 and 5, beginning with the comma on line 4, it is proposed to strike out the words ", no applications for loans shall be received by the Administrator except."

On page 4, lines 7 and 8, beginning with the comma, in line 7, it is proposed to strike out the words ", and each application shall be processed," and insert in lieu thereof the words "shall be considered and acted upon."

On page 4, line 11, it is proposed to strike out the words "in the same locality", and insert in lieu thereof the words "to substantially the same subscribers."

The PRESIDING OFFICER. Without objection, the amendments will be considered at this time.

Mr. THOMAS of Oklahoma. It is my understanding that the amendments would simply change the verbiage. The word "processed" means to receive and consider and act upon.

Mr. HILL. The application shall be acted upon.

Mr. THOMAS of Oklahoma. There is no difference from my viewpoint.

The PRESIDING OFFICER. The first two amendments are to the text of the bill, and the other two are to the committee amendment beginning in line 7, on page 4. The question is on agreeing

to the first amendment offered by the Senator from Alabama, on page 4, line 3.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the second amendment offered by the Senator from Alabama, on page 4, lines 4 and 5.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to amendments offered by the Senator from Alabama, on page 4, lines 7 and 8, and on page 4, line 11, to the committee amendment.

The amendments to the committee amendment were agreed to.

The PRESIDING OFFICER. The question is on the committee amendment in line 4, on page 4, after the word "this", to strike out "Act" and insert "title."

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the committee amendment on page 4, line 6, after the word "this", also to strike out "Act" and insert the word "title."

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, in line 7, after the word "areas", to insert "and each such application shall be processed before action is taken upon any application received from any other person for any loan to finance the furnishing or improvement of telephone service in the same locality."

The PRESIDING OFFICER. That committee amendment has been amended. Without objection, the committee amendment, as heretofore amended, is agreed to.

The next committee amendment will be stated.

The next amendment was in line 18, after the word "acquisition" to strike out "consolidation."

The amendment was agreed to.

The next amendment was in line 20, after the word "location", to insert "but no loan shall be made to any person who furnishes service through a telephone system which has in the aggregate more than one thousand five hundred subscribers in rural areas, as such areas are defined in this title."

Mr. HILL. That is the amendment which the Senator from Minnesota discussed and to which he stated he wished to offer an amendment. He advised me that he was going downstairs to get a glass of milk, and I suggest that the amendment be passed over.

The PRESIDING OFFICER. The amendment will be passed over.

The next committee amendment will be stated.

The next amendment was, on page 5, line 10, after the word "applicant", to strike out "the Administrator shall determine, and his determination shall be final, that the loan sought to be obtained will not result in the duplication of telephone service to subscribers who are already receiving adequate and reliable telephone service", and insert "no loan shall be made under this section unless the Administrator shall determine (and set forth his reasons therefor in writing) that no duplication of lines, facilities, systems, or services will result therefrom in any area except where existing telephone systems in such area are unable or unwilling to provide reasonable service."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. MARTIN. Mr. President, that would be the place that the distinguished senior Senator from Georgia suggested the insertion of an amendment which would permit an appeal from the decision of the Administrator to a court of proper jurisdiction of the State. Would the distinguished chairman of the committee object to that amendment being inserted?

Mr. THOMAS of Oklahoma. The committee took the viewpoint that if that were permitted, anyone who was opposed to the organization of a rural telephone company could take an appeal, in which event the matter might be tied up and delayed indefinitely. Second, even though the appeal were permitted and action were taken in favor of the appellant, the Administrator would have that as an excuse for not making the loan.

This is only a bill to authorize the making of loans. No one can make a loan except the Administrator. If anything is done to interfere with his right to make a loan, or with his discretion in making the loan, he will not make the loan. The committee had the viewpoint that this suggested amendment would simply prevent the making of loans in a great many cases where otherwise loans might be made.

Mr. MARTIN. If the distinguished chairman of the committee will permit an observation, this provision would apply only in the 12 States where there are no regulatory commissions. In the other 36 States, where there are regulatory commissions, they would make the decision, but in the 12 States it would give a great deal of power to the Administrator.

Mr. THOMAS of Oklahoma. The committee took the view that in those 12 States the Administrator would become the regulatory body for those States when an application was filed. There being no regulatory body in those States, if an application came in from one of those States the Administrator would have no one else to depend upon except himself; and if anything is done he must do it. So he becomes the regulatory body for those States in connection with the application which is filed and which is before him for consideration.

Mr. MARTIN. In the States where there is a body provided, such as a public service commission, there is an appeal from the decision of the public service commission. The suggested amendment would give the privilege of a court review. When the amendment was suggested by the distinguished senior Senator from Georgia [Mr. GEORGE] it impressed me that it would put the 12 States in a situation similar to that of the 36 States in which there are regulatory bodies.

Mr. THOMAS of Oklahoma. Even if that procedure should be followed, and a review were permitted, if an appeal were taken and the court should hold adversely to the opinion of the Administrator, the court could go no further than to hold adversely. The court could not order the Administrator to go ahead and make a loan. It occurred to the committee that if that procedure were permitted, it would result in the Administrator turning down the application for loan and denying the benefits of the bill to the particular community. That was the opinion of the committee.

Mr. MARTIN. I can understand that position, but what I am worried about is the beginning of the centralization of the communications system of the United States in the National Capital. I think one of the things which should concern us as Americans more than anything else is the vastness of the Central Government in Washington. It is extremely difficult for the man or organization of ordinary capacity to come here and get the things accomplished which they desire. I felt that the suggested amendment would keep the matter in the States.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, in section 203, on page 6, line 3, after "sec. 203" to insert "(a)."

The amendment was agreed to.

The next amendment was, on page 6, line 5, after the word "whereby", to strike out "sounds, signals, signs, writing, or pictures of all kinds are transmitted or received with the use of electricity, including but not limited to wire, wireless, or wire carrier transmittal and reception" and insert "voice communication through the use of electricity and wire connections between the transmitting and receiving apparatus, is the principal intended use thereof."

Mr. HILL. Mr. President, I wish to invite the attention of the chairman of the committee and Members of the Senate to this consideration: I think we want to limit this bill strictly to telephone service. We do not want any commercial radio, television, or anything of that kind. If Senators will examine section 3 (o) of the Communications Act of 1934, referred to in the bill on page 6, lines 15 and 16, they will see that that is exactly what that language does.

However, as was suggested earlier in the discussion, we now have what is called the "walkie-talkie." That is voice communication by telephone, but it can be done by way of a radio device rather than by wire. I feel that in line 9, on page 6, after the word "electricity," the following words should be stricken: "and wire connections between the transmitting and receiving apparatus."

That would leave remaining the words "voice communication through the use of electricity." It would limit it entirely to voice communication, eliminate television, or anything of that kind, and restrict it entirely to the telephone.

I do not think we ought to deny farmers the benefit of any technological advance. I recall that in the hearings the distinguished Senator from Oklahoma referred several times to the so-called "walkie-talkie." Telephone communication can be effected either by wire, which is the ordinary way, or by radio. I do

not believe we want to deny the farmer the benefit of any advance which might be made so far as the telephone is concerned.

Mr. THOMAS of Oklahoma. Mr. President, as I understand this language, it means that communications can be transmitted in two ways. One is through electricity. That might mean through the walkie-talkie. The second is through wire communications from one point to another. I think the language is all-embracing, and broad enough to cover the radio.

Mr. HILL. What would the Senator say as to the use of "or" instead of "and", so as to read "voice communication through the use of electricity or wire connections"? I do not want to tie it entirely to a wire.

Mr. THOMAS of Oklahoma. I have no objection to the word "or."

Mr. HOLLAND. Mr. President, I hope that the Senator will not press his suggestion, because one of the things which was of concern to various members of the committee during the hearings was the point sought to be made by the committee in suggesting this amendment. Mr. Wickard and some other witnesses made clear statements to the effect that they expected this communication to cover radio and other fields than the present telephone system.

While Mr. Wickard was appearing as a witness, the junior Senator from Florida asked him this question, as found on page 42 of the hearings:

> It is intended, however, to permit REA financing of wireless communications if that proves to be economical?

Mr. Wickard replied:

> Yes, if that is economical.

Senators will note after that very frank statement was made by Mr. Wickard, there was further discussion between the chairman of the committee and Mr. Wickard, in which it was finally agreed that it would be much better to confine this to the standard telephone communications, and to have the matter of extension of financing to other fields investigated and reported back to the Congress.

After all, the thing that was involved was the effort to allow standard telephone service on a much wider basis to the farm homes of the Nation. Following that, this amendment was suggested. I do not see present the Senator from Iowa [Mr. HICKENLOOPER] who suggested it, but I well remember that it was suggested that it was the very definite impression that his wording would preclude anything other than normal communication by telephone, by voice over the wire. If it does not accomplish that, all I can say is that it was intended to accomplish that, and I hope the Senator will not insist upon his amendment.

Mr. HILL. I suggested that I might offer an amendment. I have not formally offered it. I do not want to find myself in disagreement with the committee. I know that this bill must go to conference. Around the conference table this question can be considered. However, I do not believe that the Senate wants to do anything which will tie the farmer to a system which might in a very brief time prove to be antiquated. If any improvements are made in the telephone system or the operation of telephone facilities for conveying the human voice, we want the farmer to have the benefit of them, just as we want the man living in the city to have the benefit of them. I raise the question because I do not want anything in this bill which will condemn the farmer to an antiquated, obsolete system. I want him to go forward, as well as everyone else.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. PEPPER. No doubt it has already been pointed out that the radiotelephone is in current use.

Mr. HILL. I so stated when I spoke of the walkie-talkie. The radiotelephone is very much in current use. Those of us who ride airplanes—and all of us must ride airplanes at various times—know that the operation of the airplane depends as much on the radiotelephone as it does on the pilot. The pilot is talking all the time with someone on the ground. When he gets ready to land, he cannot do so until he hears from the man on the ground through the radiotelephone.

Mr. PEPPER. I do not know the technical details, but I understand that consideration is being given by some of the large telephone companies to the elimination of wires and the installation of a series of radio stations for radiotelephone facilities.

Mr. HILL. I happen to know that the engineers of some of the telephone companies are not only studying this matter, but have made tremendous strides in it. So I do not wish to tie the farmer to an antiquated and obsolete system. On the other hand, of course, I do not want to go one iota out of the realm or field of the telephone, which is voice communication.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LANGER. In North Dakota a great many farmers have airplanes. Certainly this provision would prevent the use of such loans for the development of means by which a farmer, while riding in an airplane, could carry on a conversation with people in his home, possibly in order to make arrangements to land on his own landing field.

Mr. HILL. As I understand, the use of the word "electricity" would permit that farmer to arrange for communication of that sort. As the Senator has said, a great many farmers have airplanes today, using them for many purposes—both for transportation, for crop dusting, and for other purposes. Certainly a farmer should be able to talk, by telephonic means, from an airplane in which he is flying to his home, and not have to contemplate the obvious impossibility of stringing a wire from his airplane to his home, so as to be able to talk to his family there.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. LANGER. I should like to have the Senator tell us how many of the amendments were adopted unanimously.

Mr. HILL. By the committee?

Mr. LANGER. Yes.

Mr. HILL. I am not on the committee, and I would not attempt to speak for the committee.

Mr. AIKEN. Mr. President, it is my recollection that all the amendments were adopted by the committee; but each member of the committee reserved the right to improve on them when they reached the floor of the Senate if it was found that they could be improved upon.

We felt it was quite important to get the bill to the floor of the Senate, so that action could be taken on it at an early date. But no member of the committee was bound to support all the amendments. Some of them, such as the ones giving the definition of "rural area," and an amendment giving another definition, which has just been referred to, were adopted at the last minute.

The Senator from Iowa, who offered one of the amendments, stated that he did not know whether it provided the proper definition for telephone service, but he felt that, as written in the bill, the definition was too broad. The committee agreed with him. But it has been pointed out since then, and it was pointed out at the time by witnesses who came before the committee, that in certain parts of the West there are ranch houses which are 5, 10, or 15 miles apart, and it would be simply impracticable to attempt to string wires between such ranch houses and a telephone exchange.

I think a witness for one telephone company testified in regard to the progress they are making in the field of wireless telephony; but he said it is still too expensive for general use. They are working on it, and they hope to have it developed so that in the future it will not be necessary to string wires to those isolated ranch houses, in order to provide telephone service to them, but that some wireless device can be developed, so as to permit the farmers or ranchers to use that device and connect with the telephone wires at a central office, and in that way put in a long-distance call to some other part of the country.

It seems to me that in this bill we should not preclude the use of a modern walkie-talkie, or whatever may be developed along that line. Otherwise we may be preventing a great many people who live in isolated areas from getting any kind of telephone communication at all.

But again I wish to say that I agree with those who say we should not give the words "telephone service" such a broad definition that they could include almost anything, such as television or any other new developments of so varied a nature as that, but that it should be confined to telephone service and its complements or components.

Mr. HILL. As I understand the chairman of the committee, he shares the view that under this language we are strictly limited to telephone service, but that the instrumentality needed for such telephone service will come under the

provisions of the bill, whatever that instrumentality may be.

Mr. THOMAS of Oklahoma. Mr. President, if the Senator will read the amendment, he will find that the first part is the principal part, namely, the language "is the principal intended use thereof."

Mr. HILL. Yes.

Mr. THOMAS of Oklahoma. It must be the principal use. Anything which might be incidental to it would not be denied, of course.

Mr. HILL. Yes. I am speaking of the means. As the Senator from Vermont has stated, we do not wish to preclude farmers from having telephone service, simply because a wire cannot be strung from a pole or an airfield, or something of that kind.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. HICKENLOOPER. I have been interested in this matter. I have felt that the definition contained in the measure was extremely broad. It seemed to me to include almost anything in the world, including television and many other things. I believe I have expressed myself fully in the committee to the effect that, if, as, and when any convenient or desirable means of rural communication other than wire communication and what we ordinarily know as telephone service, makes its appearance and is feasible and practicable, I shall favor including it.

But if the bill relates to telephones, I think we should confine it to that subject.

A moment ago the Senator from Vermont made some reference to the possibility of telephone communication over REA wires, by hooking up to REA wires and carrying messages over them. We had some testimony as to that. I myself made some outside inquiry in regard to that situation. I find that today it is only feasible, so I have been told, between one sending station and one receiving station; and for each sending station and each receiving station today there is a cost of approximately $15,000 to $18,000 to install the system. The cost is large, and the arrangement will work only between two stations—for instance, between a telephone exchange station and one subscriber. Every subscriber has to put in such tremendously expensive equipment.

So it would seem that it will be a long time before we can have a convenient telephone gadget which can be hooked into a power line so that the power line can be used as a telephone line. If that time ever comes, it seems to me that the amendment adopted by the committee will cover such a situation, because that would still be wire communication service, and would be covered by the amendment.

If the use of walkie-talkies is desired the Federal Communications Commission can license them at the present time, and has jurisdiction over them. I do not think it would be necessary to include such an anticipatory provision in the bill. I think that was the reason for the amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 6, beginning in line 5, where it is proposed to strike out certain language, and to insert lines 8 to 11 in lieu thereof.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 6, in line 17, to insert:

(b) As used in this title, the term "rural area" shall be deemed to mean any area of the United States not included within (1) the boundaries of any incorporated or unincorporated city, village, or borough having a population in excess of 1,500 inhabitants, or (2) any suburban residential area adjoining any such city, village, or borough.

The amendment was agreed to.

The PRESIDING OFFICER. The Chair calls attention to the fact that an amendment on page 4 was passed over. The clerk will return to the amendment, and will read it.

The LEGISLATIVE CLERK. On page 4, line 21, after the word "location," it is proposed to insert: "but no loan shall be made to any person who furnishes service through a telephone system which has in the aggregate more than 1,500 subscribers in rural areas, as such areas are defined in this title."

The PRESIDING OFFICER. Does the Senator from Minnesota have an amendment to the committee amendment?

Mr. THYE. Yes. I have an amendment which was sent to the desk this morning. It is an amendment to this particular committee amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Minnesota [Mr. THYE].

The LEGISLATIVE CLERK. In the committee amendment on page 4, line 25, it is proposed to strike out the period and insert a comma and the words, "unless the number of subscribers of such person who reside or are located in rural areas exceeds the number of subscribers of such person who reside or are located in other areas."

Mr. HICKENLOOPER. Mr. President, I wonder whether the Senator has given thought to the limitation of his amendment to such areas as may be in existence at the time of the passage of the act.

Mr. THYE. I have given thought to the question in every conceivable manner. I have explored it in every conceivable way. The only reason for my attempting to amend this particular committee amendment was my desire specifically to take care of certain small telephone companies now in existence, which would like to avail themselves of the provisions of the act, but which are disqualified from coming under the provisions of the act.

The one company I have in mind at the present time has 3,500 rural or farm subscribers, and 2,500 urban or town subscribers. The amendment would always keep the rural subscribers greater in number than the urban subscribers, and there would be no danger of a unit ever getting so large that there would be a consolidation and a monopoly in any given community. I could not conceive of any city or any telephone exchange that could grow too large, where the restriction is imposed on it that they must continually have a greater number of rural subscribers than urban or town subscribers. I felt I had a safeguard in that particular provision. I realize I did not have opportunity to discuss it with any of the members of the committee prior to offering it. It is apt, therefore, I realize, to be the subject of a good deal of discussion.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HOLLAND. I dislike greatly in any way to oppose any amendment suggested by the Senator from Minnesota, but I do hope he will consent to withdraw this amendment and take it to conference. He may do so if the Senate adopts the committee amendment as now proposed. The Senate will remember that the House bill has no limitation at all on the size of the exchange, or any qualification of that sort, in connection with the procurement of loans under the act. In other words, operating companies of any size, large or small, regardless of how greatly or to how small a degree they serve the rural areas, are qualified under the House bill, whereas under the Senate bill, if the committee amendment were adopted, the field of operations of the act would be confined to the making of loans to persons or companies who are operating telephone systems that do not have more than 1,500 rural subscribers.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HICKENLOOPER. I shall have to answer the telephone in a second. I merely want to say I join with the Senator from Florida in hoping the Senator from Minnesota will withdraw his amendment. The subject matter will be in conference anyway, and will be there, and can be worked out more satisfactorily. I should hesitate to vote for the amendment, although I am in sympathy with what I think the Senator is trying to do, and I think we are in agreement as to a provision of the bill; but if he can withdraw his amendment without prejudice to his position with respect to its presentation, then I should like to join with the Senator from Florida in wishing he might protect himself and yet not take formal action.

Mr. HOLLAND. I thank the Senator from Iowa.

Mr. DONNELL. Mr. President——

Mr. HOLLAND. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. DONNELL. Mr. President, I have been puzzled by the committee amendment, as to whether it is proper. This is the query I have in mind, which I respectfully submit to the Senator from Florida: As I understand, the committee amendment is to the effect that no loan

shall be made to any person who furnishes service through a telephone system which has in the aggregate more than 1,500 subscribers in rural areas. The difficulty in my mind is, I cannot thus far see why the mere fact that a telephone company is furnishing service to 1,500 subscribers should operate to prevent the company from getting a loan to extend its service to other people who are not so fortunate. In other words, to illustrate, suppose we take a company in any section of the country which is extending service to 1,600 subscribers, but around the 1,600 subscribers are 5,000 other people who would like to have telephone service. Why should there be a prohibition against a loan to the company, so it may extend its service to the other 5,000 people, merely because 1,500 people are already fortunate enough to have service from the company? That is the question I desire to ask the Senator. It, of course, goes to the question as to whether the committee amendment itself is proper.

Mr. HOLLAND. Mr. President, I shall endeavor to answer the very pertinent question propounded by the Senator from Missouri. In the first place I should say to the Senator there was great apprehension on the part of persons already engaged in the telephone business, including both large and small—and I may say to the Senator that by all manner of means the largest concerned group was the group of small operators—with respect to certain implications of the operations of the act. One was that as a competitive matter the company that got 2-percent loans would be in a very greatly advantageous position competitively with companies which had to pay the ordinary commercial rates of 4, 4½ percent, or whatever was required of them in the various areas. I believe the testimony showed that 3, 4, 4½, and 5 percent, and perhaps other rates, were being paid.

In the second place, there was very great apprehension that under this setup the creation of huge cooperative organizations would be encouraged, which would be wholly free from income-tax liability, and it was pointed out that the income-tax payments made by the ordinary commercial companies now operating were, my recollection is, close to 40 percent of the income of the companies. Therefore, all members of the committee realizing there was a legitimate field for operation, namely, the effort to extend service to people who otherwise cannot get service, we set out to try to find some sort of limitation which would not cause undue anxiety to the many thousands of independent operators now in business paying commercial interest rates and paying the ordinary income tax.

The committee first considered a 1,500-subscriber or 1,500-telephone exchange as the limitation. My recollection is there were members of the committee—the distinguished chairman has just come into the Senate Chamber; I hope he will refresh his memory on it—my recollection is that some members of the committee wanted to confine the operation, the giving of loans or the making available of loans, to concerns with not to exceed 1,500 telephones. It was then brought out that, after all, what we were seeking to do was to encourage and enlarge coverage of the rural territories. So, finally, two things were worked out, by give and take, in the committee. One was the definition of "rural areas," which the Senator will find among the committee amendments. The other was this precise subject matter, under which, notwithstanding the size of the operations within urban areas, the limitation of 1,500 was applied as to the maximum size of the rural service rendered, beyond which the company could not go and still be eligible for a loan.

This question is implicit in this whole matter, and I think it would be highly disturbing to the many thousands of independent operators to have the door thrown wide open.

So these two amendments, both of them simply the result of long discussion and more or less arbitrary decision, if I may use that word, because the committee members used their best judgment and all the information they could get on the subject, are to confine the field of operation where the thing which is intended to be done can be done, namely, that the rural persons who are not now served will be given assistance in getting telephones and where destructive competition may not be brought in as between the thousands of operators of independent telephone systems and the large systems.

So the amendment of the Senator from Minnesota would, in my humble judgment—and I am sure he would want me to state this frankly on the floor—open the door to one thing which the committee was trying very definitely to avoid, namely, the setting up of huge combinations of now small rural organizations, so as to make a very large coverage by one organization. If the limit is fixed as suggested by the amendment, and if I understand it correctly, it would mean that no matter how large an organization might grow, and no matter how many telephones it might have, whenever the number of rural telephones exceeds the number of urban telephones in the system, the company is still eligible for loans, meaning that by the consolidation and merger of literally hundreds of telephone companies in the rural areas, there may soon be immense combinations which might go far beyond the limitation which the committee had in mind.

So I sincerely hope that the distinguished Senator will withdraw his amendment, realizing that if there be merit in it—and certainly anything he would suggest, so far as I am concerned, would have prima facie merit in it—it could certainly be presented at the conference of which I am sure the Senator will be a member, because the whole scope of territory between the unlimited operation provided by the House bill and any limitation provided by the Senate bill will be properly before the conferees. I hope the Senator will accept that suggestion.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. THYE. Mr. President, knowing a little bit about telephone service and the problems involved—and I hope those who are classified as experts will not judge me too harshly—I would say to the very able Senator from Florida that on the question of whether the companies could continue to lay down a network covering a great area there must be continuity. A line cannot be carried many miles without a subscriber, because the cost would be too great. If we are compelled to maintain a balance where there are more rural subscribers than there are town subscribers, we are not going to be able to bypass towns by this type of requirement. Therefore, if we endeavor to lay down a network covering many communities, many towns, many cities, even extending across county lines, I think we shall be confronted with the fact that we would run into a point that would disqualify us immediately.

So I weighed every one of these questions at the time I commenced to think of attempting to amend the committee amendment. If anyone has confidence in another man's qualifications, the senior Senator from Minnesota has confidence in the qualifications of the very able Senator from Florida [Mr. HOLLAND]. So I was reluctant even to open up the question, recalling the discussion which took place in the committee which led up to the committee amendments which the Senator sponsored.

After having weighed the whole question and having realized that there was a company with which I was acquainted—and I know the area almost to the township line; it is in the northwest section of Minnesota—and realizing that the bill absolutely excluded that particular organization and that group of farmers in those small towns, I finally decided that I would offer the amendment and let it have open and frank discussion, hoping the Senate would accept it and that it would be taken to conference. The House bill contains absolutely no restrictions. I think the Senate amendment is too restrictive. I do not believe that under the bill we will get the number of farm telephones for which we are hoping. I should like the Senator from Florida not to open it up to a point at which we abuse private enterprise which is doing an excellent job in serving communities and towns. So I hope my restrictive amendment, compelling the companies always to keep rural subscribers in greater numbers than town subscribers, will be accepted and taken to conference.

Mr. HILL. Mr. President, will the Senator yield?

Mr. THYE. The Senator from Florida has the floor.

Mr. HOLLAND. Mr. President, I should like to make one statement, and then I shall be glad to yield.

I am grateful for the generous comment made by the Senator from Minnesota. I have before me page 274 of the hearings containing a portion of the testimony offered by Mr. Warren B. Clay, manager of the Hutchinson Telephone Co., Hutchinson, Minn. He made a very fine impression on both the Senator from Minnesota and myself. We both commented on it at the time. One of the

things he brought into the record which I think was particularly helpful was a picture of how many small independent concerns there are. He gave a listing, as shown by the telephone division of the State agency which has jurisdiction in the State of Minnesota, of the number of such companies operating. Of class A companies, which he characterized as being in the large cities, there are 2; class B companies, 17; class C companies, 65; class D companies, 91; class E companies, 44; class F companies, mostly farmer-owned lines, 1,851, or a total of nearly 2,100 companies in the State of Minnesota alone.

The point I was making a while ago, when we were discussing the proposed amendment, was that it seemed to me the amendment as offered would allow the combination of rural telephones to get as large as we please. I thoroughly agree with the statement made by the Senator from Minnesota that there is, of course, a limit to what can be economically done out of one exchange. But the point I am making is that there might be a combination including dozens or even hundreds of exchanges under one company, so operating as to preclude the Nation's receiving any revenue from them, and to preclude competitors from having a fair chance to compete, all financed by the 2-percent loans and constituting in the total a group of tens of thousands or even hundreds of thousands of telephones under one establishment. I believe the Senator will recall that all the way through the discussion in the committee the members of the committee were anxious not to bring about any such large combinations. That was one of the reasons that the committee struck out the word "consolidations" wherever it occurred.

It seems to me, in the first place, the Senator's amendment does open the door to that kind of a situation. In the second place it departs from the findings of the committee, which I think discussed this point more than it discussed any other one point before it. In the third place, the consideration of the amendment by the Senate is not necessary to the consideration of it in conference, if the Senator wishes to have it considered there, because, if the committee amendment is retained in the bill, the scope of the conference committee in considering this particular part of the subject matter will run all the way from no limit at all to whatever limit is imposed under the Senate bill, whereas if the Senator's amendment is adopted then there will be no chance in conference to go back to the committee amendment because it would be a smaller limitation than the limitation which would have been included by the amendment offered by the Senator from Minnesota. So I would hope that the Senator would withdraw his amendment and allow it to be more thoroughly checked and investigated as a basis for discussion in the conference committee.

Mr. DONNELL. Mr. President, will the Senator permit me to address a further question to him?

Mr. HOLLAND. Certainly.

Mr. DONNELL. In the first place, I wish to say that I am very reluctant indeed to oppose the committee amendment, and I am not at all certain I shall oppose it, because I fully appreciate the point the Senator makes against the extension of this governmental assistance to companies which might lead to the building up of vast combinations, and extensions of combinations. I observe also in the report of the committee that it is stated at page 2 that the intent of the legislation is not to create a vast network under one system, but to guarantee adequate and reliable local service.

However, I am still puzzled about this question, and I hope the Senator will bear with me while I state the difficulty I have, and can supplement what he has so clearly stated. The report of the committee says:

> The question is not whether more or less than 50 percent—or any similar percentage—of the farmers have telephone service; the problem is how to extend such service to the many who do not have it as fast and as efficiently as possible.

Then the committee expresses the belief that the bill embodies a program which will "enable the Government to carry out its proper role in the needed extension of more telephone service to our rural people."

Although the committee starts with the design to bring about the needed extension of more telephone service to our rural population, we find that, whenever we run into a company which already has 1,500 subscribers in the rural sections, it is impossible for that company to secure a loan under the bill which will permit it to go ahead and extend its service to other people.

I can see how the 1,500 people are provided for under those circumstances, but again I call the attention of the Senator to the fact that the report of the committee says:

> The question is not whether more or less than 50 percent—or any similar percentage—of our farmers have telephone service; the problem is how to extend such service to the many who do not have it as fast and as efficiently as possible.

My question is, here we have a company which has 1,500 subscribers, and here are 10,000 families just beyond those 1,500, or perhaps commingled in where they are, who do not have service. There is no other telephone company in existence that is ready to render them service. The 10,000 people say, "Merely because the 1,500 have service we should not be precluded from our privilege of likewise securing service." Yet this amendment of the committee, as I read it, would prohibit the extension of loans to the company, because 1,500 already have service.

I am still puzzled, although I am perfectly clear as to the ultimate objective of the Senator from Florida, namely, not to permit aid which will build up huge combinations, and I am sympathetic with the general idea. I think I can appreciate how the 10,000 outside the perimeter of the 1,500 would feel if, because 1,500 had the service, the 10,000 other people could not get it. That is the question I present to the Senator.

I am not at all certain I am going to oppose the amendment of the committee, but I am puzzled about the justice of that proposition, and I would earnestly ask the Senator if he will be so kind as again to indicate, if he will, the reason for such a prohibition. If the reason is that it is in order to prevent consolidations and huge extensions, I understand that. If there is any other reason, I should like to know of it.

Mr. HOLLAND. Mr. President, there would be two answers to the question—and I think it is an excellent question. The first is that the committee hearings did not indicate that there was not any way to secure loans for extensions from commercial sources for sizable operating telephone companies. On the contrary, they are excellent risks, and they get loans, most of them get loans, and they are operating profitably. It is a very highly developed, independent enterprise activity.

The second of the answers is that if any such area as the Senator represents is not having service extended to it by a relatively large utility which is close to it, it has its own remedy, under the bill, because it may organize its cooperative, its mutual company, or a small, independent, commercial company. I believe the Senator spoke of 5,000 or 10,000 people in the area. Of course, they could take the action I have suggested.

The committee felt that this was just about as far as we could go in extending the right to borrow, and without beclouding the issue by having the truly large companies already existing come in for the loans, or by encouraging combinations which would crowd out competition, and would be unfair in their competition, with independent enterprise.

I believe I could speak for every member of the committee in saying that we were tremendously impressed with the quality and character of the citizens who appeared before us, evidencing, as they did, high initiative, high character, perfect willingness for people who could not be reached by commercial systems to have the benefit of this measure, but intense in their desire to continue in the American way, in fair competition with each other, and without being crowded out by unfair competition.

The figure at which we arrived in the amendment represents, I think, the cumulative ideas of all members of the committee as to the limit beyond which we felt we should not go at this time, and we felt that if we went beyond it we would be jeopardizing the welfare and continued prosperous existence of the numerous commercial activities.

Mr. President, that is about as good an answer as the Senator from Florida could give.

Mr. DONNELL. I am very grateful to the Senator for his answer.

Mr. HOLLAND. Mr. President, unless there are questions, I am ready to conclude. I do hope that the Senator, realizing that he will have the opportunity to bring this measure into conference, and realizing that if his amendment shall be agreed to, the committee amendment, which, after all, represented the cumulative thinking of the whole group of the committee at the time it was considered, will not be in conference, because it will be below the limitation adopted. I hope that the Senator will

withdraw his amendment and allow it to be studied, first, by the engineers. So far as I know, the amendment was not considered by the committee. I do not know its implications, and I am satisfied the Senator has not had time to apply them, except to the local area which he knows so well, and which is covered by the amendment.

I should dislike greatly to have us precluded from coming back to the amendment, which, after all, represents many hours of consideration and the combined judgment of the committee at the time it was adopted.

Mr. THYE. Mr. President, does the Senator yield the floor?

Mr. HOLLAND. I yield the floor.

Mr. THYE. The only reason why I would make any further comment on the question would be to say that while the committee was studying the limitation question we finally agreed upon this limitation of 1,500. That, I frankly state, is the fact. But after the committee had agreed upon 1,500 as the limitation for the rural subscribers, I learned that it disqualified some who, in my judgment, absolutely should be qualified under the act.

That is the difficulty with which I am confronted. It was not a question of arriving at 1,500 as being the reasonable, the logical and the most equitable number. We simply happened to agree on 1,500 because we felt that a town of four or five or six thousand might have a telephone exchange within it, and if a town of 4,000 or 5,000 or 6,000 did not extend out into the country, possibly the 1,500 rural subscribers would be all that would come in under that unit. It was in that manner we finally agreed on 1,500. We felt that we would not discriminate against a town of 5,000 or 6,000 or 7,000. We felt that the maximum we arrived at was going to be all right. But we had not more than announced what we had agreed upon until I received mail saying that 1,500 was not sufficient; that the fixing of 1,500 would result in excluding some rural communities which the Senator and I would desire to cover, and would exclude units which I am sure the Senator would, if he knew the units, agree should be covered. That is why I offered the amendment.

I do not know whether my amendment goes too far. If I thought my amendment would defeat what the Senator and I were endeavoring to do, then I would not offer it. Just where should we stop? That is a question I am not able to answer. But I say that rather than to embarrass my colleagues with whom as a member of the Committee on Agriculture and Forestry, I served in studying this question, by fighting this matter to a vote, if the Senator from Florida will tell me that he will go to conference with the amendment, that is enough for me, because I know the Senator from Florida will not come out of conference unless he has tried to meet every issue in an honest and sincere manner. I know the Senator from Florida does not give his word unless he intends to carry it through.

If we can take care of this exchange which I happen to know so well, which has 3,500 rural telephones and 2,500 town telephones, making a total of about 6,000 telephones, and give them an opportunity to come under the act, more farmers will have good telephone service. If we deny them the right to come in under the act, there will be a great number of farm families who will continue to be "dinging" along, if I may use that expression, because all they are going to have on the rural line is a "ding", and they are not going to catch any conversation. The line will be so noisy and full of static that they cannot hear anything. I have experienced such service, and I know many others have experienced it. So I say if we can bring such cases under the act we will have good telephone service. If we cannot bring them under the act the subscribers are going to be "dinging" along for some years to come because of an inoperative and inadequate service.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HOLLAND. I should like to say to the Senator from Minnesota that the Senator from Oklahoma [Mr. THOMAS], the chairman of the committee, has just stated that he expects to appoint on the conference committee the Senator from Minnesota and also the junior Senator from Florida. Assuming that I shall serve on that committee, I am glad to assure the Senator that I will be happy to have this subject studied, and if the matter can be covered so as to admit of what the Senator from Minnesota desires without violating the principles we were all seeking to conserve why, of course, I shall be happy to go along with him. I make that statement simply because the Senator from Oklahoma has just made the statement to me with reference to the conference.

Mr. THYE. Mr. President, if it is permissible, I withdraw the amendment, because if I am a member of the conference committee I could not ask that any other Senator carry the battle for me. I should be able to carry it myself.

The PRESIDING OFFICER. The amendment is withdrawn, and the question is on agreeing to the committee amendment.

Mr. AIKEN. Mr. President, the committee amendment is one with which I do not find myself in agreement, although I was willing to accept it with reservations in order to get the bill out on the floor where it could be discussed. It seems to me the amendment will go a long way toward defeating the purpose of the bill. The purpose of the bill as I understand it is not to make loans so that people in the telephone business can make a profit. The primary purpose of the bill is to extend telephone facilities to those rural areas of the United States which do not have such facilities available, thereby making it more attractive and more convenient for people to live in the rural areas, and for the farmers in the rural areas to obtain services which their farms need, perhaps for calling the fire department, perhaps for calling a doctor.

I was simply surprised to find that two-thirds of the farms in this country do not have telephones today. We do not know much about such situations in the Northeast. So far as I can see the bill probably would not benefit very much the area east of the Mississippi River and north of Tennessee or Kentucky. There are some States west of the Mississippi, such as the State of Iowa, which are pretty well covered with telephone lines today. But if the purpose of the bill is to make telephone service available to the rural areas of the United States I think we ought to write it and adopt it in such a form that this objective will be achieved.

If we limit the number of telephone subscribers to 1,500 to any one system, I am afraid we will be handicapping the work of accomplishing the very thing the bill is intended to accomplish. For instance, it has been pointed out that certain REA cooperatives in the West have as many as 5,000 to 7,000 or 8,000 members. This means that if they wished to cover the entire REA system with telephone service, assuming that it does not now exist, they could not set up a system which would parallel that of the REA but would have to break up the REA into several districts in order to keep within the law and keep within the limitation of 1,500 subscribers.

I believe we should not expect this money, which is to be made available for loans, to be used for building large telephone systems in this country. I do not know what the limitation should be. I think it should be within reason, and I believe every member of the committee who has spoken on the floor today has indicated that the committee does not intend these funds to be made available for building up large telephone systems.

On the other hand, we want to accomplish the purpose of the bill, which is to bring telephone service to the rural areas of America, and bring it there as economically as possible. If we have to break up an REA system into four or five parts in order to comply with the law, we cannot help but make it a little more bothersome and a little more expensive to bring telephones into the area.

The Senator from Missouri has very ably pointed out one of the problems. I will not use the illustration of 10,000 people being without telephones. I will use as an example, the number of 1,700 people without telephones. I have flown over some communities in the West in which I thought the number of those without telephones would come up to that figure; that is, there would be in a certain area 1,700 people who want to put in a telephone system. If a limitation of 1,500 telephones were made, it would leave 200 persons without telephones. No one could afford to put up a system simply for 200 people.

Then again, when a telephone system is brought out into the country, that country community is going to grow. What is to be done then? People who want to move in and build homes cannot have telephones because the limit of 1,500 has been reached. I do not think we should bring about such a situation.

I do not know whether the amendment the Senator from Minnesota proposed to offer was the proper amendment or not. I do not think, however, we want to put handicaps in the way of accomplishing the purposes of the bill.

We are trying to provide the country with telephone service. We have our large systems—the A. T. & T., and the Bell System with its various area companies. They do not care for these small telephone systems. They probably could not operate them as cheaply as the individual owner is doing today. Large telephone systems have some requirements which the small operator, who usually operates the system as a family affair, does not have. For example, the small telephone company has exemption from the wage-and-hour law. If the Bell System bought one of these small systems it would come under the wage-and-hour law, and probably the cost of telephone service would be increased. The small telephone operators are performing a wonderful service for our country. I think most of them would like to give better service. There are only 19 small companies in my own State. So far as I know they are all doing very well. They are doing the best they can.

This is a matter which quite vitally affects the accomplishment of the purposes of the bill. I think it is a matter upon which the Senate might well express an opinion and vote as to whether the amendment restricting the number in a single telephone system to 1,500 shall be approved. I do not think it should be. I would agree to a limit somewhere. I do not know where it should be; and not knowing where it should be, I should prefer to eliminate the limitation and reject the committee amendment. Personally I should like to know how the Senate feels about it.

Mr. HILL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HILL. I do not wish to delay the Senate, but the Senator has certainly expressed my feeling with reference to this amendment. I think the distinguished Senator from Vermont [Mr. AIKEN], the distinguished Senator from Missouri [Mr. DONNELL], and the distinguished Senator from Minnesota [Mr. THYE] have stated the case exactly as it is.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DONNELL. I think the example given by the Senator from Vermont with respect to 1,700 subscribers as compared with 1,500 is a much better example than the one I gave, and much more probable.

Mr. HILL. I will say that they are both good examples.

As the Senator from Minnesota well said, the economics of the situation will take care of the matter of how many telephones can be profitably included in one particular telephone system.

My good friend from Florida [Mr. HOLLAND] has spoken about competition. There will be no competition. To begin with, there is a strong antiduplication provision in the bill. Loans cannot be made for duplicating purposes. It is not the desire or intention of the sponsors of the bill to establish any kind of system to duplicate the service of some other system. As the Senator from Vermont has well said, if today there is a system which has 1,500 subscribers, and the committee amendment is adopted, no one else within the locality of that system can hope to get telephone service. So far as any help from the bill is concerned, why should a farmer be deprived of the opportunity to get telephone service merely because the system in his particular area or locality already has 1,500 subscribers? It might well be that the economics of the situation and good management of the system would dictate that the system have more than 1,500 subscribers. Surely, if there be 50, 100, or two or three hundred more who want service, they ought to be allowed to get it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. AIKEN. Mr. President, I believe I still have the floor, but I yield to the Senator from Florida. I do not wish to give up the floor just yet.

Mr. HOLLAND. I merely wish to invite the attention of the Senator from Alabama to the fact that 1,500 telephones is not the limit of the system. It is the limit of the number of rural telephones which the system can have and remain eligible.

Mr. HILL. Yes.

Mr. HOLLAND. There are many systems which can qualify for loans under the bill, which have as their nucleus a county-seat town or city of considerable size, with several thousand telephones. But if they have not to exceed 1,500 rural telephones, they can qualify for loans to extend into additional rural areas.

Mr. HILL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HILL. As the Senator well knows, there may be 1,400 telephones in some small community. A telephone system for a rural area is defined as one having less than 1,500 rural subscribers. Many of the telephones of such systems will be in small towns and communities. They will not really be out on the farm.

Mr. AIKEN. I should like to suggest that a telephone system might serve two or three villages of 1,200 to 1,499 population each. There might be 1,400 telephones in the three villages, and only 100 of them on the outside.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. HILL. Is it not true that there might be a system with 1,500 telephone subscribers, and only 50 out of the 1,500 would be farm-home subscribers? They might be in small cities or villages, as the Senator says. Why, then, should farmers living in the locality served by the system be denied this service?

We must also bear in mind that in the bill there is a strong provision against duplication. We do not want duplication. But it might well be that because of the arbitrary limitation of 1,500 the farmers could not get service from the existing telephone company. Surely they could not get it from any company outside the particular area or locality. To bring another company in would be to engage in the very thing which the bill prohibits, which is duplication of service. Am I correct?

Mr. AIKEN. The Senator from Alabama is correct.

Mr. President, I have just one further point to raise, and then I shall be through.

There are some who, through misunderstanding, have the idea that the bill puts the Government in the telephone business. That is not true. What the bill does is to authorize the Government to lend money to private industry to go into the telephone business or to expand the telephone business. The Government is no more in the telephone business than the Government is in the watch business because the RFC made a loan to the Waltham Watch Co. The Government is no more in the telephone business than it is in the banking business because certain banks of the country get Government loans. The bill provides for loans to private industry for the purpose of extending telephone systems to that part of rural America which is not now served. I hope we will not limit the systems to 1,500 telephones, because quite conceivably that could handicap the work. The Senator from Minnesota has already pointed out a system which has 3,500 rural subscribers. Such a system would not qualify for a loan if the limitation of 1,500 were carried through.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. PEPPER. I did not quite get the purport of the Senator's amendment.

Mr. AIKEN. I have offered no amendment. I was simply stating that I could not concur in the committee amendment, which reads as follows:

> But no loan shall be made to any person who furnishes service through a telephone system which has in the aggregate more than 1,500 subscribers in rural areas, as such areas are defined in this title.

The rural area, of course, includes towns up to 1,500 population. I was simply expressing the thought that this amendment might make the accomplishment of the objective of the bill more difficult.

Mr. PEPPER. I thoroughly subscribe to the view expressed by the able Senator from Vermont. I was wondering whether he had offered an amendment to change the figure of 1,500. If he had, I wanted to support his amendment.

Mr. AIKEN. The committee amendment is the pending question before the Senate. If the Senator from Florida does not wish to limit a rural telephone system to 1,500 subscribers, he should vote against the committee amendment.

Mr. President, I yield the floor.

Mr. LANGER. Very respectfully, Mr. President, I wish to say that it seems to me that the committee of the House of Representatives in its report takes the side of the people, whereas the Senate committee amendments take the side of the big telephone companies. As one of the sponsors of one of these bills, I watched the proceedings very carefully. I testified before the committee and I watched the proceedings thereafter. I am very familiar with the fact that the president of the largest telephone company in the United States said that before the Senate or the House of Representatives should do anything about this matter, they should make a study which

would take at least 2 years more, to find out how many farmers did have telephone service and how many farmers did not have telephone service.

But that is not all, Mr. President; the man who appeared at the committee hearings in behalf of the big telephone companies of North Dakota, returned to North Dakota and said he would do everything he could to defeat the Senator from North Dakota because the Senator from North Dakota had introduced a telephone bill in behalf of the farmers of the country.

Very respectfully, Mr. President, I wish to refer to the statement of my distinguished friend, the Senator from Florida, that when the representatives of the big telephone companies testified, they said they could get all the money they needed for the extension of telephone service. If that be true, why have not the farmers gotten telephones? The telephone companies have been able to get all the money they needed in years past. Why does the record today show that in Alabama only 5 percent of the farmers have telephone service; in Arizona, 35.5 percent; in Arkansas, only 7 percent; in California, 43 percent; in Colorado, 46 percent; in Connecticut, 77 percent; in Delaware, 39 percent; in Florida, 10½ percent. In the State of the distinguished Senator from Florida, 90 farmers out of every 100 do not have telephone service, although it is said that the telephone companies could get all the money they needed to build or extend telephone service; in Georgia, only 6 percent of the farmers have telephones; in Idaho, 42 percent; in Illinois, 60 percent; in Indiana, 55 percent; in Kansas, 64 percent; in Kentucky, 17 percent; in Louisiana, 5 percent; in Maine, 53 percent; in Maryland, 42 percent; in Massachusetts, 71 percent; in Michigan, 39 percent; in Minnesota, 54 percent, or approximately one-half of the farmers in that State, have telephone service, and the remainder of the farmers do not have telephones. That is the condition in as fine a State as any in the Union, made up of farmers as fine as can be found anywhere, because there, as in North Dakota, the overwhelming majority of the farmers are Scandinavians and Germans, with some Irish and Scotch mixed in for good measure.

In Mississippi, only 3.7 percent of the farmers have telephones; in Missouri, 45 percent; in Montana, 20 percent; in Nebraska, 56 percent; in Nevada, 44 percent; in New Jersey, 52 percent; in New Mexico, 10 percent; in New York, 52 percent; in North Carolina, 5 percent; in North Dakota, 34 percent—in other words, in my own State, approximately 1 out of every 3 farmers has a telephone. If Senators think the farmers are not interested, Senators should see the mail and the petitions on this subject which I have received. I have in my office petitions on this subject signed by thousands and thousands of farmers, and I shall be glad to put those petitions in the RECORD.

In Ohio, 50 percent of the farmers have telephones; in Oklahoma, 24 percent; in Pennsylvania, 40 percent; in Rhode Island, 64 percent; in South Carolina, 4.3 percent; in South Dakota, 45 percent; in Tennessee, 15 percent; in Texas, only 17 percent—only 17 farmers out of every 100 farmers in Texas have telephones; in Utah, 32 percent; in Vermont, 55.1 percent; in Virginia, here in the heart of the eastern seaboard area, only 18 farmers out of every 100 have telephones; in the State of Washington, only 44 percent of the farmers have telephones; in West Virginia, 22 percent; in Wisconsin, 48 percent; and in Wyoming, 31 percent.

Mr. President, I believe these statistics absolutely refute the testimony which was given before the committee, as stated by my distinguished friend the Senator from Florida, in which the representatives of the telephone companies said they could get all the money necessary in order to extend the telephone lines.

Again, Mr. President, I wish to refer to the report of the House Committee on Agriculture. I think it is a magnificent statement in behalf of the farmer. It says:

This bill authorizes the Rural Electrification Administration to make loans for the expansion and improvement of rural telephone service under the same terms and conditions which REA has employed for many years in making loans for rural electrification. It is not a bill for Government ownership or operation of telephone facilities. On the contrary, it provides that funds shall be made available on identical terms to private corporations, public agencies, and cooperatives, gives persons now operating telephone facilities a clear preference over all other types of applicants, and preserves to the utmost the authority of State regulatory bodies over rates, service, and service areas.

What could be fairer than that? The House of Representatives Committee on Agriculture continues in its report, which apparently it adopted:

THE NEED FOR RURAL TELEPHONES

According to the best available statistics, there are fewer farm telephones today than there were in 1920. The following table shows the number of farm telephones for the census years 1920 to 1945 and the REA estimate for January 1, 1949:

Census year	Number of farm telephones	Percentage of farms with telephones
1920	2,498,493	38.7
1930	2,139,194	34.0
1940	1,526,954	25.0
1945	1,866,109	31.8
1949 (REA estimate)	2,473,000	42.2

Convincing as statistics may be, it is difficult to express statistically the need of farmers for telephones. There can be no doubt that one of the greatest assets of any country is an agricultural population that knows its job, likes its working and living conditions, and intends to stay on the farm year in and year out. One of the most important factors to an attainment of this kind of stable agricultural population is that of rural living conditions.

Mr. President, the Eighty-first Congress at this session has gone a long way in extending aid to the farmers. We have appropriated more money at this session for the REA than has been appropriated in any previous year. Moreover, we have appropriated hundreds of millions of dollars to help the farmers acquire homes, and to wipe out so-called slum conditions in farming areas. We have provided that farmers in submarginal areas may receive grants up to $500 to improve their houses and to improve toilet facilities, to a total extent of $25,000,000. Those are only a few of the things we have done.

I read further from the report of the House Committee on Agriculture:

We cannot expect farmers to be satisfied with living conditions that are 20, 30, or 50 years behind those in the city, as they are in the case of telephones. There is no reason why, just because a family lives in the country, it should be expected to do without the conveniences and necessities that city families have so long been accustomed to that they are taken for granted. The recurring problem of the migration of millions of young people from the farms to the cities, whenever there are jobs available in the cities, arises largely from dissatisfaction with the primitive and inadequate living conditions in many rural communities.

Some adjuncts of modern living, such as running water and sewerage, the farmer can provide for himself. Others, such as telephones, he cannot obtain on his own initiative.

Most city families consider a telephone in the house a necessity, even though it may never be used for business and there may be a score of other telephones within a block that can be used in case of emergency. A farm is both a home and a place of business. The need for a telephone in the home for use in emergency is far more urgent than in the city. It is not conducive to satisfaction with rural living conditions for a farmer to have to ride or drive several miles to summon in person the fire department or the doctor while a barn burns down or a child tosses in illness.

The need for a farm telephone for business purposes is equally great. Farming is a business, a large part of which involves buying and selling. A farmer without a telephone can hardly compete with a neighbor who is so equipped and can contact in a few minutes, by telephone, more sources of supply or outlets for his product than the telephoneless farmer could see in a day of traveling.

This remarkable report on behalf of the farmers of the Nation is so fine that I ask unanimous consent that it may be printed in full at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture, to whom was referred the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

On page 4, line 18, strike out the period and insert in lieu thereof a comma and the following: "Nor shall such loans be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained."

STATEMENT

This bill authorizes the Rural Electrification Administration to make loans for the expansion and improvement of rural telephone service under the same terms and conditions which REA has employed for many years in making loans for rural electrification. It is not a bill for Government ownership or operation of telephone facilities. On the contrary, it provides that funds shall be made available on identical terms to private

corporations, public agencies, and cooperatives, gives persons now operating telephone facilities a clear preference over all other types of applicants, and preserves to the utmost the authority of State regulatory bodies over rates, service, and service areas.

THE NEED FOR RURAL TELEPHONES

According to the best available statistics, there are fewer farm telephones today than there were in 1920. The following table shows the number of farm telephones for the census years 1920 to 1945 and the REA estimate for January 1, 1949:

Census year	Number of farm telephones	Percentage of farms with telephones
1920	2,498,493	38.7
1930	2,139,194	34.0
1940	1,526,954	25.0
1945	1,866,109	31.8
1949 (REA estimate)	2,473,000	42.2

Convincing as statistics may be, it is difficult to express statistically the need of farmers for telephones. There can be no doubt that one of the greatest assets of any country is an agricultural population that knows its job, likes its working and living conditions, and intends to stay on the farm year in and year out. One of the most important factors to an attainment of this kind of stable agricultural population is that of rural living conditions.

We cannot expect farmers to be satisfied with living conditions that are 20, 30, or 50 years behind those in the city, as they are in the case of telephones. There is no reason why, just because a family lives in the country, it should be expected to do without the conveniences and necessities that city families have so long been accustomed to that they are taken for granted. The recurring problem of the migration of millions of young people from the farms to the cities, whenever there are jobs available in the cities, arises largely from dissatisfaction with the primitive and inadequate living conditions in many rural communities. Some adjuncts of modern living, such as running water and sewerage, the farmer can provide for himself. Others, such as telephones, he cannot obtain on his own initiative.

Most city families consider a telephone in the house a necessity, even though it may never be used for business and there may be a score of telephones within a block that can be used in case of emergency. A farm is both a home and a place of business. The need for a telephone in the home for use in emergency is far more urgent than in the city. It is not conducive to satisfaction with rural living conditions for a farmer to have to ride or drive several miles to summon in person the fire department or the doctor while a barn burns down or a child tosses in illness.

The need for a farm telephone for business purposes is equally great. Farming is a business—a large part of which involves buying and selling. A farmer without a telephone can hardly compete with a neighbor who is so equipped and can contact in a few minutes, by telephone, more sources of supply or outlets for his product than the telephoneless farmer could see in a day of traveling.

Modern mechanized farming is also tremendously increasing the farmer's need for adequate telephone service. In the days when horses and mules were the farm motive power, tools were correspondingly simple. There were relatively few possibilities of mechanical break-down of equipment and the farmer could anticipate most of these and prepare himself with the tools and parts to make the necessary repairs. With today's mechanized and highly efficient but also highly complicated farm machinery, only the factory that made the machine can be completely ready to take care of a mechanical break-down. Usually the part that breaks can be obtained only from the dealer who sells and services that particular machine, and all too frequently even the local dealer may not have it. Machines have a nasty habit of breaking only when being used, and the farmer who has no telephone and has to spend hours driving from one dealer to another seeking a part for his combine or his pick-up baler, while the machine stands idle in the field, may lose hundreds of dollars that would have been saved if he could have located the part by telephone.

THE NUMBER OF RURAL TELEPHONES

There was considerable disagreement in the hearings held by the committee on the number of farm telephones in the United States today. Spokesmen for farm organizations, rural electric cooperatives, and others supporting the bill were inclined to the position that the estimate of 2,473,000 rural telephones shown above is too high. They pointed out that the census reports every farm on which there is a telephone instrument, whether it is in operation or not. They pointed out that many rural telephone lines are so antiquated and decrepit, that the instruments attached to them are virtually useless, and took the position that the number of farms adequately served by telephone was probably considerably fewer than the 42.2 percent estimated by the REA.

Spokesmen for the far-flung Bell System contended, on the other hand, that the REA estimates are slightly too low. Pointing to their impressive record of the last 3 years in installing rural telephones, the Bell representatives estimated that 45 percent of the Nation's farms now have telephones. Although this is only slightly higher than the REA estimate of 42.2 percent, it is probably too liberal because of the method used by the Bell companies to distinguish between rural and city telephones. This will be discussed briefly in the next section.

The position taken by the official spokesmen for the association purporting to represent the independent telephone companies at the hearing was that many, if not most, of the Nation's farmers cannot afford telephones and that most of those who can afford telephones now have them. For purposes of comparison it should be noted that this is precisely the position, with respect to rural electricity, which was taken by the power industry when it opposed the original enactment of REA legislation—at which time 10.9 percent of the Nation's farms had electricity.

As to the number of rural telephones, these spokesmen for the independent companies stated that rural telephone service is now available to "between 80 and 85 percent of the occupied farms of the United States." In the light of all the other evidence presented at the hearing, this assertion appears to be too far out of line to require further analysis.

If adequate telephone service to farms and not the mere possession of a telephone instrument is to be taken as the criterion, the committee is of the opinion that the figure of 42.2 percent of farms served as of January 1, 1949, as worked out by the REA on a projection of Census Bureau and Bureau of Agricultural Economics data, is exceedingly liberal and that probably considerably fewer than that percentage of farm homes are now receiving telephone service that is adequate by modern standards.

Following is the Census Bureau tabulation of farm telephones based on the 1945 Census of Agriculture. It provides the latest available factual count of farm telephones and is particularly interesting in showing the great variation between States in the number of rural telephones.

Number and percentage of farms with telephones in the United States, 1945

[U. S. Census of Agriculture]

	Total number of farms	Number reporting telephones	Percent reporting telephones
United States	5,859,169	1,866,109	31.8
Alabama	223,369	11,162	5.0
Arizona	13,142	4,661	35.5
Arkansas	198,769	13,815	7.0
California	138,917	60,421	43.5
Colorado	47,618	22,106	46.4
Connecticut	22,241	17,225	77.4
Delaware	9,296	3,694	39.7
Florida	61,159	6,429	10.5
Georgia	225,897	13,558	6.0
Idaho	41,498	17,421	42.0
Illinois	204,239	124,039	60.7
Indiana	175,970	97,236	55.3
Iowa	208,934	165,760	79.3
Kansas	141,192	91,299	64.7
Kentucky	238,501	42,118	17.7
Louisiana	129,295	6,434	5.0
Maine	42,184	22,642	53.7
Maryland	41,315	17,137	41.5
Massachusetts	37,007	26,295	71.1
Michigan	175,268	68,858	39.3
Minnesota	188,952	103,178	54.6
Mississippi	263,528	9,797	3.7
Missouri	242,934	109,055	44.9
Montana	37,747	7,847	20.8
Nebraska	111,756	63,195	56.5
Nevada	3,429	1,508	44.0
New Hampshire	18,786	11,795	62.8
New Jersey	26,226	13,842	52.8
New Mexico	29,695	3,175	10.7
New York	149,490	78,484	52.5
North Carolina	287,412	14,539	5.1
North Dakota	69,520	23,641	34.0
Ohio	220,575	111,461	50.5
Oklahoma	164,790	41,101	24.9
Oregon	63,125	25,643	40.6
Pennsylvania	171,761	69,455	40.4
Rhode Island	3,603	2,338	64.9
South Carolina	147,745	6,306	4.3
South Dakota	68,705	31,145	45.3
Tennessee	234,431	36,365	15.5
Texas	384,977	67,725	17.6
Utah	26,322	8,479	32.2
Vermont	26,490	14,604	55.1
Virginia	173,051	31,835	18.4
Washington	79,887	35,502	44.4
West Virginia	97,600	21,599	22.1
Wisconsin	177,745	86,107	48.4
Wyoming	13,076	4,054	31.0

ANALYZING THE STATISTICS

There can be no doubt that in the past 3 years a great many new telephones have been installed and many of these are in rural areas. Opponents of the bill dwelt at length on this aspect of the situation and again echoed the words of the power companies who originally opposed the establishment of REA, saying: "Just let the private telephone industry alone. We're doing the job as fast as it can be done." Strangely enough, however, almost every witness for the independent telephone industry testified, when questioned by members of the committee, that his company could do a faster and a better job of providing rural telephone service if it had available 35-year loans at 2 percent, as provided by this bill.

The telephone industry has made significant strides since the end of the war and the very fact that it is now expanding into many of the more easily reached and highly profitable rural areas makes the enactment of this bill a matter of urgency. New lines are being built and new customers added on a selective basis—where the business is most profitable. This type of expansion, with a rate structure and amortization schedule based on these high-profit areas, makes it all the more difficult to add at a later time lines which will be less profitable or even operate at a unit loss, and all the more certain that farmers in the remote, less profitable areas, will be forever without telephone service.

It is admitted that under terms of the present credit available many telephone companies cannot expand their rural service except on a selective-service, high-profit basis. It is the judgment of the committee

that if the selective-service type of development now under way continues there will be hundreds of thousands, if not millions of farmers who will not in the foreseeable future have telephone service.

In analyzing the statistics of rural telephones and the statements of recent progress in rural telephone service which have been made, and will be made in the future, it is desirable to keep in mind several factors:

1. Data compiled by the Census Bureau show the number of telephone instruments in farm homes, not the number of farms receiving telephone service or the quality of that service.

2. Improvement of existing telephone service is almost as badly needed as extension of lines and installation of new service. Many of the lines and instruments now in operation are so antiquated and inadequate as to be almost useless. Even one of the Bell companies (Southwestern) stated that 24 percent of its rural telephones are still the old-fashioned crank type.

3. The need and demand for rural telephones far exceeds the number of farms. In the country there are garages, filling stations, implement dealers and repair shops, blacksmiths, stores, doctors, ministers, schools, churches, and other rural establishments that are an integral part of the rural community. Since these are not farms, none of them are taken into consideration in the statistics showing the ratio of telephones to farms.

4. Most of the telephone companies count as "rural" any telephone that is either beyond the city limits or on an eight-party-line. It is obvious that on such a basis their computation of rural telephones includes nonfarming suburban residents, the night clubs, restaurants, and filling stations which normally cluster about the edge of a city or town, and many other similar establishments that are not farms and should not be considered in statistics of farm telephones.

SOUTHWESTERN BELL AREA

Perhaps as good a description of the present rural telephone situation as the committee received was that given by the representative of the Southwestern Bell Co., which operates in the States of Missouri, Kansas, Arkansas, Oklahoma, and Texas.

After describing the impressive work which has been done by that company in the past 3 years, its spokesman presented the figures for both rural and city telephones in that five-State area at the present time. The Bell Co. now has 2,865,380 urban telephones and 256,731 rural telephones in those 5 States. The 1,500 independent companies operating in the same 5 States have 469,000 urban subscribers and 246,000 in rural areas.

This makes a total of 3,334,380 city telephones and 502,731 rural telephones in the 5 States—Missouri, Kansas, Arkansas, Oklahoma, and Texas. In 1940 the urban population of those 5 States was 6,937,599; the rural population was 9,348,738. Using these figures to make a rough comparison of city versus rural telephone service in that area, it is evident that there is 1 telephone for about each 2 persons in the city but only 1 for each 18.6 persons in the country. It cannot be assumed that the cities in those five States have too many telephones; therefore, there seems to be still quite a way to go in bringing service to rural areas.

THE TELEPHONE INDUSTRY TODAY

The telephone-service industry in the United States today is made up of the American Telephone & Telegraph Co. and its Bell System affiliates, about 6,200 independent telephone companies, and 30,000 to 40,000 mutual, cooperative, or farmer-owned lines and systems.

The Bell system has an almost complete monopoly on long-distance lines and in addition operates locally in thousands of cities. The independent companies operate in about 11,000 cities and towns, of which 10,000 have fewer than 500 subscribers and serve about 70 percent of the rural area of the country on the basis of square miles. They connect with other independents and with the Bell System for their long-distance service. The mutuals and farm lines are in general mere lines of wire connecting a few farmers to an exchange in a nearby town or making connection with a rural line of an independent or Bell company. Most of them have no switchboard or central office of their own.

At one time there were an estimated 50,000 to 60,000 of these small mutuals or farmer-owned lines in the United States. Many went out of business during the depression (though the telephone instrument may still be hanging on the farmhouse wall). Others, particularly those which did operate their own switchboards, quit when their equipment became obsolete or wore out, and they could not finance its replacement. Many have been combined with larger independent or one of the Bell exchanges, and some have had to stop operations when the small-town exchange which served them was shut down after consolidation with a nearby city exchange.

Ironically, many of these farmer-owned lines have been put out of operation as the result of REA-financed rural-electric expansion. Virtually all the lines are the single-wire "grounded" type of circuit. This circuit operated reasonably well when there was no power-line electricity in the neighborhood. But a power line causes static and interference which makes operation unsatisfactory or impossible in the neighborhood of a power line.

Although consolidation and elimination of these small farmer-owned lines is a natural development of the extension of better telephone service into rural areas, it is possible that in some rural areas the most feasible way for farmers to obtain adequate telephone service will be to organize an association, borrow the money, build their own farmer-owned line connecting with an established exchange, and assess themselves whatever is necessary to amortize their loan and maintain their line. This bill will make it possible for them to do that. It will also be possible under this bill for them to contract with existing electric cooperatives to use the poles, and in case of "carrier" systems the wires, of the electric cooperative instead of building an entirely new system of line. Indeed, it will often be desirable for the telephone group to have the established electric cooperative to do any needed construction of lines and to do all maintenance, thus relieving the telephone cooperative of all physical construction or operation.

TECHNOLOGICAL ADVANCES

In recent years a number of technological improvements and developments have contributed materially to the possibility of bringing telephone service to rural users. These include a steel wire of high tensile strength which permits wider spacing of poles, thus cheaper line construction; improved machinery for setting up and installing telephone poles; and a plow which digs a trench, installs an underground line, and closes the trench all in one operation. Most important, however, are the following developments:

Joint use of poles

With present-day methods, it has been found that the same poles may be used for both power lines and telephone lines. In many parts of the country joint-use agreements between telephone companies and the power companies are already in effect and the savings resulting from this type of cooperation are reflected materially in the cost of rural telephone construction. With the electric lines now reaching more than 70 percent of the farm homes in the United States, the joint use of those poles for telephone lines offers the possibility of now extending telephone service to those same homes at a reduced cost. The Bell System representatives testifying before the committee stated that there are now in effect 173 contracts between the Bell systems and REA cooperatives for joint use of poles.

Joint pole use cannot be counted on too heavily as a solution to the rural telephone problem, however, because of the different character of the electric and telephone service. It makes little difference to a farmer where his electricity comes from just as long as it lights his house and operates his pump. On the other hand, to be useful to the subscriber, a telephone must connect him with his neighbors and with his nearest shopping and market center. Since an electric-distribution system frequently covers several counties and embraces numerous trading and community areas, there will frequently need to be several telephone systems and exchanges within the area of one power distribution system, so that complete joint use of the poles will not be possible in most cases.

Carrier systems

There has also been developed and there is now in use in many parts of the country the carrier system for transmitting telephone messages over power lines. The operation involves equipment to put telephone messages on the power lines at high frequency, and other equipment at each station to take off the telephone message without the high voltage power. This system, permitting telephone communication over the same wires that carry electricity, is entirely feasible technologically, but has the present handicap that the required equipment is expensive, costing up to $400 per station or telephone, and that telephone service is necessarily confined to the distribution pattern of the power line. It seems possible, however, that the cost of this equipment can be greatly reduced as its production is increased.

Radiotelephones

Radiotelephones have been developed to the point where their use is entirely practicable and where they may be the most economical means of telephone communication in some thinly settled rural areas. One rural radiotelephone exchange is now being operated in Colorado on an experimental basis by the Bell System. A number of technical problems are still to be overcome in this field, however, including the availability of wavelengths for radiotelephone systems and the cost of the equipment.

THE NECESSITY OF AREA COVERAGE

The key to adequate rural-telephone service is area coverage. This means planning, financing, and constructing a rural-telephone system so that service will be available to all the subscribers within the company's area who want it, whether the installation and operation of their particular telephone will be profitable or not. In other words, it means planning and building the entire area system as a unit rather than following the prevailing practice of telephone companies of building lines where business is most profitable, establishing a rate structure on that profitable business, and then either refusing to extend lines into unprofitable areas or requiring the consumer to bear the expense of such lines.

The best description of area service given by a telephone man at the hearing was that of Mr. Minor Corman, president of an independent telephone company in Alabama and

past president of the Alabama Telephone Association. He said:

"My ideas as to area development, loan rates, and so forth, have always been at variance with the industry. I have never agreed with it, nor do I agree with it today. In my own operation it does not matter to me whether I make money on this particular line or not. If there is enough income over the entire area to cover my expenses and allow me a reasonable sum on which to operate and give the right kind of service, that is sufficient for me."

There can be little doubt that in spite of protestations to the contrary, the policy of area service has not been and is not today the policy on which the majority of the telephone companies of the United States are operating.

The normal procedure for a business organization to follow in expansion is to expand in the direction in which it feels assured of additional profitable business. This is the policy which is followed by the majority of telephone companies today. When they build a new rural line they count the subscribers who will be served by that line and assure themselves that it will be profitable to operate before it is undertaken. This is the exact opposite of area service. Although they claimed to favor the area-service type of development, witnesses for the telephone industry, both independents and Bell System operators, almost unanimously refused to commit themselves to provide area service in the areas in which they operate and over which they have in most cases a monopoly. There is every indication that unless they are forced to take such action, they will continue their policy of "skimming the cream" of the telephone business, running their lines down the highways into the most profitable areas and relegating farmers in the less profitable service areas perpetually to a non-telephone hinterland.

This bill, while giving every protection and preference to existing telephone companies, establishes the policy of area service as one of the criteria on which the Administrator will base his decision in granting applications for loans.

THE NEED FOR FEDERAL FINANCING

In 1945 a finance task group of the rural telephone service committee of the United States Independent Telephone Association completed a study of the needs of small telephone companies. The first paragraph of its report opens with this statement:

"The problem of financing for the small telephone company to provide funds necessary for plant replacement and improved equipment is one of major importance in the independent industry."

Testimony presented to the committee uniformly substantiated this statement. Although appearing in opposition to the bill, virtually every independent telephone company witness agreed that his company's service would benefit from credit available on the terms provided in the bill.

Telephone-company financing is normally based on the "life cycle" of its plant, which was uniformly stated by telephone-company witnesses to be 25 to 30 years. Since this is the normal amortization period for the company's equipment and facilities, its credit must almost necessarily be based on such a period. It was agreed by almost every witness that telephone-company financing should be for periods of not less than 25 years.

There are very few sources of 25-year credit available to the telephone companies. Most banks are prohibited from making loans for such a long period, and few banks appear to be interested in the interest rate offered by telephone companies, even on a 10-year loan. The Reconstruction Finance Corporation has been considered carefully by the independent telephone industry as a possible source of credit but the RFC, like the banks, is not in the business of making long-term loans and its interest rates are too high to permit the use of its loans in developing low-profit rural telephone service. Although RFC loans have been available for many years, it was testified that only eight telephone companies in the United States have obtained RFC financing.

It is significant, the committee believes, that although this is a bill which will make a considerable volume of Federal credit available to private industry at attractive terms, the banks and other usual sources of private credit are so little interested in making telephone-company loans that not a single bank or private-credit representative appeared to oppose the bill.

Bond issues have been one of the traditional sources of telephone-company credit, but there is ample evidence that telephone-company bonds have lost their attractiveness to the public, at interest rates the telephone companies can afford to pay.

The president of the Alabama Public Service Commission testified, for example, that in April 1947 the commission granted the third largest independent telephone company in Alabama authority to sell $125,000 of its bonds at 4½ percent, for the purpose of expanding and rebuilding its system. By December 1948, after trying unsuccessfully for 17 months to obtain financing at this rate, the company requested cancellation of this authority and issuance of a new authority to sell $150,000 of its bonds at 4¾ percent interest. At the time of the hearing the company had not yet been able to dispose of its bonds at this higher rate.

It is probable that extension of telephone service into many rural areas will never be a high-profit operation but will be one that can be undertaken in a sound financial manner only on the basis of area coverage, and financing for periods of at least 25 years at a low rate of interest.

As one example of the difference which long-term financing and low interest will make: Assume that a telephone company needs to borrow $50,000 to install equipment serving 500 additional rural users (a conservative amount). If it borrows this money from a bank (or the RFC) at 4 percent interest for 10 years, and retires it in equal annual payments, those 500 telephones will have to produce an annual income of $6,000 ($12 per telephone) just to make the payments on the loan. If that same amount is available to the company as a 25-year loan at 2 percent, the annual payment of interest and principal would be only about $2,500 and the rate charged each of the users would have to include only $5 a year for debt retirement.

Actually, the evidence presented to the committee indicates that there is little, if any, credit available to telephone companies at 4 percent interest, even for periods as short as 10 years. Many companies are paying 6 or 6½ percent interest. Some testified that they were paying more than that. Very few said that they were able to obtain financing at less than 5 percent.

Assuming an investment of $135 for each telephone operated by a company (which is a low figure, according to evidence given at the hearing), a 5-percent-interest rate would mean that the rate the company charged the user would have to include $6.75 for interest. At 2 percent interest, as provided in this bill, the interest charged would be only $2.70 a year for each telephone—a difference of $4.05 a year which could be reflected in a lower rate to the user or in $4.05 in additional income that could be used to push service that much farther into high-cost rural areas.

The 2-percent-interest rate provided in this bill is clearly a form of subsidy from the standpoint of the borrower, even though it may not cost the Government anything and may, therefore, not be a subsidy from the Government's standpoint. However, it is a subsidy of the most desirable type, since its benefits will accrue only to those who have the initiative to undertake the expansion and development of the Nation's physical assets. It will be a stimulus to activity, development, and production instead of—as is the case with some subsidies—a reward for maintaining the status quo.

In any event, it is a subsidy which will cost the Nation very little—merely the difference between the interest paid by the Federal Government on the money it borrows and the 2-percent interest at which it is loaned to telephone companies. Actually, the increased taxation and other direct benefits to the Federal Government from the augmented business activity which will result from the manufacture and installation of millions of dollars' worth of new telephone equipment, will probably more than offset the cost of the loans to the Federal Treasury, even during times when Federal borrowings are at a rate in excess of 2 percent.

The method of aiding the telephone industry proposed here is one which the Nation knows will work. It has been in operation for more than 13 years for rural-electrification purposes and the tremendous achievement it has stimulated in that field is so well known and universally approved that it needs no commendation here.

Finally, on the matter of financing, the committee is convinced that in the absence of action by the Federal Government there are millions of farm homes and rural establishments—possibly as many as 50 percent of the total—which will never in the foreseeable future receive adequate telephone service. There are two alternative courses which the Federal Government might take to make telephones available to these rural citizens. One alternative is public operation of the telephone business, so that telephone service, like the postal service, will be available to everyone with the cost of the entire service assessed against all users and taxpayers. The other—and the committee believes by far the more desirable—alternative is the plan proposed in this bill, which will provide private industry and associations of farmers with the incentive and the financing to do this job for themselves.

ASSISTING PRIVATE ENTERPRISE

It is the hope and the expectation of the committee that most of the expansion and improvement of the rural telephone system provided for in this bill will be carried out by private industry within the framework of the private-enterprise system.

The hearings on this matter were held on H. R. 113. The private telephone industry—both large and small companies—was ably and forcefully represented in those hearings. The bill herewith reported (H. R. 2960) is a "clean bill" introduced at the direction of the committee to incorporate the several amendments made to the original bill as the result of the testimony presented at the hearing.

Every amendment adopted by the committee is an amendment designed to protect private industry and to assist existing telephone companies in doing the job that needs to be done.

One major amendment which will be of material assistance, particularly to small independent companies, was made by the committee entirely on its own motion, without any request from the industry. This is the inclusion of authority for the Administrator to make loans for refinancing existing indebtedness of telephone companies, when that refinancing is for the purpose of expanding or improving rural telephone service as authorized in the bill. Although no request for this amendment was made in the open hearing, the committee considered the matter in executive session and concluded that in some cases refinancing of existing indebtedness would be necessary to enable a company to carry out the improvement of its rural service.

The original bill contained a provision giving existing companies a preference, along

with public bodies and the other preferred applicants listed in H. R. 2960, in obtaining loans. The industry protested that it feared it was entitled only to some minor grade preference because existing companies were mentioned last in the series. The committee felt that the order of preference there mentioned was immaterial but, at the request of the telephone industry, revised that language to place existing companies first in the sentence.

The committee felt that it was desirable to give existing telephone companies a reasonable time to familiarize themselves with the provisions of the new act and to determine whether or not they want to undertake the development of rural service under the terms provided in the bill. It amended the original bill, therefore, to give the existing operators a clear period of 6 months after the effective date of the bill in which to file loan applications. It is not the intention of the committee, however, to establish by this provision a permanent priority on loans for those who file applications during this 6-month period, but rather to give existing operators a time to survey the ground, make a decision, and indicate their desire to provide rural service under the terms of this bill, before any other applications are received.

SAFEGUARDING STATE JURISDICTION

The committee desired to establish beyond question that nothing in this bill is to deprive any State of authority to regulate or control telephone facilities and service within State jurisdiction which are built or financed under the terms of this bill—if the State wants to exercise such authority. Accordingly, the committee adopted without change an amendment to the original bill (appearing as sec. 202 of H. R. 2960) proposed by the National Association of State Railroad and Public Utility Commissioners stating in affirmative terms the policy just expressed.

This provision is identical with the wording used in the bill suggested by the independent telephone companies. The committee feels that it has gone to every reasonable length to meet the reasonable suggestions of the industry.

Committee amendment

Not content with this, however, the committee has added an amendment to H. R. 2960, which is reported herewith, designed to further protect State jurisdicton and the interests of existing telephone companies. This amendment is added to the end of section 201 as a continuation of the last sentence. It provides that no applications for loans shall be received from an applicant in a State whose laws require the applicant to have a certificate of "convenience and necessity" from a public-utilities commission or similar body for the operation of a telephone system, unless that applicant has obtained such a certificate. The principal function of these certificates is to regulate competition among utilities and to prevent duplication of service.

The committee is informed that all but three States—Delaware, Iowa, and Texas—regulate telephone rates and service. In approximately 15 States certificates of convenience and necessity are required by law for operation of telephone service. In some additional 16 States such certificates are required of private operators, but are not required of cooperatives or nonprofit associations, or there is doubt about the inclusion of such operators. In the remaining approximately 16 States certificates of convenience and necessity are not issued for telephone service. The amendment adopted by the committee will require that certificates be obtained by those applicants who are required by their State laws to have such certificates.

The amendments adopted by the committee relating to State jurisdiction encompass all laws which may hereafter be enacted by the States on the subject, so that there is no reason why those States not now regulating any phase of telephone service or operation may not do so, as to the facilities provided by this bill, if they should at any later date deem it desirable.

ANALYSIS OF THE BILL

The new provisions of law authorizing the REA to make loans for the extension and improvement of rural-telephone service are contained in section 5 of the bill. The first four sections of the bill make relatively minor changes in the existing REA Act in order to harmonize it with the new provisions contained in section 5. The following is a detailed analysis of the bill:

Page 2, line 4: Section 3 of the bill amends the section of the existing REA law which confers upon the Administrator his general loaning authority, the making of rural-telephone loans.

Page 2, line 10: Subsection 4 (a) of the bill amends the proviso in section 3 of the REA Act to provide that loans for rural telephones shall be amortized in not to exceed 35 years, as is the case with rural electrification loans.

Page 2, line 16: The REA Act provides in subsection 3 (c) that 50 percent of the funds available for loans shall be allocated yearly by the Administrator for use in the various States in proportions based on the number of farms in each State not then receiving electricity. It further provides in subsection 3 (d) that the remaining 50 percent of such funds shall be allocated so that not more than 10 percent shall be employed in any one State. Subsections 4 (b) and 4 (c) of the bill amend the above sections of the REA Act so that these allocation formulas will continue to apply to funds for rural electrification but will not apply to loans made for rural telephones. Reference to the Census Bureau tabulation of rural telephones on page 4 of this report will show the reason for this amendment.

Page 2, line 24: Subsection 4 (d) removes the limitation, which is retained insofar as loans funds for rural electrification are concerned, that not more than 10 percent of the unexpended balance of funds carried over from one fiscal year to the next may be employed in any one State.

Page 3, line 3: Subsection 4 (e) of the bill amends section 4 of the REA Act to make it plain that section 4, which contains the specific authority for rural electrification loans, shall apply only to loans for rural electrification and not to loans for rural telephones except as provided in section 201 of the bill.

Page 3, line 6: Subsection 4 (f) amends section 7 of the REA Act so that no borrower of rural-telephone funds will be able to sell or dispose of its property, rights, or franchises without the approval of the Administrator. This same provision now applies to borrowers of rural-electrification funds.

Section 201 contains the specific authority for the Administrator to make loans for rural telephones and some limitations upon that authority.

Page 3, line 18: The "terms and conditions" referred to are those contained in section 4 of the REA Act relating to the liquidation, security, and interest rate of REA loans.

Page 4, line 6: This sentence will give the Administrator the authority to require that applicants for rural-telephone loans shall demonstrate that both the physical extension of service and the rates proposed will make telephones available to the widest practicable number of people within the service area claimed by the applicant, and at the same time permit the borrower to amortize its loan.

Page 4, line 10: Essential to the operation of any telephone system are the central office switchboards and trunk lines which connect the subscribers with one another and with exchanges in other parts of the country. Frequently these facilities, even though serving rural areas, are located in the larger centers of population. This sentence will permit the use of REA funds for the improvement of telephone service when such improvement is a part of the job of providing service in rural areas.

Page 4, line 19: This section, which is in the wording proposed by the National Association of Railroad and Public Utility Commissioners, is designed to make it plain that nothing in this act is intended to take away any of the powers or jurisdiction of States, State public utility commissions or similar bodies to regulate persons providing telephone service, including the rates which may be charged for such service.

Page 5, line 9: This provision permits loans for the establishment of rural radio-telephone systems but not for commercial or amateur radio broadcasting stations or facilities.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law in which no change is made is shown in roman; existing law proposed to be omitted is enclosed in brackets; new matter added by the reported bill is shown in italics):

"RURAL ELECTRIFICATION ACT OF 1936, AS AMENDED

"(Title 7, U. S. C., ch. 31)

"An act to provide for rural electrification, and for other purposes

"Title I

"Be it enacted, etc. (as amended), That there is hereby created and established in the Department of Agriculture an agency of the United States, to be known as the 'Rural Electrification Administration,' all of the powers of which shall be exercised by an Administrator, under the general direction and supervision of the Secretary of Agriculture, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of ten years, and who shall receive a salary of $10,000 per year. This chapter may be cited as the 'Rural Electrification Act of 1936.'

"SEC. 2. The Administrator is authorized and empowered to make loans in the several States and Territories of the United States for rural electrification and the furnishing of electric energy to persons in rural areas who are not receiving central station service, *and for the purpose of furnishing and improving telephone service in rural areas,* as hereinafter provided; to make, or cause to be made, studies, investigations, and reports concerning the condition and progress of the electrification of *and the furnishing of adequate telephone service in* rural areas in the several States and Territories; and to publish and disseminate information with respect thereto.

"SEC. 3. (a) The Secretary of the Treasury is hereby authorized and directed to make loans to the Administrator, upon the request and approval of the Secretary of Agriculture, in such amounts in the aggregate for each fiscal year commencing with the fiscal year ending June 30, 1948, as the Congress may from time to time determine to be necessary, either without interest or at such rate of interest per annum, not in excess of the rate provided for in sections 4 and 5 of this act, as the Secretary of the Treasury may determine, upon the security of the obligations of borrowers from the Administrator appointed pursuant to the provisions of this act or from the Administrator of the Rural Electrification Administration established by Executive Order Numbered 7037. Interest rates on the unpaid balance of any loans made by the Reconstruction Finance Corporation to the Administrator prior to July 1, 1947, shall be

adjusted to the interest rate, if any, established for loans made after June 30, 1947, in accordance with the foregoing provisions: *Provided,* That such obligations incurred for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines, or systems *and for the purpose of financing or refinancing the improvement, expansion, construction, acquisition, and operation of facilities to render telephone service* shall be fully amortized over a period not to exceed thirty-five years, and that the maturity of such obligations incurred for the purpose of financing the wiring of premises and the acquisition and installation of electrical and plumbing appliances and equipment shall not exceed two-thirds of the assured life thereof and not more than five years. The Administrator is hereby authorized to make all such endorsements, to execute all such instruments, and to do all such acts and things as shall be necessary to effect the valid transfer and assignment to the Secretary of the Treasury of all such obligations, and to execute such trust instruments as shall be agreed upon by the Administrator and the Secretary of the Treasury providing for the holding in trust by the Administrator of all such obligations for the Secretary of the Treasury as security for loans to the Administrator heretofore made by the Reconstruction Finance Corporation or made or to be made by the Secretary of the Treasury. All rights, interests, obligations, and duties of the Reconstruction Finance Corporation arising out of loans made or authorized to be made to the Administrator are, as of the close of June 30, 1947, vested in the Secretary of the Treasury; the Reconstruction Finance Corporation is authorized and directed to transfer, as of the close of June 30, 1947, to the Secretary of the Treasury and the Secretary of the Treasury is authorized and directed to receive all loans outstanding on that date, plus accrued unpaid interest, theretofore made to the Administrator under the provisions of this act; and all notes and other evidences thereof and all obligations constituting the security therefor. The Secretary of the Treasury shall cancel notes of the Reconstruction Finance Corporation, and sums due and unpaid upon or in connection with such notes at the time of such cancellation, in an amount equal to the unpaid principal of the loans so transferred, plus accrued unpaid interest through June 30, 1947. Subsequent to June 30, 1947, the Reconstruction Finance Corporation shall make no further loans or advances to the Administrator; and the Secretary of the Treasury is hereby authorized and directed, in lieu of the Reconstruction Finance Corporation, to lend or advance to the Administrator, in accordance with the provisions of this subsection 3 (a), any unobligated or unadvanced balances of the sums which the Reconstruction Finance Corporation has theretofore been authorized and directed to lend to the Administrator. For the purpose of making loans or advances pursuant to this section, the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include such loans or advances to the Administrator. Repayments to the Secretary of the Treasury on such loans or advances shall be treated as a public-debt transaction of the United States.

"(b) There are hereby authorized to be appropriated such sums as the Congress may from time to time determine to be necessary for the purposes of this act as hereinafter provided.

"(c) Fifty per centum of the annual sums herein made available or appropriated [for the purposes of this act] *for loans for rural electrification pursuant to sections 4 and 5 of this title* shall be allotted yearly by the Administrator for loans in the several States in the proportion which the number of their farms not then receiving central station electric service bears to the total number of farms of the United States not then receiving such service. The Administrator shall, within ninety days after the beginning of each fiscal year, determine for each State and for the United States the number of farms not then receiving such service.

"(d) The remaining 50 per centum of such annual sums shall be available for *rural electrification* loans in the several States and in the Territories, without allotment as hereinabove provided, in such amounts for each State and Territory as, in the opinion of the Administrator, may be effectively employed for the purposes of this act, and to carry out the provisions of section 7: *Provided, however,* That not more than 10 per centum of said unallotted annual sums may be employed in any one State, or in all of the Territories.

"(e) If any part of the annual sums made available for the purposes of this act shall not be loaned or obligated during the fiscal year for which such sums are made available, such unexpended or unobligated sums shall be available for loans by the Administrator in the following year or years without allotment: *Provided, however,* That not more than 10 per centum of said sums *for rural electrification loans* may be employed in any one State or in all of the Territories.

"(f) All money representing payments of principal and interest on loans made by the Administrator shall be paid to the Secretary of the Treasury in payment of loans made to the Administrator by the Reconstruction Finance Corporation or the Secretary of the Treasury; upon the payment of such loans all moneys representing payments of principal and interest on loans made by the Administrator shall be covered into the Treasury as miscellaneous receipts.

"SEC. 4. The Administrator is authorized and empowered, from the sums hereinbefore authorized, to make loans *for rural electrification* to persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts and cooperative, nonprofit, or limited-dividend associations organized under the laws of any State or Territory of the United States, for the purpose of financing the construction and operation of generating plants, electric transmission and distribution lines or systems for the furnishing of electric energy to persons in rural areas who are not receiving central-station service, and loans, from funds available under the provisions of sections 3 (d) and 3 (e) but without regard to the 10 per centum limitation therein contained, to cooperative associations and municipalities for the purpose of enabling said cooperative associations and municipalities to the extent that such indebtedness was incurred with respect to electric transmission and distribution lines or systems or portions thereof, serving persons in rural areas, to discharge or refinance long-term debts owed by them to the Tennessee Valley Authority on account of loans made or credit extended under the terms of the Tennessee Valley Authority Act of 1933, as amended: *Provided,* That the Administrator, in making such loans, shall give preference to States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts, and cooperative, nonprofit, or limited-dividend associations, the projects of which comply with the requirements of this act. Such loans shall be on such terms and conditions relating to the expenditure of the moneys loaned and the security therefor as the Administrator shall determine and may be made payable in whole or in part out of the income: *Provided further,* That all such loans shall be self-liquidating within a period of not to exceed thirty-five years, and shall bear interest at the rate of 2 per centum per annum; interest rates on the unmatured and unpaid balance of any loans made pursuant to this section prior to September 21, 1944, shall be adjusted to 2 per centum per annum, and the maturity date of any such loans may be readjusted to occur at a date not beyond thirty-five years from the date of such loan: *And provided further,* That no loan for the construction, operation, or enlargement of any generating plant shall be made unless the consent of the State authority having jurisdiction in the premises is first obtained. Loans under this section and section 5 shall not be made unless the Administrator finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed.

"SEC. 5. The Administrator is authorized and empowered, from the sums hereinbefore authorized, to make loans for the purpose of financing the wiring of the premises of persons in rural areas and the acquisition and installation of electrical and plumbing appliances and equipment. Such loans may be made to any of the borrowers of funds loaned under the provisions of section 4, or to any person, firm, or corporation supplying or installing the said wiring, appliances, or equipment. Such loans shall be for such terms, subject to such conditions, and so secured as reasonably to assure repayment thereof, and shall be at a rate of interest of 2 per centum per annum; interest rates on the unmatured and unpaid balance of any loans made pursuant to this section prior to September 21, 1944, shall be adjusted to 2 per centum per annum.

"SEC. 6. For the purpose of administering this act and for the purpose of making the studies, investigations, publications, and reports herein provided for, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as shall be necessary.

"SEC. 7. The Administrator is authorized and empowered to bid for and purchase at any foreclosure or other sale, or otherwise to acquire, property pledged or mortgaged to secure any loan made pursuant to this act; to pay the purchase price and any costs and expenses incurred in connection therewith from the sums authorized in section 3 of this act; to accept title to any property so purchased or acquired in the name of the United States of America; to operate or lease such property for such period as may be deemed necessary or advisable to protect the investment therein, but not to exceed 5 years after the acquisition thereof; and to sell such property so purchased or acquired, upon such terms and for such consideration as the Administrator shall determine to be reasonable.

"No borrower of funds under section 4 *or section 201 of this act* shall, without the approval of the Administrator, sell or dispose of its property, rights, or franchises, acquired under the provisions of this act, until any loan obtained from the Rural Electrification Administration, including all interest and charges, shall have been repaid.

"SEC. 8. The administration of loans and contracts entered into by the Rural Electrification Administration established by Executive Order Numbered 7037, dated May 11, 1935, may be vested by the President in the Administrator authorized to be appointed by this act; and in such event the provisions of this act shall apply to said loans and contracts to the extent that said provisions are not inconsistent therewith. The President may transfer to the Rural Electrification Administration created by this act the jurisdiction and control of the records, property (including office equipment), and personnel used or employed in the exercise and performance of the functions of the Rural Electrification Administration established by such Executive order.

"SEC. 9. This act shall be administered entirely on a nonpartisan basis, and in the appointment of officials, the selection of employees, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. If the Administrator herein provided for is found by the President of the United States to be guilty of a violation of this section, he shall be removed from office by the President, and any appointee or selection of officials or employees made by the Administrator who is found guilty of a violation of this act shall be removed by the Administrator.

"SEC. 10. The Administrator shall present annually to the Congress not later than the 20th day of January in each year a full report of his activities under this act.

"SEC. 11. In order to carry out the provisions of this act the Administrator may accept and utilize such voluntary and uncompensated services of Federal, State, and local officers and employees as are available, and he may without regard to the provisions of civil-service laws applicable to officers and employees of the United States appoint and fix the compensation of attorneys, engineers, and experts, and he may, subject to the civil-service laws, appoint such other officers and employees as he may find necessary and prescribe their duties. The Administrator is authorized, from sums appropriated pursuant to section 6, to make such expenditures (including expenditures for personal services; supplies and equipment; lawbooks and books of reference; directories and periodicals; travel expenses; rental at the seat of government and elsewhere; the purchase, operation, or maintenance of passenger-carrying vehicles; and printing and binding) as are appropriate and necessary to carry out the provisions of this act.

"SEC. 12. The Administrator is authorized and empowered to extend the time of payment of interest or principal of any loans made by the Administrator pursuant to this act: *Provided, however,* That with respect to any loan made under section 4, the payment of interest or principal shall not be extended more than five years after such payment shall have become due, and with respect to any loan made under section 5, the payment of principal or interest shall not be extended more than two years after such payment shall have become due: *And provided further,* That the provisions of this section shall not apply to any obligations or the security therefor which may be held by the Reconstruction Finance Corporation under the provisions of section 3.

"SEC. 13. As used in this act the term 'rural area' shall be deemed to mean any area of the United States not included within the boundaries of any city, village, or borough having a population in excess of fifteen hundred inhabitants, and such term shall be deemed to include both the farm and nonfarm population thereof; the term 'farm' shall be deemed to mean a farm as defined in the publications of the Bureau of the Census; the term 'person' shall be deemed to mean any natural person, firm, corporation, or association; the term 'Territory' shall be deemed to include any insular possession of the United States.

"SEC. 14. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

"SEC. 15. The Rural Electrification Administration is authorized to purchase such financial and credit reports as may be necessary to carry out its authorized work: *Provided,* That purchases under this authority shall not be made unless provision is made therefor in the applicable appropriation and the cost thereof is not in excess of limitations prescribed therein.

"Title II

"Sec. 201. From such sums as are from time to time made available by the Congress to the Administrator for such purpose, pursuant to section 3 of the Rural Electrification Act of 1936, as amended, the Administrator is authorized and empowered to make loans under the same terms and conditions as are provided in section 4 of said act, for the purpose of financing or refinancing the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems to furnish and improve telephone service in rural areas: Provided, however, That the Administrator, in making such loans, shall give preference to persons providing telephone service in rural areas, and to public bodies, cooperative, nonprofit, limited dividend, or mutual associations: And provided further, That, for six months from and after the effective date of this act, no applications for loans shall be received by the Administrator except from persons who on the effective date of this act are engaged in the operation of existing telephone service in rural areas. The Administrator in making such loans shall, insofar as possible, obtain assurance that the telephone service to be furnished or improved thereby will be made available to the widest practicable number of rural users. When it is determined by the Administrator to be necessary in order to furnish or improve telephone service in rural areas, such loans may be made for the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems without regard to their geographical location. Loans under this section shall not be made unless the Administrator finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed, nor shall such loan be made in any State which now has or may hereafter have a State regulatory body having authority to regulate telephone service and to require certificates of convenience and necessity to the applicant unless such certificate from such agency is first obtained.

"Sec. 202. Nothing contained in this act shall be construed to deprive any State commission, board, or other agency of jurisdiction, under any State law, now or hereafter effective, to regulate telephone service which is not subject to regulation by the Federal Communications Commission, under the Communications Act of 1934, including the rates for such service.

"Sec. 203. As used in this title, the term 'telephone service' shall be deemed to mean any communication service whereby sounds, signals, signs, writing, or pictures of all kinds are transmitted or received with the use of electricity, including but not limited to wire, wireless, or wire carrier transmittal and reception, and shall include all telephone lines, facilities, or systems used in the rendition of such service; but shall not be deemed to mean telegraph services or facilities, or radio broadcasting services or facilities within the meaning of section 3 (o) of the Communications Act of 1934, as amended."

Mr. LANGER. Mr. President, my distinguished friend from Florida said in answer to a question of the Senator from Missouri, with reference to the 1,500 limitation, that when it is reached it will be necessary to organize another company. We have counties all over the Midwest with so many farmers living in them that, if that be true, they would have to organize four or five or six different companies. The first REA organized in North Dakota had 3,400 members. Had there been a 1,500 limitation on REA, it would have been necessary to organize at least two and likely three or four. The manner in which the report compares telephones with rural electrification is significant. It points out their great similarity so far as affecting the rural life of the country.

Mr. President, I do not desire to take any more time, except to make this statement: My distinguished friend from Florida said that by adopting the amendments we would be establishing the American way of life. I deny it. The report says we are not putting the Government into business. I say the real American way is to give rural electrification to every farmer who wants it, to give a telephone to every farmer who wants it, and to give good living conditions to every farmer.

By adopting the amendments, Mr. President, in my opinion, instead of helping the farmers of the country, the amendments would be restrictive and would hamper the American way of life.

Mr. HUMPHREY. Mr. President, I merely want to associate myself with the remarks of my colleague, the Senator from Minnesota [Mr. THYE] and also with the remarks of the Senator from North Dakota [Mr. LANGER]. It is my opinion, in view of the communications I have received at my office, which communications I imagine are somewhat similar to those received by my colleague the senior Senator from Minnesota [Mr. THYE] that the amendment would work a serious hardship upon the farm areas of the State of Minnesota, and surely it would work a very serious hardship upon other areas of the Nation.

More than that, from the business point of view it appears to me if we are going to have a type of rural-telephone system which will be self-liquidating, wherein the program will be able to pay its way and pay the interest, an amendment such as this is within itself crippling. I am fearful, if the committee amendment is adopted, that what we shall see happen is, the new telephone systems which are established with the maximum limitation of 1,500 will be seriously hard put to finance themselves, particularly in the beginning, and therefore the program may come into disrepute.

Quite frankly, as was pointed out by the distinguished Senator from North Dakota [Mr. LANGER], had we ever had such limitations as these upon REA we simply would not have a successful REA at this time.

More than that, had we had such limitations as these upon the type of loan we are giving, for example under the Reconstruction Finance Corporation, we would not have a very successful operation. In other words, I could not imagine RFC making a loan to a company and saying, "We can only make you a loan provided you have no more than 1,500 customers, or no more than 2,000 customers."

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. WHERRY. I understand RFC will not make any loans at all, under the bill.

Mr. HUMPHREY. Of course not. I was referring to a similar activity on the part of the Government.

Mr. WHERRY. Oh, I understand.

Mr. HUMPHREY. This is an authorization within the terms of the REA program.

Just a final word. The purpose of the legislation as proposed by the House is quite clear. Its purpose is not to bail out someone. The purpose is not to take care of the big monopoly which has its tentacles reaching forth over the country. The purpose is to expand telephone service to, very frankly, the small companies, the little mutuals, the little companies that write to me from my State, saying they are interested in the bill.

More than that, the people who are members of REA cooperatives are interested in the bill. I may say, Mr. President, without any fear of contradiction that the only people who have opposed the pending legislation are those who are saying they will provide the service without it. It is exactly what they said before we had REA, that they would give the farmers electricity. The point is, they did not do it.

I think one interesting fact is pointed out in the report of the Senate committee, in which it is said that today, in 1949, no more farms, percentagewise, have telephones than had them in 1920. But the city situation is a great deal different.

I concur with what the Senator from Vermont said today with respect to the provision relating to the number of subscribers. Possibly there should be a limitation; but surely the limitation of 1,500 is one that was picked out of the air, because as my colleague pointed out on the floor today, a company in my own State, and not only one company but several companies, would be seriously handicapped under the provision and would be discriminated against in a very detrimental manner. I do not know whether the number should be 5,000, 10,000, or 4,000. Frankly, I think the House was quite wise in not placing any limit and leaving it pretty much up to the normal business cooperative development of the use of telephones in rural areas.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. LANGER. Will not the farmers do with telephones just what they did with REA? They borrowed the money, and they must pay it back.

Mr. HUMPHREY. That is correct.

Mr. LANGER. And, just as they have in REA a $17,000,000 debt to be repaid, when they see that a telephone company has such a number of subscribers that it will be enabled to repay the loan to the Government, will they not decide whether 5,000 is the right limitation, or 4,000, or 6,000? Why should there be any limitation?

Mr. HUMPHREY. I should say the best answer to the Senator's question would be from the experience which he has cited in connection with REA, and those who have set up REA cooperatives. Their distribution cooperatives and even their power-generating cooperatives have been very wise and prudent in their decisions, and the record is that in most every instance they have tried to get a sufficient number of customers to make the project pay. In this instance I may again point out that 1,500 subscribers as a maximum would work a very serious hardship upon towns in certain areas where there is a dense population, and in other areas, as was pointed out, the effort to get a sufficient number of subscribers, if successful, might result in a length of lines that would be most discouraging, and, I may say, impossible to manage.

Mr. AIKEN. Mr. President, I think there are two things on which we all agree. We are all working to the same end. One thing on which we agree is, we do not want rural telephone money used for financing large telephone systems. The other thing on which we agree is that we want to serve adequately the rural areas of the country with telephones and make them available for the people living there.

I do not know what limitations, if any, should be put on the number of subscribers in a system. I presume that in 3 cases out of 4, or possibly in 9 cases out of 10, a limitation of 1,500 would be adequate; but I can conceive of areas in some of the Western States where it would not be adequate.

On behalf of the junior Senator from Mississippi [Mr. STENNIS] and myself, I should like to propose an amendment on line 23, page 4, to strike out "one thousand five hundred" and to insert "two thousand five hundred."

I realize that it does not cover the situation described by the Senator from Minnesota, in whose States there are 2,500 rural telephones and 3,500 urban telephones on one system, but there will have to be a conference on this matter. The House bill has no limitation at all on the number, and it may be that there can be some qualification worked out whereby, if the majority of the telephones are in rural areas, a large system might be eligible to receive a loan.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. AIKEN. With the 2,500 as a basis, the House having no ceiling at all, we can during the next few days work out a proper limitation.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. PEPPER. May I invite the Senator's attention to the language on page 3 of the bill, beginning in line 23:

Provided, however, That the Administrator, in making such loans, shall give preference to persons—

Which, would, of course, include corporations—

providing telephone service in rural areas, and to cooperative, nonprofit, limited dividend, or mutual associations—

And so forth. Then, at another place, on page 4, the bill provides:

The Administrator in making such loans shall, insofar as possible, obtain assurance that the telephone service to be furnished or improved thereby will be made available to the widest practical number of rural users—

And so forth. Then, on page 4, line 2, there appears the following:

And provided further, That, for 1 year from and after the effective date of this title, no applications for loans shall be received by the Administrator except from persons who, on the effective date of this title, are engaged in the operation of existing telephone service in rural areas—

And so forth. The point I wish to make is that we give preference to the company which is already in the area. We forbid any company that comes new into the area from having its application considered for 1 year. Would not the proper conclusion be that the amendment offered by the able Senator from Vermont and his able associate from Mississippi, if adopted, would result in the situation that an existing company having over 2,500 rural subscribers could not get a loan because it would be barred under this amendment, and it could not extend its service, and for a year no other applicant would be eligible to apply for a loan? Does not that lead one to the conclusion that it would be better, in view of the preference given to the existing operator, not to adopt the committee amendment, but leave the House language as it was in the bill and leave it to the good discretion of the Administrator and the course of the future observation of Congress to see to it that the money is not given excessively to the large type of company?

Mr. AIKEN. Of course, the purpose of the wording is to give the money to the existing company before permitting new companies to be started, but I think that ordinarily a limitation of 2,500 would cover the situation. There may be instances in which it would not cover it. After the bill passes the Senate, I am sure the conference committee can look into the matter and see whether there are any injustices perpetrated, and if there are any, they could be corrected in the conference report.

Mr. STENNIS. Mr. President, I am very much interested in this bill being confined strictly to rural telephones. I am interested in guarding against duplication and interference with private enterprise, especially established systems. But I feel that the limitation of 1,500 will perhaps preclude the development of areas which would otherwise receive the just benefits of this bill. That is why I joined in the amendment.

In the first place, we have given preference to existing companies, and for 1 year no company except an existing concern may even apply for a loan or be considered. After those things are taken care of, we come to the limitation of merely 1,500 in rural areas, which will preclude service being rendered and will require legislation by way of amendment.

I think it wise to include some limitation, because if we do not, it can very well mushroom into a situation which might result in violating many of the provisions which have been so carefully preserved and written into the bill.

I would not know just where to place the limitation. I believe, however, we

should write a limitation into the bill. According to my thinking, the figure 2,500 is far more desirable than is the figure 1,500, and that is why I recommend the adoption of the amendment.

Mr. THOMAS of Oklahoma. Mr. President, the reason the committee put in the limitation of 1,500 was that the committee thought it would be ample. This is a rural-electrification complement, and the REA fixes a limit of 1,500 on the size of towns. We figured that a town with a population of 1,500 persons would not be likely to have more than 500 telephones. I think that is a reasonable assumption.

I should like to invite the attention of the Senate to the fact that a rural-telephone system is different from a rural-electrification system. A rural-electrification system can have two wires and serve as many people in the country districts as can be served with the power available at the source. But a telephone line is different. If a company starts to serve 1,000 persons in the country and each subscriber has an individual telephone, there must be 1,000 wires to carry the service to the subscribers. The number of wires will control the economy of the enterprise. We thought this limitation would be ample, but if in conference it is found that the House thinks there should be more than 1,500, of course the Senate conferees would be very glad to yield, I am sure, and to provide any number found to be necessary. But we must understand that the more subscribers there are the more wires are required, and there must be a limit to the number of wires which can be extended out into the country. The economy of the matter would control the number of subscribers, I think.

Mr. HOLLAND. Mr. President, if the Senate will bear with me a few moments I shall state for the RECORD a few matters, and then gladly abide by the will of the Senate.

These figures were not taken out of thin air. They were developed in an extensive hearing from a showing made by many practical operators in the telephone field as to what could be properly done in a commercial operation which was successful and which was proving itself successful in hundreds of locations all over the Nation. I shall quote briefly from only two of the witnesses, because they are illustrative of what has been shown with reference to 19,000 independent telephone operators who in the main have made good and who are paying income taxes. I feel that a general expansion of the service into a large field to persons who can borrow at a rate of 2 percent will create a condition under which these operators cannot continue to live.

Mr. President, I quote first from the showing made by W. G. Winters, of Hull, Tex., on page 263 and following of the record. He was a square-toed, rugged individual, a small-town southern man, who said he was here to defend the business he had been building up for a lifetime. He owned an exchange with 1,100 telephones. He said it had been prosperous, that he had good credit. He gave the rate of interest he had to pay. Anyone who reads the testimony can find it. My recollection is it was 3½ or 4 percent. He said the rate he was charging rural homes was $2.75 a month, and he asked for the right to operate free from the competition of subsidized business which could get money at 2 percent, and which would not have to pay an income tax.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Mississippi.

Mr. STENNIS. Under the other provisions of the Senator's bill, will he not be protected on that very score, it being a duplicating service for anyone to be permitted to come into his territory?

Mr. HOLLAND. Mr. President, he will be protected insofar as the inability of others to come into the territory he now fills is concerned, but insofar as his ability to expand and meet the continued needs of his field is concerned, to cover bigger operations and growth from time to time—and what businessman does not have ambition to grow—he says he is threatened with being cut off. He and dozens of others like him who appeared said they did feel that there was a legitimate field of operation for the bill, felt it would be good for them and for all to have that legitimate field filled, because they thought it would mean more in long distance tolls, and in other ways would be helpful to the telephone industry. If it is not confined to that legitimate field, they think there would be unfair competition.

Mr. PEPPER. Mr. President, will my colleague yield?

Mr. HOLLAND. I shall be glad to yield, but let me finish with this second illustration I wish to give, then I shall yield first to my colleague.

The second reference I wish to quote—and I quote it because of the statement made a few minutes ago by the distinguished junior Senator from Minnesota [Mr. HUMPHREY]—is from the statement of Mr. Warren B. Clay, manager of the Hutchinson Telephone Co., of Hutchinson, Minn. It is found on pages 273 and following. In particular the Senator will see that on pages 280 and 281 Mr. Clay testified that his exchange has 670 rural telephones and 1,400 in the little town where they are located. He also stated that their credit was good. I believe he said they were paying around 3½-percent interest, that they were operating profitably, and, above all that, he said—and he was only one of many witnesses who made the statement—that he was fully serving the rural field which his company occupied, that they had time after time solicited the farmers who did not have any telephones, that they were serving 78.9 percent of the people of his rural community, and the only reason why they were not serving the others was that the others would not subscribe for telephones.

One other thing he stated, and I address my remarks particularly to the junior Senator from Minnesota. He stated in so many words that the coverage in th State of Minnesota, outside of the cities of St. Paul, Minneapolis, and Duluth, was heavier in rural areas than in the urban, that a larger percentage of the farm homes in Minnesota were actually served by telephones, in the independent way they have developed there, in more than 2,000 communities of that State alone, than were served in the urban areas of his State.

Mr. President, the record appears on page 281, and Senators may find numerous illustrations of what I have said, particularly as to the States of Illinois, Indiana, Minnesota, and Iowa, if they care to read the record, illustrations of cases where companies cover the rural areas more fully than the urban areas, in other words, there is a larger percentage of homes outside of the towns that feel the need of telephone service and have been able to pay the cost of telephone service, and subscribe to it, and have it now reaching their homes, than is true inside of the towns.

I now yield to my colleague.

Mr. PEPPER. Mr. President, my distinguished colleague, in referring to the desire of the citizen from Texas not to have competition from someone who borrowed money at 2 percent and did not have to pay an income tax, did not mean to infer, did he, that if a private person or a corporation, being an existing operator, got one of these loans, that operator would be exempt from the payment of the income tax?

Mr. HOLLAND. Not at all.

Mr. PEPPER. I merely desired to make it clear that all the beneficiaries of these loans are not exempt from the payment of the income tax, and they would not be exempt unless they were nonprofit organizations.

Mr. HOLLAND. My colleague is correct, yet if he will look at the record of Minnesota—and I refer him to page 274 of the printed record—he will find out of the 2,000 telephone companies in the United States, 1,851 are in the cooperative classification, and could very easily be converted, if they are not already in the tax exempt classification.

Anything the Senate decides as to this will be agreeable to me. I am not interested in any telephone company except as every other Senator is interested. But these figures represent a serious study by the subcommittee, and the whole committee, and they represent our findings as to what will be the absolute limit we felt could be allowed without encroaching upon the thousands of established businesses and jeopardizing their opportunity to continue in business on a profitable basis.

Mr. HUMPHREY. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. I ask the Senator to yield for the purpose of calling attention to Mr. Clay's statement before the committee. He is the manager of the Hutchinson Telephone Co., of Hutchinson, Minn., in McLeod County, representing a company with six-hundred-and-some subscribers. Is not that correct?

Mr. HOLLAND. He refers to 670 rural subscribers and the 1,400 urban subscribers. The Senator will find the figures on page 275 of the record.

Mr. HUMPHREY. Pages 274 and 275. He says:

We have, at the present, 670 rural telephones.

Mr. HOLLAND. That is correct.

Mr. HUMPHREY. He also refers to the number of telephones in the rural areas, as well as the number of farms. I wonder if the Senator would tell me how we in Minnesota should define a rural area.

Mr. HOLLAND. The witness, Mr. Clay, explained that at some place in the record.

Mr. HUMPHREY. A community of 5,000.

Mr. HOLLAND. There is in each State a different rule regarding that matter. That would not be the case if this bill were enacted, because 1,500 is decided upon as the maximum limit of a community which would be considered a rural area.

Mr. HUMPHREY. My only reason for bringing this to the attention of the Senator was that he indicated, in his comment, that in Minnesota there were more telephones in the rural areas than in the big cities.

Mr. HOLLAND. Per number of homes, yes, a larger percentage.

Mr. HUMPHREY. I am trying to point out to the Senator from Florida that a rural area in Minnesota is a community of 5,000 or less, and that is not like being out on a farm. For example, McLeod County, from which Mr. Clay comes, is a very thickly populated county, and the city of Hutchinson is a community of around 6,000. They call that, for the purposes of the census in our State, a rural area.

Mr. HOLLAND. The Senator is of course better acquainted with his State than I am, but I shall read what the witness, Mr. Clay, said, from which I gathered the impression that he served only one city. He said:

Our company serves the city of Hutchinson and the surrounding rural areas in the trade territory of the town. We have, at the present time 670 rural telephones, all being common battery, dial telephones on metallic lines. The service, we feel, is excellent and is being rendered at a moderate cost. We make no charge for line extensions, and for more than 50 years we have been willing, able, and, I might say, eager to serve every farm in our territory. In short, gentlemen, we are doing all the things the proponents of this legislation say should be done. We are rendering modern telephone service at reasonable rates in all sections of the area we serve, in an agricultural area that compares favorably with any in the United States insofar as average farm income is concerned, and yet we have a rural telephone development of only 78.9 percent.

I will stop quoting there, though the Senator may insert anything further he wants to insert.

The witness made the point that in spite of the fact that his company had solicited farmers over and over again in the past 50 years his company was unable to get into all the homes, and that its present coverage of rural homes was 78.9. Then he said specifically that his coverage of rural homes was heavier than in the urban areas. For instance, if Senators will turn to page 281 of the record they will see the figures of which I am speaking. I asked the question:

You speak of your rural coverage or your rural development as 78.9 percent complete, meaning, as I understand it, that you are serving with telephone service around 79 percent of the farm homes.

Mr. CLAY. That is correct.

Then I asked this question:

What comparable figure, if you can state it, would be the figure of service in your urban areas, into your urban homes?

Mr. Clay answered:

It would be something less than that, Senator. As a mattetr of fact, in Minnesota, outside of the three industrial cities, Minneapolis, St. Paul, and Duluth, the rural development is greater than the city development.

Time after time from these more prosperous places in the farm belt that kind of testimony was brought in.

Mr. President, I want this bill to succeed. I have fought hard to try to bring the bill into such form that it will succeed.

I do not resent what has been said, because it is quite all right for the Senator from North Dakota to have said whatever occurred to him as being reasonable, but I have not fought the battle of the large companies in this matter nor have other members of the committee and, to the contrary, we have found that the large companies had very little interest in this matter. It is the small independent companies, many of them of the family type of ownership, which are most interested. I see the Senator from Illinois present. I had the pleasure of discussing the subject with him. He has found the same thing to be true in his State. The companies which are interested are those of the family type. Families years ago established small, prosperous telephone companies which served not only the particular area but the surrounding rural areas. It is those companies which are fearful of the result of too great coverage by this act. I found not one of them but that was willing to see the benefits of the act extended to areas which could not otherwise receive service, and extended in a generous way, Mr. President.

In my judgment, it is not a realistic way to approach this problem to take off the limitation, and frame the act so that an area which has 2,500 rural homes, and any number of urban homes together therewith, or a total of many thousands of homes—and that would be the result of this amendment—could have the benefit of these 2-percent loans, and have freedom from income tax if reorganized as a cooperative.

I am disappointed that the distinguished Senator from Vermont [Mr. AIKEN], after the long discussion of this matter in committee—and I am appreciative of the fact that the distinguished chairman of the committee made it clear that there has been long discussion of it—I am disappointed that the Senator from Vermont should have taken this figure out of the hat when we so fully, after combing the record and hearing the witnesses of all kinds, endeavored to set this figure on such a basis as would not be destructive of or dangerous to the tens of thousands of small independent telephone companies.

I am not talking about the Bell System or any other big companies, I may say to the Senator from North Dakota, because they serve the urban areas and are not particularly concerned with this proposal one way or another. But I can tell the Senator from North Dakota that the persons who appeared at our hearings by the dozen, representing the small independent telephone companies from all parts of the Nation, are deeply concerned and greatly apprehensive about this measure, unless there is a reasonable limitation made in it.

Mr. President, there are members of the committee who felt that 1,500 phones was a fair limitation of the entire size of the exchange. But the majority sentiment on the committee was to put it as it appears now in the committee amendment, namely, to permit these loans to go to systems which had not to exceed 1,500 rural telephones and any number of urban telephones that might, under their particular set-up, go with it. So our limitation is not unfair, and on the contrary, a careful reading of the record, which I commend to any Senator interested in it, will result in the reader finding that there are hundreds of prosperous small independent exchanges operating in this country which do not have anything like the number of telephones in their exchanges as is prescribed as the limit for receiving a loan under the quite generous provisions of the committee amendment.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Vermont [Mr. AIKEN] for himself and the Senator from Mississippi [Mr. STENNIS] to the committee amendment. [Putting the question.] In the opinion of the Chair the "ayes" have it.

Mr. HOLLAND. I ask for a division.

The PRESIDING OFFICER. A division is asked far. As many as favor the amendment to the committee amendment will stand and remain standing until counted.

Mr. HOLLAND. Mr. President, will the Chair state the question upon which the vote is now being taken?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Vermont [Mr. AIKEN], on behalf of himself and the Senator from Minnesota [Mr. THYE] to the committee amendment, on page 4, line 23, to change the number from 1,500 to 2,500.

On a division the amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill H. R. 2960 was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. HOLLAND. Mr. President, I hope the Senate will agree to reconsider the votes by which the amendments were ordered to be engrossed, the bill to be read a third time, and passed. Some amendments were offered which had not yet been considered. We were passing on the committee amendments only up to this time.

The PRESIDING OFFICER. That is true, but the Chair asked if there were other amendments to be offered. The Chair stated that the bill was open to amendment, and asked if there are other amendments to be offered. Of course, the amendments do not come up automatically. They do not come up unless Senators offer them.

Mr. HOLLAND. Mr. President, someone distracted my attention for the moment. I had two amendments lying on the table. I hope they may be considered. I ask that the votes by which the bill was passed be reconsidered.

The PRESIDING OFFICER. Without objection, the votes by which the amendments were ordered to be engrossed, the bill to be read a third time, read the third time, and passed, will be reconsidered.

The bill is open to further amendment.

Mr. HOLLAND. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 3, line 18, immediately following the word "loans" and before the word "under", it is proposed to insert the following: "to persons now providing or who may hereafter provide telephone service in rural areas and to cooperative, nonprofit, limited dividend, or mutual associations organized to provide such service. Except as otherwise provided by this title, such loans shall be made."

On page 3, line 24, beginning with the word "That" it is proposed to strike out everything down to and including the comma following the words *"And provided further"* on page 4, line 2.

Mr. HOLLAND. Mr. President, this is the amendment which has been described several times on the floor while the debate has been in progress. The committee took up the question of cutting out the public bodies, or cutting them out at the only place where they appeared in the bill, which was in the list of preferential groups which would be entitled to receive first consideration for receiving loans. The purpose of the committee, however, was to eliminate public bodies from the groups that could receive loans under the bill. It was later found that the only way to accomplish that would be to express the same objective at a different place in the bill, and the purpose of the amendment is to accomplish that end. The amendment has been exhibited to the Senator from Alabama [Mr. HILL], the Senator from Oklahoma [Mr. THOMAS,] and other Senators who are interested, and I am sure that they will state that the purpose is as I have stated, and that it will be accomplished by the amendment.

Mr. HILL. Mr. President, the Senator's amendment really contains two propositions, as I read it. The first is the proposition to which the Senator has addressed himself. I do not rise in opposition to that proposition. However, the second proposition, on page 3, line 24, of the amendment, strikes out the preference provision. In the committee amendment the words "public bodies" have been stricken from that provision. I do not see why the Senator would want to strike the preference provision.

Mr. HOLLAND. There is no purpose at all, except to include all the entities entitled to be served under the bill.

Mr. HILL. Therefore, I hope the Senator will not strike out the preference provision. There are two separate propositions. I do not know why the Senator would want to strike out the preference provision.

Mr. HOLLAND. I will certainly withdraw that part of the amendment if the Senator objects; but what the language of the bill would do without my amendment would be to state that agencies A, B, C, and D may receive loans, and then later to say that preference shall be given to agencies A, B, C, and D.

Mr. HILL. I hope the Senator will modify his amendment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. PEPPER. I have some advice from some of those who are very much interested in this question. They get a different interpretation of the amendment offered by my distinguished colleague. They say:

In its present form section 201 of title II does not enumerate the groups eligible to receive loans. Since this section provides that the Administrator is authorized and empowered to make loans under the same terms and conditions as are provided under section 4 of the Rural Electrification Act, it is to be inferred that such loans may be made to the same groups as are set forth in section 4 of the Rural Electrification Act, namely: "persons, corporations, States, Territories, and subdivisions and agencies thereof, municipalities, peoples utility districts and cooperative, nonprofit or limited dividend associations organized under the laws of any State or Territory of the United States."

The amendment offered by Senator HOLLAND enumerates the groups to which telephone loans are authorized to be made as follows: (1) "persons now providing or who may hereafter provide telephone service in rural areas;" and (2) "cooperative, nonprofit, limited dividend, or mutual associations organized to provide such service."

Aside from the fact that this amendment does not appear to be necessary it may also be pointed out that the term "person" is defined in section 13 of the Rural Electrification Act—and this definition is applicable to the pending legislation—to mean "any natural person, firm, corporation or association."

In addition to being unnecessary, the amendment insofar as it limits cooperative, etc., associations to those "organized to provide such service" might be interpreted to mean only such associations as are organized solely to provide telephone service.

In other words, an organization organized to provide rural electrification and telephone service would not be eligible under my colleague's amendment, if this criticism is correct.

Continuing with the criticism:

The question might be raised as to whether cooperative associations already organized to furnish electric service are eligible to receive loans, assuming appropriate State legislative authority existed. Further, the difference in the wording of the amendment in listing the two groups would appear to discriminate against cooperative groups as compared with other groups who might come within the definition of the word "person." As to the latter group, the amendment appears to be broader.

The listing suggested by the Holland amendment eliminates from the groups to whom loans may be made for rural telephone service, the various public bodies, including States, Territories, and subdivisions and agencies thereof, municipalities, people's utility districts which are specifically enumerated in the listing in section 4 of the Rural Electrification Act of groups to whom electrification loans are authorized to be made. This amendment, if enacted, would bar loans to any public bodies.

I believe the committee eliminated public bodies.

In this connection it should be noted that the committee amendment striking the words "public bodies" on page 4, line 1, of the Senate committee print would eliminate public bodies from the preference groups. The Holland amendment altogether eliminates them from the list of those eligible to receive loans. This amendment would primarily affect power districts in the States of Nebraska, Nevada, Oregon, and Washington, which are operating rural-electric systems which might be jointly used for telephone service by barring them from entering the rural-telephone field themselves with REA financial assistance.

Then the criticism goes on to consider the second part of the amendment:

The second part of this amendment would strike out the provision "that the Administrator, in making such loans, shall give preference to persons providing telephone service in rural areas, and to cooperative, nonprofit, limited dividend, or mutual associations." It would leave in full force and effect the provision in the committee amendment on page 4, lines 3–11, that existing telephone systems be given an exclusive preference for a period of 1 year from the effective date of legislation.

The Holland amendment in this respect runs counter to the well-established policy adopted by the Congress in many agricultural bills—of according preference to farmer cooperatives which are bringing to farmers services which they could not otherwise secure.

The bill in its present form places existing companies and cooperatives on a parity with respect to preference after the initial period of exclusive preference for existing companies. There would appear to be no valid reason for changing the present provisions in this respect.

I was wondering what it was that my distinguished colleague contemplated achieving by his amendment which might justify the detriment which these critics foresee as possible.

Mr. HOLLAND. Mr. President, this question has arisen twice before this afternoon, when various Senators objected to the term "acquisition" as contained in the bill, because they thought it might cover eminent domain or condemnation proceedings. On each of the occasions when the question arose the explanation was made that, with the full concurrence of the sponsors of the bill and the chairman of the committee, an

amendment was to be offered to accomplish what the committee thought it accomplished when it eliminated public bodies from the preferential group. It was intended by the committee to eliminate public bodies from the group of eligible borrows under the act, because only one public agency in the Nation has a telephone exchange, and because there has been no trend of that sort shown in developing the telephone business. At that time it was stated by Senators who are no longer in the Chamber that the amendment was to be offered at the proper time, as representing the intention of the committee. I hope my distinguished colleague will not insist upon opposing it. If he does I shall have to call for a quorum and get back in the Chamber some Members of the Senate who were present and to whom I gave that assurance at that time.

I may say to my distinguished colleague that the sole purpose of my amendment is to accomplish in the bill what the committee intended to accomplish.

Mr. PEPPER. I am not a member of the committee, but it does not seem that the amendment is limited to that effect. It seems that the amendment—at least on its face—goes beyond what the committee did. If it does not go beyond what the committee intended, I do not know why there is any necessity of offering it. The Senator names the class of borrowers, whereas the bill made the class of borrowers those who could receive REA assistance. Is not that correct?

Mr. HOLLAND. I will say again to my colleague that at the time the committee considered the question it was—as I understood it, at least—the intention and decision of the committee to strike "public bodies" from the list of borrowers who would be eligible under the bill; but through a mistake the change was made only as applicable to the list of preferential borrowers. The intent of the amendment is to apply the action of the committee to the full field of borrowers. The only group excluded are public bodies. There is a full statement of all the groups which were intended to be included by anyone, so far as I know, in the bill, except public bodies.

Mr. PEPPER. I invite attention to the limitation in my colleague's language. He says:

> The Administrator is authorized and empowered to make loans to persons now providing or who may hereafter provide telephone service in rural areas—

In the first place, there is other language in the bill, in the preference section, but the Senator puts the preference section in the definition of those who may be borrowers. He goes on to say:

> and to cooperative, nonprofit, limited dividend, or mutual associations organized to provide such service.

That would mean that an ordinary cooperative organized for something else, such as REA, would not be eligible. I am told that in several of the States the cooperatives do both, or would like an opportunity to do both. It might be an economy to be able to do both. I do not know whether the Senator intended it or not, but under his language my colleague would not allow a cooperative to borrow unless the cooperative were organized for this single purpose, apparently, namely, to provide telephone service. So it would eliminate the ordinary cooperative which might be a borrower under the other general language.

Mr. HOLLAND. No such intention having been at all in my mind in offering the amendment, I shall be happy to eliminate from my amendment the words "organized to provide such service," in which case the amendment would read: "to persons now providing or who may hereafter provide telephone service in rural areas and to cooperative, nonprofit, limited dividend, or mutual associations."

Mr. PEPPER. That would cure the objection.

Mr. HOLLAND. And the rest of the amendment, as modified, would read:

> Except as otherwise provided by this title, such loans shall be made.

That language ties in with the following language.

Mr. PEPPER. I have no objection to that.

Mr. HOLLAND. Mr. President, I ask that the amendment, as modified, be adopted.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Florida.

Mr. HILL. Mr. President, I understood that the Senator withdrew the words in lines 8, 9, 10, and 11.

Mr. HOLLAND. I shall be happy to do so.

Mr. HILL. I hope the Senator will do so.

Mr. HOLLAND. That simply means that it will be restated.

Mr. HILL. I hope the Senator will eliminate that.

Mr. HOLLAND. Very well.

The PRESIDING OFFICER. The question is on the modified amendment of the Senator from Florida [Mr. HOLLAND].

The amendment, as modified, was on page 3, line 18, immediately following the word "loans" and before the word "under" to insert the following: "to persons now providing or who may hereafter provide telephone service in rural areas to cooperative, nonprofit, limited dividend, or mutual association. Except as otherwise provided by this title, such loans shall be made."

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Florida. [Putting the question.] The Chair is in doubt, and calls for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

The Chair calls the attention of the Senator from Florida to the fact that he has another amendment at the desk. Is it his purpose to call it up?

Mr. HOLLAND. I intend to do so.

Mr. LANGER. Mr. President, would the Senator object to striking out, on page 6, in lines 9 and 10, the words "and wire connections between the transmitting and receiving apparatus"?

Mr. HOLLAND. Mr. President, that is the amendment of the Senator from Iowa [Mr. HICKENLOOPER], and I prefer that he answer as to it.

Mr. LANGER. Mr. President, let me inquire whether those words have been eliminated. If not, is there any objection to eliminating the words "wire connections between the transmitting and receiving apparatus"?

Mr. HICKENLOOPER. Mr. President, the purpose of the amendment follows the purpose of the bill. This is a rural telephone bill. I said on the floor a while ago that, being interested in this amendment, I had objected to the extremely broad and all-inclusive definition which had been included, and which covered all types of communication—radio and everything else. I said I was perfectly willing at a later date, if other means of communication were developed in future years, to have the law changed; and I think it would be changed immediately. The words referred to limit the bill to wire communication, and take out all question of wireless or radio or television, and so forth.

Mr. LANGER. I cannot understand why the farmer should not have the benefit of radio and television.

Mr. HICKENLOOPER. He does have.

Mr. LANGER. Then what is the objection to striking out the words to which I have just referred?

Mr. HICKENLOOPER. Those words limit the bill to rural telephone communication, and they have the purpose of avoiding conflict with the Federal Communications Commission, which now has jurisdiction over wireless, radiotelephone, television, and so forth. There is no need to cause confusion as between existing authorities. If there should be need in the future for provision to be made in this connection for some other type of communication, I do not think Congress would hesitate for a moment to change the law so as to make it adaptable in that way.

But farmers can use television now, and they can obtain a license from the Federal Communication Commission for walkie-talkies, if that is desired. If a farmer is near a television station, he can buy a television set.

Mr. LANGER. But those types of communication would not come under the provisions of this bill, because the words to which I have referred limit the bill to "voice communication through the use of electricity and wire connections between the transmitting and receiving apparatus."

Mr. HICKENLOOPER. Certainly the system must be one operating by means of wire connections.

Mr. LANGER. Why cannot that language be eliminated, so as to permit the farmers to be able to take advantage of other means of communications, as well?

Mr. HICKENLOOPER. The farmers can do so.

Mr. LANGER. But not under the provisions of this bill.

Mr. HICKENLOOPER. Certainly the Senator from North Dakota does not want to have provision made in this bill for loans for the construction of new television stations to compete with the

television stations now established or being established.

Mr. LANGER. But I want the farmers to have the benefit of everything they need.

Mr. HICKENLOOPER. The Senator from North Dakota does not exceed me in that desire.

Mr. LANGER. I simply wish to know why the Senator insists on having the bill include the words "wire connections between the transmitting and receiving apparatus."

Mr. HICKENLOOPER. Because the bill has been presented as a means of permitting the installation of telephone service where telephone service is not now obtainable. That is the purpose of the bill. I do not envision the bill as one creating a new type of monopolistic structure in the country. I envision it as a means of enabling the farmer to obtain adequate telephone service.

Mr. LANGER. Let me ask why the words "wire connections" should be included. Why cannot the farmer have those words eliminated from the bill, for his benefit?

Mr. HICKENLOOPER. The definitions of telephone service generally running through the Communications Act and the other legislative approaches which have been made by the Government in that field contain references to wire-connected service.

The language in the pending bill to which the Senator has referred is included in order to describe generally the telephone service which has been provided in the past—under the Federal Communications Act, for instance, and in connection with various other references to the same subject. In all such measures this language has been used.

I assume that this language is included in this measure in order to show that the service to be provided will be based upon transmitting apparatus, receiving apparatus, and connecting wire mediums of transmitting communications. Those words do not specifically limit the means of communication to voice communication. That subject was under consideration by us in the committee. It will be noted that a number of definitions appearing at other places in the code are limited to voice communication, but in this bill we do not provide limitation to voice communication. So signals can be used, too. But the words the Senator has mentioned do limit the bill to wire-connected service.

I shall move, just as quickly as the Senator from North Dakota will, to enlarge the service, if it is shown that such enlargement is necessary or desirable.

Mr. LANGER. I thank the Senator for the explanation.

Mr. HILL. Mr. President, I wish to call attention to the question of refinancing. I strongly feel, as I know the Senate committee did, that the bill should not provide a vehicle by means of which the Government will bail out a great many companies. On the other hand, I know that in order to provide rural telephone service in some instances there will have to be a small amount of refinancing.

The House committee spoke strongly on this matter, and I wish to bring to the attention of the Senate what the House committee had to say. I read now from page 11 of the report of the House committee:

> Every amendment adopted by the committee is an amendment designed to protect private industry and to assist existing telephone companies in doing the job that needs to be done.
>
> One major amendment which will be of material assistance, particularly to small independent companies, was made by the committee entirely on its own motion, without any request from the industry. This is the inclusion of authority for the Administrator to make loans for refinancing existing indebtedness of telephone companies, when that refinancing is for the purpose of expanding or improving rural telephone service as authorized in the bill. Although no request for this amendment was made in the open hearing, the committee considered the matter in executive session and concluded that in some cases refinancing of existing indebtedness would be necessary to enable a company to carry out the improvement of its rural service.

The House committee amended the bill so as to provide for refinancing without any limitation. I have an amendment which I hope the distinguished chairman will take to conference. It provides for refinancing, with a very definite limitation. It provides that—

> The Administrator is further authorized and empowered to make loans for the purpose of refinancing outstanding indebtedness of persons furnishing telephone service in rural areas; provided that such refinancing shall be determined by the Administrator to be necessary in order to furnish and improve telephone service in rural areas—

It must be contingent on being necessary for the extension of the service in rural areas—

> *And provided further,* That such refinancing shall constitute not more than 25 percent of any loan made under this title.

In other words, it will be impossible to get more than 25 percent of the loan for refinancing. For every dollar obtained for the extension, it might be possible to get another quarter for refinancing. I hope the distinguished chairman will at least take the amendment to conference for consideration. I offer the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 25, it is proposed to insert before the word "Loans" the following:

> The Administrator is further authorized and empowered to make loans for the purpose of refinancing outstanding indebtedness of persons furnishing telephone service in rural areas: *Provided,* That such refinancing shall be determined by the Administrator to be necessary in order to furnish and improve telephone service in rural areas: *And provided further,* That such refinancing shall constitute not more than 25 percent of any loan made under this title.

Mr. THOMAS of Oklahoma. Mr. President, the bill as it now stands, before the amendment is considered, provides the financing, which means that money can be borrowed for the purpose of expanding, renewing, or extending lines into the country. I have no objection to the amendment, because it only provides for 25 percent. That would seem to be very reasonable, and I should be very glad to take it to conference.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The bill is open to further amendment. If there be no further amendment, the question is on engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. LUCAS, Mr. HOLLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE conferees on the part of the Senate.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the bill may be printed, with the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. MAYBANK. Mr. President, I introduce a joint resolution to amend the National Housing Act, as amended, and for other purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The joint resolution will be read.

The joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes, was read the first time by its title and the second time at length, as follows:

> *Resolved, etc.,* That the National Housing Act, as amended, is hereby amended—
>
> (1) by striking out the first sentence of section 2 (a) "November 1, 1949" and inserting in lieu thereof "March 1, 1950," and by striking out of the last sentence of section 2 (a) "$200,000,000" and inserting in lieu thereof "$225,000,000";
>
> (2) by striking out of the proviso in section 203 (a) $5,500,000,000" and inserting in lieu thereof "$6,000,000,000," and by striking out $6,000,000,000" and inserting in lieu thereof "$6,750,000,000";
>
> (3) by striking out of the first sentence of section 302 "$1,500,000,000" and inserting in lieu thereof "$2,500,000,000";
>
> (4) by striking out of the first proviso in section 603 (a) "$5,750,000,000" and inserting in lieu thereof "$6,150,000,000," by striking out of said proviso "$6,150,000,000" and inserting in lieu thereof "$6,650,000,000," and by striking out of the second proviso in section 603 (a) "October 31, 1949" in each place where it appears therein and inserting in lieu thereof "March 1, 1950."
>
> SEC. 2. Said act, as amended, is hereby further amended by striking the period at the end of the fourth sentence of section 1 thereof and inserting a colon and the following: "*Provided,* That, notwithstanding any other provisions of law except provisions of law hereafter enacted expressly in limitation hereof, all expenses of the Federal Housing Administration in connection with the examination and insurance of loans or investments under any title of this act, all properly capitalized expenditures, and other necessary expenses not attributable to general overhead

in accordance with generally accepted accounting principles shall be considered nonadministrative and payable from funds made available by this act, except that, unless made pursuant to specific authorization by the Congress therefor, expenditures made in any fiscal year pursuant to this proviso, other than the payment of insurance claims and other than expenditures (including services on a contract or fee basis, but not including other personal services) in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of this act, shall not exceed 35 percent of the income received by the Federal Housing Administration from premiums and fees during the preceding fiscal year."

SEC. 3. Said act, as amended, is hereby further amended by adding the following new section after section 514:

"SEC. 515. At any time prior to final endorsement for insurance, the Commissioner, in his discretion, may amend, extend, or increase the amount of any commitment, provided the mortgage, as finally endorsed for insurance is eligible for insurance under the provisions of this act, and the rules and regulations thereunder, in effect at the time the original commitment to insure was issued."

SEC. 4. Section 4 (c) of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking out "$2,500,000,000" and inserting in lieu thereof "$3,500,000,000."

SEC. 5. Section 313 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is hereby amended by striking out "January 1, 1950," and inserting in lieu thereof "January 1, 1951."

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. WHERRY. Mr. President, is this the joint resolution extending the titles of the housing bill, which the distinguished Senator was about to take up? What does the resolution do?

Mr. MAYBANK. It extends the FHA title VI of the National Housing Act until March 1. It increases authorization of the Federal National Mortgage Association.

Mr. WHERRY. Mr. President, I think the Senate ought to know what we are about to do. My understanding now is that this is a proposal by way of a joint resolution to extend what we already have.

Mr. MAYBANK. That is generally correct; and I may say to the Senator, it will result in not bringing up the housing bill that is now on the calendar.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHERRY. Just a moment, please. Will the Senator kindly wait until I finish my observation and question? The question is, What will be the procedure? The housing bill which was intended to be taken up, will not be brought up for consideration at this time, is that correct?

Mr. MAYBANK. Insofar as the chairman of the Banking and Currency Committee is concerned, it is correct, and I think the majority leader will agree with me.

Mr. LUCAS. I wholeheartedly agree with the Senator from South Carolina.

Mr. WHERRY. That is the procedure; so that the joint resolution now presented will take the place of the so-called housing bill which the Senate was to take up, and the debate now will be on whether the extension shall be made to March 1; is that correct?

Mr. MAYBANK. The Senator is correct.

Mr. President, paragraph (1) of section 1, extends the title I (repair, modernization, and small-home-construction loans) authorization under the National Housing Act to March 1, 1950, and increases the amount of the authorization by $25,000,000.

Paragraph (2) of section 1, increases the title 2—one- to four-family sale housing—authorization under the National Housing Act by $750,000,000.

Paragraph (3) of section 1, increase the authorization of the Federal National Mortgage Association by $1,000,000,000.

Paragraph (4) of section 1, extends section 608—rental housing—of the National Housing Act to March 1, 1950, and increases the authorization under title 6 of the National Housing Act by $500,000,000.

Section 2 of the joint resolution is concerned with the problem faced by the FHA because of the extreme difficulties involved in estimating the volume of mortgage-insurance business which may be presented to it in a future fiscal year. This is due to the fact that fluctuations in the building industry are extreme. It results in severely penalizing the home-building industry. Section 2, therefore, would overcome this by permitting budget flexibility along the lines authorized by section 102 of the Government Corporations Control Act for business-type agencies, under the provisions of which the FHA was placed last year by Public Law 901.

Section 3 of the act is addressed to overcoming another serious FHA problem which works a hardship on the building industry.

While the changes which are made in the National Housing Act would not prevent the insurance of a mortgage pursuant to a commitment issued prior to the enactment date, or prevent the Federal Housing Commissioner from changing or extending such commitments, there may be some doubt that a change could be made which would increase the amount of the commitment without requiring compliance with any amendment that has been made in the act and is in effect at the time the increase is requested. Section 3 of the joint resolution is proposed to specifically establish the authority of the Federal Housing Commissioner, at any time prior to final endorsement for insurance, to extend or increase any mortgage insurance commitment outstanding at the time such amendments are made to the act, to the extent that such extensions or increases to the commitment would be eligible under the provisions of the act, and the rules and regulations thereunder, in effect at the time the original commitment was issued.

Section 4 increases RFC's authorization by $1,000,000,000 to cover the $1,000,000,000 increase granted to the Federal National Mortgage Association by paragraph (3) of section 1 of the joint resolution.

Section 5 extends the date for the removal of temporary war housing from January 1, 1950, to January 1, 1951.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. CAPEHART. Mr. President, I recommend and urge that the Senate pass the joint resolution. I think it is the proper way to handle the matter at this time. All it does is to extend titles I, II, and VI, and to increase the RFC borrowing power. I think the amounts are correct. I think the date of March 1, 1950, is the correct date.

Mr. MAYBANK. That is correct.

Mr. CAPEHART. I urge that the Senate pass the joint resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes.

Mr. WHERRY. I suggest the Senator proceed, if he has any further explanation.

Mr. MAYBANK. No. I merely desire to say it was my understanding the distinguished Senator from Alabama who was chairman of the subcommittee on housing agrees and we have conferred with other members of the committee that the thing to do in view of the present complicated situation is to have the resolution passed to extend the present powers of the FHA, the RFC, and the Federal National Mortgage Association, and to permit the FHA to operate in such a manner as to permit the most efficient type of operation so that we, as a Nation, may be better housed.

Mr. WHERRY. Mr. President, if I may make a brief observation, I hope, if the joint resolution is passed and the time extended until March 1, that between now and that time, certainly, the bill will be worked out, and that it will be submitted to the Senate, so that this question can be determined once and for all. I say that for the reason—and I wonder whether the chairman of the committee, the distinguished Senator from South Carolina, will agree with me—that there are those who desire to build homes privately, who have been waiting to see what the provisions of the legislation would be, and whether it would liberalize several things in which they are interested. Does the Senator feel that delaying the matter until March 1 will delay the construction of private homes by persons who are waiting for an over-all bill that will encompass cooperative housing and whatever else should go into the bill? Does the Senator get what I mean?

Mr. MAYBANK. I do not believe it will delay in any way the construction of private housing. It will help it. With winter approaching and with the amount of construction we already have we should be looking forward to the next building season. We will do the most good by having early action next year on well-considered, permanent legislation. Unless we extend this act, as the distinguished Senator well knows, we will severely penalize the home-building in-

dustry and those who so urgently are in need of homes. We cannot do that.

Mr. WHERRY. That is correct. Possibly it is the way to do it, but what I should like to have if I can get it, is the assurance of the Senator from South Carolina that there will be no unnecessary delay through postponement of the main legislation. From some of the contacts I have had, there is an indication at least that some of those desiring to build their own homes, who have been waiting for the passage of legislation, will be again delayed. Their plans have been made, they have the land, but they are waiting to get the benefits of the act. If it is delayed until March, I am wondering whether it will hold up any building, as I have already indicated, and whether we can expect from the distinguished Senator early consideration of the legislation next year, so it can be passed in some form, and so they will know what they can get, and can proceed to build their own homes privately.

Mr. MAYBANK. I may say to the distinguished Senator, of course, that would be a question for the majority leader to determine, as to what bills will be brought up at the next session. But insofar as I am concerned, as chairman of the Banking and Currency Committee, and so far as the Subcommittee on Housing is concerned, it would be their very firm desire to bring it up and settle it, once and for all, as soon as possible. I assume that the majority leader, as one who is so anxious to provide good housing for our citizens, would welcome any action to provide homes for our people; but, of course, I cannot guarantee anything.

Mr. WHERRY. I am not asking a guaranty and I am not asking the majority leader to set the matter for hearing, but since I have received so many requests, as I have stated, I think it would certainly be advantageous for those who would like to build homes privately to know what they can expect. I hope that it will not go beyond March 1 of next year.

The VICE PRESIDENT. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 134) was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT OF 1945

Mr. LUCAS. Mr. President, it is now 10 minutes of 6, and the Senate will proceed to recess until tomorrow. On yesterday I think I made the announcement that the Senate would take up Calendar 505, Senate bill 2093, to amend the United Nations Participation Act of 1945.

The VICE PRESIDENT. There is a similar House bill on the calendar also.

Mr. LUCAS. Calendar No. 739, House bill 4708, is a similar bill.

The Senator from Texas [Mr. CONNALLY] suggests that we take up the House bill; and I move that the Senate proceed to the consideration of House bill 4708.

The VICE PRESIDENT. The bill will be read by title.

The LEGISLATIVE CLERK. A bill (H. R. 4708) to amend the United Nations Participation Act of 1945.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4708) to amend the United Nations Participation Act of 1945.

Mr. LUCAS. I will say, Mr. President, that following the disposition of the bill just made the unfinished business the Senate will take up a bill introduced by the Senator from Wyoming [Mr. O'MAHONEY] and other Senators, and following that we hope to take up the cigarette-tax bill.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. CAIN was excused from attendance on the sessions of the Senate on Thursday, October 6, and Friday, October 7.

Mr. CAPEHART asked and obtained consent to be absent from the Senate on Thursday, October 6, and Friday, October 7.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, October 6, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 5 (legislative day of September 3), 1949:

COAST AND GEODETIC SURVEY

The following-named officer of the Coast and Geodetic Survey to the position indicated below:

To be Assistant Director

Kenneth T. Adams

POSTMASTER

Raymond A. Thomas to be postmaster at Philadelphia, Pa., in place of J. F. Gallagher, retired.

HOUSE OF REPRESENTATIVES

WEDNESDAY, OCTOBER 5, 1949

The House met at 10 o'clock a. m.

PRAYER

The SPEAKER. Will the membership rise for a moment in silent prayer?

The Journal of the proceedings of yesterday was read and approved.

COMMITTEE ON BANKING AND CURRENCY

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency be permitted to sit today during general debate on the bill H. R. 6000.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, the other day I received permission to extend my remarks in the RECORD and include a list of the war casualties of the Navy, Marine Corps, and Coast Guard of the State of Mississippi in the recent war. The list included also the names of the nearest kin. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $1,394, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. YOUNG asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Altoona Tribune entitled "Let's Know What We Pay."

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include excerpts.

Mr. COTTON asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the New Hampshire Morning Union.

REVENUE-PRODUCING ACTIVITIES

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, there have come to my attention, as a member of the Committee on Expenditures in the Executive Departments, many lucrative revenue-producing activities existing in the Government today which give no accounting for the funds they receive and disburse.

These revenue-producing activities include restaurants, snack bars, cafeterias, soda fountains, newsstands, beauty parlors, barber shops, shoe repair parlors, vending machines, and numerous other types of business operations maintained and operated in Federal buildings at the Government's expense. The operation of these concessions is maintained for the convenience and comfort of persons in the service of the Government and is deemed essential to their efficient performance of assigned duties.

Considering the large number of these business concessions which operate daily within our Federal buildings, it is most obvious that substantial sums of money flow into the hands of Federal employees who are engaged in these operations; and yet, under existing statutes, there is no adequate accounting made therefor.

In order that the Government's interest will be fully protected in this regard and the revenue received from these business concessions will not be diverted

to unauthorized purposes, I am today introducing a bill providing for the financial control and operation of all Federal income-producing activities.

EXTENSION OF REMARKS

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include a letter to the Secretary of State, with some other material.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD, and further was given permission to include some tables in the remarks he expects to make later today in connection with H. R. 6000.

Mr. SECREST asked and was given permission to extend his remarks in the RECORD and include an article written by John W. Love, published in the Cleveland Press of September 29, 1949.

Mr. DINGELL (at the request of Mr. COOPER) was given permission to extend his remarks in the RECORD following the remarks to be made later today by Mr. COOPER on the social-security bill.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include an editorial by Don L. Berry of the Indianola Record-Herald, of Indianola, Iowa.

Mr. BLATNIK (at the request of Mr. PERKINS) was given permission to extend his remarks in the RECORD and include an editorial.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 216]

Abbitt	Feighan	McSweeney
Allen, Ill.	Fellows	Mack, Ill.
Baring	Flood	Macy
Barrett, Pa.	Fogarty	Mansfield
Beckworth	Furcolo	Merrow
Bennett, Mich.	Garmatz	Miller, Calif.
Bentsen	Gary	Miller, Md.
Bland	Gathings	Morrison
Blatnik	Gavin	Morton
Bolton, Md.	Gilmer	Multer
Bolton, Ohio	Granahan	Murphy
Bonner	Grant	Murray, Tenn.
Bramblett	Green	Norblad
Brehm	Gregory	Norton
Buckley, N. Y.	Harvey	O'Neill
Bulwinkle	Hays, Ohio	Patten
Burdick	Hébert	Pfeiffer,
Burnside	Heffernan	William L.
Byrne, N. Y.	Herlong	Philbin
Carlyle	Hoffman, Mich.	Phillips, Calif.
Celler	Horan	Poage
Chatham	Huber	Powell
Chiperfield	Irving	Rains
Cole, N. Y.	Jackson, Calif.	Reed, Ill.
Cooley	Jonas	Reed, N. Y.
Corbett	Kearney	Rees
Coudert	Kearns	Rhodes
Cox	Keating	Ribicoff
Crosser	Kee	Richards
Davenport	Keefe	Riehlman
Davies, N. Y.	Kelley	Rivers
Davis, Tenn.	Keogh	Roosevelt
Dawson	Kilburn	Sabath
Deane	Klein	Sadowski
Dingell	Kunkel	St. George
Dollinger	Larcade	Scott, Hardie
Donohue	LeCompte	Scott,
Douglas	Lovre	Hugh D., Jr.
Elston	McDonough	Shafer
Engle, Calif.	McMillan, S. C.	Short
Smith, Ohio	Towe	Wigglesworth
Smith, Va.	Vinson	Willis
Staggers	Wadsworth	Withrow
Stanley	Walter	Wood
Stockman	Whitaker	Woodhouse
Tauriello	White, Calif.	Worley
Taylor	White, Idaho	
Thomas, N. J.	Whitten	

The SPEAKER. On this roll call 283 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SOCIAL SECURITY ACT AMENDMENTS OF 1949

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6000) to extend and improve the Federal old-age and survivors insurance system, to amend the public assistance and child welfare provisions of the Social Security Act, and for other purposes.

The motion was agreed to.

Accordingly the Committee resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6000, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from North Carolina [Mr. DOUGHTON] had consumed 1 hour and 21 minutes and the gentleman from Ohio [Mr. JENKINS] had consumed 1 hour and 44 minutes.

Mr. DOUGHTON. Mr. Chairman, I yield 25 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, I have spoken three times on this bill already, once before the Rules Committee, once in the Democratic conference, and then on the rule, so I shall not ask your indulgence very long at this time.

The pending bill, H. R. 6000, comes before the House by a favorable vote of 22 to 3 of the Ways and Means Committee. In my experiences as a member of that committee I have never known any measure to receive more thorough and careful consideration than the pending bill.

The social-security program for this country was established under the act of 1935. That measure was the greatest piece of legislation of that type ever enacted in the history of this or any other country of the world. Many other countries had some phases or some parts of the social-security program, but the great President Franklin D. Roosevelt was the first man with the vision and the courage to give to the country a rounded-out and completed recommendation for a social-security program.

The act of 1935 provided among other things for old-age assistance, commonly called old-age pensions. It provided for old-age insurance benefits, commonly called old-age annuities. It provided for unemployment compensation, aid to dependent children, child welfare, aid to the blind, and included other provisions.

The old-age insurance provisions of the act became effective in 1937. After 3 years of experience under this act, it was found that certain improvements were desirable, so the act of 1939, embracing quite a number of far-reaching amendments to the Social Security Act of 1935, was enacted. In fact, the act of 1939 provided a program much broader and more extensive than the original act. The original act provided only for old-age retirement benefits. The 1939 act provided for old-age and survivors insurance benefits.

Now, after 10 years of experience under the 1939 act, it is found desirable to extend this program further, so in its far-reaching consequences to the future happiness and welfare of the people of this country this bill, H. R. 6000, is perhaps the most important legislation receiving the attention and consideration of this Congress.

Many improvements are provided for this program. Among other things, the program for old-age assistance, or what is commonly referred to as old-age pensions, is extended and improved. A new formula is provided in this bill which will result in all of the States of the Union receiving some additional Federal funds for old-age assistance, and the States paying the lowest amount of benefits for this purpose will receive greater benefits.

Then for the first time we embrace in this program a provision for total and permanent disability benefits for the needy people of the country.

Bear in mind that under the present program only people who have reached the age of 65 can receive the benefits of old-age assistance. We add a new category in this bill and provide not only for old-age assistance and aid to dependent children and the other provisions now included in the program, but we also provide for total and permanent disability benefits regardless of age. That means if some person becomes totally and permanently disabled and is in need, but has not yet reached the age of 65, he is eligible for benefits under this program under the same formula of State and Federal matching as is provided for old-age assistance, or old-age pensions.

Then very important amendments are included with respect to the program for old-age and survivors insurance. Bear in mind that old-age assistance, or commonly called, old-age pensions, is all paid for by the Federal and State Governments. The individual recipient may not have contributed any part to that program. But under title II of the old-age and survivors insurance program the people themselves make contributions during the working period of their lives to build up benefits to which they become entitled as a matter of right when they reach retirement age.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. KEEFE. The gentleman is making a very splendid exposition of this bill. He has just discussed some of the old-age-pension provisions of the bill. Up to now the gentleman, as I have followed his statement, perhaps he intends to do so later, has not discussed this new provision in the bill which relates to the receipt or payment of old-age assistance to beneficiaries who are occupants of

public institutions. I would like to get a very definite statement. As the gentleman knows, I appeared before his committee in support of a proposal which would permit the continuation of old-age-assistance payments even though the people were in a public institution. As I understand, what you have done—and the gentleman can correct me if I am mistaken—you do not permit the continuation of payments in the event a person is either a voluntary or involuntary patient in a tuberculosis sanatorium or a mental institution, but if the county or local organization provides a place where they may receive medical care or subsistence care on a medical basis they will not lose their old-age pensions, is that correct?

Mr. COOPER. The gentleman is correct. Persons in medical institutions other than tubercular or mental institutions would be eligible. The gentleman will find on page 42 of the report a very clear explanation of that provision of the bill. I am glad to say the distinguished gentleman from Wisconsin has evidenced an intense interest for many years in this particular phase of the program. But the Committee on Ways and Means was most favorably impressed by his appearance before the committee. We have endeavored to take care of the situation which he so ably presented to the committee.

Mr. KEEFE. I thank the gentleman.

Mr. COOPER. Mr. Chairman, the pending bill provides for an expansion and improvement of the old-age and survivors insurance program. It also includes, for the first time, a new category for total and permanent disability benefits.

About 11,000,000 people not now covered under the social-security program are covered under this bill. Those 11,000,000 people include the following groups:

(a) Certain self-employed persons other than farmers are included under the bill, about 4,500,000 people. They are covered when their net earnings from self-employment amount to $400 or more per year.

We have had this situation presented to us from time to time. I am sure the experience of every Member of this House has been similar to mine. We meet people in our districts at home who say to us, in effect, "I am operating a barber shop, or a garage, or some other business. I am paying my employer's share of social-security tax for the benefit of the other people who work in my business, but I am not making any provision for my own retirement benefits. It may well be that when I reach 65 I may need retirement benefits as much as any of the men I am now employing and for whom I am paying my share of the tax."

So the committee has included in this bill certain self-employed, on the basis I have just mentioned. Of course, a self-employed person is both employer and employee. It may be thought advisable for him to pay the employer's tax and the employee's tax, both, because he occupies both relationships. But under the provisions of this bill, after consultation with the actuaries and those who are in the best position to give us expert advice and assistance, it was found that the tax rate is 1½ times the amount of the employee's tax rate would be generally sufficient to take care of those self-employed people. So, instead of paying under the present rate of 2 percent, 1 percent for employer and 1 percent for employee, those self-employed people are required to pay 1½ percent.

Next, employees of nonprofit institutions, other than ministers, which will include about 600,000 people: The employer is not compulsorily taxed, but may voluntarily elect to participate. If an employer does not participate, the employee receives one-half the wage credit. We know, of course, the long-standing question about taxation of certain institutions in this country—religious, educational, and other institutions of that type. So it is provided in this bill that they may voluntarily pay this tax for the benefit of their employees, and the information given the Committee on Ways and Means, by representatives of those institutions, is that perhaps 98 percent of them will be glad and willing to voluntarily pay this tax. But it is provided that in such instances as the employer does not pay it, then the employee receives one-half the wage credit, because he is paying the employee's tax, but the employer's part of the tax has not been paid for him.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. JONAS. Does this provision that the gentleman has just discussed apply to hospitals that are organized not for profit?

Mr. COOPER. That is correct.

Mr. JONAS. It is up to the hospital management to determine whether they wish to become parties?

Mr. COOPER. It applies to all those so-called nonprofit institutions—educational institutions, religious institutions, hospital institutions, and so forth.

Mr. JONAS. And charitable institutions?

Mr. COOPER. Charitable institutions. But it is on a voluntary basis so far as payment of the employer's part of the tax is concerned.

Mr. JONAS. If an employer does not pay, then the employee would only draw one-half what he would draw if the employer had paid?

Mr. COOPER. That is right. The estimated number of nonprofit employers, with the type of organization, is as follows: Total of all nonprofit employers, 287,000. Churches, 254,000; hospitals, 3,000; hospitals, church operated, 1,000; other nonprofit hospitals, 2,000; or a total under employment of 12,000. Schools—universities, colleges, or professional schools, 1,000; elementary and secondary schools, 11,000, or a total of 12,000 employers; other religious institutions, 3,000; miscellaneous service and welfare agencies, foundations, and associations, 15,000 employers.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLER of Nebraska. When these nonprofit groups once go in voluntarily, do I understand that they may also withdraw of their own volition, after they have once gone into the program?

Mr. COOPER. After 5 years, if 2 years advance notice is given.

Mr. MILLER of Nebraska. Do the disability provisions go only to those who pay in under the old-age and survivors' feature, or do they go to those receiving old-age assistance?

Mr. COOPER. It goes to both.

We had added a new category for the assistance program and also for the old-age and survivors insurance program.

Mr. MILLER of Nebraska. Does the question of need enter into the picture, as to whether or not they are in need?

Mr. COOPER. The question of need applies for assistance for disability, just as it does in the case of old-age assistance. But the question of need does not apply for disability insurance, just as it does not apply in the case of old-age and survivors insurance for people past 65, because the insurance is something they have bought and paid for and are entitled to as a matter of right, but on the assistance program need must be shown.

Mr. MILLER of Nebraska. In the assistance program who sets up the standard of need? Or does it vary in the several States?

Mr. COOPER. There are certain broad standards provided under the Federal act, but in the main each State through its welfare department or such agency as administers the program in the State determines those questions and fixes the degree of need and any other requirements that must be met by recipients.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. HARRIS. In the case of a person entitled to old-age assistance who draws a check under the old-age-pension program and then becomes disabled, would he be entitled to draw checks under the total and permanent disability program?

Mr. COOPER. They, of course, are separate programs.

Mr. HARRIS. That is the reason I asked the gentleman the question.

Mr. COOPER. Let us assume the case of a man who is 65 years of age and in need; he is entitled to old-age assistance. The bill expressly provides that no aid will be furnished to any individual for assistance for disability for any period with respect to which he is receiving old-age assistance or aid to the blind, or aid to dependent children is furnished him.

Mr. HARRIS. If the gentleman will yield further, I understood from the explanation given that the total- and permanent-disability clause would apply to the established disability of the individual.

Mr. COOPER. I do not know that our minds are exactly meeting. A person who is not 65 years of age but who is totally and permanently disabled, regardless of his age if he is in need, is entitled to qualify under this program.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. COOPER. I yield.

Mr. DONDERO. While home I was visited by a delegation of policemen and firemen from the city of Detroit requesting that their organization be exempted

from the provisions of this bill because they had their own retirement plan. Is that possible under the provisions of the bill now under consideration?

Mr. COOPER. Yes; that is entirely possible, and I will try to touch on that provision in just a moment.

Mr. DONDERO. But a vote is required to exempt them; I understand they have to make the election.

Mr. COOPER. That is right; they have to vote by a two-thirds majority to come under the program, or they cannot be covered.

Mr. DONDERO. Would that apply to school teachers' retirement funds also?

Mr. COOPER. Yes, both of them.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New York.

Mr. LYNCH. In reply to the inquiry that was made in respect to the nonprofit institutions, is it not a fact that when an institution has been in for 5 years it may withdraw only upon 2 years' additional notice; so that before any institution may withdraw it must be in the system or its employees must be in the system for 7 years and once it has withdrawn the institution cannot get back?

Mr. COOPER. The gentleman is correct. Allow me to say that the gentleman from New York [Mr. LYNCH] has made an outstanding contribution to this provision of the bill as well as to many others. He served on the subcommittee last year and has been very diligent in his efforts this year and has made an outstanding contribution to the provisions of this bill, especially with respect to these nonprofit institution employees.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As I understand the gentleman, under the terms of this bill the matter of employers coming under it is wholly optional with the employer, all employers, whether barber shop operators or not?

Mr. COOPER. It is voluntary whether they come under or not?

Mr. WHITTINGTON. Yes.

Mr. COOPER. No.

Mr. WHITTINGTON. The matter of an employer coming under the provisions of the bill is not voluntary?

Mr. COOPER. The statement with reference to an employer coming under the terms of the bill voluntarily was with respect to nonprofit institutions.

Mr. WHITTINGTON. I know about that. I am talking about self-employed generally.

Mr. COOPER. The gentleman is talking about self-employed people?

Mr. WHITTINGTON. Yes.

Mr. COOPER. No. They are not covered on a voluntary basis.

Mr. WHITTINGTON. How many self-employed are brought under the terms of the bill outside of exceptions named in the bill?

Mr. COOPER. There about 4,500,000 self-employed people other than farmers who are brought under the provisions of the bill.

Mr. WHITTINGTON. Automatically, whether they desire to be brought under it or not?

Mr. COOPER. Yes. I might state on that point that originally I favored bringing all self-employed people in on a voluntary basis, but it was pointed out that such a program would be very expensive and would probably seriously affect the trust fund for the simple reason that people would wait until they began to advance in years or their health became impaired before they would elect to come in, therefore there would be an unusual burden on the program. They would not have paid in during their active and most productive period of their lives thereby strengthening the fund. So, from the actuarial advice we were able to secure, it was found it was not desirable to bring these people in on a voluntary basis.

Mr. WHITTINGTON. So that the compulsory part is confined to all self-employed?

Mr. COOPER. That applies to everybody under the program now. It is not an optional one.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. If we adopt this program is it not a precedent for adopting a policy of socialized medicine?

Mr. COOPER. No. It has no relation to that at all. It has nothing in the world to do with it. Socialized medicine cannot come unless the gentleman's own committee favorably reports legislation on that point. That is under the jurisdiction of his committee, not the Committee on Ways and Means.

Mr. ROGERS of Florida. Is it the gentleman's idea that if we require a self-employed man who does not want to come under this program to come in that would not be a policy looking toward requiring a man to take out insurance?

Mr. COOPER. I do not see any relationship at all between the two.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Washington.

Mr. MACK of Washington. On page 54 of this bill it is provided that newspaper publishers shall be excluded from the benefits of this legislation. Could the gentleman tell me why newspaper publishers are excluded?

Mr. COOPER. Well, about the only answer I can give the gentleman is that the committee had no evidence that they wanted to be included.

Mr. MACK of Washington. One further question. The publishers of newspapers which are incorporated are included as employees. Will this section bar them from inclusion?

Mr. COOPER. No, sir; it does not affect them. In other words, employees of incorporated businesses continue in the future as they have in the past.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I notice the gentleman is very much disturbed about the exclusion of editors and publishers of newspapers. The committee, when it was considering that subject, felt that editors and publishers of newspapers seldom retired when they were 65 years of age, and that was an additional reason for their exclusion.

Mr. COOPER. The gentleman is correct.

Mr. SECREST. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Ohio.

Mr. SECREST. Does the gentleman see a future possibility of farmers voluntarily being included in the social security program?

Mr. COOPER. Well, of course, it is difficult to tell now. Farmers were not included under this bill because the committee did not receive sufficient evidence that they wanted to be included, and the further fact as indicated by the contribution made by the gentleman from Pennsylvania. As a matter of practice, many farmers ordinarily do not retire at 65 years of age. If a man owns his farm, although he may not plow and hoe and work as much as he did in his younger days, he still operates his farm, supervises it, and does not want to retire as many other people do.

I would like to refer now to certain other provisions of the pending bill. Domestic servants, not in farm homes, are included; about 950,000. They are covered when regularly employed; that is, if they are regularly employed for as much as 26 days out of the quarter and have earnings of as much as $25 during the quarter, from a single employer.

State and local government employees; about 4,000,000 people are included. They are covered if the State enters into a compact with the Federal Security Agency, with the condition that employees already under retirement systems are covered only if by two-thirds majority they vote to come under the program.

Also included are certain Federal employees not under a retirement program; about 100,000. They are covered, with certain exceptions, such as persons under temporary appointment to fill a permanent position, and very short-time employees, such as post-office clerks during the Christmas rush.

Mr. FORD. Mr. Chairman, will the gentleman yield

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. FORD. As to local institutions that have their own programs for retirement, the gentleman says that it takes two-thirds majority. Is that two-thirds majority of all who are covered under the local plan or two-thirds majority of those voting?

Mr. COOPER. It provides for two-thirds both of all employees and adult beneficiaries of a retirement system.

Mr. FORD. There must be an affirmative vote of two-thirds of those who are eligible and covered in order to bring

the local employees under the coverage of this act?

Mr. COOPER. The gentleman is correct.

The bill also provides coverage for certain groups, about half a million people, which includes agricultural processing workers off the farm, nonprofit agricultural and horticultural organizations, voluntary employees benefit associations, farm-loan and farm-credit institutions, employment of United States citizens outside the United States by American employers, and the inclusion of tips as wages.

Under this bill, benefits for existing beneficiaries are increased from 50 percent to as much as 150 percent for the lowest benefit group, with the average increase being about 70 percent. The new benefit formula is 50 percent of the first $100 of average monthly wage, plus 10 percent of the next $200, the average wage being the average over-all years of social security coverage, that is, the years in which there was $200 or more of wages after 1936 (or $400 after 1949), whichever is more favorable. This amount would be increased by one-half percent for each year of social-security coverage. Thus, the longer the worker is in the system the larger will be the benefits.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think the RECORD should show that in connection with the allowance for increased annuity the average payment of noncontributory old-age assistance throughout the country, as I remember, is about $35, and the earned annuity is only $24, considerably less than the noncontributory.

Mr. COOPER. I think the correct figures are about $45 and $26.

Mr. McCORMACK. In any event, there is a great disparity there, and that is a very important element for consideration by the committee.

Mr. COOPER. The gentleman is correct.

One other word or two about this so-called increment here, this one-half percent a year that a person receives for the number of years he is in the program. Bear in mind that that is in the interest of people who have sustained and supported the program. The longer the person is under the program, the more his benefits are, and he is entitled to this increment.

The minimum primary benefit is increased from the present $10 a month to $25 a month.

Maximum family benefits are increased from the present $85 a month to $150 per month.

Then there are very important provisions with respect to the qualifications for benefits. In addition to existing eligibility requirements, that is, quarters of coverage in one-half the quarters since 1936 and before age 65, or 40 quarters of coverage, another alternative condition is introduced so that newly covered groups may qualify sooner, that is, 20 quarters of coverage out of the 40-quarter period ending at 65 or at a later date. That is of special importance to this newly covered group, the self-employed.

The retirement age of 65 as provided under the present program is continued in the pending bill.

Mr. BRYSON. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from South Carolina.

Mr. BRYSON. Did the committee give any serious thought to the reduction of that maximum age of 65 to 62, as in the case of Members of Congress?

Mr. COOPER. Yes; the committee did give very serious and lengthy consideration to that phase of it. There was considerable testimony presented to the committee, especially in favor of reducing the age for women. At one time the committee tentatively agreed to reduce the age for women to 63, I believe. Later, when we were considering the rate of tax and the various phases of the matter, and considering the additional benefits that had been provided and all the various problems in connection with it, it was finally decided to leave the age at 65 as at present. It is a matter of judgment. Of course, there are many desirable reasons for reducing the age, especially in the case of women. But after all, this entire program has to be paid for, and we have to consider every item that goes into the cost of the program and bear that in mind when we are fixing the tax rate necessary to provide the revenue to pay for the program.

Mr. HEDRICK. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. HEDRICK. In my section we have many farmers who are also coal miners. They live on 10 or 15 acres of land which they farm some, and go to the mines to work some. What effect would this have on them?

Mr. COOPER. I do not see that this bill would have any effect on that situation, because farmers are still exempt. I do not see that there would be any material difference from the present program in that respect.

The bill provides for lump-sum death payments to be made available for all insured deaths. At present these payments are made only for deaths where immediate monthly survivor benefits are not payable.

Then, as I have indicated before, the bill includes a new category for the old-age and survivors insurance part of the social-security program, which is similar to the new category included for the assistance program; that is, we include those who are permanently and totally disabled. We had brought to our attention many instances of persons who have been under the social-security program from the very beginning. They have been paying in their taxes. The employer has been paying the proper tax for their benefits; but they might have a stroke of paralysis or a serious heart ailment might develop, or for some reason they become totally and permanently disabled. As a result they are removed from the labor market. They are forced into retirement because of their physical condition. But they have not yet reached the age of 65. Under the present program they can receive nothing, although they have been paying in all during that time.

This provision of the pending bill adds a new category and provides that where a person is found to be totally and permanently disabled by the Government physician and meets the requirements and provisions contained in the bill he may qualify for retirement benefits, whatever he may be entitled to, when he becomes totally and permanently disabled, just the same as if he had reached 65 years of age and had been retired by reason of age.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. REES. Does that follow the general pattern prescribed under the civil service?

Mr. COOPER. May I say to the distinguished gentleman from Kansas that we tried the best we could to follow the general pattern of the civil-service retirement program as well as the veterans' program with respect to total and permanent disability payments, as well as the retirement program under the Railroad Retirement Act. We tried to pattern this along the lines of these programs which have been in effect for a number of years and have worked rather successfully.

Mr. REES. In fact, this is very much like the program under the Railroad Retirement Act, is it not; that is, this particular feature of it?

Mr. COOPER. It is very similar.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLS. The program for railroad men has been in effect since 1937, has it not?

Mr. COOPER. Yes; we have had over 10 years of experience under that act, and we have tried to pattern this somewhat along that line.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. LYNCH. It is true, is it not, that in the case of a man who might be disabled, let us say at the age of 52; that is, totally and permanently disabled, he would not become eligible for social-security benefits under the present law until he reached the age of 65? But the fact that he was out of covered employment from the age of 52 to the age of 65 would cause a lessening of the benefits which he ordinarily would receive under the present law; is that not correct?

Mr. COOPER. The gentleman is correct.

Mr. LYNCH. We have corrected that situation.

Mr. COOPER. That is true.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLER of Nebraska. If a veteran who was 50 years of age and comes under the Veterans' Administration as far as disability is concerned, and is also under the old-age and survivors insurance benefit, and he becomes totally and permanently disabled, does he draw from both funds?

Mr. COOPER. Yes. He would draw under both funds. As I endeavored to

point out earlier, the old-age and survivors and the total and permanent disability insurance is something that the person has bought and paid for, and he is entitled to it as a matter of right, regardless of any other benefits that he may receive under a pension or other retirement system, or regardless of how much income he may have. He is buying and paying for insurance and is entitled to it.

Mr. MILLER of Nebraska. At 65 years of age he would get old-age assistance and come under the survivors clause of this bill and also under the Veterans' Administration? And the congressional retirement if he is a Congressman?

Mr. COOPER. The gentleman will bear in mind the old-age-assistance program or the commonly called old-age pensions, and the total and permanent disability assistance, is based on need. A person must be in need. He is receiving something there that is paid for by the Federal and State governments, but he has made no contribution at all to it. On the other hand, the old-age and survivors insurance and the new category, total and permanent disability insurance, is something that he has bought and paid for himself during the productive period of his life, and he is entitled to those benefits as a matter of right.

Mr. MILLER of Nebraska. I think I understand. Of course, there is some misconception about what he has bought and paid for. If he has been in the program only 8 or 10 years he could not possibly have paid in more than a thousand or twelve hundred dollars, and he might start drawing $100 a month, which would take out everything he had paid in in 1 year's time.

Mr. COOPER. Well, it is the best system we have been able to work out to meet those conditions.

Mr. MILLER of Nebraska. But he has not really bought and paid for it.

Mr. COOPER. Of course, there may be some question about that, but there may be some question about whether a man buys and pays for other insurance that he carries.

Mr. CLEMENTE. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. CLEMENTE. Are all the categories under the present law fully covered in this bill?

Mr. COOPER. Yes, they are.

Mr. CLEMENTE. Some of the payments for death have not been made. There are circumstances where a man has been fully insured, but after he is fully insured he becomes ill and is sick for 3 or 4 years and then dies. The Social Security Agency says you are not entitled to any benefits because you have not worked the last six quarterly periods. Has that been corrected?

Mr. COOPER. Of course, under this new category, total and permanent disability insurance would be helpful in such a situation.

Mr. CLEMENTE. Is there a time limit on total disability?

Mr. COOPER. There is a 6 months' waiting period. That is for this reason. A man becomes ill or something may happen to him today, and it is extremely difficult to determine right then whether he is going to be permanently disabled or not, or even whether he is going to be totally disabled or not, but we figure that by requiring a 6 months' waiting period competent physicians may then be able to determine whether he is going to be permanently disabled and whether his disability is total.

Mr. CLEMENTE. If he is decided to be totally disabled at this time, and he dies, does his family receive the death benefits?

Mr. COOPER. Yes. That is correct.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. FORAND. Insofar as the waiting period of 6 months is concerned, I think the States could well take care of that period like the State of Rhode Island does under its sick-benefit insurance setup, that would give the beneficiary an opportunity to at least have some help during the first 6 months of his disability, and then the social-security program pick him up.

Mr. COOPER. That is correct.

Now, one other point I would like to mention, and I shall not take more time. We include a very important provision in the interest of our veterans. We provide that a permanent wage credit, at the assumed rate of $160 per month, shall be allowed for the time spent in the military service. We have thousands and thousands of veterans of World War II, men who were in covered employment before they went into the service and went back into covered employment after they came out of the service. But for the length of time they were in the military service there is a gap in their social-security coverage; that is 1, 2, 3, 4, or 5 years that they spent in the service—that much time is taken out under their social-security coverage. This bill provides that we will allow at the rate of $160 a month the time that the man spent in the military service in order that there may not be a break or a gap in his social-security coverage.

Mr. CLEMENTE. Take the case of the boy who goes into the service at 17 years of age but who is now under covered employment; would he be given credit at that rate for the time spent in the military service?

Mr. COOPER. Yes.

Just a word in conclusion. Your committee has given 6 months of diligent effort to this bill. We present to you what we consider and honestly believe to be a sound, workable, and constructive bill, and request your earnest consideration and support of it.

THE PROPOSED LEGISLATION IS GOOD BUT DOES NOT GO FAR ENOUGH

Mr. DINGELL. Mr. Chairman, let me start off by saying that I am 100 percent in favor of H. R. 6000 and want to do everything in my power to see that it is enacted. The Committee on Ways and Means has worked hard and diligently on this bill and has produced a very significant measure. There has been splendid cooperation between all the members of the committee, and I am very gratified that the bill accomplishes as much as it does considering that in this democratic Nation of ours the wishes of the minority are not to be completely ignored. However, I do want to state at this time my personal views that the bill should have gone further than it does and thus provided a greater measure of security for the people of this country. Many of the features of H. R. 4303, which I introduced in the Eightieth Congress might well have been included in the current legislation.

As I have stated, the social-security amendments contained in H. R. 6000 are not all that I hoped for. As all Members of the House know, I have consistently in the past been in favor of liberalizing and expanding the social-security system so as to cover all gainful employment in the country. This action is long overdue and we should not delay any longer for more study and deliberation. The subject of social security has been widely considered both within and without the Government over the past decade and there is almost universal agreement that expansion and liberalization are needed and needed now.

Although the bill is deficient in that it does not go as far as I should like to have it go in the direction of liberality of benefits and expansion of coverage, considering the tremendous problems involved, the bill, H. R. 6000, is a definite step forward. Not only has it removed the drastic restriction of coverage brought about by the Gearhart resolution of the Eightieth Congress, but moving in the other direction it has added 11,000,000 more people to the coverage of the program. When a private life-insurance company contemplates a change in the type of policy that is to be sold to the public it requires a thorough actuarial study and research by experts, all involving a tremendous amount of time and energy. Thus, the social-security system, covering the employment of 35,000,000 people during an average week, or 50,000,000 people during the course of a year, and over 80,000,000 people since its inauguration, less than 15 years ago, also requires a tremendous amount of work, both by policy makers and by technical experts.

First, and perhaps foremost, I believe that coverage could feasibly have been extended to more persons than the bill covers. The important groups still not covered, but greatly in need thereof, are farmers, farm laborers, intermittent domestic services, members of the armed forces, and perhaps supplemental or coordinated protection for railroad workers and civil-service workers, who have their own systems. Also some provision should be made for national-bank employees who were inadvertently omitted from coverage during 1937–39, many of whom have suffered as a result.

I am especially concerned about the coverage of farmers and farm laborers. I have always contended that farmers and farm laborers, just like all other workers, suffer from heat and cold, want and privation, and all the other risks of humankind in our complex economy. I believe that the spokesmen for the farmers actually failed their responsibility in that they did not press more strongly for the cause of covering farmers under the social-security system.

I think that the farmers and farm laborers, as well as the various other classes which are not included under H. R. 6000, will ultimately be included. In the meantime the bill, H. R. 6000, provides a fairly adequate start toward a good, liberal social-security system for the workers of this country, and I hope it will not be too long before the benefits of coverage will be available to all workers.

The benefit amounts have on the whole been increased very materially, but I feel that an even further increase would have been desirable. The maximum creditable wage was increased from $3,000 to $3,600, but this is far too little and should have gone to at least $4,800 when it is considered how much wages have risen since 1935, when the $3,000 maximum was first inaugurated. For instance, among male automobile and steel workers employed throughout the entire year over 40 percent received at least $3,000 in wages in 1945, and since that time this proportion has undoubtedly risen considerably, probably to at least 60 percent. Moreover, the majority of these are earning well above the $3,600 limit established by H. R. 6000. A higher wage limit would, of course, have resulted in higher benefits. Then, too, in the matter of liberalization of benefits, I feel that we have not done adequately by those who are already on the roll. These persons will receive an increase of about 70 percent, which it is true will be most helpful, but they will still not be treated as fairly as those who came on shortly after the enactment date, who will, in effect, receive an increase of about 100 percent.

Considering the eligibility conditions for benefits, I feel that the bill is a little too strict in regard to both those in the newly covered groups and even for those now covered, and I would very much prefer to have seen more liberal eligibility provisions included. Also it is unfortunate that the retirement age for women, both workers and dependents, such as wives and widows, was not lowered to age 60.

The bill has made a great forward step in including permanent and total disability insurance, but I feel that too conservative a program has been set forth because there are no supplementary benefits available for dependents. Certainly a young worker who is disabled and who had a number of children is in great need of more than the moderate benefit which will be payable to him, and it would seem only logical that if his dependents are to receive benefits after his death they should certainly be paid while he is living. After all, it will be a very peculiar situation for less to be paid to the worker's family while he is alive and disabled than after he dies, and I certainly hope that dependents' benefits for disabled workers will be introduced in the not too far distant future. Also it would be desirable to include benefits for disabled dependents of retired workers and disabled survivors of deceased workers without regard to the age limitation now prevailing.

H. R. 6000 is of great importance in encouraging persons beyond the retirement age to engage in some form of gainful employment because it permits payment of full benefits when wages are $50 or less per month. However, if administrative problems could be solved, it would be desirable to go further and eliminate an inequitable situation which will arise. A man earning $55 will lose all of his benefit, whereas if he earned $5 less, he would have received all of his benefit. Certainly, in such a case he should only forfeit $5 of his benefit. After a retired person reaches 75, the bill will permit him to earn any amount he can without loss of benefits.

In the field of public assistance, I am heartily in favor of the increased grants for States with low average payments, although I think that we are perhaps tackling this problem in the wrong manner. I believe that it would be much better if Federal participation varied with the economic capacity of the State, as determined by its per capita income, rather than on the basis of the average payment in the State.

Finally, let me refer just a moment to the historic Republican opposition to social security. In general this opposition has not vanished, but is unfortunately still present among the undercurrents.

The Republican Party on the whole is still rigidly conservative and has throughout the years tried to hold back the inevitable progress of social security. The time was ripe just after the war, and after thorough studies had been made available, for the Republican Party while it had control of the Eightieth Congress to sponsor legislation which could have been on a nonpartisan basis, but as you all know virtually no action was taken and even such action as there was at that time was of a negative character, removing from coverage thousands of people under the so-called Gearhart resolution. The cause of social security is so popular among the people of this country that the Republican Party does not dare to come out in opposition and defeat the will of the people. But the Republican Party does attempt to hinder and delay any progressive, liberalizing moves. There is need to be truly conservative in setting up a broad insurance program such as this, and the Committee on Ways and Means has had competent actuarial advice on this matter. The benefits provided in H. R. 6000 will be met without any question from the contribution income to the program. However, there is a very clear distinction between conservatism in the plan of financing and the ultraconservative attitude of the Republican Party which has tried to block any progressive legislation toward liberalizing the program.

In closing, however, let me reiterate that I have discussed here only the features of the bill which I felt could be improved and liberalized, and I have not taken the time of this House to go over the many sound and desirable features of the bill. If I had done so I would have taken up far more time than I have. This bill has my wholehearted support and I urge its passage.

Mr. WOODRUFF. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I wish to suggest to the committee in connection with this bill that there are two parts to it, the one being that which we are very happy to give to those who qualify as eligible for benefits under the social-security laws; the other is that applying to taxes and the effect of the taxes upon both the individual and his employer. Little has been said about that phase of this legislation. Frankly, if there is any windfall involved in this piece of legislation for anyone it is for the United States Government.

Can you imagine what this committee would have done had the Ways and Means Committee, carried out the President's request earlier this year and come before you with a new tax bill imposing new levies upon the income-tax payers of the country and in particular upon the corporations? We thought of that earlier in the year as the President requested. But, Mr. Chairman, regardless of the White House request that we pass a new tax bill this year, the chairmen of our respective Finance Committees threw up their hands in holy horror and said there should be in effect no new tax bill this year. That tax, as I suggested earlier, as contemplated, would have applied largely to the corporations; yet here we are today under a closed rule imposing an income tax upon the very poorest people of our Nation, the man with the smallest income, the man who under our general income-tax laws is exempted; yet here we are imposing that tax upon him; and, worse, we are spending it, as we see. So I repeat that the Treasury of the United States will receive the windfall, if there is any, under this bill because it will, over the next 5 years, collect at least one-half of all the taxes levied under the social-security laws from the lower-income group of our Nation in an amount of $2,500,000,000 per year in excess of expenditures. Putting it another way, our reserves for the social-security fund will increase by about $11,000,000,000 over the next 5 years. All of that is money that will be taken from the individual and his employer and spent for regular governmental expenses. Certainly, Mr. Chairman, one can readily understand why those charged with the administration of our Government today would like to have this bill passed.

In effect, the Congress has said "You cannot take that money from the businessman, you cannot take that money from the usual income-tax payers, you cannot take that money from corporations, but we will go out and apply an income tax without any exemption to the lowest income group. We will take nothing off regardless of the size of their family, we will take nothing off for medical expenses, nothing whatever. We will levy the tax against whatever they may earn."

Someone may rise and say that that is not exactly true because there is an exemption of four or five hundred dollars a year below which the individual does not pay a social-security tax, but I point out that that group has no chance whatever for benefits under these social-security laws, the very group that actually needs it the most.

There has been considerable talk about the fact that this bill has come to

the committee with a substantial majority in favor of it. That is true. I suggest that had the committee believed that anything other than the usual practice of the House would be followed in considering the bill that it would not have come out with much more than a bare majority. However, the bill is here. The gentleman from New Jersey [Mr. KEAN] has introduced a bill which will be the basis for a motion to recommit. In that bill are a number of items, about nine of which were at one time or another either actually written by the committee into the bill H. R. 6000 or they were voted down by a few votes. They were highly controversial items. When one realizes that our committee is divided respectively, 15 Democrats and 10 Republicans, and I tell you that a number of these factors in Mr. KEAN'S bill under the nine items found in our report on page 51 were actually in the bill, you will appreciate that a number of Democrats supported the position taken by the author of the amendment.

They are highly meritorious amendments and, in my opinion, they deserve at the very least the consideration of this body for they do express a policy that the entire Congress should have passed upon.

With respect to one of them dealing with the $3,000 wage base, you should keep in mind that social security is intended to solve a social problem. It is not intended to compete with insurance and it is not intended to provide insurance. It is to solve a social problem. Raising the base from $3,000 to $3,600 immediately gives a windfall to every man earning $3,600, not at his own expense, not because of something he bought and paid for, but it is paid out of the social security fund which has been taken from the workingmen in years past, who paid their tax on a $3,000 income and less. Thus by increasing this to $3,600 we immediately help the man who needs it from the social standpoint more at the expense of employees who need it worse.

Mr. Chairman, adding one-half percent a year for every year a man is under the social-security law is not right. There are two provisions in the bill providing for extra credit because of continuous membership in the fund. One is the continuous factor which in effect means that the longer you are in the more you get. After having given that to the individuals, we then add this increment of one-half percent a year. We did that in the face of the recommendation of the advisory committee, which is accepted generally as authority on social security law, because what we are saying to future generations to come is that we in 1949 are levying an obligation upon you about which we cannot even guess as to its cost. We do not know how many people will be in how long under the social security law and, starting today and looking ahead 20 to 30 years, that employee has no idea what his actual work will be each year unless he assumes he will work regularly. The generations in the future will be just as puzzled as we are today, in just as much confusion about social security, if our record is any precedent.

When this social security program started 10 years ago, we all were led to believe, though I was not in Congress at that time, that the problems of the workingman would be solved. Here we are a few years later with our fund over $8,000,000,000 in the red, and with the payments, to which any worker is eligible, wholly inadequate, so much so that I believe I am correct in saying that about one-sixth of all those receiving benefits under this law are also receiving old-age assistance. We have benefits so inadequate that we are here today increasing them by an average of 70 to 80 percent, an increase, members of the committee, which every recipient needs upon which to live. That is something that the Congresses back in the thirties had no right, if you please, to promise those individuals, and then to depend upon a future Congress to make good.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Ohio.

Mr. JENKINS. Did the gentleman give the approximate cost of this increment to which he has been referring?

Mr. SIMPSON of Pennsylvania. One-half of 1 percent a year for each year the individual is in the retirement fund.

Mr. JENKINS. The total aggregate would be about $1,000,000,000 a year, additional cost.

Mr. SIMPSON of Pennsylvania. Yes. I would like to add at this point that that will be one of the items excluded under the Kean bill so that we can save $1,000,000,000 each year right there by accepting the Kean bill. And, please get this point, there is not a man eligible under H. R. 6000 for benefits under social security who will not get exactly the same amount of benefits under the Kean bill.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I am concerned about the gentleman's statement that the old-age and survivors insurance fund is $8,000,000,000 in the red. How does the gentleman explain that, and what is the situation in relation to the moneys paid by the employer and the employee to take care of his needs in his old age?

Mr. SIMPSON of Pennsylvania. It is explained by simply stating that there has not been sufficient money collected from the employer and the employee to meet the accumulated obligations if the fund were called upon to liquidate. An insurance company, privately operated, for example, would be required to hold in its reserve sufficient money to provide for liquidation. This fund does not do so.

Mr. MILLER of Nebraska. Do I understand then that the money paid in by the employer and the employee is sometimes used to meet the current needs of government?

Mr. SIMPSON of Pennsylvania. Well, we are talking of two things. The answer to the gentleman's last question, namely, that the dollars actually collected go into the Treasury and are actually spent, is true. The other refers to the fact that we have not collected sufficient money to take care of the obligations as they accumulated under the social-security law, and in that respect there is a deficit of about $8,000,000,000.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Rhode Island.

Mr. FORAND. Is it not a fact that the answer to the gentleman's first question is that because of the Republican sponsorship of freezing the tax, that the fund has a deficit of that amount?

Mr. SIMPSON of Pennsylvania. If there is one thing we have learned in the last few days in this body, it is that the Democratic Party is in control. I simply point out that every year this freezing of the tax passed the Congress, the Democratic Party controlled both the House and the Senate, with one single exception, and that was in that very fine Eightieth Congress.

Mr. FORAND. But the movement was sponsored by the Republicans, and a few Democrats got on the band wagon.

Mr. SIMPSON of Pennsylvania. I have yet to know of any major legislation passing under Republican sponsorship without Democratic support.

Mr. MILLER of Nebraska. Is it not true also that the two previous Democratic Congresses froze the tax?

Mr. SIMPSON of Pennsylvania. It was their idea in the first place.

Mr. JENNINGS. If the gentleman will yield, I am surprised that my good friend from Rhode Island would undertake to imply for 1 minute that any Democrat would get on the band wagon because it is popular to do so.

Mr. SIMPSON of Pennsylvania. I have one other matter about which I want to talk. I think it will strike an interesting chord in the mind of each of you, at least from my viewpoint. I feel that this provision in the bill providing for permanent-disability benefits is one that will lead inevitably to what each of us thinks of as socialized medicine. I have told many a doctor and civilian in my district that I am opposed to socialized medicine, and I do not want to support legislation which in my opinion may lead to it. You look surprised, perhaps, because it is very true that this bill is written most carefully to insure as far as possible that the benefits which a man who is totally and permanently disabled may receive will not be received until these safeguards have all been surmounted, and they are considerable. It must be a 6-month period within which the man is disabled, and there must be a finding by competent doctors.

The experience of the Veterans' Administration and what should be the experience under this bill would seem to me to direct that when the doctors say a man is not totally and permanently disabled but he is almost permanently and totally disabled, the common sense of those in charge of the administration of this fund, and after all, that is the Congress, would direct that they make an effort to save that man from becoming a liability upon the fund. It would not only be common sense, it would be our duty to do that. Consequently we would find ourselves called upon to provide

treatment for an individual nearing total disability. We would find ourselves called upon to provide hospitalization for such an individual. Then, after a man whose health has been insured by this body has been found to be totally and permanently disabled, common sense would direct that we provide the hospitalization in the hope that he might recover sufficiently to be no longer totally and permanently disabled. Thus, I believe we will have entered into a field that this Congress should not enter. Certainly we should not enter into that field without recognizing what we are doing.

I envisage the time when a man approaching 60 years of age says he is totally and permanently disabled because he has an actual or fancied ailment. The Veterans' Administration have gone almost as far as to recognize that any veteran who has reached age 60 has a prima facie case that he is totally and permanently disabled. They have regulations out that approach that point. Certainly under these social-security laws insuring the workers of our country against health and accident disabilities, we should, I believe, protect ourselves on that point and protect this fund, remembering that the money that goes to pay these men their claims comes out of the taxpayers.

Mr. Chairman, I urge the adoption of the Kean bill by the recommittal of H. R. 6000.

Mr. DOUGHTON. Mr. Chairman, I yield 40 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, in view of the action of the House on yesterday adopting the rule providing for the consideration of the bill H. R. 6000, it appears to me the Membership of the House might well be interested in the differences that exist between the bill H. R. 6000 and the bill H. R. 6297, which was introduced by the gentleman from New Jersey [Mr. KEAN] on October 3, and which we are informed will be the subject of a motion to recommit to be offered from the minority side.

Before proceeding to that matter, however, let me give you my considered judgment regarding the statement which was made yesterday during consideration of the rule by the gentleman from Nebraska [Mr. CURTIS].

As I remember his statement he found fault with the action of the committee in reporting the bill H. R. 6000 because the bill now before you, in his opinion, is a step in the direction of a welfare state. We have heard an awful lot in recent months about the development of a welfare state. It is significant that we hear that charge every time any legislation is presented to the Congress which has to do with the welfare of an individual. I challenge the statement that the creation of machinery providing security against need in old age constitutes a welfare state or is in the direction of a welfare state.

If we should adopt some of these grandiose schemes which have been submitted to the House in the form of a bill providing for the payment of pensions to individuals who have reached the age of 65, whether they need those benefits or not, as some of our colleagues have signed a discharge petition to do, we might be proceeding in the direction of a welfare state. But when we call upon the individual during his productive years to lay aside, in the form of a contribution, out of his wages and earnings an amount of money which will enable an agency of the Government to provide him with benefits after he becomes 65 years of age, or when he becomes disabled at less than 65 years of age, how can it be said that we are doing something for that individual for nothing?

Certainly he is at least entitled to say he is buying and paying for that security against need in his old age.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. BYRNES of Wisconsin. I do not believe the gentleman intends to convey that impression that those people who are presently making contributions at the present rate are paying the cost of the benefits they are receiving as long as they are paying a tax under 6.15 percent.

Mr. MILLS. The gentleman calls the attention of the House to a very important matter. It is true that the existing social-security program is estimated to cost on a net level-premium basis about 4.45 percent of pay roll. I am guilty myself, as is the gentleman, and as are most of his colleagues on the left of the present speaker, and some on the right, of doing what now appears to be a very ill-advised thing over the years, not permitting the original tax rate provided in the 1935 and 1939 acts to go into effect, but continuing to agree with the Senate that it should be frozen at 1 percent of pay roll each on employer and employee. This bill reestablishes a rate of taxation which makes this program as sound as actuaries can estimate soundness to be, because the rate of taxation under the bill would eventually go in excess of the level premium cost of the program of 6.15 percent of pay roll. The present program is not sound, and the present rate of taxation provided to maintain that program is not sound, and the gentleman understands that it is not sound. As evidence of the fact that it is not sound, the Congress adopted the so-called Murray amendment a few years ago. In lieu of permitting the tax rate to go up, we adopted the Murray amendment providing that, in the event there were not sufficient funds in this trust fund to pay these insurance benefits, we take such amounts as are needed out of the Federal Treasury and supplement the funds of the trust fund. The gentleman realizes completely that this bill, H. R. 6000, now before you repeals that provision, so that now the benefits earned and due under the program, after this bill is adopted, will be paid exclusively out of the trust fund.

Mr. BYRNES of Wisconsin. The gentleman is not contending that the program is actuarially sound?

Mr. MILLS. The present program is not actuarially sound.

Mr. BYRNES of Wisconsin. But even the program contemplated by H. R. 6000 is not actuarially sound?

Mr. MILLS. The gentleman is contending just exactly that, that it is actuarially sound. The gentleman will admit that the program provided in the motion to recommit is likewise as sound as actuaries can estimate a program to be, in that it provides an over-all rate of tax which will go into effect in the future, equivalent to the level-premium cost of the program as estimated by actuaries. But let me proceed.

Mr ROGERS of Florida. Mr. Chairman, will the gentleman yield for a question?

Mr. MILLS. I yield.

Mr. ROGERS of Florida. You say that this program for old-age and survivors insurance is continued. Is there any additional cost to the Treasury of the United States on that account?

Mr. MILLS. The bill does not contemplate any cost out of the Federal Treasury for the operation of old-age, survivors, and disability insurance.

Mr. ROGERS of Florida. Also this new phase of taking care of men permanently disabled does not come out of the Treasury of the United States?

Mr. MILLS. As far as the provision in title II of the Social Security Act is concerned, it does not. The gentleman may rest assured, if he votes for H. R. 6000 on final passage, that he is not entering upon a program, as far as the bill itself is concerned and the action of the Congress today is concerned, that will cost the Federal Treasury one penny in support of these benefits.

Mr. ROGERS of Florida. The gentleman is certainly making a good statement.

One other question. What will be the additional cost of the program under this bill over what it is costing at the present time?

Mr. MILLS. Does the gentleman mean the present program under old-age and survivors insurance or the public-assistance program?

Mr. ROGERS of Florida. Public assistance.

Mr. MILLS. The public-assistance program right now is costing, for the aged, dependent children, and blind of the country, approximately $1,000,000,000 of Federal money annually. That is public assistance paid by the States and the Federal Government.

Mr. ROGERS of Florida. Then the additional coverage of the 11,000,000 people that was mentioned?

Mr. MILLS. That has nothing to do with public assistance. The 11,000,000 people are people who are covered under old-age and survivors insurance. They are the 11,000,000 additional people who will make contributions to this fund. They are buying protection and paying money for it. They are the people against whom this tax will be levied.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. COOPER. I think what the gentleman from Florida has in mind is the additional cost there may be to the Federal Government outside of old-age and survivors insurance.

Mr. MILLS. That would be $256,000,000 annually. That is the additional cost in the bill, under public assistance.

I call the gentleman's attention, however, to this point at this time: The motion to recommit will also include a cost of $256,000,000 for public assistance out of the general funds of the Treasury. We had in mind, however, I may say to the gentleman from Florida, that this action, as stated in my question to the gentleman from New Jersey, of taking additional people into the old-age and survivors insurance program is calculated in the long run to safeguard against larger expenditure out of the general fund—that is, for old-age assistance. I share the view expressed by the gentleman from New Jersey that in time you and I may see the situation where we shall no longer be paying funds out of the general Treasury under the public-assistance program; this will occur because of these retirement benefits and disability payments that we are now talking about which will be paid out of this fund into which workers are making contributions in the form of a tax.

That is the hope of the committee. If it were not the hope of the committee, the committee would not have spent these hours, days, weeks, and months in sifting these people that are now outside the program and deciding which should come in; we would have provided one program for $60 a month or $30 a month for everybody and pay for it out of the general funds if we had not had the hope that this program we are talking about now would avoid the necessity of continuing public assistance in the future. We will never, of course, do away with public assistance, but we at least hope that maybe the recipients in the future who would otherwise have been eligible for public assistance, under this program will have established enough credit that benefits will be paid out of the insurance plan.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. JONAS. I am not much concerned about the argument as to whether we have to dip into the Treasury to make good some of these benefits, because I think under the present bill that it is much more profitable for this Government to spend the money on the aged and decrepit and those who are indigent here presently even if we run short of income, rather than to spend it the way we are doing now in some foreign jurisdictions.

The point I am concerned with primarily now is one that perhaps the gentleman from Arkansas can answer: In the original bill there was a provision that these funds were to be considered trust funds regardless of how they were allocated; is there any change in this bill to which the gentleman has just referred by number, with reference to the allocation of those funds that takes them out of the trust-fund category regardless of these different features to which the gentleman has alluded in the program? Is there any difference in the status of these funds? In other words, will the Secretary of the Treasury be the trustee of the funds and will they be considered trust funds, and will they be invested as trust funds?

Mr. MILLS. No change is made of any existing law regarding the care of these funds. The gentleman understands that these funds are under a board of trustees, and he knows that the Secretary of the Treasury is one of the trustees under existing law. There is no change with respect to the trustees of the fund. They invest the proceeds of the trust fund in Government bonds, just as any insurance company today may invest its assets in Government bonds. We make no change in that.

Mr. JONAS. Will that apply to the total and permanent disability fund?

Mr. MILLS. Yes; to all moneys paid into this program; they will all be handled in the same manner.

Now let me proceed to a discusison of the bill H. R. 6297, which will be the motion to recommit. If the Members will turn to page 158 of the report they will find a summary of the recommendations of the minority members of the Ways and Means Committee. These recommendations are included in the bill introduced by the gentleman from New Jersey [Mr. KEAN], H. R. 6297. Let us see what the differences are between the positions of the majority and minority on the committee.

The very first suggestion of the minority has to do with the wage base, that is the amount that an individual earns, whether he is an employee or a self-employed individual, that will be subject to the tax and benefit provisions in the bill. In 1935 and during the intervening years, the Congress has seen fit to maintain that tax base of $3,000 of earnings. That is to say, if an individual under covered employment makes $4,200 a year, only $3,000 of that income will be taxed for social security purposes. In 1935 when that action was taken by the Congress 97 percent of the people covered under social security had less than $3,000 a year of earnings. Today, if we had followed the minority recommendation to maintain the tax base at $3,000, only 76 percent of the employed individuals covered will be earning less than $3,000.

I need not dwell upon the reason for that, Mr. Chairman. The membership of this committee realizes full well the great increase that has occurred in wages in the past few years and the reason why these statistics are correct. If we increase this tax base from $3,000 to $3,600, as the majority has suggested in H. R. 6000, then 86 percent of the workers covered under title II will be making less than $3,600. There will still be 14 percent of the employed individuals covered by title II of the Social Security Act who earn wages in excess of $3,600. You can see that if we created the same situation today that existed in 1935 and had 97 percent of the workers of the country covered by title II earning less than the tax base provided in the bill, the base would have to be approximately $4,800.

We had the urgent request from the administration for increasing the wage base to $4,800, and this was embodied in the bill introduced by the chairman of our committee for study and consideration of our committee. We had the Advisory Council on Social Security to the Senate Finance Committee, staffed by some of the most eminent men in the country outside of the Government, eminent in the field of social security, business, labor, and farming, a cross-section of the various occupations in the United States, recommending and urging that the tax base be raised to $4,200. In the interest of establishing harmony within the committee and in an effort to bring out a bill against which no one could have objection, the committee compromised the viewpoint of the minority. A majority of the members of our committee, a great majority of the members of our committee, desired that we increase this tax base to $4,200. But we went along with the urgings of others on the committee that it be increased only to $3,600.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I may say that the leadership expressed a strong hope that it be increased to $4,200.

Mr. MILLS. I can agree with my distinguished leader. I know of the many times he talked to me about the matter. But if we maintain our tax base at $3,000 the program would cost two-tenths of 1 percent more of pay-roll money. One percent of pay roll means $1,250,000,000 per year on a level-premium basis.

Two-tenths of 1 percent of pay roll is not a small amount.

Let us pass then to the next matter in dispute between the majority and the minority, and that has to do, if you are reading on page 158, with this matter of automatic yearly increase in the benefit. We call it increment. Under existing law, we provided that a man shall have his benefit, after it has been determined under the formula, increased by 1 percent for each year he is under covered employment; that means, under existing law, if a man is under covered employment for 20 years and his benefit is figured out at $40 under the formula, you give him an extra 20 percent of that benefit, or $8, making his benefit $48 instead of $40. The bill H. R. 6000, by the way, reduces that increment, and this is another compromise made, from 1 percent for each year in covered employment to one-half percent for each year in covered employment.

Let me point out to the committee why, in my opinion, that is necessary. First of all, we have adopted a formula for determining benefits which is extremely weighted for the benefit of those with low incomes. For example, a man who has $100 a month average wage, we give him a monthly basic benefit of $50, but if that man's wage is $150 we only increase his benefit by $5, or to $55. Under the bill, if a man has made $3,600 a year over all of these years as against the other fellow's $1,200 over all of these years, he only gets $70 benefit as against $50. There is only a spread of $20 of benefit there based upon $2,400 of additional earnings. So you can see that under the bill we have heavily weighted that formula for the benefit of this individual who makes the least on down through the future in average wage.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from New Jersey.

Mr. KEAN. The gentleman placed much stock in discussing the $3,000 item on the opinion of the Senate Advisory Committee. Would the gentleman advise the House what the Senate Advisory Committee advised with reference to the increment?

Mr. MILLS. Yes. The Senate Advisory Committee advised that we eliminate increment, as did all the spokesmen who appeared before the committee representing the big insurance companies of the United States. I will tell you why in a minute, but I think the gentleman well knows. If we do not continue this matter of increment on the basis of the committee's recommendation, here is what you come to—and this involves also the third suggestion by the minority: Say that this individual began work in 1941 in a defense plant; he had not worked any place else before that; he received high wages in the gentleman's State of California; he will be permitted to hold that job until 1951 on those high wages; many of those years he was being paid overtime and double time for working on Sundays. So that he built up a tremendously high rate of earnings over those 10 years compared to the earnings prior to that and after that. But so long as he remains in covered employment earning $400 a year, under the minority's recommendation, all in the world he ever has to keep in mind is those 10 years of earnings, because his average wage will be based upon the 10 highest consecutive years of employment. That costs more money than what the committee wants to do.

They charge us with trying to fix this bill for the benefit of an individual who is fully and regularly employed at a high wage, but I charge them with eliminating the increment because they could not have increment in this bill and maintain this 10 highest years for the benefit of these people who have worked in these war plants and who may not enjoy their high wage in the future.

Yes, we need this increment for this reason, that that very individual who worked during those 10 years may build up the maximum wage base during that 10 years, but he may never pay again in the future because he may retire in 1951. He may never pay in the future into the fund, but we are going to give him the same benefit for 10 years of coverage that we are going to give under the minority recommendation to the individual who had paid into the fund for 40 years at the maximum rate.

How in the world can you go out to workingmen throughout the country and tell them to continue to pay this tax into this trust fund even though it does not accrue to their benefit after 10 years of payment? Why, the entire program will break down. You will find untold resistance in the future to any automatic increase in the tax rate provided by this bill. Certainly you will. If you want to destroy the social-security program, in my humble opinion, you vote for the minority's motion to recommit this bill to eliminate increment.

The gentleman from New Jersey points out that it saves eight-tenths of 1 percent of pay roll in the future to eliminate increment. That is true. It reduces the cost of the program. But the important thing is to maintain a willingness on the part of the people covered by this program to accept these automatic tax-rate increases. Otherwise, the program will be destroyed. Whatever difference there is between the amount of money in the fund and the benefits then due will certainly have to be paid for out of the Federal Treasury of the United States, and that may well amount to more than $1,250,000,000 a year.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. BYRNES of Wisconsin. I wonder if the gentleman would be fair enough to the Members particularly on his side to advise them what the administration recommendation was in this regard.

Mr. MILLS. I will be glad to. I am trying to be as fair as I can. The administration desired an entirely different formula from that which the committee adopted.

Mr. BYRNES of Wisconsin. They recommended the five best years, did they not?

Mr. MILLS. The Social Security Administration recommended the five best years. You have something like that in civil-service retirement. We thought the sounder approach, because it cost less money to the fund, was to relate the man's benefit more directly to the amount of the tax that he had paid into the fund. Under the bill, you take a man's average wage, all of his earnings over all of the years of his covered employment, and then offer him the alternative of considering that wage from 1937 or 1950, whichever is more favorable, but you relate the benefit directly to the number of years of coverage and the amount of wages he has paid tax on, and you do not pass out these great gratuities because an individual had an extremely high wage rate for a 10-year period.

Mr. BYRNES of Wisconsin. The gentleman talks about the extremely high wages. Of course he appreciates that the highest we can go, even under the bill H. R. 6000, is $3,600. That is the highest wage we recognize as an average wage. Under the bill of the minority it would be a $3,000 base. That is the highest rate that would be recognized.

Mr. MILLS. The gentleman from Arkansas understands quite well that this provision of 10 consecutive years was put in here to catch somebody who would not go along on the other provisions of the motion to recommit.

The gentleman from Arkansas knows that the labor unions of the country prefer to have a 10-year average as compared to the provision in the House bill.

Mr. BYRNES of Wisconsin. They would prefer to have a 5-year provision, too, would they not?

Mr. MILLS. Yes.

Mr. BYRNES of Wisconsin. Then this bill is the administration policy, is it not?

Mr. MILLS. The gentleman from Wisconsin knows, as well as I do that this it not a bill drawn up by the Social Security Administration. This is not the President's bill. This is not a CIO or an A. F. of L. bill. This was a bill on which every member on the Committee on Ways and Means has made his contribution. The gentleman from Wisconsin worked and served diligently on the committee and made many contributions. The gentleman from Nebraska—all the other members of the minority—worked hard. They made contributions to this bill and as evidence of that fact when the time comes to vote on the final passage of the bill, I still believe that the 22 members who voted to report the bill out, out of the 25 on the committee, will vote for final passage.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. EBERHARTER. One of the considerations which weighed very heavily with the committee in arriving at the decision it did was the situation of the veterans.

Mr. MILLS. Absolutely.

Mr. EBERHARTER. We have veterans who were in the war for 5, 7, or 10 years. We allowed them a credit of $160 a month. If you were to adopt this 10-year formula you would be discriminating against the veterans who served in the war, because the boys who stayed at home and worked in war plants would get a credit of perhaps $250 a month for the wages that they earned during that time. So that is a consideration which entered into the decision which was made.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. SABATH. I am really amazed that both of you gentlemen, the gentleman from Pennsylvania and the able gentleman who now has the floor, should waste so much time on the gentleman from Wisconsin. The gentleman from Wisconsin is against the bill and it matters not what kind of a bill you bring in—he is against social security. There is none so blind as he who will not see, and he will see nothing. He does not care. He will pay no attention to your explanations. He is against the principle and against the bill as I understand and as he stated before the Committee on Rules.

Mr. MILLS. The gentleman from Arkansas has such a deep feeling for the gentleman from Wisconsin that I am trying to get him straight and get him to go along on the bill.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. JENKINS. I do not like to hear the distinguished gentleman from Illinois castigate my good young friend, the gentleman from Wisconsin [Mr. BYRNES]. I want to say to him that he is one of the most intelligent young men who has come to the House of Representatives in the last 10 years. He is one of the outstanding authorities on this subject, regardless of what anybody else might have to say.

Mr. MILLS. I certainly agree with the gentleman from Ohio regarding the fine character and outstanding ability of the gentleman from Wisconsin. I still have hopes, however, of getting him straightened out on this bill.

Mr. SABATH. Nevertheless a man with the intelligence of the gentleman from Wisconsin does not seem to have enough intelligence to vote for this bill which his party and the country and the people generally demand and urge and plead for.

Mr. MILLS. I think the trouble with the gentleman from Wisconsin is that he has not been fully apprised of the fact that the great majority of the American people really want this bill H. R. 6000.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. JENKINS. The gentleman from Wisconsin votes for what he believes and what he knows and what he thinks and not what somebody tells him.

Mr. MILLS. Yes, that is correct.

Mr. SABATH. That shows that he does not know what the people want.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. SIMPSON of Pennsylvania. If I heard correctly, I understood the gentleman to say a little while ago that this matter of increment was placed in the bill in order to attract a certain vote; is that correct?

Mr. MILLS. No, no; the gentleman misunderstood me entirely. I had in mind the suspicion that this provision for the 10 best years as to average wage was placed here to attract the attention of certain people.

Mr. SIMPSON of Pennsylvania. I know nothing about that. But I do know I heard the gentleman from Arkansas argue most effectively and successfully at one time in the committee and persuaded the committee that the increment provision should be removed from the bill.

Mr. MILLS. The gentleman from Arkansas is doing something which I had hoped the gentleman from Pennsylvania would do. After the gentleman from Arkansas was licked in the committee on so many occasions he made up his mind that the majority opinion of the committee—not the majority opinion of the committee as expressed on a party basis, but simply the majority opinion, was certainly superior to any individual opinion that the gentleman from Arkansas might have.

In a spirit of compromise, the gentleman from Arkansas went along with many things about the bill that he did not particularly like, but none of these things were of sufficient importance for the gentleman from Arkansas, after having succeeded in getting one or two things over, to fall out with the majority because he did not get everything he wanted. The gentleman from Pennsylvania argued as strongly as anybody could argue, and the committee placed in the bill a provision permitting the State of Pennsylvania, because of the influence of the gentleman from Pennsylvania [Mr. EBERHARTER] and the gentleman from Pennsylvania [Mr. SIMPSON] in the committee, requiring the Federal Government to pay to the State of Pennsylvania funds for the blind, even though the State of Pennsylvania does not confine its own payments to needy blind. We did that because we felt it was fair and justified. I certainly hope that the gentleman from Pennsylvania [Mr. SIMPSON], before he votes for the motion to recommit, will ascertain that the gentleman from New Jersey [Mr. KEAN] has included that provision in his bill, because I would not want him to do something that would not be in the interest of the people of Pennsylvania.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. SIMPSON of Pennsylvania. I think the gentleman from Arkansas is extremely fair, and I am pleased to have him admit that he is not in accord with this matter of increment, other than as a matter of compromise.

Mr. MILLS. No. The gentleman from Arkansas has not said that. He said there were certain things about the bill that he did not like.

Mr. SIMPSON of Pennsylvania. Do you believe in the matter of increment as a matter of policy?

Mr. MILLS. I believe in the one-half percent increment contained in this bill as a matter of policy, yes. And I have explained why I think it is absolutely essential to the perpetuation of this program.

Now let me go to this matter of Puerto Rico, which seems to concern some people.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. WHITTINGTON. Will you discuss the matter of the definition contained in this motion to recommit?

Mr. MILLS. Yes. I will be glad to go to that right now.

The bill offered by the gentleman from New Jersey [Mr. KEAN] provides a definition for the term "employee," which includes the first three paragraphs of the committee bill. However, it leaves out the fourth paragraph of the committee bill.

If the gentleman from Mississippi will turn to that definition on page 49, he will find in the third paragraph the language which is written in Mr. KEAN'S bill, beginning on line 13, page 49 of the committee bill. It would be interesting for the gentleman from Mississippi to consider those 500,000 to 750,000 cases in the borderline or twilight zone, which would have come under Social Security had the Treasury, during the Eightieth Congress, been permitted to institute the regulations that it had promulgated, following the Silk case in the Supreme Court. These are not common-law employees, because you could not bring them in under any limited technical definition applied under common law. This provision in Mr. KEAN'S bill gives us the additive approach to include more than just common law, and it is our information, given to the committee in executive session, that 90 percent of those 500,000 to 750,000 people who would be brought in under the third and fourth paragraphs of the committee definition would still be brought in under the third paragraph in Mr. KEAN'S bill. You are squabbling over this definition of the term "employee" when there are only 50,000 to 75,000 people involved in the difference between the two definitions.

Now, why did we decide that we needed more than the Gearhart resolution? Let me plead guilty to the charge that will be made that I supported the Gearhart resolution in the committee last year; that I urged its adoption by the House; that I voted to over-ride the veto of the President when the bill came back here; and if I had it to do over again I would do it again under the circumstances. I took that approach at that time because of the fact that I resented as much as I could the constant effort to take people under social security by regulation instead of by law. I felt that under that definition of employee under the law as it stood at that time where the term was not defined, when the Supreme Court put into the Silk case all the dicta about basing employment upon economic reality, and the Treasury was about to promulgate these regulations, there would have been great confusion.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman from Arkansas five additional minutes.

Mr. MILLS. I would not have reversed my position had I had that opportunity in that particular instance. We do not have that situation involved in this definition of employee in H. R. 6000. We are not, however, talking about taking people under title II by using this definition; that is not what is involved here at all. If an individual is not an employee, if he is, on the other hand, a self-employed individual, he will come in under other provisions of the bill. All in the world that is involved here in this definition is whether or not some person who has a relationship with another individual will pay the social security tax on that individual's pay, or whether he will be permitted to avoid that tax payment that is being paid by other individuals when the factual situation is the same. The gentleman is a lawyer and he knows that in the various Federal jurisdictions the courts have proceeded to adopt different basic principles of the common-law rule. Some of them, the State of New York, for instance, and my own State of Arkansas have been very liberal in applying the common-law rule. They have in their jurisdictions gone under the common law to some extent and disagreed with the Supreme Court in the Silk case; but in other jurisdictions courts have not been liberal; they had adopted a very conservative viewpoint. We had one case where under a contract even—there was no question about the common-law rule applying and the individual being an employee—the court looked beyond the contract, was not willing to base a tax upon a contract, but looked beyond the contract and found that even though there was a right of control it was not exercised, therefore, the man was not an employee. Now, we are taking care of the situation. We do not feel that it is incumbent upon the Treasury Department in collecting

taxes to have to look beyond the contract. If a man wants to enter into a contract that makes someone else his employee he should have to meet the consequence of that action tax wise. There are only between 50,000 and 70,000 individuals involved in this proposition between the minority position and the majority position; and I will contend with the gentleman from Mississippi or anyone else that this fourth paragraph of this definition is as understandable to any lawyer who wants to advise a client as the common law rule which has been followed heretofore in the various jurisdictions, because that lawyer does not know until he goes into court whether he is going to apply the common-law rule of the State of Michigan or the State of Arkansas where it may be liberal or where it may be conservative. What we are trying to do in paragraph 4, I may say to the gentleman from Mississippi, [Mr. WHITTINGTON], is to get away from the legal technicality as to whether an employee is an employee or not and base it upon the factual relationship between the individuals.

We have written the bill and the committee report so those people who are to administer the program in the Treasury Department may well know this is not a blank check we are giving to the Treasury to let social security cover any individual whom they may desire to do so. This is a tax matter and tax laws should not be based upon the common-law rule. Taxes should be uniform and applied to all alike in the same fashion regardless of what Federal jurisdiction they live in. I trust I have answered the gentleman's inquiry.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Ohio.

Mr. JENKINS. Does not the gentleman believe that this being a legal matter and the Constitution placing all legal disputes in the courts for decision it would be safer for the courts to decide this than a few bureaucrats?

Mr. MILLS. The gentleman from Ohio made that contention yesterday and in committee. With all due respect to the gentleman, for whom I have the deepest affection, he is trying to convey the impression to this House that this is a tax matter of some other type than the normal-tax proposition where any taxpayer who is aggrieved over the levying of a tax may go to the Federal court. The gentleman knows that under this definition anybody who wants to go to court and fight the levying of this excise tax on him as an employer may do so. The gentleman from Pennsylvania wants to say that the poor man cannot do it; however, the gentleman from Pennsylvania knows that that poor taxpayer has the same right under this that he has when the internal revenue agent comes around and tells him he owes $50 more in taxes.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. The gentleman does not know the thought I had in mind. I did not ask what the poor man was going to do who cannot go into court. To all practical intents and purposes what the gentleman is saying is that not the courts but Mr. Altmeyer will tell the little man in my district whether or not he is an employer or an employee and the little man then cannot go into court because he does not have the money.

Mr. MILLS. The gentleman knows full well that is not what I am saying. The gentleman from Pennsylvania who worked for 6 months very diligently in committee on this matter knows that is not the situation. He knows that under this bill we are not conferring on the Social Security Administration the collection of this tax. The gentleman who participated in the minority report recognizes that the tax will be collected by the Treasury Department just as any other tax will be collected by that Department and that the Social Security Administration will not have a thing in the world to do under this program except to pay the beneficiaries under this definition.

Mr. SIMPSON of Pennsylvania. With respect to the present law there were some 750,000 people who Mr. Altmeyer said were under social security, the Treasury Department said they were not, but finally said they were.

Mr. MILLS. The issue involved here is entirely different from the issue involved in the Gearhart resolution because then it was a matter of coverage. The court was passing on the term and bringing in as many people as possible. That is not necessary on the court's part today. If we did not have this definition, it would not be necessary because this bill and your motion to recommit takes in all these people under the law. The court does not have anything more to do with it.

Mr. Chairman, let me pass on to Puerto Rico and the Virgin Islands. I have heard a lot here about this being a bad bill because it extends the provisions of title II to the Virgin Islands and to Puerto Rico—250,000 covered persons in Puerto Rico might be eligible some time in the future when they comply with the requirements of this bill for some type of benefit to be paid out of the trust fund established by title II of this act. There might be as many as 5,000 people in the Virgin Islands who would become eligible for similar treatment. There are about 2,000,000 people altogether in Puerto Rico, and about 30,000 or 35,000 people on the three islands that constitute the Virgin Islands. The gentlemen on my left over here in their motion to recommit want to be generous. They want to take care of Puerto Rico; yes, they want to take care of the Virgin Islands. They want to leave to the Virgin Islands and to Puerto Rico the administration of the needs of the people on those islands only under public assistance, and let the Federal Government pay one-half of those needs out of the Federal Treasury. That is what they want to do.

What do we propose to do? We propose to treat these people who are American citizens as American citizens. They are not foreigners. When we bought the Virgin Islands, and when we took over Puerto Rico, we took the responsibility of at least treating them with some degree of equality. We took that responsibility when we took possession of their homes. Now they say that even though these islands pay nothing into the Federal Treasury, we are going to dip into the Federal Treasury and take care of all of these demands through public assistance; just as many of these citizens are going to be disabled and just as many are going to be 65 years of age, whether or not we have an insurance program. We took the position that I thought those interested in economy would take. We say that instead of building up a staggering load of public assistance to be funneled out of the Federal Treasury, we are going to require those who are working in occupations covered by this bill to make a contribution out of their wages into this trust fund and be treated as any other American citizen when the benefits are handed out. If the wages are low in Puerto Rico, they will not get a high benefit; they will get an extremely low benefit, maybe the $25 minimum will be what they will get, but if they make $100 a month in Puerto Rico and they retire, they will get just the same amount that an individual making $100 and retiring in the United States would get.

The committee bill in that respect is much superior to that of the bill in the motion to recommit. The motion to recommit will also eliminate from the bill the total and permanent disability benefit provisions under the insurance system. Yet they do not eliminate that provision from the committee bill in regard to public assistance.

Ah, my friends, sometimes I wonder where in the world the milk of human kindness has flown to. Why, why do you want to force this individual who has worked a lifetime, to an age of 55 or 60 years, a substantial citizen in his community, who paid into this trust fund over those years—why, why, my friends, I say, do you desire to call upon that individual to go to the Federal Treasury to get assistance in the method of a dole? Now, can you justify by any argument that your position is more favorable than the position of the committee when the committee says, "Not out of the general funds will we pay that disability benefit to an individual, but we will pay him out of the very funds into which he has made his contribution"? You cannot get by if you say that we have to preserve this fund for the benefit of those who want to retire and for the benefit of the survivors of deceased workers. You cannot make that argument because the committee bill provides specifically that this total and permanent disability will not go into effect until January 1, 1951. At the same time an increase in the rate of taxation of one-half of 1 percent will occur for that specific purpose. We are levying that tax for that purpose.

We have made our bill sound. These few differences between us are only nine out of the thousands of differences that arose in the bill. They are entirely too small and too inconsequential to justify the membership of this House going along with these 10 Republicans who filed this minority report. Yes; the bill

should be passed. I hope that it will be passed so that that great deliberative body at the other end of the Capitol may have full and complete opportunity to pass it between new and next June.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BRYSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Chairman, with almost a decade and a half's practical experience it cannot now be successfully contended that social-security legislation, like that now on the statute books and to which extensions are proposed in the pending bill (H. R. 6000), is not practicable. When this legislation was first proposed in 1935, many doubted the wisdom of the venture. Now there is scarcely a person who will not admit that social security is essential.

To be sure, this measure is not perfect. In fact, few pieces of legislation, if any, could be considered perfect and thoroughly acceptable in every detail. You will recall that there was serious opposition to the adoption of the United States Constitution. Turn back, if you will, to the debates at the Constitutional Convention and read the accounts of the clash of minds in that august assembly. That matchless orator of all times, Patrick Henry, in speaking against the adoption of the Constitution, described its destructive power so realistically that the people unconsciously felt of their wrists and ankles for the shackles Henry said would be applied to them in the event the Constitution should be adopted. Through the years 21 amendments have been adopted to the Constitution, and still it is by no means perfect.

In voting for this bill, as I intend to do, I by no means indicate that I agree with all of its provisions. We must be realistic and practical. Should each Member of Congress vie for his or her own individual views, no legislation would ever be enacted.

An amazing thing about H. R. 6000 is the fact that of the 25 members of the Ways and Means Committee, 22 of them voted to report the measure to the House. Scarcely has there been another instance where major legislation as controversial as this has been approved by so substantial a majority.

As others have done, I, too, would pay a word of tribute to the members of the Ways and Means Committee. For the sake of brevity, I shall not attempt to name the members individually, although much could be said about each of them. I feel, however, that I must give special commendation to that outstanding sage and statesman the gentleman from North Carolina the Honorable ROBERT L. DOUGHTON, native son of my own State by birth, whose long and useful life has made many outstanding contributions to our country's good. Chairman DOUGHTON is a man of more than four-score years of age. Chairman DOUGHTON is a man of wisdom and sagacity, increasing in power with the passing of each year. Our committee gave more than 6 months' study to this measure. The record of its deliberations covers some 2,500 pages, wherein appears the testimony of 250 witnesses. The report on the bill consists of 200 pages. Thus it cannot be contended that full and complete hearings have not been available.

Mr. Chairman, as I have observed, if I were writing the bill, I would not have included some of the provisions contained therein; and I would have included other provisions not appearing in the present draft.

I have heretofore introduced amendments to the Social Security Act, reducing the minimum age at which old-age benefits would be payable from 65 years to 62 years of age. While I know that many such as our chairman and even the chairman of the Rules Committee remain quite active long after they are passed the age of 65, many others, especially those in industry and particularly women, wear out or lose their strength by the time they are 62. There is a precedent for this age in the law which provides for Members of Congress to receive benefits after 62 years of age. The committee in its wisdom did not attempt any change in this regard, but met the problem at least in part by providing for total and permanent disability benefits. This is a helpful provision and should be written into the law.

There has been great need to increase the benefits accruing to the beneficiaries. I am glad that this measure does increase the sums payable.

The most pitiful person of all is one who in old age has no security whatever. While I by no means favor compulsory insurance, this type of legislation lends every encouragement to an individual to provide for that day when he can no longer provide for himself.

As I have stated, the bill is not perfect. Subject matter as complicated as this, dealing with such a large number of individuals under so many different circumstances, could not be perfect. I sincerely hope, however, that the House passes this measure by a substantial margin, and that without delay.

Mr. MILLS. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. MARCANTONIO] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, today, millions of American workers are living with fear in their hearts.

These men and women fear the economic insecurity that is the constant companion of every man who works in the mines, the mills, and the factories of this, the wealthiest land in the world today. And they fear the future—the prospect of being thrown on the dump heap some day like a worn-out piece of machinery, when younger and stronger men come along to replace them at their jobs.

It is this fear that is behind the crises that have developed in the steel-making and coal-mining industries.

Because their Government has not seen fit to establish an adequate system of old-age pensions and health insurance, workers, through their trade-unions, have been trying to obtain some kind of partial security on a company- or industry-wide basis.

That the initial responsibility for this crisis lies with the Congress, and primarily with the majority party, is clear beyond doubt. The Social Security Act has not been altered, except for the relatively minor amendments adopted in 1939, since its inception 13 years ago and except for the better-than-nothing bill before us today. As a matter of fact, when the steady shrinkage in the purchasing power of the dollar is considered, current benefits being provided, low as they are, are considerably less than even originally agreed to. But the leaders of the major parties seem too concerned about other problems to worry about the aged and the sick in our own land.

Although the House Ways and Means Committee has held hearings over an 8-month period in this session, it has reported this bill before us, recommending amendments to the Social Security Act. The recommendations are far below any adequate minimum program.

I am not optimistic as to what we can hope for. The dismal record already made by the Eighty-first Congress on legislation for the benefit of the people speaks for itself. But we shall see.

Meanwhile, what about steel and coal?

The steelworkers' union demanded of the industry a 30-cents-per-hour-package increase, made up of three parts; about 12½ cents for wages, 11¼ cents for pensions, and 6¼ cents for insurance and health and welfare.

The Presidential fact-finding board recommended absolutely nothing in wages; 4 cents for insurance, and 6 cents for pensions were recommended, to be paid for solely by the employers.

According to my reading of the report of the steel board, the insurance recommendation is less the cost of whatever insurance plans are already in operation. Probably the 4-cents-per-hour recommendation will average out to between 2 and 3 cents for the steel industry as a whole. Moreover, the pension provisions—6 cents per hour—if agreed to in collective bargaining will not go into effect until next spring. This is the total recommendation of the President's board; and this the steelworkers' union leaders accepted.

The men that work in the steel mills of America are among the hardest working in America. Their youth and their strength are drained away by the blast furnaces and the rolling mills of this industry. There is no question that these men should have an adequate pension and welfare program and a substantial wage increase as well.

But their union leaders have already renounced their wage demand and I deem this surrender tragic. As for the insurance and pension plans, about which real differences have since developed between the employers and the union, it would be well for the Members of this body to be informed in some detail.

Let us look at these demands once more. The steelworkers asked that the

industry contribute 11¼ cents per hour toward a pension scheme. This would provide for a pension of $125 per month, independent of the Federal old-age benefits, at the age of 65.

The steel board recommended 6 cents. And this would provide a pension of approximately $70 per month, which—increased by the Federal program—would provide $100 per month.

It is this pension scheme—noncontributory, the employers bearing the full cost—about which big steel is making such loud protests. "Revolutionary" was the word Benjamin Fairless, the head of United States Steel, used to describe this part of the board's proposal.

On insurance the union would have established a system of death benefits, sickness and disability insurance, costing 6¼ cents per hour. The board proposed that 4 cents be paid out for this, sharply cutting the coverage and benefits of this program as originally proposed.

That is what is involved in this dispute between the steelworkers and the tycoons who own and operate the industry.

The steel board said explicitly that it was about time the steel industry began paying as much attention to its workers as it did to its plant and machines. The responsibility of such employers to the men who work for them extends beyond the payment of the hourly or daily wage.

The board said:

> We think that all industry, in the absence of adequate Government programs, owes an obligation to workers to provide for maintenance of the human body in the form of medical and similar benefits and full depreciation in the form of old-age retirement—in the same way that it now does for plant and machinery.

There is much that any unbiased person would object to in the report of the steel board. For example, it is completely objectionable for this board, in dismissing completely the union's demand for a wage increase, to use the occasion to generalize to the effect that wage increases for other American workers are equally undesirable at this time as a national policy. This is the kind of obiter dicta which can have no other effect than to make it more difficult for other unions to win any kind of a wage increase in their collective bargaining.

Another departure by this board was the inclusion of Federal old-age insurance in computing the steelworkers' pension. The pensions due these men are due them from the industry in which they have sweated for many years; whatever other benefits they get from the Federal Government, they receive as all American citizens do. No one can defend this kind of an approach to a pension plan which would shift the cost from the steel companies to the Government.

The coal-miners' welfare fund provides substantially more than the program recommended for the steelworkers by the presidential board. The coal-miners' fund is also noncontributory; it was set up in 1946 and actually went into operation when the same Ben Fairless, who is refusing to agree to the fund for the steelworkers, signed an agreement with John L. Lewis in 1947.

The coal miners receive a pension of $100 per month, exclusive of Federal old-age insurance. This is about $30 a month more than the steelworkers would receive if the board's recommendations were put into effect. The coal program also provides disability payments, insurance, and other benefits on a more comprehensive scale than is contemplated under the steel plan.

The same fat, sleek men of big business who are balking at agreeing to even the admittedly inadequate pension and insurance program recommended for the steelworkers are among the dominant figures in the coal industry as well. We would be naive to ignore this dual role of these tycoons and not to see in the present situation a coordinated drive to dole out the smallest pensions possible in both industries and even wreck the miners' welfare plan by nonpayment, if possible.

The cynicism and hypocrisy of these men of big business has never been more completely exposed than by their reaction to the noncontributory pension and insurance proposals.

These have been described as socialistic and revolutionary. Editorials have been written blaring forth that American initiative will be destroyed if American workers receive a piddling pension of $25 per week toward which they make no contributions. Such a program would mean loss of freedom for the worker. Freedom for what—to die in the poorhouse?

But let us look at the record. This same Ben Fairless who recoils from the un-American proposal for a noncontributory pension, himself has a little pension program as an executive officer of United States Steel.

At the age of 65 Mr. Fairless will receive a pension of $50,000 per year toward which he has contributed not 1 cent. He also participates in a contributory plan under which he paid in $6,000 last year and the company $10,000. Last year Mr. Fairless received a $20,000 wage increase, more than three times his annual contribution to his second pension plan.

Bethlehem Steel also has a completely noncontributory-pension plan for executives. Pensions are the average compensation 10 years prior to retirement. A. B. Homer, president of Bethlehem, will be 65 in 1961. At his 1948 compensation of $263,280 a year he will receive a pension of $110,460 per year toward which he contributes not 1 cent. Three former officials of Bethlehem are now receiving pensions toward which they contributed not 1 cent—these are pensions of $25,668; $27,168; and $76,968 per year.

Need I add that Bethlehem joins United States Steel in opposing on principle noncontributory pensions for the men who work at the blast furnaces and in the mills?

Ben Moreell is the chairman and president of Jones & Laughlin Steel. If he retires in 1953, he will receive an annual pension of $25,000; if he continues to work until 1958, his pension will be $35,000 per year—all paid by the company. And Mr. Moreell, a former Navy admiral, I believe, has been with the company only 2 years.

The record goes on and on. And the case is clear.

Noncontributory-pension plans are fine for executives. They are revolutionary for workers.

The steel industry certainly understood and accepted without any reservations the rejection by the board of any wage increase for the steelworkers. And Philip Murray, president of the steelworkers' union, was acclaimed in the press as a labor statesman for acceding to the wage rejection.

But the steel industry claims it cannot understand and rejects the recommendation for noncontributory pension and social insurance plans.

Can there be any question upon whose shoulders the blame rests for the strike in steel? Can there be any question as to the motives behind the refusal of the individual coal miners to return to the pits until their welfare fund has been rehabilitated? Can there be any question that millons of workers in every other industry in the Nation will support the just demands of the coal and steel workers? They know that their pensions and future security are bound up with the strikes in coal and steel. Every worker in America stands behind them and will demand that this administration and Congress support them.

Mr. CLEMENTE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CLEMENTE. Mr. Chairman, I have been deeply interested in old-age and disability security since the first day I became a Member of Congress.

I am going to vote for H. R. 6000 because the present coverage of social-security laws is altogether inadequate and the benefits payable thereunder are so low—the average of which is $25 a month—as to leave the recipients thereof with insufficient means to survive. I am going to vote for this measure for the reason that under the present social-security laws almost one-third of our workers are not covered, and for the additional reason that the physically disabled have not been taken care of under the present regulations.

History shows the great majority of the persons on the pay rolls of this atomic age is the young and vigorous, and the elderly citizens are shunted aside. As a result of this unfortunate situation we find increasing in numbers the aged, the unemployed; and so we must face the problem of surrounding the needs for livelihood of this large group with some measure of security. This is forced upon us by the ever-growing number of people over the age of 65 who are not protected by social security. Of 5,200,000 men now 65 or over—one-third are insured under the present program. Of 5,500,000 women 65 or over—one-fourth are insured, either individually or as the wives of insured workers.

The scale of monthly benefits under the old-age and survivors insurance system in effect today was set up over 10 years ago. Over 10 years of experience

now show that that scale was wholly inadequate. This experience has fully assessed the strength and weakness of the social-security system with relation to its place in our present economy. During this time many developments have occurred which showed a need for resurvey of the principles and objectives of the program as they relate to the current economic conditions. It also proved the reaffirmance of the basic principle that a contributory system in which both contributions and benefits are directly related to the individual's efforts prevents dependency.

It therefore becomes necessary, by reason of the fact that this social-security system is firmly established, to strengthen this system at once. It has been found that by reason of having paid into the system the member gains as a matter of right upon ceasing covered employment his benefits, and at the same time the worker's dignity and independence are preserved.

We should expand our social-security program in the size of benefits and the extent of coverage, so that the economic hardships due to unemployment, old age, sickness, and disability can be combated more forcibly. A very extensive study, evaluation, and correction of the old-age and survivors insurance provisions have been carefully considered with a pressing relationship to the problems of economic security and dependency.

In the hearings before the Committee on Ways and Means the overwhelming weight of testimony was for the broad proposition that the Social Security Act framework is solid ground upon which we can widen the scope and increase the protection afforded by both the old-age and survivors insurance and public-assistance program.

The Congress is now confronted with the tremendous decision of combating the serious threatening of our economic well-being. There is an immediate necessity to strengthen the foundation of the social-security system before it is undermined by the lack of proper protection and coverage.

Revision of the social-security law so that increased payments may be paid to beneficiaries is a matter of prime importance. It should be done without delay. The necessities of those who come with the law is immediate. Therefore, Congress should act immediately to relieve them. There is no good and sufficient reason to justify further delay. If it is not acted upon by Congress before it takes a recess, then this will mean that probably a year will elapse before any additional help will become available, assuming that the bill is passed, and I certainly hope it will be.

The correspondence which I receive leaves no doubt of the necessity of increasing benefits to the aged and other beneficiaries coming within the provisions of the present law. It is impossible for them to exist on any proper standard of living, with the meager benefits now being paid.

It has now been 10 years since there was any general overhauling of the law. Since that time the cost of living has reached unparalleled heights. The payments of the act now in force do not meet the need that exists. Furthermore, the limited amount the present law permits beneficiaries to earn to add to the insufficient amounts they receive is not sufficient. Certainly, we do not wish our aged to be required to live on a substandard basis. Our national wealth and resources have been literally poured out to aid those in less-favored countries who have experienced the ravages of war.

It is well that we should help them, but there is no reason that we should neglect or overlook the needy in our own land. It is our bounden duty to care for them in a way that will remove the actual distress they now experience.

The problems of old age are as old as the human race. Man lives by work and when his capacity for work decreases, or when profitable employment cannot be found, many individuals cannot purchase the bare necessities of life.

In ancient times when man wandered from place to place in search of game and other foods he had little time to care for the aged. He had less inclination to share his meager food supply with those no longer able to join in the chase. Old people were left to die alone by the side of the trail.

Under the influence of the Christian admonition to "Honor thy father and thy mother that thy days may be long upon the land which the Lord thy God giveth thee," the peoples of much of the world developed a new appreciation of older people.

The depression made our people conscious of the needs of older people. Widespread unemployment decreased wages, shrinkage of local taxes made it impossible for either individuals or local governments to support the older unemployed. State after State adopted laws to provide old-age pensions.

Finally, the Social Security Act was passed by Congress, and for the first time, the Federal Government had a plan whereby a portion of our people could lay up a reserve to be paid them in old age. Everyone realized that this act was only a step toward a full solution of the problem.

The House Ways and Means Committee voted out a major revision of the Social Security Act, H. R. 6000, boosting maximum family benefits from $85 to $150 a month and extending coverage to 11,000,000 new workers.

The bill was combined with one granting an additional $256,000,000 a year to help the needy. Under the bill the 2,600,000 persons now receiving old-age and survivors insurance benefits would get an average monthly increase in benefits of 70 percent.

The average primary benefit of about $26 a month would be increased to nearly $45.

The social-security tax would be raised from 1 to 1½ percent each for workers and employers during 1950, 2 percent from 1951 through 1959, and 3¼ percent by 1970.

The part of the worker's annual income subject to the tax would be raised from $3,000 to $3,600. This would raise the annual maximum tax for individuals next year from $30 to $54; and to $72 in 1951.

The number of persons covered by the social security would rise from the present 35,000,000 to 46,000,000.

Benefits in the revised plan are increased 150 percent for the lowest benefit groups and 50 percent for the highest. Persons now getting the minimum of $10 a month would get $25. A person now eligible to get $45 would get $64.

Lump-sum death payments would be made for all insured deaths. Such payments are now limited.

A new formula is provided for computing retirement benefits, almost doubling the average of benefits payable now.

Disability insurance would be extended to all persons covered by old-age and survivors insurance. Workers permanently and totally disabled would have their benefits computed on the same basis as for old-age benefits, but no payments would be made to dependents of such workers.

It would seem academic to me that this great country which has one-sixteenth of the world's population, one-sixth of its territory, enjoys seven-tenths of the world's trade, owns 85 percent of the world's automobiles, has 60 percent of the world's life insurance, has 59 percent of the steel capacity, owns 54 percent of all the telephones, 48 percent of all radios, 46 percent of the electric power, with the most schools and churches and the best health record in the world, should be willing to provide meager subsistence for the millions of aged.

Statistics will never present the mass of human tragedies among those men and women who have worked to make our country a great, wealthy nation, and who must now face the prospect of poverty in old age. Certainly this country can devise a realistic system to provide self-respecting security to those whose productive effort has contributed so much to our well-being.

The passage of H. R. 6000 will be one of the great forward steps taken to give financial security to the countless number of people that have made America possible.

Under the provisions of this measure veterans of World War II would be given wage credits under the old-age, survivors and disability insurance program of $160 per month for the time spent in military service between September 16, 1940, and July 24, 1947.

Under this new bill persons who establish their own businesses following a period of covered employment will continue to receive the same protection they formerly enjoyed, i. e., the garage mechanic who opens his own place of business following a period of time during which he was employed by someone else will still be covered by the Social Security Act. Under present regulations his coverage would be terminated at the time he established his own business.

About 3,800,000 employees of State and local governments will be afforded social-security coverage, if the State enters into a voluntary compact with the Federal Security Agency, provided that such employees who are under an existing retirement system shall be covered only if such employees and adult beneficiaries of the

retirement system shall so elect by a two-thirds majority.

I therefore earnestly plead with this House to give a moral lift to the people of the United States by passing H. R. 6000.

Mr. JENKINS. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES. Mr. Chairman, the population of our country is growing older, and this increase in proportion of older people to our over-all population is one of the most important problems this country is facing.

From a more than casual study of this problem some startling facts come to the surface. Some 150 years ago one-half of our population was less than 16 years of age. Now the average age of our population is 30. By good authority, it is estimated the average age of our population by 1975 will be 35.

In 1900 3,000,000 of our population were 65 years of age or older. Today it is estimated there are 11,000,000 people 65 and over, and in 1975 it is estimated there will be 18,000,000. In other words, by 1975 the old will have become 5 or 6 times as numerous as they were in 1900.

Let us look at some of the reasons afforded by vital statistics why the average age of Americans is rising. In 1800 there were 1,342 children under 5 years of age per 1,000 women aged between the years of 20 and 44. By 1940 the number was only 419.

Again, Americans live longer. With the great improvement in sanitary conditions and the findings of medical science, our longevity has been increased. In 1900 life expectancy at best was approximately 50 years. By 1940 it was 62 years, and at present it is estimated to be a few years higher.

Again, the tenfold rise in the standard of living in the past 150 years has made possible advances in education, science, and medicine, which directly affect the length of life and in turn raise living standards.

These facts present us with a real problem, and it appears wise and necessary to meet the real problem realistically.

The bill before us, H. R. 6000, was a combination of the two bills H. R. 2892 and H. R. 2893, which were originally introduced as separate bills. They are now combined in one bill, H. R. 6000. H. R. 2892 took care of the public assistance program, namely, the public assistance to the aged, to dependent children, to the blind and to a new category, those permanently and totally disabled and in need. The original bill H. R. 2893 took care of the old-age and survivors insurance program.

I voted to report the bill H. R. 6000 out of the Ways and Means Committee and I shall vote for the final passage of the bill. I do believe, however, there are some defects in the bill that could be greatly improved by suggestions made in the minority report and by the Kean bill, namely, H. R. 6297. These are my reasons. The Kean bill contains the same increase in benefits for those now retired under old-age and survivors insurance as does the administration bill. It contains the same increase in benefits for those on the assistance program as does the administration bill.

It does, however, maintain a lower tax rate for the American people over a longer period of time, and hence I think, as an adjusted tax rate, it is more nearly in relation to reality. It is one thing to raise a tax and assume that this will get the necessary revenue. It is another thing to have a tax rate that will bring in that revenue to keep the trust fund in such condition and in such a financial position as to be able to meet the obligation of the benefits.

If this system gets to the point where it is not on a sound financial basis the benefits will be just paper values. The Kean bill would provide for higher benefits for those who are occasionally laid off by basing the amount of benefits on the best 10 consecutive years of their employment. This would provide for higher benefits for those occasionally laid off and for those who need it most. And in the face of fluctuating employment and unemployment I think it is an extremely important point.

H. R. 6297 would correct the provisions in the administration bill which gives to the Treasury Department and the Federal Security Administration the right to determine what rate of social security tax a person should pay by giving those agencies authority to determine who is self-employed and who is an employee. This is an important point, for employee and self-employed do not pay the same tax rate. This problem, I believe, can best be handled by using the approach of going over the various groups in the twilight zone where there can be arguments on both sides to determine specifically and clearly whether those groups are self-employed or employees.

I believe we should study the specific groups in the twilight zone and determine through normal parliamentary and committee procedure whether those specific groups should be classified as employees or employers. That is my interpretation of the additive approach and that is the interpretation I put on the approach undertaken in the Kean bill. I think this procedure would more clearly define the areas of disagreement and not leave it entirely to administrative regulation.

In other words, experts in social security use the additive approach just as much as experts in social security use the administrative approach. I think that the additive approach is a more clearly defined approach to the handling of this problem. I give you these reasons as one who is strongly in favor of broadening our social-security insurance program and increasing the benefits, for I believe it is the sound way of picking up savings during the earning power of a person's life to help to pay for adequate benefits at the retirement age of 65 or over. I also believe to go into permanent and total disability insurance is something that we should be extremely cautious about. The Advisory Council which has been given great weight by the people on the administrative side of the bill working with the Senate Finance Committee—not Senators, but experts in the field or social insurance—are very cautious about recommending total and permanent disability insurance first because of its history and because no one knows how much it will actually cost. It may be of such tremendous cost that it would jeopardize the entire program of social insurance.

The Kean bill does not disregard those totally and permanently disabled and in need, but handles them through the public-assistance provisions of the bill. I think it would be well to see how more conclusively the total- and permanent-disability program for those in need works out through the public-assistance approach than to go headlong into total and permanent disability insurance, in the face of its history and in the face of the cautious recommendations of the Advisory Council.

The CHAIRMAN. The time of the gentleman from Washington [Mr. HOLMES] has expired.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. HAND].

IMPROVEMENTS IN OUR SOCIAL INSURANCE PROGRAM

Mr. HAND. Mr. Chairman, during the 5 years that I have been in Congress, and even before, I have consistently and constantly advocated that our social-security system be broadened to cover millions not now protected, and that the payments under it be increased to meet the greatly increased costs of living.

In 1946 I spoke in the House in an attempt to get the Seventy-ninth Congress to act. I said then, in part:

> Mr. Speaker, sometimes it seems to me that there has developed an attitude that we can afford everything else except the care of our own people. Hundreds of millions, yes, billions, of American dollars have been spent in an attempt to bring some measure of health and security to peoples all over the world, but we hesitate about bringing a measure of health and security to our own people. If we can spend * * * for the necessities of life for foreign people, including our late enemies, we certainly should not quibble over adequate social security for loyal citizens here at home who have helped materially to bring this country to the great and strong position it now occupies.

For a long time Congress did little, or nothing, about the problem. The Democratic Seventy-ninth Congress passed one or two amendments of small consequence, and it must be confessed that the Eightieth Congress, while making some substantial improvements, did not really come to grips with the problem.

At last, we are given the opportunity to make some much-needed improvements in the system, and the bill before us does that.

Certainly, I do not approve of every provision in the pending legislation. In some respects it may go too far; in others it may not go far enough—but it is seldom possible that any bill before us meets with the complete approval of each of the 435 Members of the House.

Mr. Chairman, it is to be regretted that legislation of such great importance must be considered under a gag rule. It is true that 4 days of debate have been allowed, but it is equally true that there is no sense in providing all that time for debate when Members are precluded from offering any amendments. There is nothing sacred about this particular bill which is reported by the committee, and it is wrong in principle that the

Members of the House are prevented from offering their own ideas on this subject. It was for this reason, of course, that I voted against the gag rule, but since it was adopted by the majority controlled by the administration, we have no real alternative than to take this bill as it is, or reject it entirely. I prefer to take the bill.

It includes many provisions of the utmost importance. Very briefly, it does this:

First. It extends coverage to approximately 11,000,000 new persons not now covered. It brings under the protection of the act self-employed persons other than certain professional groups, who did not wish to be included. It covers employees of State and local governments, but only if the State enters into an agreement with the Federal Government, and then only if the employees vote to be included by two-thirds majority. It covers domestic servants, and altogether, as I have indicated, it extends the protection of this important social insurance to about 11,000,000 additional Americans.

The act does include certain salesmen and independent activities which are not employment. I think this is a mistake, which I trust may be cured before the final law is adopted.

Second. It liberalizes payments. About 2,500,000 persons will have their payments increased 70 percent on an average. In the lowest benefit groups, payments are increased by 150 percent.

Third. It removes the limitation of $14.99 on earnings. This is, perhaps, one of the most important features of the bill. Heretofore, if a beneficiary earned as much as $15 per month, he was excluded from the benefits of coverage. Now, one may earn up to $50 per month without losing the benefits.

Fourth. It protects veterans. Prior to this bill, World War II veterans were not given wage credits for their time necessarily spent in the service. Under this bill, World War II veterans are given an arbitrary wage credit of $160 per month for all time spent in military service from September 16, 1940, to July 24, 1947.

Mr. Chairman, I hope I can take some measure of personal pride in this provision because it is an incorporation of my own bill introduced in the Seventy-ninth Congress some 4 years ago, and I have been working on it ever since. Veterans, without this provision, were discriminated against, because the interruption of their employment due to the war was certainly no fault of theirs. The bill cures this discrimination.

Fifth. Permanent disability benefits. The bill provides for the first time that all persons covered by this insurance program will be protected against the hazard of enforced retirement by reason of permanent and total disability.

All in all the bill presents us with a notable broadening and improvement of the social-security system, and is the end of a long fight for this purpose.

I again express my regret that we are obliged to consider the measure under a gag rule and on a take-it-or-leave-it basis. I regret that the membership has not had the opportunity of presenting amendments or other plans as an alternative to the pending legislation. Nevertheless, I am wholly unwilling to reject the improvements that are offered, and I shall certainly support the bill.

Mr. LYNCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, in his social-security message to the Eightieth Congress, President Truman asked that Congress increase benefits under the old-age and survivors insurance program by at least 50 percent. The President asked that the insurance system be extended "as rapidly as possible" to the 20,000,000 persons then excluded from coverage under the act. He recommended that our social-insurance system be broadened to include insurance against loss of earnings due to disability. He asked that the wage base for contributions and benefits be raised from the first $3,000 to the first $4,800 of the worker's total annual earnings. He urged that the date for increasing the tax rate from 1 percent to 1½ percent should be moved forward from January 1, 1950, to January 1, 1949.

And which of you, if he ask his father bread, will he give him a stone? (Luke 11: 11.)

President Truman asked the Eightieth Congress for bread. Bread for those who under the law were receiving an average of about $25 per month under old-age and survivors insurance. What was he given by the Eightieth Congress? The Eightieth Congress answered by passing two bills over the President's veto. Public Law 492 excluded certain newspaper vendors from the coverage of the program.

Public Law 642 amended the definition of employee so as to take out from under the coverage of the law those who were not employees under the old common-law rules—approximately 750,000 persons were affected.

Or a fish, will he for a fish give him a scorpion? (Luke 11: 11.)

Instead of broadening social security as the President requested, coverage was cut back. Instead of increasing the percentage payments, as the President recommended, and as the original Social Security Act of 1935 provided, the contribution rate was again frozen at 1 percent through 1949. No provision was made for disability insurance, for increase of benefits under the old-age and survivors insurance program, nor was the wage base for contributions raised.

On January 5, 1949, the President spoke again, this time to the Eighty-first Congress. He asked for an extension of social-security coverage. He asked for increased benefits and for aid to the disabled. H. R. 6000 is the answer of the House of Representatives. The President has asked for bread and we are giving him bread. Perhaps not a whole loaf, but in the measure that is practicable and possible at this time. By this bill coverage is extended over approximately 11,000,000 more American people. Benefits are raised by about 70 percent from an average monthly payment of approximately $26 to an average monthly payment of about $44. The permanently and totally disabled are provided for. The income allowed before deduction is increased from $15 per month to $50 per month. The financial base of the whole program is greatly strengthened first by increasing the taxable base from $3,000 to $3,600 and by providing for an increase in the rate of social-security tax.

The passage of this act will mark a very definite step forward in the movement to provide a minimum of economic security for the aged and disabled. It will further reduce the danger of economic insecurity and reduce the force of the threat of poverty.

Mr. LYNCH. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. MCGRATH].

Mr. MCGRATH. Mr. Chairman, today the hopes of the American men and women are raised higher. Today the fears for the future are allayed. H. R. 6000 continues the constant and steady march of legislation to make happy and pleasant the days of the working men and women that were once fraught with fear.

Nothing is so unwise as hasty and rash legislation. Nothing is more conducive to a sound America than a gradual and persistent program to aid those whom unemployment, ill health, or disability has touched.

Contrast the features in H. R. 6000 with the concept of legislative duty that was accepted about 25 years ago. When the first measure for old-age security was introduced in the State legislature at Albany, the sponsor, recognizing that he could receive practically no support from the floor and only ridicule from his colleagues, elected to sing "Over the Hill to the Poorhouse." This action brought down the wrath of the Speaker, but it did dramatize that the only place for American citizens who had labored long and faithfully in the industrial vineyards was the road to the poorhouse. Our social concepts have since been awakened. Today the almshouses that spelled doom and disaster and in many instances meant the separation of husband and wife, are today, thank God, almost extinct. Families are kept together in the twilight of their lives because of the benefits of social security. The individual States blazoned the way in many instances and in 1935 our Federal Government enacted a system of old-age insurance for persons working in industry as a safeguard against the occurrences of old-age dependency. In 1939 Congress broadened considerably the protection given to our citizens and in the following years gradually the act was extended. But today we march forward and with H. R. 6000 bring the act up to date, correct some of its difficulties, strengthen it, and present the most comprehensive and sound social program that thus far has been written in our Nation's annals.

Social or general justice is recognized and put into dynamic action. This measure adds over 11,000,000 people to its coverage. In almost every State and Territory when this bill is enacted into law, these 11,000,000 people will no longer have the fear and the dread that has hung over them during the years in which they wondered what would become of them if an economic emergency arose.

In many homesteads people have been complaining that they could not live

upon the receipts of social security. The increase under this act gives to these American citizens faith in our American system.

But no piece of legislation, no matter how carefully drawn, executes itself. Into the hands of those to whom this program is entrusted Congress will expect and demand a sympathetic understanding of the problems of the people for whom this legislation was enacted.

This bill is not perfect but it does approximate the very best that can be written at this time. Subsequent amendments should keep our social-security program up to date and alive to the wishes of the electorate. Many who are always ready to point out the isolated errors in democracy must now recognize in the growth and development of social legislation that democracy does work.

During the fall of last year, many in this Chamber pledged their solemn word that Congress would pass a comprehensive social-security act. Those of us in the House of Representatives have kept our word. The administration has lived up to its promises and we all look forward to the enactment of H. R. 6000 into the law of our land.

Mr. LYNCH. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. CAMP].

PERMANENT AND TOTAL DISABILITY INSURANCE

Mr. CAMP. Mr. Chairman, loss of earnings from permanent and total disability is a major economic hazard to which all gainful workers are exposed. On an average day, 2,000,000 persons are unable to work because of disabilities which have continued for more than 6 months. These persons not only suffer loss of earnings, but they must also meet the additional costs of medical care, with the resulting economic hardship to themselves and their families often being greater than that from old age and death. Yet, no protection is now afforded to the permanently and totally disabled under our social-security system. In fact, the system today actually penalizes the disabled worker by reducing, or extinguishing, his right to old-age and survivor benefits.

Under existing law, if a worker in covered employment becomes permanently and totally disabled even for a brief period of time, his average wage is reduced and in turn his old-age benefit is decreased. Serious as such a result may be for a worker and his dependents, the extreme hardship cases occur, however, when workers become permanently and totally disabled before they have obtained sufficient quarters of coverage to acquire a permanently insured status. Under these circumstances, a worker not only suffers the loss of income because of his disability but also the loss of his old-age benefits at age 65 and survivor protection for his dependents, as well as the contributions he has made to the system over the years. Such is the gross injustice that now results for the average worker if he has less than 10 years of coverage under the system.

H. R. 6000 would not only protect the old-age and survivor benefit rights of the average worker, if he becomes permanently and totally disabled, but would also provide him disability benefit payments. In general, a person who works for wages or is self-employed and has contributed to the system continuously for 5 years prior to his disablement would be eligible for monthly benefit payments. Thus, protection would be afforded to most of the workers covered by the system who through no fault of their own are unable to continue as members of the labor force. Benefits would be paid, when a worker needs them most, to supplement his savings or other assets, in meeting the extraordinary expenses that are always present when serious illness strikes or a major accident occurs.

I firmly believe that a social insurance system should provide for the payment of cash benefits to workers who are permanently and totally disabled as well as to those who suffer income loss because of old age, premature death, or unemployment. For the average worker and his family, a disability which permanently excludes him from the labor market is a catastrophic event. State workmen's compensation laws provide protection against the loss of income from work-connected disabilities, but only about 5 percent of all permanent and total disability cases are of work-connected origin. Diseases of the heart and arteries, cancer, rheumatism, arthritis, kidney diseases, and other chronic ailments have become the major causes of permanent disability and death. Little or no protection is available to the ordinary workingman against income loss due to these and other serious illnesses. When a worker becomes permanently disabled he must exhaust his own resources, borrow from relatives and friends, and in a high percentage of cases out of necessity he finally, as a last resort, must turn to public assistance.

The common man who earns his living as an employee or who has a small business has not and cannot provide his own protection against permanent and total disability. Who is able to accumulate sufficient savings to meet the total cost of the basic necessities of life over a period of disablement that may extend 10, or 20, or 30 years, or longer? Few persons are able to purchase private insurance to protect themselves against the loss of income from prolonged disability. The cost of such insurance is high and the terms on which it is sold are restrictive.

The minority members of the Committee on Ways and Means and the spokesmen for the insurance companies who testified at the hearings held by the committee oppose a social insurance program covering permanent and total disability. They cite the experience of the insurance companies during the depression of the thirties in support of their opposition to the permanent and total disability provisions of the bill. None of them, however has contended that the loss of income due to prolonged disability is adequately protected today by private insurance policies held by the workers of America. They acknowledge that private insurance contracts are not available to the average workingman at a cost which would enable him to obtain his own protection against this major economic hazard. Regardless of this fact, they offer public assistance, based on the means test approach, as the only method of providing payments to permanently and totally disabled individuals.

The Committee on Ways and Means has been fully cognizant of the importance of the experience of the insurance companies in this field and has given careful consideration to such experience in formulating the permanent and total disability program provided for in H. R. 6000. There are many differences, however, between private and social insurance and the experience under one is not always applicable to the other. Let us take the time to examine the experience of the insurance companies in writing disability policies and see what some of these differences are.

First, a considerable portion of the insurance companies' difficulties arose from over-insurance or, in other words, the granting of so much potential disability income, such as $300 to $5000 a month, that the insured individual could well afford to retire on the payments available to him. Under the program proposed in the bill, only a basic floor of protection would be provided, ranging from $25 to less than $70 per month in the early years of the system. Even after 40 years of operation, a worker who had earned $3,600 or more per year in covered employment for this period of time would receive only $84 per month. Certainly these amounts will not serve as incentives for people to leave their jobs and to seek early retirement.

Second, the eligibility conditions under insurance contracts were far more liberal than those proposed in H. R. 6000. Many policies provided benefits payable 3 months after the date of disability and none had a longer period than 6 months. The average waiting period under H. R. 6000 would be 7½ months and in no instance could the waiting period be less than 7 months. Moreover, some policies provided retroactive benefit payments for the entire period of disability, and in other instances provided increased payments after an insured individual had been on the benefit rolls for a specified period of time. Both of these factors tended to encourage claims presentation by insured individuals.

Third, private insurance had a much less strict definition of disability than is contained in the bill. In general, the policies covered presumptive disability so that once an individual was disabled for the waiting period, he was presumed to be totally and permanently disabled. Under the definition in H. R. 6000 an insured individual must not only be disabled for the entire waiting period but at the end of that time he must be permanently and totally disabled. He would not be eligible for disability benefits if the medical prognosis showed that within a short period of time he would be able to engage in substantially gainful activity. For instance, an individual with a broken leg might be disabled for 10 months and under an insurance policy draw disability benefits for 4 months after a 6 months' waiting period. Under the provisions of the bill, however, no disability benefits would be paid, as it

would be obvious that this individual was not permanently disabled.

Fourth, the insurance companies did not have administrative machinery comparable to that which is now available to the Federal Government, to ascertain the activities of claimants of disability benefits. It was relatively easy for beneficiaries of private disability insurance to conceal employment while receiving benefits. Such would not be the case under the social-insurance system proposed in the bill. Wage reports and self-employment income reports would have to be furnished the Federal Government and even if an insured individual might be classified as permanently and totally disabled from a medical standpoint, no benefits would be paid if he had significant earnings.

Fifth, many of the difficulties that insurance companies encountered when they were writing liberal disability insurance policies arose because of the high-pressure tactics employed by the agents selling this type of insurance and the competitive practices engaged in by the companies themselves. During the boom period of the 1920's, insurance companies liberalized their contracts so as to meet competition, and as a result many unsound provisions and overly liberal practices developed.

Because of the differences in private insurance methods and those of a properly administered social-insurance system, it is the opinion of the majority of the Committee on Ways and Means that the unfavorable experience of insurance companies in writing disability insurance in the 1920's, although important, is not conclusive evidence that a contributory social-insurance system cannot function satisfactorily. The members of the committee who signed the majority report accompanying the bill are aware of the problems that will arise in administering a permanent and total disability program. We know that the determination of disability is not as simple as the determination of death and the attainment of age 65 and, because of this, safeguards to restrict the costs of the program are provided for in the bill.

Although from a social point of view it would be desirable to pay higher benefits to disabled persons who have dependents, the committee did not recommend payments for dependents of workers in order to keep the cost of the system low. This provision was also recommended by the Advisory Council on Social Security to the Senate Committee on Finance when it proposed a permanent and total disability insurance program in 1948. (See Senate Document No. 208, Eightieth Congress, second session, for this and other recommendations of the council relating to permanent and total disability insurance.) Moreover, under the bill the insured status requirements for disability benefits would be more stringent than for benefits payable upon retirement or death. To be eligible for disability benefits a worker would have to have at least 20 quarters of coverage out of the 40 calendar quarter period ending with the quarter of disablement and, for the purpose of testing recent attachment to the labor market, he would be required to have 6 quarters of coverage out of the 13-quarter period ending with the quarter of disablement. This latter provision will exclude persons such as voluntarily retired housewives and other workers, who become disabled after they withdraw from the labor force and are no longer dependent upon their own earning capacity.

The level premium cost of the permanent and total disability provisions of the bill is estimated by the committee's actuary as one-half of 1 percent of pay roll. The minority members of the committee do not directly attack this estimate, but they set forth in the minority report what they term to be a fair estimate of the maturing cost of the program. This so-called fair estimate does not exceed eight-tenths of 1 percent of pay roll even in the year 2000. In my opinion, the estimate of the committee's actuary is the more accurate but even if we assume that the minority's estimate is correct, surely there does not exist a formidable enough difference, measured in terms of covered pay roll, to deter the Congress from providing protection to the workers of America against the loss of income from the major economic hazard of permanent and total disability.

The opposition of the minority to permanent and total disability insurance is reminiscent of 1935 when a contributory social-insurance system for payment of benefits to aged retired workers was first enacted into law. The efforts exerted then to withhold protection against want in old age failed. I am confident that the attempts to prevent the establishment of a permanent and total disability program will also fail. No one can fairly deny the American worker protection against the economic hazard of permanent and total disability through social insurance.

Mr. Chairman, allow me to read from a sample of letters received by Members of Congress to show concretely the necessity for disability protection.

———, TEX., *February 16, 1949.*

As you probably know, I have a personal interest in this bill, because I have paid social security for a period of 12 years in the past and had a heart attack on November 27, 1947, since which time I have not been able to do any work at all, and the best of doctors have advised me that I will be unable to work again. I am 50 years of age. This leaves me without any source of income whatever, and, frankly, it seems very unfair to me that I have paid social security this long and can't draw any.

* * * Under my condition, it is not likely that I will ever be able to draw any of this money that I have paid in and if this condition will be of any benefit to you to encourage the passage of such bill, I will be more than happy for you to use it, not just for my benefit, but for the benefit of others who suffer such similar misfortunes.

I want to commend you for your action in connection with this matter because no one knows any better than I do how a person personally feels about such situation. I urge you to do everything you can to secure the passage of the bill, and if I can be of any service in that connection, I will be happy to do so.

With best wishes and kindest personal regards, I am,

Sincerely.

———, N. J., *January 3, 1949.*

I am writing to ask you to support a change in the social-security laws.

At the age of 55 I became handicapped by blindness after paying social-security benefits from the time the law went into effect.

My contention now is that a person handicapped by blindness should receive social-security benefits at that time instead of having to wait until they become 65 years old.

I have been handicapped almost 6 years and shall have 4 years before I am 65 and then heaven only knows whether I will be entitled to any benefits as it will have been 10 years that I did not have deductions made from my pay envelope.

I think you can readily see what such a change in the law would mean to those becoming handicapped by blindness in the future.

Thanking you for taking time to read this letter and that you may see your way to advise and support such a change.

Very truly.

———

CHICAGO, ILL.

Being citizens of this country, I, as a citizen, would express my opinion on benefits of the Social Security Act. Due to an illness of almost a period of 1½ years, I find myself in a State where I cannot collect anything. My illness of a stroke permits me never to work again for the rest of my life. I am now at an age where I cannot collect old-age pension for another 6 years. Now, Mr. President, couldn't there be a law passed where people could collect disability pension? In case of illness I believe its highly necessary in this country to pass a law which would help people support themselves in one way or another.

It would be greatly appreciated if some law like that could be passed. Under this Social Security Act, I might find myself in a state where I could never collect that, in case of death. Don't you think it would be greatly appreciated by me as a citizen, and in a case like mine, to collect while I am living? I worked for over a period of 20 years in this wonderful country of ours, and now I find myself, not being able to work, ever, paying for this social security and not being able to get anything out of it, Mr. President. It would be greatly appreciated if you could pass such a law where you could collect disability pension for people who are so willing to support their families and cannot because of illness. I thank you, Mr. President.

Sincerely yours.

———

———, GA., *February 4, 1949.*

* * * * *

Mr. ——— is my father, and is suffering with a severe heart ailment; as a matter of fact there is a grissel growing through his heart and though it grows slow, he isn't able to work and cannot draw his social security because he isn't 65. Dad is only 58 and looks 80; he has had social security taken out on him since social security came in effect.

* * * * *

We don't want charity. When he worked for the money, the social-security organization has got of his, and he needs it now; you see we children have done everything we could to support dad, mother, and sister, and now that my husband is laid off from his job, and my youngest brother, something has got to be done, and we don't want charity if we can help it.

With all the children married and having heavy overhead expenses, dad feels like he is a burden and grieves himself sick. With his heart trouble he is likely to pass out sooner than he would if he was independent.

Knowing he has social security that is rightfully owing to him (which they didn't hesitate to take out), he feels like there

should be someone somewhere who could help him get it. My dad has pride even though his health is gone.

* * * * *

Sincerely.

———, OREG., *October 12, 1948.*

The social-security laws are at present on the list for expansion. As one who feels the present laws are inadequate, I hope by writing to you that with your assistance some change may be made that will make it possible to give aid to a great many deserving persons.

The experience I am about to tell you of has probably happened to many and I feel it is unjust. My husband who was employed for all but 15 months of the 10-year period paid into social security from an average $180-a-month salary. In 1945 because of a series of strokes suffered from high blood pressure, he was totally disabled. This was only 5 quarters away from security coverage. As we understand the law there is no security benefits because he was forced to lose this employment. My husband is only 54 years old at present, unable to ever be employed again and in need of my constant assistance, which prevents me from being employed. Now even if he is permitted to live until he is 65 he can claim no benefits from the premiums deducted from his salary. Yet many men and women 65 who are strong and well have retired and are receiving assistance from the fund which many of the disabled have helped to build. A friend of ours now 65 was totally disabled from a serious heart ailment only a short time before he would have completed his 40 quarters. He is not entitled to any security assistance for which he paid.

There are probably thousands of these individuals, some near 65, others who have only been under the system for a very short time.

I do so hope that by mentioning this to you that you may have something to offer the security committee when they begin expansion. It does seem that some system of percentage assistance could be worked out to benefit those who are totally disabled regardless of their age if they have had deductions made from their pay.

Sincerely yours.

———, WASH., *January 4, 1949.*

* * * * *

The matter I have in mind in connection with the social security law is this: What happens to the man who becomes totally disabled before he reaches the age of 65 years.

For example we have here in the hospital a man 48 years of age, who has been employed in an industry subject to the law since its inception up to the present time. It looks very much as though this man may be declared permanently disabled and not be able to return to his work. He has three dependents besides himself with very little income for future use. Under the present social-security law as I understand it he will have to reach age 65 years before he can receive any benefits.

It may not be possible under the present social-security law to provide for cases as stated above but it certainly would be a wonderful addition to the present law if such a provision could be added to the law.

* * * * *

Respectfully yours.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman is from a great farming State and I am also interested in farmers. Would he give us for the purpose of the record the reason why the committee did not cover farmers as such and farm labor?

Mr. CAMP. We considered that subject perhaps as long as any other question that came before us. There were two or three compelling reasons. One is the fact that there is no demand by the farmers for it.

Mr. CRAWFORD. In my district I have had every indication that there is greater demand for this social-security coverage from people out in the farming districts than in any other part of my district.

Mr. CAMP. I mean by that, sir, nobody representing the farmers came before our committee during the hearings and expressed their unequivocal desire for compulsory coverage.

Another reason was the difficulty of collecting the taxes, not only from the farmer himself but from farm labor. The farmer nowadays does not keep such a good record of his business as other businesses. I hope in the future they will. Another reason was that farm labor to a large extent is transient. A man may hire a bunch of fruit pickers or cotton pickers and never see them again, and that was one of the reasons why farmers were left out. I think farmers should be included. I think that the farmers, when they understand this program, will want to be included.

Mr. CRAWFORD. I join with the gentleman in that, and I think eventually conditions will force them to come in. There will not be a question whether they want to come in; they will have to come in.

Mr. CAMP. Yes; I think so.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from New Jersey.

Mr. EATON. Newspapers have temporary correspondents scattered throughout the agricultural sections who write in a little story every so often. Are they described under this bill as employees and the employers subject to the tax?

Mr. CAMP. No. That was discussed in committee, and they are not included in the bill.

Mr. EATON. They are not included as employees under the definition in this bill.

Mr. CAMP. They are not employees; that is right.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Georgia.

Mr. PRESTON. I, like some other Members, have received a good many letters from doctors about this bill, and I wonder how they became confused. I was informed from various sources that the doctors were not affected; that they were certainly exempted as professional people. I would like to ask the gentleman this question. Does the bill in any way affect the practice of medicine or affect doctors?

Mr. CAMP. In no way whatsoever. Doctors are exempt as other professional men are from social security. That was done because we found that doctors do not retire when they reach the age of 65. I would like to state that the average age of retirement for all workers now is 69 rather than 65. Many of them continue on and work after they are 65. But, we found that doctors, like lawyers and some other professional men, are not used to retiring at the age of 65, and that is why they were left out. I have already stated that there is nothing in this bill that has to do with the practice of medicine or with doctors or with what they call socialized medicine, and this is not the bill to which they are referring.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Arkansas.

Mr. MILLS. Is it not also true that one of the compelling reasons why the committee left out this recommendation in regard to medical care under public assistance was the argument made by the various State medical societies that they did not want it in the bill?

Mr. CAMP. That is right.

Mr. MILLS. I certainly agree with my distinguished friend from Georgia that there is nothing in this bill that would justify any opposition from doctors.

Mr. LANHAM. Mr. Chairman, if the gentleman will yield, have they not confused that with compulsory health insurance?

Mr. MILLS. If the gentleman will yield, I do not believe that doctors have confused this issue with compulsory health insurance. I think they were concerned about inclusion under title II and also the medical-care provisions of the public-assistance program as in H. R. 2893 introduced by the gentleman from North Carolina [Mr. DOUGHTON] by request.

Mr. CRAWFORD. Mr. Chairman, if the gentleman will yield further, I think the gentleman said something to the effect that at some future date we could raise these rates, if necessary. It appears that Mr. Altmeyer testified before the committee in February that there is an actuarial deficit of something like $7,000,000,000 at the present time under the 1 percent payment.

Mr. CAMP. That is right.

Mr. CRAWFORD. What is to happen insofar as H. R. 6000 is concerned on this question of raising rates? Are we raising the rates?

Mr. CAMP. We are raising the rates in this bill to an amount sufficient, according to the best advice we could obtain, to take care of the program in the future.

Mr. CRAWFORD. And those rates now will be what?

Mr. CAMP. They are stated in section 201 of the bill.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I should like to get back to this matter of including the rural people in social security. As I understand, the National Grange and the Farmers Union went on record in favor of social security for farmers. May I ask the gentleman from Arkansas [Mr. MILLS] if that is not correct?

Mr. MILLS. During the course of the hearings both the Farmers Union and the National Grange were represented and recommended that farmers be included under title II, as well as farm labor. In fact, the Farm Bureau adopted

a resolution at a national convention recommending coverage for farm laborers when a workable program for this type of labor can be formulated, but did not take action on any recommendation with respect to farmers.

Mr. MURRAY of Wisconsin. The reason I bring that up is that on yesterday a colleague from New Jersey, from a more or less industrialized region, brought out the fact that the farmer is paying the freight, and I guess he is, because that is an old saying that is heard in the countryside. The farmer buys 40 percent of the manufactured goods of this country. As a matter of fact, he now has to pay a transportation tax on water. He has to pay it on his milk, and that is pretty nearly 90-percent water, so he is even paying a tax on water.

The thing I wish to have in the record is that this story that the farmers do not want social security just does not stand up. It does not stand up right here, because we have just heard that the National Grange and the Farmers Union both have asked that the farmers be included under the Social Security Act.

This is the picture, and I say this with no particular criticism of any individual or group. Out of one pocket we are promoting the family-sized farm through the Farm Home Administration, and over the years it has done a splendid piece of work, especially when you realize that in this country we are down to less than 20 percent of the people living on the farms of the United States. Yet out of the other pocket we are putting out funds to promote the commercial type farms that are putting the other type farms out of business. One large wheat grower has had a $250,000 subsidy and one large certain outfit has had over $800,000 in subsidies. If we are going to have $7,000,000 farms such as Clayton & Co. bought out in California within the last few weeks, and if we are going to have million dollar farms, and expect the family-sized farmer to compete with them, I should like to know how he is going to do it if he is not going to have any minimum wage nor any social security.

You notice they left the farmers out of that minimum wage bill. To be factual about it, we have a minimum wage in the Sugar Act, and that is fixed at such a low amount that it really does not amount to much. Under the Sugar Act, even though a member of the President's Cabinet has the authority to fix the minimum wage, he fixes it at 25 cents and at 29 cents and at 32 cents in Louisiana and 60 and 65 cents in Colorado and California.

American agriculture has to face two things. First is the situation where they do not have any minimum wage. A minimum wage in operation for agriculture would protect the man on the family-sized farm, because his time is worth somewhere near what the minimum wage is. Secondly, he is not going to be included under social security. It is just putting one more insult upon another.

I think the time has come when one class of people that should have been in this bill is the rural people, because not half the people in a lot of those rural districts come under social security. We have many districts like that in the United States. What do they have to look forward to? They can look forward to the time when they get old, and believe me, when you get to be 65 years old you are not going to do too much farming. All they have to look forward to is that they might have someone point a finger at them and call them a relief-er, and yet it all comes out of the same pot, more or less. There is no reason why rural people, not only the farmers, but the rural areas everywhere should not be included under the social-security program.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. MILLS. I desire to congratulate the gentleman on the position he has taken. I recognize the gentleman from Wisconsin as being as well informed as anybody in the House of Representatives on the desires of the farm people and what is best for farm people as far as legislation is concerned. I congratulate the gentleman. I trust the gentleman has made some investigation in his district and that he knows the people of his district are for coverage.

Mr. MURRAY of Wisconsin. I received but one letter that was opposed to social security for farmers. Of course, I do not know the man. I do not understand the circumstances, but I can see why no one wants to pay taxes. You realize that human nature is human nature. A man who has many people working for him probably does not like to put in his share of it. But that has nothing to do with it. I recognize that the rural people should be included and I hope the other body will include them.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. CRAWFORD. We are faced with what I think is a positively terrible situation, I mean economically speaking. The steel board has come out and unconditionally recommended that the employer pay the total amount for the employee. It says in substance "You people who have lived simply and exercised thrift and invested your savings in buildings, machinery, and tools, so that the employees might have a job, shall in addition be responsible for the employees' social welfare."

Industry is accepting that proposition, as cockeyed as it is, because industrial management knows that it will add that cost to the price of the goods to be sold to the farm people. It is not a simple thing to administer the collection of a tax for social security and make the rules and regulations apply to the farm labor and the farm people. I know that. But here is a group of people on the farms in this country where the top level men in this administration say "you must not be too much interested in protecting their wage, I mean the farm wage, because if you do you will overload the budget."

Everywhere you look the scheme is running contrary to the economic interest and protection of farm wages, the farm workers and the farm operators and the farm hired men. We are not on sound ground when we kick out 25 to 30,000,000 farm people and leave them hanging on a string which depends strictly on the whims of Congress so far as appropriations are concerned. I think we should assume the responsibility. I certainly would be a great deal friendlier to H. R. 6000 or the other bill if there was something in them which would give the farm people a chance to have a little security.

Mr. MURRAY of Wisconsin. I thank the gentleman. I am in hopes, I will say to my colleague from Michigan, knowing the interest he has in this problem, that the other body—I know we cannot do it here because this comes to us under a closed rule where we cannot amend the bill—I am in hopes that there will be enough interest there and that farm organizations who have appeared before our committee will also appear before the committee of the other body and will be able to have their position prevail.

I just believe that the great majority of the people will agree that that should be done in the other body.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. HAYS of Arkansas. There is so much good in this bill that I expect to vote for it. But I do want to endorse what the gentleman from Wisconsin has just said about the gap that still remains in our social security program. Unless that gap is ultimately filled a great injustice is going to be done to the farm people of this country.

Mr. MURRAY of Wisconsin. Before we become a party to furnishing company pensions and Federal old-age security under the social-security laws we should at least be interested enough to put all our American people under the social security program.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am happy that we in the House will pass the social-security bill before we adjourn. The sentiment of the country is so overwhelmingly behind the broadening of social security and the extension of its benefits that only 3 of the 10 members of the opposition party on the Ways and Means Committee saw proper to defy the popular will by voting against the reporting out of this measure.

Republican leadership yesterday sought to scuttle the broadening and extension of social security, not by a direct attack on social security, but by opening the door for a thousand amendments, which could not possibly be considered in the time of this session remaining, and thus the bill would die. I think the people of this country—the decent and honest men and women in the ordinary walks of life everywhere—by this time thoroughly understand the reactionary strategy of keeping the face of a friend while administering the poison of legislative paralysis.

In the two roll calls of yesterday the people of America—these men and women back home whom we represent—won a great and heartening victory. Had the

reactionary strategy succeeded, had the result of the roll calls been different, social-security legislation would have been as dead as death itself, and those responsible for its death would have filled the front pews at the funeral still wearing the faces of friends.

No fair-minded person can say that this bill is not a vast improvement on the present social-security law. Is there a man or woman anywhere in America who would say that a worker stricken, say, at 50 or 55, by an illness completely and permanently disabling him must struggle on penniless and neglected until he is 65 before he can receive 1 cent of the social-security benefit for which he paid regularly during all his working years prior to his disabling illness? I am happy that the bill we will pass today, when enacted by the Senate, will serve to pencil some sunshine into the dreary life of the worker stricken down in his prime. It is a human bill, and yet thoroughly and conservatively sound. The provision that I have mentioned—minor, considering that the number of persons stricken in their prime and permanently disabled is relatively small—reflects the spirit of the bill.

The distinguished chairman and the members of the Ways and Means Committee have rendered a great service to the Congress and to the country. We know how diligently they have worked—weeks and weeks, month after month, often their sessions lasting into the late hours of the night. I think the country should know a little better how much real hard, grinding work goes into a bill of the complicated and expansive nature of the one before us. Congressmen, I have found in my brief service here, are without exception hard workers, putting in long hours and getting practically no rest, even on week ends. We all will agree, I know, that the Members who have been called upon to do the hardest work in the Eighty-first Congress have been the chairman and the members of the committee which, as the result of its long months of public hearings and deep study, has brought to us for our approval the bill which today we will pass.

I have an especial pride in the accomplishment of this committee because one of its members is a great son of Illinois, my warm friend of many years and our distinguished colleague, the Honorable THOMAS J. O'BRIEN, whose long years of public service, always with an ear open to the voice of the common people, have endeared him to the people of Chicago and of Illinois.

As to the bill before us, I would have it go much further than it does go, but when I consider that it extends coverage to an excess of 11,000,000 of my countrymen, that it much broadens the benefits and that it is not forgetful even of the girl in domestic employment or the worker suffering a stroke in his prime, I am filled with happy satisfaction that I am here to give it my vote. When later the Senate has acted, and the bill has gone to conference, other provisions which I should like to see included I hope may receive favorable consideration.

I do hope the day will come, and I believe it will come as certainly as the dawn follows the night, when every man and woman in America reaching the age of 60 can retire with a sufficient compensation to provide for a comfortable existence for the remainder of their earthly years. I have never regretted that in the days of the original Townsend plan I gave it encouragement and support as being sound economically and as providing the answer to a plaguing question raised by an industrial order which consumed the youth and prime of the workers and left little opportunity for the aging. When a human being has worked hard during all the years doing a job to be done there is a better provision to be made for him than just putting him in a corner.

I am happy that in the broadening and extension of social security we are making progress, and I shall continue to support with all my heart the social-security program. I shall also continue in every way to help advance the day when every man and woman in America on reaching the age of 60 can retire with the assurance that the compensation to be received will be sufficient comfortably to meet all the requirements of the remaining days.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, old-age and survivors insurance, which is now before the Congress, is probably as complex and complicated as any legislative subject which will be considered by the Congress during the present session. Furthermore, its proper solution is as important as anything which will come before the Congress, with the exception of the matter of preserving world peace.

I became interested 2 years ago in social security when a group of public power district workers approached me in my home city and informed me that they previously had been employed for a period of 7 years by a private power company. Throughout that 7-year period they had paid old-age and survivors insurance withholding taxes. At the end of this 7 years this private utility was purchased by a public power company. Thereafter these people, because they now were public employees, were unable to pay any social-security taxes. Because they were prohibited from paying the withholding taxes, they could never acquire the additional credits they needed to qualify for an old-age pension at age 65. Their case appealed to me as constituting an injustice.

Then a man approached me who had been employed as a clerk in a shoe store for a period of 9 years and 9 months, 39 quarters. At the end of that time he was made a partner in the business. He became a self-employed person. This disqualified him from paying old-age and survivors withholding taxes. A young man must have 40 quarters, or 10 years, of withholding-tax payments before he can get a pension. This man could not pay withholding taxes, for the self-employed are barred under the present law from participation. Therefore, this man, who had paid taxes for 9 years and 9 months, was denied a chance to get a pension. The Government, furthermore, was going to keep all the premiums he had paid in, amounting to $570. That was not fair.

Then I was approached by a group of foreign wars veterans, who called my attention to the fact that World War II veterans are not given any credit for the period they served in the armed services during World War II. Since they were given no credit for that period, they might not accumulate the necessary 40 quarters of credits necessary to secure a pension.

These three problems engrossed my attention, and in seeking to find a remedy for these three injustices to these three groups, I started some research with the social-security department and the Library of Congress. Then, in the spring of 1948 during the Eightieth Congress, after considerable research, I introduced a social-security bill, four provisions of which, or ones very similar to them, are contained in the bill now under consideration. I reintroduced that bill on the first day of the present session of the Eighty-first Congress. My bill was given the number H. R. 258. That bill provides for coverage almost identical to that provided in the committee bill. It provides for pensions but on a slightly different formula to that contained in the committee bill. The formula for pension grants in my bill is so close to that of the committee bill that under my bill a $250-a-month worker, at the end of 40 continuous years of coverage, would receive $77 a month, whereas under the committee bill he would receive $78. The difference is only $1 or a difference of less than 2 percent. My bill provided that the $14.99 limit on what a pensioner may earn in covered employment without forfeiting his pension for that month be increased to $50. There is an identical provision in the committee bill.

My bill also provided that World War II veterans shall have $160 a month credit for the period they were in the armed services during World War II, which is practically the same as a provision contained in the committee bill.

While some are prone to criticize the committee, I am inclined to believe that, on the whole, it has done a pretty good job with a most intricate and complicated piece of legislation.

I do not mean to infer that I agree with everything that is in the committee bill. I do not. There are provisions in the committee bill which I do not believe should be contained in it.

The definitions as to who are employees and who are employers are not spelled out very carefully or satisfactorily in the committee bill. I hope the committee bill, when it goes to the Senate, will be corrected in this respect. On this point the Kean bill is much clearer and much more satisfactory in my opinion.

I think the provisions in this bill, as they relate to disability protection, should be carefully and searchingly studied particularly as to costs. Before any bill is finally adopted by both bodies it should be determined that the revenues to be derived from withholding taxes will be adequate to meet the costs of all provisions the legislation contains.

I am very much disapointed that a majority of this House voted to bring this

bill out under a "gag" rule that prohibits any amendments being made to this bill.

This "gag" rule prohibits and prevents taking out of this bill some provisions that are unfair, unjust, and defective.

For example, one provision of this bill excludes the publishers of 20,000 small weekly newspapers from enjoying the benefits of this legislation.

The publishers of daily newspapers are given the protection of the old-age and survivors insurance provided by this bill. The weekly publishers are not.

The butcher, the baker, the grocer, the laundry owner, the garage operator, and every other small-business man is brought under the benefits of this bill but the small weekly newspaper publisher is not. That is not right. This section ought to be stricken from the bill by the Senate so that weekly newspaper publishers who, in nearly all cases are small-business men, can enjoy the benefits of this legislation.

The daily newspaper publisher is covered because in most cases his business is incorporated. The owners of incorporated businesses are regarded under the law as employees, and as employees, are covered.

Few weekly newspaper operations are incorporated. The publishers, therefore, are self-employed persons and this bill specifically, on page 54, says, they are barred from participating in this insurance protection. This is a gross injustice to the 20,000 weekly publishers of the Nation. I am sure that if I offered an amendment to allow weekly publishers this insurance it would be overwhelmingly adopted. I cannot, however, offer such an amendment because the "gag" rule which has been adopted prevents me or anyone else from offering any amendment.

RAILROAD WORKER INJUSTICE

This injustice to the 20,000 weekly newspaper publishers of America is not the only inadequacy in this bill. There are many others and, except for this "gag" rule, we could offer amendments and correct these injustices.

One of my constituents worked as a locomotive engineer 4 years for a private logging railroad. For those 4 years he was under social security and paid withholding taxes into the old-age and survivors insurance fund. For the next 4 years he worked as a locomotive engineer on the main line of the Northern Pacific Railroad. During those 4 years he paid withholding taxes into the railroad retirement fund which is also administered by the Federal Government. Then, for 4 years, he worked as a post office janitor and for those 4 years paid withholding taxes into the Federal employees' retirement fund, which, like the other two funds, is administered by the Federal Government.

Now, this worker finds, that although he has paid withholding taxes for 12 years into three different Government pension funds, all federally administered, that he is not entitled to any pension under any of these funds because he has not been under any one of these systems long enough to qualify under any of them.

This bill does not correct the injustice done this man and it ought to. We could have corrected that injustice, which undoubtedly has been done to thousands like him, if this bill had not come out under a "gag" rule that prohibits amendments.

APPLE PACKER INJUSTICE

I know of a man who has worked in a fruit packing plant for many years. He has worked in the same plant, in the same town and for the same employer all of these years. He spends half his time making up apple boxes and half of it putting apples into the boxes.

Under the present law the time he spent putting apples into the box is defined as agricultural work and is not covered by social security. The time he spent making apple boxes is classified as factory labor and does come under social security. As a result of this strange inconsistency this worker has been given 5 years of coverage and denied 5 years of other coverage on the ground that half of the time as an apple packer he was an agricultural worker and not eligible for coverage during that period. This was an injustice that could have been corrected, I feel, had the House been given an opportunity to amend this bill.

These are but a few examples of injustices and inadequacies that could and would be amended except for the "gag" rule which prohibits amendments.

INCREASED BENEFITS NEEDED

I favor increased benefits for those who are covered by social security. I favor them because the old folk need them. I favor increased benefits also because old-age pensions are here, and here to stay, and we must develop a sound and enduring system, which I believe old-age and survivors insurance is.

Under old-age and survivors insurance the beneficiary, in the earning years of his youth, must pay withholding taxes—these might be called premiums on an insurance policy—every pay day. In return for these payments of withholding taxes, he will in his old age receive a monthly pension. In short, everyone will be paying for his own pension. They will not be getting something for nothing.

This is sound. It is sound because it provides for raising the money to pay the insurance benefits. Any old-age system that does not have a contributing feature, in my opinion, cannot and will not endure.

Old-age assistance administered by the States in the year that started last July 1 will cost the taxpayers, State and Federal, of this Nation, $1,980,000,000, or in round figures $2,000,000,000.

The number of persons attaining the age of 65 is increasing and, furthermore, thanks to our best-in-the-world American medical science, these oldsters are living long after 65. It is not unlikely that within the foreseeable future the cost of old-age assistance which is administered by the States, may become four, six, or eight billion dollars a year.

If we are going to keep our State and Federal Governments solvent we must develop on sound principles an old-age pension system under which everyone, or nearly everyone, will pay each pay day in the productive, earning years of his youth into a fund from which he will derive his pension in old age when his earning power declines or vanishes. Any other type of system is apt to fail and for old-age pensions to fail after having been so well established in this country would wreak great social, economic, and political harm on the country.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. JENKINS. Mr. Chairman, I yield to the gentleman from Ohio [Mr. McGREGOR] such time as he may desire.

Mr. McGREGOR. Mr. Chairman, social security is a much-needed program as it provides financial independence for old folks no longer able to work. Properly administered, it would do just that.

The social-security objective is excellent—the plan for financing it is deceptive.

Social-security taxes are paid to insure security in old age. Uncle Sam has collected $15,000,000,000 for that purpose, but he has spent every cent collected for current needs. It was spent as fast as it was collected. Instead of setting aside this money for future use to pay benefits when they come due, Uncle Sam spent it and put his I O U's in the vault where the cash collected should be. In other words, there is no cash reserve funds in the agency for social-security benefits.

The Federal Government's operating costs as of June 30, 1949, were $1,500,000,000 in the red for the first quarter of 1949. Congress and the people said "No" to President Truman's request for higher income taxes. Increasing the old-age security-insurance taxes will bring extra billions for current expenses. So, since President Truman refuses to cut Government expenses to balance the budget, he proposes to soak the poor to balance the budget through increased old-age security-insurance taxes.

I voted to bring this bill, H. R. 6000, on the floor of the House of Representatives for consideration under an open rule so that the bill could be amended, and the philosophy of financing could be corrected, as well as many other phases of the social-security law. However, by great pressure from the majority-party leadership, we find the "gag" rule governing our consideration of this legislation, and we have no chance whatsoever by way of amendments to make any changes. We have to take a lot of bad along with the good.

I am going to vote for H. R. 6000 because I believe in the principles involved, but I am very glad that I voted in opposition to the "gag" rule as I feel that we should have had the opportunity to correct the many injustices that are included in this legislation.

Mr. JENKINS. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, the fact that the Angell bill, H. R. 2136, is not presented here at this time sustains the 10-year frustration I have had ever since I have been in Congress by being unable to vote for the

type of pension legislation that I would like to.

The labor strife that is presently rampant throughout the country is caused by the very course we are following here today. The subject is old-age pensions, but organized labor is calling for it in piecemeal fashion just as the Congress is attempting to legislate now. I think it is a mistake. I think that old-age pensions should be universal and should include everybody, not just a few.

Why should a hundred thousand miners up in Scranton and elsewhere, because they are strong enough to have leaders like John L. Lewis and other men, be able to get what they want in Washington while they leave the rest of us out in the cold? Why should a million steelworkers, or two or three million Government workers, because they happen to be able to have a sympathetic ear either in the Congress or in the NLRB, or wherever their differences are threshed out, be able to obtain big pensions at the expense of the rest of us? I say the subject of old-age pensions should apply to every American citizen regardless of his race, creed, color, or his station in life. That is the position I have always maintained. It is a sincere position; it is an honest position.

We fail in our duty if we continue the piecemeal method; that is, by legislating into social security each year a few hundred thousand here or a million there until finally, after a century of progress, we get pensions for the whole body politic. For that reason I should like to see legislation passed today to include all citizens of the United States in a universal old-age, pay-as-you-go, reasonable pension. It certainly is less than fair to exclude the millions who are not yet taken in.

If you are one of the 9 out of every 10 you will not be able to make a living after you reach the unemployable age. Therefore you have three recourses: First, when you reach the age of 60, to retire to the poorhouse; second, to live on your children; and, third, to take a pauper's oath and sign over everything you have in the world to the public charity for what little you are able to get back. This is wrong, and we should certainly correct it.

Neither bill before us today will remedy such a deplorable situation.

Only by passing a pension measure to apply to everybody over 60 years of age can we be fair to the American people. Anything short of this will fail to meet the most challenging issue of our day, security in the lateness of life.

Why not prepare our older people for happiness in their declining years? Why not give them comfort and satisfaction in their remaining days?

Adequate old-age pensions for all will help our senior citizens to anticipate and to yearn for complete realization of the immortal words of Rabbi Ben Ezra in the lines of Browning's poem of that name:

> Grow old along with me,
> The best is yet to be,
> The last of life
> For which the first was made.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I would feel remiss in my duty if I did not take this occasion to express my high regard for the patience, perseverance, and the persuasiveness of our distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON], in finally bringing this bill, H. R. 6000, to the floor of the House. That it is a good bill is evidenced by the fact that after 6 months of intensive study, after hearing scores of witnesses, after taking hundreds of pages of testimony and after long hours of deliberation in executive session, the committee reported out this bill by a vote of 22 to 3.

I say it is also a good bill as I look at the clock, because this bill has kept me here to try to help its passage through when the world's series is going on right in my district and I have two tickets for the game this afternoon. I cannot use them, but must be content with the radio reports and the hope that the Yankees, the team from my district, will win the game. Meanwhile I must content myself with trying to get them and the Dodgers old-age insurance.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I wish the gentleman would have let me know. I would have taken them.

Mr. LYNCH. I will give the gentleman my ticket for today.

Mr. Chairman, this is a bill which in my judgment merits the support of every Member of the House and I make so bold as to predict that there will be very few votes in opposition to it on final passage. I was very well pleased to hear the distinguished gentleman from Washington [Mr. MACK] appraise the bill in the manner in which he did. We shall look forward to his joining us in the passage of the bill. Insofar as the editors and publishers of country newspapers are concerned, may I say to the gentleman from Washington I am sure that if we knew they were desirous of being covered by this bill we certainly would have had them in. Perhaps we can get them in on the other side of the Capitol when the bill goes over, if they are really anxious to be included.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Michigan.

Mr. MICHENER. Did the gentleman's committee give consideration to the administration of the bill if farmers were included? I voted for the original bill and I voted for every amendment. My understanding has always been the only reason farmers were not included was a matter of administration, that administration would be almost impossible.

Mr. LYNCH. In answer to the inquiry of the gentleman from Michigan my understanding is that the problem of administration in the opinion of the Social Security Administration has been solved. For one, I am thoroughly in accord with the remarks made by the gentleman from Wisconsin [Mr. MURRAY], that farmers and farm labor should be covered. But our information was, and it is my distinct recollection, that originally the Grange came in and advocated coverage only on the theory of voluntary admission on the part of the farmer. Voluntary admission as such is not sound administratively. But if all farmers and farm laborers were brought in or if farm laborers only were brought in, this bill, in my opinion, would still be a better bill than it is today because I am convinced personally that just as the self-employed now are most desirous of being covered by social security so, too, would the farm operators be desirous of being covered by social security once their farm laborers were covered and they understood the benefits of social security perhaps a little better than I am told they understand it at this time.

The real reason they are not covered in this bill is that there was no great demand from the farmers, according to our understanding, or from the farm laborers. We had men on the committee who came from rural communities and who are familiar with the situation. We bowed to the better judgment of those members.

My distinguished friend and colleague on the committee the gentleman from Pennsylvania complained about the tax that was being imposed. He called it an income tax. Of course, it is an income tax to a certain extent on the employees and insofar as the employer is concerned I suppose it could be called an excise tax. But, in any event, we must have a tax to cover this social security, and the thing that amazes me so much is that our distinguished friend from Pennsylvania was one of those who helped most in getting the bill out. So, I would be inclined to ask him whether or not he is actually in favor of social security, and if he is in favor of social security is he actually in favor of increased benefits and increased coverage? We give increased benefits and we give increased coverage under this bill, and in the year 1950, next year, we do not raise the tax. The tax was raised by the Eightieth Congress, if you will recall, when they fixed the tax for 1950 at 1½ percent. Insofar as the Kean bill is concerned, both the Kean bill and our bill impose a 2-percent tax in 1951. We do not differ in the amount of the tax until we get to 1960, and H. R. 6000 goes up to 2½ percent, and a few years later the Kean bill goes up to 2½ percent. So it goes until we reach 3¼ percent in 1970 and the Kean bill reaches 3 percent in 1980.

From the debate that has previously ensued one might conclude that labor was not in favor of this bill because it does not cover the five best wage years of an employee to determine his average wage. So that there may be no misunderstanding of the position of labor on this bill, let me read a telegram that was received only a few hours ago by the gentleman from North Carolina [Mr. DOUGHTON], chairman of our committee, from William Green, president of the American Federation of Labor,

who is at the annual convention of his organization held this year in St. Paul, Minn.:

Hon. ROBERT L. DOUGHTON,
Chairman Committee on Ways and Means,
House of Representatives,
Washington, D. C.:

The convention of the American Federation of Labor in session in St. Paul, Minn., departing from the regular order of business this afternoon considered the proposals for liberalizing social security contained in H. R. 6000. The convention, representing 8,000,000 workers and their families, unanimously endorsed this bill and in response to the convention action I am asking you to urge the United States House of Representatives to act favorably on this important measure. The millions of elderly retired workers and workers' survivors look to Congress to act on their behalf. Many more millions of working people look to Congress to remove the constant fear of dependent old age and physical disability. The passage of H. R. 6000 will be a long step in that direction.

WILLIAM GREEN,
President, American Federation of Labor.

That should settle all doubt as to how labor stands on this bill.

Those are the points that I desire to make with respect to the contrast between this bill and the bill which will be offered in the motion to recommit. There is no doubt in my mind that H. R. 6000 is the bill that is most desired by the people.

In order to speed the day when contributory social insurance will replace public assistance as the primary method of providing basic protection against the economic hazards of old age, disability, and death, it is essential that the coverage of the insurance system be broadened without further delay.

Too large a part of the labor force of America must work in employment not covered by social insurance. Of the 80,000,000 individuals with old-age and survivors insurance wage credits, only 43,000,000 are fully or currently insured. Thirty-seven million individuals with wage credits do not have an insured status in spite of the fact that to be currently insured a worker need have only six calendar quarters of coverage out of the last 12 quarters.

Some workers make no contributions to the system and, of course, never become eligible for benefits. Many others, as indicated by these figures, shift between covered and noncovered jobs, and although they pay taxes on their wages from covered employment, they often not only fail to obtain sufficient quarters of coverage for benefit purposes but also suffer the loss of their contributions. Moreover, time spent in noncovered employment reduces the amount of the benefits paid a worker and his dependents when he has been in covered employment for the necessary period of time to obtain an insured status.

COVERAGE PROVISIONS OF H. R. 6000

H. R. 6000 would extend the Federal social-insurance system to about 11,000,000 jobs now excluded. This would eliminate many of the inequities and anomalies which arise when workers shift between covered and noncovered employment, and would bring millions of workers under the system for the first time so that they would be afforded an opportunity to obtain the basic protection that it provides.

The bill would extend coverage to eight groups of workers and also make the Federal social-insurance system available to Puerto Rico and the Virgin Islands. These groups are (1) self-employed persons other than farmers and certain professional groups, (2) employees of State and local governments, (3) employees of nonprofit organizations, (4) domestic servants employed on a regular basis in other than farm homes, (5) employees performing borderline agricultural services that are essentially commercial and industrial, (6) certain Federal employees not covered under any other retirement system, (7) American citizens employed outside the United States by American employers, and (8) salesmen, industrial home workers, driver-lessees of taxicabs, and other persons who are technically not employees at common law.

The individuals who make up these eight groups are dependent upon income from work and they need the basic protection that would be afforded them under the bill as much as, and in some instances more than, those already covered. Failure to provide social insurance coverage for these individuals would mean that many of them would be forced to rely on public assistance to meet their needs in old age or in case they become permanently and totally disabled.

THE NONFARM SELF-EMPLOYED

About 4,500,000 nonfarm self-employed would be covered during an average week. Between 35 and 40 percent of this number are storekeepers and other retailers, including, for example, proprietors of unincorporated shoe stores, clothing stores, grocery stores, restaurants, and filling stations. Approximately 20 to 25 percent are proprietors of such service establishments as hotels, boarding houses, garages, laundries, barber shops, and places of amusement. From 12 to 15 percent are engaged in the construction industry, including small-scale plumbing, painting, and electrical contractors. The remaining 25 to 30 percent is made up of wholesale merchants, agents and brokers, small-scale manufacturers, independent taxicab owners, and proprietors of real-estate and insurance enterprises. The following professional groups, which represent about 400,000 individuals, would continue to be excluded; that is, doctors, dentists, osteopaths, chiropractors, Christian Scientist practitioners, optometrists, veterinarians, lawyers, publishers, and aeronautical, chemical, civil, electrical, mechanical, metallurgical, and mining engineers.

It is because those people had employees for whom they were paying the tax that they became acquainted with the benefits of social security. When they see the benefits of social security they desire to be covered likewise. In further answer to the gentleman from Michigan [Mr. MICHENER], I think that once farm labor is covered the farmers themselves will understand what social security is and will desire to have further protection for themselves.

The desirability of extending old-age and survivors coverage to the urban self-employed, as provided in the bill, has long been generally acknowledged. Many operators of small-business establishments have requested that they be brought under the system. Many of you have been told by storekeepers, barbers, plumbers, and others in business for themselves of the injustice they suffer under the existing system which requires them to contribute to social-security protection for their employees while being denied the same protection for themselves. We must remember that many small businesses are run by the owner with the aid of his family or by employing one or two other persons to assist him. Often the operator of a small business is just as much in need of social-insurance protection as is his employee, and many times in later life more entitled to coverage. Moreover, we must remember that the mechanic working in a garage, or the clerk in a retail store, or the barber working for wages, all of whom are covered by the system, frequently become operators of their own business establishments in true American fashion. Without extension of coverage to the self-employed, wage earners are penalized when they leave covered employment to start businesses of their own for they either lose the insured status they obtained as employees or retain eligibility for small benefits only.

Under H. R. 6000 we try to keep them covered by this provision for coverage of the self-employed, so that if a man has been employed in a garage for a period of say 5 or 7 years, and has secured wage credits during that period of time, and then goes out and opens his own garage, he will not in the future, as he does under present law, forfeit his benefits or have his benefits diminished by reason of the fact that he has left covered employment to go into business for himself.

The exclusion of the urban self-employed from the old-age and survivors insurance system by the past Congresses was based primarily on the expectation that there would be administrative difficulties in collecting contributions and in obtaining wage reports. The administrative agencies have had 13 years of successful experience with coverage of employees in industry and commerce. This experience, coupled with the fact that most self-employed persons now have to file income-tax returns, makes the original reason for withholding coverage inapplicable to the extension of coverage as proposed in H. R. 6000. A self-employed individual would report his income for social-security purposes by transferring information from his income-tax return to a simple supplementary form, or an additional item might be provided on the income-tax return. Unless his net earnings from self-employment amount to $400 or more a year, he pays no self-employment tax, thereby eliminating the collection of inconsequential amounts.

Under H. R. 6000 we intend to cover the employees of State and local governments, who number about 3,800,000, who are not now in any established pension fund or pension system.

Except for certain workers who formerly were employed by privately owned transit companies, coverage of State and local government employees would be effected by voluntary compacts between the States and the Federal Government.

I believe that these workers need the basic protection afforded by the Federal social-security system. Their average earnings are less than those in private industry. The average monthly salary during October 1948 was $185 for nonschool employees and $225 for school employees as compared with an average wage of $235 in manufacturing industries.

Only about 65 percent of State and local workers are under a retirement system and these systems are designed primarily for employees who remain with the employing unit of government until retirement. Employees who leave government jobs before attaining retirement age usually must forfeit their rights to retirement benefits. A large number of workers are affected by this provision in State and local retirement plans because many of them shift between one governmental unit to another, or between government and private industry. The extent of the shift in employment by State and local workers is indicated by these figures—in 1948 there was a total of 5,000,000 persons employed by State and local units of government while the average number employed in the year was less than 4,000,000.

The bill would not permit the extension of the Federal social-security system to State and local workers covered by another retirement system unless these employees and the beneficiaries of such a system elected coverage by a two-thirds majority vote in a written referendum. This provision would enable those who have a direct interest in an adequate retirement system to safeguard their rights. The decision as to whether or not the protection afforded by the Federal program is desirable is left to them. Many employees in private industry have the protection of both the Federal system and private pension plans and a similar arrangement may benefit State and local employees. The Federal program may provide types of protection not available under a State or local plan and, in all instances, can serve as a basic protection to employees who shift between public and private employment.

PUBLIC TRANSPORTATION WORKERS

The bill includes special provisions for extending coverage to employees of public transportation systems if these employees were employed by a privately owned transportation system taken over by a political unit of a State. These provisions are designed to correct the unfairness of the present law which penalizes the employees of a privately owned transportation system which becomes a publicly owned system.

Wages earned by employees of the private companies are subject to the old-age and survivors insurance pay-roll tax. When the private system becomes a publicly owned system, of course, these same workers no longer are under social security. The result is that they either suffer the loss of all rights to old-age and survivors insurance benefits or a reduction in the amount of benefits they would receive if they had remained in covered employment.

It is gross injustice to take away or decrease a worker's old-age and survivors insurance protection solely because he works for a new employer that happens to be a political unit or instrumentality of a State. The worker usually performs the same daily tasks for the public transportation system that he performed for the private company. For him, nothing may be changed except that his pay check is signed by an officer of another corporation. He may continue to drive the same bus, travel the same route, use the same schedule, and report to the same supervisor.

The bill would distinguish between employees of a transportation system that was taken over by a governmental unit after 1936 but before 1950, and the employees of a system acquired after 1949. In the first case—where the transportation system was acquired between 1936 and 1950—coverage would be extended to the workers that were employed by the private company on the date it was taken over, unless the employing governmental unit elects against such coverage. In the case where the transportation company is acquired by the governmental unit after 1949, coverage of the employees taken over from the private employer would continue to be compulsory.

This distinction between employees of private transportation companies taken over by a governmental unit prior to 1950 and those taken over subsequently is made because where the private company has been acquired by a governmental unit in the past, arrangements may have been made for coverage of the employees under an existing retirement plan.

We have seen instances in New York, Boston, Chicago, and other large cities where men have for years been working for private transportation companies. These companies have subsequently been taken over by the city or State and the men have found themselves deprived of their social security and compelled to enter municipal or State pension systems at an age which gives them extremely small pensions when they reach retirement.

I have hundreds of such workers in my own district. In New York City today we have certain private bus transportation lines. The tendency is, in New York City at least, and I believe elsewhere, to have all the transportation city-owned and operated. I have no doubt that within a short time all our local transportation lines will be owned and operated by New York City. As the years go on the position of the employees of these private lines, insofar as retirement is concerned, will become more precarious because they will have more money paid into social security, and the benefits which they would receive, will either be lost or substantially reduced, if the private lines for which they work are taken over by New York City. This situation cannot longer be tolerated. These men must be protected in their retirement. It is not sufficient that at their advanced years they be given the opportunity of entering a city-pension fund, to which they must pay a higher percent of their earnings and receive less in benefits.

This bill would protect their retirement in the event that the transportation lines are taken over by the city by compelling the city to continue them in social security if the city takes over the transportation line after December 31, 1949.

EMPLOYEES OF NONPROFIT ORGANIZATIONS

The bill would extend coverage to employees of religious, charitable, and other nonprofit organizations except members of the clergy and religious orders. About 600,000 such employees would be covered in the course of an average week.

There is almost unanimous agreement among leaders of religious, charitable, scientific, and educational agencies as to the desirability of providing social security protection to employees of these institutions. Major disagreement has arisen in the past, however, over the method of affording this protection. Some have advocated compulsory coverage of these employees on the same basis as if they worked for a private employer engaged in business for profit. Others have advocated that coverage should be on a voluntary basis so the institution desiring coverage for its employees could enter into an agreement with the Federal Government to obtain such coverage.

In my opinion, neither of these proposals is as satisfactory as the one contained in the bill. The first infringes on the traditionally tax-exempt status of these nonprofit institutions. The second gives no basic social-security protection to employees of institutions that fail to elect to come under the system. The bill would not only safeguard the tax-exempt status of all religious, charitable, and other nonprofit organizations but would afford basic protection to all employees of such institutions except members of the clergy and religious orders.

The result would be accomplished under the provisions of the bill by continuing the exemption from the employer tax, unless an organization elects to pay the employer tax by waiving the exemption, although the regular compulsory contribution would be imposed on the employees. If an organization elects to pay the employers' tax, the employees receive full credit toward benefits on their wages. Otherwise only one-half of their wages would be credited for benefit purposes.

Although employees of a nonprofit institution that does not elect to pay the employers' tax would receive a reduction in benefits they would still be afforded substantial protection under the old-age disability and survivors insurance program. Even though the employees' wage credits would be reduced by one-half, the amount of benefits payable to them or their dependents would not be decreased a like amount. The benefit formula in the bill is weighted in favor of low-paid employees and this weighting would also help the employees of a nonprofit institution that did not assume the

employees' share of the tax. For example, the base benefit amount for a retired worker with wage credits of $300 per month would be $70 but if the worker's wage credits were only $150 per month the base benefit amount would be $55.

I believe that practically all nonprofit agencies will elect to give their employees the full benefits under the social-security system and that the payment of benefits based on one-half wage credits will be rare. Nonetheless, even in the few instances in which a nonprofit agency may not waive its tax-exempt status, it is important to have the benefit level sufficiently high to provide these workers with a basic floor of protection. Many employees of nonprofit institutions are nonprofessional workers, such as janitors, charwomen, and clerks, for whom a reasonable level of benefits is necessary to avoid dependency upon public assistance in their old age or in case they become totally and permanently disabled.

I think the bill provides the best method that can be devised for extending coverage to employees of religious, charitable, and other nonprofit organizations. Neither the rights of the employer nor the rights of the employees are violated.

DOMESTIC SERVANTS

The bill would extend coverage to nearly 1,000,000 domestic workers employed on a regular basis. Domestics employed on farms operated for profit would continue to be excluded from coverage.

In order for domestic workers in private homes to be classified as regularly employed they must be employed by one employer for at least 26 days in a calendar quarter and be paid $25 or more in cash wages during the quarter period. Under this definition most domestic workers who are employed on a weekly or monthly basis would be afforded the protection of the program, but most part-time workers, and all casual or intermittent workers would be excluded from coverage.

Practically everyone has recognized that domestic servants need social insurance protection fully as much as any group covered by the program. The overwhelming majority of household workers are women. A relatively large number of them are widowed or divorced or separated from their husbands and are more dependent upon their own earnings than women workers in general. Nonetheless domestic servants in private homes have been excluded from coverage in the past, because of the special administrative problems created by many of the characteristics of their employment.

The provisions of H. R. 6000 are designed to reduce administrative procedures to a minimum. Intermittent and casual domestic service would be excluded from coverage in order to simplify procedures for collecting contributions and the reporting of wages.

I regret the continued exclusion of these intermittent and casual workers. I recognize, as did the majority of members of the Committee on Ways and Means, that it is difficult for them to lay aside sufficient funds from their earnings to avoid want in their old age or in case they become permanently and totally disabled. Moreover, their dependents are in need of the survivorship protection afforded by the social-security system. Before attempting to cover all domestic workers, however, I think the practical thing to do is to begin by extending coverage to those domestic servants who are regularly employed as defined by the bill. Social insurance coverage of household workers introduces new problems for the administrative agencies. Housewives generally do not keep records of expenditures for wages. Limited extension of coverage as proposed in the bill would assure the success of bringing social-insurance protection to nearly 1,000,000 workers. On the other hand, broader extension of coverage at this time may jeopardize continuous protection for this group. For this reason, I say let us proceed with caution and cover only the regularly employed domestic workers and thus afford the Treasury Department and the Social Security Administration actual administrative experience in this new coverage field. I am certain that this experience will prove invaluable in developing satisfactory methods for extending coverage to additional domestic workers within the next few years.

Before leaving the subject of coverage of domestic workers, I wish to point out that the bill would also extend coverage to nonstudent domestic workers of college clubs, fraternities, and sororities, whose remuneration is at least $100 in a calendar quarter. The coverage of this group of workers, of course, does not create any new administrative problems as the characteristics of their employment are similar to those of workers in industry or commerce. Students performing domestic work for such employers would continue to be excluded from coverage.

EMPLOYEES PERFORMING BORDER-LINE AGRICULTURAL SERVICES

Coverage would also be extended to 200,000 persons engaged in services now excluded as agricultural, whereas in reality they are essentially commercial and industrial. By redefining the term "agricultural labor" the bill would extend coverage to services performed off the farm in connection with the raising or harvesting of mushrooms, the hatching of poultry, and the operation or maintenance of irrigation ditches, and to services performed in the processing of maple sap into maple sirup or maple sugar—as distinguished from the gathering of maple sap. The persons performing these services do not consider that they are doing agricultural work. Moreover, there is neither justice nor logic in the present provisions of law that exclude a bookkeeper from coverage under social insurance when he leaves his job in a retail store and accepts work in a hatchery across the street. The bill would eliminate the inequities and anomalies which now occur in cases of this type.

Coverage would also be extended to individuals performing post-harvesting services in the employ of commercial handlers of fruit and vegetables, or in the employ of farmers' cooperatives, irrespective of the agricultural commodities in connection with which the services are performed.

If these services are performed for an operator of a farm or a group of operators of farms—other than a cooperative organization they would continue to be excluded from coverage. Thus, if the services are actually performed as a part of farming operations, they would be concluded to be such; otherwise they would be classified to be what they really are—commercial—and, therefore, covered by the social-insurance system.

FEDERAL EMPLOYEES NOT COVERED BY A RETIREMENT SYSTEM

The bill would extend coverage to about 100,000 civilian employees of the Federal Government and its instrumentalities. Employees who are under a federally established retirement system, employees of the legislative branch and elected officials in the executive branch of the Government would not be included. Certain other Federal employees would also continue to be excluded from social-security coverage even though they are not under a retirement system. These are, in general, (1) employees who work for short periods of time, such as, those engaged by the Department of Commerce in taking a census or by the Post Office Department during the holiday season, and (2) employees who are in positions that will eventually be covered under some other Federal retirement system. By their exclusions the nuisance of reporting inconsequential amounts would be avoided and contributions would not be collected from those who have or are likely to obtain protection under another Federal retirement system.

The limited coverage of Federal employees that would be provided by the bill meets an apparent need without interfering with other Federal retirement systems. Coverage would be extended to individuals who are regular members of the labor force and who are likely to shift between Federal and private employment and so lose or reduce any protection they might have under the social-security system. Coverage under the old-age, disability, and survivors insurance program while they are employed by the Federal Government will enable these workers to continue to be fully protected.

AMERICAN CITIZENS EMPLOYED OUTSIDE THE UNITED STATES

Coverage would be extended to about 150,000 American citizens who work outside the United States for American employers. Generally those workers have close personal ties with the United States and are a part of the American economy. Often their families remain here while they work in a foreign country for a year or two.

I believe it is only fair to protect the social insurance status of an American citizen who accepts work outside the United States for an American employer. The employment covered would be performed for employers already subject to the tax laws of this country so that no administrative difficulties are created and I know of no valid reason for continuing to exclude this group of American citizens.

The bill would also extend coverage to employment performed on American air-

craft outside the United States, under the conditions which apply under existing law to maritime service performed outside the United States. In other words, the personnel employed on an airplane would be given the same right to old-age, disability, and survivors protection as the personnel employed on a seagoing vessel.

SALESMEN, INDUSTRIAL HOME WORKERS, AND OTHERS TECHNICALLY NOT EMPLOYEES AT COMMON LAW

The bill would redefine "employee" and thereby restore coverage to from 500,000 to 750,000 salesmen, taxi drivers, industrial home workers, contract loggers, mine lessees, agent-drivers, commission drivers, and other persons technically not employees at common law who were deprived of employee status by Public Law 642, Eightieth Congress, the so-called Gearhart resolution. These workers who were taken out from under the social insurance program by the Eightieth Congress are dependent upon their earnings from work like other groups covered as employees under the bill.

It is our intention to bring under coverage those who were callously thrown out of social security by the Gearhart Act, and likewise to circumvent unscrupulous employers, who believe that by entering into contracts with agent-driver and commission-driver salesmen and similarly situated salesmen, stating that they are independent contractors, they can go behind the intent of the Social Security Act. Contract or no contract, we look at the nature of the whole deal without subterfuges. For example, the fact that a salesman owns his own automobile for the transportation of himself and the commodity he sells will not of itself make him an independent contractor, especially when he sells under the direction of the other contracting party, calls on specified customers in a certain area, and devotes the whole or greater part of his time selling the merchandise of the other contracting party. Many employers would like to have their salesmen designated "self-employed" and thus save their share of the tax. It is the intention of the bill to bring under coverage as many as can fairly be done so, without straining the point of employment on the one hand, and without permitting subterfuge on the other for the purpose of evading the tax.

I shall not discuss the definition of employee contained in the bill as it will be discussed in detail by other members of the Committee on Ways and Means. I do want to say, however, that the extension of old-age, disability, and survivors insurance to this group of workers, who are in reality employees, would correct the injustices done them by the Gearhart resolution adopted last year. I opposed the exclusion of these workers from the social-security system last year. My opinion has not changed and I am glad to support the extension of the old-age, disability, and survivors system to them as provided in the bill.

PUERTO RICO AND THE VIRGIN ISLANDS

Both the insurance and public-assistance programs would be extended to the Virgin Islands and Puerto Rico under the provisions of H. R. 6000. However, the insurance program would not become effective in Puerto Rico until approved by its legislature.

Social-security legislation already covers Alaska and Hawaii, and the committee believes that it should be extended to these two other important possessions. These islands, with their limited economic resources, have been unable to raise sufficient funds to care for their needy people. At the same time their economies are becoming more and more closely intermeshed with that on the mainland and there is considerable migration, so that the provisions of the insurance system should become universal.

At present the Federal Government makes grants to both Puerto Rico and the Virgin Islands for public health and child welfare and to Puerto Rico for vocational rehabilitation, so that the extension of a public-assistance system seems reasonable. However, since Puerto Rico and the Virgin Islands have a somewhat lower level of economy than on the mainland, and since the programs are just being instituted, the committee believes that action taken in this direction should be conservative. Accordingly, the maximum dollar limitation on individual assistance established in the original Social Security Act in 1935 are provided for Puerto Rico and the Virgin Islands in the bill. Also it is provided that the Federal share of assistance costs shall be one-half of the total, rather than a higher proportion as for the various States.

In the field of old-age and survivors insurance, I feel that it is very desirable to include Puerto Rico and the Virgin Islands. Many workers there move back and forth from the mainland and so already have established credits in the system. Although their level of economy is below ours, the wage rates are sufficient so that the great majority of the workers will be able to qualify for benefits. For example in April 1948 the average weekly take-home pay was in excess of $16 for production workers in manufacturing industries and was over $10 for all of the various subdivisions of manufacturing industries and for virtually all of the other employment that would be covered. It will be noted that an average of $8 per week in covered employment is needed in order to become eligible for benefits. If the insurance system is not established, there will be a relatively heavy drain over the long run through the public-assistance provisions, and this is undesirable both from a fiscal and a social viewpoint.

H. R. 6000 provides that extension of old-age and survivors insurance to Puerto Rico shall be effective only if its legislature approves. The committee felt that this was desirable because of the somewhat autonomous position of Puerto Rico. However, it is certain that Puerto Rico will wish to participate in this program since a number of their high officials have made this statement.

About 5,000 persons would be covered in the Virgin Islands and about 250,000 in Puerto Rico during the course of an average week. The workers in these areas of our American economy are among those most in need of social insurance protection. Their wages average somewhat less than 50 percent of the average wage rates in the United States yet the over-all cost of living is not significantly lower. Thus it is even more difficult for them than for workers in the States to lay aside funds from current earnings to keep them or their dependents off the public-assistance rolls when the breadwinner becomes too old to work, becomes permanently and totally disabled, or dies. Moreover, an increasing number of the residents of these insular possessions are employed in the States. While they are here many of them are in jobs covered by the social-security program, and, therefore pay taxes on their wages but if they return to employment in their home communities they often lose all social-insurance protection as well as their contributions. By extending coverage of the Federal social-insurance program to services performed on the islands this unjust result would be avoided. I believe the workers of Puerto Rico and the Virgin Islands should be afforded the opportunity to secure protection for themselves and their dependents against the economic hazards of old age, disability, and death regardless of whether they work in the States or in their home communities. These workers want to earn this protection by making contributions from their earnings during their productive years and to receive benefit payments as an earned right. They, like other American workers, do not want to have to rely on public-assistance payments, made on the basis of a means test and paid from general revenues, for protection against loss of income due to these common hazards.

In summary, I believe that the extension of the social-security system to Puerto Rico and the Virgin Islands is long overdue. These islands are part of the United States and should be entitled to the advantages of social security.

Mr. Chairman, I repeat—this is a good bill. It will be the answer to the prayer of many an aged person who, as the years go by, is confronted with the terrorizing thought of depending on public charity. With the extended coverage under this bill of 11,000,000 more persons and with the increased benefits it provides, it will enable the 46,000,000 people covered under social security to look forward to their declining years with confidence that they will not become public charges, but will be able to live on the annuity payments which they purchased during the days of their employment.

I shall vote for the bill. I am confident of its passage.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I shall support this bill. It is a necessary and prudent measure and well within our means. I have always favored the extension and expansion of the social-security system. I think it is especially noteworthy and I am very glad to see

that the self-employed have been included in the bill, as well as employees of State and local governments and employees of nonprofit institutions; although I would have liked to see the nonprofit institutions fully under the system like other employers. I am glad to note that the word "employee" is redefined to include salesmen and certain other employees, also that the benefits have been materially increased for those who are under the old-age and survivors insurance, and that the limitation on their monthly earnings is materially increased under this bill.

The fundamental economic basis provided for our society by the social-security system is of vital importance to domestic stability and to the strength of our position in the world. For this strength rests on a people confident of their capacity to produce, and to look to their future security and provide for it. The social-security system as a base is improved by this bill; real and further progress toward adequate security due to old age, sickness, or disability rests on the efforts of industry in all its component parts. This is one of the great challenges to our private-enterprise system, how to provide adequate security and to coordinate it with the social-security system for the best benefit of our people.

At the convention of the American Federation of Labor in Miami in February of this year, that union's executive council issued a statement which has special significance at this time. They said:

> To the extent that real social security is provided for the American people, the free-enterprise system will become correspondingly secure against ideological attacks.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, during my career in Congress which began in 1939 very little has been done toward amending the Social Security Act. Every effort made since 1939 was met with the excuse "there is a war to be won."

As a result no action was taken for 10 years despite the fact that there was need for revising the existing law. Each time we tried to do something we were told that a committee or a commission was engaged in studying the structure of the Social Security Act. The inference was that if we were patient long enough, Congress would receive recommendations for streamlining the Social Security Act.

Now we are considering H. R. 6000 which we are informed represents the efforts of the House Committee on Ways and Means over a period of 6 months.

The bill is not only disappointing in its provisions but it lacks features that should have been included in such a measure. To have waited 10 long years and then be handed a tailor-made bill without the right to amend it is a blow to the great American principles of fair play and justice.

We are considering a bill that affects the lives of over 50,000,000 persons and their families. We are taking such action at a time when the pension issue has invaded every segment of American life. We witness the pension issue being discussed freely in management and labor circles where it has become the focus point of collective-bargaining conferences.

The controversy over the need for universal pensions is so pronounced that the day is not far distant when such an objective will be realized.

Today, I am in utter dismay over the fact that this Congress is being asked to approve a bill in a "take it or leave it" atmosphere. This is especially disheartening when we are asked by such procedure to turn a deaf ear to the plight of the elderly citizens who helped build this great Nation.

According to the Bureau of the Census there were 16,799,000 persons in the United States aged 60 years and over on July 1, 1948. A large percentage of this number includes men and women who are unable to work or support themselves. It is this great class of citizens that we have completely ignored despite the fact that it is not their fault that they toiled and paid taxes when pensions and social security were but vague dreams.

It is a national disgrace to realize the tears we shed over displaced persons overseas while we give the "cold shoulder" to deserving American citizens who in the twilight of life have not enough material assistance to keep body and soul together. We send billions of dollars overseas and plan on sending billions more to help what are called the backward nations of the world. At the same time our only concern for the aged citizens of this Nation is the shedding of a few crocodile tears every time a political platform is adopted.

I cannot in good conscience remain silent any longer while this bill is lauded as being for the welfare of the American people. While I approve heartily of the increased benefits for those recipients who have earned them by contributions from their pay, it is a deplorable fact that the House Ways and Means Committee after 6 months of hearings and study failed to heed the anguished cries of the millions of elderly citizens who are left with no assurance that the present Congress intends to do anything for them but to continue to promise to consider their plight. Let us search our own conscience and face the fact that we are by our actions betraying millions of God-fearing American citizens.

I shall support this bill but I do so in a spirit of reluctance and with great disgust.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 7 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, the whole plan of this bill is directed to those now employed whereby they can participate in payments to a fund upon which, later in life, they may draw. I have no fault to find with this theory. What I am concerned about is that class of people who, in their past lives, have had no opportunity to contribute to any fund upon which they can draw later in life. I refer to the aged, those 65 years of age or older; the crippled; the blind; and dependent children.

This bill has definitely overlooked this class and for that reason is a total disappointment.

In North Dakota as the old-age assistance has operated the Federal Government share in old-age assistance is as follows:

Government share of the first $20, three-fourths or	$15
Government share of the remaining payments up to a maximum of $50, one-half or	15
Total Government aid on a maximum of $50	30

The Government share of the first $25 is four-fifths, or $20; on the next $10 is one-half, or $5; on the next $15 is one-third, or $5.

In other words, the present bill does not change the maximum of $50 and the contribution of the Government is $30 out of $50 just exactly as it is in the present operating plan.

The only difference is that on the first $25 the Government assumes a larger share. This might help in some States where payments are small, but in North Dakota it will not help at all. The North Dakota law provides that these payments shall be $60 per month as a minimum. The Government share of this $60 payment is, therefore, $30, and the State of North Dakota will make up the difference, or $30 per month.

The committee makes the statement that it will cost the Federal Government $256,000,000 annually more than it did before. This statement should not have been made. After appropriating billions and billions for every country on earth, it does not sound statesmanlike to pounce upon this insignificant sum of $256,000,000 when we come to take care of our own aged, blind, crippled, and dependent children.

I voted against the rule on this bill because it denies any and every chance to amend the bill. We shall have to take it as it is or reject it. If we reject it, then a plan for those now working to participate in a fund in old age will be destroyed for the present. The movement that started this whole social-security program, the Townsend pension system, cannot even be discussed because no amendments are in order. This bill takes care of practically every class except farmers, and we can offer no amendment to correct this situation. The Ways and Means Committee and the Rules Committee have this legislation bottled up and the people's representatives are powerless to do anything about it—except talk. This procedure does not sound like democracy to me. I voted against any such rule.

Now that we are bottled up, hamstrung, and shackled, we can take the bill as it is or take nothing. The system of providing those now working with a little assurance later in life is worth saving, and for that reason I will vote for it.

I desire, however, to comment that it is a disgrace to this great democracy, the mightiest nation on earth, to deny to

the aged, the blind, the crippled, and dependent children, a decent standard of living. I hope those voting in committee for this rule will some day be in the class of those old people who try to live, pay rent, clothe themselves, buy the necessities of life on $50 per month. We should have made it possible for the aged in America to have meat twice a week instead of once. Where is one of the four freedoms—where has it gone in our philosophy of thinking? Have we forgotten it, or have we repealed it? Freedom from want—where is it in this great democracy?

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Iowa.

Mr. JENSEN. I am in hearty agreement with what the gentleman from North Dakota has just said about the aged, the blind, and the crippled. Certainly this Nation has been mighty niggardly to those people. I hang my head in shame, as I am sure the gentleman does, when an old person, who has through no fault of his own lost all the money he has had in many instances, then must take a pauper's oath in order to get a meager pension which is not sufficient to live decently on from one day to the next. I had hoped that this bill would be more liberal in that respect. I certainly want to compliment the gentleman from North Dakota for standing up here and fighting for the old folks, the blind, and the crippled, who cannot help themselves. Certainly we should, in either this session of Congress or very soon, do a lot more for those folks than we have done up to date.

Mr. BURDICK. The gentleman has made a very fine statement of the situation.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, we are nearing the end of the debate in this House on social-security legislation. We are writing permanent law. We are establishing, in my judgment, without sufficient consideration, permanent policies with reference to social security which cannot be changed. In fact, we are writing and establishing into law a contract or compact with over 40,000,000 people which will doubtless continue in perpetuity.

In considering this legislation of such tremendous importance, full opportunity to consider and to amend it should be the privilege of all of the Members. This is not the case because the leaders of the administration, through its influence with the Rules Committee, brought this legislation to the floor of the House under instructions that no amendments could be offered or considered by any of the Members of this House. It was brought to the floor under what is termed a "closed rule" which will not permit its amending in any way. I think it is unfortunate that we, in the minority, who honestly believe that the legislation can be improved by nine important amendments, do not have an opportunity to offer these amendments and to debate them, allowing the 435 Members of this House to individually decide whether or not, under the weight of evidence, some or all of these amendments should be incorporated in the bill.

Out of the 25 members of the Ways and Means Committee, 10 or more were opposed to bringing this bill to the floor of the House under a "gag" or closed rule. Many of the members of this committee have expressed their desire that at least nine of the amendments suggested by the minority, which are contained in the Kean recommital motion which will later be made, should have been brought out on the floor of the House as amendments so that all of the Members of the House would have an opportunity to judge them on their merits.

We, who take this position, are placed in the position where we must vote against, on the final roll call, all of the benefits contained in H. R. 6000, or vote for parts of it which we heartily approve, along with provisions of the bill which we just as ardently oppose.

Practically all of us realize that social-security benefits should be increased and the coverage base broadened. In fact, Congressman KEAN's bill provides for increasing the benefits and broadening the coverage on the same ratio as does the administration bill. No one can justly say that any amendments desired to be offered which are denied us here on the floor of the House today under the closed rule seek, in any way, to give lesser benefits under old-age assistance and social security than does the administration bill. The benefits are practically the same in both bills but it is my contention that the policy of approach in the Kean bill will better protect the security trust fund and thereby the whole system of public assistance and social security, will not only pay equal benefits but will cost those paying into this trust fund, both the employee and the employer, over a term of years, less money.

Mr. Chairman, we will have only one opportunity to express our disapproval of the administration bill and that will come at the close of the debate on a motion to recommit. In other words, we must take the bill without amendments as reported to the House or leave it.

I submit that the bill should have been brought to the floor of the House under an open rule so that it could have been perfected and improved according to the judgment of the House.

If the motion to recommit provides that it be returned forthwith substituting the Kean bill, I shall support the motion to recommit.

Time will not permit a full discussion of all of the amendments. It is sufficient to say that the Kean bill would bring about a saving of about $1,000,000,000 a year. In addition, it would better protect the fund and would cost the poor people for which social security was set up to benefit, less money each year. Another amendment in the Kean bill would better define who is an employee and who is not. It would give the Congress the right to say who is an employee and employer, who should come under the scope of this bill rather than to place that power in the hands of the bureaucrats as the administration bill does. It would provide for total and permanent disability benefits but would place the obligation of payment of these benefits in the category of public assistance where they should be, rather than paying them out of the social security fund.

It would confine the operation of social security to payments up to $3,000 as is the established custom throughout the Nation, rather than to raise it to $3,600 as provided in the administration bill.

The original social-security law was intended to provide security for the poor people who were not able to provide their own security in old age. When it was established they set the limit of those employees and employers who should pay into the fund as those who were earning wages up to $3,000 a year. Now the administration bill will take the employee who comes in at $3,600 a year and place him under the Social Security Act. The added weight of the increase from $3,000 to $3,600 a year will work to the disadvantage of the poor people who have been paying in up to and under $3,000 a year.

Mr. Chairman, I am a firm believer in the necessity of increasing social-security benefits and broadening the social-security base. We all realize that the best possible provisions the economy of our Nation can stand must be provided for the older people who find it difficult to support themselves. In fact, I had representatives of the Social Security Administration come to my office last year for two long sessions when I was considering introducing a bill to increase such benefits. Realizing that it would require longer study in considering such legislation than time would permit, I deferred introducing a bill to provide for an increase in social-security benefits in the hope that full and complete study could be given to this broad subject which would enable us to write the best possible legislation in this session.

I do approve of many of the provisions of the administration bill but I feel certain that had the bill come to the floor under an open rule we could and would have written a better bill than the one we shall have to decide on here today.

I hope and believe that when this bill is passed today and goes to the Senate, that body will write into this bill when considering it next year, many of the provisions that we of the minority feel should be incorporated in this legislation. I regret that we are placed in a position where this great deliberative body of the House cannot better perfect this bill before it is sent to the Senate. I may support the bill if the Kean substitute is voted down, in the hope that many of the provisions we would like to write into this bill will have been written into it when it comes back to us from the Senate in 1950.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I rise in support of H. R. 6000, the social-security bill now pending before this

Congress. I wish to commend the great Ways and Means Committee for bringing this bill up for consideration.

While I would like to see a bill passed which would cover all of the aged citizens of our country with a decent old-age pension, I realize that it is impossible to pass such a bill in this session of Congress. In a democracy we must proceed according to the will of the majority, and until the popular will is expressed so forcibly on the pension question that a majority of legislators feel as I do, until that time we must make progress to our goal in the best way possible.

H. R. 6000 is an important step forward in bringing social security to our people. As the years go by we will amend and improve our social-security laws until the fourth freedom, freedom from want, becomes a reality to our senior citizens.

Our Government acknowledged its responsibility to part of our people when it passed the first old-age insurance plan in 1935. Several amendments have been passed between 1935 and 1949 which broadened the coverage of the original act and clarified certain provisions contained therein.

At the present time 35,000,000 persons are receiving old-age and survivors insurance. The passage of H. R. 6000 will broaden this coverage immediately to approximately 46,000,000 people. This is an increase in coverage to over 11,000,000 new persons.

Not only is the coverage enlarged but the benefits are greatly increased. The average primary benefit is increased from $26 a month, for a retired insured worker, to $44 per month. The table printed below shows the increase in individual cases:

Present primary insurance benefit:	*New primary insurance amount*
$10	$25
$15	31
$20	36
$25	44
$30	51
$35	55
$40	60
$45	64

Persons who retire after 1949 can expect approximately double the average benefit they would receive under present law.

Another important provision of the pending bill is the increase on the earning limitation of beneficiaries. The amount a beneficiary may earn in covered employment without loss of benefits is increased from $14.99 to $50 per month. This will be a great boon to those individuals who are still able to obtain part-time earnings after they pass the age of 65 and have started drawing their social-security benefits.

Another important provision in the new bill is the extension of old-age benefits to those persons certified to be totally and permanently disabled, although they have not reached the age of 65. At the present time these unfortunate people, many of whom have contributed to the social-security program since its inception, and suddenly have become totally and permanently disabled, through sickness or accident, still are not eligible for accrued benefits because they have not reached the age level of 65 years. The pending bill corrects this defect, and with its passage such persons can be immediately certified for benefits.

The maximum family benefits are increased from $85 per month to $150 per month and the child-welfare services are doubled.

Almost a million salesmen who were deprived of social-security status and benefits by the Eightieth Congress are restored to participation in benefits.

One of the important improvements brought about by H. R. 6000 is the inclusion of the self-employed in the social-security program. This, in itself, corrects a grave defect in the present law. At the present time over 4,500,000 self-employed people are denied old-age insurance and dependency survivors' benefits. This group includes most of the small merchants, barbers, gasoline-station attendants, garage owners, and other small-business people. Many of these persons have a few employees for whom they have contributed the employer's share of social-security payments for many years. Yet heretofore they have been ineligible for personal protection. Under this bill, H. R. 6000, they will become eligible and their fears of an unprotected old age will be diminished.

In closing, Mr. Chairman, I want to say that I am going to vote for H. R. 6000 for many reasons, including the ones I have mentioned. I also want to point out that the problem of personal security and freedom from want among persons in the declining years of life will continue to be one of the great and only partially solved questions which face our great democratic society.

Social security is Government's most humane and ambitious attempt to date to solve this problem. Unfortunately, it is far from adequate. Private industry pensions present another approach with some merit but with great danger, both as to coverage and stability. Privately purchased annuities are also good for those who can afford such an approach. All of these methods are piecemeal attempts and they all fail to solve this problem of old-age security in a satisfactory manner. None of these methods can be abandoned, however, until a majority of our people can agree on a specific solution.

I firmly believe that a national old-age pension should be provided for our aged people. The amount should be determined and paid on a Nation-wide basis rather than by the individual States. This would be more equitable and would also prevent the present migration of persons from the low-pension States to the high-pension States.

Private industry pensions should be coordinated and eventually absorbed by the Federal pension. In my opinion, private industry pensions are dangerous from the standpoint of the hazards of bankruptcy and maladministration. Certainly private industry pensions should not be a subject of collective bargaining and subject to all the perils of labor-management differences. In addition to the above-mentioned defects, such pensions are in effect a special levy on industry customers for the benefit of a comparatively small part of our people.

A Federal pension paid from Federal taxes and administered on a equitable Nation-wide basis to all of our aged and disabled citizens is, in my opinion, the only complete and sensible goal for us to work toward. The passage of H. R. 6000 will be just one more step forward toward the realization of that goal.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I want to begin by praising the Committee on Ways and Means for the diligent consideration they gave this measure and for the hard work they performed in preparing it, and for the conscientious effort and hard labor that they put into bringing this measure to the floor.

I also want to compliment the Committee on Rules on giving us the kind of a rule they did, and I want to compliment the House on accepting that rule and thereby preventing the enemies of this legislation—and I am sorry to say that it still has a few enemies—from picking out a piece here and pulling out a thread there and leaving us at the end of 2 or 3 days in this House with a measure which nobody could be proud of; a measure that we would either have to send back to the committee or go off shaking our heads and muttering on how we voted. This legislation is in the position at the present time that it ought to be, and it has had the work and the attention of our Committee on Ways and Means. While I disagree with it in some particulars, still it is a wonderful bill, and as great a piece of legislation as we could expect.

Like the gentleman from North Dakota [Mr. BURDICK] and some other gentlemen that spoke on the floor of this House, I am sorry that it does not include the 6,000,000 farmers and their families in the United States. But I am sure that in the near future those people will be included in this legislation.

Now, I know that this bill can be criticized, anything can be criticized. You know, one time a fly alighted on Washington Monument out here; just a common house fly. The diameter of his vision was only 1 inch. He crawled up and down that monument. He was a critical fly. He said, "Why, this stone is not perfect. This joint is not laid as it ought to be. Here is an imperfection and there is a flaw. This is a very poor piece of masonry." But that fly's vision was only an inch in diameter.

When I came across the bridge there last winter and looked at that Washington Monument for the first time standing above this city I said, "What a wonderful triumph of masonry." I could see the whole monument. My vision was not restricted to 1 inch in diameter. You can be critical of anything if you want to pick it to pieces.

I want to compliment the people that were in this House 14 years ago and that passed the first piece of social-security

legislation. Some of the gentlemen are sitting right here on the floor of this House today who helped put that deal over. I see at least two of them, and I know there are more. They were plowing ground that had never been plowed before. They were traveling down a path that had never been traveled before, and they were receiving from some quarters mighty little encouragement.

I have before me here not a typewritten speech, but some quotations.

Mr. Fuller, Democrat, said, as is quoted in volume 79 on page 5861, the CONGRESSIONAL RECORD of 14 years ago:

This measure carries the greatest welfare features and relief for suffering and distressed humanity that has ever been presented to a legislative body; it carries out the teachings of the lowly Nazarene, and has only been made possible by a fearless, big-hearted, inspired leader whose heart goes out to the "forgotten man." Every thought, every heartbeat, and every action of our great President has been in the interest of the weak and oppressed. No man can be a good American citizen who seeks to live unto himself or who seeks to profit and accumulate the wealth of the country with no regard to the duty he owes to his unfortunate neighbor. We have reached the crossroads, where it has become necessary for us to realize that no nation can continue to prosper "where wealth accumulates and men decay."

Our majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], at page 5872 had this to say regarding that first social-security measure:

Why should not business during the productive period of an employee's life assume, in part at least, this responsibility? When an employee reaches old age business lets him go. Unlike an old piece of machinery that can be thrown away or sold, a human being cannot be sold. He can be thrown out but not sold. After employment ceases and old age is arrived at, with no resources, society must assume the burden. That has, unfortunately, been our experience of the past. If this is so, it is only proper that as a part of the cost of production, business should assume the responsibility of establishing a fund out of which reasonable benefits will come to the unemployed and out of which earned benefits will come in the case of the old and the aged.

The gentleman from New York [Mr. TABER], a Republican, at page 6054 had this to say:

Never in the history of the world has any measure been brought in here so insidiously designed as to prevent business recovery, to enslave workers, and to prevent any possibility of the employers providing work for the people. Mr. Chairman, is it not about time that everyone of us woke up and realized our constitutional responsibility to pass on legislation intelligently, on its merits, or, as in this case, on its absolute lack of merit, throwing out those things that are absolutely vicious?

Again, on page 5547, the gentleman from New York [Mr. TABER] had the following to say:

Mr. Chairman, it seems to me that this tremendous tax should not be imposed upon industry in such a way that it will stop and clog recovery. I think that this Congress has done almost nothing but attempt to prevent recovery ever since the 1st day of March 1933. I think we ought to stop these bills that are designed by the "Brain Trust" and which can have no effect upon the situation in America today except to prevent and restrain and keep back business from recovery.

The gentleman from New Jersey [Mr. EATON], a Republican, at page 5581 of the same RECORD said:

Of course, all the political mind needs to do is to pick up a great complex structure like our national industrial and economic life, which took 300 years to create, pass a law, rub Aladdin's lamp, and behold the millennium has come.

Again, on page 5581, the gentleman from New Jersey [Mr. EATON] said:

Mr. Chairman, I think we stand today in this country at the crossroads of a great decision which transcends all parties, all sections, and all interests; and this decision is whether we are going to choose American organized industry as the instrument for the solution of these tremendous, far-reaching problems, or whether we are going to resort to some modified form of Russianism and attempt to solve these problems by Government. My beloved friend, O'Connor, made some statement to the effect that political parties were responsible for depressions and for recovery. If we ever get out of this, no political party will do it, especially the Democratic Party, because we have none anymore. You have not been within shooting distance of your platform ever since the first few months after the President came in. You have been acting as the representatives, the tool, of a non-American institution known as the New Deal. And the ultimate aim of the New Deal is to place all American industry, business, and individual liberties under the control of Government in Washington. We have no Democratic Party.

That was the gentleman from New Jersey [Mr. EATON] 14 years ago.

Do you know what this legislation is which we are considering today? This legislation is the heart and soul of the New Deal. It is the practical application of the Sermon on the Mount.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman a half a minute to answer a question.

Mr. MURRAY of Wisconsin. I am certainly not in a position of being opposed to the Social Security Act or its extension or the broadening of its base. But I think it would be interesting if the gentleman would tell us why it is that the rural people are still alive, while they have not been under the Social Security Act up to this time.

Mr. CHRISTOPHER. Because it so happens they are in a position where they can milk the old cow and drink the milk and survive. That is the only reason. Back in 1932 the mortgages were taking the old cow and that privilege was being lost to them.

Mr. MCCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. MCCORMACK. The Democratic Party is the party which put on the statute books legislation which saved agriculture.

Mr. CHRISTOPHER. Absolutely. And I am proud to be a Democrat because that is what we did.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. JENKINS. Mr. Chairman, I yield such time as he may require to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, I voted for social security. I am still for it. I prefer the substitute bill, but I shall vote for the best bill which the House has.

Mr. Chairman, I have just been advised by members of the committee in charge of this bill that there is no particular desire on the part of the membership to debate this bill, and that it now looks as if the vote on final passage will come about 4 o'clock. I am not surprised at this. On yesterday, I called the attention of the House to the ridiculousness of the rule which granted 4 days' debate on this important legislation but without an opportunity to offer any amendments or any changes in the bill as reported by a majority of the Ways and Means Committee.

If the Ways and Means Committee were unanimous, as that committee often is, then it would not be so bad; however, here is a committee which has given months of intensive study to this all-important social-security bill and which is very much divided as to what the legislation should contain. I have gone through the 200-page committee report and there is much logic in the majority and in the minority arguments.

I strenuously resent having this bill jammed down the throat of the House by a majority vote without being permitted to vote on wholesome amendments. If the House votes these amendments down, then I am satisfied but I just naturally resent these strong-arm political methods. The procedure smacks too much of the type of elections Hitler held and Stalin holds. There ought to be at least some alternative to which those who do not agree with the details of the present proposal can turn. Well, the die has been cast, the majority has arbitrarily used its power, and the rest of us must take it or leave it in the form prescribed.

The gentleman from New Jersey [Mr. KEAN], a member of the committee, will offer a substitute bill. Again the House is precluded from amending the substitute and we must either take that or leave it as is. The only vote we can have is on a motion to recommit, which means to substitute the Kean bill for the House bill. I am satisfied with neither bill and I am in the same position, I believe, as the majority of the Members of the House. In these circumstances, I am compelled to vote for or against something, all of the details of which I do not approve. A vote against the bill in the final analysis will be construed as a vote against including other groups and perfecting that which is conceded to be a faulty social-security law. As the lesser of two evils, I shall vote to recommit the bill, which as a practical matter means to support the Kean bill.

I am sure the administration has enough votes to defeat this motion to recommit. Then I will be called upon to vote for or against the bill as introduced, and about which we have been permitted to talk for 4 days if we so desire without opportunity of perfecting it. I voted for the original social-security law and I want to make that law better. I do not want my action misconstrued. In consequence, after the motion to recommit is

defeated, I shall vote for the final passage of the bill. This will send the bill to the Senate where hearings will be held before the Senate committee and where opportunity to amend will be provided. After the Senate has operated on the bill, it will come back to the House for further consideration, and it is my hope the many imperfections will be corrected in the Senate to the end that a sane, reasonable and effective social-security bill may be written upon the statute books.

Our elderly people need and are entitled to greater consideration than accorded them under existing law. This bill does not go far enough and does not reach that class of people who, through no fault of their own, are most entitled to consideration.

In conclusion, may I express the hope that the majority leadership will learn its lesson from this experience and not force the House into this unusual position so far as legislation yet to come is concerned.

Mr. JENKINS. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, the Committee on Ways and Means has completed a long, hard struggle in the study of the social-security law and the need for revision. It is my privilege to serve on that committee. I have taken particular pride in the diligent work of the committee in trying to meet issues which are manifest in this law.

The social-security law is in need of revision. I believe greater emphasis should be placed on the insurance title of this law so that the Federal Government may lead the people to care for themselves rather than look to the Government for their support when age or adversity overtakes them. The insurance provided in title II of the social-security law should be made available to all groups of people who desire such protection but it should not be forced upon any group of people against the prevailing views of that group.

EXTENSION OF COVERAGE

Thirty-five million persons are now covered during an average week, and H. R. 6000 will add about 11,000,000 new persons as follows:

(a) Nonfarm self-employed, 4,500,000, does not include physicians, lawyers, dentists, osteopaths, veterinarians, chiropractors, optometrists, Christian Science practitioners, and aeronautical, chemical, civil, electrical, mechanical, metallurgical, or mining engineers whose net earnings from self-employment total $400 or more per year.

(b) State and local government employees, 3,800,000.

(c) Domestic servants who work 26 days or more per quarter, 750,000.

(d) Employees of nonprofit institutions, 600,000.

(e) Agricultural processing workers off the farm, 200,000.

(f) Federal employees not covered under any retirement system, 100,000.

(g) Americans employed outside the United States, 150,000.

(h) Employees and self-employed in Virgin Islands, 5,000.

(i) Employees and self-employed in Puerto Rico, 250,000.

(j) Salesmen, taxi drivers, industrial home workers, contract loggers, mine lessees, and other persons technically not employees at common law, 500,000.

Old age assistance as provided in title I of the social-security law takes care of needy persons who have no other recourse. No prior contribution is required of the beneficiary. I believe firmly that the expansion of the insurance program in title II to all groups desiring such insurance is a step in the right direction but the big problem always confronting Congress is to determine what groups really want this insurance. In my opinion, some of the groups covered by H. R. 6000 have been included without enough evidence proving their desire to be covered.

ACTUARIAL DEFICIT

The insurance provided in title II should be made actuarially sound. If it is not manitained on a sound actuarial base the insurance program can rapidly sink to the level of a political auction.

Social-security insurance is no different than most other insurance in that the costs in the early years are really light because few people are qualified as beneficiaries. As the insurance system approaches maturity, however, the costs increase as the number of qualified beneficiaries increases. The estimated cost of H. R. 6000 in percentage of pay roll starts at 1.40 in 1950 and increases to 8.01 by the year 2000. Unless an adequate reserve is accumulated in the early years there will be a serious deficit at the very time the beneficiaries are apt to need the insurance protection most. There is now accrued in the reserve fund approximatly $12,000,000,000 but that sum is $7,000,000,000 less than it should be if the insurance is to be self-supporting. H. R. 6000 liberalizes benefits to the beneficiaries already retired and I believe I am correct in saying that the overwhelming opinion of the members of the Committee on Ways and Means was in favor of such increase and the increase was established at approximately 70 percent to match the rise in the cost of living since 1939. Extension of the increase to persons already retired gives rise to an additional $3,000,000,000 deficit in the reserve fund making the total deficit $10,000,000,000.

The combined employers and employees tax provided in H. R. 6000 is, for the calendar year 1950, 3 percent; 1951–59, 4 percent; 1960–64, 5 percent; 1965–69, 6 percent; 1970 and following, 6½ percent. Notwithstanding these increases in the tax schedule, the reserve fund in 1990 will be about $77,000,000,000 less than required for actuarially sound insurance. Congress some day will be called upon to decide whether to require future workers to make up the deficit in addition to their own current costs or whether to use other Government funds to make up the deficit. The people who must make that decision have no vote today. I can imagine, however, what we would think here today if we had inherited a similar deficit from social-security insurance set in motion by our grandfathers.

INEQUITIES

First. Increment: H. R. 6000 provides an increase in benefits equal to one-half percent for each year the tax has been paid. The cost of this one item has been estimated at $1,000,000,000 per year. It is significant that this provision extends higher benefits to the steadily employed person than it does to those not regularly employed. In my opinion, it produces a serious inequity in the law at a very high price and no better way could be found to save the Government $1,000,000,000 per year than to strike out the increment factor.

Second. Highest 10 years: H. R. 6000 requires beneficiaries to average their wages throughout their entire period of eligibility for coverage. The minority members of the committee urged adoption of a plan to enable employees to take their highest 10-year average wage. This provision would strengthen the position of the irregularly employed person who is most likely to need more liberal benefits.

Third. Total and permanent disability: Much can be said in favor of granting insurance protection for total and permanent disability but the cost of such coverage can be very devastating to the reserve fund. The cost is also very unpredictable. Commercial insurance companies have a wealth of information along this line. I agree very strongly with the minority of the committee that protection against total and permanent disability should be taken out of the insurance title and retained in title I (old-age assistance) and title X (aid to the blind). Benefits paid under title I are measured according to need whereas benefits under title II have no such limitation.

Fourth. Domestic help: H. R. 6000 will extend insurance coverage to about 700,000 domestic workers but the requirement of 26 days employment per quarter to qualify has the effect of making approximately 1,300,000 domestic workers ineligible for benefits. Any line of demarcation that qualifies 700,000 and disqualifies 1,300,000 of people doing the same class of work is bound to give rise to a vast number of inequities and I predict that this point in H. R. 6000 will plague Congress and the Committee on Ways and Means until it is corrected. A tremendous number of domestic workers in the exclusive group will find themselves ineligible for benefits even though they have been taxed on their wages all the way up to 9¾ years. They will find also that they cannot get a refund of the taxes they have paid even though it has been entirely beyond their power to complete their qualification for benefits.

Fifth. Short-term self-employed: By way of contrast let us take the case of a wealthy man old enough to qualify for benefits in 5 years time as a self-employed person. This man can set up in business for himself and report earnings up to $3,600 per year for 5 years. In that time his tax as a self-employed person would total $513 for the 5 years at the rates provided in H. R. 6000 over the next 5 years time. At the end of 5 years this wealthy man can close his business and collect $72 per month from the Gov-

ernment the rest of his life. If he is married and his wife is 65 or over his Government check would be $108 per month. There is nothing in the social security law to disqualify him and his wife from receiving this benefit payment even though they continue to collect unlimited sums of unearned income. This wealthy person's estate will be enriched an additional $216 for his burial expense when he dies even though he has a vast amount of insurance payable at his death. The contrast between the wealthy self-employed person and the border line domestic worker who cannot quite make a 10-year record of 26 days per quarter employment can hardly be explained away by the statement that the insurance provided in H. R. 6000 is social insurance.

CONCLUSION

I strongly favor liberalizing the benefits provided in the social-security law. These benefits should be adequate to meet the needs of aged and needy persons as the cost of those needs increase with inflation. The cost of liberalizing benefits in the insurance title must be met by an adequate tax schedule if we are to be honest with our children and our children's children. Some consideration must be given also to the matter of refunding tax payments to persons who cannot qualify for benefits because of reasons beyond their control. On the other hand, some consideration should be given to unearned income and accumulated wealth as a disqualification for benefits under the insurance title. The enactment of H. R. 6000 into law will set a precedent in the recognition of inflation as a ground for liberalizing benefits. An interesting question will arise in event of deflation bringing the cost of living down. The question will be whether the benefit can be reduced on that ground under the insurance contract.

I am deeply sorry that H. R. 6000 has come before Congress under a closed rule which precludes consideration of any amendments striking at the inconsistencies and the inequities that have been discussed during the course of this debate. I will vote for the passage of H. R. 6000 because of the tremendous need for liberalizing benefits for those people dependent upon these benefits but Congress and the Committee on Ways and Means in particular still have much work ahead if we are to build a sound, equitable, and lasting social-security program.

Since the Kean bill, H. R. 6297, corrects most of the inequities in H. R. 6000, I will vote first to recommit H. R. 6000 in order to get the better revision of the social-security law that is provided in the Kean bill, H. R. 6297.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I strongly support the extension of coverage and the increase of benefits under social security. The original Social Security Act was passed in 1935. In 1939 the original act was revised by amendments which considerably broadened the protection of the old-age insurance system. Some supplementary benefits were provided for the eligible wife and children of a retired worker and for the surviving widow and children. Ten years have now lapsed since the last major revision of the Social Security Act established the scale of monthly benefits under the old-age and survivors insurance system in effect today. During that 10-year period a great deal of information and experience has been built up which clearly indicates the necessity for resurveying the principles and objectives of the social-security program as they relate to present conditions. I most certainly agree with the committee when it said in its report, "The Congress is faced with a vital decision which cannot long be postponed. Inadequacies in the old-age and survivors insurance program have resulted in trends which seriously threaten our economic well-being. The assistance program, instead of being reduced to a secondary position as was anticipated, still cares for a much larger number of people than the insurance program. Furthermore, the average payments under assistance have more than doubled in amount since 1939 while benefits under insurance have scarcely risen at all. There are indications that if the insurance program is not strengthened and expanded, the old-age assistance program may develop into a very costly and ill-advised system of noncontributory pensions, payable not only to the needy but to all individuals at or above retirement age who are no longer employed. Moreover, there are increasing pressures for special pensions for particular groups and particular hazards. Without an adequate and universally applicable basic social insurance system, the demands for security by segments of the population threaten to result in unbalanced, overlapping, and competing programs. The financing of such plans may become chaotic, their economic effects dangerous. There is a pressing need to strengthen the basic system at once before it is undermined by these forces. Once the basic system is firmly established, any remaining special needs of particular groups can be assessed and met in an orderly fashion. The time has come to reaffirm the basic principle that a contributory system of social insurance in which workers share directly in meeting the cost of the protection afforded is the most satisfactory way of preventing dependency. A contributory system in which both contributions and benefits are directly related to the individual's own productive efforts, prevents insecurity while preserving self-reliance and initiative. Under social insurance, benefits are computed individually in each case, on the basis of earnings in covered employment. Because benefits are related to average earnings and hence reflect the standard of living which an individual has achieved, ambition and effort are rewarded; since they are also related to length of service in covered work, individual productivity is encouraged and the Nation's total production is increased."

I think our experience with the social-security legislation shows that we can and ought to extend coverage to include several millions of additional people not now covered, and increase the monthly benefits paid to the recipients. Legislation which accomplishes this purpose is forward-looking. It carries out the platform pledges of both major political parties and is in keeping with the needs and the demands of the people.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, the bill (H. R. 6000) would strengthen and improve the existing old-age and survivors' insurance and the public-assistance and welfare programs. In addition, permanent and total disability insurance would be established, and Federal grants-in-aid to the States would be provided for a fourth category of public assistance, the permanently and totally disabled individuals who are in need.

Under the bill contributory social insurance would be the primary method of providing family income when the breadwinner becomes too old to work, is disabled, or dies. I believe that this is the proper role of contributory social insurance because the insurance system enables workers to earn rights to benefits that are related to their own productive efforts. On the other hand, public assistance is paid only to those who meet a prescribed needs test and therefore does not reinforce the self-reliance and initiative of the individual. Under contributory social insurance a worker knows that any assets he may accumulate during his working lifetime will not disqualify him and his dependents for benefits and so he is encouraged to make private savings in order to supplement his social-insurance benefits.

I want to acknowledge that social insurance is the most satisfactory way of affording protection against the common hazards of old age, disability, and death in order to make it clear that I favor the extension and improvement of the insurance system as provided in the bill. Today, however, I invite your attention to the public-assistance provisions of the bill.

At this phase of development of our social-security system, public assistance is still of great importance. Even after enactment of the old-age, disability, and survivors insurance in the bill, public assistance would continue to be necessary for needy persons who are not covered by the insurance program, for some persons with earnings in covered employment who have been unable because of illness or for other reasons to earn the required quarters of coverage for benefits, and for insurance beneficiaries with exceptional needs.

In the next decade public assistance must continue to play a larger role in providing social-security protection than will be necessary thereafter. H. R. 6000 has been drafted with this in mind. Basic social security would not only be provided to persons able to obtain insurance protection but also for needy persons who must rely on public assistance because of old-age, disability, or death of the wage earner.

PUBLIC ASSISTANCE AND WELFARE SERVICES PROVISIONS OF H. R. 6000

The provisions of the bill relating to public assistance and welfare services would provide (1) a revised method of determining the Federal share of assistance costs, (2) Federal grants to the States for aid to needy permanently and totally disabled persons, (3) increased medical care for recipients, (4) increased Federal funds for child-welfare services, (5) a revised method for determining need in aid to the blind, (6) extension of Federal grants-in-aid to Puerto Rico and the Virgin Islands, and (7) certain improvements in administrative requirements to be met by the State agencies operating the programs. I feel complimented because about 80 percent of the provisions of the public-welfare bill which I have sponsored during the past 6 years are included in H. R. 6000.

FEDERAL SHARE OF ASSISTANCE COSTS

Under existing law the Federal share of assistance payments for old-age assistance and aid to the blind is three-fourths of the first $20 of a State's average monthly payment plus one-half the remainder within individual maximum of $50. Thus a State receives $30 from Federal funds when it spends at least $20 from its own funds for an old-age assistance or aid-to-the-blind payment.

The bill would modify the matching formula so that the Federal share for old-age assistance, aid to the blind, and also for the aid to the permanently and totally disabled would be four-fifths of the first $25 of a State's average monthly payment, plus one-half of the next $10, plus one-third of the remainder within individual maximums of $50. Under this formula a State would continue to receive $30 from Federal funds if it spends $20 from its own funds for an individual payment. Even though the maximum Federal share of $30 a case would be retained, Federal funds to all States would be increased as all States make some payments to individuals in amounts of less than $50. The largest relative increase in Federal funds would go to States where the level of payments is low. These are, for the most part, the States with large numbers of persons not protected by social insurance.

The States with average matchable payments between $20 and $30 per month would be able to raise their payments $5 per recipient, provided they continue to spend the same amount per recipient from State and local funds. In July 1948, the average payments for old-age assistance were below $30 in 10 States and in 7 States aid to the blind payments were below $30.

The increase in States with higher average matchable payments, of course, would be less than $5 per recipient because of the reduction in the Federal share of assistance costs when average payments exceed $35. As I mentioned earlier, however, all States make some payments to individuals in amounts less than $50 and therefore all States would receive some additional Federal funds under the formula in the bill. A State with an average matchable payment of $35 would receive an increase from the Federal Government of $3.75 per month per recipient if it continued to expend the same amount per recipient in State and local funds; a State with an average payment of $40 would receive an increase of $2.50 per recipient, and one with a $45 average payment, an increase of $1.25 per recipient.

The bill would also provide additional Federal funds for all States for aid to dependent children. Under present law the Federal share of aid-to-dependent-children payments is three-fourths of $12 of the average monthly payment per child, plus one-half the remainder within individual maximums of $27 for the first child and $18 for each additional child in a family. Under the bill the Federal share would be four-fifths of the first $15 of the average monthly payment per recipient, plus one-half of the next $6, plus one-third of the next $6 within individual maximums of $27 for the relative with whom the children are living, $27 for the first child, and $18 for each additional child in a family.

Thus the formula in the bill would modify the method of allotting funds to the States for aid to dependent children in two ways. First, the Federal percentage is altered and second, the mother or other relative with whom the dependent children are living is classified as a recipient for Federal matching purposes.

The effect of the proposed formula would be to increase substantially the Federal funds provided for all States administering State-Federal aid to dependent children program. A large part of the increase in Federal funds would result from the inclusion of the relative with whom the children are living as a recipient for matching purposes. This provisions would correct the present anomalous situation which disregards the needs of the caretaker in aid to dependent children homes. Since the relative caring for the children must have food, clothing, and other essentials, amounts allotted to the children under present law must be used in part for this purpose if such relative does not have any income or is not provided aid from some other source.

The increase in Federal funds for aid to dependent children that would result under the formula in the bill, if a State continues to expend the same amount per family, is illustrated by the following examples: If a State's average payment for the 1-child families on the rolls is $25, the increase in Federal funds would be $12 per family; if the average is $45, the increase would be $17.50; if a State's average payment for the 3-child families on the rolls is $45, the increase in Federal funds would be $18 per family; if the average is $75, the increase would be $21.50.

I believe the revised matching formulas proposed in the bill for old-age assistance, aid to the blind, and aid to dependent children would be equitable for all States. Although relatively large increases in Federal funds would result for those States with low average payments, we must realize that these are, for the most part, the States least able to provide adequate public assistance payments.

I have a table which shows the estimated annual increase in costs to the Federal Government under the matching formulas in the bill for old-age assistance, aid to the blind, and aid to dependent children. The table is based on December 1948 data as that is the last month for which distribution of assistance payments by amounts is available for each State. The table is broken down by States and while it is based on December data it still will give you an approximation of the additional Federal funds that would be made available to each State for these three programs.

Increase in annual Federal cost for public-assistance provisions under H. R. 6000[1] exclusive of new program of aid to the permanently and totally disabled,[2] by States

[Based on December 1948 case loads and payments [3]]

[000 omitted]

State	Old-age assistance	Aid to dependent children	Aid to the blind	Total
Continental United States	$74,912	$106,650	$1,899	$183,461
Alabama	4,158	2,006	59	6,223
Arizona	39	701	2	742
Arkansas	3,100	2,025	87	5,212
California	636	4,617	22	5,275
Colorado	43	1,229	(4)	1,272
Connecticut	280	735	2	1,017
Delaware	85	120	7	212
District of Columbia	73	432	5	510
Florida	1,921	3,722	79	5,722
Georgia	5,312	2,053	124	7,489
Idaho	247	478	4	729
Illinois	3,553	5,704	109	9,366
Indiana	2,407	1,793	76	4,276
Iowa	1,031	1,122	22	2,175
Kansas	1,151	1,180	22	2,353
Kentucky	3,230	3,146	99	6,475
Louisiana	1,029	4,651	12	5,692
Maine	620	742	26	1,388
Maryland	543	1,318	18	1,879
Massachusetts	1,086	2,596	13	3,695
Michigan	2,307	5,640	33	7,980
Minnesota	1,416	1,837	23	3,276
Mississippi	2,676	563	100	3,339
Missouri	2,892	4,356	(5)	7,248
Montana	169	461	6	636
Nebraska	631	804	12	1,447
Nevada	3	(5)	(5)	3
New Hampshire	204	315	8	527
New Jersey	698	1,205	16	1,919
New Mexico	471	1,118	19	1,608
New York	2,148	11,616	58	13,822
North Carolina	2,937	2,176	177	5,290
North Dakota	240	411	3	654
Ohio	2,091	2,788	50	4,929
Oklahoma	695	4,692	16	5,403
Oregon	552	693	8	1,253
Pennsylvania	3,122	10,276	(5)	13,398
Rhode Island	311	703	4	1,018
South Carolina	2,096	810	68	2,974
South Dakota	474	384	7	865
Tennessee	3,329	3,467	106	6,902
Texas	10,147	3,152	239	13,538
Utah	106	820	2	928
Vermont	297	175	7	479
Virginia	1,012	1,331	66	2,409
Washington	579	2,125	5	2,709
West Virginia	1,366	2,388	45	3,799
Wisconsin	1,372	1,860	32	3,264
Wyoming	27	114	1	142

[1] Old-age assistance, aid to the blind, and aid to the permanently and totally disabled: Federal funds shall equal ⅘ of the first $25 per recipient plus ½ the next $10 plus ⅓ the remainder within a maximum from Federal, State, and local funds of $50 on individual assistance payments.

Aid to dependent children: Federal funds shall equal ⅘ of the first $15 per recipient (including 1 adult in each family) plus ½ the next $6, plus ⅓ the remainder within maximums on individual assistance payments of $27 for the adult plus $27 for the first child plus $18 for each additional child in the family.

[2] Since this is a new program, estimates by States are not shown. The estimated annual cost for the entire country is estimated at about $66,000,000.

[3] Old-age assistance, aid to dependent children, and aid to the blind: Assuming that States will continue to spend from State and local funds each month as much as they spent from these funds in December 1948 and that additional Federal funds above the amount per recipient in December 1948 will be used to increase payments to recipients.

[4] Less than $500.

[5] No approved plan.

AID FOR NEEDY PERMANENTLY AND TOTALLY DISABLED PERSONS

The bill would provide grants-in-aid to the States for a fourth category of State-Federal public assistance for permanently and totally disabled individuals who are in need. As you know, the bill also would establish a permanent and total disability insurance. Thus similar protection would be afforded against the hazard of permanent and total disability as is now provided against the hazards of old age and death. Through the enactment of these two programs, the injustice now suffered by a person who is unfortunate enough to be permanently and totally disabled before age 65 would be eliminated. His right to insurance benefits or to the assistance payments would not depend upon the date on his birth certificate but rather on whether he is permanently and totally disabled and has the necessary quarters of coverage for insurance benefits, or meets the need requirements for assistance.

The aid to the needy permanently and totally disabled category provided in the bill, would enable the States to establish programs for this group of needy persons comparable to those established for the needy aged and blind. In most States, the needy disabled are on general relief, which is financed without Federal aid. Although some States with relatively large financial resources are able to finance adequate general relief programs, many States and localities have such meager funds available for this purpose that needy persons sometimes do not get the barest necessities. By establishing a fourth category of assistance, not only would the standards of assistance be raised for permanently and totally disabled persons who are in need, but States and localities would have a smaller financial burden for general relief. This should result in more adequate assistance for people dependent on general relief in those States and localities that are now unable to provide reasonable general relief standards. In December 1948, about 200,000 recipients of general relief had disabilities that classified them as permanently and totally disabled. Under the bill, the Federal Government would share in the cost of assistance to these persons on the same matching basis as for old-age assistance and aid to the blind.

The annual cost to the Federal Government for aid to the permanently and totally disabled is estimated to be $66,000,000. This figure may be exceeded in the next 4 or 5 years, but in the long run the costs will decrease because the companion insurance program will provide benefits for the great majority of workers who become permanently and totally disabled. This fact shows the soundness of the joint insurance and assistance approach of the bill. General revenues will finance the assistance program for needy permanently and totally disabled persons who have not had the opportunity to become eligible for insurance benefits, while the contributions of workers and their employers will finance the cost of the insurance system.

The minority members of the Committee on Ways and Means, in their supplementary views in the report accompanying the bill, advocate that public assistance be the only program available for permanently and totally disabled individuals. This approach is shortsighted. Instead of permitting the workers of America to earn disability insurance protection over their working lifetime and thereby provide a sound method of financing the costs, the minority view would let the total financial burden be borne from the general revenues. By establishing both insurance and assistance programs, as is provided in the bill, the contributions of the workers and their employers would finance the major costs. Insured workers, as well as needy persons not eligible for insurance benefits, would be aided in meeting the expenses arising from permanent and total disabilities.

MEDICAL CARE FOR RECIPIENTS

The inflexibility of provisions in the Social Security Act governing Federal financial participation in assistance payments has limited the States in aiding recipients to obtain medical care. The Federal Government does not share in the cost of payments made directly to medical practitioners or hospitals furnishing medical care to recipients of State-Federal public assistance. Neither can Federal funds be used to defray the expenses of needy persons residing in public institutions, even if they reside therein for the purpose of receiving medical care.

Under the bill, both restrictions would be eliminated. The Federal Government would share in payments made directly to the suppliers of medical care within the regular maximums. You will recall that these maximums are $50 per month for old-age assistance, aid to the blind, and aid to the permanently and totally disabled, and $27 each for the caretaker and the first child, and $18 for each additional child in an aid-to-dependent-children family.

Although these maximums are low, many recipients receive lesser amounts, and in those instances the Federal Government would share in the cost of medical care regardless of the method of payment. Perhaps the most important benefit to result from this change would be that States could insure medical needs of recipients with such organizations as the Blue Cross and the Federal Government would share in the cost.

Recipients of old-age assistance, aid to the blind, and aid to the permanently and totally disabled would be permitted to reside in public medical institutions other than those for tuberculosis or mental disease, and the Federal Government would share in the costs. Under present law, needy aged and blind individuals are eligible for aid if they reside in private institutions. This change would permit an individual to choose the facility within his financial reach that is best equipped to provide the care he needs.

In order to protect recipients of State-Federal assistance residing in public or private institutions, the States would be required to establish and maintain standards for such institutions. The tragic consequences of the failure of some institutions to provide adequate safeguards for the health and safety of aged residents have come to the attention of all. This provision in the bill permits each State to establish its own standards and make its own inspections of institutions. Nevertheless, it shows that the Congress is interested not only in making assistance payments available to needy eligible individuals, but is also interested in assuring the maintenance of reasonable health and safety standards for recipients in institutions through State responsibility.

CHILD WELFARE SERVICES

The bill would increase the authorization for grants to the States for child-welfare services from $3,500,000 to $7,000,000 for the purpose of assisting them in establishing, extending, and strengthening these services in rural areas and areas of special need. No change is made in the substantive provisions of the Social Security Act relating to child-welfare services except that the States are specifically authorized to use Federal funds for paying the cost of returning runaway children to their own communities in another State.

The committee was of the opinion that but for this one exception the basic provisions of the act relating to child-welfare services are sufficiently broad to permit the Childrens Bureau to continue to cooperate with the States and to develop the excellent programs that have been established in the States. With the increased funds that would be authorized by the bill all States could extend and improve services for the protection and care of homeless, dependent, and neglected children and children in danger of becoming delinquent.

DETERMINING NEED IN AID TO THE BLIND

In order to help the needy blind to attain a greater degree of security than is possible under the existing provisions of the Social Security Act the bill would permit the States to disregard income earned by a claimant of aid up to $50 per month. At present all income and resources of claimants of aid to the blind must be taken into consideration in determining eligibility for or the amount of assistance. If a blind person is resourceful enough to learn a craft that may bring him $15 or $20 a month, the net earnings from his work are deducted from his monthly assistance payment. In some instances this action deters a blind person from entering into a rehabilitation plan that is charted for him because he can see no immediate benefit to him for his efforts.

The present restriction is especially harmful to the well being of the needy blind in States that are not providing even a reasonable subsistence level of assistance payments. It may come as a surprise to some when I say that there are five States that now provide less than $26 per month on the average for their needy blind. Surely no one will contend that an average of less than $26 a month is a reasonable level of assistance. Yet even when because of lack of funds the standards of the State agency administering the program are below the level necessary to maintain decency and health, the net earnings of

a blind recipient must be deducted from his inadequate assistance payment.

I am happy to report that under the bill such a cruel and unjust result could be avoided. The States would be authorized to permit the needy blind to earn additional funds to supplement their meager assistance payments and thus stimulate their natural desire to become self-supporting citizens.

The liberalization of the aid-to-the-blind provisions of the act and the revised matching formula contained in the bill, which I mentioned earlier, will make life just a little easier and happier for those unfortunate enough to be both afflicted with blindness and in need.

FEDERAL GRANTS-IN-AID TO PUERTO RICO AND THE VIRGIN ISLANDS

The bill would extend both the insurance and public-assistance programs to Puerto Rico and the Virgin Islands. Through the insurance system the residents of these possessions of the United States would earn future protection against the economic hazards of old age, permanent and total disability, and death. The companion program of public assistance would fill an immediate need. At present Puerto Rico and the Virgin Islands, because of their limited resources, are unable to raise sufficient revenues to care for all eligible for assistance. Needy persons are subjected to long delays before assistance is granted.

The provisions in the bill to extend the public-assistance categories to these islands would make it possible for their governments to eliminate their waiting lists and to raise their standards of assistance to more reasonable levels.

The Committee on Ways and Means, after reviewing the facts that were presented at the hearings on social security and in the subsequent executive sessions, was convinced that there is urgent need to extend immediately the public assistance categories to Puerto Rico and the Virgin Islands. Accordingly the bill provides for such extension but not on the same basis as is provided for the States. For old-age assistance, aid to the blind, and aid to the permanently and totally disabled, the maximum limiting Federal participation in an individual monthly payment is $30 and for aid to dependent children $18 for the first child and $12 for each additional child in a family. These are the maximums established in the original Social Security Act in 1935. The Federal share would be one-half of the assistance costs within these maximums.

By limiting Federal participation in the public assistance programs in Puerto Rico and the Virgin Islands below what is provided for the States, of course, will reduce the Federal costs. It is estimated that the annual cost to the Federal Government will be $3,000,000 for Puerto Rico and about $75,000 for the Virgin Islands. More important, however, is that under this limited approach to the problem of granting immediate aid to these possessions, the Congress is assured it is not furnishing financial aid that would result in too liberal assistance standards. Perhaps the Federal share of the costs of the public assistance programs in Puerto Rico and the Virgin Islands should be greater, but I believe no change in the provisions in the bill should be made unless the need for change is established after a further study and review of the social and economic conditions of the islands is conducted.

IMPROVEMENTS IN ADMINISTRATIVE REQUIREMENTS

The public assistance programs in which the Federal Government shares in the costs are administered or supervised by the States. The Social Security Act provides minimum requirements for the operation of the programs by the States. The State-Federal partnership for aiding needy persons established in 1935 has functioned well. H. R. 6000 contains no provision to alter the basic relationship between the States and Federal Government. The changes that would be made in the Federal requirements by the bill are designed to improve administrative practices in the State with the view of affording more equitable treatment to the needy on the State-Federal assistance rolls.

One change in the Federal statutory requirements that I would like to comment on, because I think it is important, relates to providing assistance to all needy persons who are eligible for State-Federal assistance. In some States and localities, when funds are insufficient to provide for all eligible persons, applicants for aid are not granted assistance until persons already on the rolls die or cease to receive assistance for other reasons. Under the bill this discriminatory practice would be prohibited and the available funds would have to be divided among all eligible persons.

To strengthen this change in the Federal requirements the bill would amend the fair hearing provisions which now specifically provides for a review by the State agency when a claim for State-Federal assistance is denied. Under the proposed revision a fair hearing would have to be provided to applicants whose claims for assistance are not acted upon in a reasonable time as well as to those who are denied assistance.

Another change in Federal requirements that I want to take time to mention concerns the training of personnel. The importance of having competent staff administering public assistance is sometimes overlooked. Only if the employees of the public assistance agencies know their jobs and have the necessary skill to perform them properly can we expect the millions of people on the assistance rolls to receive courteous and fair treatment and the public, proper expenditures of funds.

It is a pleasure for me to acknowledge that most State agencies administering public assistance already have established training programs for their staff members. The provisions in the bill requiring that a State public assistance plan must provide for a training program for the personnel necessary to the administration of the plan would not alter present practices in these States. Each State would be left free to determine for itself the methods of training best suited to its needs. State agencies that do not have training programs, however, would be required to establish them in whatever form they deem will be most helpful in attaining more efficient administration of public assistance.

I shall not take the time to discuss the other changes in administrative requirements contained in the bill. They are discussed in the committee report, a copy of which was provided for each Member of the House. A careful reading of this report will show the care and thought with which the Committee on Ways and Means has proceeded in framing H. R. 6000.

I believe this is sound legislation. While the major emphasis is rightfully on social insurance so the workers of America will be able to earn social-security protection during their working years, the aged, the blind, the permanently disabled, and the dependent children who are in need are not forgotten. The public assistance provisions on the bill would assist four and one-half million needy people to obtain the necessities of life.

Mr. Chairman, I yield back the balance of my time.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, I intend to vote for H. R. 6000, a bill to expand the social-security system, including old-age assistance and other provisions.

Under the rule by which this bill is before the House, commonly called a gag rule or closed rule, no amendments are allowed. One must vote for the entire bill as reported to the House by the Committee on Ways and Means and accept all of its provisions or vote against the bill and reject all of its provisions.

I am in favor of many of the provisions of this bill such as old-age assistance and child welfare. On the other hand, I am opposed to other sections of the bill such as the provisions which discriminate against older workers and those who are employed irregularly.

I am opposed to the Federal Government launching on a program of a vast and costly disability insurance plan for 50,000,000 people, without first testing the effectiveness of a less costly grants-in-aid program. I am also opposed to the surrender to the Treasury Department and the Social Security Administration of the power of Congress to determine pay-roll taxes through regulations as to who is an employee and who is self-employed.

I am opposed to establishing a social security trust fund at least one-third larger than seems to be necessary. I am also opposed to extending social security to the Virgin Islands and Puerto Rico, which should have their own programs based upon their lower wage and living cost levels.

I am opposed to providing funeral benefits for 78,000,000 people who have already made such provisions through life-insurance policies.

The Kean substitute bill seems to provide a saner and more reasonable expansion of the social security program and I intend to vote for it when the mo-

tion comes before the House to recommit. If that fails, then I intend to vote for H. R. 6000.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, it is to be regretted that action of such importance as the consideration of the expansion of the social security program should be postponed until it can be brought up only in the closing hours of the session. It now comes before the House under a closed rule, which prevents amendment and forces the whole subject of debate to the measure which the Committee on Ways and Means has determined upon. It is not fair that such discrimination shall be applied to a matter of legislation in which not only the welfare of the Nation is concerned, but one in which a large percent of our population is vitally interested. It might well have been brought up and acted upon before the billions of dollars of additional funds were authorized to be spent upon the people of many foreign lands, most of whom are far more remote from our direct responsibilities than the aged people of our own Nation.

However, even at this late hour in the session, at least greater justice should be dealt out to those in our respective districts who for years have pressed upon Congress the necessity of a national law to protect those who have made their own big contribution to the upbuilding of our land. That contribution by years of labor and honest endeavor on the part of millions involved has made possible the wealth and prosperity which now is being flooded upon other lands.

In the 14 years since Congress passed the first social security law, the program has been before the public, and millions of people have evidenced their interest.

One explanation of the hurried action of the present is that various branches of our great industries are endangered by threats of strikes by many thousands of workers demanding old-age security. The larger part of those now under social security long have protested its insufficiency without avail. Even during the war days when the high cost of living had reached its peak, those provided for in part from the Federal Treasury, and the suffering and discomforts among those who endeavored to exist upon the meager allowance, failed to obtain proper results. The program has been expanded only poorly and insufficiently. States and counties so heavily drawn upon by rising costs and expenditures have found it impossible to cover their portions of assistance to meet the Federal aid.

The present bill is one of only partial subsistence allowances. It does increase the number who can be brought under the law. It does increase the allowances, though only in part. A slight addition has been made for Federal aid for assistance to the aged, the blind, and the minor dependent children. It covers also those totally disabled to a limited degree. It has some other features which scantily improve the situation as to many. In a general way, it helps a bit. But it will not avoid a further demand for justice for the Nation's unfortunate. Nor is it likely to avoid any strikes by those now demanding special old-age security from the proceeds of industry.

In the past 15 years, thousands of Townsend clubs have been organized in all the States. Townsend bills have been among the many pension measures introduced at every congressional session. Petitions signed by millions have poured in upon the Members asking for its consideration. At every recent session, Members of the House have laid upon the Clerk's desk official petitions to discharge the Ways and Means Committee from further consideration of the Townsend bills. At some sessions those official petitions have lacked only a few signatures to bring the measures to the floor for consideration. All such endeavors have availed nothing.

The adoption of the closed rule under which present consideration is given, no amendments become possible. It is a case of take or leave it. Even those of us who always have opposed gag rules were constrained to give our support to the action of the Rules Committee in bringing in such a rule. Without its adoption there could be no hope of any action in expanding the program at this session.

In the press comes notice that even the committee bill will not be brought up in the other branch of the National Legislature at this session. It will follow many other good measures to the pigeonholes of a committee until the January session. Again the rightful claims of those advocating better legislation for the aged, the blind, the totally disabled, and dependent children are to fail of consideration because of the legislative jam.

Were there not ample reasons for such claims and demands, the bill before us never would have come from the committee which framed it. The bill itself is an acknowledgment of its necessity. The closed rule barring amendments is further acknowledgment of its insufficiency. The delay in bringing the matter before the House until just before adjournment, when the other body will fail to act, proves again, as it has in the past, that the cause is just, that proper legislation is needed, and all hesitancy and evasion will serve only to strengthen the claims and demands for a national law big enough and broad enough to meet the conditions on which they are based.

Because the bill is an improvement over what we have, I shall vote for it under a sense of compulsion, just as I voted for the rule. It is this measure or nothing. I favor proper action, which surely will come.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Chairman, in thinking back over the 7 years of service which I have enjoyed as a Member of the House of Representatives I can remember many important problems and measures which were voted on in the interest of the country, but I cannot recall any more important problem than the great question of social security. I am not one of those who thinks that the enactment of an expanded social security program is a step toward a welfare state, but I believe that it is rather a step toward a better America and that it carries out the principles of our Declaration of Independence and the ideals of our Constitution. I am fearful, however, of many measures which have been introduced by the majority party, and I do not like the general trend of legislation which concentrates more and more the authority of the Federal Government in encroaching on the sovereignty of our separate States. We must guard against paternalism in government and there is no doubt in my mind that if we are to maintain the integrity of our credit, the cost of government must be materially reduced and such savings passed on to the relief of our heavily burdened taxpayers through a reduction in taxes. One of the first considerations of Congress in the near future should be the immediate elimination of the nuisance excise taxes which are now exacted from people generally.

In the consideration of legislation every right and courtesy toward the minority must be safeguarded or our legislative system will become a travesty of justice and sound thinking. Indeed, it is in the interests of the country that the minority have every opportunity to express their views and arguments for or against any legislation. This is particularly true when such important legislation as social security is to be considered, but I regret to have to say that it is my opinion that the Democratic Party, which is now in the majority, has given little consideration to the courtesy and rights entitled to by the Republicans, who are the minority party, in the consideration of this legislation. The rule which was reported out and adopted by a more or less strictly party vote, although it was heartening to note that some members of the majority did not approve of it, is what is known as a closed rule. A closed rule does not permit the introduction of any amendments to the legislation unless these amendments are submitted by the committee itself, and in that way the matters in disagreement cannot be considered by the full House. The Democratic members of the Ways and Means Committee wrote this bill and voted it out and the Democratic members of the Rules Committee adopted the closed rule under which this bill is being considered. It matters little to me what the precedents are or whether Republicans or Democrats in the past have been guilty in this respect; the fact remains that it is not right nor in accordance with the principles of our republican form of government that a gag rule be adopted in the consideration of such important legislation. I do not mean to imply that I would be in favor of a rule which would give every Member of Congress an opportunity to suggest an amendment. If that were so, it would take a long time for the adoption of any legislation and it would be a peculiar hodgepodge at the end, but I do think that a rule should have been granted which would have permitted the consideration of a few amendments to this legislation which had been debated in the committee and which were lost in the

committee by only one or two votes. That close vote was evidence of an honest difference of opinion and sounder legislation would result if the membership of the House were given an opporunity to consider these suggestions. It is for these reasons that I voted against the adoption of the rule, wanting a greater freedom of debate, and believing that it would be for the benefit of everyone concerned.

Any amendment to the Social Security Act as comprehensive as the provisions of this bill, is necessarily complicated. I would point out that the bill itself is 201 pages in length and the report accompanying the bill covers 207 pages of fine print, so anyone who wants to study this matter must take considerable time and have the benefit of expert advice. On the whole I think the bill reported by the committee, H. R. 6000, is a good bill, but I do think it could have been made a better bill in some respects and I would like to address a few remarks on one or two of the changes which I think would strengthen it. I am very much impressed with the arguments that the benefits payments should be based on the highest 10 consecutive years of earnings rather than on an average monthly wage determined by the entire working time of the individual. This would provide more adequate protection to many people owing to part-time employment, and periods of no employment whatever, because we must remember that this will only apply to those whose average wages are less than $3,600 a year. Such a policy has the support of the labor unions and was strongly endorsed by social security experts who were presumably unbiased and I would be glad to have had the opportunity to vote for such an amendment. I think that people such as teachers, firemen, and policemen who are already covered under their own retirement and pension systems should be thoroughly protected, and their present rights which they have enjoyed for many years should not be jeopardized. I would prefer that such people were excluded from the provisions of the act but I am denied the right to vote for such an amendment under the gag rule. This bill goes into the costly field of disability insurance and it would seem that it would be wiser to meet this problem through the Federal grants-in-aid program and I would have welcomed the opportunity to amend H. R. 6000 so that total and permanent disability payments should be confined to the public assistance program. There are other amendments which I believe would have not only increased the effectiveness of social security, but which would have materially reduced the public cost thereof. All these amendments which I favored were contained in a bill introduced by Congressman KEAN, of New Jersey, H. R. 6297, and I propose to support a motion to recommit H. R. 6000 with instructions that the committee report out H. R. 6297 for the consideration of the House. If this motion is not carried, however, I will support the bill in the hope that when it is considered in the Senate many improvements may be made in it. I do not like gag rule and I thoroughly believe it was not necessary in this instance but under the Democratic majority in the House we have to leave the task of perfecting this measure to the Senate, although I feel that the House is fully capable of doing it itself.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I favor the passage of this bill because it is an improvement over the present law. It is now 14 years since social security was established. Up to the present it has been very unsatisfactory for many of our people. We should either repeal the law or make it worth while. Obviously, we cannot repeal it. Both the Republican and Democratic Parties have pledged themselves to extend and enlarge it. The bill before us is an improvement. It is necessary to liberalize benefits to help meet the increase in the cost of living.

I regret the bill came to us under a closed rule. The Members should have an opportunity to improve it with amendments. Professional people, such as lawyers, doctors, and engineers, should be included. It should be enlarged for the aged and infirm and those in low-income brackets. I hope the motion to recommit, which I understand is to be offered, will correct many of the deficiencies in the bill before us, known as H. R. 6000.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. GWINN].

THE SOCIAL SECURITY ILLUSION

Mr. GWINN. Mr. Chairman, the administration has ordered that Congress vote yes or no on its omnibus social security bill, without amendments. Congress must take it or leave it. Amendments are forbidden, so discussion is useless. Under such a gag rule, the vote should be a thundering no.

A reading of the bill shows that it is no social security bill except in its name. It will take in 11,000,000 additional taxpayers, to provide the administration with more spending money. The workers are paid in promises.

About 35,000,000 workers in this country have been paying social security taxes for as much as 13 years. How much money do they have saved up for the next depression or for the time when the number of aged begins to rise very greatly? We all know the answer. The answer, gentlemen, is "Not a thin dime."

There isn't a penny of real reserves anywhere in all the elaborate machinery we call the social insurance trust funds.

You know that all the money paid in by employers from their own funds, and from their workers' pay envelopes (except what is paid out currently) goes to the Federal Treasury. That is now about $23,000,000,0000. You know that every dollar of this has been spent by the Government in addition to the regular taxes it has collected.

Not a penny of hard money is ever put into any real insurance reserves. The workers today are paying rates that bring in about $2,000,000,000 a year above current outgo. But those $2,000,000,000 are not put aside for them. They are spent as fast as they come in.

The elaborate Rube Goldberg machinery of Federal social security is designed to hide the fact that when the Government spends this money it doesn't put anything in its place.

Technically the administration issues new United States bonds and puts them into the reserve funds. But what are these United States bonds? They are evidences of debt and not of savings. They are I O U's for which nothing was produced. No wealth was created to earn money for the workers. The Government used the money of the workers to buy eggs or potatoes that spoil, or for other subsidies, or for war.

The Government does not produce anything out of which the workers' pensions can be paid. If they are paid at all, the Government will force a new generation, with doubtful capacity, to pay the amounts due. The Government can promise to lay taxes on an unborn generation, but that unborn generation may refuse to pay them. Future Congresses may not be willing to act. Governments are likely to be unmoral toward old debts that added not a dime of new wealth to the present taxpayers.

That the administration needs this money if it is to go on spending and spending, hoping to buy more and more votes, is bad enough. To commit deception and fraud upon the workers is damnable.

Now we see why the administration wants to "extend the benefits" of its social security to 11,000,000 more people in the last hours of this session. They have just that many more people to rob of their wages in addition to the withholding tax, the excise taxes, and the rest. The benefits to the workers are mere promises of future performance. The present annual take from the workers is more than $2,000,000,000 spot cash, for our own variety of Socialist government experiments. This is a clever device by which the administration gets more revenue without the public protest that would be raised at once against a proposed revenue bill, that raised taxes another two billions.

Let us call the sponsors of the bill to witness. On page 35 of the report of the House committee, we find that benefits paid out under the new bill in 1950 will be $1,300,000,000 but collections will be $3,300,000,000. That still leaves two billions for the Government to spend.

The "trust fund" will double in 5 years. It will be $35,000,000,000 in 10 years—for old age and disability only. It will reach the incredible total of $91,000,000,000 in 40 working years, when today's young workers are ready to retire.

But what are these $90,000,000,000? They are only money the Government has spent. There are no reserves, no earnings, on which the workers can draw. There is but the possibility that future taxpayers will make good the embezzlement.

We are giving the administration the power to tax 11,000,000 farmers, domestic servants, writers and workers in nonprofit agencies, and to collect and spend $80,000,000,000 of their earnings without calling it a tax.

It would be hard to think of any good reason why a New Deal spending government should want anything better than this. Republicans or Democrats, why should we impose such a hidden tax on the employed people. Why take away all the responsibility for managing their own savings and hide from them what is being done with their money by a Government they still trust though with increasing suspicion?

When the aging of the 46,000,000 workers who are paying into the system requires that their pensions be paid, they will all have to be taxed again to pay themselves. Thus they will pay for their old-age security twice. First from their wages, and then from their taxes to pay the I O U's the Government dropped in the till for them.

When business depression comes, we know that wages and taxes will go down, and the numbers of sick people and the retired will go up. Then it is that reserves are absolutely necessary. But there are none. Where will we look for new taxes then?

Ladies and gentlemen of the committee, the day will come when you will bitterly regret having given this Socialist administration the chance to plunder the American workers savings.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, the debate and the discussion so far on this bill has been splendid, and I think those of us who have listened to the debate, not being members of the committee, have obtained a pretty fair grasp of the legislation proposed in H. R. 6000, a bill of 201 pages.

I am very deeply disappointed that we must consider a bill of such major importance under a closed rule. I think by the adoption of a closed rule we are not adding to the prestige of the House throughout the United States. I think very sincerely that the people of the country expect the House of Representatives to consider legislation of a major character under an open rule, and permit a majority to work its will and perfect the legislation that is to be adopted. I believe we are injuring the prestige of the House of Representatives by proceeding under a closed rule. The mere fact that the House has had closed rules time and time again, and that this has been the custom of both parties, does not change the situation in the slightest degree. However, this is where we are now. Before the day is over we are going to vote either for or against this bill, without having an opportunity to offer any amendment or submit such amendment to the majority of this House, with the hope and purpose of improving the bill.

The great Ways and Means Committee is composed of 25 of our best and ablest legislators. Perhaps no better statement has been made today than is to be found in the remarks of my colleague the gentleman from Iowa [Mr. MARTIN]. I hope sincerely that the other body will consider this legislation without any restricting rule, and that some of the defects brought out in debate will be corrected.

I asked for this time so that I might submit to some of the members of the Ways and Means Committee a question that has been in my mind for some time. This situation occurs under existing law. In my State, and I presume in most of the other States, a small-business man goes through life, and at the end of his career has seldom saved a dollar. A large majority of small-time businessmen fail at least once, and many twice.

Yet since 1935 the small-business man has been deducting a pay-roll tax equal to 1 percent of the wages of all of his help, and has been matching that pay-roll tax out of his own pocket. Up to the present time he has not been able to come under social security. What will be the situation under this bill, if I may submit that question to some member of the committee?

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. LECOMPTE. I am glad to yield to my good friend from Arkansas, a member of the committee who came to Congress the same year I did.

Mr. MILLS. Under the bill, that individual, who is self-employed and operates his own business, would be compulsorily covered under title II of social security. He would pay one and one-half times the tax levied against the employee.

Mr. LECOMPTE. One and one-half times the tax levied for his employee?

Mr. MILLS. Yes, sir.

Mr. LECOMPTE. But what are you going to do in this bill about the amount of money that the small-town grocer—I have never known one who had a dollar when he got through—has been paying since 1935? Is he going to get any credit for that?

Mr. MILLS. The amount of the tax that the individual has been paying has been for the benefit of low-wage earners which included the people who worked for him. None of the money he has paid in heretofore has been for his own benefit.

Mr. LECOMPTE. You are not doing anything for the small-business man who has carried this load in the past.

Mr. MILLS. Nothing more than offering him the opportunity of coming in for the future.

Mr. LECOMPTE. I grant that, but there is nothing in this bill of a retroactive nature to give him any credit for the amount that he has paid in the past since the adoption of the social-security legislation in 1935.

Mr. MILLS. The gentleman is correct; and I might say that the bill introduced by the gentleman from New Jersey [Mr. KEAN] is in accord with the committee bill in that regard.

Mr. LECOMPTE. The Kean bill may be defective, too, but is this House, representing the entire United States, going to say that we are not doing anything for the small-business man?

Mr. MILLS. The gentleman misunderstands, I think, if I may have a moment of his time.

Mr. LECOMPTE. Certainly; I would like this matter cleared up.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENKINS. Mr. Chairman, I yield the gentleman one additional minute, but may I suggest in addition to the answer of the gentleman from Arkansas that all the small-business man has to do in the future to be entitled to come in is show an earning on his part of $400 a year.

Mr. MILLS. The gentleman from Iowa, as I understood him, was concerned because neither the committee bill nor the Kean substitute permitted the self-employed to get credit retroactively for the tax paid for the benefit of his employees heretofore.

Mr. LECOMPTE. It would seem to me that the small-business man has been hurt all the time by social security, and has not been benefited in any way. You are offering him benefits for the future, but perhaps he is 55 or 56 years old and will have to retire in a few years, will not be able to build up any benefits except for the 3 or 4 years. He gets no credit for all the money he has matched in years past.

Mr. MILLS. He will not get any credit for the amount of money he has paid in the past for his own employees, but to be eligible at age 65 the self-employed man must have been in the system only 5 years.

Mr. LECOMPTE. But he would get no credit for the sums he has matched on his pay roll throughout the past years.

Mr. MILLS. He would not himself receive wage credits retroactively.

Mr. LECOMPTE. I think the bill aims at enlarging and improving social security, but I believe it is defective in many respects and I regret that a gag rule was put through which prevented the submission of helpful amendments.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I am gratified to finally have the opportunity of voting for a bill to improve our social-security law. For years it has been evident to me that the act should be improved, particularly by extending its coverage and increasing the amount to be paid to those entitled to benefits under the act.

However, I am disappointed that the amendments do not go further than they do. It is true that the number of persons to come within the provisions has been increased by approximately 11,000,000. While this is gratifying as far as it goes, yet, in my opinion, it should have gone further.

The fear of insecurity in old age is one that is ever present in the life of most persons. To remove that fear will add years and happiness to the life of everyone as they grow older. Time and again, innumerable times, I receive letters of the most pathetic character from old people fearful of what the future holds in store for them. These old people do not want to be a burden to the members of their families. They do not want to be dependent. They want to be independent. Those that are able are willing to work, but in this fast-moving industrial life of today, the demand is for younger men. Thus, the old and aged are placed

upon the shelf, and, therefore, the need by appropriate laws to enable the aged to live a self-respecting old age. I am now, and always have been, strongly in favor of all legislation to provide security in old age.

As I have previously said, I am gratified that additional persons to the number of 11,000,000 are brought within the terms of the act by the amendments proposed. There are other classes of our citizenship that should likewise have been brought within the act. It is disappointing that they are not. However, I look forward to the time, and I hope it is not distant, when all such will be brought within our social-security coverage.

Another amendment to the Social Security Act that is long overdue, but is being corrected or improved by the legislation before us relates to the amount of benefits received. The amounts being paid under the present law are so meager that they might well be considered an insult to the aged. In no instance are they sufficient to meet the high cost of living that now exists. The only defense that might be offered would be that the cost of living when the original act was adopted was not as high as it is now, and, furthermore, that the law was new and lessons had to be gained by experience. Whatever justification there may be for such in the past the fact remains that for a long time it has been apparent that justice to the aged requires that payments to them should be greatly increased.

The legislation, now before us, offers considerable improvement over present conditions by liberalization of benefits to be received under the act.

About 2,600,000 persons currently receiving old-age and survivors' insurance benefits would have their monthly benefits increased on the average by about 70 percent. Increases would range from 50 percent for highest benefit groups to as much as 150 percent for lowest benefit groups. The average primary benefit is now approximately $26 per month for a retired insured worker and under the bill it would be approximately $44. Illustrative figures for individual cases are shown in the table below:

Present primary insurance benefit:	*New primary insurance amount*
$10	$25
$15	31
$20	36
$25	44
$30	51
$35	55
$40	60
$45	64

Furthermore, and a very important matter, the bill will increase the amount that can be earned by a beneficiary without losing the monthly benefits to which he is entitled. Under the present law the amount a beneficiary is permitted to earn per month, after retirement and in addition to the monthly payment received is only $14.99. The amount is so trifling that in practice it is no real help at all. Under the bill now before us this situation is corrected. The amount a beneficiary may earn in covered employment without loss of benefits would be increased from $14.99 to $50 per month. After age 75, benefits would be payable regardless of amount of earnings from employment.

There are many other worth-while improvements and additions to the existing law that will prove highly beneficial to many thousands of people. For instance—

PERMANENT AND TOTAL DISABILITY INSURANCE

Coverage: All persons covered by the old-age and survivors insurance program will have protection against the hazard of enforced retirement and loss of earnings caused by permanent and total disability.

Benefits: Permanently and totally disabled workers will have their benefits and average wage computed on the same basis as for old-age benefits.

OLD-AGE AND SURVIVORS INSURANCE BENEFITS FOR WORLD WAR II VETERANS

World War II veterans will be given wage credits under the old-age, survivors, and disability insurance program of $160 per month for the time spent in military service between September 16, 1940, and July 24, 1947.

PUBLIC ASSISTANCE AND WELFARE SERVICES

Under extension of State-Federal public-assistance programs—aid will be extended to persons not now eligible for assistance, as follows:

Permanently and totally disabled needy persons will become eligible for State-Federal assistance by the establishment of a fourth category, with the Federal Government sharing in the costs in the same manner as for old-age assistance and aid to the blind.

The mother, or other adult relative with whom an eligible dependent child is living, would become eligible as a recipient under the aid-to-dependent-children program, and the Federal Government would share in the costs of the aid furnished such mother or relative.

Increase in Federal share of public-assistance costs: The bill will strengthen financing of public assistance in all States, and, particularly, will enable States with low-average payments to raise the level of payments to needy recipients under the State-Federal program. Federal funds will be made available to the States under the following matching formula:

(a) For old-age assistance, aid to the blind, and aid to the totally and permanently disabled, Federal funds will equal four-fifths of the first $25 per recipient plus one-half of the next $10 plus one-third of the next $15 with a maximum of $50 on individual assistance payments.

(b) For aid to dependent children, Federal funds will equal four-fifths of the first $15 per recipient, including one adult in each family, plus one-half of the next $6, plus one-third of the remainder, with maximums on individual assistance payments of $27 for the adult plus $27 for the first child plus $18 for each additional child in the family.

Public medical institutions: The Federal Government will share in the payments made by the States and localities to the needy, aged, blind, and permanently and totally disabled recipients residing in public medical institutions, instead of limiting Federal participation to payments made to recipients residing in private institutions as provided in present law.

Direct payment for medical care: States will be authorized to make direct payments to medical practitioners or institutions furnishing medical care to recipients of State-Federal public assistance. Under existing law the Federal Government does not participate in the cost of medical care for recipients unless payment for such care is made directly to the recipient.

Child-welfare services: Authorization for child-welfare services in rural areas or areas of special need will be increased from $3,500,000 per year to $7,000,000. The use of child-welfare funds would be authorized for purposes of returning interstate runaway children to their homes. Notwithstanding the good that is in the bill there are some changes and additions that should have been made, but, unfortunately a gag rule prevented any amendments being offered. I think it was wrong to bring the bill before the House with such restriction on amendments.

The amendments to the Social Security Act which this bill seeks to make effective are necessary and worth while. While they may not cover every situation, or condition that needs to be rectified, yet, they do go a long way in making improvements to our social-security structure. I am pleased to give my support to the bill, and, I hope that it will have the approval of the House.

Mr. JENKINS. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, there is no question but what the easiest, probably the most popular position to take on this particular legislation would be to vote right down the line for everything; that is easy, and it probably would be politically popular for a number of reasons. I think the principal reason is that in this bill we do, in fact, give to some people something for nothing. It provides for benefits that will not be paid for by this generation; and, of course, whenever we can vote somebody something which at least as far as their conception is concerned is something for nothing, they like it, and it is politically popular.

Much has been said in the debate so far about the benefits involved, and some little has been said about the taxes involved. The contention is constantly made that the benefits to which these people become entitled under the bill and under the present law are benefits which they have bought and paid for. Just to be honest with ourselves and honest with the record, I think it should be pointed out that none of the benefits people are receiving today are equivalent to what they paid for; the benefits are much in excess of what has been paid or is being paid in taxes. It will be true in the future, it will be true until that time comes when the pay-roll taxes and the taxes on the self-employed will be equivalent to a rate of around 6½ percent. When that time comes those people who will be paying that rate I think we can honestly say will be paying for the benefits they will receive.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. What is the position of the self-employed businessman who goes into the fund, who pays into it apparently since it is compulsory, who stays in business as long as he lives and pays on the basis of $3,600 for 20 years? What is his status? Will his estate recover anything upon his death?

Mr. BYRNES of Wisconsin. His estate does not recover anything. All persons who have acquired an insurance status will receive a burial allowance. If he leaves a survivor that survivor will receive benefits. However, in that instance, probably even today and for the next 20 years, you may say that the small amount that he pays, which is comparatively small for the over-all benefits of retirement and survivor benefits, may be worth while. He probably is getting what he is paying for because he is paying at a very low rate. He is not paying at the insurance actuarial rate and he will not be until that time comes when the self-employed individual pays at the rate of 4⅞ percent. Then there will be a serious question as to whether or not he is paying for a lot of things that he will never get and does not desire to have. We must remember that many self-employed persons do not intend to retire, they do not intend to draw retirement benefits, and they will not draw retirement benefits. It is their purpose to continue drawing an income from their self-employment; therefore, of course, some of the benefits will be denied them because the big part of the program is a retirement program.

If the gentleman will permit, I would like to proceed with the thought I started out with.

Mr. AUGUST H. ANDRESEN. One more question. This little-business man does not volunteer going into this. He must go into it and is liable for the tax whether he likes it or not?

Mr. BYRNES of Wisconsin. That is absolutely correct. We are compelling him to contribute a certain percentage of his income to this so-called insurance program even though he may desire to buy some other kind of insurance with his funds. The Government, however, says to these self-employed people, "You have no alternative, you must come under a Government system. You must contribute this given percentage of your income in order to be covered in the way we think you must be covered." In other words, this bill takes all individual judgment and control over his individual savings and income away from him to the extent of the amount represented by the social-security tax.

Let me go back and continue what I think the Members should know, what I think the people should know, particularly the younger people, with regard to the system and with regard to what the future holds in store for them as far as the system is concerned. There can be no question whatever but what persons in this system now in advanced years will receive very sizable bargains. We are giving something for nothing to them. As I say, that probably adds considerably to the political expediency and the political desirability of the particular legislation before us.

A little example might give us an idea of what the situation is. There is a possibility, and I agree that it is an extreme case, that a person, who in 1940 was 65 years of age and had been under the system for 6 quarters, earning $50 a quarter, would have insured status, and he could retire in 1940 after $6 had been paid in. He would have paid in $3 and his employer would have paid in $3. That would have been the total cost to him and his employer for the benefits that he would receive. He would receive $10 per month; in other words, in 1 month's time he would receive from the Government, in a Government check, more than he and his employer had contributed, and he would continue to receive that $10 per month until he died. Under the new bill this same individual will receive $25 per month and would have contributed only $6 to the program. If he had a wife he would receive in benefit checks a total of $37.50 monthly.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. I am very much interested in the gentleman's presentation. What becomes of the man that accumulates a big fund, credit, and then dies without collecting anything? What becomes of that money?

Mr. BYRNES of Wisconsin. If he has not worked long enough to have an insured status, he receives nothing.

Mr. WHITE of Idaho. The Government gets that?

Mr. BYRNES of Wisconsin. The Government gets that. This points out some of the inequities that are bound to arise under the system that you have, and are continuing by bill H. R. 6000. Just take this person who is in for a year and a half. He gets the benefits just enumerated from the Government for the payment of $6. But, do you do anything for the person who has not been in long enough to have acquired insured status? No. What about the old person who today is over 65 years of age and never had a chance to work under the social-security system? Do you give him any payments? Oh, no. He goes on a needs basis. I am not complaining about the payments being made to this person who is 65 years of age and who is receiving or will receive $25 per month; I am not complaining about that. But, I do complain when you try to make the American people and everybody else feel that they have paid for what they are getting. It just is not honest and it is playing politics with the old people of this country. I think they should be taken care of, and I have no grievance whatever with title I of the social-security program, with the old-age assistance program as outlined in the bill. It must be pointed out, however, that compared with the benefits provided under title II, the provisions made for the aged in title I are most inadequate.

What I want to do, however, is to call attention of the committee to the fact that we are developing a system which we call insurance, but which is fictitious insurance. Let us look at the situation of the old people who did save and thought they had accumulated enough for their old age, and then the war and the inflation came along and wiped out those savings which they, by their frugality, thought would take care of them in their old age. I think the Government has a definite responsibility to those people, but I think they are just as much entitled to Government assistance as the person who qualifies under this so-called insurance program.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. WHITE of Idaho. The gentleman speaks of giving something for nothing. We are giving the veterans of the Spanish-American War $90 a month. How do they happen to get that? What entitles them to $90 a month?

Mr. BYRNES of Wisconsin. I think the veteran situation is entirely different from the situation here confronting us. In the case of the veteran we are trying to repay them in some small part for some of the sacrifices they made for us.

Mr. WHITE of Idaho. What about the man who builds the country? What about the man who puts in a lifetime of industry? Is he not entitled to something, as well as the man who defends what the other man put in a lifetime building? When a boy gets to be 21 years of age in this country he inherits citizenship, he inherits a birthright, he inherits the thing the generations ahead have given him. Is he not entitled to support in their declining years the people who have given him all this heritage?

Mr. BYRNES of Wisconsin. I am not going to get into a discussion today on the matter of veterans' pensions. I think the question we have before us is complicated enough in and of itself.

May I point out another example of what takes place today. Assume a person working in covered employment for 3 years at $3,000 a year. He and his employer will have paid in $180. He will have paid in $90 and the employer will have paid in $90. His benefits under the present law would be $41.20 per month, and he would get that until he died. A $180 premium does not pay for a $41 per month annuity. Under the bill and without any further contributions on his part, he will be paid $61. If he has a wife he will be paid $92 a month.

Again I say, I am not criticizing the increase in benefits. I think it is sound to increase the benefits of the older people, but I do call your attention very specifically to the fact that this idea that the program is actuarially sound is absolutely untrue. Any contention that the people today and the people from now until 1970 are paying for what they are going to get by way of benefits is absolutely an untruth, because until the tax becomes in the neighborhood of 6 percent you cannot say the people have paid for it.

There are two principal things I find make this bill, as it comes before us, objectionable. I think we are going into two fields which give me considerable concern and which I seriously question the advisability of going into. One is

the self-employed field, and the second is the field of total and permanent disability.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. JENKINS. Mr. Chairman, I yield five additional minutes to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I thank the gentleman, and I thank the members of the committee. I do not want to belabor the subject and lengthen this debate. I do not suppose there is very much to be gained by debating the legislation. It is going to be a matter of swallow it all or not take any of it, so there is not very much that I can gain, I suppose, by going into some of the details, except that I do think we should know and have some understanding of exactly what we are getting into.

I have no objection, in fact, I figure it is a most sound proposition to have a program like that outlined in the original social-security bill, and even like that outlined in the bill H. R. 6000, for the employed people, those who are outside the category of the self-employed. When this system was instituted it was based on the following principles: Employees, when they get to be 65, do not have complete control over whether they are going to continue working or not. They are not in the same position as a self-employed person who can, of his own accord, decide whether or not he is going to continue working.

We must recognize that employers quite generally release workers at 65. In many instances these employees are not able to provide for their future at that time. I think it is a proper charge upon industry and a proper charge upon the products of industry to provide some program for the care of workers in their old age.

But now we are going into an entirely new field, the field of the self-employed. The self-employed has control over whether he is going to continue working or not. Many self-employed people do not retire. Mark you this—you get no retirement benefits under this program just because you reach the age of 65. You must retire. You must have an income of less than $600 a year from self-employment. If you make $600 a year from self-employment, you receive no retirement benefits. So let us remember that fact. And yet you are imposing this system, by compulsion, upon self-employed people, many of whom have no desire to retire.

Take the case of the corner grocer. He probably owns his store—it is not his intention to retire when he reaches 65; he probably intends to take things a little easier after that age, but he does not intend to drop the business completely. Yet that is what he would have to do in order to receive benefits under the program and to get something back out of what he has contributed by the way of taxes. I say it is a dangerous thing to force a system on those people whether they like it or not and whether it is needed or not.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. FORAND. I trust my good friend is not trying to leave the impression that because as he says self-employed people do not retire they would not be eligible for benefits under this bill, because whether or not they retire before age 65 or at age 65 no one can foretell when they are going to die, and when they do die, survivors' insurance benefits are payable because of the amount of money they have contributed to the system.

Mr. BYRNES of Wisconsin. That is true, but the gentleman will admit, too, that the cost of that part of the program is a smaller part of what you are really paying for by your so-called premium. The big benefit that is anticipated and the big cost to the Government which is anticipated is the cost of retirement benefits. The gentleman will admit that, I am sure.

Mr. FORAND. But the fact still remains that survivors' benefits would help take care of the wife and children.

Mr. BYRNES of Wisconsin. There are some benefits; yes.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. MILLS. The gentleman from Wisconsin has made a very fine statement, but would the gentleman from Wisconsin agree that the objection which he finds to H. R. 6000 with respect to the self-employed is equally true of the motion to recommit?

Mr. BYRNES of Wisconsin. Yes, yes; I shall vote for the motion to recommit only because it does eliminate one of the very dangerous features contained in H. R. 6000. It does eliminate the permanent and total disability insurance but it still includes the self-employed. For that reason I shall vote for the motion to recommit and if that motion prevails, I shall vote against the bill on final passage.

Mr. MILLS. I know the gentleman is sincere, and I know the gentleman would tell us exactly the position he would take, and I know that he would oppose H. R. 6297 on final passage.

Mr. BYRNES of Wisconsin. Yes, indeed.

The thing that is more important than anything else is to try to answer this question, and I think it is a question that we should all ask questions: Would we vote for this bill today if it carried with it 6½ percent pay-roll tax, which is necessary to pay actually for the benefits going to be granted by it. If we are not willing to do that, if we are not willing to impose that tax, which is necessary to pay for these benefits, on ourselves and the present generation, how can we vote to place it on the next generation? Yet that is just what we will be doing in voting for this bill. We will be saying that we will charge this generation only 1 or 2 or 3 percent, but the next generation—and there will be no backing out of it—this is not something that you go into one day and back out the next—we will tax at the rate of 6½ percent. By voting for this bill you are voting taxes of at least 6½ percent on the next generation. That is one thing I have to consider. As I said in the beginning, it would be the easiest thing in the world to vote for this bill, because you are giving the beneficiaries who are now on the rolls and who will go on the rolls within the next 20 or 25 years something for nothing; but you are not giving something for nothing to future generations. Those future generations will pay for what you are giving away today for nothing. I just do not believe it is honest or sound to burden my children or your children on that basis. Remember we give them no voice whatever in what we are committing them to.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. HALE. I would like to compliment the gentleman for what I think is an extraordinarily lucid and enlightening statement. I wonder if he can help me in a matter which has been presented to me by many of my constituents. That is on the question of the definition of "employee," particularly lumber and paper companies. Am I right in my understanding that a man may be an employee within the definition of this legislation and at the same time not be an employee within the definition of the wage-hour law?

Mr. BYRNES of Wisconsin. Oh, that is very true. You will have some people who will be considered employees under the social-security system who are not employees under other programs.

Mr. HALE. Is that not going to raise almost infinite difficulty?

Mr. BYRNES of Wisconsin. I think very definitely so. I think that what will eventually happen is that the broadened definition used in social security will be extended into those other fields. You will have confusion for a short time, but eventually pressure will be exerted to make the other laws comply with the definition under social security.

Mr. HALE. If you extend this definition of employment, are you not going to get yourself into the position where sooner or later, you are ging to have the ordinary tort liability for negligence as the negligence of an independent contractor?

Mr. BYRNES of Wisconsin. I am afraid I cannot answer that question. Certainly confusion is going to result.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. BYRNES] has again expired.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I was very much pleased when the gentleman from Wisconsin [Mr. BYRNES] was so frank and sincere in his answer to the question asked by the gentleman from Arkansas with respect to his position insofar as social-security extension is concerned. He is definitely opposed, as I understand it, to any change in the present law.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. Yes; I yield.

Mr. BYRNES of Wisconsin. I would not oppose legislation which was limited to an increase of benefits, and limiting coverage to employees.

Mr. EBERHARTER. The gentleman would not extend the coverage to any additional people.

Mr. BYRNES of Wisconsin. Only to bona fide employees.

Mr. EBERHARTER. The gentleman would have the tax load remain the same and the other conditions; in fact, the gentleman is not in favor of the improvement of the Social Security Act.

Mr. BYRNES of Wisconsin. The gentleman is not fair when he attributes such a philosophy to me.

Mr. EBERHARTER. It sort of emphasizes to me what has been going on here in the last 2 days. I have listened to practically all the speeches made by the members of the minority, and I do not find any one of them saying "I am very strongly in favor of the Kean bill," which is going to be embodied in the motion to recommit. All the speeches I have heard from the minority in the last 2 days have been speeches in opposition to the proposals contained in this bill that was reported by the Committee on Ways and Means, by the majority members.

Mr. CURTIS. Mr. Chairman, will the gentleman yield for a question?

Mr. EBERHARTER. I am glad to yield; certainly.

Mr. CURTIS. Is there anything in the Kean bill to which the gentleman is opposed?

Mr. EBERHARTER. Oh, definitely; I am opposed to practically everything contained in the Kean bill that differs from the bill H. R. 6000.

Mr. CURTIS. Mention just one provision, for instance.

Mr. EBERHARTER. There are nine such differences between the two bills, which I shall explain in a few minutes.

REPUBLICAN RECORD OF OPPOSITION TO SOCIAL SECURITY

Mr. Chairman, on page 158 of the committee report the minority lists nine recommendations as to how H. R. 6000 should be changed. These points are all incorporated in Mr. KEAN's bill, H. R. 6297. I shall now point out why the Ways and Means Committee took the action that it did, but before doing this let us look at the record of the Republican Party in the past as to social security.

From the very beginning of consideration of social-security legislation, the Republicans have been opposed, either openly or somewhat surreptitiously. In regard to the original 1935 Social Security bill, the entire Republican membership of the Ways and Means Committee protested that the insurance titles were unconstitutional, and one of the Republican Members stated that the pay-roll taxes required to support the benefits would be bad economically for the Nation. The Republican platform of 1936 maintained this opposition, and their Presidential candidate ran a campaign emphasizing only the employee contributions, and misleadingly omitted any reference to the benefits that would be paid, or the taxes employers would pay for the benefit of the workers.

By 1940, however, the Republican Party changed its spots and half-heartedly favored extension of the program. In 1944 there was further expressed enthusiam, but when the Republicans assumed control of Congress in 1946, this enthusiasm was quietly ditched until it was dusted off again for the 1948 campaign. During the Republican control of the Eightieth Congress it was noteworthy that the only legislation passed in regard to the insurance program was of a negative character taking away coverage from thousands of persons for whom coverage would be restored by the bill now under consideration. This was the so-called Gearhart resolution which was passed over the veto of President Truman.

But let us turn now to the specific proposals of the minority. Let us give them the benefit of the very great doubt and assume that these proposals are made in good faith and sincerity.

WHAT IS WRONG WITH THE RECOMMENDATIONS OF THE MINORITY ON H. R. 6000

First. The minority recommends that the $3,000 per year maximum on the amount that can be credited toward benefits be retained rather than raised to $3,600 as in H. R. 6000. The $3,000 maximum was established in 1935 and has not been changed since that time despite the fact that wage rates and cost of living have almost doubled over the past decade. Accordingly, a mere 20 percent increase in the maximum-wage base is most conservative, and it could be well argued that the wage base should be raised to $4,200 as the Senate Finance Committee Advisory Council recommended last year, or even to $4,800.

Second. The minority recommends eliminating completely the increment in the benefit formula which increases benefits according to the number of years that the individual has contributed. Equity requires the rewarding of continuing contributions by giving higher benefits so that long-time contributors with high average wages will get full value for their contributions. Accordingly, it is necessary to retain the increment in some form.

Third. The minority recommends using an average monthly wage based on the highest 10 consecutive years of coverage rather than on all years of coverage as in the bill. Admittedly this recommendation is more liberal and would produce larger benefits, but it should be noted that it is made only in conjunction with the previous two recommendations which would reduce benefits. The committee considered very seriously using an average wage based on the highest 10 consecutive years of coverage. However, the additional cost involved precluded its adoption at this time, since it was felt that the moneys available could be used to better advantage for other benefit changes. This only goes to indicate that the committee has adopted a sound and conservative policy in regard to the financing of the system and has not reported a bill with benefits far more expensive than the financing of the program could bear.

Fourth. The minority recommends that the thorough and complete definition of "employee" be restricted by eliminating the fourth paragraph in the definition. This additional test based on general principles rather than on occupational labels is needed to assure equal treatment for individuals who are in substantially the same service relationship. The minority claims that a large number of persons will have no way of knowing whether they have coverage until the Treasury makes a determination. In rebuttal of this let me state that the factors are explained in lay rather than in legal language and will be clearly understandable to everybody. We have gone to great length in the committee report to show clearly the intention of Congress as to the meaning of this paragraph and have indicated both in general terms and in examples the way in which this definition would work out. The intent of Congress is clearly stated, and I am confident that there will not be any excess exercise of discretion by the administrating agencies. These agencies are directed both by the actual terms of the definition in the law and by congressional statement of intent in the committee report to guarantee they will reach results not in violation of common sense.

Fifth. The minority recommends greater coverage for household workers in that those who are less regularly employed would be included. In my opinion this is a good recommendation over the long range, but when we are first embarking on a program of covering domestic servants we should, for administrative reasons, cover only those whom we are absolutely certain can be successfully reached. In my own opinion, if this program is administratively successful in its limited form, as I am confident it will be, then later we can consider broadening the coverage in this field. At that time perhaps it will be feasible to adopt the recommendations of the minority, or go even further in the coverage of domestic servants.

Sixth. The minority recommends that teachers, firemen, and policemen with their own pension systems should have no opportunity of being covered by the old-age and survivors insurance system. Many of these groups feel that they have adequate plans already and are afraid that such plans might be abolished if the State or local government would bring them into social security. However, H. R. 6000 does include adequate safeguards against any occurrences like this, because it provides that before the State or local government can obtain social-security coverage for employees already in a retirement system, two-thirds of those employees must vote in favor of this. Under the minority recommendation there would be sort of a dog-in-the-manger attitude because there are, no doubt, some in existing retirement systems who would like to have social-security coverage as well, just as employees in many private industries have both social security and their own private pension plans. However, the minority recommendation would prohibit any such possibility. Certainly in a democratic society such as ours the individuals concerned should have the right to vote in these cases, whether or not they wish to participate in the social-security program. Even if most of those in retirement systems do not want to participate, this should not prevent any of the remainder from so doing.

Seventh. The minority recommends that Puerto Rico and the Virgin Islands should not be included in the old-age and survivors insurance system, but rather they should have an independent system.

The minority states that as a reason for this recommendation the benefits would be too high in these possessions in relation to earnings and standards of living, and that, therefore, it will involve an undue drain on the trust fund. I feel these two possessions should be brought into the social-security system because their citizens are citizens of the United States and their economies are quite closely integrated and interwoven with that here on the continent. Although their earnings are somewhat lower than the average on the continent, nevertheless, earnings are not uniform within the 48 States, and there never has been any talk about not having social security apply to the lowest wage areas of the 48 States. The Committee on Ways and Means very carefully considered this subject and found that the benefits provided would not be unduly large in relation to the cost of living, and that the financial and actuarial basis of the system would not be endangered. Moreover, if the insurance system is not extended, there will be larger Federal outlay for old-age assistance, and the minority does concur in that it should apply to these possessions. A separate system for these possessions would be administratively expensive in cost and would leave unsolved many problems arising from the steady migration between the mainland and these islands.

Eighth. The minority recommends that the lump-sum death payment should not be made available in the case of all insured deaths, but rather be continued as at present when it is made only for those families where no immediate monthly benefits are available. There are many anomalies in the present provisions. The cost of extending this small amount of burial insurance which averages perhaps about $150 is relatively small. In answer to the arguments that the Federal Government is encroaching in the private life-insurance field, it may be said that many of the lower-income families do not have any insurance anyway, and that this small amount uniformly available will not hurt the insurance business, but perhaps might make the covered persons more insurance-minded. This lump-sum death payment is intended, and certainly it should therefore be, to assist in providing for the unusual expenses that every family has to meet at time of death, available for all insured persons.

Ninth. The minority recommends elimination of the provision for total and permanent disability benefits under the insurance program, although it does recommend that these payments be made on a needs basis under the public-assistance provisions as is provided in H. R. 6000. The Ways and Means Committee believes that the insurance approach is much more preferable than the assistance approach, and accordingly strongly recommends that insurance benefits be paid to the worker who must leave the labor market because he is disabled before age 65. Of course, the public-assistance provision is still necessary to take care of those who are not under the insurance program.

The minority claims that this disability-insurance program will be tremendously costly and cannot be administered successfully, but I do not believe that this has any factual basis because similar programs are being administered successfully in this country by the civil-service retirement system, by the railroad retirement system, and under the life-insurance programs of the Veterans' Administration.

The disability-benefit provisions in H. R. 6000 have been written on a very modest and conservative basis with all possible safeguards so that there is no reason why the program will not be administratively successful. The workers of this country need protection against disability, and they need protection on a dignified basis of insurance—not on any charity basis if this can possibly be avoided. We cannot continue to leave the workers of this country without any protection against the economic hazard of disability against which it is virtually impossible for them to protect themselves through individual savings or insurance.

In summary, I have shown why the nine recommendations of the minority were not adopted by the committee. Most of them would deprive the workers of this country of social security. A few of them, it is true, would make more liberal protection available, but I have indicated why these changes, though desirable in the long run, are not practicable at the moment. At the same time let me again point out that the Ways and Means Committee has considered both sides of the coin, namely, the benefits and the contributions. We have not provided as liberal benefits as probably would be desirable, because of the necessity of setting the system up on a sound financial basis, whereby the contributions provided will definitely meet the obligations for benefits. As experience develops, and after we study the matter more, it may be possible to make further extensions and liberalizations of the program, but certainly at this time H. R. 6000 represents a tremendous step forward toward providing social-security protection for the workers of this country.

Mr. CURTIS. The gentleman is referring to things that are not in the Kean bill. I mean things that are in the bill.

Mr. EBERHARTER. I am opposed, of course, to retaining the $3,000 base. I am opposed in this bill to the formula which would use 10 years' consecutive highest wages as the base.

Mr. CURTIS. Would not that be of benefit to the workers?

Mr. EBERHARTER. It might be of benefit to the workers, but not in relation to the amount of taxation it will be necessary to impose on business and the employer both in order to carry that. There are other inequities.

Mr. CURTIS. Would not the Kean bill protect more domestic workers?

Mr. EBERHARTER. It might protect more domestic workers to some extent, but then, as we have done in previous years, in starting on a new program we always begin in a conservative manner. When we first passed the Social Security Act, we left out farmers, farm labor, domestics, and many other categories, because we did not know whether it could be properly administered. We are starting out to take in the domestic help on a rather conservative basis, on a basis that we think can be administered fairly and practically at the present time. If after we have had some experience we find we can include more of these so-called casual domestic workers, we want to do that. The bill as written, however, will not take care of migratory workers and a lot of casual workers, because we find it will be too difficult to do; so we are proceeding in a manner to insure that the system is sound and can be administered properly.

Mr. CURTIS. The gentleman is not opposed to any benefits contained in the Kean bill, is he?

Mr. EBERHARTER. I am not opposed to increasing the benefits. The bill which the committee reported out increased the benefits, practically doubled them, for those who are retired in the future, and increases the benefits to those who have already retired about 70 percent on the average.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman gladly.

Mr. MILLS. Is not the gentleman actually opposed to the Kean substitute because the Kean substitute proposes lower benefits to those who will be covered under the program? The gentleman from New Jersey has said that his bill would cost less money than the committee bill. It can cost less money only because the benefits to the recipients will be less.

Mr. EBERHARTER. That is absolutely correct. I am glad the gentleman brought that to the attention of the Members.

The gentleman from Wisconsin made the statement here that this is not a sound program. I attended practically every hearing that was held on this bill since February 26. I did not hear testimony from any insurance expert, by any actuary, or any statement by the experts that were employed by the committee to the effect this would not be a sound financial system. All the insurance executives were in favor of a social-security system. There were some who did not like parts of it. They did not like the increase in the base to $3,600. They wanted it to remain at $3,000. Of course, they are afraid, perhaps, they will not be able to sell as much life insurance if we increase the base to $3,600.

The gentleman from Wisconsin also cited some extreme cases where certain people would perhaps get a very large benefit by the payment of a very small sum of money. Of course, that is inherent in any insurance system that has ever been devised. Sometimes a person carries fire insurance for many, many years and he never has a fire. He gets no benefits except what might be called protection. Many times a person will pay one premium on life insurance and his estate gets the full principal amount.

Those things are inherent in any insurance system that was ever devised. That is no argument against a sound social-security system such as we are proposing here.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Will the gentleman give me the name of an insurance company that sells annuities on that basis for retirement purposes because I would like to buy some of them?

Mr. EBERHARTER. On what basis?

Mr. BYRNES of Wisconsin. On the basis that you can buy an annuity for less than the actuarial cost.

Mr. EBERHARTER. The gentleman surely knows that the social-security-insurance system is on a different basis entirely than the regular annuity system.

Mr. BYRNES of Wisconsin. It is my claim that it is certainly different from fire insurance or life insurance to which the gentleman alludes.

Mr. EBERHARTER. None of the actuaries said 6½ percent was not sufficient to carry this program and keep it financially sound for the next 40 or 50 years.

Mr. BYRNES of Wisconsin. I do not want to quibble nor do I want to interrupt the gentleman's statement. I do believe he will agree with part of my statement. I intended to refer to the fact, when I said this system was not sound, that it was not actuarially sound. I will admit it is financially sound, that you can always tax the people enough to pay the benefits to be paid out. I think that is the point the gentleman has in mind, which I will concede. It is a financially sound program from that standpoint. Although it may seem to some Members it is quibbling, I assure them it is not my intention to quibble. Actuarial soundness is an entirely different matter.

Mr. EBERHARTER. Suffice it to say that there will not be any necessity under the program, the tax program in the bill, to take any money out of the Federal Treasury, out of the general funds, for the next 50 years in order to pay any of these benefits. So if you are looking forward to a financially sound system for the next 50 years that is as much as can be expected from this particular Congress.

Mr. Chairman, I just want to add one or two other things. We hear a lot about this definition of employer and employee. The reason all this fuss is being raised, in my opinion, about this definition is because there are a lot of employers in this country who, in the past, have been excused from paying pay-roll taxes for persons who are, in fact, real employees, and those are the persons who are raising this question about the definition of employer and employee. There are only a comparatively few industries involved. The committee has attempted to set out in clear and concise language as to what really constitutes an employee; that is, employee and employer status.

I want to say this also, Mr. Chairman, that the Treasury Department and the Social Security Administration have said definitely and unequivocally that under the language contained in this bill there will be no difference of opinion whatsoever as to the status of any person and that there will be no trouble whatsoever in arriving at a common-sense decision. They expect very few cases ever to go to court, so that we are lifting the veil of confusion by writing in this bill a definition of employee and employer.

Mr. Chairman, the minority party has never truly and sincerely supported social-security legislation. All of us who have read history and those who were in Congress in 1935 know that the Committee on Ways and Means minority members unanimously said that the measure was unconstitutional; they said it would be bad economically for the country to be suffering from a pay-roll tax. We know that the Republican presidential candidate in 1936 ran on a program opposed to social security. We know that practically every time measures came up for the liberalization and improvement of social-security legislation that they were opposed, just the same as they are opposing it today. They are not in favor of a motion to recommit as such. They just have the intention, Mr. Chairman, of defeating the bill which will really accomplish what the American people want. So, I hope that as you consider those factors and remember those matters that have been debated here, you will decide to vote against the motion to recommit and for the bill on final passage.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from California.

Mr. WHITE of California. Did not the gentleman overlook mentioning the fact that in 1948 the Gearhart resolution removed 500,000 to 750,000 people from social-security coverage?

Mr. EBERHARTER. I thank the gentleman for calling that to my attention and the attention of the Members present. Yes, when the Supreme Court decided that it was the intention of Congress in 1935 to include perhaps anywhere from 500,000 to 750,000 employees, on the so-called border line, the Republican Congress immediately passed the Gearhart resolution nullifying the intention of Congress when they passed the social-security bill and voiding the decision of the Supreme Court of the United States. As a matter of fact in this present bill the committee has put those 500,000 to 750,000 people back under social-security coverage, in addition to extending coverage to 11,000,000 other people.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. Reference was made earlier in the day to a section in H. R. 6000 which is also found in a section of the Kean bill dealing with the question of the payment of blind pensions to pensioners in Pennsylvania. At the present time, as the gentleman knows, the State of Pennsylvania has not been receiving a Federal contribution toward the payment of blind pensions within that State. I would like the record to show that that is included in both H. R. 6000 and the Kean bill, and particularly that the gentleman from Pennsylvania was exceedingly active in having that amendment accepted by the committee in the social security bill H. R. 6000.

Mr. EBERHARTER. I thank the gentleman for that statement. I think that provision is a just and equitable one, providing for payment to the blind persons in Pennsylvania. It should have been in the law long, long ago, or the interpretation should have been made by the Social Security Board so that those payments would have been made. It would have been impossible to have that provision inserted if it had not been for the assistance of my able colleague on the minority side, the gentleman from Pennsylvania [Mr. SIMPSON]. He is entitled to the thanks not only of the blind persons of Pennsylvania but of the entire population of Pennsylvania.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I expect to vote for H. R. 6000. I have always believed in a sound social-security program. I am not happy about the way the present program is being administered. The idea of social security is sound and proper. It ought to be administered in a manner to command confidence.

The bill before us now has had 6 months of careful consideration by the Ways and Means Committee. I understand that a number of the controversial points were put into the bill by a 1-to-3 majority vote in the committee. The bill adds about 11,000,000 new persons to the 35,000,000 now covered during an average workweek. The bill provides that some 4,500,000 self-employed persons will come under the bill. There are a few exceptions, such as physicians, lawyers, dentists, Christian Science practitioners, and certain engineers. If a self-employed person earns more than $400 per year, he would be excluded. The contribution rate for the self-employed would be one and one-half times the rate for employees.

The bill is 200 pages long and complicated. The principle of the extension of social security was endorsed by both political parties in their 1948 platforms.

Under this bill there are two main divisions. The one called the old-age assistance or pension program is one in which the State and Federal Governments participate. It is designed to take care of those individuals who reach the age of 65 years and are in need. Many of these individuals have given their best to build America and now, through no fault of their own, are no longer able to provide for the necessities of life. There must be some way to provide for their care. I do wish it were possible to set up a yardstick, as it relates to the need of the individual, which would be the same in all States. It varies greatly. The payment in the different States ranges from less than $30 to near $90. I believe that eventually the individual who is in need will be able to receive a check directly from the Federal or State Government which will be the same for all who qualify. Certainly the individual who is in

need and can qualify gets just as hungry and just as sick when he is in Louisiana, Nebraska, or California. At the present time there is entirely too much red tape in the administration of this assistance program.

There have been too many grandiose promises made, not only to the old people but to those under the old-age and survivors insurance program. The latter program has been shamefully disappointing in results. Some deserving old people, under the assistance provision of the bill, have remained in need rather than go on assistance. Others become burdens on conscientious but poor children. There are others who hide their assets in order to qualify for the benefits. There have been some deserving oldsters who have no assets of any kind and have been forced to apply for assistance, but because of all the red tape and snooping it has broken their spirit and their independence. There ought to be a program available without the needs test to those who do not qualify because of age for the work-insurance feature, but yet they have worked just as hard and as faithfully as their neighbor who may qualify.

The other main phase of this social security bill relates to the old age and survivors' insurance. This program has been in operation since 1936. I would point out, Mr. Chairman, that the employer and the employee, through contributions and deductions from their pay check, have contributed to the Federal Government during this time, approximately $15,000,000,000. I would further point out that as this money comes to the Treasury, it is used to pay the current running expenses of government. It is not based on sound actuarial findings. It is now in the red about $8,000,000,000. This means, Mr. Chairman, that our children and grandchildren will again be taxed to pay these obligations when they become due. I submit that if any private insurance company should carry on their insuring policy in such a manner, the officials would soon find themselves in a Federal penitentiary. The way this program has been operated by the Democratic administration since 1936 is a fraud on the American people.

I firmly believe in individuals taking care of themselves through life and providing for their old age. Many do it through sound insurance and other saving programs. The old age and survivors' insurance program, under the Government, would provide a good retirement for these individuals, when they reach the age of 65, if it were properly managed, but the present system can hardly be called insurance, because the money paid in by those who hope to buy this protection has been squandered and misappropriated. It will be necessary to again tax the citizens to make up for this improper use of these funds.

I am also concerned, Mr. Chairman, that the growing inflation in this country, through bad fiscal policies of this administration, will bring not only the supposed benefits under this program, but of all savings, into jeopardy. Our Government cannot continue to spend beyond its means without bringing on an inflation which will affect all savings.

I am also concerned about the provisions of this bill which will place additional taxes upon the lower-income groups. It does raise their taxes by taking an additional 2.5 billion, yearly, from their pay check. This is a real tax. It is another way of raising taxes, but upon the poor and not the rich.

You will remember that the Eightieth Congress reduced taxes and took some 7,500,000 off the income-tax rolls. This program will take additional taxes from more than 11,000,000 in the lower-income groups. The pay-roll tax deductions will be raised from 2 percent to 6½ percent by 1970. This applies to the first $3,600 of income. It is a definite tax and if the Federal Government continues to spend the money for current running expeses, it will mean that those who have contributed will not have what they have a right to expect—real protection, because the Treasury will just contain I O U's. It will mean a tremendous tax upon future generations.

Again I state that I believe in the expansion of a sound social-security program. I believe the people should provide for their old age. It is the function of Government to assist them. It is for that reason I shall vote for this bill. I do hope that the debate presented today will have pointed out to the administration, the errors it has committed in the past, errors which make the present program immoral and unsound. It can be corrected through proper management. If I thought they were not to be corrected I would certainly oppose any further extension of this program. I can only hope that it will be corrected because fundamentally the principle of the program is sound.

Mr. JENKINS. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, I regret deeply that the majority leadership in the House upheld the Rules Committee in its decision to present this legislation, H. R. 6000, under a closed rule, thus preventing those of us who have urged adequate pensions for our old people to amend it in any way.

This measure covers those presently insured, and the disabled, but offers no relief to the aged citizens of our country who have not been able to qualify for pensions under the social-security program with the exception of those living in a few favored States.

The critical situation brought about today by the strikes in the coal and steel industries is the result of the determination of labor leaders to secure pensions of $100 per month for all workers at the age of 65. Mr. Chairman, the people of America, through taxes, direct and indirect, will eventually pay the bill for the pensions which have been agreed to by the Ford Co. and which seem to be scheduled for all industrial employees.

The bill before us covers practically everyone except farmers, doctors, dentists, and lawyers. These people, while not eligible for the least benefit under this legislation, will have to pay their pro rata share of taxes to cover pensions for workers in every other category. It is regrettable that the Democratic leadership has seen fit to continue class legislation under which 80 percent of the people in the Seventh Congressional District of Minnesota are ineligible for social-security benefits, and that under this gag rule amendments providing for their inclusion cannot be introduced. This measure, in its present form, jeopardizes the enactment of a universal old-age pension, which, in my opinion, is the proper answer to our social-security problem.

We now have 5,200,000 men 65 years of age and over and only one-third of this large group is covered by the social-security program. There are 5,500,000 women in this age group and only one-fourth of their number are insured themselves or are the wives or widows of insured men. However, these people receive such small amounts that the program is really of very little benefit to them. They were too old at the time the act was adopted to accumulate the necessary work time to give them adequate pensions.

Our old people should not have to suffer the stigma attached to assistance benefits based on need. They want, and are entitled to receive, automatic benefits without being subjected to embarrassing investigations. Thousands of old people go without help rather than subject themselves to the indignities incident to old age assistance.

I repeat, Mr. Chairman, I sincerely regret that the Democratic leadership has made it impossible for those of us who support the enactment of a universal old-age pension to debate and vote on that issue. Surely it should have its day in court.

Mr. Chairman, social security is here to stay. I am going to vote for this bill even though I disapprove strongly the omission of the great number of people who should receive benefits thereunder. Their omission, however, does not justify my voting against helping people in other walks of life who have been included in this measure. I hope that the day will come when everyone in America will be covered by social security. Why this administration left most of the people in agricultural America out of this bill when those same farm people must help, through their taxes, to pay for the program, is beyond me. This can hardly be termed a fair deal.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

SOCIAL SECURITY IMPOSSIBLE UNDER PRESENT ADMINISTRATION

Mr. HOFFMAN of Michigan. Mr. Chairman, not knowing too much about the technical provisions of the bill, in order to satisfy my conscience when I come to vote, I must go back to what I think are basic principles. In the old days, the horse-and-buggy days, when it is said that people did not know very much about how to conduct their own business, no one needed Federal social security. I just happen to have lived a part of my life during those days, and I recall very distinctly that everyone who wanted to work and who was not physically disqualified and who did not want

to spend every dollar he got either when he got it or a little before was able to provide for his own security, for his old age. Very, very few people in the community in which I lived had to ask assistance from anyone.

Second only to the desire and hope for eternal salvation, to man's fear of burning forever in hell fire, is the laudable desire to be free from want in one's old age—the fear that as savings diminish, earning capacity fails, one may lack food, shelter—suffer from the lack of things to which one is acustomed.

Hence it was that in the earlier days of the Republic—yes, even in my time—men and women worked, yielded not to the temptation to buy things which they would like but did not need, practiced thrift, and so the vast majority of our people were able to and they did, through their own efforts, provide security, freedom from want in their old age.

Then came the days of the New Deal, a new philosophy of life which, stripped of all meaningless words, encouraged the individual to get as much as possible, not only by his own earnings, but to take what he could from the earnings of others. People were led to believe that self-reliance, doing for one's self, were unnecessary, that there was an easier, more pleasant way, that Government instead of being maintained and supported by the people, was in some way obligated to take care of people; that Government, instead of being a regulatory organization whose sole function was to protect the weak and the honest from the strong and the wicked, could and would and was obligated to care and provide for the individual. That theory ignored the fact that Government had nothing except as it took it from the individual, that any benefit the individual received, he must first pay into the Government, that out of a dollar he paid in, those operating Government would first take a part as their compensation for handing what was left back to him.

The social-security program in its inception was unfair and did an injustice to millions of taxpaying citizens. The truth of that statement can be demonstrated very quickly:

First. The social-security program applied only to a very limited number of people and only to a limited class, that is, those who were employees in certain industries.

Second. The cost of the program was paid by those employees and employers who came within the provisions of the law, and that would have been fair and just had it not been for the fact.

Third. That the contribution made by employees and employers, that is, the money taken by way of tax from the wage of the employee and the profit of the employer, was in the end passed on to the consumer, that is, the price of the product made by the joint efforts of the employee and the employer was increased and the purchaser of that product in reality paid for the social-security program which benefited only those who came under the terms of that law. The deductions made from the employee's pay check and from the employer's bank account were replaced by increases in wages and increases in prices so that, ultimately, the cost of the program fell upon every purchaser of the company's output, but not every purchaser received a benefit under the social-security program.

Because spending, wasteful, politically ambitious, power-seeking administrations have made it impossible for the average citizen, no matter how willing to work, how thrifty, to provide for his own old age security, social security sponsored by the Federal Government but applicable to everyone may be the only temporary answer, even though it be wasteful, expensive, and in the end disastrous.

If we are to have Federal social security, the only fair equitable plan is to make benefits payable to all, paid for by contributions payable from all.

PRESENT SOCIAL-SECURITY LAWS A FRAUD UPON THE PEOPLE

While the present Social Security Act is unjust, unfair, in that ultimately the cost falls upon all while the benefits are available to less than all, the manner in which the law has been and will be administered is dishonest.

The law purports to collect a tax from employees and employer and to hold the money so collected in trust so that benefits provided by the law may be paid to the employees who contributed.

Under the act $11,000,000,000 have been collected which have not been used to make the payments required by the act.

The administration, instead of holding those excess billions in trust or investing them in such a manner so as to earn a profit, or instead of advocating a reduction in the amount of the tax, spent that trust fund for current running expenses of the administration. The administration embezzled those billions of dollars.

We all remember the parable of the master who, about to depart for a far country, called in his servants and to two he gave talents with which they, during his absence, traded and made other talents. To another he gave one talent. That servant digged a hole in the earth and hid his lord's money. And when the lord returned he gave to the master the talent which was his. As I recall the parable, that servant was not rewarded, rather he was condemned.

Now, I do not go so far as to expect that this administration would profitably use the trust funds taken from the workingman, but I do say that the administration, both the New Deal and the Fair Deal, might at least, if it could not use the fund profitably, have buried it and when necessity arose dug it up and returned it to those to whom it belonged. But that it did not do. It not only failed to use the fund profitably, it not only failed to preserve the fund, but wickedly and wastefully, and for the purpose of advancing its own political fortunes, robbed the fund of the workingman's hard-earned dollars, spent those dollars which it collected for one purpose for current expenses—spent them wastefully and extravagantly.

And when the workingman calls for the return of his money to be paid out in the manner provided for in the Social Security Act, we learn that the money is not there, that it has been spent, and it becomes necessary for the Government to, and it does, impose additional taxes to replace the social-security dollar which it has misappropriated.

Hence it is that under the working of the social-security law, the workingman who has contributed his money to provide for his old-age security or other benefit payments, if he remains a taxpayer paying any of the more than a dozen hidden taxes, is, while he is receiving the dollar due him, again contributing other additional dollars. He pays twice for his social-security payment, once when it is deducted from his pay check and again while he is receiving payments under the law.

It is futile to attempt by the enactment of social-security legislation to free the individual from the fear of suffering in his nonproductive or old-age days if the National Government continues to waste or spend itself into national bankruptcy. But that is just what the present administration is doing.

Nor can there be any social security for either the unfortunate or the nonproductive, no freedom from fear of want or suffering, if we are to be always involved in a world war, or if we neglect to provide an adequate defense for our national security.

What is gained by enacting legislation designed to give our people social security if our national security is to be endangered as it now is, either by Nationwide strikes which cut the production which is necessary for national defense; by spending which plunges us into national bankruptcy, or if that national security be imperiled by bickering and by strife between the branches of our armed forces?

I recall very distinctly, yea, as though it were yesterday, that when we were told that billions of dollars were being wasted by the armed forces, that unification, so-called, of the armed forces would not only save us billions of dollars but would enable us to provide an adequate, invincible national defense, I never did believe, and I then so stated, that if a desire for economy and unification was desired by the heads of the armed forces, such a law was unnecessary and that such a law never would bring about real unification. If the will to do the right and the obvious thing does not exist, it is extremely difficult to bring about the desired result by legislation.

At that time, lieutenant commanders, commanders, captains, vice admirals and admirals of the Navy were deliberately denied the opportunity to present their views to the committee which was writing the unification bill. I speak advisedly; I know, for when the brass in the Army insisted that the hearings be closed and the officers of the Navy who were on the ships which made possible the winning of the war in the east, wanted to testify, their testimony was barred—it was barred by a committee vote of 23 to 2, and the Army was back of that move.

I know nothing of the relative ability of the various branches of the armed forces. I have no information which

would enable me to judge as to the relative merits of the various branches, but I do believe that our national defense program will be disastrously weakened if the Army and the Air Force are to be permitted to destroy the fighting ability of the Navy. I cannot accept the thesis that the Air Force can bomb any enemy out of existence or that the Army, without the Navy, can on the ground or in the air successfully overcome an enemy. Nor can I believe that the Navy without adequate aviation from carriers to protect itself, can successfully support either the Air Force or the Army. Crippling or destroying Navy aviation will not make for national defense.

On a football team the center cannot play end or quarterback, nor can the half or the quarterback play center or guard. A successful football team plays as a whole under the direction of a coach and a captain, and there is no reason, other than ambition, greed for power, why the Army, the Navy, and the Air Force, all on our team of national defense, cannot give us a successful, winning national defense.

The Air Force cannot do the whole job and just because at the moment it has an expert publicity man is no reason why the Navy should be made to suffer. The Navy did not lose at Pearl Harbor because it was at fault. We lost there because General Marshall was horseback riding and the Commander in Chief himself was not on the job.

If the Air Force and Army will just remember that they are not the only ones on the team with ability to carry the offensive ball, forget their desire to strut the stage, Stalin or any potential enemy will have less cause for rejoicing.

General Eisenhower might just as well forget his ambition to be President. He might just as well forget his long-nourished and officially expressed—and I speak advisedly—plan to hamstring the marines. The top brass in the Air Force and in the Army will do well to cease their efforts to hamstring the Navy or its air force or the marines. One need to talk but casually not only with the high-ranking officers of the Navy but with the seamen and midshipmen, to learn that the cancellation of the building of the supercarrier and the present efforts to belittle the Navy and its air force are destroying the morale of the Navy.

After all, in spite of the Army's recruiting of football players, the Navy did, 3 years ago, play the Army to a standstill, last year, to a tie.

It is just possible that the Navy's armed force was of some real assistance in the Pacific while the last war was on.

The top brass in the Army might take a lesson from the football teams of the two academies and, while they contend vigorously, carry on their controversy in the open and play fairly and not dirty, cut out the piling up and the foul blows delivered secretly. The young men in the academies play fairly. Let their elders do the same.

I started with social security, but no one in this country can have social security or any other kind of security if those charged with defending our Nation, making our future secure, are at each other's throats day in and day out. Nor will anyone have social security under administrations which month by month, year by year, spend more than the current income.

If we are to have Federal social security let us have it for everyone—until we go broke.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. DAVENPORT. Mr. Chairman, most of the civilized world today looks to the United States as the example of a thriving democracy.

We cannot fail our friends by proving weak as a going concern or by neglecting the needs of the greater body of our citizens. If we do, world-wide discouragement will result and democracy will take several steps backward.

In the war of words and ideas and action, we cannot fail. We must uphold the universal faith in America. America must remain strong; its people healthy, optimistic, and free from the cares of want.

World-wide faith in America is based on the belief that we have a better answer to the needs of mankind—that we can maintain our essential freedoms while raising our standard of living. This is the faith of the world. This is the faith of Americans.

Even a country with the highest standard of living of any nation has serious problems. We neglect our responsibilities toward our unemployed, our aged, our sick, our dependent children, our blind, our mothers. We have established an inadequate system of social security that does not meet the needs of the American people.

The right to social security belongs to every man. It is not something that a minority forces the majority to do, as so many secure and wealthy people claim. It is not something that a paternalistic government does as a sort of relief measure.

It is a radical scheme to change our form of government. Social security is the right of every man, woman, and child in our country today. Our present laws do not support this view.

Our present administration does support this view.

It is one of the four freedoms—freedom from want. With adequate social security, we shall remain strong. We shall continue to guide the world by the beacon light of a dynamic democracy.

Without adequate social security, we shall remain in doubt regarding our ability to maintain our high standard of living. Our people will not be able to plan for tomorrow. Society's burdens will continue to fall heavier on those least able to bear them. The rest of the world will lose faith.

The adequacy of our social-security system to meet the needs of the American people and the hopes of our foreign friends is an immediate problem of the utmost importance.

At the present time there are 51 separate systems of unemployment insurance, covering our 48 States, the District of Columbia, Hawaii, and Alaska. There is no uniformity in the laws. Coverage is low, benefits are inadequate and vary greatly from State to State.

Unemployment is a national problem, to be met by the resources of the Nation as a whole. Why should a worker suffer because he happens to live in a poor State? Why should waiting periods differ from State to State? Why should the amount of the benefit and the number of weeks those benefits are paid differ?

There is no waiting period in Maryland. The waiting period in Georgia is 2 weeks. The maximum weekly benefit is $36 in Connecticut. The maximum weekly benefit is $15 in Florida. The number of weeks benefits are paid range from 12 in Arizona to 26 in Illinois. The cost of maintaining these 51 programs varies considerably from State to State. The waste and duplication is an insult to the enterprise of America. The reserves of the States for the payment of unemployment benefits vary widely. The Commissioner of Social Security has said repeatedly that the reserves of some States would be threatened with insolvency if a recession should occur in this country.

Nothing less than a national system of unemployment compensation applied uniformly to each and every person, and adequately and soundly financed will meet the needs of the American people. The coverage of our unemployment compensation laws is also inadequate. Universal coverage must be our goal.

Today excluded from the benefits of such programs are employees of nonprofit organizations, employees of small firms, domestic workers, agricultural workers, and Government employees. About 3,500,000 persons are excluded from unemployment insurance coverage because they are working for small firms. Why penalize these people? About 1,000,000 workers are now excluded from protection because they work for nonprofit organizations. About half are employed by charitable organizations, a quarter by educational institutions, and the remaining quarter by religious institutions.

These people were originally excluded because their organizations believed they might lose their tax-exempt status if they were covered. There is no reason why the two are dependent on each other.

An adequate unemployment insurance system should cover all the employable persons of our population, and should provide benefits to all who are available for employment but for whom employment cannot be found.

Benefits should bear a definite relationship to the cost of living and should continue as long as necessary. Persons with large families should receive additional benefits. Where a strike has been called for clearly justifiable reasons, a worker must not be deprived of unemployment benefits.

Our public welfare program must be strengthened. Our first line of defense is the family. An adequate unemployment-insurance system will do much to strengthen the security of the American home. So will an adequate old-age and survivors insurance program. So will an adequate health program. But there will still be social-security problems not

covered by these three programs. Chief among these are public assistance for the blind and dependent children.

Federal funds are now available to States with such programs. However, the Federal Government has to date assumed no direct responsibility in the administration of these programs. The Federal Government has, however, shared in the costs and has set minimum requirements and provided technical advice.

There is little question that public assistance is essentially the responsibility of the State. But the wide variations in standards, payments, and policies among the 48 States make it necessary for the Federal Government to step in and bring about a more uniform operation of these programs.

Under H. R. 2892, submitted by the President for consideration by Congress, Federal financial aid would be extended to the States on a basis ranging from 40 to 75 percent of total costs, depending on the relative per capita income of the States. Poorer States would get a larger share of Federal funds in relationship to what they themselves would spend in their welfare programs. Residence requirements would be prohibited, as would citizenship requirements. Over 20 States today require a blind person to have resided 5 years or more in that State before being eligible for assistance. One State law says that if the local public assistance officer believes that a newcomer to a town may not hold on to a job and may need assistance, he can be given a notice to leave.

H. R. 2892 would also put an end to the cruel practice of many States where transfer of property to the State is made a condition for receipt of assistance. The proposed bill also would strengthen greatly the present program of aid to children. It does not go far enough, however, to meet the needs of the times.

Our children are our greatest treasure. An adequate maternal and child-welfare program is essential to meet the growing complications of modern society. Today 500,000 children have rheumatic fever; 20,000,000 children are in urgent need of dental care; 150,000 infants are born prematurely each year; 150,000 children have cerebral palsy; 2,000,000 women with children under 10 years of age are working today.

These are only a few of the statistics that show what a job we have to do to keep our children adequately cared for. If these unmet health and welfare needs are ignored, they will seriously handicap the future of this Nation.

We now come to old-age pensions. All Americans want the opportunity to protect themselves and their families against the economic hazards of old age. Only a very small portion of the population is fortunately able to do so today. Today we have a system which covers only 40,000,000 of an estimated total of 70,000,000 workers.

Restrictive eligibility requirements for older workers have kept all but 20 percent of those over 65 from benefiting from the program. Millions of workers were excluded from the old-age insurance program originally because of an erroneous belief that there would be administrative difficulties in collecting contributions from them. Fewer persons in proportion to total population receive old-age pensions in farm States than in industrial States. This is the result of excluding farmers and farm workers.

The benefit payments under the present old-age insurance program are completely inadequate. The average benefit for a retired male worker at the end of 1946 was $24.90 a month. The average benefit for a retired man and wife was under $40 a month. The average family benefit for a widow with two dependent children was $48.20. With a 75-percent increase in the cost of living since 1939 when these scales of payment were established, they are inadequate to pay more than a portion of the rent or the food bill.

The first essential of an adequate old-age insurance program is to guarantee our older people security from want. It must never be less than an amount sufficient to maintain a healthy and satisfactory life.

Our present law is a farce as far as security to our older people is concerned. It must be revised upward to meet American standards. Another essential of an adequate pension program is not to interfere with the enterprise of those past the retirement age.

Is there any reason why a man of 70 must, as he is forced to do under the present program, turn back his monthly benefit if he earns more than a certain amount? Still another essential of an adequate old-age insurance program is that all can qualify for a future pension regardless of age. Under the present program a man who is 65 today must work for 6 years in a covered job before he can qualify for an old-age pension. The seriousness of the old-age problem is attested to by the aging character of our population. Of a total population of 145,000,000 today, more than 17,000,000 persons are over 60 and 11,000,000 are over 65. In 50 years there will be 27,000,000 persons in the United States who will be over 60 years of age.

With our present inadequate system of old-age insurance, the responsibility for the care of our old people falls on the individual families concerned. This is an unfair burden on our young, who should be devoting their energies to self-improvement or to their own growing families. Our old people are our responsibility. They have added to the wealth of the Nation and have strengthened our democratic traditions. They have no desire to fall burden on their children or on the pity of their local communities.

Those who have paid money into the old-age program have a right to adequate return. And those who have not paid money into the pension program have a right to the minimums necessary to maintain a healthy existence. Our older people should feel no humiliation in getting aid as they are made to feel today.

In his annual message on the state of the Union, January 5, 1949, President Truman stated that the present coverage of the social-security laws is altogether inadequate since fully one-third of all workers are not covered. He recommended an extension of coverage to those who remained outside of the system.

The present bill, H. R. 6000, which is now before the House, will extend coverage of the old-age and survivors' insurance by about 11,000,000 persons and it will raise the total covered from the present 35,000,000 to around 46,000,000 persons. There will still remain approximately 14,000,000 persons not covered.

Extension of coverage to self-employed persons in various nonfarm occupations is now advisable because practicable administrative procedures for their coverage have now been developed. The coverage of the self-employed has been made compulsory since the history of voluntary social insurance shows that an adverse selection of risk ensues when only those in greatest need of protection will, of their own volition, come under it. Between 35 and 40 percent of the self-employed thus in prospect of coverage under this bill are storekeepers and other retailers, 20 to 25 percent are proprietors of service establishments, and 12 to 15 percent are engaged in the construction industry. Approximately 400,000 professional persons in this group of self-employed, such as doctors, lawyers, and engineers, are excluded.

The State and local governments of this country employ about 3,800,000 workers in an average week. Coverage of these workers is possible under the pending bill by voluntary compact between the States and the Federal Security Administrator. Orderly termination of these compacts is also provided for.

Domestic employees, except in private homes on farms, who are in regular employment are covered by this bill. Part-time workers and all casual or intermittent domestic workers are excluded. All employees of religious, charitable, and other nonprofit organizations, excepting members of the clergy and religious orders, would be covered. The number of such workers is about 600,000 in an average week. Under the bill the tax-exempt status of these organizations would be safeguarded. Services of students employed in colleges and of student nurses and internes in hospitals would not be covered. Coverage would also be extended to some 200,000 persons employed in borderline agricultural labor such as raising of mushrooms and the commercial handling of fruits and vegetables. Some 100,000 civilian employees of the Federal Government who are not at present under any retirement system are covered. Those employees who are now under a federally established retirement system would not be included. Temporary Federal employees are also excluded. During the course of the average week some 150,000 American citizens are employed outside of the United States by American employers and provision is made to extend coverage to them under this bill. Also provision is made for coverage of 5,000 persons in the Virgin Islands, and optionally to 250,000 in Puerto Rico.

Major deficiency of coverage corrected by this bill is the matter of wage credits

to World War II service veterans from the civilian labor force. This bill provides veterans with wage credits of $160 for each month of military service performed during the World War II period. These wage credits would be given regardless of whether death occurred in the service and whether veterans' benefits were payable. In most cases where the individual died in the service the wage credits are of real value in providing additional benefits for the widow and children.

In connection with this bill the House Committee on Ways and Means gave extensive consideration to the advisability of extending coverage to agricultural employees, to self-employed farm operators, and to self-employed professional persons excluded under the bill. A decision was made to exclude these groups pending further study of the special problems involved in their coverage. Thus it can be seen that this bill takes a long forward step in the further coverage of the various classes of the population but does not try to include all possible types of service.

Specifically, the following occupations and services will be automatically covered under the provisions of this bill: Self-employed enterprisers, such as small storekeepers, clothing and shoe retailers, grocers, restaurant owners, filling-station proprietors, and owners of hotels, boarding houses, garages, laundries, barber shops, and proprietors of establishments devoted to plumbing, painting, and electrical contracting. Also included are wholesale merchants, agents and brokers, small-scale manufacturers, taxicab owners, and real-estate and insurance enterprisers. In these cases income-tax returns can be used in reporting self-employed incomes. Income from casual self-employment, however, would not be taxed or credited.

In the case of State or local employees, such as firemen, policemen, teachers who operate under an existing retirement system, opportunity would be given for a written referendum by secret ballot, with two-thirds majority vote required to extend coverage to their group. If a transit company is acquired by local, State, or Federal governmental unit after 1949, coverage of these employees would be compulsory and would continue under the Federal old-age and survivors system.

Extension of coverage is also effected in this bill to 500,000 to 750,000 persons not covered under the present law by means of a redefinition of "employee." There is quite a sizable number of persons in the twilight zone between employment and self-employment. Such persons as salesmen in the manufacturing and wholesale trade and in insurance, driver lessees of taxicabs, piece-workers on goods working at home, contract leggers, licensees or lessees of mining space, and house-to-house salesmen of certain goods or services. The substantial effect of the new definition of "employee" in this bill is to extend coverage to individuals who, although not employees under the usual common-law rules, occupy a status not materially different from those who are employees under such rules.

In conclusion it may be said that the present bill goes a very long way toward meeting President Truman's program for extension of old-age and survivors insurance to hitherto excluded groups. In so doing it has taken into account the practical problems to be met in extending social security to additional sectors of the working population. It has not attempted to blanket under social security all of the remaining population which should be eligible thereto. This bill sets a new standard, however, and provides the means whereby new administrative procedures may be worked out or will make it possible to include the remaining workers not as yet provided for.

It should not place too large a burden on the economy.

In returned security and purchasing power it will more than pay its own way.

These are my proposals to strengthen our social security laws and keep America strong. These are my proposals to meet the challenge forced upon us to prove that democracy is the better way.

Mr. DOUGHTON. Mr. Chairman, yield to the gentleman from Massachusetts [Mr. PHILBIN] such time as he may desire.

Mr. PHILBIN. Mr. Chairman, security for the individual against adversity, misfortune, sickness and the hazards and vicissitudes of advancing years constitutes at once a great and desirable social objective and an appropriate and entirely proper function of the truly modern state. The phenomenal growth of our powerful economy which embraces a highly developed industrialism, widespread independent mercantile and agrarian activities and a complex web of varied business enterprises has basically affected not only the personal living problems of the average American but it has also fundamentally changed his relationship to the Government. As this process unfolds, it becomes a vital and challenging problem of democratic representative government to place effective checks upon the trend toward statism on the one hand and answer the social needs of its worthy citizens on the other.

Social security is not, as some allege, a characteristic of the absolute state. To the contrary, it is democratic in nature. Regardless of class, creed, or race it seeks to provide protection against the slings and arrows of outrageous fortune which so often in any nation constituted as ours for reasons frequently beyond the control of the individual heaps abundance upon some and want upon others. The history of mankind viewed in one light has been merely a long, bitter, unending, struggle for liberation from political slavery and economic want. Tested in the crucible of analysis and logic, that nation has advanced the farthest politically which has achieved the largest measure of civil and individual liberty and provided for its citizens the maximum of economic sufficiency.

In our own Nation three great forces have contributed to our unmatched progress: First, the ideals of freedom embodied in our Constitution; second, the concept of free enterprise which has given maximum play possible to the energies and aspirations of the individual; and, third, and of supreme importance, the deep-abiding spiritual values of faith in the Almighty and his blessings of liberty which since the inception of the Nation have energized our people to strive to the utmost to fulfill the great destiny afforded to those living under free institutions. No totalitarian state has given or can give such mighty impetus to human endeavor; nor can an absolute government afford to its citizens such a generous measure of liberty and such a bountiful degree of prosperity.

While in the American concept all men are free and equal under the law, they vary in their individual qualities and talents. It is a wise and just government which can utilize the strength and talents of its citizens and check their weaknesses and excesses. It is a great and strong-minded people who ordain and sustain such a government. Social security is designed, not to put a premium on idleness and indifference, but to relieve the individual of the anxiety and worry so often attending upon sickness, disability and age, and to lighten the burdens of local communities of direct relief. In the best and finest sense social security is the embodiment of a dynamic democracy—conquest of fear and privation. Thus the spirit and idealism of our citizens can be released from bondage to the material things of life and brought into the broadest field of national consciousness, civil responsibility, and high-minded citizenship.

Some fear that social security will transform our Government into a welfare state, that it will breed indolence and dependence upon the Government, that it will ultimately lead to stagnation of free enterprise and the adoption of the collective state which of course would be the death knell of free institutions. If I were to entertain such a belief I could not support this bill. But I am not among those who believe that a government should not assume some responsibility for the unfortunate and the underprivileged, and those advanced in years, who are unable for any reason to take care of themselves. It is not necessary in my opinion to transform our economic system or change our Government in order to solve our social problems. This great and mighty economy which almost challenges the human imagination in its productive capacity, scientific methods and advancement, and the skill and ability of its managers and workers, and its great achievements in mass production, and the almost undreamed of bounties which it has heaped upon our people, with its income of over $225,000,000,000 annually is surely able to provide guaranties against hardship and privation for those who have made such weighty contributions to its effectiveness, strength, vitality, and success.

The present bill merely seeks to implement the established social-security policy which was first inaugurated in 1935. The basic law has been amended on several occasions but it was only natural that from time to time perfecting amendments based on administrative experience would have to be made. This measure further extends the coverage of old-age and survivors insurance by adding approximately 11,000,000 per-

sons to the 35,000,000 persons now covered during the average week. Self-employed persons, except farmers and other limited classes, numbering about 4,500,000 are included. Under certain circumstances almost 4,000,000 employees of State and local governments may be covered by the bill and almost a million domestic servants. Employees of nonprofit institutions, agricultural processing workers off the farms, Federal employees not covered under any retirement system, Americans employed by an American employer outside the United States, salesmen, and other similar employees, in all numbering about another 1,500,000, are also brought under the provisions of the bill. Because of administrative difficulties, farmers and agricultural workers are not covered, but studies are continuing to work out feasible administrative methods by which they also may be covered and in time that will be done.

Another feature of the bill which will be most appealing to the rank and file of our people is the liberalization of existing benefits.

The average primary benefit which now stands at approximately $26 a month for a retired insured worker will now be lifted to approximately $44.

Persons retiring after 1949 will have their benefits computed under a new formula which, in substantial effect, will approximately double the average benefits payable today. The computation of average wage has been liberalized and eligibility for benefits extended so as to make it easier for workers to qualify.

Limitations on earnings of beneficiaries has been increased from approximately $15 to $50 a month and, after 75 years of age, benefits will be payable regardless of amount of earnings from employment.

Another outstanding feature of the bill is provision for permanent and total disability by which all persons covered by the old-age and survivors program will have protection against the hazard of enforced retirement and loss of earnings caused by permanent and total disability. This provision will relieve a large number of helpless individuals stricken by adversity, sickness, and disability so that they are permanently and totally disabled and therefore will be most salutary in its results.

It is interesting and refreshing to note that under the bill World War II veterans will be given wage credits under the program of $160 per month for time spent in military service between September 1940 and July 1947.

It is essential that the fund out of which social-security benefits are paid be kept adequately replenished and solvent and to that end the bill establishes suitable contribution schedules. It also raises the total annual earnings on which benefits would be computed and contributions paid from $3,000 to $3,600.

Expanded public-assistance and welfare services are authorized so as to provide for permanently and totally disabled needy persons and aid to the blind. The bill increases the Federal share of public-assistance costs and thus may be said to lighten local and State burdens for these purposes. This should improve aid to dependent children and to the blind and surely that is a most desirable accomplishment. Federal aid for public medical institutions caring for the aged, blind, and permanently and totally disabled recipients has been provided and also direct payment for medical care and extended child-welfare services.

Granted that some provisions of this bill are controversial, granted that it does not provide fullest possible coverage, granted that it may require further perfection and liberalization, nevertheless, to those of us who believe in a fiscally sound, well-rounded, comprehensive, humane social-security program it marks a step in the right direction. It recognizes the problems of our worthy and faithful and deserving veterans of American industry—men and women who have spent their lives, yes, I should say, who have given their lives, to the building and development of the Nation. It assures that their fidelity and devoted service will not be forgotten in their time of trouble and disability, and advancing years when their meager savings are exhausted after lifelong contributions to their families. It asserts that this Nation has found ways and means without resort to collectivism or totalitarianism but in the traditional democratic American way of providing our citizens a decent and secure future and protection against privation and need.

It is characteristic of Americans that we always seek to find a humane solution for our great social problems. How much stronger, how much more vital and dynamic, how much more resistant to the intrigue of radicalism our Nation will be when its citizens are assured as by measures like this that our great business system and our Government working together hand in hand have found a dignified, adequate way to accord them that which every worthy citizen of this great democracy is entitled to receive—security in time of adversity and want.

Because I am satisfied that this bill is based upon sound, humane, progressive principles and is in the interest of all the people of the country as well as in the interest of capitalistic, democratic, free enterprise and free initiative, I gladly support this measure and vote for its passage. It will, I believe, do much to strengthen and vitalize our Nation and unite all our people against common enemies which are working against democracy at home and abroad.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, the President advised the Congress in his message on the state of the Union on January 5, 1949:

> The present coverage of the social-security laws is altogether inadequate, and benefit payments are too low. One-third of our workers are not covered. Those who receive old-age and survivors insurance benefits receive an average payment of only $25 a month. Many others who cannot work because they are physically disabled are left to the mercy of charity. We should expand our social-security program, both as to size of benefits and extent of coverage, against the economic hazards due to unemployment, old age, sickness, and disability.

This Congress can no longer ignore the pressing needs of the aged and dependent families of our Nation. We now have the opportunity to act on a bill to extend and improve the Federal old-age and survivors insurance system and to amend the public-assistance and child-welfare provisions of the present Social Security Act. While I represent the Twenty-fourth District of New York, the vital question of social security affects every region in the United States equally, and I have the entire country in mind when I urge speedy passage of this bill.

In the 10 years which have elapsed since the last major revision of the Social Security Act took place, there have been social and economic developments which demand a revision of the law and the granting of increased protection under it. Under our democratic system of government, we should encourage a basic social-insurance system which will be fair to all.

As benefits paid are based upon contributions, the dignity of the older people is preserved. If unable to maintain a home, they can make contributions to the household sheltering them. In addition, such a system is an incentive to the worker, as payments are based on length of service and amounts contributed. All this serves to increase productivity and to help stabilize the economy of our country.

It is admitted that present social-security benefits are woefully inadequate. The maximum benefits now being paid do not begin to cover the cost of housing, food, medical care, and other usual requirements of a human being. The present minimum benefits mean practically nothing when we consider the high cost of living.

Our older citizens who can no longer earn a livelihood, widows, dependent children, those incapacitated, and the blind, look to the Federal Government for assistance. Authentic reports show that many more people reach old age than formerly. In the past, grown children were able to take care of their aged parents. Now, high rents, the cost of food and clothing, high taxes, increased costs of medical and dental care plus other expenses, have all changed the picture. We find that sons and daughters are now barely able to take care of themselves and their own children, and, as a result, the aged have no recourse but to look to the Federal Government for aid when they have no means of self-support.

The maximum amount provided in the bill before us would give our older people the support, protection, and real security to which they are entitled. The disability benefits, both temporary and permanent, are also important considerations. Millions become disabled before they reach the normal retirement age. We should provide the means to help those who are incapacitated and have no resources to fall back upon in such times of misfortune.

In my opinion, old-age and survivors insurance should be extended to all persons not now covered. This includes the self-employed, farmers, farm workers, domestic workers, members of the armed forces, members of nonprofit organizations, and other employees. We know that countless people reach the age where they can no longer earn their living and have no means of taking care of themselves. A program of social security to cover them is vitally necessary, if we are to take cognizance of the straits of hardship and difficulties in which they find themselves. Social security should be extended to include them.

The bill before us is a step toward this goal. It provides coverage for an additional 11,000,000 workers not now taken care of by our social-security program—bringing the total of those covered to approximately 46,000,000. As I stated before, our aim should be protection for all.

We have been helpful and generous to suffering and needy people all over the world. Surely we must not neglect our own. We should work toward the expansion of our social-security program so that it will truly provide what the present law incorrectly promises by its title—adequate social-security benefits for all those who need assistance.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. DAVENPORT].

Mr. DAVENPORT. Mr. Chairman, I ask unanimous consent to extend my remarks immediately after the remarks of the gentleman from Michigan [Mr. HOFFMAN] so that the people who read can proceed from a dark, bleak night into the clear sunshine of a better day for our aged in America.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I am in favor of H. R. 6000 for many reasons, some of which are, that it is a forward-looking piece of legislation designed to bring peace of mind and security to many millions of people who today are perplexed about the uncertainty of their future. It liberalizes and broadens many provisions of the present act.

I am particularly pleased that coverage is extended to State and municipal workers, something I have been working for during my short time here in the House of Representatives. This group has been flagrantly overlooked in the past.

This bill also corrects many mistakes made in our previous social-security legislation. One of these is especially for the veterans and their dependents of World War I and World War II.

In keeping with the Sermon on the Mount we should certainly recognize the fact that men and women to whom Providence has been kind have a responsibility to those less fortunate in life. It is a step in the right direction toward a greater and fuller life and something that will revive the hopes and dreams of many millions of our citizens.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, while I generally favor this bill, H. R. 6000, and believe that it is a step in the right direction, in regard to the old-age assistance feature of it, I sincerely hope that the time will come in the very near future when we can repeal it and establish an old-age-pension program to take its place. I fully realize that the old-age-assistance program is far better than nothing, yet it just simply is not right, in my judgment, to subject the old folks in our country to the regimentation to which they are subjected under the old-age-assistance program. They should receive a reasonable pension and should be permitted to spend it as they please. There should be no case workers checking upon them in regard to pension money they receive.

In February of this year, acting in cooperation with a number of old-age-pension groups including the American Pension Committee, the General Welfare Federation, and other pension organizations, and other Members of Congress, I introduced an old-age-pension bill, H. R. 2620, and I sincerely hope that it or some good old-age-pension bill will be enacted by this Congress in the near future. The gentleman from Pennsylvania [Mr. VAN ZANDT] was selected to take the lead on the minority side and I on the majority side in furtherance of H. R. 2620. To date 126 of our colleagues in the House have joined us in signing a friendly petition to the Ways and Means Committee requesting favorable action in regards this bill. I truly hope such favorable action will be taken soon. I sincerely believe that everyone would, after such program should be put in operation, be pleased with it. It would be simple, direct, reasonable, just, and fair to all of our people. However, I certainly am not wedded to any one idea in regard to old-age pensions and I shall be happy to support any good old-age-pension bill regardless of who the author is.

H. R. 2620 provides, in substance, for the payment of $60 per month pension to our citizens who are over the age of 60 years and who are not earning enough money to be required to file a Federal income-tax report. In other words, it provides for the payment of $60 per month to those in our society who have reached the age of 60 years and who are in the very low income brackets when they apply for it. These payments would be uniform throughout the United States regardless of where the applicant should reside. It would be a Federal pension.

I cannot, for the life of me, see why pension payments should be provided for only certain classes of our society and more especially why those, generally speaking, who need it most should be left out. Those who need it most do not have it and yet those who need it less do have it. In other words, groups such as Congressmen, members of the Supreme Court, civil-service employees, coal miners, and steelworkers all have their pension systems. I certainly am happy to see these groups have reasonable pensions, but I deplore the fact that other groups who really need pensions even more than they do, do not have them. I know the stereotyped answer to this question and that is that those who are now receiving pensions pay their own money into the pension fund. The facts are, however, that whether as public officials or as workers in private industry, salaries and wages are raised from time to time for the specific purpose of affording these persons a sufficient surplus in income to pay into their pension funds; therefore, the public generally, actually pays for these funds, as it works out in practice. I, therefore, suggest that the only logical, reasonable, and just solution to this problem is that some kind of a reasonable tax be levied against our whole society and that that tax be placed in a special fund so that every person when he or she reaches the age of retirement—and I suggest 60 years as a proper age—if he or she is financially unable to take care of himself or herself, at least to the extent of absolute essentials in life, that such person draw a sufficient amount of money, as a pension each month, to meet necessary wants such as food, clothing, and housing. I believe that such person definitely should not have less than $60 a month to meet such needs.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Chairman, I think I can condense my remarks into less time than has been so generously granted me. In fact, I would be glad simply to put some remarks into the RECORD, except for the fact that reference has been made repeatedly during the debate, and fears expressed by some, that that feature of title II which permits the totally and permanently disabled to draw benefits is a dangerous thing, that it is unwise and will make a drain upon the insurance fund. I want to make a few observations about that.

However, before I go into that, let me say, as a new member of the Committee on Ways and Means, it has been a revelation and a great pleasure to me to see the earnestness with which Members, many of whom have been members of that committee for a long time, tackled this intricate and complex problem last spring, and the earnestness with which they worked the bill out, section by section and line by line, as representatives of the American people. I have a high regard for every member of the committee. I do not agree with every provision of the bill, but I do believe that on the whole it is a sound constructive measure.

The old-age and survivors insurance provisions of the bill set forth in title II do add a new category entitled to draw benefits, the totally and permanently disabled. Some Members have expressed, as I have said, considerable concern about this provision. In the first place, it has been suggested that this benefit is a radical departure from the whole concept of old-age and survivors insurance.

Of course, it must be admitted that it is a marked extension of the benefit in that a totally and permanently disabled person who is covered by the insurance provision of this bill and has contributed to it would be able to begin drawing benefits before he reaches the age of 65. Thus, in his case, his total and permanent disability and not the fact of his age would be the determining factor. As pointed out by the gentleman from Tennessee and others who have preceded me, the concept is that when the covered worker becomes totally and permanently incapacitated, is no longer able to earn anything, that he is retired from the field of labor and he should be permitted as a contributor to the fund to draw his benefits from the fund he has helped to build up and not compelled to accept a gratuity from his Government. It extends the field of benefits but it is not a departure from the idea that it is a retirement benefit in a very true and real sense.

Now the Republican proposal recognizes that fact and the need for providing for the totally and permanently disabled. But minority Members propose to do it by making the permanently disabled eligible for benefits under public assistance only. Thus the permanently disabled person, who may have been a steady worker and a contributor to the insurance system for many years, would be denied, through no fault of his own, the privilege of drawing benefits from the fund to which he had paid and compelled to accept a gratuity. It seems to me only just and humane treatment of the totally and permanently disabled worker. And as I shall point out it will make no dangerous drain on the trust fund—shall be permitted to receive his benefits from the fund to which he has contributed and to receive it as a matter of right and not as a gratuity.

Fear has been expressed that including the totally and permanently disabled among those who may receive retirement benefits will open up a field for abuse and which may have the effect of making a severe drain on the trust fund. That question was given very thorough study by the committee. I may say in that connection, that every provision in this bill involving expenditures was studied with the greatest of care with a view of maintaining the solvency and integrity of the trust fund. And in making the totally and permanently disabled eligible for benefits the committee wrote into the bill every reasonable safeguard. I want to point out what these provisions are.

DEFINITION OF DISABILITY

First of all, the definition of total and permanent disability is very strict; namely, inability to engage in any substantially gainful activities by reason of any medically demonstrable physical or mental impairment which is permanent. In addition blindness is recognized as permanent and total disability. Thus the definition requires not merely total disability but it must be permanent as well. Further it requires not disability for the individual's usual occupation, but rather disability for any occupation. Finally, this definition would not include doubtful cases of aches and pains, only disability which can be medically demonstrable.

There are a number of insurance programs in force already in this country which are operating successfully under much less strict provisions than provided in the pending bill. For instance, the civil-service retirement program under which many Members of this House are covered requires only disability from the usual occupation. Also the Railroad Retirement system has disability benefits available on the basis of the usual occupation. The insurance programs under the Veterans' Administration, namely, national service life and United States Government life insurance likewise have disability benefits available.

But in addition to this very strict definition of total and permanent disability, additional safeguards are provided in the bill as follows:

First. Periodic reexamination: Just as in other insurance programs which provide disability benefits, the pending bill provides for reexamination of disability at necessary intervals so as to determine whether the disability still exists and is permanent and total in nature. It is recognized that medical science is not an exact science and that the physician's prognosis is subject to error. This provision for reexamination of disability is a necessary and desirable safeguard in the event that any errors are made in the original determination.

Second. Waiting period for disability benefits: Under H. R. 6000, individuals will have to wait at least 7 months after they are actually disabled before they receive their first benefit check. This period will give a fairly definite, although not conclusive indication as to whether the disability is actually total and permanent. It may be pointed out in this connection that once again the start made in disability benefits under civil-service retirement and railroad retirement do not have any waiting period whatsoever.

SIZE OF BENEFITS

Another safeguard against undue drain upon the trust fund lies in the limited-benefits provision.

Mr. HEDRICK. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from West Virginia.

Mr. HEDRICK. Will the family physician make the examination, or who will make it?

Mr. COMBS. I will get to that in just a moment.

It is recognized that one of the general principles of the old-age and survivors insurance system is to provide dependents' benefits. But the Ways and Means Committee felt that a conservative start was desirable for disability benefits. Accordingly in H. R. 6000 benefits are payable only to the disabled worker and not to the dependents, so that the amounts involved would not be so large as to possibly encourage malingering in some instances. The minimum disability benefit will be $25 per month and the maximum payable for the next few years will be about $75 per month, with the average payment being somewhere in the neighborhood of $50 per month. Under the other insurance programs which are being administered successfully by the Federal Government average payments can run as high as $144 per month under railroad retirement and to as much as $400 per month under civil-service retirement.

COST OF ADMINISTRATION

It has been argued that the introduction of disability benefits in the social-security program would require a vast horde of doctors and technicians and even hospital and medical centers to administer its provision. In that connection it has been pointed out that under the Veterans' Administration program very large medical and hospital staffs and facilities are maintained. The administration of the total and permanent disability of the pending bill would require nothing of the kind. It is contemplated that there will be relatively few doctors employed full time by the Social Security Administration. Rather the determination of disability will be made by selecting local doctors in various cities and towns throughout the land, and they will receive payments on a fee basis. The few doctors in full-time Federal employment will review the determination of disability made by local doctors so as to ascertain that there is consistency and accuracy of determination of disability. The ascertainment of total and permanent disability, which is physically demonstrable, is a relatively simple matter.

Now, the Veterans' Administration is required to maintain a large staff of doctors and hospitals and medical facilities because under the various veterans' programs determination must be made not merely of total and permanent disability, which is a relatively small part of the work required, but also of various partial disabilities and the percentage thereof. That program involves determination as to whether or not the disability is service-connected and determination not merely of temporary or total disability, but if there is not total disability it is necessary to ascertain the percentage if it is less than total. Even more important than this, however, is the fact that under the various veterans' programs the disabled individuals must be furnished medical care of a continuing nature rather than a single examination for the payment of periodic cash payments.

QUALIFYING CONDITIONS

Now, let us notice the qualifying conditions which the totally and permanently disabled recipient of benefits must meet in order to qualify. In order to receive disability benefits under H. R. 6000 the disabled individual must show both recent and substantial covered employment. In order to be insured the worker must have 5 years of substantial covered employment out of the last 10 years and also 1½ years of such employment out of the last 3 years. These two tests will assure that disabled workers will have actually participated in covered employment for a reasonable length of time before their disability occurred and also during a period which is reasonably

close to the time when they were disabled.

COST

Now about the cost. The disability benefits provided in H. R. 6000 have been estimated to cost 0.5 percent of pay roll on a level premium basis. Since this is a new program with no positive experience in regard to disability, especially considering the strict and conservative provisions which we have incorporated, I would be the first one to affirm that the cost estimates cannot be exact. The minority claims that the cost might well go as high as 0.7 or 0.8 percent of the pay roll, and I will consent that this is possible, but on the other hand it is just as possible that the cost may be as low as 0.3 percent of pay roll. At any rate in a system costing about 6 percent of pay roll on a level premium basis, and it can hardly be expected that a good old-age and survivors insurance program of any type could be provided for much less than this, if the cost were increased by 0.3 percent or even 0.4 percent of pay roll due to disability benefits the system would be in no financial danger. This is not a cost which will come upon us suddenly, but rather is one which will develop gradually. We can take appropriate action to remedy any new situation when it arises and further perfect this provision in the light of experience.

The fear of a dependent old age troubles millions of our people. The urge to provide against being dependent upon others is universal with normal, self-reliant people. This bill will make it possible for at least 11,000,000 more Americans to provide against a dependent old age. It is a sound bill and I hope we will pass it by a large vote.

Mr. JENKINS. Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, I should like to make a statement with reference to a matter that I think has not been discussed as yet in the debate. In the division of the money paid to old-age pensioners, the total amount to be paid by the Government to any individual will not be increased under the bill under consideration, but the formula has been changed in such a way that I do not approve of it but I cannot help myself very much. Here is one reason why I cannot approve it. Eight States that now pay less than $25 a month to old-age pensioners will get from the Federal Government $75,000,000 without necessarily paying 1 cent for it. Those States are Alabama, Arkansas, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Arkansas.

Mr. MILLS. Will the gentleman explain to the House whether or not the motion to recommit to be offered by the Republican side will change that in any respect?

Mr. JENKINS. It does not.

Mr. MILLS. The motion to recommit will be the same as the House bill.

Mr. JENKINS. These States I have named will take their $75,000,000 and will not be compelled to pay a single cent more than they pay now. All of this amount will be paid by other States. There is another fact with reference to this matter that is important. Most of the Northern States pay more than $35 per month to their aged. Any State that pays more than $35 per month will be paying $2 for every $1 it will receive from the Government.

This bill is a Santa Claus for some States, while the other States pay the bill.

So that we may have a clear idea about this matter I am inserting here the formula in the present law and the formula in the bill under consideration.

Under the present law the payments are made as follows: Three-fourths of the first $20 and one-half of the remainder. If a State wishes to pay a maximum of $50 the Federal Government will advance three-fourths of $20 which is $15 and one-half of the remainder of $30 which will be $15, making the Government's part $30 and the State's part $20. The formula under the new bill will call for the Government to pay three-fourths of the first $25 which will be $20. Then the Government will pay one-half of the next $10 which will be $5 and one-third of the remainder which will be $5. This will have the Government paying $20 plus $5 plus $5 which will be $30. The State will pay $20. A State which is paying $25 or less will get $5 without paying anything.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent that the gentleman from Washington [Mr. MITCHELL] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MITCHELL. Mr. Chairman, the social-security bill, H. R. 6000, which we are discussing here today, is a very important bill; it is long overdue. The present social-security benefits are so shockingly inadequate that they should have been increased at least 5 years ago. As a matter of fact, social-security benefits were too low when the present benefit rates were established in 1939.

I am going to support H. R. 6000. It is far better than the bill advocated by the Republicans which would cut down the benefits proposed in H. R. 6000. Yet I must record my firm conviction that even the benefits in H. R. 6000 are not adequate. They should be increased still further. It is my hope that when this bill is finally written into law it will cover more persons and contain improvements all along the line.

H. R. 6000 deals primarily with the Federal program of old-age and survivors insurance. This is the program in which workers now contribute 1 percent of their wages and employers also contribute 1 percent of their pay rolls to an insurance fund. Under the present law most workers in industry and commerce are covered under this insurance system. But some 25,000,000 individuals are still excluded under the program. H. R. 6000 covers about 11,000,000 additional individuals. This is a very important and very worth-while improvement.

I am in favor, however, of covering all persons in the United States under the insurance program. I believe that our objective must be an insurance system that will cover every single individual who works for a living, whether he is a farmer, an agricultural worker, a self-employed businessman, or professional person, or domestic employee.

The monthly benefits of the insurance system are liberalized in H. R. 6000. I believe that when the new benefits are explained to the farmers, the agricultural workers, and the professional people of the country they will want to share in these benefits along with others. One of the major reasons why there has not been more widespread demand on the part of farmers and farm workers for coverage under the insurance system is that the benefits have not been explained in detail to them.

Many people think that the program provides for the payment of insurance benefits only to individuals when they reach age 65 and retire. But the existing law also provides for the payment of insurance benefits to widows, orphans, and dependent parents when the breadwinner in the family dies. The new bill not only liberalizes the old-age insurance benefits but also liberalizes the benefits to widows, orphans, and dependent parents. It extends the provisions which pay a lump-sum burial benefit to many more persons. It also provides for the payment of regular monthly insurance benefits when an individual is permanently and totally disabled.

When these benefits are explained fully to the people of the country I know that practically everyone will want to be covered under the program.

At the present time the insurance benefits average only $25 a month for a single elderly person who is retired; about $40 a month for a retired man and his wife; about $50 a month for a widowed mother and two children; and about $23 per month for each orphan child. These benefits are completely inadequate at the present time. The bill, H. R. 6000, increases these benefits all along the line.

One of the very important provisions in the bill is that wages of an individual will be counted up to $3,600 instead of only up to $3,000 at the present time in determining the benefit rate. This will enable individuals to get higher benefits than they can at the present. I strongly favor increasing the wage base up to $4,800 as President Truman recommended. This would permit still higher retirement, widows and orphans, and disability insurance benefits than under the bill. I am strongly opposed, however, to the provisions in the Republican bill which would decrease the benefits of H. R. 6000 by providing for a continuation of the present wage base at $3,000. The Republicans are completely out of line on this point with the recommendation made by an overwhelming majority of the Senate Advisory Council on Social Security which recommended $4,200.

H. R. 6000 contains a very important new benefit which will be of great value to thousands of families in every part of the country. I am referring to the

provision for permanent and total disability insurance benefits. At the present time if an individual should become permanently and totally disabled at age 35, 45, or 55 he cannot draw anything from the insurance system until he reaches age 65. Of course, many people who become permanently and totally disabled do not live to age 65. Many persons exhaust all their savings, have to sell their insurance and their home, and have to either ask for relief or become dependent upon their children or private charity. One of the finest provisions in the entire bill is that section which will enable permanently and totally disabled persons to receive insurance benefits during the period of their disability.

To receive the disability benefits an individual must be insured under the insurance system for at least 5 years. If he is permanently and totally disabled for at least 6 months he can receive insurance benefits. These provisions, and other provisions in the bill, amply safeguard the program against abuse. Benefits to permanently and totally disabled persons are now included in the civil-service retirement plan, the congressional retirement plan, and the railroad retirement plan. The Congress has provided for permanent total disability benefits to veterans and to Federal employees who become disabled in the course of their employment. Many State and local retirement plans include provisions for permanent and total disability insurance. Moreover, a great many of the private retirement plans set up by employers or set up under collective bargaining provide for the payment of benefits in case of permanent and total disability.

On the basis of all this experience, it is both fitting and proper that we should now extend the same protection to all of the workers of the country who are covered under the social-security program.

H. R. 6000 also contains some very important provisions which will help to improve existing programs for needy persons. The bill provides for increased Federal grants to the States for public assistance to needy aged, the blind, and dependent children. It also provides for the first time Federal grants to the States for payments to needy individuals who are permanently and totally disabled. According to the estimates made by the Committee on Ways and Means the public-assistance provisions of the bill will provide an additional $256,000,000 a year to the States to help needy individuals. At the present time the Federal Government is already making payment to the States for this purpose of well over a billion dollars a year. The States themselves are spending a total of close to a billion dollars from their own funds. The total Federal, State, and local expenditures for assistance to needy individuals is therefore running in excess of $2,000,000,000 a year.

This tremendous cost is going to continue to mount year after year unless we take steps now to provide a comprehensive and adequate insurance program which will make it possible for individuals to have insurance protection against the major hazards of life.

H. R. 6000 is another step forward, even if a modest one, in the march of social justice and fair play for the people of the United States. Time after time the American people have expressed themselves as being in favor of social security. They have favored the improvement of the insurance benefits. They have indicated that they are willing to have a national plan that will cover everybody not only against old age and in case of premature death, but also against the terrible risk of becoming dependent upon charity due to permanent and total disability.

I believe that the American way is the way of social insurance. I do not share the view of those who say that when we adopt this bill or when we improve social security we are taking another step in the direction of state socialism. I believe that the American people have a right to expect that government will help them to insure against the major hazards of life. The social-insurance program that we are discussing today is not a "something for nothing" program. Workers and employers both contribute for their insurance benefits, and they will receive the benefits as a matter of right without being subjected to a humiliating needs test.

Mr. DOUGHTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. STEED].

Mr. STEED. Mr. Chairman, in the few minutes allotted to me I will address my remarks to a single provision in H. R. 6000, although I will say at the outset that I intend to vote for this bill. I think it reflects an outstanding job on the part of the Committee on Ways and Means.

In particular I want to express my appreciation to the committee for the consideration it has given to this one point in which I have such an exceptional interest—the child-welfare section. I could not let this opportunity pass without again expressing my thanks for the kind way in which the committee permitted me to present my views during the hearings and in the attention it gave to an amendment I proposed.

This amendment is now contained in title III, section 321, subsection "b," on page 175 of the bill, under subitem 10. It reads as follows:

(10) Provide for prompt notice to appropriate law-enforcement officials of the furnishing of aid to dependent children in respect of a child who has been deserted or abandoned by a parent.

Under the present law, because the records in the welfare offices throughout the country are confidential, it is not permitted for the welfare workers to make known to any law-enforcement agency or official any evidence of the crime of child desertion that might come to the attention of these welfare workers. Personal contact and investigation has revealed to me numerous instances where the welfare workers needed the aid of the law-enforcement agencies to forestall misuse and chiseling on welfare funds, but the rule on confidential files prevented them from getting it.

This amendment simply changes that provision. When this amendment becomes law, the welfare office must make known these facts about the crime of child desertion to the prosecuting officer of the local community. This then permits local law-enforcement officials an opportunity to act before parents, who abandon and neglect their children, can escape from the jurisdiction of the local law-enforcement agency.

I want to call your attention again to the fact that, despite the fact that the aid-to-dependent-children program is one of the finest and most needed of all our welfare activities, it still is being subjected in constantly increasing numbers to the more despicable type of abuse. The rolls of dependent children are growing almost hourly, and investigation shows that a large part of this increase can be charged directly to the fact that we have too many parents who deliberately and maliciously shirk their duties.

It is true, of course, that we have laws in every State against the crime of desertion of children. But most of these counties are limited in funds and other facilities for enforcing these laws, because in far too many cases the parents who commit the crime of abandonment skip the country and escape the consequences of their acts.

Very careful investigations reveal that at least 35 percent of the rolls have been created by the children of parents who could and should support their children, but who will not do so. I favor putting such parents in jail, and I favor giving the child the benefit of the doubt so that our relief program in no way is denied those who need it—whether the need come from neglect or otherwise. But I think we are entitled to see to it that parents who shirk their duties pay for their crimes against their children, as well as against society. To do otherwise means that we are, through our child-welfare program, actually subsidizing the breaking up of many of our American homes.

In two counties in my State, county prosecutors went into court and obtained orders compelling the welfare agencies to make their records on child-desertion cases available. The results in both instances have been startling. So many cases were found that justified the filing of charges that in one county alone more than 30 families were taken off the rolls because the recalcitrant parents were forced back into the support of their own families. One single case has already resulted in the saving of more than $1,000 this year. It should be pointed out that this method was not made necessary by the welfare officer, but by the law.

When these cases were taken off the rolls, the welfare offices then had more funds to be given to those children actually in need. Today, the rolls are so heavy that funds are not sufficient to give the aid to the most deserving children that they should have. Only by forcing these chiseling parents to care for their own children, as the law and common human decency dictate, can we hope to have sufficient funds remaining to

carry on the work for which this fine program was intended.

It is silly to know that under our present law we prohibit two of our governmental agencies—the welfare office and the prosecuting attorney—from cooperating together to punish parents who willfully abandon and neglect their children. But it is true, nevertheless, and this amendment is designed to correct the situation.

There are many other steps we need to take to deal with the whole problem of child desertion, but this amendment is a simple and reasonable one, and should be speeded into law.

Odd as it seems, the very protection the confidential nature of the welfare records was intended to give to the recipients of aid has become the one big loophole through which this sordid, despicable abuse of our child-welfare program has developed. I know every Member of this House agrees with me that we are justified in taking every means at our command to see to it that the able-bodied parents of this country take care of their own children, or suffer the penalty of the law if they fail to do so.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, I ask unanimous consent to proceed out of order for 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Chairman, last Friday, the junior Senator from Ohio, addressing the Federation of Republican Women at Columbus, Ohio, said:

> We must get rid of this bureaucratic power that is beating American citizens into serfdom.

Six months ago he and other administration critics were denouncing the "Truman depression." Remember? They have now abandoned that issue. Instead they talk about serfdom and statism. In politics from time to time we get new words and new slogans. Before the War Between the States there was a political slogan "Fifty-four Forty or Fight." Along in the 1880's there was another, "Rum, Romanism, and Rebellion." Now it is serfdom and statism, a word you will not find in your dictionary. These same people, including Ohio's junior Senator, shouted socialism 16 years ago when we proposed legislation to guarantee bank deposits. They said relief is a local problem. Later they denounced social security, and price supports for our farmers as creating bureaucratic power and as socialistic.

The statesman who said in 1932 that if Franklin D. Roosevelt were elected President "grass would grow in the streets of every city," recently said "we are on the last mile of collectivism," and now Ohio's junior Senator says that American citizens are being beaten into serfdom. Liberty has in fact been under attack in Europe and Asia and has been lost in many lands. What liberties have we lost in the United States of America? Do we not have the liberty of free speech, the right of peaceful assembly, the liberty of religious freedom? Surely our citizens are in possession of all liberties they ever enjoyed. To those liberties your Congressmen who truly represent the people intend to add the assurance of security for the aged and dependent. This is an expansion of liberty.

We have been told that we are American citizens beaten into serfs now on the last mile to collectivism. Well, if we are on the last mile, who started us on the first mile? I would like to ask Ohio's junior Senator and others who talk about statism to go into the cities or farms of this Nation and tell the people if they are in favor of withdrawing price supports, eliminating soil-conservation and rural-electrification programs, if they propose to repeal guaranty of bank deposits, social security, minimum-wage legislation, unemployment insurance, and low-cost housing?

Now, having imbedded this in the liquid amber of my remarks, I proceed to discuss two important aspects of the social-security bill.

RELATION OF SOCIAL INSURANCE TO PRIVATE PENSION PLANS

Mr. Chairman, in view of the great interest throughout the country at present in the establishment of private-pension plans through collective bargaining, I believe it important to consider for a few minutes the relationship of old-age and survivors insurance to such private-pension plans.

Under the present old-age and survivors insurance system, the monthly benefit which a retired worker receives is only about $25. Viewed from any angle, this amount is inadequate to supply even the minimum needs of a worker who may have some small savings and who may own his own home. Organized labor has pointed this out for a number of years, and I think it might also be said that all students of social insurance in this country agree. At the same time that organized labor has been advocating an increase in benefits through social insurance, it has also attempted, with some success, to obtain additions to social security through private pension plans, union health and welfare plans, and so forth.

If social-security benefits are continued at the present inadequate amounts, there will be a growing and perhaps overwhelming demand by the most highly organized parts of labor for substantial supplementary benefits. While such addition is very desirable, to some extent, it does raise the difficult problem that if all efforts are stressed in this direction, the general level of social-security benefits may be far too inadequate. Thus, many portions of labor, which are not as highly organized, or are not as persuasive in their demands as other segments of labor, will receive only the inadequate social-security benefits.

In equity to all portions of labor, there should be at least fairly adequate social-security benefits first, and any supplementary benefits should be built on top of that system. Otherwise there is likely to develop an uncontrolled competitive race among the most highly organized groups of labor, rather than an orderly development of both the social-security system and a logical supplementation in such industries as can afford somewhat more than mere basic protection. The time is ripe to develop such a reasonable course of action by strengthening and making more adequate the social-security system, so that any supplementary plans being developed will have a sound floor upon which to build.

Moreover, a basic floor of protection is needed because of the traditional mobility of American labor, not only from company to company but also from industry to industry so that even industry-wide systems will not solve all of the problem. As an evidence of this mobility, consider the fact that under the old-age and survivors insurance system, about one-third of those covered work in more than one covered industry during a single calendar year. Even in such an industry as coal mining, which is often thought of as having little mobility, about 20 percent of those whose employment in 1945 was in this industry had worked in another industry during the year.

Considering all this mobility during the course of a single year, there must be a tremendous amount over the course of a working lifetime. Therefore, of primary importance is the establishment of an adequate social-insurance program for all workers before we consider the establishment of necessary and desirable company plans or industry-wide plans.

CREDITS FOR VETERANS OF WORLD WAR II

Another problem which is deserving of consideration and remedial action is that of my comrades of World War II.

Under present law, veterans of World War II are under a distinct handicap because their military service has the effect of reducing their average monthly wage on which benefits are based, and also to some extent their chances of being insured. The social-security amendments of 1946 did make stopgap protection available for those who died within 3 years of discharge, but nothing was done on a long-range basis.

H. R. 6000 takes care of this problem in a manner which is extremely fair and equitable and which has been urged by various veterans' organizations. This problem is solved by giving every World War II veteran credit for wages of $160 for each month of military service. This amount of $160 is a reasonable amount and certainly reflects not more than the average wage that such young workers might have received if they had not gone into military service.

No special benefits are really being given these veterans, but rather the disadvantage which was imposed upon them is on the whole being lifted. The cost of these wage credits will be paid from the General Treasury from time to time as additional benefits arising therefrom come due. In the great majority of instances this will be many years from now, but there is one very important group which will be affected materially and immediately, namely, the widows and orphans of men who died in service. In these cases wage credits are given for each month of military service, just as for veterans who survived the war. In many cases such widows with young children are now receiving old-age and

survivors insurance benefits even though they may be somewhat reduced because there were no wage credits during military service. Although this situation is somewhat inequitable, there is another problem which the bill corrects in regard to men who were covered under the social-security program when they entered military service, but, because of being on active duty for a considerable period before their death, lost their insured status. Also, many other veterans had almost acquired insured status and would have done so if they had not entered the service of our country.

For example, consider a man with a wife and two children who had been in covered employment at $160 per month for 3 years from age 21 to age 24 when he entered military service in 1940. If he died in service, he would have lost his insured status under the present act. Under the provisions of this bill, his wife and children will get a monthly benefit of about $115 as long as the children are under 18. Even if he had died before 3 years of service his survivors are penalized under the present law because his average monthly wage was reduced because of his military service. Thus, if he had died after 2 years of military service, his family would now receive about $44 per month in contrast with the $57 they would have received if he had not entered service, and with the $115 under the bill—part of the increase being due to the more liberal benefit formula and provisions of the bill.

In all of the cases described previously, the granting of wage credits for military service will either increase benefits or make benefits available, just as if these young men had not answered the call to the colors. No one can deny that these survivors are rightfully deserving of these benefits which we today propose to vote to provide.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES. Mr. Chairman, I consider this legislation the most important to come before the Eighty-first Congress. It is vital to the millions of Americans who rightfully look to their Government to enact sound social-security legislation. Surely a Nation so rich as ours can well afford a minimum of security to its aged and disabled people.

The enactment of this bill, H. R. 6000, is also of great importance to the prosperity of the Nation and to the strength of our economy. It will help improve the Nation's health standards and the moral fiber of our people. It will provide a mighty and effective barrier against communism.

Improvement of the social-security law is long overdue. In almost 15 years since the inception of the law, no substantial improvements have been made. Last year a step backward was taken by the Republican-controlled Eightieth Congress when it removed three-fourths of a million people from under coverage of the Social Security Act.

Since the law was enacted in 1935 living costs have soared. Wages and profits have mounted steadily. It can be readily seen that benefits under the present law are disgracefully low and inadequate.

This bill is not as liberal in its benefits as some of us would like it to be. The age requirement for benefits remains at 65. This is too high. Even today many workers over 40 years of age are turned down when seeking employment because they are too old.

The coverage should be much broader so as to include farmers and professional workers. But this bill does mark a great step forward. It will bring 11,000,000 additional people under the protection of the Social Security Act. That means that about 42,000,000 of America's working people will have some insurance against want and despair in their twilight years.

It will boost benefits about 70 percent for the 2,500,000 people already retired and about 80 percent for insured persons yet to retire, or to their survivors if they die.

The bill also liberalizes and substantially increases Federal aid to States granting public assistance to needy people who are not covered by the insurance program.

Disabled persons under this bill would benefit immediately. They would not have to depend upon the uncertainties of charity until reaching the age of 65, as required under the present law.

I regret that greater consideration was not given to old people and to the disabled not covered by the insurance plan. In many States, including my own rich State of Pennsylvania, public-assistance laws are disgracefully inadequate. Many old people suffer from want and from mental agonies because of the policies which govern relief payments.

Many old people suffer rather than to force payments from married children whose incomes are not sufficient to cover their own family needs and plans for education of their children.

The age requirements for public assistance under many State laws, as in Pennsylvania, should be lowered. The means test should be discarded.

I trust that the increase in Federal grants to the States as proposed in this bill will help in bringing about a more decent and just policy in the payment of public assistance in the various States.

Despite objections, this bill if enacted will mark a great triumph for the American people. It is the very heart of the great liberal program promised by President Truman to the people of the Nation last November.

This is the center of the target which the opponents of social progress call welfare state legislation. It has been vigorously opposed in a psychological war by reactionaries who carelessly toss around scare words to frighten the American people.

Behind the scenes the real fight has been waged to kill or cripple this legislation. For many months it has been in a House committee.

Lobbies, like the Committee for Constitutional Government, fronting for selfish reactionary groups, carried on a very costly and extensive campaign against this so-called welfare-state legislation.

But in spite of all the money and propaganda used to frighten the people and to smear, discredit, and kill this legislation, I have confidence that the bill, H. R. 6000, will be approved by an overwhelming vote.

It will be most interesting to watch the votes of those who so loudly shout about the dangers of welfare state legislation. If there is any welfare legislation before Congress, this must be it.

Mr. COOPER. Mr. Chairman, I yield to the gentleman from Alabama [Mr. ELLIOTT] such time as he may desire.

Mr. ELLIOTT. Mr. Chairman, I rise in support of H. R. 6000, to amend the Social Security Act, which bill is designed, in my judgment, to meet in part a great need of the American people for security in their old age.

I hope that this bill will be passed by the House of Representatives this afternoon and that shortly it may become the law of the land. I say this not because I think this bill meets all pressing needs for security for the aged people of this country, but I do feel that it is a step toward the goal of working out a reasonable security for the older citizens of this country. The need for this or similar legislation is very great. When the first social-security law was passed in 1935, it was thought that if the beneficial provisions of the act were supplemented with what we call old-age assistance, administered by the various States, that the social-security system would within a few years come to be a good system. But, Mr. Chairman, what has happened? Just this.

First. The Social Security Act was so limited in its coverage, that instead of fewer and fewer people being dependent upon old-age assistance with the passage of time, the number has increased, and today there are a great many more people dependent upon old-age assistance than are dependent upon social-security old-age pensions as such.

Second. The average old-age pension now paid under the existing Social Security Act to those covered by the act who have reached the age of 65 is a mere $25 per month. These old-age pensions under the Social Security Act must be raised if the people covered by the act are to have any security in their old age.

Third. As already stated, the number of those dependent upon old-age assistance is increasing. Under present law the Federal Government will match State funds to provide old-age assistance payments to the needy aged of any State up to a total payment of $50 per month.

But, Mr. Chairman, the result of such a system is that the poorer States, such as my State of Alabama, cannot match the available Federal funds, and the needy old people of my State are paid a bare $20 per month. Every day I receive letters from the needy aged of my State setting forth the terrible conditions under which they must try to live on $20 per month. Under the present system the richer States—those able to match available Federal funds—become richer. Their needy aged people receive higher old-age-assistance payments and those States unable to match available Federal funds become poorer.

My feeling about this matter is, and has been for several years, that we should immediately broaden the Social Security

Act to make it cover all segments of the population, and for those who for one reason or another cannot be covered by social security that we provide a Federal old-age pension of at least $50 per month. If we did this, the needy aged of my State would enjoy the same degree of security in the evening of their lives that the needy aged of the richer States now enjoy. We all recognize that under the present high cost of living that no needy person can live well on $50 per month, and that figure could be supplemented by the States in such amounts as they could afford. No; $50 per month is not much for a needy aged person. But it is so much better than the $20 per month now being received by the needy aged of my State under the public-assistance program.

The first bill I introduced when I became a Member of Congress was a bill to provide a Federal old-age pension of $50 per month for needy aged people of this country. I am sorry that we do not today have before us a bill embodying that principle. I hope this Congress will deal with this need at an early date.

The Social Security Act embraces a program whereby a wage earner and his employer each contribute an equal amount for the security of the worker in his old age.

The coverage of the Social Security Act must be expanded. This is shown by the fact that in all the State of Alabama, with its 3,000,000 people, there are only 15,000 persons now drawing old-age pensions under the Social Security Act. As contrasted with this figure we have some 71,000 people now receiving old-age assistance through the county and State departments of public welfare.

I am for the present bill because it provides for a greatly extended coverage of the Social Security Act. It provides coverage for self-employed persons, except farmers, engineers, doctors, lawyers, publishers and a few other groups. Self-employed persons who have an income of $400 or more per year will be covered. Employees of State and local governments, domestic servants, salesmen, and several other categories will be covered. I am also for this bill because it raises the amount of pensions or retirement benefits for those covered by the act. The very minimum pension for those covered will be, when we pass H. R. 6000, $25 per month instead of the present minimum of $10. The present average pension of $25 for those covered by the Social Security Act will be raised to an average of $44 per month. The bill also provides for a maximum family benefit or pension for those covered of $150 per month as contrasted with an $85 maximum under the present law.

Under the present law a pensioner under the Social Security Act is not allowed to earn more than $15 per month. This is an unwise provision, and I am glad to see that the present bill raises this amount which a beneficiary is allowed to earn to $50 per month. This country was built upon a foundation of hard work, and I feel that the Congress should be particularly careful not to infringe upon this principle. In other words, we should not prevent a retired pensioner from doing work that he is fitted for and which he desires to do.

I am also for this bill because it provides for wage credits for veterans of World War II for the time they spent in the service. Under this bill they will be considered as having earned $160 per month for each month they spent in the armed services during World War II and will be given credit for the amount they would have paid in as social-security taxes on a wage of $160 per month had they been privileged to work in employment covered by the Social Security Act.

I think this provision is fair and attempts to do justice to our veterans of World War II.

I am also for this bill because it sets up a system of pensions for those covered by the act who become permanently and totally disabled. Those workers who become permanently and totally disabled would have their disability pensions paid to them on the same basis as their old-age pensions are paid under the act when they retire at the age of 65.

Just before I left home last December to take my place in Congress, one of my friends who had become permanently and totally disabled, asked me to come by his house. He was a man about 58 years of age and had been covered by the Social Security Act for several years until arthritis had brought him down. He urged me to do what I could to extend the benefits of social security to those who had become totally disabled. My vote for this bill today will be my answer to his request, and to the request, whether expressed or not, of thousands of others like him all over this country.

This is fundamentally and primarily a nation of 150,000,000 human beings. Its problems are by and large human problems. They require a human solution. The provision of disability pensions under the Social Security Act is wise and just. We will always be proud of our part in making these benefits possible for the wage earners of this country.

Many times I have had self-employed people speak to me about the advantages of social-security pensions and express the desire that they could be provided with these benefits. This pending bill will provide coverage for most of the self-employed people in this country.

I am very disappointed that the pending bill did not extend coverage to the farmers of this country. They, as a class, are as much or more so in need of the benefits of this legislation as is any other class of our population. Roughly 70 percent of the people of Alabama live on the farm. Over half of our farmers are tenants. Farming, as carried on in my State, requires much hard physical work—hard, manual labor. Many of our farm people break down in their old age. Many, through no fault of their own, because of low income, are unable to save much for their old age. Under present laws many of them are dependent in old age on public welfare assistance. The payments to them are small. We must devise a better system. I shall not be satisfied until we have worked out a realistic system of laws providing old-age pensions for our farmers.

This bill is a step in the right direction. We must meet the problem of old-age security head-on and solve it. I am convinced that the people of this country are willing to pay for and support an equitable system of old-age and disability pensions. Our failure to provide such will further confuse the issue by allowing various groups of the population to set up various and conflicting and overlapping systems that will oftentimes discriminate against those groups that need old-age security most. On the matter of old-age pensions I believe the thinking of the people of this country is away ahead of the thinking of the Congress on the subject. Let us pass this bill and then go to work to cure some of the remaining weaknesses of the social-security system.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KLEIN].

ALL OF THE PEOPLE ARE THE GOVERNMENT

Mr. KLEIN. Mr. Chairman, it goes without saying that I am going to vote for H. R. 6000. I can find it in my heart to wish that the bill were somewhat more liberal than it is; but it is the product of debate and discussion, even under a closed rule, in the American tradition, and in the democratic tradition, of legislation.

I have just returned from an all-too-brief tour of Europe, where I saw the tragic results of undemocratic rule with my own eyes. More than ever, I like the American way of doing things, politically and otherwise. Under our system of free and open debate of issues, our sympathy with all minorities, our insistence on equal protection of the laws for all persons, we may not move as fast or as far or as efficiently as we might under a dictatorship; but we move more safely.

In our concept of political relationships, we believe that all of the people are the government.

That is especially true of the Democratic Party, which introduced into American statute law the original Social Security Act which we are preparing to extend and expand here today.

The Democratic Party believes that American citizenship is indivisible and undiminishable.

NO SPECIAL PRIVILEGES

This means that the millionaire has no special rights or privileges, under law, not possessed by the lowliest and poorest citizen; that a penniless Negro is equal before the law to a wealthy Daughter of the American Revolution.

It means that in the philosophy of government expounded in administration and legislation by the Democratic Party we take the position that the American social and political structure is integrated, and that "government of the people, by the people, for the people" is not an inspired campaign phrase but a concise statement of sound political philosophy.

That is why the American people have five times chosen a Democratic national administration, in free and open elections in which the right of all opponents to be opponents has been as carefully

guarded as has the right of Democrats to be Democrats.

When Franklin D. Roosevelt was first elected President, it can be argued, with no reflection on his greatness, that anybody could have won the election; but when the vast legislative program he initiated was endorsed four consecutive times, the conclusion is inescapable that the American people want the Democratic platform.

SOCIAL SECURITY ONLY ONE OF MANY POPULAR MEASURES

Our great system of unemployment and old-age insurance, which we lump under the general name of social security, is only one, if perhaps the most popular, of the many reforms and advances made under Democratic leadership over the last 18 years.

Public housing, more and better education, conservation of natural resources, public utility regulation, a sound code of laws for labor-industry relationships, minimum wages and maximum hours—all these and many more are solid accomplished facts, brought into actuality by the courage of Democratic leadership in the face of strenuous opposition.

It was such opposition which makes the bill before us a pressing necessity; for many of the provisions embodied in H. R. 6000 were also embodied in the original social-security bill when it was introduced, and were taken out of the bill in 1935 to insure passage of the remainder.

I am particularly happy that the committee has seen fit to offer carefully worded and equitable definitions of employees and employers which will do much to end the uncertainty which has bedeviled some employers in good faith, and which has enabled a small minority of grasping and unscrupulous employers to exploit salesmen.

I am happy also that the committee has acted to provide for participation in the social-security program by self-employed workers, and regret only that it has not felt that the inclusion of professional practitioners of the arts and sciences is timely.

The committee especially is to be congratulated upon its clearly written report, which will stand as a monument for many years to its accomplishment, and will illuminate the intent of Congress for the guidance of the courts, of the administrative agencies, and of the American people.

NEW YORK ELECTION ISSUES

The people of my State of New York will be called upon in just a few weeks to elect a new Senator. Debate this week on the social-security amendments has helped to clarify the issues.

On the one hand, we have a Democratic candidate known as an ardent supporter of the New Deal and the Fair Deal, a man who greatly distinguished himself as a governor of New York, and who is pledged to do everything in his power to advance the legislative program of President Truman for responsible and responsive democratic government.

On the other hand we have a Republican candidate who finds his personal inclinations circumscribed by the limitations of the Republican Party. Already he has had to make use of that particularly offensive and meaningless cliché, statism, to express his opposition to progress.

Needless to say, I firmly expect Gov. Herbert Lehman to be elected, and I have offered him every support I may be able to provide.

In that context, because it is so relevant to today's debate, I wish to quote from Governor Lehman's introduction of Mayor O'Dwyer last night.

Governor Lehman said:

> Our philosophy of government can be simply stated: It seeks at all times a broader field of social justice and of opportunity for all groups which make up the state.

That, Mr. Chairman, epitomizes the spirit in which we will pass this bill today, and many another bill in the future, for the sake of human welfare and individual dignity.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. JACKSON].

Mr. JACKSON of Washington. Mr. Chairman, in my opinion, the expansion and improvement of our social-security system is one of the pieces of "must" legislation for this Congress.

I do not speak as a brand-new friend of social-security expansion. I introduced legislation to broaden and liberalize the system in October 1945, and again in February 1948. In this present session of Congress, I introduced another bill, H. R. 4876, the provisions of which I will summarize below.

While I regret that the Committee on Ways and Means did not see fit to adopt some of the crucial provisions of my bill, I have nothing but commendation for the painstaking way in which the committee has scrutinized every problem in this vast and complex field. After lengthy hearings and long weeks of discussion, the committee has reported out a fine bill.

I am going to vote for that bill.

Simply stated, H. R. 6000 means more benefits to more people under more liberal conditions.

The philosophy behind this may also be stated simply.

Citizens of the United States in their old age, or in time of need, can receive assistance from their Government in two ways.

One way is through relief—costly to the Government and, in many cases, humiliating to the individual. This is a method which penalizes the industrious and the frugal.

The other way is through an insurance scheme—under which the benefits an individual receives are those he has worked and paid for. It is not a something-for-nothing scheme at all. It is a way of having people plan ahead for their old age—and an inexpensive way at that.

One of the principal purposes of the original Social Security Act was to lessen the financial burden of old-age assistance on the Government. A paid-for program was to replace the dole. But because we let the system stand still while the economy moved on rapidly, that purpose has not been realized. We simply do not include enough people in our insurance program. Relief still takes care of many more people than insurance.

And while insurance benefits have stood still, the total of relief payments has almost doubled since 1939.

That is the reason for the extension of coverage proposed in H. R. 6000.

It is time we overhauled the system and brought it up to date. The 1939 level of benefits, inadequate even for that year, has remained untouched while the cost of living has risen nearly 75 percent.

That is the reason for the more liberal benefits proposed in H. R. 6000.

Let me summarize very briefly the major changes proposed in the bill we are now considering:

First. It extends the coverage of the program. The new system will include 11,000,000 more people than are presently covered, in these major categories: Nonfarm, nonprofessional people who are self-employed; employees of State and local governments—on a voluntary compact basis—some domestic servants; employees of nonprofit institutions; certain Federal employees; agricultural processing workers; and salesmen excluded by the Gearhart resolution.

Second. It increases benefits.

Higher benefits—in some cases almost twice the present benefits—will be paid according to a new and more liberal formula.

The wage base for contributions and benefits is raised from $3,000 a year to $3,600.

The minimum and maximum benefits are raised; and the benefits will be increased by one-half of 1 percent for each year of coverage—a feature which I consider vital to the bill and which I will stress in a moment.

Third. It liberalizes the conditions under which benefits may be received.

Newly covered groups will begin to draw benefits after only 20 quarters of coverage—the present minimum is 26 quarters.

Beneficiaries may earn $50 a month—compared with the present $15—without sacrificing their benefits—certainly a realistic change.

Conditions under which the lump-sum death payments may be received have been liberalized, as have the payments for widows' children.

Fourth. The proposed bill takes a major step forward—a step long overdue—in including in the insurance scheme provision for permanent disability.

No one can budget ahead for a heart disease or arthritis—chronic illnesses with with which 2,000,000 Americans are now afflicted. What these diseases do, in effect, is to force upon a person premature and unchosen retirement. Only 5 percent of these people are disabled as a result of their work—so almost no one gets relief under compensation laws.

Under the present system, a person who has contributed to the system for a number of years may lose all of his benefits merely because he is disabled before he becomes eligible for them. As

the committee report states, such a worker "has a real stake in the system which deserves to be recognized. He should not be required to show need to become entitled to benefits."

PROVISIONS OF JACKSON SOCIAL-SECURITY BILL

I have said that I intend to vote for this bill—and I do so without hesitation, even though it does not incorporate some of the features I sincerely believe should be included. For the RECORD, let me explain the principal provisions I believe should eventually be adopted.

EXTENSION OF COVERAGE

First. The social-security system should be extended to include more people—including farmers, lawyers, engineers, and the domestic servants who have been left out of H. R. 6000. The Committee on Ways and Means is to be commended for extending the coverage to 11,000,000 additional persons, but the program is not yet complete. If extended to another 8,000,000 working people, with a minimum benefit of $50 a month, which I recommend, we would at last have a comprehensive pension system, with payments based upon a right earned through work and contribution—not a humiliating program of dole, with a means test. It would be a system consistent with our American ideas of frugality and enterprise.

This extended coverage would not be forced on these people. The farmers of my State have asked to be included in the program. A Nation-wide Gallup poll shows that 60 percent of the farmers of the Nation wish to be included. The Grange organization in my State of Washington has asked that its members be brought under the program.

After all, no one is spared the experience of growing old.

LIBERALIZED BENEFITS

Second, there are four ways in which I believe benefits should be liberalized.

First. The minimum benefit should be raised to $50 a month, compared with the present $10 and the $25 proposed in H. R. 6000.

Second. I believe that the wage base used for computing contributions and benefits should be $4,800 per year rather than the proposed $3,600. However, I wish to commend the Committee on Ways and Means for the advance it has made in raising the level to $3,600, despite powerful proposals to keep the status quo.

Third. I believe that the "average wage" used to determine benefits should be the average of the most favorable 5 consecutive years of earnings, rather than an average of all covered years. This would eliminate penalties for periods of unemployment and noncoverage, and would more accurately reflect a worker's loss of earnings at the time of retirement.

Fourth. I believe that there should be a 1-percent increase in the benefits payments for each year of covered employment, as compared with the one-half of 1 percent recommended in H. R. 6000. This increase is a most important concept in the field of social security. For one thing, it provides an excellent incentive for long and continuous employment under the program. For another, it seems only fair that those who have been long-time contributors to the program should reap greater rewards.

CONDITIONS OF ELIGIBILITY

I favor the liberalization of the conditions of eligibility in two major respects. First, I believe that the retirement age for both men and women should be lowered from 65 to 60. Second, I believe that a newly insured person should be eligible for benefits after he has been covered for one-fourth of the quarters since 1936. That would make a person beginning his contributions in 1950 eligible for benefits in the second quarter of 1953.

INSURANCE FOR TEMPORARY DISABILITY

I have already mentioned the significant acomplishment of the Committee on Ways and Means in including in H. R. 6000 provision for permanent disability insurance. I do not mean to detract from that accomplishment in any way when I suggest that the system should eventually include provision for temporary disability as well—an illness or injury that keeps a person away from his work for less than 6 months. These temporary illnesses are a hardship on a family no less than a permanent disability. For the individual it is impossible to plan for illness. But for a large group, illness is a predictable, insurable risk. Temporary disability insurance has been tried in three States. It seems to be a success.

Mr. Chairman, no one who is aware of the widespread unrest in the field of labor-management relations over this question of security in old age can help recognizing the need for a more comprehensive, liberalized social-security system, in tune with the times, which will give greater benefits to more people.

That is precisely what the Committee on Ways and Means has given us to vote on in H. R. 6000.

Mr. JENKINS. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, a great many Members of the House have raised the question as to how much increase in benefits is provided for our old people in this legislation. Those of you who have the bill H. R. 6000 before you, if you will turn to page 119 you will see a chart that shows how much of an increase the people who are now retired and are drawing old-age and survivors insurance will receive. For instance, someone now getting $10 will get $25. Someone now drawing $30 will be raised to $50.90, and so forth.

I am glad those people are getting that increase. If there is any criticism against the Ways and Means Committee in the deliberations of the last 6 months, it has been their failure to do something to eliminate the injustices and inequities in the old-age-assistance program.

That same table which appears on page 119 in H. R. 6000 appears in the minority bill on page 99.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. DONDERO. I think in your statement you intended to say to correct the injustices and inequities, rather than increase them.

Mr. CURTIS. I thank the gentleman.

The minority bill increases those benefits for the old people in the same manner. For instance, someone now drawing a minimum of $10 a month will be raised to $25, and so on down the list.

The provisions for old-age assistance are the same in H. R. 6000 as in H. R. 6297, which will be offered in the motion to recommit.

You can go down the streets of any of your towns and meet the old people who are drawing old-age and survivors insurance or old-age assistance and assure them that your decision today on this motion to recommit does not take anything away from them, because both bills are identical in that regard, pertaining to the people now drawing benefits.

There are some things about the insurance program upon which there is considerable disagreement. That disagreement has not always followed partisan lines. As a matter of fact, one of these items was decided one way in the committee and a little later the committee reversed itself and changed its mind.

The minority bill, for instance, benefits older people and people who have had irregular employment and who are about to retire, in a way that H. R. 6000 cannot benefit them, because the benefits are fixed on an average monthly wage. The formula for arriving at the average monthly wage in the minority bill favors the old workers, the irregular workers, and the workers who are about to retire. So in the group that are now receiving benefits, and those about to receive benefits, they will fare better or just as well under the minority bill as under the majority bill. It is true that at a later time—and it will take some years to reach—H. R. 6000 carries what we call the increment; the benefit is increased one half of 1 percent for each year the person has been under the program, That is not going to help your old people now; and that is not going to help the people on old-age assistance who have a welfare worker call at their home, have them make out a budget, and then give them a meager amount to get along on.

Here is another change in the minority bill: The minority bill continues the wage base upon which people will pay taxes. The minority bill continues the provision of paying the employer and employee tax on the first $3,000 of wages. The majority bill raises that to $3,600. That is a bad provision; it will increase the taxes not only on employees, but it will also increase the taxes on everyone who is providing jobs for others. Furthermore, it is bad because $3,000 has been the ceiling for unemployment compensation and many other State programs. So you are going to add to the difficulty, confusion, and taxes of the small employers of the country by this provision of H. R. 6000.

This provision was adopted by the Committee on Ways and Means at one time; we settled on a $3,000 wage base, but it was later raised to $3,600.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. COOPER. Did not the committee also at one time adopt a wage base of $4,200?

Mr. CURTIS. They may have, but as I recall, it lasted only 5 minutes, or some such short time. I may be in error about that, but at any rate it shows that there is considerable disagreement among the people who studied this. There is a strong case to be made out for the $3,000. The reason for asking to have the base raised to a higher figure was the increase the benefits. There may be an argument in favor of that, but to raise it just $600 is neither fish nor fowl, but it does add a lot of confusion to the picture so far as the business of the country is concerned.

I do not want to take too much time, I am not going to use all the time allotted to me, but there are two other differences between the majority bill and the minority bill that I wish to mention, one of them is that the majority bill extends the Social Security Act, including permanent and disability insurance, to Puerto Rico and the Virgin Islands. I do not believe we should at this time, without the investigation that has already been voted, take that step. We perhaps are forcing on to them a social-security system that will be most disturbing to their economy.

Mr. LYNCH. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. LYNCH. Is it not true that the social-security system will not be forced upon Puerto Rico until the Puerto Rican Legislature passes upon it affirmatively.

Mr. CURTIS. That is correct, but I do not think we should even go that far. This House had a good reason for voting $25,000 to send the committee to those two places to investigate this matter. We should have a social-security system for Puerto Rico and the Virgin Islands, but, certainly, it should be studied and determination made that it is not a system which will be disrupting to their economy.

Mr. LYNCH. Was not the authorization covering the $25,000 for the purpose not of determining whether or not Puerto Rico should get the minimum benefits but whether or not Puerto Rico should be placed on the same level as the States?

Mr. CURTIS. I think not. It was for the committee to go down there for the purpose of studying their economy and determine the question.

Now, may I mention one other big issue that is involved here. That is the question, Shall the United States Government go into health insurance, insurance against permanent and total disability? I am not going to argue with the individual who believes that that is a deisrable step. I do think we should consider the other problems immediately before us, the situation of the Treasury, the tax load that is now on the people and the present burdens on our Government.

I call your attention to the fact that this provision for permanent and total disability insurance is just the beginning. Not many people can ever receive benefits under it. This means, if it is started, there will be a demand and a continued demand to increase it into a gigantic and costly program.

Every Member here has in his acquaintance fine people back home who are disabled. You know individuals who have been injured or they are ill, they are paralyzed, maybe they were born crippled. The passage of an act to put the Federal Government into permanent and total disability insurance will not help any of them. They cannot get insurance without a wage record. Why, you will plunge this country into a new venture, a very costly venture; at the same time, it will not do anything for those people who are no. crippled, those who are now disabled, those who become crippled in childhood, or in future years those who are born crippled. There will be a huge gigantic bureau to handle this permanent and total disability insurance; yet nothing for the poor chap who was born crippled and has never known what it is to run across a lot and throw or bat a ball. It does not do anything for them. Old age or death are something sure that is going to happen to all individuals. So it is all right to tax that individual on an actuarial basis to pay for his own benefits. All of the people are not going to become crippled or physically disabled. It is something the masses will pay for to help the few. When they tax me to pay disability benefits I want those disability benefits to go to the chaps who are born crippled, to the individual who might become paralyzed before he ever held a job, to the individual who is crippled now, and not as just an addition to our State systems of workmen's compensation for the few who might benefit.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. The class of people to which the gentleman is referring are taken care of in this bill under public assistance.

Mr. CURTIS. In both bills.

Mr. DOUGHTON. One other question. Those who come under the total and permanent disability features have to be fully covered and there must be a need. They will not get a dime unless they can show need.

Mr. CURTIS. Under the insurance program you are paying disability benefits to people regardless of their income, without regard to the property they own or their income.

Mr. Chairman, I am firmly convinced that this minority bill comes nearer doing what down in the hearts the majority of the Members of this House feel ought to be done than H. R. 6000. I am not going to restate the argument on the closed rule, but there are things in H. R. 6000 that would not have stayed in there had we had a chance to vote on amendments. I appeal to the conservative-minded Democrats to vote down H. R. 6000. There is no security in any program that goes too far, that promises too much, that costs too much, that loads the future with too great a cost. H. R. 6000 will cost at least $1,000,000,000 a year more than the Kean bill. I urge you to vote for the motion to recommit.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from Ohio.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent to extend my remarks at the point in the RECORD following the address by my colleague the gentleman from Louisiana [Mr. BOGGS].

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Chairman, and members of the Committee, my distinguished friend and colleague from Nebraska, in concluding his remarks a moment ago, made the statement and pleaded with the Members of this body not to vote for any program which cost too much, which went too far, or promised too much. Prior to making that statement he made quite a plea for the enactment of the so-called minority bill. Prior to that time, when the committee report was drafted, he wrote, beginning on page 173 thereof, "Additional minority views." I must confess that I am somewhat confused by my good friend, because in the additional minority views he makes a plea for the enactment of a general pension in the United States of America, and in the same breath he condemns the principle of old-age and survivors insurance. Now he comes before this body and he asks us to vote for the so-called minority bill which, in principle, incorporates the same thing which we have incorporated in the majority bill on old-age and survivors insurance.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from Nebraska.

Mr. CURTIS. I want to thank my distinguished friend for calling to the attention of the House the minority report. I hope the gentleman will create some interest in it and that they will read it. I believe that the present social-security law is not doing the job for this generation of aged, and it is building up an excessive cost for the future. The Kean bill does not load the future to the extent that H. R. 6000 does.

Mr. BOGGS of Louisiana. Please, I yielded for a question, not for another speech.

Mr. CURTIS. I know, but I wanted to add to the gentleman's splendid advertisement of my views.

Mr. BOGGS of Louisiana. I am very glad that the gentleman wants me to further acquaint the Members of this body with his minority report. I will read for the benefit of this body the recommendations of the gentleman from Nebraska, and I will ask the Members of this body which is the more constructive and which is the more conservative bill, whether the committee bill is sound, practical, economical, conservative, and makes good sense, or whether the gentleman's proposition is statism, socialism, welfare state and all of the other

platitudinous words that have been thrown around here today.

I quote from page 183 of the report the language of the gentleman from Nebraska [Mr. CURTIS]:

CONCLUSION

I have, in the foregoing paragraphs—

In those foregoing paragraphs he criticizes the old-age and survivors insurance program which he just defended a moment ago here as incorporated in the Kean bill.

I have presented only some general ideas of how I would overhaul the insurance program. To put these ideas in somewhat more concrete, but not at all final, form, I am submitting the following outline of tentative benefit proposals:

1. Payment of old-age benefits to all citizens who have reached retirement age or over, to the widows of deceased citizens and to their orphaned children under 18.

2. Payments within each category (aged, orphaned, and so forth) to be uniform in amount, though amounts for different categories may differ.

3. No needs test or work clause, except that other federally supported benefit programs would be offset.

Now, Mr. Chairman, that is the Townsend plan.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It would cost about $15,000,000,000 a year.

Mr. BOGGS of Louisiana. I will come to that in a moment.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from Nebraska.

Mr. CURTIS. I would just remind the Committee that any proposal of mine is not being offered as a motion to recommit. It is not before the House. Why not read all my recommendations and not stop with only a part of them. The gentleman knows that I do not advocate a costly program.

Mr. BOGGS of Louisiana. What the gentleman is saying is that his proposal is unsound, do I understand that?

Mr. CURTIS. No.

Mr. BOGGS of Louisiana. Go right ahead.

Mr. CURTIS. I am just calling the attention of the Committee to the fact that that is not contained in the motion to recommit, which contains the bill of the gentleman from New Jersey [Mr. KEAN].

Mr. BOGGS of Louisiana. What the gentleman has said, as I understand, is that he is for this program I have just read, which is the Townsend plan, and which would cost the taxpayers of the United States at least $15,000,000,000 per annum out of the Treasury of the United States.

Now let us talk about costs. Let us look at that for a moment. What is the committee bill seeking to do? The committee bill says, in keeping with the recommendations of the advisory committee appointed by the Finance Committee of the Senate in the Eightieth Congress, headed by a Republican Senator, and in keeping with the recommendations of the majority of the members of this committee after hearing evidence for 6 months, it is the considered judgment and policy of the committee that those participating in this program shall contribute to its cost. That is a sound proposition. That means that the men and women who benefit pay for those benefits. But the gentleman from Nebraska says that the cost will bankrupt the Government of the United States. On page 179 in his minority views he points out the cost in 10, 20, 30, 40, and 50 years, and so forth, and finally he gets up to the figure of $11,700,000,000. That $11,700,000,000, if it be accurate, and I presume it is, is derived from the contributions of the employers and the employees. It is not taken out of the general funds of the Treasury of the United States of America.

But what would happen if the plan proposed by the gentleman from Nebraska [Mr. CURTIS] were adopted? Let me give you some figures on the cost of his proposal—and I will be modest about it. If the flat payment were to be $20 a month—mind you, that is $5 less than the minimum benefit provided in the proposed legislation—the annual cost out of the Treasury of the United States would be $2,800,000,000. If it were $30 a month, it would be $4,200,000,000. If it were $40 a month it would be $5,600,000,000. Again, not out of the reserve fund built up by the contributions of employers and employees, but out of the general fund of the United States of America.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield briefly for a question.

Mr. CURTIS. If you are opposed to doing something for all of the old people of the country, why is it that Louisiana has 8 out of 10 old people on old-age assistance, when the national average is only about 2 out of 10?

Mr. BOGGS of Louisiana. I am very glad the gentleman brought that up, because that proves under the existing program, if the States are willing to make the sacrifices required, something can be done for the old people. Let me say to the gentleman he made this vigorous plea here a moment ago about what we had failed to do for the old people. The gentleman appeared before the Committee on Rules against this bill. Now he comes here advocating the Townsend plan and he says he is going to save the Government money. I say, "Consistency, thou art a jewel" indeed.

Mr. CURTIS. The gentleman from Nebraska has not advocated the Townsend plan or any plan costing the ridiculous amount stated by the gentleman from Massachusetts [Mr. McCORMACK]. I do favor a social-security program that treats all our old people alike and I want to end the abuses under old-age assistance. You are reading part of my recommendations and not all of them, to becloud the issue that is involved, which is the motion to recommit.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 10 additional minutes to the gentleman.

Mr. BOGGS of Louisiana. Mr. Chairman, the Members of this body do not want to be deceived. There is no Member who has sat in the House of Representatives more than 30 days who does not know what the Townsend plan is. The Townsend plan is a general pension for everybody reaching the age of 65 or 60. The only difference between the gentleman's proposal and Dr. Townsend's proposal is in the amount—that is all—plus the fact that he discriminates against the veterans.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. McCORMACK. In connection with the motion to recommit, I should think it ought to be impressed upon any of the Members who might believe in something like the Townsend plan that that is not even in the minority report.

Mr. BOGGS of Louisiana. No. As a matter of fact, the motion to recommit, or in other words, the bill of the gentleman from New Jersey, is certainly not the Townsend plan. In other words the gentleman from Nebraska just made a speech for a measure to which he is opposed according to the views expressed in his own minority report and published in the official committee report.

Mr. Chairman, the Members of this body must know—they must know—that the problem which confronts the United States of America in working out this situation is to bring before the people of the United States the soundest and most constructive program that we can devise under existing conditions. I believe if you will approach the work of this committee fairly and if you will analyze the testimony before the committee—if you will note the names of the distinguished men and women who testified before our committee, I think you will say your Committee on Ways and Means has done a good job and is moving in the right direction toward bringing about a constructive social-security program and is not engaging in any demagoguery to fool anyone, whether they be old people, widows and orphans, or what have you.

Mr. Chairman, I yield back the balance of my time.

Mr. YOUNG. Mr. Chairman, I assert the people's Representatives can provide reasonable social security for the less fortunate among us without in any way sacrificing that liberty which we know as the American way of life. An adequate old-age insurance program, reasonable aid to the unfortunate, and extension of retirement benefits is not statism nor is it socialism. Your Congress is determined that aid for the aged shall be based on an insurance system instead of a mere pension system. We have broadened coverage, benefits have been greatly increased. A worker who would now retire at $31 monthly, which is the present average payment, will, under the new bill, get approximately $56 monthly.

Personally, I consider it but a matter of time before farmers and farm laborers will ask Congress to include them within the social-security program. When they fully understand the benefits of the Federal social-security system, they will plead with their Representatives to admit them.

Farmers not only pay for the benefits which industrial workers receive because certainly a part of the pay-roll tax is added to the cost of products they buy, but they are also paying State taxes to meet local old-age assistance and relief burdens. I am convinced that all gainfully employed men and women, except public employees such as teachers who have their own pension systems, should be included under our social-security program. We face the problem—should we make the social-security system financially sound so that it will maintain itself, or should we permit the present tax to be frozen at 1½ percent against employer and the same tax against employee, providing any deficit be paid from the general revenue. Obviously, such a scheme would be unfair to taxpayers who are not covered in employment. Therefore, in this social-security legislation instead of compelling any citizen to pay Federal taxes for benefits paid to other citizens, we provided this bill which will enable the social-security system to carry itself, the schedule of taxes rising from 1½ percent against employer and employee in 1951 is gradually increased up to 1970 and the social-security system carries itself. Of course, as for the self-employed, they are both employer and employee and must pay a greater tax than fixed for employees only.

Under this social-security program, we of this generation do not impose upon our grandchildren to find the money to pay benefits we have promised. This is a pay-as-you-go social-security program. It is sound in every respect. It represents the greatest legislative achievement of your House of Representatives within the past 10 years. We provide a social-security system under which people may retire in comfort instead of on a mere subsistence level.

It may be taken for granted that this Congress will liberalize social-security payments. The dignity of every individual in the Nation is involved. Something deep inside a person is offended if after a lifetime of productive work all he gets is a hand-out. If we are not going to have social insurance, we must have relief.

Social-security amendments increasing welfare benefits and expanding coverage is the most important legislation to be considered in the House of Representatives before adjournment of this session. Salesmen, self-employed, except certain professional self-employed, domestic servants, and other workers not now eligible for social-security benefits upon attaining the age of 65 will be covered. Old-age security and social-security payments generally will be increased.

Last year C. E. Wilson, president of General Motors, received $516,000 salary and bonus. He made $258 an hour. General Motors voted him $25,000 per year retirement pension effective when he decides to retire. If American industry—big business—can afford to pay pensions to retired officials who do not need them, is it state socialism when the people's representatives impose a tax on industry and on the employees to pay retirement pensions, or social-security payments, to those who do need them?

We, in the Committee on Ways and Means, worked in lengthy daily sessions for 26 weeks dealing exclusively with social-security problems. This is the first extension and liberalization of the Social Security Act in 10 years. Benefits for existing beneficiaries will be increased from 50 to 150 percent. Minimum primary benefits have been increased 150 percent. Minimum family benefits have been increased from $85 to $150 per month. A good prediction is that the public generally will be pleased with this legislation and that following its passage in the House of Representatives, the other body will act favorably on this legislation early next year. Federal contributions to the States have been increased $160,000,000 yearly for the needy aged, the blind, and for dependent children. This social-security proposal also provides that a worker drawing retirement benefits may now earn up to $50 a month instead of the present limit of only $15 without losing retirement pay.

H. R. 6000 was written following extensive public hearings and every provision in this fine bill is there because of either unanimous vote or majority vote of the Committee on Ways and Means.

There was no evidence that the majority of farmers, lawyers, doctors, dentists, and other professional men desired to be covered by social security. There was ample evidence that other self-employed did desire to be covered by provisions of the social-security law.

The last Congress, by limiting the definition of employees, removed nearly 700,000 individuals from social-security benefits. We have repealed that provision and restored those individuals. In addition, we have provided that workers who have paid for coverage under social security and who then become totally and permanently disabled will immediately receive social-security payments and enjoy benefits for which they paid while working and of sound health. At the request of employers of nonprofit institutions, we have admitted on a voluntary basis 600,000 employees of charitable institutions such as churches and welfare organizations.

Regularly employed domestic servants, other than those employed in farm homes, will now be included within social security and these 700,000 persons surely need the benefits of social security. Public employees already under retirement systems are covered only if upon a referendum by a two-thirds vote of the membership they choose to enter the social-security system. The enabling act for this purpose must be provided by State or local legislation.

The social-security bill would increase old-age and survivors insurance benefits materially. For instance, it will boost from $41 to $79 a month the social-security payment for a man over 65, with a wife over 65, who has been in the program for 10 years at an average wage of $100 a month. If the monthly pay averaged $250 the social-security payment would go up from $66 to $102.

The hope we all cherish is an old age free from care and want. To that end people toil patiently and live closely, seeking to save something for the day when they can earn no more. In the life of the worker there are weeks, often months, of enforced idleness, weeks of unavoidable sickness, losses from swindling, and then, as age creeps on there is a constantly declining capacity to earn, until at 65, many find themselves unemployable. There is no more pitiful tragedy than the lot of the worker who has struggled all his life to gain a competence and who, at 65, is poverty-stricken and dependent upon charity. The black slave knew no such tragedy as this. It was a tragedy reserved for the free worker in the greatest nation on earth.

Regarding social security expansion and liberalization, one can well comment that in this Nation we have gone a long way since 1932 when the then President said, "Relief is a local problem."

Private charities, bread lines and soup kitchens must not be the answers of American intelligence and sense of justice to the problem of unemployment and indigent old age.

An added reason we should pass the social security expansion bill is to head off the trend toward private pension plans in industry. The pension issue cuts a big figure in the steel- and coal-contract controversies.

The demand for social-security payments by segments of our population, by Ford employees, and steel workers, for example, threatens to result in unbalanced, overlapping, and competing programs. The financing of such private programs may become chaotic and their economic effects dangerous. We Congressmen intend to liberalize the Nation-wide system before it is undermined by these outside forces. Once this basic system is firmly established, remaining needs of particular groups in industry can be assessed and met in an orderly manner.

Mr. JENKINS. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, on yesterday I discussed the reasons why I favored the general philosophy which is behind H. R. 6000. Today I want to tell you why those who favor a liberal and sound social-security system should support H. R. 6297, in place of the committee bill, when it is offered to the House on a recommital motion.

H. R. 6297 would cure the major defects of the administration bill while providing greater benefits for the lower-income groups.

It contains the same increase in benefits for those now retired under old-age and survivors insurance as does the administration bill.

It contains the same increase in benefits for those on the assistance program as does the administration bill.

But it provides for the coverage of 1,300,000 additional workers who would be left out under the Democratic bill.

It would save over $1,000,000,000 a year.

It would mean a lower tax rate for the American people.

It would provide for higher benefits for those who are occasionally laid off their

jobs by basing the amount of benefits on the best 10 years of consecutive employment.

It would provide for permanent and total disability payments to those in need through the Federal-State assistance program rather than through the insurance program.

It would correct the provision of the administration bill which surrenders to the Treasury Department and the Federal Security Administration the right to determine what rate of social-security tax a person should pay by giving those agencies the authority to determine who is a self-employed person and who is an "employee."

There are several grave matters of policy which ought to be decided by the House. The fact that we have to vote them all up or down in one package is a mockery of representative government. If those who engineered the deal for this gag rule really believe in democracy, their consciences should not let them sleep for many a day.

To go into more detail. The bill which will be offered you on a recommittal motion is the same as the administration bill except for 10 items. These are briefly outlined in the minority views on page 157 of the committee report.

I will discuss the more important changes first:

H. R. 6000 provides a double reward for those who have steady employment. First, there is what is known as the continuation factor:

A worker's benefits are first calculated on his average wage over his working lifetime, according to the formula provided in the bill, and then there is a deduction for the amount of time during which he was not working or was not in covered employment.

For instance, if a man's primary benefit was $60 and he worked in covered employment for 19 out of 20 years, you would divide his primary benefit of $60 by nineteen-twentieths and the resultant figure which he would be paid monthly would be $57.

So the man who has been steadily employed has the reward of getting the full $60 while the man who has been out of work, or not in covered employment for the 1 year, will only get $57.

The second reward for steady employment is what is known as the increment factor. This is a credit of one-half of 1 percent of primary benefits for every year in which a worker remains in the system. The individual I referred to above whose primary benefit was $57 would thus be credited with 28 cents for each of the 19 years he remained in the system and thus his primary benefit would amount to $62.32; while the man who was never out of the system would have an increment factor of 30 cents a year and his primary benefit would be $66.

Thus the more fortunate receive a double reward under the committee bill.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield.

Mr. HARRIS. Who would pay the additional benefit that the gentleman would receive?

Mr. KEAN. It would be paid by the people who contributed to the system, including the individual himself.

Mr. HARRIS. In other words, the individual would be paying for what he would receive as benefits?

Mr. KEAN. Yes, sir.

This so-called increment is a very expensive proposition. Actuaries estimate that its cost will amount on an average to well over $800,000,000 a year.

The advisory committee of experts set up 2 years ago by the Senate Finance Committee recommended its abolishment.

In the first draft of H. R. 6000 it was abolished. However, on reconsideration the Democratic members put it back in the bill. But this addition would have necessitated a further increase in the heavy pay-roll tax by almost 1 percent.

The Democrats did not relish putting into their bill a 7½-percent tax and, therefore, they looked around for other ways to lessen the cost of the bill.

In the bill as originally drafted was a provision that benefits be based on the 10 best years of a working life. This would greatly benefit those who, owing to the business cycle, are occasionally laid off their jobs, and other important classes of workers—particularly farm labor, for owing to the fact that farmers and farm labor are still excluded from the social-security system a large number of these workers will still shift back and forth between covered and uncovered employment, thereby creating a record of irregularly covered employment for social-security benefits.

With the change in the wage scale since the late 1930's and the historical fact that wage scales increase over the years, benefits based on the 10 highest consecutive years will reflect more closely the amount required for a decent standard of living than would the average wage over a working lifetime which not only includes years of depression and unemployment, but also years when the wage scale was low and perhaps early apprenticeship years.

The Democratic majority in order to find some of the money to pay for the increment changed this 10 consecutive years basis for figuring benefits to that of an entire working lifetime. Thus, they have lowered the benefits by $600,000,000 of those who will need it most and given this $600,000,000, plus $200,000,000 additional, annually, to those who need it least—those who, owing to their steady employment, have been able to supplement their retirement through savings and life insurance.

In H. R. 6297 we have eliminated the increment feature and restored benefit payments on the basis of the 10 best consecutive years of employment.

The second major item is that of permanent and total disability. In the committee bill, this is taken care of in two ways:

First, a fourth category has been added to the assistance program by which the Federal Government will match payments by the States to those permanently and totally disabled and in need.

The committee bill also contains a provision that total and permanent disability should be under the insurance program. This provision is eliminated in H. R. 6297.

The reasons for this are many. I outlined some of them in my talk yesterday, but for those who were not present then I would like to repeat.

This is an untried field. The cost of this insurance program is unknown. It will probably be well over a billion dollars a year, but no one knows. Benefits would be taken out of the trust fund which was set up for old-age and survivors insurance.

The experience of private insurance companies in this type of coverage was most unfavorable. Claims increased by leaps and bounds during periods when unemployment was high and were sharply reduced in times of full employment.

The determination of when a worker is totally disabled is a marginal one. It is usually a question of judgment.

The theory of the insurance system is that benefits are a matter of right. Would not everyone feel that, having paid the insurance premium, he was entitled to these benefits even if only slightly disabled?

A permanent lifetime pension is so attractive that it would be difficult for many workers to resist the temptation to try to make out that they were disabled in order to get the benefits which they felt they had paid for through their pay-roll taxes.

It would be better for the present to experiment with this in the old-age assistance program.

Determination of who is totally and permanently disabled certainly can be made better at the local level than under bureaucratic rules made by Washington.

Eight other items are included in the minority bill.

Puerto Rico and the Virgin Islands are eliminated from the insurance system. The pay scale is so low in Puerto Rico that many would receive inordinate benefits, many who are working would not qualify at all, and as a large portion of the working population earns less than $50 a month, many individuals could continue to work at their usual wage scale and still draw benefits.

Puerto Rico and the Virgin Islands should have social insurance, but there should be an independent system set up for them.

H. R. 6297 provides for continuation of the present $3,000 wage base. The administration's original suggestion was that this be increased to $4,800. This made some sense as it was in accord with the administration's philosophy. But $3,600 is neither fish nor fowl. It is not enough to greatly increase benefits for the higher-wage earner, as desired by the administration, but it does disturb all present private-pension systems which are geared on a $3,000 wage base for social security, and it also adds greatly to the work of the businessman for unemployment insurance is figured on a $3,000 wage base.

Under this change also, any increase in benefits goes to those who are better able to provide for their own protection

and does nothing to increase the benefits for the lower-wage earner with whom the system should be primarily concerned.

H. R. 6297 also eliminates paragraph four of the definition of employee which gives to the Treasury Department virtually unlimited discretion to determine where the impact of the social-security taxes will fall.

The committee bill in the first draft first took in all household workers, and then eliminated those who need protection most. H. R. 6297 would restore the original provision in the bill by which all regularly employed household workers would be covered.

H. R. 6297 would continue the existing law with respect to lump sum death payments and do away with the new provision for lump sum death payments for all. The chief beneficiaries of this provision in the administration bill would be the undertakers. To pay this lump sum certainly changes the whole philosophy of the insurance program.

H. R. 6297 directly excludes teachers, firemen, policemen, and other State and municipal employees who are already covered under their own retirement systems. Representatives of these retirement systems believe that the provision in the administration bill would jeopardize these existing systems to which contributions have been made over long periods of time. We have, therefore, seen to it that they cannot be forced into the insurance system.

H. R. 6297 would decrease the cost to the system on an average of $1,250,000,000 a year. In order that the taxpayers may benefit from this, we have in our bill a tax rate lower than in H. R. 6000. Comparison between the total tax rate on employer and employee in H. R. 6000 and in H. R. 6297 is as follows:

	H. R. 6000	H. R. 6297
	Percent	*Percent*
1950	3	3
1951–59	4	4
1960–64	5	4
1965–69	6	4
1970–79	6½	5
1979	6½	6

H. R. 6297 is a better bill than H. R. 6000. It does what a social-security system should do—gives greater benefits to the lower income group. It is sounder than the administration bill. It will save the taxpayers an average of more than a billion dollars a year.

The recommittal motion which will be to substitute H. R. 6297 for H. R. 6000 should be adopted.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I am glad to yield.

Mr. HARRIS. As I understood from the debate here today in further reference to the definition of the word "employee" which has been thoroughly discussed, I think it is revealed that the bill that the gentleman has introduced, which I understand will be offered in a motion to recommit includes the first three paragraphs, and paragraph 4 is deleted. My colleague, the gentleman from Arkansas, who has also made a thorough study and is quite familiar with the entire definition and its background, made the statement this morning that the definition as included in the committee bill, H. R. 6000, will cover only 50,000 to 75,000 more employees than the gentleman's bill with his definition. I would like for the gentleman to comment on that and see if he has the same viewpoint as my esteemed friend from Arkansas.

Mr. KEAN. I would say it might be a little more than that.

Mr. HARRIS. Generally, the gentleman would agree with the statement of the gentleman from Arkansas?

Mr. KEAN. Yes, generally.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I have always been in favor of a national old-age pension bill. Long before I ever heard of the Townsend pension plan I joined one of the great fraternal organizations of this country because it stood for an old-age pension plan. Here we have a social-security bill of 201 pages of irregularities and inequalities.

Why do I say "inequalities?" Because some people who perform the same service will get less pay in certain States than in others. That is why I say it is a bill of inequalities.

What we should have is a simple bill of a few pages that will provide an old-age pension plan for all people who have reached the age of retirement, and those who have become disabled and are unable to work. What the American people are entitled to is a national old-age pension plan paid direct to the beneficiaries by the Federal Government just as pensions are paid to retired military officers, war veterans, and retired civil-service employees through a simple system of certification.

Mr. Chairman, the greatest thing the people of this country have today is good government and their American birthright. We seek here to add to the American birthright the right of old-age security.

When the young men of this country, the present generation, take over on reaching the age of maturity, they will find a country that is already developed. They will find a country of beautiful cities, farm homes, roads, production and transportation facilities, a country that is dependable. The rising generation came into this world without even clothes, they are nourished and cared for by the generation that brought them forth. Why should not the generation that is retiring be supported in ease and comfort in their declining years? If we can send $40,000,000,000 to one country, a little island off the coast of Europe, England, why can we not have a proper old-age-pension system? Our great floor leader was very much concerned about $15,000,000,000 a while ago, but he did not say a word about the $40,000,000,000 that we are pouring into Europe, $22,000,000,000 for UNRRA, $10,000,000,000 for ERA and millions for displaced persons, to people who may be ungrateful, people who will turn on us at the first opportunity probably.

Let us support the people in this country who have made the country what it is today. Let us support the generation that has made America great, the generation that has preserved America. We are entitled to an old-age pension. Let us give a little thought to this whole matter.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. Chairman, it would be presumptuous on my part at this late hour to undertake to go back over this bill or over parts already covered in this debate.

I have had the privilege of serving as a new member of the Committee on Ways and Means under our able chairman, the gentleman from North Carolina [Mr. DOUGHTON], and with the able gentleman from Tennessee [Mr. COOPER], and the able gentleman from Arkansas [Mr. MILLS] and many of the older and learned members of that important committee. I never fully realized that in the Congress of the United States I should find men who would devote themselves week after week and month after month so tirelessly to a solution of a very complex problem. They all have rendered a great service. I well remember that in the Eightieth Congress I did not like some of the closed rules that were imposed upon me as a new Member. In a sense I do not like this closed rule, but reason and logic impel me to the conclusion that we could not bring a bill such as this out on the floor of this House without a closed rule. All of the arguments I have heard from the gentlemen on the left have not convinced me. Just the change from 65 to 62 years of age would increase the cost of this bill enormously. It would upset the whole tax base of the bill. I am one of those who voted to reduce the age to 62 years. I am one of those who wanted to bring the farmers and the agricultural workers into this program. I am one of those who joined with the gentleman from New Jersey [Mr. KEAN], extending greater coverage to domestic servants. I realize that there are many meritorious provisions in his motion to recommit, but let me say this to you, the truth is, that the Republican leadership have included two or three good points to sweeten up some other very bad provisions in their motion to recommit. Now, that is the basis of the motion to recommit. It has been commented on at length by the gentleman from Arkansas [Mr. MILLS] and the gentleman from Tennessee [Mr. COOPER]. It is unnecessary to repeat the unanswerable arguments that were made a short time ago by them.

I submit that the Republican leaders are on the horns of a dilemma. They have been caught opposing legislation which the people of America want, and they have to make some sort of a showing, and that is one of the reasons for the motion to recommit.

Now, you are going to hear in the ensuing year, in the months ahead, already

you heard part of it in the recent campaign in Pennsylvania, and you will hear this later throughout the Nation, the cry of welfare state, socialism, and statism. I want every Democrat here and every reasonable Republican, if they will take the time, to read one of the finest American utterances that you will ever have the privilege to read. It is found on page 2229 of the hearings. This is a statement made by J. Douglas Brown, dean of the faculty and director of public relations section, Princeton University. Who is this man Brown? Why, he was a member of the Advisory Council on Social Security to the Senate Finance Committee 1947–48; he was chairman of the Federal Advisory Council on Social Security 1937–38 and he was a staff member of the Committee on Economic Security 1934–35. Now, this man may not be a Democrat. I do not know what he is; he may be a Republican. But, he is an American coming before the committee to give his viewpoint concerning this bill. Yes, even the chamber of commerce came in to support this bill. Who else? The insurance companies. And, I am informed by my colleague from Tennessee that when this legislation was first brought before the Congress in 1935 they fought it. Now, why have the insurance companies changed? Well, they have changed because they discovered that as these millions of Americans were given this limited type of insurance, the people became insurance-conscious, and therefore it stimulated private insurance business.

This is also one of the reasons why insurance companies are fighting certain provisions of this bill. In short, they do not want the wage base increased from $3,000 to $3,600 for the simple reason that they fully realize that the benefits from such a wage base are a bare minimum to meet the needs of security. Of course, their hope is that they shall be able to sell additional policies over the $3,000 wage base if such continues to be the law. In my opinion they are short-sighted, and their fears are groundless. Even with a wage base of $4,200 there would be ample insurance business for these companies and this bill does not in any manner interfere with private insurance enterprises.

That is the argument of the insurance companies, and that is why you begin to meet some of the opposition on this floor today reflecting the views of the insurance companies.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. On the question of being insurance-minded, there is four or five times as much insurance being written by private companies now as there was in 1935 when the original Social Security Act passed.

Mr. CARROLL. Of course; and may I say to the gentleman from Massachusetts that when this legislation first came before the American people in 1935 there was a $3,000 a year wage base established. What has happened today? I do not think this bill goes far enough. It ought not to be $3,600, at a minimum it ought to be $4,200, because there has been a 70-percent increase in the cost of living. Greater security is needed.

All business, all intelligent businessmen, all labor leaders, all people who have studied this have said, "Establish this base at $4,200," but notwithstanding that, in a great fight in our own committee we had to compromise and come out here on a $3,600 basis. Such is the democratic process.

What does the motion to recommit ask us to do? Go back to 1935. That we cannot do; we must not do.

I want to read you a statement by this gentleman from Princeton, Mr. Brown, because his testimony is a complete answer to the charges of the welfare state and statism and the trend toward socialism. I quote Mr. Brown testifying before the Committee on Ways and Means:

> Mr. Chairman and members of the committee, accumulating experience indicates that the survival of democratic capitalism as a political and economic system will depend in the main upon the genius of man in combining the three ingredients vital to the success of the system. These ingredients are individual incentive, mutual responsibility, and an effective framework of protection against the corroding fear of insecurity.
>
> As democratic capitalism has moved from the stage of a predominantly agricultural economy, through small industry, to a vast industrialized machine, the relative weighting upon these three needed ingredients has shifted. The farmer and the shopkeeper of Colonial days thrived because of individual incentive, and the simple economy thrived with them. The factory system introduced new and intricate relationships of mutual responsibility. And now vast aggregations of interdependent economic activities, by their very size and impact upon the individuals who serve them, necessitate greatly enhanced safeguards against impersonal and overwhelming contingencies.
>
> The people of the United States have been slow to recognize the importance of this third ingredient vital to the survival of democratic capitalism. They have been blessed so richly with bountiful natural resources and with high talent in harnessing these resources that they have been but little concerned in safeguards against potential epidemics of want. The depression of the thirties brought a degree of awakening, and stimulated the establishment of the partial system of safeguards under the Social Security Act of 1935. But, since that time, war and industrial conflict have diverted attention from a fundamental cause of both of these interruptions to peaceful progress—economic insecurity. It seems high time for renewed and effective action in the core area of our problem in industrial relations today.

Individual incentive is in this bill, because the individual contributes to his own security. There is mutual responsibility, because it rests upon the employee and upon the employer. Every Member here who senses what people are thinking at home knows that there is a corroding fear of insecurity.

Why does that happen? We have passed out of an agricultural economy and are now in a factory system, where we find a single great corporation employing as many as 250,000 people. One corporation does that. And what else do we find today? Strikes over the very question we are debating on the floor of Congress today. The A. F. of L. and the CIO came before our committee and issued a warning months ago that the time to act is now, the time is now for the Government to go forward to establish a proper base for security. The Congress has fiddled. We should have had this legislation here long before this late hour. Our failure to act more promptly subjects the Nation to certain penalties. The longer we fiddle, the greater those penalties will be.

Let me read you some more from the testimony of Mr. Brown. Mr. Brown poses this question:

> How can we establish an effective framework against the fear of insecurity in order to sustain individual incentive and to assure mutual responsibility under democratic capitalism?

That is the question he put to our committee.

> The most effective governmental mechanism yet invented to meet this challenge is contributory social insurance.

That is what is involved in H. R. 6000. Mr. Brown continues:

> Contributory social insurance prevents insecurity while preserving incentive.

There is no welfarism, there is no statism or socialism in this bill.

> Protection is based on a man's contribution to the Nation's productive effort. Mutual responsibility is encouraged by joint participation of government, employer, and worker in administering and financing the program.

Here is the paragraph that all democrats, small "d" democrats, ought to memorize:

> Contributory social insurance avoids the sweet dangers of paternalism. It encourages self-reliance. It prevents dependency before it occurs rather than alleviating it after the fact.

As the gentleman from Idaho [Mr. WHITE] said a little while ago, talking about the old people. What happened in America in the early days of our country? Why is it that there exists a drive in the West for pensions? Because the old people were never given an opportunity to participate in a contributory-insurance system. Today what do we find in the West and the Southwest? There is a great movement for a general pension system. Let me issue a warning. If this Congress fails to heed the growing demands to eliminate the corroding fear of insecurity, you may rest assured that in due time there will be an uprising on the part of the people which will force action on a general pension system. I realize that this bill does not have the full approval of certain pension leaders who have pioneered the way for adequate security for the aged people of this country, and I pause here to pay tribute to those pension leaders who, through many years, have been steadfast in their desire to achieve greater security for the aged of this Nation. Had it not been for their untiring efforts, there is no doubt in my mind that there would have been little, if any, security legislation on our statute books today. It truly can be said that legislation such as this stands as a monument to their trail-blazing efforts.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. DOUGHTON. Mr. Chairman, I yield 5 additional minutes to the gentleman from Colorado.

Mr. CARROLL. Mr. Chairman, I shall not take up much more of the time of the Committee. I should like to finish Mr. Brown's statement:

> Relief and assistance are necessary last resorts, but like all paternalistic measures, they breed dependency by making it comfortable. Even more serious in a democracy, they encourage subservience to the group or agency that gives the most generous hand-outs.

Remember, under a contributory insurance system no man needs to be beholden to any political party. He does not need to be beholden to a Social Security Agency for he has earned his security. Yes, he has paid his way.

I might say, ladies and gentlemen, after listening to testimony on this bill for some 6 months, as I have indicated to you, I wish we could have gone much further in this bill. I think time and experience will bring the farmer and the agricultural worker within the program. I think time and experience will bring the professional groups within this program. This program is good for democracy. This program is good for America, and good for the little people of America. If we have the courage to pass this bill speedily the Senate of the United States can then work its will upon it in the next few months.

One final word in closing this debate. This important bill will affect every American and every home in this great Nation. Clearly the time has come for us to strengthen and enlarge the provisions of the Social Security Act. The level of benefits under this insurance system must be made adequate, protection reasonable, and we must permit greater participation to everyone who works for his living.

Mr. JENKINS. Mr. Chairman, we are engaged today in consideration of a legislative measure which goes to the very heart of our American way of life—which touches upon every section and cross section of our people, and which will leave its imprint not only upon the present generation of Americans but upon all the future generations. I say to you with all the sincerity and vigor at my command that many sessions of this great Congress will come and go before we have the privilege of considering a piece of legislation which is of greater magnitude than that before us today.

I would at the very onset call your attention to but one single aspect of this legislation which makes it so unique and which by this feature alone characterizes it as such a vital and significant matter. I refer to the fact that this legislation will endure in perpetuity or until this great Nation should ever be called upon to repeal its national obligations. A bad tax law can always be repealed, or any Federal project which is undertaken can be abandoned if the facts show that we were wrong. But, under this legislation, the sovereign Federal Government is writing binding contracts with its people. These contracts cannot—and must not—ever be repudiated. Approximately 80,000,000 persons have paid some money through social-security taxes into this system—approximately 25,000,000 persons are currently insured, and approximately 13,000,000 persons are fully insured, which means that they are entitled to receive their benefits upon reaching 65. Already over $12,000,000,000 of social security taxes have been paid by the American people into the old-age and survivors insurance and under the legislation we are considering today this fund will probably grow to over $90,000,000,000 and the annual cost of this one program alone may well exceed $10,000,000,000 annually. I call your attention to these facts for the sole purpose of alerting you to the seriousness of this legislation and to caution you that a false step today may jeopardize the protection and security of our people for whom this system is so nobly designed. You will reflect, of course, that the system has been amended before—in 1939; in 1943; in 1946—and that a bill almost unanimously passed the House in the Eightieth Congress which would have increased benefits and extended coverage. You will say to me—if this has been done in the past, it can be done in the future to remedy a mistake which we might make. But, and I call your attention to this fact, amendments made in the past have been upward and have been designed to widen benefit payments and to increase the coverage provisions. The history of social legislation in all countries shows that the political implications of revoking what may have become regarded as a vested right are such that benefits are never reduced despite costs.

It is my firm belief that if we go forward cautiously in this field, our social-security program will endure forever, and this is my hope and yours as well, I am certain.

It seems to me that in considering this legislation it is of the utmost importance that we keep before us the end to be achieved and not lose ourselves amidst the thick foliage of technicalities and minor provisions. It has always been my belief that the purpose of social security is to provide a basic floor of economic protection to the individual and his family. I believe that such protection actually stimulates and encourages additional financial protection to be gained through individual initiative and ambition. According to my philosophy, benefit payments should be realistic and not mere token payments. Let us examine for a moment how large a benefit an insured person should receive.

If old-age and survivors insurance had been framed like the English system, every person whose work is covered would pay in the same tax, and each would receive the same retirement benefits. Each member of any class of beneficiaries would likewise receive the same monthly amounts. The problem would be that of determining an appropriate benefit and of determining the proper weekly or monthly amount of supporting tax which the insured earners would pay.

Our system, however, was framed after the German system—social-security taxes are a percentage of wages—with an over-all annual limitation. Benefits are also in varying amounts, related through a weighted formula to wages and length of service.

In the case of the English system, the question of an appropriate benefit amount has presumably been fixed after reviewing the needs of the typical beneficiary, the extent he may be expected to meet these needs through private sources, the social-security tax insured persons can be reasonably expected to pay, and the supporting funds which can be derived otherwise. The fixed tax amount means that the direct supporting tax is relatively heavy on some, relatively light on others. The fixed benefit amount likewise means that persons who have no private resources will often have to look to general relief. For the British economy cannot afford benefits of a size to provide more than a minimum of protection.

In fixing our own benefits, the same basic approach of considering the typical insured person, and weighing the factors of probable need and outside resources, required supporting taxes, and so forth, must also be followed, if we are to have a defensible system, which will provide a floor of protection at costs our own economy can stand.

Variations from the amount so determined, by virtue of differences in the insured's wages, taxes, and length of service in covered employment, requires a special justification based upon these factors alone.

Fixing variances in benefit amounts on the basis of difference in aggregate contributions is far from simple. In the first place, differences in the benefits which various contributors to date would purchase are small indeed. To date in contributions of the largest contributor and his employer would purchase only about a $61 per month benefit at age 65. The smallest insured contributor and his employer would purchase about a dollar's benefit.

On the other hand, when in a few years our people enter the system, if the rate is 3 percent, or three times the present rate, they and their employer will have contributed perhaps $7,200, and, with accrued interest, will have paid for an annuity of perhaps $75 per month at 65.

In fixing a benefit rate for today and for 30 years from now, it is obvious that the problem is quite complicated. For at present no one has paid for any substantial benefit, but in the future some will have paid (with their employer's contribution) for $60 more per month than others will have paid for.

The problem of the amount of benefit payments to be provided for in the future as well as the increase to those already receiving payments was only one of many considered during the deliberations on this bill. In my opinion the increase provided for in this bill to those now receiving payments is approximately right, but H. R. 6000 unfairly discriminates against older workers and workers who are only irregularly employed as to future

payments. This is so because the method of computing benefits provided for in H. R. 6000 gives these groups substantially lower benefits than younger workers and workers who enjoy steady employment. This is a grave defect in H. R. 6000 and should be remedied.

H. R. 6000 contains other objectionable features which should be corrected if we are to have a sound and balanced social security program. Let me call your attention to the following:

First. H. R. 6000 imposes on the younger people in the country the fixed obligation of paying higher taxes in the future in order to pay for higher benefits than the Congress is willing to provide today in H. R. 6000. No justification has been shown for imposing this additional $2,000,000,000 annual cost on the oncoming generation.

Second. H. R. 6000 excludes from coverage approximately 1,300,000 of household workers who need social security protection the most.

Third. H. R. 6000 provides for higher benefits to those who are best able to provide for their own security and discriminates against those with wages below $3,000 a year for whom the system should primarily be concerned.

Fourth. H. R. 6000 threatens the existence of the established pensions system of our teachers, firemen, policemen, and other State and local employees.

Fifth. H. R. 6000 launches the Federal Government into a vast and costly new program of underwriting disability insurance for some 50,000,000 people without at first providing an opportunity to judge the effectiveness of meeting the problem through the sounder and less costly grants-in-aid program which is also provided for in H. R. 6000.

Sixth. In order to pay the cost of the program H. R. 6000 calls for eight different tax increases within the next 20 years.

Seventh. H. R. 6000 surrenders to the Treasury Department and the Federal Security Administration the right to determine the rate of social-security tax a person must pay by giving those agencies the authority to determine who is a self-employed person and who is an employee.

Eighth. Under H. R. 6000 the trust fund will grow to over $90,000,000,000.

Let me tell you how this trust fund works:

Amounts accumulated under the old-age and survivors insurance program are held in the Federal old-age and survivors insurance trust fund, and financial operations under the program are handled through this fund. The primary source of the fund's receipts is amounts appropriated to it under permanent appropriation, on the basis of contributions paid by workers and employers in employments covered by the Federal Insurance Contributions Act. The Federal Insurance Contributions Act requires all employees and employers, except those in specifically excluded employments, to pay contributions with respect to the wages of individual workers, disregarding amounts in excess of $3,000 per annum. These contributions are collected by the Bureau of Internal Revenue and are paid into the Treasury as internal-revenue collections. Sums equivalent to 100 percent of current collections (including taxes, interest, penalties, and additions to taxes) are transferred to the trust fund as such collections are received.

The Social Security Act of 1935 fixed the contribution rates for employees at 1 percent of taxable wages for the calendar years 1937, 1938, and 1939; employer rates were also fixed at 1 percent for the same period. The 1935 act provided that these rates should rise to 1½ percent on January 1, 1940, to 2 percent on January 1, 1943, to 2½ percent on January 1, 1946, and to 3 percent on January 1, 1949. The Social Security Act amendments of 1939 modified this original schedule of contribution rates to provide that the rate of 1 percent each on employees and employers should continue in effect through 1942, but left the remainder of the schedule as originally enacted.

Successive annual acts of Congress, however, extended the 1-percent rate from 1943 through 1947. The Social Security Act amendments of 1947 extend the 1-percent rate through 1949; at the end of 1949, accordingly, the 1-percent rate will have been in effect for 13 years. The amendments of 1947, however, provide that the rate shall rise to 1½ percent on January 1, 1950, and to 2 percent on January 1, 1952.

The second source from which receipts of the trust fund are derived is interest received on investments held by the fund.

A third source of revenue for the trust fund is provided for in section 902 of the Revenue Act of 1943, the so-called Murray amendment. This act amended section 201 of the Social Security Act and authorizes the appropriation to the trust fund of such additional sums out of general revenues as may be required to finance the benefits and payments provided in title II of the Social Security Act. No appropriations have been made under this authorization.

The Social Security Act amendments of 1946 provide survivorship protection to certain World War II veterans for a period of 3 years following their discharge from the armed forces. Section 210 (d) of these amendments authorizes Federal appropriations to reimburse the Federal old-age and survivors insurance trust fund for such sums as are withdrawn to meet the additional cost, including administrative expenses, of the payments to survivors of World War II veterans under the amendments.

Public Law 642, Gearhart resolution, authorized an appropriation to the trust fund from general revenues equal to the estimated total amount of benefits paid and to be paid under title II of the Social Security Act that would not have been paid had the amended definition been in effect beginning August 14, 1935.

On June 23 the information was supplied in a letter to the Speaker dated June 23. The information is as follows:

A. "The total amount paid as benefits under title II of the Social Security Act which would not have been paid had the amendment made by subsection (a) been in effect on and after August 14, 1935."

As of September 30, 1948, an estimated $4,900,000 of such benefits had been paid.

B. "The total amount of such payments which the Administrator estimates will hereafter be paid by virtue of the provisions of subsection (b)."

Such payments after September 30, 1948, are estimated as $16,100,000.

For purposes of appropriation to the Federal Old-Age and Survivors Insurance Trust Fund in accordance with section 2 (c) (2), the two amounts given above should be adjusted for interest. Thus, assuming a 2-percent interest rate and January 1, 1950, as the effective date of the transfer of funds, the two amounts would be $5,300,000 and $13,600,000 respectively.

Fiscal data on Federal old-age and survivors insurance system

[In millions of dollars]

Calendar year	Appropriations to fund [1]	Interest	Total income	Benefits paid	Administrative expenses from fund	Added to fund
1937	$514	$2	$516	$1	(2)	$515
1938	343	15	358	10	(2)	348
1939	566	27	593	14	(2)	577
1940	607	43	650	35	$26	589
1941	789	56	845	88	26	731
1942	1,012	72	1,085	131	28	926
1943	1,239	88	1,328	166	29	1,132
1944	1,316	107	1,422	209	29	1,184
1945	1,285	134	1,420	274	30	1,116
1946	1,295	152	1,447	378	40	1,029
1947	1,558	164	1,722	466	46	1,210
1948	1,688	281	1,969	556	51	1,362
1937–48	12,214	1,142	13,356	2,329	305	10,722

[1] Beginning July 1, 1940, appropriations equal taxes collected, except that after 1946 appropriations include relatively small amounts appropriated to meet benefit costs and administrative costs of the special veterans' survivor benefits of sec. 210 (namely, $375,000 in 1947; $700,000 in 1948; and $3,251,000 in 1949). Prior to July 1, 1940, Congress, in accordance with the provisions of the Social Security Act of 1935, annually appropriated funds to the old-age reserve account based on estimates of amounts required to finance the system on an actuarial basis.

[2] Administrative expenses of the Social Security Administration and the Treasury Department under title II of the Social Security Act and under the Federal Insurance Contributions Act were reimbursed out of the fund beginning Jan. 1, 1940.

Ninth. H. R. 6000 extends the whole social-security program, including the proposed disability payments, to Puerto Rico and the Virgin Islands. The extension of the system to these possessions will create many anomalies and unfortunate results which could be avoided by establishing an independent system for these and other possessions based on their own economic level.

Tenth. H. R. 6000 provides for funeral benefits for which already more than 78,000,000 persons have paid for in some life-insurance protection.

I have called to your attention some of the major defects of this proposed legislation and now direct your attention to some specific proposals for correcting them. These proposals are summarized in the minority views in House Report

No. 1300, beginning on page 157, and are discussed fully therein. They are as follows:

1. Continuation of the present $3,000 wage base: Increasing the wage base to $3,600, as proposed in H. R. 6000, results in higher benefits to those better able to provide their own protection and does nothing to increase the benefits for those with average wages below $3,000 for whom the system should be primarily concerned. It increases the dollar cost of the system substantially, provides a windfall to persons near retirement who earn $3,600 or more, and unnecessarily complicates the keeping of wage records by employers who must continue to report unemployment taxes on a $3,000 wage base.

2. Elimination of the automatic yearly benefit increase factor (the "increment"): This provision increases the cost of the program by approximately $1,000,000,000 annually, discriminates against older workers and the irregularly employed, and automatically commits future generations to the payment of higher benefits than will be paid today.

3. In conjunction with recommendations 1 and 2 above, we recommend using the highest 10 consecutive years in determining the average monthly wage: To assure more adequate protection for those who, owing to irregular employment, have average wages of $3,000 or less for whom the system should primarily be concerned, benefit payments should be based on the highest 10 consecutive years of earnings rather than on an average monthly wage determined over the entire working time of the individual as provided for in the bill.

4. Elimination of the authority of the Treasury to extend definition of "employee": Paragraph 4 of the definition of "employee" gives to the Treasury Department virtually unlimited discretion, through authority to extend the definition of "employee," to determine where the impact of the social-security taxes will fall. As a result of this authority, large numbers of persons will have no way of knowing their social-security tax liability until the Treasury determines it for them.

5. Realistic coverage for household workers: The bill purports to extend coverage to household workers but in reality does so for only a small group—1,300,000 of these workers are excluded under the bill. Coverage should be real, not theoretical.

6. Teachers, firemen, and policemen with their own pension systems should be excluded: We recommend direct exclusion of teachers, firemen, and policemen, who are already covered under their own retirement and pension systems. It would, in our opinion, be a mistake to take any action which might jeopardize these existing systems to which contributions have been made over long periods of time.

7. Establishment of an independent system for Puerto Rico, the Virgin Islands, and other possessions: A social-security system specifically geared to the economic level of these islands is desirable. The extension of the proposed legislation to these possessions will, however, create many anomalies and unfortunate results which could otherwise be avoided.

8. Continuation of existing law with respect to lump-sum death payments: More than 78,000,000 persons have already paid for the same private life-insurance protection which this provision in the bill would duplicate or replace. Encroachment by the Federal Government into this field is accordingly unjustified.

9. Confine total and permanent disability payments to the public assistance program: Prior to launching into the hazardous and tremendously costly field of disability insurance, opportunity should first be given to meet the problem through the sounder and less costly Federal grants-in-aid program. Such an opportunity is provided for in the bill by extending Federal participation to payments to all permanently and totally disabled persons who are in need. The cost of the proposed disability insurance program may well exceed $1,000,000,000 annually within the next few years.

EFFECT OF OUR RECOMMENDATIONS

If the above changes are made in this proposed legislation, the compulsory social-insurance system will be kept within its fundamental purpose and its cost and the necessary taxes required for its support will be substantially reduced. According to actuarial advice, the average annual saving until the maturity of the program, some 50 years hence, will be in the neighborhood of $1,250,000,000. This saving is real and not illusory and the result would be wholly compatible with the aims of the social-security program. More than that, an adoption of our recommendations will aid in preserving the proper relationship between security achieved through social insurance and that which is to be had through individual self-reliance. The approximately $60,000,000,000 so saved over this period would be available to the American people for their individual use in providing for their own additional financial security in the manner most appropriate and fitting to their own circumstances.

I have set forth some very real and basic defects in H. R. 6000 which should be corrected, and I have outlined the recommendations contained in the minority views for correcting these defects. I will now elaborate on a few of these points to show you that the defects in H. R. 6000 are real and not illusory, and that they should be corrected as has been done in the bill H. R. 6297 introduced by my colleague from New Jersey [Mr. KEAN].

THE BLANK-CHECK DEFINITION OF EMPLOYEE

It would be manifestly upsetting to a business to find that persons with whom it has business relations have suddenly become its employees, and that it has a set of tax and other obligations as their employer. That almost happened last year, and may happen during this Congress.

Last year, the Congress prevented it from happening. For Congress determined that it, and not the executive or judicial branch of the Government, should define "employee" for social-security purposes. The previous year, it had done the same thing for labor-relations purposes. In each case Congress provided by law that the term "employee" in the particular statute was not to be stretched by administrative and judicial ruling to include persons who were not employees, but were independent business people instead. In both cases the congressional action was taken and adhered to over Presidential veto.

Politics is now in the picture more strongly than ever, with intensive administration pressure being brought to bear on Congress to reverse its previous stand, and give the administrative and judicial branches a free hand in deciding who shall be considered independent and who shall be considered employees. This would be lovely from a bureaucratic viewpoint, but tragic from a business viewpoint, and would mark a point of surrender of congressional responsibility to write the laws.

In the last presidential election political capital was sought to be made of the action of the Eightieth Congress in defining "employee" for social-security purposes. The country was showered with propaganda that from half to three-quarters of a million people had been deprived of social-security benefits by the action of Congress in adopting the Gearhart resolution defining "employee." This despite the fact that the term was defined no differently from the way it had been defined for the previous 13 years in the administration's own Treasury regulations.

Majority members of the Committee on Ways and Means have adopted a purported definition of "employee" for old-age and survivors insurance purposes. But what the committee has actually done is to undefine "employee" inasmuch as paragraph (4) gives the administration and the courts virtually unlimited discretion to treat all sorts of people as employees on the basis of a number of vague "factors."

This blank check provision does not say who is an employee and who is not an employee. The paragraph itself is the best evidence of this fact:

(4) Any individual who is not an employee under paragraphs (1), (2), or (3) of this subsection but who, in the performance of service for any other person for remuneration, has, with respect to such service, the status of an employee, as determined by the combined effects of (A) control over the individual, (B) permanency of the relationship, (C) regularity and frequency of the performance of the service, (D) integration of the individual's work in the business to which he renders service, (E) lack of skill required of the individual, (F) lack of investment by the individual in facilities for work, and (G) lack of opportunities of the individual for profit or loss.

Any time the Bureau of Internal Revenue or the Federal Security Agency or the court wants to hold a person to be an employee, at least two or three of these factors, as interpreted by them, can be cited in justification.

The control factor, according to the regulations which the Treasury proposed last year but which the Gearhart resolution stopped, includes power to control as contrasted with right to control or actual control. It is stated that this can be inferred from the position of the parties. It is found in practically all situations where A contracts out a job to B.

"Permanency of relationship" can usually be found also, as the relationship may be as permanent as that of an employer-employee relationship.

"Regularity and frequency of performance" may likewise be found in many relationships where the parties are in fact independent. "Integration of the individual's work" in the firm's business is normal to most business relationships.

Without bothering to review the other factors, it should be apparent that the administration and the courts can clearly cover a host of situations, if they decide to do so. They can point out a few factors to justify their decision.

The question involved is not old-age and survivors insurance benefit coverage. Even if the existing definition were untouched and the Gearhart resolution allowed to stand, the people involved

would be covered for social-security purposes as self-employed people under other provisions of the committee bill.

So the proposed new definition would be devoid of social effects. Its only effect would be to saddle firms with the responsibility of ascertaining and reporting wages of persons with whom they have business relations, even though such persons are not employees and do not receive wages in the usual sense.

But there is a larger issue, too. The Supreme Court has made clear that decisions in the field it refers to as social legislation are strongly persuasive throughout the field. Thus it has cited labor relations decisions interpreting employee in social-security cases, and has cited wage and hours cases in labor relations cases.

There is no question but that if paragraph (4) of the proposed definition is adopted for old-age and survivors insurance, it will soon be reckoned with in unemployment compensation, workmen's compensation, and related fields—perhaps even in the laws of agency and negligence.

Thus the implications of whether paragraph (4) of the proposed definition is adopted or rejected are widespread. Perhaps the most important single issue is whether Congress will write a true statutory definition, or whether it will yield to political pressure from the administration and hand over the prerogative of defining employee to the other branches of Government.

Congress itself should define employee and not hand over to bureaucrats a set of factors to be used at leisure to bolster up predetermined administrative decisions. We are on high ground when we insist that we have a rule of law and not of men.

Paragraphs (1) and (2) of the definition are in effect a mere rewrite of the Gearhart resolution, except that paragraph (2) is positively stated as the committee decided to overrule the Supreme Court holding in the Bartels case.

Paragraph (3) stands as direct proof that Congress can extend the definition of "employee" on a clear and understandable basis. The status of several categories of persons, such as city and traveling salesmen, is made clear under this paragraph. While there is a serious question as to the equity of covering two or three of the categories, the approach of paragraph (3) brings the issue in sharp focus before the Congress and the persons who may be affected.

Paragraph (3) was prepared and presented as a proper approach by the technical staff of the Joint Tax Committee, after representatives of the Federal Security Agency and the Treasury had insisted that only the vague factors referred to by the Supreme Court should be used. This paragraph covers specifically all groups who appeared before the committee requesting coverage as employees, and practically all classes that the Treasury and Federal Security Agency admitted they intend to cover by applying the Supreme Court factors. In adopting this paragraph the committee was in a position to know exactly whose status would be affected. It should have spent more time in considering and perfecting this paragraph.

Instead, the issue was whether this paragraph or paragraph (4) would be adopted. This was, in fact, the issue of whether the Congress would define coverage, or whether it would turn over this legislative function to the administration.

While the majority report may attempt to appraise the effect of paragraph (4), it is doubtful whether such appraisal will be of any legal significance in the actions which may be taken under it by the administrative agencies or by the courts, if it is allowed to become law.

Only one thing is clear. The status of no person who is an employee under paragraph (1), (2), or (3) will be affected by paragraph (4), but persons who are not employees under paragraph (1), (2), or (3) may be held to be employees from the combined effect of the vague factors enumerated in paragraph (4).

In view of the scope of the first three paragraphs, and inasmuch as paragraph (3) can be broadened to any extent desired by the Congress, there is manifestly no justification whatsoever for paragraph (4). It was adopted by the majority under extreme pressure by the administration. It is a surrender of the prerogative of the Congress to write the definitions in tax laws.

It gives the administration a weapon with which to terrorize business.

It leaves the status of millions of our citizens to the almost unbridled exercise of administrative discretion, and does so just at a time when they must determine at their peril whether they are to be held covered as employees or as self-employed.

No social purpose, not even a fiscal purpose, would be served by adoption of paragraph (4) to offset the confusion and uncertainty which would result from its adoption.

But its adoption would mark a tragic departure from the constitutional division of powers among the three branches of Government. Congress would surrender its right and duty of prescribing who shall be subject to a tax.

Paragraph (4) is the approach insisted upon by the administration. It is based on dicta in the Supreme Court cases which, as previously mentioned, were overruled by paragraph (2) of the definition.

The committee report to the bill states, as to paragraph (4):

> The Supreme Court decisions set forth a number of factors to be considered * * *. A major difficulty * * * is the indication by the Court that the factors considered by it are not exclusive * * *. Your committee has attempted to chart a more definite course than that laid down by the Supreme Court * * * and at the same time has limited the possibilities of tax avoidance by employers.

But a correct analysis is found in the report to the committee of its joint tax committee technical staff contained in the appendix of the minority report, which states:

> The Supreme Court * * * left the door open for the development of new factors * * * the definition limits consideration to six specific factors. It was anticipated that this would avoid uncertain tax consequences, but this may prove to be a handicap to the taxpayer * * * for example, the fact that an individual is free to hire helpers * * * deserves to be treated as a factor indicating an independent status.

The staff considered paragraph (4) unsound, saying:

> Paragraph (4) of the definition adopts a method of extending the definition of employee which is basically undesirable because it is too uncertain in its scope and because it will extend the definition to include groups for whom it would be impractical, if not impossible, to demand an accounting * * *. Assurances by present administrators of the voluntary limits they will place on interpretation of the broad provisions * * * will not be binding for the future.

The admitted and potential scope of paragraph (4) is also indicated in the technical-staff report:

> The Federal Security Agency states as its present opinion that the economic dependency test would * * * include outside salesmen * * * lessee taxicab operators * * * life-insurance salesmen, house-to-house salesmen, industrial home workers, entertainers, contract loggers, mine lessees, journeymen tailors, subcontractors * * * contract filling-station operators. It is highly probable that the economic dependency test would * * * include neighborhood newspaper correspondents * * * at least some fire, theft, and casualty salesmen; real-estate salesmen; bulk-oil distributors; gasoline-station operators; subscription agents for periodicals.

Even the committee appears to be aware of the indefiniteness of paragraph (4), and its report sets out its belief as to how the factors will be applied in seven situations. These examples are presumably intended to be reassuring, as under the particular facts set out in each case, six out of the seven were stated not to be employees.

But, in applying the seven tests under the definition:

First. The "integration" factor, indicating an employee status, was found present in every case.

Second. The "skill" factor, indicating independent status, was recognized in only one case in which there was not a substantial investment, and in that case the individual was held to be an employee.

Third. "Opportunity for loss," indicating independent status, was not recognized in any case where there was not a substantial investment.

Fourth. "Permanency," indicating employee status, was found to exist in every case except one, and in that case was tied in with the next factor.

Fifth. "Regularity and frequency of performance," indicating an employee status, which was found to exist in six cases.

Sixth. "Investment," indicating independent status, was specified as substantial in five cases.

Seventh. "Control," indicating employee status, even though factually inconsequential, was concluded to be present in five cases.

This prevalence of factors pointing to the employer-employee relationship even in the factual situations illustrated, raises the question of what will be the

actual holdings. For paragraph (4) is not a definition, but a direction to the administrative agencies and the courts to apply the factors to the particular situation.

Any firm may find an alarming number of factors present in the case of persons never considered its employees. The Treasury and the courts would have an accordion for a yardstick in determining these persons' status.

As stated in the joint tax committee technical staff report: * * * some * * * factors will point each way * * * It would be impossible to forecast which factors would be controlling when they conflict. In practice it is likely that such conflicts would be resolved by the tax administrators on an intuitive approach, * * * an approach that is contrary to the principle of certainty in tax statutes.

THE INCREMENT IN H. R. 6000

The existing social-security law provides that the benefit amount which a recipient receives is increased by 1 percent for each year that the worker has worked in covered employment. This means that the amount of benefits are increased 40 percent by 40 years of coverage.

H. R. 6000 continues the increment factor but reduces it to one-half of 1 percent.

I believe that the increment factor should be entirely eliminated, and my recommendation is supported by the Advisory Council on Social Security in its report, Senate Document No. 208, Eightieth Congress, second session, beginning on page 34, which says:

The benefit formula of the present program, with its automatic increase of 1 percent for each year of coverage, in effect postpones payment of the full rate of benefits for more than 40 years from the time the system began to operate. Under such provisions, if the benefit amount of a retired worker after he has had a lifetime of coverage represents a reasonable proportion of his average wages that for older workers who have been in the system for only a few years, and for the survivors of younger workers, will almost of necessity be inadequate. Thus, the survivors of a man who began working at age 20 and dies at age 30 will have rights to benefits only about three-fourths as large as those which the same average monthly wage would have provided if he had lived to age 65. Yet the worker who dies at an early age has had less opportunity than have older workers to accumulate savings and other resources to supplement the benefits payable to his survivors. The Advisory Council believes that adequate benefits should be paid immediately to retired beneficiaries and survivors of insured workers but considers it unwise to commit the system to automatic increases in the benefit for each year of covered employment.

In the hearings before your committee, the principle of paying higher benefits in the future and discriminating against older workers first entering the system with only a few years to retire was sharply criticized by many witnesses and was supported only by the A. F. of L., the CIO, and the Federal Security Agency. In cutting the increment from 1 percent to one-half of 1 percent the majority have recognized the inherent unsoundness of this provision. It is unfortunate that they were unwilling to eliminate it entirely.

Not only does the increment factor discriminate against older workers first entering the system with only a few years to retirement and favors younger workers with steady employment, but it also discriminates against workers who do not have continuous employment. It is, however, this group of intermittent workers who are least able to provide for their own security and for whom the system should be primarily concerned. No justification has been presented for favoring of the steadily employed worker, and in our opinion such a principle is wholly inconsistent with the social purposes of the system and can only be defended in the light of political expediency. The view of the Federal Security Agency in advocating the retention of the increment factor is that it is required as a selling point to induce workers to enter the system and to compensate those who have paid contributions over a long period. However, the computation of the average-wage formula which includes the so-called continuation factor performs this function by reducing the amount of benefits of intermittent workers. The increment factor cannot, therefore, be justified on the ground that those with long periods of covered employment should receive higher benefits than those with only intermittent employment because this principle is taken into account by other provisions in the bill.

Another most serious objection to the increment factor by which the amount of benefits are automatically increased is that we are committing future generations of Americans to the payment of benefits which are higher than we are willing to pay today. If benefits are adequate today, as indeed they should be, then benefits which are 20 percent higher in the years to come must be too high. I believe that it is a far wiser course to periodically review the adequacy of benefit payments, if such is necessary, rather than to set into operation this automatic-escalator clause which binds us to the payment of higher benefits in the future when the costs of the whole system will be the greatest. Another example of the unfortunate discriminatory effect of the increment factor is in its application to survivors' benefits. Obviously a worker who dies at a young age has had less opportunity to build his own security, and yet the benefits to his wife and children will be lower than those paid to the survivors of workers who die at older ages. These workers, however, have had a lifetime to build their own security.

Not only is the increment principle discriminatory and unfortunate, but as was clearly pointed out in the hearings it is a positively dangerous feature because it results in tremendous additional costs to the program. For example, over the next 50 years the additional extra cost because of the increment will average approximately $1,000,000,000 a year, or a total of $50,000,000,000 for this one provision in H. R. 6000. Approximately 40 or 50 years hence when the system has approximately reached its maturity, the yearly cost of the increment will be in the neighborhood of $2,000,000,000 a year. Absolutely no justification has ever been presented for imposing this additional cost on future generations.

It should be clearly emphasized that this unfair and discriminatory provision which results in this tremendous additional cost to the system is absolutely not necessary in order that benefits may be related to either the length of time a worker has been in covered employment or the amount of taxes paid by the worker into the system. Incentives for continuous work are already provided without the annual increment through the continuation factor by which the amount of benefits are reduced pro rata for time spent in uncovered employment. For example, a worker with the same average monthly wage who has 10 years of covered employment out of a possible 20 years will receive a lower benefit than a worker who has 20 years of covered employment out of a possible 20 years.

It is completely out of order to support the increment provision on the ground that some private pension systems and some Federal retirement systems have an increment provision because the purpose of the increment in these systems is to encourage valuable employees to remain at their jobs. But this is not a consideration under a national social-insurance system where workers may pass from job to job and still remain in covered employment unless we are now to change the whole concept of social security from that of a system designed to provide an adequate floor of protection to one of providing a high scale of benefits which approaches a self-sufficiency labor.

For these reasons I am opposed to the one-half percent increment contained in H. R. 6000. This provision has been eliminated from H. R. 6297.

INCLUSION OF PERMANENT AND TOTAL DISABILITY INSURANCE IN H. R. 6000

The committee's inclusion of permanent and total disability-insurance benefits in the old-age and survivors insurance program is a most serious mistake, embarking the Federal Government on a program of untold costs with political and social dangers of a grave nature. The needy worker who is permanently and totally disabled is admittedly in need of financial help, and the Social Security Act should make provision for him. We believe, however, that he should be taken care of through the public-assistance program rather than through unconditional insurance benefits payable as a "right." Alternative provision for public-assistance benefits to the permanently and totally disabled will afford the opportunity of first-hand study of the admittedly serious administrative problems of long-term disability, and will provide a laboratory for watching the practical difficulties unfold.

Almost no testimony of consequence was presented to the committee in favor of the inclusion of permanent and total disability-insurance benefits. While the Senate Advisory Council recommended that insurance benefits be provided, they were proposed in conjunction with a substantial extension of the old-age and survivors program to large numbers of individuals not to be covered by this bill. The recommendation was predicated,

therefore, on the reduction in percentage costs which would be occasioned by a broader extension of coverage, which reduction in costs would create something of a cost cushion for experiments in the permanent and total disability-insurance field. This margin is not available in the less broad extensions to uncovered classes contemplated by this bill. Furthermore, it should not be forgotten that the report of the Advisory Council was accompanied by a strong dissent.

That the cost of permanent and total disability benefits would be large and uncontrollable is shown conclusively by the experience of life-insurance companies in providing such benefits in their policies issued during the two decades from 1920 to 1940, where, even with the selection by the companies of only the better insurance risks and the inclusion of a much smaller percentage of women than in the labor force as a whole, the costs were very large and resulted in surplus losses of hundreds of millions of dollars. The costs of the proposed benefits will approximate $1,000,000,000 annually, and require at least 2,000 additional employees to handle the program, not counting doctors on contract. Not only are these figures very disturbing, especially when added to the billions already involved in other phases of the program, but in the light of the experience of the insurance companies it is extremely doubtful whether the costs can be controlled and whether even this additional bureaucracy will not have to be expanded manyfold in order to administer the program. Permanent and total disability is peculiarly a subjective condition; an ailment that disables one does not disable another. The decision to continue to work or stop work frequently depends upon ambition, business opportunity, or financial necessity rather than physical handicap. In a number of cases the unquestioned availability of cash benefits actually undermines the will to recovery. If benefits are to be established as a "right," there will no doubt be a great many to whom the temptation to take it easy will be irresistible. This tendency will be evident in a most extreme form in the event of a business recession, as the last depression showed a very substantial increase in the incident of permanent and total disability insurance claims. How a Government agency could control such costs, even with the most minute and searching investigation into the personal physical condition of each claimant, is hard to understand.

Not only do the majority fail to recognize the temptations of abuse for a total and permanent disability-insurance program, but in the technical drafting of the bill they actually provided positive incentives to malinger. Provision is made for the duplication of disability benefits proposed in the act with workmen's compensation benefits payable in replacement of wages, up to one-half the amount of the smaller of the two benefit payments. Total benefits payable between the two programs will therefore become attractive, in comparison with take-home pay, to those whose original urge to work was never overdeveloped. To avoid abuses which such duplication of coverage would foster, many State workmen's compensation benefits will have to be cut back for disabilities lasting longer than 6 months, or at the least needed liberalizations will be avoided. In fact, this provision for partial duplication of payments with workmen's compensation benefits is apparently intended as an opening wedge for the taking over by the Federal Government of all benefits in the workmen's compensation field now regulated by the States.

Disability is peculiarly a personal problem which does not lend itself to standardized procedures. The sensitive disabled individual ordinarily requires a high degree of sympathy and understanding for his rehabilitation, while a malingerer requires stern treatment. Proper vocational rehabilitation is essential. Obviously the States and local communities are in a better position to handle these problems free from political bias and influence than a Federal organization with headquarters perhaps thousands of miles from the unfortunate disabled person. Public-assistance programs administered by the States and local communities can provide just such individualized treatment. In contrast, a Federal insurance system of the ill-defined risk of permanent and total disability is an open invitation for the exercise of political pressure for the approval of doubtful claims.

It seems to the minority that those individuals who are so unfortunate as to suffer permanent and total disability during their productive years, and find themselves without means of support, should be taken care of through a program of public assistance on the basis of need. Such a program would eliminate many of the problems that would exist if the individual could claim the benefits as a matter of right, would greatly reduce the cost of such benefits, and would make them available generally to all who need them. The program could be administered on a local basis that would be more responsive to the local situation and the character and needs of the individuals concerned.

EXTENSION OF OLD-AGE AND SURVIVORS INSURANCE TO PUERTO RICO AND THE VIRGIN ISLANDS

Extending old-age and survivors insurance and disability insurance to Puerto Rico and the Virgin Islands, as provided in the bill, would mean for the great mass of insured in these islands benefits on a lavish scale as compared with the insured in the United States.

First. The typical islander and his wife would receive at 65 a combined benefit equal to at least 75 percent of his monthly wage. The great percentage would not even have to retire to be eligible, but could draw the benefits and continue at work.

Second. The surviving wife and two or more children would receive benefits equal to 80 percent of the deceased's wages—though there would be one less to feed and clothe, and no carfare, lunches, union dues, or lay-off periods.

Third. If no surviving wife and children, dependent parents age 65 or older, would receive a combined benefit equal to at least 75 percent of the deceased wage earner's monthly wage, though obviously no such support was obtained from him in his lifetime.

Fourth. In a substantial number of instances benefit payments would be larger than wages had been.

Fifth. Disability payments would be at a rate equal to half pay. In the event pay rates drop or jobs become scarce, it is manifest that such a rate invites chiseling.

Obviously no such liberality as would be extended the insured of these islands can be extended to people in the United States. The costs of supporting benefits equal to such large fractions of wages would be prohibitive.

Just as obviously the benefit payments on this generous scale in Puerto Rico and the Virgin Islands will not be supported by the social-security taxes collected in these islands. The great bulk of the cost will fall upon the OASI taxpayers of the United States.

From the viewpoint of many Puerto Ricans and Virgin Islanders, there is, however, a very dark side to the picture—a substantial percentage of contributors would have an insufficient wage rate to meet the minimum requirements of insured status. This, however, would not excuse them from paying their social-security taxes out of their small earnings.

The indefensible practical effects of applying our system to Puerto Rico and the Virgin Islands arises because its provisions do not fit in at all with the wage rates and living standards of these islands.

Even the industrial wage rates are relatively low. This is indicated by an unemployment-compensation system adopted May 15 of this year for the Puerto Rican sugar industry. Under it maximum benefits of $5 per week are paid for industrial workers in the industry, and $3 per week for agricultural workers in the industry—less than a fourth of maximum amounts paid in the United States.

While it is difficult to obtain accurate figures, apparently factory wages are somewhat under $15 per week, as contrasted with around $50 in the United States.

An individual earning $100 per month in the islands is roughly comparable with one earning $300 per month in the United States. Under the bill a person earning $300 per month, and his wife, would have benefits of around a third of his annual wages. But his Puerto Rican or Virgin Islands counterpart, earning $100 per month, and his wife, would have benefits of around three-fourths of his average wage. For the benefit formula in the bill pays five times the benefits for the first $100 per month of wages as for the second $100 and the third $100 of wages.

A large portion of the working population of the islands earn $50 or less per month. On attaining age 65 any such individual and his wife could receive at least $37.50 per month. This would be true though his earnings had never exceeded $35 per month. He could draw benefits and at the same time continue

on his regular job, as he already meets the bill's definition of retirement—his earnings do not exceed $50 per month.

A considerable portion earn much less than $50 per month. In the July 29, 1949, issue of the Federal Register, the Wage and Hour Division published minimum-wage rates in industries in the Virgin Islands. In the hand-made art-linen industry and in the hand-made straw-goods industry, hand sewing and hand weaving were at 20 cents an hour and 15 cents an hour. Obviously many of these earn much less than $50 per month. Under the bill such persons, if insured, are deemed to earn $50 per month. Maximum survivor benefits of $40 per month—perhaps more than they were earning—would be payable.

The unfortunate would be those earning less than $33.33 per month—for example, a hand weaver who earned 15 cents an hour or a total of $30 for a 200-hour month. This individual and the employer would be required to pay the social-security taxes but the individual would not meet the minimum insured status requirement of $100 per quarter, and thus would receive no protection.

It is apparent that the extension of the system to Puerto Rico and to the Virgin Islands would in effect impose upon them an indefensible lottery. Many of those most needing protection would receive none, but would be forced to pay in their pennies which they badly need for subsistence. Others would receive benefits out of all proportion to their wages.

If it is found that the Virgin Islands and Puerto Rico need, and can afford, social insurance, we should give them every encouragement to devise a proper system geared to their own economic level. In the case of unemployment compensation, Puerto Rico has established its own system. It and the Virgin Islands can do likewise for old-age and survivors insurance.

The Virgin Islands, while applying the Federal income-tax law, requires such taxes to be paid into the treasury of the islands. Furthermore, such taxes are only collected for the purposes of the government of the Virgin Islands. The Bureau of Internal Revenue would be required to set up additional personnel in the Virgin Islands (secs. 1395, 1936, 1397, title 41, U. S. C.).

The Legislature of Puerto Rico imposes its own internal-revenue taxes (secs. 741 and 741 (a) of the Internal Revenue Code) and they are paid into the Puerto Rican Treasury. The basic income tax of Puerto Rico is the Income Tax Act of 1924 (No. 74, August 6, 1925, pp. 400–500), which repealed the act of July 1, 1921, No. 43. This act has been frequently amended. Sections 24 and 27 require the filing of individual income-tax returns in the office of the Treasurer. Returns are required—under section 13 of an amending act, No. 31, of 1941—of single persons having net incomes of $800 or over, married persons having a net income of $2,000 or over, and any person having a gross income of $5,000 or over.

In Puerto Rico there are two offices, one deputy collector at San Juan, and an inspector in charge of alcohol taxes at the same place. Their duties relate mainly to internal-revenue taxes relating to shipments between the United States and the Virgin Islands. Additional personnel would have to be set up if the Federal Government attempted to collect OASI taxes there and require payments to be made into the Federal fund.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, we are about to approach a vote on this important bill. I was a member of the subcommittee which drafted the original social-security law. I also participated in the amendments of 1939, and am again participating in further amendments to this great and vital organic law.

The original act was based upon the theory of an insurance plan, with the individuals as beneficiaries. As a result of about 4 or 5 years experience in 1939 that was changed to the theory of the family as the beneficiary. This bill brings other groups in and strengthens the organic law. It is real, sound democracy in operation to meet the principal and foremost question confronting us on the domestic level—the question of economic insecurity.

Probably the proudest man, Mr. Chairman, and justifiably so today, is one of the youngest-minded men in the House. But in years he is the dean of the House, the great chairman of the Committee on Ways and Means, who piloted through the Congress the original Social Security Act and under whose leadership the House passed the bill of 1939 and under whose sterling leadership the House will pass the bill we have before us today—our dear colleague the gentleman from North Carolina, BOB DOUGHTON.

As it was my purpose to call attention to this great American, to this great Member of Congress, this great statesman, and what he has done in connection with this legislation, I will conclude my remarks by stating that in the great career he has had, as he looks back he will remember as the greatest act he has ever performed in the legislative field, leading the fight in the passage of this Social Security Act and amendments thereto. By doing that he has done more to strengthen the family life of America than any legislation passed in the last 50 years.

Mr. DOUGHTON. Mr. Chairman, as far as I know there are no further requests for time.

Mr. COOPER. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may have permission to extend their remarks at this point in the RECORD on the pending bill.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. McKINNON. Mr. Chairman, I am most gratified that during the first session of my first term in Congress, I have the opportunity to express my opinion and cast my vote for an improvement in our old-age-security program.

My major objection to the bill is that it doesn't go far enough, but I am reasonable enough to accept a half loaf now and work for the other half later, rather to turn down the laborious study and excellent work the members of the Ways and Means Committee have performed. I think this committee is due a hearty vote of thanks.

One of the responsibilties of the free enterprise system is to see that human beings count for as much—and even more—than machines. It is a long accepted practice for the employer to set aside a depreciation cost for his machinery and equipment. It is even more logical for the employer to set aside a regular contribution toward the time when his employees have worn themselves out, too.

Old-age retirement is logically a Federal responsibility. An improved social-security system means more freedom for the employee during his period of work, because against a private retirement system the employee may move from job to job, as opportunity for improvement presents, without forfeiting the benefits of his retirement benefit. Moreover, to allow the respective States to take over full responsibility of the old-age retirement system results in the restriction of movement for elderly people and chains them to a particular State in order to maintain their eligibility for benefits. This restriction of movement denies elderly people the full enjoyment of their retirement and is not in keeping with our traditional American system of free movement from place to place.

It is heartening to me to note that many leaders of business are in favor of H. R. 6000.

Just this week I received a most intelligent letter written by the owners of the largest department store in the city of San Diego. I would like to read a part of this letter, written by Arthur H. Marston, Jr., a direct descendent of one of San Diego's pioneer merchant families:

> My father and I believe that the proper solution of the problem of income to people in their old age lies within the Federal social-security program, expanded to provide an adequate pension on a sound actuarial basis. At present both the amounts contributed by employer and employee are too small, and the amount of pension is too small. Contributions, paid equally by employer and employee, should be increased to provide a retirement pension adequate to live on, in the case of people who have fully qualified, possibly $150 a month.
>
> My father and I particularly wish to express this opinion to you because many people and organizations in business have taken the other view and opposed the Federal social-security program and any expansion of it, especially any increase of pay-roll taxes. We believe that a Federal pension system, supported by employer and employee, has important advantages to the people of this country, over any system of voluntary and private pension plans.
>
> With a Federal pension system we assure the largest number of people security in their old age, and we have a uniform plan within the country, in which the people participate on equal basis. Pressure groups in strategic positions are not able to push the conditions of the plan to their particular advantage, nor does the attainment of preference become a matter of competition among organizations, and the leadership of organizations. * * *
>
> The Federal pension system allows the greatest economic flexibility to our Nation, a most important characteristic of our free enterprise economy. It is the system that

allows the greatest amount of individual determination to the employer and the employee. A private pension system tends to bind both employer and employee, in fact, that is often one of the intended results from the standpoint of employer and labor-union leadership. Such a system is a fixed charge on the employer who faces variable conditions, who may be required to expand his operations 1 year and reduce them the next. Any economic system works best when its components can adjust most quickly and comfortably to changing conditions, expanding, contracting, adopting new methods, moving plants, going into business or going out of business. The employee has just as important a part in this as the employer, and this flexibility is just as important to him. His advantage is best served when he can leave his employment when his own motives so direct him, when he is free to change his occupation or his residence with the least interference. I am, of course, speaking of our economy in a general sense and am excluding from this consideration such occupations as the military, police, etc., which, in the public interest must require fixed terms of service and which have had their own pension system designed to hold men to their service.

The Federal pension system follows the employee. If he desires to change his work if his health or the health of his family requires he move from one part of our country to another, his pension follows him. We know that war, inventions, new methods, new areas, new fuels can work great changes in our economy. A Federal pension system permits employer and employee to adjust to these changes with the least difficulty. During the war millions of Americans left their former employers and entered war industries. With the end of the war these people returned to peacetime occupations. The Federal pension system did not deter them in this movement from one industry, and often, one area, to another, it followed them into war industry and back again. In the future the development of atomic energy may have a great effect on coal mining. We do not want to see the miners become a great pressure group calling for Federal subsidy to their industry to keep it going, if it becomes uneconomic, in order to protect their pensions. It will be to the interest of the country and the miners if their pensions will follow them into new industries.

You can see from these remarks that this man has given careful and intelligent attention to this matter of social security, and I feel his conclusions represent the thinking of our more forward-looking adherents of the free enterprise system.

I am hopeful and confident that this bill will receive the prompt and hearty endorsement of the House of Representatives and that the other body will likewise take immediate action, thus assuring millions of elderly people that their representatives in the Federal Government recognize their problems and are acting in their behalf.

Mrs. DOUGLAS. Mr. Chairman, I consider the Social Security Act which this bill before us amends to be the most important social legislation ever passed by Congress.

This act seeks the high goal of freeing men from the fear of sickness, unemployment and old age. It is to the undying credit of the Democratic Party that social security was conceived and written into law by a Democratic Administration in 1935.

In the debate on the original bill, Mr. DOUGHTON, the present chairman of the Ways and Means Committee, who introduced the bill, stressed the fact that the bill was not a perfect measure but one that would require amendments from time to time.

It is to the credit of the Democratic Party that the Social Security Act was amended and broadened under a Democratic Administration in 1939.

It was clear to the Democratic Party when they wrote the party platform in 1948 that the benefit scale established in 1939 no longer provided an adequate floor of protection against the insecurity of old age or the sudden or premature death of a breadwinner.

We promised in our platform to extend the coverage of the act and increase the benefits. And again it is to the credit of the Democratic Party that under a Democratic Administration, a bill has been brought to the floor of the House that seeks to fulfill the party platform by extending the coverage of the act and increasing the benefits and setting up new safeguards for those who find themselves through no fault of their own unable to earn a living because of permanent and total disability.

The Ways and Means Committee is to be commended for the months of hearings and study they have devoted to the bill before us. They are to be commended for bringing the bill to the floor of the House in the first session of the Eighty-first Congress and not in the last days of the closing session as the Republicans did in the Eightieth Congress when they knew there wasn't time to enact even their miserable, wholly inadequate proposal into law.

Eleven million more people will be covered by old-age and survivors insurance bringing the total coverage to 46,000,000.

People presently receiving benefits under old-age and survivors insurance will have their monthly benefits increased on the average by about 70 percent; and future benefits will be doubled.

All persons covered by the old-age and survivors insurance program would be protected against the hazard of enforced retirement and loss of earnings caused by permanent and total disability.

The bill we will shortly pass is good and has my wholehearted support. It falls short, however, in meeting adequately today the problem of our senior citizen. We cannot rest until we have a Federal program that will cover all of our senior citizens, in whatever occupation they may have worked, and cover them in every State and every county, and cover them adequately to maintain them in comfort and dignity.

We must get away from the anarchy of the present piecemeal, patchwork system that gives no one adequate assurance of a stable and decent old age.

The CHAIRMAN. Are there any amendments to be offered at the direction of the Committee on Ways and Means?

Mr. DOUGHTON. There are no committee amendments, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6000) to extend and improve the Federal old-age and survivors insurance system, to amend the public assistance and child-welfare provisions of the Social Security Act, and for other purposes, pursuant to House Resolution 372, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MASON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MASON. I am, Mr. Speaker, definitely, emphatically, and unequivocally.

The SPEAKER. The gentleman unequivocally qualifies and the Clerk will report the motion.

The Clerk read as follows:

Mr. MASON moves to recommit the bill H. R. 6000 to the Committee on Ways and Means, with instructions to report the same back to the House forthwith, with the following amendment: Strike out all after the enacting clause and insert in lieu thereof the provisions of the bill H. R. 6297.

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. MASON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 113, nays 232, answered "present" 3, not voting 84, as follows:

[Roll No. 217]

YEAS—113

Allen, Calif.	Gwinn	Meyer
Allen, Ill.	Hale	Michener
Anderson, Calif.	Hall, Edwin Arthur	Nelson
Andresen, August H.	Hall, Leonard W.	Nicholson
Auchincloss	Halleck	Nixon
Barrett, Wyo.	Harden	O'Hara, Minn.
Bates, Mass.	Herter	Patterson
Bishop	Hill	Pfeiffer, William L.
Blackney	Hinshaw	Plumley
Boggs, Del.	Hoeven	Potter
Brown, Ohio	Hoffman, Mich.	Poulson
Byrnes, Wis.	Holmes	Rees
Canfield	Hope	Rich
Case, S. Dak.	Horan	Rogers, Mass.
Chiperfield	James	Sadlak
Church	Jenison	St. George
Clevenger	Jenkins	Sanborn
Cole, Kans.	Jennings	Saylor
Cotton	Jensen	Scott, Hardie
Coudert	Johnson	Scrivner
Crawford	Judd	Scudder
Curtis	Kean	Short
Dague	Kearney	Simpson, Ill.
Davis, Wis.	Kearns	Simpson, Pa.
D'Ewart	Latham	Smith, Kans.
Dolliver	LeCompte	Smith, Wis.
Dondero	LeFevre	Stockman
Eaton	Lichtenwalter	Taber
Ellsworth	Lodge	Talle
Fallon	McConnell	Taylor
Fenton	McCulloch	Velde
Ford	McDonough	Vorys
Gamble	McGregor	Vursell
Gillette	McMillen, Ill.	Weichel
Golden	Martin, Iowa	Weidel
Goodwin	Martin, Mass.	Wigglesworth
Graham	Mason	Wolcott
Gross		Woodruff

NAYS—232

Abbitt	Gathings	Noland
Abernethy	Gilmer	O'Brien, Ill.
Addonizio	Gordon	O'Brien, Mich.
Albert	Gore	O'Hara, Ill.
Allen, La.	Gorski, Ill.	O'Konski
Andersen, H. Carl	Gorski, N. Y.	O'Neill
Andrews	Gossett	O'Sullivan
Angell	Granahan	O'Toole
Aspinall	Granger	Pace
Bailey	Grant	Passman
Barden	Hagen	Patman
Bates, Ky.	Hand	Perkins
Battle	Hardy	Peterson
Beall	Hare	Pfeifer, Joseph L.
Beckworth	Harris	Philbin
Bennett, Fla.	Hart	Phillips, Tenn.
Bennett, Mich.	Havenner	Pickett
Bentsen	Hays, Ark.	Polk
Biemiller	Hedrick	Powell
Boggs, La.	Heller	Preston
Bolling	Heselton	Price
Bolton, Md.	Hobbs	Quinn
Bosone	Hoffman, Ill.	Rabaut
Boykin	Holifield	Rains
Breen	Howell	Ramsay
Brooks	Hull	Redden
Brown, Ga.	Jackson, Wash.	Regan
Bryson	Jacobs	Rhodes
Buchanan	Javits	Rodino
Buckley, Ill.	Jonas	Rooney
Burdick	Jones, Ala.	Sabath
Burke	Jones, Mo.	Sadowski
Burleson	Jones, N. C.	Secrest
Burton	Karst	Sheppard
Camp	Karsten	Sikes
Cannon	Kee	Sims
Carnahan	Keefe	Smathers
Carroll	Kelley	Smith, Va.
Case, N. J.	Kennedy	Spence
Cavalcante	Kerr	Staggers
Celler	Kilday	Steed
Chelf	King	Stefan
Chesney	Kirwan	Stigler
Christopher	Klein	Sullivan
Chudoff	Kruse	Sutton
Clemente	Lane	Tackett
Colmer	Lanham	Teague
Combs	Lemke	Thomas, Tex.
Cooper	Lesinski	Thompson
Corbett	Lind	Thornberry
Cox	Linehan	Tollefson
Crook	Lucas	Trimble
Davenport	Lyle	Underwood
Davies, N. Y.	Lynch	Van Zandt
Davis, Ga.	McCarthy	Vinson
Davis, Tenn.	McCormack	Wagner
Dawson	McGrath	Walsh
DeGraffenried	McGuire	Welch
Delaney	McKinnon	Wheeler
Denton	Mack, Wash.	Whitaker
Dollinger	Madden	White, Calif.
Doughton	Magee	White, Idaho
Douglas	Mahon	Whittington
Doyle	Marcantonio	Wickersham
Durham	Marsalis	Wier
Eberharter	Marshall	Williams
Elliott	Miles	Willis
Engel, Mich.	Miller, Calif.	Wilson, Ind.
Evins	Miller, Nebr.	Wilson, Okla.
Fernandez	Mills	Wilson, Tex.
Fisher	Mitchell	Winstead
Fogarty	Monroney	Withrow
Forand	Morgan	Wolverton
Frazier	Morris	Wood
Fugate	Moulder	Yates
Fulton	Murdock	Young
Furcolo	Murray, Tenn.	Zablocki
	Murray, Wis.	

ANSWERED "PRESENT"—3

Cunningham	Rankin	Rogers, Fla.

NOT VOTING—84

Arends	Elston	Kilburn
Baring	Engle, Calif.	Kunkel
Barrett, Pa.	Feighan	Larcade
Bland	Fellows	Lovre
Blatnik	Flood	McMillan, S. C.
Bolton, Ohio	Garmatz	McSweeney
Bonner	Gary	Mack, Ill.
Bramblett	Gavin	Macy
Brehm	Green	Mansfield
Buckley, N. Y.	Gregory	Merrow
Bulwinkle	Harrison	Miller, Md.
Burnside	Harvey	Morrison
Byrne, N. Y.	Hays, Ohio	Morton
Carlyle	Hébert	Multer
Chatham	Heffernan	Murphy
Cole, N. Y.	Herlong	Norblad
Cooley	Huber	Norrell
Crosser	Irving	Norton
Deane	Jackson, Calif.	Patten
Dingell	Keating	Phillips, Calif.
Donohue	Keogh	Poage
Priest	Sasscer	Towe
Reed, Ill.	Scott, Hugh D., Jr.	Wadsworth
Reed, N. Y.	Shafer	Walter
Ribicoff	Smith, Ohio	Whitten
Richards	Stanley	Woodhouse
Riehlman	Tauriello	Worley
Rivers	Thomas, N. J.	
Roosevelt		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth for, with Mr. Stanley against.

Mr. Gavin for, with Mr. Murphy against.

Mr. Towe for, with Mr. Burnside against.

Mr. Riehlman for, with Mr. Keogh against.

Mr. Arends for, with Mr. Rogers of Florida against.

Mr. Hugh D. Scott, Jr., for, with Mr. Harrison against.

Mr. Reed of New York for, with Mr. Garmatz against.

Mr. Kilburn for, Mr. Huber against.

Mr. Reed of Illinois for, Mr. Ribicoff against.

Mr. Shafer for, with Mr. Heffernan against.

Mr. Cunningham for, with Mr. Priest against.

Mr. Merrow for, with Mr. Mack of Illinois against.

Mr. Kunkel for, with Mr. Cooley against.

Mr. Lovre for, Mr. Roosevelt against.

Mr. Fellows for, with Mr. Donohue against.

General pairs until further notice:

Mr. Rankin with Mr. Cole of New York.

Mr. Dingell with Mr. Phillips of California.

Mr. Engle of California with Mr. Smith of Ohio.

Mrs. Norton with Mr. Elston.

Mr. Hays of Ohio with Mrs. Bolton of Ohio.

Mr. Green with Mr. Bramblett.

Mr. Hébert with Mr. Harvey.

Mr. Morrison with Mr. Jackson of California.

Mr. Multer with Mr. Brehm.

Mr. Bonner with Mr. Norblad.

Mr. Blatnik with Mr. Miller of Maryland.

Mr. Patten with Mr. Macy.

Mr. Mansfield with Mr. Morton.

Mr. Feighan with Mr. Thomas of New Jersey.

Mr. RANKIN. Mr. Speaker, I have a general pair with the gentleman from New York, Mr. COLE. Therefore I withdraw my vote and answer "present."

Mr. ROGERS of Florida. Mr. Speaker, I have a live pair with the gentleman from Illinois, Mr. ARENDS. If he were present, he would vote "aye." I voted "nay." I withdraw my vote and answer "present."

Mr. CUNNINGHAM. Mr. Speaker, I have a live pair with the gentleman from Tennessee, Mr. PRIEST. If he were here he would vote "nay." I voted "yea." I withdraw my vote and answer "present."

Mr. BEALL changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. DOUGHTON and Mr. MARTIN of Massachusetts demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 333, nays 14, answered "present" 1, not voting 84, as follows:

[Roll No. 218]

YEAS—333

Abbitt	Addonizio	Allen, Calif.
Abernethy	Albert	Allen, Ill.
Andersen, H. Carl	Gorski, Ill.	Mitchell
Anderson, Calif.	Gorski, N. Y.	Monroney
Andresen, August H.	Gossett	Morgan
Andrews	Graham	Morris
Angell	Granahan	Moulder
Aspinall	Granger	Murdock
Auchincloss	Grant	Murray, Tenn.
Bailey	Gross	Murray, Wis.
Barden	Hagen	Nelson
Barrett, Wyo.	Hale	Nicholson
Bates, Ky.	Hall, Edwin Arthur	Nixon
Bates, Mass.	Hall, Leonard W.	Noland
Battle	Halleck	O'Brien, Ill.
Beall	Hand	O'Brien, Mich.
Beckworth	Harden	O'Hara, Ill.
Bennett, Fla.	Hardy	O'Hara, Minn.
Bennett, Mich.	Hare	O'Konski
Bentsen	Harris	O'Neill
Biemiller	Hart	O'Sullivan
Bishop	Havenner	O'Toole
Blackney	Hays, Ark.	Pace
Boggs, Del.	Hedrick	Passman
Boggs, La.	Heller	Patman
Bolling	Herter	Patterson
Bolton, Md.	Heselton	Perkins
Bosone	Hill	Peterson
Boykin	Hinshaw	Pfeifer, Joseph L.
Breen	Hobbs	Pfeiffer, William L.
Brooks	Hoeven	Philbin
Brown, Ga.	Hoffman, Ill.	Phillips, Tenn.
Brown, Ohio	Holifield	Pickett
Bryson	Holmes	Plumley
Buchanan	Hope	Polk
Buckley, Ill.	Horan	Potter
Burdick	Howell	Poulson
Burke	Hull	Powell
Burleson	Jackson, Wash.	Preston
Burton	Jacobs	Price
Camp	James	Quinn
Canfield	Javits	Rabaut
Cannon	Jenison	Rains
Carnahan	Jenkins	Ramsay
Carroll	Jennings	Redden
Case, N. J.	Jensen	Rees
Cavalcante	Johnson	Regan
Celler	Jonas	Rhodes
Chelf	Jones, Ala.	Rich
Chesney	Jones, Mo.	Rodino
Chiperfield	Jones, N. C.	Rogers, Fla.
Christopher	Judd	Rogers, Mass.
Chudoff	Karst	Rooney
Clemente	Karsten	Sabath
Cole, Kans.	Kean	Sadlak
Colmer	Kearney	Sadowski
Combs	Kearns	St. George
Cooper	Kee	Sanborn
Corbett	Keefe	Sasscer
Cotton	Kelley	Saylor
Coudert	Kennedy	Scott, Hardie
Cox	Kerr	Scrivner
Crook	Kilday	Scudder
Cunningham	King	Secrest
Curtis	Kirwan	Sheppard
Dague	Klein	Short
Davenport	Kruse	Sikes
Davies, N. Y.	Lane	Simpson, Ill.
Davis, Tenn.	Lanham	Simpson, Pa.
Davis, Wis.	Latham	Sims
Dawson	LeCompte	Smathers
DeGraffenried	LeFevre	Smith, Wis.
Delaney	Lemke	Spence
Denton	Lesinski	Staggers
D'Ewart	Lichtenwalter	Steed
Dollinger	Lind	Stefan
Dolliver	Linehan	Stigler
Dondero	Lodge	Stockman
Doughton	Lucas	Sullivan
Douglas	Lyle	Sutton
Doyle	Lynch	Tackett
Durham	McCarthy	Talle
Eberharter	McConnell	Taylor
Elliott	McCormack	Teague
Ellsworth	McCulloch	Thomas, Tex.
Engel, Mich.	McDonough	Thompson
Evins	McGrath	Thornberry
Fallon	McGregor	Tollefson
Fenton	McGuire	Trimble
Fernandez	McKinnon	Underwood
Fisher	Mack, Wash.	Van Zandt
Fogarty	Madden	Velde
Forand	Magee	Vinson
Ford	Mahon	Vorys
Frazier	Marcantonio	Vursell
Fugate	Marsalis	Wagner
Fulton	Marshall	Walsh
Furcolo	Martin, Iowa	Weichel
Gamble	Martin, Mass.	Welch
Gathings	Meyer	Werdel
Gillette	Michener	Wheeler
Gilmer	Miles	White, Calif.
Golden	Miller, Calif.	White, Idaho
Goodwin	Miller, Nebr.	Mills
Gordon	Gore	Moulder

Whittington	Wilson, Ind.	Wolverton
Wickersham	Wilson, Okla.	Wood
Wier	Wilson, Tex.	Woodruff
Wigglesworth	Winstead	Yates
Williams	Withrow	Young
Willis	Wolcott	Zablocki

NAYS—14

Byrnes, Wis.	Davis, Ga.	Mason
Case, S. Dak.	Eaton	Smith, Kans.
Church	Gwinn	Smith, Va.
Clevenger	Hoffman, Mich.	Taber
Crawford	McMillen, Ill.	

ANSWERED "PRESENT"—1

Rankin

NOT VOTING—84

Arends	Green	Norrell
Baring	Gregory	Norton
Barrett, Pa.	Harrison	Patten
Bland	Harvey	Phillips, Calif.
Blatnik	Hays, Ohio	Poage
Bolton, Ohio	Hébert	Priest
Bonner	Heffernan	Reed, Ill.
Bramblett	Herlong	Reed, N. Y.
Brehm	Huber	Ribicoff
Buckley, N. Y.	Irving	Richards
Bulwinkle	Jackson, Calif.	Riehlman
Burnside	Keating	Rivers
Byrne, N. Y.	Keogh	Roosevelt
Carlyle	Kilburn	Scott,
Chatham	Kunkel	Hugh D., Jr.
Cole, N. Y.	Larcade	Shafer
Cooley	Lovre	Smith, Ohio
Crosser	McMillan, S. C.	Stanley
Deane	McSweeney	Tauriello
Dingell	Mack, Ill.	Thomas, N. J.
Donohue	Macy	Towe
Elston	Mansfield	Wadsworth
Engle, Calif.	Merrow	Walter
Feighan	Miller, Md.	Whitaker
Fellows	Morrison	Whitten
Flood	Morton	Woodhouse
Garmatz	Multer	Worley
Gary	Murphy	
Gavin	Norblad	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Arends for, with Mr. Wadsworth against.

Additional general pairs:

Mr. Rankin with Mr. Cole of New York.
Mr. Stanley with Mr. Towe.
Mr. Burnside with Mr. Reed of New York.
Mr. Harrison with Mr. Gavin.
Mr. Garmatz with Mr. Kilburn.
Mr. Huber with Mr. Lovre.
Mr. Ribicoff with Mr. Reed of Illinois.
Mr. Priest with Mr. Shafer.
Mr. Mack of Illinois with Mr. Smith of Ohio.
Mr. Cooley with Mr. Macy.
Mr. Donohue with Mrs. Bolton of Ohio.
Mr. Engle of California with Mr. Elston.
Mr. Blatnik with Mr. Harvey.
Mr. Hébert with Mr. Brehm.
Mr. Hays of Ohio with Mr. Kunkel.
Mr. Herlong with Mr. Merrow.
Mr. Patten with Mr. Norblad.
Mr. Tauriello with Mr. Morton.
Mr. Whitaker with Mr. Miller of Maryland.
Mr. Whitten with Mr. Phillips of California.
Mr. Deane with Mr. Riehlman.
Mr. Dingell with Mr. Hugh D. Scott, Jr.
Mr. Bonner with Mr. Bramblett.
Mrs. Norton with Mr. Fellows.
Mr. Morrison with Mr. Jackson of California.

Mr. RANKIN. Mr. Speaker, I have a general pair with the gentleman from New York [Mr. COLE]. I withhold my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1950

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on H. R. 3838, the Department of the Interior Appropriation bill for the fiscal year 1950.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THIRD DEFICIENCY APPROPRIATION BILL, 1949

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on H. R. 5300, the third deficiency appropriation bill for the fiscal year 1949.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the social-security bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PROGRAM FOR TOMORROW

Mr. COOPER. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, on behalf of the gentleman from Massachusetts [Mr. MCCORMACK], the majority leader, I desire to announce to the House that on tomorrow it is expected that the Interior Department appropriation bill conference report will be considered; also the third deficiency appropriation bill conference report, and the civil functions of the War Department appropriation bill conference report. All three are to be considered tomorrow, together with any other conference reports that may be available.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MARTIN of Massachusetts. I understand there is also to be considered a bill that will be brought up by the gentleman from Michigan [Mr. LESINSKI].

Mr. LESINSKI. That is H. R. 3191, the Federal Employees Compensation Act.

Mr. MARTIN of Massachusetts. We are probably going to be asked to concur in the Senate amendments?

Mr. COOPER. I understand the gentleman from Michigan expects to ask unanimous consent to take the bill from the Speaker's table and concur in the Senate amendments.

EXTENSION OF REMARKS

Mr. MASON asked and was given permission to extend his remarks in the RECORD.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter, and in one a radio broadcast.

Mr. HELLER (at the request of Mr. BENNETT of Florida) was given permission to extend his remarks in the RECORD.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the RECORD in two instances and in each to include extraneous matter.

Mr. FURCOLO (at the request of Mr. LANE) was given permission to extend his remarks in the RECORD.

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KELLEY asked and was given permission to extend his remarks in the RECORD on National Employ-the-Physically-Handicapped Week and include a short statement of Cabinet members and heads of agencies on the same subject.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RODINO (at the request of Mr. YATES) was given permission to extend his remarks in the RECORD and include a resolution.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include a short editorial entitled "Mr. Lewis Decides."

EXTENSION OF REMARKS

Mr. STOCKMAN asked and was given permission to extend his remarks in the RECORD and include an article on wheat.

Mr. HERTER asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a resolution and in the second to include three excerpts from the Christian Science Monitor, notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing and is estimated by the Public Printer to cost $202.

Mr. JAVITS asked and was given permission to extend his remarks in three instances and to include certain newspaper material.

RISE IN NAZISM

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, I call attention to the appended news report today in the New York Times headed "McCloy urges a halt to the rise of nazism." I, and others, have called attention time and again to the implications of a revival of nationalism in Germany.

Such a revival may well lead to a new spirit like that of the Nazis which brought on the treaty of alliance and friendship with the Soviet Union and set the stage for World War II in 1939. German physicists and scientists were, and it is well known, continue to be deeply concerned in giving the Soviet the atomic knowledge signaled by the President's momentous announcement of the detection recently of an atomic explosion in the U. S. S. R.

The greatest aggressive danger we still face is a union of German technical skill and German production facilities, with Soviet manpower and natural resources; these grave potentials underline the words of High Commissioner McCloy.

McCLOY URGES HALT TO RISE IN NAZISM—ALSO ADVISES TOP ASSISTANTS TO TAKE STEPS TO PREVENT GROWTH IN ANTI-SEMITISM—SAYS GERMANS STIFFEN—ADENAUER ASKS WEST REVIEW DISMANTLING PROGRAM—TWO BIG SHIPBUILDERS ARRAIGNED

(By Drew Middleton)

FRANKFORT, GERMANY, October 4.—United States personnel in Germany must do their utmost to halt a renewal of nazism and anti-Semitism and deal with the hardening attitude toward the occupation, John J. McCloy, United States High Commissioner, declared today.

He abandoned the idea, implicit in some of his earlier speeches, that relations between United States personnel and the Germans had entered an era of good feeling and bluntly outlined the difficulties to be overcome before Germany's democracy could withstand future tests.

"I ask you for renewed efforts," he told an assembly of senior officers of the High Commissioner's office and Army officers. "The time is short and the hands are few, but the stakes remain extremely high."

United States observers here believe the attitude Mr. McCloy has now adopted toward further problems of occupation was fathered by his first contacts with the new German Government which, left, right, and center, is regarded as containing the seeds of totalitarianism.

ADENAUER PROTESTS DISMANTLING

The national German grievance against dismantling was further emphasized today. Dr. Konrad Adenauer, Chancelor of the Federal Republic, dispatched a letter to the western allied high commission protesting the extreme measures in the dismantling of a single factory and making the letter the basis for a German plea for a reexamination of the entire dismantling question, according to a reliable United States source.

Mr. McCloy's advice to his lieutenants was that in view of the present reduction of United States political—as opposed to military—strength in Germany, officials of the Office of High Commissioner must teach by permitting the Germans to act themselves rather than to depend on United States measures.

"We can and must check the renewal of nazism and anti-Semitism, but we can try to do this by permitting and encouraging the Germans to act rather than to depend exclusively on our own measures," he said.

But he noted that "firmness and determination to act whenever necessary are still vital."

SAYS GERMANS WILL SET PATTERN

"No one should feel that the job is done," Mr. McCloy declared. The people of western Germany, he added, will look increasingly to their own government for guidance and will be critical of United States supervision.

"Time presses and the tendency of the German people will be to harden their attitude and adopt their patterns within their own rather than our own genius," he said.

Save for noting that "secrecy and suppression" were mounting in the east, Mr. McCloy made no reference to the primary political development in partitioned Germany—the Soviet and Communist moves toward the establishment of an eastern German "people's democracy" claiming to speak for the entire country.

However, he added that the test of Germany's "democratic thought" would come eventually and "may well be severe."

The High Commissioner revealed his belief that when that test came democracy would be firmly rooted in Germany and asserted "it is hard to find better expressions of political thought, even in England, than have been uttered by Germans."

PERSONAL ANNOUNCEMENT

Mr. REES. Mr. Speaker, on a roll call this morning the RECORD shows that I was absent. I was detained with a committee at the White House, and for that reason could not be present to answer to my name.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROOSEVELT (at the request of Mr. HELLER) for an indefinite period, on account of illness.

To Mr. HEFFERNAN (at the request of Mr. HELLER) for remainder of the week, on account of illness in his family.

ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1834. An act for the relief of the widow of Robert V. Holland.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 5328. An act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Thursday, October 6, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

961. A letter from the Secretary of Agriculture, transmitting a report entitled "Missouri River Basin Agricultural Program"; to the Committee on Agriculture and ordered to be printed with illustrations.

962. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

963. A letter from the clerk, United States Court of Claims, transmitting certified copies of the opinion rendered by the court in the case entitled *"Plymouth Manufacturing Co., Inc.* v. *The United States"*; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee on Armed Services. H. R. 6303. A bill to authorize certain construction at military and naval installations, and for other purposes; with an amendment (Rept. No. 1378). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'TOOLE: Committee on Merchant Marine and Fisheries. S. 2226. An act relating to the compensation of certain employees of the Panama Canal; without amendment (Rept. No. 1379). Referred to the Committee of the Whole House on the State of the Union.

Mr. KIRWAN: Committee of conference. H. R. 3838. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 1380). Ordered to be printed.

Mr. CANNON: Committee of conference. H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; without amendment (Rept. No. 1381). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULTON:

H. R. 6324. A bill to amend the Public Health Service Act to support research and training in arthritis and rheumatism, multiple sclerosis, cerebral palsy, epilepsy, and blindness, and other diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KARSTEN:

H. R. 6325. A bill to provide for the establishment, operation, and financial control of income-producing activities in the Government, not otherwise specifically provided for by law, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. TEAGUE:

H. R. 6326. A bill appropriating $17,000,000 for members' quarters and hospital facilities for the Soldiers' Home; to the Committee on Armed Services.

By Mr. DAVIS of Tennessee:

H. R. 6327. A bill for the relief of certain pharmacists employed in the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. BENTSEN:

H. R. 6328. A bill authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican war; to the Committee on Foreign Affairs.

By Mr. KEARNS:

H. Res. 377. Resolution creating a select committee to inspect the gold reserve at Fort Knox; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BREEN:

H. R. 6329. A bill for the relief of Betsy Sullivan; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

H. R. 6330. A bill for the relief of Sidney Young Hughes; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 6331. A bill for the relief of Izak Inwentarz; to the Committee on the Judiciary.

H. R. 6332. A bill for the relief of Joseph Glikson, Mrs. Cypora Glikson, and Jerzy Glikson; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 6333. A bill for the relief of Benjamin F. Burkwitt; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 6334. A bill for the relief of Mrs. Carmen Rickards Mandelbaum; to the Committee on the Judiciary.

By Mr. SHAFER:

H. R. 6335. A bill to authorize and request the President to appoint Gen. Omar N. Bradley to the permanent grade of general of the Army; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1518. By Mrs. NORTON: Petition of 43 veteran residents of New Jersey, protesting provisions of instruction 1–A, issued by the Veterans' Administration September 1, 1949; to the Committee on Veterans' Affairs.

1519. Also, petition of 67 veteran residents of New Jersey, protesting the provisions of instruction 1–A, issued by the Veterans' Administration September 1, 1949; to the Committee on Veterans' Affairs.

1520. By the SPEAKER: Petition of Bedford Classroom Teachers Association, Bedford, Ind., commending the Senate for passing Senate bill 246 and urging the House of Representatives to pass similar legislation providing Federal aid on a basis of need without Federal control; to the Committee on Education and Labor.

1521. Also, petition of Joliet Township High School, Joliet, Ill., reaffirming their stand as favoring Federal support of public education, provided that State and local control of education is retained; to the Committee on Education and Labor.

1522. Also, petition of Oak Ridge Education Association, Oak Ridge, Tenn., requesting that a Federal-aid-to-education bill be brought before the House, and endorsing Senate bill 246 or a substitute bill which will let the State determine the expenditure of Federal funds without Federal control; to the Committee on Education and Labor.

1523. Also, petition of Athens Teachers Association, Athens, Ala., expressing appreciation for efforts put forth in behalf of Federal aid to education and requesting that legislation be promoted that will secure Federal aid without Federal control and that Federal aid be restricted to public elementary and high schools of our country; to the Committee on Education and Labor.

1524. Also, petition of Southwest Shippers Advisory Board, Dallas, Tex., urging Congress not to enact into law Senate bill 238 and House bill 378; to the Committee on Interstate and Foreign Commerce.

1525. Also, petition of Henry B. Sims and others, Albuquerque, N. Mex., relative to training under the GI bill of rights, and endorsing Senate bill 2596 and requesting the support of this bill or a similar bill in the House of Representatives; to the Committee on Veterans' Affairs.

SENATE

THURSDAY, OCTOBER 6, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God, the might of them that put their trust in Thee amid all the subtle dangers that beset us, save us from the fatal folly of attempting to rely upon our own strength. In a world so uncertain about many things we are sure of no light but Thine, no refuge but in Thee. The din of words assails our ears from an agitated world. Grant us an inner calm undisturbed by any outer commotion. Give us courage to seek the truth honestly and reverence to follow humbly the kindly light that leads us on.

So may the service of our brief hour contribute to the beauty and glory of our America as in a darkened world she lifts aloft the light of freedom. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. GEORGE, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, October 5, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 6000) to extend and improve the Federal Old-Age and Survivors Insurance System, to amend the public-assistance and child-welfare provisions of the Social Security Act, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1834) for the relief of the widow of Robert V. Holland, and it was signed by the Vice President.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. GEORGE (on behalf of Mr. O'MAHONEY), and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to sit during the session of the Senate this afternoon.

On request of Mr. GEORGE, and by unanimous consent, the Committee on Labor and Public Welfare was authorized to sit during the session of the Senate this afternoon.

On request of Mr. GEORGE, and by unanimous consent, the Committees on Agriculture and Forestry and the Judiciary were authorized to sit during the session of the Senate today.

REPORT BY SENATOR LODGE ON HIS RECENT TRIP TO EUROPE

Mr. LODGE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement which I issued yesterday regarding observations made on a recent trip to Europe.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR LODGE

EXTENT OF TRIP

The trip was devoted first to an examination of the military integration of the Brussels Pact powers, and secondly to a general study of the progress of a united western Europe toward prosperity and strength. All time was spent in France and Italy, but many conversations were held with persons arriving from other European countries on both sides of the iron curtain.

GENERAL STATEMENT

It is impossible to make even a brief and superficial survey of western Europe in this autumn of 1949 without feeling both great encouragement and some disappointment.

ENCOURAGING FACTORS

On the encouraging side mention must first be made of the very significant start which has been achieved toward the military integration of western Europe. The staff already functions smoothly and is completely international; studies of great thoroughness are in progress; an important amount of standardization, I was told, has been achieved among the respective navies and air forces; and some agreement on types of weapons has been reached as between the various armies. There is no doubt but that functions will be allotted on a noncompetitive and nonduplicating basis. Of course much remains to be done. But in view of the recent news of the possession by the Soviet Union of the atomic bomb, it is encouraging to be able to report the conviction of expert and responsible officials that western Europe can be successfully defended against aggression. To put western Europe in such a strong defensive posture will require prolonged and extensive efforts, but it is good to know that the fundamentals are such that these efforts would not be in vain.

The economic recovery in France is striking to one who saw France during the war and again in 1947. There is every outward indication of better living; foods of all kinds are plentiful and the shops are full. A great amount of reconstruction of areas devastated during the war has been achieved. Prices appear to be still high and many persons in the so-called white-collar class are still badly squeezed, but France's recovery is such that many professional observers believe that at the expiration of the Marshall plan in 1952 she will be able to stand by herself.

Italy's effort is immensely impressive, inasmuch as she underwent staggering destruction during the war. For example, 5,000 bridges were destroyed and, judging by the areas I visited, practically all of them have been repaired. In Italy I heard even greater concern than in France expressed for the so-called white-collar class, and disturbing statements were made to me about the whole state of higher education in Italy, and the future for university-trained people generally. Italy's relatively meager natural resources in relation to its large population make it appear likely that after 1952 some further assistance will still be necessary, but there is no doubt of Italian good will and of the fact that the Italians have, without stint, made their maximum effort.

A similar story of progress can be told about the other nations of continental western Europe. Living standards are up, much constructive work has been done, production in many cases is well above prewar levels, hope and confidence have replaced fear and defeatism. All this has been helped by—and most of it would not have been possible without—the Marshall plan. The record of its operations is a credit to all the men and women, including particularly such men as Averell Harriman and Milton Katz who, under the leadership of Paul Hoffman, have administered it with such remarkable efficiency. The record of its operations reflects credit on General Marshall, on Senator VANDENBERG, and on the Congress which enacted the Economic Cooperation Act, and set up procedures and standards which prevented this unprecedented adventure in foreign policy from degenerating into a chaotic hand-out.

Yet, while it has assuredly brought hope and prosperity and strength, and while it has

assuredly stopped the growth of the Communist disease—while it has prevented the patient's death, it still has not cured him.

DISAPPOINTING FACTORS

For it is a truism that these things are not enough. Anti-Communist tactics, however effective, are no substitute for that constructive statesmanship which actually effects a permanent and fundamental change, solves the problem which harasses suffering humanity, and leaves something different—and vastly better—than what it first found. This thought was implicit in the Economic Cooperation Act which in its statement of intentions expressed the hope that the nations of Europe would give practical effect to the desire which they had themselves expressed of giving the every-day man in Europe the advantages of a single European market, free from barriers, such as we have in America and which, together with our insistence on an antitrust competitive system, reflects the spirit which has largely made us what we are. The debates in the Senate in 1947 will show the determination of the Senate not simply to rebuild the same old row of European firetraps which has been so instrumental in involving us in two world wars. There was the feeling then that, if united, the nations of Europe could be prosperous and strong, whereas, divided, they would be poor and weak.

ISOLATIONISM AND LOBBIES

The feeling that a single European market is a "must" is even stronger now—which makes it all the more disappointing to record that economic isolationism is rife in Europe today, and that many mature and careful observers do not hesitate to say that restrictions on the free exchange of goods are actually worse than they were at the end of the war. In that sense Europe, they, say, has actually moved backward.

This failure to progress can be explained on many grounds, there as here, there are strong lobbies of interests which do not hesitate to use their influence to put their own selfish short view ahead of the greater good of the community to which they, of course, belong.

The United States cannot and should not try to compel European unification. Europe has had enough of compulsion. But we can renew expression of our belief that there is no future for Europe in having its component states cut off one from the other. And believing that time is short, we have the right and duty to say that prompt and careful study should be given to whatever steps may hasten the creation of a true European community. Some of these are:

NEW STEPS

1. The development by Europe of new and more intensive plans for integration.

2. The possibility of concentrating American aid in the future wholly on plans which embrace all the Marshall plan nations.

3. The desirability of one plan for continental Europe and other plans for other areas.

4. The desirability of putting a European of the stature of Prime Minister Spaak of Belgium, who has shown such great leadership in this field, in charge of such a plan.

5. Reexamination of our own foreign-trade policies to see whether they are actually in tune with the new times.

6. Renewed study of practical ways and means to revive American investment capital for foreign development.

7. Our constant watchword should be to preserve the great good that has been done, and then to go ahead.

Finally, let us all, here and in Europe, ask ourselves the question, do we in America and in Europe really mean what we say regarding the development of a great, strong, and prosperous western Europe community of peoples, or are we just talking for the pleasure of hearing the sound of our own voices?

We emphatically do not confront the question of abandoning our efforts to strengthen Europe. The suggestions which I make certainly do not mean that we are not deeply gratified by all the good that has been accomplished, but they do indicate the need of searching for new methods. We Americans must join in that search first because our safety is at stake; this in itself is enough reason. But there is the further reason that in Europe the greatest single fact today is that in the face of the threat of a godless world dictatorship, the United States remains the one human factor in which Europeans have the greatest and most profoundly instinctive confidence. Our self-preservation gives us the impulse; the mood of Europe and the faith she still has in us, gives us the opportunity.

DISPLACED PERSONS—LETTER FROM JOHN THOMAS TAYLOR

Mr. McKELLAR. Mr. President, I ask unanimous consent that there be printed in the RECORD a letter from John Thomas Taylor, director of the national legislative commission of the American Legion, concerning displaced-persons legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., October 5, 1949.

Hon. KENNETH MCKELLAR,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MCKELLAR: A statement appearing in the CONGRESSIONAL RECORD of October 3 on page 13652 would indicate there is a possibility that Senate Resolution 160, a resolution to discharge the Committee on the Judiciary from further consideration of H. R. 4567, to amend the Displaced Persons Act of 1948, might be considered before adjournment.

The American Legion met in convention in Philadelphia August 29 to September 1, 1949, and there were present 3,344 delegates and 3,344 alternates from every department of the American Legion (from every State and from five foreign departments). The subject of amending the Displaced Persons Act of 1948 was considered by a Convention Committee on Immigration, composed of a delegate from every one of these departments, and the following resolution was adopted unanimously by the convention without one dissenting vote: Now, therefore, be it

Resolved, That the American Legion in national convention assembled in Philadelphia, Pa., August 29, 30, 31, and September 1, 1949, demand of our Government heads that they strictly adhere to the existing laws and quotas allowing immigration to the United States and particularly adhere to the laws now in force applying to displaced persons and rather than place any additional burden on the people of America by increasing the quotas of immigration; and be it further

Resolved, That we take steps to curtail as far as possible any further immigration to this country at the present time.

The hearings before the Senate Committee on the Judiciary are not concluded. The chairman of that committee, Senator MCCARRAN, and the chairman of the subcommittee of the House Committee on the Judiciary, Mr. WALTER, are both in Europe at the present moment investigating this entire matter. The question of amending our immigration laws is of the most vital importance to our country and we respectfully request that this subject matter be given the most careful and deliberate hearings, investigation, and consideration by the Judiciary Committees.

The American Legion desires to register its objection and its opposition to Senate Resolution 160, which is contrary to the historic and long-established parliamentary procedure of the Senate. In order that this legislation might receive its proper and careful consideration, we respectfully request your aid and support in opposition to Senate Resolution 160.

Respectfully yours,
JOHN THOMAS TAYLOR,
Director, National Legislative Commission.

CALL OF THE ROLL

Mr. GEORGE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Miller
Anderson	Humphrey	Millikin
Baldwin	Hunt	Morse
Bridges	Ives	Mundt
Butler	Jenner	Murray
Chapman	Johnson, Colo.	Myers
Chavez	Johnson, Tex.	Neely
Connally	Johnston, S. C.	O'Mahoney
Cordon	Kefauver	Pepper
Donnell	Kem	Robertson
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Eastland	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ferguson	Leahy	Stennis
Flanders	Lodge	Taft
Fulbright	Long	Taylor
George	Lucas	Thomas, Okla.
Gillette	McCarthy	Thomas, Utah
Graham	McClellan	Thye
Green	McFarland	Watkins
Gurney	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Williams
Hickenlooper	Malone	Young
Hill	Martin	
Hoey	Maybank	

Mr. MYERS. The Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR] and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Maryland [Mr. O'CONOR] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Washington [Mr. CAIN], the Senator from Indiana [Mr. CAPEHART], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from Ohio [Mr. BRICKER] and the Senator from Maine [Mrs. SMITH] are absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Senators for insertions in the RECORD, and other routine matters, without debate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

INTERNAL SECURITY OF THE UNITED STATES

A letter from the assistant to the Attorney General of the United States, urging the early enactment of Senate bill 595, relating to the internal security of the United States; to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved, together with a detailed statement of the facts and pertinent provisions of law as to each alien and the reason for ordering suspension of deportation (with accompanying papers); to the Committee on the Judiciary.

REPORT OF MARINE CORPS MEMORIAL COMMISSION

A letter from the Chairman of the Marine Corps Memorial Commission, transmitting, pursuant to law, a report of that Commission, including its recommendations for congressional action (with accompanying papers); to the Committee on Rules and Administration.

PETITIONS

Petitions, etc., were laid before the Senate and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the Wood, Wire and Metal Lathers' International Union, assembled at Los Angeles, Calif., the week of September 12, 1949, favoring the enactment of legislation providing Federal aid to education; to the Committee on Labor and Public Welfare.

Two resolutions adopted by the Wood, Wire and Metal Lathers' International Union, assembled at Los Angeles, Calif., the week of September 12, 1949, favoring an amendment of the Water Pollution Control Act so as to eliminate the limitation upon the amounts of loans and grants now included, and the enactment of legislation which will enable the Government to make advances to States and their political subdivisions to aid in financing the cost of construction of public works; to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

S. 501. A bill repealing section 202 (e) of the Sugar Act of 1948; without amendment (Rept. No. 1128).

By Mr. ANDERSON, from the Committee on Agriculture and Forestry:

S. 2522. A bill to stabilize prices of agricultural commodities; with amendments (Rept. No. 1129); and

H. R. 5345. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; with an amendment (Rept. No. 1130).

By Mr. CONNALLY, from the Committee on Foreign Relations:

H. R. 2186. A bill providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska; without amendment (Rept. No. 1131).

By Mr. JOHNSTON of South Carolina, from the Committee on the District of Columbia:

S. 333. A bill to authorize the appointment of three additional judges of the municipal court for the District of Columbia and prescribe the qualifications of the judges of such court; with amendments (Rept. No. 1132);

H. R. 4749. A bill to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health; without amendment (Rept. No. 1133); and

H. R. 4789. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich; without amendment (Rept. No. 1134).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 6, 1949, he presented to the President of the United States the following enrolled bills:

S. 377. An act for the relief of Ernest J. Jenkins; and

S. 1834. An act for the relief of the widow of Robert V. Holland.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. FLANDERS introduced Senate bill 2645, to incorporate the American Standards Association, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. KEM:

S. 2646. A bill for the relief of the Articaire Refrigeration Co.; to the Committee on the Judiciary.

(Mr. MAYBANK introduced Senate bill 2647, to increase the compensation of the Members of the Board of Governors of the Federal Reserve System and the Members of the Board of Directors of the Federal Deposit Insurance Corporation, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

INCORPORATION OF AMERICAN STANDARDS ASSOCIATION

Mr. FLANDERS. Mr. President, I introduce for appropriate reference a bill to incorporate the American Standards Association, and I ask unanimous consent that my introductory remarks in regard to the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the introductory remarks of the Senator from Vermont will be printed in the RECORD.

The bill (S. 2645) to incorporate the American Standards Association, introduced by Mr. FLANDERS, was read twice by its title, and referred to the Committee on the Judiciary.

The introductory remarks of Mr. FLANDERS are as follows:

Mr. President, a few months ago we were all greatly interested to learn that the United States, Great Britain, and Canada had succeeded in unifying their screw-thread systems into a single unified system, thus bringing about interchangeability in the use of screw threads by the industries and governments of these three countries. The American Chairman of the Combined Production and Resources Board, William L. Batt, has estimated that the small differences between the British and American screw-thread systems cost this country hundreds of millions of dollars during the Second World War. Equally costly, it wasted precious months in delaying the production of many important munitions.

The extensive technical work back of this important accomplishment was carried out through the national standardizing bodies of the three countries—the British Standards Institution, the Canadian Standards Association, and the American Standards Association. Each of these had the full cooperation of their respective governments, on both the military and the civil side, and of the great technical and industrial groups concerned with the problem.

For 15 years I was chairman of the screw thread committee of the American Standards Association through which the various groups cooperated. As such, I had the privilege of presiding over the 1943 international meeting with British and Canadian representatives which led to the unification of screw threads of our three countries. That meeting was the beginning of a long series of conference which culminated last November in the signing at the National Bureau of Standards of an accord on screw threads by representatives of government and industry from the United Kingdom, Canada, and the United States.

This unification of screw threads is only one of hundreds of illustrations of the fundamental role that standards are playing in the development of our national economy.

Standards are of fundamental importance to government and industry alike. And it is highly important that there be the closest teamwork between them in the development and in the use of standards which are of primary concern to both. To insure this close relationship in standards work, the senior Senator from Wyoming and I are introducing a bill, a major purpose of which is to make it clear that it is the policy of the Congress to encourage intimate and effective cooperation between the Federal Government and industry in the establishment of common standards acceptable and useful to both—in our peacetime economy and in preparation for defense.

ALL INDUSTRIES USE STANDARDS

All of our major industries are making extensive use of standards. The automobile industry is often cited as a striking example of the role which standards have played in the development in a single generation of one of the major industries of the world. It has often been pointed out that if a modern automobile, instead of being a highly standardized product built under mass production methods, were to be built entirely from parts each specifically designed and made, the cost would be utterly prohibitive, and we would not be living in a motor age.

The electrical industry, which is one of the relatively newer industries, has reaped enormous advantages from standardization. Its basic nomenclature, units, and systems of measurements are uniform the world over, but no other country has achieved such results from electrical standardization as has the United States. For example, lamps, household appliances, motors, and industrial equipment are interchangeable from coast to coast.

The adoption by the railways of a standard track gage and a system of interchangeable couplings was necessary before we could have a national railroad transportation system, which requires the interchange of rolling stock. And upon a national transportation system, in turn, rests our whole economic and industrial structure.

FOUR STAGES OF STANDARDIZATION

Standardization has developed in four stages:

1. In individual companies.
2. By groups—technical societies and trade associations or Government agencies.
3. On a national scale.
4. On an international scale.

The first stage, standardization within the plant, has been the essential factor in the development of mass production, and mass production in turn has been the chief contribution of the United States to the development of industry.

I am going to pause to mention an incident of great historical interest which occurred in 1797 during President Adams' administration which was the start of mass production in this country. The Government was in great need of arms. Under authorization of the Fifth Congress, Thomas Jefferson, then Vice President, signed the contract with Eli Whitney, inventor of the cotton gin, to supply 10,000 muskets. Whitney took the unprecedented step of tooling up and making all parts interchangeable, instead of following the traditional method of fitting the parts by hand for each musket. At a critical stage of his contract he went to Washington, and in a dramatic incident, he demonstrated his methods to an assemblage of Government experts and Members of Congress. He assembled 10 muskets by picking standard parts at random from a pile. This was the beginning of mass production in this country.

The second stage, standardization by industries, carried on by technical societies and trade associations, has for the most part been a product of this century. The standards achievements in the automobile, electrical, and railway industries, which I have already mentioned, are products of this stage.

Third, the intergroup or national stage, was brought on by problems created by the First World War. With hundreds of organizations, trade associations, technical societies and Government agencies active in standards work, it was obvious that a national clearinghouse for standards was necessary. Our national clearinghouse is the American Standards Association, which is generally referred to by the initials "ASA."

The ASA was organized in 1918 by five great engineering societies. It has developed into a federation of 106 national organizations.

The fourth, or international stage, is still in its early stages. There are now national standardizing bodies similar to the ASA in 30 countries. Two-thirds of these were organized during or immediately following World War I. Twenty-seven of them, including the ASA, are now banded together in the International Organization for Standardization.

GOVERNMENT'S USE OF STANDARDS

The Federal Government is interested in industrial standardization in two ways: First, as a purchaser, it is interested in an extraordinarily wide range of specifications for materials and apparatus; and second, through its great service and research bureaus, whose function is to serve industry and commerce, is interested in innumerable standardization questions.

You will all recall that the reports of the Hoover Commission and one of its task committees dealt extensively with the subjects of purchasing and specifications, and that many of these recommendations have already been enacted into law, including establishment of the Office of Administrative Services, which embodies the former Bureau of Federal Supply, from the Treasury Department.

One of the task-force recommendations was that both the military and civilian agencies of the Government should, in their standards-work, follow industrial practices more closely and should make extensive use of the work of the ASA and of technical and trade associations.

STANDARDS IN NATIONAL DEFENSE

It is a far cry from Eli Whitney's standard muskets to the unbelievably complicated problems of production and transportation of World War II. That war demonstrated that standards are of major importance in national defense.

No previous war had ever required the production of such vast quantities of materials. The total war effort absorbed nearly half of the national economy. The need for industry and Government to use and work to the same standards was unprecedented. Wherever industry was not accustomed to working to standards at least similar to those laid down by the Government, the resulting disruptions and misfires were extremely costly.

And there were a very great number of such situations.

Every Government order carries with it the specifications that define the gun, the tank, or the blanket that the manufacturer has to make. Each manufacturer—whether prime contractor or subcontractor—must control all his operations so that both the individual parts and the completed product will comply with the standards originally laid down as part of the order.

The following are examples of the confusion and dislocations which occurred as a result of there not being a comprehensive set of standards in use by Government and industry alike:

"There were thousands of smaller companies which participated little or not at all in the war production, but which could have done so had there been such a comprehensive system of national defense standards to which they were accustomed to work. This lay at the heart of the small-plant problem.

"The whole problem of subcontracting was enormously complicated by the lack of such a national system. It limited prime contractors in their choice of subcontractors, and made it necessary for them to spend much more time in educational and supervisory efforts than would otherwise have been necessary. For example, the prime contractor often had to redraw the specification drawings to accord with his own practices to which his engineering and production staffs were accustomed, and as a basis for his instructions to his subcontractors.

"The logistical problem was greatly complicated. For example, greater quantities of repair parts were manufactured and delivered to the theaters of war than would have been necessary had a comprehensive system of national standards been in use. This, in turn, complicated the transport, warehousing, and servicing operations, introducing confusion and waste."

Officers who are in a position to know will tell you that such a comprehensive system of standards would have saved not millions but hundreds of millions of dollars.

At one time the prevailing idea was that the Army and Navy each by itself, after consulting a few producers, should in peacetime lay down its specifications telling industry what it wants, and assuming that industry could produce the enormous quantities of material specified even in time of war.

Fortunately, broader concepts have been developed over a period of years and were greatly hastened by World War II. The newer idea is that there shall be standards which are acceptable to Government and industry generally.

THE AMERICAN STANDARDS ASSOCIATION

As I have already said, the American Standards Association is our national clearinghouse for standards. Over 500 national organizations are participating in its technical activities. Through it, a national consensus has been reached on more than 1,000 standards. These cover a wide field of industries—mechanical, electrical, metallurgical, mining, chemical, textiles, and others.

I am sure that no other organization has done as much in a concrete way as has the American Standards Association to keep the solution of problems arising in the day-to-day operating of industry within the free-enterprise system.

A series of American standards for the prevention of industrial diseases is being worked out through the voluntary methods of the ASA. This is being done with the full cooperation of the Federal and State health agencies which are contributing invaluable research work to the standards program.

A series of building-code standards is assisting city and State governments to modernize their building codes and to make much greater use of sound engineering principles, thus helping them to free themselves from commercial and political pressures.

One of ASA's earliest jobs was a program of uniform national safety codes for the protection of workers. At the time this work was started there were conflicting requirements among the regulations of State governments.

The standards developed under the procedures of the American Standards Association touch your daily life and mine in many ways. The color code for the red, amber, and green traffic lights to which you responded on the way to your office this morning was developed through the ASA. Perhaps some of you remember the confusion which existed not many years ago when the colors had different meanings in different regions. At that time, New Yorkers stopped their cars on Fifth Avenue on green, started them on amber, and red was a caution sign. This American standard is now in use throughout the world.

More recently, ASA work has entered the field of consumer goods, such as specifications for sheets and household appliances.

During the last war the American Standards Association did extensive work for the armed forces and for the War Production Board, and for the Office of Price Administration. At first this work was done without cost to the Government. Finally, as the work grew, nonprofit contracts were entered into under which the association was reimbursed for actual expenditures. I will mention only three examples:

At the request of the Army Ordnance Department, standards adapted to a wide range of industry were developed for the application of the then new method of quality control, based on the experience of the telephone industry. These standards gave a great impetus to the new method. The Government established schools to teach it to their inspecting officers and to further the use of the method in the armed forces and by industry. The methods are now in use in a wide range of important industries.

At the request of the Navy Department, a photographic exposure guide was developed which was carried by all photographically equipped vessels and airplanes of all of the armed forces.

At the request of the War Production Board, an extensive set of specifications for radio and radar components was developed. For the first time, the Army, Navy, Air Force, and manufacturers all cooperated in the development and use of unified standards.

The work of the association is guided by three simple principles:

First, every group substantially concerned with a standard is given the opportunity to participate in its development. For example, the committee in charge of the safety code for power presses contains representatives of 15 national organizations, including trade associations representing manufacturers of the equipment, employers, insurance groups, State and Federal Government agencies, and labor unions.

Second, each subject selected for standardization is sufficiently restricted in its scope so that it can be handled by a committee made up of representatives of the groups concerned—like a legislature organized along industrial lines.

Third, decisions are not made by simple majority vote, but instead every effort is made to thresh matters out so thoroughly that a decision is reached which is unanimous or nearly so.

Most ASA committees operate under the technical direction of one or more bodies having an outstanding position in the field.

Fifty agencies of the Federal Government are cooperating in ASA technical projects through 426 representatives.

A ROAD BLOCK AFTER 30 YEARS' COOPERATION

For 30 years, Government departments participated fully and at all levels in the work of the association. As the work of the ASA progressed, one Government activity after another sought or accepted member-body status until in 1947 there were 10 such Government member bodies—Navy, War, Commerce, Labor, Agriculture, Interior, Treasury, Federal Works Agency, Housing and Home Finance Agency, and the Government Printing Office.

In 1948 the member bodies decided to incorporate the ASA under the laws of the State of New York, but because of the nature of the organization to seek Federal incorporation through an act of Congress. Immediately before State incorporation, based on legal rulings by various departmental solicitors and counsel, each of the Federal Government activities withdrew from their member-body status on the ground that it had no authority to hold membership in a State-incorporated association. There was thus pulled from the structure of the ASA a solid group of 10 foundation stones. Further, certain of the Government departments have instructed their representatives on technical committees who have continued to participate in these important deliberations to act only in a liaison status and to cast no votes.

The ASA is thus faced with a road block preventing the full effective cooperation of the Government departments that had existed for 30 years. In the light of the legal rulings which have guided the action of the department and agency heads there seems no way of restoring Government activities to member-body status in the American Standards Association short of congressional action.

PURPOSES OF THE BILL

The bill which Senator O'MAHONEY and I are introducing has two major purposes: First, as I have already said, to make it clear that it is the policy of the Congress to encourage intimate and effective cooperation between the Federal Government and industry in the establishment of common standards acceptable and useful to both—in our peacetime economy and in preparation for defense; second, to provide a congressional charter for the ASA, and to authorize the Federal departments and agencies to make full use of the facilities of the association in cooperating with industry, labor, and consumer groups in matters having to do with standards.

Our bill complies with the provisions of Senate bill S. 1290, which was passed by the Senate on August 9, 1949.

For 30 years industry and Government have worked together, through the national clearinghouse—the American Standards Association—in developing national standards which have greatly benefited the national economy and aided immeasurably in national defense. To grant this association a Federal charter will strengthen this valuable work and will place the Congress on record as favoring the development of standards within the free-enterprise system through the cooperative efforts of all parties at interest—including Government.

The measure will cost the taxpayers nothing. It will save them money.

AMENDMENT OF RULE RELATING TO QUORUM OF COMMITTEES AND SUBCOMMITTEES

Mr. BRIDGES submitted the following resolution (S. Res. 180), which was referred to the Committee on Rules and Administration:

Resolved, That subsection (3) of rule XXV of the Standing Rules of the Senate is amended to read as follows:

"(3) (a) Except as provided in paragraph (b) of this subsection, each standing committee, and each subcommittee of any such committee, is authorized to fix the number of its members (but not less than one-third of its entire membership) who shall constitute a quorum thereof for the transaction of such business as may be considered by said committee, subject to the provisions of section 133 (d) of the Legislative Reorganization Act of 1946.

"(b) Each standing committee, and each subcommittee of any such committee, is authorized to fix a lesser number than one-third of its entire membership who shall constitute a quorum thereof for the purpose of taking sworn testimony."

EMMA SHEWELL

Mr. HENDRICKSON submitted the following resolution (S. Res. 181), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Emma Shewell, widow of Robert M. Shewell, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HOUSE BILL REFERRED

The bill (H. R. 6000) to extend and improve the Federal Old-Age and Survivors Insurance System, to amend the public assistance and child welfare provisions of the Social Security Act, and for other purposes, was read twice by its title, and referred to the Committee on Finance.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES—AMENDMENTS

Mr. ANDERSON submitted an amendment intended to be proposed by him to the bill (S. 2522) to stabilize prices of agricultural commodities, which was ordered to lie on the table and to be printed.

Mr. MAGNUSON. Mr. President, day before yesterday I offered an amendment which caused a great deal of discussion and controversy in the Senate in connection with the bill (S. 2522) to stabilize prices of agricultural commodities, and inasmuch as we shall probably have the bill before the Senate again very shortly I submit an amendment intended to be proposed by me to the bill along the same line, and ask that it be printed for the information of the Senate and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

ELEMENTARY AND SECONDARY SCHOOL CONSTRUCTION—AMENDMENT

Mr. MAGNUSON. Mr. President, I submit an amendment intended to be proposed by me to the bill (S. 2317) to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes, which will be before the Senate shortly.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

DETENTION OF AMERICAN VESSELS BY CHINESE NATIONALIST GOVERNMENT

Mr. IVES. Mr. President, as is generally known, I dare say, by Members of the Senate, two American-flag ships are now being held by the Chinese Nationalist Government off the coast of Shanghai, apparently for no legitimate reason whatever. This situation would seem to be utterly inexcusable. I call upon the State Department at this time to take such action as may seem appropriate in the circumstances, and not to delay in taking such action.

In this connection I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the text of a statement by the Isbrandtsen Steamship Co., which appears in this morning's issue of the Journal of Commerce of New York.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE FOURTH AND FIFTH AMERICAN SHIP

On September 29 our *Flying Independent*, an American ship in the far-eastern trade, radioed us that she and the *Flying Clipper*, both American-flag cargo liners in the far-eastern trade, had been halted by two Chinese gunboats, in international waters, on the China coasts, outside the Yangtze River.

The vessels now, 7 days later, and after having been ordered to shift about by the Chinese, are forcibly held under penalty of being sunk, should they proceed on their regular and lawful voyages. Much brandishing of arms has accompanied these orders.

Our Government has publicly declared that it does not recognize a purported blockade or interference with our trade with Chinese ports. Our calls there are in accordance with that policy and follow our company's regular round the world schedules in our determination to give service in our foreign commerce. The steamers had no difficulty entering Shanghai—they were stopped and after a courteous exchange of signals were advised it was in order for them to proceed to Shanghai. We looked for no further trouble.

But because of the uncertain situation in China, we had theretofore asked, as a prudent precaution, for naval escort from our forces continually in those waters, but our State Department would not allow it. Two days before we were ready to leave Shanghai we repeated our original request and received a similar answer.

There was a conference in the State Department last Friday, September 30, at which we were advised that the Department either had, or would, make inquiry as to the facts from Canton—the seat of the Nationalist Government.

We pointed out that the facts were on the table—the indignities heaped upon the personnel aboard the vessels, as reported by the many radio dispatches, should be enough for the Department to go on. But up until today—7 days after the occurrence—we have still not a thing from the Department other than that.

So crew members, totaling over 100 Americans, and passengers are now on the vessels, subject to the humiliation of being prisoners, and there is nothing of intelligence and no word of comfort that we can give them.

The 132 refugees put aboard at the instance of the Korean Government and the United States consul at Shanghai, in contemplation of a few days' journey to Korea, are likewise being subjected to the discomforts of the situation. These people include both women and children, also the Korean Ambassador.

But the State Department has plenty of time. Social functions and long week ends

must not be interfered with. There can be no excuse for such a length of time.

We have telegraphed to President Truman and said to him that it must be that the vessels are held there with the State Department's consent, for it is certainly within the power of the State Department to demand their immediate release, and if there should be difficulty therewith, to direct the dispatch of a destroyer to the spot. Our Government has ample forces in the vicinity.

As it is, the only comfort the vessels have received to date is from the occasional presence of British war craft. Whenever those are in sight, our captors are less belligerent.

We have restrained ourselves so far, not wishing to lend comfort to the other side by our apparent helplessness, but we now let our hair down. The situation on board both vessels is precarious and has been for several days.

It is not the first time within a comparatively brief space where the Department has shown its disinterest in what happens to American ships. The *Martin Behrmann* in Indonesia was seized and stripped of her cargo; the *Sir John Franklin* abused in Batavia—the *Flying Trader* boarded and stripped of her cargo in the Suez Canal—an international waterway.

The Department tell us, in effect, that they cannot bother with rascality. So, if this state of affairs continues, we shall have to arm ourselves somehow, to prevent piracy and banditry, or be in constant fear. For 7 days guns have been trained on our vessels, and from a destroyer they received from this country for nothing.

Mr. Acheson, we are waiting for your answer. Your Department treats these Americans and ships as if it was something abstract and as if the Department was a lawyer for the other side.

If the Government does not want us to call at China, we will not call at China, but you must say so, and you have not told us so.

By allowing conditions such as these to go on, Mr. Acheson, you are devaluing the United States.

ISBRANDTSEN.

THE AMERICAN FREE ENTERPRISE SYSTEM—ADDRESS BY SENATOR HENDRICKSON

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address delivered by Senator HENDRICKSON before the Colonial Life Insurance Co. annual convention at the Statler Hotel, Washington, D. C., September 23, 1949, which appears in the Appendix.]

THE DANGERS FACING THE UNITED STATES—ADDRESS BY SENATOR JENNER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address delivered by Senator JENNER, before the Federation of Women's Republican Clubs of Ohio, at Columbus, Ohio, September 30, 1949, which appears in the Appendix.]

USE OF ANTITRUST DIVISION OF THE DEPARTMENT OF JUSTICE TO TERRORIZE PHYSICIANS—STATEMENT BY SENATOR FULBRIGHT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a statement prepared by the American Medical Association protesting the use of the Antitrust Division of the Department of Justice in a campaign to "terrorize physicians into abandoning their opposition to compulsory health insurance," which appears in the Appendix.]

A RAINBOW OVER THE ALPS—ARTICLE BY REV. FREDERICK BROWN HARRIS

[Mr. THYE asked and obtained leave to have printed in the RECORD an article entitled "A Rainbow Over the Alps," by Rev. Frederick Brown Harris, Chaplain of the Senate, from the Washington Sunday Star of September 25, 1949, which appears in the Appendix.]

SUMMARY OF RURAL LIFE CONFERENCE BY THE WISCONSIN AGRICULTURIST AND FARMER

[Mr. WILEY asked and obtained leave to have printed in the RECORD a summary, published in the Wisconsin Agriculturist and Farmer of October 1, 1949, of the various topics discussed at the recent rural life conference, which appears in the Appendix.]

EDUCATION'S PLACE IN REORGANIZATION PLANS—ARTICLE BY EDGAR FULLER

[Mr. MORSE asked and obtained leave to have printed in the RECORD on article entitled "Education's Place in Reorganization Plans," written by Edgar Fuller, executive secretary, National Council of Chief State School Officers, and published in the Washington Post of August 27, 1949, which appears in the Appendix.]

THE FARM PROGRAM

[Mr. ANDERSON asked and obtained leave to have printed in the RECORD a newspaper article entitled "Bills Get Graham's Support," which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF ERNEST W. GIBSON TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF VERMONT

Mr. KEFAUVER. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, October 13, 1949, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Ernest W. Gibson, of Vermont, to be United States district judge for the district of Vermont, vice Hon. James P. Leamy, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Tennessee [Mr. KEFAUVER], chairman, the Senator from North Carolina [Mr. GRAHAM], and the Senator from North Dakota [Mr. LANGER].

LEON MOORE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 627) for the relief of Leon Moore, which was to strike out all after the enacting clause and insert:

That, in the administration of the immigration and naturalization laws, the Attorney General shall not consider as applicable to Leon Moore (a) the provisions of (1) the act relating to certain excludable classes of aliens approved October 16, 1918, as amended (U. S. C., 1940 ed., title 8, sec. 137), and (2) sections 3 and 19 (a) of the Immigration Act of February 5, 1917, as amended (U. S. C., 1940 ed., title 8, secs. 136 and 155 (a); Supp. V, title 8, sec. 155); and (b) the provisions of section 305 of the Nationality Act of 1940 (U. S. C., 1940 ed., title 8, sec. 705).

Mr. BRIDGES. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

DEATH OF ROBERT E. HANNEGAN

Mr. KEFAUVER. Mr. President, I know that all Members of the Senate have been shocked to learn of the death of Hon. Robert E. Hannegan, former chairman of the Democratic National Committee and former Postmaster General. I could not let this moment pass without saying a word of tribute to the life and character of this distinguished American. Mr. Hannegan served his Nation and his party well. He was a strong partisan, but always fair, a hard worker, a good father, and a man of fine character. I know that we all regret his untimely passing.

Mr. LUCAS. Mr. President, one of the most vigorous figures in American life has passed away, and many Members of the Senate have lost a fine friend. I know that many of my colleagues on both sides of the aisle will share my feeling of shock at the sudden death of Robert Hannegan, former Postmaster General, and former chairman of the Democratic National Committee.

Mr. President, it was my good fortune to meet Bob Hannegan in 1940. I journeyed to St. Louis, Mo., and drove from St. Louis to Moberly, where I opened the campaign for the present President of the United States, who was then running for the United States Senate. From that time until last Saturday night Bob Hannegan and I have been close and intimate friends. Only last week I had the privilege of spending a convivial evening with Bob Hannegan at a dinner given in honor of the new Attorney General, J. Howard McGrath, and Tom Clark, Associate Justice of the Supreme Court. It was a pleasure to see him, to talk with him, to enjoy the warmth of his genial personality. It was always valuable and memorable to be in the company of Bob Hannegan.

He was a fighter. He had strong beliefs, and he entered with great zest and great gusto into many battles. He loved the demanding, rough-and-tumble game of American politics. Like all of us, he lost some of his battles. But he had the gift of being a good loser as well as a good winner. He was a gentleman and a sportsman.

During his term of service as head of the Democratic National Committee, he did much to inspire the staff of the committee to pour their energies into the cause of the Democratic Party. He traveled from one end of the country to the other, tackling party problems, settling the disputes that always arise in any vital organization, and challenging political leaders to meet the issues of our times squarely and forthrightly.

He had a great many friends, and I am proud that I had the opportunity to be one of them. He impaired his health by his strenuous labors, and now he has gone to his final rest. He served his country and the American people, and he won the admiration and affection he deserved.

We shall miss him, Mr. President, in the years to come. We shall miss his strength in the battles of the future. We shall never forget him.

I send to his beloved wife and his lovely children my deepest sympathy in their hour of trouble.

Mr. ANDERSON. Mr. President, I wish to express my own great admiration of the fine character and lovely friendship of Bob Hannegan. His

friendship was extended to many, many people, but certainly to no one who appreciated it more than did I at a time when I really needed it. There never was a time when I could not call Bob Hannegan and have him immediately respond, and I appreciated that, indeed.

The word of his passing arouses a very deep feeling of sorrow on my part, as I am sure it does to people all over America who loved him and valued his friendship as I did.

Mr. DONNELL. Mr. President, Robert E. Hannegan, who was born and lived in St. Louis, and whose death occurred today, attained distinction both politically and officially. He has left many friends who mourn his departure. My sympathy is respectfully extended to his sorrowing family.

Mr. KERR. Mr. President, I have just learned of the passing of Robert Hannegan, former Postmaster General, former chairman of the Democratic National Committee, former Commissioner of Internal Revenue.

It is indeed tragic that one so young and yet so useful could not have remained longer in a national environment to which he had made such notable contributions.

Few men have loomed as large in brilliance of mind, integrity of purpose, and influential leadership as did Robert Hannegan.

He was the trusted and valued associate of the immortal Franklin Roosevelt. He, more than any other American, was responsible for preventing the nomination of Henry Wallace and for the selection of Harry S. Truman as Vice Presidential nominee of the Democratic National Convention in 1944. Thus he, more than any other American, made it possible for this Nation and the world to have the courageous and enlightened leadership of our beloved President in the closing and victorious months of World War II, and in the constructive postwar period following victory in that struggle.

Robert Hannegan loved his party and gave it unexcelled service and leadership. Likewise he loved his country with a deep and boundless devotion, and enriched that country with the excellence and abundance of his talents which he devoted so unselfishly.

Robert Hannegan was a great father, a devoted husband, and a patriot of the highest order.

I share the grief of the countless friends who knew and loved him. I, too, feel the loss of which so many are so keenly conscious.

I pay tribute to one whose services to friends and country will never be forgotten—whose memory will remain forever fresh in the minds of those who knew and loved him.

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT OF 1945

The Senate resumed the consideration of the bill (H. R. 4708) to amend the United Nations Participation Act of 1945.

Mr. CONNALLY. Mr. President, the pending bill is the House bill H. R. 4708, providing for certain amendments to the United Nations Participation Act of 1945. The Senate passed a similar bill last year, and the House has passed a bill. In the interest of expediting action we thought it advisable to take up the House bill. There is very little, if any, difference between the two measures. There are some textual differences, but none of any great consequence. I invite the attention of the Senate to a very brief statement regarding the bill and its implications.

Mr. President, we have before us today an important bill which is designed to strengthen our working relations with the United Nations. I refer to the bill to amend the United Nations Participation Act. There is, I think, nothing controversial about the measure. It was passed by the Senate last year, with one major exception, in substantially its present form. Due to the pressure of legislative business at the end of the session, however, it failed to pass the House of Representatives. This year the Foreign Relations Committee considered the bill again and reported it unanimously on June 16. On July 20 a similar bill was approved by the House, and it is the House bill to which I invite attention.

In general, the amendments have two main objectives. First, to add greater flexibility to the United States representation on the Security Council and to strengthen our representation to meet the increased volume of work handled by our mission at Lake Success. Second, to clarify the authority of the President to authorize the detail to the United Nations of a limited number of personnel of the armed services for noncombatant purposes and the furnishing of certain equipment and assistance in connection with the activities of the United Nations. These personnel cannot take part in any combat operations. They are merely to aid the commissions of the United Nations in various countries which I shall enumerate a little later. Where we have military personnel in certain areas, some of them will be detailed to aid the commissions in the peaceful settlement of international disputes, without the employment of arms, and without operating in any way in a combatant capacity.

Let us consider each of these objectives briefly. At the present time our country is represented on the Security Council by our principal representative to the United Nations and a deputy representative to the Security Council. Our principal representative is former Senator Austin, who sits on the Security Council. Apart from the President and the Secretary of State, only these two officials have the authority to sit for the United States. In practice this arrangement has resulted in serious difficulties. The work load at Lake Success has been greatly increased and the Security Council has been meeting more frequently than was originally expected.

Last winter in Paris both the representative and the deputy representative for Security Council matters were ill at the same time. The United States was thus left for some time without any permanent representative authorized to deal with high-level matters in the Security Council.

I should also point out that our representative at Lake Success is responsible for developing over-all policies and programs with respect to the United Nations. Consequently, we must free him from the necessity of attending some of the meetings of the Security Council so that he can find the time and energy to perform his other functions.

For these reasons, the amendments would provide for the creation of a new post of deputy representative of the United States to the United Nations. This deputy would be authorized to act for our representative in all his various functions. He would rank as an ambassador and, together with our chief representative, would be paid in an amount commensurate with the salaries paid to our diplomatic representatives abroad. The deputy representative would also be entitled to represent the United States on any organ of the United Nations and to perform such other functions in this connection as the President may from time to time direct. The committee strongly believes this provision is a desirable one, in that it will permit both the representative and his deputy to assist, if necessary, in connection with various important meetings held at Lake Success. The deputy could sit on any of the subordinate commissions or committees under the United Nations.

As the bill stands now, our representative at Lake Success would be assisted by his deputy representative to the United Nations and by a second deputy who would have the authority to represent the United States on the Security Council in the event of the absence or disability of the other two. The President would also be empowered to designate an officer of the State Department, whose appointment is subject to senatorial confirmation, to sit on the Security Council in the absence of the representative or his deputies, or whenever it is of particular advantage to the United States.

These provisions, Mr. President, constitute a great improvement over the original bill, which was far too narrow in its scope.

The second major amendment is designed to facilitate participation by the United States in the activities of the United Nations relating to the peaceful settlement of disputes between nations. As Members of the Senate well know, there are at present some five field commissions of the United Nations performing important tasks in connection with particular disputes. They are the Special Committee on the Balkans; the Commission for India and Pakistan, dealing with the Kashmir situation; the Commission for Indonesia; the Palestine Commission; and the Commission on Korea. We believe these commissions are performing highly valuable functions and that we should encourage their work wherever possible. These commissions, in their local operations, in their investigations of local situations, require transportation and communication facilities in order to enable them to carry out their functions properly.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. SCHOEPPEL. I should like to ask the distinguished Senator from

Texas whether the respective nations, through their agencies in those foreign countries, assist the commissions by way of transportation, personnel, and so forth.

Mr. CONNALLY. I hold in my hand a copy of the committee report. It reveals that although the United States has furnished more of such equipment and assistance than other nations have, yet other nations have cooperated in a very satisfactory manner. Those contributions are as follows:

UNITED NATIONS PALESTINE CONCILIATION COMMISSION

France: 250 personnel, 1 corvette with crew.
Belgium: 100 personnel.
Great Britain: 4 aircraft without crew, 50 jeeps, 20 trailers, 2 staff cars, some communications equipment, some medical supplies.
Turkey: 1 aircraft with crew.

UNITED NATIONS COMMISSION FOR INDONESIA

Australia: 15 officers, 1 aircraft with crew.
Belgium: 5 officers.
China: 5 officers, 1 aircraft with crew.
France: 5 officers.
United Kingdom: 11 officers, 1 aircraft with crew.
Netherlands: 10 jeeps.

UNITED NATIONS SPECIAL COMMITTEE ON THE BALKANS

Brazil: 2 officers.
China: 3 officers.
France: 6 officers.
Mexico: 3 officers.
United Kingdom: 12 officers.
Netherlands: 2 officers.

UNITED NATIONS COMMISSION FOR INDIA AND PAKISTAN

Canada: 4 officers.
Belgium: 5 officers.
Mexico: 6 officers.
Norway: 4 officers.

So the Senator from Kansas will observe that other nations have made officers and personnel available to the various commissions.

Mr. SCHOEPPEL. I thank the Senator.

Mr. CONNALLY. These commissions also require the assistance of military observers to report on truce and boundary observance, but none of them are to take any part in combat. They are simply military personnel who are available to observe and advise the various commissions on the work they are undertaking to perform. The commissions also require certain personnel for communications and transport and for guard duty, to guard the property and guard the lines of communications, and so forth. Clearly it would not be advisable or desirable for the United Nations to keep on hand all the equipment which might be required or to hire permanently all the technical personnel which the United Nations might need in connection with the work of these commissions. Our own Government, which bears approximately 40 percent of the expenses of the United Nations, would be the first to oppose such a wasteful procedure.

Up to the present time personnel and equipment have been supplied by various governments for the work of the different commissions. The United Kingdom, France, the Netherlands, China, Australia, and Turkey have furnished considerable equipment; and personnel has been detailed by a number of United Nations members.

While the United States has been contributing to these operations, our legislative authority to do so needs clarification. That is one of the purposes of this bill namely, to give statutory recognition to these matters. Under existing law, the personnel and the equipment we make available cannot be assigned to the United Nations, but must be assigned to a United States military or diplomatic officer. Thus, technically, a vehicle so assigned could be used only by an American officer and driven by American personnel. That involves a good many difficulties, since it might be necessary for other members of the commission besides Americans to use the equipment which we make available. So this bill, if enacted, will permit the making of such details to the commission itself.

Moreover, it is desirable to make clear the right of United States personnel assigned to the United Nations to accept the per diem and other allowances which the United Nations is prepared to pay. Under the present conditions, that would not be allowable; but since the United Nations does make these allowances, we wish to authorize our representatives in proper cases to accept such allowances of per diem and extraordinary expenses.

In brief, therefore, section 7 of the bill is designed to clarify the authority under which services and supplies may be made available to the United Nations, so as to eliminate any question regarding control, the right of personnel to receive allowances, and the right of our Government to seek reimbursement. The question of reimbursement, as covered in the bill, is not mandatory, but is left to the discretion of the President; and in any case in which he thinks we should be reimbursed, he may make reimbursement a condition for making the services and supplies available to the United Nations, so that the United Nations will repay us for the expenses of the personnel and equipment which we supply.

It has been pointed out that that particular provision might save us $200,000 or $300,000 per year in reimbursements. Of course, I am not prepared to give the technical details as to every item; but the fact that we can secure reimbursement, which we are not securing now, would make this provision operate as a saving, rather than as an expenditure.

I emphasize again that the bill relates to noncombatant activities and limits to 1,000 the number of United States military personnel which may be detailed to the United Nations at any one time. In other words, the 1,000 includes personnel detailed to all the commissions. The total must not exceed 1,000—enlisted men, officers, and so on.

The bill also makes adequate provision for the loan to the United Nations of the fair share of the United States of any supplies and equipment needed in connection with the activities of the field commissions. In other words, if there is a territory or an area in which the United States has some of this equipment, such as communication equipment, automobiles, and trucks, we may supply our fair share, which is to be determined by the President of the United States. No combat equipment would be supplied under this section. The equipment contemplated includes transport and communications equipment used by the armed forces.

Mr. President, the committee approved to the Senate bill a few minor amendments which are designed to clarify the provisions relating to civil-service classification laws and related matters. They are detailed in nature and quite technical. I shall not go into them, but they are set forth clearly and at ample length in the report of the committee and of the House Committee on Foreign Affairs.

Mr. President, I hope it will be possible for the Senate to take speedy action. The Foreign Relations Committee and the Senate have strongly and consistently supported the work of the United Nations since its inception. But the road to world peace is rough and full of detours, and we wish to make certain that our working relations with the United Nations are as effective as possible. At the present time our mission at Lake Success is working under serious handicaps. The passage of the present bill will eliminate some of those handicaps and enable the mission to carry on its important work in a more effective manner.

Mr. President, the Senate last year passed this bill. The House, however, was unable to get it through before adjournment. In the meantime, the House has passed the bill now before the Senate. The Senate Foreign Relations Committee reported its own bill. There is very little difference between the two measures, in the nature of certain technical amendments only. We think it would be desirable to pass the House bill rather than the Senate measure. It was reported by the Foreign Relations Committee by a unanimous vote. I do not remember the exact vote, but it was passed without serious objection. I very earnestly trust we may pass the measure and let it become a law.

Mr. President, our representative on the United Nations, former Senator Austin, has performed with prodigious toil and labor a great duty and a great task, but he has been seriously embarrassed in not having deputies available when it was necessary for him to sit on the Security Council and to perform his other functions. As indicated in my remarks heretofore, at Paris last year when the Security Council was in session neither Senator Austin nor his deputy were available for a time because of illness. One of the chief purposes of the bill is to provide Senator Austin with a deputy who may sit on the Security Council when Senator Austin is not available, and who may in addition to that sit on the subsidiary commissions when necessary, in order to free Senator Austin from a great deal of the detail, and allow him to perform the high duties connected with policy matters and other matters of high moment.

Mr. LODGE. Mr. President——

Mr. CONNALLY. Does the Senator want me to yield, or does he want the floor?

Mr. LODGE. I merely wanted to express a word of agreement with what the Senator has said.

Mr. CONNALLY. I thank the Senator. I yield the floor to him.

Mr. LODGE. Mr. President, I should like to say a few words in agreement with what has been said by the Senator from Texas, chairman of the Foreign Relations Committee, regarding the pending measure. The committee considered the bill at some length, and I think I was present at all the hearings. It seemed to me that a very convincing case was made for the need of legislation which would define and regularize the use of military personnel, and which would provide the staff and the assistance which would enable our representatives at the United Nations to function effectively.

There is really no excuse for a great nation such as the United States not having sufficient personnel and not having its efforts organized in such an important world organization as the United Nations, so that the viewpoint of the United States and the interest of the United States can at all times be presented with the utmost effectiveness.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. LODGE. I yield.

Mr. CONNALLY. The Senator says it is of the utmost importance that we have sufficient personnel. We not only ought to have sufficient personnel but we ought to have men of high caliber. It should be unnecessary to call in clerks or persons of second rank in the Government. Does not the Senator agree with that view?

Mr. LODGE. Yes; I think that is true. I do not believe we ought to regard the United Nations as something that is of transient or emergency character, and be in a situation where, if one of our leading representatives becomes ill, we shall have to rush in someone at the last minute. I think we ought to regard the United Nations as a permanent institution, and that our participation in it is a long-range affair, and that we ought to have representatives with the necessary qualifications who are ready to carry the full load of the work without anyone being overworked, and without being pushed and driven as hard as has been necessary in the past year or two.

I think the bill is well worked out, that the wording of it is accurate and definite. I hope the Senate will pass it.

The VICE PRESIDENT. The bill before the Senate is open to amendment. If there be no amendment, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 2093 is indefinitely postponed.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Butler	Cordon
Anderson	Chapman	Donnell
Baldwin	Chavez	Douglas
Bridges	Connally	Downey
Eastland	Kefauver	Mundt
Ecton	Kem	Murray
Ferguson	Kerr	Myers
Fulbright	Kilgore	Neely
George	Knowland	O'Mahoney
Gillette	Langer	Pepper
Graham	Leahy	Robertson
Green	Lodge	Russell
Gurney	Long	Saltonstall
Hayden	Lucas	Schoeppel
Hendrickson	McCarthy	Smith, Maine
Hickenlooper	McClellan	Stennis
Hill	McFarland	Taft
Hoey	McKellar	Taylor
Holland	McMahon	Thomas, Okla.
Humphrey	Magnuson	Thomas, Utah
Hunt	Malone	Thye
Ives	Martin	Watkins
Jenner	Maybank	Wherry
Johnson, Colo.	Miller	Wiley
Johnson, Tex.	Millikin	Williams
Johnston, S. C.	Morse	Young

The PRESIDING OFFICER. (Mr. DOWNEY in the chair). A quorum is present.

FARM LEGISLATION

Mr. LUCAS. Mr. President, I wish to make an announcement. As a member of the Committee on Agriculture and Forestry I attended a meeting of the committee this morning, in line with the instructions laid down by the Senate on the recommittal of the so-called Anderson farm bill. The bill was considered by the committee, and we have reported another bill.

As I understand the parliamentary situation, we will be in a position to take up the bill tomorrow if it is reported today. I gave the information to some Senators that we would not take up the farm bill until Monday, but the Committee on Agriculture and Forestry was unanimous in its request that the majority leader have the bill taken up tomorrow, starting at 11 o'clock, believing that within 3 or 4 hours we can pass it, because there are only two controversial amendments, one dealing with tobacco, offered by the distinguished Senator from Kentucky [Mr. CHAPMAN], and the other the very highly controversial amendment which was offered by the Senator from Georgia [Mr. RUSSELL] and the Senator from North Dakota [Mr. YOUNG].

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. As I understand, if the bill shall be reported today, it can be brought up tomorrow only by unanimous consent. Is not that correct?

Mr. LUCAS. I was under the impression that if it were reported today it would be necessary for it to lie over for just 1 day.

The PRESIDING OFFICER. The Chair is advised that if the Senate adjourned today the bill could be taken up tomorrow. If it recessed, the bill would have to go over a legislative day upon objection to its consideration. Does the majority leader submit a request for unanimous consent?

Mr. LUCAS. I should like to do that. We can do one of two things, we can take the bill up by unanimous consent, but if we cannot get consent, of course we can adjourn over, and after the morning hour tomorrow I understand we can take the bill up.

I ask unanimous consent now that tomorrow——

Mr. SALTONSTALL. Mr. President, sitting in the place of the minority leader at the moment, I hope that the Senator from Illinois will not make the request at this moment, in order that I may be able to consult with some of those on this side who are more interested in the bill than I am.

Mr. LUCAS. I shall withhold the request, under the statement made by the Senator from Massachusetts.

Mr. SALTONSTALL. Is it the Senator's idea to take the bill up tomorrow at the opening of the session, regardless of whether or not the debate has been concluded and the results have been reached on the matters then pending? In other words, does he propose to ask that the unfinished business be supplanted?

Mr. LUCAS. The Senator is exactly correct. We are going to take up the farm bill tomorrow, the primary reason being that we hope to finish it tomorrow night and get it into conference, with a view of having a conference report submitted as soon as possible, so that the Senate may adjourn without any question.

Mr. SALTONSTALL. Would the Senator be willing to set a time at which he would make the unanimous-consent request so that I could make certain of the presence of Senators on this side who are interested in the farm bill?

Mr. LUCAS. I do not know how it would be possible to have any more present, other than through a quorum call, which we just had. That was why I was making the unanimous-consent request. But I shall be glad to delay it until the Senator can talk to Senators on his side who are on the Committee on Agriculture and Forestry; but later I shall make the request.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Georgia.

Mr. RUSSELL. I merely wish to ask the majority leader whether the Senator from North Dakota [Mr. YOUNG], who is a member of the Committee on Agriculture and Forestry, was informed of the fact that the Senator was about to make this request.

Mr. LUCAS. I do not say that he had knowledge I was going to make the request, but he did agree that we should take the bill up tomorrow, which means practically the same thing.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. Did I correctly understand the Senator to say that if the unanimous consent was not granted, the Senate would adjourn and not take a recess, and that he would move to have the bill considered because of the necessity of getting it into conference?

Mr. LUCAS. The Senator is correct. That is the real, basic reason for not putting it over until Monday.

Mr. MAYBANK. I thank the Senator.

STRATEGIC ORES, METALS, AND MINERALS

Mr. LUCAS. Mr. President I move that the Senate proceed to the consideration of Senate bill 2105, Calendar No. 967.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, after line 4, to strike out down to and including line 8 on page 7, and insert:

SEC. 2. (a) It is the policy of the Congress that every effort be made to stimulate exploration for and conservation of strategic and critical metals and minerals and other essential metals and minerals by private enterprise to supply the industrial, military, and naval needs of the United States, and that every effort be made to encourage the development and maintenance of sources of these metals and minerals within the United States in order to decrease and prevent, wherever possible, a dangerous and costly dependence by the United States upon foreign nations for supplies of such materials. To this end it is the further policy of the Congress that every effort be made to maintain a sound and active mining industry within the United States; to expand exploration for those ores and other mineral substances which are essential to the common defense or the industrial needs of the United States; and to prevent the discontinuance of mine operations under such circumstances as to make it probable that production would not or could not be resumed when needed for the national economy or security.

(b) In carrying out these policies small mining enterprises shall be encouraged to apply for aid under this act, and for this purpose the Secretary of the Interior shall provide small mining enterprises with full information concerning this act, and shall make special provision for expeditious handling of applications from small mining enterprises.

SEC. 3. A minerals Conservation Board, consisting of the Secretary of the Interior, the Secretary of Defense, the Secretary of Commerce, and the Secretary of the Treasury, is hereby established. The Secretary of the Interior shall be the executive chairman of the Board. The members of the Board may delegate their powers, functions, and duties, including those relating to appeals, to suitable officers of their respective agencies.

SEC. 4. To carry out the policy of this act, the Board shall by regulation determine—

(a) the amount of appropriated money to be allocated to the aid of exploration, on the one hand, and to the aid of conservation, on the other hand;

(b) the amount of appropriated money to be allocated to the aid of exploration for any metal or mineral or group of metals or minerals, as specified by the Board;

(c) the amount of appropriated money to be allocated to the aid of conservation of any metal or mineral or group of metals or minerals, as specified by the Board;

(d) the maximum price or the minimum price, or both, which may be paid for the purchase of any metal or mineral for conservation: *Provided*, That adequate allowance shall be made for depletion and depreciation in computing costs of operation or maintenance;

(e) the maximum amount or the minimum amount, or both, which may be paid on account of participation in the costs of maintenance for conservation with respect to any metal or mineral;

(f) the maximum amount or the minimum amount, or both, which may be paid to any producer or class of producers on account of exploration for any metal or mineral or group of metals or minerals, and the ratio which the Government's contribution for exploration shall bear to the contribution of any producer or class of producers for exploration;

(g) the particular metals or minerals or ores thereof and specifications therefor that shall be eligible for aid for conservation;

(h) the particular metals or minerals that shall be eligible for aid for exploration; and

(i) the time limits or dates within which contracts for aid for conservation shall terminate.

SEC. 5. (a) The Board shall promulgate such rules and regulations as may be necessary to carry out its functions and duties under this act, and to provide fair and equitable treatment for all applicants for aid.

(b) The Secretary, subject to the rules and regulations of the Board, may prescribe rules and regulations for carrying out the provisions of this act and which must be complied with by applicants for contracts under the provisions of this act.

(c) The Secretary may delegate any of his functions under this act.

(d) All rules and regulations issued under the authority contained in this section shall be published in the Federal Register.

SEC. 6. (a) Any producer may file with the Secretary an application for financial aid in carrying out a specified project for exploration or financial aid to conserve a deposit of ores or minerals. An application to conserve may be either for aid by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from such deposit. The application and the project for aid disclosed by the application must conform to the express policy and provisions of this act and with the rules and regulations of the Board and of the Secretary: *Provided, however*, That simple contracts covering exploration projects shall be awarded upon application to small base metal mines and such contracts shall provide for the payment by the United States of one-half of the total reasonable costs of all tunnels, shafts, winzes, and raises in such a mine if the application discloses that there is a reasonable promise of developing unknown or undeveloped sources of metals or minerals.

(b) The Secretary shall cause qualified mining engineers, geologists, and any other necessary technicians to make examination of and to report on each application, and to certify it to the Secretary either for acceptance, as presented or subject to specified modifications, or for rejection. In the case of a project for exploration, the examining experts shall certify whether the project offers reasonable promise of discovering unknown or undeveloped sources of metals or minerals. In the case of a project for aid to conserve a deposit of ores or minerals, either by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from each deposit, the examining experts, considering economic and practical factors, shall certify whether the project offers reasonable promise of maintaining in stand-by condition or in production, as the case may be, a property the production from which would in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances as to make it probable that for economic or technical reasons such production would not or could not be resumed when needed for the national economy or security.

(c) The Secretary shall either accept and approve the application, subject to any modification therein which he may require, or he shall reject it: *Provided*, That if the Secretary's action on the application conflicts with the recommendation and certification of examining experts, he shall refer the application to the Board; and the Board shall either confirm and approve the action of the Secretary, or shall reverse it, or shall direct the Secretary to reconsider it. Confirmation or reversal of the Secretary's action by the Board shall be final, and direction to reconsider shall place the application in the same status it was in before action upon it by the Secretary. If the Secretary accepts the application, either in its original or modified form, the terms of the application and acceptance shall be merged in a formal, written contract. Any applicant who is dissatisfied with the decision of the Secretary upon his application, may at any time within 30 days after receipt of notice of the decision, unless further time is granted by the Board, appeal to the Board, and the Board as expeditiously as possible, shall review the entire matter, make its findings thereon, and notify the applicant of its decision, which shall be final.

(d) All metals or minerals purchased under the provisions of this section, or such equivalent quantities thereof as may be permitted by the contract with the producer, shall be delivered by the producer to and shall be received by the Administrator of General Services at such places and times as may be provided in the contract. The Administrator shall from time to time, and in any event before selling them in the open market, notify the Munitions Board of the inventory of metals or minerals held by him under the provisions of this act and shall continue to hold all metals or minerals received by him under this act until at least 60 days after he has given the Munitions Board notice that they are so held. The Munitions Board may, as long as any such metals or minerals are held by the Administrator, (1) direct the Administrator to transfer any of them to the national security stock pile in accordance with the provisions of the Strategic and Critical Materials Stock Piling Act, as amended (53 Stat. 811, 60 Stat. 596), or (2) within 60 days after such notice from the Administrator direct him to hold any such metals or minerals listed in the notice until 60 days after the next succeeding appropriation for purchases for the stock pile has become available. Unless notified by the Munitions Board to either transfer any of such metals or minerals or to continue to hold them as provided in this subsection, the Administrator shall sell them in the open market if and when open-market prices will return to the Government at least the price paid by the Government for the metals or minerals, and only in such quantities as will not depress the market. No metal or mineral shall be transferred into the national security stock pile under the provisions of this act unless the material has been found to be strategic and critical as provided in the Strategic and Critical Materials Stock Piling Act, and meets established specifications as to quality and degree of refinement or processing, and unless such transfer is consistent with the current stock-piling procurement program of the Munitions Board. All moneys received by the Administrator of General Services from such sales in the open market shall be for deposit in miscellaneous receipts of the Treasury, and any transfer of metals or minerals to the national security stock pile shall be covered by a transfer of funds from appropriations available for purchases for the stock pile to miscellaneous receipts of the Treasury in amounts approximating what the costs of the metals or minerals would have been if purchased in the open market at the time of transfer.

(e) All contracts entered into under the provisions of this section—(1) shall contain an express provision that they are subject to the availability of appropriated money; and (2) may be entered into without regard to sections 3648 and 3709 of the Revised Statutes, as amended, or other provisions of law prescribing the manner of making contracts on behalf of the United States.

(f) No contracts shall be entered into under the provisions of this section for a

period exceeding 2 years or after the expiration of 3 years from the effective date of this act.

SEC. 7. As used in this act—

(a) "Secretary," standing by itself, means the Secretary of the Interior.

(b) "Administrator" means the Administrator of General Services.

(c) "Board" means the Minerals Conservation Board.

(d) "Exploration" means exploration in the United States for unknown or undeveloped sources of metals or minerals, including extensions of known deposits, conducted from the surface or underground, by surface trenching, core or churn drilling, tunnels, raises, winzes, or shafts, including recognized and sound procedures for obtaining pertinent geological information, and including metallurgical research on processes for the production of such metals or minerals.

(e) "Production" means the production of ores or minerals from mines in the United States, or from tailings, dumps, slags, or residues of such mines, which the Secretary determines would, in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances with respect to each particular mine as to make it probable that for economic or technical reasons such production would not or could not be resumed promptly when needed for the national economy or security.

(f) "Small base metal mines" means mines or deposits of ores producing or which in the course of conducting an exploration project produce lead, zinc, or copper ores, or ores containing a combination of such metals, the average aggregate monthly production of which does not exceed 100 tons of lead, zinc, and copper metal combined.

(g) "Producer" means any person or persons or legal entity by whom or for whose account and interest exploration, maintenance, or production is to be or is being performed.

(h) "United States," when used in a geographical sense, means the United States and its Territories and possessions.

SEC. 8. This act shall not be construed as superseding or amending the Atomic Energy Act of 1946 (60 Stat. 755), as amended.

SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the provisions of this act, including payments to producers for exploration, maintenance, and production, and the costs of administration, such funds to remain available until expended.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. O'MAHONEY. Mr. President, before the committee amendment is acted on, it will be my purpose to offer certain perfecting amendments by the authority of the Committee on Interior and Insular Affairs.

Prior to doing that, I wish to make a brief explanation of what the committee conceives to be the essential need of the enactment of the proposed legislation.

It is not too much to say, Mr. President, that the industrial and military potential of any nation is in direct relation to its strength in minerals. The experience of the world in World War I and in World War II amply proves that war power and industrial power are one and the same thing. It was the ability of the people of the United States, through their industrial organizations and their political organizations, to mobilize the national resources of this Nation that made it possible for us in both of those two great conflicts to stem the tide of tyrannical aggression.

The sad fact, however, Mr. President, is that our mineral resources are now scattered broadcast throughout the world as a result of their utilization in carrying on the two wars. Minerals which were dug out of the mines of the United States have been transported across the seas and they are scattered all over the geography of the World in the explosions incident to war. They have been sunk in the sea. There is not a sea nor a continent in which our mineral resources have not been expended in warfare. Prior to these two great wars we were expending them in building up our industrial potential.

It now appears, Mr. President, however, that experts in the mineral field throughout the world recognize the fact, and agree upon it, that the mineral resources of the whole world have been used to an extraordinary degree, and that the time has come when we must pay vigorous attention to the development of new sources of these great minerals. If the United States does not do that, if we should allow our resources of minerals to remain unexplored and undeveloped while those of other nations of the world were being explored, developed, and utilized, we might easily lose our place of leadership.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. I should like to ask the Senator two questions. My first question is: Was this bill reported from the committee unanimously?

Mr. O'MAHONEY. It was reported by the committee unanimously.

Mr. LODGE. My second question is: Can the Senator give us some idea of the possible cost of this proposed legislation?

Mr. O'MAHONEY. It was the estimate of the committee that this project probably would not cost more than $90,000,000 in a year, but the bill is limited to 3 years, and it is provided that no contracts with any mine shall be made for more than 2 years.

I will say to the Senator from Massachusetts that the measure was worked out after many conferences between members of the committee, the officers of the Bureau of the Budget, the officers of the Bureau of Mines, and the officers of the General Services Agency, the procurement agency of the Government. It represents what the committee and the executive branch together feel is a very practical plan to produce tangible results without waste of the moneys of the United States.

Mr. LODGE. I thank the Senator.

Mr. O'MAHONEY. The Senator is quite welcome.

I was impressed, Mr. President, by the fact that during the recent United Nations conferences at Lake Success early in July, Dr. D. N. Wadia, director of the bureau of mines of the Government of India, recognized the same situation which I have been briefly describing, and pointed out that in war the world has been using up its mineral resources. He said, according to the release which was handed to the press at Lake Success:

> Since 1914 more basic metals have been used up, a large part either destroyed or irreclaimably locked up, than during the whole of human history * * *. The lesson of metal depletion from the accessible parts of the earth's crust should be taken as nature's grim warning that man is spending away a prime treasure which is non-replenishable.

He went on to say:

> The critical shortage in metals is most seriously felt up to now only with respect to tin, lead, and zinc, but signs are apparent that assessible deposits of copper, nickel, manganese, wolfram, and antimony are diminishing and new discovery is not keeping pace with demand. The situation, though general for the whole world, is becoming acute in the Western Hemisphere, chiefly the countries around the North Atlantic border.

It seems to me, Mr. President, that those words of an eminent expert from India should be taken into consideration by everybody in the United States. The Western Hemisphere, he said, is losing its natural resources.

To me it has been clear for many years that if the United States is to maintain its leadership in peace and in war, if it is to maintain its policy of leading the world to peace, it cannot afford to risk becoming dependent upon other nations for its supply of natural resources. That was the reason several years ago that I worked in the committee which I now represent as chairman for the enactment of the synthetic fuel law; it was the reason I worked for the expansion of the General Leasing Act—both intended to make it more possible to develop here in the United States the natural mineral resources upon which our progress in industry and in peace absolutely depend.

There are some rather shocking facts which should be brought to the attention of the Senate concerning what is happening to our position with respect to minerals.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. Did I correctly understand the Senator from Wyoming to tell the Senator from Massachusetts that there was an estimate of the cost of the bill?

Mr. O'MAHONEY. The estimate that was used in the committee was approximately $90,000,000.

Mr. WILLIAMS. Approximately $90,000,000.

Mr. O'MAHONEY. Not to exceed that. The point I intended to make in response to the Senator from Massachusetts was that the Bureau of the Budget has been most diligent in impressing upon the committee the policy of the executive department to restrain expenditures, to avoid subsidies. It will be remembered that the President vetoed a premium-payment law in the Seventy-ninth Congress.

It will be remembered that a similar bill was reported by the committee in the last Congress, but failed of passage during the closing days of the session a

year ago in July. This bill is an effort—and I think a successful effort—to meet all the criticisms which were raised by the President in his veto message, and by those who criticized the other bill as an unwise subsidy to mining. The object of this bill is to promote exploration, and to prevent the loss of existing deposits of vital minerals.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. Is the $90,000,000 limitation to cover expenditures and contract authorizations intended to be for 1 year, or does that limitation apply for the 3-year period?

Mr. O'MAHONEY. The figure of $90,000,000 was used by members of the committee, but in our report we have made an estimate of between $77,000,000 and $80,000,000 a year to attain the objectives.

Mr. WILLIAMS. If that is the estimate, would not the Senator from Wyoming agree with me that it would be wise to amend section 9 of the bill, in which we are authorizing the money, so as to provide a limitation of not to exceed $80,000,000 a year in contract authorizations or expenditures? The bill now places no limit upon the expenditures.

Mr. O'MAHONEY. The committee felt that it was not desirable to place any specific limitation in the bill, in the first place, because it knew the attitude of the Bureau of the Budget, and in the second place, because the program is experimental, and we felt that before any specific limitation should be placed in the law we ought at least to have the benefit of the results of a year's experience under the law.

Mr. WILLIAMS. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. In view of the fact that we have had no experience under this program, does not the Senator think there is all the more reason why we should establish a limitation of not to exceed $80,000,000 a year for the next 3 years? If at the end of the first year we find that is not adequate, we can change it, or we can discontinue the program.

Mr. O'MAHONEY. There are several members of the Committee on Interior and Insular Affairs present. If they should be agreeable to such a limitation, speaking for myself as chairman, I would not seriously object to it.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. Would the distinguished Senator from Delaware find the bill acceptable if there were such an amendment?

Mr. WILLIAMS. No; but I would find it more acceptable. Frankly, I question the policy of starting such a program anyway; but, in any event, I do not believe that Congress should inaugurate such a program with no limit on the amount of money which can be authorized.

Mr. MILLIKIN. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. I should like to suggest that we accept the suggestion of the Senator from Delaware, and establish a ceiling of $90,000,000.

Mr. WILLIAMS. Since we are considering the idea, I think we should use the committee's suggestion, which was a figure between $77,000,000 and $80,000,000. I think we should use the figure of $80,000,000. Let us not hike the limit to the highest estimate we have.

Mr. MILLIKIN. Let us compromise and make it $85,000,000.

Mr. WILLIAMS. There is no basis for the $85,000,000 figure. I cannot find that anyone has ever made an estimate as to what it would cost, with the exception of the committee estimate of between $77,000,000 and $80,000,000.

Mr. MILLIKIN. The difficulty is that no one can tell what mines will make application for assistance. We have assembled what figures we could out of our old premium-price experience during the war, which is not entirely applicable to this particular program. I respectfully suggest that we establish a ceiling of $85,000,000, and see what our experience is during the first year. We are groping into a new field. If that limitation is not the correct one, we can change it.

Mr. WILLIAMS. Mr. President, will the Senator from Wyoming further yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Wyoming yield to the Senator from Delaware?

Mr. O'MAHONEY. Let me say to the Senator from Delaware that under this bill the Government will purchase some of the product of the mines. That purchase will be of essential minerals, which may then be sold upon the market, so that a substantial portion of the money which will be authorized will be returned to the United States.

I recognize completely the strength of the Senator's suggestion; and after we have an expression from the Senator from Utah [Mr. WATKINS], or any other member of the committee, or any other Senator who desires to express himself on this point, I shall be very happy to offer such an amendment.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. I have followed the questions and answers, and I am satisfied that probably it might be a more satisfactory bill if a limitation of $85,000,000 were established, at least for the first year. It seems to me that the experience of the past may not be a reliable guide as of today, because we were under war conditions at that time, and there might be quite a difference in the number of applications which might be made. In my own State I doubt whether the larger mines would be applicants for assistance under this program, or for contracts. However, there are a large number of smaller mines, and lessors who are leasing parts of old mines, who probably would be applicants. So there may be quite a large number of applications, but the amounts may not be so large.

As a member of the committee, I should be glad to accept an amendment which would place the ceiling at not more than $85,000,000.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MARTIN. I have read the report of the committee with very great interest. I note that it states that the minimum objectives of the bill could be attained by an appropriation of from $77,000,000 to $80,000,000. Did the committee give any consideration to what the maximum possibilities might be? This is to be the basic law, and I think we should give some consideration to future expenditures under this program, if the bill is to be enacted.

Mr. O'MAHONEY. The program is limited to 3 years. So it is an experimental program. The committee felt that probably $90,000,000 would be the maximum annual expenditure during that period. In the report we made an estimate of from $77,000,000 to $80,000,000, after various conversations. For my part, I shall be very happy to accept an amendment establishing a ceiling, say, of $85,000,000. I hope that will be satisfactory to all concerned, and I shall offer that amendment as a committee amendment.

Mr. MARTIN. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. MARTIN. We all realize the very great importance of having strategic metals and other materials of war within our own boundaries. However, I am wondering whether the distinguished Senator has given consideration to the fact that this may be the opening of the gates for subsidies in marginal coal fields, marginal gas fields, and marginal oil fields.

I can understand the program as it relates to ores. In my own State some old ore mines were opened up during the war period. In fact, the mine where Andrew Carnegie took out his first ore in Pennsylvania was opened up during the war, and an enormous amount of ore was recovered, at a very heavy expense, but we could afford to do it. Does the Senator feel that this program might be the opening wedge for subsidies to other marginal operations, such as coal, oil, gas, and other minerals and fuels?

Mr. O'MAHONEY. I do not think so. As a matter of fact, I think this bill represents an intelligent approach to the problem and eliminates that very danger. The bill is based upon the principle that because of the great need in industry and in war for these minerals the public interest requires expenditures to explore the possibilities of new resources and to prevent the loss of existing resources.

I do not believe there is any possibility that the Congress would approve or that the executive branch of the Government would at any time in the future suggest rash programs intended to stimulate production from marginal mines, with no thought of what the result might be. The Senator from Pennsylvania well knows the beneficial results which have been obtained in Pennsylvania and elsewhere with respect to oil and gas, by

secondary recovery methods. Science has made it possible to do that.

A few years ago a suggestion for Government expenditures to promote the study of secondary methods would have been denounced as a probable waste of Federal money. But now, in the State of Pennsylvania and elsewhere throughout the United States there have been established Government laboratories which are designed to place at the disposal of private industry the benefits of the most recent scientific study. That is the principle upon which this bill is based, just as our bill on synthetic fuel authorized the Bureau of Mines, not to go into competition with private industry, but to construct demonstration plants to show how synthetic fuel could be made out of oil shale and out of coal.

I do not think the fear the Senator expresses has any validity with respect to this measure.

Mr. MARTIN. Mr. President, will the Senator yield for an observation, and then a question, since the whole purpose is to seek information so that we may have a full understanding of the proposed legislation?

Mr. O'MAHONEY. Certainly; I am happy to yield.

Mr. MARTIN. What the distinguished Senator has said is absolutely true relative to what science and particularly some individuals interested in such work have done in regard to the recovery of oil by means of secondary methods. In fact, in the oil fields of Pennsylvania, where oil has been produced for 90 years, there is more oil in the underlying sands today than has been taken out in all that period of years. I wish also to observe that private enterprise probably has done much more to obtain synthetic oil and alcohol and gasoline from coal than has been done by all Government operations combined; and Pennsylvania has been making appropriations for that work for many years.

This is the question I wish to ask.

Mr. O'MAHONEY. Before the Senator asks it, I must call his attention to the fact that about 2 weeks ago at the Bureau of Mines plant at Rifle, Colo., there was an assembly of representatives of industry and of the general public, as well as of officials of the Department of the Interior; and I think without any doubt the consensus of opinion of all present, including the representatives of industry, was that the Bureau of Mines, by means of the exceptional research which has been conducted at the Rifle, Colo., plant, has done something which has not been done up to date by private industry. I am also happy to say to the Senator that the leading oil companies of the United States have been cooperating with the Bureau of Mines in carrying on the research.

Mr. MARTIN. The oil companies have been cooperating with the Commonwealth of Pennsylvania for 25 years in securing synthetic oil from coal. Of course, as the distinguished Senator from Wyoming well knows, so far we have not obtained synthetic oil at a price which enables the synthetic oil to compete with oil which is obtained directly from the ground.

This is the question I wish to ask: It is my understanding—and I should like to know whether it is the understanding of the distinguished Senator from Wyoming—that this is more of an experiment than anything else. It is proposed to try it for 3 years, and ascertain the result, but we are not making any commitments which possibly might cause private industry to invest considerable money in some of the marginal ore mines.

Mr. O'MAHONEY. I am very happy to say to the Senator that I think the answer to his question is quite explicitly set forth in section 2 of the bill. Let me read a part of the first sentence on page 7:

> SEC. 2. (a) It is the policy of the Congress that every effort be made to stimulate exploration for and conservation of strategic and critical metals and minerals and other essential metals and minerals by private enterprise to supply the industrial, military, and naval needs of the United States—

And so forth. I would say that marginal coal and oil deposits are not to be classified as essential minerals.

Mr. MARTIN. I thank the Senator.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the distinguished Senator from Colorado.

Mr. MILLIKIN. I invite the distinguished Senator's attention to the text of the bill at the bottom of page 7, where there is found a limitation bounded by keeping in operation certain mines which, if assistance were not provided for them, could not resume operations when needed for the national economy or security. On the other side we have the exploratory phase of the bill. Under the bill no money is to be expended for exploratory purposes unless, as provided in the bill, the engineers certify that there is a reasonable chance of finding minerals. Moreover, in such case the owner must put up at least half the money.

Mr. HUMPHREY. Mr. President, I should like to ask the Senator whether the purposes of the bill would cover Federal assistance to the development of low-grade iron ore and the further development of the ore which is called taconite. I mention this because in the State of Minnesota considerable basic research has already been done in one of the pilot plants at Aurora, Minn. The State of Minnesota has invested approximately $1,000,000 in that plant. At the last session of the Minnesota Legislature, an appropriation for that purpose was made, but the appropriation was not sufficient to permit the carrying on of full operations.

Would this bill make possible cooperation by the Bureau of Mines with the State of Minnesota and with the work being done—on a contract basis, I think—for the State?

Mr. O'MAHONEY. The purpose of this bill is to promote exploration and to conserve existing resources. It is not a bill for research. However, I think the basic law relating to the Bureau of Mines enables it to extend a great deal of assistance for all work of this kind. Of course, we have written in the bill, on page 15, a definition of the meaning of exploration; and it includes metallurgical research in regard to the production and processing of such metals or minerals. Of course, iron is a very essential metal or mineral. Section 4 (g) of the bill gives the Minerals Conservation Board authority to determine "the particular metals or minerals or ores thereof and specifications therefor that shall be eligible for aid for conservation;" and under subparagraph (h) the Board may determine "the particular metals or minerals which shall be eligible for aid for exploration." So an application of that kind with respect to taconite ores could be made to the Board. Whether the Board would feel that conditions were such as to justify at this time, within the experimental period, the particular action requested, I would not pretend to say.

Mr. HUMPHREY. However, it is the view of the Senator, is it not, that the authority is sufficiently broad to cover this type of research?

Mr. O'MAHONEY. I think so.

Mr. HUMPHREY. Is the Senator familiar with the depletion of the high-grade ores?

Mr. O'MAHONEY. Oh, yes.

Mr. HUMPHREY. We have had a very difficult time in getting the Bureau of Mines excited about what is an obvious fact to the ordinary citizen of Minnesota and to the University of Minnesota geologists and metallurgists, who have examined the open pits, and who say that there can be only about 10 years more of such iron ore mining. No one has been able to find very much more iron ore of such richness.

What I should like to have done is for the Government of the United States to make available $200,000 with which to continue the operation of a plant which will take a low-grade iron ore and permit what we call powdered iron-ore processing, so as to make use of the lower grade iron ore which the steel companies at the present time throw on the heap. We want to make available more of the low-grade iron ore which has been skimmed off and which the steel companies have called unsuitable. They procure for some mills taconite, which they say is difficult to process. What we have done is, like the boy eating watermelon, to take out the cream of the ore and leave this debris all over the countryside. In view of the necessity for conservation, we should conserve our iron ore, which I consider most vital to our economy. What would be the situation of the mills in Pittsburgh or Birmingham, and of the industry in Chicago, if it were not for the Mesabi iron range?

Mr. O'MAHONEY. I may say to the Senator from Minnesota, the discarded stone may become the key to the arch in this respect, as in the case of atomic energy. I point out to the Senator the piles of debris at some of the mines in Colorado and elsewhere have become one of the most important sources for the development of fissionable ores.

Mr. HUMPHREY. So, if the bill is passed, we can feel that at least the gateway is open, the welcome mat is out, for the kind of exploration, research, and conservation which should be had in this

particular area in Minnesota. Is that correct?

Mr. O'MAHONEY. I think so.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CORDON. Does the bill provide any procedure for recoupment by the Government of costs or moneys which it may expend for exploration purposes? I note it provides that simple contracts may be awarded to small base-metal mines, running up to one-half the cost of additional exploration. I have not noticed whether there is any provision for recoupment, even though the result of the exploration might well be to uncover a very important mineral deposit worth a great deal of money to the owner.

Mr. O'MAHONEY. Not with respect to exploration. I may say to the Senator the committee considered that matter, but, in view of the fact that it is an experimental bill, that its term is only for 3 years, and that the future policy of the Government will depend wholly upon the discoveries which are made, it was deemed that it would be better to wait for future revision of the law to provide recoupment from new ores which might be uncovered.

Mr. CORDON. A serious problem might arise, if it were provided in the bill that recoupment should start with the first money expended by the Government. I should like to see the purposes of the bill forwarded, but I cannot quite understand the reason why the Federal Government should pay one-half the cost of the discovery of valuable property for an individual, and then not have an opportunity to recoup its expenditure from the thing which its money has caused to be discovered.

Mr. O'MAHONEY. I may say to the Senator, only in repetition of what I have already said, that the feeling of the committee was that it is so essential to promote exploration work that it was better since the results of the exploration work cannot be known for some time to await a decision regarding the matter to which he has referred until we have some tangible results from what is done.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Arizona.

Mr. McFARLAND. The development of minerals needed in national defense and the adding of new wealth which gives us more taxes justifies this expenditure of money.

Mr. O'MAHONEY. Yes.

Mr. McFARLAND. Was it not the feeling that the same benefit should be extended to the mining industry as is extended to the farmer under soil conservation? We have soil conservation, which is very beneficial to the United States, because it brings about the production of more crops, from which, in the end, the Government benefits. Is not this bill merely an extension of that principle to the mining industry?

Mr. O'MAHONEY. I might add that the basic conviction which guided the chairman and, I think, all the committee, arises from the change which has taken place in the United States with respect to some of the most vital minerals in the industrial field. We are becoming an importing nation instead of an exporting nation.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Pardon me for a moment. In the case of lead, the average net imports annually in the period 1935 to 1939 were 15,000 tons; in 1948 they were 317,600 tons. Consumption of lead in the United States has increased from an average 433,000 short tons in 1935 to 1939, to 680,000 short tons last year.

With respect to copper, the imports in 1935 to 1939 were negligible. In 1948 they were 364,000 short tons.

With respect to the three basic, essential metals, copper, lead, and zinc, we are now depending upon foreign sources for 30 percent of our copper, 30 percent of our zinc, and 45 percent of our lead.

I now yield to the Senator from Oregon.

Mr. CORDON. I can understand the need for exploration. I can understand the need for holding mines which are not now producing, or are not opened and operating, in stand-by condition for emergency use. But I cannot understand the Government not recouping itself out of profits for the money it expends to assist the owner in determining that he has the asset. Does the Senator feel that the holder of a prospect, who believes that it has valuable showings, or, as the bill says, there is reasonable ground to believe there is promise of developing unknown or undeveloped sources of minerals, would not be willing to contract with the Government to assume one-half the risk of determining the fact, and then to pay back to the Government its money, if the fact is determined favorably, repayment to be made from profits out of the operation? That seems to be sound in equity, good judgment, and good law.

Mr. O'MAHONEY. I think we might very well consider that point. But it was the view of the committee that that was a matter which could and should properly be brought up after we have had a little experience under the law.

Mr. CORDON. I may say to the Senator, if all the Members of the Senate were present, I doubt whether the Senate would be willing to pass a bill without some such provision.

Mr. WILLIAMS. Mr. President, I agree with the Senator from Oregon. I do not see why we could not incorporate such a provision in the bill, particularly if, as I understand is the case, under this proposed legislation, we are in effect guaranteeing the mines, during the 3-year period, against any operating loss. The Government underwrites practically all their costs. Is not that correct; and, if so, why should the companies not be required to repay these grants when production starts?

Mr. O'MAHONEY. No; I would not say that.

Mr. MALONE. Mr. President, in answer to the Senator from Delaware, I personally appreciate, as I am sure do the other members of the committee, a discussion which will clarify in the mind of the Senate the objectives of the bill. In the first place, after putting up 50 percent of the money in connection with development, the other 50 percent expended by the owner may be entirely lost if no ore body is discovered.

Further, in connection with the point made by the Senator from Oregon [Mr. CORDON], it would ordinarily appear to be feasible, but, as has been explained by the Senator from Wyoming, the chairman of the committee, it did not appeal to the committee as a feasible thing at this time, for the very reason that experience shows that in exploration of the kind under discussion there are probably a hundred failures to find a very rich ore body to one which might be exceptionally feasible. The only instance I can remember during the war was one in which an exploration was being made for a certain ore in Idaho and a very rich deposit of tungsten ore was discovered. That might be a case in point. But that is only one instance of that kind out of many hundreds of explorations. Therefore, the returns probably would be very small on a basis of repayment only from the few rich discoveries.

In addition to that, the purpose of the bill, in any case, is to keep alive the incentive for the development of strategic and critical minerals and ores while we are, apparently, in danger of war, according to the administration, in danger of an emergency at almost any time. There is also a possibility of discovery of additional uranium ores while prospecting for and developing other metals. It is my opinion that if the incentive is present we shall eventually discover in the United States a large part of the ore reserves, including uranium ores, we need. It is simply a matter of incentive.

Certain policies adopted by the Government have brought about the necessity for this particular bill. This is not the time or the place to discuss these policies. There is always a difference of opinion, but if we follow through, we find that the conservation feature of the bill provides for assistance by the Government in the conservation of the mines, keeping them in workable condition. Otherwise some of them would fill with water or otherwise deteriorate so the metal would be lost.

Under the exploration feature of the bill it is necessary, if we are to keep this Nation in the proper position in case of an emergency, to be prepared to speed up production, as was done in World War I and World War II.

So that it is really a security measure, Mr. President, with the additional incentive, of course, that if the mining industry is kept alive, it would contribute materially to employment and the creation of taxable property. The measure itself is in the main a security measure. The experience of the War Production Board—and I happened to be special consultant to the Military Affairs Committee during the war—was that it was almost impossible to transport minerals from Africa, or South America, or other distant areas due to the submarine menace. I think the records of that Board will disclose that 70 to 90 percent of the

tonnage was sunk on the way to this country. We even reached the point at which we were transmitting a large amount of the minerals by airplane, which, of course, cost a tremendous amount of money, compared to any possible cost of keeping our domestic industry alive.

So I would say, Mr. President, that the chief objective is the national security, and there would be comparatively little return if an amendment such as that suggested should be added to the bill at this time.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Massachusetts.

Mr. LODGE. I notice on page 8, section 3 of the bill provides for the establishment of a minerals-conservation board. In section 4 the Conservation Board is given the duty by regulation to determine—

(a) the amount of appropriated money to be allocated to the aid of exploration, on the one hand, and to the aid of conservation on the other hand.

I should like to say to the Senator from Wyoming that to me that is one of the most fundamental questions which we confront in this country. I have been working for quite a while on a resolution to have a study made of what the balance should be between that which we conserve in this country, and supplement from sources abroad, and that which we stimulate and try to have produced in this country. Obviously, in the case of oil it would be a bad thing to get all our oil from abroad and let our domestic oil sources dry up. On the other hand, it would be a bad thing to depend entirely on our own oil resources.

Is it not a very large question, indeed, to have settled by regulation? Is not the whole question of balance between exploration and conservation one which should be preceded by a study by a group of the type of the Temporary Economic Committee or of the Hoover Commission, leading eventually to action by the Congress? It seems to me this bill deals, in this particular section, with a very fundamental matter which should not be left to regulation by some administrative body to determine. Will the Senator comment on that suggestion?

Mr. O'MAHONEY. I shall be very happy to do so. I wonder if the Senator understands that the language which he has just read has reference to the money which Congress may appropriate before the function of the Board is called into play. The Bureau of the Budget must send an estimate to the Congress, and the Congress must pass upon the estimate. Congress has the authority, if it so desires, in passing an appropriation bill, to place its own limitation or to make its own provisions. But barring such limitation, the allocation of the total amount of the appropriation between exploration and conservation would be made by the Board under regulation. That is the only power that is granted there.

The Senator is quite correct in pointing out the great world problem which exists. We must develop resources abroad as well as in the United States. We must cooperate to have more of these natural resources made available for all the people. But there is no question in my mind, from the studies which our committee has already made, that the consuming power of the masses of the people outside the United States is so incomparably low as compared with the consuming power of the people of the United States, that when discoveries are made abroad markets abroad will be developed. That makes it all the more important for us to follow an intelligent policy to bring about the exploration and development of our own resources.

Mr. McFARLAND. Mr. President, I should like to ask the Senator if he does not agree that as to conservation payments for mines, they are pretty well limited by the physical conditions of the mines, and that the language of the bill is so restrictive that the bill is not broad at all. There are mines in the United States which will become watered and the timbers of which will so decay that the minerals in the mines will be lost, at least they will be lost for years. It is that kind of a condition the conservation part of the bill is intended to meet. The bill is not broad at all.

As a matter of fact, if those who feel it is too broad had listened to the evidence they would have found that the chief criticism of the bill was that it was too narrow. While the limitations may not be spelled out in dollars and cents, the restrictive language of the bill narrows it down to almost the narrowest possible kind of a measure which could be adopted. Anyone who believes in the development of the natural resources of the United States, anyone who believes in the conservation and the importance of the conservation of natural resources, and particularly of the strategic minerals and metals which are needed for national defense, will agree that this bill is the least we could adopt.

Mr. O'MAHONEY. Mr. President, I thank the Senator. I suggest now that the perfecting amendments of the committee may be submitted and acted upon.

Mr. WILLIAMS. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the Senator from Delaware.

Mr. WILLIAMS. Do I understand correctly that the heavy imports of these metals is one of the reasons which suggested the necessity for the bill?

Mr. O'MAHONEY. That is one of the factors. One of the other factors has been the falling prices of metals.

Mr. WILLIAMS. Was the suspension of the import duty on copper in its entirety a contributing factor to the necessity of the bill?

Mr. O'MAHONEY. I would not say that had any bearing on it at all. The basic fact is that our demand and our use of copper have exceeded our supply, and that results in bringing in copper from abroad. The Senator from Colorado [Mr. MILLIKIN] is a member of the Committee on Finance, the ranking minority member of the committee, he was chairman of it last year, and is thoroughly familiar with the tax phase of the copper situation. I should be very glad to have his comment.

Mr. WILLIAMS. The point I was bringing out was that I was wondering whether, if we reimposed the 2-cent duty on copper, we would not remove the necessity for the bill.

Mr. O'MAHONEY. There are some who would make that contention. For my own part I am fearful that the need for copper in the United States has grown to such a degree that it might have the effect of holding down the supply we need. I want a supply sufficient for the industries of the United States, whether the supply comes from domestic mines or from foreign mines, and I want to maintain the domestic supply in a thriving, sound condition.

Mr. WILLIAMS. I agree with the Senator that we want to maintain our domestic industry, but it seems to me that what we are doing is suspending our tariffs so that the foreign countries are enabled to ship copper and other minerals in free, and at the same time it is proposed that we subsidize our own companies in this country in order that they may maintain the wage scale here. It is a contradictory program.

Mr. O'MAHONEY. Perhaps it is not so contradictory as it may seem on the surface. The comments of the Senator from Massachusetts a few moments ago I think revealed what the situation was. Technological advance, particularly in transportation, as well as in communication, has made the world very much smaller than it ever was before. It seems to me the future of the world and the progress of its people depend upon the wise building up of world trade.

I would not want to sacrifice our capacity to produce any commodity to the production and importation of foreign commodities, but I do see the opportunity for a balance, and I think the pending bill affords that very thing. It places emphasis upon domestic production first.

Mr. MILLIKIN. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Colorado.

Mr. MILLIKIN. In response to the comment of the distinguished Senator from Delaware, I do not view the bill as a complete panacea for all the ills of the mining industry. I agree entirely that our tariff policy is wrong so far as these minerals are concerned. I think our tax policy is wrong so far as the encouragement of the mining industry and of other industries is concerned. But we are confronted here, not with the vindication of the views of the junior Senator from Colorado or the views of anyone else in the whole scope of the problem. We have a stricken mining industry. Exploration has ceased. Mines are going to water. We must have the production for war purposes and for our peacetime economy. So here we have a single shot at this subject, which I would not for a moment recommend as all that is needed. We have to get at the tax incidence of these things; we have to get at the tariff incidence of them. We cannot get at them today. We have just one opportunity before us, to do something to get exploration started again, to get the water out of the mines, to restore our mining industry to some semblance of life.

Mr. O'MAHONEY. The Senator from Colorado is quite right. The committee shares his view, and in fact, in our report we pointed out the desirability of tax reform.

I should like to see a tax policy which would provide incentive for the investment of private capital in a venture of the kind affected by the bill, the exploration of minerals, which has a great public interest, which is very much needed in the public interest. But as the Senator from Colorado says, we cannot do all these things in one bill.

Mr. LODGE. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. I note that the Senator from Colorado makes his principal argument for the bill on the ground of national defense. I should like to know whether the Secretary of Defense, and the Military Establishment in general, have expressed a desire for such legislation.

Mr. O'MAHONEY. We did not submit it to the Secretary of Defense.

Mr. MARTIN. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Pennsylvania.

Mr. MARTIN. If the Senator will permit me to make a brief comment before I ask my question, I have been very much impressed with what the distinguished Senator from Colorado [Mr. MILLIKIN] has stated and what the distinguished Senator from Delaware [Mr. WILLIAMS], as well as the distinguished Senator from Massachusetts [Mr. LODGE], have said, and the very able discussion by the Senator from Wyoming [Mr. O'MAHONEY] of the whole problem.

Mr. O'MAHONEY. I am happy to be included in that distinguished array.

Mr. MARTIN. It is a very distinguished array. What has worried me is that this is probably an opening of the door to an economic policy which eventually will mean subsidies to all minerals, ores, fuels, and the like. If that should happen, I am fearful that living costs in the United States would be so high that it would be impossible for those in the lower brackets to maintain the standard of living they now enjoy. Does the Senator feel there is any danger of that condition coming about?

Mr. O'MAHONEY. I do not, and I say that explicitly.

Mr. MARTIN. Mr. President, if the Senator will permit another comment——

Mr. O'MAHONEY. I yield.

Mr. MARTIN. In connection with what the distinguished Senator from Massachusetts said about oil, I wish to say that the best statistics from governmental and private sources indicate that there are now known reserves of oil in the United States sufficient to take care of our needs for only 12 years, in view of the increased use of oil. That does not take into consideration the recovery of synthetic oil from coal and the great oil shale beds of the Rocky Mountain system. But what the oil industry confronts now—and it may destroy many of the marginal fields, which exist in 28 States of the Union, is the oil which is coming in from foreign countries so much cheaper than it can be produced in the United States. Many of these valuable marginal fields which exist, as I have said, in 28 States of the Union, may be entirely lost for that reason.

A debate occurred in the Senate not a great while ago over that matter. Senators will remember that the distinguished Senator from Oklahoma [Mr. THOMAS] wanted to have an allocation made of the amount of oil which could be imported into the United States. I supported the Senator's proposal, but we failed to secure its adoption.

I have received many inquiries concerning the pending legislation. It is encouraging to know that the people are following our proceedings. Many persons, however, have asked whether eventually such legislation will lead to Government control of practically all types of minerals, of all types of ores, and all types of fuels, in which event we will have practically a socialistic economy rather than a free-enterprise economy. Does the Senator feel there is any danger of such a situation resulting?

Mr. O'MAHONEY. Mr. President, I am happy to say to the Senator from Pennsylvania that I do not share those fears. I once knew a very wise man who said that the worst things in life seldom happen. I think that statement is particularly true and relevant with respect to the objections which are raised from time to time to new legislation. Critics see the possibility of error or mistake or abuse, and they close their eyes to the constructive possibilities altogether.

The committee in considering the bill did its best to close the door to abuse, first, by placing a specific limitation upon the period during which the policy could be carried out, namely, 3 years; then, by providing that no contract should be issued in any case for more than 2 years. So that both the contract and the authority of the bill itself will terminate and Congress will have a clear opportunity to judge the program upon its results. If it should have the tendency which the Senator fears or which any other person fears, Congress will have the opportunity and, I am sure, the intelligence not to renew it.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. The distinguished Senator from Pennsylvania has reviewed a very important field. We all realize its importance. In that field we have first the matter of tariffs and import fees, and, second, tax legislation. As the distinguished Senator from Colorado has said, the subject is a large one, and will have to be taken up through the Finance Committee.

We hope that will be done in the near future. Then it will be debated on the floor of the Senate. It is a large and important subject by itself, and can be settled on the Senate floor and in the House just as all other questions of policy are settled at the proper time.

Mr. President, it is well known, I am sure, that the junior Senator from Nevada does not agree with the policy the Government is now following respecting the tariff question. That, however, is not the subject of discussion today. That policy has been established on the Senate floor by the majority of the Senate, and on the House floor by the majority of the House, and through the signature of the President, and is no longer a subject for debate on the Senate floor this year.

The question now before us is whether or not to keep alive and healthy an industry without which, as we know by past experience, it is impossible to fight a war. We cannot fight a war without a healthy minerals industry, or at least a going-concern industry in addition to adequate ore stock piles.

When war comes, and the cost is no longer the controlling factor, the price can be raised and the mines expanded, provided they are in workable condition, and development has been continued.

It is well known that the security of our Nation was threatened in World War II, and very seriously threatened, by reason of the lack of tungsten, manganese, mercury, and various other metals, a sufficient supply of which it was impossible to produce on the spur of the moment, and which we were obliged to import.

It is well known, as I stated previously this afternoon, that perhaps 70 to 90 percent of the shipping carrying strategic metals and minerals to the United States was destroyed by submarines. That is all a matter of record, and we should avert that experience in the future.

Mr. President, we will settle permanently or at leat semipermanently the tariff question and the tax question over the next 2 or 3 years. We have to deal with such matters somewhat as we deal with agricultural legislation, which we discussed several days ago. There are differences of opinion about all of these subjects, but they will finally be settled. Certain subsidies must be provided until a permanent policy is adopted making them unnecessary. But whatever policy is finally adopted will influence future legislation. The business of the country will level off, influenced by the policies finally adopted here, and the opportunity to debate the questions influencing such policies will be offered later.

Today, however, we are not discussing the tariff policy or the tax policy. We are discussing what to do in an emergency. An emergency exists so long as war threatens. I believe the distinguished Senator from Pennsylvania [Mr. MARTIN] has had perhaps more experience in wars than has any other Senator on the Senate floor, and he understands that an emergency exists in the field of strategic minerals so long as war threatens. The reports from our own national defense organization and from the President of the United States indicate we are still in danger of war.

The matter we are now considering is in the main, I repeat, a national security piece of legislation. Regardless then of the views of some of us who may differ with others respecting how to maintain the industry, even if there were no threat of war, the question now is what to do to keep the industry alive and breathing until such time as a permanent policy is fixed.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. I just heard the Senator from Nevada say that this is primarily a national security measure. I heard the Senator from Colorado base his argument primarily on the grounds of national defense. I notice that it is proposed in the bill to set up a Commission, which includes the Secretary of Defense. For those reasons I cannot understand why the committee, in considering the bill, never called upon the Secretary of Defense, and never called upon the Army, the Navy, or the Air Force for their opinions. Apparently in no way has the committee sought to relate the proposed outlay with the sums contained in the military appropriation bill for critical and strategical materials which, as I understand, are more than $200,000,000. I cannot understand how the proposed legislation could have been considered without seeking and obtaining a complete and authoritative and definite opinion on the whole subject from the responsible agencies of the national defense, in view of the fact that all its distinguished advocates here plead for it on the ground that it is a national security measure.

Mr. O'MAHONEY. Mr. President, I said to the Senator from Massachusetts that we had not taken the question up with the Secretary of Defense. Probably I left a false impression. The Munitions Board was consulted, and I am happy to say to the Senator from Massachusetts that the Munitions Board was quite agreeable to this measure.

However, this is not primarily a war measure. The references which I have made with respect to the war aspect of the bill are general, in this respect, in that I have pointed out that in our time the war potential and the industrial potential are practically identical.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAYBANK. I should like to ask the distinguished Senator from Wyoming if it is not a fact that, as chairman of the Independent Offices Subcommittee of the Committee on Appropriations, and as a member of the Appropriations Committee, in considering the question of stock-piling, on many occasions he asked at the hearings regarding the necessity of stock-piling, and the necessity of protecting the mining interests of the country.

Mr. O'MAHONEY. The problem has been discussed at several committee meetings.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WATKINS. Referring to the question asked by the distinguished Senator from Massachusetts [Mr. LODGE], is it not a matter of general knowledge, and is it not obvious, without having a statement from the Department of Defense, that the minerals mentioned in this bill, to which some degree of protection is sought to be given, are absolutely necessary in the defense of the country? It is of such general knowledge that we would not need to ask anyone.

Mr. O'MAHONEY. The existence of the stock-piling legislation itself, the fact that Congress enacted it and appropriates large sums of money for that program—$835,000,000, as I recall, was the amount which was carried in the Treasury bill this year to finance the purchase of stock piles—and the fact that it is a Government policy to acquire strategic and critical materials wherever they may be found throughout the world, in order that we may be supplied with them, are in themselves evidence of how important it is that we take whatever practicable steps can be taken to maintain a domestic source of supply so that in the event of a great disaster the United States will have the largest possible degree of independence of foreign sources of supply.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the Senator from Nebraska.

Mr. WHERRY. May I ask the distinguished Senator from Wyoming if there is any provision in the military bill for contract authority to acquire strategic and critical materials, which parallels or duplicates the program in this bill?

Mr. O'MAHONEY. No.

Mr. WHERRY. May I ask the distinguished Senator if the Secretary of Defense is limited in the military bill to the purchase of critical materials outside the United States?

Mr. O'MAHONEY. Oh, no. That authority is not in the military bill. It is carried in the Treasury bill.

Mr. WHERRY. I am talking about the military bill, the bill which is now in conference.

Mr. O'MAHONEY. With respect to that bill, I will say to the Senator that the only reason there is any reference to strategic purchases in that bill is that the Senate wrote in a rescission of the appropriation which was carried in the Treasury Department appropriation bill. It is an immaterial matter.

Mr. WHERRY. It is not immaterial.

Mr. O'MAHONEY. I mean it is immaterial to the point the Senator is trying to make.

Mr. WHERRY. Whether there was a rescission or whether there was not, the point I wish to make is this: Is there any duplication?

Mr. O'MAHONEY. There is no duplication.

Mr. WHERRY. It seems to me that the same arguments which have been advanced on the floor in behalf of this bill—and I accept the statement of the distinguished Senator that he made only a few general observations about the national security in connection with the program to explore and conserve our mineral resources—were made, up until about 11 o'clock last night, in connection with the military bill. They are the same arguments which are being advanced on the floor of the Senate with reference to this particular bill.

Mr. O'MAHONEY. That is correct.

Mr. WHERRY. Not knowing the complete provisions of the military bill, it was my desire to find out if it was the idea of the Secretary of Defense that he could use the money provided by the other bill to acquire strategic and critical materials within the borders of the United States, instead of initiating this program.

Mr. O'MAHONEY. Let me say to the Senator that the original stock-piling act authorizes the procurement authorities of the United States, under the direction of the Munitions Board, to purchase certain critical and strategic materials, as defined by the Munitions Board, wherever they can purchase them, in the United States or abroad. This bill is not a stock-piling bill. This is a bill to encourage exploration and conservation of our domestic supplies.

Mr. WHERRY. The argument advanced last night——

Mr. O'MAHONEY. The arguments are the same.

Mr. WHERRY. The point that was brought out last night was that it was desired to have authority extending over a period of 5 years, because it was necessary to invest money in the capital stock of the mines so as to keep the mines open and get the very materials we are talking about. That is the reason I asked the question.

Mr. O'MAHONEY. The Senator is quite right.

Mr. WHERRY. In the discussions we had last night in connection with the military bill, it seemed to me that an attempt was being made, by the expenditure of that money, to do the very thing we are attempting to do under this new program. I have not examined the original statute to see how broad it is, but it seems to me that in setting up this new program we are duplicating what the Secretary of Defense already has authority to do under the stock-piling program for strategic and critical materials. I am not sure whether or not the law provides for it, but certainly the discussions last night were to the effect that the reason they wanted 5-year contracts was to provide money to purchase the capital stock of mines so as to develop them in order to furnish the very metals mentioned on the floor this afternoon. If that is true, certainly there is duplication. Perhaps the original Act does not provide for all that; but the debate last night hinged on that point.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. I should like to say first that I believe I can speak for every mining State of the Union when I say that it would be completely unacceptable to have the military involved in the development of our mines. Secondly, I suggest that the Armed Services Committee was probably concerning itself with stock piling, whereas this bill concerns itself with operations which will produce the material which might be put into a stock pile.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I appreciate the observations of the Senator from Colorado. I know what the intention of this bill is. I can read it. But I say to the distinguished Senator from Wyoming that the expenditure of millions of dollars under the terms of the bill now before us is being justified upon the very grounds upon which appropriations are being asked in connection with the other bill. It is not a question of stock piling, purchasing the raw materials and shipping them into this country. It is a question of developing the mines.

As the Senator knows, there was an appropriation in the Interior Department appropriation bill to take the water out of some of the lead mines in Leadville, Colo. I supported it. Every time we turn around we find another bill to do the same thing. Why not have one big program? Why cannot the entire program be integrated? If this is a good thing, why not take the $90,000,000 out of the military appropriation, which is now in conference, and use it for this purpose?

It seems to me that there is duplication. Suppose we agree to the suggested authorization? We are doing the same thing in the military bill. We are going all over the world buying metals. I suppose some of the money in the other bill will be invested in foreign mines, so as to provide strategic and critical materials. Perhaps that is a good thing. But certainly if that is to be done under the other bill, we ought to do the same thing within the confines of the United States. Let us do it with one purpose in mind. Let us have an integrated program.

I suggest to the distinguished Senator from Wyoming that it is my judgment that if we had ample tariff protection we would not have the trouble we are having about developing our mines in the United States and continuing them in operation. When I stood on the floor of the Senate and debated the extension of the Reciprocal Trade Agreements Act, that was the big point I brought out. If we want to afford immediate relief to the mining industry, why do we not provide it along the lines of protecting that industry in the United States so that it can operate the mines on a profitable basis, instead of distributing money throughout the world and then subsidizing domestic mines and industries? I ask the question.

Mr. MALONE. Mr. President——

Mr. O'MAHONEY. Mr. President, the Senator from Nebraska has addressed his inquiry to me. Let me say to him that I am completely convinced that there is no duplication as between the two bills. I was a member of the committee which reported the stock-piling bill, which is now the law. It does not authorize expenditures for exploration. It does not authorize expenditures for conservation anywhere, either in the United States or abroad. It authorizes the purchase of commodities.

I am aware that in our conference committee last night the statement was made by one of the conferees that in some instances contracts had been made because, it was asserted, unless long-term contracts were made, private investments would not be made. The Senator is quite correct about that. But I assure him that the purpose of this bill is to do what he is urging, namely, to explore in the United States and to conserve in the United States. If that is done and if it is successful—as the Senators from the mining States hope it will be—then I say to the Senator that the expenditures which are being made abroad, out of the Public Treasury, could be curtailed.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. Question has been raised about discussing this matter with the Secretary of Defense, and question has been raised about what the situation would be if we had a proper tariff.

As I tried to point out before, all these things can be settled in their proper place and at the proper time. I recall that in 1937 and 1938, when the present Secretary of Defense was then Assistant Secretary of War, I discussed with him at length the matter of stockpiling arrangements.

He agreed with me thoroughly. Since that time he has referred on many occasions to the discussions I had with him at that time, and has said that I was the first one to suggest stockpiling for national defense.

Now we come to the point of the present emergency. It is an emergency, because the necessary development can no longer be carried on, in the opinion of many of us, under existing conditions. The industry must be kept alive until a permanent policy is adopted.

At this moment I am not discussing whether the situation would improve were a change made in the tariff policy. Most Members of the Senate are familiar with my position in that regard. However, my views did not prevail.

Now we realize the necessity for conservation; we realize that in many cases—either through the flooding of mines or in other ways—the minerals in many mines will be lost to the country unless some conservation assistance is secured. Provision is made for such assistance by the pending bill. The fact that anyone who wishes to engage in such development work must himself provide 50 percent of the cost, precludes the spending of money on projects which have little chance of success. Also, of course, in the bill we define a small mine.

Mr. President, at this point I ask unanimous consent to have a table in that connection inserted in the RECORD. The tables and clipping shows the number of mines closed and the effect of imports.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CLOSURE OF WESTERN STATES' METAL MINES, 1940–48

Since 1940, 73 percent of the Western States' metal mines (gold, silver, copper, lead, zinc) have closed down.

Total metal mines producing in the Western States in 1940 8,246

Total metal mines producing in the Western States in 1948 2,244

Percentage by States of metal mines[1] closed down since 1940

	Percent	Mines closed down
California	0.77	1,431
Colorado	.83	933
Arizona	.69	901
Montana	.71	688
Idaho	.71	653
Nevada	.62	624
Oregon	.92	281
New Mexico	.73	250
Washington	.82	140
Utah	.43	92
Wyoming	.75	9

[1] Gold, silver, copper, lead, zinc.

United States monthly averages in thousands of short tons

	2½ years ended June 1949	Percent total	July 1949	Percent total
COPPER				
Imports	40		35	
Exports	12		9	
Net imports	28	28	26	31
Domestic mine production	72	72	57	69
Total net primary supply	100	100	83	100
LEAD				
Imports	27		[1] 12	
Exports	0		0	
Net imports	27	45	12	29
Domestic mine production	33	55	30	71
Total net primary supply	60	100	42	100
ZINC				
Imports	30		25	
Exports	8		9	
Net imports	22	29	16	28
Domestic mine production	53	71	41	72
Total net primary supply	75	100	57	100

[1] Low lead imports during July 1949 were due primarily to shipping difficulties and are not representative of usual imports.

In general, the above figures show that of our total net primary supply, imports form about:

	Percent
Copper	30
Lead	45
Zinc	30

[From the Joplin Globe of October 4, 1949]

SLAB ZINC AND PIG LEAD PRICES DROP—REDUCTION IN EAST ST. LOUIS MARKET AUGURS LOWER SCHEDULES FOR CONCENTRATES IN DISTRICT

Prices of slab zinc and pig lead both declined yesterday in the East St. Louis market, which governs Tri-State prices for concentrates, auguring lower prices for ore in the Missouri-Kansas-Oklahoma district.

The slab zinc price was reduced ¾ cents a pound to 9¼ cents, while the price of lead was cut half a cent a pound to 14.05.

Lead ore prices, effective at midnight last night, were reduced in the Tri-State district by $7.20 a ton. The new price is $180.07.

ESTABLISHED FRIDAY

What the new zinc ore price will be is uncertain, but will be established Friday. A reduction—unless the steel strike is settled—is a foregone conclusion, however.

The steel strike was directly blamed for the lower zinc slab price as the demand from galvanizers fell off.

Devaluation of the British pound was directly blamed for the lower pig lead concentrate prices.

One ore buyer close to the market situation in lead said that since the devaluation of the pound, lead offerings from foreign countries have increased to depress the United States market.

Strange as it may seem, countries receiving Marshall plan aid are the ones offering lead below domestic prices. They include Italy, France and the British zone of Germany. Even Yugoslavia and Japan are offering lead for sale in this country at below prevailing prices.

Mr. MALONE. Mr. President, the question today is similar to the question which has been before the Senate in connection with agricultural legislation. It is not a question of whether the action proposed would not be necessary if we had pursued another course; but the question is whether in the existing circumstances, under the conditions which now exist as a result of the course we have pursued, the enactment of this bill is necessary.

I repeat that legislation of the sort now proposed is necessary if we are to have assurance that in time of emergency we shall be able to obtain the needed minerals. That is obvious, because, according to reports, an emergency could develop at any time; and if another war were to come the submarine menace no doubt would be twice or three times as great as it was in the last world war. Of course, if an emergency developed, thereby sharply increasing the demand for such metals or minerals, their price would rise sharply; and if a proper amount of preliminary work had been done, as is provided under this bill, it would be possible to have the production of those metals and minerals increased immediately.

Mr. WHERRY. Mr. President, if the Senator will yield, I should like to say that under the huge appropriation which has been made for stock piling, work will be done in respect to strategic materials. But regardless of what is provided in the law—and I am perfectly willing to take the statement of the distinguished Senator from Wyoming regarding its provisions—I wish to say to the distinguished Senator from Nevada it is my opinion that the Secretary of Defense will use that money for the purchase of materials, under long-term contracts, from any sources possible. Under such long-term contracts, the necessary capital would be provided and the necessary equipment and machinery would be paid for, in order to do, either directly or indirectly, what it is contemplated will be done under the provisions of this bill, so far as concerns making such minerals available. In other words, the long-term contracts providing for the purchase of the products of such mines will have to be made on the basis of what can be done under existing circumstances, or else the products of those mines will not be obtained, it is said; I am sure that is the argument that is being advanced. In that respect, it seems to me that the acquisition abroad by the Secretary of Defense of metals and minerals for stock-piling purposes will, at least to a great extent, duplicate the domestic operations which will result from the enactment of the pending bill.

After all, why cannot the work be done in the United States? Why cannot we build up our own mines? Why cannot we do it with the money which is being allocated in almost unlimited amounts, so far as the House of Representatives is concerned, for the stock piling of these materials? After all, the same materials are involved, and the purpose is apparently the same, namely, for national defense. Why cannot the long-term contracts and the authority to make them be applied to such developments and such work in the United States, whereas apparently at the present time they are to be used outside of the United States?

Mr. MALONE. Mr. President, in answer to the distinguished Senator from Nebraska, let me say that it is simply a question of what can be done by the Department of National Defense. The Department of the Interior has always been the agency of our Government through which mineral development has been conducted; and in large measure it has control of mineral development in the United States. The Department of Defense operates in another field entirely—namely, the stock-piling field as far as minerals are concerned. That Department does not operate in the field of mineral development. In the course of two world wars, it has shown great reluctance to enter that field. As a matter of fact, it would not have the necessary personnel or knowledge to participate in work in that field, unless it set up an entirely new agency for the purpose.

The committee has carefully investigated the matter. The junior Senator from Nevada is in thorough agreement as to the amount of money necessary for stock piling. But I am sure the Senator from Nebraska is familiar with the understandings and agreements for the purchase of such materials in the Far East and in other foreign lands, under long-term contracts, and the lack of emphasis—perhaps due to the reasons I have outlined—on domestic production.

Therefore, I think the two subjects are entirely different.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. The Senator from Nevada, the Senator from Wyoming, and the Senator from Colorado have convinced me that there is a need to take some sort of action which will help in this situation. The question we confront is, not on the merits of the proposed legislation and its purpose, but whether the course now proposed is the proper one for the purposes we have in mind.

I have been advised that Mr. Miller, the Acting Director of the Bureau of Mines, has gone on record to the effect that he thinks assistance should not be extended by means of subsidies, as provided by the pending measure, but by means of tax incentives. I should like to ask my good friend from Nevada whether he does not think a tax incentive would be enough to remedy the situation?

Mr. MALONE. Mr. President, in answer to the distinguished Senator from Massachusetts, I say it would be a great help, but from the experience of a good many years, I may say there has been no trend toward assisting either the mining industry or practically any other industry in that regard. The trend has been the other way, as I think the distinguished Senator will agree. Therefor, while we are waiting for next year or the year after for public overhauling of the tax structure, if it in fact comes by that time, it may be too late to do what we intend to do in the pending bill. The bill provides for conservation and development assistance. During the 3 years for which this bill would be effective, the junior Senator from Nevada is very hopeful there will be a reorganization of the tax structure for incentive purposes for new capital investment.

Mr. LODGE. Is the Senator aware that Mr. Miller, the Acting Director of the Bureau of Mines, is on record that a tax incentive is a preferable method to the subsidy method?

Mr. MALONE. I may say in answer to the distinguished Senator from Massachusetts, I am aware that Secretary Ickes, Secretary Krug, and everyone else for the last 10 years has said many things, mostly against mining development, but I am also aware of the fact that nothing has been worked out to increase the reserves. The result has been the closing of practically all the mines in the United States.

Mr. LODGE. The Senator from Nevada is a member of the committee, is he not?

Mr. MALONE. That is correct.

Mr. LODGE. Did the committee hear any testimony in opposition to this legislation?

Mr. MALONE. We heard everyone who indicated that he desired to be heard.

Mr. LODGE. I am advised there was certain testimony given in opposition to it. I have sent for the galley proofs of the hearings. I have just been running through them hastily here on the floor. I can find no testimony in opposition to the legislation, although I understand there was testimony offered against it.

Mr. MALONE. I may say in answer to the distinguished Senator from Massachusetts this is not the legislation that was heretofore presented. This legislation has been prepared to meet certain objections made from time to time. I may say the junior Senator from Nevada might have presented an entirely different bill, as he did last year; but he is perfectly willing to conform to the compromise legislation so that the mines can be kept in the going-concern class. The provisions of the bill will keep the mining industry alive until such time as there can be a review of the tax structure, as I hope there will be. We hope that at the end of the 3-year period this will no longer be necessary.

Mr. President, I ask unanimous consent to have included in the RECORD at this point the letter of the Budget Director approving the bill, and also the statement by the Committee on Interior and

Insular Affairs on tax relief necessary for the mining industry.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 15, 1949.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: This will acknowledge your letter of this date requesting the views of this Office on your proposed report to the chairman of the Senate Committee on Interior and Insular Affairs concerning S. 2105, a bill to stimulate exploration for conservation of strategic and critical ores, metals, and minerals and for other purposes. We understand from members of your staff that this replaces and rescinds your letter on this subject of July 28.

Your proposed report enclosed a redraft of the legislation which incorporates a number of points on which agreement has been reached with representatives of the Executive Office in discussions over the past several days. Pursuant to these discussions, you are advised that there would be no objection from the standpoint of the President's program to submission of your proposed report and redraft to the committee.

With respect to the provisions in your redraft concerning Federal aid for minerals production and for maintenance of mines in stand-by conditions, it should be emphasized that this clearance is given with the understanding that such Federal assistance is designed solely for the purpose of conserving sources of essential supply which, as a practical matter, would otherwise be rendered unavailable in times of national emergency. From the standpoint of the President's program this assistance would not be acceptable on any other basis. Approval of the elements of production subsidy in your redraft should not be construed in any way as constituting an approval of subsidy for other than strictly conservation purposes. If it should become necessary for the Federal Government to take special action to relieve unemployment in the affected mining areas, other means would have to be found than the use of production subsidies.

In this connection we should like to draw your attention to the provisions of section 4 (d) requiring the Minerals Conservation Board to determine the maximum and minimum prices which may be paid for purchases of metals or minerals. In assuring that such purchases are made solely for purposes of conservation, we believe it might be most advantageous to require that these price determinations allow only for coverage of the costs of operation and maintenance, without provision for net profit to the producer. The ultimate return to the producer rests in the long-run availability of his property, conserved with the assistance of the Government, for production and sale on the open market under more favorable circumstances. We have held preliminary discussions with your representatives on this proposal to bar profit allowances and while no conclusion has been reached and no such amendment is included in your redraft, we feel strongly that the committee should give this matter serious consideration.

We note that the provisions in the redraft for these conservation aids are entirely disassociated from the Government's stock-piling program. The only relationship between the two programs is that materials acquired by the Government, pursuant to conservation aids, are made available to the stock pile, if suitable to its purposes, on precisely the same conditions as are any materials privately produced for sale on the open market. We consider it most important, to assure accomplishment of the legitimate purposes of both programs, that the conservation of domestic mineral resources should remain entirely distinct from stock piling for national security purposes. Under no circumstances should their separate objectives become confused in the process of developing conservation legislation.

As you know, it had been our view in the Executive Office of the President, that materials acquired by the Government in the course of the conservation program and not transferred to the national security stock pile should be sold on the open market as fast as they accrue, in order to avoid building up large Government inventories of a miscellaneous character. In place of a provision for automatic sale, your redraft provides that sales must be made only at prices which will return to the Government the average of prices paid for the material sold. The redraft further provides that sales may be made at lower prices, when considered to be in the best interests of the Government, taking into account costs of continued storage, so long as it is determined that such action will not substantially depress the market. In our view, these arrangements constitute the maximum departure from provision for automatic sale which could be accepted as a matter of sound policy.

We have discussed with your representatives the organizational status of the Minerals Conservation Board established under S. 2105. The language of the original bill and that of your redraft would appear to establish the Board as an independent agency of the executive branch. We believe that this is not intended and that it might create problems respecting the handling of appropriations as well as running counter to efforts, supported by the Commission on the Organization of the Executive Branch of the Government, aimed at reducing the number of separate agencies by grouping them under appropriate existing departments and agencies. Therefore, we suggest that serious consideration be given to amending the bill so that the Board would be an agency of the Department of the Interior and the Department be authorized to perform such housekeeping services as the Board may require. Appropriations for the expenses of the Board would then be made to the Department. Such an amendment should, of course, be so drawn as to safeguard the independent exercise by the Board of its substantive powers under the act.

In accordance with our understanding, a copy of this letter should accompany your report and redraft when submitted to the committee.

Sincerely yours,
F. J. LAWTON, *Acting Director.*

TAX RELIEF

Cogent evidence has been presented to the committee that tax allowances for exploration and development costs are an effective means of attracting much-needed venture capital into mining. The committee recommends, therefore, that the appropriate congressional committee undertake a study of the possibility of providing tax incentives for the domestic mining industry. However, it realizes the impossibility that any such action can be taken, or that its effects would be felt, in time to deal with the present emergency situation in respect to domestic sources of essential minerals and metals.

S. 2105 provides a new approach to the extremely complex and difficult problem of developing our reserves and revitalizing our mining industry, which has been and is a cornerstone of our national economy in peace or war. Time is very much of the essence in the situation, and the committee respectfully urges prompt action on the bill.

The favorable report of the Department of the Interior, signed by Secretary Krug, under date of August 15, 1949, together with the report of the Bureau of the Budget, are hereinbelow set forth in full and made a part of this report.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LODGE. I am aware that all the arguments in favor of the bill and all the testimony in favor of the bill are available to the Senate; I am not worried about that. We have the testimony of Secretary Krug and of other officials, but I think in the interest of orderly procedure the views of those who are opposed to the bill and the arguments of those who are opposed to it should be made available, too. I have been through the galley proofs here, and all I can find is testimony in favor of the legislation; yet I understand there was testimony offered against it.

Mr. O'MAHONEY. Mr. President, if I may interrupt, the Senator is quite in error. The record of the committee is complete. It has not been doctored.

Mr. LODGE. No; I did not say it had been doctored.

Mr. O'MAHONEY. No; but that would be the implication.

Mr. LODGE. Oh, no. I did not say that.

Mr. O'MAHONEY. The report which has been filed by the committee contains the report of the Secretary of the Interior. The Bureau of Mines and the Bureau of the Budget participated in all the discussions, in all the executive sessions, which resulted in the drafting of the bill. The Senator no doubt is referring to an earlier report with respect to the measure which has been stricken out by the committee. If the Senator will look at the bill before him, he will see that the entire bill, as it was originally introduced, has been stricken out. A substitute has been prepared. The report on the substitute is in support of it. So that what was said by any official or any other person with respect to the former bill has no bearing upon the bill which is now before the Senate.

Mr. LODGE. Does the Senator mean that the hearings have no bearing on the pending bill, either for or against it?

Mr. O'MAHONEY. Oh, not at all; the hearings have every bearing upon it. But the Senator will see that the adverse report of the Bureau of the Budget, on the first bill, has no bearing upon the bill which is presented here by amendments.

Mr. LODGE. Let me say to the Senator, I do not think for a moment that anyone has doctored anything.

Mr. O'MAHONEY. I thank the Senator.

Mr. LODGE. I never said such a thing. I never thought it. I do not want to imply it.

Mr. O'MAHONEY. I merely wanted the record to be clear, so that no erroneous impression might be received by anyone reading it.

Mr. LODGE. No; I do not want anything like that. But I understood there was testimony on the part of reputable witnesses who appeared and testified against the legislation. Because the hearings are not generally available to the public, I asked the Secretary of the Senate to get me the galley proofs, which he did. I have gone over them. I can find no testimony in opposition to the

bill. That is why I say the record is incomplete.

Mr. O'MAHONEY. I may say to the Senator from Massachusetts the committee issued blanket invitations to the public to appear and testify. No person appeared before the committee to testify against it. There was on the list of witnesses the name of one gentleman who asked to be heard, and to whom the chairman of the committee extended the invitation to be heard, whose name the chairman called, at the hearing, if I remember correctly, when he was not present, and to whom the chairman sent a telegram asking that he appear. The gentleman did not appear. Afterward, however, I understand he appeared in the lobbies of the Senate and perhaps in the offices of some Senators and talked against the bill. But he had his opportunity to be heard, and did not exercise it.

Mr. MALONE. Does the Senator state that this is a complete record on the hearings on the bill?

Mr. O'MAHONEY. Of course, it is.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. I may have been responsible for the statement of the distinguished Senator from Massachusetts. He asked me whether there was any opposition to the bill. I thought I said there had been a letter which came from Mr. Searls, of the Newmont Mining Co. I may have said "testimony." There was a letter, I think, addressed to the chairman, and also addressed to the members of the committee.

Mr. O'MAHONEY. It was mimeographed, and a copy of it was sent to every member of the committee.

Mr. MILLIKIN. It came from Mr. Searls. I did not know it had been circulated, but at least I received a copy of it. That communication, as I recall, with the possible exception of certain criticisms which came from a prominent mining man as to certain of the details, and which also came in the form of a letter or a mimeographed copy which was circulated, was the only opposition I know of.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. With further reference to what the Senator from Massachusetts has said, I happen to have excerpts from a letter dated March 15, 1945, written to the stockholders of the St. Joseph Lead Co., quoting from the eighty-fifth annual report to the stockholders, as follows:

> The management of your company is still opposed to any peacetime Government subsidy for lead or zinc. We are sympathetic with stimulating exploration, production, and the conservation of strategic and critical ores, metals, and minerals, both for the national defense and a sound domestic economy, but we believe that subsidization of production of nonferrous metals is at variance with the system that has given the United States the greatest mining industry in the world—the system known as "American free enterprise," in which competition under free market conditions, regulated by the law of supply and demand, has also resulted in the United States having the highest standard of living in the world. Peacetime subsidization is a step toward nationalization of the industry, will probably reduce and not increase production, and will therefore be a waste of the taxpayers' money.

Mr. O'MAHONEY. Mr. President, I am very happy the Senator from Delaware has read that statement, which I understand he says was taken from the annual report of the St. Joseph Lead Co. to the stockholders. I may say to the Senator from Delaware and to the author of that report, made to the stockholders of the St. Joseph Lead Co., the pending bill offers no more subsidy to any mine in America than is offered and is presently being taken by the St. Joseph Lead Co., as a partner with the Newmont Mining Co. and a French company, in the development of lead and zinc mines in Morocco. I marvel at the fact that a spokesman for the St. Joseph Lead Co., which is a beneficiary of ECA appropriations in north Africa, should be willing to characterize this measure as a subsidy leading to socialization. This measure is not a subsidy, and it does not lead to socialization. It has been drawn with extreme care to prevent just such a development. I fear that there is much more danger to the American system of free enterprise in the type of organization which controls from 80 to 90 percent of the productive capacity of American industry in various fields.

Mr. WILLIAMS. Mr. President, I want to point out to the Senator from Wyoming that I am not speaking as a representative of the St. Joseph Lead Co.

Mr. O'MAHONEY. My words were not directed to the Senator from Delaware; not at all.

Mr. WILLIAMS. I was merely quoting from a letter which was addressed to each stockholder of that company and which was made public. As the Senator says, under the ECA program we are subsidizing several of these companies——

Mr. O'MAHONEY. I do not know that it could properly be called a subsidy. I do not want my remarks to be interpreted as saying that it is a subsidy. The bill is designed for the purchase of the products if they can be obtained. But my point is that great care has been taken in drafting the bill to prevent the occurrence of the things which the St. Joseph Lead officers draw across the sky to terrify their stockholders.

Mr. WILLIAMS. Mr. President, if the Senator will further yield, I merely wish to say that I am quoting the same language he himself used when he said we were subsidizing companies through the ECA program. We are also subsidizing the development of mines in foreign countries through the reduction of our tariffs. We are allowing copper to come in, duty free, and now we are subsidizing the American mining industry so that it can compete with these mines all subsidized by the American taxpayers' money. I agree with what the president of the company said, that if we continue down this road we shall end up with nationalization of our mining industry.

Mr. O'MAHONEY. I will say to the Senator and to anyone who shares the views expressed by the officers of the St. Joseph Lead Co., that, in my opinion, there is far greater danger of socialization and totalitarian developments from the operations of monopolistic enterprises than there is in a measure of this kind which will be primarily beneficial to small competitive enterprises. I fear that the opposition to this measure may be directed against the development of competition rather than against the danger of socialization.

Mr. WILLIAMS. I notice in the same letter that it is pointed out that the writer drew the same conclusion which the Senator from Colorado drew in previous remarks in which he said that the most effective step we can take in correcting the situation would be through our tax structure.

Mr. O'MAHONEY. I say that. I am at the moment chairman of the Joint Committee on the Economic Report, and chairman of the subcommittee which is presently conducting a study of investment, and I say to the Senator from Delaware that anything I can do to promote the investment of private capital in free competitive enterprise I shall do. Years ago I appeared before the Finance Committee and urged upon that committee the adoption of a tax-reform program designed to provide incentives for the investment of private capital. I shall join the Senator from Delaware in doing anything of that kind.

Mr. WILLIAMS. I join with the Senator from Wyoming in thinking that that is the only answer we can give to this question. I do not think we should do it by passing this subsidy bill.

Mr. O'MAHONEY. It is an effective answer. But we are confronted, as a great President once said, with a condition and not with a theory.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. Mr. President, I trust the Senator from Delaware will correct me if I am wrong; but is it not a fact that the annual report of the St. Joseph Lead Co. which has been referred to was the fifth annual report mailed on March 15, 1949?

Mr. WILLIAMS. That is correct.

Mr. DONNELL. Mr. President, I ask the Senator from Wyoming whether a letter to the distinguished chairman of the Committee on Interior and Insular Affairs from Mr. Andrew Fletcher, president of the St. Joseph Lead Co., has been placed in the record?

Mr. O'MAHONEY. The record has not been printed. It is in proof form. I received such a letter, I responded to the letter and, as a result of that letter, I submitted to the committee an amendment to the bill which the committee has endorsed. That amendment was designed to meet one of the criticisms of the bill which was made by Mr. Fletcher.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. The date on which the report on this bill as amended was made by the distinguished Senator from Wyoming was August 25, 1949, and in this letter which I now have in my hand, dated September 12, 1949, from Mr. F. E. Wormser, vice president of the St. Joseph Lead Company, he refers to the letter "to Senator O'MAHONEY setting

forth our objections to S. 2105 which seeks to subsidize unnecessarily and inadvisedly, we believe, the nonferrous metal-mining industry of the United States."

I ask the Senator from Wyoming if he would object at this time to having introduced in the RECORD at this point, or to follow the Senator's completed remarks, a letter dated September 8, 1949, to the Hon. JOSEPH O'MAHONEY, chairman of the Committee on Interior and Insular Affairs, from Mr. Fletcher.

Mr. O'MAHONEY. I shall be very happy to have the letter introduced into the RECORD at this point. I ask only that my reply may also be introduced into the RECORD. I should like to point out that the committee amendments to which I have referred were presented by me on the floor on September 19. The letter from Mr. Fletcher was received after the hearings had been closed and before those amendments were adopted by the committee. One of the amendments which will presently be submitted was based upon the suggestion of Mr. Fletcher in that letter. His suggestion, as I recall it, was that the definition in the bill of "small basic mines" was such that it might permit a mine which was producing, let us say, large quantities of gold and producing lead, copper, or zinc only incidentally, and in less than the quantities named in the bill, to obtain exploration aid or conservation aid, whereas it was a very profitable enterprise. So, recognizing the virtue of that suggestion, I asked the committee to agree to an amendment which would make it clear that the small mine ought to be considered only such a mine as was primarily concerned in the production of copper, lead, and zinc.

Mr. DONNELL. Mr. President, I thank the Senator for his permission that this letter may go into the RECORD at this point, and I ask that it be incorporated at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ST. JOSEPH LEAD CO.,
New York, N. Y., September 8, 1949.

Hon. JOSEPH O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate,
Washington, D. C.

DEAR SENATOR O'MAHONEY: Although in my letter to you of August 4, 1949, I endeavored to outline why the various pending bills to subsidize nonferrous-metal mining would actually harm instead of aid the mining industry and the general economy of this country, I am again writing to you, as the St. Joseph Lead Co. sincerely believes that the provisions of S. 2105, as revised on August 24, 1949, are detrimental to the best interests of the United States—and in fact, may have just the opposite results from those declared in the preamble of the revised bill.

Before making any detailed comments on S. 2105, it may be helpful to you and your associates in Congress if our company's position on metal subsidies is fully understood. Although our company has investments in foreign mining properties, our principal activities are domestic, for we are the largest producers of lead in the United States, and one of the major zinc miners—admittedly, therefore, we have a selfish interest in seeing that the mining industry of the United States is helped and not damaged by legislation.

Our position on mine subsidies was stated in the Eighty-fifth Annual Report to our stockholders, mailed on March 15, 1949, which read as follows:

"The management of your company is still opposed to any peacetime Government subsidy for lead or zinc. We are sympathetic with stimulating exploration, production, and the conservation of strategic and critical ores, metals, and minerals, both for the national defense and a sound domestic economy, but we believe that subsidization of production of nonferrous metals is at variance with the system that has given the United States the greatest mining industry in the world—the system known as American free enterprise, in which competition under free-market conditions, regulated by the law of supply and demand, has also resulted in the United States having the highest standard of living in the world. Peacetime subsidization is a step toward nationalization of the industry, will probably reduce and not increase production, and will, therefore, be a waste of the taxpayers' money. The most basic and effective step the Government could take toward encouraging mining in the United States is to revise the tax laws so that investment of venture capital will receive a return commensurate with the risk."

The principal objections to S. 2105 may be summarized as follows:

1. For the past 4 or 5 years, the mining industry has endeavored to develop a workable plan for aiding the mining industry by subsidy payments—but without success. During the same period, Congress has endeavored to prepare a suitable bill—any disinterested individual will only have to read S. 2105 to realize that Congress is also unable to write a workable bill, and therefore, has been forced to draw up legislation on the basis of the broadest possible terms, as evidenced by:

(a) The impossibility of making any estimate as to the amount of subsidies payable. Is it not unwise to pass legislation—the cost of which is unknown by Congress and the taxpayers of the United States? I refer to Secretary Krug's letter to you of August 15, 1949, in which he stated:

"It is obviously impossible to make any estimate in advance of what production might be eligible for financial aid or what applications might be made for Government participation in exploration projects. Under these circumstances, no estimate is attempted of the probable costs of carrying out the provisions of the bill."

Just as it is unfair to the taxpayers of the United States not to have some rough approximation as to the cost of S. 2105, it is equally unfair to the mining industry not to know the amount of subsidy that is to be made available, because subsidy payments will not be made unless there are available funds—paragraph (e), section 6, reads as follows:

"All contracts entered into under the provisions of this section—(1) shall contain an express provision that they are subject to the availability of appropriated money."

(b) the necessity of passing the responsibility to a new board for drawing up regulations to cover subsidy payment provisions that Congress and the mining industry itself have been unable to prepare. Unfortunately, there is little justification to assume that the proposed Minerals Conservation Board will be any more successful in preparing equitable provisions.

2. Although in section 5, paragraph (a), there appear the words "and to provide fair and equitable treatment for all applicants for aid"—in section 6, there is included a provision which is definitely discriminatory. Discrimination, as you probably realize, was one of the underlying reasons for objections to the wartime premium-price plan, and has also been one of the underlying difficulties in the preparation of various subsidy bills which have been offered during the past few years. Section 6 reads as follows:

"*Provided, however,* That simple contracts covering exploration projects shall be awarded upon application to small base metal mines and such contracts shall provide for the payment by the United States of one-half of the total reasonable costs of all tunnels, shafts, winzes, and raises in such a mine if the application discloses that there is a reasonable promise of developing unknown or undeveloped sources of metals or minerals."

Assuming for the moment that the best interests of the United States are furthered by the agreement to bear one-half of the reasonable cost, and that it is advisable for the Minerals Conservation Board not to make any check as to whether the project holds reasonable promise of development, and further, assuming that the Board will be able to determine what "reasonable" means (which Congress to date has been unable to do) you can well realize the hundreds of accountants that will be required by the Board to check the cost of all tunnels, shafts, winzes, and raises, the hundreds of engineers to determine, for example, when a tunnel or raise ends and a mining stope commences, and probably the hundreds of lawyers to interpret the multitudinous rules and regulations that the Board must unfortunately issue to cover the various contingencies.

3. Section 6, commented upon above, is, of course, also influenced by the definition of paragraph (f) in section 7, reading as follows:

" 'Section base metal mines' means mines or deposits of ores producing or which in the course of conducting an exploration project produce lead, zinc, or copper ores, or ores containing a combination of such metals, the average aggregate monthly production of which does not exceed 100 tons of lead, zinc, and copper metal combined."

Under this provision, is the mining industry and the Minerals Conservation Board to assume that any mine whose output is less than 100 tons of lead, zinc, and copper per month, is entitled to the benefits offered by section 6; for example, will a profitable gold, silver or an antimony property, which has a small byproduct production of lead, zinc, and copper, be considered as a small base metal mine? It is also conceivable that a mining company might feel fully justified in continuing an exploration program to a greater extent than normal, in order to have 50 percent of the exploration cost borne by the United States, and then place the property in production on a basis considerably in excess of the 100-ton-per-month limitation. It has been said that the wartime premium price plan developed numerous pencil and Washington miners—S. 2105 will certainly not improve that situation.

4. There is no paragraph in S. 2105 which requires the Minerals Conservation Board to make a full disclosure to Congress and the taxpayers as to the details of all projects and payments. You will recall that until Congress insisted upon full disclosures of the payments made under the wartime premium price plan, there were considerable misunderstanding and arguments. As the bill grants to the Board, composed of four Cabinet members (for obvious reasons, the work of the Board will necessarily be done by representatives of the Cabinet members) the power to determine how much of the public funds shall be devoted to any particular metal or mineral, how much to exploration, and how much to conservation, the prices that may be paid and which individual producers shall receive contracts—it is imperative that the protection of full publicity should be extended to the Board, as otherwise the Board may be accused of rank discrimination, intentional or otherwise, and the ineffectual expenditures of huge amounts of taxpayers' money for the

benefit of favored individuals or companies. I strongly urge full publicity based on the unfortunate and unjust comments that were made relative to the actions of the Quota Committee of the wartime premium price plan.

5. In a release which you made to the press on August 24, 1949, you stated:

"I am satisfied that the revised bill will meet with the approval of the President, if passed by Congress. With the revised bill, I am submitting to the committee copies of the favorable report of Secretary of the Interior J. A. Krug and a letter of clearance from F. J. Lawton, Acting Director of the Bureau of the Budget. Both were prepared, I am informed, with the cooperation of the office of Presidential Assistant Steelman."

It must, of course, be appreciated that S. 2105, even as now drawn, does not contain Mr. Lawton's suggestion of August 15, 1949, to Secretary Krug:

"In assuring that such purchases are made solely for purposes of conservation, we believe it might be most advantageous to require that these price determinations allow only for coverage of the costs of operation and maintenance, without provision for net profit to the producer. The ultimate return to the producer rests in the long run availability of his property, conserved with the assistance of the Government, for production and sale on the open market under more favorable circumstances."

We agree with the Bureau of the Budget that conservation of low-grade ores should not be done with public funds for private profit. It must be obvious that, if the Government is to grant a profit to a producer, it must of necessity dictate salaries and wages to protect itself.

6. It is next to impossible for even the most competent mining engineer to determine whether a mine, if shut down, would mean a permanent loss of its remaining reserves. Mining history is full of examples of mines reopened after many years of inactivity. The problem of conserving any metal or mineral will not be solved by tackling only one relatively unimportant link in the chain of a metal's life from birth to ultimate use and dissipation.

7. Section 6 (d) is intended to prevent violent disturbance to our free metal markets from the sale of Government-acquired metal through conservation payments, but be it noted that no provision is made for the disposition of metal in private hands produced through benefit of Government exploration payments. This is an important distinction. Indeed, the bill makes mandatory the payment of exploration subsidies amounting to 50 percent of the reasonable cost of all tunnels, shafts, winzes, and raises in small base metal mines. Exploration expense is an important element of the cost of operation of all metal mines. According to the statement of the Committee on Interior and Insular Affairs, there are over 2,200 small mines eligible to receive these mandatory 50–50 exploration subsidies, and the bill also authorizes section 6 (a) "any producer may file with the Secretary an application for financial aid in carrying out a specified project for exploration."

The bill, however, is silent on what is to be done with the metal production of these exploration subsidized mines. It is manifestly unfair for unsubsidized metal to compete with this subsidized production through exploration payment, and yet, that would be the result of the passage of S. 2105 unless the Minerals Conservation Board subsidized the exploration of every nonferrous metal mine in the United States. Our free markets would no longer be free.

8. With full deference to you and your associates in Congress, I cannot believe that the administration, and specifically the Department of the Interior and the Bureau of the Budget, as well as the President himself, who have always stood for sound economic principles in the mining industry—will be willing to endorse S. 2105, which is described in Barron's issue of August 29, 1949, "is a piece of legislation that will propel the Government feet-first into the nonferrous metals business."

A careful reading of S. 2105 will disclose other interpretation and administrative difficulties, but it is felt that the items mentioned above are sufficient to warn Congress against the passage of such legislation, which is administratively appalling. The Board will have to make decisions that will have the force of law, for which there is no guidance in the bill. If public funds are to be protected in their disbursement, the bill should clearly set forth the many legal restrictions necessary to guide the Board.

As outlined in my letter to you of August 4, 1949, we prefer to make constructive suggestions for Government aid to the mining industry, and, therefore, I again offer the following:

ADEQUATE TARIFF ASSISTANCE

At the present time tariff protection is only 50 percent of the former modest tariff protection of 2⅛ cents per pound on lead, and 1½ cents per pound on concentrates, due to the reduction of 50 percent during the last few years caused by the terms of the Reciprocal Trade Agreements Act. Congress should at least guarantee the mining industry that there will be no further cuts.

TAX INCENTIVES

The depletion allowance of the nonferrous metals of 15 percent might well be increased to the 27.5 percent granted the petroleum industry. Complete exemption from taxation for a period of years on a new property would be helpful and would compare with the assistance that is now given in Canada, South Africa, and certain other countries. Exploration and development costs should be allowed as operating expenses before as well as after production begins. As the present high surtaxes on personal incomes, coupled with the loss limitation of $1,000 per year, make speculative investment in a mining venture unattractive, consideration might well be given to developing some proper investment allowance—for example, earnings from a mining venture would carry the same tax rate as a capital gain.

Increased appropriation to Geological Survey and Bureau of Mines.

We heartily endorse a continuation of the help given to all citizens of the country alike by the work done in the past by the Geological Survey and the Bureau of Mines. In open competition, United States miners have made good use of the information furnished by these Bureaus, have found and developed rich producing properties. We believe that a more liberal budget for these two agencies of the Government should be approved.

Metals of all kinds have been the largest single factor in the development of the United States and in insuring victory in times of war. In conclusion we urge you and the other Members of Congress not to adopt S. 2105 or similar legislation.

Sincerely yours,

ANDREW W. FLETCHER,
President, St. Joseph Lead Co.

Mr. O'MAHONEY. Mr. President, I ask that the reply which I sent to Mr. Fletcher may also be incorporated in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 23, 1949.

Mr. ANDREW FLETCHER,
President, St. Joseph Lead Co.,
New York, N. Y.

DEAR MR. FLETCHER: Senator O'MAHONEY, who is in the West at the opening of a reclamation project, has asked me to express his thanks to you for your letter of September 8 concerning S. 2105, the proposed National Minerals Act of 1949.

The Senator sent each member of the committee a copy of your letter, and your views were considered in detail by the full committee at its executive session on Monday. Your opposition to the measure, both in principle and in detail, was much regretted, the more so since the committee was of the opinion that your position is not well founded in the light of the critical condition of the Nation's domestic reserves of minerals and of the threat to our independent, nonintegrated mining enterprises.

The committee regrets also that you did not appear before it or attend any of the hearings which were held over a 5-week period on S. 2105, and related bills. All interested persons were given full opportunity to be heard and to participate in the discussions.

Your recommendations regarding tax relief were very favorably received. As you know, in its unanimous report on S. 2105, the committee went on record in urging action by the appropriate congressional unit for revision of tax laws affecting mining to offer greater incentives for venture capital. A study of such revision is under way jointly by representatives of the Bureau of Mines and the Treasury Department, and is being followed with keen interest.

However, all the evidence available to the committee indicates that such legislation, even if it could be passed at the next session of Congress, could not meet the present emergency. S. 2105 is based on the immediate factual situation set forth in the national resources task force report of the Hoover Commission, the President's message, and on the uncontradicted evidence presented to the committee by numerous industry and Government experts who came before it.

Since you appear so unequivocally opposed to the spirit and principle of any of the presently pending measures for development and conservation of our reserves of minerals within the United States, there does not seem to be much point in discussing the objections raised in your letter as to details of the provisions of S. 2105. However, as to the assertion that such legislation is nationalization, permit me, as one who attended all of the hearings and who has read all of the correspondence, respectfully to point out that there are no compulsory provisions in the bill which would make it mandatory for the St. Joseph Lead Co. or any company, great or small, to receive benefits under it.

The very great capital assistance given to banks and to a wide variety of industries in time of need through RFC has not resulted in nationalization, nor has the continuing Government aid to American shipbuilding and ship operation, nor to domestic air lines. Neither, to cite an example or two from the mining industry, has the very material help in the way of construction of the Treasury Tunnel for the Idarado mine without risk to the private owners, nor participation by American mining firms in ECA-financed mineral projects overseas, threatened the freedom of enterprise of the groups benefiting.

It should be noted that all of this aid has been and is being accomplished on a selective, individual contract basis, such as that provided by S. 2105.

In support of the urgent need for some assistance to our domestic mining industry such as that accorded, without nationalization, to other enterprise and some few large mining units, is the strong evidence that discoveries of new sources of minerals within the United States, so vital to our security, have not kept pace with our needs, and that as the result of foreign competition, much of it subsidized in one way or another by the American Government, many of our present sources of minerals are in danger of being lost through forced abandonment.

Such a development would greatly increase our present perilous dependence upon ocean-borne foreign sources. Also, the closing of a substantial number of nonintegrated units would add still further to the monopoly control which may well constitute more of a threat to American free enterprise than could the legislation now proposed.

Undoubtedly you know already of the amendments which the committee authorized Senator O'MAHONEY, as chairman, to present to the Senate, but the Senator has asked me to send you a copy for convenient reference.

The amendment to the definition of "small base metal mines" is based directly upon your observations. While the committee did not feel that the definition was open to the criticisms you made, in view of the authority of the Board and the expression of the intent of the legislation in the report, the suggested clarification was made, however.

Senator O'MAHONEY asked me to assure you that your views always will be given most careful consideration.

Sincerely yours,

STEWART FRENCH,
Staff Consultant.

Mr. DONNELL. Mr. President, the opening sentence of the letter of the president of the St. Joseph Lead Co. to the Senator from Wyoming [Mr. O'MAHONEY] reads as follows:

Although in my letter to you of August 4, 1949, I endeavored to outline why the various pending bills to subsidize nonferrous metal mining would actually harm instead of aid the mining industry and the general economy of this country, I am again writing to you, as the St. Joseph Lead Co. sincerely believes that the provisions of S. 2105, as revised on August 24, 1949, are detrimental to the best interests of the United States—and in fact, you may have just the opposite results from those declared in the preamble of the revised bill.

I do not by reading that sentence mean in any sense, even inferentially, to contradict the statement of fact of the distinguished Senator from Wyoming as to preparation of the amendment.

Mr. O'MAHONEY. I quite understand that, and I am very glad that the RECORD shall contain this expression of the views of Mr. Fletcher.

Mr. MILLIKIN. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Colorado.

Mr. MILLIKIN. Is not the memory of the junior Senator from Colorado correct that we devoted an entire session one day to considering the suggestions made in this particular letter?

Mr. O'MAHONEY. The Senator is correct. A copy of that letter was given to every member of the committee.

Mr. President, may we not have the perfecting amendments now considered?

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK. In the committee amendment on page 11, lines 11 and 12, it is proposed to strike out "if the application discloses," and insert "if it is determined on examination."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 12, line 2, it is proposed to strike out "each" and insert "such."

The amendment to the amendment was agreed to.

The LEGISLATIVE CLERK. On page 14, line 9, before the word "price" it is proposed to insert "approximate average."

Mr. DONNELL. Mr. President, was the clerk reading from line 9, on page 14?

Mr. O'MAHONEY. Yes.

Mr. DONNELL. Will the Senator yield for an inquiry at that point?

Mr. O'MAHONEY. Certainly.

Mr. DONNELL. As I understand, the amendment proposes to introduce, before the word "price," the words "approximate average," in line 9, and thereafter in line 10, following the word "not," to insert the word "materially." Am I correct in my understanding?

Mr. O'MAHONEY. The Senator is quite correct.

Mr. DONNELL. The complete sentence as it now is set forth on page 14 is as follows:

Unless notified by the Munitions Board to either transfer any of such metals or minerals or to continue to hold them as provided in this subsection, the Administrator shall sell them in the open market if and when open-market prices will return to the Government at least the price paid by the Government for the metals or minerals, and only in such quantities as will not depress the market.

Instead of requiring the sale of the minerals for "at least the price paid by the Government" for them, and "only in such quantities as will not depress the market," would not the effect of the amendment be to permit the sale at the approximate average price, which might be less than the price paid by the Government, and instead of requiring that they should be sold only in such quantities as would not depress the market, the effect of the amendment would be that they must be sold only in such quantities as would not materially depress the market. So that the effect of the amendments would be to permit the sale at less than the price paid, whereas the committee amendment requires the minerals to be sold for at least the price paid. The further effect of the amendment would be that instead of requiring them to be sold only in such quantities as would not depress the market, there could be a sale, under the amendment offered by the Senator from Wyoming, in quantities which might depress the market to some extent, provided the depression were not a material depression in price. Am I not correct?

Mr. O'MAHONEY. The Senator is technically correct. I may say, however, that the purpose of the amendment is distinctly not to invite the sale of these minerals at a loss. The committee was presented with a question raised by Mr. Larson, the head of the General Services Administration, who pointed out that unless the first amendment, adding the words "approximate average" before the word "price," was adopted, it would become necessary for the General Services Administration to maintain a book account of great detail as to the exact purchase price of every particular quantity, and then, when selling, to sell the particular purchased quantities at the particular prices at which they were purchased.

It seemed to the committee that was a very reasonable criticism, and therefore, in order to save the executive department from an administrative impossibility, as it seemed to us, and at the same time to preserve the intent of the committee that the metals should not be sold at a loss, we wrote in the words "approximate average."

The same principle applies with respect to the amendment inserting the word "materially" in line 10, just before the word "depressed." The theory there was that unless that word or some similar word were inserted, any sale might be interpreted as having a depressing effect. So that it was to avoid administrative difficulties, and not to change the policy of the committee that these minerals should not be sold in a manner to depress the market.

Mr. DONNELL. I may say that a message came to my office yesterday, over the telephone, I think it was, to which I should like to call attention. I did not personally receive it, and I might inadvertently err in the precise contents of the message, but as I understood, it was from a gentleman by the name of Dickinson, who is connected with the American Mining Congress, in which he opposed both these amendments. I have not had the benefit of talking with Mr. Dickinson at all; the point the Senator makes about "approximate average" I conceive might be strongly fortified by reason; but it appears to me the reasoning of the Senator is not applicable with the same force to the insertion of the word "materially" before the word "depressed."

Mr. O'MAHONEY. Since the Senator says "with the same force," he impliedly recognizes that there is some force in the statement, and I hope he will accept it. I had the same message from Mr. Dickinson, and while I sympathize completely with the point of view he expresses, I believe that he is raising a fear which will not be realized. I believe it is very much more important to the mining industry, which Mr. Dickinson so ably represents, that we have this bill enacted into law, than it is that we weigh feathers with respect to certain words.

Mr. DONNELL. Mr. President, would the Senator deem it wise to pursue his amendment, namely, the addition of the words "approximate average," in line 9, but to abandon that portion of the amendment which would insert the word "materially" in line 10? I can see the Senator's point in regard to the insertion of the words "approximate average," but I confess it appears to me that the word "materially" would, if it be introduced, permit the Administrator to sell the minerals in such quantities as would depress the market, and I do not know who would determine what would be a material depression. I think it of some force and importance that the quantity should not be such as to depress the market in the slightest. Therefore I ask the Senator whether he would be willing, while advocating and securing, if possible, the adoption of the amendment in line 9, to waive his advocacy of the amendment in line 10 introducing the word "materially."

Mr. O'MAHONEY. Before I answer the Senator permit me to yield to the Senator from Colorado [Mr. MILLIKIN], who participated in the discussion in the committee respecting all these amendments.

Mr. MILLIKIN. Mr. President, I should like most respectfully to say to the Senator from Missouri that if the word "materially" is left out, the ores and minerals which the Government may have accumulated can never be sold, because their sale would have a depressing effect on the market. So the committee placed the word "materially" in the amendment in order that the Government may protect itself and get rid of its stocks at a time it believes to be appropriate, so long as such sale does not materially depress the market. We gave considerable thought to the words "materially" and "substantially"; we considered the use of about six words to overcome what is in the Senator's mind, but the end conclusion was that if the word "depress" remained by itself, any sale would have a price-depressing effect. Of course, we did not mean that, because if we did, the Government could not ever get rid of the surpluses that might be accumulated. We experimented with all possible words.

Mr. O'MAHONEY. Mr. President, I agree with everything the Senator from Colorado has said. We were fearful that this language might be so interpreted as to constitute a mandate to freeze purchases. It was not the intention of the committee to require the Government to provide storage for quantities which might be purchased which in turn would require expenditure of funds for that purpose. That was one of the points raised by Mr. Larson of the General Services Administration.

I feel, as the Senator from Colorado has so well expressed it, that the abandonment of this amendment now would not be in the interest of preventing what we have heard called here a subsidy program. These materials are valuable. There is no need of fearing that there is a depression around every corner. I believe confidently that we can operate the economy of the United States on a stable basis, and therefore I feel that the production from these mines should be such as to go into commerce when it can go into commerce without loss to the Government, and that we should not erect, by language in the bill, possible obstacles to its free flow.

Mr. DONNELL. Mr. President, will the Senator yield for one further inquiry?

The PRESIDING OFFICER (Mr. LEAHY in the chair). Does the Senator from Wyoming yield to the Senator from Missouri?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. The insertion of the word "materially" comes in the amendment presented by the Senator on the 19th of September; does it not?

Mr. O'MAHONEY. It does.

Mr. DONNELL. The committee itself had, during the period from June 17 to August 25, considered the bill and reported it without the word "materially" in it. That is correct; is it not?

Mr. O'MAHONEY. Yes.

Mr. DONNELL. May I inquire of the Senator what caused the subject to be brought to the attention of the committee and caused the committee to think it was important to add the word "materially" in line 10.

Mr. O'MAHONEY. The letter from the General Services Administration, from Mr. Jess Larson, the Administrator of that agency, and our conversations with the Bureau of the Budget.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. DONNELL. Although the amendment is submitted by the Senator from Wyoming as being from the Committee on Interior and Insular Affairs, I assume that the amendment does have the support of the entire committee. Is that correct?

Mr. O'MAHONEY. It does.

Mr. DONNELL. Only the name of the Senator is mentioned, though, as I indicated, it does come from the committee.

Mr. O'MAHONEY. If the Senator had before him the RECORD of September 19 he would see that the chairman of the committee offered these amendments as committee amendments, and they are being so presented from the desk.

Mr. DONNELL. I thank the Senator.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. Can the Senator direct me to the expressions of opinion on this legislation by the Bureau of the Budget? I have been looking through these galley proofs and I do not seem to be able to find them.

Mr. O'MAHONEY. I will hand the Senator a copy of the report, which is available to all Members of the Senate.

Mr. LODGE. Is that all there is on the subject from the Bureau of the Budget?

Mr. O'MAHONEY. I would not say that that is all there is, but I will say to the Senator expressly that the bill as it is now being presented by the chairman of the committee has the full support of the Bureau of the Budget.

Mr. LODGE. I may say to the Senator from Wyoming that I have been reading the committee report, but I had understood there was another communication from the Bureau of the Budget which was not included in the report.

Mr. O'MAHONEY. There is in the record, I have no doubt, the original report on the original bill to which I alluded in response to the Senator some time ago.

The history of the legislation is this: A mine subsidy bill was passed by the Seventy-ninth Congress but was vetoed. In the Eightieth Congress a similar bill was recommended by the Committee on Interior and Insular Affairs, but it failed of passage on the closing night of the session a year ago in June or July.

At the beginning of the present Congress several bills on this subject were introduced. One was introduced by the distinguished senior Senator from Montana [Mr. MURRAY]. On the House side a bill was introduced by the able Representative from California [Mr. ENGLE]. There were other bills. I do not remember them all.

The Committee on Public Lands of the House endorsed the Engle bill, but it did not have the support of the Bureau of the Budget and did not have the support of the Executive. It was a bill which was headed for another veto.

The Senator from Wyoming then, after consultation with the Bureau of Mines, introduced a measure which was intended to eliminate the pitfalls which had wrecked the previous legislation. When that bill was subjected to scrutiny by the Bureau of the Budget, by the Department of the Interior, by the General Services Administration, and by the committee, after the hearing, and after we had had general conferences again, we struck out the entire original bill, and reported this new bill which, as amended, has the complete support of the Bureau of the Budget.

The objection to the original bill was, in brief, that it was a subsidy bill—I do not say that it was, understand, but that was the criticism—which might require the Government to support marginal mines which were not capable of producing ore that would be of benefit to our economy or to our war potential.

The pending bill avoids that pitfall altogether, because it provides for administration under the direction of the Munitions Board and the Secretary of the Interior, and its purposes are directed toward the exploration for new deposits and the conservation of existing known deposits, so that they may not be lost to the country through preventable disaster.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very happy to yield.

Mr. DONNELL. I have already introduced into the RECORD a letter from the president of the St. Joseph Lead Co. I think in fairness, if the Senator will permit, I should like to introduce at this time into the RECORD two letters which are favorable to the bill. I assume the Senator would have no objection to that.

Mr. O'MAHONEY. No objection at all.

Mr. DONNELL. One is from John Clark, president of the International Union of Mine, Mill, and Smelter Workers, addressed to myself, dated September 15, 1949, attached to which is a resolution adopted by the forty-fifth convention of that organization on September 12, in support of Senate bill 2105.

I invite attention to the fact that Mr. Clark has this to say in his letter with reference to the resolution I have mentioned in support of Senate bill 2105:

INTERNATIONAL UNION OF MINE,
MILL, AND SMELTER WORKERS,
Chicago, Ill., September 15, 1949.

Senator FORREST C. DONNELL,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR DONNELL: The forty-fifth national convention of the International Union of Mine, Mill, and Smelter Workers on September 12 adopted the enclosed resolution in support of S. 2105.

Passage of this bill before the present session of Congress ends is of the utmost urgency if the jobs of thousands of workers in the nonferrous metal mining, smelting, and fabricating industry are to be protected.

In the Upper Peninsula of Michigan, 4,000 copper miners face immediate loss of their jobs if the provisions of S. 2105 are not put into effect. Five thousand jobs in the tri-State area of Oklahoma, Kansas, and Missouri, and thousands in Utah, Arizona, Nevada, Wyoming, New Mexico, Montana, Idaho, and other States, are also at stake. The total comes to over 20,000.

On behalf of the membership of the International Union of Mine, Mill, and Smelter Workers, I urge that you exert your influence to secure a place for this bill on the Senate program before adjournment.

Sincerely yours,

JOHN CLARK, *President.*

I ask unanimous consent to have printed in the RECORD at this point the resolution to which I referred.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON S. 2105

S. 2105, jointly introduced by Senators O'MAHONEY, HAYDEN, MCFARLAND, and MALONE, now before the Senate, would, among other things, provide a means for preventing the shut-down of mines under circumstances which would make it impossible for those mines to be opened again; and

Such action would enable us to conserve valuable and limited mineral resources which would otherwise be irretrievably lost; and

Would further immediately enable marginal mines in such areas as upper Michigan, tri-State, Utah, Arizona, Idaho, and Montana, either to resume or continue operations, therefore preventing loss of jobs for some 15,000 to 20,000 workers in our industry. Therefore, be it

Resolved, That this forty-fifth convention of the International Union of Mine, Mill, and Smelter Workers endorse S. 2105 and urge that all locals immediately wire their Senators urging that they support this bill and press for its passage at this session of Congress.

Mr. DONNELL. Mr. President, the second letter to which I refer is dated September 16, 1949, and is from Mr. Howard I. Young, who writes upon the stationery of the American Zinc, Lead & Smelting Co., 1600 Paul Brown Building, St. Louis, Mo., of which company Mr. Young is president, although he signs it simply "H. I. Young." The letter is as follows:

AMERICAN ZINC, LEAD & SMELTING CO.,
St. Louis, Mo., September 16, 1949.

The Honorable FORREST C. DONNELL,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I understand S. 2105 is reported out of the committee but has not yet been placed on the Senate calendar for consideration.

I have carefully studied this bill. It is not an ideal one by any stretch of the imagination. However, it is my judgment that it is a constructive measure and one that is needed by the mining industry to further the development of our natural resources (mineral).

As you know, I have always been and still am opposed to subsidies. I have, however, been in favor of Government assistance in the development of our natural resources and in the proper conservation of those critical minerals that are in scarce supply.

I think S. 2105, properly administered, will be a constructive one for the industry and for our national defense. I urge that you support it if it comes before the Senate for consideration.

Warmest personal regards.

Sincerely yours,

H. I. YOUNG.

I may add that Mr. Young has been, and I assume still is—certainly I think he was until a few days ago—president of the American Mining Congress, although he does not sign the letter in that capacity. However, I cite that fact as indicating his standing in the mining industry.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2514) to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. THORNBERRY, and Mr. REES were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 6, 17, 20, 38, 46, 47, 50, 63, 66, 83, 108, 109, 125, 128, 130, 131, 132, 133, 134, 144, 148, 156, 162, 164, 166, 172, 174, and 189 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 11, 64, 67, 80, 115, 119, 135, and 167 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 7, 11, 12, 15, 16, 18, 22, 24, and 37 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 9 and 19 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 377) for the relief of Ernest J. Jenkins, and it was signed by the Vice President.

Mr. O'MAHONEY. Mr. President, the Senator from Tennessee [Mr. MCKELLAR], chairman of the Appropriations Committee, tells me that he has ready for submission a conference report on an appropriation bill which is of great importance to all of us. I am happy to yield to him.

THIRD DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. MCKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 25, 31, and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 10, 17, 20, 21, 23, 26, 27, 28, 29, 30, 33, 38, 40, and 41, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8 and agree to the same with an amendment, as follows: In line 7 of said amendment strike out "S. 2072" and insert the following: "SEC. 2072"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$340,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$190,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the matter stricken out by said amendment insert: ", of which $15,000 shall be available for payment of accrued annual leave only"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 9, 11, 12, 15, 16, 18, 19, 22, 24, and 27.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I should like to ask the chairman of the Appropriations Committee if this is a unanimous report by the conferees on both sides?

Mr. MCKELLAR. It is.

Mr. GURNEY. Mr. President, reserving the right to object, may I ask what was the action on amendments 23 and 24? Was there any change made by the House in those two amendments?

Mr. MCKELLAR. The House receded on both.

Mr. GURNEY. And that is the way the report is presented to the Senate?

Mr. MCKELLAR. That is the way it is presented to the Senate.

Mr. GURNEY. I thank the Senator.

Mr. MAGNUSON subsequently said: Mr. President, I understand that the conference report on House bill 5300, the third deficiency bill, has been agreed to. At the time I was preparing an explanation of one of the provisions in the bill relating to the Maritime Commission and the handling of consumable stores. I ask unanimous consent to have printed in the RECORD immediately before the adoption of the conference report an explanation of the consumable stores item.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RE: H. R. 5300

The conferees report on the Third Deficiency Appropriation Act, 1949, reinstates the House provision with respect to the handling of consumable stores, bunkers, and slop-chest items on vessels chartered from the Maritime Commission and redelivered to that agency upon termination of the charter.

The House language provides that such items shall not be accepted nor paid for by the Commission. The effect of this provision will be that the charterer will be required to remove such items from the vessel before redelivery and use his best judgment as to the proper disposition thereof. Obviously, the removal and disposition of the items will entail some expense and possibly losses to the charterer. It is my understanding that such expense or loss should probably be treated as a redelivery expense of the charterer which must be taken into account in the adjustments for charter hire or additional charter hire under the terms of the charter. Obviously, it would be inequitable for the Government to require that these expenses or losses should be excluded in making the voyage accounting adjustments. I assume that the provision has been retained in the bill because the conferees understood that such adjustments would be permissible, thus avoiding, at least in substantial part, the various objections to the provision which have been raised by ship operators, particularly the smaller operators, who are not in a position to reuse surplus stores, bunkers, and slop-chest items on the other vessels operated by them.

I understand that a number of the operators have committed themselves to keep their vessels under charter for 6 months in the case of berth operators and 4 months in the case of tramp operators, in reliance upon the assurances in the reports of the committees of the House and Senate in extending the Ship Sales Act until July 1, 1950. The change in the law casting upon the charterers a substantial additional burden for consumable stores, bunkers, and slop-chest items obviously constitutes a fundamental and basic change in the charter arrangement, and it may be that, under these circumstances, the Maritime Commission, upon request of the charterers, may be in a position to legally relieve the charterers of their 4- and 6-month commitments and permit prompt redelivery on the basis of the contractual obligations existing on June 30, 1949. This may be particularly true in the case of vessels that will have been redelivered to the Commission between June 30, 1949, and the date of enactment of this legislation, or within a relatively short time thereafter.

In any event, it is my belief, based on the legislative history of the above-mentioned acts, that it is the intent of Congress to provide that the law relating to consumable store, bunkers, and slop-chest items is to be applied prospectively only.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5300, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 6, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, 12, 15, 16, 18, 22, 24, and 37 to the bill (H. R. 5300) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment as follows: In line 3 of the matter inserted by said amendment strike out "September" and insert in lieu thereof "October."

That the House recede from its disagreement to the amendment of the Senate numbered 19 to said bill and concur therein with an amendment as follows: In line 22 of the matter inserted by said amendment strike out "$22,500,000" and insert in lieu thereof "$12,500,000"; and in line 37 of the matter inserted by said amendment strike out "$4,000,000" and insert in lieu thereof "$2,000,000."

Mr. MCKELLAR. Mr. President, one amendment was simply a change in date. The other related to an appropriation of $22,500,000 in the Senate version. The conferees agreed on $12,500,000. Also, the Senate had voted to appropriate from the disposal of surplus property $4,000,000. In conference it was agreed that it should be $2,000,000.

Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 9 and 19.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. MCCLELLAN subsequently said: Mr. President, I ask unanimous consent to place in the RECORD a statement by me regarding the conference report on the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEMENT BY SENATOR M'CLELLAN IN CONNECTION WITH APPROPRIATION ITEM FOR GENERAL SERVICES ADMINISTRATION CONTAINED IN H. R. 5300, THIRD DEFICIENCY APPROPRIATION BILL

I desire to call the attention of the Senate to House amendment No. 19 to H. R. 5300, which reduces the appropriation estimate of the General Services Administration from $22,500,000 to $12,500,000 for administrative expenses, and a further reduction in an authorization of four million to two million which would permit the use of disposal proceeds of surplus property for renovating or repairing industrial facilities subject to the national security clause. I am particularly concerned with respect to the reduction of the administrativce expense item from $22,500,000 to $12,500,000.

At the time Mr. Jess Larson, Administrator of General Services Administration, testified before the Senate Appropriations Committee, he indicated that no funds had been appropriated to GSA to cover the new functions imposed upon the GSA by Public Law 152, the Federal Property and Administrative Services Act of 1949. He further indicated that no funds had been included in this estimate for these purposes, specifying then that he was confident that with the integration of War Assets into the General Services Administration a certain savings could be made and that he was confident they would utilize the savings on the new functions imposed upon the General Services Administration imposed by the Federal Property and Administrative Services Act. These functions include such important items as proper utilization and disposal by the executive agencies, records management, freight and traffic management, the establishment of a Federal stock catalog and improving cataloging generally, improving space control, improving inventory control and property-management practices in other executive agencies, obtaining more efficient rates for public-utility services in the Government, and most of all streamlined procurement methods and the resulting elimination of 5-percent practices by decentralizing the procurement program out of Washington to area offices where all manufacturers and small businesses could obtain quickly pertinent information relative to current procurement needs and programs of the Government.

An examination of the justification for this estimate will reveal that conservative amounts have been submitted for the orderly liquidation of the surplus-property-disposal program remaining in War Assets, irrespective of any amounts needed to handle the

functions of GSA which I have just enumerated. I am submitting a chart specifying the individual items included in the estimate of $22,500,000.

Personal services	Total	Property management	Disposal	Inventory control and reconciliation	Executive direction
Regular salaries	$6,552,000	$2,477,000	$1,875,000	$1,692,000	$508,000
Regular salaries, protection and maintenance at site	726,000	726,000			
Terminal leave	1,095,000	343,000	412,000	281,000	59,000
Subtotal	8,373,000	3,546,000	2,287,000	1,973,000	567,000
Aircraft and aircraft parts and components	5,954,000	2,404,000	3,550,000		
Protection and maintenance of real property	3,296,000	3,296,000			
Taxes	1,587,000	1,587,000			
Administrative costs	1,530,000	623,000	405,000	391,000	111,000
Plant clearance	540,000	540,000			
Miscellaneous contractural disposal costs	530,000		530,000		
Other agencies	690,000	78,000	612,000		
Total	22,500,000	12,074,000	7,384,000	2,364,000	678,000

A further examination of the justification submitted by the Administrator in support of this estimate discloses some very enlightening information which leads me to wonder as to the wisdom which dictated the reduction of this appropriation item. I refer to the fact that in the liquidation of the surplus property now remaining under the jurisdiction of War Assets of General Services Administration, it is a conservative estimate that this agency will realize a revenue of $36,000,000 in 1950 from leases of surplus plants and after deducting the estimate of approximately $12,000,000 for the protection and maintenance of such plants, there will be approximately $24,000,000 net return to the Government on this property management activity. Furthermore, the disposal program for 1950 anticipates a disposal of property totaling $1,058,000,000 at acquisition cost at a gross realization of $119,000,000 from such disposals. With operating costs totaling only $22,500,000, or only 19 percent of the gross return, the net return to the United States Treasury will be approximately $96,500,000 for all operations in the fiscal year 1950.

Obviously with the appropriation estimate reduced there must of necessity be a corresponding reduction in staff and and a corresponding reduction in disposal accomplishments.

Mr. President, Members of this body will recall at the time Public Law 152 was enacted there was little or no disagreement between the House and the Senate as to the provisions of this bill. It was viewed by the House and Senate as one of the most useful pieces of legislation that had been enacted in order to complete the administrative machinery of the Federal Government. It is, therefore, extremely unfortunate that we are at this time in effect tying the hands of the Administrator of the General Services Administration, delaying the inauguration of the program of the GSA with respect to these many activities. In view of the action taken on H. R. 5300, I feel it my duty to call it to the attention of this body that we are in effect directing the Administrator of the General Services Administration to appear before the respective Appropriations Committees at the beginning of the next session of Congress in order to request a supplemental appropriation.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO OFFICERS AND EMPLOYEES OF COLUMBIA INSTITUTION FOR DEAF

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSTON of South Carolina. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, and Mr. LANGER conferees on the part of the Senate.

STRATEGIC ORES, METALS, AND MINERALS

The Senate resumed the consideration of the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. SALTONSTALL. I was very much interested in the questions asked by the Senator from Nebraska [Mr. WHERRY] with relation to possible duplication as between this bill and the Stockpiling Act. I obtained a copy of the Stockpiling Act, which is Public Law 520, Seventy-ninth Congress, chapter 590, second session, S. 752. In the policy stated in that act these words are used: "to encourage the conservation and development of sources of these materials within the United States," these materials being certain strategic and critical materials, "to supply the industrial, military, and naval needs."

I cannot see why those words do not duplicate to a large extent the purposes of this bill. In other words, why is not the Senator from Nebraska correct in saying that there is duplication of what may now be done by the Munitions Board if it sees fit?

Mr. O'MAHONEY. The reason is this: If the Senator will read further in section 3 of Public Law 520 of the Seventy-ninth Congress, he will see that the instruction and authority there are to make purchases of strategic and critical materials. In the pending bill the activity is not confined to purchases. It includes also aid in bearing a part of the cost of the exploration.

Mr. SALTONSTALL. Could not the Munitions Board, under this act, encourage conservation and development, and stimulate exploration?

Mr. O'MAHONEY. Any purchases would do so. However, let me say to the Senator, as was so ably said by the distinguished Senator from Colorado [Mr. MILLIKIN], that in my judgment it would be unfortunate to have the direction of the domestic mineral policy, or, in fact, any domestic policy, under the control of the Military Establishment. The purpose here is wholly independent and has relation to peaceful objectives. It is incidental that the metals to be developed, the ores to be uncovered, and the minerals to be mined and purchased have a war potential. They are strategic and critical materials in some instances, but they are primarily a part of the industrial potential.

Mr. SALTONSTALL. Then the bill must stand on its own feet as a peacetime measure, rather than an emergency measure.

Mr. O'MAHONEY. Certainly.

Mr. SALTONSTALL. When it is argued that the bill must be passed now because of the emergency and the need of stock piling, that is incidental to its purpose, which is peaceful.

Mr. O'MAHONEY. I have so stated. This is not primarily a stock-piling bill. This is primarily a measure designed to conserve the resources which we have and see if we cannot find some more.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. The immediate emergency consists of the fact that our mining communities are stricken, and out of business. Our mines are closed, and we are trying to restore them to health.

Mr. KNOWLAND. Mr. President, I desire the floor in my own right.

Mr. O'MAHONEY. Will the Senator desist until the committee amendments can be disposed of?

Mr. KNOWLAND. I shall defer to the wish of the Senator from Wyoming.

Mr. DONNELL. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. The amendments in lines 9 and 10, on page 14, have not yet been acted upon, have they?

Mr. O'MAHONEY. No; they have not.

Mr. DONNELL. In view of the fact that so great an organization as the American Mining Congress, through its representative, Mr. Dickinson, is apprehensive, as I understand, over the insertion of the word "materially", in line 10, on page 14, I should like to ask the Senator this question: Considering the statements which have been made thus far on the floor of the Senate, does the Senator think the language as it now appears in that line of the bill is sufficient?

It provides, in effect, that the Administrator shall sell such materials in the open market, and "only in such quantities as will not depress the market."

I take it that any sale at least theoretically tends to decrease the price, and any purchase tends to increase the price. But in every transaction of sale and purchase, there is both an element of depression and element to the contrary.

Is not the fair meaning of the committee amendment as it now stands, on page 14, in lines 10 and 11, in connection with the words "depress the market," along the line that a depression of the market is a great, unreasonable, unusual diminution of prices, rather than a slight change which one sale might effect; and is it not also true that to insert the word "materially" before the word "depress", at that point, raises, first, the question of who will determine whether it is material; and, in the second place, the meaning of "materially"? Who can tell whether it is a material depression?

Would it not simplify the matter to leave the language as it now is? Would not that cover the point the Senator has in mind, because the word "depress" certainly does not mean simply the result which might flow from the sale of a normal quantity of a commodity.

Mr. O'MAHONEY. This amendment to the committee amendment was unanimously agreed to by the Committee on Interior and Insular Affairs. It has the support of all the executive agencies concerned. I do not think it is open to the interpretation which has been placed upon it by Mr. Dickinson. I feel that I am individually committed to the amendment as it stands, for the reasons which have already been fully stated by the Senator from Colorado and myself.

So I hope the Senator from Missouri will not press any opposition to this committee amendment.

Mr. DONNELL. Mr. President, I shall not ask for a yea-and-nay vote on the amendment, but I should like to have an opportunity provided for each Member of the Senate to be recorded; and in that connection, I should like to record myself, at this moment, in opposition to the amendment on page 14, in line 10, where it is proposed to insert the word "materially" before the word "depress."

Mr. O'MAHONEY. Mr. President, the pending amendment is on page 14, in line 9, of the committee amendment. There is no objection to it, and I hope it will be agreed to. It provides that in the committee amendment on page 14, in line 9, before the word "price," the words "approximate average" be inserted.

The PRESIDING OFFICER. The question is on agreeing to the amendment which has just been stated to the committee amendment on page 14, in line 9.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The next amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 14, in line 10, after the words "as will not," it is proposed to insert the word "materially."

Mr. DONNELL. Mr. President, I object to having the amendment agreed to by unanimous consent. I ask that the question of agreeing to the amendment be put.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment on page 14, in line 10, which has just been stated. [Putting the question.]

The amendment to the amendment was agreed to.

Mr. DONNELL. Mr. President, I should like to have the RECORD show that a vote "no" was cast by myself. There may have been other Senators who voted "no," but at least I voted "no." [Laughter.]

Mr. O'MAHONEY. Mr. President, the Senator from Missouri should not speak so loudly as to drown out the voices of his colleagues.

The PRESIDING OFFICER. The next amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 15, in line 22, after the word "including," it is proposed to insert the word "undeveloped."

The amendment to the amendment was agreed to.

The next amendment to the committee amendment was, on page 16, in line 13, after the word "ores" to insert the word "primarily."

The amendment to the amendment was agreed to.

The next amendment to the committee amendment was, on page 16, in line 14, after the word "project" to insert the word "primarily."

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment as amended. It is still open to amendment.

Mr. MILLIKIN. Mr. President, let me ask what has happened to the amendment on page 12, in line 2, where it was proposed to strike out the word "each" and to insert in lieu thereof the word "such"?

Mr. O'MAHONEY. That amendment has been adopted.

Mr. MILLIKIN. Let me also inquire what has happened to the first amendment on page 11, in lines 11 and 12?

Mr. O'MAHONEY. That amendment also was adopted.

Mr. MILLIKIN. I wonder whether the distinguished chairman of the committee would be willing to accept a further amendment to that one. I am quite sure it was not the intention that every application for relief for a small mine should require the physical examination of the prospect.

Mr. O'MAHONEY. No; the only purpose of the amendment, as the committee agreed, was to make it clear that the administrative authorities would not be bound by the application itself, but could go behind it.

Mr. MILLIKIN. Then would the Senator object to an amendment to this effect: On page 11, in line 12, after the word "application," to insert "or examination," so as to make that portion of the committee amendment read "if the application or examination discloses"?

Mr. O'MAHONEY. I would not object at all to that; I think that is the sense of the amendment.

Mr. MILLIKIN. Then is the Senator willing that I move the adoption of such an amendment to the committee amendment?

Mr. O'MAHONEY. Certainly. I accept that amendment of the committee amendment.

Therefore, Mr. President, I ask unanimous consent that the vote by which the amendment to the committee amendment on page 11, in lines 11 and 12, was agreed to be reconsidered, so that the amendment just proposed to it by the Senator from Colorado may be offered.

The PRESIDING OFFICER. Without objection, the vote by which the amendment to the committee amendment on page 11, in lines 11 and 12, was agreed to is reconsidered.

Mr. MILLIKIN. Mr. President, I now offer to the committee amendment on page 11, in line 12, the following amendment: After the word "application," insert the words "or examination"; so that the committee amendment at that point will read as follows:

> Tunnels, shafts, winzes, and raises in such a mine if the application or examination discloses that there is a reasonable promise of—

And so forth.

Mr. O'MAHONEY. That is acceptable, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado to the committee amendment on page 11, in line 12.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment to the committee amendment on page 11, in lines 11 and 12, to strike out certain words and insert other language.

The amendment to the committee amendment was rejected.

Mr. O'MAHONEY. Mr. President, there is another amendment which should be offered, as a result of colloquy which occurred earlier in the day. This amendment would be an addition to section 9, on page 17.

Section 9 now reads:

> SEC. 9. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the provisions of this act, including payments to producers for exploration, maintenance, and production, and the costs of administration, such funds to remain available until expended.

The Senator from Delaware suggested that a limitation of $80,000,000 should be inserted. I preferred to make the limitation $90,000,000; but inasmuch as in the report we said "$70,000,000 to $80,000,000," I see no objection to the suggestion of a limitation of $80,000,000.

Therefore, Mr. President, I offer the following amendment to the committee amendment: On page 17, in line 4, strike out the words "such sums," and insert "$80,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming to

the committee amendment on page 17, in line 4.

The amendment to the amendment was agreed to.

Mr. WATKINS obtained the floor.

ADVANCE PLANNING OF NONFEDERAL PUBLIC WORKS

Mr. HOLLAND. Mr. President, will the Senator from Utah yield to me?

Mr. WATKINS. I yield for the purpose of permitting the Senator to ask a question.

Mr. HOLLAND. I may say to the Senator that there has come to the Senate a message from the House of Representatives in regard to Senate bill 2116, relating to the advance planning of non-Federal public works. The House has adopted to that bill an amendment, which requires the concurrence of the Senate. The distinguished majority leader and the distinguished minority leader have agreed to have this matter brought up at this time.

Mr. WATKINS. I yield for that purpose, provided that it is understood that I may do so without losing the floor.

The PRESIDING OFFICER. Without objection, that will be understood.

Mr. HOLLAND. Mr. President, I now ask that the message from the House of Representatives on this subject be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2116) to provide for the advance planning of non-Federal public works, which was, to strike out all after the enacting clause and insert:

That in order (a) to encourage States and other non-Federal public agencies to maintain a continuing and adequate reserve of fully planned public works (exclusive of housing) readily available for use so as to permit the immediate commencement of construction of such public works when the economic situation may make such action desirable, (b) to enable the United States, through reference to such reserve of fully planned public works as reflected by records maintained and reports issued by the Administrator of General Services to adapt, insofar as practical and desirable, the planning and construction of needed Federal public works to the particular public works objectives of individual States and other non-Federal public agencies, and (c) thereby to attain maximum economy and efficiency in the planning and construction of local, State, and Federal public works, the Administrator of General Services is hereby authorized, during the period of 2 years immediately following the date upon which this act becomes effective, to make loans or advances, from funds appropriated for that purpose, to the States, their agencies, and political subdivisions (hereinafter referred to as "public agencies") to aid in financing the cost of architectural, engineering, and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures, and other action preliminary to the construction of public works (exclusive of housing): *Provided*, That the making of loans or advances hereunder shall not in any way commit the Congress to appropriate funds to undertake the construction of any public works so planned.

SEC. 2. Funds appropriated for the making of loans or advances hereunder shall be allocated by the Administrator of General Services among the several States in the following proportion: 75 percent in the proportion which the population of each State bears to the total population of all the States, as shown by the latest available United States census, and 25 percent in accordance with the needs of the States as determined by the said Administrator: *Provided*, That the allotments to any State shall aggregate not less than one-half of 1 percent of the total funds available for allotment hereunder.

SEC. 3. No loan or advance shall be made hereunder with respect to any individual project unless it conforms to an over-all State, local, or regional plan approved by a competent State, local, or regional authority.

SEC. 4. Loans or advances under this act to any public agency shall be repaid without interest by such agency if and when the construction of the public works is undertaken or started. If the construction of the public works is not undertaken or started within 3 years after the full amount of the loan or advance therefor has been made and the Administrator of General Services shall determine (which determination shall be conclusive), after due notice and hearing, that the public agency has not acted in good faith either in obtaining the loan or advance or in failing to undertake or start the construction of such public works, the Administrator shall demand prompt payment of such loan or advance. In the event the loan or advance shall not have been repaid within said 3-year period, such public agency shall not be eligible to apply for loans or advances on any other public works. All sums so repaid shall be covered into the Treasury as miscellaneous receipts.

SEC. 5. The Administrator of General Services is authorized to prescribe rules and regulations to carry out the purposes of this act.

SEC. 6. The Administrator of General Services shall submit quarterly to the Congress a report of his administration of the act, including all expenditures and repayments made thereunder. Such reports shall, when submitted, be printed as public documents.

SEC. 7. There are hereby authorized to be appropriated such amounts, not to exceed a total of $100,000,000, as may be necessary to effectuate the purposes of this act. Amounts so appropriated shall remain available until expended.

SEC. 8. As used in this act, the term "State" shall include the District of Columbia, Alaska, Hawaii, and Puerto Rico.

Mr. HOLLAND. Mr. President, on this matter, I move that the Senate concur in the House amendment.

Mr. SALTONSTALL. Mr. President, reserving the right to object, will the Senator be good enough to explain the amendment?

Mr. HOLLAND. I may say to the Senator that in the first place the amendment has been checked not only by the members of the committee on this side of the aisle, but also by members of the committee on the Senator's side of the aisle. The matter was also submitted to the majority leader, who likewise cleared it for consideration by the Senate.

Briefly, in the form of an amendment to strike out and insert the House has made several amendments to the bill as passed by the Senate, the first of which describes the advances as "loans and advances." We find no distinction between the two.

The second provides, in order to take care of States of small population, that the Administrator shall not allocate to any one State less than one-half of 1 percent of the total funds available for allotment under the bill.

The third amendment provides that if the particular public works are not started within 3 years after the full advancement has been made, and the Administrator of General Services determines after due notice and hearing that the public agency has not acted in good faith either in obtaining the loan or advance, or in failing to undertake to start construction, the Administrator shall demand prompt payment of the loan or advance. The failure to make prompt repayment means the exclusion of such public agency thereafter from eligibility for loans or advances on other public works under the terms of the bill.

The fourth amendment requires the Administrator to submit quarterly to the Congress a report of his administration under the act, including all expenditures and repayments made thereunder, such reports to be printed as public documents.

There was no objection by counsel for the committee, who went into it carefully, or by the members of the subcommittee, who likewise checked the matter. As I have already stated, the majority leader has already cleared the matter, and the distinguished introducer of the bill, the senior Senator from New Mexico, likewise checked the matter and cleared it.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. SALTONSTALL. The so-called penalty can be put into effect only if the United States Government can prove, or does prove, that whoever received the funds in a municipality did not act in good faith and failed to go ahead within 3 years and construct the building. Is that correct?

Mr. HOLLAND. That is correct.

Mr. SALTONSTALL. So he has to prove good faith. Is that correct?

Mr. HOLLAND. Due notice and hearing are required as a condition to such finding.

Mr. SALTONSTALL. That is really a pretty far-fetched provision, then, is it not?

Mr. CHAVEZ. It is precautionary.

Mr. SALTONSTALL. It is merely one of the precautionary provisions, is it?

Mr. HOLLAND. The purpose of the amendment, as we understand, was to impose a greater degree of caution on the local units of Government before they applied for a loan or an advance. We had no objection to it. In fact, we thought it was a salutary provision.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida [Mr. HOLLAND] that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. HOLLAND. I thank the Senator from Utah.

STRATEGIC ORES, METALS, AND MINERALS

The Senate resumed the consideration of the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. O'MAHONEY. Mr. President, will the Senator from Utah yield?

Mr. WATKINS. For what purpose?

Mr. O'MAHONEY. I desire to correct the amendment I just offered from the floor, in compliance with the request of the Senator from Delaware.

Mr. WATKINS. I yield.

Mr. O'MAHONEY. Mr. President, the amendment was not handed to me, and it did not strike out all the language which should be stricken out, nor did I state the amendment in the proper language. I therefore ask unanimous consent to reconsider the amendment which has just been adopted, on page 17, line 4, in order that I may offer a change.

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to is reconsidered.

Mr. O'MAHONEY. Mr. President, I move that the bill be amended on page 17, in line 3, by striking out "are" and inserting "is", and in line 4, by striking out the words "such sums as may be necessary" and inserting "not to exceed $80,000,000 annually."

Mr. DONNELL. Mr. President, will the Senator inform me to what page of the bill the amendment applies?

Mr. O'MAHONEY. To page 17, lines 3 and 4.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WATKINS. Mr. President, as a member of the committee which heard the evidence on this measure, respecting the need for it, and which largely rewrote it after it had been introduced, I desire to say I am supporting it as a temporary measure, not as a long-range cure for the ills of the mining industry. Many statements have been made with respect to the difficulties the mining industry is facing at the present moment. It has been suggested that the cure, of course, may be a protective tariff, or it may be tax incentives in the way of deductions or allowances for development and exploration. However, we face a condition, not a theory, as the distinguished chairman of the committee has said. There is no possibility of getting any tax relief now, and there is no possibility at this session of the Congress of getting any tariff protection, or otherwise remedy what has happened to the mining industry.

For the RECORD, I desire to present a statement by one of our great mining engineers, the vice president and general manager of the Park Utah Consolidated Mines Co., which clearly outlines, as of September 26, 1949, the condition we are facing in my State. Thousands of men are out of work. Some of our producing mines—most of the small ones—are closed. Those who had leases on mines which have not had exploration work done for years have closed down or are operating at a loss pending some action by the Congress. I ask unanimous consent to have the statement of Mr. Paul H. Hunt, vice president and general manager of the Park Utah Consolidated Mines Co., inserted in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HEARING BEFORE HON. CHARLES SAWYER, SECRETARY OF COMMERCE, SALT LAKE CITY, UTAH, SEPTEMBER 26, 1949

TESTIMONY OF PAUL H. HUNT, VICE PRESIDENT AND GENERAL MANAGER, PARK UTAH CONSOLIDATED MINES CO.

We in nonferrous underground mining have long realized that, for a variety of causes, it was a sick industry. So obvious has this become that a short time ago it provoked an editorial in the Deseret News entitled "About an Industry That's Dying."

To substantiate such a sweeping statement, below are given a few straws in the wind:

1. Number of mines paying Utah State occupational tax, from the Utah State Tax Commission:

1938	38
1948	21

2. Operating nonferrous mines in Utah, from United States Bureau of Mines:

1935	203
1948	118

3. Number of new mining companies organized, from office of the secretary of state of Utah:

1925	58
1948	29

4. Number of mining claims surveyed for patent in Utah, from United States Department of Land Management, Department of the Interior:

	Lode claims
1925	109
1948	17

The reasons for this decline of a great industry are not, as many would like to have us believe, because we have exhausted our ore resources or the possibilities of developing new mines; we have merely been mining so far on the easily discovered deposits, most of which were found 70 years ago. The reasons for this decline are that we have destroyed, and largely through the action of the Government in Washington, the incentives to mine ore or to find new mines.

Reviewing briefly what has taken the heart out of mining in the last 20 years: During the 1930's metal prices fell to all time lows; the average price being about two-thirds of that of the previous decade. Domestic consumption of metals was likewise about two-thirds of that of the 1920 period. Faced with such a situation, a mining company could either shut down and let the workings go to ruin, or put into effect all possible economies, mine only the higher grade ore and drastically reduce exploration for new ore. The latter course is suicidal, if prolonged, but most of us followed it during the depression years.

At the start of World War II, the domestic mining industry was, in consequence, not in a healthy condition. Metal prices increased after September 1939, as likewise did costs. After our country's entry into the war, the premium-price plan was put into operation early in 1942 and continued until June 30, 1947.

The premium-price plan did not, as many believe, guarantee an adequate return on invested capital; it merely guaranteed a sliding margin above the actual costs of operations and in most instances these allowed margins were wholly inadequate to even replace the reserves of ore taken out during the war period. Moreover, costs of development more than doubled during the war, so had allowed margins been sufficient to cover depletion during the war, when because of shortage of manpower, development was greatly reduced, they would have been wholly insufficient to carry on this development after the war.

Take the case of our own mines in Park City producing silver, lead, and zinc. Under the premium-price plan from 1942 to 1947 we produced ores having a gross value of $7,618,000. To replace this depletion of ore reserves, we should have had an allowance of $1,143,000, had we been able to carry on adequate development at the time of extraction and this allows no profits for stockholders after depletion. Actually our allowed margins above costs during the premium-price plan amounted to only $783,000 and we postponed much of our exploration. So we sacrificed our ore reserves at no profit and came out of this period years behind in the development work which should have been done.

In recent months, the nonferrous metal mining industry has been hit by another disaster. After the expiration of the premium-price plan, metal prices have steadily increased and proportionately so have costs. About March 8 of this year, metal prices broke; lead, for example, dropped in 3 months from 21½ cents a pound to 12 cents, or a drop in price of 44 percent, and at the same time zinc from 17½ to 9 cents, or a drop of 49 percent.

Again the reasons are easy to discover. To date, from the most recent figures I have seen, the stock-piling Commission has purchased strategic metals and minerals and made commitments to purchase, in value 82 percent from foreign sources and 18 percent from domestic sources. But even more important in causing this break have been the flood of imports of metals and concentrates into this country, with lead, for example, coming in under no tariffs (there has been a moratorium on lead tariffs which expired on June 30, 1949, although efforts were made to renew the moratorium), from January 1, 1949, to June 30 there was imported 199,239 tons of lead in pigs and concentrates, or at a rate of 33,400 tons of lead a month, which was about equal to our domestic production. Since June 30 of this year, with a tariff of only 1⅛ cents a pound on pig lead, imports in July were 11,800 tons, or about one-third of the prior 6 months' average under no tariffs. In consequence, domestic lead prices in July and August have recovered from 12 cents to 15⅛ cents.

But permit me to bring this closer to home. During last spring one of the smelters in Utah received considerable shipments of silver-lead concentrates from the west coast of Mexico. These concentrates were worth about $120 a ton; at the Mexican port of shipment they paid an export tax to the Mexican Government of 22 percent ad valorem, or $26.40 a ton; they entered our country duty free. The Mexican labor who produced this ore were paid $1 to $1.25 a day. In Park City, where some 800 miners are out of work, we pay on the average $11.75 per shift, plus fringe benefits.

If it is the plan of the administration at Washington to offer up our domestic mining industry as a sacrificial goat to the gods of our foreign relations, we respectfully submit the following:

For many years in the past and no doubt for many years to come, this country can produce from 35 to 40 percent of the world's needs for copper, lead, and zinc, but once this domestic production is cut off, by the inevitable factors that determine prices alone, we may expect world prices to increase in greater proportion than the decrease of supply to meet the demand. But this is not the most important consideration; foreign producers have the custom of forming monopolies, they have been doing it for years in the case of diamonds. Japan put the bite on us with regard to camphor, the Netherlands squeezed us on our needs for

quinine. At the close of World War I, England, our best and truest ally, had a monopoly of crude rubber in Malaysia; a cartel was formed and the price of rubber was boosted from 25 cents to $2.75 a pound and England boasted that "Uncle Shylock" would pay for the war out of the price of crude rubber.

Can we be so naive as to believe that the loans, gifts, and trade advantages we have given away will deter any country on earth from making us pay for our metals all the traffic will bear, if we have destroyed our own mining industry?

Mr. WATKINS. Mr. President, I also ask to have printed in the RECORD at this point as a part of my remarks a review of labor and supply costs in the lead-zinc mining industry since 1939. This paper was prepared by Mr. W. C. Page, assistant general manager, western operations, United States Smelting, Refining & Mining Co. I am placing it in the RECORD for the information it will give to the Senate. It comes from a very, very able miner.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

A REVIEW OF LABOR AND SUPPLY COSTS IN THE LEAD-ZINC MINING INDUSTRY SINCE 1939

(By W. C. Page, assistant general manager, western operations, United States Smelting, Refining & Mining Co.)

(Address presented at thirty-first annual meeting, American Zinc Institute, Inc., St. Louis, Mo., April 11, 1949)

In general discussions affecting the nonferrous mining industry and in attacks on present levels of metal prices, rising operating costs are sometimes overlooked.

The purpose of this paper is an endeavor to show, by means of a brief description and graphic presentation, how operating costs in the lead-zinc mining industry have increased since 1939. Operating costs in 1948 per ton mined have at least doubled and in some cases almost tripled since 1939. The major operating cost items are labor and supplies, which generally account for 80 to 90 percent of the total operating costs. It is hoped that this paper will serve effectively to point out the increases in these major cost items, and also serve to set forth a realistic concept of the total cost of day's pay labor.

A number of mining companies representing a cross-section of the Eastern, Central, and Western States were asked to contribute data on mining costs for this presentation. The data requested from all of the companies were:

1. The ratio of the 1948 total labor cost per ton mined to that of 1939 (1939=100).

2. The ratio of the 1948 cost of supplies (operating and maintenance) per ton mined to that of 1939 (1939=100).

In order for the data to be on a uniform basis, it was felt that the item "Total labor cost" should, if convenient, include all salary and wage payments charged to operating costs (including vacation pay and holiday pay in addition to payments for time worked). It was also asked under "Cost of supplies (operating and maintenance)," that no capitalized equipment charges be included.

Data also were requested to show the ratio of the 1948 total labor cost and cost of supplies (operating and maintenance) per foot of drifting to those costs in 1939 (1939=100).

It is felt that the presentation of the facts, aside from being of general interest, also can be used to advantage as an educational program for various local, State, and Federal Government officials in general discussions affecting the industry.

Grateful acknowledgment is made to all the companies contributing data for this presentation. Among those companies were: American Zinc, Lead & Smelting Co.; American Smelting & Refining Co.; Bilharz Mining Co.; Bunker Hill and Sullivan Mining & Concentrating Co.; Combined Metals Reduction Co.; Eagle-Picher Mining & Smelting Co.; Federal Mining & Smelting Co.; Hecla Mining Co.; New Jersey Zinc Co.; Park Utah Consolidated Mining Co.; Rico Argentine Mining Co.; St. Joseph Lead Co.; St. Louis Mining & Smelting Co.; U. S. Smelting, Refining & Mining Co.

Average (by average is meant the simple arithmetical average, i. e., not weighted as to respective production tonnages) labor costs per ton mined for the lead-zinc mining industry covered in this presentation showed an increase of 135 percent over average labor costs in 1939. The greatest increase percentagewise (190 percent) took place in the western district, while the smallest increase (85 percent) occurred in the central district, which reflects the intensive degree of underground mechanization of mining operations in the latter, made possible by the physical occurrence of the ore bodies which are at a relatively shallow depth and in many cases are of an extensive blanket-like nature requiring only pillar support and permitting the operation of large, heavy, mechanized equipment.

Supply costs per ton mined for the mining operations covered show an average increase of 113 percent in 1948 over 1939 costs, with the western district showing the highest increase (165 percent) in 1948 over 1939 costs. Because of the different nature of mining operations which require very little or no timber support, the central district had the smallest increase (75 percent) in supply costs over 1939.

Based on data obtained from the major lead-zinc mining districts of the country, the average of straight-time day's pay rates for common labor shows an increase of 127 percent in 1948 over the average rate in 1939. The greatest percentagewise increase (140 percent) occurred in the central district. The western and eastern districts showed the same percentagewise increase (120 percent).

The average of straight time day's pay rates for miners shows an increase of 120 percent in 1948 over the average rate in 1939. Here again, the greatest percentagewise increase (158 percent) took place in the central district. The western and eastern districts showed about the same increase (106 percent and 96 percent respectively).

Tabulations by districts follow to show average straight-time rates for day's pay labor, average labor cost per ton mined, and average supply cost per ton mined.

1. Average straight-time rates for day's pay labor dollars

COMMON LABOR

District	Straight-time rate per shift		Ratio (1948-39)
	1939	1948	
Western	$4.83	$10.63	2.20
Central	4.05	9.72	2.40
Eastern	4.32	9.56	2.21
Arithmetical average	4.40	9.97	2.27

MINERS

Western	$5.45	$11.25	2.06
Central	4.30	11.08	2.58
Eastern	5.80	11.40	1.96
Arithmetical average	5.18	11.24	2.20

2. Average labor cost per ton mined

District:	Ratio 1948 to 1939
Western	2.90
Central	1.85
Eastern	2.30
Arithmetical average	2.35

3. Average supply cost per ton mined

District:	Ratio 1948 to 1939
Western	2.65
Central	1.75
Eastern	2.00
Arithmetical average	2.13

PERCENT TOTAL LABOR COST OF TOTAL OPERATING COSTS

Generally speaking, in 1939 the total labor cost per ton mined in the lead and zinc mining industry was approximately 55 percent of the total operating cost per ton. Today the total labor cost is closer to 70 percent of the total operating cost per ton mined. Total labor costs per shift have increased approximately 150 percent over 1939. Taking the total labor cost at 70 percent of the total operating cost, the 150-percent increase in labor costs would mean a 105-percent increase in over-all operating cost per unit over 1939.

Unit production per man-hour, however, has not increased 105 percent to offset the labor increases. Production and labor statistics released by the United States Bureau of Mines for lead and zinc mining indexes (1939 equals 100) show that the output of ore per man-hour in 1947 had increased 45 percent over that of 1939. By projecting the curve, the estimated increase for 1948 would be approximately 55 percent over that of 1939.

In other words, the present unit production per man-hour compared to that of 1939 has increased 55 percent, but the over-all operating costs per ton have increased 105 percent. The 55-percent increase in unit output per man-hour can be attributed in large part to mechanization and improved equipment.

For example, the tools and equipment commonly used 10 years ago to advance a drift heading consisted of a few shovels, picks, and other small tools valued at $50, a hand-cranked Leyner drill, arm, and column valued at $550, and a few mine cars, trammed by hand. Today a modern drift crew uses a $2,800 mechanical mucking machine, an $800 automatic-feed Leyner drill, a $200 cherry picker, a $2,000 jumbo, and a $3,100 storage-battery locomotive; a total of $8,900 versus $600 in 1939.

Today, one large deep lead-zinc-mining company has an equipment investment of approximately $30,000 for each working face, and has managed thereby to keep ahead of rising labor costs by more than doubling the feet of advance per man-shift over that attained in 1939.

Modern shaft-sinking equipment utilizes a $5,500 clamshell mucking device, compared with the cost of a few shovels used in 1939.

According to the National Industrial Conference Board, the present over-all gain since 1939 in the Nation's industrial production per hour of labor has averaged less than 1 percent per year. In the same period, the labor cost per unit of production increased by an average of about 11 percent per year.

BASIC SUPPLY COST INCREASES SINCE 1939

Basic operating supply costs, with the exception of timber, have increased approximately 60 percent over 1939 costs. Timber costs have increased 150 percent over 1939 costs, and in most of the western and eastern mines timber accounts for about 50 percent of the total operating supply cost. A weighted average of timber and other basic supply costs would show an increase of 105 percent over 1939 costs. Because of considerable freight-rate increases since 1939, the delivered-at-the-mine cost of supplies

results in a higher total figure than 105 percent, as shown by the average supply cost increase of 165 percent over 1939 for mines in the western district.

TOTAL LABOR COST OF DAY'S-PAY LABOR COMPARED WITH STRAIGHT-TIME RATE FOR DAY'S-PAY LABOR

To many of us the phrase "fringe benefits" conveys the idea of relatively unimportant small items of cost, and, when these items are regarded individually, this is a natural reaction. The straight-time rate of day's pay was, and still is—but not to its former extent—the major item of the total cost of day's-pay labor.

The startling fact of the matter, however, is that, collectively, fringe benefits may, and do, amount at present to as much as 20 to 25 percent of the straight-time rate for day's-pay labor. Increasing demands for pensions and welfare plans, if granted, will increase these figures materially. An equally important aspect of the matter is that basic day's-pay wage rates may go up or down, but the fringes, once granted, in large measure remain fixed, regardless of the company's prosperity, unit output per man-shift, or individual efforts. In other words, the fringe payments or benefits received by day's-pay employees can no longer be, and should not have been, regarded as fringes but definitely as items of operating costs.

Apart from straight-time rate for day's pay labor, when one considers the fringe cost payments made for or in behalf of day's pay employees, some of the following fringe items may appear directly or indirectly:

Directly: Overtime, shift differential, paid vacations, paid holidays, work-incentive payments.

Indirectly: Group life-insurance expense, group medical-insurance expense, unemployment-insurance tax, Federal old-age tax, medical department expense, occupational disease and industrial accident compensation, pension and/or retirement funds, separation pay, general welfare plans and recreation, employee housing projects.

It is not my intent or purpose to say that these items are not justified or called for in the normal course of employing labor. It is merely to point them out as being a very important part in the total cost of day's pay labor, not only in the mining industry but in industry in general.

Once the scope of the fringe payments is fully recognized and included along with the straight-time rate for day's pay labor in the concept of total cost of day's pay labor per shift worked, the practical application of this phrase can be made by using the latter concept instead of the straight-time rate for day's pay labor to calculate the total labor cost of a job or project, or to estimate savings resulting from mechanization or improved lay-out. Otherwise, we do not obtain a true labor cost and, hence, final cost picture of the situation; instead, we find ourselves underestimating the time required for the improvement to pay for itself or underestimating the actual cost of the job by 15 to 20 percent or more.

Mr. WATKINS. In conclusion, Mr. President, I wish to state that all the big unions in Utah have endorsed the pending measure. All the small-mine owners have endorsed it, and nearly all those who were leasing from other mines and performing what we call leasing work in the mines have also endorsed it. In my humble opinion the passage of the bill will reopen many of the mines which are now closed, because they are on the margin. Since we cannot get tax relief, I think the bill ought to be enacted. For that reason, I favor it.

SUSPENSION FROM DUTY OF CAPT. JOHN G. CROMMELIN, U. S. N.

Mr. KNOWLAND. Mr. President, in the Washington Star of this evening there appears the following statement:

Capt. John G. Crommelin today was suspended from duty and restricted to his home by Vice Adm. John D. Price, vice chief of naval operations, as an aftermath of the captain's disclosure that he made public a confidential letter linking three top Navy admirals to the unification fight.

Mr. President, speaking as a member of the Armed Services Committee of the Senate, I hope we are not going to have a repetition of the Billy Mitchell episode. The captain in question released a letter which apparently had been stamped "confidential" and sent through channels, as had been suggested by the Secretary of the Navy. The point at issue seems to be whether the releasing of a document which had been thus stamped subjects him to Navy discipline. Perhaps he has committed more than a technical violation of Navy regulations, but I wish to say, Mr. President, because it is a matter which I have raised on the floor of the Senate not once but many times, that the basic question at issue is whether the particular document had been too highly classified by the naval authorities in order to prevent the information from coming to the attention of the Congress and the American people. On numerous occasions I have objected rather strenuously not only to the Defense Establishment, but to the State Department and other agencies of the Federal Government, lowering what I have called an iron curtain between the operations of those departments and the Congress itself, to say nothing of the American people.

On the 24th of January of this year, as a member of the Armed Services Committee, I addressed a communication to the then Secretary of the Navy, the Hon. John L. Sullivan, which I ask to have printed in full at this point in my remarks, because it dealt with certain Navy regulations which were then being subjected to review.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 24, 1949.

Hon. JOHN L. SULLIVAN,
Department of the Navy,
Washington, D. C.

DEAR MR. SECRETARY: Recently Navy regulations 1248 and 1249 have been called to my attention. I understand that these became effective January 20, 1949. Will you please inform me as to whether or not these regulations were in existence prior to that date, if not, were there any similar regulations. If there were any would you please furnish me with a copy of the same.

Enclosed is a copy of the regulations as they came to me.

Sincerely yours,

WILLIAM F. KNOWLAND,
United States Senator.

Mr. KNOWLAND. Under date of January 25, I received a reply from the then Secretary of the Navy, which I desire to have printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE NAVY,
Washington, January 25, 1949.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR KNOWLAND: Your letter of January 24, 1949, forwarded to me a copy of sections 1248 and 1249 of the new edition of Navy Regulations.

The text of these sections in the new regulations is identical with the text enclosed in your letter.

Section 1248 of the new regulations is very similar to section 94 of the former regulations. Former section 94 read as follows (with the changes made by the new section 1248 indicated in parentheses):

"All petitions, remonstrances, memorials, and communications from any officer or officers of the Navy or Marine Corps (new section reads: 'from any person or persons in the naval service'), whether on the active or retired list, addressed to Congress (new section reads: 'the Congress'), or to either House thereof, or to any committee of Congress (new section reads: 'any committee thereof'), on any subject of legislation relating to the Navy or Marine Corps (new section reads: 'relating to the Naval Establishment'), (new section inserts: 'whether') pending, proposed, or suggested, shall be forwarded through the Navy Department, and not otherwise, except by authority of the department (new section reads: 'forwarded through, or as authorized by, the Secretary of the Navy')."

Section 1249 of the new regulations is very similar to section 95 of the former regulations. Section 95 read as follows (with the changes made by the new section 1249 indicated by parentheses):

"No bureau, office, or division chief (new section reads: 'No chief of a bureau, office, or division'), or subordinate (new section reads: 'other subordinate') in the Navy Department, and no officer of the Navy or Marine Corps (new section reads: 'and no person in the naval service') shall apply to either House of Congress or to any committee of either House of Congress (new section reads: 'any committee thereof'), or to any Member of Congress, for legislation, or for appropriations, or for congressional action of any kind except with the consent and knowledge of the Secretary of the Navy; nor shall any such person respond to any request for information from either House of Congress, or any committee of either House of Congress (new section reads: 'any committee of Congress'), or any Member of Congress, except through, or as authorized by, the department (new section substitutes for 'department' the following: 'Secretary of the Navy'); except as provided in Sections 102, 103, 104, and 859 of the Revised Statutes."

You will notice that most of the changes made are purely phraseological. The substitution of "the Secretary" for the "Department," as the authority through whom, or pursuant to whose regulations, communications shall be sent to the Congress, may look like a change of substance but is actually only one of form, since the long-standing Navy practice has been to clear such communications with the Secretary, or with other members of the secretariat, the Judge Advocate General, or other officers to whom the Secretary has delegated such authority for particular types of cases, before sending such communications on to the Congress.

The extension of these regulations from "officers" to "any persons in the naval service" makes the new sections apply to all military personnel in the Navy, while the former sections applied only to officers. The reason for this action was that the Navy

Regulations Board, specially convened to revise the regulations, discovered that the old regulations contained repeated references, both permissive and prohibitive, to "officers." In the interests of fairness and equality, the Navy Regulations Board felt that as a general rule all permissions and prohibitions should apply to both officers and enlisted men. For example, former section 77 required all officers in their relations with the governments or agents of foreign states to observe and obey international law, while the new section 1214 requires all persons in the naval service to conform in such matters to international law. Similarly, former section 106 prohibited an officer from exchanging duty with another, without authority from his commanding officer, while the new section 1213 applies to both officers and enlisted men. Former section 182 guaranteed the right of all officers to communicate with their commanding officer at all proper times while new section 1244 guarantees this right to all persons in the naval service. There are many other examples which I can send you if you desire further information.

I am advised by the Judge Advocate General that the historical explanation for the emphasis on officers in the old regulations is that they dated back in substantially unchanged form to the early days of the Navy, when officers were practically the only career people in the Navy and crews for the sailing frigates were signed on for each cruise.

This comparison of the present and former regulations shows that there has been not even the slightest intention to restrict naval personnel in proper dealings with the Congress. The present section 1249 again emphasizes, as did former section 95, the provisions of sections 102, 103, 104, and 859 of the Revised Statutes, which compel witnesses to testify before congressional committees and provide penalties for such failure to testify.

Sincerely yours,

JOHN L. SULLIVAN.

Mr. KNOWLAND. I also had communicated at the same time with the Department of the Army, and I ask to have printed in full as a part of my remarks a letter which I received from the then Secretary of the Army, Hon. Kenneth C. Royall.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 26, 1949.

Hon. WILLIAM F. KNOWLAND,
United States Senate.

DEAR SENATOR KNOWLAND: I am writing in regard to your inquiry by telephone as to the policy of the Army governing replies to communications of all nature received from the Congress.

The general rule is to furnish prompt and complete answers to congressional inquiries irrespective of the headquarters or agency in which the request is received. The information to be given is governed by regulations concerning security which may be promulgated from time to time and by regulations outlined in Executive orders issued by the President.

The Department of the Army prohibits military personnel from attempting to influence legislation affecting the Army except through the authorized agency. Likewise, activity to procure personal favor through legislation is prohibited except in case of private relief legislation. Army regulations 600–10 contain the provisions prohibiting activities of individuals influencing legislation. Army procedure governing congressional correspondence is contained in a memorandum. For your convenience copies of the aforementioned publications are inclosed herewith. The Legislative and Liaison Division is an agency specially charged with handling congressional requests and is authorized direct communication with subordinate headquarters in order to facilitate and expedite congressional correspondence.

The Department of the Army cannot, as a general policy, undertake to comment on proposed legislation prior to its introduction in the Congress and reference to a committee. Under current procedures prescribed by the Secretary of Defense, reports expressing the views of one or more departments or agencies of the National Military Establishment with respect to legislation are fully coordinated with other departments and agencies of the National Military Establishment prior to submission to the Congress.

Except as noted above, there are no restrictions as to communications between members of the Army and the Congress.

Sincerely yours,

KENNETH C. ROYALL,
Secretary of the Army.

Mr. KNOWLAND. Mr. President, I also ask to have printed as a part of my remarks two Navy regulations, numbered 1248 and 1249, which had been effective as of the 20th of January, 1949; also an article by Marquis Childs which appeared on the 23d of April, under the heading "Censorship in the Pentagon;" a copy of so-called Consolidation Directive No. 1, which was referred to by Mr. Childs in his column, and a Department of Defense, Office of Public Information, press release under date of September 16, 1949, with a memorandum to the press, and a copy of the regulations under which the Secretary had suggested that certain naval officials might communicate with him directly.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From U. S. Navy Regulations, 1948, effective January 20, 1949]

COMMUNICATIONS TO THE CONGRESS

1248. All petitions, remonstrances, memorials, and communications from any person or persons in the naval service, whether on the active or retired list, addressed to the Congress, or to either House thereof, or to any committee thereof, on any subject of legislation relating to the Naval Establishment, whether pending, proposed, or suggested, shall be forwarded through, or as authorized by, the Secretary of the Navy.

1249. No chief of a bureau, office, or division, or other subordinate in the Navy Department, and no person in the naval service shall apply to either House of Congress, or to any committee thereof, or to any Member of Congress, for legislation, or for appropriations, or for congressional action of any kind, except with the consent and knowledge of the Secretary of the Navy; nor shall any such person respond to any request for information from either House of Congress, any committee of Congress, or any Member of Congress, except through, or as authorized by, the Secretary of the Navy; except as provided in sections 102, 103, 104, and 859 of the Revised Statutes.

[From the Washington Post of April 23, 1949]

CENSORSHIP IN THE PENTAGON

(By Marquis Childs)

As this Nation moves on to new responsibilities of world power, there are inevitable changes which seem at times to threaten the older and simpler way of life that most of us grew up under. Big Government, a big Military Establishment, a greatly expanded foreign service and world-wide information centers, all these mean a recasting of ideas and beliefs out of the past.

One of the deep concerns of the American Society of Newspaper Editors meeting here is with freedom of information. Voluntary censorship was accepted in wartime, but anything remotely like that in time of peace is repugnant.

The office of the Secretary of Defense recently issued consolidation directive No. 1. It raises some interesting points about free expression. Johnson is naturally concerned with ending the feud between the three services, which is one reason why unification has lagged and why the waste and duplication talked about by Herbert Hoover continue.

Nevertheless, the sweeping nature of the directive calls for some serious thinking. At the heart of the matter is the question of intelligent and informed criticism of military policy. The all-powerful French general staff imposed the Maginot line concept on an uncritical public in France and we know with what disastrous consequences.

Directive No. 1 is an order for the "review" which means censorship, of "all informational material" originating from the departments of the National Military Establishment, including classified military information or other matter. It provides review of—

"Transcripts of testimony before committees of the Congress in executive session by personnel subject to military jurisdiction, when such transcripts are made available for review prior to public release by the committees concerned.

"2. Material dealing with military matters prepared for general publication by civilian employees of the National Military Establishment or the departments or agencies of which it is composed. Advice will be given to such employees concerning possible violations of policy or propriety.

"3. Material proposed for public release by manufacturers, including subcontractors, concerning military equipment in process of development or production by them under contract for departments or agencies of the National Military Establishment.

"4. Material for publication dealing with military matters prepared by Reserve or National Guard personnel based upon information obtained through their postwar Federal military training."

Strictly enforced, this would preclude any criticism of military policy even before committees of Congress. If interpreted literally, it might prevent Paul Smith, editor of the San Francisco Chronicle, from writing an editorial on some military subject. Smith had a distinguished combat record in the Marine Corps during World War II and if he kept up his Reserve training he would be subject to the review order.

Of course, that would not happen. But the directive now in force would hold back a great deal of information that, in my opinion, the public is entitled to. When it is put alongside the proposed revision of military law, more restrictive and more sweeping than ever before, it merits careful consideration.

If the directive had been in force, we should never have had a public airing of the dispute between Maj. Gen. Claire Chennault and the late Gen. Joseph Stilwell over the conduct of the war in China. It seems to me a healthy thing that that quarrel was aired. The conflicts, the errors, the failures of our commanders in World War II are instructive and not alone for professional military men.

I am frank to admit that I may have a selfish interest in this as a reporter. One thing directive No. 1 will certainly do is spread a numbing fear through the Pentagon. The brass will be afraid to tell inquiring reporters their own name. Some benefits for

unification may result. But such far-reaching censorship, which is what this amounts to, is bound to have grave disadvantages.

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, April 14, 1949.

Consolidation Directive No. 1.

Memorandum for General Prichard, Admiral Ewen, Mr. Leo, General Selden.

Subject: Establishment of Security Review Branch, Office of Public Information, NME.

1. In accordance with the provisions of the Secretary of Defense's memorandum of March 17, 1949, there is hereby established in the Office of Public Information, National Military Establishment, a Security Review Branch.

2. The mission of Security Review Branch is to establish safeguards for the National Military Establishment against the release by persons under its jurisdiction of classified military information or other matter which, if disclosed, would jeopardize the national security or welfare, and to facilitate the release of information which is in the public interest.

3. The departments of the National Military Establishment will submit to Security Review Branch all informational material originating within their jurisdiction which is subject to review as outlined below:

In the performance of its mission, Security Review Branch will—

(a) Review for security, policy, and propriety:

(1) Informational material of any nature, including material for use in press conferences or interviews, and including books, magazine or newspaper articles, news releases, speeches, radio scripts, still and motion pictures, posters, drawings, maps, etc., from military sources, including individual military personnel, for public dissemination through any medium of public information.

(2) Informational material dealing with military matters prepared by retired military personnel for publication.

(b) Review for military security:

(1) Transcripts of testimony before committees of the Congress in executive session by personnel subject to military jurisdiction, when such transcripts are made available for review prior to public release by the committees concerned.

(2) Material dealing with military matters prepared for general publication by civilian employees of the National Military Establishment or the departments or agencies of which it is composed. Advice will be given to such employees concerning possible violations of policy or propriety.

(3) Material proposed for public release by manufacturers, including subcontractors, concerning military equipment in process of development or production by them under contract for departments or agencies of the National Military Establishment.

(4) Material for publication relating to the National Military Establishment submitted voluntarily or under agreement by individuals or organizations outside the military service.

(5) Material for publication dealing with military matters prepared by Reserve or National Guard personnel based upon information obtained through their postwar Federal military training.

(c) Prepare necessary review guidances for dissemination through proper channels to public information officers of the three services.

4. Review action by Security Review Branch will be governed by security and policy directives of the National Military Establishment and similar directives of the Departments of the Army, Navy, and Air Force which are not in conflict with those of the National Military Establishment.

5. In accordance with my attached memorandum of April 13 to the departmental secretaries it is requested that the personnel listed below be detailed to this Office by Monday, April 18, 1949, to assist in the operation of the Security Review Branch:

Army: Lt. Col. Joseph S. Edgerton, GSC, AO288976; Maj. Noel C. Ruddell, CAC, O108822; Maj. Floyd A. Spencer, CMC, O464829; Maj. Robert A. Carr, Infantry, O297287; A. Jane Young, CAF-4; Elizabeth W. Land, CAF-3.

Navy: Commander W. D. Deibler, 89772; Commander E. T. Shepard, 75097; Mrs. Harriet B. Groves, CAF-4.

Air Force: Capt. Burton E. English, AO49718; Capt. Richard T. McCauley, AO70167; Capt. Charles R. Hippenstiel, AO45003; Miss Jayne Bryden, CAF-4; Miss Jean Weaver, CAF-3.

WILLIAM FRYE,
Assistant to the Secretary.

The following dispatch was sent yesterday to all naval commanders by Secretary of the Navy Francis P. Matthews and Admiral Louis E. Denfeld, United States Navy, Chief of Naval Operations:

"Please take steps to insure that the following is made known to responsible officers of your command:

"The recent series of public statements beginning with and resulting from Captain Crommelin's statement, all of which appear to have been inspired largely by apprehensions concerning the future of naval aviation, have from the standpoint of successful unification and maintenance of harmony among the services been a source of embarrassment to the Navy Department.

"While there is no intent to impair your right of free expression of views, I believe a more appropriate and effective procedure would be to transmit them to me through channels in accordance with article 1245 Navy Regulations. This is particularly pertinent, bearing in mind the announced intention of the House Armed Service Committee to examine next month many of the issues now receiving attention in public print. The views so transmitted will, I assure you, be used in support of the integrity and efficiency of the naval service.

"The cooperation of all personnel affected by the foregoing will be greatly appreciated."

UNITED STATES NAVY REGULATIONS, 1948

Chapter 12, General Regulations.

Section 3, Rights and Restrictions.

Article 1245, Suggestions for Improvement:

Any person in the Naval Establishment may address to the Secretary of the Navy via official channels, suggestions or constructive criticism pertaining to improvements in naval efficiency or to more economical methods of administration in the Naval Establishment.

Mr. KNOWLAND. Mr. President, I shall not prolong at this time the discussion in regard to this case. I bow to no one as having rather consistently on the floor of the Senate been an advocate of air power for this country. I do not happen to know, nor have I ever met, the Navy captain in question.

On the 26th day of August, when the appropriation bill for the National Defense Establishment was pending before the Senate, in my remarks, starting on page 12301 of the RECORD, I made perfectly clear my opposition to the cut which reduced the House figures providing for a 58-group-air-force program to 48 groups. As one who has advocated not that air power alone can solve the problem, because I think any sensible person must recognize the fact that there is required not only a balanced program of the Air Force, the Navy, and the Army, but even a balanced program as between the Defense Establishment itself and our Nation's economy, I rise at this time to express the hope that this matter will not become another Billy Mitchell case. Under the Constitution of the United States, Congress itself is charged with the responsibility of raising and supporting armies and navies; and if the Congress of the United States, because of any departmental regulations, is deprived of contact with persons in the various establishments who can adequately inform us as to the condition of the national defense, then, Mr. President, we are not able to discharge our responsibilities as United States Senators.

The system of placing classifications on documents is one which I think should be very sparingly used by the executive branch of the Government because I know of countless cases in which they have placed a high classification on a document which had no bearing whatsoever upon national defense. It had no bearing whatever, so far as secret weapons are concerned. But the high classification is placed solely for the purpose of preventing such information not only from getting to the public but from getting to Members of the Congress itself. Unless Congress is willing to take a stand and meet the issue head-on, I believe we shall ultimately find that we are to be spoon-fed with information; we are to be given information which someone in a higher echelon believes is the only type of information which it is good for us to have; and then, ultimately, if we rely on that type of information alone, we may find another Pearl Harbor at our doors without being adequately prepared to defend the Nation.

Mr. FERGUSON. Mr. President, I hope that what has happened today in connection with the technical arrest and suspension from duty of Capt. John Crommelin of the United States Navy will not make those in public service feel that they cannot appear before committees of Congress and testify freely and fully to those committees as to various matters regarding the national defense which may be the concern of Congress.

It appears that this disciplinary action against Captain Crommelin has been taken just as the House of Representatives started its very important investigation. I want to say upon the floor that if today's Crommelin incident in any way intimidates any officer or any employee of the United States Government to the point of preventing him from giving full and fair testimony before that congressional hearing or any other congressional hearing, it is going to be a very sad day for America.

I have not sufficient knowledge at the present time to comment on the action against Captain Crommelin. I am not sufficiently familiar with the particular letters in question to be informed as to whether they might be considered as giving aid and comfort to a potential enemy. I do think the incident points to the fact that the Military Establishment has it within its power to interfere with testimony which is being given before a committee. That is an evil against which we must guard in America. We must see that the iron curtain can never be

lowered by any administration to shut off from the Congress its right to make investigations and to bring out facts which Congress believes should be brought out in the public interest.

In that connection I am concerned with an executive department practice which requires all witnesses attached to the executive who may be called before Congress to clear their appearances with the Bureau of the Budget. To the extent that that practice impedes full and fair disclosure to Congress it is to be condemned.

As I say, I am not condoning or passing judgment in any way upon Captain Crommelin's actions or the propriety of his publicizing the letters in question in the manner that he did. The point I am making is that military discipline and the traditions and regulations for proper channels should never be used to bar Congress from its quest of facts.

It is the duty of Congress to provide for the common defense. Members of the armed forces are responsible to their superiors in the Military Establishment and the executive department. But they are also responsible to the Congress which in the discharge of its duties requires a full disclosure of facts. Internal discipline or proper channels should never be permitted to override the principle of necessary full and fair disclosures to Congress.

We faced this same issue in the early days of the Air Corps and Billy Mitchell. We know what happened at that time, and we know that it should not happen again, so far as giving testimony before committees is concerned.

I hope that what I say today, and what has been said by the Senator from California will make clear to everyone in the armed services the opinion of Congress that the Congress does not want anything to happen which will impede the legislative process in its necessary and proper efforts to get the facts.

STRATEGIC ORES, METALS, AND MINERALS

The Senate resumed consideration of the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

The PRESIDING OFFICER (Mr. LEAHY in the chair). The question is on agreeing to the committee amendment as amended.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Graham	Kilgore
Anderson	Green	Knowland
Baldwin	Gurney	Langer
Bridges	Hayden	Leahy
Butler	Hendrickson	Lodge
Chapman	Hickenlooper	Long
Chavez	Hill	Lucas
Connally	Holland	McCarthy
Cordon	Humphrey	McClellan
Donnell	Hunt	McFarland
Douglas	Ives	McKellar
Downey	Jenner	McMahon
Eastland	Johnson, Colo.	Magnuson
Ecton	Johnson, Tex.	Malone
Ferguson	Johnston, S. C.	Martin
Fulbright	Kefauver	Maybank
George	Kem	Miller
Gillette	Kerr	Millikin
Morse	Russell	Thomas, Utah
Mundt	Saltonstall	Thye
Murray	Schoeppel	Watkins
Myers	Smith, Maine	Wherry
Neely	Stennis	Wiley
O'Mahoney	Taft	Williams
Pepper	Taylor	Young
Robertson	Thomas, Okla.	

The VICE PRESIDENT. A quorum is present.

FARM LEGISLATION

Mr. LUCAS. Mr. President, in the early part of the day I made a unanimous-consent request with respect to the agricultural bill, which was reported today by the Senate Committee on Agriculture and Forestry. Under the parliamentary situation, in order to take up the bill tomorrow, it is necessary to obtain unanimous consent; otherwise we will have to have an adjournment today and go through the morning hour tomorrow.

I now ask unanimous consent that tomorrow, on the convening of the Senate, the Senate may proceed to the consideration of Senate bill 2522, the so-called farm bill.

Mr. SALTONSTALL. Mr. President, I have talked with members of the Committee on Agriculture and Forestry on the minority side, and I understand there is no objection on their part to taking up the bill tomorrow. I further understand that the majority leader expects the Senate to meet at 11 a. m. tomorrow.

Mr. LUCAS. The Senator is correct, and I was going to make that announcement. I hope every Senator will be present at 11 o'clock so that after the first quorum call we can start moving on the farm bill. I do not know how much time it will take, but practically all the arguments have been made, and it seems to me we should be able to finish the bill tomorrow.

Mr. SALTONSTALL. I might also say to the majority leader, informally, at least, that so far as I know Senators on this side of the aisle would not object to a unanimous-consent agreement for a vote at a certain hour, if the majority leader decided to make such a request.

Mr. LUCAS. I think perhaps tomorrow I may make such a request.

The VICE PRESIDENT. Does the Senator from Illinois desire to have his request apply also to the House bill, which might be taken up under certain circumstances?

Mr. LUCAS. I thank the Vice President for the suggestion. I include the House bill in the request.

The VICE PRESIDENT. The question is, Is there objection to the waiving of the rule in regard to a bill lying over for one legislative day, and to proceeding to the consideration of the agricultural bill the first thing when the Senate meets tomorrow? The Chair hears none, and it is so ordered.

STRATEGIC ORES, METALS, AND MINERALS

The Senate resumed consideration of the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

Mr. CORDON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CORDON. Is the bill open to further amendment?

The VICE PRESIDENT. The committee amendment is open to further amendment.

Mr. CORDON. I desire to offer an amendment to the committee amendment, and will take but a moment to explain its purpose.

The VICE PRESIDENT. The amendment will be stated.

Mr. CORDON. I think perhaps time will be saved if I read it myself. It is in my own writing.

The amendment I shall presently send to the desk provides in substance for the inclusion in contracts made by the Government with mining operators a provision for repayment of funds which may be advanced to assist in explorations, the liability for payments of such advanced amounts to be limited to a reasonable portion of profits accruing from production resulting from the particular explorations.

The amendment is as follows: On page 11, line 14, after the period I propose to insert the following:

> All contracts covering exploration projects shall contain provision for repayment to the United States of sums paid by the United States pursuant thereto, liability for such repayment to be limited to payment of a reasonable portion of profits accruing from production resulting from such exploration.

I understand the chairman of the Committee on Interior and Insular Affairs has indicated a willingness to accept the amendment. I believe it will be helpful to the legislation itself. I do not believe it can in anywise be prejudicial to the furthering of the purposes of the proposed legislation, and I hope that the amendment may be accepted. I now offer it.

Mr. O'MAHONEY. I have no objection. I will be very happy to accept the amendment.

The VICE PRESIDENT. Without objection, the amendment to the committee amendment is agreed to.

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an editorial published in the Engineering and Mining Journal for October 1949, in which are pointed out the reasons why the writer feels this particular bill should not be enacted.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MINE SUBSIDY LEGISLATION

As this is being written, it appears that the O'Mahoney bill (S. 2105) has small chance of being acted upon by Congress in the rush for adjournment. We hope, indeed, that this bill, which would give some metal mines a peacetime Government subsidy, will fail of enactment, because, as it stands, we believe it to be inimical to the best interests both of the mining industry and the Nation.

To begin with, we have approached consideration of subsidy legislation from the firm ground of our belief in the American system of free enterprise. As we have said before (April 1949) in the face of the present world-wide drift toward statism, it may be necessary to modify traditional American concepts of Government and economics in

order to preserve our basic freedoms. It would be tragic, however, to let ourselves be frightened into discarding these concepts altogether.

Government subsidization is obviously the antithesis, and the murderer, of private enterprise. On what grounds, then, could the mining industry believe in the one and also accept the doubtful aid of the other?

The answer is clear enough. Only on the basis that the public interest demands it can industry subsidies be defended. It is on this basis alone that air lines, steamship lines, railroads, the farmers, and other groups have at various times been subsidized.

It is equally clear that the public interest demands an adequate and continuing supply of mineral raw materials, preferably from domestic sources. Private industry has done, and is continuing to do, a splendid job in this respect.

However, there are two areas in mining that private industry cannot enter. One is the region of long-shot exploration for ore deposits, where the odds against discovery outweigh the probable rewards.

Private industry cannot afford much of this sort of risk taking; yet there is a very definite need for it. The San Manuel copper-ore body shows that Government can help do the job without becoming involved in the mining business.

The other closed area is the marginal mining property where: (1) Decreasing grade, increasing depth, or other factors have choked off profitable mining; (2) yet the district or the mine still hold substantial reserves of metals that may be permanently lost to industry if the continuity of mining them is broken.

In these areas, and in these areas alone, Government support of mining may be justified under today's conditions. The O'Mahoney bill was written to provide for this sort of Government activity, both in exploration and in support of marginal mines or districts. The bill had the approval of the administration and of the Interior Department.

For our part, we approved of the spirit of the bill, although we had misgivings on several features of it. For example, we doubted, and still doubt, the wisdom of giving such broad spending authority for subsidies to the Interior Department, which still harbors many outspoken advocates of the welfare state. Also, the bill, under its most recent proposed amendments, sets up a potential threat in the special stock pile of metals.

In brief, S. 2105 was hastily written, and it left too much to the imaginations of its proposed administrators. But it did represent an attack on an industry problem that has to be solved sooner or later.

However, when the bill went through committee, it picked up amendments that, among other things, made it mandatory for the Government to pay half the exploration and development costs of any likely prospect or any mine that produced less than 100 tons a month of combined copper, lead, and zinc. These payments were to be handed out merely on application, with only the simplest kind of prior investigation.

The intent of these amendments was to help the small miner, an objective with which we are in complete sympathy. But the effect would have been to make possible a liberal dipping into the taxpayers' pockets that could hardly be justified as an act in the national interest.

We are informed that in a last-minute effort to secure passage, Senator O'Mahoney will offer new amendments, if S. 2105 reaches debate, that will require more thorough investigation of applicants for subsidies. Other features of the bill were to be modified as well.

Despite these changes, however, S. 2105 still offers a threat, rather than a benefit, to mining. It is a hastily and loosely contrived piece of legislation. It lacks the support of even all of the industry elements who would receive its subsidies. And its justification as in the national interest is doubtful, where no doubt should exist.

We look much more hopefully toward action on tax problems, such as outlined or to a revival of the RFC mine development loan, as solutions to the problems of the small miner.

We would welcome, and we will assist, further efforts to bring to the mining industry Governmental aid in these channels, or in the areas defined earlier in this editorial. But we can not support an effort that we sincerely believe would in the end bring mining's house down upon its own head.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter from the Acting Director of the Bureau of the Budget to the Secretary of the Interior under date of August 15, 1949, which is printed in the Senate committee report.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., August 15, 1949.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: This will acknowledge your letter of this date requesting the views of this Office on your proposed report to the chairman of the Senate Committee on Interior and Insular Affairs concerning S. 2105, a bill to stimulate exploration for conservation of strategic and critical ores, metals, and minerals and for other purposes. We understand from members of your staff that this replaces and rescinds your letter on this subject of July 28.

Your proposed report enclosed a redraft of the legislation which incorporates a number of points on which agreement has been reached with representatives of the Executive Office in discussions over the past several days. Pursuant to these discussions, you are advised that there would be no objection from the standpoint of the President's program to submission of your proposed report and redraft to the committee.

With respect to the provisions in your redraft concerning Federal aid for minerals production and for maintenance of mines in stand-by condition, it should be emphasized that this clearance is given with the understanding that such Federal assistance is designed solely for the purpose of conserving sources of essential supply which, as a practical matter, would otherwise be rendered unavailable in times of national emergency. From the standpoint of the President's program this assistance would not be acceptable on any other basis. Approval of the elements of production subsidy in your redraft should not be construed in any way as constituting an approval of subsidy for other than strictly conservation purposes. If it should become necessary for the Federal Government to take special action to relieve unemployment in the affected mining areas, other means would have to be found than the use of production subsidies.

In this connection we should like to draw your attention to the provisions of section 4 (d) requiring the Minerals Conservation Board to determine the maximum and minimum prices which may be paid for purchases of metals or minerals. In assuring that such purchases are made solely for purposes of conservation, we believe it might be most advantageous to require that these price determinations allow only for coverage of the costs of operation and maintenance, without provision for net profit to the producer. The ultimate return to the producer rests in the long run availability of his property, conserved with the assistance of the Government, for production and sale on the open market under more favorable circumstances. We have held preliminary discussions with your representatives on this proposal to bar profit allowances and while no conclusion has been reached and no such amendment is included in your redraft, we feel strongly that the committee should give this matter serious consideration.

We note that the provisions in the redraft for these conservation aids are entirely disassociated from the Government's stockpiling program. The only relationship between the two programs is that materials acquired by the Government pursuant to conservation aids, are made available to the stock pile, if suitable to its purposes, on precisely the same conditions as are any materials privately produced for sale on the open market. We consider it most important, to assure accomplishment of the legitimate purposes of both programs, that the conservation of domestic mineral resources should remain entirely distinct from stock piling for national security purposes. Under no circumstances should their separate objectives become confused in the process of developing conservation legislation.

As you know, it had been our view in the Executive Office of the President, that materials acquired by the Government in the course of the conservation program and not transferred to the national security stock pile should be sold on the open market as fast as they accrue, in order to avoid building up large Government inventories of a miscellaneous character. In place of a provision for automatic sale, your redraft provides that sales must be made only at prices which will return to the Government the average of prices paid for the material sold. The redraft further provides that sales may be made at lower prices, when considered to be in the best interests of the Government, taking into account costs of continued storage, so long as it is determined that such action will not substantially depress the market. In our view, these arrangements constitute the maximum departure from provision for automatic sale which could be accepted as a matter of sound policy.

We have discussed with your representatives the organizational status of the Minerals Conservation Board established under S. 2105. The language of the original bill and that of your redraft would appear to establish the Board as an independent agency of the executive branch. We believe that this is not intended and that it might create problems respecting the handling of appropriations as well as running counter to efforts, supported by the Commission on the Organization of the Executive Branch of the Government, aimed at reducing the number of separate agencies by grouping them under appropriate existing departments and agencies. Therefore, we suggest that serious consideration be given to amending the bill so that the Board would be an agency of the Department of the Interior and the Department be authorized to perform such housekeeping services as the Board may require. Appropriations for the expenses of the Board would then be made to the Department. Such an amendment should, of course, be so drawn as to safeguard the independent exercise by the Board of its substantive powers under the act.

In accordance with our understanding, a copy of this letter should accompany your report and redraft when submitted to the committee.

Sincerely yours,

F. J. LAWTON, *Acting Director.*

Mr. MALONE. I also ask unanimous consent to have the language of the Senate committee, on tax relief, as published in its report on the pending bill, be printed in the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

TAX RELIEF

Cogent evidence has been presented to the committee that tax allowances for exploration and development costs are an effective means of attracting much needed venture capital into mining. The committee recommends, therefore, that the appropriate congressional committee undertake a study of the possibility of providing tax incentives for the domestic mining industry. However, it realizes the impossibility that any such action can be taken, or that its effects would be felt, in time to deal with the present emergency situation in respect to domestic sources of essential minerals and metals.

S. 2105 provides a new approach to the extremely complex and difficult problem of developing our reserves and revitalizing our mining industry, which has been and is a cornerstone of our national economy in peace or war. Time is very much of the essence in the situation, and the committee respectfully urges prompt action on the bill.

The favorable report of the Department of the Interior, signed by Secretary Krug, under date of August 15, 1949, together with the report of the Bureau of the Budget, are hereinbelow set forth in full and made a part of this report.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the committee amendment, as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill S. 2105 was ordered to be engrossed for a third reading, read the third time, and passed.

ASSISTANCE TO STATES IN COLLECTING SALE AND USE TAXES ON CIGARETTES

Mr. GEORGE. Mr. President, I move that the Senate proceed to the consideration of House bill 195, Calendar No. 642, an act to assist States in collecting sales and use taxes on cigarettes.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes.

The bill is as follows:

Be it enacted, etc., That as used in this act the term—

(a) "person" means any individual, partnership, corporation, or association;

(b) "disposing of" means any transfer for profit;

(c) "cigarette" means any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and whether or not such tobacco is flavored, adulterated, or mixed with any other ingredient, the wrapper or cover of which is made of paper or any other substance or material except tobacco;

(d) "licensed distributor" means any person authorized by State statute or regulation to distribute cigarettes at wholesale or retail;

(e) "use," in addition to its ordinary meaning, means the consumption, storage, handling, or disposal of cigarettes;

(f) "tobacco tax administrator" means the State official duly authorized to administer the cigarette tax law of a State.

SEC. 2. Any person selling or disposing of cigarettes in interstate commerce whereby such cigarettes are shipped to other than a distributor licensed by or located in a State taxing the sale or use of cigarettes shall, not later than the 10th day of each month, forward to the tobacco tax administrator of the State into which such shipment is made, a memorandum or a copy of the invoice covering each and every such shipment of cigarettes made during the previous calendar month into said State; the memorandum or invoice in each case to include the name and address of the person to whom the shipment was made, the brand, and the quantity thereof.

SEC. 3. Whoever violates the provisions of this act shall be guilty of a misdemeanor and shall be fined not more than $1,000 or imprisoned not more than 6 months, or both.

Mr. GEORGE obtained the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 5 and 11 to the bill, and concurred therein; that the House receded from its disagreement to the amendment of the Senate No. 16 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate Nos. 12 and 13 to the bill.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States, and by making benefits more realistic in terms of present wage rates, and for other purposes.

The message further announced that the House insisted upon its amendment to the bill (S. 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY of Tennessee, Mr. KARST, and Mr. REES were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, and it was signed by the Vice President.

Mr. McKELLAR. Mr. President, will the Senator yield to me so I may present a privileged matter?

Mr. GEORGE. I yield to the Senator from Tennessee.

CIVIL FUNCTIONS OF DEPARTMENT OF ARMY APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on House bill 3734, the civil functions appropriation bill, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9 and 10.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 8 and 17, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: *"Provided further,* That the various appropriations for rivers and harbors and flood control may be used for the purchase (for replacement only) in the current fiscal year of five hundred passenger motor vehicles and ten motorboats (to be acquired from surplus stock where practicable) and the purchase (not to exceed five, to be acquired from surplus stocks), maintenance, repair, and operation of aircraft"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$197,489,690"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$366,330,400"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$67,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,600,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 11, 12, 13, and 16.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
ELMER THOMAS,
DENNIS CHAVEZ,
STYLES BRIDGES,
CHAN GURNEY,
HOMER FERGUSON,
Managers on the Part of the Senate.

JOHN H. KERR,
LOUIS C. RABAUT,
CHRISTOPHER C. MCGRATH,
JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
Managers on the Part of the House.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SALTONSTALL. May I ask the Senator, first, if the report is a unanimous report on the part of the conference committee, and, second, what bill it is on which the report is presented?

Mr. McKELLAR. The report deals with the civil-functions bill. The Senator asked whether the report was unanimous. I believe one of the House conferees, Representative CANNON, did not sign the report, but, as I recall, all the other conferees signed it.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3734, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 6, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 5 and 11 to the bill (H. R. 3734) entitled "An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment as follows: In line 39 of the matter inserted by said amendment, strike out the following: "in time of war or national emergency."

That the House insist upon its disagreement to the amendments of the Senate numbered 12 and 13, to said bill.

Mr. McKELLAR. I move first that the Senate concur in the amendment of the House to the amendment of the Senate numbered 16.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move that the Senate recede from its amendments numbered 12 and 13.

The VICE PRESIDENT. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

The VICE PRESIDENT. That finishes action by both Houses on the conference report.

Mr. McKELLAR. That completes action on the conference report.

I feel I ought to say that the bill has been in conference a long time, but it was a very hotly contested measure all the way through. I am very happy that agreement has at last been reached, and that the bill now goes to the President.

GRAZING FEES—AMENDMENT

Mr. THYE. Mr. President, will the Senator from Georgia yield to me so I may submit a brief amendment which will help to clarify a bill which has twice been objected to when the calendar was being considered?

Mr. GEORGE. I yield to the Senator from Minnesota for that purpose.

Mr. THYE. I thank the Senator from Georgia for yielding to me.

Mr. President, twice when the calendar was being considered House bill 5839, Calendar No. 1082, was objected to. I tried to learn why the bill had been objected to, and I found that there was certain language in the bill by reason which those who were interested in the question found it necessary to object to the bill. For that reason I had an amendment to H. R. 5839 drawn. The amendment is as follows:

On page 10, line 4, after the word "plants" insert a colon and the following: "*Provided further*, That the total of such deposits required in any fiscal year shall not exceed 25 percent of the total grazing fees for that year."

I think the amendment should make the bill acceptable to all. The bill would greatly assist the Forest Service in its administrative problems, and for that reason I think the bill should pass at this session. I am trying to do all I can to clarify every question which has made it necessary for some Senators to object to the bill. I believe it would be most helpful if a memorandum which I received from Mr. F. E. Mollin, executive secretary, American National Livestock Association, be inserted in the RECORD as a part of my remarks for the information of all who are concerned in this legislation. I ask unanimous consent that that may be done.

The VICE PRESIDENT. Without objection, the amendment will be received and will lie on the table, and, without objection, the memorandum referred to by the Senator will be printed in the RECORD at this point.

The memorandum is as follows:

OCTOBER 5, 1949.

MEMO ON H. R. 5839 BY F. E. MOLLIN, EXECUTIVE SECRETARY, AMERICAN NATIONAL LIVESTOCK ASSOCIATION

At present the Forest Service puts into a special fund a maximum of 20 percent of grazing fees collected. This amounts to a sum of something like $700,000 a year, according to an official of the Forest Service. There is no law authorizing this transfer; it is done merely under a regulation of the Forest Service itself. It is my understanding that the Office of the Comptroller has raised the question of the legality of this procedure, and that this is the main reason for section 12 of the above bill, which is the heart of the said bill.

There is a law directing the Forest Service to remit to the counties in which forests are located 25 percent of all receipts from the forests in lieu of taxes to be expended for road and school purposes. It is the practice of the Forest Service to deduct the amount actually put into the special fund referred to above, which is approximately, if not exactly, 20 percent of the grazing receipts before figuring the 25 percent that is to be returned to the counties, as indicated above. Although I do not have specific information on the point, I assume that the Forest Service makes a similar deduction from receipts from the sale of forest products, which are authorized by law to be used for reforestation, etc., before the reference to the counties is made.

I am inclined to question this procedure—that is, I believe a strict interpretation of the law might indicate that the amount remitted to the counties should be a full 25 percent of all forest receipts, grazing, timber, or otherwise. We are not specially interested in this point, but I mention it because of the effect section 12, as now stated in H. R. 5839, might have upon this matter.

There is no limitation in section 12 as to the amount that could be used for range improvements, except that it is to be deducted from the established grazing fee. It does not even limit such assessment for range improvement work in any one year to the amount of the grazing fee for that year. In many areas stockmen hold 10-year permits, and presumably under the broad authority granted under section 12 it would be possible for the Forest Service to assess a larger amount at one time than the grazing fee for that particular year. While the Forest Service probably does not contemplate such action, yet it is possible under the bill as now drawn.

ASSISTANCE TO STATES IN COLLECTING SALES AND USE TAXES ON CIGARETTES

The Senate resumed the consideration of the bill (H. R. 195) to assist States in collecting sales and use taxes on cigarettes.

Mr. SALTONSTALL. Mr. President, I should like to ask the majority leader if it is his purpose to take up any other measure for discussion tonight after the Senator from Georgia [Mr. GEORGE] has concluded his remarks?

Mr. LUCAS. When we finish consideration of the bill it is planned to take a recess until tomorrow.

Mr. SALTONSTALL. I thank the Senator.

Mr. GEORGE. Mr. President, I hope the consideration of this bill will not consume too much time, and that we may be able to vote on it this afternoon.

The bill has a single purpose, which is to assist the States in collecting State-imposed sales taxes or use taxes on cigarettes. It will be noted at the outset that the purpose of the bill is to assist the States in collecting State-imposed taxes, either sales taxes or use taxes. My own opinion is—and I do not think it worth while to engage in argument on the point—that the States may not impose a sales tax on anything shipped in interstate commerce; but I believe that undoubtedly the States may impose a use tax. However, whether or not the State can impose either tax, that question is not necessarily involved in this bill, because if no valid State tax can be levied, the utility of the bill ceases. I have no doubt, however, that the State can impose a valid use tax upon any article used within the State, although shipped from another State.

The bill is very simple in its terms. It has twice passed the House of Repre-

sentatives. It passed in the Eightieth Congress, but was not taken up for final consideration in the Senate. It again passed in the Eighty-first Congress, and is here now, with a favorable report from the Senate Committee on Finance.

The bill proposes merely that with respect to any cigarettes shipped in interstate commerce by whatever means the transportation is effected, to other than a regularly licensed dealer in cigarettes, into a State which imposes a sales tax or a use tax on cigarettes, the shipment must be followed by a report by the shipper within 10 days after the termination of each month's business to the tax authority in the State into which the cigarettes are shipped.

Of course, the real trouble is that, cigarettes being light and easily compressed, they can be sent through the mails by parcel post in large quantities. Shipments by express or freight do not constitute a serious problem. However, this is a serious problem so far as the States are concerned. Forty States—perhaps now 41, but 40 at the time of the consideration of the bill by the Senate Finance Committee—impose sales, or consumption, or use taxes on cigarettes. Those taxes vary from 1 cent a package to as high as 8 cents a package. Recently the State of Georgia, which I have the honor in part to represent here, has instituted a cigarette use tax of 5 cents a package. Therefore the temptation to indulge in a type of interstate sales which does not involve a sales tax, through the mail to customers in the State where the sales or use tax is imposed, is very great.

It was stated in the hearings that the several States imposing a tax on the sale or use of cigarettes were probably losing in the neighborhood of $40,000,000 a year on cigarettes shipped into the State from other States, and on which no tax was collected.

It will be noted in the second place—and I call special attention to it—that the bill would not apply to cigarettes unless they were sold and shipped in interstate commerce for profit. Therefore gifts may be sent from any State into a State imposing a cigarette tax, and the bill would not apply to the shipper or transmitter of the cigarettes, unless they were sold for profit.

The whole purpose of the bill is to require the shipper for profit of cigarettes into a State which imposes a sales or use tax on the cigarettes to report on the tenth day of the month following the shipment, either by sending a copy of the invoice or by furnishing a report showing the name of the shipper and the party to whom the cigarettes are shipped, and the name and quantity of the cigarettes. That is all. It is a very simple thing.

Of course there is a penalty imposed if the shipper fails to comply with the law. Failure to comply with the law is made a misdemeanor, subjecting the shipper to a fine of as much as a thousand dollars, or to imprisonment in the penitentiary for 6 months, or both. However, those are maximum penalties.

There is nothing else that I think is material for the consideration of the Senate so far as the terms of the bill are concerned. It does not increase the cost to the Federal Government, and no objection has been made by the Treasury Department. It might possibly result in a slight increase in cost to the Department of Justice. If there were prosecutions there would, of course, be some trials, or pleas entered, and there would be some slight increase in cost to the Federal Government.

Aid and assistance by the Federal Government to the States is not a new principle in our law. Heretofore the Federal Government has aided the States in the collection of their legitimate taxes. If the States cannot have the assistance of the Federal Government in this very minor way, the States cannot successfully meet the threat presently confronting them from outside dealers in cigarettes.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield.

Mr. KILGORE. Will the Senator from Georgia please state the particular instances in which the Federal Government has aided the States in the collection of taxes?

Mr. GEORGE. The Federal Government now exchanges with the States returns from all the taxpayers in the country. They are available to State authorities.

Mr. KILGORE. That is with respect to income taxes.

Mr. GEORGE. With respect to income taxes. It is a very material assistance. Assistance is also given by the States. It is reciprocal. The States were aided by the Federal Government in the days of prohibition, with respect to transportation.

Mr. KILGORE. Mr. President, will the Senator yield again?

Mr. GEORGE. I yield.

Mr. KILGORE. The Senator well knows that at the time when various States had prohibition laws, before there was a Federal prohibition law, the Federal Government would still sell licenses for the manufacture of whisky, and would refuse to disclose to the State authorities the names of those who had purchased such licenses. I am sure the Senator recalls that situation.

Mr. GEORGE. I realize that it is possible now for a person living in a "dry" State to buy a Federal license for the manufacture of whisky. The Federal Government possibly would not disclose the name of the holder of the license. But the proposition before us is different from that.

Information as to income taxes is readily available and can be obtained, and the Federal Government has very properly assisted the States in that way in the collection of State income taxes.

Mr. KILGORE. Mr. President, will the Senator yield for a further question?

Mr. GEORGE. I yield.

Mr. KILGORE. The Senator realizes, of course, that in most States there are consumers' sales taxes, generally beginning at 2 percent, and sometimes going as high as 4 or 5 percent. Yet persons in those States who make purchases by mail from firms located outside their State, pay no consumer's sales tax on such purchases. That tax is similar to the tobacco tax or the cigarette tax; and there is no compulsion on the Federal Government to disclose those sales.

Let me say that I am distinctly opposed to, and always have been, and expect to vote against, the idea of having one State bootleg something into another State. However, let me point out that almost every month I receive advertisements from Tampa, Fla., and from other points in the United States, of cigars for sale. At the present time, while in the District of Columbia, I could purchase them under those conditions without paying the sales tax which is imposed in the District of Columbia. Similarly, I can make purchases from Sears, Roebuck or Montgomery Ward or other mail-order stores without paying the District of Columbia sales tax, if I make such purchases while I am in the District of Columbia; or without paying the West Virginia sales tax, if I make such purchases while I am in West Virginia; or without paying the Georgia sales tax, if I make such purchases while I am in Georgia.

My thought is that if we are to deal with this matter, we should do so thoroughly, and should protect the States throughout.

I am perfectly willing to go along with the Senator from Georgia in regard to the idea of protecting the States in respect to all their tax rights. But I question why we should single out cigarettes.

This question has been raised also by the veterans, who say they are required to pay the veterans' bonuses of New York and various other States through cigarette taxes; and of course veterans generally are large consumers of cigarettes.

Mr. GEORGE. The Senator is quite correct; the cigarette tax is especially devoted by many State laws to the payment of veterans' bonuses, to public assistance, to education, to aid to the blind, and so forth. Of course that is a very worthy purpose.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LONG. Is it not true that actually the sales tax on most items is a very minor factor in the total cost of the item—generally about 1 percent or 2 percent, whereas, on the other hand, the tax on cigarettes constitutes 15 or 20 or 30 percent of the total cost of the cigarettes?

Mr. GEORGE. I was about to refer to that.

Mr. LONG. So, that constitutes a much greater incentive for a person to attempt to avoid paying the tax on cigarettes.

Mr. GEORGE. I was going to state that if in any case it is legitimate for the Federal Government to assist a State in that connection, then I think the Federal Government should do so.

But the question before us deals only with cigarettes. Very largely, for obvious reasons, most of the articles shipped from one State to another State are easily identifiable; but that is not true in the case of cigarettes. In most cases the amount of the sales tax on machinery or automobiles or automobile parts or other items, if a State imposes

a sales tax or a use tax on such things, is inconsequential, as compared to the total cost of the article. But in the State of Louisiana, the State imposes a tax of 8 cents on each package of cigarettes sold in that State. Georgia now imposes a tax of 5 cents on cigarettes. So in the case of Louisiana, the tax becomes actually the largest item in the cost of each package sold. Hence, there is a temptation for a person or concern to establish a business of advertising in the State of Louisiana, "Why pay the 8-cent tax? You can buy cigarettes from us at the wholesale price, within this State."

Let me say that exactly that practice is carried on continuously by persons who sell cigarettes in States which impose a tax upon them. Day after day, I have read in newspapers in my State advertisements by which the citizens of the State are openly invited to violate the law, and the advertisements point out the enormous savings which can be made by doing so.

Mr. KILGORE. Mr. President, I wish the Senator to understand distinctly that I am not defending that practice. There is only one group in my State, so far as I know, that pays nothing to the State under such circumstances. I am not defending those persons.

But a large part of the income of my State comes from the sales tax. However, sales can be made to persons in my State by Sears, Roebuck or other mail-order houses without the payment of the tax, and the State has no recourse. Only in the case of cigarettes is there a recourse.

So I feel that in the case now before us we may be establishing a dangerous precedent.

Mr. GEORGE. I do not think it will be a dangerous precedent, for the reason that in most instances in the case of merchandise shipped from one State to another State, when a State imposes a tax on the article or on its use, that merchandise is easily identifiable and can be traced. But that is not possible in the case of cigarettes. So the States are entirely helpless in that matter. They have no power over interstate commerce. They have no way of identifying the shipments of cigarettes which can be made by parcel post in large quantities; in fact, under the present postal regulations as to the size and weight of packages which may be shipped by parcel post, it is possible for a person to carry on, through the mails, virtually a wholesale business in cigarettes.

Mr. KILGORE. Mr. President, will the Senator yield further?

Mr. GEORGE. I yield for a question.

Mr. KILGORE. I wish to ask a question: Would the Senator from Georgia object to an amendment to section 2 of the bill, by adding at the end of the section the following:

> The memorandum or invoice shall be required to be forwarded to a tobacco-tax administrator of a particular State only if (1) the cigarette-tax law of that State is terms applies to cigarettes shipped in interstate commerce for consumption and (2) the cigarette-tax law of that State may lawfully and constitutionally be applied to such interstate shipment.

I seek enlightenment. Does the Senator have objection to such an amendment?

Mr. GEORGE. Yes; I do, because such an amendment is entirely useless. I have already stated that in my opinion—for whatever it may be worth—a sales tax upon an interstate sale, as such, would probably not be sustained by the courts. But a use tax may be sustained.

If a State does not have a valid tax, that is no concern of the Federal Congress. All we now require is that a shipper for profit in interstate commerce simply furnish a copy of the invoice or statement in connection with articles sold to anyone but a registered dealer within the State.

Mr. KILGORE. I was asking the question with all due respect. I wanted to have the point made clear as to the one amendment that someone asked me to offer. Is there any objection, for instance, to making the act effective March 1, 1950, as against May 1, 1950?

Mr. GEORGE. Yes.

Mr. KILGORE. What is the objection?

Mr. GEORGE. The objection is that the States are losing a large amount of revenue. The States have been pressing for 2 years to get action upon the bill. The further objection is that no one, who is engaged in the practice of selling cigarettes into States that propose to try to collect a tax on them, has got a stock of merchandise which he cannot dispose of over the week end.

Mr. KILGORE. But if I may make the suggestion, why not speed it up from May 1, moving it back to March 1 of the same year? It would speed the whole thing up by 3 months. Would there be an objection to that?

Mr. GEORGE. I will not accept the change.

Mr. KILGORE. It would move it back to March 1.

Mr. GEORGE. I shall resist any amendment to change the effective date of the act, because, I may say, it is a part of a program, at the end of the session, further to delay the enactment of a regulatory matter that can be of advantage to the States in enforcing the laws.

Mr. KILGORE. I think the Senator from Georgia misunderstands me. I wanted to move it back, instead of forward. Instead of having it start at May 1, why not start it on March 1—3 months earlier.

Mr. GEORGE. I do not know what the Senator is referring to.

Mr. KILGORE. Someone suggested such an amendment to me, that we make the date March 1, 1950, rather than May 1, 1950—not to move it back 12 months, but to move it forward 3 months.

Mr. GEORGE. I do not have the bill before me.

Mr. KILGORE. I am merely asking. I want the Senator from Georgia to understand what I am trying to do. It is not to delay the matter at all. It is to speed it up.

Mr. GEORGE. I think the Senator is confused because, when the bill was drawn and when it passed the House, it was thought the bill could be made effective at an earlier date. But I am not sure what the provision of the bill is on that point.

Mr. KILGORE. The suggestion made to me was that it be made effective March 1, 1950. I may say the suggestion came from officials of my State.

Mr. GEORGE. I can see no reason for it, and I do not want to make an amendment to the bill, because, when it goes to conference, it means perhaps another year's delay.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILLIAMS. In line with the point the Senator from West Virginia has made, the bill does not carry an effective date. It would therefore become effective on the date of its passage. I agree with the Senator from West Virginia; there should be some projected effective date, to give the firms engaged in this business an opportunity to clear up their inventory or else set up their books, and so forth, to comply with the law.

Mr. GEORGE. I should oppose that, and oppose it very vigorously. I do not think anyone who is openly inviting citizens of another State to violate the law and pointing out the profit they can make by doing so is entitled to any such consideration from the Congress.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WILLIAMS. I disagree with the Senator from Georgia in this respect: The people who have been doing this business, have been operating within the law.

Mr. GEORGE. Yes.

Mr. WILLIAMS. I do not think they have been violating any law. I think the point should be recognized.

Mr. GEORGE. I say there is also another reason which I have already stated, namely, that no one dealing in cigarettes has a stock on hand that is not salable on the open market, and salable at once. It is not like someone who has accumulated a large stock of merchandise which must be sold over a long period of time. Dealers in cigarettes have been on notice now for 2 years that every effort would be made to induce the Federal Government to aid and assist the States in the collection of the taxes.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BALDWIN. The State of Connecticut, as I recollect, imposes a tax on cigarettes, which it collects through a stamp. It is my recollection it is handled by the State tax commissioner, who sends to the different people manufacturing cigarettes and shipping them into the States, or to wholesalers, the stamps, for which they pay. The cigarettes are packaged and stamped, at least in the case of all cigarettes going into Connecticut.

The Senator is familiar, from the hearings, with any possible conflict there might be between that method of collecting the tax and the method here suggested of protecting the States. Does the Senator see any possibility of a conflict? I mean, are the manufacturers, who attach the stamps and send the cigarettes into the States that have a stamp tax,

going to be put to any additional difficulty, or is there going to be any confusion between shippers and the tax commissioners of the State because of that situation?

Mr. GEORGE. No, none whatever; I may say to the Senator. The difficulty does not arise in that regard, because the manufacturers are wholesale distributors or jobbers of cigarettes, who ship into States which impose a sales or use tax on cigarettes. It is now giving not the slightest trouble to the States. The only difficulty arises really because of parcel-post shipments. The only requirement on the shipper, whether he be a legitimate dealer or a bootlegger, is that if he ships to other than a regularly licensed merchant or distributor within the State, then he shall simply furnish a copy of his invoice within 10 days after the end of the month.

Mr. BALDWIN. It does not apply to the shipments to people who customarily deal in cigarettes, does it?

Mr. GEORGE. Not at all. They are expressly exempted in all cases where a shipment is made to a regular dealer in cigarettes by a manufacturer, wholesaler, or jobber. He is not required to do anything further, because if he ships to a dealer of that kind within the State, the State protects him. Indeed, one of the strong reasons for the passage of the bill to aid and assist is the desire to protect the legitimate merchant in each State against the man who is buying his cigarettes from someone who is advertising, for example, "We will save you 5 cents a package on each package of cigarettes."

Mr. BALDWIN. I think the bill, as explained by the Senator, would be a tremendous help to the tax commissioner in the State of Connecticut. I think it would plug a hole that otherwise has not been plugged as against people who want to avoid the tax and thereby defeat the State tax collector and who also want a favored position as against the legitimate dealer and others who comply with the law.

Mr. GEORGE. I think the Senator is entirely correct. Under the bill, shipments made by anyone to a regular dealer in cigarettes, or to anyone authorized to make sales of them, are not to be reported at all. No additional burden whatever is placed on the shipper. It is only when he ships to unlicensed and unregistered and undesignated establishments within a State that he must furnish a copy of the invoice, or a mere statement, if he wants to, to the taxing authority of the State into which the cigarettes are shipped. He must do that within 10 days after the end of each month in which he may have made such shipments.

Returning now to the question raised by the distinguished Senator from West Virginia and the distinguished Senator from Delaware, I find there is no effective date fixed by the bill itself. Therefore I think, under the well-known rules of construction and interpretation, the act would become effective from and after the date of its approval by the President.

Mr. President, if it were a different type of business, and if the dealers in the particular thing which the Congress has under consideration would be likely to suffer any great or consequential loss if they were immediately cut off from a practice which has been at least legal during the previous years in which they have been in business, I should be very glad to provide a future effective date for the act. But there is nothing which would incline one to conclude that that would be a just provision to put into the bill. Certainly when many States are losing vast amounts of revenue largely because of parcel-post shipments in interstate commerce, I think the act should be made effective at once. Any amendment, of course, would necessitate conference or further action by the House on the bill. I hope the bill may be passed and sent to the President in its present form.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LONG. I believe the Senator learned in the course of the hearings that in some States, such as Louisiana and South Carolina, it is a criminal offense for the person receiving the cigarettes to fail to pay the tax.

Mr. GEORGE. That is correct.

Mr. LONG. So, through the advertisements, many of which I personally showed the Senator in the course of the hearing, the people were practically asked to violate the law. They were told, "What we are doing is not against the law," but the shipper did not present the fact to the purchaser that what the purchaser was doing was against the law, even against the criminal law, of his State.

Mr. GEORGE. The Senator from Louisiana is correct. In practically all the States there is some penalty imposed for the purchase and use of certain articles without the payment of the State tax.

The advertisements which the Senator first brought to my attention, and which I have subsequently seen in newspapers published in my own State, do invite violation of the law by citizens.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. GEORGE. I yield the floor.

Mr. DONNELL. Mr. President, I should like to ask the Senator whether he thinks there is any question as to the validity of the statute in this respect: Section 2 makes it the duty of a person selling or disposing of cigarettes in interstate commerce, whereby such cigarettes are shipped to other than a distributor, to do certain things. Whoever violates that provision is to be adjudged guilty of a misdemeanor and fined or imprisoned, as the case may be.

There is nothing in the bill, as I read it, which makes it necessary that the person selling or disposing of the cigarettes shall have knowledge that the person to whom the cigarettes are sold or disposed of is other than a distributor. Suppose a person is charged with a violation. It does not devolve upon the prosecution to show any knowledge at all on the part of the seller or disposer that the consignee is not a licensed distributor.

Mr. GEORGE. That is correct.

Mr. DONNELL. Does the Senator think there is any possibility that the statute might be declared invalid on the ground that a person entirely innocent of any knowledge that the consignee is not a distributor has, by the mere fact of his sending merchandise to that person, brought himself within the prohibition of the law? In other words, can a person legally be convicted of an offense if he does not know that the elements of which he is convicted exist? Do I make my point clear to the Senator?

Mr. GEORGE. Yes; I think so. But I do not believe any difficulty would arise on that point. In my opinion in any case where the shipper in interstate commerce, for profit, in good faith offered the defense that he thought he was shipping to a dealer or to a distributor, he might very well be protected. But, of course, the violation lies in the fact that during January, for instance, he failed or refused by the 10th of February to send a copy of his invoice to the State taxing authority. I should think that any shipper, as a matter of precaution, unless he knew he was shipping to dealers or distributors, would send a copy of his invoice, particularly if the invoice were made out to an individual; but I do not think it would invalidate the act in any way. I have already said that my judgment is that the valid State statute is a use-tax statute rather than a sales-tax statute. That is my own view. Other persons differ from that view. But it would be my view that if a State wished to impose a tax and take advantage of this bill, assuming it should become law, the State would have to impose a valid use tax.

Mr. DONNELL. I concur in the view of the Senator that the only means by which the State into which the shipment is made could impose a tax would be by the imposition of a use tax. My query was that here is a criminal statute which does not require that the seller know that the person to whom he has sold is not a licensed distributor. It occurs to me that there may be some possibility that the statute might be declared invalid because of making it an offense to do something without requiring, as one of the elements of the offense, knowledge of the fact that the consignee was not licensed.

Mr. GEORGE. I do not think so, because I believe the effect of the bill as it is written is simply to impose the responsibility and duty upon the shipper of sending a copy of his invoice to the taxing authority of the State, unless he is sure he is sending to a distributor or a registered dealer in cigarettes within that State. So I do not think there is any difficulty on that score. The only responsibility placed by the Congress upon the interstate shipment in this instance is to furnish an invoice to the proper taxing authority in the State into which the shipment is made. If the shipper knows he is shipping to a dealer or distributor, he is excused. That is one of his privileges and one of his defenses, so to speak, for his failure or neglect in connection with his report. I do not think it would invalidate the statute at all.

Mr. DONNELL. I thank the Senator.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Delaware.

The LEGISLATIVE CLERK. It is proposed to insert in the appropriate place the following:

This act shall take effect on February 1, 1950.

Mr. WILLIAMS. Mr. President, I want to point out that the business which has been conducted by shippers of cigarettes in interstate commerce has not been in violation of any State or Federal law. As the Senator from Louisiana pointed out, in his own State it is a violation on the part of those who purchase, but the violation is not because the purchaser purchased cigarettes from some other State; the violation if any, was because the purchaser did not comply with the Louisiana State law and make an individual report to the State and pay the tax. Therefore there was a failure on the part of the State of Louisiana to enforce its own laws.

Regardless of whether we are going further into the matter of making reports to the Government, which I feel is a very bad precedent, the least we can do is to set a date far enough ahead to enable the persons involved to liquidate their inventories. The Senator from Georgia said that perhaps they could do so in 24 to 48 hours. I disagree with that statement, because as soon as the law becomes effective, if it is going to accomplish a small fraction of that which its proponents think it will accomplish, their markets will be destroyed. They would have a difficult task to dispose of their inventory and there would be a tremendous loss.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BALDWIN. I dislike to find myself in disagreement with my good friend from Delaware, but I want to pose this question to him: Is it not a fact that most of our State laws, if not all of them, which require a tax on cigarettes sold in the States, do just exactly that—require a tax on every cigarette sold in the State?

It seems to me that the case would be extremely rare where a company or an individual shipping cigarettes into a State, and advertising or carrying on business under the assumption that by their method of doing business they were avoiding the tax, will be subjected to any injustice if we pass the bill, and it becomes effective, as it normally would, when the President signs it. When a State imposes a tax on all cigarettes sold within the State—and that is what these taxes are intended to cover, every cigarette sold in every way in a State—it does not seem to me that it works any injustice on anyone, because the people who have been taking advantage of it have done so because they have been able, by their method of salesmanship, to avoid the tax. I do not agree with the Senator that they have been carrying on a business that is 100 percent simon pure. They have been in effect carrying on a business in such a way that they can avoid the imposition of a tax because of the confusion and the difficulty in the State in collecting it.

For that reason I ask the Senator if he really thinks those people are entitled to consideration. Does he not feel that by postponing the date to next February we would give them warning of the date when the law was to become effective, and between now and then those who had been avoiding the tax would be stimulated in their activities? The purchasers are going to be diligent to get in as large a stock of cigarettes as they can before the curtain falls.

As I have said, I do not like to be in disagreement with the Senator from Delaware, because there are so many things we think about entirely alike, but I do heartily disagree with him in this amendment, and I do not think it should prevail.

Mr. WILLIAMS. Mr. President, I point out to the Senator the way it works in my own State. We now have a tax on cigarettes in our State. There is no tax on cigarettes in the State of Maryland, immediately joining. As it applies in our State, if a man buys cigarettes in Maryland and has them shipped to our State, it is the obligation of the purchaser to report to our State authorities and pay the tax. If the purchase is made in Maryland, the man who sells the cigarettes in Maryland is not liable under the State law, and there is no violation of our laws.

I think it will be found that the same is true in Connecticut, that if the cigarettes are shipped from Maryland, or from any other State, to Connecticut, the sale is made in the State in which they are purchased, and that is why the sellers are not subject to the tax in the State of Connecticut. If in Connecticut, as the Senator from Georgia has pointed out, there should be a use tax, the man who uses the cigarettes is responsible for the tax, not the man who originally shipped them.

As to the projected date giving people opportunity to liquidate, I repeat, it is not unfair. A similar bill has been on the calendar for 2 years. It passed the House at the last session, and it passed 2 years before that, and the Senate failed to take action.

I feel that three more months now, surely is not an unfair time to give to those who have been in this line of business. The reason why I am proposing this is not to encourage those who have been avoiding the tax.

For instance, I pointed out how our people can buy cigarettes in Maryland without paying a tax. Maryland has a sales tax of 2 percent, and we do not have a sales tax. Maryland is complaining about the people of Maryland coming to our State, immediately adjoining, and buying their supplies without paying a sales tax. I am afraid we are going to set up a series of customhouses along the borders of the various States. That is why I am objecting to the principle, not as to cigarettes alone, but because of where it may lead.

I think 3 months is the very least period of time we can give. Whether we like the law or not, I think we should give them a chance to liquidate their business in the normal channels of trade.

Mr. BALDWIN. In the State of Delaware is the cigarette tax a use tax, supposed to be paid by Delaware citizens?

Mr. WILLIAMS. I am unable to answer that.

Mr. BALDWIN. Are any cigarettes which are sold or used within the State of Delaware subject to a tax?

Mr. WILLIAMS. Yes.

Mr. BALDWIN. If that be the case, then either the Delaware man has to pay a tax on the cigarettes which he uses, or the man who sells them to him, in Delaware, has to pay a tax. If the man in Maryland, taking advantage of that situation, says, "I will sell you some cigarettes, and we will work it out so that the sale takes place in Maryland, and it will not be subject to the tax," is he not encouraging the Delaware citizen to avoid the payment of the tax?

Mr. WILLIAMS. Not any more than are the merchants in our State who are encouraging the people in Maryland to come over to our State and buy their supplies, where they will not have to pay a sales tax. It was only recently that an article appeared in the Wall Street Journal about a couple of the New England States having quite a controversy over the sale of liquor across the borders. It was claimed one had a lower liquor tax. I am afraid of where the practice might eventually lead.

Mr. BALDWIN. Mr. President, it would seem to me that the bill is designed to accomplish, insofar as cigarettes are concerned, exactly what the Senator from Delaware thinks should be done with some other things. In other words, under the bill, as I understand, the Federal Government steps in and helps the tax collectors in the various States to collect their cigarette taxes, by preventing an avoidance of the tax through making it a Federal offense to ship cigarettes in interstate commerce, where the Federal Government can operate properly, in such a way as to avoid the tax. It seems to me that the number of people who are going to be done an injustice by the failure to put in the bill a date when the bill shall become effective is very small indeed, because in large part they are people who are building up their sales, and encouraging purchases on the basis that they can carry on business in a way that is going to make possible avoidance of the payment of a tax, whether by deliberately avoiding it or by taking advantage of a situation. It does not seem to me that any great injustice is worked by letting the law become effective at the earliest possible moment.

Mr. WILLIAMS. I should like to clarify one remark of the Senator from Connecticut. I do not think we should build up a barrier and say the Federal Government is going to protect a State which has put extreme taxation on some product.

Mr. BALDWIN. To pursue the point further about encouraging the States which have lower taxes, the Senator is not helping Delaware by this move, because it would encourage Maryland dealers to help the Delaware people avoid the tax. That is why I think the bill

should become effective at the earliest possible time.

Mr. WILLIAMS. I want to point out to the Senator that what is involved is more a matter of principle than how Delaware would benefit.

Mr. GEORGE. Mr. President, I merely wish to call the Senator's attention to the very pertinent fact that we are not outlawing the sale of cigarettes. We are not taking away a dime of the value of any dealer in cigarettes. By this simple requirement the dealer still has an article of merchandise which he can sell. If he is being hurt at all he is being hurt only because he is an accomplice in the use of a cigarette in another State, by a citizen of that State, without paying the tax imposed by that State on the cigarette. I cannot see that there is any basis on earth for postponement in behalf of such a dealer. If we were outlawing the sale of cigarettes there would be a great deal of merit in the Senator's suggestion. We are not outlawing the cigarette. The cigarette would be worth exactly what it was before. The only difference is that we would prohibit a dealer in another State from saying to a citizen of my State, "Violate the law of your State by buying your cigarette from me and saving 5 cents a package on its use." Why should we be too tender in our treatment of such a dealer? The dealer can still sell his cigarettes. They are still valid articles of merchandise, and there is nothing whatever in the bill which would affect the dealer's right to sell cigarettes.

Mr. WILLIAMS. That is true. But, under section 2 of the bill, we are asking the dealers to keep records, and certain information must be filed with the Government, and immediately on the passage of the bill the entire practice and conduct of business will be changed. I think the least we can do is to give the dealers a chance to readjust themselves to comply with the law.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

The amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the third reading of the bill.

The bill H. R. 195 was ordered to a third reading, read the third time, and passed.

ONE HUNDREDTH ANNIVERSARY OF BIRTH OF JAMES WHITCOMB RILEY

Mr. JENNER. Mr. President, Indiana, rich in literary tradition, joins with her sister States tomorrow in paying tribute to one of her most distinguished penmen.

The occasion will be the one hundredth anniversary of the birth of James Whitcomb Riley, alternately known as the Hoosier poet and the children's poet.

Though James Whitcomb Riley is but one of the host of honored literateurs of the Hoosier State, none touches the hearts of Hoosier folk more than did this poet of the people.

No State excels the Hoosier State in either quality or quantity of its excellent literature.

Such names as Gen. Lew Wallace, Booth Tarkington, George Ade, Meredith Nicholson, Edward Everett Eggleston, Theodore Dreiser, Albert J. Beveridge, Sarah T. Bolton, and a host of others fill the pages of literary history along with that of Riley.

A journalistic who's who would be filled for the greater part with the names of Hoosiers who have become famous in the past and present in the journalistic profession.

Many Indianians will gather at the little frame house on the national highway in Greenfield, Ind., his birthplace, at the Riley home on quaint Lockerbie Street in Indianapolis—both national shrines—and at the Riley tomb, high on a knoll in beautiful Crown Hill Cemetery in Indianapolis to honor the memory of the man whose writings still bring joy to children and fond memories to the adult.

At still another place, a fitting and lasting monument to the children's poet will there be joy tomorrow. That is the James Whitcomb Riley Hospital for Children at Indianapolis, where, thanks to Riley and medical science, many a happy little cripple is walking again.

SAVINGS UNDER UNIFICATION

Mr. MORSE. Mr. President, during the debate on the 1949 amendments to the Unification Act on May 26, the junior Senator from Illinois [Mr. DOUGLAS] addressed the following remarks to me:

> I should like to ask the Senator from Oregon whether, in view of the fact that he states that savings of a billion or so dollars could be made by unification, he would submit for the record an estimate of the precise sources from which it is believed these savings could be effected. I know that this is quite a request to make and expect immediate compliance, but I wonder whether upon consulting with the advocates of unification such a detailed statement might be furnished.

I have been working on the problem of supplying the Senator from Illinois with the detailed information in answer to his requests. I now ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared in reply to his request.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In reply to the junior Senator from Illinois I pointed out that I felt that major savings could be made in two fields. First, in the field of budget- and fiscal-management procedures, in line with the recommendations of the Hoover Commission; second, in the field of procurement by, among other things, giving power of decision to the Chairman of the Munitions Board. At the present time, the National Military Establishment, although it spends over $15,000,000,000, annually, has no procurement chief who has the power of decision in his own field. Nor do the budgeting and fiscal-management practices as carried out under existing law give anything which even remotely resembles a sound system of management control and cost accounting. In effect, the National Military Establishment exists today as a loose and heterogeneous confederation of individual proponents rather than as a federation geared to the business of spending such huge sums of money in a manner which will gain full efficiency and economy. Given such a set of circumstances, one would have to be astonishingly gullible to deny that there is waste and extravagance. Just how much this waste and extravagance add up to in terms of dollars and cents, we can only estimate for the most part, because we are unable to agree on a program of corrective action. Even the most conservative of the experts who have studied this field—men such as comprised the Hoover Commission—feel that Federal spending wastes 10 percent. Others, men like Judge Patterson, Secretary Royall, and Secretary Symington, who are experts in the military field, feel that the savings could be larger. My own view in the matter is that the amount will exceed 10 percent. However, I again urge my colleagues to recognize that this depends on what we here in the Congress do about unification. Right now we are doing nothing. The watered-down version of unification which passed the Senate last month in the form of S. 1843 appears to be a casualty in what might be called the special-interests campaign being waged by those who refuse to accept the simple truth that devotion to national security as a whole must transcend devotion to separate programs. So I can assure you, and can reply to the Senator from Illinois, that as things now stand we won't save one red cent. Further, with the trend toward triplification that is rampant today, I predict that, given the same military program, the same cost of materials and the same cost of production, our military budget for 1951 will exceed that of 1950, and we won't get even as much national defense, dollar for dollar, as we are getting today. This staggering increase in the cost of our Military Establishment will continue until the Congress does something about it.

I am convinced, after a careful recheck of my original estimates, that S. 1843, if amended as I urged, and for which I received such an unprecedented amount of support on behalf of this cause which has been defeated so many times, would have saved slightly under $2,000,000,000 on a $15,000,000,000 military program. This assumes that costs of material and labor do not change, and that we give up no esesntial service. The saving is brought about by increased efficiency resulting from the improvements in procurement, budgeting, accounting, and fiscal reporting which I recommended. This amount breaks down as follows:

Estimated savings under S. 1843 with Morse amendments

Personnel pay allowances and support	$393,000,000
Operation and maintenance of facilities, United States and overseas	712,000,000
Major programs for procurement and production including ships and aircraft	639,000,000
Construction to include housing and public works	63,000,000
Research development, industrial mobilization, and maintenance of war reserve	105,000,000
Department administration, etc	47,000,000
Total	1,959,000,000

INCREASED COMPENSATION OF MEMBERS OF FEDERAL RESERVE BOARD, ETC.

Mr. MAYBANK. Mr. President, I ask unanimous consent, out of order, to introduce a bill to increase the compensation of members of the Board of Governors of the Federal Reserve System and members of the Board of Directors of the Federal Deposit Insurance Corporation.

There being no objection, the bill (S. 2647) to increase the compensation of

the members of the Board of Governors of the Federal Reserve System and the members of the Board of Directors of the Federal Deposit Insurance Corporation, introduced by Mr. MAYBANK, was read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MAYBANK. Mr. President, I have discussed the bill with the chairman of the Subcommittee on Federal Reserve Legislation, the distinguished Senator from Virginia [Mr. ROBERTSON]. It concerns the pay of members of the Federal Reserve Board and of the Chairman of the Federal Reserve Board, whose salaries, as Senators know, are paid by the banks.

CENSORSHIP POLICY OF THE NAVY IN CONNECTION WITH B–36 INVESTIGATION

Mr. MORSE. Mr. President, some days ago I commented on the floor of the Senate in regard to a story which appeared in the Washington Post concerning the censorship policy which was reported to have been adopted by the Navy in connection with the B–36 investigation. The Secretary of the Navy read my statement and used it as an occasion to address a letter to me under date of October 3, 1949.

I ask unanimous consent to have printed in the body of the RECORD at this point the letter which I received from the Secretary of the Navy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE NAVY,
Washington, October 3, 1949.

The Honorable WAYNE MORSE,
The United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: After reading the enclosed clipping from a recent issue of the Times-Herald, I felt very much like you did when you contacted me on July 21 about the rumored statements made by an officer addressing students at the Del Monte Navy line school.

May I say that the statement in the paper is utterly unjustified. I have made no attempt and have not thought of making any effort to "gag" any admiral or officer in the Navy. The conference referred to in the Washington Post article, upon which the Times-Herald story obviously was based, was a meeting which I had with my top civilian and military advisers of the Navy in the nature of a pretrial conference, to discuss matters to be presented to the Armed Forces Committee of the House when and if we are called before that body to testify. As a lawyer, I am sure you will recognize the wisdom and propriety of such a procedure.

I give you this information so that you may be advised of the real facts, as I am sure you would not want to misrepresent the attitude or purpose of myself or any other governmental official.

Trusting that you are rapidly recovering from your recent accident, and with kindest personal regards, I am,

Sincerely yours,

FRANCIS P. MATTHEWS.

Mr. MORSE. In the course of his letter the Secretary referred to an article which appeared in the Washington Times-Herald of Friday, September 30, 1949. I ask unanimous consent that that article be printed in the RECORD following the Secretary's letter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR MORSE ASSAILS NAVY GAG ON FACTS VITAL TO UNITED STATES DEFENSE

(By William Moore)

Charges that Navy officers are being muzzled on facts vital to national defense were brought to the floor of the Senate yesterday by Senator MORSE, Republican, of Oregon.

MORSE called attention to reports that Navy witnesses have been forbidden even to mention the B–36 bomber in future testimony in the Navy and Air Force's scrap over the latter's bomber, and to further reports that they have been gagged on the controversy over cancellation of Navy plans for its super-aircraft carrier.

The reports to which MORSE referred said the gag order had been invoked by Navy Secretary Matthews in the Defense Department's effort to end the feuding of the rival services.

"I do not know what the facts are regarding the B–36," MORSE told the Senate. "I have complete confidence in Air Secretary Symington.

"I do not know what the facts are in regard to supercarriers. But I want to say that the American people are entitled to have the facts.

"With the world situation what it is, if there is anyone in the Military Establishment who can present the facts that justify the building of carriers in order to strengthen the security of this Nation, I want the facts established and the carriers built."

MORSE said he is convinced that censorship is being imposed on the Navy and went on:

"Any attempt on the part of the Navy high command, including the Secretary of the Navy, himself, to restrict this inquiry is not in the public interest.

"Unless we can have some assurance that there is a change in policy on the part of the Navy, I shall, at the next meeting of the Senate Armed Services Committee, demand an entire investigation of it.

"I hope we can have early assurance that no one is being muzzled in the Navy Department if he has any facts to present to the American people in regard to either the B–36 or the supercarrier."

MORSE said the sponsors of the act by which the services were unified never intended that the Defense Department it created should be able to force any of the services to impose censorship.

Mr. MORSE. I also ask unanimous consent that my reply to the Secretary of the Navy, under date of August 6, 1949, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 6, 1949.

Hon. FRANCIS P. MATTHEWS,
Secretary of the Navy,
Washington, D. C.

DEAR MR. SECRETARY: I very much appreciate receiving your letter of October 3. In fact, I am taking the liberty of inserting it in the CONGRESSIONAL RECORD, because I think in fairness to you it should appear there.

This job of being a Senator carries with it various responsibilities, one of which might be described as the task of functioning in a "watchdog" capacity. When I read the Washington Post story by Norris I talked to several members of the Armed Services Committee of the Senate. They agreed with me that some brief statement should be made on the floor of the Senate about it. I made the statement, setting forth my position on the question of policy involved if the allegations in the Post article had any foundation in fact. (Of course, I did not write the headlines attached to some of the newspaper stories based upon my speech.)

I made the statement because I believed that the time to make a statement of position as a member of the Armed Services Committee, on the allegations in the Norris article, was on the same day they appeared in the press. In my statement I made very clear that my comments rested upon the assumption that the Norris article represented a statement of fact. Your letter is a complete answer to the article, and it accomplishes the very purpose I had in mind at the time of making my statement. Therefore I shall be very glad to insert it in the RECORD.

With best regards.

Yours sincerely,

WAYNE MORSE,
United States Senator.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GEORGE, from the Committee on Finance:

James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt. (reappointment).

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST

The Chief Clerk read the nomination of Myron Melvin Cowen, of New York, to be representative of the United States of America to the fifth session of the Economic Commission for Asia and the Far East established by the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the diplomatic and foreign service.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

FEDERAL POWER COMMISSIONER

The Chief Clerk read the nomination of Leland Olds, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1954.

Mr. LUCAS. I ask that that nomination be passed over.

The VICE PRESIDENT. Without objection, the nomination will be passed over.

FEDERAL TRADE COMMISSIONER

The Chief Clerk read the nomination of Lowell B. Mason, of Illinois, to be Federal Trade Commissioner for a term of 7 years from September 26, 1949.

The VICE PRESIDENT. Without objection, the nomination is confirmed. That completes the nominations on the Executive Calendar.

Without objection, the President will be notified in all cases of the nominations confirmed.

NOMINATION OF LELAND OLDS

Mr. JOHNSON of Colorado. Mr. President, can the Senator from Illinois say when the nomination of Leland Olds will be considered?

Mr. LUCAS. I have told some Members of the Senate that, as things now appear, the Senate will probably consider the nomination on Tuesday next, unless something unusual occurs between now and then to delay its consideration.

Mr. JOHNSON of Colorado. Some Senators would like to be present when the nomination is considered, and they would like to know the day certain.

Mr. LUCAS. I am practically sure that at some time on Tuesday the nomination will be taken up.

Mr. WHERRY. Mr. President, may I ask the distinguished majority leader if he referred to the nomination of Mr. Olds when he said it would be taken up on Tuesday next?

Mr. LUCAS. That is correct.

Mr. WHERRY. The colloquy was in rather a low tone and I did not quite hear it.

Mr. LUCAS. I think the nomination will be considered on Tuesday next.

Mr. IVES. Does the Senator from New York correctly understand that it is definitely agreed that the Olds nomination will be taken up on Tuesday next?

Mr. LUCAS. I would not say definitely.

Mr. IVES. The reason for my question is that the Senator from New York would like to be absent from the session of the Senate on Monday, but will not ask permission to be absent on that day if there is any possibility that the nomination will be taken up on that day.

Mr. LUCAS. I rather think the Senate will proceed to consider the nomination on Tuesday.

Mr. IVES. Will the Senator be willing to enter into an agreement that the nomination be taken up on Tuesday next?

Mr. LUCAS. No I cannot do that, because yesterday I told the Senator from Ohio [Mr. TAFT] that the Senate would take up the farm bill on Monday next, and that he could make his plans accordingly. I thought that would be the proper time for considering the farm bill. But in the Committee on Agriculture and Forestry this morning all the members were against my position on that point, and I succumbed, of course, to the persuasive powers of my colleagues and said we would take up the farm bill tomorrow. It is almost impossible for me to set a day for taking up anything.

I understand the Senator from New York asked me whether the nomination would be considered on Monday. I will not ask to take it up on Monday, if that is what the Senator is interested in.

Mr. IVES. I thank the Senator.

POSTMASTER AT MERIDIAN, IDAHO

Mr. LUCAS. I should also like to advise the senior Senator from Idaho [Mr. TAYLOR] that I have agreed with the junior Senator from Idaho [Mr. MILLER] to take up the nomination of J. D. Petty of Meridian, Idaho, to be postmaster. That nomination has been pased over at divers and sundry times since it was first placed on the Executive Calendar. I merely wish to make that announcement. I think we will probably take up that nomination on Monday next.

There is a possibility that on Monday we might take up the displaced persons bill and get started on it. I make that announcement for the information of Senators. I hope every Senator will remain as close to the Senate Chamber as possible because we should finish everything next week.

LEGISLATIVE PROGRAM

Mr. WHERRY. Does the distinguished majority leader care to state now what he plans to make the unfinished business after consideration of the farm bill has been concluded?

Mr. LUCAS. After the farm bill has been disposed of we expect to take up Senate bill 2319, Calendar No. 757, the bill which deals with aid to Korea.

We also have the school planning and construction bill. I have agreed with the Senator from Ohio [Mr. TAFT] and the Senator from Minnesota [Mr. HUMPHREY] not to take up that bill until after Tuesday, because the Senator from Ohio will not be back before then.

I think there is a possibility of taking up the legislation dealing with the point 4 program.

We also have the omnibus flood-control bill, the river and harbor bill.

Mr. WHERRY. That is not on the calendar.

Mr. LUCAS. It will soon be reported by the committee. I think that was what we heard today. That practically winds up everything. Included is action on the resolution to discharge the Committee on the Judiciary from further consideration of the displaced-persons bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. I wish to ask the distinguished Senator from Illinois when he expects to take up the point 4 program measure. When it is taken up I believe there will not be too much debate on it, and, if necessary in order to take up other legislation, it could be temporarily laid aside.

Mr. LUCAS. There is a possibility of taking it up on Monday. Will the Senator be present on Monday?

Mr. MAYBANK. Yes.

Mr. LUCAS. We may be able to bring it up tomorrow after we finish with the farm bill.

Mr. MAYBANK. I would greatly appreciate it if it could be brought up tomorrow after we finish with the farm bill, provided it is understood that it may be displaced by another bill if there is extended debate.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I know it is very difficult to announce a definite time for the consideration of any bill, and have everyone satisfied as to when it should come up. It was my thought, because of the order in which the various measures are listed on the program, that the point 4 program would not come up before Monday. The Senator from Indiana [Mr. CAPEHART] is very much interested in that bill, and plans to be present on Monday, because he thought possibly that would be when it would come up.

Mr. MAYBANK. I hope that the distinguished majority leader may see fit to bring it up on Monday. If there is too much debate on it, it can be laid aside. May I make that unanimous-consent request?

Mr. LUCAS. We will try to get to it if we possibly can.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I did not understand whether or not the Senator from Illinois made any statement with respect to the motion to discharge the Committee on the Judiciary from further consideration of the displaced-persons bill.

Mr. LUCAS. I did. That motion will come up next week. I cannot say as to the exact day. There is a possibility that it may come up on Monday, depending upon what may happen tomorrow.

Mr. WHERRY. Mr. President, will the majority leader yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. Can the majority leader say whether or not he intends to take up any legislation tomorrow after the agricultural bill has been disposed of?

Mr. LUCAS. After we finish with the farm bill, it is planned to take a recess.

Mr. WHERRY. Then there will be no legislation brought up after that bill is disposed of?

Mr. LUCAS. I do not think we can bring up anything tomorrow following the disposition of the farm bill, unless we should be able to obtain a unanimous-consent agreement to vote at a certain time, which some Senators think we may be able to do.

Mr. WHERRY. So the Korean bill, the school bill, and others, will be taken up on Monday?

Mr. LUCAS. Monday or some other day next week.

Mr. MAYBANK. Mr. President, the minority leader [Mr. WHERRY] mentioned the fact that the Senator from Indiana [Mr. CAPEHART] is very much interested in the point 4 program. I know the deep interest the Senator has in the point 4 program. I hope the minority leader will help to bring it up on Monday.

Mr. WHERRY. I assure the distinguished Senator from South Carolina that, beginning Monday, any day satisfactory to the majority leader will be satisfactory to the minority leader.

RECESS

Mr. LUCAS. As in legislative session, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate took a recess until tomorrow, Friday, October 7, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate October 6 (legislative day of September 3), 1949:

IN THE NAVY

The following-named (Naval Reserve aviators) to be ensigns in the Navy:

Billie J. Cartwright
Joseph V. Godfrey
Thomas G. Kilgariff
Doyle W. Lynn

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy:

LIEUTENANT COMMANDERS

Harry L. Day
James D. King

LIEUTENANT

John E. Deming

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy, from the 3d day of June 1949:

Winthrop T. Austin
Harry Birchard
James F. Bogardus, Jr.
Edward G. Dauchess
Mark H. Hanna
Malcolm L. McQuiston II
Robert G. Nicol
John A. Rothrock, Jr.
Alvis D. Sartor
Richard W. Singleterry
Donald H. Springgate, Jr.

James E. Galloway (civilian college graduate) to be an ensign in the Civil Engineer Corps of the Navy, from the 3d day of June 1949.

Joseph Raskin (civilian college graduate) to be a lieutenant (junior grade) in the Dental Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Barbara A. Austin
Florence M. Conner
Mary Dianich
Roberta F. Dorsett
Dolores R. Drzewiecki
Anita A. Henne
Dorothy L. A. Klahn
Carolyn E. Kovalovsky
Margaret L. LeCroy
Frances A. Neff
Mary A. Pandora
Louise K. Scanlon
Lorraine C. Schubilske
Audrey J. Sharafinski

The following-named officers to the grades indicated in the Medical Corps of the Navy:

COMMANDERS

Charles Bunch
Stephen M. Smith

LIEUTENANT COMMANDERS

Thomas E. Cone, Jr
Mervyn Shoor

The following-named officers to the grades indicated in the Nurse Corps of the Navy:

LIEUTENANT

Pearl I. M. Hebert

LIEUTENANT (JUNIOR GRADE)

Kathryn C. Jones

Algie M. Mansur to be a lieutenant in the Dental Corps of the Navy, in lieu of lieutenant (junior grade) in the Dental Corps of the Navy, as previously nominated and confirmed.

The following-named officers of the Naval Reserve on active duty, for permanent appointment to the grades and corps indicated, subject to qualification therefor as provided by law:

Lieutenant (junior grade), line

Harry M. Alker
Randall E. Anderson
George F. Arnold, Jr.
Sheldon Ashley
James H. Baker
George A. Blaszak
Ronald F. Bohn
Melner R. Bond, Jr.
Jack Buder
Joe Y. Christian
Philip C. Clark
Angelo E. Clemente
Antonino Consoli
James H. Dana
Paul E. Deeben
Clarence R. Derrickson, Jr.
William H. Ezell
Richard J. Fechheimer
Herbert S. Hammaren
Paul E. Hanes, Jr.
Walter O. Hansen
Leo C. Keating, Jr.
George J. Kay
Thomas J. Keegan
John T. Kelleher
Keith C. King
Glenn E. Kiser
Robert D. Kokins
Philip C. Krouse
George R. Le Blanc
Edward P. Lewis
Otto L. Liepin
Richard E. Love
Richard J. MacGarva
Frederick G. MacGurn
Adolph J. F. Malinowski
Charles L. Mamzic
Oscar N. Martin
Charles A. Matley
Melvin E. Mattson
Thomas D. McGovern
John H. McNally
John F. Mertz
Nicolo A. Mirabile
Charles M. Mitchell
Edward J. Mitchell
Gray D. Morrison II
Frank A. Moscovic
Harold E. Nay
William C. O'Reilly, Jr.
Arne G. Ostensoe
William H. Page
Harvey J. Pietsch
Alexander E. Power
Robert W. Pray
Ivan L. Rauch
Willard B. Risdon, Jr.
Charles S. Russell
Nelson C. Russell
Richard A. K. Russell
William K. Ryan
John R. Sisson
Edwin E. Sosebee, Jr.
Duncan H. South
Walter W. Sparks
Leonard B. Szatkowski
Merwin E. Taylor
William M. Tell
James A. Tonder
John A. Vanyo, Jr.
Maurice T. Wahlgren
Laurence R. Walker, Jr.
Norman E. Wallen
Walter J. Ward
Thomas S. Welch
Harold F. Wenzel
Nelson S. Wilder
James F. Wise, Jr.
Ralph D. Woleben
William V. Wolfe
William J. Yuengling

Lieutenant (junior grade), Supply Corps

Chester L. Carlock
George T. Gratton, Jr.
Norton N. Nielson
Richard F. Stillahn
William F. Paulson
Elvin L. Vanzee

Lieutenant (junior grade), Civil Engineer Corps

Harold W. Merritt

The following-named officers of the Navy and the Naval Reserve on active duty, for appointment to grades and corps indicated in lieu of that for which previously nominated and confirmed, subject to qualifications therefor, as provided by law.

For permanent appointment in the Navy:

Lieutenant, line

William H. Hubbard
William E. Rohde, Jr.
Stephen J. Whiteman
LaMar L. Woodward

Lieutenant, Nurse Corps

Mary K. Fleck

Lieutenant (junior grade), line

Burton E. Berglund
Carl J. Costanzo
Robert E. Cowell
Duilio D'Albora
Frank Gilliland
Delbert Grantham
Albert E. Hansen
John N. Howard
Svend I. Jensen
Donal D. Lemmon
Joseph E. McConnel
James V. McGowan
Murdoch M. McLeod
Jewett E. Richardson, Jr.
Harry P. Rodgers, Jr.
Edmund W. Sellman
Earle N. Trickey

Lieutenant (junior grade), Supply Corps

Robert C. Van Osdol

Lieutenant (junior grade), Civil Engineer Corps

Donn L. Ashley

For temporary appointment in the Navy:

Lieutenant commander, line

Jack O. Polk

Lieutenant, line

Theodore F. Drag
Adolph J. Furtek
Arvel Heath
Edward G. Kelley
Benedict J. Marafino
Orvis A. Martin
Allen C. H. Merz
Arthur J. Perkett, Jr.
Aquilino L. Ponciroli
Hatcher W. Williams, Jr.

Lieutenant, Supply Corps

Marsden E. Christian
Levi T. Gottschall
Francis LeRibeus
John T. Robison

For permanent appointment in the Naval Reserve:

Lieutenant, Supply Corps

"T" Lane Skelton

For temporary appointment in the N Reserve:

Lieutenant, line

Lewis P. Holland
John L. Martin
John F. Mathers

Lieutenant, Supply Corps

Leslie R. Allan
Joseph Allecretti
Clarence E. Carlson
Rodney K. Purnell

CONFIRMATIONS

Executive nominations confirmed by the Senate October 6 (legislative day of September 3), 1949:

ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST

Myron Melvin Cowen to be representative of the United States of America to the fifth session of the Economic Commission for Asia and the Far East established by the Economic and Social Council of the United Nations March 28, 1947.

DIPLOMATIC AND FOREIGN SERVICE

Selden Chapin to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Netherlands.

To be consuls general of the United States of America

Jacob D. Beam
John F. Huddleston
Charles F. Knox, Jr.
Walter P. McConaughy
William A. Smale
Kenneth J. Yearns

To be consuls of the United States of America

William C. Affeld, Jr.
David I. Ferber
Merlin E. Smith
William D. Wright
Robert C. Johnson, Jr.
George D. Whittinghill

To be secretaries in the diplomatic service of the United States of America

Joseph Leeming
E. Wilder Spaulding

FEDERAL TRADE COMMISSIONER

Lowell B. Mason to be Federal Trade Commissioner for a term of 7 years from September 26, 1949.

HOUSE OF REPRESENTATIVES

THURSDAY, OCTOBER 6, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, Lord God almighty, how beautiful are all Thy works. In wisdom hast Thou made them all; the earth is full of Thy riches. O fill us with the spirit of the Master, as we remember what the Lord hath wrought.

Our Father, we pray Thee to adapt Thy teaching to our weakness and need; may we hallow Thy name with praise and gratitude; speak words of loving cheer; leave no opportunity unimproved to help others. Today let duty have no uncertain flame, but in its performance may our country look and find merit. O kindle in all hearts a mighty conquest of faith and hope, and Thine shall be the praise and glory forever. In the Master's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title in which the concurrence of the House is requested:

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4708. An act to amend the United Nations Participation Act of 1945.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. LUCAS, Mr. HOLLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 377. An act for the relief of Ernest J. Jenkins; and

S. 627. An act for the relief of Leon Moore.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1479) entitled "An act to discontinue the operation of the village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, and Mr. ECTON to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–9.

SELECT COMMITTEE TO INVESTIGATE LOBBYING ACTIVITIES

The SPEAKER. Pursuant to the provisions of House Resolution 298, Eighty-first Congress, the Chair appoints as members of the Select Committee To Conduct and Study an Investigation of Lobbying Activities the following Members of the House: Mr. BUCHANAN, chairman; Mr. LANHAM, Mr. ALBERT, Mr. DOYLE, Mr. HALLECK, Mr. BROWN of Ohio, and Mr. O'HARA of Minnesota.

THE LATE HONORABLE ROBERT E. HANNEGAN

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, it is my sad duty to inform the House of the death of one of the most outstanding political leaders of our time, the Hon. Robert E. Hannegan.

Bob Hannegan, as he was known to his many friends, had an illustrious career. From a very humble beginning he advanced to the highest pinnacle of success. I knew him almost all of his life. He was a hard worker and the success he achieved was earned by hard work.

He was born June 30, 1903, at St. Louis, Mo., and was educated at the Yeatman High School, as well as, the St. Louis University Law School, where he was graduated in 1925 with the degree of bachelor of laws. His family was not wealthy and he worked his way through school.

At an early age he developed a deep interest in politics. He started as a precinct worker and found he had a natural inclination in this field. Thereafter he became a precinct leader, committeeman, and was then elected chairman of the Democratic committee of the city of St. Louis.

In 1942 he was appointed collector of internal revenue for the eastern district of Missouri. There he made an outstanding record as a public official. His office was cited as one of the best and most efficient in the country.

This record prompted the late President Roosevelt to bring Bob to Washington and put him in charge of the Bureau of Internal Revenue. In October 1943 he was appointed Commissioner of Internal Revenue and in that capacity his record was also one of service. He brought to that office a personal touch which is so often lacking in Government departments. It was not necessary to make a trip over to the Bureau of Internal Revenue to see Commissioner Hannegan on matters affecting his department. He initiated the practice of coming down to the Capitol to discuss problems that might arise.

It was this type of service which ultimately resulted in his election as chairman of the Democratic National Committee. Shortly after Bob came to Washington, President Roosevelt's secretary called the Bureau of Internal Revenue and asked that someone be sent to the White House to assist in the preparation of the President's income-tax return. Instead of sending someone Hannegan went to the White House himself. There he met the President, who immediately recognized his exceptional political ability. It was not long thereafter that Bob became chairman of the Democratic National Committee. Later, on July 1, 1945, he was appointed to the President's Cabinet as Postmaster General.

A year or two ago at the continued insistence of his physicians he retired from active political life but he left a mark in politics that will long be remembered by both Democrats and Republicans.

Along with his many friends I extend my deepest sympathy to Mrs. Hannegan and his fine children. May God give them strength in their hour of sorrow.

Mr. KARST. Mr. Speaker, will the gentleman yield?

Mr. KARSTEN. I yield.

Mr. KARST. Mr. Speaker, I join my colleague from Missouri in expressing my surprise in hearing of the death of a lifelong Democrat, who so ably represented the Democratic Party, not only for the city of St. Louis and the State of Missouri but for the entire country. I feel privileged to have known Robert E. Hannegan from his high-school days up to this surprising moment.

Robert E. Hannegan has spent his life for the betterment of the Democratic Party in our country. He was sincere in carrying out what he thought was the best for all in a program that brought him from a precinct worker to a committeeman of a ward in St. Louis to the chairman of the National Democratic Party here in Washington, and to the appointment as Postmaster General of the United States.

Robert E. Hannegan got his first taste of success by sharing in the honors of a champion football team, and permitted me, as a co-athlete of his, in our alma mater of St. Louis University, to assist him in leading our teams to victory. As he progressed in this life, he led the greatest team in this world today, the Democratic Party, to victory by electing a fellow Missourian, Harry S. Truman, as President of the United States. In carrying out this program, Mr. Hannegan spent hours, days, and many months, and in so doing, impaired his life to the point that he had to retire from political activities, and entered into a business which is a national sport of our country—the presidency of the St. Louis Cardinals baseball team.

However, his health would not permit him to carry on in this capacity. In recent months he had the opportunity and the privilege to visit our Holy Father in Rome and has just returned to be able for only the few months of the remaining period of his life to partake in the seed that grew into a luscious fruit.

I wish to take this opportunity to express my sincere sympathy and condolences to his beloved wife and his children. His work is done, his day is ended; sustained by a deep faith, he lived and died unafraid. God grant that his soul has found rest in a celestial spring of eternity.

Mr. SULLIVAN. Mr. Speaker, the announcement of the untimely death of the Honorable Robert E. Hannegan, of St. Louis, comes as a great shock to the people of the Eleventh District, to me personally, and to the State of Missouri and the Nation as a whole. Bob Hannegan was a young man, too young to die, but he had driven himself so relentlessly in the service of his community, his friends, his party, and his country, taking such

a toll from his physical resources, that his brilliant career has been ended.

I knew Bob Hannegan as a young high-school athlete. I was in the football clubhouse of St. Louis University when he joined the freshman team. I was with him during the years of his athletic triumphs. I came in contact with him as he was entering the practice of the legal profession. I was associated with him in the Democratic City Central Committee of St. Louis, and was proud to be one of those who selected him as chairman.

Bob Hannegan was a natural organizer. He had the gift of inspiring others to forget their differences and join together in a common objective. He was considerate of his friends and tolerant of his opposition. He fought hard but never unfairly.

He was a man of the greatest courage and unlimited tenacity. I have seen him when "those around him were losing their heads and blaming it on him." I have seen him when disaster fell, "stoop to pick up the pieces and start all over again." He was the adviser of Presidents. He walked with the mighty but never lost the common touch. He was never too big nor too busy to turn and reach a helping hand to those who needed his help.

The career of Robert E. Hannegan is the story of the opportunities of America—the story of a young man of fine parents, but modest means, who rose to the position of a Cabinet officer of the United States. In all of this activity he was a devoted husband and a loving father. He was devout in his religion, but respected the principles and the faiths of other people. There are many people who have been beneficiaries of his wisdom, his judgment, and his efforts. We all share the sorrow of his family.

Were I to write an epitaph I would point to the poem, When a Man's a Man, that should hang on the wall of every boy's room. Bob Hannegan was a man.

CUMULATIVE SICK AND EMERGENCY LEAVE WITH PAY FOR TEACHERS AND ATTENDANCE OFFICERS IN THE DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, I call up the conference report on the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1360)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 4.

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2, and agree to the same.

T. G. ABERNETHY,
HOWARD W. SMITH,
A. L. MILLER,
Managers on the Part of the House.

MARGARET CHASE SMITH,
ROBERT C. HENDRICKSON,
J. ALLEN FREAR, Jr.,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: These amendments limit the type of emergencies for which cumulative leave with pay will be granted to personal emergencies. The House recedes.

Amendments Nos. 3 and 4: The House bill limited the total amount of sick and emergency leave with pay which probationary and permanent teachers and attendance officers can accumulate to 60 days. Amendments Nos. 3 and 4 raise this limit to 90 days. The Senate recedes.

T. G. ABERNETHY,
HOWARD W. SMITH,
A. L. MILLER,
Managers on the Part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

FINANCIAL ASSISTANCE TO CERTAIN HOMESTEAD ENTRYMEN

Mr. PACE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2514) to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 8, after "loan" insert "or any other loan made under the Bankhead-Jones Farm Tenant Act, as amended, or the act of August 28, 1937, as amended, to the owner of a newly irrigated farm in a reclamation project,".

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. PACE. I shall be pleased to. The House passed some time ago H. R. 2514, a bill to permit homestead entrymen to secure loans prior to the time of the perfection of their title as secured from the Department of the Interior.

The Senate amended the House bill by inserting on page 2, line 8, a comma and the following: "or any other loan made under the Bankhead-Jones Farm Tenant Act, as amended, or the act of August 28, 1937, the Water Facilities Act, as amended, to the owner of a newly irrigated farm in a reclamation project."

While the Senate report fails to explain the amendment and no explanation was made on the floor of the Senate, it is my understanding that the purpose of the amendment is to extend the provisions of this bill relating to the deferment of the first installment to loans made to owners of farms in reclamation projects under the Bankhead-Jones Farm Tenant Act, as amended, or the Water Facilities Act for a short period of time after the irrigation of water has first been applied to land. The House bill would permit such a deferment with respect to loans made to those borrowers who have not yet acquired title to their land in reclamation projects and on other public land. The Senate apparently felt that there are other persons who have acquired title but still have not been able to produce sufficient marketable crops on their reclamation farms to enable them to make the usual amortized payment. It usually takes 2 or 3 years to get the soil in condition to wash out the salts, to turn under legumes and other soil-conditioned crops and produce the first cash crop for market. Under the Senate amendment a borrower who had not yet reached that point in the development of his irrigated farm would be entitled to the deferment the same as with the entryman to whom a loan was made at the time he settled on the project.

I might add that the entire question with respect to this amendment deals with the first payment only; if the owner has not been able to get his irrigation project into operation where he has a return his first payment may be deferred for as much as 2 years.

Mr. MARTIN of Massachusetts. That is all the amendment does?

Mr. PACE. That is all the amendment does.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

AMENDING THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, THORNBERRY, and REES.

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana. Mr. Speaker, I ask unanimous consent that my colleague from North Carolina [Mr.

BONNER], who is absent on official business, may be permitted to incorporate at this point in the RECORD the official report of the Board of Visitors to the United States Merchant Marine Academy.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The matter referred to follows:

REPORT OF THE BOARD OF VISITORS TO THE UNITED STATES MERCHANT MARINE ACADEMY, 1949, KINGS POINT, LONG ISLAND, N. Y.

The PRESIDENT OF THE SENATE.
The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

GENTLEMEN: Pursuant to Public Law 301, Seventy-eighth Congress, approved May 11, 1944, the following Senators and Members of the House of Representatives were designated to constitute the 1949 Board of Visitors to the United States Merchant Marine Academy:

SENATORS

By the President of the Senate: Senator ERNEST W. MCFARLAND, of Arizona, Democrat.

By the Committee on Interstate and Foreign Commerce: Senator EDWIN C. JOHNSON, of Colorado, Democrat, ex officio; Senator HERBERT R. O'CONOR, of Maryland, Democrat; Senator JOHN W. BRICKER, of Ohio, Republican.

MEMBERS OF THE HOUSE OF REPRESENTATIVES

By the Speaker of the House: Congressman HALE BOGGS, of Louisiana, Democrat; Congressman HENRY J. LATHAM, of New York, Republican.

By the Merchant Marine and Fisheries Committee: Congressman SCHUYLER O. BLAND, of Virginia, Democrat, ex officio; Congressman EDWARD J. HART, of New Jersey, Democrat; Congressman HERBERT C. BONNER, of North Carolina, Democrat; Congressman ALVIN F. WEICHEL, of Ohio, Republican. (Congressman VICTOR WICKERSHAM, of Oklahoma, Democrat, was appointed to represent Congressman BLAND.)

The meetings of the Sixth Congressional Board of Visitors to the United States Merchant Marine Academy were scheduled to take place on the 6th and 7th of May 1949.

Congressman Herbert C. Bonner, Congressman Alvin F. Weichel, Congressman Hale Boggs, Congressman Victor Wickersham and Mr. Hugh A. Meade, counsel, Merchant Marine and Fisheries Committee; members of the Congressional Board of Visitors were accompanied from Washington, D. C., to Kings Point by Rear Admiral Telfair Knight, USMS, Chief, Bureau of Maritime Services of the United States Maritime Commission; Rear Adm. R. R. McNulty, USMS, Chief, Division of Cadet Corps Training and Supervisor, United States Merchant Marine Cadet Corps; Capt. J. T. Everett, USMS, Assistant Chief of Cadet Corps Training, and Deputy Supervisor, United States Merchant Marine Cadet Corps; and by Commander Calvin R. Shorter, Chief Liaison Officer, Bureau of Maritime Services of the United States Maritime Commission.

The Board assembled at Wiley Hall, Kings Point at 0930 Friday, May 6, 1949, where they were welcomed by the Superintendent of the United States Merchant Marine Academy, Rear Admiral Gordon McLintock and his staff.

The following members of the Board were present: Congressman H. C. Bonner, Democrat, North Carolina; Congressman A. F. Weichel, Republican, Ohio; Congressman H. Boggs, Democrat, Louisiana; Congressman H. J. Latham, Republican, New York; Congressman V. Wickersham, Democrat, Oklahoma; Mr. Hugh A. Meade, counsel, House Merchant Marine and Fisheries Committee; Mr. T. M. Owen, a member of the administrative staff of the House of Representatives.

FIRST MEETING OF THE BOARD

The members of the Sixth Congressional Board of Visitors convened in the Conference Room in Wiley Hall under the temporary chairmanship of Congressman BONNER at 1000.

The Board elected Congressman BONNER to serve as permanent chairman and confirmed the appointments of Lt. Comdr. Raymond E. Salman and Lt. John A. Walsh, USMS, as secretary and assistant secretary respectively.

The Secretary outlined the plan of the day to the chairman and the members of the Board and inquired as to the Chairman's desires with regard to inviting the Chief of Bureau of Maritime Services and his staff and the Superintendent of the Academy and his staff to attend the conference. The chairman requested that these officers be invited to attend. The chairman further requested that the department heads be invited to join the Board in conference in addition to the officers mentioned above.

Upon the chairman's invitation to do so, the Superintendent read his report to the Board of Visitors. (Copy of the Superintendent's Report to the Sixth Congressional Board of Visitors attached.)

After the reading of the Superintendent's report, the District Supervisor, Capt. Sherman W. Reed, USMS, outlined to the Board the third class year of the cadet-midshipmen, and the functions of the District Supervisors' offices in placing and supervising the cadet-midshipmen during this year when they are assigned to merchant vessels of all kinds in every trade served by American-flag ships.

The chairman and the members of the Board of Visitors discussed the needs of the Academy with the Chief of the Bureau of Maritime Services, the Supervisor of the United States Merchant Marine Cadet Corps, and with the Superintendent of the Academy at great lengh. These matters are covered in this report under general comments and specific recommendations.

The Cadet-Midshipman Regimental Commander E. Lloyd Kayhart was presented to the Board of Visitors and extended an invitation to the chairman and members of the Board to lunch with the regiment in Delano Hall.

Recess was taken at 1150.

MEETING WITH THE REGIMENT OF CADET-MIDSHIPMEN

The Board was entertained at lunch by the regimental commander, the regimental adjutant, and the battalian commanders and adjutants.

Congressman BONNER and Congressman WEICHEL addressed the regiment of cadet-midshipmen briefly at the end of the meal.

The members of the Board met in the cadet-midshipmen's lounge in private conference with cadet-midshipmen from their home States from 1245 to 1400.

TOUR OF THE GROUNDS

Individual tours of the grounds and facilities were conducted for the members of the Board of Visitors by their officer escorts. The areas visited included cadet-midshipmen living quarters in Cleveland Hall, Patten Hospital, the departments of physical training and naval science in O'Hara Hall, including the television classes beamed over to the United States Merchant Marine Academy from the Naval Special Devices Station at Sands Point, N. Y., Tomb Memorial Field, the library, the auditorium, the departments of ship management and history and languages, and the electronics and gyro laboratories in Bowditch Hall; the electrical laboratory, the physics and chemistry laboratory, the steam and Diesel laboratories, the welding and refrigeration units in Fulton Hall; the ship-construction laboratory, the chartroom, the stability and trim experimental tank, visual signaling classrooms, and the meteorological laboratory in Samuels Hall; Hague Basin and Mallory Pier.

SECOND MEETING OF THE BOARD OF VISITORS

The Board sat in closed session during part of this meeting with the Secretary and the Assistant Secretary for further discussion of the points raised by the Superintendent's report. The Chief of the Bureau of Maritime Services was called to sit with the Board for the latter part of the meeting, to clarify certain matters submitted for consideration. The comments and recommendations of the Board are included in the general comments and specific recommendations of the report.

GENERAL COMMENTS

The Board expressed its admiration on the excellence of the appearance of the Academy and of the high spirit that was so manifest among the officers, cadet-midshipmen and the enlisted personnel.

The Board wishes to commend the United States Maritime Commission, the Bureau of Maritime Services, the Division of Cadet Corps Training, and the Superintendent of the United States Merchant Marine Academy for the magnitude of achievement on the limited funds available. It was the unanimous opinion of the Board that the Merchant Marine Academy is a shining example of a Government project in which public funds were used to maximum efficiency, giving material returns to the Government and the people in preparedness and general improvement of a service of national importance.

The Board was most surprised to find that the officers and personnel of the United States Merchant Marine Academy, although on Government pay, do not enjoy retirement rights or security of any kind. That the United States Maritime Service though authorized by the Merchant Marine Act of 1936 and established in ranks, grades, and ratings the same as the United States Coast Guard did not have retirement privileges included in its authority.

It was the general opinion of the Board that in addition to the revision, codification and enactment into law of title 46 of the United States Code, entitled "Shipping", as suggested in article C of part VI of the Superintendent's Report, that a bill be enacted setting forth the name of the United States Merchant Marine Academy at Kings Point, Long Island, N. Y., as a permanent institution—this act to include the complement of cadet-midshipmen consistent with economic operation, with the needs of the industry and the requirements of national defense. Further, to include some form of tenure, security and retirement provisions that will apply to the officers and personnel of the institution and the officers of the United States Maritime Service attached to the Bureau of Maritime Services.

SPECIFIC RECOMMENDATIONS

1. The Board specifically recommends that early action be taken to obtain the passage of H. R. 242, Eighty-first Congress, introduced by Congressman E. J. KEOGH, of New York, authorizing the superintendent to confer a degree of bachelor of science upon Academy graduates after accreditation by any accrediting authority.

2. The Board specifically recommends that the attention of the Maritime Commission and the House Merchant Marine and Fisheries Committee be drawn to the need for adequate tenure and retirement for officers and personnel of the Merchant Marine Academy, consistent with the practices of the United States Government to provide these benefits for all personnel in Government service.

3. The Board specifically recommends that enabling legislation be enacted at an early date setting up the United States Merchant Marine Academy at Kings Point, Long Island, N. Y., as a permanent institution and specifying the complement of cadet-midshipmen at the Academy, and the numerical strength

of the faculty and personnel required for the accomplishment of its mission.

4. The Board specifically recommends that the report of the Sixth Congressional Board of Visitors be incorporated in the CONGRESSIONAL RECORD for the information of all Members of Congress.

CONCLUSIONS

The Board wishes to make part of this record its admiration for the United States Merchant Marine Cadet Corps and its Academy at Kings Point. To commend the Maritime Commission, Rear Adm. Telfair Knight, Chief of the Bureau of Maritime Services; Rear Adm. R. R. McNulty, Supervisor, United States Merchant Marine Cadet Corps, and Rear Adm. Gordon McLintock, Superintendent of the Academy, and his staff for the contribution they are making to the United States merchant marine and to national defense in the development of the high type of officer so necessary to the United States merchant marine, naval power, and to the Nation, both in peace and in the event of war.

The Board was deeply impressed by the cadet-midshipmen it was their pleasure to meet during their visit to the Academy and encourages them to continue in their chosen careers.

The Board wishes to express its appreciation to Rear Adm. Gordon McLintock, the Superintendent, for his generous hospitality to the members of the Board. The Board wishes to express its thanks to the officers and personnel of the Academy for courtesies shown during their inspection of the Academy.

The chairman and members of the Board wish to express their appreciation for the able assistance given by Lt. Comdr. R. E. Salman, secretary to the Board, and Lt. J. A. Walsh, assistant secretary to the Board.

It is the recommendation of the Board that all Members of the Senate and House of Representatives make it a point to become better acquainted with the United States Merchant Marine Academy and its mission. That they visit the Academy at their earliest opportunity to be convinced, as were the members of this Board, of the great need this Academy is filling in our national welfare.

EXTENSION OF REMARKS

Mr. KLEIN (at the request of Mr. EBERHARTER) was given permission to extend his remarks in the RECORD and include two editorials which appeared in the New York Post Home News.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include an article from the magazine Foreign Agriculture.

Mr. WAGNER asked and was given permission to extend his remarks in the RECORD in two instances and include two very fine editorials from the Cincinnati Post of last Monday.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an article on the physically handicapped.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an editorial from the Milwaukee Journal.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include a speech by Judge Brewer, district judge of the thirteenth judicial district of the State of Oklahoma, and also to extend his remarks and include a table.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include a report of the Americanism commission, Department of Illinois, of the American Legion.

Mr. GRANT asked and was given permission to extend his remarks in the RECORD.

UNION DEMOCRACY SUBCOMMITTEE AND THE TAFT-HARTLEY ACT

Mr. JACOBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Speaker, I have in front of me a half-page advertisement that was published by the National Association of Manufacturers in numerous newspapers throughout the United States in May 1947. In it the NAM told the people that the Taft-Hartley law would guarantee to the American worker the right to speak his own mind regarding his own welfare without fear of being kicked out of the union, or fined.

I also have an article from the Washington Post, issue of October 4, 1949, which discloses that a man by the name of George H. Livengood was expelled as a member of the United Mine Workers Union because he filed suit for an accounting of the miners' welfare fund.

The last paragraph of that article reads as follows:

> At the time the suit was filed, the veteran miner said he believed the Taft-Hartley Act would prevent his expulsion from the UMW.

I wish to call your attention to the cruel hoax that was perpetrated upon the American people by the National Association of Manufacturers and I wonder what responsibility it will assume for their deceiving men like Mr. Livengood. I also bring to your attention the real purpose of the Union Democracy Subcommittee of the House Committee on Education and Labor which was unceremoniously dissolved during the recent recess.

It is also interesting to note that this morning's issue of the Washington Post informs us that the officers of the International Printing Pressmen's and Assistants' Union of North America has filed suit against the estate of the late president of that union. You will recall that this subcommittee of which I was chairman, with the gentleman from North Carolina [Mr. SIMS], the gentleman from Kentucky [Mr. MORTON], and the gentleman from California [Mr. WERDEL] as members, brought to light the facts upon which this action is based. At that time those officers indicated they would not bring this action. In fact, they threatened economic reprisals against their local organizations which insisted that the action be brought. That was the real interest our committee had in the case—to protect, by law, the rights of members to govern their own organizations.

First. I express no opinion regarding the merits of the mine workers' accounting case. I do claim that the courts should be open, and economic coercion to prevent any person from seeking a judicial remedy should be forbidden.

Second. Every member of an economic organization, employee or employer, should be protected in his right to express his opinion and exert his influence in the government of his organization.

Third. Presumably those who approve dissolution of the Union Democracy Subcommittee do not share these views.

The SPEAKER. The time of the gentleman from Indiana has expired.

CAPT. JOHN G. CROMMELIN

Mr. SUTTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Speaker, I congratulate Captain Crommelin, of the United States Navy, one of the outstanding heroes of World War II. I regret to say that it looks as if some people in the Pentagon would like to sink the United States Navy. Comparatively few men are better qualified to know of dissension in the naval personnel than are Capt. John G. Crommelin, veteran Navy flier; Vice Adm. Gerald F. Bogan, Commander of the First Pacific Task Fleet; Admiral Arthur W. Radford, Commander in Chief of the Pacific Fleet; and Admiral Louis E. Denfeld, Chief of Naval Operations. Why all the commotion over Captain Crommelin's advising the Navy's paymasters of public disaster? So far as I am concerned, I can see no reason why the contents of the communication prepared by Admiral Gerald F. Bogan and endorsed by Officers Crommelin, Radford, and Denfeld should be classed as a military secret. I often wonder if in the eyes of a chosen few plutocrats that it shall ever remain the plight of the taxpayers of America to spend and spend and fight and fight. I have had occasion to read some of Captain Crommelin's record as a fighting man. His citations and decorations awarded as a result of actual combat almost fill a typewritten page. His outstanding record as a fighting man speaks for itself. No one can question his courage, loyalty, and patriotism. When advancing was the toughest and the fighting the bloodiest, Captain Crommelin was one of the leaders of the attack. It is doubtful if a single American family can boast of five more courageous and loyal fighting men than the Crommelin brothers, all of whom are graduates of the United States Naval Academy. America is proud of the fighting records of Admirals Bogan and Radford. They are men who have rendered most conscientious service to this Nation in times of peril. They are to be congratulated because their patriotism has never been questioned, and, rightfully so, it should never be.

Admiral Louis E. Denfeld is honored and respected as the highest ranking naval officer in this Government. No one doubts but that the respect and admiration in which he is held is warranted. He is in a position to know more about the workings of the naval forces in America than any other living man. In my book, the American people

are entitled to know the observations of these public servants and should have the benefit of their views where the safety of this Nation is at stake.

I do not propose to defend Captain Crommelin against some petty regulation of the Navy. Possibly he did violate some rule that has been perfected by some plutocrat who was trying to shield some of the mistakes that any man might make, because the individual who makes no mistakes is the individual who does nothing. It appears to me that in this particular case, the regulations and red tape were so strong that it was apparent to Captain Crommelin that even at the sacrifice of his naval career it was necessary that the people of America know of the dissension in the armed services.

Personally, I do not know and have never had the pleasure of meeting Captain Crommelin, but from my experience in the Navy, I congratulate him on the courage that he has displayed in making the investigation that is now under way in the Armed Services Committee of the House of Representatives possible. If Captain Crommelin had exposed military secrets that would have endangered the security of this country, his situation would, in my opinion, be more grave.

At this point I cannot help but recall the plight of the late and lamented Brig. Gen. Billy Mitchell. We all recall that because of his visions pertaining to the Air Corps, he was court-martialed and in lieu of being sentenced, resigned his commission and retained the rank of colonel. Many years passed before the American people realized the great injustice that had been done him and in 1943 the Congress promoted the then deceased Colonel Mitchell to the rank of major general, effective as of 1945. They further gave his son a special posthumous medal. As for me, I care not for your posthumous decorations.

I regret exceedingly to know of the dissension in the ranks of our uniformed services. America has the greatest Army, Navy and Air Force in the world. We are blessed with the greatest natural resources of the world. America has made more progress than all the rest of the world combined. Is it not passing strange that we cannot have team play, cooperation, friendship, and coordination in our armed services?

In our American athletic contests, the coaches and those in charge, are always delighted to have the benefit of the views of those on the team in stressing weaknesses. Oftentimes one of the members of the team is much more qualified to detect an existing weak spot than is anyone else. Those in charge always make the best of such criticism and congratulate their players for the interest they have manifested in team play. Why cannot we have such cooperation among our armed services? I will in no way ever criticize the necessity of air power or of the doughboy, but, on the other hand, I am just as strongly convinced that a strong Navy is an absolute necessity for the defense of this Nation.

Now just what is the Navy's place in the national military picture? Judging by some of the articles I have recently read, there are people, some of them in high places, who do not think that it has any place. Because, they say, the next war is going to be won in 30 days. According to my way of thinking, this is asinine. They say that victory will be accomplished by sending fleets of long-range bombers from here or from some place closer if that happens to be convenient. These planes will proceed to about 70 enemy strategic industrial centers or cities. A sufficient number of these planes will be equipped with the atom bomb and they will deliver the coup de grace without any preliminary foolishness. The bombers, as some concession to possible enemy retaliatory action, will be concealed in rather large formations of other bombers for their protection. This coupled with the great altitude of approach will preclude serious opposition by the enemy who, we are assured, will be too dazed or incompetent to offer serious resistance. Although none of our pilots will have previously flown over the enemy territory and would in any event be too high to recognize it, each is expected to go straight to his allotted target, and from 30,000 to 50,000 feet drop the absolute weapon, within, we shall say, not more than half a mile of the bull's-eye of the target. A magic radar set is to identify the target to the pilot and bombardier; and when smoke clears away, what is left of the mangled enemy will be faintly heard to be crying the quivalent of "Uncle."

Now this is the kind of war which has great appeal for people who yearly spend billions of dollars on horse and dog races. But the human race has never been and never will be able to settle its differences with such dispatch. Peoples have looked for short cuts, secret weapons, and gadgets and have employed them with varying success, beginning long before Hannibal's elephants and Greek fire down to the automobile torpedo of the last century, through the tanks and gas of World War I and the buzz bombs of World War II. But invariably and inevitably man has found a way to meet each new instrument of terror and destruction. Some of them have been added to the arsenal of what we like to call our civilized communities. Others have been discarded. We have a bad habit of slogans as substitutes for mental perspiration. We like to speak of today as the "Atomic Age" or the "Air Age" and that seems to imply that the past is virtually wiped out, and that any reference to previous military experience is merely proof of a state of mental atrophy neatly summed up as "Battleship Admiral thinking."

No doubt that great progress in modern warfare is being and will be made, but so far as I can see there will always be need for the army of occupation. We cannot, must not, and will not permit our shores to be invaded. If we protect America any future wars will continue to be fought on foreign soils. In order to hold our gains in foreign lands, the Navy is an absolute necessity to transport the infantry and their supplies, that will comprise our army of occupation.

I could go on for an hour extolling the virtues of the three arms of our armed forces but reverting to the case of Captain Crommelin, I admire him for his forthright statement and for his guts in coming out for the preservation of the United States and defending the morals of the United States Navy.

It is unfortunate that it was necessary that he violate naval regulations, but if such a violation was his only means of awakening the Congress of the United States and the American people, his courage is to be heralded over this land.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a resolution, and in the other a radio broadcast delivered by him.

Mr. MACK of Washington asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. GWINN (at the request of Mr. RICH), was given permission to extend his remarks in the RECORD in two instances.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Bristol Courier, entitled "Biggest Raid in History."

Mr. MILLER of Maryland asked and was given permission to extend his remarks in the RECORD.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Mount Vernon News.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. FARRINGTON asked and was given permission to extend his remarks in the Record in two instances, and include in one a newspaper article.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Des Moines Register and Tribune.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include statements and excerpts.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an article from Popular Science called the Mechanical Cow.

FORT KNOX GOLD

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I wish to serve notice that if and when the resolution to create a congressional committee to go down to Fort Knox to take a look at that gold which it is said we have there, introduced by the gentleman from Pennsylvania [Mr. KEARNS], is brought before the House in view of the proceedings of yesterday

on H. R. 6000 and the action of the administration in using that $11,000,000,000 social-security money for purposes other than for which it was taken from the taxpayers, I shall offer an amendment to that resolution instructing the committee that if and when they see those bars of gold stored at Fort Knox, they insist that the bars be cut in two so as to ascertain whether or not they are plated or solid gold all the way through.

The SPEAKER. The time of the gentleman from Michigan has expired.

LOBBYING ACTIVITIES

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, you have just announced the appointment of a committee of the House to study lobbying, which leads me to ask my colleagues of the House, Have you been, perchance, visited by the Sesqui lobbyists, those who are seeking to get $3,000,000 for the big birthday party in Washington, D. C., next year? Let me tell you about one approach, and later I will tell you about some others. Yesterday they visited a Congressman, a Member of this body from New England, and this was the approach: "Brother Congressman, you ought to vote for this $3,000,000." "Why?" "Because it is going to mean employment in your State." "How?" "Don't you have an artist colony in your State?" "Yes." "Well, we are going to appoint a lot of those fellows to come down to Washington to paint ornate murals and other pictures for this birthday party."

Next week another episode of this lobbying activity.

VETERANS' ADMINISTRATION AND CENSUS WORK

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

Thre was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have always felt that the Veterans' Administration should be a Department with a Cabinet head. The Administration is pushed around from pillar to post. If the census work is done in Philadelphia, the Veterans' Administration will have to move their district office employing 1,441 persons, and their records center employing 248 persons. Other veterans' offices also are housed there. The Veterans' Administration here in Washington was delayed for months in their work of paying GI insurance dividends because the necessary office space was held by the War Assets Administration. The Veterans' Administration should be given more consideration, the veterans' work could be accomplished very much better and more promptly if a Cabinet position was created. During the war the work for the soldiers was given priority. The soldiers won the war. The veterans come last. The Veterans' Administration has no other space where they can move their offices. It is a very unfair situation.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1950

Mr. KIRWAN. Mr. Speaker, I call up the conference report on the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. D'EWART. Mr. Speaker, I wish to make a point of order against a provision of this bill.

The SPEAKER. The gentleman can reserve the right to make that point of order later.

Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

Mr. RANKIN (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with and that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1380)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3838) maki g appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 31, 32, 44, 48, 54, 68, 73, 112, 138, 145, 146, 147, 151, 159, 165, 173, 176, 183, 184, 185, and 191.

That the House recede from its disagreement to the amendments of the Senate numbered 1 4, 5, 7, 8, 9, 10, 15, 19, 22, 23, 24, 25, 26, 27, 33, 34, 35, 36, 37, 39, 40, 41, 42, 43, 45, 49, 51, 52, 53, 55, 56, 57, 58, 60, 61, 62, 65, 72, 74, 75, 78, 81, 82, 86, 88, 89, 90, 91, 114, 117, 118, 120, 121, 122, 124, 129, 139, 140, 142, 149, 152, 153, 154, 155, 157, 158, 160, 161, 163, 168, 169, 170, 171, 179, 180, 181, 182, 187, 188, 190, 192, 193, 194, 195, 196, and 197, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$203,750"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$347,500"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,005,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,450,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$657,500"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$200,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,100,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,037,500"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$137,500"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In line 8 of the matter inserted by said amendment, after the words "States of", strike out the following: "Montana,"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "two hundred and twenty-five passenger motor vehicles, of which two hundred shall be"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,520,625"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$249,750"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with amendment, as follows: In lieu of the sum proposed by said amendment insert "$189,625"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,313,750"; and the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,150"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,063,750"; and the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,150,000"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$397,833"; and the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,477,050"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$379,050"; and the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,071,250"; and the Senate agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$418,575"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 96: That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$315,250"; and the Senate agree to the same.

Amendment numbered 97: That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$507,350"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$161,000"; and the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$294,000"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$360,000"; and the Senate agree to the same.

Amendment numbered 101: That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,145,000"; and the Senate agree to the same.

Amendment numbered 102: That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$421,500"; and the Senate agree to the same.

Amendment numbered 103: That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,000"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$173,475"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$105,025"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$95,050"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$198,647"; and the Senate agree to the same.

Amendment numbered 110: That the House recede from its disagreement to the amendment of the Senate numbered 110, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$200,000"; and the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,600,000"; and the Senate agree to the same.

Amendment numbered 113: That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$36,504,860"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,400,000"; and the Senate agree to the same.

Amendment numbered 123: That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,093,125"; and the Senate agree to the same.

Amendment numbered 126: That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,000,000"; and the Senate agree to the same.

Amendment numbered 127: That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$897,250"; and the Senate agree to the same.

Amendment numbered 136: That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,750,000"; and the Senate agree to the same.

Amendment numbered 137: That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$658,333"; and the Senate agree to the same.

Amendment numbered 141: That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$359,450"; and the Senate agree to the same.

Amendment numbered 143: That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$725,000"; and the Senate agree to the same.

Amendment numbered 150: That the House recede from its disagreement to the amendment of the Senate numbered 150, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$48,800"; and the Senate agree to the same.

Amendment numbered 175: That the House recede from its disagreement to the amendment of the Senate numbered 175, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$367,000"; and the Senate agree to the same.

Amendment numbered 177: That the House recede from its disagreement to the amendment of the Senate numbered 177, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,755,500"; and the Senate agree to the same.

Amendment numbered 178: That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,266,430"; and the Senate agree to the same.

Amendment numbered 186: That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6, 11, 17, 20, 38, 46, 47, 50, 63, 64, 66, 67, 80, 83, 108, 109, 115, 119, 125, 128, 130, 131, 132, 133, 134,

135, 144, 148, 156, 162, 164, 166, 167, 172, 174, and 189.

MICHAEL J. KIRWAN,
W. F. NORRELL,
HENRY M. JACKSON,
CLARENCE CANNON,
BEN F. JENSEN,
IVOR D. FENTON,
Managers on the Part of the House.

CARL HAYDEN,
ELMER THOMAS,
JOSEPH C. O'MAHONEY,
KENNETH S. WHERRY,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

OFFICE OF THE SECRETARY

Amendment No. 1: Appropriates $1,282,675 for salaries, Office of the Secretary, as proposed by the Senate, instead of $1,275,000, as proposed by the House.

Amendment No. 2: Appropriates $203,750 for salaries and expenses, Division of Territories and Island Possessions, instead of $190,000, as proposed by the House, and $217,500, as proposed by the Senate.

Amendment No. 3: Appropriates $347,500 for salaries and expenses, Oil and Gas Division, instead of $325,000, as proposed by the House, and $370,000, as proposed by the Senate.

Amendment No. 4: Authorizes not to exceed $115,000 for personal services in the District of Columbia for soil and moisture conservation activities, as proposed by the Senate, instead of $107,000, as proposed by the House.

Amendment No. 5: Appropriates for soil and moisture conservation $2,800,000, as proposed by the Senate, instead of $2,600,000, as proposed by the House. The managers on the part of both Houses intend that $165,000 be available for airplane seeding with earthen pellets.

Amendment No. 6: Reported in disagreement.

CONTINUING FUND, SOUTHWESTERN POWER FACILITIES

Amendment No. 7: Strikes out the words "of transmission lines and appurtenant facilities of public bodies, cooperatives, and privately owned companies", as proposed by the House, and in lieu thereof inserts the words "of facilities for the transmission and distribution of electric power and energy to public bodies, cooperatives, and privately owned companies," as proposed by the Senate.

BONNEVILLE POWER ADMINISTRATION

Amendments Nos. 8, 9, and 10, relating to Bonneville Power Administration: Appropriates $30,284,500, as proposed by the Senate, instead of $29,927,500, as proposed by the House; inserts the proposal of the Senate for the Kerr-Anaconda transmission line; and provides contract authorization in the sum of $16,239,500, as proposed by the Senate, instead of $15,725,000, as proposed by the House.

The conferees concur in the distribution of funds as set forth in the table appearing at page 650 of the Senate hearings, including modifications indicated on page 5 of the Senate report, and also modifications to the extent required to permit the following adjustments therein, occasioned by developments in the Bonneville transmission program subsequent to submission of the annual budget in January 1949:

	Cash	Contract authorization
(1) Columbia-Midway No. 2	−$30,000	−$250,000
(2) Goldendale-Detroit	−95,000	−725,000
(3) Grand Coulee-Midway No. 3	+125,000	+975,000
(4) Ice Harbor	−297,500	−85,000
(5) Bremerton regulator		
(6) Orcas Island service		
(7) City of Seattle service: Snohomish-Arlington, Snohomish-Bothell		
(8) Camas substation	+654,500	+599,500
(9) Lebanon substation		
(10) Columbia-Keokuk service		
(11) Cowlitz-Longview		
(12) Tools and equipment		

It is the further understanding of the conferees that the administrator may make such adjustments in funds allocated for any of the authorized facilities as may be required by changed operating conditions and that the construction of the McNary-La Grande transmission facility should be scheduled by the administrator as he determines to be necessary for a balanced program.

The appropriation and contract authority recommended for fiscal 1950 are less than the sums requested in the Budget for the Bonneville Power Administration.

Amendment No. 11: Reported in disagreement.

BUREAU OF LAND MANAGEMENT

Amendment No. 12: Appropriates $1,005,000 for salaries and expenses, instead of $975,000, as proposed by the House, and $1,035,000, as proposed by the Senate.

Amendment No. 13: Appropriates $3,450,000 for management, protection, and disposal of public lands, instead of $3,300,000, as proposed by the House, and $3,525,000, as proposed by the Senate. This action adds to the sum proposed by the House as follows:

(1) Survey of public lands:	
(a) in the United States	$62,500
(b) in Alaska	75,000
(2) Squaw Butte Station, Oregon	12,500

REVESTED OREGON AND CALIFORNIA LANDS

Amendment No. 14: Appropriates $657,500 for expenses, instead of $500,000, as proposed by the House, and $675,000, as proposed by the Senate.

Amendments Nos. 15 and 16 relating to acquisition and construction of access and connecting roads: Substitutes clarifying language as proposed by the Senate in lieu of that proposed by the House, and authorizes contractual obligations in the sum of $200,000 for such purpose, instead of $150,000, as proposed by the House, and $250,000, as proposed by the Senate.

BUREAU OF INDIAN AFFAIRS

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates $3,100,000 for salaries and expenses, field administration, instead of $3,000,000, as proposed by the House, and $3,200,000, as proposed by the Senate. The $100,000 addition to the total appropriation proposed by the House is for labor recruitment and placement service.

Amendment No. 19: Appropriates $5,350,000 for the Alaska native service, as proposed by the Senate, instead of $5,000,000, as proposed by the House; and provides, in addition to the total appropriation proposed by the House, $350,000 for conservation of health.

Amendment No. 20: Reported in disagreement.

Amendment No. 21: Appropriates $3,037,500 for construction and maintenance services, instead of $3,000,000, as proposed by the House, and $3,075,000, as proposed by the Senate.

Amendment No. 22: Appropriates $6,014,975 for agency services, as proposed by the Senate, instead of $5,000,000, as proposed by the House.

Amendment No. 23: Appropriates $12,982,000 for education of Indians, as proposed by the Senate, instead of $12,200,000, as proposed by the House.

Amendment No. 24: Appropriates $7,917,000 for conservation of health, as proposed by the Senate, instead of $7,731,000, as proposed by the House.

Amendments Nos. 25 and 26, relating to welfare of Indians: Appropriates $900,000, as proposed by the Senate, instead of $500,000, as proposed by the House, and strikes out, as proposed by the Senate, a prohibition proposed by the House on the use of such appropriation as payment to Indians eligible for benefit payments under the Social Security Act.

Amendment No. 27: Appropriates $860,000 for Agriculture and stock raising, as proposed by the Senate, instead of $850,000, as proposed by the House.

Amendment No. 28: Appropriates $3,000,000 for the revolving loan fund, instead of $500,000, as proposed by the House, and $3,400,000, as proposed by the Senate.

Amendment No. 29: Appropriates $137,500 for acquisition of lands, instead of $125,000, as proposed by the House, and $150,000, as proposed by the Senate.

Amendment No. 30: Inserts the proposal of the Senate prohibiting the acquisition of land or water rights in certain states, but excludes the State of Montana which was carried in the Senate proposal.

Amendment No. 31: Deletes the Senate proposal to confer court jurisdiction for condemnation proceedings respecting certain land in Comanche County, Oklahoma.

Amendment No. 32: Deletes the Senate proposal to transfer certain real property at Ft. Sill, Oklahoma.

Amendments Nos. 33 and 34 respecting operation and maintenance of irrigation systems: Appropriates $469,800, as proposed by the Senate, instead of $450,000, as proposed by the House, and requires that the sum to be reimbursable shall be $335,253, as proposed by the Senate, instead of $315,453, as proposed by the House.

Construction, irrigation systems

Amendment No. 35: Appropriates $150,000 for the Flathead project, Montana, as proposed by the Senate, instead of $127,500, as proposed by the House.

Amendment No. 36 relating to the Wapato project in Washington: Inserts the words "numbered 3" to clarify the paragraph, as proposed by the Senate.

Construction, buildings and utilities

Amendment No. 37: Appropriates $15,000 for Pima, Arizona, as proposed by the Senate.

Amendment No. 38: Reported in disagreement.

Amendment No. 39: Appropriates $68,000 for Red Lake School, Minnesota, as proposed by the Senate.

Amendment No. 40: Appropriates $244,500 for Oklahoma: Western Oklahoma, as proposed by the Senate instead of $76,500 as proposed by the House.

Amendment No. 41: Appropriates $15,000 for Umatilla, Oregon, as proposed by the Senate.

Amendment No. 42: Appropriates $86,000 for Colville, Washington, as proposed by the Senate.

Amendment No. 43: Appropriates $48,450 for Menominee, Wisconsin, as proposed by the Senate, instead of $31,450, as proposed by the House.

Amendment No. 44: Authorizes contracts to be entered into in the amount of $637,500 in Alaska, as proposed by the House, instead of $1,387,500, as proposed by the Senate.

Amendment No. 45: Appropriates $237,750 for surveys, plans, and administrative expenses, as proposed by the Senate, instead of $233,750, as proposed by the House.

Amendments Nos. 46 and 47: Reported in disagreement.

Roads

Amendment No. 48: Appropriates $2,750,000 for Indian reservation roads, as proposed by the House, instead of $2,800,000, as proposed by the Senate.

Miscellaneous Indian tribal funds

Amendment No. 49: Appropriates $440,000 for administration of Indian tribal affairs, as proposed by the Senate, instead of $390,000, as proposed by the House.

Amendment No. 50: Reported in disagreement.

Amendment No. 51: Appropriates $304,500 for support of Klamath Agency, Oregon, as proposed by the Senate, instead of $300,000, as proposed by the House.

Amendment No. 52: Appropriates $235,000 for support of Menominee Agency, Wisconsin, as proposed by the Senate, instead of $234,000, as proposed by the House.

Amendment No. 53: Appropriates $86,800 for compensation of attorneys, as proposed by the Senate, instead of $55,000, as proposed by the House.

Amendment No. 54: Strikes out the proposal of the Senate to appropriate $10,000 for compensation of attorneys in California and to declare certain Indians to be an identifiable group within the meaning of the Indian Claims Commission Act of 1946.

The action of the conferees in eliminating Amendment No. 54 is not to be construed as the expression of an opinion by the conferees with respect to the authority of the Indian Claims Commission under the Act of August 13, 1946, to recognize the Indians of California or any other Indians as an identifiable group within the meaning of that Act.

Amendments Nos. 55 and 56: Appropriates $496,000 for industrial assistance and provides $100,000 thereof to be available for Blackfeet, Montana, instead of appropriating $396,000, as proposed by the House.

Amendment No. 57: Appropriates $1,014,000 for support of Indian Schools, as proposed by the Senate, instead of $987,000, as proposed by the House.

Amendment No. 58: Appropriates $75,000 for the Yakima Agency, Washington, as proposed by the Senate.

General provisions, Bureau of Indian Affairs

Amendment No. 59: Authorizes the purchase of not to exceed 225 motor vehicles (of which 200 shall be for replacement only), instead of 200, as proposed by the House, and 250, as proposed by the Senate.

Amendment No. 60: Authorizes not to exceed $5,000 for employment of consultants at not to exceed $100 per diem, as proposed by the Senate.

BUREAU OF RECLAMATION

Administrative provisions

Amendment No. 61: Authorizes purchase of not to exceed 230 motor vehicles, as proposed by the Senate, instead of 200, as proposed by the House.

Amendment No. 62: Authorizes the use of not to exceed $100,000 for employment of consultants at not to exceed $100 per diem, as proposed by the Senate.

Amendment No. 63: Reported in disagreement.

Amendment No. 64: Reported in disagreement.

General investigations

Amendment No. 65: Appropriates $3,700,000 for general investigations, as proposed by the Senate, instead of $3,500,000, as proposed by the House.

The managers on the part of both Houses approved $100,000 for the Solano County project, California, with the understanding that it is to be used only for investigations and general engineering in connection with this project and such approval does not represent a committal to the project and should not be so interpreted.

Amendment No. 66: Reported in disagreement.

Construction

Amendment No. 67: Reported in disagreement.

Amendment No. 68: Deletes the proposal of the Senate to appropriate $250,000 for the San Luis Valley project, Colorado.

Amendment No. 69: Appropriates $2,520,625 for the Boise project, Idaho, Payette division, instead of $2,316,250, as proposed by the House, and $2,725,000, as proposed by the Senate.

Amendment No. 70: Appropriates $249,750 for the Lewiston Orchards project, Idaho, instead of $229,500, as proposed by the House, and $270,000, as proposed by the Senate.

Amendment No. 71: Appropriates $189,625 for the Palisades project, Idaho, instead of $174,250, as proposed by the House and $205,000, as proposed by the Senate.

Amendment No. 72: Appropriates $64,240 for the Milk River project, Montana, Fresno Dam division, as proposed by the Senate, instead of $60,775, as proposed by the House.

Amendment No. 73: Deletes the proposal of the Senate to appropriate $500,000 for emergency rehabilitation on the Humboldt project, Nevada.

Amendment No. 74: Strikes from the bill the House proposal to appropriate $582,250 for the Tucumcari project, New Mexico, as proposed by the Senate. (This appropriation is reinserted elsewhere in the bill.)

Amendment No. 75: Appropriates $14,450 for the Rio Grande project, New Mexico-Texas, as proposed by the Senate, instead of $17,000, as proposed by the House.

Amendments Nos. 76 and 77 relating to the Deschutes project, Oregon: Appropriates $1,313,750, instead of $1,162,800, as proposed by the House, and $1,464,700, as proposed by the Senate, and authorizes not to exceed $35,150 for emergency rehabilitation work in the Arnold irrigation district, instead of $32,300, as proposed by the House, and $38,000, as proposed by the Senate.

Amendments Nos. 78 and 79 relating to the Deschutes project, Oregon: Correct language and authorize not to exceed $1,063,750 for emergency reconstruction of Ochoco Dam, instead of $977,500, as proposed by the House, and $1,150,000, as proposed by the Senate.

Amendment No. 80: Reported in disagreement.

Amendment No. 81: Appropriates $803,460 for the Klamath project, Oregon-California, as proposed by the Senate, instead of $850,000, as proposed by the House.

Amendment No. 82: Appropriates $219,170 for the Ogden River project, Utah, as proposed by the Senate, instead of $242,250, as proposed by the House.

Amendment No. 83: Reported in disagreement.

Amendment No. 84: Appropriates $4,150,000 for the Provo River project, Utah, instead of $3,400,000, as proposed by the House, and $4,542,600, as proposed by the Senate.

Amendment No. 85: Appropriates $397,833 for the Yakima project, Washington, Roza division, instead of $382,462, as proposed by the House, and $413,205, as proposed by the Senate.

Amendment No. 86: Appropriates $1,327,910 for the Kendrick project, Wyoming, as proposed by the Senate, instead of $1,428,000, as proposed by the House.

Amendment No. 87: Appropriates $2,477,050 for the Riverton project, Wyoming, instead of $2,321,350, as proposed by the House, and $2,632,750, as proposed by the Senate.

Amendment No. 88: Includes a survey for the Pilot Butte division, as proposed by the Senate.

Amendment No. 89: Appropriates $107,400 for the Shoshone project, Wyoming, Power division, as proposed by the Senate, instead of $119,000, as proposed by the House.

Amendment No. 90: Appropriates $60,000 for the Willwood division, as proposed by the Senate.

Operation and maintenance, reclamation projects

Amendment No. 91: Appropriates not to exceed $3,369,200 for the Parker Dam power project, as proposed by the Senate, instead of $3,200,000, as proposed by the House.

Amendment No. 92: Appropriates $379,050 for the Central Valley project, instead of $365,900, as proposed by the House, and $392,200, as proposed by the Senate.

Amendment No. 93: Appropriates not to exceed $1,071,250 from power revenues of the Central Valley project, instead of $1,034,100, as proposed by the House, and $1,108,400, as proposed by the Senate.

Amendment No. 94: Appropriates not to exceed $418,575 for Colorado-Big Thompson project, instead of $400,000, as proposed by the House, and $437,150, as proposed by the Senate.

Amendment No. 95: Appropriates $325,000 for the Boise project, Idaho, instead of $300,000, as proposed by the House, and $350,000, as proposed by the Senate.

Amendment No. 96: Appropriates $315,250 for the North Platte project, instead of $300,000, as proposed by the House, and $330,500, as proposed by the Senate.

Amendment No. 97: Appropriates $507,350 for the Rio Grande project, instead of $375,000, as proposed by the House, and $529,700, as proposed by the Senate. In addition to the amount proposed by the House, this action provides for extraordinary repair and maintenance of Elephant Butte dam, including reimbursement of funds already used therefor, the sum of $110,000; and the sum of $22,350 is provided as a general increase.

Amendment No. 98: Appropriates $161,000 for the Deschutes project, Oregon, instead of $150,000, as proposed by the House, and $172,000, as proposed by the Senate.

Amendment No. 99: Appropriates $294,000 for the Klamath project, instead of $285,000, as proposed by the House, and $303,000, as proposed by the Senate.

Amendment No. 100: Appropriates $360,000 for the Owyhee project, instead of $350,000, as proposed by the House, and $370,000, as proposed by the Senate.

Amendment No. 101: Appropriates $2,145,000 for the Columbia Basin project, instead of $2,100,000, as proposed by the House, and $2,190,000, as proposed by the Senate.

Amendment No. 102: Appropriates $421,500 for the Yakima project, instead of $402,000, as proposed by the House, and $441,000, as proposed by the Senate.

Amendment No. 103: Authorizes not to exceed $24,000 from power revenues to be available for operation and maintenance of the power systems of the Yakima project, instead of $23,000, as proposed by the House, and $25,000, as proposed by the Senate.

Amendment No. 104: Appropriates $173,475 for the Riverton project, instead of $161,950, as proposed by the House, and $185,000, as proposed by the Senate.

Amendment No. 105: Authorizes not to exceed $105,025 from power revenues of the Riverton project to be used for operation and maintenance of the commercial system, instead of $98,050, as proposed by the House, and $112,000, as proposed by the Senate.

Amendment No. 106: Appropriates $95,050 for the Shoshone project, instead of $89,000, as proposed by the House, and $101,100, as proposed by the Senate.

Amendment No. 107: Authorizes not to exceed $198,647 from the power revenues of the Shoshone project to be used for the operation and maintenance of the commercial system, instead of $186,000, as proposed by the House, and $211,295, as proposed by the Senate.

General fund, Alaskan investigations

Amendment No. 108: Inserts clarifying language relating to the submission of reports to Congress as proposed by the Senate.

Amendment No. 109: Reported in disagreement.

Amendment No. 110: Appropriates $200,000 for engineering and economic investigations, instead of $150,000, as proposed by the House, and $250,000, as proposed by the Senate.

General fund, construction

Amendment No. 111: Appropriates $4,600,000 for the Gila project, instead of $4,250,000, as proposed by the House, and $4,833,750, as proposed by the Senate.

Amendment No. 112: Deletes the Senate proposal to include $25,000 for additional plans in connection with the Gila project.

Amendment No. 113: Appropriates $36,504,860 for the Davis Dam project, instead of $32,928,150, as proposed by the House, and $37,504,860, as proposed by the Senate.

Amendment No. 114: Appropriates $110,290 for the Parker Dam power project, as proposed by the Senate, instead of $117,300, as proposed by the House.

Amendment No. 115: Reported in disagreement.

Amendment No. 116: Appropriates $6,400,000 for advances to the Colorado River Dam fund, instead of $6,375,000, as proposed by the House, and $6,761,650, as proposed by the Senate. This action provides an additional amount of $25,000 for plans for the Boulder City schools.

Amendments Nos. 117 and 118 relating to the Central Valley project, California: Appropriates $60,789,890 as proposed by the Senate instead of $53,550,000, as proposed by the House, and includes a limitation, proposed by the Senate, whereby not to exceed $100,000 is to be available for making examinations and surveys of power facilities and not to exceed $2,000,000 is for construction of the Shasta-Tracy (westside) transmission lines numbered 1 and 2. This action provides funds for the facilities indicated in the respective amounts shown on the following table:

1. Joint facilities	$3,250,000.00
2. Irrigation facilities	41,352,190.07
3. Power facilities:	
Examinations and surveys	100,000.00
Shasta power plant	1,000,000.00
Keswick Dam	2,[illegible]50,000.00
Keswick Power Plant	769,000.00
Delta Steam Power Plant	----------
Switchyards:	
Shasta switchyard	48,000.00
Keswick switchyard	266,000.00
Elverta switchyard	----------
Tracy switchyard	[1] 3,250,000.00
Transmission lines:	
Shasta-Tracy via Oroville-Sacramento 1-230-kv	$2,600,000.00
Shasta-Tracy (west side) 1 and 2 (2-230-kv)	2,000,000.00
Keswick-Tracy via Elverta 1-115-kv	----------
Elverta-Roseville 2-115-kv	----------
Galt-Delta cross channel P. P. 1-115-kv	----------
Tracy-Patterson 1-69-kv	----------
Substations:	
Roseville	----------
Redding	----------
Miscellaneous power facilities, Government Camp	20,000.00
Total, power facilities	12,403,000.00
4. Distribution systems (irrigation)	3,000,000.00
5. Contractors' claims	784,699.93
Total	60,789,890.00

[1] Amount is limited to funds needed to complete the Tracy switchyard for project pumping purposes only.

Amendment No. 119: Reported in disagreement.

Amendments Nos. 120 and 121 relating to the Colorado-Big Thompson project: Appropriates $20,172,750, as proposed by the Senate, instead of $18,275,000, as proposed by the House, and includes the Senate proposal for construction of the Brighton to Flatiron transmission line. This action also provides not to exceed $200,000 for construction of the Salida-Gunnison transmission line but provides no funds for constructing the proposed Estes-Valmont transmission line.

Amendment No. 122: Appropriates $2,815,200 for the Fort Peck project, as proposed by the Senate, instead of $1,445,000, as proposed by the House.

Amendment No. 123: Appropriates $22,093,125 for the Hungry Horse project, instead of $20,400,000, as proposed by the House, and $23,786,250, as proposed by the Senate.

Amendment No. 124: Appropriates $582,250 for the Tucumcari project, as proposed by the Senate.

Amendment No. 125: Reported in disagreement.

Amendment No. 126: Appropriates $68,000,000 for the Columbia Basin project, instead of $59,075,000, as proposed by the House, and $70,034,390, as proposed by the Senate.

Included in the appropriation of $68,000,000 is $100,000 for plans, designs, and initiation of construction of a headquarters building at Ephrata, Washington.

Amendment No. 127: Appropriates $897,250 for the Colorado River front work and levee system, instead of $824,500, as proposed by the House, and $970,000, as proposed by the Senate.

Amendment No. 128: Includes language to provide for emergency reconstruction of the La Prele unit, as proposed by the Senate.

Amendment No. 129: Appropriates $81,668,560 for the Missouri River Basin, as proposed by the Senate, instead of $73,822,500, as proposed by the House. This action provides for projects as set forth in the following table:

Phase A, units selected for construction:	
Big Horn Basin division, Wyoming, Owl Creek unit	$764,640
Bostwick division, Nebraska-Kansas	2,244,130
Boysen division, Wyoming, Boysen unit	7,957,400
Cannonball division, North Dakota, Cannonball unit	2,510,900
Cheyenne division, Wyoming-South Dakota:	
Angostura unit	1,926,150
Keyhole unit	1,680,710
Frenchman-Cambridge division, Nebraska	$9,832,150
Grand division, South Dakota, Shadehill unit	3,990,000
Heart division, North Dakota:	
Dickinson unit	871,300
Heart Butte unit	1,117,750
Helena to Great Falls division, Montana, Canyon Ferry unit	7,928,300
Marias division, Montana, Lower Marias unit	1,951,730
Missouri-Souris division, Montana-North Dakota, Missouri diversion unit	[1] 200,000
Montana pumping division, Montana, N-Bar-N unit	552,500
Moreau River division, South Dakota, Bixby unit	3,371,180
North Dakota pumping division, North Dakota, Fort Clark unit	137,270
North Platte division, Wyoming:	
Glendo unit	300,000
Kortes unit	2,097,000
Powder division, Montana-Wyoming, Moorhead unit and Kaycee and Piney units	500,000
Smoky Hill division, Kansas, Cedar Bluffs unit	4,000,000
South Platte division, Colorado, Narrows unit	1,668,510
Transmission division	[2] 8,930,450
Upper Republican division, Colorado-Nebraska-Kansas, St. Francis unit	3,700,000
Yellowstone division, Montana-North Dakota:	
Cartwright unit	44,200
Marsh unit	191,660
Sadie Flat	170,000
Savage unit	102,040
Sidney unit	38,590
Subtotal, phase A	68,778,560
Phase B, units being prepared for construction:	
Big Horn Basin, Wyo.:	
Hanover unit	100,000
Shoshone extension unit	200,000
Cheyenne division, Wyoming-South Dakota, Rapid Valley unit	100,000
Columbus division, Nebraska	500,000
Grand Island division, Nebraska	120,000
Helena-Great Falls division, Montana, Helena Valley unit	90,000
James division, South Dakota, Oahe unit	700,000
Jefferson division, Montana, East Bench unit	236,000
Lower Big Horn division, Montana-Wyoming, Hardin unit	500,000
Middle Loup division, Nebraska	980,000
Missouri-Souris division, Montana-North Dakota:	
Crosby-Mohall unit	515,000
Devils Lake unit	35,000
Jamestown unit	150,000
Missouri diversion union	[3]

[1] In addition, contract authorization of $4,364,000 and use in phase A of $216,000 of 1949 unobligated balance.

[2] Includes $2,000,000 cash for transmission lines in North Dakota. In addition $2,000,000 contract authorization for these transmission lines in North Dakota.

[3] Transferred to phase A, note footnote 1.

Phase B, units being prepared for construction—Continued	
Montana pumping division, Montana:	
Nickwall unit	$25,000
Redwater unit	25,000
North Dakota pumping division, North Dakota, Painted Woods unit	60,000
Three Forks Division, Montana, Crow Creek unit	104,000
White Division, South Dakota, Pine Ridge unit	100,000
Yellowstone Division, Montana-North Dakota:	
Colgate unit	20,000
Elm Coulee unit	30,000
Seven Sisters unit	33,000
Stipek unit	67,000
Subtotal, phase B	4,690,000
Phase C, continuing work on the general plan of development	2,615,000
Phase D, work in cooperation or in connection with activities of the Corps of Engineers	85,000
Other Department of Interior agencies:	
Bureau of Land Management	450,000
Bureau of Mines	175,000
Fish and Wildlife Service	475,000
Geological Survey	3,700,000
National Park Service	375,000
Bureau of Indian Affairs	325,000
Subtotal, other departmental agencies	5,500,000
Total, Missouri River Basin project	81,668,560

Amendments Nos. 130, 131, 132, 133, 134, and 135: Reported in disagreement.

GEOLOGICAL SURVEY

Amendment No. 136: Appropriates $5,750,000 for topographic surveys, instead of $5,500,000, as proposed by the House, and $6,000,000, as proposed by the Senate.

Amendment No. 137: Authorizes not to exceed $658,333 of the appropriation for topographic surveys to be spent for personal services in the District of Columbia, instead of $650,000, as proposed by the House, and $666,666, as proposed by the Senate.

Amendment No. 138: Appropriates $3,500,000 for geologic surveys, as proposed by the House, instead of $3,520,000, as proposed by the Senate.

Amendment No. 139: Appropriates $500,000 for mineral resources of Alaska, as proposed by the Senate, instead of $425,000, as proposed by the House.

Amendment No. 140: Appropriates $4,125,000 for gaging streams, as proposed by the Senate, instead of $4,000,000, as proposed by the House.

Amendment No. 141: Authorizes not to exceed $359,450 of the appropriation for gaging streams to be spent for personal services in the District of Columbia, instead of $350,000, as proposed by the House, and $368,900, as proposed by the Senate.

Amendment No. 142: Authorizes payments of compensation and expenses of the United States representative in administering the compact as approved by Public Law 82, 81st Congress, as proposed by the Senate.

Amendment No. 143: Appropriates $725,000 for engraving and printing maps, instead of $700,000, as proposed by the House, and $750,000, as proposed by the Senate.

Amendment No. 144: Reported in disagreement.

BUREAU OF MINES

Amendment No. 145: Appropriates $500,000 for control of fires in inactive coal deposits, as proposed by the House, instead of $250,000, as proposed by the Senate.

Amendment No. 146: Appropriates $621,000 for testing fuel, as proposed by the House, instead of $656,000, as proposed by the Senate.

Amendment No. 147: Deletes the Senate proposal for the Bureau of Mines to reacquire certain property known as Plancor 587.

Amendment No. 148: Reported in disagreement.

Amendments Nos. 149 and 150: Appropriates $690,000 for oil and gas investigations, as proposed by the Senate, instead of $650,000, as proposed by the House, and authorizes not to exceed $48,800 to be spent for personal services in the District of Columbia, instead of $46,000, as proposed by the House, and $51,600, as proposed by the Senate.

Amendment No. 151: Deletes the Senate proposal for an appropriation of $30,000 for construction planning of an experiment station at Reno, Nevada.

Amendment No. 152: Appropriates $260,000 for buildings and grounds, Pittsburgh, Pennsylvania, as proposed by the Senate, instead of $250,000, as proposed by the House.

Amendments Nos. 153 and 154: Appropriates $950,000 for economics of mineral industries, as proposed by the Senate, instead of $800,000, as proposed by the House, and authorizes not to exceed $792,250 to be spent for personal services in the District of Columbia, as proposed by the Senate, instead of $660,000, as proposed by the House.

Amendment No. 155: Authorizes the purchase of 151 motor vehicles, as proposed by the Senate (of which 137 shall be for replacement as proposed by the Senate), instead of 137, as proposed by the House.

Amendment No. 156: Reported in disagreement.

NATIONAL PARK SERVICE

Amendment No. 157: Appropriates $856,000 for salaries and expenses for general administration, as proposed by the Senate, instead of $756,000, as proposed by the House.

Amendment No. 158: Appropriates $227,800 for recreational areas, as proposed by the Senate, instead of $410,000, as proposed by the House.

Amendment No. 159: Deletes the Senate proposal to appropriate $63,600 for the Travel Division.

Amendment No. 160: Appropriates $180,000 for investigations and studies of recreational resources and for the survey and excavation of archeological resources in river basins, as proposed by the Senate.

Amendment No. 161: Appropriates $300,000 for acquisition of lands, as proposed by the Senate, instead of $250,000, as proposed by the House.

Amendment No. 162: Reported in disagreement.

Amendment No. 163: Appropriates $7,500,000 for parkways, as proposed by the Senate, instead of $6,600,000, as proposed by the House.

Amendment No. 164: Reported in disagreement.

Amendment No. 165: Appropriates $7,500,000 for roads and trails, as proposed by the House, instead of $7,368,200, as proposed by the Senate.

Amendment No. 166: Reported in disagreement.

Amendment No. 167: Reported in disagreement.

FISH AND WILDLIFE SERVICE

Amendment No. 168: Appropriates $2,696,500 for propagation of food fishes, as proposed by the Senate, instead of $1,985,000, as proposed by the House.

This action, in addition to restoring $70,500 which was proposed by the House to be eliminated and approving $75,000 for repair of damage at fish cultural stations, as proposed in Senate Document No. 80, provides the sum of $566,000 for the development or rehabilitation of the following fish cultural stations: Bald Hill Dam, N. Dak. (including $6,000 for transfer to the Corps of Engineers for installation of a siphon); North Attleboro, Mass.; Erwin, Tenn.; Nashua, N. H.; Warm Springs, Ga.; Hot Springs and Dexter, N. Mex.; Ennis and Bozeman, Mont.; White Sulphur Springs, W. Va.; Williams Creek (McNary), Ariz., and Quilcene, Wash.

A fair and equitable distribution of funds should be made so as to make provision for each of the foregoing stations.

Amendment No. 169: Authorizes the expenditure of not to exceed $66,000 for repair and rehabilitation of fish cultural facilities at Warm Springs, Ga., as proposed by the Senate.

Amendments Nos. 170 and 171: Includes language for the investigation in connection with sea lampreys as authorized by Act of August 18, 1949, and appropriates $1,546,000 for all investigations respecting food fishes, as proposed by the Senate, instead of $1,250,000, as proposed by the House.

Amendment No. 172: Reported in disagreement.

Amendment No. 173: Appropriates $510,000 for commercial fisheries, as proposed by the House, instead of $530,000, as proposed by the Senate.

Amendment No. 174: Reported in disagreement.

Amendment No. 175: Appropriates $367,000 for wildlife resources and management investigations, instead of $340,000, as proposed by the House, and $394,000, as proposed by the Senate.

Amendment No. 176: Appropriates $388,000 for protection of migratory birds, as proposed by the House, instead of $410,000, as proposed by the Senate.

Amendment No. 177: Appropriates $1,755,500 for maintenance of mammal and bird reservations, instead of $1,600,000, as proposed by the House, and $1,819,500, as proposed by the Senate. This adds to the sum contained in the House bill $91,500 as requested in Senate Documents Nos. 47 and 80, and $64,000 general restoration.

Amendment No. 178: Authorizes not to exceed $1,266,430 of the appropriations for the Fish and Wildlife Service to be expended for personal services in the District of Columbia, instead of $1,250,000, as proposed by the House, and $1,282,860, as proposed by the Senate.

Amendment No. 179: Authorizes the Fish and Wildlife Service to purchase not to exceed 71 motor vehicles, as proposed by the Senate, instead of 64, as proposed by the House.

GOVERNMENT IN THE TERRITORIES

Amendment No. 180: Appropriates $72,700 for expenses of the offices of the Governor of Alaska, as proposed by the Senate, instead of $67,700, as proposed by the House.

Amendments Nos. 181 and 182: Appropriates $26,762,000 for construction, repair, and maintenance of roads, bridges, trails, etc., in Alaska, as proposed by the Senate, instead of $25,692,000, as provided by the House, and authorizes contract authority for the same purpose in the amount of $8,000,000, as proposed by the Senate, instead of $7,000,000, as proposed by the House.

Amendment No. 183: Appropriates $17,000,000 for the Alaska Railroad, as proposed by the House, instead of $25,000,00, as proposed by the Senate.

Amendments Nos. 184 and 185: Deletes the Senate proposals to increase the salaries of two officials of the Alaska Railroad.

Amendment No. 186: Authorizes the Secretary of the Interior to enter into contracts for additional work, materials and equipment for the Alaska Railroad in an amount not to exceed $17,000,000, instead of $12,000,000, as proposed by the House, and $22,000,000, as proposed by the Senate.

Amendment No. 187: Appropriates $32,633 for expenses of offices of the Governor of the Territory of Hawaii, as proposed by the Senate, instead of $26,800 as proposed by the House.

Amendment No. 188: Appropriates $225,583 for the Government of the Virgin Islands, as proposed by the Senate, instead of $223,000, as proposed by the House.

Amendment No. 189: Reported in disagreement.

GENERAL PROVISIONS

Amendment No. 190: Includes a limitation against the performance of new functions in connection with the Jackson Hole National Monument, as proposed by the Senate.

Amendment No. 191: Deletes the Senate language in connection with temporary personal services.

Amendments Nos. 192, 193, and 194: Strikes out House language in connection with the Virgin Islands Company, as proposed by the Senate.

Amendments Nos. 195, 196, and 197: Corrects title and section numbers.

Disclosing construction estimates

Suggestions have been made by contractor's representatives to the effect that estimates of the Bureau of Reclamation on construction work to be performed under contract should be made public at the time of opening the contractor's bids. Inasmuch as this procedure appears to be fair to both the Government and the contractors, the conferees on the part of both Houses believe that such suggestions should be followed.

AMENDMENTS IN DISAGREEMENT

Amendment No. 6, providing that not to exceed $65,000 of the unobligated balance of the fiscal 1949 appropriation for soil and moisture conservation continue available in 1950: The managers on the part of the House will move to recede and concur.

Amendment No. 11, providing that not to exceed 8 percent of any construction appropriation for Bonneville Power Administration be available for construction work by force account, except in emergencies: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 17, appropriating $22,500 for expenses of the National Indian Institute: The managers on the part of the House will move to recede and concur.

Amendment No. 20, appropriating $150,000 for converting and outfitting a supply ship for the Alaska Native Service: The managers on the part of the House will move to recede and concur.

Amendment No. 38, making $8,000 of the prior year appropriation for Camp Verde Indian School available for cooperation with the Camp Verde, Arizona, public school district: The managers on the part of the House will move to recede and concur.

Amendment No. 46, authorizing unobligated balances of specific authorizations in appropriations for prior years for school districts in Minnesota to be transferred to any other such authorizations: The managers on the part of the House will move to recede and concur.

Amendment No. 47, providing for rescission of $202,418 of unobligated appropriations for construction of (Indian) buildings and utilities: The managers on the part of the House will move to recede and concur.

Amendment No. 50, authorizing increases from $1,500 to $4,500 in the sums to be paid for expenses in the distribution of per capita payments: The managers on the part of the House will move to recede and concur.

Amendment No. 63, providing that payments to school districts in accordance with the Act of June 29, 1948 may include payments on account of dependents of employees engaged in construction and related activities: The managers on the part of the House will move to recede and concur.

Amendment No. 64, authorizing the Bureau of Reclamation to make expenditures through the National Park Service for recreational studies and for recovery of archaeological remains: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 66, appropriating $500,000 for investigations and plans in the upper Colorado River Basin States: The managers on the part of the House will move to recede and concur.

Amendment No. 67, appropriating $5,185,000 for the Santa Barbara County project, California, Cachuma Unit: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 80, authorizing the use of not to exceed $100,000 for emergency reconstruction in the Grants Pass irrigation district: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 83, specifying that the south division of Utah Lake Distributing Company Canal, as part of the Provo River project, Utah: The managers on the part of the House will move to recede and concur.

Amendment No. 108, specifying that reports on engineering and economic investigations made by the Bureau of Reclamation in Alaska shall be made to Congress: The managers on the part of the House will move to recede and concur.

Amendment No. 109, providing that funds appropriated for investigations by the Bureau of Reclamation in Alaska shall remain available until expended: The managers on the part of the House will move to recede and concur.

Amendment No. 115, authorizing the Commissioner of Reclamation to enter into contracts in connection with the Boulder Canyon Project (All-American Canal): The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 119, authorizing payment to certain contractors in settlement of claims against the Bureau of Reclamation in connection with contractors earnings: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 125, appropriating $750,000 for the Fort Sumner reclamation project, New Mexico and providing contractual authority in the amount of $1,000,000: The managers on the part of the House will move to recede and concur.

Amendment No. 128, authorizing emergency reconstruction of the La Prele unit, Wyoming (Missouri River Basin): The managers on the part of the House will move to recede and concur.

Amendment No. 130, authorizing the Commissioner of Reclamation to incur obligations and enter into contracts in an amount not exceeding $6,364,000 in connection with the Missouri River Basin: The managers on the part of the House will move to recede and concur.

Amendment No. 131, providing that no funds shall be used for construction of the Glendo unit of the Missouri River Basin program until a definite plan report thereon has been completed, reviewed by the States of Nebraska, Wyoming and Colorado and approved by Congress: The managers on the part of the House will move to recede and concur.

Amendment No. 132, providing that no funds shall be used for construction of Moorhead Dam and Reservoir, Montana, until a definite plan report thereon has been completed, reviewed by the States of Wyoming and Montana and approved by the Congress: The managers on the part of the House will move to recede and concur.

Amendment No. 133, providing that no part of the appropriation made in this bill shall be available for operating the Canyon Ferry Reservoir at a normal pool elevation above 3,766 feet until new acreage equal to the irrigated land to be inundated is provided with facilities for irrigation: The managers on the part of the House will move to recede and concur.

Amendment No. 134, reappropriates $5,662.22 for additional payments to the Boulder City school district: The managers on the part of the House will move to recede and concur.

Amendment No. 135, limiting the proportion of construction of appropriations for the Bureau of Reclamation which may be used for construction work by force account: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 144, authorizing the Geological Survey to acquire surplus property from other agencies without cost: The managers on the part of the House will move to recede and concur.

Amendment No. 148, appropriating $250,000 and authorizing the Secretary of the Interior to enter into contracts additional thereto in amount of $250,000 to enable the Bureau of Mines to extend and operate the present Leadville, Colorado drainage tunnel: The managers on the part of the House will move to recede and concur.

Amendment No. 156, amending the Interior Department Appropriation Act, 1949, by providing a detailed description of land previously authorized to be transferred by the Department of the Army to the Department of the Interior: The managers on the part of the House will move to recede and concur.

Amendment No. 162, authorizing the Secretary of the Interior to incur contractual obligations not exceeding $3,935,000 in connection with the Independence National Historical Park, Pennsylvania: The managers on the part of the House will move to recede and concur.

Amendment No. 164, authorizing the Secretary of the Interior to incur contractual obligations not exceeding $1,750,000 for the construction of parkways: The managers on the part of the House will move to recede and concur.

Amendment No. 166, authorizing the Secretary of the Interior to incur contractual obligations of not exceeding $3,250,000 for roads and trails in national parks: The managers on the part of the House will move to recede and concur.

Amendment No. 167, appropriating $3,847,450 for physical improvements, National Park Service: The managers on the part of the House will move to recede and concur with an amendment.

Amendment No. 172, authorizing the Secretary of the Interior to incur contractual obligations for investigations respecting food fishes not exceeding $50,000: The managers on the part of the House will move to recede and concur.

Amendment No. 174, reappropriating unobligated prior year funds for investigation, exploration and development of Pacific fisheries: The managers on the part of the House will move to recede and concur.

Amendment No. 189, authorizing the Department of the Army or other agencies of the Government to transfer surplus property without charge to the Government of the Virgin Islands: The managers on the part of the House will move to recede and concur.

MICHAEL J. KIRWAN,
W. F. NORRELL,
HENRY M. JACKSON,
CLARENCE CANNON,
BEN F. JENSEN,
IVOR D. FENTON,
Managers on the Part of the House.

The SPEAKER. Does the gentleman from Montana [Mr. D'EWART] desire to make a point of order?

Mr. D'EWART. Yes, Mr. Speaker.

The SPEAKER. The Chair will state to the gentleman, however, that the matter which he is complaining of is not in the conference report. It is a matter still in disagreement between the two bodies. The Chair doubts whether the gentleman's point of order would be proper at this time.

Mr. D'EWART. Then, Mr. Speaker, the proper time to take this matter up would be when it comes before the House as a matter in disagreement.

The SPEAKER. May the Chair inquire of the gentleman whether he intends to make a point of order against the conference report, or against a particular amendment in disagreement?

Mr. D'EWART. Against a particular amendment, Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HOLMES. Mr. Speaker, in connection with the conference report on H. R. 3838, the Interior appropriation bill for 1950, I call attention to the Senate committee's report (No. 661) on the bill at page 48 which states:

> The committee concurs in the statement on page 13 of House Report No. 324 (81st Cong., 1st sess.) that of the funds appropriated for this project $225,000 be used for new school construction and $100,000 be devoted to repair and improvement of existing school facilities at Coulee Dam, Wash., and recommends that proportionate amounts, based on the relative enrollment of the dependents of reclamation and contractor employees, be expended on school facilities at Grand Coulee, Wash., in accordance with Public Law 835, Eightieth Congress.

Specific amounts are earmarked for construction of new school facilities and for the repair of existing school facilities at the town of Coulee Dam. The report provided that a proportionate amount be available for construction of new facilities and for repair and improvement of existing facilities at Grand Coulee. If, for example, 900 of the students at Coulee Dam, Wash., are dependents of employees of the Government or of contractors' employees, and 600 such students are in attendance at Grand Coulee, the amount available for Grand Coulee will be two-thirds of that specified for use at Coulee Dam.

By reference to Public Law 835, assistance now available under that Act, and, in recognition of the unusual and extensive responsibility of the Government to these two communities, indicated the minimum amount to be made available for school construction purposes. It is my idea that the Congress intends to assist school districts in the Columbia Basin project to the fullest extent commensurate with the pupil load imposed on them by Reclamation and contractors' employees. Each case should be taken upon its merits, of course, and the localities must make an adequate showing.

The payments provided by Public Law 835, based on the average cost per pupil for instruction, in each Western State, are intended to be in addition to any assistance given directly in building funds as in the case of Coulee Dam and Grand Coulee. I believe that is understood by the Bureau of Reclamation here and in the field.

Public Law 835 with amendment No. 63 inserted by the Senate in the Interior appropriation bill was intended to clarify any question about the authority of the Bureau of Reclamation to provide assistance on account of the dependents of Bureau employees who might be working in district or other field offices and whose children have increased the school load in such towns as Coulee Dam and Ephrata. The hearings on the appropriation bill amendment, which is the same as included in the second deficiency bill already approved, show that the Bureau of Reclamation is expected to assist school districts in the West affected by construction activities to the full extent of the additional burden imposed on these localities.

Mr. KIRWAN. Mr. Speaker, the managers on the part of the House propose to recede and concur in a number of Senate amendments. Therefore, I ask unanimous consent that the following amendments be considered en bloc: Nos. 6, 17, 20, 38, 46, 47, 50, 63, 66, 83, 108, 109, 125, 128, 130, 131, 132, 133, 134, 144, 148, 156, 162, 164, 166, 172, 174, and 189.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, will the gentleman from Ohio state why he is asking that these particular amendments be considered en bloc?

Mr. KIRWAN. The procedure is strictly in accordance with the rules of the House. We are going to move to recede and concur in all of them.

Mr. CASE of South Dakota. Yes, but why does the gentleman group these particular amendments together? Are they amendments that are known not to be controversial?

Mr. KIRWAN. Yes; they are not controversial.

Mr. CASE of South Dakota. Mr. Speaker, I withdraw my reservation to objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The Clerk will report the amendments in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 4, line 7, insert the following: ": *Provided further*, That not to exceed $65,000 of the unobligated balance of the appropriation for this purpose contained in the Interior Department Appropriation Act, 1949, is hereby continued available to June 30, 1950."

Senate amendment No. 17: Page 15, line 9, insert the following:

"National Indian Institute: For necessary expenses of the National Indian Institute for the United States of America in the performance of its functions as prescribed by Executive Order No. 8930, November 1, 1941, including personal services in the District of Columbia; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55 (a)); and printing and binding, $22,500."

Senate amendment No. 20: Page 16, line 19, insert the following:

"Vessel conversion: For expenses necessary in converting and outfitting a vessel for use as a service and supply ship by the Alaska Native Service, $150,000, to remain available until expended."

Senate amendment No. 38: Page 25, line 20, insert the following:

"Truxton Canon, the prior year appropriation of $8,000 for the replacement of the Camp Verde, Ariz., Indian school is hereby made available for cooperation with the public school district of Camp Verde, Ariz., for public school facilities;".

Senate amendment No. 46: Page 27, line 6, insert the following: ": *Provided further*, That unobligated balances of any specific authorizations in appropriations for prior years for school facilities in public school districts of Minnesota, appropriated in accordance with Public Law 804, Seventy-sixth Congress, or Public Law 231, Eightieth Congress, may be transferred to any other such authorizations."

Senate amendment No. 47: Page 27, line 12, insert the following: ": *Provided further*, That unobligated balances in the amount of $202,418 of specific authorizations in appropriations for prior years under the heading 'Construction, and so forth, buildings and utilities' are hereby rescinded and such sum shall be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Senate amendment No. 50: Page 28, line 24, after the word "tribe" insert the following: ", and the authorization from tribal funds for the payment of salaries of necessary employees and other expenses for the distribution of per capita payments authorized by the act of July 2, 1942 (56 Stat. 528), is hereby increased from $1,500 to $4,500."

Senate amendment No. 63: Page 39, line 24, after the word "property" insert the following: "; payments to school districts in accordance with the act of June 29, 1948 (Public Law 835), including payments on account of dependents of employees in field offices in project areas engaged in construction and related activities:".

Senate amendment No. 66: On page 43, insert:

"Investigations, upper Colorado River Basin: For engineering and economic investigations and studies of water conservation and development plans, in the upper Colorado River Basin States, such investigations, surveys, and studies to be carried on by said Bureau either independently, or in cooperation with State agencies and other Federal agencies, $500,000, to remain available until expended, and which shall be in addition to any other funds available for expenditures for such investigations in said area."

Senate amendment No. 83: On page 46, line 1, insert: "including the south division of Utah Lake Distributing Company Canal, which is hereby authorized,".

Senate amendment No. 108: On page 50, line 13, insert: "to Congress, relating to projects for the development and utilization of the water resources of Alaska,".

Senate amendment No. 109: On page 50, line 15, insert: "to remain available until expended,".

Senate amendment No. 128: On page 55, line 6, insert: "and emergency reconstruction of the La Prele unit, Wyoming)."

Senate amendment No. 130: On page 55, at the end of line 10, insert: ", and in addition thereto the Commissioner of Reclamation is hereby authorized to incur obligations and enter into contracts for additional work, materials, and equipment in an amount not exceeding $6,364,000, including not to exceed $2,000,000 for power transmission lines."

Senate amendment No. 131: On page 55, line 18, strike out all after the word "agencies" down to and including the word "Congress" in line 24, and insert: ": *Provided*

further, That in order to promote agreement among the States of Nebraska, Wyoming, and Colorado and to avoid any possible alteration of existing vested water rights, no part of this or of any prior appropriation shall be used for construction or for further commitment for construction of the Glendo unit or any feature thereof, until a definite planned report thereon has been completed, reviewed by the States of Nebraska, Wyoming, and Colorado and approved by Congress."

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that Senate amendment No. 132 be deleted from my motion.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk continued to read the amendments in disagreement, as follows:

Amendment No. 133: Page 56, line 13, insert: ": *Provided further*, That no part of this appropriation shall be available or used to maintain or operate Canyon Ferry Reservoir at a higher maximum normal pool elevation than 3,766 feet, unless and until new land in Broadwater County, Mont., equal in acreage to the irrigated land to be inundated in Canyon Ferry Reservoir above elevation of 3,766 feet is provided with facilities for irrigation."

Amendment No. 134: Page 57, at the end of line 3, insert: ": *Provided*, That not to exceed $5,662.22 from the unobligated balance of the appropriation for operation, maintenance, and replacements of the dam, power plant, and other facilities of the Boulder Canyon project contained in the Interior Department Appropriation Act, 1948, may be utilized for additional payments to the Boulder City school district for the school year 1947-48, to carry out the purposes of said Public Law 528."

Amendment No. 144: Page 65, line 14, insert:

"The Geological Survey is hereby authorized to acquire by transfer without exchange of funds, for 1 year beginning July 1, 1949, from executive departments or independent establishments, equipment, materials, and supplies of all kinds, with an appraised value of not to exceed $150,000 from the surplus stores of these agencies: *Provided*, That the authorization in this paragraph shall not be construed to deny to veterans the priority accorded to them in obtaining surplus property under Public Law 375, approved May 3, 1946."

Amendment No. 148: Page 72, line 18, insert:

"Draining tunnel, Leadville, Colo.: To enable the Bureau of Mines to extend and operate the present Leadville, Colo., drainage tunnel for the purpose herein authorized or by Public Law 133 of the Seventy-eighth Congress, $250,000, and in addition the Secretary is authorized to enter into contracts in an amount not to exceed $250,000."

Amendment No. 156: Page 78, line 22, insert:

"The last paragraph under the head 'Bureau of Mines' in the Interior Department Appropriation Act, 1949, is amended to read as follows: 'The Department of the Army is authorized to transfer to the Department of the Interior, for the use of the Bureau of Mines, without compensation therefor, full jurisdiction, possession, and control of a parcel of 10 acres, more or less, from that portion of Fort Douglas Military Reservation in the county of Salt Lake, State of Utah, which lies directly north and east of the site of the Bureau of Mines Intermountain Experiment Station and is described substantially as follows: All of that parcel of land bounded on the north by the southerly margin of Fort Douglas Boulevard; bounded on the west by the easterly margin of Fifteenth East Street extended and by a line running south from Monument No. 6, Fort Douglas Military Reservation, Utah, a distance of 480 feet, to a point in line with the southerly margin of the 5-acre tract at present occupied by the Department of the Interior, Bureau of Mines, bounded on the south by a line running east from said point in line with the southerly margin of said Bureau of Mines property, and by a line running west from Monument No. 6, Fort Douglas Military Reservation; and bounded on the east by a north and south line so located as to make the total enclosed area approximately 10 acres'."

Amendment No. 162: Page 84, after the word "expended" in line 18, insert: ", and, in addition, the Secretary is authorized to incur obligations and enter into contracts, not exceeding a total of $3,935,000, for the acquisition of lands for purposes of the Independence National Historical Park."

Senate amendment No. 164: On page 85, after the figure "1949" on line 8, insert ", and, in addition, the Secretary is hereby authorized to incur obligations and enter into contracts, not exceeding a total of $1,750,000, for the construction of the Blue Ridge, Natchez Trace, George Washington Memorial, Colonial, and Foothills Parkways."

Amendment No. 166: On page 85, after the word "expended" on line 19, insert ", and, in addition, the Secretary is hereby authorized to incur obligations and enter into contracts, not exceeding $3,250,000, for the purposes authorized in section 4a of said act."

Amendment No. 172: Page 89, line 7, insert ", and, in addition, the Secretary is authorized to incur obligations and enter into contracts for additional work, materials, and equipment in an amount not exceeding a total of $50,000."

Amendment No. 174: Page 90, line 16, after "000", insert ", together with the unobligated balance of the appropriation under this head in the Interior Department Appropriation Act, 1949."

Amendment No. 189: Page 103, after the word "Governor" on line 20, insert ": *Provided*, That the Department of the Army or any other agency of the United States Government having title thereto is authorized to transfer, without charge to the government of the Virgin Islands or any agency thereof, materials, equipment, machinery, supplies, buildings, and docks surplus to its needs in the Caribbean area, which may be certified by the Department of the Interior as needed for any authorized activity of the government of the Virgin Islands."

Amendment No. 125: Page 54, line 1, insert "Fort Sumner project, New Mexico, $750,000, and in addition thereto the Commissioner of Reclamation is authorized to enter into contracts in an amount not in excess of $1,000,000;".

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in these Senate amendments.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendments of the Senate numbered 6, 17, 20, 38, 46, 47, 50, 63, 66, 83, 108, 109, 125, 128, 130, 131, 133, 134, 144, 148, 156, 162, 164, 166, 172, 174, and 189 and concur therein.

Mr. D'EWART. Mr. Speaker, I wish to make a point of order against Senate amendment No. 132.

The SPEAKER. The Chair understands that Senate amendment No. 132 has been deleted.

Mr. BARRETT of Wyoming. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BARRETT of Wyoming. Mr. Speaker, I rise in support of the motion to recede and concur in the Senate amendment on the Glendo Dam. I do so with considerable reluctance. In my judgment, the Glendo Dam will prove beneficial to both Nebraska and Wyoming. At the same time, I must admit that the State of Nebraska is warranted in its insistence on this amendment which provides that no funds may be used for construction of the Glendo Dam until a definite planned report thereon has been completed and reviewed by the States of Nebraska, Colorado, and Wyoming and approved by Congress.

The Glendo Dam and power plant is located on the North Platte River, approximately 6 miles southeast of Glendo, Wyo. The dam, an earth-filled structure, will create a reservoir of about 150,000 acre-feet capacity. A power plant having a capacity of 15,000 kilowatts is being recommended for construction at this site. The Guernsey Reservoir, about 25 miles below the Glendo site, is being rapidly filled with silt and this project is badly needed to correct this situation.

A recent silt survey of the Guernsey Reservoir, constructed by the Bureau of Reclamation near Guernsey, Wyo., has shown that its capacity has already been impaired by silt accumulation to such an extent that about 30 percent of its total capacity has been lost. It is apparent that further measures must be taken to provide additional silt-storage capacity and to develop more power.

The Glendo Dam was authorized under section 9 (a) of the Flood Control Act of 1944. That act authorized the projects recommended for construction in the initial stages in the Missouri River Basin in Senate Document 191. Glendo is one of the projects referred to for authorization under the initial construction program. It is described on page 90 of Senate Document 191 as a reservoir to store approximately 150,000 acre-feet of water. Section 1 of that act contains a sound policy established by Congress providing that the Secretary of the Interior shall submit plans for the construction of improvements on interstate streams to each of the States affected by that improvement. That policy has been reiterated from time to time by the Congress. With respect to that policy, I would like to read a statement by the Commissioner of Reclamation before the House Committee on Flood Control in connection with the flood-control bill of 1946. I read from page 691 of the hearings on that bill.

Now, Mr. Speaker, the Glendo Dam was originally authorized to store 150,000 acre-feet of water but the hearings before the Appropriations Committee have disclosed that the Bureau of Reclamation proposes to build a dam with a capacity of about 750,000 acre-feet. This represents a material alteration in the plan and under the provisions of existing law, the Bureau of Reclamation is required and should submit the plans to the authorities of the States of Wyoming and Nebraska for their consideration and comments thereon before any construction takes place on the Glendo Dam. The motion should be adopted.

Mr. CURTIS. Mr. Speaker, for the information of the House, I call atten-

tion to the approval of amendment No. 63 inserted by the Senate in H. R. 3838, the Interior Department appropriation bill for 1950. This amendment authorizes the Bureau of Reclamation, acting for the Secretary of the Interior, to make payments to school districts in accordance with the act of June 29, 1948 (Public Law 835) including payments to school districts on account of dependents of employees in field offices engaged in construction and related activities.

This amendment was included in the second deficiency bill and was inserted by the Senate in H. R. 3838 on representations that the language was necessary to clear up any question about the authority of the Bureau of Reclamation to make payments to school districts on account of dependents of employees in district, design, or other field offices such as are located at Indianola, Nebr., Coulee Dam, Grand Coulee, Wash., or any other points.

I call attention also to the hearings before the Senate Deficiency and Interior Subcommittees, which show clearly that Public Law 835 and this amendment are intended to be broadly and liberally interpreted to provide financial assistance to school districts which are burdened by construction and related activities to assure temporary relief to localities. The Bureau of Reclamation is authorized to assist in defraying the cost of additional facilities necessary to house dependents of Bureau and contractors employees as well as in the salaries of teachers and other operating expenses while projects are in the construction stage. Under the second deficiency bill, retroactive payments for fiscal year 1949 are authorized where additional burdens in school districts can be clearly shown. School districts are expected to make full disclosures of additional costs. A fair basis of payments would be the average cost per pupil enrolled for the State in which each project is located.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio to recede and concur in the amendments referred to.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 11: On page 9, line 11, after the figures, insert: "*Provided further*, That not exceeding 8 percent of any construction appropriations for the Bonneville Power Administration contained in this act shall be available for construction work by force account, or on a hired-labor basis, except in case of emergencies, local in character, so declared by the Bonneville Power Administrator."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment as follows:

In line 2 thereof, following "exceeding", in lieu of the figure "8" insert: "12".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 64: Page 41, line 15, after the word "States", insert: "*Provided further*, That funds appropriated for the Bureau of Reclamation shall be available for expenditure through the facilities of the National Park Service in amounts of not to exceed $25,000 for any one reservoir area for studies of recreational areas and planning for their utilization, and in amounts of not to exceed $25,000 for any one reservoir area for the investigation and recovery of archaeological and paleontological remains in reservoir areas in which said Bureau is performing work, in the same manner as provided for in the act of August 21, 1935 (49 Stat. 666), and funds so expended shall not be reimbursable or returnable under the reclamation law."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following: ": *Provided further*, That funds appropriated for the Bureau of Reclamation shall be available for expenditure through the facilities of the National Park Service in amounts of not to exceed $25,000 for any one reservoir area for studies of recreational areas and planning for their utilization, and funds so expended shall not be reimbursable or returnable under the reclamation law."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 67: Page 44, strike out all of lines 6 and 7.

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 67 and concur therein with an amendment as follows: In lieu of the matter stricken out by said amendment insert the following:

"Santa Barbara County project, California, Cachuma Unit, $5,185,000: *Provided*, That none of the funds appropriated herein shall be available for construction of physical works or the acquisition of rights-of-way until the condition contained in the contract between the United States and the Santa Barbara County water agency, executed September 12, 1949, concerning participation by member districts shall have been met, and the outcome of elections within the member districts shall have been favorable in sufficient member districts to approve the disposition of the quantity of water as provided in said contract to make the same effective;".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 80: Page 45, insert: "and not to exceed $100,000 shall be available for emergency reconstruction of the northwest unit pipe line of the Grants Pass irrigation district, the full amount to be repayable under terms satisfactory to the district and the Bureau of Reclamation;".

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 80 and concur therein with an amendment as follows: In lieu of the language proposed by said amendment insert the following: ", and not to exceed $100,000 shall be available for emergency reconstruction of the northwest unit pipe line of the Grants Pass irrigation district."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 115: Page 51, insert ", and in addition thereto the Commissioner of Reclamation is authorized to enter into contracts in an amount not in excess of $2,975,700."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate No. 115 and concur therein with an amendment as follows: In lieu of the amount of $2,975,700 named in said amendment insert "$975,700."

Mrs. DOUGLAS. Mr. Speaker, I want to commend the chairman, Mr. KIRWAN, and the members of the Appropriations Committee for their successful fight against the most powerful lobby barrage in the history of this country and one that crumbled other bastions when the committee stood like a rock.

This bill is one of the greatest victories for the forces of public power and western development. It is a very real tragedy today that California cannot share the full measure of this victory which has been won for every other State of the West.

The heart of reclamation development in California is the Central Valley project. It is essential to the future of the people of California. The House of Representatives appropriated for this project everything that the President asked in order to insure the well-rounded development of this vital project in the coming year.

In the other body of the Congress, however, there was a different story. The Senate Appropriations Committee cut out all power projects, not only for California, but throughout the West. When this mutilated bill was brought to the floor of the other body, Senators from the Northwest, the Southeast, and the Southwest succeeded in putting back into the bill those power items called for in the President's program for the development of their States.

Because of the fact that no one in the other body spoke for the interests of the people of California in this bill, we did not receive equal treatment in the restoration of these cuts.

We listened for a voice to be raised in the other body in behalf of the people of California in this matter, and we heard none. The bill, as a result, was sent to conference minus items vital to the full usefulness of the Central Valley project.

Despite the valiant leadership of the House conferees by Chairman KIRWAN, I see by the conference report that the House conferees were forced to accept the cuts made by the other body in the Central Valley program. I must say to the gentleman from Ohio that I am greatly distressed that the final action the House conferees were forced to take leaves California in the category of a second-class State.

Great power developments will now go forward on schedule in the other reclamation States. In public power, under this bill, California has been assigned a very limited program.

I see by the report that no funds have been provided to build the Delta steam plant needed to firm up power for Central Valley. No funds have been provided to build the Keswick-Tracy-Elverta transmission line. No funds have been provided to construct the Elverta switchyard. No funds have been provided to build the Elverta-Roseville line. No funds have been provided to build the Tracy-Patterson line. No funds have been provided to build the Roseville-Redding substation. No funds have been provided to complete the Tracy switchyard.

And yet, Mr. Speaker, all of these power facilities are essential to the independent operation of the Central Valley project in the interest of the people of California.

Without adequate power in the area industry cannot expand and provide the jobs for California's ever-increasing population. And yet I repeat, Mr. Speaker, no one in the other body spoke for the people of California.

Because of the final conferees' report, which has accepted the Senate report on Central Valley, it is now impossible for the Interior Department to carry out the President's program which was passed by the House.

Mr. KIRWAN. Not the way the House passed it. As the bill passed the House it contained a provision for both the steam plant and the switchyard, but in the Senate these items were deleted from the bill.

Mrs. DOUGLAS. Were not funds also cut for the Keswick-Tracy-Elverta transmission line in the other body although the House had provided funds for this line?

Also the Elverta switchyard, the Elverta-Roseville line, the Tracy-Patterson line, the Roseville-Redding substation, and funds for completion of the Tracy switchyard, as well as funds for the Delta steam power plant?

Those power facilities are all out now. Is that right?

Mr. KIRWAN. Yes; they were cut out in the Senate.

Mrs. DOUGLAS. Funds to build them were passed by the House but cut out by the Senate?

Mr. KIRWAN. They were cut out in the Senate.

Mrs. DOUGLAS. In other words, the people of California have to pay taxes so that other States can now go ahead on schedule with their power-development programs this coming year, while we who are short of power to meet our basic agricultural and industrial needs now are to have only a small part of the power program planned for California and passed by the House. Why? Because there was no one to speak for California, a State with one of the greatest employment problems of any State in the Union?

Mr. KIRWAN. I think the gentlewoman from California is correct. They did not speak up out there like they did for the Southwest and other parts of the country.

Mrs. DOUGLAS. Would it be possible in a deficiency appropriation bill next year to provide funds for these deleted projects so that California can carry Central Valley development forward on schedule?

Mr. KIRWAN. We could bring it in here in the House. I do not know whether it would get by the Senate or not.

Mrs. DOUGLAS. May I say that the gentleman from Ohio has performed the greatest service of any man in this House for the far West, and we of California are grateful to him, even though California came out behind the eight ball.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio that the House recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 119: On page 52, line 25, insert the following: "and of which $794,699.93 is for payment to the following-named contractors in the following designated amounts in full settlement of their claims, legal or equitable, of any nature whatsoever arising out of or connected with the notice by the Bureau of Reclamation of the exhaustion of funds for payment of contractors earnings in connection with the construction of the Friant-Kern Canal, Calif., Peter Kiewit Son's Co., $186,195.93; Arizona-Nevada Constructors, $348,867.62; Morrison-Knudsen, Inc., and M. H. Hassler, $217,618.47; Bechtel Bros.-McCone Co., $32,018.51."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreememnt to the amendment of the Senate numbered 119 and concur therein with an amendment as follows: In lieu of the amount of "$794,699.93" named in line 2 thereof insert "$784,699.93"; and in lieu of the amount of "$186,195.93" named after "Kiewit Son's Co.," in line 9 thereof insert "$186,195.33."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 132: Page 56, line 7, insert the following: ": *Provided further*, That no part of this or prior appropriations shall be used for construction, nor for further commitments to construction of Moorhead Dam and Reservoir, Mont., or any feature thereof until a definite plan report thereon has been completed, reviewed by the States of Wyoming and Montana, and approved by the Congress."

Mr. D'EWART. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state the point of order.

Mr. D'EWART. Mr. Speaker I make a point of order against the provision found on page 56 of H. R. 3838, as reported by the conference committee. This provision reads as follows:

That no part of this or prior appropriations shall be used for construction, nor for further commitments to construction of Moorhead Dam and Reservoir, Mont., or any feature thereof until a definite plan report thereon has been completed, reviewed by the States of Wyoming and Montana, and approved by the Congress.

I make this point of order under rule 21, as it is clearly legislation on an appropriation bill; (1) because it is an affirmative direction and (2) it restricts executive discretion to a degree that may be fairly termed a change in policy. I call the Speaker's attention to page 422, section 844 of the House Rules and Manual, which reads, in part, as follows:

A provision proposing to construe existing law is in itself a proposition of legislation and therefore not in order.

On page 423 in the same section, I quote further:

A paragraph which proposes legislation being permitted to remain may be perfected by a germane amendment, but this does not permit an amendment which adds additional legislation. And where a Senate amendment proposes legislation, the same principle holds true.

I would call further the Speaker's attention to section 845, which reads, in part, as follows:

But such limitations must not give affirmative directions, and must not impose new duties upon an executive officer; and must not be coupled with legislation not directly instrumental in affecting a reduction.

In construing a proposed limitation, if the Chair finds the purpose to be legislative, in that the intent is to restrict executive discretion to a degree that may be fairly termed a change in policy rather than a matter of administrative detail, he should sustain the point of order.

Mr. Speaker, I submit that the amendment to the appropriation bill is an affirmative direction and restricts executive discretion to a degree that may be fairly termed a change in policy.

Public Law 534, Seventy-eighth Congress, first session, paragraph (a) provides that certain plans, proposals, or reports of the Chief of Engineers, War Department, shall be submitted to the governors of the States affected. The legislation further provides that if the State does not file within 90 days written views and recommendations, then the Secretary of War shall transmit to the Congress the report, with such comments and recommendations as he deems proper. The record indicates that the Secretary of War did submit Senate Document 191, Seventy-eighth Congress, second session, as revised and coordinated by Senate Document 247, Seventy-eighth Congress, second session, to the States, and there is no record that Wyoming objected in any way within the 90-day limit to the Moorhead project,

which is mentioned in the proviso, to which I have made a point of order. The Moorhead project is contained in the documents described. There was no objection filed with the Secretary of War and the Congress authorized the projects mentioned in the document in section 9 (a), which reads as follows:

The general comprehensive plans set forth in House Document 475 and Senate Document 191, Seventy-eighth Congress, second session, as revised and coordinated by Senate Document 247, Seventy-eighth Congress, second session, are hereby authorized and shall be prosecuted by the War Department and the Department of the Interior as speedily as may be consistent with budgetary requirements.

Two years ago when floods were bad in the Missouri River Basin, President Truman sent a special request to the Appropriations Committee of the House for a flood-control project in that basin. The Moorhead project was selected as the most favorable flood-control project in Montana and appropriations for construction in the amount of $1,600,000 were made in the Second Supplemental Appropriation Act of 1948 and the regular appropriation act for the Interior Department for 1949. Of the amounts appropriated for the first 2 years' construction approximately all has been spent. In other words, the Congress has authorized construction of the Moorhead Dam and the Congress has twice made appropriations for that purpose. The proviso found on page 54 of the current Interior Department appropriations bill, and submitted by and included in the conference report, is clearly a change in policy heretofore established by law and does impose new duties upon an executive officer.

I therefore submit, Mr. Speaker, that this proviso found on page 54 of the Interior Department appropriations bill and contained in the conference report is a provision proposing to construe existing law and is a proposition of legislation and therefore not in order. I further submit, Mr. Speaker, that the provision is an amendment which adds additional legislation, and where a Senate amendment proposes legislation the same principle holds true.

I also submit, Mr. Speaker, that the provision gives affirmative direction and imposes new duties upon an executive officer; that the purpose of this provision is legislative, in that the intent is to restrict executive discretion to a degree which may be fairly termed a "change in policy rather than a matter of administrative detail."

I submit, Mr. Speaker, that this provision is clearly subject to a point of order under rule 21.

The SPEAKER. The Chair is ready to rule.

The Chair has listened to the gentleman from Montana very carefully. The Chair will state that if an amendment of this sort had been proposed in the House of Representatives when this bill was under consideration in all probability it would have been subject to a point of order. The Chair does not feel that in this case it is a violation of clause 2 of rule 21, for the simple reason that it has been held as early as 1921 by Mr. Speaker Gillette that when an amendment that might have been subject to a point of order in the House if offered here was adopted by the Senate, and the conferees reported such an amendment in disagreement the House may consider the amendment.

Therefore, the Chair must overrule the point of order of the gentleman from Montana.

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and I yield 5 minutes to the gentleman from Montana [Mr. D'EWART].

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield to the gentleman from Washington.

Mr. HOLMES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD immediately preceding the vote on the conference report.

There was no objection.

Mr. D'EWART. Mr. Speaker, funds for construction of the Moorhead Reservoir project, a proviso regarding which we are discussing today, were contained in the bill as it passed the House. The Senate has written in a proviso prohibiting the use of that money for construction, has eliminated all but $500,000 of the money, and directed that it can be used only for study of three projects on the Powder River.

The Moorhead project is one of the Bureau of Reclamation projects originally authorized by this Congress in House Document 191, submitted to the States with the proviso that they would have 90 days to object to that document. The evidence shows that no objection was filed by Wyoming to that document, which contains this Moorhead project. The President sent up a special request for flood-control projects in the Missouri Basin following the 1947 floods. After consideration of all possible flood-control projects by the Committee on Appropriations, certain appropriations were made to start construction on Moorhead, the total last year and the year before being about $1,600,000. This money has been used. It has been largely spent in the furtherance of this project. We in the House appropriated more money this year.

The writing of this prohibition into this appropriation bill will stop the construction of a project that has been duly authorized by this Congress and for which we have twice appropriated funds, and those funds have been largely spent on the project.

The reason Wyoming is making this objection to the Moorhead Dam and has caused the restriction to be written into the bill is that it fears the loss of water rights. That is borne out by statements of the Wyoming State engineer. It is borne out by statements of Senators in the other body. Writing such a provision into this bill will in no way affect those water rights. It is generally recognized that a water right is established when intent is shown to make beneficial use of that water by actual construction of the project. That intent has been shown by twice appropriating funds and by using those funds for construction. Therefore, the writing of this provision into this bill will not carry out the intent of the Wyoming people.

Further, this project is an important project in the development of the Missouri Basin. It fits in as a major project in the development of the Missouri Basin, as proposed in House Document 191. That is carried out in a statement by Mr. Vernon, the regional director, and by another statement by Mr. Straus, Commissioner of the Bureau of Reclamation.

Mr. Vernon said:

The Bureau's hydrologic studies conclusively show that there is adequate water in the Powder River Basin to operate Moorhead Reservoir at its presently planned capacity of 800,000 acre-feet, 175,000 acre-feet of superstorage, without interfering with proposed development of upstream areas. These investigations also show that control of silt and floods on the Powder River can be accomplished most effectively and most economically by constructing Moorhead Reservoir.

Commissioner Michael W. Straus wrote as follows in a letter dated May 6, 1949, addressed to Hon. JOSEPH C. O'MAHONEY, United States Senate, found on page 2489 of the Senate hearings, as follows:

Additional emphasis should be placed on the fact that Moorhead Dam is a major feature of the comprehensive plan for the multiple-purpose development of the Missouri River Basin project authorized by the Flood Control Act of 1944. Also the Congress subsequently, in the 1948 Deficiency Act, specifically provided funds for construction of Moorhead Dam to proceed as a flood-control feature of the Missouri Basin project with benefits recognized as extending far beyond the immediate areas in the Yellowstone Basin and as contributing to flood protection for downstream areas not along the main stem of the Misouri River.

Recently, because of the conflicting claims of Montana and Wyoming concerning Moorhead project, the Denver Post sent an expert and impartial reporter into the area to make a study of the problem. He noted that one of the ranchers who testified in the Senate hearings that no Powder River landowner would irrigate has now installed a $5,000 pump to take irrigation water directly from the river.

The Post also had this to say:

This is practically a drought year on the Powder, and the cattlemen have had a tough time. Right now herds have been cut way down, and there has been some distress selling. Range grass is sparse. Even bottom lands irrigated by spring flooding from side creeks haven't produced well. But where there has been full irrigation the fields are green.

Old timers, newcomers, and ranchers on and off the river agree that the dam would bring development and prosperity.

The importance of the Moorhead project was pointed out only a few days ago in a report made by the Synthetic Fuel Division of the Bureau of Mines. It was pointed out that this particular project is necessary to supply water for the use of synthetic fuel plants which will be built in this area. Stopping this project will hinder the manufacture of synthetic

fuels from coal as planned in these reports.

The Congress has made two appropriations for the construction of this project and now I am pleading for a third. There is no sound reason to abandon what we have started so well.

Mr. KIRWAN. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this is a somewhat unusual situation where the Congress has twice made appropriations for the construction of a dam. As I have heard informally from the gentleman from Wyoming and the gentleman from Montana, the basic question arises over the proposed increase in the size of this dam. The only reason for my venturing to say anything at this time is that I was on the Deficiency Appropriation Subcommittee which made the initial appropriation for this 2 years ago. At that time the deficiency subcommittee responded to a budget estimate submitted for a flood-control program. At that time projects were not submitted to the State for any review under this later 90-day review provision. However, money was not only appropriated in the deficiency appropriation bill, an additional amount was appropriated in the regular appropriation bill last year. So there are 2 years of existing appropriations to start this dam. I would like to ask the gentleman from Wyoming this question. The original plan was for a dam of a smaller size than is now contemplated, is that correct?

Mr. BARRETT of Wyoming. The original plan was for a dam to store 390,000 acre-feet of water. The appropriations were made, it is true, in the last 2 years, but this is the first time wherein the Bureau has come before the Congress and said that they intended to build a dam larger than the originally approved one, and to store 975,000 acre-feet of water.

Mr. CASE of South Dakota. I think the gentleman from Wyoming has stated the question which is involved. The question is whether or not an appropriation would be permitted at this time which would increase the dam from 390,000 acre-feet to something over 900,000 acre-feet. It has been suggested that the situation might be resolved—I am not sure that it would, but I refer the idea to the gentlemen from Wyoming and Montana. It occurs to me that the situation might be resolved if the gentleman from Ohio and the gentleman from Wyoming would be satisfied to divide the question and then recede and concur with an amendment adding such language as this:

Provided, however, That this shall not prevent the use of prior appropriations for the construction of a dam on Powder River, having a capacity not exceeding 390,000 acre-feet.

In other words, that addition to the Senate language would permit the construction to go ahead with the previously appropriated money on the basis of the smaller dam originally envisioned. I do not know whether that would solve the situation or not.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. KIRWAN. Mr. Speaker, I yield 2 minutes to the gentleman from Wyoming [Mr. BARRETT].

Mr. BARRETT of Wyoming. Mr. Speaker, I rise in support of the motion to recede and concur in the Senate amendment on the Moorhead Dam. That amendment provides that no part of this or prior appropriations be used for construction of the Moorhead Dam until a definite planned report thereon has been completed and reviewed by the States of Wyoming and Montana and approved by the Congress. Congress determined as a matter of policy in the Flood Control Act of 1944 that the Bureau shall submit a report on the proposed projects in the Missouri River Basin to the Governors of the States affected. Section I of that act provides that in the event the State sets forth objections to the plans, the proposed work shall not be deemed authorized except approved by an act of Congress. That is a sound policy and has been reaffirmed by Congress in the 1945 and 1946 Flood Control Acts. The hearings on this year's appropriation bill disclose that this policy was not carried out with respect to the Moorhead Dam and the purpose of the motion is to provide that existing provisions of law requiring submission of plans to the States of Wyoming and Montana on the Moorhead Dam shall be observed. On page 960 of part 1 of the hearings in the Senate, a letter from the district manager of the Bureau of Reclamation at Billings, Mont., to the State engineer of Wyoming reads in part as follows:

Your request for information concerning Moorhead Dam has been referred to me by Mr. Paul Berg. Final design studies for Moorhead Dam have not yet been completed so that we do not yet have the details of the dam and associated works. In general, however, the reservoir will have an ultimate capacity of 800,000 acre-feet, with provision made to operate the reservoir at a much lower capacity during its initial period. The exact capacity for the initial period of operation will not be known until design studies on the spillway have been completed.

The proposed Moorhead Dam will be located on the Powder River near the State line between Wyoming and Montana. All of the water to be stored at Moorhead is Wyoming water. It will back up the water a distance of 10 to 25 miles in Wyoming, depending on the size finally determined upon. The Moorhead was not one of the projects authorized under the Flood Control Act of 1944. The dam at Moorhead was described in Senate Document No. 191 as 150 feet high, storing 390,000 acre-feet of water and costing $4,000,000. In the request of this year's appropriation, it is described as a dam 174 feet high, storing 975,000 acre-feet of water and costing $15,850,000. There is no compact for a division of the waters of Powder River between the States of Wyoming and Montana. In the absence of a compact the construction of Moorhead Dam will endanger the rights of Wyoming to its rightful share of its own water. Compact commissioners have been appointed and will shortly open negotiations.

I may say to the gentleman from South Dakota [Mr. CASE] that I could not agree to his suggestion for the reason that in any event, the Bureau of Reclamation is required and should submit its plans and proposals for the construction of the Moorhead Dam to the Governors of the States of Wyoming and Montana. That is the plain intent of the law and I, therefore, must insist that this sound provision of the law shall be observed. I call the gentleman's attention to the statement of Commissioner Straus on page 2492 of part 2 of the Senate hearings, referring to the amendments proposed withholding funds for construction of the Glendo and Moorhead Dams and I quote:

May I report to the committee that these amendments have been supported by the Bureau of Reclamation administratively by an order requiring the preparation of a definite plan and wherever revisions are taking place in these authorized projects on which different plans are proposed we will consult with the States. It is that objective which is desired internally administratively and will be done with or without language.

I submit, Mr. Speaker, that the motion to recede and concur in the Senate amendment should be adopted.

The SPEAKER. The time of the gentleman from Wyoming has expired.

The question is on the motion offered by the gentleman from Ohio [Mr. KIRWAN].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 135: Page 59, line 11, insert:

"Not exceeding 8 percent of the construction appropriation for the Bureau of Reclamation for any project contained in this act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $250,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 135 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"Not exceeding 12 percent of the construction appropriation for the Bureau of Reclamation for any project contained in this act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $225,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

Mr. KIRWAN. Mr. Speaker, I yield 8 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, the force-account item in this bill has been one of the issues before the Committee of the House and the Senate on the Interior appropriation bill for several years. Last year we put a limitation on force account in the amount of 6 percent of the amount appropriated for each project. We felt that was sufficient, and it proved to be sufficient.

Force account means that the Department can hire day labor to do these construction jobs to the extent of whatever the Congress permits. Mr. Straus testified before the Senate committee that the Reclamation Bureau had carried on their construction program at a more rapid rate during the fiscal year of 1948 than previous to that time and please remember during that time construction was carried on under the 6-percent limitation for force account.

This 12-percent limitation provided in this bill will give the Reclamation Bureau approximately $40,000,000 to expend on day-labor basis, which many of us believe is twice as much as they need spend, since it is to be spent only for emergencies.

Every other department of the Government lets its contracts to the lowest responsible bidder—or they are supposed to anyway; and it has proven to be the best and most economical. Now all we can hope for is that the Bureau of Reclamation will hold down the force-account expenditure to a minimum and spend money only for emergencies out of the force-account item, because we know that by letting these jobs by contract we get the best service and the most for our money.

The minority members of the committee are in general agreement on this report. We know, as does almost every Member of Congress, that the West must have quite large appropriations from the Federal Government for the development of our great West for irrigation, for reclamation, for the building of dams and for necessary transmission lines to carry power from the Government-owned dams to the farms and cities where it is needed. However, millions of dollars of the taxpayers' money could be saved had not this bill provided for the construction of hundreds of miles of needless transmission lines where private industry are willing and ready to build the lines with their own money and in addition thereto pay millions of dollars in local, State, and Federal taxes for the privilege of doing so, as against Government ownership and control and loss of tax revenues so desperately needed to ward off national bankruptcy for America.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. KIRWAN. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. JENSEN. Mr. Speaker, this country needs a lot of critical metals in short supply at this time, so we included an appropriation here for the Leadville tunnel in Colorado. There was some opposition to this item, so we got all the facts obtainable. The fact is that there are many critical minerals that can be obtained in that area. The committee allowed the amount which is in this bill and we hope it will be spent judiciously and for the best interests of our defense program and for the best interests of America.

We were stunned when we learned that out of a million dollars Congress had appropriated last year for the Cachuma Valley water-supply project which lies close to Santa Barbara, Calif., which we expected would be used for actual construction, over $700,000 has been used for preconstruction, for blueprints, and a lot of other things that we thought had already been done. The committee understood, at least most of the members did, that the job was ready to go forward under construction a year ago last July 1. Now we learn that over $700,000 of that $1,000,000 we appropriated last year for the construction of a tunnel and to purchase rights-of-way and for the construction of a conduit running from the water supply to the city of Santa Barbara have been spent for other purposes. The Bureau says it was spent for preconstruction plans and specifications, and so forth. Be that as it may, I am sure the majority of the members of the Interior Department Appropriation Subcommittee of the House and Senate understood that the money would be used for actual construction. I hope the Bureau of Reclamation can explain.

We have appropriated again some $5,000,000 plus in this bill for that project, contingent on an election. The people who will eventually pay the bill will have a vote. So the money appropriated in this bill for the Cachuma project will be held up until after the people who pay the bill have spoken at a free election.

We had considerable discussion about language which a majority of the regular committee felt should be in the bill providing that certain transmission lines and related facilities which are included in the bill should not be built if private companies signed a contract with the Interior Department that they would build the lines and furnish good service and comply with the rates specified by the State bodies that governed the rates in the respective States, and give priority for power in accordance with laws now on our statute books.

The Texas Light & Power Co. signed such a contract with the Southwest Power Administration which should be a model for such agreements all over America. This question of who is going to furnish power, whether it be private industry, the REA, PUD municipal light and power companies, or the Government, has become a serious question. I hope that soon we can decide this thing once and for all and come to the realization that there is a place for every kind of power instead of having all electric energy in our land owned and controlled by the Federal Government, as some in our midst would have it.

Our honorable Speaker [Mr. RAYBURN] was very instrumental in bringing about the contract which was signed by the Texas Light & Power Co. with the Southwest Power Administration. This contract was entered into over a year ago and is working to the benefit of the taxpayers of America, to the signers of the contract, and to the people who receive that power. We tried to get language in this bill that would do that very thing in every area where we have controversies, and where the Federal Government is building duplicating lines, where public bodies and private companies already have sufficient power and are serving the people at rates that are just and fair. I am sorry to say that we were unable to get such a provision in this bill. I shall now tell you why.

I am glad to see the chairman of the full committee sitting here before me, but I am sorry to say that had it not been for him voting with the majority members of the House committee we would have gotten that language in this bill. The gentleman from Missouri sat there and voted and decided this issue, and I am sure that he will live to see the day when he will rue the actions which he took by making himself a supermember of the subcommittee on the Department of the Interior appropriations. By the actions of the gentleman—who is sitting right in front of me—the taxpayers of America and the electric power supply of America have been hurt; of that I am sure. Mr. Speaker, for the first time in the history of this Congress the chairman of a full committee has seen fit to make himself a supermember of a conference committee to the detriment, in my estimation, of western development and of representative government.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. KIRWAN. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, may I supplement what the gentleman from Iowa [Mr. JENSEN] has said by adding that in addition to the other results he enumerates of my participation in the committee proceedings, the consumers of America will get cheaper electricity and better service; and industries all over the country will have cheaper and more abundant power; and every family, especially every farm family, will enjoy a better standard of living than the world has ever known.

Of course it is not necessary for me to call attention to the rule which has been in effect in the Committee on Appropriations ever since its establishment in 1865 under which the chairman of the committee has been ex officio a member of all subcommittees.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 167: Page 86, line 4, strike out "$3,500,000" and insert "$3,847,450."

Mr. KIRWAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. KIRWAN moves that the House recede from its disagreement to the amendment of the Senate numbered 167 and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert

the following: "$3,847,000 (no part of which shall be available for obligation or expenditure with respect to the site known as Castle Clinton, situated in Battery Park, New York City, until title, including rights of ingress and egress, thereto satisfactory to the Attorney General of the United States is vested in the United States)."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

INDIAN SCHOOLS AT PIPESTONE, MINN., AND EUFAULA, OKLA.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to ask a question of a member of the subcommittee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, may I ask the gentleman from Washington [Mr. JACKSON] as to the action of the conferees relative to the Indian school at Pipestone, Minn., and also the Indian school at Eufaula, Okla.

Mr. JACKSON of Washington. The conferees agreed on the figure placed in the bill by the Senate. That figure was substantially larger than the amount contained in the House bill. As the gentleman from Minnesota may recall, the report brought out specifically that the Department should continue to operate the schools at Pipestone, Minn., and Eufaula, Okla., the point being, however, that when the bill got over to the Senate it became apparent that there were not sufficient funds in the over-all appropriation to carry out that directive, so the Senate increased the funds to take care of those two schools. Therefore, I will say in direct answer to the gentleman that the bill as passed and the conference report, as agreed to, contains funds for the operation of these schools at Pipestone, Minn., and Eufaula, Okla.

Mr. H. CARL ANDERSEN. It is the full intention of the conferees that these two schools be operated?

Mr. JACKSON of Washington. That is exactly right.

Mr. H. CARL ANDERSEN. I thank the gentleman and the subcommittee for their action in respect to the school at Pipestone. Your decision is a welcome ending to my efforts of the past 6 months to assure the continued operation of this school.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his remarks in the RECORD and include an excerpt and a letter.

THIRD DEFICIENCY APPROPRIATION BILL, 1950

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1381)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 25, 31, and 39.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 10, 17, 20, 21, 23, 26, 27, 28, 29, 30, 33, 38, 40, and 41, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In line 7 of said amendment strike out "S. 2072" and insert the following: "SEC. 2072"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$340,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$190,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the matter stricken out by said amendment, insert: ", of which $15,000 shall be available for payment of accrued annual leave only"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 9, 11, 12, 15, 16, 18, 19, 22, 24 and 27.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 to 6 inclusive, relating to the Senate: Increase salary of research assistant to the majority leader to $7,320; appropriate $152,108 for miscellaneous items; $2,500 for folding documents; $19,400 for stationery; and $4,500 for the Joint Committee on Printing, all as proposed by the Senate.

Amendment No. 7, relating to Capitol Police: Reported in disagreement.

Amendment No. 8, relating to Supreme Court of the United States: Appropriates $5,000 for expenses of the court incident to additions to Rules for Civil Procedure for the District Courts, as proposed by the Senate.

Amendment No. 9, relating to assistance to the Republic of Korea: Reported in disagreement.

Amendment No. 10: Clarifies language of the House.

Amendments Nos. 11 and 12, relating to the Commission on Renovation of the Executive Mansion: Reported in disagreement.

Amendment No. 13, relating to Federal Mediation and Conciliation Service: Appropriates $2,700,000 for salaries and expenses, as proposed by the House, instead of $2,740,000, as proposed by the Senate.

Amendment No. 14, relating to Bureau of Employment Security: Appropriates $340,000 for salaries and expenses instead of $300,000, as proposed by the House, and $392,850, as proposed by the Senate.

Amendment No. 15, relating to Bureau of Employment Security: Reported in disagreement.

Amendment No. 16, relating to Bureau of Old-Age and Survivors Insurance: Reported in disagreement.

Amendment No. 17: Inserts a center heading, as proposed by the Senate.

Amendment No. 18, relating to the Public Building Administration: Reported in disagreement.

Amendment No. 19, relating to Surplus Property Disposal under the General Services Administration: Reported in disagreement.

Amendments Nos. 20 and 21: Insert necessary center heading, and appropriate $75,000 for the Housing and Home Finance Agency, as proposed by the Senate.

Amendment No. 22, relating to Alaska Housing under the Housing and Home Finance Agency: Reported in disagreement.

Amendment No. 23, relating to the Motor Carrier Claims Commission: Clarifies House language.

Amendment No. 24, relating to the Motor Carrier Claims Commission: Reported in disagreement.

Amendment No. 25: Deletes provision of the Senate appropriating $220,000 for the Securities and Exchange Commission, as proposed by the House.

Amendments Nos. 26, 27, and 28, relating to Surplus Property Disposal: Delete provisions of the House no longer required because of subsequent enactment of legislation transferring this function to the newly created General Services Administration, as proposed by the Senate.

Amendments Nos. 29 and 30, relating to the United States Maritime Commission: Clarify language of the House and delete provision of the House restricting the use of appropriations for the survey of vessels by the American Bureau of Shipping, as proposed by the Senate.

Amendment No. 31, relating to the United States Maritime Commission: Restores the provision of the House relieving the Maritime Commission from obligations for con-

sumable stores, bunkers, etc., found in vessels on completion of charter agreements, as proposed by the House.

Amendments Nos. 32 and 33, relating to the War Claims Commission: Appropriate $300,000 for administrative expenses instead of $281,250, as proposed by the House, and $350,000, as proposed by the Senate, and delete provision of the House denying use of appropriated funds to carrying out provisions of section 8 of the War Claims Act, as proposed by the Senate.

Amendment No. 34, relating to the Bureau of Entomology and Plant Quarantine: Appropriates $190,000 for investigations of the citrus blackfly instead of $175,000, as proposed by the House, and $205,000, as proposed by the Senate.

Amendments Nos. 35 and 36, relating to the liquidation of war agencies transferred to the Department of Commerce: Appropriate $30,000 in lieu of $15,000, as proposed by the House, and $40,000, as proposed by the Senate, and retain House provision specifying that $15,000 of the amount appropriated shall be available for payment of accrued annual leave only.

Amendment No. 37, relating to the Corps of Engineers, Department of the Army: Reported in disagreement.

Amendment No. 38, relating to Personal or Property Damage Claims, Treasury Department: Appropriates $40,000 for this purpose, as proposed by the Senate.

Amendment No. 39, relating to the Coast Guard, Treasury Department: Deletes provision of the Senate appropriating $3,000,000 for the establishment of the Coast Guard Reserve, as proposed by the House.

Amendments Nos. 40 and 41, relating to damage claims: Insert clarifying language and appropriate $7,664,035.07 for claims and judgments, as proposed by the Senate, instead of $4,553,922.31, as proposed by the House.

CLARENCE CANNON
JOHN H. KERR,
LOUIS C. RABAUT,
JOHN TABER,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, we had hoped that this would be the last of the deficiency appropriation bills. But the session has been lengthened to such an extent that it was necessary for us to introduce a supplemental deficiency bill on which we hope to make a conference report tomorrow.

In the meantime, the third deficiency bill takes up merely those odds and ends which normally develop in the month-to-month operations of the Government. There is little of outstanding interest in the bill beyond the routine deficiencies.

On surplus property disposal we have reduced the estimate from $26,000,000 to $14,500,000.

On national housing, instead of $15,000,000 requested by the Bureau of the Budget, we recommend $10,000,000.

The item for Korea, in which there is general interest, we have approved for the full budget estimate of $30,000,000.

For domestic air-mail service we propose $16,100,000.

Mr. Speaker, the bill makes the customary appropriations for those deficiencies, which in the operation of the Government have been found to be unavoidable, and we include minimum amounts to carry out the provisions of the original appropriations.

The bill carries a total appropriation of $177,740,619, a substantial reduction in the budget estimates.

I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this conference report represents a compromise with the Senate on the items that the House had previously considered, and it represents, in general, a reduction of new items which the Senate had put in.

There is one item in disagreement relating to Korea which will come up later on. The greatest part of that estimate had been spent under the continuing resolution which was first presented to this Congress in June. The balance is supposed to carry on until the middle of October.

Mr. ALLEN of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. ALLEN of California. I notice that amendment No. 31, relating to the United States Maritime Commission, restoring the provision of the House relieving the Maritime Commission of certain obligations, is to be restored as it was passed in the House. Will this provision refer to any vessels already under charter?

Mr. TABER. This provision in amendment 31 will not have any application to presently existing charters. If those charters are extended, it will, but not as to any vessel which is presently under charter. It will not have any application to the surrender of that vessel at the completion of the present term of charter.

Mr. ALLEN of California. I thank the gentleman.

Mr. CANNON. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON. Mr. Speaker, I note with a great deal of concern that the third deficiency appropriation bill, as finally submitted by the Senate and House conferees, does not include an item of $3,000,000 which had been provided for the training of the Coast Guard Reserve.

I believe that my personal record as an advocate of peacetime reserve training is too well known to require any comment at this time.

It is my interest in the broad subject of militia training that induces me to comment on the necessity for training civilians to come into the active Coast Guard in case of emergency and to be able to fill their important duties without delay.

I invite the attention of the House to the mission of the Coast Guard, to its activities in time of peace, and to its essential mission in time of war.

The Coast Guard is a peace and wartime service. Operating under the Treasury Department in time of peace, it performs a valuable service in rendering assistance to persons and property in distress or danger on the waters of the United States. On a number of occasions during the last several years Members of the House have risen to comment on some outstanding act of assistance performed by the Coast Guard, but for every act so noted there have been dozens which have gone unsung merely because they were classed as routine assistance cases by the service.

In addition to its assistance or search and rescue function the Coast Guard is daily engaged in enforcing our laws on the navigable waters of the United States and the high seas. At the same time through the enforcement of safety regulations for vessels of the United States it is promoting safety for our citizens who use water craft as a medium of transportation.

In the interest of the safety of the navigator the Coast Guard is simultaneously occupied in maintaining and operating thousands of aids to navigation, without which our water-borne commerce would quickly grind to a halt.

In time of war the duties I have just listed are magnified a hundredfold and become important not only as factors in the well-being of our country, but in the defense of it as well. The Coast Guard must be prepared to expand in time of emergency to take care of the increased peacetime responsibilities, but in addition must, as a part of the Navy, be prepared to assume additional duties imposed on it as a part of our armed forces.

From what I have said it should be apparent to any person that the Coast Guard must have an adequate and properly trained Reserve if for no other reason than our own national defense, because no other armed force is charged with the duty assigned by Congress to the Coast Guard, and accordingly is not prepared to undertake these duties in an emergency.

The Coast Guard Reserve was created by act of Congress on February 19, 1941. World War II was already 2 years old and indications were that the United States might become involved at any time. Prior to Pearl Harbor a small number of officers and a few enlisted men had been recruited. During the war the Reserve was used as an instrument for expansion so that on VJ-day, of approximately 172,000 persons in the Coast Guard about 144,000 were Reserves. In the 10 months remaining after VJ-day in fiscal year 1946 the Coast Guard demobilized to an organization of approximately 22,000 military personnel, which meant that practically all of the reservists were discharged or placed on inactive duty. The enlisted personnel were discharged and the male officers placed on an inactive list.

From that date forward the Coast Guard made repeated attempts to provide training for the Reserve officers as well as create an enlisted force which would be a nucleus group upon which to expand in the event of an emergency. To date these attempts have been unsuccessful and the action of the conferees in connection with the third deficiency appropriation bill presents another failure in an attempt to provide the necessary funds for a training program for the Reserves, without which training no Reserve program can be effective. The Reserve as it now exists is a static organization with little or no purpose and offering no incentive for the officers now

on the inactive list to say in the organization nor offering any inducement for young men to join.

As I indicated before, the Coast Guard and the Nation are faced with a very serious problem. The Navy has assigned to the service certain wartime missions, which require in a limited period after the event of an emergency a large number of personnel trained in special techniques of the particular jobs assigned to the Coast Guard. No provision has been made by the Navy or any other organization except the Coast Guard to provide the necessary trained personnel for these special tasks. Furthermore, in the event of an emergency, there is no source material from which the Coast Guard can draw untrained personnel and train them except through Selective Service, and it is anticipated that it will be at least several months after the advent of an emergency before any personnel would be available under the Selective Service System. If you add to this delay the time lost in training personnel under emergent conditions, it is readily apparent that the Coast Guard would not be equipped to meet its assigned missions in less than 5 or 6 months.

Without quoting any specific confidential figures, the seriousness of the problem can be realized when one estimates that the minimum requirements call for a considerable increase in the strength of the Coast Guard within 2 months after the advent of an emergency. A large proportion of this personnel are necessary for port security work and should another war arise, I think you will agree that we cannot afford to wait 5 or 6 months to create a force competent to guard the ports of our country against fire, sabotage, and other disaster.

There is still another phase of the Reserve problem which cannot be overlooked. Last year Congress passed a bill known as Public Law No. 810, which establishes certain rights for members of all Reserve components, provided such members met annually certain training requirements. The bill was designed for the armed services as an incentive to Reserve members to train regularly. The members of the Coast Guard Reserve come under the provisions of this law, and unless provision is made for the training of Coast Guard Reservists, the Coast Guard will be unable to meet the responsibilities charged to it under Public Law No. 810. This constitutes a discrimination against the members of the Coast Guard Reserve who joined during the war and would now like to continue their affiliation on a basis that is comparable with that of personnel who joined reserve components of the other armed forces.

The reserve training program contemplated by the Coast Guard does not duplicate the training program of any other armed service and will when provided for permit the Coast Guard to establish an active Reserve organization trained for the functions that the Coast Guard will be called upon to discharge should an emergency arise.

I urge upon the Members of this body the seriousness of the mistake we have made in failing to provide for this necessary part of our national defense and request your support in rectifying that mistake at the earliest practicable date.

Mr. CANNON. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

Mr. BROOKS. Mr. Speaker, I note with surprise and regret that in our appropriations absolutely no provision has been made for the protection of our vital ports from sabotage, fire, or explosion in the event of a national emergency. This important link in our national defense preparations is the responsibility of the Coast Guard. It must be performed by an organization of well-trained specialists who have had advance preparation, yet there are no funds to provide for this organization or to give them the advance training, because the provision of those funds for the Coast Guard Reserve was deleted from the Senate version of the third deficiency bill.

This appropriation request, originally the result of a survey to determine the place of the Coast Guard Reserve in relation to the reserve programs of the other military services was delayed in reaching the House early in this session and was therefore not included in the Treasury-Post Office appropriation.

A request was then made in the third deficiency bill but no action was taken. The chairman of the Appropriations Committee did not assign it to any subcommittee for hearings.

When the third deficiency bill went to the Senate, Senator CAIN, of Washington appeared before the Senate subcommittee holding hearings on the bill and pointed out the importance of providing a balanced security program by appropriating funds so that the Coast Guard Reserve could carry out the responsibilities for the security of our ports. Among other things he said:

> The vital importance of the Coast Guard port security program in national defense preparations has been completely overlooked. The Coast Guard, which operates under the Navy in time of war, has been assigned the specific responsibility for the security of our ports, which are vital in any such emergency. This entails the thorough training of adequate reserve personnel for detection and prevention of sabotage, supervision of explosive loading, and many other aspects of water-front and vessel security including fire prevention, fire fighting, identification, etc. In event of a national emergency it would be the responsibility of the Coast Guard to step in immediately (within a matter of hours) and take all measures necessary to assure the security of the ports. Although such a responsibility cannot be carried out without a reserve trained in all of the specialized aspects of port security, no financial provision has been made for the training of such a reserve.

After having this situation called to its attention the Senate appropriated $3,000,000 for the training of the Coast Guard Reserve. In spite of the importance of the security of our ports in a balanced security program and the relatively small amount involved—the same amount we are talking about appropriating for a sesquicentennial celebration—the proposed appropriation was eliminated in conference.

I want to call to your attention the fact that—

First. The Coast Guard is responsible for the security of our ports and requires a trained reserve.

Second. The management survey of the Coast Guard made by Ebasco Services, Inc., in 1947, at the request of the Congress, recommended that "provision be made for the maintenance of maximum potential value of the Reserve membership for war or emergency active duty by regularly recurring training."

Third. The United States Code specifies that the Coast Guard Reserve, as established on June 23, 1939, is a military organization and a component part of the Coast Guard for the purpose of providing a trained force of officers and enlisted persons which, added to the personnel of the regular Coast Guard, will be adequate to enable the Coast Guard to perform its functions and duties at all times.

Fourth. Due to the lack of an appropriation, it has been impossible to organize or train the Coast Guard Reserve except for the voluntary attendance of Reserve officers at lectures.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. CANNON. Mr. Speaker, in view of the fact that amendments numbered 7, 11, 12, 15, 16, 18, 22, 24, and 37 are merely technical disagreements, which it is necessary to bring back to the House because they carry legislation, I ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendment No. 7: Page 3, line 10, insert:

CAPITOL POLICE

Capitol Police Board: For an additional amount to enable the Clerk of the House of Representatives to reimburse the government of the District of Columbia for the salary of one Metropolitan policeman assigned to the Capitol Police Board to provide additional protection for the Capitol Buildings and Grounds, fiscal year 1950, $3,754.51."

Amendment No. 11: Page 6, line 12, after the word "Congress" in line 12, strike out "fiscal year 1950" and insert: "fiscal year 1949, to remain available until June 30, 1950, $50,000".

Amendment No. 12: Page 6, line 13, after the figure "$50,000" insert: "$50,000, to be disbursed by the Chief Disbursing Officer, Division of Disbursements, United States Treasury: *Provided*, That this appropriation shall be available from and including April 14, 1949. All obligations incurred during the period between April 14, 1949, and the date of the enactment of this act in anticipation of such appropriation are hereby ratified and confirmed."

Amendment No. 15: Page 9, line 4, insert: "and shall be available for cooperation with the United States Immigration and Naturalization Service and the Secretary of State in negotiating and carying out agreements relating to the employment of foreign agricultural workers, subject to the immigra-

tion laws and when necessary to supplement the domestic labor force."

Amendment No. 16: Page 9, line 10, insert:

"SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"The first proviso under this head in the Federal Security Agency Appropriation Act, 1950, is amended to read as follows: 'Provided, That of the amount herein made available for expenditure, not more than $50,000 may be expended without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), for alterations, repairs, and improvements to the buildings occupied by the Bureau of Old-Age and Survivors Insurance in Baltimore, Md., and vicinity, of which amount not more than $15,000 shall be available for alterations, repairs, and equipment for an employee cafeteria or cafeterias, and the total amount made available in this proviso, except such part as may be necessary for incidental expenses of the Bureau of Old-Age and Surviors Insurance, may be transferred to the Public Buildings Administration, General Services Administration, for such purposes'."

Amendment No. 18: Page 11, line 4, insert:

"PUBLIC BUILDINGS ADMINISTRATION

"Site for public building at Omaha, Nebr.: For an additional amount for the acquisition of a site for a public building at Omaha, Nebr., as authorized by the acts of March 25, 1948 (Public Laws 455, 456, and 457), $150,000, to remain available until June 30, 1950."

Amendment No. 22: Page 13, line 8, insert:

"Alaska Housing

"For purchase of obligations of the Alaska Housing Authority, as authorized by section 3 of the Alaska Housing Act (Public Law 52, approved April 23, 1949), fiscal year 1950, $10,000,000, to remain available until expended."

Amendment No. 24: Page 13, after the figure "$150,000" on line 20, insert: "The time for filing claims under the Act of July 2, 1948, is hereby extended to April 2, 1950."

Amendment No. 37: Page 22, line 21, insert:

"NATIONAL MILITARY ESTABLISHMENT

"DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

"CORPS OF ENGINEERS

"Flood Control, General

"For the completion of interior drainage facilities at Mandan, N. Dak., as a part of the local flood protection project authorized by the Flood Control Act of 1946 (Public Law 526, 79th Cong., 2d sess.), fiscal year 1950, $76,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move to recede and concur in the Senate amendments referred to.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 9: Page 4, line 9, insert:

"ASSISTANCE TO THE REPUBLIC OF KOREA

"For expenses necessary to continue assistance to the Republic of Korea during the period July 1 to September 15, 1949, at the same rate and under the same terms and conditions as in the fiscal year 1949, pending the enactment of legislation outlining the terms and conditions under which further assistance is to be rendered, $30,000,000, of which not to exceed $375,000 shall be available for administrative expenses: *Provided*, That all obligations incurred during the period between August 15, 1949, and the date of enactment of this act in anticipation of such appropriation and authority are hereby ratified and confirmed if in accordance with the terms thereof: *Provided further*, That the funds appropriated pursuant to the joint resolution of June 30, 1949 (Public Law 154), as amended by the joint resolution of August 1, 1949 (Public Law 196), for assistance to the Republic of Korea, shall be charged to this appropriation."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 9, and agree to the same with an amendment, as follows: In line 3 of the matter inserted by said amendment strike out "September" and insert in lieu thereof "October."

Mr. CANNON. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this amendment of the Senate calls for $30,000,000 to continue the operations in Korea which were begun by the Army 3 years ago and were continued since about the first of the year by the ECA by transfer pursuant to the language which was carried in the item for relief in occupied areas in last year's appropriation bill. No authorization has been carried so far by the Congress for the continuation of this operation. It was carried on under the continuing resolution which was adopted in June and continued on to about the 15th of August.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. STEFAN. Will the gentleman please tell the House how this $30,000,000 compares with the amount GARIOA has spent?

Mr. TABER. It is at the rate of about $9,000,000 a month as compared with $12,500,000 under the previous year's operations. I do not know on what basis it might compare in dollars and cents because it has been a very irregular operation due to the fact that there was no definite authorization or no definite appropriation.

Mr. STEFAN. As I understand, however, this is going to be a little less than what the Army spent in GARIOA, which means Government and Relief in Occupied Areas.

Will this $30,000,000 be used to cover the existing Information Service that is operating in Korea or will it be in addition?

Mr. TABER. Frankly, any information set-up that is under the ECA would be carried on there with these funds, but a State Department information set-up would be carried on under their funds.

Mr. STEFAN. And they are two separate information services?

Mr. TABER. Yes.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 11, line 10, insert:

"SURPLUS PROPERTY DISPOSAL

"Salaries and expenses: For expenses necessary for carrying out the provisions of the Federal Property and Administrative Services Act of 1949 (Public Law 152, approved June 30, 1949), relating to excess and surplus property, including personal services in the District of Columbia; allocations to Government agencies for services rendered in connection with care and handling or disposal of property declared surplus prior to July 1, 1948; not to exceed $5,000 for payment of claims pursuant to law (28 U. S. C. 2372); not to exceed $14,000 for a health service program as authorized by law (5 U. S. C. 150); printing and binding; expenses of attendance at meetings concerned with the purposes of this appropriation; acquisition of real property and interests therein, necesary in connection with care and handling or disposal of property; payments to States or political subdivisions thereof of sums in lieu of taxes accruing against real property declared surplus by Government corporations; appraisers at rates of pay or fees not to exceed those usual for similar services; and advances of funds to cashiers and collection of officials, upon furnishing bond; fiscal year 1950, $22,500,000: *Provided*, That the Administration may procure by contract or otherwise and furnish to governmental employees and employees of Government contractors at the reasonable value thereof food, meals, subsistence, and medical supplies, emergency medical services, quarters, heat, light, household equipment, laundry service, and sanitation facilities, and erect temporary structures and make alterations in existing structures necessary for these purposes, when such employees are engaged in the disposal of surplus property, or in the preparation for such disposal, at locations where such supplies, services, equipment, or facilities are otherwise unavailable, the proceeds derived therefrom to be credited to this appropriation: *Provided further*, That in addition to the amount hereinbefore appropriated, and notwithstanding the provisions of any other law, not to exceed $4,000,000 of the proceeds of the disposal of surplus property subject to a 'national security clause' as defined in the National Industrial Reserve Act of 1948 (50 U. S. C. 451), or as imposed pursuant to the act of August 5, 1947 (10 U. S. C. 1270, 34 U. S. C. 522 (a)), or deductions from proceeds otherwise collectible as a result of the disposal of such property, shall be available for such costs of renovation, restoration, rehabilitation, improvement, and repair of industrial facilities as may be contracted for during the fiscal year 1950 if required for purposes of national defense or for the protection of the public or of private property from the effects of the operation of such facilities: *Provided further*, That appropriations to the War Assets Administration for the fiscal year 1947 shall remain available for expenditure during fiscal year 1950 for obligations incurred during the fiscal year 1947 in respect to industry agents' contracts: *Provided further*, That not to exceed $762,000 of the appropriations to the War Assets Administration for the fiscal year 1949 shall remain available for accumulated or accrued leave paid after June 30, 1949, to employees of the War Assets Administration separated or furloughed on or before that date: *Provided further*, That the appropriation and authority with respect to the appropriation in this paragraph shall be available from and including July 1, 1949, for the purposes provided in such appropriation and authority. All obligations incurred

during the period between August 15, 1949, and the date of enactment of this act in anticipation of such appropriation and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In line 22 of the matter inserted by said amendment strike out "$22,500,000" and insert in lieu thereof "$12,500,000"; and, in line 37 of the matter inserted by said amendment strike out "$4,000,000" and insert in lieu thereof "$2,000,000."

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks and include extraneous material, also a brief statement of Mr. Larsen before the Senate committee.)

Mr. HOLIFIELD. Mr. Speaker, it is my opinion that the conferees are making a very serious mistake in cutting this item of $22,500,000 down to $12,500,000 and if you will bear with me for a moment I will explain why.

At the time that the third deficiency bill was debated here in the House in June I brought this matter up. At that time the gentleman from Michigan [Mr. RABAUT], was in charge of the bill. I pointed out that the functions of the War Assets Administration were being transferred to the General Services Administration and that they were sending the money that was needed to take care of it to another agency, the Department of the Treasury. The gentleman from Michigan said that this matter would be taken care of in conference and it has been taken care of in conference as far as the other body is concerned.

After listening to the presentation of the budget by Mr. Larsen of the General Services Administration the Senate approved the appropriation of $22,500,000. However, the conferees of the House are now insisting on a cut of $10,000,000.

Let me explain what this will do. First, let us realize that the General Services Administration now has the functions of the old Federal Works Administration, including the operation and maintenance of all Federal buildings. In addition to that, they have the further responsibility of closing out the War Assets Administration. In their budget estimate they asked for $12,000,000 to take care of property management and they also asked for $7,384,000 for the disposal of the residue of War Assets Administration property, which amounts in point of recovery to about $119,000,000. That is not the acquisition cost, but the amount that they estimate that they can recover from the remaining real property that is in the hands of the old War Assets Administration which is now transferred to General Services.

Now, this $7,000,000 and the additional $3,000,000 is for the purpose of disposing of this $119,000,000 in recovery estimate, of real and personal property. If they are not given the money to dispose of this residue of war assets, real and personal property, it is obvious that the Government of the United States is going to lose a great share of the $119,000,000 which they estimate they can recover within the next 6 or 7 months.

I do not have time to go into all of the intricacies of it, but I want to point out that the cutting of this appropriation for administrative cost, for rents of buildings, for advertising this property for sale, for all of the expenses that go toward an orderly disposal and maximum recovery of this War Assets property will be endangered.

In addition to that, the General Services Act also put upon Mr. Larsen the following responsibilities: The responsibility of analyzing the need for record management in government. The Hoover Commission estimated that at least $100,000,000 per year could be saved on that point. It also put upon him the responsibility for a traffic-management study and developing traffic-management procedure for the shipment of Government freight. We spent about $1,000,000,000 per year in transportation costs with the railroads, steamships, and air lines, and a study of $14,000,000 of freight bills by the Bender subcommittee, part of the House Committee on Expenditures in the Executive Departments last year, revealed that in the $14,000,000 study that was made, over $2,000,000 was overcharged the Government by the railroads, because the Government did not utilize the most efficient and economical method of shipping. So, they also have this responsibility of making a study of how to save the Government money on the shipping of all types of freight. The Hoover Commission has estimated that we can save $100,000,000 per year if the proper traffic-management procedure is adopted by government, as it is by the great corporations at the present time.

The Administrator of General Services is also charged with a study of the duplication of functions in all of the executive branches of government. We know that many functions are being duplicated. He is charged with the responsibility of making this study and bringing recommendations to the Congress to eliminate these functions where they have to be eliminated from a legislative standpoint, and where they can be eliminated by Presidential order or by administrative action he is charged to recommend that particular action. He cannot take this action which will save the Government many millions of dollars unless a study is first made of the amount of duplication involved; also the catalog project for procurement. Over 12,000,000 items are in the Federal purchasing list at the present time, and it is estimated by the Hoover Commission that at least 9,000,000 of these items are duplications of existing items. It will inure to the benefit of the Government if we can reduce all of these duplicating items to a minimum of nomenclature and specifications. He is charged with that further development of his agency. He cannot do it if these appropriations are cut. He is also charged with the effective use of Government offices and warehouses and the disposition of space in Federal buildings.

All of these things are extra duties that are being charged to the Administrator of General Services, and in my opinion a very bad mistake is being made by the conferees in insisting on the changing of this amount from $22,500,000 to $12,500,000. I hesitate to put myself in the position of being against the conferees of the House, but I wish that they would have consideration for some of the things that I have suggested to you. Remember this also, that the $7,500,000 which we passed the other day for school-maintenance grants is involved in his administration; also the $100,000,000 on advance planning. All of these additional duties we have put on this man. Many of them are not provided for in the present budget.

He said in his statement before the committee of the other body that while items for these responsibilities were not contained in his budget estimate, he thought he could make savings in certain departments that would allow him to have some excess cash to go into these additional responsibilities within the fiscal year.

I ask the conferees at this time if they will not recede from their position, which is in disagreement with the Senate, and agree to the Senate amount of appropriations, $22,500,000.

STATEMENT OF JESS LARSON BEFORE SENATE APPROPRIATIONS COMMITTEE ON GENERAL SERVICES ADMINISTRATION BUDGET

Gentlemen, I appreciate the opportunity of appearing before the committee today to discuss the third deficiency appropriation bill, H. R. 5300, as it applies to the surplus-property program. As you know, this bill implements the provisions of Public Law 862, Eightieth Congress, as amended by Public Law 7, Eighty-first Congress, by appropriating funds to the Treasury Department for liquidation of the affairs of the War Assets Administration and to the Reconstruction Finance Corporation for care and handling and necessary expenses relating to the management of real property. Subsequent to the passage of H. R. 5300 by the House of Representatives, Public Law 152, Eighty-first Congress, was enacted. This law repeals Public Law 862, as amended, abolishes the War Assets Administration, and provides for the transfer of its property, personnel, functions, records, and accounts to the General Services Administration effective July 1, 1949.

We are presenting for the consideration of the committee a budget estimate in the amount of $22,500,000. This estimate was prepared by the War Assets Administration and represents the funds required in the continued liquidation of its surplus property responsibilities in the fiscal year 1950.

No funds are provided in the estimate to cover costs of additional functions relating to property utilization and disposal, assigned to the General Services Administration by Public Law 152.

I am confident that the transfer to the General Services Administration will permit savings to be made in this estimate, and it is my intent to apply such savings to these additional functions.

JUSTIFICATION OF ESTIMATE

The estimate of $22,500,000 requested for fiscal 1950 may be summarized by the following major items of expense shown here in total and by activity:

Personal services	Total	Property management	Disposal	Inventory control and reconciliation	Executive direction
Regular salaries	$6,552,000	$2,477,000	$1,875,000	$1,692,000	$508,000
Regular salaries, protection and maintenance at site	726,000	726,000			
Terminal leave	1,095,000	343,000	412,000	281,000	59,000
Subtotal	8,373,000	3,546,000	2,287,000	1,973,000	567,000
Aircraft and aircraft parts and components	5,954,000	2,404,000	3,550,000		
Protection and maintenance of real property	3,296,000	3,296,000			
Taxes	1,587,000	1,587,000			
Administrative costs	1,530,000	623,000	405,000	391,000	111,000
Plant clearance	540,000	540,000			
Miscellaneous contractual disposal costs	530,000		530,000		
Other agencies	690,000	78,000	612,000		
Total	22,500,000	12,074,000	7,384,000	2,364,000	678,000

The $8,373,000 requested for personal services is based on a continuing reduction in staff as surplus inventories are reduced. During the fiscal year 1950, this reduction will total 61 percent from a beginning employment of 2,550 to only 1,000 on June 30, 1950. Through this reduction in force, there will result a fixed obligation for terminal leave in the amount of $1,095,000. Employment of guards, firemen and maintenance crews to be stationed at the site of real property will require an additional $726,000. The remainder of the personal services estimate amounting to $6,552,000 will provide for an average force of 1,433 employees for the conduct of the programs herein outlined.

PROPERTY MANAGEMENT

Of the above listed major items of expense to be incurred during fiscal year 1950, a total of $12,074,000 is necessary for property management activities. Of this total, $3,546,000 is required for employment of personnel, including terminal leave. This will provide for an average employment of 242 guards, firemen and maintenance crews to be located at real property sites, for the protection of such properties from fire, theft, vandalism, and so forth. It will also provide for an average employment of 557 employees to be engaged in the over-all property management functions. With $700,000,000 of property under long term leases, property management employees must make inspections, authorize special repairs and improvements, collect rental payments, and adjust or renegotiate leases as required. There are 54 "variable" leases, that is, the amount of rental is based upon a factor such as production, occupancy, use or net sales. In such cases property management employees must maintain close supervision to insure receipt of appropriate rental as well as be responsible for the productive operation of the plants under these leases. In addition, this group of employees will be required to prescribe standards of maintenance, direct crews at site, and to supervise as well as modify and renegotiate interim occupancy permits as necessary. Employees assigned to this activity will also be engaged in collection of interest in the amount of approximately $6,000,000 covering the interest returns on real property mortgages with balances due in excess of $190,000,000. This operation will involve periodic inspection of the properties together with collection of regular principal and interest payments.

Contracts for protection and maintenance of real property in inventory and real property maintained for multiple tenancy purposes will cost $3,296,000. This includes the cost of contracts for protection and maintenance services at surplus facilities, the cost of purchasing and transportation of oil and coal for heating and power, and the cost of utilities in such facilities. Because it is not always economical or feasible to maintain a staff of Civil Service employees covering all of the mechanical trades required in each plant, experience has demonstrated the need for contracts with industrial firms qualified to render these services. It is planned to continue with contractor operations during fiscal year 1950 in a large number of real property facilities, particularly plants containing substantial quantities of production equipment and machine tools.

The cost of property management activities includes $1,587,000 for payments of sums in lieu of taxes. These funds will pay sums in lieu of taxes of State, county and local jurisdictions on properties declared surplus by the Reconstruction Finance Corporation.

Funds in the amount of $623,000 are required for administrative costs of the property management program. This will provide for such items as office rent, equipment rental, transportation of things, travel, printing and binding, and supplies.

A total of $540,000 is required for plant clearance. This represents the net cost of removing personal property such as heavy production machinery and special purpose equipment from real property facilities, in those cases where such personalty is to be disposed of separately. It is anticipated that personal property acquired at a cost of $50,000,000 will be removed from real property facilities during the fiscal year.

The conduct of the property-management program in the fiscal year 1950 is necessary to protect the capital investment of the Government in the many plants which are in the surplus inventories and to carry out the duties of the Government as a lessor and a mortgagee. In addition to accomplishing these objectives property-management activities will bring to the Government during fiscal 1950 a gross return of $36,000,000 in lease income and in interest on mortgages. After deducting the cost of this program of $12,074,000 the net return to the Government for property-management activities will be approximately $24,000,000.

DISPOSAL ACTIVITY

As of July 1, 1949, there remained to be finally disposed of $1,829,000,000 of war-surplus property. The total includes $1,394,000,000 of real property; $380,000,000 of aircraft components and parts; $20,000,000 of aircraft; and $35,000,000 of agricultural lands and institutional type real property assigned to other disposal agencies. Of the total inventory, $1,090,000,000 is available for sale and $739,000,000 is on lease.

Sales and transfers in the fiscal year 1950 are expected to total $1,058,000,000 at acquisition cost, of which $472,000,000 will be by sale, and $586,000,000 by transfer without reimbursement, donation, scrapping, or other disposal action. We will obtain, largely from sales and leases, a gross realization of $119,000,000 during the year. With operating costs of $22,500,000, or only 19 percent of our gross return, the net return to the Government will be $96,500,000 for all operations in fiscal 1950. This represents a net return of 20.2 percent of the acquisition cost of property sold.

Of the above listed major items of expense to be incurred during fiscal year 1950, a total of $3,222,000 is necessary for disposal activity, exclusive of other agency costs and costs of the aircraft and component program. Of this sum $2,287,000 is for personal services costs, including terminal leave. This will provide for an average of 401 man-years during fiscal year 1950 to perform all of the functions incident to disposal operations, including disposal planning, appraisal, advertising, sales planning and negotiation, documentation, etc.

Administrative costs will require $405,000 to provide for such items as office rent, equipment rental, transportation of things, travel, printing and binding, and supplies and materials as necessary for disposal operations.

A total of $530,000 is incorporated as a major item of expense for miscellaneous contractual disposal costs. It includes $237,000 for advertising; $150,000 for brokers' fees in the disposal of real properties; $72,000 for reimbursement to the Department of the Interior in connection with real property disposals in accordance with Public Law 616; and $71,000 for appraisal and consultant services.

As a result of the disposal action projected for fiscal year 1950, surplus inventories will be reduced to $771,000,000 by June 30, 1950. This will include $761,000 of real property; $9,000,000 of aircraft: and $1,000,000 of institutional type real property. Of the total inventory of $771,000,000 remaining on June 30, 1950, $563,000,000 of such property will be on long-term lease.

AIRCRAFT AND AIRCRAFT COMPONENTS PROGRAM

As was indicated under disposal activity, the aircraft inventory will be reduced from $20,000,000 to $9,000,000 during fiscal year 1950, and the aircraft components inventory of $380,000,000 will be totally liquidated.

In connection with the disposal of our inventary of aircraft components, the National Defense Establishment has advised us of the need for an additional $100,000,000 of such materials for the defense purposes of this country and to meet the potential requirements of the impending foreign military-assistance program. In compliance with this request and based on the determination that it represents the best interests of the Government, a program has been developed to retain the needed portions of the aircraft components inventory until rescreened by the armed forces and their requirements fulfilled. Meanwhile, as the screening progresses we will continue with the sale of this inventory to commercial buyers and with the disposal by scrap and salvage methods of those items in the inventory which are obsolete and those which are available in long supply.

This matter has been reduced to a joint memorandum of understanding between the War Assets Administration and the National Defense Establishment. Final liquidation of the total inventory is provided for by June 30, 1950.

The cost of carrying out the aircraft components program represents $5,950,000 and will provide funds to reimburse agents for services rendered to the Government in the in-and-out handling and storage of aircraft components while the withdrawal and scrapping operations are being completed. It provides also for necessary expenses of outshipment of items withdrawn by the National Military Establishment. In addition, $4,000 will be required to provide for contractual protection and maintenance of aircraft returned to inventory by lease cancellations pending transfer to the Armed Services.

INVENTORY CONTROL AND RECONCILIATION

This activity comprises the normal function of inventory of property and the records of accounts receivable and reconciliation of inaccuracies in prior inventories together

with the records retirement program providing for sorting, classifying, and storage of surplus property records.

Of the total of $2,364,000 requested, $1,973,000 will permit an average employment of 364 for the year. The only additional expenses are the normal costs of rents, utilities, travel, communications, etc.

EXECUTIVE DIRECTION AND ADMINISTRATION

All of the normal policy, administration, supervision, and planning and budgeting functions of any Government agency are included in this item.

Requirements for personal services total $567,000 of the total of $678,000 for this item. This will permit an average employment of 110 for the year. The remaining costs consist of pro rata share of rents and utilities, communication, travel, supplies, etc.

OTHER DISPOSAL AND SERVICE AGENCIES

One of the major items in the budget estimate for the surplus disposal program for fiscal 1950 is the $690,000 to be transferred to other agencies; $520,000 of this amount is required for the Farm Credit Administration to permit them to complete during the fiscal year the disposal of the remaining 260,000 acres of agricultural land; $92,000 is required to reimburse the Office of Education for advice and assistance in the disposal of surplus property to educational institutions; $18,000 is necessary to cover costs of care and handling and litigation expenses to complete disposal of the Torney General Hospital, Palm Springs, Calif., by December 31, 1949. The remaining $60,000 is to be transferred to the Bureau of Reclamation as directed by Public Law 478, Seventy-ninth Congress, and Public Laws 247 and 841, Eightieth Congress, to provide for maintenance of reclamation projects at Tule Lake, Heart Mountain, and Yuma air base.

SPECIAL REHABILITATION FUND

The appropriation language which has been submitted requests that $4,000,000 of our $119,000,000 income from surplus-disposal operations in the fiscal year 1950 be made available for the purpose of protecting the capital investment of surplus plants which are subject to the national security clause and which constitutes a part of the Nation's system of national defense.

This fund will enable the General Services Administration to meet unforeseen and more or less imminent emergency situations necessitating rehabilitation and repair work in such industrial facilities as may be required for national defense or to protect public or private property from the effects of the operation of these facilities.

I believe that it is consistent with normal business practice to set up such a fund which will enable emergency situations to be met by expenditures out of income. It is possible that no portion of these funds will be used. However, we can reasonably anticipate the need for such work occurring during the year. As an example of the type of work for which the $4,000,000 may be required, it may be necessary during the year to reline the blast furnace at the Republic Steel Corporation Plant, Cleveland, Ohio. This major repair item will account for approximately $400,000 of the $4,000,000 for which authority to expend has been requested. I can outline a few other examples of potential costs which may be necessary to prevent loss of capital investment in national defense plants.

THE BOHN ALUMINUM & BRASS CO., ADRIAN, MICH.

A total of $263,550 for the renovation and rehabilitation of approximately $7,500,000 worth of aluminum extrusion tool, machinery, and equipment.

THE SUN SHIPBUILDING CORP., CHESTER, PA.

The expenditure of $127,000 for the renovation and repair of roofs, the processing of large Gantry cranes with rust inhibitives to arrest deterioration.

THE SCULLIN STEEL (SOUTH PLANT), ST. LOUIS, MO.

The rehabilitation of structural members, roofs, boiler plant, and the application of rust inhibitives to machinery may require the sum of $180,000.

CONCLUSION

Since the passage of Public Law 152, I have reviewed closely the budget estimate originally prepared by the War Assets Administration and I am convinced that the request for $22,500,000 plus the authority to expend $4,000,000 from profits to protect capital investment, is sound and justified. I want to take this opportunity to thank the committee again for the opportunity of discussing this program. With the assistance of the few members of my staff who are present we will attempt to answer any questions you may have or to furnish any further information that may be desired.

Mr. CANNON. I will be glad to answer the gentleman in my own time.

Mr. Speaker, in response to the last inquiry of the gentleman, who has a very comprehensive knowledge of this subject and who has rendered a great service in the formulation of the legislation under discussion, may I say that it is, of course, impossible at this stage of the proceedings to rewrite the conference report. The conference report is now pending and must either be voted up or voted down. It is not subject to amendment. Of course it may be recommitted, a course which is hardly practical in this instance. There is no practical way to revise the bill or the conference report at this time.

As a matter of fact, Mr. Speaker, there is really no occasion for making any change in this bill. The gentleman is under a misapprehension in one respect. The items to which he devoted the first part of his speech as cataloging, for instance, have little or no relation to this amendment or this appropriation. The provision before us relates to surplus property disposal. The matter which he discusses is under the jurisdiction of the Federal Bureau of Supply. Ample provision has already been made and funds have been made available to carry on these activities under that Bureau.

The second part of his speech relating to space, and so forth, likewise has nothing to do with this item or this appropriation or this bill. It is under the Public Buildings Administration and, again, in another bill, money has been appropriated, and ample provision has been made in another and prior bill, the independent offices appropriation bill.

May I say also, Mr. Speaker, discussing in general our reduction in the estimate under this Senate amendment, when the representatives of the agency were before us it was evident that they did not have a very definite idea as to what could be accomplished the first year. They are just establishing the activity. It is new and they must establish their routine and get started.

Three months of the fiscal year have already passed. One-fourth of the time is gone. They have only three-fourths of the fiscal year ahead of them. I am inclined to think that under the circumstances we have provided ample funds for the activities financed here. However, if by any chance it should develop, we have made inadequate provision, the Congress will be here in January and you may be certain we will take care of the situation.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from California.

Mr. HOLIFIELD. I appreciate the gentleman's position as a result of the status of the conference report and appreciate the gentleman's statement. I do not want to contend with him unduly, but I do wish to state that the Public Buildings Administration and the Federal Bureau of Supply are now incorporated in the General Services Administration, with their functions. The necessary funds for them is now incorporated in the appropriation we are considering. But in view of what the gentleman has said, my remarks are pertinent, that if a deficiency does arise in the regular procedure of their offices they will have an opportunity of coming in January, or at a later time for a supplemental appropriation, establishing that need before the committee.

I thank the gentleman for his remarks.

Mr. CANNON. Of course, the gentleman is doubtless aware that the first two items were fully appropriated for, both the Bureau of Federal Supply and the Public Buildings Administration, in the independent offices appropriation bill, passed by both Houses some time ago and which has gone to the President and has been signed, and is now in force.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. STEFAN. I merely wish to ask the question whether or not we are concurring with the Senate in the purchase of a building for a post office in the city of Omaha, in Nebraska?

Mr. CANNON. We have made full provision for the post office building site at Omaha.

Mr. STEFAN. Is that for the building, or merely the land?

Mr. CANNON. It is for the purpose of the site.

Mr. STEFAN. How much was that?

Mr. CANNON. One hundred and fifty thousand dollars; I have forgotten the amount originally appropriated; but after the amount was included in the bill it was found that the value of the land had enhanced and also that there was the need for additional space, and the amount appropriated was insufficient. We appropriated at this time the full amount requested to take care of the enhanced cost of the original site and the additional space required.

Mr. STEFAN. In other words there is a sufficient amount of money to purchase the land?

Mr. CANNON. That is right.

Mr. STEFAN. And there is the authorization for the construction of a new building?

Mr. CANNON. Money for construction must come later.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CIVIL FUNCTIONS APPROPRIATIONS BILL, 1950

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1377)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9 and 10.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 8 and 17, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: *"Provided further,* That the various appropriations for rivers and harbors and flood control may be used for the purchase (for replacement only) in the current fiscal year of five hundred passenger motor vehicles and ten motorboats (to be acquired from surplus stock where practicable) and the purchase (not to exceed five, to be acquired from surplus stocks), maintenance, repair, and operation of aircraft."; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$197,489,690"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$366,330,400"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$67,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,600,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 11, 12, 13 and 16.

JOHN H. KERR,
LOUIS C. RABAUT,
CHRISTOPHER C. MCGRATH,
JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
ELMER THOMAS,
DENNIS CHAVEZ,
STYLES BRIDGES,
CHAN GURNEY,
HOMER FERGUSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the conference report as to each of such amendments, namely:

Amendment No. 1, relating to administrative expenses, Corps of Engineers: Provides for the purchase of 500 passenger motor vehicles instead of 486 as proposed by the House and 561 as proposed by the Senate, and further provides for the purchase of 10 motor boats and 5 aircraft as proposed by the Senate.

Amendment No. 2: Appropriates $197,489,690 for rivers and harbors instead of $176,034,270 as proposed by the House and $229,098,290 as proposed by the Senate.

Amendment No. 3: Clarifies statutory reference.

Amendment No. 4: Provides for a transfer from the appropriation for rivers and harbors to the Secretary of the Interior of $1,200,000 instead of $1,000,000 as proposed by the House and $1,360,000 as proposed by the Senate.

Amendment No. 5: Reported in disagreement.

Amendment No. 6: Appropriates $100 for alteration of bridges over navigable waters as proposed by the Senate.

Amendment No. 7: Appropriates $366,330,400 for flood control general instead of $321,000,000 as proposed by the House and $415,084,300 as proposed by the Senate. The conferees are agreed that with respect to both rivers and harbors and flood control projects, appropriations approved for planning are in no way to be interpreted as a commitment by the Congress for subsequent appropriations for construction nor, that by allowing funds for planning, it is the desire of the Congress that construction of a particular project be initiated. The conferees are further agreed that no transfers of unobligated balances are to be made from Big Walnut Reservoir to Rocky Fork Reservoir, Ohio.

Amendment No. 8: Deletes provision of the House restricting use of funds appropriated for flood control for the maintenance or operation of the Garrison Reservoir at a higher maximum normal pool elevation than 1,830 feet as proposed by the Senate.

Amendment No. 9: Deletes provision of the Senate amending existing legislation governing the Oklahoma City project, as proposed by the House.

Amendment No. 10: Deletes provision of the Senate providing for the use of planning funds for the Millwood Reservoir for the survey and study of alternate sites, as proposed by the House.

Amendment No. 11: Reported in disagreement.

Amendments Nos. 12 and 13, relating to the Isabella Reservoir in California are reported in disagreement.

Amendment No. 14, relating to flood control, Mississippi River and tributaries: Appropriates $67,000,000 instead of $63,000,000 as proposed by the House and $73,500,000 as proposed by the Senate. The conferees are agreed that the amount of $500,000 contemplated by the Senate amendment for the Devil's Swamp project is not included in the appropriation recommended for flood control, Mississippi River and tributaries. The conferees are further agreed that not more than a proportionate reduction shall be applied to the budgeted amount for Memphis Harbor.

Amendment No. 15, relating to flood control Sacramento River, California: Appropriates $3,600,000 instead of $3,500,000 as proposed by the House and $4,000,000 as proposed by the Senate.

Amendment No. 16: Reported in disagreement.

Amendment No. 17, relating to general provisions applicable to the Panama Canal and Corps of Engineers: Establishes a limitation as to the amounts that may be expended for the employment of experts and consultants as proposed by the Senate.

JOHN H. KERR,
LOUIS C. RABAUT,
CHRISTOPHER C. MCGRATH,
JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, this bill is one of the important bills in the annual Federal budget. It provides necessary, essential, and indispensable service in river and harbor improvement and flood control, and this year I think is especially responsive to the needs of the Government and the country in that respect.

The bill should be passed and I urge its enactment. But it carries items of such flagrant character that I cannot subscribe to them either in the bill or the report.

As the bill passed the House and was messaged to the Senate last March, it was generally acceptable. Some items may have been subject to criticism but on the whole it was a good bill and was well below the budget estimates. There was considerable delay in consideration on the other side and it was not sent to conference until June 1. In conference we promptly agreed to the legitimate alterations of the other body and the bill could have gone to the President the next week but for a series of amendments added to the bill by the Senate, committing the Government to new and unbudgeted expenditures which would eventually exceed half a billion dollars.

These items are outside the orderly plan of work prepared and submitted to the Congress. They have no priority. Few of them have planning and some are unauthorized by law. There is no emergency which justifies any of them and the cost is exorbitant. They are unwarranted. unbudgeted, unjustifiable, and conscionable. Every dollar spent for them must be deficit-financed. Every dollar spent for them adds a dollar to the public debt. Every dollar spent for them pushes that much further back the prospect of reducing taxes. In a national financial and economic crisis, as serious

as any in the history of the country, these Senate amendments propose to spend money we do not have for things we can get along without.

They violate every principle laid down by the President in his budget message to Congress at the beginning of the session. In that message the President said:

> The present high costs of construction and large competitive demands from various sectors of the economy make it necessary to undertake new river basin projects only where urgency is evident.

There is no emergency justifying construction of any of the projects proposed in the Senate amendments objected to by the House. These same rivers have been flowing to the sea under precisely the same conditions ever since Columbus discovered America, and no one knows how many centuries before. We can get along without throwing millions of dollars of Federal funds into them as well in the future as in the past.

Again the President says:

> The flood-control program of the Corps of Engineers will be limited in the fiscal year 1950 almost entirely to continuation of work on projects started in 5 years.

Every item arbitrarily forced into the bill by the Senate amendments to the bill, over the protest of the House conferees, violates this salutary principle enunciated by the President. All are new projects and few of them have even reached the planning stage.

The President continues:

> Because of a great increase in the estimated cost of the Missouri Basin development, the present plan should be reexamined to determine needed changes.

It is difficult to imagine circumstances under which a new project would be proposed until opportunity had been afforded to make the reexaminations and needed economies urged by the President. Surely the least that could be expected would be to await the results of the reexamination. But proponents of the amendments apparently have little regard either for examination or costs.

Again the President emphasizes:

> River and harbor improvement by the Corps of Engineers is held in the 1950 budget to the minimum required for navigation and related purposes.

Notwithstanding the President's statement of this emphatic program the other body put into this bill projects which according to the estimates of the engineers ultimately will cost $459,000,000 and which under the routine with which you are all familiar will unquestionably cost vastly in excess of $500,000,000. But who cares about costs? The more they cost the more money will be distributed in home areas and among favored constituents.

I am not objecting to these amendments merely because the expenditures which they propose are unbudgeted—because they have not been approved by the Bureau of the Budget. There is nothing sacred about Budget estimates. The Congress has the power and should exercise the power when need arises, to make appropriations regardless of Budget estimates or lack of estimates. But when the Bureau of the Budget, which is proverbially indulgent in such matters, refuses to approve an expenditure there is cause for careful scrutiny of the entire project.

When the House, after careful examination of the projects proposed in the Senate amendment, called attention to the lack of Budget estimates, every effort, short of bludgeoning was resorted to in an endeavor to get the Bureau to issue estimates. And when the Budget refused to be coerced, as a last resort they appealed to the President. And the President likewise declined to interfere.

And the four majority members of the House committee of conference likewise declined to endorse the expenditures. For 4 months the four majority conferees explained, protested, argued, and plead with the Senate managers to withdraw the objectionable projects. And let me say here that my refusal to sign the conference report is not to be taken as criticism of my majority colleagues on the conference. I have only the highest praise for all three of them. We did not yield until it became evident that there was no hope of getting the bill through without including the Senate expenditures. Consequently they are incorporated in the pending report. We had to accept them in order to secure the passage of the bill.

Mr. Speaker, the issue involved concerns more than the money and the interference with orderly procedure. The fiscal condition of the country is probably the most unsatisfactory since the beginning of the Republic. We owe a debt of more than a quarter of a trillion dollars. That in itself is staggering. But the menace of the situation is that we are not reducing the debt. On the contrary we are increasing it every day. As long as a man is paying on his debts there is some hope for him. But when he goes deeper in debt day by day and continues to spend money for things he can get along without—then he is marked off the books of every credit agency in the country.

During the war we spent lavishly. It was the price of survival. But even as we spent we comforted ourselves with the thought that as soon as peace came we would begin to pay and get back to a solvent basis. It is 4 years since the shooting stopped and every year, instead of reducting the debt, we have increased it.

The first quarter of the current fiscal year ended last Saturday. On October 1, at the end of the first quarter of the fiscal year 1950, the Government was in the red $1,758,214,000. In 3 months we had spent that much more money than we had taken in. But here is something that makes it all the more significant. In the first 3 months of the year 1948, instead of a deficit we had a surplus. We took in in the first 3 months of 1948 more than we spent. We took in in the first quarter of 1949 approximately $2,000,000,000 less than we spent. At this rate what will be the condition of the Treasury June 30, 1950, at the end of the fiscal year? No one competent to judge estimates that we will be less than $2,000,000,000 in the red. The Joint Committee on Reduction of Nonessential Federal Expenditures predicts that, at the end of the fiscal year, we will be $7,000,000,000 in the red.

There seems to be general agreement in many authoritative quarters that by the end of the fiscal year 1951 we will be $10,000,000,000 in the red, which must be added to the public debt of a third of a trillion dollars, and which must be paid by the issuance of bonds.

The more bonds we issue the more insecure the market. There is already in this country, a definite trend toward turning Government bonds into real estate and commodities and other investments. People are getting just a little bit uneasy about Government bonds. They remember that after the last war Government bonds went down to 84. You walked in the bank and pushed a $100 bond across the counter and they gave you $84. The dollar itself is not buying as much as it did.

Why are they devaluing the pound in England today? Because the British Government spent more than it took in. A lot of people are criticizing England today because of its fiscal policy, its spending more than its income. You do not have to go away from home to find that situation. Here in the United States we are doing identically the same thing. We, too, are spending more than our income. We may never officially devalue the dollar, but if this sort of thing keeps up, when you take your dollar to the corner grocery it will buy less groceries, and when your widow cashes your insurance policy, the proceeds will buy considerably less than you figured it would when you took out your insurance.

Yesterday we passed a bill making more people eligible for social security. If this spending policy keeps up, the money they will get from social security will buy less than what they have today.

How can we remedy this situation? The most fundamental, the most elemental thing we can do is to quit spending, and nothing else will avail. We can levy more taxes, of course, but people are demanding that you reduce taxes instead of raising them.

We must do one of two things. We must quit spending or we must increase taxes. We can take our choice.

Here are commitments of a half billion dollars we are putting into this bill that do not need to go in it, half a billion dollars for things we could get along without. Yet, the other body sat there 4 months unmoved while the majority representatives on the House committee pleaded with them to forego these unwarranted expenditures.

If a proposition like this had been presented to any board of directors of any corporation in the United States, where with a debt approaching the value of all the assets in the United States, with an increasing debt and a steadily increasing deficit—to make investments instead of paying our debt, no board of directors in the country would have agreed to it.

Or if you had gone to a cashier. to the lending official of any bank in the United States, either a small country bank or a great metropolitan trust company and told them that you owed as much money as you were worth, and that you were not paying anything on your debts, but

that you wanted to borrow some more money, the cashier of the bank would promptly conduct you to the door. No businessman or ordinary intelligence would countenance such expenditures as the other body put in the bill.

I do not have to tell you that conditions may arise in the future which will require vast expenditures. We have had depressions before where we had to prime the pump. If such a contingency should arise again, where would we get the money?

The income of the farmers of this country today is dropping precipitously. You read in this morning's paper that the price of agricultural products is dropping rapidly. If some farm plan should be adopted in the future which will require money—and you cannot think of any plan for farm relief which would not require money—where are you going to get the money? Anybody knows we are engaged, and must be engaged for years to come, in a race of armaments in preparation for war—that America is today in greater danger than ever before in its history.

If we should have another war, God forbid, no matter how alert we are, and no matter how promptly we move, how ready our forces or how effectively they operate, our cities would suffer. We have been told there is no defense against the atomic bomb. In spite of everything and anything we could do, regardless of how promptly or how hard we hit them, they would strike crippling blows.

If one of those old-fashioned, outmoded Hiroshima bombs were dropped halfway between here and the White House, it would wipe out the United States Government. The House, the Senate, the Supreme Court, the Executive, and the Pentagon, with its high command, would be wiped out. Only one bomb would be necessary. Who can say that flying at terrific altitudes over our centers of production and population we could hope to escape great damage and tragic loss?

We must not have another war. There must not be another war. And there is only one way to avoid another war. That is to be prepared. The Kaiser took us on because he thought we were not ready. If Tojo and Hitler had dreamed we could defend ourselves they would not have attacked us. The only way to prevent another attack is to be ready. And to be ready we must have money. We cannot afford to fritter away money, even a small half a billion dollars when the extinction of the race is at stake.

In 1893 the Sino-Japanese war was on the horizon. It was a question of time as to when Japan would attack. Of course it would be a naval war, and China had, for the times, a fair navy. But the imperial council decided that in order to be fully prepared they needed one more modern warship. So they set aside the money to build the ship; they earmarked the funds and turned them over to the Empress. The Empress of China, Tzu-Hsi, the last of her dynasty, was supreme throughout China. She was very old. She was very opinionated. She loved the luxuries of life. So she took this money the council had earmarked for a battleship, and she built a battleship with it out of white marble, up in one of her mountain gardens. It was a beautiful thing, but in 1894, when Japan struck, China needed one modern ship. She did not have it. It had been transferred into an internal improvement. Our war resources may just as well be spent on unimportant rivers and harbors or on mediocre flood control, or to please chambers of commerce over the country, or to make votes for statesmen.

If there is any evidence needed of a serious defect in our form of government, this bill is exhibit No. 1. We have the greatest government the world ever saw. It functions perfectly, except in one respect. The unfortunate feature is that the men who vote appropriations are the same men who must depend upon the votes of the beneficiaries of those appropriations for election.

In my opinion, the one most impressive thing in the National Capital, if not in the city of Washington, is to be found half way between the House and the Senate Chambers.

The SPEAKER pro tempore (Mr. MILLS). The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Speaker, I yield myself 10 additional minutes.

When this Government was first established, it was an experiment. There was grave doubt in the minds of men that it could survive. When the form of the Constitution was reported in Europe, every chancelry rocked with raucous laughter. They said: "As soon as Washington dies the Government will die. When the first contested election is held the party that is defeated will grab their guns and go to shooting and some strong man on horseback will seize the Government and declare himself king. It is inevitable."

Even thoughtful Americans shared the apprehension. It is said that every morning when John Adams woke, as soon as he opened his eyes, he asked, "Does the Government still live?" Men everywhere felt the uncertainty and sought to strengthen the structure of the new Republic. Men everywhere gave their services without stint and without compensation. Washington in all his service as Commander in Chief of the Army in the Revolution and as President, refused to accept salary or allowance for expenses. And Jefferson gave so freely of his resources that he lived a life of comparative impoverishment.

When the Capitol Building was at last authorized and the plans were being drawn Jefferson went to the architect and said, "I want to give something for the Capitol. I want to give something to the people of the United States. Where in the Federal building can I contribute to its utility or its beauty with some memorial of my appreciation of the Republic?"

And the architect said, "I think I have what you want. Here at the East entrance to the Capitol is a foyer with spaces for six stone columns. If you wish you can give these six columns." And Jefferson out of his slender purse paid for the six beautiful columns of Virginia sandstone which stand today in the entrance of the greatest Capitol in the world.

He wanted to do something for the Government. He wanted to give something to the Government. Today everybody is trying to get something from the Government. Nobody any longer is thinking and planning what he can give to the Government but men work ceaselessly—even here in this Chamber—to see what they can get from the Government.

Mr. Speaker, one of the great needs of our times, is a return to the high ideals, the appreciation and the patriotism of the founding fathers. What can we give the Government of the United States? We can never compensate adequately for even a part of what it has done but we can at least stay predatory hands that reach out so insistently and so greedily for the common birthright that may be the one last hope of mankind.

Mr. Speaker, I urge the passage of the bill. It carries items I cannot approve, but otherwise it is a good bill. I trust it will receive unanimous approval.

Mr. Speaker, under leave to extend my remarks I append an itemized tabulation of projects provided for in the second and seventh amendments to the bill:

Flood control and rivers and harbors projects and amounts therefore included in amendments of the Senate Nos. 2 and 7, as agreed to in conference

RIVERS AND HARBORS

Construction

Alabama: Demopolis lock and dam, Warrior system	$1,000,000
Alaska:	
Nome Harbor	701,000
Wrangell Narrows	343,000
Arkansas:	
Arkansas River and tributaries:	
Bank stabilization, Little Rock to mouth	600,000
Bank stabilization below Dardanelle	[1] 500,000
Morrilton cut-off	[1] 250,000
California:	
Crescent City Harbor	481,000
Monterey Harbor	45,520
Sacramento River	1,700,000
San Diego River and Mission Bay	2,200,000
Connecticut:	
Mianus River (Cos Cob Harbor)	[1] 79,500
New Haven Harbor	250,000
Pawtucket River, R. I. and Conn	68,500
Delaware:	
Harbor of refuge, Delaware Bay	[1] 120,000
Indian River Inlet and Bay	[1] 320,000
District of Columbia: Potomac River, north side of Washington Channel	375,000
Florida:	
Intracoastal Waterway, tributary channels: Okeechobee-Cross Florida Waterway	[1] 300,000
Jim Woodruff lock and dam, Apalachicola River	7,500,000
St. Andrew Bay	[1] 125,000
St. Johns River, Jacksonville to ocean	900,000
Tampa Harbor	500,000
Georgia:	
Buford Dam, Chattahoochee River	750,000
Savannah Harbor	450,000

[1] Project to be fully completed within amount appropriated.

Illinois:	
Illinois Waterway: Mouth to mile 291	$250,000
Mississippi River between Ohio and Missouri Rivers:	
Chain of Rocks	9,000,000
Regulating works	750,000
Mississippi River between Missouri River and Minneapolis (exclusive of St. Anthony Falls)	750,000
Iowa:	
Missouri River, Kansas City, Mo., to Sioux City, Iowa	2,500,000
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)	
Kentucky:	
Cumberland River, Ky. and Tenn.; Cheatham lock and dam	1,400,000
Ohio River, Ky., W. Va., and Ohio, open-channel work	250,000
Louisiana:	
Calcasieu River and Pass	900,000
Intracoastal Waterway, Apalachee Bay, Fla., to Mexican border (New Orleans district)	2,500,000
Pearl River, La. and Miss	1,250,000
Waterway from Empire to Gulf of Mexico	500,000
Maine:	
Cape Porpoise Harbor	[1] 45,500
Josias River	[1] 33,500
Portland Harbor	206,000
Maryland:	
Baltimore Harbor and channels	650,000
Chester River	16,400
Honga River and Tar Bay	[1] 42,000
Massachusetts:	
Boston Harbor	400,000
Fall River Harbor	800,000
Menemsha Creek, Martha's Vineyard	[1] 72,700
Michigan:	
Port Sanilac Harbor	360,000
St. Mary's River:	
Power plant	1,700,000
Navigation features	1,000,000
Traverse City Harbor	[1] 325,000
Minnesota:	
Baudette Harbor	[1] 24,500
Hastings, small-boat harbor at	[1] 34,270
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)	
St. Anthony Falls	1,717,000
Two Harbors (Agate Bay)	[1] 1,000,000
Mississippi: Pearl River, Miss. and La. (See same project under Louisiana.)	
Missouri:	
Missouri River, Kansas City to the mouth	2,250,000
Mississippi River between Ohio and Missouri Rivers. (See same project under Illinois.)	
Mississippi River between Missouri River and Minneapolis. (See same project under Illinois.)	
Missouri River, Kansas City to Sioux City. (See same project under Iowa.)	
Montana: Missouri River at Fort Peck	2,500,000
Nebraska: Missouri River, Kansas City to Sioux City. (See same project under Iowa.)	
New Jersey:	
Newark Bay, Hackensack and Passaic Rivers	$800,000
New York and New Jersey channels	1,260,000
Shark River	[1] 150,000
New York:	
Buffalo Harbor	550,000
Dunkirk Harbor	[1] 350,000
Great Kills Harbor	[1] 114,500
Hudson River	100,000
Hudson River channel	400,000
New York Harbor, entrance channels and anchorage areas	412,000
New York and New Jersey channels. (See same project under New Jersey.)	
North Carolina: Stumpy Point channel	[1] 32,500
Ohio:	
Cleveland Harbor	1,500,000
Ohio River open channel work. (See same project under Kentucky.)	
Oregon:	
Columbia River at Bonneville	1,250,000
Columbia and lower Willamette Rivers below Vancouver, Wash., and Portland, Oreg	[1] 150,000
Coos Bay	850,000
Depoe Bay	[1] 400,000
McNary lock and dam, Columbia River, Oreg., and Wash	35,000,000
Umpqua River	100,000
Yaquina Bay and Harbor	[1] 35,000
Pennsylvania:	
Monongahela River locks 2	3,500,000
Schuylkill River (cum removal)	400,000
Rhode Island:	
Harbor of refuge at Point Judith and Point Judith Pond	[1] 160,000
Providence River and Harbor	[1] 190,000
Pawcatuck River, R. I., and Conn.. (See same project under Connecticut.)	
South Carolina:	
Shipyard River	300,000
Winyah Bay	400,000
Tennessee, Cumberland River, Ky. and Tenn. (See same project under Kentucky.)	
Texas:	
Clear Creek and Clear Lake	[1] 54,700
Galveston Harbor	[1] 175,000
Houston Ship Channel	800,000
Intracoastal Waterway, Apalachee Bay, Fla., to the Mexican border (Galveston district): Harlingen, channel to	550,000
Sabine-Neches waterway	750,000
Trinity River	687,000
Virginia:	
Bransons Cover, lower Machodoc River	[1] 28,600
Norfolk Harbor	500,000
York Spit Channel	400,000
Washington:	
Chief Joseph Dam, Columbia River	5,000,000
Grays Harbor and Chehalis River	650,000
Columbia River at Bonneville. (See same project under Oregon.)	
Columbia and lower Willamette Rivers, Wash. and Oreg. (See same project under Oregon.)	
Washington—Continued	
McNary lock and dam, Columbia River, Oreg. and Wash. (See same project under Oregon.)	
West Virginia:	
Morgantown lock and dam, Monongahela River	$2,800,000
Ohio River open channel work. (See same project under Kentucky.)	
Wisconsin:	
Ashland Harbor	[1] 45,000
Port Wing Harbor	[1] 20,000
Subtotal, construction, rivers and harbors	113,649,690

Planning

Alabama:	
Alabama-Coosa Rivers, Ala. and Ga	200,000
Tennessee-Tombigbee waterway	200,000
Upper Columbia lock and dam, Ala. and Ga., Chattahoochee River	200,000
Arkansas:	
Arkansas River and tributaries, Arkansas and Oklahoma	500,000
Overton-Red River waterway, Arkansas and Louisiana	50,000
California: Half Moon Bay	75,000
Florida: New River	10,000
Illinois: Calumet-Sag Channel	100,000
Kentucky: Dover lock and dam	116,000
Michigan:	
Au Sable River	8,000
Hammond Bay Harbor	22,000
Harrisville Harbor	24,000
Point Lookout Harbor	20,000
Texas: McGee Bend Dam, Angelina River	200,000
Virginia: Norfolk Harbor, disposal area	50,000
Washington: Lower Monumental lock and dam, Snake River	225,000
Subtotal, planning, rivers and harbors	2,000,000

Other items

Maintenance	53,000,000
Operating and care	22,000,000
Examinations and surveys	1,200,000
Contingencies	1,300,000
Removing sunken vessels	300,000
Survey of northern and northwestern lakes	310,000
Prevention of debris in New York Harbor	360,000
California Debris Commission	15,000
Salaries, Office, Chief of Engineers	575,000
Printing for River and Harbor Board	40,000
River and Harbor Board expenses	440,000
Beach Erosion Board expenses	600,000
Work under Section 3, River and Harbor Act, Mar 2, 1945	300,000
Transfer to U. S. Geological Survey	200,000
Transfer to Fish and Wildlife Service	1,200,000
Subtotal, other items	81,840,000
Grand total, rivers and harbors	197,489,690

[1] Project to be fully completed within amount appropriated.

[1] Project to be fully completed within amount appropriated.

[1] Project to be fully completed within amount appropriated.

FLOOD CONTROL

Construction

Arizona: Tucson	$400,000
Arkansas:	
Bayou Bodcau Reservoir, Ark. and La. (see Louisiana).	
Blakely Mountain Reservoir	2,300,000
Blue Mountain Reservoir	35,700
Bull Shoals Reservoir, Ark. and Mo	12,777,500
Carden's Bottom drainage district No. 2	[1] 270,000
Conway County levee districts Nos. 1, 2, and 8	[1] 96,000
Conway County levee district No. 6	[1] 11,000
Crawford County levee district	[1] 300,000
Little Rock to Pine Bluff	[1] 333,000
Narrows Reservoir	3,460,000
Nimrod Reservoir	59,500
Norfork Reservoir, Ark. and Mo	744,100
Red River levees and bank stabilization below Denison Dam, Ark., Tex., and La	520,900
West of Morrilton	595,300
California:	
Cherry Valley Reservoir	520,900
Farmington Reservoir	1,700,000
Folsom Reservoir	3,100,000
Isabella Reservoir	2,350,000
Los Angeles County drainage area (exclusive of Whittier Narrows Reservoir)	6,500,000
Merced County stream group	175,000
Pine Flat Reservoir	7,000,000
Sacramento River and major and minor tributaries	600,000
Whittier Narrows Reservoir	4,000,000
Colorado:	
Cherry Creek Reservoir	[1] 900,000
John Martin Reservoir	[1] 100,000
Connecticut:	
Hartford	[1] 70,000
Norwich	[1] 290,000
Florida: Central and southern	1,500,000
Georgia:	
Allatoona Reservoir	6,750,000
Clark Hill Reservoir, Ga. and S. C	13,000,000
Macon	[1] 240,000
Idaho:	
Heise Roberts area	[1] 250,000
Lucky Peak Reservoir	3,000,000
Illinois:	
Coal Creek drainage and levee district	[1] 547,000
Columbia drainage and levee district	372,100
East St. Louis and vicinity	520,900
Farm Creek Reservoirs	1,860,200
Grand Tower drainage and levee district	669,700
Mounds and Mound City	450,000
Prairie du Rocher and vicinity	700,000
Preston levee and drainage district	[1] 200,000
Reevesville	[1] 100,000
Rosiclare	250,000
Wood River drainage and levee district	425,000
Indiana:	
Cagles Mill Reservoir	2,500,000
Cannelton	250,000
Delphi	[1] 80,000
Indianapolis (Fall Creek section)	750,000
New Albany	1,600,000
Chariton River, Mo. and Iowa. (See Missouri.)	
Indiana—Continued	
Coralville Reservoir	$2,455,500
Dry Run	[1] 355,000
Little Sioux River	372,100
Missouri River agricultural levees. (See Kansas.)	
Kansas:	
Fall River Reservoir	250,000
Hulah Reservoir, Okla. and Kans. (See Oklahoma.)	
Kanopolis Reservoir	[1] 218,000
Kansas City, Mo. and Kans	5,000,000
Missouri River agricultural levees, Kansas, Missouri, Iowa, and Nebraska	5,952,700
Kentucky:	
Ashland	744,100
Covington	1,041,700
Dale Hollow Reservoir, Tenn, and Ky. (See Tennessee.)	
Dewey Reservoir	[1] 900,000
Hawesville	[1] 650,000
Louisville	4,092,500
Maysville	744,100
Newport	2,200,000
Russell	[1] 185,000
Taylorsville	[1] 45,000
Uniontown	[1] 120,000
Wolf Creek Reservoir	15,030,700
Louisiana:	
Aloha Rigolette area	[1] 500,000
Bayou Bodcau Reservoir, Ark. and La	[1] 360,000
Jonesville	[1] 105,000
Lake Pontchartrain	[1] 540,000
Mermentau River	1,500,000
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)	
Shreveport	325,000
Maryland:	
Cumberland, Md., and Ridgely, W. Va	744,100
Savage River Reservoir	1,265,000
Massachusetts:	
Adams	350,000
Birch Hill Reservoir	40,000
Holyoke	[1] 240,000
North Adams	350,000
Riverdale	[1] 450,000
Tully Reservoir	[1] 130,000
Michigan:	
Mount Clemens	[1] 270,000
Ren Run	500,000
Minnesota:	
Red Lake and Clearwater Rivers	1,116,100
Red River of the North, S. Dak., N. Dak., and Minn	744,100
Missouri:	
Chariton River, Mo. and Iowa	[1] 400,000
Clearwater Reservoir	60,000
East Poplar Bluff and Poplar Bluff	[1] 85,000
Kansas Citys, Mo. and Kans. (See Kansas.)	
Missouri River agricultural levees. (See Kansas.)	
Norfork Reservoir, Ark. and Mo. (See Arkansas.)	
Perry County levee districts 1, 2, and 3	744,100
Nebraska:	
Harlan County Reservoir	11,250,000
Missouri River agricultural levees. (See Kansas.)	
Missouri River, Kenslers Bend, Nebr., to Sioux City, Iowa	[1] 380,000
Omaha	1,500,000
New Hampshire: West Peterboro Reservoir	[1] 330,000
New Mexico:	
Conchas Reservoir	[1] 35,000
Jamez Canyon	750,000
New York:	
Almond Reservoir	[1] $200,000
Arkport Reservoir	[1] 30,000
East Sidney Reservoir	[1] 800,000
Elmira	[1] 1,475,000
Hoosick Falls	350,000
Mount Morris Reservoir	4,836,600
Olean	744,100
Portville	520,900
Syracuse	[1] 600,000
Whitney Point Reservoir	[1] 290,000
North Carolina: Buggs Island Reservoir, Va., and N. C	15,500,000
North Dakota:	
Baldhill Reservoir	[1] 210,000
Garrison Reservoir	27,500,000
Homme Reservoir	[1] 475,000
Mandan	[1] 36,000
Oahe Reservoir, S. Dak. and N. Dak. (See South Dakota.)	
Red River of the North. (See Minnesota.)	
Ohio:	
Burr Oak Reservoir	[1] 1,150,000
Cincinnati	[1] 650,000
Delaware Reservoir	[1] 900,000
Dillon Reservoir	1,277,600
Ironton	[1] 215,000
Massillon	[1] 1,860,000
Muskingum River Reservoirs	1,550,000
West Fork of Mill Creek Reservoir	1,041,700
Oklahoma:	
Canton Reservoir	165,000
Denison Reservoir, Tex. and Okla	650,000
Fort Gibson Reservoir	12,000,000
Fort Supply Reservoir	[1] 116,500
Great Salt Plains Reservoir	31,000
Hulah Reservoir, Okla. and Kans	4,248,000
Oologah Dam and Reservoir	350,000
Polecat Creek	900,000
Tenkiller Ferry Reservoir	5,500,000
Wister Reservoir	77,500
Oregon:	
Cottage Grove Reservoir	[1] 140,000
Detroit Reservoir	9,500,000
Dorena Reservoir	2,500,000
Fern Ridge Reservoir	190,000
Lookout Point Reservoir	9,500,000
Milton Freewater	[1] 640,000
Willamette River (bank protection)	450,000
Pennsylvania:	
Conemaugh River Reservoir	7,400,000
East Branch Clarion River Reservoir	2,100,000
Punxsutawney	[1] 730,000
Sunbury	1,600,000
Wilkes-Barre Hanover Township	[1] 340,000
Williamsport	1,700,000
South Carolina: Clark Hill Reservoir, Ga. and S. C. (See Georgia.)	
South Dakota:	
Fall River Basin	372,100
Fort Randall Reservoir	23,000,000
Missouri River, Kensler's Bend, Nebr. to Sioux City, Iowa. (See Nebraska.)	
Oahe Reservoir, S. Dak. and N. Dak	2,000,000
Red River of the North. (See Minnesota.)	
Tennessee:	
Center Hill Reservoir	6,300,000
Dale Hollow Reservoir, Tenn. and Ky	[1] 570,000
Memphis, Wolf River and Nonconnah Creek	360,000

[1] Project to be fully completed within amount appropriated.

[1] Project to be fully completed within amount appropriated.

[1] Project to be fully completed within amount appropriated.

Texas:	
Belton Reservoir	$1,488,200
Benbrook Reservoir	3,500,000
Denison Reservoir, Tex. and Okla. (See Oklahoma.)	
Garza Little Elm Reservoir	2,232,300
Grapevine Reservoir	3,500,000
Lavon Reservoir	2,604,300
Red River levees and bank stabilization below Denison Dam. (See Arkansas.)	
San Angelo Reservoir and floodway	3,900,000
Texarkana Reservoir	5,000,000
Whitney Reservoir	10,500,000
Vermont: Union Village Reservoir	[1] 540,000
Virginia:	
Bluestone Reservoir, Va. and W. Va. (See West Virginia.)	
Buggs Island Reservoir, Va. and N. C. (See North Carolina.)	
Galax	[1] 600,000
Philpott Reservoir	2,400,000
Washington:	
Mill Creek	[1] 320,000
Mud Mountain Reservoir	400,000
Tacoma	[1] 500,000
West Virginia:	
Sutton Reservoir	1,000,000
Bluestone Reservoir, W. Va. and Va	1,350,000
Cumberland, Md., and Ridgeley, W. Va. (see Maryland.)	
Parkersburg	[1] 1,265,000
Point Pleasant	[1] 1,450,000
Snagging and clearing	1,000,000
Emergency bank protection	1,000,000
Sec. 205 projects	1,000,000
Subtotal, construction, flood control, general	351,835,400

Planning

Arkansas:	
Millwood Reservoir	200,000
Water Valley Reservoir, Ark. and Mo	150,000
California:	
Black Butte Reservoir	95,000
Hogan Reservoir	50,000
Salinas River	50,000
San Joaquin River and tributaries	45,000
Success Reservoir	60,000
Terminus Reservoir	60,000
Colorado: Trinidad	25,000
Hawaii: Hanapepe River	20,000
Illinois: Henderson River	45,000
Indiana:	
Levee unit 5, Wabash River	50,000
Mansfield Reservoir	40,000
Vincennes	40,000
Kansas:	
Pioneer Reservoir, Kans. and Colo	75,000
Toronto Reservoir	50,000
Louisiana: Mooringsport Reservoir, Tex. and La	65,000
Massachusetts: Barre Falls Reservoir	10,000
Minnesota: Aitkin	25,000
Missouri:	
Carthage	8,000
Joanna Reservoir	75,000
Meramec River Reservoirs	25,000
Pomme de Terre Reservoir	50,000
Table Rock Reservoir, Ark. and Mo	125,000
Nebraska:	
Gavins Point Reservoir, S. Dak. and Nebr	150,000
Miner's Bend, Nebr. and S. Dak	15,000
New Mexico:	
Bluewater floodway	$12,000
Chamita Reservoir	75,000
Rio Grande floodway	50,000
New York:	
Lake Chautauqua and Chadakoin River area	19,000
South Plymouth Reservoir	50,000
Watkins Glen	10,000
North Carolina:	
Reddies No. 1 Reservoir	40,000
Reddies No. 3 Reservoir	30,000
Ohio: Reno Beach—Howard Farms	6,000
Oklahoma:	
Boswell Reservoir	100,000
Bradens Bend	35,000
Eufaula Reservoir	150,000
Optima Reservoir	100,000
Pennsylvania:	
Allegheny River Reservoir, Pa. and N. Y	45,000
Bear Creek Reservoir	90,000
Prompton Reservoir	65,000
Shenango River Reservoir, Pa. and Ohio	50,000
Tennessee:	
Rossview Reservoir, Tenn. and Ky	30,000
Three Islands Reservoir	50,000
Texas:	
Canyon Reservoir	150,000
Ferrell's Bridge Reservoir	75,000
Mill Creek	25,000
Vermont:	
Ball Mountain Reservoir	90,000
North Hartland Reservoir	85,000
Rutland	75,000
Washington: Colfax	25,000
West Virginia: Wheeling-Benwood	75,000
Subtotal, planning, flood control, general	3,210,000

Other items

Preliminary examinations, surveys, and contingencies	5,000,000
Maintenance of completed work	4,000,000
Salaries, Office, Chief of Engineers	725,000
Emergency repairs	1,000,000
Transfer to U. S. Geological Survey	440,000
Transfer to U. S. Fish and Wildlife Service	120,000
Subtotal, other items	11,285,000
Total, flood control, general	366,330,400

[1] Project to be fully completed within amount appropriated.

Mr. Speaker, I yield such time as he may desire to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Speaker, I am glad that we have at last been able to bring before this Congress a bill that will contribute at once to the welfare of our Nation and prepare us to meet emergencies that will doubtless arise in the near future and remain dangerous for many years. In recent years we have authorized and expended many billions of dollars to maintain the political integrity of other countries, and I hope and pray that we have some success. I am sure that few of us will be able to see the fruition of our efforts. The destiny of mankind is and will ever be in the hands of God—let us hope and pray that we are acting through His guidance and under His direction. It is written in Holy Scripture, "If any provide not for his own especially for those of his own house, he hath denied the faith, and is worse than an infidel."

The millions of dollars provided in this pending bill are for the use and comfort of our own firesides and will always be a sure source of convenience, power, and protection. This is one bill we should all be anxious and happy to support, and I am sure that 95 percent of this Congress shares this feeling. The items agreed upon in this bill are situated in almost every State in this Union and they have been authorized by law, investigated by our engineers, and approved by the Bureau of the Budget and the Appropriations Committees of both the House and the Senate have agreed to each item.

The conference report presently before the House is the result of something over 4 months' effort. I, personally, do not recall a bill ever having been in conference for this length of time. Reasons for the delay in bringing out a conference report have been a matter of conjecture in both the House and the Senate for at least the last 3 months. Many of the Members are undoubtedly informed as to some of the reasons. All I can say at this time is that the managers on the part of the House were determined to effect some savings in the amounts recommended by the Senate especially with respect to projects included by the Senate which were not contained in the President's budget and which did not meet the President's criteria, at least at present.

The House, as you are aware, approved substantially the budget recommendation. A few minor changes were made, but they were not significant from an appropriation standpoint. The committee in its report did not, this year, allocate specific amounts for the approved projects in either the rivers and harbors or the flood-control portions of the bill. Lump-sum appropriations were made in both cases with a statement in the report that the engineers should use the money in such manner as would result in the most efficient operation. The reason for this approach was that appropriated funds should be used where needed at the time needed rather than allocating and tying up funds with particular projects and then not being able to expend those funds because of unforeseen delays.

The bill, as passed by the Senate, included a number of unbudgeted projects representing only ten or twelve million dollars insofar as the current bill is concerned, but involving approximately one-half billion dollars insofar as ultimate cost is concerned. It was because of the ultimate high cost of these projects that the House conferees held out as long as they did.

The bill, as finally agreed upon, contains a total of $664,178,190, or $108,280,030 under the budget estimates. The bill, as originally passed by the House, represented a reduction of $179,165,950 under the budget estimates. The bill, as passed by the Senate, was only something over $21,000,000 under the budget estimates.

The river and harbor and flood-control projects completed, under construction, and planned, represent a real con-

tribution to the economy of the country. It is my hope that the natural resources of this Nation may be developed to the greatest extent possible. However, they must be developed at the minimum cost and in a way that will result in the greatest benefit to the greatest number of people.

As previously indicated, the agreement finally reached is one of compromise. Many justifiable projects are not included, but I am sure that many or all of the projects authorized to date will eventually be given consideration in the light of the needs and financial condition of the country.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KERR. I yield to the gentleman from Mississippi.

Mr. RANKIN. I see in the RECORD of yesterday that Senator MCKELLAR, on page 13852, inserted a list of these items with the amounts agreed upon by the conferees; is that correct?

Mr. KERR. That is correct.

Mr. RANKIN. I thank the gentleman.

Mr. KERR. This is a sound and meritorious bill. We appropriated in full agreement by both Houses the sum of $664,178,190, and of this amount, $197,489,690 was for rivers and harbors and $437,430,400 was for flood control, and the total amount authorized is $108,280,030 below the budget estimates.

I call your attention to the tables placed in the CONGRESSIONAL RECORD of October 5, 1949, by Senator MCKELLAR, beginning on page 13852. You will notice that the conferees of the Senate and the House not only agreed to the amounts involved in this bill, but they also agreed to the amounts to be allotted to each project.

That is how careful we were, and I hope the House will pass this bill practically unanimously because, as I said in the beginning, this is an effort to do something for ourselves, and God knows we have distributed enough money all over the world which may ultimately never do us any good whatever.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Nebraska.

Mr. CURTIS. Will there appear in the RECORD a break-down of how this money is allocated to the various projects?

Mr. TABER. There has already appeared in the RECORD in the Senate on page 13852 a complete break-down. It was in Wednesday's RECORD. Have I the right page number, may I ask the gentleman from South Dakota?

Mr. CASE of South Dakota. It runs to page 13857. I wonder if I might ask a question in that connection. I notice that the totals in the final column at the bottom of the page correspond to the figures used in the statement of managers as representing the conference agreement. Is it the opinion of the gentleman that the Members of the House can safely rely upon the parts of the total that appear in the various tables, as being component parts of the totals that appear at the foot of the last table?

Mr. TABER. I have not had an opportunity to check over those tables, and I would not be able to answer it. But I am of the opinion that the clerks of the Senate Appropriations Committee would be very careful in getting it together. Their work has been very good along that line, and I would think that probably you could depend upon those figures. If there is any figure that you would like to ask me about, I think I could answer it.

Mr. CANNON. They will be included in the RECORD today.

Mr. TABER. In the RECORD that goes out today.

Mr. RANKIN. Mr. Speaker, if the gentleman will yield, I have a copy of the statement that was issued by the conferees and I have compared it very carefully with this list that Senator MCKELLAR put in the RECORD, and so far as I can find, they are exactly alike. Of course, Senator MCKELLAR's figures are exactly as contained in this tabulation issued by the conferees.

Mr. TABER. If there is any particular project, I think I could answer.

Mr. CASE of South Dakota. In view of the historical situation in the House in the past few days, I would like to ask the gentleman this: If following the action of the House the other night, the conferees followed out the spirit of the vote that was expressed in refusing to agree to instructions to deny funds for the Gavins Point Reservoir?

Mr. TABER. Following that vote there were three items agreed to by the House conferees, and those were all one type. We agreed to leave the items in the bill for planning for Tombigbee, $200,000; Gavins Point, $150,000; and for Rutland, Vt., $75,000.

Mr. CASE of South Dakota. Those are the items which Members of the House thought from the tables that were referred to during the consideration of the bill were in the bill when it passed the House.

Mr. TABER. That is correct.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. LECOMPTE. In the budget approval there was an item for $2,500,000 for Red Rock Dam on the Des Moines River. The House did not include anything for that as the bill passed the House, but in the Senate an item of $200,000 was placed in the bill, and it passed the Senate with that item in it for initial construction of the Red Rock Dam on the Des Moines River. However, I fail to find that item in the table in the record referred to as Senator MCKELLAR's table.

Mr. TABER. If it is not included in Senator MCKELLAR's table it undoubtedly is not included in the conference report.

Mr. LECOMPTE. Even though it was in the Senate bill and had budgetary approval?

Mr. TABER. That is correct. The fact that anything had budget approval did not govern the operations entirely.

Mr. LECOMPTE. Certainly not, but did not the gentleman from Missouri [Mr. CANNON] say there were many items put in, though, that never did have budgetary approval?

Mr. TABER. There were some.

Mr. CASE of South Dakota. But as to these three projects which the gentleman has mentioned, planning funds for Rutland, for Tombigbee, and for Gavins Point, those all are shown in Senator MCKELLAR's table as having had budget estimates?

Mr. TABER. Yes, they all have budget estimates for their particular item, but not for construction.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. RANKIN. The House also put some items in that were not approved by the budget, did it not?

Mr. TABER. It did, there is no question about that.

Mr. RANKIN. About as many as the Senate did.

Mr. TABER. I want to call your attention to two or three things about this bill. Frankly, I agree with the gentleman from Missouri that the bill is enormous. On the other hand, it is the very best the conferees on the part of the House could obtain from the Senate. The items in disagreement when we went over there, that had no budget estimates, according to the figures I have gathered, totaled $362,000,000 of total over-all costs in construction. There were other items with reference to planning, but those were the items that related to construction. The House yielded to the Senate in that over-all set-up items that ultimately will cost the sum of approximately $93,000,000, or 25½ percent of the total over-all construction cost items that were in disagreement as we went over there.

With the situation as it was and the Senators making the demands they did, frankly, I feel that the House must accept this conference report.

I could see no other way out except to sign the conference report, and I did sign it. Frankly I would be happy if the bill were for less. I would be happier if many of the bills which we have passed in the Congress were for less money. I do not know of any bill where I would not be happier if it were for less. But the minority has not been able to bring about any such situation.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. Just what position would we be in if we were to reject the conference report?

Mr. TABER. The Congress probably would be in session a good while. It would be very difficult to get another conference report back here and to adopt it.

Mr. H. CARL ANDERSEN. Does the gentleman not think perhaps it would be good business to reject the report and force some of this graft, so to speak, out of this bill, or I should say pork instead of graft.

Mr. TABER. The $93,000,000 that we agreed to in addition to what the House

had already put in is not all pork. Some of it is for flood control and items which really are in need of the money. There are other items relating to power dams and some of the power dams do not present a very favorable picture. They can never pay out.

Mr. H. CARL ANDERSEN. If the gentleman will yield further, I may say that I use the word "pork" because of the expression used by the chairman of the full committee.

Mr. TABER. Some items are pork. But there are a great many items where the people are in distress and need the money. While the bigger items are, to a certain extent, pork, I do not think most of the smaller items are.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. WIGGLESWORTH. I believe it is worth while to call attention to the statement in the conference report from which I quote:

> The conferees are agreed that, with respect to both rivers and harbors and flood-control projects, appropriations approved for planning are in no way to be interpreted as a commitment by the Congress for subsequent appropriations for construction nor, that by allowing funds for planning, it is the desire of the Congress that construction of a particular project be initiated.

Mr. TABER. The idea in connection with that is that we did not believe there was any commitment when planning funds were provided and we still do not believe so. That was the unanimous opinion of the House and Senate conferees. Oftentimes planning money results in a development of such great cost that the project should not, under any circumstances, be built.

This bill is $109,731,000 below the budget and $87,000,000 below the Senate.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 47, noes 5.

Mr. H. CARL ANDERSEN. Mr. Speaker, this is altogether too important a bill to be passed by such a small vote. I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 269, nays 18, answered "present" 1, not voting 144, as follows:

[Roll No. 219]

YEAS—269

Abernethy	Angell	Bennett, Fla.
Addonizio	Aspinall	Bennett, Mich.
Albert	Auchincloss	Biemiller
Allen, Calif.	Barrett, Pa.	Bishop
Allen, La.	Barrett, Wyo.	Blackney
Anderson, Calif.	Bates, Ky.	Boggs, Del.
Andresen, August H.	Bates, Mass.	Boggs, La.
Andrews	Battle	Bolling
	Beckworth	Bolton, Ohio
Bosone	Harris	O'Neill
Boykin	Hart	O'Sullivan
Breen	Havenner	O'Toole
Brooks	Hays, Ark.	Pace
Brown, Ga.	Hedrick	Passman
Brown, Ohio	Herter	Patman
Bryson	Heselton	Patterson
Buchanan	Hinshaw	Perkins
Buckley, Ill.	Hobbs	Peterson
Burke	Hoeven	Philbin
Burton	Hoffman, Mich.	Phillips, Tenn.
Camp	Holifield	Pickett
Canfield	Holmes	Plumley
Carnahan	Hope	Polk
Carroll	Horan	Potter
Case, N. J.	Howell	Poulson
Case, S. Dak.	Hull	Preston
Cavalcante	Jackson, Wash.	Price
Chelf	Jacobs	Quinn
Chesney	Jenkins	Rabaut
Christopher	Jensen	Rains
Chudoff	Johnson	Ramsay
Clemente	Jones, Ala.	Rankin
Cole, Kans.	Jones, Mo.	Redden
Colmer	Jones, N. C.	Rhodes
Combs	Karst	Rodino
Cooper	Karsten	Rogers, Mass.
Cotton	Kee	Sabath
Cox	Kelley	Sadlak
Crawford	Kennedy	Sadowski
Crook	Kerr	St. George
Cunningham	Kilday	Sanborn
Curtis	King	Saylor
Davenport	Kirwan	Scudder
Davis, Ga.	Kruse	Sheppard
Davis, Wis.	Lane	Sikes
Dawson	Lanham	Simpson, Pa.
DeGraffenried	Lesinski	Sims
Delaney	Lind	Smathers
Denton	Linehan	Smith, Kans.
D'Ewart	Lodge	Spence
Dolliver	Lucas	Stanley
Dondero	Lyle	Stefan
Doughton	Lynch	Stigler
Douglas	McCarthy	Stockman
Doyle	McConnell	Sullivan
Durham	McCormack	Sutton
Eberharter	McDonough	Taber
Elliott	McGrath	Tackett
Ellsworth	McGregor	Talle
Engel, Mich.	McGuire	Taylor
Engle, Calif.	McKinnon	Thomas, Tex.
Evins	McMillan, S. C.	Thornberry
Fallon	Mack, Wash.	Trimble
Fenton	Madden	Van Zandt
Fisher	Magee	Velde
Fogarty	Mahon	Vursell
Forand	Marsalis	Wagner
Ford	Martin, Iowa	Weichel
Frazier	Martin, Mass.	Welch
Fugate	Meyer	Werdel
Furcolo	Michener	Wheeler
Gamble	Miles	Whitaker
Gathings	Miller, Calif.	White, Calif.
Gillette	Miller, Md.	White, Idaho
Gilmer	Miller, Nebr.	Whittington
Golden	Mills	Wickersham
Gordon	Mitchell	Wigglesworth
Gore	Morgan	Williams
Gorski, Ill.	Morris	Willis
Gorski, N. Y.	Moulder	Wilson, Ind.
Graham	Murdock	Wilson, Okla.
Granahan	Murray, Tenn.	Wilson, Tex.
Grant	Murray, Wis.	Winstead
Gross	Nicholson	Withrow
Hagen	Nixon	Wolverton
Hale	Noland	Wood
Hall, Leonard W.	Norrell	Woodruff
Harden	O'Brien, Ill.	Young
Hardy	O'Brien, Mich.	Zablocki
Hare	O'Hara, Minn.	
	O'Konski	

NAYS—18

Andersen, H. Carl	Kean	Nelson
Burdick	Keefe	Rees
Byrnes, Wis.	LeCompte	Smith, Wis.
Church	Lemke	Steed
Gossett	McMillen, Ill.	Wier
Jonas	Marshall	
	Mason	

ANSWERED "PRESENT"—1

Cannon

NOT VOTING—144

Abbitt	Blatnik	Byrne, N. Y.
Allen, Ill.	Bolton, Md.	Carlyle
Arends	Bonner	Celler
Bailey	Bramblett	Chatham
Barden	Brehm	Chiperfield
Baring	Buckley, N. Y.	Clevenger
Beall	Bulwinkle	Cole, N. Y.
Bentsen	Burleson	Cooley
Bland	Burnside	Corbett
Coudert	Javits	Reed, N. Y.
Crosser	Jenison	Regan
Dague	Jennings	Ribicoff
Davies, N. Y.	Judd	Rich
Davis, Tenn.	Kearney	Richards
Deane	Kearns	Riehlman
Dingell	Keating	Rivers
Dollinger	Keogh	Rogers, Fla.
Donohue	Kilburn	Rooney
Eaton	Klein	Roosevelt
Elston	Kunkel	Sasscer
Feighan	Larcade	Scott, Hardie
Fellows	Latham	Scott, Hugh D., Jr.
Fernandez	LeFevre	Scrivner
Flood	Lichtenwalter	Secrest
Fulton	Lovre	Shafer
Garmatz	McCulloch	Short
Gary	McSweeney	Simpson, Ill.
Gavin	Mack, Ill.	Smith, Ohio
Goodwin	Macy	Smith, Va.
Granger	Mansfield	Staggers
Green	Marcantonio	Tauriello
Gregory	Merrow	Teague
Gwinn	Monroney	Thomas, N. J.
Hall, Edwin Arthur	Morrison	Thompson
Halleck	Morton	Tollefson
Hand	Multer	Towe
Harrison	Murphy	Underwood
Harvey	Norblad	Vinson
Hays, Ohio	Norton	Vorys
Hébert	O'Hara, Ill.	Wadsworth
Heffernan	Patten	Walsh
Heller	Pfeifer, Joseph L.	Walter
Herlong	Pfeiffer, William L.	Whitten
Hill	Phillips, Calif.	Wolcott
Hoffman, Ill.	Poage	Woodhouse
Huber	Powell	Worley
Irving	Priest	Yates
Jackson, Calif.	Reed, Ill.	
James		

So the conference report was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Tauriello with Mr. Hand.
Mr. Larcade with Mr. Short.
Mr. Cooley with Mr. Towe.
Mr. Abbitt with Mr. Allen of Illinois.
Mr. Deane with Mr. Arends.
Mr. Green with Mr. Macy.
Mr. Ribicoff with Mr. Gavin.
Mr. Staggers with Mr. Harvey.
Mr. Vinson with Mr. Beall.
Mr. Bailey with Mr. Cole of New York.
Mr. Dingell with Mr. Corbett.
Mr. Yates with Mr. Lovre.
Mr. Whitten with Mr. Lichtenwalter.
Mr. Murphy with Mr. Coudert.
Mr. Huber with Mr. Fellows.
Mr. Blatnik with Mr. William L. Pfeiffer.
Mr. Dollinger with Mr. James.
Mr. Morrison with Mr. Gwinn.
Mr. Herlong with Mr. Wolcott.
Mr. Bonner with Mr. Smith of Ohio.
Mr. Hays of Ohio with Mr. Hoffman of Illinois.
Mr. Donohue with Mr. Judd.
Mr. Patten with Mr. Brehm.
Mr. Byrne of New York with Mr. Merrow.
Mr. Hébert with Mr. Reed of Illinois.
Mr. O'Hara of Illinois with Mr. Jenison.
Mr. Priest with Mr. Shafer.
Mr. Davies of New York with Mr. Rich.
Mr. Feighan with Mr. Latham.
Mr. Mansfield with Mr. Reed of New York.
Mr. Irving with Mr. Hardie Scott.
Mr. Burleson with Mr. Jackson of California.
Mr. Garmatz with Mr. Wadsworth.
Mr. McSweeney with Mr. Hugh D. Scott, Jr.
Mr. Burnside with Mr. Riehlman.
Mr. Gregory with Mr. Phillips of California.
Mr. Mack of Illinois with Mr. Dague.
Mr. Harrison with Mr. Chiperfield.
Mr. Worley with Mr. Kearns.
Mrs. Woodhouse with Mr. Kearney.
Mrs. Norton with Mr. Hill.
Mr. Baring with Mr. Vorys.
Mr. Bolton of Maryland with Mr. Simpson of Illinois.
Mr. Monroney with Mr. Norblad.
Mr. Multer with Mr. Morton.
Mr. Powell with Mr. Keating.
Mr. Richards with Mr. Kilburn.

Mr. Teague with Mr. Kunkel.
Mr. Rivers with Mr. LeFevre.
Mr. Walsh with Mr. Tollefson.
Mr. Walter with Mr. Halleck.
Mr. Roosevelt with Mr. Elston.
Mr. Hiller with Mr. Eaton.
Mr. Regan with Mr. McCulloch.

Mr. MCMILLEN of Illinois changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 7, line 24, insert the following: *"Provided further,* That the maintenance funds appropriated herein under this heading may be used for realinement of the authorized channel of the Hudson River in the vicinity of Kingston, N. Y., at an estimated cost of $400,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: Page 10, line 17, insert the following: *"Provided further,* That funds allocated to the Garrison Reservoir project may be expended for acquisition of any property within the incorporated village of Van Hook, and the adjacent area known as Legion Park, N. Dak."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 16, line 21, insert the following: *"Provided further,* That none of the appropriations for the Isabella Reservoir in California shall be used for the construction of the irrigation features of that project until the Secretary of the Army has received reports as to the division of costs between flood control, navigation, and other water uses from the Bureau of Reclamation and local organizations and, with the concurrence of the Secretary of the Interior, shall have made a determination as to what the allocation shall be."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Speaker, ladies and gentlemen of the House, I rise for the purpose of ascertaining the actual intent of the Public Works Committee, the Appropriations Committee, the Joint Senate and House Conferees considering the civil functions appropriation bill, and the Members of this House upon a proposed flood-control project of vital importance to the Fourth Congressional District of Arkansas. I should like to preface my question with a brief history of the involved issue.

When this bill (H. R. 3734) was before the House for consideration on the 25th day of March 1949 it will be recalled that the gentleman from Oklahoma [Mr. ALBERT] offered an amendment to strike from the provisions of the bill the authority for any funds being used for planning on the Millwood Reservoir. When speaking on the floor of this House upon Mr. ALBERT'S amendment, I was asked by the gentleman from Oklahoma whether the Appropriations Subcommittee agreed with my understanding that the planning funds proposed would be used by the engineers for additional surveys and planning to determine the procedure to be adopted in an effort to curb the destruction by flood waters within the affected area and thereby be in the position of knowing the feasibility of one big dam project upon Little River or upstream and tributary dams. The gentleman from Michigan [Mr. RABAUT], a member of the House Appropriations Subcommittee in charge of this particular phase of the legislation, very frankly told this House in answer to the question of the gentleman from Oklahoma [Mr. ALBERT] that my statement concerning the purposes for which the planning money was to be used was correct.

As I told this House on the 25th day of March when the Millwood project item was being considered, the engineers have tentatively approved a project to be known as Millwood Dam upon and near the mouth of Little River within the Fourth Congressional District of Arkansas, which I represent. A large majority of the people within my district residing below the tentatively proposed dam site favor the construction of the project; and the people of my district residing above the tentatively proposed site strongly oppose the construction of Millwood Dam and favor in lieu thereof the construction of upstream and tributary dams. The proponents and opponents of Millwood Dam are in favor of flood control, but are merely in disagreement as to the procedure that should be adopted by the Government in making flood control a reality within this territory. Further planning and a complete survey by the Army engineers should determine the most feasible system to be adopted for the Red River tributaries within my district.

I have always contended that the engineers should best know where to locate flood-control dams. In order to be fair to all the affected people, I am interested in an over-all and complete survey being made of the entire affected area in order that the engineers may have sufficient data upon which to base a sound conclusion when determining whether there should be one big flood-control project upon Little River or smaller upstream and tributary dams. This House approved H. R. 3734 with an appropriation of $150,000 as planning funds for the involved project under discussion.

When this item was being considered by the Appropriations Committee of the Senate the proponents and opponents of the Millwood Dam project appeared in Washington to testify before the Senate committee concerning this project. These people entered into an agreement that was adopted by the Senate to the effect that an additional $50,000 would be appropriated, making a total of $200,000 for a complete survey and planning of not only the Millwood Dam site, but the over-all territory involved, in order that the engineers might determine the most feasible method of flood control within that area. Therefore, H. R. 3734 was amended by the Senate, the amendment known as Senate amendment No. 10, to provide that the planning funds included for the Millwood Reservoir would also be used for the survey and study of alternate sites. The joint Senate and House conferees have stricken Senate amendment No. 10, thereby deleting the proviso that the funds be used for the purposes intended by the agreement and by the Senate amendment, but leaving intact the full $200,000 appropriation item for planning of the area. Perhaps I should state that the engineers had requested the sum of $150,000 to plan the Millwood Dam project and advised the Senate committee that the entire planning as per the agreement of the proponents and opponents of the Millwood Dam project could be performed for an additional $50,000, a total of $200,000.

During the last few months I have on several occasions contacted the members of the joint Senate and House conference committee handling this legislation to ascertain whether there was any dispute concerning planning funds for the involved project, and I was repeatedly told that the issue was not and would not be in dispute. I was certainly surprised to find the Senate amendment deleted, because I well knew that no member of this Congress or any affected citizen was protesting the Senate provision. In fact, all the congressional Members and the involved citizens have been and are now anxious to carry out the provisions of the agreement made in Washington between representatives of the proponents and opponents of the Millwood Dam project, and later adopted by a resolution of the Red River Valley Association during its annual meeting in Shreveport, La.

Since becoming informed that the filed report of the Senate and House joint conference committee reveals deletion of Senate amendment No. 10, I have contacted the conferees to be told that the Senate amendment was stricken as legislation upon an appropriation to preclude a point of order upon the whole report. Each of the conferees assures me that no one protested that portion of the bill under discussion. The fact that the full $200,000 was left intact is ample indication that the conferees intended for the engineers to make the survey as per the agreement of the interested parties and as per the Senate amendment. I realize that a conference report is not subject to amendment on the floor of the House and that nothing can now be done other than determine the intention of Congress with reference to the use of the provided planning funds, because I want to carry out the agreement of the interested citizens and assist this Congress in keeping faith with the people. Therefore, I wish to ask of the members of the Public Works Committee, the members of the Appropriations Committee, the joint Senate and House conference committee, and the Members of this Congress whether my statements coincide with their understanding in every respect, and whether it is their intention that the $200,000 planning money for Millwood Dam be used in accordance

with the agreement between the interested people as reflected by the Senate amendment.

Mr. RABAUT. I would say to the gentleman, the statement he has made is correct, but whatever authorization is in the bill, that is what the bill stands for. The Committee on Public Works in the United States Senate drafted a resolution, forwarding the same to the Chief of Engineers, asking that the things the gentleman has just propounded to me be made on the tributaries, with the idea of seeing whether or not the over-all picture could still be taken into consideration. I would think that that action on the part of a committee in the Senate would have some moral suasion with the Army engineers.

Mr. TACKETT. Taking into consideration the language that was adopted by the Senate, and taking into consideration the over-all study, you would feel that the engineers are to make a complete survey of the whole project?

Mr. RABAUT. I would say it would have moral persuasion, and that they would take it into consideration. The committee recognizes the great interest of the gentleman, and his colleague from Oklahoma [Mr. ALBERT] on this proposition. They have talked to me and other members of the committee, and I want to commend the gentleman for his alertness on the proposition.

Mr. TACKETT. I thank the gentleman. Not only was the Senate resolution adopted as mentioned by the gentleman from Michigan [Mr. RABAUT] requesting the engineers to in effect abide by the agreement of the interested people and the Senate amendment, but I should state that the very wording of the Senate amendment which has been deleted by the conferees has today been inserted in the omnibus flood-control bill before the Senate committee by Senator MCCLELLAN; and that the omnibus flood-control bill has today been reported to the Senate by the Senate committee.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. HARRIS. I wonder if the gentleman from Michigan [Mr. RABAUT], who has the memorandum that has been prepared and which I have had the privilege of looking over and discussing with him, and which carries an accurate record of the proceedings on this entire matter, would include that in the RECORD at this point as an actual fact by which the engineers could use in consideration of the expenditure of these funds and the investigations they will make.

I am strongly in favor of flood control within the area discussed by my colleague the gentleman from Arkansas [Mr. TACKETT] which will greatly assist in the curbing of flood waters within a portion of my district. However, I wish to sanction the statement of the gentleman from Arkansas [Mr. TACKETT] and assure this House that he has given an accurate history of the involved issue. I likewise feel that the engineers should have freedom to determine the location of dams for flood-control purposes. I also desire that the agreement entered into by the representatives of the proponents and opponents of the Millwood Dam flood-control project be carried out in pursuance with the agreement as expressed by the Senate amendment.

Mr. CANNON. Mr. Speaker, I would say that we have already given assurance that the entire matter will be considered.

Mr. TACKETT. Mr. Speaker, Members of the House, and gentlemen of the committee, I wish to thank you for having given me an opportunity to once and for all establish the intent of Congress concerning this matter. You have been very fair, for which I am indeed grateful. For Congress to restrict the engineers to a study of only a small portion of a watershed would amount to legislation hampering and restricting engineering methods. The engineers must be given sufficient latitude in order that they may survey and study the entire watershed and thereby reach conclusions as per the expectations of flood-control advocates. None of my people want anything by trickery. Their word is their bond; and the most radical proponent of the affected project would insist upon the agreement being carried out to the letter.

Mr. Speaker, I ask unanimous consent, with the consent of the House conferees, that the memorandum referred to by the gentleman from Arkansas [Mr. HARRIS], which carries an accurate record of the procedure on this entire matter, be inserted in the RECORD as a part of my statement at this time.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The statement follows:

MILLWOOD RESERVOIR (LITTLE RIVER, ARK.)

When the House of Representatives held hearings on the appropriation items for flood control for the fiscal year 1950, on page 339 of the hearings under the heading "Preparation of detailed plans and specifications," the Millwood Reservoir was given tentative allocation for the fiscal year 1950—$150,000—and this amount was contained in the House report accompanying H. R. 3734.

When the matter came before the Appropriations Committee of the Senate, there was a record made on pages 533–537 and pages 558–560 relative to this project. The summary of this testimony was that if the funds of $150,000 in the House bill were raised to $200,000, it would give the Army engineers opportunity to review projects upstream from Millwood to determine whether or not the Millwood project could be modified by the construction of upstream reservoirs. In addition thereto the Army engineers could make detailed construction plans for the Millwood Reservoir, including reservoir surveys and relocations. They could then make a complete estimate of cost.

The evidence submitted and the questions asked both the witnesses and the Army engineers by the members of the Appropriations Committee indicate clearly that the intent of the committee was to determine the possibility of reducing the size of the Millwood project and building upstream reservoirs which would give flood-control protection to areas above the Millwood Dam, as well as the areas below.

When the Senate report was written the $200,000 item for planning and survey funds was included in the Senate report along with the following language found on page 11:

"The committee believes there is an urgent need for the control of the Little River, Ark. It is realized that the construction of the Millwood Dam at the location proposed in the original survey report may require modification or selection of alternate sites. It does not believe, however, that such modification or substitution of alternate sites should be permitted to prevent construction of a reservoir or reservoirs for the control of the Little River. The committee, therefore, recommends that the $150,000 allowed by the House for planning of the Millwood project be increased to $200,000 and that language be included in the bill directing that the $200,000 planning funds proposed for the Millwood Reservoir shall also be used for the survey and study of alternate sites."

Inserted in the bill on page 10, at line 14, was this language: *"Provided further,* That the planning funds included for the Millwood Reservoir shall also be used for the survey and study of alternate sites."

This was Senate amendment No. 10.

When the conference committee reported to their respective bodies of Congress in the CONGRESSIONAL RECORD on October 4, 1949, page 14049, the managers on the part of the House reported as follows:

"Amendment No. 10: Deletes provision of the Senate providing for the use of planning funds for the Millwood Reservoir for the survey and study of alternate sites, as proposed by the House."

However, the bill contains $200,000 in the planning section under flood control for the Millwood Reservoir.

On January 28, 1949, the Committee on Public Works of the United States Senate approved the following resolution and forwarded same to the Chief of Engineers:

"Resolved by the Committee on Public Works of the United States Senate, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act, approved June 13, 1902, be, and is hereby, requested to review the report of the Red River and tributaries, Texas, Oklahoma, Arkansas, and Louisiana, downstream from Denison Dam, published as House Document No. 602, Seventy-ninth Congress, second session, with a view to determining whether it is advisable to modify the existing project with particular reference to substitution of a system of smaller reservoirs for flood control, development of hydroelectric power, recreation, and allied purposes, on upstream tributaries for the previously recommended plan in coordination with the proposed measures for run-off and water-flow retardation and soil-erosion prevention on that watershed now being investigated by the Department of Agriculture."

In light of all the information taken above, it hardly seems possible that the Corps of Engineers could follow any other course than to make a complete study of the upstream reservoirs to determine to what extent Millwood Reservoir could be modified before definite project plans and specifications were made.

It is suggested, however, that copies of this information be transmitted to the Chief of Engineers.

Mr. HAYS of Arkansas. Mr. Speaker, it occurs to me that perhaps the chairman of the Committee on Appropriations did not understand the purport of the question asked by the gentleman from Arkansas [Mr. TACKETT] referring to page 13970 of the RECORD, regarding the Dardanelle Dam, since other items of comparable character, were included. The House conferees agreed to recede and concur on a few similar items. I would like to ask the chairman if he is in a position to clear up that question of what happened to the Dardanelle Dam in conference.

Mr. CANNON. The Dardanelle Dam, Mr. Speaker, was included in the Senate

amendments, but when we went to conference the Senate did not insist upon it and, therefore, it was eliminated.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 17, line 5, insert the following: "*Provided further*, That the reports from these studies shall be made not later than 6 months from the date of the enactment of this act and that the agreement of concurrence shall be made not later than 9 months from the date of the enactment of this act."

Mr. CANNON. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: Page 18, line 4, strike out lines 4 to 7, inclusive, and insert the following:

"SEC. 2. No part of any appropriation contained in this act shall be used directly or indirectly, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however*, (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than 40 hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continetal United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided, further*, That the President may suspend from time to time in whole or in part compliance with this section in time of war or national emergency if he should deem such course to be in the public interest.

Mr. CANNON (interrupting the reading of the amendment). Mr. Speaker, in view of the fact that the amendment is printed in the bill I ask unanimous consent that further reading be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In line 39 of the matter inserted by said amendment, strike out the following: "in time of war or national emergency."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made both on this bill and the Interior bill. Also, I wish to include in the RECORD a tabulation showing the flood-control and river and harbor projects and the amount thereof including amendments of the Senate Nos. 2 and 7.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a conference report on the bill, H. R. 6008, making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATIONS, 1950

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H. R. 4146, making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, may have until midnight tomorrow night to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. WOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a letter I have directed as chairman of the Committee on Un-American Activities to the membership of the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. EVINS. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD three addresses of the President of the United States before three different veterans' organizations, notwithstanding the fact that the Public Printer has indicated that they have heretofore been printed; I ask unanimous consent that they be printed together.

The SPEAKER. Notwithstanding the statement of the Public Printer, without objection, the extension may be made.

There was no objection.

Mr. THORNBERRY asked and was given permission to extend his remarks in the RECORD and include certain material.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Times-Herald regarding the sesquicentennial exposition.

COMPENSATION FOR EMPLOYEES OF THE UNITED STATES SUFFERING INJURIES

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 5, strike out "or of any two thereof."

Page 5, line 2, after "or" insert "involves."

Page 5, line 8, after "(b)" insert "and in cases involving disfigurement."

Page 12, line 21, after "capacity" insert "*: Provided*, That for any period of temporary total disability the augmentation of his basic compensation for disability payable under section 3 shall be limited to that part of his monthly pay which is not in excess of $420."

Page 14, line 7, strike out "total."

Page 14, line 10, after "be" insert "more than $525 per month and in cases of total disability shall not be."

Page 14, line 12, after "compensation" insert "for total disability."

Page 16, line 11, after "12" insert "or the sum of $525."

Page 18, line 24, strike out "but not including Members of Congress."

Page 20, line 18, after "occurred" insert "before May 1, 1943, in the cases of persons employed in the postal service whose compensation was affected by the Act of April 9, 1943 (57 Stat. 59), or."

Page 20, line 18, after "1941," insert "in all other cases,".

Page 20, line 21, strike out "neither" and insert "no."

Page 21, strike out lines 8 to 17, inclusive, and insert:

"(b) The liability of the United States or any of its instrumentalities under this act or any extension thereof with respect to the injury or death of an employee shall be exclusive, and in place, of all other liability of the United States or such instrumentality

to the employee, his legal representative, spouse, dependents, next of kin, and anyone otherwise entitled to recover damages from the United States or such instrumentality, on account of such injury or death, in any direct judicial proceedings in a civil action or in admiralty, or by proceedings, whether administrative or judicial, under any other workmen's compensation law or under any Federal tort liability statute: *Provided, however,* That this subsection shall not apply to a master or a member of the crew of any vessel."

Page 21, line 18, after "202." insert "(a)."

Page 22, after line 18, insert:

"(b) Section 9 of the Federal Employees' Compensation Act, as so amended, is further amended by inserting immediately before the last sentence of subsection (a) of such section the following: 'The Administrator may, under such limitations or conditions as he shall deem necessary, authorize employing establishments of the United States to provide for the initial furnishing of medical and other benefits under this section, and the Administrator may certify for payment out of the Employees' Compensation Fund vouchers for expenses thus incurred for such benefits, upon certification by the person required by section 24 to make reports of injury that the expense was incurred in respect to injury which was accepted by the employing establishment as probably compensable under this act. The form and content of such certification shall be prescribed by the Administrator'."

Page 31, after line 7, insert:

"ACCIDENT PREVENTION AND ANNUAL REPORTS

"SEC. 209. Section 33 of the Federal Employees' Compensation Act, as amended, is further amended by designating the first two paragraphs thereof, respectively, subsections '(a)' and '(b)' and by adding a new subsection designated as '(c)', as follows:

"'(c) In order to reduce the number of accidents and injuries among Government officers and employees, encourage safe practices, eliminate work hazards and health risks, and reduce compensable injuries, the heads of the various departments and agencies are authorized and directed to develop, support, and foster organized safety promotion, and the President may also establish by Executive order a safety council composed of representatives of Government departments and agencies to serve as an advisory body to the Administrator in furtherance of the safety program carried out by the Administrator pursuant to this section, and the President may undertake such other measures as he may deem proper to prevent injuries and accidents to persons covered by this act. Departments and other agencies of the United States shall keep such records of injuries and accidents to persons covered by this act, whether or not resulting in loss of time or the payment or furnishing of benefits, and make such statistical or other reports and upon such forms as the Administrator may by regulation prescribe'."

Page 35, strike out lines 7 to 13, inclusive, and insert:

"'(g) The amendment made by section 201 of this act to section 7 of the Federal Employees' Compensation Act, making the remedy and liability under such act exclusive except as to masters or members of the crew of any vessel, shall apply to any case of injury or death occurring prior to the date of enactment of this act: *Provided, however,* That any person who has commenced a civil action or an action in admiralty with respect to such injury or death prior to such date, shall have the right at his election to continue such action notwithstanding any provision of this act to the contrary, or to discontinue such action within 6 months after such date before final judgment and file claim for compensation under the Federal Employees' Compensation Act, as amended, within the time limited by sections 15 to 20 of such act (including any extension of such time limitations by any provision of this act), or within 1 year after enactment of this act, whichever is later. If any such action is not discontinued and is decided adversely to the claimant on the ground that the remedy or liability under the Federal Employees' Compensation Act is exclusive, or on jurisdictional grounds, or for insufficiency of the pleadings, the claimant shall, within the time limited by sections 15 to 20 of such act (including any extension of such time limitations by any provision of this act), or within 1 year after final determination of such cause, whichever is later, be entitled to file a claim under such act'."

Page 36, strike out lines 5 to 24, inclusive, and insert:

"'SEAMEN

"'SEC. 305. (a) Nothing contained in this act shall be construed to affect the exclusion of certain seamen (as defined in the act of March 24, 1943, ch. 26, 57 Stat. 45, as amended; 50 U. S. C., Appendix, sec. 1291) from the terms of the Federal Employees' Compensation Act, as provided by such act of March 24, 1943, as amended.

"'(b) Nothing contained in this act shall be construed to affect any maritime rights and remedies of a master or member of the crew of any vessel'."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

PROGRAM FOR NEXT WEEK

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, may I inquire of the majority leader, the gentleman from Massachusetts [Mr. McCORMACK], what the program will be for next week?

Mr. McCORMACK. Mr. Speaker, on Monday a conference report on the national military appropriation bill will be called up. Also Monday is the day for consideration of any bills under the 21-day discharge rule. It is also District Day. I understand there are two District bills to be considered, one the municipal court bill which increases the number of judges and the other one the common trust funds bill.

If the District bills cannot be taken up due to any bills called up under the 21-day rule I will try to get unanimous consent before the session is concluded to give the District a day. Of course, in the event that happens it is a matter of discussion with the leadership on the Republican side.

On Tuesday the House will consider House Resolution 340 which would authorize a subcommittee of the District of Columbia Committee to make an investigation about crime in the District of Columbia. Is that correct?

Mr. SABATH. That is what the Rules Committee voted out today.

Mr. McCORMACK. Then there is the bill S. 1267 which is a bill having to do with the wind tunnel and air engineering development center, a national defense bill.

Wednesday is Columbus Day. I shall have nothing for that day so that the Members who have addresses to make, or other engagements which may arise, on an important day like that may attend to them. The rest of the week is undetermined, but I will announce any additional program just as quickly as it is possible for me to do so.

On Thursday the Prime Minister of India, Mr. Nehru, will appear and address the House at 12:15.

Of course, conference reports may be brought up at any time.

Mr. MICHENER. I did not understand what the first 21-day rule was on Monday.

Mr. McCORMACK. Well, that is where bills have been reported out of committee and a Member has filed a rule.

Mr. MICHENER. I know the procedure, but I mean the action.

Mr. McCORMACK. That is a matter of high priority.

Mr. SABATH. It is the hospital bill.

Mr. MICHENER. Could it be the National Science Foundation bill?

Mr. McCORMACK. No; that will not be called up, because the chairman of the committee only, under the rule, is authorized to call a bill up, and that bill will not be called up because the chairman will not be here to do it. There are several bills subject, but in order to advise the House as fully as I can I have eliminated those that in my own mind I know could not be called up or will not be called up.

There are three bills that might be called up. One of them is House Joint Resolution 334, a bill to amend certain laws providing for membership and participation by the United States in certain international organizations. My understanding is that such legislation has already passed, but this is to put a ceiling authorizing appropriations. The information I have from the chairman of the committee is that there is a unanimous report of the committee.

Mr. SABATH. Is that House Joint Resolution 334?

Mr. McCORMACK. House Joint Resolution 334.

Mr. SABATH. That relates to United States participation in international organizations.

Mr. McCORMACK. There is another bill out of the Committee on Agriculture, to provide for the limitation of trusts under the transfer agreement with State, rural and rehabilitation corporations. Then there is another bill, H. R. 5965, to provide for the construction of certain Veterans' Administration hospitals.

Those are the three bills that would be in order but, of course, recognition is subject to the Speaker.

Mr. MICHENER. They are under the 21-day rule?

Mr. McCORMACK. Yes. There are several others that could be called up, but they will not be.

Mr. MICHENER. There are possibilities, but not probabilities.

Mr. McCORMACK. I do not think there is a possibility, even. It will be confined to those three bills.

Mr. MICHENER. I thank the gentleman.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Texas.

Mr. LUCAS. Can the gentleman give the House any information about the FEPC bill?

Mr. McCORMACK. That is not being called up.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Illinois.

Mr. SABATH. The Committee on Rules met this morning and will meet again Monday, and I have every reason to believe that we will report on H. J. Res. 334, participation in the United Nations organizations that we have subscribed to. Then there is H. R. 6003, a military and naval bill, regarding certain installations in Alaska. That comes from the Committee on Armed Services. There is a question whether that will be reported out, or H. R. 4766, which the administration desires.

Then there is the Export-Import Bank bill dealing with the point 4 program, which the Committee on Banking and Currency desires and which will be taken up by the Rules Committee Monday.

The Committee on Banking and Currency desires authority to make certain investigations, and I believe that resolution will be favorably considered, because all the other committees have been given that power. I do not know of any reason why the great Committee on Banking and Currency should be denied the same privilege that was accorded all the others.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman from Massachusetts [Mr. McCORMACK] mentioned the air engineering development center bill, which was reported from the Committee on Armed Services. Will that come up on Monday or Tuesday?

Mr. McCORMACK. On Tuesday. I have already announced that.

Mr. EVINS. Is it the first order of business?

Mr. McCORMACK. There is a resolution about the Committee on the District of Columbia, which will not take long. Then the bill to which the gentleman refers will be the regular order of business for the day. Of course, conference reports will have priority.

Mr. EVINS. We may have assurance it will be brought up on Tuesday?

Mr. McCORMACK. I am bringing it up just as quickly as is humanly possible.

Mr. EVINS. I thank my leader.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SIGNING ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Maschusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD in three instances, and to include two editorials and one article.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in three instances and include extraneous material.

SPECIAL ORDER GRANTED

Mr. POTTER asked and was given permission to address the House for 10 minutes on Monday next, at the conclusion of the legislative program for the day and following any special orders heretofore entered.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 30 minutes.

TAX EQUALITY AND EXCISE-TAX REPEAL—COMING SOON

Mr. MASON. Mr. Speaker, since July 14, when I last addressed the House urging favorable action on H. R. 5064, my bill to impose income tax on the business income of certain exempt corporations, tax dodgers in various categories have continued to raid the Treasury.

Tom Campbell's famous 95,000-acre wheat ranch in Montana has been sold to a charitable trust for $2,000,000, and its earnings, which heretofore have been subject to the 38-percent corporate income tax, will now go tax-free.

Ed Gardner's radio comedy, Duffy's Tavern, is now being broadcast from the studio of the government-owned radio station at San Juan, P. R., where it is able to evade payment of all income tax on earnings under a ridiculous loophole in our tax statutes.

A Broadway columnist states that "Hollywood moguls are working out a plan to set up film companies as cooperatives to escape many taxes."

And 2 days ago it was reliably reported that the huge Atlantic & Pacific Tea Co. will become a non-tax-paying consumer cooperative if the Justice Department wins its suit to break up the grocery chain into seven pieces. John Hartford, head of A & P, said in an interview:

> If the Government wins I will convert the whole business into the biggest consumer cooperative you ever saw. I'll sell shares in the enterprise to the people of our country, and they will get tax-free patronage dividends. If it is illegal to run the business the way we are doing it, then we will run it on a legal, tax-free basis.

Shift of A & P from taxpayer to tax-exempt would cost the Treasury nearly $15,000,000 a year in tax revenue, according to the company's most recent financial report. And that is by no means all, for I am informed that publication of Mr. Hartford's announcement brought immediate reaction from a score of other big companies that said "We'll go cooperative too, if we can avoid taxes that way."

Mr. Speaker, the racket of doing business without paying taxes has assumed such proportions that our long-established system of profit enterprise is relentlessly being pushed toward socialization and destruction. I warn you that the absorption of independent taxpaying businesses and the depletion of Treasury revenues will go on at a constantly accelerating pace until the principles of my bill (H. R. 5064) are written into the tax revision bill of 1950. Only then will competitive tax equality give the little business man a new lease on life.

There are in operation today half a dozen or more ways of evading taxes on business income—all of them squeezing through loopholes that were originally written into our laws for entirely different purposes. There are hundreds of concerns that are slyly taking advantage of these loopholes, thereby threatening the very existence of their taxpaying competitors. Hundreds of millions of dollars of badly needed tax revenue are being lost to the Treasury or added to the tax bills of the overtaxed.

Continued abuse of the public interest, however, always brings its own penalty sooner or later. I predict that the day is not far off when the tax dodgers will be stripped of their tax advantages and converted, whether they like it or not, into taxpayers. It will hurt none of them to pay their share of the costs of Government.

President Truman, in his Des Moines Labor Day speech to the farmers of America, said:

> This Congress will not listen to those who want to tax cooperatives out of existence.

Mr. Speaker, the President was wrong. If he had consulted either his Secretary of Commerce, Mr. Sawyer, or the Members of this Congress, he never would have made that statement. The Secretary of Commerce has just made an extensive tour of the country, consulting with groups of businessmen in every section. He has learned that the two main gripes of American businessmen today—the two things they are demanding in the way of tax relief—are: (1) Repeal wartime excise taxes that are today stifling legitimate business activity; and (2) Bring about tax equality by taxing all commercial enterprises doing business for profit, regardless of who owns them.

These demands by American businessmen are being reflected today by Congress—and they properly should be reflected. Hundreds of letters have been written by Senators and Representatives to the voters back home stating that the time has come to repeal wartime excise taxes and to bring about tax equality.

As for the President's statement about taxing co-ops out of existence, I can

assure you that no one wants or proposes to tax cooperatives out of existence. That is a silly statement for any man to make. Requiring co-ops to pay their fair share of the tax burden would no more destroy co-ops than it now destroys other corporations that have to pay 38 percent of their profits to Uncle Sam.

For example, the largest of all American co-ops—the Cooperative Grange-League-Federation Exchange, of Ithaca, N. Y.—has recently announced that on earnings of $3,406,000 in the year ended last June, it is paying an income tax of $928,000. The Cooperative Grange-League-Federation Exchange voluntarily gave up its total tax-exemption status some 2 or 3 years ago. True enough, it ought to pay $1,294,000 of income tax—38 percent of its earnings—but the fact that it is paying 27 percent of its earnings to Uncle Sam is significant of its growing recognition of the responsibility of all business to help support the Government.

Now, Mr. Speaker, let us take a look at the record and see what the legislative situation actually is.

H. R. 5064, the bill which I introduced in the House of Representatives, proposing to tax the tax exempts, has attracted wide attention and approval both in and out of Congress. It will be up for action when the Ways and Means Committee begins work on a complete revision of our tax statutes next January.

Action is now pending in the Senate on an amendment to another bill, H. R. 3905—an amendment that would tax the retained earnings of co-ops, but would permit continued exemption of those co-ops that do business only with members and pay out all their earnings in cash each year. Other bills, also awaiting action when the 1950 revenue bill is written, propose to tax charitable trusts, foundations, and other tax exempts that are deriving income from competitive commercial activities.

Right now, however, the tax-exempts are growing at jet-propelled speed, tearing down fundamental American business organization in the phony name of nonprofit enterprise.

Mr. Speaker, let us see what these tax-exempts are and how they operate; what profits they make and how much revenue the Treasury will collect from them when they are finally required to pay taxes like the rest of us.

High on the list we find the educational institutions which have recently become fast-growing, tax-free competitors in many fields of business. Colleges and universities are not taxed today because long ago the founding fathers decided that the facilities for education should not be burdened with taxes.

But the founding fathers had no notion, I am sure, that universities would go into business in direct competition with taxpaying companies. How could they foresee the time when New York University, for instance, would buy up a piston ring factory in St. Louis, a macaroni factory in New York, a pottery factory in New Jersey, and a lot of other prosperous, taxpaying manufacturing plants, and take them off the tax rolls so that their earnings could not be taxed any more?

Can we believe that the founding fathers would have sanctioned a scheme to siphon the profits of a horse-racing track tax free into the coffers of a university? Yet, that is the sort of thing that goes on. Colleges own radio stations and run them for profit—tax-free profit. A boys' military school in Minnesota owns a furnace factory in Ohio. New instances are brought to my attention almost daily; there seems to be no end to this form of tax avoidance.

Why, I ask you, should not an educational institution that goes into the manufacturing business, or the retail business, or any other business, pay tax just like its competitors?

Then, Mr. Speaker, there is the new tax-dodging racket of sale and lease-back of commercial real estate. A company sells its land and buildings to a tax-exempt institution; gets cash which can then be used for expansion of the business, and immediately leases the property back for a long period of years. The school or foundations, being tax free, can pay a higher price than the property is worth to anyone else; the rental that the former owner pays is generally less than his original carrying charges. No tax is paid on the rental income. Everyone wins except the Treasury—and the taxpayer.

The use of so-called charitable trusts and foundations to avoid payment of Federal income taxes was exposed a year ago in a long series of hearings on the operations of the Textron Corp. by a senatorial investigating committee headed by Senator TOBEY, of New Hampshire.

Labor unions, which have long been on the income tax-exemption list, pay no tax on income received from rentals of buildings in many cities, even though their properties are in direct competition with buildings owned by people who depend upon the income for their livelihood and pay income tax on every red cent. Nor is that all. CIO's United Automobile Workers are now backing a multi-million-dollar co-op store operation. A dozen stores are open in the Detroit area. They sell groceries, appliances, clothing, and so forth. Their announced aim is the capture of 50 percent of all retail trade. Union-owned co-op stores pay little or no income tax on their earnings, even though they compete directly with taxpaying stores in their neighborhood.

Then there are the Government-owned businesses—operating on taxpayers' money, generally paying no interest for the use of those funds, and paying no taxes on their earnings even though they compete directly with privately owned companies in the same lines of business.

Many cities have publicly owned utilities—electric companies, water companies, traction companies—which pay no income tax. Numerous States operate liquor monopolies and pay no income tax.

The Federal Government has a barge line on the Mississippi River, banks of various sorts, a plant making rum in the Virgin Islands, a railroad or two, and—biggest of all—the Tennessee Valley Authority, which was originally set up as a flood-control project and then spread out into the production and sale of electric power, not only to farmers but also to some of the biggest corporations in America; the manufacture of fertilizer ingredients which no one can buy except cooperatives; the operation of towns and tourist camps and all sorts of other things—all in direct competition with taxpaying businesses, but paying not one red cent of tax to the Government.

Mr. Speaker, there is no reason why all Government-owned businesses should not be taxed on their earnings.

Finally, Mr. Speaker, we come to the cooperatives, whose avoidance of income tax on earnings is the subject of searching inquiry both in and out of Congress. The co-op evasion of taxation is legal enough, though the laws under which they escape taxes were written 20 to 30 years ago when the co-ops themselves were entirely different from what they are today, and the rates of income tax on individuals and businesses were a mere fractional part of the amounts that we have to pay today. Perhaps I should explain this further.

The co-op tax-exemption law passed in Congress in 1916, about the middle of World War I, stated that "farmers', fruit growers', and like associations, organized and operated on a cooperative basis and acting as a selling agent for members" should be exempt from payment of income tax on their earnings. The co-ops that came under the provisions of that law were, for the most part, little local groups of farmers who were selling their apples or grain or livestock or oranges together so that they would get a little better price than each farmer could get alone.

But the co-ops today go far beyond that. They are big business. Besides marketing farm products, co-ops now sell cigarettes, vitamin pills, and toothbrushes; they manufacture tractors, lipstick, and cornflakes; they drill oil wells, refine petroleum products, and ship gasoline all over the world; they operate banks, insurance companies, and newspapers; hospitals, radio stations, and tourist camps; hardware stores, coal mines, and funeral parlors.

There are today plenty of co-op organizations with annual sales amounting to millions of dollars; numerous wholesale co-ops whose untaxed profits are astronomical; and manufacturing co-ops who look forward to the liquidation of all profit-making organizations and the substitution of their own so-called nonprofit operations.

In their growth to size and power, the co-ops have been helped along by the very thing that has kept their competition dragging behind—high income taxes. The business income tax was only 1 percent when the co-ops were first exempted. It was only 12 percent in the late 1920's. But when it reached 90 percent—as it did in World War II—the heyday of co-ops arrived. Then, while taxpaying businesses forked over most of their earnings to Uncle Sam, the co-ops plowed their profits back into the business, and they grew and they grew and they grew. They are still growing, for the differential is still 38 percent.

In 1946 co-ops of all kinds did about $13,000,000,000 worth of business. In 1947 they did about $15,000,000,000 worth. Last year, according to careful estimates, they did more than $17,000,-

000,000 worth. In less than another 5 years, at their present rate of growth, they will be doing at least $25,000,000,000 worth of business. Why should they continue to go tax-free?

Today we are spending billions to support agricultural production. We are proposing to spend more billions in Federal aid to education; more billions to support a mammoth system of socialized medicine; more billions to care for the aged and the infirm, the widows, and the orphans. Co-ops and their members expect to share in these expensive benefits, but they are fighting tooth and toenail to keep from paying their fair share of the costs.

Mr. Speaker, how much money is the Government losing by permitting certain kinds of business to operate without paying income tax? How much additional revenue will flow into the Treasury when we stop this unfair foolishness and tax all competitive businesses on an equal basis? Let me give you some figures—compiled carefully and conservatively by men who have made a close study of the whole matter:

1. From educational and altruistic organizations	$173,000,000
2. From Government-owned businesses	267,000,000
3. From labor unions and similar organizations	14,000,000
4. Co-ops and other mutual organizations	626,000,000
A total of	1,080,000,000

Mr. Speaker, the one statement that is unanimously agreed upon by all officials of Government who are now concerned with the writing of the 1950 tax bill is this: "We must find new sources of revenue."

Recent trial balloons sent up by the White House have listed, one by one, as possible sources of new revenue, such unpopular items as the undistributed-profits tax, the excess-profits tax, increased estate and gift taxes, an increase in the 25 percent long-term capital gains tax, higher corporate rates, higher individual rates—all of it the old, outworn, business-destroying idea of soak the rich.

But I note a whisper here and there on Capitol Hill that says "tax the untaxed first. Tax the co-ops; tax the foundations, the so-called charitable trusts, the educational institutions on their earnings from competitive commercial activities." That whisper will grow—for this is the soundest and the most logical method of all to find new sources of revenue.

Regular business is already paying too much tax for its own good—and for the good of the Nation. Individuals are bowed down by the tax load they are forced to carry, not only on incomes but also in excises that should long ago have been repealed.

But here, Mr. Speaker, is more than $1,000,000,000 of brand-new revenue—revenue that we can take without the slightest compunction from the racket of doing business without paying taxes; revenue that will come to the Treasury without doing the slightest harm to any present-day taxpaying businesses.

Many of our colleagues, Mr. Speaker, agree with me in what I have just said. Without naming any names, let me give you a few direct quotations from recent letters written by Senators and Representatives to their constituents back home:

First. An Ohio Member writes:

When cooperatives get into business for profit, as so many are today, competing with businesses that pay taxes, they should be required to pay income tax on the same basis as their competitors.

Second. A Wisconsin Member writes:

A great number of so-called farmer cooperatives who are taking advantage of the tax exemption are farmer and nonprofit cooperatives in name only. Many of them indiscriminately serve both members and nonmembers. I feel that this situation must be remedied.

Third. A New Jersey Member says:

I have been inclined to be sympathetic toward cooperatives, but I believe that the Government has allowed them to progress to such an extent that today they are a threat to our free-enterprise system. In other words, I feel that the cooperatives should be taxed to the extent of bearing their share of the tax program.

Fourth. From a Mississippi Member:

I strongly favor the earliest possible elimination of all loopholes through which business organizations have been evading taxes under the guise of operating as nonprofit trusts and foundations. I will support legislation to remedy the situation.

Fifth. A Georgia Member expresses himself in these words:

I am in favor of some legislation to make all business pay its part. When taxes are as high as they are now, there should be no inequalities.

Sixth. A South Carolina Member writes:

Repeatedly, I have called upon Chairman BOB DOUGHTON and other members of the Ways and Means Committee, urging that the laws be changed so as to place the tax burden equally upon all individuals, firms, and corporations.

Mr. Speaker, I could go on and on and on, giving you equally forceful, direct quotations from letters written to businessmen back home by many Members of Congress from all over the United States. It has taken some of them a long time to come to the positive opinions they now express—but they have at last seen the light and they are prepared to vote for tax equality as soon as it is properly presented to them in legislation.

That, we believe, will be next spring. The bills that have been offered by myself and Senator WILLIAMS this year will still be on the calendar when Congress comes back in January. They will be acted upon, and tax equality will at last become a reality.

But the kind and extent of excise-tax repeal and of tax equality that will be granted will depend very largely upon what the people of the Nation demand, and insist upon getting.

PRAYERS-FOR-PEACE MOVEMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to call to the attention of every Member of this body, to every person who may hear or have the opportunity to read my remarks, the splendid and inspiring prayers-for-peace movement which originated at Manchester, N. H., October 28, 1948, and which has since spread to many parts of the United States and to other lands.

The occasion was the annual meeting of a group of World War I veterans who had organized years ago as a Last Man's Club. Their guest speaker was one of its members, Hervé J. L'Heureux, a veteran American Foreign Service officer, presently Chief, Visa Division, Department of State. This was the first opportunity Mr. L'Heureux had had to meet with his former comrades in arms at such an annual event, because of his absence from the United States for many years.

During the period from 1937 to 1947, Mr. L'Heureux served as consul and consul general at several posts in Europe and in North Africa. In his official and social capacity, he had mingled with citizens of many countries and from every walk of life. As he discussed American customs, ideals, and way of living he evoked surprise in many of those with whom he talked. He was astounded to find such widespread lack of appreciation of the true character and ideals of the American people. We were generally regarded as essentially capitalistic, materialistic, and addicted to luxurious living. This situation greatly disturbed Mr. L'Heureux, particularly in the light of the insidious propaganda presently being disseminated, that we are a nation of warmongers, that we have an ulterior motive in every assistance we pretend to give to the peoples of Europe.

Mr. L'Heureux is a deeply religious man. He has faith in the efficacy of prayers. He believes the masses of the American people have a similar faith in the power of prayer. Moreover, what he saw and heard abroad has implanted in him an unshakeable conviction that in addition to being adequately prepared, and having the determination to fight with force of arms, if necessary, to preserve liberty, the United States should undertake something concrete to correct false impressions prevailing abroad which, at the same time, should be a clear manifestation of the true character and ideals of the American people. Obviously, some positive action, not merely words, was necessary to correct the existing situation. After relating many of his experiences and impressions which he had gained abroad, Mr. L'Heureux suggested the following resolution, which was promptly adopted:

Having complete confidence in the ability of our fellow men, with the aid of Almighty God to establish a just and enduring peace in the world, we, the members of the Last Man's Club, William H. Jutras Post No. 43, American Legion, do hereby unanimously resolve to pause for 1 minute in the midst of our daily task, at 12 o'clock noon each day, and, raising our heart and mind toward

God, ask Him to help us adjust our international differences to enable the nations of the world to secure an equitable and abiding peace; further,

We urge that this movement be endorsed by all the spiritual, civic, and business leaders in the United States, and that a similar resolution be adopted and implemented by every organization in our country to the end that this custom may become universal in effect.

Who cannot foresee good effects from this custom if it is developed on a national scale? As pointed out by Mr. L'Heureux from this practice of a moment of prayer daily for peace would spring a unity of thought, a unity of purpose. It would give moral encouragement to the millions who, for a brief space after the cessation of hostilities, enjoyed the illusion of liberty but who now, instead of building their lives in security and peace, look to the future with dread. It would demonstrate that the American people are God loving, God fearing, and peace minded. Through the Voice of America, for example, peoples in other lands could be increasingly encouraged to join us, spiritually, in the accomplishment of our commonly desired objective—peace.

The idea of a 1-minute universal prayer for peace at noon each day seems to have appealed to many. Shortly after it originated last October, it was endorsed by a religious leader of Manchester, N. H., then by the local Rotary Club, then it spread swiftly Word came that an American Legion post in the South had adopted a similar resolution, followed by a fraternal order in the West, and the student council of Georgetown University. Steadily the movement has grown until today when approximately 630 organizations, of every creed and description, have adopted similar resolutions. These include scores of American Legion posts, at least six departments of the American Legion meeting in annual State conventions, the Americanism committee of the Army and Navy Union, units of the Gold Star Mothers and of the Blue Star Mothers, Rotary and Lions clubs, fraternities, church groups, business firms, student bodies of schools and of universities, social societies, and so forth. Commendatory editorials have been written, and the prayers-for-peace movement has been endorsed by some writers and at least two radio commentators.

The American Legion, at its thirty-first annual convention in Philadelphia, on August 31, 1949, endorsed the idea of daily prayers in its report on foreign relations in these words:

Recognizing the need of divine guidance in our great responsibilities we ask the daily prayers of every citizen for peace to all mankind.

The development of this movement on a national scale may be seen from what has occurred in recent weeks. For instance, the Benevolent and Protective Order of Elks of the United States, at a regular session of the annual meeting of the grand lodge, held in the city of Cleveland, Ohio, on the 13th day of July 1949, approved the prayers-for-peace crusade. The text of its resolution was presented to the Senate by the Honorable IRVING MCNEIL IVES on August 3, 1949, printed in the CONGRESSIONAL RECORD and referred to the Committee on Foreign Relations. The delegates to the twenty-third national convention of the Order of Ahepa, meeting in the city of Miami, Fla., at a regular session of the convention held on the 19th day of August 1949 likewise adopted a similar resolution. This was followed by similar endorsements by the Society of American Legion Founders at Philadelphia, August 27, 1949, and by the members of the Delta Theta Phi, law fraternity, at its twenty-sixth annual convention at Detroit, Mich., August 31, 1949. Another resolution, adopted September 4, 1949, at the fall meeting of the Kansas State Council, Knights of Columbus, at Manhattan, Kans., reads as follows:

Whereas two world wars to establish peace and freedom among men have produced naziism and communism;

Whereas today fear and hatred grip the souls of men so that a "cold war" is waged between nations;

Whereas military power and state diplomacy have failed to bring peace and freedom to the peoples of the world: Therefore, be it

Resolved, That we, the Knights of Columbus, aware of the power of prayer, urge all men to turn to God, our Father almighty, in prayer for 1 minute daily at 12 noon, each in his own faith, each in his own way, imploring God to so inspire the thoughts and direct the actions of men that charity and justice and peace may reign among the rulers and peoples of the world.

The strength of this great movement, and its greatest appeal, aside from the innate faith which the masses of the American people have in the power of prayer and their ardent desire for peace, lie in these factors: The simplicity of the plan; the brief period it takes, daily, to put it into execution; the prayers are offered by many persons, each in his own faith, each in his own way; no organization is being formed to propagate the idea, this being done, spontaneously, by individuals, and by existing organizations of all kinds; the idea of the masses praying, simultaneously, is not in substitution for other existing means of prayer, but a united crusade of prayer to obtain divine guidance in the conduct of our international relations, in order to secure the peace we so ardently desire. As Constantine Brown has so aptly written, in an article published May 30, 1949, in which he endorsed the prayers-for-peace movement, "Mankind has denied itself this peace, because to say that it was denied to it would imply denial by a power superior to man. And that superior power denies peace to no man who really wants it."

VILLAGE MAIL DELIVERY SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? (After a pause.) The Chair hears none, and appoints the following conferees: Messrs. MURRAY of Tennessee, KARST, and REES.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include certain statements and excerpts.)

FARMER COOPERATIVES

Mr. PATMAN. Mr. Speaker, I just listened to the distinguished gentleman from Illinois discuss farmer cooperatives and other cooperatives and organizations that he states are not paying their just and fair proportion of taxes. I know nothing about any of the groups in the categories mentioned by the gentleman from Illinois except the farmer cooperatives. I am glad to state that I am for farmer cooperatives. The Democratic Party is for the farmer cooperatives. I am very much disappointed that our Republican friends, the Members on the other side of the aisle, persist in their opposition to the farmer cooperatives.

Mr. John H. Davis, who is executive secretary of the National Council of Farmer Cooperatives, was invited to attend the Sioux City, Iowa, farm meeting called by the leaders of the Republican Party. Mr. Davis went before the group and made this statement:

Farmers have become concerned over the antifarmer cooperative bills and activities of certain Republican Congressmen and Senators whose activities and bills apparently have been condoned by the leadership of the party.

That has not been denied. The leaders of the Republican Party have not denied that they are in opposition to the farmer cooperatives. I really hope they will get back on the right side of the question and not try to punish the farmer cooperatives. I know the Democrats are not trying to punish them.

The question of excise taxes is another question I think is generally misunderstood. When the Democrats passed the bill providing for wartime excise taxes in 1943 there was a proviso in the bill that the collection of these taxes would not be required 6 months after cessation of hostilities after World War II. The President of the United States declared December 31, 1946, that hostilities had ceased. Therefore, under the law passed by the Democratic administration in 1943, the wartime excise taxes would have been automatically repealed June 30, 1947.

The bill really passed the House in January, but during the month of March in 1947 a bill which was enacted into law was rushed through Congress making these excise taxes permanent.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I am very glad to yield to the distinguished minority leader.

Mr. MARTIN of Massachusetts. The gentleman appreciates, of course, that that bill was recommended by the President of the United States and was signed

by Mr. Truman as President of the United States.

Mr. PATMAN. He recommended their extension for 1 year for the purpose of making a study to determine if any of them should remain upon the statute books. He did not recommend that they be made permanent.

Mr. MARTIN of Massachusetts. But he signed the bill, did he not?

Mr. PATMAN. Why, certainly. But he did so because he thought the Republican Congress would make a study such as he had requested and would eliminate those that should be eliminated.

Mr. MARTIN of Massachusetts. The gentleman well knows that for 9 months we have had a bill introduced to repeal all of the excise taxes. Your party has been in control of the Government during all this time. You have been in control of the House and the Senate, as well as the executive branch, and you have not done anything about repealing the taxes. Now, what do you say about that?

Mr. PATMAN. I will say that the Eightieth Congress was in session for 2 years and did not do anything about it except make them permanent.

Mr. MARTIN of Massachusetts. Let us not talk about the past. Let us talk about the present.

Mr. PATMAN. I do not yield further to the gentleman.

The Eightieth Congress wanted to pass that rich man's tax bill and in order to do that they made the taxes permanent.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MARTIN of Massachusetts. Does the gentleman mean to say that the 7,000,000 poor people who were removed from the tax rolls and who now do not have to pay any tax at all were rich men?

Mr. PATMAN. Well, it did favor the rich. It was a hand-out to the rich, and you had to put in a few poor folks.

Mr. MARTIN of Massachusetts. The bill also favored all the poor people. Was the gentleman opposed to that bill?

Mr. PATMAN. Yes; I was; and I voted against it.

Mr. MARTIN of Massachusetts. You are also against the poor people getting off the rolls so that they do not have to pay taxes?

Mr. PATMAN. I was against it because it favored the rich.

Mr. MARTIN of Massachusetts. And you discriminated against the poor people.

Mr. PATMAN. No, you put in a few crumbs there from the rich man's table for the poor, but not much. The idea being that in order to get this rich man's tax bill through you made permanent the wartime excise taxes which would have automatically expired on June 30, 1947.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MARTIN of Massachusetts. I issue a challenge to the gentleman from Texas. We want these taxes repealed. There are two petitions on the Speaker's table to bring such a bill to the floor, and we could do it in 40 minutes. Will the gentleman from Texas sign those petitions?

Mr. PATMAN. I would love to be able to sign the petition if you had not passed the rich man's tax bill which makes it difficult now to do without the revenue.

Mr. MARTIN of Massachusetts. Why does not the gentleman sign the petitions and get rid of them as soon as possible?

Mr. PATMAN. You are giving the rich people $5,000,000,000 a year when we cannot spare that money right now.

Mr. MARTIN of Massachusetts. That is all poppycock.

Mr. PATMAN. Well, I admire the gentleman very much but in view of his statement I am compelled to admit he is just giving us a lot of hogwash.

A & P STUFFING THE NATION AND ITS GROCERY BAGS WITH FALSE, MISLEADING, AND DECEPTIVE PROPAGANDA—A & P FALSEHOODS BLANKET THE NATION AS GOVERNMENT FILES CIVIL ANTITRUST SUIT—NOT ONE A & P STORE WILL BE CLOSED—AMERICAN HOUSEWIVES AND SMALL BUSINESS ENTERPRISE WILL PROFIT BY GOVERNMENT'S ACTION—CRIMINAL ACTS AND VICIOUS COMPETITION-DESTROYING ACTS OF A & P DESCRIBED

Mr. Speaker, every Member of this House is aware of the insidious Nationwide propaganda campaign now being conducted by the Atlantic & Pacific Tea Co. against the Antitrust Division of the Department of Justice.

A & P is running full-page propaganda blasts in every daily newspaper across the country and in most of the important American weeklies. Copies of these ads are blown up to gigantic poster size and plastered on the windows and walls of A & F's stores in 40 States. Tear sheets bearing A & P's propaganda are stuffed into the grocery bag of every housewife who enters one of A & P's 6,000 markets.

It has been conservatively estimated that the A & P chain organization has so far poured nearly $5,000,000 into this propaganda campaign—$5,000,000 that will eventually be paid for by consumers who buy in A & P stores.

The subject of A & P's campaign is an antitrust suit recently filed against A & P by the Department of Justice and now pending in the United States District Court for the Southern District of New York.

A & P is telling the people that this antitrust suit has been filed against them because they are selling food at low prices. They say that they are being attacked because they have grown large through efficiency and economy and that the Government wants to destroy them because they are big even if the public gets hurt in the process.

This new, unexpected, and unjustified attack upon them, A & P says, will raise food prices, will penalize efficiency, will destroy A & P and every other efficient chain store in the Nation.

A & P cunningly suggests that the entire case was trumped up by a small clique darkly referred to as the antitrust lawyers from Washington. They, A & P says, are out to destroy A & P and the consumers, the farmers, the manufacturers, and A & P's 110,000 loyal employees be damned.

A & P GUILE AND DECEPTION APPARENT IN NATION-WIDE PROPAGANDA DRIVE

I can say without a moment's hesitancy that this Nation has never before seen a comparable effort to obtain a prejudgment in the public's mind of a suit pending in a duly constituted court. This blatant, calculated scheme to organize public opinion upon the side of the A & P defendants presents an unparallelel attack upon the integrity of our judicial system which must shock every thoughtful citizen. Those of you who have practiced at the bar are well aware that any lawyer involved in an affair of this sort would face immediate expulsion from the profession.

But the far greater evil in this program to form and sway mass emotion against the Government in the pending suit lies in its conscious employment of gross and deliberate misrepresentations.

Every so-called fact, every inference, every innuendo in A & P's propaganda material contains a deliberate falsification. I say deliberate because no mind capable of preparing this material could possibly be unaware that every line distorts and misrepresents the charges made against A & P and the results that will follow from the Government's suit.

LOWER FOOD PRICES TO AMERICAN HOUSEWIVES IF GOVERNMENT WINS CIVIL SUIT

As I will shortly point out in more detail, the present proceeding is not a new and unexpected assault upon this tremendous chain organization. The civil suit recently filed is simply the latest step taken in an antitrust litigation that has been in the courts for almost 10 years and which has thus far been lost by A & P and won by the Government. The litigation is not an attack upon such efficiency as A & P's methods may involve, nor upon alleged savings to the consumers resulting from that efficiency. It is an attack upon A & P's brutal, coercive tactics which have enslaved independent manufacturers, defrauded the farmers, destroyed independent grocerymen and meat dealers, and passed the costs of the entire monopolistic program on to the American public. The action will not close a single A & P store. It will lower prices to the 95 percent of the American public who buy in stores other than those of A & P, and unless defendants deliberately withhold savings from their own customers, the action will substantially reduce prices in over 70 percent of A & P's own markets.

And perhaps of greatest ultimate importance to the well-being of this Nation—the antitrust action against this tremendous chain-store organization may well reverse the trend which is now rapidly converting us from a community of self-reliant independent businessmen to a Nation of corporate employees and clerks.

The defendants know these things well. The public has no way of knowing them. The public has no reasonable means by which to protect itself from the concealment and distortion of these facts in A & P's propaganda. A & P is utilizing a technique invented and developed in its full evil efficiency by Goebbels and his Nazi masters. The

bigger the falsehood, the greater the likelihood that it will be accepted without question. If the selfish ends of the propagandist are served, the employment of any means, however deceitful, is fully justified.

This evil creation of the Nazis was, I believe, one of their most dangerous and insidious inventions. Who is it that is now responsible for the importation of this foreign technique into our democratic American system for the judicial determination of controversies?

A & P SUPERPROPAGANDA MACHINE ADJUDGED CONSPIRATORS BY COURT

I am reliably informed that A & P's multi-million-dollar propaganda campaign is the product of Carl Byoir and his Business Organization, Inc., or of men connected with them. This Carl Byoir and his corporation were defendants in the earlier stages of the antitrust litigation against the A & P chain. They were charged in a criminal information with having conducted the publicity campaigns through which A & P sought to camouflage and disguise its monopolistic and trade-restraining practices. Carl Byoir sold his services to A & P by telling A & P that he could offer them, and I am quoting from the criminal record, "a specialized machinery to use publicity as a tool." This man Byoir, and I quote from the opinion of the circuit court of appeals in affirming these criminal proceedings, "is no babe in the woods, likely not to understand what goes on around him." "There can," I quote further, "there can be no doubt on this record that the defendant Byoir had full knowledge of the monopolistic purpose of Super-Co-op and of A & P's over-all conspiracy and took a large personal part in its formation and development."

The Super-Co-op, which the court refers to as being formed and developed by Mr. Byoir, was an outfit set up and financed by A & P which was presented to the farmers as a bona fide farmer-organized cooperative, but which was in reality a device through which A & P monopolized the growers' best produce for itself at the lowest possible prices, at the same time spreading among the farmers the propaganda that A & P was their real friend.

This Mr. Byoir and his corporation, which are now conducting A & P's propaganda war against the Government, were found guilty beyond all reasonable doubt of participating in A & P's conspiracy to restrain trade and destroy competition. They were fined $15,000 and their sentences were affirmed on appeal. They have more motives than mere money from the A & P chain to distort and falsify the Government's charges and to slander and malign the Government attorneys.

A & P MULTI-MILLION-DOLLAR PROPAGANDA DRIVE ILLEGITIMATE BUSINESS EXPENSE

It is my intention to suggest to the Treasury Department that the millions of dollars which A & P is pouring into this propaganda campaign do not constitute a legitimate business expense and that there is, therefore, no justification for its deduction as such in computing A & P's income-tax liability.

But this wholly proper action will not neutralize the real evils of A & P's Nation-wide dissemination to millions of American housewives of false, distorted, and misleading propaganda concerning the pending suit.

My purpose today is to present a brief summary of the facts in this antitrust litigation so that the American public will have an opportunity to pass fair and impartial judgment upon the merits of the controversy between the Government and the A & P chain organization.

A & P has deliberately sought to convey the impression that the recent civil suit filed against the chain is a sudden novel assault upon an innocent and praiseworthy American business. They imply that the theory of this case involves a recent and unsupported perversion of the Federal antitrust laws dreamed up by malignant Government lawyers.

The fact is that A & P is charged with vicious and monopolistic practices of a type that have been held to violate the antitrust laws by the courts of the United States for decades. The fact is that the A & P was found guilty of these criminal acts by the United States District Court for the Eastern District of Illinois, and the conviction of A & P has been affirmed by the United States Court of Appeals for the Seventh Circuit. The fact is that A & P could have appealed those convictions to the United States Supreme Court, but chose not to do so. Instead, they paid fines in the amount of $175,000.

GOVERNMENT'S CIVIL SUIT IS TO PREVENT CONTINUANCE OF CRIMINAL CONDUCT BY A & P

The fact is that there are no new charges against A & P in the recent civil action. The Government simply charges the activity of which A & P has already been found guilty, and for which it has been punished. The purpose of this latest legal step is not punishment—the A & P has already been punished by the imposition of fines. The purpose of this action is to obtain adequate protection against a continuation of the criminal conduct which the A & P organization has been found guilty of. The Government in this suit asks the Federal courts to enjoin the continuation of this conduct and to issue an order which will remove A & P's power to continue to destroy competition and to impose upon the public in the food business.

What was the subject matter of this earlier criminal conviction of A & P and of the recently filed civil suit? Is it true that the courts have found A & P guilty of being too efficient? Is it true, as Carl Byoir now tells the American people, that A & P has been convicted of selling food too cheaply? Is it true that, because A & P grew large through the economies it offered the housewife, the Government now seeks to destroy A & P, close its stores, and throw its employees out of work? There is, of course, no syllable of truth in any of these ludicrous assertions as A & P and its publicity department know very well. Unfortunately, however, they also know that so long as they are willing to lie about it with a sufficient air of innocence and spread the lie far enough with $5,000,000 worth of newspaper advertising, the American public is not likely to discover the truth.

The truth is that A & P has been convicted of a deliberate, calculated scheme, conceived in 1925 and carried on for over 20 years, to expand its control of the retail grocery market at the expense of its competitors and the consuming public, by boycotts, blacklisting, price wars, threats, and other ruthless devices, rather than by utilizing more efficient and economic methods of distribution.

A & P TACTICS DESTROYED THOUSANDS OF SMALL-BUSINESS MEN

By these means A & P has increased its gross sales from $330,000,000 in 1925 to almost $2,000,000,000 in 1947. In the course of its program, A & P has destroyed thousands of small-business men, it has forced manufacturers, farmers, and A & P's competitors in the grocery business to pay A & P tribute, and the whole cost of this vicious program has been passed on to the consuming public.

This is what A & P stands convicted of—a conviction which it chose not to appeal to the Supreme Court. These destructive and socially wasteful practices are the sole subject matter of the Government's complaint against A & P. No attack has ever been made upon A & P's efficiency or upon expansion which resulted from low prices made possible by mass distribution. If these factors are present in A & P operations, then they are not challenged by the Government and they will not be interfered with by the Government's suit.

A & P and Carl Byoir have not revealed the true facts in the case against A & P because they know that the facts would unequivocally condemn them. They must say nothing—or distort and falsify.

The trial of the criminal charges against A & P occupied 6 months. For 24 weeks thousands of documents and pages of testimony concerning A & P's conspiracy to destroy competition was received by the Federal judge. I would like to call your attention to some of the activities of the A & P chain which are minutely described in the voluminous record of this trial, and which demonstrate the falsity of A & P's propaganda.

Like every other grocery organization, A & P buys grocery items and resells them to the consumer.

GOVERNMENT'S CRIMINAL SUIT EXPOSED A & P'S VICIOUS AND PREDATORY DEVICES

The Government charged, and the courts held, that A & P in purchasing groceries from manufacturers compelled these manufacturers to sell to A & P at low prices and to sell to A & P's competitors at high prices. A & P obtained these systematic discriminatory price preferences from manufacturers by threatening them with boycott unless they paid A & P substantial allowances and rebates not available to other grocery stores. If a manufacturer was reluctant to grant A & P a sufficient rebate, despite A & P's threats of boycott, the chain store threatened to enter into the particular manufacturing field in competition with the manufacturer and so destroy his business.

These rebates took a hundred different forms. A & P collected advertising allowances for which no advertising service was ever rendered. A & P actually charged the manufacturers a rental for

the floor and shelf space in A & P stores which was occupied by the goods which A & P had bought from the manufacturers. A & P also collected rent for the space on its walls which was occupied by the normal store advertising of the products it offered for sale. It demanded quantity discounts which admittedly reflected no cost saving to the manufacturer. And in some instances it simply made no effort at all to conceal the true nature of this forced tribute. It obtained cash rebates from milk and bread companies which it secreted in safety deposit boxes and did not even put into its general funds. Some of these rebates and subsidies it carried on its books as receipts from "John Doe."

What did the manufacturer get in return for this tribute? Here is an illustration. A & P induced a small manufacturer, Comet Rice Mills, to grant A & P a 5-percent rebate on sales to A & P in return for certain "store displays" to be made of Comet's product. A & P then instructed its store managers that it would be sufficient return for this 5-percent price concession if they placed a few packages of Comet's rice anywhere within the vision of A & P's customers. I quote from these A & P instructions:

A few packages of Comet Rice placed anywhere in the store within the vision of the customer, other than the place where it is ordinarily stored, would constitute a "display." In the case of the supermarket, it may be that you have Comet Rice displayed in a very prominent place in the store which means that it is displayed at all times. In such instances, it would not be necessary for you to do anything more than you are doing at present inasmuch as you are maintaining a constant display.

So what the supplier got was a few packages of rice placed anywhere within the vision of the customer—and A & P obtained a 5-percent rebate.

A & P USED BLACKJACK METHODS TO EXACT REBATES AND ALLOWANCES FROM SMALL MANUFACTURERS

The circuit court of appeals summarized the allowances and rebates which A & P extorted from manufacturers in these words. I quote the court's opinion:

Closely related to the policy and the purpose to establish a two-price level by the abuse of its power and position, A & P by the same methods forced its suppliers to give it advertising and space allowances that bore no relation to the cost of the service rendered in the matter of advertising or display of merchandise in A & P's stores. Indeed, the evidence showed that in many instances, if not uniformly, token performance was all that was rendered the suppliers who ostensibly were seeking point-of-sale advertising. For instance, newspaper space advertising allowances were contracted for, not alone at the cost of the advertising but at the cost-plus-one-hundred-percent to A & P. In its contract with suppliers, A & P would contract for a percentage allowance and agree in the vaguest terms that it would display the suppliers' products on the shelves in just such fashion as it would ordinarily be expected to display the goods in the usual course of merchandising. For this pretended and overpaid service, certain percentage allowances in the commodity price were allowed A & P. It was its policy, and a usually successful one, to get a larger allowance of this kind than its competitors.

These were not small concessions that A & P was blackmailing from its suppliers. Pineapple juice was bought at 15 to 20 percent below the prices paid by other grocers. A single small supplier was forced to pay $40,000 over 3 years for whatever advertising support A & P chose to give his product—or for none at all. One canning company contributed $175,000 a year for "advertising" allowances alone. A & P received a rebate of $322,682 from the Ralston-Purina Co. in a little over 2 years by threatening to enter into the manufacture of bran and corn flakes in competition with Ralston.

In the years 1939 through 1941 alone, these rebates collected by A & P from reluctant manufacturers totaled $20,500,000.

A & P obtained this $20,500,000 by the crudest and most vicious sort of coercion. I will cite a single example from the court record. In 1939 A & P was receiving from the Ralston-Purina Co. a discount that was 50 percent larger than that given to any other Ralston purchaser. But A & P was not satisfied. It informed Ralston that it was contemplating going into the business of manufacturing flakes, and it would be deterred from this course only by a substantial increase in tribute from Ralston. Faced with this threat, Ralston finally agreed to increase its already discriminatory price preference to A & P from 7½ cents per case to 17½ cents. In an attempt to keep the record clear, Ralston asked that the following statement be attached to the contract which it finally signed with A & P. I quote this statement from the record:

May I suggest that this letter be attached to your copy of our private label flake contract dated January 4, 1940, in explanation of the discounts allowed therein.

The discounts allowed in this contract are not made in lieu of brokerage, but represent an arbitrary reduction from our list prices which it was necessary to make to hold the flake cereal business of the Great Atlantic & Pacific Tea Co. and secure from them an agreement not to enter into the business of manufacturing flakes for 5 years (GX 1634, at Tr. 5785).

Surely I need not underline the infamy of this conduct. There is no efficiency involved in forcing a manufacturer to grant rebates by threatening him with boycott and ruinous competition—no efficiency except efficiency at unlawfulness. Such price concessions are of no benefit to the consumer for they are not based upon any real saving. Let me refer you again to the language of the circuit court of appeals on this subject:

One cannot escape the conclusion on the very substantial evidence here, as one follows the devious manipulations of A & P to get price advantages, that it succeeded in obtaining preferential discounts not by force of its large purchasing power and the buying advantage which goes therewith, but through its abuse of that power by the threats to boycott suppliers and place them on its individual blacklist, and by threats to go into the manufacturing and processing business itself, since it already possessed a considerable establishment and experience that would enable it to get quickly and successfully into such business if a recalcitrant supplier, processor, or manufacturer did not yield. The A & P organization was urged to keep secret whatever preferences it received. These predatory discounts and other preferences amounted to 22.15 percent of A & P's total profits in 1939; 22.47 percent in 1940; and 24.59 percent in 1941.

INDEPENDENT MERCHANTS PAY BILL FOR A & P'S USURIOUS DISCOUNTS

Now let us see who paid for the rebates which A & P obtained.

It is a matter of public record that A & P's competitors paid for those rebates.

The manufacturers who paid vast sums to A & P in the form of allowances, discounts, and rebates had to raise their prices to their other customers in order to pay for these A & P subsidies.

I quote from a letter written by one high A & P official to another, and introduced by the Government in the criminal trial. This manufacturer, the A & P official said, was willing to sell a large volume of goods to A & P at a rebate "thereby reducing overhead, and secure a margin of profit on the remainder of the business done with smaller accounts at a much higher price." And I quote this A & P official further, "If I were in the manufacturing business, I would consider it good principle to take a large attractive volume at cost, and depend on the remainder of the accounts for the profit on my investment."

In short, the manufacturer was expected to sell to A & P at cost and to make his profit on prices to his other customers. Who were these other customers? They were the retail grocers who had to compete with A & P for the patronage of the consumer. They were forced to subsidize A & P by paying a part of the cost of the merchandise which A & P sold in competition with them. This inevitably raised their costs and the prices which they had to charge to their customers. It is obvious, then, that every person who bought in grocery stores other than A & P markets was forced to pay higher prices because of A & P's coercive and improper buying activities.

I quote again from the decision of the court of appeals:

Whatever the system used or by whatever name designated, A & P always wound up with a buying-price advantage. This price advantage given A & P by the supplier was, it is fairly inferable, not "twice blessed" like the quality of mercy that "droppeth as the gentle rain from heaven." It did not bless "him that gives and him that takes." Only A & P was blessed, and the supplier had to make his profit out of his other customers at higher prices, which were passed on to the competition A & P met in the retail field.

AMERICAN HOUSEWIFE FINALLY PAYS BILL FOR A & P'S DEFIANCE OF ANTITRUST LAWS

Is an attack upon this type of activity an attack upon efficiency? Not 1 penny of savings resulted to the American consuming public from these abusive A & P tactics. They served only to force A & P's competitors, and the consumers who purchased from them, to subsidize A & P's retail operations.

Place yourselves, gentlemen, in the position of a small grocery store attempting to compete with an A & P outlet across the street. A & P buys corn flakes for a net price of 15 cents a package and sells them for 20 cents a package. To pay for A & P's rebate you have to buy corn flakes for 25 cents a package. You can work 16 hours a day, 7 days a week. You can

cut your expenses to the narrowest margin that ingenuity and enterprise allow—but you cannot sell corn flakes at a price 5 cents below what you paid for them. There is no point in talking about competition under such circumstances. You are beaten before you begin, and your energy, initiative, and perseverance will make not one whit of difference. You will soon disappear from the community of free local businessmen, destroyed and engulfed by A & P's creeping monopoly as were hundreds upon hundreds of other small-business men. The profits that you would have made and spent in your own city and town to the benefit of your friends and neighbors will be funneled back through the chain organization to its headquarters in New York City. The contributions you would have made to local charities, to civic improvements, to the economic and social health of an American community will be dried up and cut off. Another segment of the local community economy will fall under the control of absentee owners who have no interest except to exploit your town for all they can drain from it.

Every discriminatory price preference by which A & P accomplished the destruction of its competitors was a direct violation of law, wholly aside from the part it played in A & P's scheme to monopolize and restrain trade in violation of the Sherman Act. The Robinson-Patman Act, passed by this Congress in 1936, makes it a criminal act to knowingly grant or receive a price preference not available to others. A & P openly and continuously flaunted this statute despite the repeated efforts of the Federal Trade Commission and the Federal courts to compel A & P to obey the law. In the present antitrust litigation the courts have convicted A & P of what, in effect, was a conscious continuing policy of procuring merchandise in violation of the Robinson-Patman Act.

METHODS OF A THIEF, FENCE, OR HIGHJACKER

Even if it were true that A & P had under these circumstances sold generally more cheaply than its competitors, it would deserve no more credit than we give to a thief, a fence, or a highjacker who similarly offers a substantial price reduction on goods unlawfully procured. A & P's willingness to cut the public in on the fruits of its unlawful buying conduct would scarcely be taken as evidence of A & P's morality, efficiency, or social usefulness. The most inefficient retailer could offer his customer equally substantial bargains if he had A & P's disregard for the Federal laws prohibiting price discrimination, and if he could unlawfully force food suppliers to sell to him at one price and to his competitors at a substantially higher one. This is not efficiency—it is commercialized lawlessness. It produces no social gain, and it destroys the possibility of fair and effective competition.

FREE AND FAIR MARKETS OF FARMERS DESTROYED BY A & P

I have spoken thus far only of A & P's activities in the purchase of manufactured grocery items. A & P's pattern of action in the purchase of fruit and farm produce was substantially the same.

A & P poses as the farmer's friend in its current propaganda campaign. It has posed as the farmer's friend in like propaganda campaigns for decades. It has spent millions of dollars in the past, just as it is now spending millions of dollars to convince the farmer that A & P does not take advantage of him, as it does of all others involved in the production and distribution of food.

What A & P does to its friend the farmer is shown in the record in the criminal case.

A & P buys its produce, its fruits and vegetables, through a wholly owned subsidiary named the Atlantic Commission Co., which is known throughout the trade as Acco. Summing up the evidence concerning Acco in the criminal case, the United States district court said, and I quote the court:

The Atlantic Commission Co., a subsidiary incorporated in 1926, ostensibly to purchase produce for A & P, from the beginning acted with the full approval of headquarters, as purchasing agent for A & P and as sales agent for certain suppliers. In other words, while buying A & P's needs from producers, it was also representing as broker for outside sales the same producers or others similarly situated as well as buying broker for competing produce dealers and as merchandising jobber in the general market. * * * Its practices over the years leave a bad odor. It exploited its inconsistent positions; it collected brokerage from others for A & P's coffers; its position and its practices created a sharp differential between A & P's purchases of produce and those of its competitors. It persistently selected the higher quality of produce for A & P and the less desirable for its outside buyers, thus securing for A & P not only a buying-price differential but also a preference in quality.

In other words, Acco, A & P's wholly owned subsidiary, acted as buying agent for the A & P and at the same time as selling agent for the farmer. Obviously these roles were totally inconsistent. As the agent of A & P, Acco was obligated to buy as cheaply as possible. As agent for the farmer, Acco was duty bound to sell for as good a price as possible. A & P, the farmer's friend, consistently honored its first duty to itself—and just as consistently dishonored its duty to the farmer. It took the best of the farmer's produce at the lowest price and resold it in A & P stores. The inferior merchandise was sold to A & P's competitors at necessarily higher prices. But this was not all—for the privilege of being exploited by A & P, A & P charged the farmers a fee in the form of a commission for the pretended service which Acco performed in selling the farmer's produce to A & P. In short, A & P charged the farmers a commission for selling the farmer's produce to itself. This commission, which went into A & P's pocket, constituted another rebate unavailable to A & P's competitors.

THE "ROTTEN THREAD" OF A & P'S PRODUCE-BUYING METHODS—FARMERS AND FARM COOPERATIVES MADE VICTIMS

The Federal district court referred to this Acco instrumentality of A & P as a "rotten thread" running through the fabric of A & P's produce-buying operations. The description is apt, but the record in the criminal trial of A & P is full of evidence concerning many another device by which A & P deliberately victimized its friend, the farmer.

Acting in part through Acco, A & P went to great lengths to ensnare, subsidize, and control the managers of ostensibly independent farmer's cooperatives so that they might be used to A & P's advantage. Listen to the findings of the Federal district court on these A & P activities:

Acco made a determined effort to establish a close relationship with and influence over growers' cooperatives (citing examples). * * * The expressions of Baum (Acco's general manager) at various times and places indicate a desire to delve into the cooperative business of his producers, and if not to control it, at least to guide and influence it. * * * In some instances the cooperative managers were on Acco's pay roll, and in at least one instance, when not engaged by the cooperative, the manager was employed by Acco. In various and divers matters, Acco came to enjoy a singularly close influence over, if not, indeed, control of, various cooperatives.

The court goes on:

In addition to its interest in and influence over cooperatives, Acco created contact committees of producers in various parts of the country, selecting the chairman, and through the chairman the members. Upon these committees its competitors had little or no representation. Government agencies were attempting to coordinate distribution. Acco, for some reason, deemed it necessary to form its own contact committees. * * * One reading the evidence can only conclude that Acco's intention was to bring producer sellers more closely within Acco's influence and to bring about a situation whereby growers and shippers relied more and more on Acco's facilities and advice. * * *

The criminal record demonstrated that A & P used these dominated farmer contact committees to demoralize produce markets, to exploit low farm prices, to subsidize A & P's retail operations, to obtain low-priced produce specials not available to A & P's competitors—all at the expense of the grower, A & P's friend.

A & P EXPANDED AT THE EXPENSE OF MANUFACTURERS, FARMERS, INDEPENDENT GROCERS, AND HOUSEWIVES

So much for the record of A & P's "efficiency" in the buying end of its operations. A & P stands convicted of practices which victimized independent manufacturers, farmers, grocery stores, and consumers, and which brought not one penny of savings to the American public.

I turn now to the A & P selling practices which were the subject matter of the criminal conviction and which are now embraced in the pending civil suit against this chain organization.

The Government charged, and the courts have held, that A & P deliberately set out to expand its retail sales at the expense of its competitors by conducting ruinous price wars and by other coercive, predatory conduct.

Let me illustrate the way A & P operated from the evidence in the criminal trial relating to the chain's program for the year 1939.

A & P's executives decided to increase A & P's sales by 15 percent over sales for 1938. It was decided that total sales in 1939 would be approximately $1,000,000,-

000. This planned increase meant taking $133,000,000 additional business from A & P's retail competitors. At the same time, the A & P executives decided that they would make a profit of $20,000,000 during the year.

How were sales to be increased and, at the same time, profits of $20,000,000 obtained? By increasing merchandising efficiency? Not at all.

Thirteen of the twenty million were to come from the rebates which A & P coerced from manufacturers, commissions which A & P collected from farmers through Acco, profits from A & P's manufacturing operations. Another million was to come from interest on A & P's investments. None of these items of profit, you will observe, was available to the great bulk of A & P's competitors who must make their profits from the efficient operation of their retail grocery store.

The next item of A & P's planned profits for the year 1939 was a sum of $2,400,000, which the chain expected to collect as so-called overage.

ENFORCED CORRUPTION YIELDED TREMENDOUS PROFITS FOR A & P

Let me pause here. I have had occasion to speak of this matter to the House before. I invite your careful attention again to one of the most shocking stories of corrupt imposition upon the consuming public that has recently come to light.

Every businessman knows that he cannot expect to sell all that he buys. There will inevitably be loss from shrinkage, pilferage, spoilage, and other unavoidable causes between the receipt of goods in his store and their sale to his customers. He expects to suffer a 2 to 5 percent stock loss. A & P was well aware of this business fact. I find in the record of the criminal trial this letter written by the president of one of A & P's seven operating divisions—I quote this A & P official:

> It is almost an impossibility to have a legitimate stock gain in self-service stores if all the merchandise is sold at the invoice prices and there is no manipulation of credits and advances. We, of course, know that fractional prices will create some gain but in some cases this is more than offset by pilferage and petty loss which will naturally vary some according to the location of the store and the management. (GX 2890, Tr. 10221, 10223-10224.)

A & P knew that stock gains were an impossibility in a legitimately conducted business. Such gains could result only from short weighting, overcharging, and similar frauds upon customers which resulted in the customers paying for something which they did not get.

Yet in 1939, and indeed as a matter of year-in-year-out policy, A & P planned not to suffer stock losses but instead to make substantial sums of money from stock gains—or overages. In 1939 A & P planned that A & P customers would pay for all normal stock losses in A & P stores, plus another $2,400,000 for goods that A & P never had in stock and which, necessarily, A & P customers did not get in return for their money.

I need not say that here again A & P had available a source of income that was not available to its honest independent retail competitors.

This planned income from stock gains left $3,600,000 which A & P must make on its retail sales to add up to the $20,000,000 of profit which it planned to make in 1939.

Thus, aside from its rebates, its manufacturing profits, its interest income, and its stock gains—all unavailable to its normal competitors—A & P needed only 36 cents profit on each $100 of the planned sales of one billion to return the profit that the owners desired.

In other words, at the very outset A & P's competitors were forced by A & P's vicious and improper buying and selling practices to compete with prices that would show a mark-up sufficient to return to A & P only thirty-six one-hundredths of 1 percent on retail sales. I remind you—this was not due to A & P's efficiency. It was due in largest part to predatory practices in the purchase of goods which gave A & P rebates that A & P's competitors had ultimately to pay for, and it was founded on merchandising ethics which permitted A & P to extract large sums from unsuspecting consumers in the form of stock gains.

If, in 1939, A & P had priced goods in all its stores at the same level, honest independent grocerymen who bought without the advantage of discriminatory price preferences and sold without the advantage of illegitimate stock gains, would have been faced with the necessity of selling on a profit margin of thirty-six one-hundredths of 1 percent to compete with A & P. But this was not the only weapon that A & P employed as part of its calculated scheme to capture as much of the business of other retail grocers as it desired.

A & P'S VICIOUS BELOW-COST SELLING PRACTICES DESCRIBED AS DELIBERATE CUTTHROAT METHOD OF ELIMINATING COMPETITORS

In 1939, as in every year, A & P deliberately planned out a program for gaining retail volume by selling below cost in certain of its stores and raising the prices in others of its stores to recoup the losses. As we have seen, the A & P executives had decided to increase sales by 15 percent in 1939—or $133,000,000—to a total of $1,000,000,000. They had also decided to make profits of $20,000,000, of which $3,600,000 was to come from retail sales as distinguished from rebates, overages, and similar items. Now the A & P executives assigned to each of A & P's seven administrative retail divisions the portion of these profits which it was to make. In advance of the year, A & P decided that it would lose $785,280 in its New England division. In advance of the year 1939, A & P decided to lose $567,100 in its Atlantic division. It was planned that prices in the other five divisions of A & P would be set high enough in 1939 to make up for these losses, and to return the total profit of $3,600,000 which A & P had decided to make on retail sales in that year. The central western division, for example, was assigned the job of making $673,200 in profit—which was $232,560 more than its proper share of the total planned profits based on this division's percentage of total A & P sales.

This pattern of deliberately planned losses subsidized by profits taken elsewhere was carried out right down to the store level. Each division within A & P is further divided into units, consisting of A & P stores in a small geographical area served by one A & P warehouse. There were, for example five units in the Atlantic division. This division, you will recall, was to lose a total of $567,100 in 1939. But within the division, a plan was set up by which four of the five units were to lose a total of $697,100—or $130,000 more than the entire division was to lose. To compensate, it was planned that the fifth unit in the division, composed of stores in the Scranton, Pa., district, would make a profit of $130,000 to bring the whole division up to its planned loss of $567,100.

The Baltimore unit was programed to sell 17.5 percent of total sales and to lose $26,000; Philadelphia was programed to sell 35.7 percent of total sales and was to lose $368,000; Richmond was programed to sell 11.5 percent of total sales and to lose $26,000; Washington unit was programed to sell 9.7 percent of sales and to lose $312,000; Scranton was programed to sell 25 percent of total sales and to earn $130,000.

You will notice the remarkable contrast between the programs for the Washington and the Scranton units. Scranton with one-fourth of the total division sales was to earn $130,000—Washington with but 9.7 percent of sales was to lose $312,000.

How did this program actually work out? Here is the record in the Washington, D. C., unit.

Washington was programed to lose operating profits during the 13 weeks of the first quarter of 1939 at the rate of $4,000 a week. A & P did not expect to gain in volume of sales during this period. It was probably anticipated that competition would meet their prices at the outset. During the 13 weeks of the second quarter of the year the unit was to lose at the rate of $10,000 a week—still no planned gain in volume. By the end of the second quarter, A & P would have thrown into the battle $182,000 in operating losses. In the third quarter of 1939, A & P planned to reduce its losses. It expected to lose in this quarter at the rate of only $5,000 a week. However, it also expected to gain 15 percent in volume of sales. In short, after 13 weeks of operating losses of $5,000 a week, followed by another 13 weeks with losses at the rate of $10,000 a week, A & P expected that its competition would have to give up, raise their prices, and permit A & P to take the business. The A & P expected this process to be accelerated in the fourth quarter of 1939. During this quarter, A & P planned to lose at the rate of $5,000 a week in the Washington unit and to increase its sales in the unit by 27 percent.

The program worked out precisely as planned. Losses were suffered as scheduled. Income sufficient to pay these losses and to return the total planned profit for the entire A & P system for the

year was realized. A & P increased its retail sales by very nearly the scheduled 15 percent.

A & P OFFICIALS PLEASED WITH DRIVE TO ELIMINATE COMPETITION

A & P executives were highly pleased. Let me quote the minutes of a meeting of the executives of the Atlantic division concerning the results of this program at the end of the first quarter of 1939. I quote from this document as it appears in the record of the criminal trial:

In operating profit it was pointed out that the Baltimore unit was running $400 per week accumulated in excess of its $1,000 net profit requirement; Philadelphia about $1,000 per week more than its proposed loss; Richmond a little less than $550 per week over proposed profits; and Washington just about even with its $4,000 weekly scheduled loss. As a division, total operating losses during the first quarter through the week ended May 13 were stated as $500 per week more than the program which was set up at $5,225 per week.

It was, indeed, pleasing to observe the close proximity between the actual and proposed results which reflect very favorably upon the good execution of the program in every unit.

It is not difficult to understand the glee of A & P's executives. Of course, in the Washington, D. C., area alone they had lost almost $5,000 for 13 weeks, $10,000 for 13 weeks, $5,000 for another—a total of nearly $312,000 in a full year of continuous unremitting losses. But, on the other hand, they had increased their sales in this same Washington, D. C., area by 15 percent in one quarter of the year, and by 27 percent in another. And this had actually cost them not one single penny. They had charged these losses to consumers in other areas, and enough more, to make A & P a comfortable total profit of $20,000,000.

This was not one exceptional year in A & P's business history. The pattern I have described was proven beyond all reasonable doubt to constitute the continuing policy of this chain organization. Figures prepared by A & P itself and put in evidence at the criminal trial showed that A & P operated as many as 30 percent of all of its stores at a net loss. These figures show that losses were sustained in given stores, not for a week or a month but literally year after year. In 1936, for example, 22.35 percent of the 3,467 stores then operating at a loss had been operated continuously at a loss for 4 years.

SMALL-BUSINESS MAN IMPERILED IF A & P TACTICS ARE ALLOWED TO CONTINUE

I ask you again, gentlemen, to place yourself in the position of a young man—a veteran, perhaps—who has invested his savings in a small grocery store near an A & P market. If A & P decides to expand its business in your area at your expense, you must be prepared to lose money for as much as four long years if you propose to fight through and retain your small business. Your efficiency has nothing to do with it. You must be efficient simply to minimize your losses. Unless you are efficient and are also able to lose money steadily year in and year out for so long as A & P thinks it worth while to sell in your area at a loss, you may as well close your doors at the outset and apply to A & P for a job as assistant store manager in A & P unit No. 6784.

By this unholy and vicious process A & P destroyed hundreds of small independent businessmen. The record in the criminal trial contains case history after case history of the economic loss and human misery that came to small-business men who stood in the way of A & P's brutal and inhumane purposes. They were engulfed, shattered, and swept away. No one gained from their destruction but A & P. Every penny of the cost of driving them to bankruptcy and ruin was paid by consumers who bought from A & P stores in other areas. Through the years, A & P continued to make its planned profits year after year.

These independent businessmen and their families were not the only sufferers. The public paid the bill as consumers. But the public paid a larger price as members of a society which lost the social stability and political and economic soundness that depends upon the existence of a healthy class of free and independent men and women. A & P might be pleased to see our Nation organized into gigantic corporate structures—every man a minion or clerk—but no man who values democracy and freedom can but be appalled by that dreary and desolate prospect.

FREEDOM OF OPPORTUNITY AND FREEDOM OF THE PEOPLE WILL INEVITABLY BE DESTROYED UNLESS WE HALT GIANTS OF BUSINESS NOW

The struggle to protect the freedom of the individual American citizen from the corrupt and strangling paralysis of monopoly is one in which each of us has a terrible stake. The criminal record in the trial of the A & P chain organization vividly demonstrates the process by which our freedom is even now being inexorably destroyed. Here—spread over 25,000 pages of testimony and exhibits, spelled out in more than 5,000 documents reflecting the day-to-day operations of the A & P organization—here is written for all to see the bitter story of the brutal destruction and bankruptcy of established local businessmen, the quick and merciless stifling of young and agressive men attempting to enter into business for themselves, the inexorable substitution of monopoly power and absentee ownership for competition among free and independent men—and all without a penny of savings to the American consumer. If our Nation is to retain its character as a free, competitive, democratic society in which the only limitation upon the ability of the individual man to grow and prosper with his community rests in his own energy and initiative, the suit against A & P must succeed.

Let me read you the dispassionate legal language of the court of appeals summarizing the findings of the courts with respect to A & P's conduct:

With the concessions on the buying level acquired by the predatory application of its massed purchasing power, A & P was enabled to pressure its competitors on the selling level even to the extent of selling below cost and making up the loss in areas where competitive conditions were more favorable. The inevitable consequence of this whole business pattern is to create a chain reaction of ever-increasing selling volume and ever-increasing requirements and hence purchasing power for A & P, and for its competitors hardships not produced by competitive forces, and, conceivably, ultimate extinction. Under all the cases, this is a result which sections 1 and 2 of the Sherman Act were designed to circumvent.

I am not speaking of a theoretical situation. I am speaking of facts. I am speaking of facts found to be true beyond all reasonable doubt by the courts of this land. Equipped with the best legal counsel that its vast financial resources could secure, A & P has sought to controvert these facts before a United States district court and before the court of appeals, and it has failed. These facts stand incontrovertible—except, of course, in the paid advertisements of A & P where they can be ignored, distorted, and falsified.

A & P PROPAGANDA DISTORTION OF TRUTH—BE NOT DECEIVED

Even this brief summary of the record in this matter is sufficient to demonstrate the irresponsible misrepresentations which A & P is now foisting upon the country.

The pending suit does not attack efficiency. It attacks brutal coercive practices that had no element of efficiency in them.

The pending suit will not raise prices. It will reduce the costs, and hence the prices of all of those independent grocery stores who must now pay higher prices because of the rebates which A & P secures.

Over 90 percent of the American public buys in grocery stores whose prices are artificially high because of this subsidy paid to A & P. The pending suit will end these subsidies and enable these stores to reduce their prices.

Moreover, the suit will end A & P's practice of forcing consumers in one area to subsidize A & P's price wars in another. Prices in most of A & P's own stores should come down when this evil procedure is forbidden.

The suit will not close a single A & P store.

The Government asks that the 6,000 A & P stores be separated into seven chains—the seven division chains which A & P itself recognizes for administrative purposes. Not a single one of these stores will be closed. They will simply become a part of a regional chain which will be itself composed of approximately 850 stores—not exactly a small operation. Every bit of available economic evidence indicates that these new A & P chains of 850 stores each will be large enough to bring all the savings possible from mass distribution to the consumer. All they will lack is the tremendous buying and selling power which A & P has employed in the past to blackjack its suppliers on the one hand and its retail competitors on the other.

A & P has been no friend of the consumer, no friend of the farmer, no friend of the manufacturer—and surely the deadly enemy of independent free enterprise in this Nation.

I commend the Department of Justice for this action, and I know every American who is able to obtain the facts will join in this commendation.

LOCAL OWNERSHIP

There are sufficient people, able, ready, and willing, in every local community in the United States to properly and efficiently conduct the local retail business. This is not necessarily true as to wholesaling, manufacturing, or businesses that are necessarily large. Local ownership is preferable because (1) local citizens take more interest in the community and help build churches, schools, and a better community life; (2) it is better to have a nation filled with small businesses performing retail-store functions than to have a few national chain stores and a nation of clerks.

BIGNESS TOO BIG

The A & P Tea Co., for instance, has been a consistent, persistent, and habitual violator of city, State, and national laws, and particularly Federal antitrust laws. This one chain is so large and powerful that the Federal Government is unable to cope with it for the purpose of compelling the concern to operate legally and on the side of right. There are just not enough people in the Department of Justice and the Federal Trade Commission, and they do not have enough money to police properly this one concern. Thousands of cases have been filed against this one concern. If there were an habitual criminal act applying to corporations, the concern would not have sufficient assets to pay the fines that would be imposed.

LOCAL MERCHANTS

If there were no retail chain stores in the United States, the consumers would get lower food prices than they are getting now. The reason being that there is no competition as keen as between a large number of local independent merchants competing for the consumer's dollar. In times gone by it was possible for a few merchants in a small community to get together and fix prices. This would no longer be possible since each town and community is only a few miles from another area where competition is keen. In addition people have more money now and if attempts are made to impose upon them by local merchants they can quickly establish a new business. If a national chain imposes upon them they have no recourse except to pay excessive prices so they could not compete with a national chain.

RUTHLESS COMPETITION—CAPTAIN KIDD'S

The A & P Tea Co. has been found guilty by the courts of our country of violating the antitrust laws and unfairly destroying competing independent businessmen. For instance, the court found that in 30 percent of the stores of A & P merchandise was sold at a loss until the competitors across the street were forced into bankruptcy, then the price of food went up and stores elsewhere commenced to sell at a loss to put other competitors out of business. The facts disclose that A & P could successfully crush any ordinary competitor in 3 years. The little fellow across the street would put up a courageous fight, working harder, spending his savings, cashing his insurance, getting money from his friends and kinsfolk, but the great A & P in 3 or 4 years time could successfully put him out of business by selling goods below cost. The consumers do not profit in this way, because eventually they pay and pay dearly in the form of higher prices. The courts have held, in effect, that the A & P Tea Co. represents the Captain Kidd's in business and are detouring the Golden Rule. The decision convicts them of chiseling, cheating, and racketeering. Back in the days when we had bank robbers and public enemies, we had the James boys. These famous bandits had a big following from people who received gifts of money from them, that they had obtained by robbing banks, railroads, and individuals. Thousands of misled followers thought the James boys were great heroes and philanthropists.

A & P FULL-PAGE ADS

The A & P is trying to mislead the people again in their advertising in full-page ads throughout the country that "our only crime is that we are accused of being too big and saving the people money as a result." This is not the truth. They do not save the people money except when they are trying to destroy an independent competitor. When he is destroyed the prices go up. Generally the public loses money and our economic system suffers by this form of business. Millions of young men and young women have had the hopes, ambitions, and aspirations destroyed by the lack of a fair opportunity, brought about by the monopolistic A & P that can put any competitor out of business whenever it wants to. This policy also makes it impossible for the local small-business man to get credit to go into the grocery business, or any other line in which the retail chains are strong, because they do not have adequate security, which weakens and more often destroys their credit position.

HOW CHAIN STORES AFFECT INDIVIDUAL SMALL-BUSINESS COMPETITORS

The table below, which is one of many such tables, supports the point that A & P cut prices in some areas below cost in order to destroy small-business competition, while using their profits from less competitive areas to subsidize this unfair competition. The merchant in direct competition with stores systematically operated in the red cannot long stay in business.

Year	Total number of stores	Number of stores in red	Percent of stores in red to total	In red, open over 3 years	Percent to total stores in red
System-wide:					
1932	15,393	3,334	21.66	2,581	77.41
1933	15,095	3,060	20.27	2,584	84.44
1934	14,995	3,871	25.81	3,386	87.47
1935	14,885	3,651	24.52	3,217	88.11
1936	14,697	3,467	23.58	3,136	90.45
1937	13,264	4,382	33.03	4,051	92.44
Glaring examples:					
New England division:					
1934	2,626	1,136	43.25	1,060	93.30
1935	2,535	1,141	45.00	1,078	94.47
Southern division: 1937	3,379	1,392	41.19	1,291	92.74

In spite of the large number of stores systematically operated in the red, it is the set policy of A & P headquarters to maintain a 7-percent yearly net profit. Thus, prices in less competitive areas must be raised to make up the difference.

STOCK GAINS

Stock gains are the creation of the chain-store system to promote fictitious profits. It is not possible, for instance, for an honest merchant to measure out a hundred pounds of sugar out of a hundred-pound sack in small quantities. The same applies to meats, lard, and many other commodities that are received in the retail store in bulk and parceled out in small quantities. There is heavy shrinkage and spoilage in fresh fruits and vegetables. Under the A & P chain-store system, the local manager is charged at their full weight or retail value. During a 7-year period the A & P stores received in stock gain profits of $21,000,000, or $3,000,000 a year. Managers of stores who could not sell more than they received were fired or demoted. Managers of stores that had substantial stock gains were promoted. Ask any honest grocer and he will tell you that he never had a stock gain in his entire life.

FAKE CONSUMERS TAX COMMISSION

The A & P was also found guilty of organizing different consumers groups in different sections of the country and financing these groups as though they were spontaneous and represented bona fide consumers. They are known as kept groups. In this way the members of legislatures were fooled and misled, as well as Members of Congress.

TAX DISCRIMINATION IN FAVOR OF A & P

The A & P Tea Co. sells at a loss in a large percentage of its stores at all times for the purpose of destroying competitors. Since A & P makes one tax return, every loss in every store is deductible for tax purposes. It A & P loses $5,000 a year in a community for 4 years—which is the customary time to destroy an independent—A & P gets a tax deduction of $5,000 each of these 4 years. In other words, the Government is indirectly permitting the use of funds that should go into the United States Treasury for the purpose of destroying independent merchants.

I have introduced a bill which will prevent the A & P and other big national chains from getting a tax advantage when its power is used to destroy an independent merchant. Anyone believing in tax equality and against tax discrimination should favor this bill, as well as those who favor preserving the private enterprise system.

During the first half of the year, I wrote the chairman of the Committee on Ways and Means, before whom the bill is pending, asking for a hearing on this bill. The chairman replied:

As you doubtless know, our committee is busily engaged in considering the administration's bill for amendments to the present Social Security Act.

I do not believe we should take up any other bill which would require public hearings until we have disposed of the bill dealing with social security.

Now, since the social-security bill is out of the way, I am writing the chairman another letter for the purpose of trying to get a hearing on this bill during the first part of January 1950.

The bill is as follows:

[H. R. 4, 81st Cong., 1st sess.]

A bill relating to the tax treatment of chain stores operated at a loss

Be it enacted, etc., That chapter 1 of the Internal Revenue Code is amended by inserting after section 109 a new section reading as follows:

"SEC. 110. Chain stores operated at a loss.

"(a) In general: In the case of any retail store which is part of a retail chain, if for any taxable year the amounts which, except for this section, would be deductible on account of such store exceeds the amounts which, except for this section, would be includible in gross income on account of such store, the amounts which would be so deductible shall not be allowed as deductions for such taxable year and the amounts which would be so includible shall be excluded from gross income for such taxable year.

"(b) Definitions: As used in this section the term—

"(1) 'Retail chain' means a group of 50 or more retail stores which, either directly, or through one or more persons, or by leases, contracts, or other arrangements or devices, are subject to a single common control.

"(2) 'Retail store' means any place at which sales of merchandise, and delivery thereof, are made, or at which services are furnished, to retail customers in the ordinary course of business, but such term does not include any establishment or facility maintained by a common carrier as part of its transportation facilities primarily for furnishing meals or other commodities to its passengers and employees, or any branch office maintained by a newspaper for the distribution of its papers or taking subscriptions or advertisements therefor."

SEC. 2. The amendment made by this act shall be applicable with respect to taxable years beginning after December 31, 1948.

AMENDMENT TO ROBINSON-PATMAN ACT

January 3, 1949, I introduced H. R. 5, a bill relating to certain discriminatory pricing practices affecting commerce. It contains the following provisions:

That it shall be unlawful for any seller to sell at a price, discount, or other terms, by reason of quantities sold, or seasonal order, or for any other reason, unless he has undertaken in good faith (1) to make known to all of his customers that such price and/or discount and/or term is available to them under the same conditions to all of his customers for a reasonable period of time.

The object of this amendment is intended to strengthen the antitrust laws at a point of vital importance to small business. The Robinson-Patman Act made such discounts thoroughly illegal and greatly strengthened the law on this point. H. R. 5 further strengthens it. This law, if enacted, would make it possible for any customer at any time to demand of a seller that he reveal to him his complete line of discounts to any and all customers, and would require the seller to deliver such information to his customers. It also places a burden on the seller to keep his customers advised.

I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a communication.

FARMER COOPERATIVES

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, usually in life I have all I can do to attend to my own controversies that I get into, but there are times when patience ceases to be a virtue. I think I have about reached that point.

A year ago about this time President Truman ran around the country telling the people how he was going to keep up farm prices and how he was going to lower prices to the consumers. Most everyone knew he was not going to do it. I do not think he thought he was going to do it himself. The result has been that as far as the State of Wisconsin is concerned, we have seen farm prices go down about one-third. According to what we hear on the floor, the consumers feel as though they are paying about as much as they ever did. But what impressed me is that it is a peculiar thing, with all this talk that we hear about the co-ops, why it is that they do not have more of them in Democratic districts. Why are they in districts represented by Republicans in Congress? Where are the co-ops in the United States? I would like to ask the gentleman from Texas [Mr. PATMAN] how many co-ops he has in his district. I happen to have a hundred in my district. I was born and raised with them. I know the purpose of them. We know that a co-op can do things once in a while that it should not do. They are not immortal by any means. They have corrected their errors. But the whole cooperative movement has come about in Republican districts. The economy of Texas and the economy of the South has not been based on the co-op set-up. Everyone knows that. You are "Johnnie-come-lately's" purely for political purposes. Now you want to get on the old co-op band wagon. It is like the price-support program. You killed it by Executive order, then went around the country telling how bad the Republicans were in connection with the support program. If it had not been for the Eightieth Congress you would not have had one.

So, as far as I am concerned, and as far as co-ops are concerned, and I think as far as the State of Wisconsin is concerned, we know which side of the bread the butter is supposed to be on, but there will not be any butter on it if we listen to some of these apostles from the South because they will be putting us out of business. You just leave the co-ops alone and run your own business. One or two Republicans or one or two Democrats do not speak for their party. The gentleman from Illinois [Mr. MASON] may express opinions, but they are his personal opinions and he does not speak for the party. He is not authorized to speak for the Republican Party any more than you. What he does is his own business. In the State of Wisconsin we are getting a little tired of having cheap politics injected into this cooperative situation. The New Deal paid Tom Campbell's outfit over $250,000 for raising or not raising wheat, and if you want to help him dodge any tax payment on his $1,000,000 income from his wheat crop that is your responsibility.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 377. An act for the relief of Earnest J. Jenkins.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 36 minutes p. m.), under its previous order, the House adjourned until Monday, October 10, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

964. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 8, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on the Cumberland River, Ky. and Tenn., with a view to constructing reservoirs above the Letcher-Harlan County line in Kentucky, flood protection at and in the vicinity of Barbourville, Ky., and flood control in the upper Cumberland River Basin, requested by resolutions of the Committee on Flood Control, House of Representatives, adopted on May 2, 1939, January 31, 1946, and March 1, 1946 (H. Doc. No. 345); to the Committee on Public Works and ordered to be printed with two illustrations.

965. A letter from the Acting Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers; without amendment (Rept. No. 1382). Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers; without

amendment (Rept. No. 1383). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H. R. 5594. A bill to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad; with an amendment (Rept. No. 1384). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6316. A bill to amend the National Housing Act, as amended; without amendment (Rept. No. 1385). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTE:

H. R. 6336. A bill to provide temporary amendment to the civil service retirement law due to emergency existing at the present time; to the Committee on Post Office and Civil Service.

By Mr. CUNNINGHAM:

H. R. 6337. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to provide full annuities, at compensation of half salary or wages based on the five highest years of earnings, for individuals who have completed 30 years of service or have attained the age of 60; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOOD:

H. R. 6338. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act, as amended; to the Committee on Veterans' Affairs.

By Mr. McKINNON:

H. R. 6339. A bill to authorize a survey to determine the feasibility and advisability of constructing a multipurpose tunnel through the Laguna Mountains in San Diego County, Calif.; to the Committee on Public Works.

By Mr. O'SULLIVAN:

H. R. 6340. A bill authorizing the Secretary of Agriculture to sell and transfer for a nominal consideration to the University of Nebraska College of Agriculture, four aged mares now kept at the Fort Robinson Remount Station at Fort Robinson, Dawes County, Nebr., which mares the Government contemplates destroying soon; to the Committee on Agriculture.

By Mr. HARDIE SCOTT:

H. R. 6341. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act, as amended; to the Committee on Veterans' Affairs.

H. R. 6342. A bill to amend the Social Security Act to provide unemployment benefits for individuals who have been employees of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. DOUGHTON:

H. R. 6343. A bill relating to customs duties on articles coming into the United States from the Virgin Islands; to the Committee on Ways and Means.

By Mr. SMATHERS:

H. R. 6347. A bill dividing the State of Florida into three judicial districts, defining the territory embraced in each, and fixing the time of holding terms of court therein; to the Committee on the Judiciary.

By Mr. LATHAM:

H. Con. Res. 138. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Con. Res. 139. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. QUINN:

H. Con. Res. 140. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. LATHAM:

H. Con. Res. 141. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Con. Res. 142. Concurrent resolutions protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. QUINN:

H. Con. Res. 143. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. BLACKNEY:

H. Res. 378. Resolution for the relief of Allie Louise Hall; to the Committee on House Administration.

By Mr. BUCHANAN:

H. Res. 379. Resolution authorizing the expenses of the investigation and study to be conducted by the Select Committee on Lobbying Activities; to the Committee on House Administration.

By Mrs. ROGERS of Massachusetts:

H. Res. 380. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 374; to the Committee on House Administration.

By Mr. CLEMENTE:

H. Res. 381. Resolution commending the services of Mrs. Mathilda Burling, founder and president of the Gold Star Mothers of World Wars, Inc.; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KING:

H. R. 6344. A bill for the relief of Mrs. William Y. Imanaka; to the Committee on the Judiciary.

By Mr. LIND:

H. R. 6345. A bill for the relief of Mrs. Raymond Schaffer, Jr., and Barbara Ann Schaffer; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 6346. A bill for the relief of Anna Maria Dominijanni; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1526. By Mr. SMITH of Wisconsin: Petition of Polish American Labor Council, Inc., Chicago, Ill., urging the Congress to call a joint session to take cognizance of the result of Tehran, Yalta, and Potsdam agreements, instrumental in bringing Poland and her neighbors under the yoke of communism and creating so much fear and ever-increasing anxiety throughout the world of yet another war; and to submit a concrete plan to the UNO for the purpose of forcing Russia back to her prewar boundaries, thereby liberating all nations suffering under the Russian yoke; and to withdraw recognition of the Warsaw puppet government, a government actually antagonistic to the best interests of Poland and an enemy of the United States and all other freedom-loving nations; to the Committee on Foreign Affairs.

SENATE

FRIDAY, OCTOBER 7, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, as we rejoice in the gift of another day, may its hours be made luminous by Thy presence, who art the light of all our seeing. In everything we are called to face may we do and be our best and so be worthy of our high calling.

Deliver us from all malice and contempt lest we hurt others and sour our own souls. May the lure of expediency never bend our conscience to low ends which betray high principles. Hear Thou our prayer as out of the depths we cry, asking for wisdom and strength as we bow at the altar stairs which slope through darkness up to Thee. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, October 6, 1949, was dispensed with.

LEAVE OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. SPARKMAN, Mr. FREAR, Mr. BRICKER, and Mr. FLANDERS were granted leave of absence for the remainder of the session.

CALL OF THE ROLL

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chapman	Ecton
Anderson	Chavez	Ferguson
Baldwin	Connally	Fulbright
Bridges	Cordon	George
Butler	Donnell	Graham
Byrd	Douglas	Green
Cain	Downey	Gurney
Capehart	Eastland	Hayden

Hendrickson	Long	O'Mahoney
Hickenlooper	Lucas	Pepper
Hill	McCarthy	Robertson
Hoey	McClellan	Russell
Holland	McFarland	Saltonstall
Humphrey	McKellar	Schoeppel
Hunt	McMahon	Smith, Maine
Ives	Magnuson	Stennis
Johnson, Colo.	Malone	Taylor
Johnson, Tex.	Martin	Thomas, Okla.
Johnston, S. C.	Maybank	Thomas, Utah
Kefauver	Miller	Thye
Kem	Millikin	Watkins
Kerr	Morse	Wherry
Kilgore	Mundt	Wiley
Knowland	Murray	Williams
Langer	Myers	Young
Leahy	Neely	
Lodge	O'Conor	

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. SPARKMAN], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Indiana [Mr. JENNER] is absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. LUCAS, and by unanimous consent, the Committee on the Judiciary and the Committee on Interior and Insular Affairs were authorized to sit during the session of the Senate today.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 627. An act for the relief of Leon Moore;

S. 2116. An act to provide for the advance planning of non-Federal public works;

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes;

H. R. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945; and

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. Res. 172. Resolution expressing the sense of the Senate as favoring the development of a special aircraft for agricultural purposes and related equipment to be undertaken by the Civil Aeronautics Administration and the Department of Agriculture; without amendment (Rept. No. 1135).

By Mr. MCCLELLAN, from the Committee on Expenditures in the Executive Departments:

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; without amendment (Rept. No. 1136).

By Mr. HUNT, from the Committee on the District of Columbia:

S. 2205. A bill to authorize the Commissioners of the District of Columbia to enter into contract for the removal of sludge; with amendments (Rept. No. 1137);

S. 2365. A bill to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia; without amendment (Rept. No. 1138);

H. R. 4059. A bill to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution; without amendment (Rept. No. 1139);

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen; without amendment (Rept. No. 1140); and

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia; without amendment (Rept. No. 1141).

By Mr. PEPPER, from the Committee on Foreign Relations:

S. J. Res. 128. Joint resolution to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters, and for related purposes; with amendments (Rept. No. 1142).

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 5472. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; with amendments (Rept. No. 1143).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 7, 1949, he presented to the President of the United States the following enrolled bills:

S. 627. An act for the relief of Leon Moore; and

S. 2116. An act to provide for the advance planning of non-Federal public works.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of James Bruce, of Maryland, to be Director of Foreign Military Assistance, which was referred to the Committee on Foreign Relations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

S. 2648. A bill for the relief of Carlo Fava; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 2649. A bill to make awards of death compensation and death pension payable by the Veterans' Administration effective as of the date of death of the veteran; to the Committee on Finance.

By Mr. BUTLER (for himself and Mr. BYRD):

S. 2650. A bill to reduce the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time; to the Committee on Finance.

(Mr. HUMPHREY introduced Senate bill 2651, for refund of customs duties to the Preparatory Commission for the International Refugee Organization, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. MYERS:

S. 2652. A bill for the relief of Paul L. Barrett; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 2653. A bill to increase certain pension rates under laws administered by the Veterans' Administration; to the Committee on Finance.

By Mr. PEPPER:

S. 2654. A bill to exempt Government insurance dividends from taxation and the claims of creditors; to the Committee on Finance.

REFUND OF CUSTOMS DUTIES TO PREPARATORY COMMISSION FOR INTERNATIONAL REFUGEE ORGANIZATION

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill providing for refund of customs duties to the Preparatory Commission for the International Refugee Organization, and I ask unanimous consent that an explanatory statement by me of the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2651) for refund of customs duties to the Preparatory Commission for the International Refugee Organization, introduced by Mr. HUMPHREY, was read twice by its title and referred to the Committee on the Judiciary.

The explanatory statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY WITH INTRODUCTION OF BILL FOR THE INTERNATIONAL REFUGEE ORGANIZATION

The bill will restore to the International Refugee Organization $120,000 paid by that international organization to the United States as customs duties on property brought into this country in accordance with an international agreement which this country signed, to provide funds for the rehabilitation and resettlement of Nazi victims.

On January 14, 1946, article 8 of part I of the Final Act of the Paris Conference on Reparations became effective. It recognized the fact that large numbers of persons suffered heavily at the hands of the Nazis and stood in dire need of aid to promote their rehabilitation and resettlement. As a result a share of German reparations consisting of all the nonmonetary gold found in Germany by the Allied armed forces was allocated for the rehabilitation and resettlement of these nonrepatriable victims of totalitarianism. The appropriate agency of the United Nations was designated to administer this portion of the reparations.

Under the terms of this agreement, the Governments of the United States, France, the United Kingdom, Czechoslovakia, and Yugoslavia were directed to work out a plan for the administration of the property. Accordingly, on June 14, 1946, title to this nonmonetary gold passed to the United Nations and this body was directed to take the necessary steps to liquidate it as soon as possible, due consideration being given to securing the highest possible realizable value so that the rehabilitation and resettlement of refugees could be facilitated.

The nonmonetary gold in question consisted of personal property such as jewelry, rugs, unmounted precious and semiprecious stones, silver watches, family glassware, cameras, and the like, which had been seized by the Nazis from their victims, most of whom perished in concentration camps. All of this property was unidentifiable either to previous ownership or national origin. The United States Army had been charged with the gathering and custody of this property, and made every effort to identify the lawful owners of that property. But where this could not be done the property was turned over to the International Refugee Organization.

In accordance with the terms of this agreement the International Refugee Organization brought to the United States for liquidation portions of this nonmonetary gold which could not be disposed of advantageously elsewhere. A committee of outstanding businessmen and public servants served without compensation and advised and supervised the sale of the property in the United States in a manner which would not adversely affect the economy of this country, and at the same time would provide the maximum funds for the relief of refugees.

This property has been disposed of in the past year and a half. Since it was sold through commercial channels, principally by public auction sales, the custom laws of the United States required the payment of custom duties based upon the appraisal of the customs officials totaling $120,000.

The United States Government played a leading role in the Paris Conference on Reparations in 1945 and at the Five Power Conference in June of 1946 in assisting these victims of the war who had no government representing them receiving reparations from Germany. The United States Government played a leading role in all of the negotiations and decisions which were made. It is clear that it is was not the intent of the United States to profit from this transaction, for to do so would detract from the rehabilitation and resettlement of deserving victims of totalitarian persecution.

The bill is a companion to H. R. 5863 introduced in the House by Congressman CELLER, is designed to restore to the International Refugee Organization the funds intended for its use.

The text of the bill is as follows:

"Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Preparatory Commission for the International Refugee Organization the sum of $120,000, paid by the Preparatory Commission for the International Refugee Organization to the United States as duties on property brought into the United States for sale to provide funds for the rehabilitation and resettlement of victims of German action pursuant to the agreement entered into on June 14, 1946, by the Government of the United States with the Governments of the United Kingdom, France, Czechoslovakia, and Yugoslavia."

AMENDMENT OF EXPORT-IMPORT BANK ACT RELATING TO INVESTMENTS ABROAD

Mr. SALTONSTALL submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2197) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad, which was ordered to lie on the table and to be printed.

AMENDMENT OF DISPLACED PERSONS ACT—AMENDMENTS

Mr. HUMPHREY submitted amendments intended to be proposed by him to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were referred to the Committee on the Judiciary and ordered to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—AMENDMENTS

Mr. AIKEN (for Mr. TAFT) submitted an amendment intended to be proposed by Mr. TAFT to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT submitted amendments intended to be proposed by him to House bill 5345, supra, which were ordered to lie on the table and to be printed.

Mr. HUNT submitted an amendment, Mr. BUTLER submitted an amendment, and Mr. WILLIAMS submitted amendments intended to be proposed by them, respectively, to House bill 5345, supra, which were ordered to lie on the table and to be printed.

Mr. MALONE submitted an amendment intended to be proposed by him to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At the end of the bill add the following new section:

"Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), and reenacted by section 3 of the Agricultural Act of 1948 (Public Law 879, 80th Cong.) is hereby amended to read as follows:

" 'SEC. 22. (a) Whenever the average wholesale price of any farm commodity or product thereof is less than the parity price of such commodity or product, there shall be levied, assessed, collected, and paid, on such commodity or product when imported from any foreign country into the United States or into any of its Territories or possessions, an import tax or fee equal to the difference between the landed cost of such imported commodity or product and the parity price thereof.

" 'The term "average wholesale price" for the purpose of this section shall, as of any date, mean the average wholesale price used by the Bureau of Labor in computing the wholesale price commodity index (1926=100) current on such date.

" 'The term parity price, in the case of a farm commodity, shall mean the parity price as determined under the Agricultural Adjustment Act of 1938, as amended, and, in the case of a product of such a commodity, a price which reflects the parity price of the commodity.' "

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to House bill 5345, supra, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 26, at the end of the line 5, strike out the period, insert a semicolon, and the following: *"Provided,* That the Secretary of Agriculture is authorized within his discretion to make available, under rules and regulations to be made and announced, any of such surplus commodities to the Cooperative for American Remittances to Europe, Inc. (CARE), for relief in Europe and Asia; *And provided further,* That upon application of the Munitions Board or any other Federal agency for any part of the accumulated supplies on hand at any time for use in making payment for commodities not produced in the United States, the Secretary of Agriculture may approve such application or applications and thereafter make such commodities available on such terms, rules, and regulations as may be deemed in the public interest."

ANTIMONOPOLY LEGISLATION—STATEMENT BY SENATOR KILGORE

[Mr. NEELY asked and obtained leave to have printed in the RECORD a statement by Senator KILGORE regarding the need for additional antimonopoly legislation, which appears in the Appendix.]

PURCHASE OF CANADIAN WHEAT BY GREAT BRITAIN WITH ECA MONEY—LETTER FROM SENATOR BUTLER TO ADMINISTRATOR HOFFMAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a letter written by him, dated September 30, 1949, to Paul Hoffman, Administrator of the ECA, on the subject of the purchase of Canadian wheat by Great Britain with ECA money, which appears in the Appendix.]

LEIF ERIKSON—TRIBUTE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him in tribute to Leif Erikson and the Viking spirit, which appears in the Appendix.]

MARY T. SCHIEK—STATEMENT BY SENATOR McCARTHY AND EDITORIAL COMMENT

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD a statement by him regarding the case of Mary T. Schiek, together with an editorial from the Wheeling (W. Va.) Intelligencer, and a letter from Senator McCARTHY to the editor of the Intelligencer, which appear in the Appendix.]

A SOUND BALANCED ECONOMY—ADDRESS BY WALTER HARNISCHFEGER

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD an address on a program to establish a sound balanced economy in this country, delivered by Walter Harnischfeger, before the Council of State Chambers of Commerce, Columbus, Ohio, September 9, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—ARTICLE BY MARQUIS CHILDS

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "Mr. Olds' Views," by Marquis Childs, published in the Washington Post for October 7, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—EDITORIAL FROM THE EL PASO HERALD-POST

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an editorial entitled "FPC Appointment," published in the El Paso Herald-Post for October 4, 1949, which appears in the Appendix.]

THE FORGOTTEN WORD—ARTICLE BY HENRY B. BRYANS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "The Forgotten Word," written by Henry B. Bryans, and published in the Union League Bulletin of Philadelphia, Pa., for October 1949, which appears in the Appendix.]

HIS PENNSYLVANIA RIFLE MADE BOONE PRIZE SHOT—ARTICLE BY CAPT. JOHN M. CUMMINGS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "His Pennsylvania Rifle Made Boone Prize Shot," written by Capt. John M. Cummings, and published in the Philadelphia Inquirer of Friday, October 7, 1949, which appears in the Appendix.]

THE ROMAN ROAD TO RUIN—ADDRESS BY GEORGE E. STRINGFELLOW

[Mr. KEM asked and obtained leave to have printed in the RECORD an address entitled "The Roman Road to Ruin," delivered by Mr. George E. Stringfellow, of West Orange, N. J., before the Kiwanis Club of Washington, D. C., on October 6, 1949, which appears in the Appendix.]

USE OF ECA FUNDS FOR CANADIAN WHEAT—ARTICLE BY HENRY S. FRENCH

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Fumble by United States Department of Agriculture," written by Henry S. French, and published in the Kansas City Star of October 5, 1949, which appears in the Appendix.]

LETTER FROM MAYOR D'ALESANDRO TO PAUL ROBESON

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a letter dated September 27, 1949, addressed by Mayor Thomas D'Alesandro, Jr., of Baltimore, to Paul Robeson, which appears in the Appendix.]

A DEFENSE OF LELAND OLDS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Lobby Target" from the Washington Post of September 29, 1949, which appears in the Appendix.]

LOYAL EMPLOYEES

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Loyal Employees," from the Washington Post of October 1, 1949, which appears in the Appendix.]

FORCE AND VIOLENCE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Force and Violence" from the Washington Post of October 1, 1949, which appears in the Appendix.]

DISPLACED PERSONS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Displaced Persons," from the Washington Post of October 1, 1949, which appears in the Appendix.]

RECORD OF THE COMMITTEE ON PUBLIC WORKS

Mr. CHAVEZ. Mr. President, I submit for the information of the Senate a brief résumé of the bills considered and reported by the Senate Committee on Public Works during this session of the Eighty-first Congress.

Particularly I want to invite the attention of the Senators to the fact that not a few of the bills are of major scope and particular importance to the Senators and to the States. While the committee has not authorized any giant public-works program for construction, nevertheless the committee has given considerable effort toward advancing of planning of public works needed in the States. Among these are:

First. Senate bill 714. This bill authorizes for advance planning and site acquisition of about 525 post offices and Federal office buildings, at least one in each congressional district. There are about 4,000 eligible cities.

Second. Senate bill 855. This bill authorizes a program of public works in Alaska, which is an important defense area. It will be on a cost-sharing basis with the territorial government or its political subdivisions and cost about $70,000,000.

Third. Senate bill 2116. This bill authorizes $100,000,000 to be allocated proportionately among the States for advance planning of public-works projects in the States. This money is loans only and must be repaid by the non-Federal Government agency which uses the program.

Fourth. Then, of course, there is the omnibus river and harbor and flood-control bill which will be reported within a few hours. I am happy to say that the Senate version of the bill amounts to $1,500,000,000, which is the smallest omnibus bill for such purposes in recent years at least. But it is a good one, and will carry 151 projects to completion or through 3 years.

I should like the Senate to know that the members of the Committee on Public Works have been diligent and considerate. I am really proud of the committee members who have served the Senate so well in this session.

I ask unanimous consent that the résumé be printed at this point in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

Bill number	Title and purpose	Date approved (or comment)	Public Law No.
S. 713	To authorize an increase in the limit of cost of the General Accounting Office from $22,850,000 to $25,400,000.	Feb. 25, 1949	10
S. 714	To authorize comprehensive planning, site acquisition, and major repair to Federal buildings and transferring jurisdiction over certain lands. For major repairs, $30,000,000; for advancing planning and site acquisition, $40,000,000.	June 16, 1949	105
S. 755	To extend the time for commencing and completing the construction of a bridge across the Ohio River in Illinois.	Aug. 10, 1949	217
S. 855	To authorize a program of public works in Alaska on a cost-sharing basis with the Territorial government or its political subdivisions. Estimated cost, $70,000,000.	Aug. 24, 1949	264
S. 1432	To provide for a Commission on Renovation of the Executive Mansion	Apr. 14, 1949	40
S. 1577	To authorize reenactment of the act creating the City of Clinton Bridge Commission for purposes of a bridge over the Mississippi between Clinton, Iowa, and Fulton, Ill.	Aug. 10, 1949	220
S. 2002	To provide for a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River.	Reported to Senate Sept. 29; pending on Calendar	
H. R. 1154	To authorize $800,000 for construction of extension and improvement of post-office facilities at Los Angeles.	Aug. 17, 1949	238
H. R. 2214	To provide for the development, administration, and maintenance of the Suitland Parkway in Maryland as an extension of the District of Columbia park system.	do	242
S. 2116	To authorize advance planning of public works in the States by non-Federal agencies; authorizes $100,000,000 in loans over 2-year period for costs of surveys and plans preliminary to construction.	Passed Senate and House and awaits Presidential approval.	
H. R. 5356	To authorize conveyance of land in Stoughton, Mass., to the Norfolk County Trust Co.	Awaits approval	
H. R. 3071	To authorize the Secretary of the Army to buy property along the Muskingum River in Morgan County, Ohio, for navigation purposes. Cost of $25,000.	Sept. 7, 1949	287
H. R. 3197	To authorize the sale of a marine hospital at Louisville, Ky., which is surplus, to the city of Louisville.	Sept. 8, 1949	304
H. R. 3478	To extend the time for completing construction of a bridge across the Mississippi near St. Louis, Mo.	Sept 7, 1949	289
S. 2374	To provide for an extension of 1 year from June 30, 1950, for completion of certain construction programs authorized in the Philippine Rehabilitation Act of 1946. Estimated that 15 percent of work remains to be done under program.	do	295
S. J. Res. 129	To authorize the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Mansion in renovation.	Pending on Senate Calendar	
H. R. 5472	Omnibus River and Harbor and Flood Control Act. Estimated cost in Senate bill, $1,564,814,000.	Authorized to be reported from Senate Committee on Public Works Sept. 7, 1949.	
S. 384	To authorize conveyance to the Temple Methodist Church of San Francisco a portion of a federally owned building if vacated by the Government within 10 years.	Pending in Senate	
H. R. 2660	To prohibit parking on property used for postal purposes	do	

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The VICE PRESIDENT. Under the unanimous-consent agreement of yesterday, the agricultural bill is automatically before the Senate. The Chair would like to ask whether it is desired to take up the Senate bill or the House bill, because the unanimous-consent agreement applied to both.

Mr. LUCAS. I ask that the House bill be considered.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That this act may be cited as the "Agricultural Act of 1949."

TITLE I—BASIC AGRICULTURAL COMMODITIES

SEC. 101. The Secretary of Agriculture (hereinafter called the "Secretary" is authorized and directed to make available through loans, purchases, or other operations, price support to cooperators for any crop of any basic agricultural commodity, if producers have not disapproved marketing quotas for such crop, at a level not in excess of 90 percent of the parity price of the commodity nor less than the level provided in subsections (a), (b), and (c) as follows:

(a) For tobacco (except as otherwise provided herein), corn, wheat, and rice, if the supply percentage as of the beginning of the marketing year is:	*The level of support shall be not less than the following percentage of the parity price*
Not more than 102	90
More than 102 but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75
(b) For cotton and peanuts, if the supply percentage as of the beginning of the marketing year is:	
Not more than 108	90
More than 108 but not more than 110	89
More than 110 but not more than 112	88
More than 112 but not more than 114	87
More than 114 but not more than 116	86
More than 116 but not more than 118	85
More than 118 but not more than 120	84
More than 120 but not more than 122	83
More than 122 but not more than 124	82
More than 127 but not more than 128	78
More than 125 but not more than 126	80
More than 126 but not more than 127	79
More than 124 but not more than 125	81
More than 128 but not more than 129	77
More than 129 but not more than 130	76
More than 130	75

(c) For tobacco, if marketing quotas are in effect, the level of support shall be 90 percent of the parity price.

(d) Notwithstanding the foregoing provisions of this section—

(1) the level of support to cooperators shall be 90 percent of the parity price for a crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect immediately following a crop for which neither marketing quotas nor acreage allotments were in effect;

(2) the level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity; and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;

(3) the level of price support for corn to cooperators outside the commercial corn-producing area shall be 75 percent of the level of price support to cooperators in the commercial corn-producing area;

(4) price support may be made available to noncooperators at such levels, not in excess of the level of price support to cooperators, as the Secretary determines will facilitate the effective operation of the program.

TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

SEC. 201. The Secretary is authorized and directed to make available (without regard to the provisions of title III) price support to producers for wool, tung nuts, honey, Irish potatoes, milk, and butterfat as follows:

(a) The price of wool shall be supported through loans, purchases, or other operations at such level, not in excess of 90 percent nor less than 60 percent of the parity price therefor, as the Secretary determines necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool;

(b) The price of tung nuts, honey, and early, intermediate, and late Irish potatoes, respectively, shall be supported through loans, purchases, or other operations at a level not in excess of 90 percent nor less than 60 percent of the parity price therefor;

(c) The price of whole milk and butterfat, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, the products of such commodities.

TITLE III—OTHER NONBASIC AGRICULTURAL COMMODITIES

SEC. 301. The Secretary is authorized to make available through loans, purchases, or other operations price support to producers for any nonbasic agricultural commodity not designated in title II at a level not in excess of 90 percent of the parity price for the commodity.

SEC. 302. Without restricting price support to those commodities for which a marketing quota or marketing agreement or order program is in effect, price support shall, insofar as feasible, be made available to producers of any storable nonbasic agricultural commodity for which such a program is in effect and who are complying with such program. The level of such support shall not be in excess of 90 percent of the parity price of such commodity nor less than the level provided in the following table:

If the supply percentage as of the beginning of the marketing year is:	*The level of support shall be not less than the following percentage of the parity price*
Not more than 102	90
More than 102 but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75

Provided, That the level of price support may be less than the minimum level provided in the foregoing table if the Secretary, after examination of the availability of funds for mandatory price-support programs and consideration of the other factors specified in section 401 (b), determines that such lower level is desirable and proper.

SEC. 303. Should a price-support operation be undertaken with respect to any poultry, those chickens known as broilers shall also be supported (1) at a percentage of the parity price for broilers which is not less than the percentage of parity at which the price of such other poultry is supported, and (2) in a manner which is not less favorable to broiler producers than that in which the price of such other poultry is supported.

SEC. 304. In determining the level of price support for any nonbasic agricultural commodity under this title, particular consideration shall be given to the levels at which the prices of competing agricultural commodities are being supported.

TITLE IV—MISCELLANEOUS

SEC. 401. (a) The Secretary shall provide the price support authorized or required herein through the Commodity Credit Corporation and other means available to him.

(b) Except as otherwise provided in this act, the amounts, terms, and conditions of price-support operations and the extent to which such operations are carried out, shall be determined or approved by the Secretary. The following factors shall be taken into consideration in determining, in the case of any commodity for which price support is discretionary, whether a price-support operation shall be undertaken and the level of such support and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relation to corn, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand.

(c) Compliance by the producer with acreage allotments, production goals, and marketing practices (including marketing quotas when authorized by law), prescribed by the Secretary, may be required as a condition of eligibility for price support.

(d) The level of price support for any commodity shall be determined upon the basis of its parity price as of the beginning of the marketing year or season in the case of any

commodity marketed on a marketing year or season basis and as of January 1 in the case of any other commodity.

SEC. 402. Notwithstanding any other provision of this act, price support at a level in excess of the maximum level of price support otherwise prescribed in this act may be made available for any agricultural commodity if the Secretary determines, after a public hearing of which reasonable notice has been given, that price support at such increased level is necessary in order to prevent or alleviate a shortage in the supply of any agricultural commodity essential to the national welfare or in order to increase or maintain the production of any agricultural commodity in the interest of national security. The Secretary's determination and the record of the hearing shall be available to the public.

SEC. 403. Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall, so far as practicable, be made in such manner that the average support price for such commodity will, on the basis of the anticipated incidence of such factors, be equal to the level of support determined as provided in this act. Middling seven-eighths inch cotton shall be the standard grade for purposes of parity and price support.

SEC. 404. The Secretary, in carrying out programs under section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it.

SEC. 405. No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this act unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent the Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

SEC. 406. Nothing in this act shall prevent the announcement of the level of price support for any agricultural commodity in advance of the beginning of the marketing year or season—January 1 in the case of commodities not marketed on a marketing year or season basis—if the level of price support so announced does not exceed the estimated maximum level of price support specified in this act, based upon the latest information and statistics available to the Secretary when such level of price support is announced; and the level of price support so announced shall not be reduced if the maximum level of price support when determined, is less than the level so announced.

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. It shall not sell any such commodity at less than the current support price for such commodity plus all costs and expenses to the Corporation, including interest, storage, insurance, and transportation charges, as determined and approved by the Secretary of Agriculture, except that this restriction shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool and mohair; and (H) sales for other than primary uses.

SEC. 408. For the purposes of this act—

(a) A commodity shall be considered storable upon determination by the Secretary that, in normal trade practice, it is stored for substantial periods of time and that it can be stored under the price-support program without excessive loss through deterioration or spoilage or without excessive cost for storage for such periods as will permit its disposition without substantial impairment of the effectiveness of the price-support program.

(b) A "cooperator" with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purpose of this subsection, a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

(c) A "basic agricultural commodity" shall mean corn, cotton, peanuts, rice, tobacco, and wheat, respectively.

(d) A "nonbasic agricultural commodity" shall mean any agricultural commodity other than a basic agricultural commodity.

(e) The "supply percentage" as to any commodity shall be the percentage which the estimated total supply is of the normal supply as determined by the Secretary from the latest available statistics of the Department of Agriculture as of the beginning of the marketing year for the commodity.

(f) "Total supply" of any nonbasic agricultural commodity for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

(g) "Carry-over" of any nonbasic agricultural commodity for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any part of the crop or production of such commodity which was produced in the United States during the calendar year then current. The carry-over of any such commodity may also include the quantity of such commodity in processed form on hand in the United States at the beginning of such marketing year, if the Secretary determines that the inclusion of such processed quantity of the commodity is necessary to effectuate the purposes of this act.

(h) "Normal supply" of any nonbasic agricultural commodity for any marketing year shall be (1) the estimated domestic consumption of the commodity for the marketing year for which such normal supply is being determined, plus (2) the estimated exports of the commodity for such marketing year, plus (3) an allowance for carry-over. The allowance for carry-over shall be the average carry-over of the commodity for the five marketing years immediately preceding the marketing year in which such normal supply is determined, adjusted for surpluses or deficiencies caused by abnormal conditions, changes in marketing conditions, or the operation of any agricultural program. In determining normal supply, the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary, and shall exclude any abnormal consumption or exports resulting from export or diversion operations of the Department of Agriculture or any of its agencies (other than operations pursuant to an international agreement ratified by the Senate) which result in losses to such Department or agencies.

(i) "Marketing year" for any nonbasic agricultural commodity means any period determined by the Secretary during which substantially all of a crop or production of such commodity is normally marketed by the producers thereof.

(j) Any term defined in the Agricultural Adjustment Act of 1938, shall have the same meaning when used in this act.

SEC. 409. (a) Section 301 (a) (1) (B) of the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948 (defining "adjusted base price"), is amended by adding at the end thereof the following: "As used in this subparagraph, the term 'prices' shall include wartime subsidy payments made to producers under programs designed to maintain maximum prices established under the Emergency Price Control Act of 1942."

(b) Section 301 (a) (1) (C) of such act, as so amended (defining "parity index," is amended (1) by inserting after the word "buy" a comma and the following: "wages paid hired farm labor," and (2) by inserting after "such prices" a comma and the word "wages."

(c) Section 301 (b) (10) (A) of such act, as so amended (defining "normal supply"), is amended (1) by striking out "7 percent in the case of corn" and inserting in lieu thereof "15 percent in the case of corn," and (2) by inserting before the period at the end of the last sentence thereof a comma and the following: "and shall exclude any abnormal consumption or exports resulting from export or diversion operations of the Department of Agriculture or any of its agencies (other than operations pursuant to an international agreement ratified by the Senate) which result in losses to such Department or agencies."

(d) Section 322 (a) of such act, as so amended (relating to corn-marketing quotas), is amended (1) by striking out "20 percent" and inserting in lieu thereof "10 percent," and (2) by adding at the end thereof the following: "With respect to the 1950 crop of corn the determination and proclamation required by this section may be made, notwithstanding the foregoing, at any time prior to February 1, 1950, using 1949 as 'such calendar year' for the purposes of (1) and (2) of the preceding sentence."

(e) Section 328 of such act, as so amended (relating to corn acreage allotments), is amended by striking out "reserve supply level" and inserting in lieu thereof "normal supply."

SEC. 410. Section 4 of the act of March 8, 1938, as amended (15 U. S. C., 1946 ed., 713a–4), is amended by substituting a colon for the period at the end of the next to the last sentence thereof and adding the following: *"Provided,* That this sentence shall not limit the authority of the Corporation to issue obligations for the purpose of carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1946 ed., sec. 841)."

SEC. 411. Section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by inserting before the last sentence thereof the following: "The sums appropriated under this section shall be devoted principally to perishable nonbasic agricultural commodities (other than those designated in title II of the Agricultural Act of 1949) and their products."

SEC. 412. The President shall appoint, by and with the advice and consent of the Senate, one additional Assistant Secretary of

Agriculture. It shall be the duty of such Assistant Secretary, subject to the supervision and direction of the Secretary, to plan and carry out, through the appropriate agencies of the Department of Agriculture and in cooperation with private business, programs for developing new uses and market outlets, encouraging domestic sales and improved merchandising through regular trade channels, encouraging exports and international trade and exchanges, expanding consumption and use, and diverting and otherwise disposing of agricultural commodities and products. Such Assistant Secretary shall, ex officio, be one of the directors of the Commodity Credit Corporation provided for by law. Such Assistant Secretary shall be compensated at the same rate as the other Assistant Secretary of the Department of Agriculture, and shall perform such additional functions as the Secretary may assign.

SEC. 413. Determinations made by the Secretary under this act shall be final and conclusive: *Provided,* That the scope and nature of such determinations shall not be inconsistent with the provisions of the Commodity Credit Corporation Charter Act.

SEC. 414. This act shall not be effective with respect to price-support operations for any agricultural commodity for any marketing year or season commencing prior to January 1, 1950, except to the extent that the Secretary of Agriculture shall, without reducing price support theretofore undertaken or announced, elect to apply the provisions of this act.

SEC. 415. Section 302 of the Agricultural Adjustment Act of 1938, as amended, and any provision of law in conflict with the provisions of this act are hereby repealed.

SEC. 416. (a) Except to the extent superseded by Public Law 272, Eighty-first Congress, sections 201 (b), 201 (d), 201 (e), 203, 204, 206, 207, and 208 of the Agricultural Act of 1948 shall be effective for the purpose of taking any action with respect to the 1950 and subsequent crops upon the enactment of this act. If the time within which any such action is required to be taken shall have elapsed prior to the enactment of this act, such action shall be taken within 30 days after the enactment of this act.

(b) No provision of the Agricultural Act of 1948 shall be deemed to supersede any provision of Public Law 272, Eighty-first Congress.

SEC. 417. In order to prevent waste of food commodities acquired through price-support operations which are found to be in imminent danger of loss through deterioration or spoilage, the Secretary of Agriculture and the Commodity Credit Corporation are directed to make such commodities available at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, to school-lunch programs when approved by the Secretary, and to the Bureau of Indian Affairs and to Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons.

Mr. WHERRY. Mr. President, I should like to ask the distinguished majority leader if there is any fixed order in which amendments are to be considered in connection with the farm bill.

The VICE PRESIDENT. The Chair will state that there is one committee amendment to the House bill, in the nature of a complete substitute. It is subject to amendment as if it were the original text. No amendment to the substitute is pending at the present time.

Mr. WHERRY. That is the reason I asked the majority leader if it was his intention to proceed with amendments to the substitute, and if so, which amendment might be brought up first.

Mr. LUCAS. I have no way of knowing which one will be brought up first.

The VICE PRESIDENT. Whichever Senator first addresses the Chair and obtains recognition will, of course, be entitled to offer an amendment.

Mr. ANDERSON. Mr. President, there are two things which I think we may dispose of quickly. They are not involved in controversy. I have sent to the desk one amendment, which corrects the amendment offered by the Senator from South Carolina [Mr. MAYBANK] to section 407. It is printed as an amendment to Senate bill 2522. I might explain to Members of the Senate that it leaves the first part of the amendment to that section and the last part exactly as they were, but substitutes different language for certain language in the amendment of the Senator from South Carolina.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MAYBANK. The Senator from New Mexico was to have considered in conference the question of the nonapplicability of the amendment to perishable goods.

Mr. ANDERSON. Yes.

Mr. MAYBANK. In addition the distinguished Senator from New Mexico has bettered the amendment by adding an additional 5 percent. It meets with my approval.

Mr. ANDERSON. I hope we may be able to dispose of this amendment quickly. The Senator from Arkansas [Mr. FULBRIGHT] has an amendment with reference to rice, after which I know the Senator from Kentucky [Mr. CHAPMAN] intends to offer his amendment.

I now offer the amendment which I send to the desk and ask to have stated. It is printed as an amendment to Senate bill 2522, but it would strike out the same section in the House bill as it would in the Senate bill.

The VICE PRESIDENT. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 17, after line 19, it is proposed to strike out section 407 and insert:

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price for such commodity, plus all accrued charges, including interest on such commodity from the first day of the marketing year in which such sale is made. The foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool and mohair; and (H) sales for other than primary uses.

Mr. MAYBANK. Mr. President, as author of the original amendment, I may say that that part of the amendment dealing with my original amendment to section 407, with reference to the charges on the Commodity Credit Corporation, is quite agreeable to me.

Mr. LUCAS. Mr. President, I have no objection to the amendment.

Mr. AIKEN. Mr. President, I am not rising to oppose the amendment, because the Senator from New Mexico has worked so hard on the bill that I do not feel like putting any obstacles in the way of its passage in as good a form as possible, and as soon as can be done.

I wish, however, to point out for the RECORD what I consider two weaknesses of this amendment. In the first part of the amendment there is the following language:

The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop.

I am afraid that particular sentence might give the Commodity Credit Corporation the prerogative of determining what a fair price should be, rather than engaging in normal trade practices.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAYBANK. Does not the Commodity Credit Corporation have that power under the present law?

Mr. AIKEN. I think it exerts that influence to a very strong degree. As I say, I am not rising to oppose the amendment. I am simply pointing out possible weaknesses in the amendment.

Mr. MAYBANK. I thank the distinguished Senator from Vermont. It was my intention to have the surplus commodities go into private trade.

Mr. AIKEN. The other provision of this amendment which might prove to be troublesome later is found in the next sentence:

The Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price for such commodity, plus all accrued charges, including interest on such commodity from the first day of the marketing year in which such sale is made.

I understand that provision will prevent the Commodity Credit Corporation from breaking the price of cotton at the present time, and probably from now until the beginning of the next crop year. To that extent it would prove to be beneficial. However, I can conceive that if the Commodity Credit Corporation should acquire a sufficient quantity of surplus cotton for it to be carried over for a 4- or 5-year period, and if the Commodity Credit Corporation at the end of

4 or 5 years had an opportunity to sell some of that cotton, but had to include all charges, storage, interest, handling, and so forth, the CCC might be required under the law to hold the price so high that it simply could not dispose of the commodity at all.

Mr. MAYBANK. I thank the Senator from Vermont. I want it distinctly understood that so far as the Senator from South Carolina is concerned, he was not in favor of section 407 at all as it was drawn. I know that I am correct when I say that under the original draft of the bill the Commodity Credit Corporation could absorb the surplus at a price up to 90 percent of parity, which was even worse. This amendment might benefit it by 5 percent.

Mr. AIKEN. I am glad to have the explanation of the Senator from South Carolina. Personally, I think that if the Commodity Credit Corporation were restricted from disposing of a commodity below one of two levels, whichever might be the lower, that would be sufficient. Those two levels would be, first, the cost to the Corporation, including the carrying charges; and second, a point half way between parity and the support level.

Mr. MAYBANK. But that was not in section 407 as it was offered to the Senate.

Mr. AIKEN. That is correct.

Mr. MAYBANK. I agree exactly with what the Senator says. In my judgment the 5 percent is a benefit only for the basic crops. In my judgment it is not as good as an upper level or a lower level. I must confess that I dislike the entire section, but I thought this amendment might benefit the growers of the major crops. I will say to the Senator from Vermont that the Senator from New Mexico has bettered what we have before us by at least 5 percent. Before, the figure was 90 percent.

Mr. AIKEN. I should like to point out at this time what may develop to be two weaknesses in this particular amendment. Undoubtedly it will work very well from now until the beginning of the next cotton-picking season.

Mr. MAYBANK. The Senator will admit, will he not, that if it will work from now until the next cotton-picking season, it is certainly better than the original bill?

Mr. AIKEN. I think the Senator is correct.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. In order that the RECORD may be clear, let me inquire whether the amendment will apply to all sales of basic commodities by the Commodity Credit Corporation and whether it will apply to sales to foreign nations and foreign commissions, as well as to sales domestically?

Mr. AIKEN. Sales for export are excluded from the restrictions.

Mr. FERGUSON. They are excluded?

Mr. AIKEN. Yes. There are eight types of sales which are excepted from these restrictions.

Mr. FERGUSON. Will the Senator explain what sales are included by the amendment?

Mr. AIKEN. Sales to the domestic trade, I would say, are included by the amendment.

Mr. FERGUSON. Are they the only ones that really are covered by it?

Mr. AIKEN. The purpose of the amendment and of the restrictions is to assure that the Commodity Credit Corporation shall not use a technicality of the law to adversely affect the market price in the event the Corporation decides for itself that the market price is too high.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. Has the Commodity Credit Corporation ever been known to break the market price?

Mr. AIKEN. I am not sufficient of an expert about that matter to be able to say. The Commodity Credit Corporation has been known to greatly expand the market price.

Mr. FERGUSON. Yes; but I wonder whether it has ever been known to break the price.

Mr. AIKEN. Perhaps the Senator from New Mexico will answer that question.

I do not think the Commodity Credit Corporation has deliberately broken the price of a commodity. I think it has erred in some of its manipulations, so as to throw prices greatly out of line, as in the case of soybeans during this year, when the Corporation started buying soybeans for export after all the soybeans were out of the farmers' hands. The Corporation ran the price up from $2.30 to $3.67 a bushel, approximately; and the middlemen got all the profit from that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHERRY. If the Commodity Credit Corporation withdraws from the market and does not buy, naturally in times of heavy shipments the prices will be depressed; and that has been done.

Mr. AIKEN. I think that has been done no longer than a few months ago.

Mr. WHERRY. Yes—and at Kansas City, during the election.

Mr. FERGUSON. The case to which the Senator from Vermont refers was one in which the Commodity Credit Corporation actually used commodities it owned and had in storage to break the price. Is that correct?

Mr. AIKEN. Well, in the case of soybeans the effect was to boost the price.

Mr. FERGUSON. That case was different and the method employed was different from the one the minority leader just cited.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I wish to say that just this morning I received from the Department of Agriculture a suggestion of additional modifications which it would like to have made. I remind the Senator that this is a section which undoubtedly will be studied in conference, so as to make sure that it is in all respects what everyone wants. But I believe the language now proposed improves the original provision.

Mr. AIKEN. At any rate, I think the amendment will adequately control the situation for the next 10 months.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. WHERRY. In order to make the record absolutely clear, let me say that although the question I asked a moment ago would not be applicable in this case, yet it seems to me there will be no protection relative to the point raised a few moments ago by the distinguished Senator, even though the amendment is adopted.

Mr. AIKEN. That is correct. I do not know that there is any protection in any law against having the Commodity Credit Corporation buy heavily at one period, and subsequently dispose of its purchases at another period.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DONNELL. Will the Senator be kind enough to explain what the language "(H) sales for other than primary uses" means? I understand that the restrictions do not apply to such sales.

Mr. AIKEN. That language was included in title II of the 1948 act. It was explained to us at the time that there was some question as to the propriety or even the legality of selling potatoes for the manufacture of alcohol; in other words, whether that manufacture into alcohol would be considered a byproduct use, or just what use it would be considered as being. It was said that if subsection (H) were included, it would certainly cover the sale of potatoes to be manufactured into alcohol, and also would cover any other unforeseen contingencies.

Mr. ANDERSON. Mr. President, in view of the fact that on yesterday the committee removed mohair from the supported group, I should like to ask unanimous consent to modify my amendment, on page 2, in line 15, by striking out the words "and mohair" after the word "wool."

The VICE PRESIDENT. The Senator can modify his amendment without obtaining unanimous consent.

Mr. ANDERSON. Very well, Mr. President; I so modify the amendment.

The VICE PRESIDENT. The modification will be stated.

The CHIEF CLERK. The amendment is modified, on page 2, in line 15, by striking out the words "and mohair" after the word "wool."

The VICE PRESIDENT. The question is on agreeing to the modified amendment of the Senator from New Mexico.

Mr. DONNELL. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. DONNELL. I should like to have the Senator explain his views regarding the fact that the restrictions in his amendment, and likewise those in the committee amendment under section 407, do not apply to "sales for other than primary uses." The Senator from Vermont very kindly explained it a moment ago; but I should like to see whether the

Senator from New Mexico can give us some further reason why such broad language is used.

The thought I have in mind is that here we have certain restrictions which obviously are thought to be well-founded. Yet when we read the provisions as to the things to which the restrictions do not apply, it is difficult to understand exactly the situation.

The thought I have in mind in making my inquiry is this, and I should like to obtain the Senator's idea regarding it: His amendment adds to the committee amendment, as I understand, the second sentence, and in the second sentence the Corporation is required, in determining sales policies, to give consideration to the establishing of such policies with respect to prices, and so forth, as it determines will not discourage or deter manufacturers, and so forth. Then a further protection is included, by means of which it is provided that the Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price, which provision is an addition to the committee amendment. Then, however, we come to the concluding sentence and to a list of commodities to which the foregoing restrictions shall not apply. I take it that most of them are reasonably clear, and perhaps are entirely clear to those who are experts along these lines.

But when we reach the last item, "(H) sales for other than primary uses," I am in doubt as to what that means and why it is necessary to have so broad and, to my mind, a somewhat vague expression used. Does it nullify or could it nullify the very restrictions which are imposed by the earlier portion of the amendment?

Mr. ANDERSON. No; it cannot nullify those restrictions. The Department of Agriculture frequently is asked to let a particular agricultural commodity be tested as to its possibilities for a different type of use than the one to which it is normally put. The commodities listed are listed, I am quite sure, exactly as they appear in the Aiken bill of a year ago. We did not feel that this language should be changed. I think the Department has not made any sales for other than primary uses. But in proposing the language they felt there might come occasions when the sales would not fit into new or byproduct uses, which is the first category, but might be something a little different. I am thinking now that we have been selling cotton for insulation and for the making of paper. We have been trying a number of different things. The Department of Agriculture was convinced that there should be authority to sell for purposes which would not necessarily constitute the primary use of cotton, but might be a secondary use of it. I am sorry to say to the Senator that thus far I cannot give him an example of how it is used in such ways, because I do not know that it has been so used.

Mr. DONNELL. Mr. President, will the Senator yield for one further question?

Mr. ANDERSON. I yield.

Mr. DONNELL. In the Aiken bill, is the term "primary uses" defined?

Mr. ANDERSON. No; it is not. It is just as it is here.

Mr. HUNT. Mr. President, I wish to offer an amendment.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER (Mr. HOEY in the chair). The Chair calls attention to the fact that an amendment is now pending.

Mr. RUSSELL. May we have the amendment restated? In the confusion, I did not understand it.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 17, line 20, it is proposed to strike out section 407 and insert a new section in the nature of a substitute.

Mr. RUSSELL. May I inquire of either the Senator from New Mexico or the Senator from Vermont whether that is the amendment Senators have just discussed, relative to the handling of commodities by the Commodity Credit Corporation?

Mr. ANDERSON. That is correct.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. LUCAS and Mr. DONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. LUCAS. Mr. President——

Mr. DONNELL. Mr. President, I defer to the Senator from Illinois. I wanted to ask the Senator from New Mexico another question.

Mr. LUCAS. I suggest the Senator proceed with his question.

Mr. DONNELL. Will the Senator from New Mexico be kind enough to enlighten me on this point? In section 407 of the committee amendment it is provided: "The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section." Then there follows this provision: "It shall not sell any such commodity at less than the current support price," and so forth. In the Senator's amendment I observe that while the opening sentence continues to say the Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section, the amendment abandons the language of the committee amendment by prohibiting the sale of any such commodity, and instead says the Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price, and so forth. So, as I read it, the Senator's amendment does not act as a restriction on the Commodity Credit Corporation's selling anything except basic agricultural commodities at less than the specified price, whereas the committee amendment, as I read it, acts as a prohibition against the Commodity Credit Corporation's selling any farm commodity owned or controlled by it, whether basic or otherwise.

Mr. ANDERSON. Yes; I explained on the floor at the time the Senator from South Carolina presented his amendment, or subsequently thereto, that I was not happy about his amendment, because he was trying to control the situation in basic commodities. But, in the case of perishable commodities, his amendment, if I may take a moment to comment on it, provided that in the case of the sale of a commodity, it could not be sold for less than the support price plus all costs and expenses of the Corporation, including interest, storage, insurance, transportation, and so forth. If there were involved the sale of perishables, such as the very perishable crop of tomatoes, and an effort was being made to ship them out of one area and still get some use of the product, by the time the transaction was delayed to include interest, storage, insurance, and transportation costs, the crop would be spoiled. Therefore, in the case of perishables, we tried to make it possible for the Commodity Credit Corporation to act very quickly.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I think I can explain the thing which disturbs the Senator from Missouri. The people of the Northern States do not want the Commodity Credit Corporation to break the price on butter, cheese, or meats, or any similar commodity. I am wondering whether it could not be further amended so as to read, "The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity."

Mr. ANDERSON. Yes, that would improve it.

Mr. DONNELL. What are the words the Senator added? I did not get them.

Mr. AIKEN. "Or storable nonbasic commodity." In other words, we would not want the Corporation to maintain the price of corn, and then let them sell oats, rye, and barley for whatever price they saw fit.

Mr. ANDERSON. I tried to explain a moment ago, knowing what the language of the amendment of the Senator from South Carolina was, that we should try to modify it. Again, Mr. President, I modify my amendment to include the clause "or storable nonbasic commodity."

Mr. DONNELL. Would those words come in immediately after the words "agricultural commodity", in line 10, on page 1 of the amendment?

Mr. ANDERSON. That is correct—"or storable nonbasic agricultural commodity."

Mr. DONNELL. I think that improves it.

Mr. ANDERSON. I agree.

Mr. DONNELL. I thank the Senator from Vermont for his suggestion.

Mr. LUCAS. Mr. President, in view of the fact that a number of Senators have come to me and expressed the hope that we may dispose of this bill sometime this afternoon, I hope we may move along with all speed. Some Senators desire to leave the city tonight. They have engagements for tomorrow and the following day. It is the hope that we may be able to finish this bill at least around 4 o'clock this afternoon. A little later on, I shall ask unanimous consent to vote on the bill and all amendments, perhaps about that time.

Mr. WHERRY. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. WHERRY. Now that his amendment has been modified in line 10, should not the modification also be made in line 4, after the words "the basic agricultural commodities"?

Mr. ANDERSON. The Senator from Nebraska is correct. Again I request permission to modify my amendment.

The PRESIDING OFFICER. The clerk will state the modification.

Mr. ANDERSON. It is to insert in line 4, after "basic agricultural commodities," the same language was inserted in line 10, namely, "or storable nonbasic agricultural commodities."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, to the committee amendment.

The amendment to the amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I send to the desk an amendment, which I ask to have read.

The PRESIDING OFFICER. Does the Senator want the entire amendment read?

Mr. ANDERSON. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. ANDERSON. This is an amendment which the committee had no opportunity of studying. It was submitted by various groups from rice-producing sections. In the limited study we have made of it, we see absolutely nothing wrong with it. It seems to be agreed upon by the rice producers in Louisiana, Arkansas, and, I think, every other area. The Department of Agriculture assures me it is a proper amendment. Those representing the rice States assure me it is proper, and if the Senator from Arkansas is agreeable, I am sure I should be agreeable to taking it to conference. By that time we shall have further opportunity to check as to its implications.

Mr. AIKEN. May we know what the amendment is?

Mr. FULBRIGHT. I have a very brief statement for the information of the Senate.

Mr. AIKEN. May we first have the amendment read?

Mr. FULBRIGHT. I ask that the amendment be reported, but not read in full.

The PRESIDING OFFICER. Without objection, the amendment will be printed in full at this point, but not read.

Mr. FULBRIGHT'S amendment to the committee amendment is as follows:

At the appropriate place in the bill insert a new section, as follows:

SEC. 419. (a) Sections 353, 354, 355, and 356 of the Agricultural Adjustment Act of 1938, as amended, are amended to read as follows:

"Apportionment of national acreage allotment

"SEC. 353. (a) The national acreage allotment of rice for each calendar year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the 5-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period.

"(b) The State acreage allotment shall be apportioned to farms owned or operated by persons who have produced rice in any one of the 5 calendar years immediately preceding the year for which such apportionment is made on the basis of past production of rice by the producer on the farm taking into consideration the acreage allotments previously established for such owners or operators; abnormal conditions affecting acreage; land, labor, and equipment available for the production of rice; crop rotation practices; and the soil and other physical factors affecting the production of rice: *Provided*, That if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the act, he may provide for the apportionment of the State acreage allotment to farms on which rice has been produced during any one of such period of years on the basis of the foregoing factors, using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for such owners or operators. Not more than 3 percent of the State acreage allotment shall be apportioned among farms operated by persons who will produce rice during the calendar year for which the allotment is made but who have not produced rice in any one of the past 5 years, on the basis of the applicable apportionment factors set forth herein: *Provided*, That in any State in which allotments are established for farms on the basis of past production of rice on the farm such percentage of the State acreage allotment shall be apportioned among the farms on which rice is to be planted during the calendar year for which the apportionment is made but on which rice was not planted during any of the past 5 years, on the basis of the applicable apportionment factors set forth herein.

"(c) Notwithstanding any other provision of this act, any acreage planted to rice in excess of the farm acreage allotment shall not be taken into account in establishing State and farm acreage allotments.

"Marketing quotas

"SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 10 percent, the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year.

"(b) Within 30 days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective.

"Amount of farm marketing quota

"SEC. 355. The farm marketing quota for any crop of rice shall be the actual production of rice on the farm less the normal production of the acreage planted to rice on the farm in excess of the farm acreage allotment. The normal production from such excess acreage shall be known as the 'farm marketing excess': *Provided*, That the farm marketing excess shall not be larger than the amount by which the actual production of rice on the farm exceeds the normal production of the farm acreage allotment if the producer establishes such actual production to the satisfaction of the Secretary.

"Penalties and storage

"SEC. 356. (a) Whenever farm marketing quotas are in effect with respect to any crop of rice, the producer shall be subject to a penalty on the farm-marketing excess at a rate per pound equal to 50 percent of the parity price per pound for rice as of June 15 of the calendar year in which such crop is produced.

"(b) The farm-marketing excess of rice shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to rice in excess of the farm-acreage allotment. If a downward adjustment in the amount of the farm-marketing excess is made pursuant to the proviso in section 355, the difference between the amount of the penalty computed upon the farm-marketing excess before such adjustment and as computed upon the adjusted-marketing excess shall be returned to or allowed the producer.

"(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(d) Until the penalty on the farm-marketing excess is paid, postponed, or avoided, as provided herein, all rice produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of rice produced on the farm shall be in effect in favor of the United States.

"(e) The penalty on the farm-marketing excess on any crop of rice may be avoided or postponed by storage or by disposing of the commodity in such other manner, not inconsistent with the purposes of this act, as the Secretary shall prescribe, including, in the discretion of the Secretary, delivery to Commodity Credit Corporation or any other agency within the Department. The Secretary shall issue regulations governing such storage or other disposition. Unless otherwise specified by the Secretary in such regulations, any quantity of rice so stored or otherwise disposed of shall be of those types and grades which are representative of the entire quantity of rice produced on the farm. Upon failure so to store or otherwise dispose of the farm-marketing excess of rice within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess shall become due and payable. Any rice delivered to any agency of the Department pursuant to this subsection shall become the property of the agency to which delivered and shall be disposed of at the direction of the Secretary in a manner not inconsistent with the purposes of this act.

"(f) Subject to the provisions of subsection (g) of this section, the penalty upon the farm-marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored except depletion resulting from some cause beyond the control of the producer or from substitution of the commodity authorized by the Secretary.

"(g) (1) If the planted acreage of the then current crop of rice for any farm is less than the farm-acreage allotment, the amount of the commodity from any previous crop of rice stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm-acreage allotment exceeds the acreage planted to rice.

"(2) If the actual production of the acreage of rice on any farm on which the acreage of rice is within the farm-acreage allotment is less than the normal production of the farm-acreage allotment, the amount of rice from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount which, together with the actual production of the then current crop will equal the normal production of the farm-acreage allotment: *Provided*, That the production under this subsection shall not exceed the amount by which the normal production of the farm-acreage allotment less

any reduction made under subsection (g) (1) is in excess of the actual production of the acreage planted to rice on the farm."

(b) Subsections 201 (b), (c), (d), and (e) of the Agricultural Act of 1948 shall become effective upon the enactment of this act.

Mr. FULBRIGHT. Mr. President, I desire to explain the amendment briefly. A meeting was held in Louisiana a few days ago at which there were present representatives from Louisiana, of course, Arkansas, Texas, and California. There were 8 representatives from California, 10 from Texas. There were also representatives from Mr. Crawley's office. Mr. Crawley is the Assistant Administrator for Production in the Department of Agriculture. The amendment seeks to do three principal things.

First. It provides that farm-acreage allotments may be determined in a State on the basis of farm history of production or on the basis of personal history of rice production of the individual producer, as recommended by the State committee. Existing law provides for the use of personal history only.

There has grown up, because of the requirement, a considerable practice of jobbing about of personal allotments in some of the States referred to, especially where there are many small producers. I am informed that in Texas and California there is no problem, but that in Louisiana and Arkansas there is. That is the reason for the amendment. It is only permissive. They may use it, within the State, with the permission of the Secretary of Agriculture. They may make the allotment within the State, either on the basis of the acreage of the farm and its history of production, or on the basis of the personal history, as is now required.

The second point is that it provides that no credit shall be given in determining future acreage allotments for any acreage planted in excess of farm-acreage allotment. In this respect it is identical with the cotton provisions.

The third point is that it puts the enforcement of farm-marketing quotas on the farm-marketing-excess basis and permits the farmer to avoid or postpone the payment of the marketing penalty by storage of the excess rice or delivering it to the Secretary for diversion from the normal channels of trade and commerce or similar use. In these respects rice would be identical with wheat and corn. Under present law, it is not clear what the farm-marketing quota is, and in the opinion of the Solicitor of the Department, it would be extremely difficult to enforce rice-marketing quotas under the present law.

The fourth point is that it eliminates the domestic allotment of rice which has no relation to marketing quotas.

I may say, Mr. President, that this amendment was submitted to me only on yesterday afternoon. Mr. Satterfield, who is in charge of the allotment and marketing quota work for rice, in the Grain Division, brought it to me. The Department had representatives at the meeting who requested that I submit it. I myself had no previous notice of it. All I ask is that the committee accept it and take it to conference. I believe no objection to it will develop either on the part of the representatives from the rice-producing States, or on the part of the Department of Agriculture.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

Mr. DONNELL. Mr. President, before we get too far away from the amendment which was adopted a little while ago to section 407, I desire to say that I am not entitled at all to credit in connection with it. The Senator from Vermont [Mr. AIKEN] indicated that I had thought of butter or other commodities of that type. I had not thought of the illustrations. I did observe the fact that the one sentence contained a provision with regard to the sale of any farm commodity, whereas the later sentence was more restricted. I do not want to take credit to which I am not entitled.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. CHAPMAN. Mr. President, on behalf of myself, the Senator from Kentucky [Mr. WITHERS], and the Senator from Missouri [Mr. KEM], I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 23, after line 4, it is proposed to insert the following:

Section 409 of title IV of the bill is amended by adding a new subsection (F) as follows:

"(F) Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. CHAPMAN. Mr. President, this amendment was offered several days ago when the bill was first taken up for consideration. After it was recommitted it became necessary to offer the amendment again. I regret the necessity which causes me to be somewhat repetitious in explaining the necessity for this amendment which I have offered on behalf of myself, the Senator from Kentucky [Mr. WITHERS], and the Senator from Missouri [Mr. KEM].

This amendment affects only burley tobacco. No other type of tobacco and no other products are covered by this amendment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished minority leader.

Mr. WHERRY. I should like to get the picture correctly. By special statute we have already established provisions relative to burley tobacco, have we not?

Mr. CHAPMAN. Burley tobacco is included in the general farm program.

Mr. WHERRY. Yes; but I mean so far as 90 percent of parity is concerned, it has been taken care of, has it not?

Mr. CHAPMAN. Not by special statute, but by general law.

Mr. WHERRY. Is there not a special statute which has something to do with burley tobacco.

Mr. CHAPMAN. There are a great many, perhaps.

Mr. WHERRY. Is this new language?

Mr. CHAPMAN. It does not relate to parity at all.

Mr. WHERRY. To what does it relate?

Mr. CHAPMAN. That is what I am about to attempt to explain.

The burley-tobacco program has been outstandingly successful during its operation, and we have proudly claimed that it is probably the most successful farm program in the history of this or any other nation, but it is now in serious danger of collapse. If it does collapse, it cannot be successfully disputed that the other great tobacco programs which have risen with it and worked along with it would go down to dissolution following the destruction of this program.

There is a serious overproduction. At present the surplus of burley tobacco is 130,000,000 redried pounds, which is the equivalent of 145,000,000 green pounds. During the war, when the President of the United States, the Department of Agriculture, and Judge Marvin Jones, who was then Food Administrator, were calling on farmers throughout the land to work around the clock to produce as much as possible of all kinds of farm commodities, we enacted a law, in order to help increase production, in which there was exempted 1 acre of burley tobacco. There is no exemption with respect to any other type of tobacco. There is no exemption as to dark fire-cured, dark air-cured, or flue-cured tobaccos. The last named, when blended with the burley leaf, produces the popular brands of American cigarettes. Burley is the only kind of tobacco of which any acreage at all is exempted.

The then chairman of the House Committee on Agriculture, Hon. John W. Flannagan, who represented the only burley-producing district in the Commonwealth of Virginia, introduced a bill, which the House passed unanimously, to exempt quotas of not more than 1 acre from reduction in times when reduction might be ordered by the Department of Agriculture. In his absence I appeared before the Senate Committee on Agriculture and asked for its adoption as an aid to all-out production. It was reported and enacted. It served very well then, increasing the total production approximately 3 percent; but the result has been that in 1946, after the war, the burley producers recognized the fact that they needed a reduction, and we passed a law reducing all burley quotas 10 percent. That included the producer with an exemption of 1 acre, and reduced the exemption to nine-tenths of an acre.

In 1947, in the exercise of its good judgment, the Department of Agriculture, under the statutory formula, reduced burley acreage 20 percent. It amounted to an over-all reduction of only 16 percent, because of the exempted growers. In 1948 there was a smaller reduction.

In 1947, at the time the 20-percent reduction in acreage became necessary, the distinguished Secretary of Agriculture, now the Senator from New Mexico [Mr. ANDERSON], the author of this bill, sent a message to the President pro tempore of this body, the eminent Senator from Michigan [Mr. VANDENBERG], asking Congress to repeal the exemptions on burley tobacco at that time. His arguments were sound. Later in the year when the Congress did not respond by acting upon such a bill, Mr. N. E. Dodd, as Acting Secretary on behalf of Secretary ANDERSON sent another message asking that all exemptions be repealed. No action was taken. The situation now is that we are faced with another possible 20-percent reduction this year, and it will mean an over-all reduction of only 13 percent because of the still larger number of growers in the exempted class.

The amendment which I have proposed, on behalf of the Senator from Kentucky [Mr. WITHERS], the Senator from Missouri [Mr. KEM], and myself, does not go so far and propose so drastic a change as did the amendment recommended to the Congress by the then Secretary of Agriculture, our distinguished colleague from New Mexico. This amendment does not repeal exemptions. It provides, however, that in any future cuts in burley acreage, beginning with the 1950 crop, those who now belong to the exempted class shall be cut not more than one-tenth of an acre in any one year, and that in no event shall any grower now in the exempted class be cut to less than one-half acre, making one-half acre the absolute minimum allotment under the burley program.

There has been a great change in methods of cultivation of burley tobacco during the past few years. The distinguished Senator from New Mexico, when I was discussing this amendment in this Chamber Monday, in asking me a question, brought out the point that the man with a half-acre allotment now is producing nearly as much tobacco as he would have produced with an acre allotment only a few years ago. The average yield per acre of burley tobacco during the period from 1934 to 1938, was 819 pounds. In 1948, because of improved methods of cultivation, disease-free plants, close planting, and heavy fertilization, the average yield increased to 1,396 pounds per acre, and the Department of Agriculture this year forecasts a production of 1,308 pounds per acre, the decrease from 1948 being due to weather conditions, not to any intentional reduction in yield per acre.

The increase in production has resulted in the present great surplus, so that in the situation existing today, before the 20-percent cut, which is anticipated this year, 55 percent of all the growers are exempt. The officials of the Tobacco Division of the Department of Agriculture, contemplating the crop produced this year, say that an over-all cut of 20 percent this year would result in 65 percent of the growers being exempted, and leave 35 percent to carry all of the load, while the 65 percent would ride the backs of the 35 percent in their efforts to maintain the prosperity which has been achieved under the very successful and beneficial burley-tobacco program. Mr. President, that is too small a foundation, as I said here Monday, on which to base such a colossal superstructure as this entire burley program is.

Another cut will be necessary because of the increase of yields. There are instances of farms which produced 800 pounds to the acre 10 or 15 years ago now having actually reached the huge total yield of 2,000 pounds per acre. That means that we will still have the surplus. Only last night I talked with Department officials who have administered this program ably for the past 15 years. They told me that they are apprehensive that as a result of the crop next year there will have to be another cut, and that it could reduce the number who bear the burden and carry the load of the whole program to 25 percent or less of the growers.

Mr. President, there is something in human nature that impels a man, when he feels he is the victim of injustice, to pull down the pillars of the temple even though the collapse encompasses his own destruction. Those who have lived with this subject throughout the life of this program, and who have lived with burley tobacco throughout the years, those who know it best, and the men yonder in the Department of Agriculture who have administered the program successfully for the benefit of hundreds of thousands of farm homes, are apprehensive that if such an amendment as the one we have offered is not adopted, within the next 2 or 3 years the entire program will collapse, and with its collapse there would come a return to the conditions when penury and poverty, want and woe, desperation and despair, cast a dark shadow over hundreds of thousands of farm homes, and conditions under which scores of thousands of tobacco growers would be returned to the state of economic bondage from which they were rescued by this great tobacco program.

Many people endorse this amendment, including not only all of the officials of the Department who know this program from having administered it, but the directors of the great Burley Tobacco Growers Cooperative Association, which acts as the representative of the Commodity Credit Corporation in administering the price-support program, to which the able Senator from Nebraska referred, and maintaining the floor under the program, which has brought stability to tobacco prices and prosperity to tobacco-producing sections of the country.

Mr. McKELLAR. Mr. President, will the Senator from Kentucky yield?

Mr. CHAPMAN. I yield to the Senator from Tennessee.

Mr. McKELLAR. Is it not true that there has been no evidence taken on this amendment before either committee?

Mr. CHAPMAN. It is true, I will say to my distinguished friend, the eminent senior Senator from Tennessee, that the Committee on Agriculture and Forestry during the hearing did not take any evidence on the amendment, but the officials of the Department of Agriculture, who are administering the program, who work with the program every day, are of one mind that this amendment is absolutely necessary in order to save the program. Furthermore, I will say to the Senator, a vast majority of the representatives of the growers, those who have successfully operated the program throughout the years of its existence, are of the same opinion.

The State of Kentucky produces 70 percent of all the burley tobacco produced in the United States, and in the world. The Burley Association, consisting——

Mr. McKELLAR. Will not the Senator yield, before he proceeds?

Mr. CHAPMAN. Certainly.

Mr. McKELLAR. Is it not true that at the instance of the Senator himself a great many people from Kentucky and some from other parts of the country appeared before the committee when it was considering the 1948 Agricultural Act, what is known as the Aiken bill, which established nine-tenths of an acre as the maximum allotment, and that they all testified that they were satisfied with the law; that it was working well, and that they had been exceedingly prosperous? Is not the fight now one on the part of the big tobacco growers against the small growers, the men who make a money crop out of nine-tenths of an acre, and that the Senator wants to reduce the nine-tenths of an acre to half an acre? Think of it, Senators, this amendment would reduce the land a tobacco farmer could use to one-half an acre, from nine-tenths of an acre. Why? Because if this amendment were agreed to it would put the burden of loss on the small farmers, as well as the big ones. That is the foundation of the amendment.

Mr. CHAPMAN. Mr. President, I shall be glad to endeavor to answer the questions asked by my eminent friend from Tennessee.

Mr. McKELLAR. I hope the Senator will.

Mr. CHAPMAN. First, he referred to the hearing which was held before the Senate Committee on Agriculture and Forestry in the Eightieth Congress.

Mr. McKELLAR. I have the report of it before me.

Mr. CHAPMAN. I was there. It was a hearing on the Aiken bill, in 1948. At that time I was present, and, in fact, I was instrumental, as I think the distinguished Senator who was the author of the bill knows, in helping to bring before the committee a very large delegation, representing every type of tobacco under quotas, every State that had tobacco under quotas, and every farm organization in those States, not only organizations of tobacco growers, but from States in which the Farm Bureau and the Grange operate, representatives of those great organizations appeared. In their testimony, taken throughout one morning session, their views were presented. Then they were summarized by a brief statement of five points, which I had been delegated by that combined group

to present to and request action upon by the Senate Committee on Agriculture. Four of those points were granted, but none of them, I will say to my eminent friend, the Senator from Tennessee, had any reference whatever to the acreage-allotment provision. The only request of that group of tobacco growers, representative of all the growers in the United States under the quota system, which was not adopted, was the proposition of a fixed base period for computation of parity. The other points were accepted, and not one of them is repealed by the pending bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I have not concluded my answer to the Senator's question, but I yield.

Mr. McKELLAR. On the occasion to which the Senator from Kentucky refers Mr. Shaw was a witness, and he testified, did he not?

Mr. CHAPMAN. Yes.

Mr. McKELLAR. He said:

> We have no objection to the broad provisions of Senator AIKEN'S bill in a long-range program, but we simply ask that we people in tobacco be allowed to operate under the present law.

Mr. CHAPMAN. Yes.

Mr. McKELLAR. And Mr. Blalock, whom the Senator introduced to the committee, testified as follows:

> As tobacco growers, we are satisfied with the program as it now is; of course, with a few wrinkles ironed out, as we are sure you gentlemen can iron out.

Then again Mr. Proctor, who was introduced to the subcommittee by the Senator from Kentucky at that time, just a year ago, testified as follows:

> Mr. Chairman and gentlemen of the committee, I am one of the producers of burley tobacco in Kentucky that Congressman CHAPMAN told you produced 70 percent of the burley tobacco produced in the world. I have had a brief statement from the Secretary—

And so forth. He said he was satisfied with the program. Every other witness said he was satisfied with the program. Not one witness complained of it.

Let me read from the statement of Mr. R. W. Benson, as it appears on page 431 of the hearings:

> They sent me to Washington to tell you gentlemen that we would like to keep the present program going.

Now, at the last minute, Mr. President, without a hearing, without a witness being heard, the Senator from Kentucky wants to reduce the acreage of the small tobacco grower the farmer in the mountains who produces this form of tobacco, which is his one money crop, and which brings him in $500 to $600 on nine-tenths of an acre. He is not allowed, under the present law, to plant more than nine-tenths of an acre. Yet my distinguished and splendid friend, whom I love very greatly, wants to reduce the acreage of the poor tobacco farmer to one-half acre. Is it fair, is it just, is it right to do so, without evidence? The only evidence we have in the record shows absolutely to the contrary, that the producers were satisfied with the program. Yet now, at the last minute, attempt is made to place the proposed restriction on the small farmer as well as on the large fellow.

Mr. CHAPMAN. Mr. President, I am very thankful to my distinguished friend, the Senator from Tennessee, for his observations, which I shall now endeavor to answer. He referred to a very distinguished agricultural leader, Mr. R. Flake Shaw, of North Carolina. Mr. Shaw himself called me over the telephone yesterday. He hold me that he hopes this amendment will be adopted. He said that he fears that if the collapse of the burley tobacco program comes about all of the great flue-cured program, in which I say that he is one of the ablest leaders, will follow in the impending dissolution. Mr. Shaw is also a national official of the American Farm Bureau Federation, and one of its ablest leaders. Now as to the other men who appeared before the Senate Committee on Agriculture in 1948, the issue of this allotment reduction was not involved in the Aiken bill at all. We endorsed—and, I may say to the Senate, I had a good deal to do with bringing that group here—we endorsed those five points, and all of them were adopted by the Senate except one, and those four points are still in the law, and would not be repealed by the language of the pending bill.

The Burley Tobacco Growers Association, composed of more than 230,000 members in Kentucky, Missouri, Indiana, Ohio, and West Virginia, have wholeheartedly and unreservedly endorsed the amendment, and now urge its adoption. The executive committee, composed of John W. Jones, North Middletown, the president; John M. Berry, New Castle, the vice president; and W. L. Staton, Lexington, the secretary-treasurer, have talked with me today.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished junior Senator from North Carolina.

Mr. GRAHAM. Were the burley tobacco growers from the mountain areas of North Carolina and Tennessee brought in?

Mr. CHAPMAN. They have separate associations. I named the States included in the Burley Tobacco Growers Cooperative Association, Kentucky, Missouri, Indiana, Ohio, West Virginia, and I have a telegram from the burley tobacco director for the State of Ohio, Mr. E. C. Schatzman, Russellville, Ohio, and one from Mr. George W. Elliott, the burley tobacco director for the State of Indiana, Corydon, Ind., urging the adoption of the amendment. I shall place those telegrams in the RECORD. The Kentucky Farm Bureau Federation, of which Mr. Proctor, to whom the Senator from Tennessee referred, is one of the legislative representatives, has sent me a telegram signed by the executive secretary, Mr. J. E. Stanford, which I also shall place in the RECORD at this place. Mr. Proctor himself, to whom the distinguished Senator from Tennessee referred, is a very able and devoted farm leader, and heartily endorses this amendment for the benefit of burley farmers.

RUSSELLVILLE, OHIO, *October 4, 1949.*

Hon. VIRGIL CHAPMAN,
Senator from Kentucky:

We heartily endorse the Chapman amendment to the Anderson farm bill to revise the present minimum tobacco acreage provision.

E. C. SCHATZMAN,
Ohio Director of Burley Tobacco Growers.

CORYDON, IND., *October 6, 1949.*

Senator CHAPMAN,
Washington, D. C.:

We are glad to support your tobacco amendment to Anderson agriculture bill.

GEORGE W. ELLIOTT,
Indiana Director of Burley Tobacco Growers Cooperative Marketing Association.

LOUISVILLE, KY., *October 3, 1949.*

Senator VIRGIL CHAPMAN,
Senate Office Building,
Washington, D. C.:

We strongly favor your amendment to Anderson bill, S. 2522, making provision for partial reduction of allotments of nine-tenths acre and below.

J. E. STANFORD,
Executive Secretary, Kentucky Farm Bureau.

It was not the Aiken bill which included the nine-tenths of an acre exemption. The Aiken bill did not touch that subject. As I explained in the beginning, before the Senator from Tennessee came into the Chamber, after the then chairman of the Committee on Agriculture in the House of Representatives, Mr. Flannagan, of Virginia, whose district in southwestern Virginia produces practically all the burley tobacco produced in that State, and which district has probably as large a percentage of exempted growers as has any district in the United States; after Mr. Flannagan, as chairman of the committee, piloted that bill through the House of Representatives, he had to go to Virginia, and asked me to represent him before the Senate committee, which I did, and the Senate committee reported the 1-acre-exemption bill. Mr. Flannagan sent me a telegram yesterday. I will say that no man has ever done more as a leader in the enactment of the tobacco growers' legislation beneficial to the small growers of the country than has John Flannagan, of Virginia. He retired voluntarily at the end of the Eightieth Congress. This is what Mr. Flannagan, the author of the 1-acre-exemption measure, said in a telegram addressed to me:

BRISTOL, VA., *October 4, 1949.*

Senator VIRGIL M. CHAPMAN:

In view of the changes that have taken place since the small tobacco growers amendment was passed, I believe that it is necessary in order to preserve the tobacco program, to pass your amendment providing that in the event of an acreage reduction the small grower shall also be cut to the extent of not more than one-tenth of an acre per year. And that in no event can his acreage be reduced below five-tenths of an acre.

As I view the situation at present, such an amendment is necessary to preserve the program. While I regret that changed conditions have forced me to this conclusion, we should not lose sight of the fact that

the program, which means life or death to the tobacco grower, must be preserved.

JOHN W. FLANNAGAN, Jr.

No man had more to do with the building of that tobacco program and its successful operation than did Representative Flannagan, of Virginia. I could call no more competent and authoritative witness in advocacy of this vitally important amendment.

None of the officials of the Department of Agriculture, and none of the leaders who have lived with the tobacco problem for the past generation would stand any higher as a witness on this subject than my eminent friend from Virginia, John W. Flannagan, who was the Representative in Congress who led in the enactment of so much beneficial tobacco and other agricultural legislation, and who was always the outstanding spokesman for those to whom the senior Senator from Tennessee refers as "small growers."

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. KEFAUVER. As the Senator well knows, when this matter first came up some information was passed around. I think some official in the Department of Agriculture thought that certain burley tobacco growers in Tennessee had had a meeting, and that they favored this amendment. At that time, on the basis of the information furnished me by a Department official, to the effect that Tennessee tobacco growers were in favor of it, I told the Senator that I would join in sponsorship of the amendment, or in supporting the amendment.

Later I learned, as the distinguished Senator knows, that in Tennessee the tobacco growers are not in favor of this amendment. My mind goes back to a meeting 2 or 3 years ago at Nashville, where the burley tobacco growers, large and small, held a meeting and strongly supported the 1-acre minimum. That is their position now. As stated in Mr. Flannagan's telegram, this is a very vital matter to the tobacco industry. The small nine-tenths of an acre allotment is of tremendous importance to the small tobacco farmers, of whom we have 57,000 in Tennessee. I believe figures show that out of 80,000 allotments in Tennessee, 57,000 are of 1 acre or less. This question involves their very existence.

The main point is that in connection with this bill they have not had an opportunity to be heard. The bill has not dealt directly with them. It is rather collateral to the matter of the tobacco allotment problem. The small growers are not going to be satisfied with any change in the allotment unless they have an opportunity for a hearing. It is a matter of great importance to them. The tobacco amendment has not been considered by the committee.

Does not the distinguished Senator believe that in fairness to the small growers, and in view of the division which apparently exists among those interested in burley tobacco, it would be only fair for them to have an opportunity to present their side of the case before any decision is made?

I may say to the distinguished Senator that I have been informed by Mr. Duncan, who is in the city today, and who is head of the Tobacco Marketing Association in Tennesse, that there is to be a meeting in Tennessee, and later, I believe, a general meeting, to consider the whole tobacco program. Would it not be better to let the opinion of the burley tobacco producers crystalize at that meeting, after discussing the matter back and forth, and let them have an opportunity to come before the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House, particularly in connection with this question, rather than bring it up in an amendment to the pending bill? I know that a great deal of distress, commotion, and hard feelings will be generated among the small growers if this question is handled in this fashion.

Mr. CHAPMAN. In regard to the Senator's suggestion, I believe that nearly all of those who are thoroughly conversant with this subject, who have lived with it, and who know its history, and are hopeful and prayerful that this program may continue to serve and benefit the tobacco growers, large and small, are firmly of the belief that if action is postponed too long the end of the tobacco program is imminent.

The Senator knows that I have been closely associated with this movement. During wartime, when all-out production was called for, I presented to the Senate committee this exemption amendment. It became a law. However, I believe that within a very few years there will be no tobacco program—burley, flue-cured, dark air-cured, or fire-cured—if this amendment is not adopted. It has been a live subject. It has been discussed ever since former Secretary of Agriculture ANDERSON sent his message here asking for repeal of all of these exemptions.

As to the small growers, the Senator referred to the fact that there are 57,000 exempt growers in Tennessee. We have in Kentucky 57,476 growers exempt in 1949, but they have vision enough to recognize their danger, and I believe they want to save the program and save themselves from return to bankruptcy and economic ruin.

Mr. McKELLAR. Mr. President——

Mr. CHAPMAN. Let me finish my answer.

In addition to what I said, the average burley tobacco acreage in the United States is 1.6 acres, but the average family acreage is 1 acre. More burley tobacco is raised by tenant farmers who raise 1 or 2 acres on a 50–50 basis, than is raised by all the other producers. In my State alone there are more than 100,000 tenant farmers who have small acreages. Let me give an example. A widow on one side of the fence has an allotment of 1.8 acres. That is divided half and half between her and her tenant. They are not exempted. On the other side of the fence there is a man who owns his own land. In many instances such growers are not historically and traditionally tobacco growers. This man has an allotment of nine-tenths of an acre, and he is exempted. By the methods of cultivation which were referred to in the colloquy between the distinguished author of the bill and me on Monday, this man is now producing nearly twice the yield which he produced only a few years ago. He is absolutely in the position of a man who milks his neighbor's cow through a fence. The widow and the tenant must suffer a reduction every time. The other man is exempt.

Yesterday a man told me, "I have four tenants. I know that one of them must go, because there is likely to be another 20-percent cut." Another man said to me, "I have an old darkey working for me. His father worked for my grandfather. He has worked for my father and me. I shall have to find something else for him to do. He cannot raise his tobacco crop, because I probably am to be cut 20 percent. There are more small growers in Kentucky, which produces 70 percent of all the burley tobacco, than there are in any other State. When you add the 57,476 exempt growers and the more than a hundred thousand tenants with small crops, your number of small producers far exceed those in any other State.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. Was a single small grower invited to appear before a committee of either House to testify as to this amendment before it was submitted?

Mr. CHAPMAN. I do not think there was a hearing on this specific amendment.

Mr. McKELLAR. Can the Senator name a single one?

Mr. CHAPMAN. In the hearing to which the Senator referred, before the Senate Committee on Agriculture and Forestry during the Eightieth Congress, they were ably represented by men who had their interests at heart, and who have served them faithfully for many years. So far as my State is concerned, the tobacco growers are well informed. I have full confidence that they want to save the program, and that they think that this amendment is necessary to save it.

Mr. McKELLAR. That does not answer the question at all. I ask the Senator if a single one of the small farmers, producing on nine-tenths of an acre, has been invited to appear before a committee of either House to testify with respect to this amendment.

Mr. CHAPMAN. I cannot answer the Senator's question, but I have telegrams from tenants and other small growers, who urge this amendment as the only solution of the problem.

Mr. McKELLAR. Will the Senator place them in the RECORD?

Mr. CHAPMAN. I shall be glad to place them in the RECORD. Here are two samples:

SHELBYVILLE, KY., *October 4, 1949.*

Hon. VIRGIL M. CHAPMAN,
Member United States Senate,
Washington, D. C.:

There should be no distinction between large and small tobacco growers in acreage allotments because all benefit equally. There should be no exemption from the application of the quota law.

Any legislation preventing or reducing such discrimination is highly desirable and I

therefore, appreciate and approve the Chapman-Withers amendments.

OWEN C. FLOOD,
Tenant Farmer, Port Royal, Ky.

SHELBYVILLE, KY., *October 4, 1949.*
Senator VIRGIL CHAPMAN,
United States Senate, Washington, D. C.:
Please push your amendment to the Anderson bill. A tenant.

THOS. R. WILSON.

I could include many more.

Mr. McKELLAR. My information from Tennessee is that they were astonished beyond measure that this amendment was submitted by the Senator from Kentucky without their knowledge and despite the fact that all tobacco growers were satisfied with the present law, as they had testified before the committee of which the Senator from Vermont [Mr. AIKEN] was chairman. I am wondering what the 87,000 small growers of Kentucky are going to say.

Mr. CHAPMAN. I have stated that there are 57,476 exempted growers, and more than that number of tenants, who also belong in the class of small growers. A great many of the exempted acreages are operated by persons who are not traditionally tobacco growers. They are merchants, lawyers, school teachers, and people in various walks of life. Because of the high price of tobacco they have planted their back yards and vegetable gardens in tobacco. Their acreage cannot be reduced. On the other side of the fence are growers such as the widow to whom I referred, with an allotment of 1.8 acres which she divides 50–50 with her tenant. The widow and tenant must suffer the reduction. The nontraditional tobacco grower is exempt.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. I have been in every county in my State where tobacco is produced, and I have never seen tobacco grown in gardens, or anything of the kind.

Mr. CHAPMAN. A great deal of it is grown in gardens.

Mr. McKELLAR. This proposal is brought before the Senate by those who are interested in producing large quantities of tobacco. They want to avoid the expected losses to which the Senator has referred. I doubt if the losses ever occur. The tobacco business is in fine shape. I want it to remain in fine shape.

My State is intensely interested in this subject. There are 57,000 small families in the hills of Tennessee who are producing tobacco. It is their one money crop. The Senator's amendment would in 5 years take away practically one-half of it, or a little more than 40 percent.

Mr. CHAPMAN. Mr. President, if the amendment which I have offered on behalf of myself, the Senator from Kentucky [Mr. WITHERS] and the Senator from Missouri [Mr. KEM], is not adopted soon, there will not be any program in 5 years.

Mr. McKELLAR. That is only a guess.

Mr. CHAPMAN. So is the Senator's statement a guess. In my opinion, also, the ones who would suffer most by the dissolution of this great program would be the every exempt growers to whom I have referred, 57,476 of whom I represent; and the Senator from Tennessee says he represents approximately the same number of exempt growers. Moreover, the more than 100,000 tenants whom I also represent would suffer, because the big farmers do not have to raise tobacco. They can raise livestock, grain, hay, and various other crops; in fact, the congressional district which I represented for more than 20 years, and which has more tobacco tenant farmers in it than has any other congressional district in the United States, would probably have been better off, in the long run, through all the years, if it had never seen a leaf of burley tobacco. But the small farmer who depends upon this crop is the one for whom I am speaking. If this program collapses, that man will lose a fair price for his tobacco, which is his hope for comfort and prosperity, and is what he relies on to bring him money with which to buy food, clothing, and shoes for his children, so they can go to school and grow into strong sturdy, young Americans.

Mr. McKELLAR. I say to the Senator that the 57,000 in my State, who are small growers producing tobacco on less than five-tenths of an acre of land, do not feel that this amendment is in their interest.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. FERGUSON. I should like to put a hypothetical question to the Senator from Kentucky, in connection with his amendment: Suppose a farmer has 100 acres of land planted in burley tobacco, under an allotment this year. Would the amendment require a reduction of only one-tenth of an acre below that allotment, or to 99.9 acres?

Mr. CHAPMAN. In reply to the Senator from Michigan let me say that, to begin with, very few burley tobacco growers, if any, have a 100-acre allotment. The average allotment throughout the entire United States is 1.6 acres, and the average family allotment is 1 acre. If another 20-percent cut is made this year, the result will be to cut by 20 percent the allotment of the grower to whom the Senator from Michigan refers.

Mr. FERGUSON. In reading the language of the Senator's amendment, I wonder whether the amendment allows a cut of only one-tenth of an acre.

Mr. CHAPMAN. No; it would allow a 20-percent cut in the case the Senator has mentioned. But according to the Department of Agriculture, it would produce only a 13 percent over-all cut, because of the large number of exempted growers, whose allotments would not be cut. This amendment would make the cut, in the case of the exempted growers, only one-tenth of an acre a year. The amendment does not apply to anyone who has an allotment of over nine-tenths of an acre.

Mr. FERGUSON. This amendment is not intended to cover any grower having an allotment of an acre or less?

Mr. CHAPMAN. An allotment of nine-tenths of an acre or less could not be reduced more than one-tenth of an acre in any 1 year, and could never be reduced to less than one-half acre.

Mr. FERGUSON. Does the amendment say that?

Mr. CHAPMAN. It does.

Mr. FERGUSON. Let me read it to the Senator, so that we may see whether that is true.

Mr. CHAPMAN. Yes; that is true.

Mr. FERGUSON. The amendment reads as follows:

> Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress—

Mr. CHAPMAN. That is the nine-tenths provision.

Mr. FERGUSON. I continue to read the amendment—

> shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm—

Mr. CHAPMAN. The statutes there referred to are the ones relating to the nine-tenths of an acre exemption.

Mr. FERGUSON. So those statutes provide that they apply only to allotments of nine-tenths of an acre or less. Is that correct?

Mr. CHAPMAN. That is correct. I stated that before the Senator from Michigan entered the Chamber.

Mr. FERGUSON. The remainder of the amendment reads as follows:

> and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop.

Mr. CHAPMAN. That is correct.

Mr. FERGUSON. In other words, in cases of allotments of five-tenths of an acre or less, no reduction at all will be made. Is that correct?

Mr. CHAPMAN. Yes. A grower who has an allotment of five-tenths of an acre now, will produce nearly as much tobacco on that amount of land as he produced a few years ago on a full acre of land.

Mr. McKELLAR. Mr. President, that is only a guess.

Mr. CHAPMAN. Oh, no; I have the figures to show it.

Mr. McKELLAR. When it comes to crop production, all figures are the same.

Mr. CHAPMAN. In the period from 1934 to 1938, the average yield per acre——

Mr. DONNELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. We are absolutely unable to distinguish what is going on in the Senate Chamber. The noise is such as to make it impossible for us to know what is proceeding. I most earnestly request that Senators be admonished to make it possible for us at least to know what is going on.

The PRESIDING OFFICER. The Senate will please be in order. Senators, other than the Senator who has the floor, will please be seated.

Mr. CHAPMAN. Mr. President, I should like to say a word or two in further response to the senior Senator from Tennessee. He says we do not know about production. We do know this, that to go no further back than the period 1934–38, the average burley yield per acre was 619 pounds. We know that in the year 1948 the average production was 1,396 pounds per acre. The Department of Agriculture has estimated officially that for the year 1949, when the crop is weighed, it will be 1,308 pounds per acre. That is because of the development and use of disease-resisting plants. It is because of the use of fertilizer, and because of the close planting of tobacco. It is merely a part of what we have learned in this country about how to increase production. The anticipated diminution in 1949 is due to a less-productive type of growing weather than we had in 1948.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished junior Senator from North Carolina.

Mr. GRAHAM. In view of the fact that there is confusion in regard to the facts in the case——

Mr. CHAPMAN. I do not think there is confusion. I do not agree with the Senator about that.

Mr. GRAHAM. At least the small growers feel they have not had a hearing. I ask the Senator, what is the objection to having a hearing on his amendment the first week in January, giving notice now of a hearing to be held at that time?

Mr. CHAPMAN. I may say to the Senator that I am fearful for the whole program if this amendment is not made a part of the pending bill. I voice the sentiment and belief of not only a large majority of the best thinkers on the subject of burley tobacco, the men who know it best, not only growers, but also the tobacco officials of the Department of Agriculture, who are administering the program.

Mr. McKELLAR. Mr. President, I inquire why is it they have not been before the Houses of Congress?

Mr. CHAPMAN. They have been on many phases of the tobacco program.

Mr. McKELLAR. Why have they not appeared before the committees?

Mr. CHAPMAN. They have, but this subject has not been an issue in connection with this bill until now.

Mr. McKELLAR. Why have they not testified to the facts? Why is an amendment of this kind proposed at the last moment, without any hearings having been held at all, without conferring at all with the Senate, and without conferring at all with the House? There is no budget estimate for the amendment.

Mr. CHAPMAN. It involves no cost.

Mr. McKELLAR. Oh, yes; it involves cost.

Mr. CHAPMAN. There is nothing in the amendment affecting the budget. There is no cost attached to it. The tobacco price-support program has never cost the United States Treasury a penny and tobacco products pay large sums into the Treasury in taxes.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CHAPMAN. Will the Senator from Missouri permit me to finish answering the question of the Senator from Tennessee?

Mr. DONNELL. Certainly.

Mr. CHAPMAN. Mr. President, the distinguished author of the bill, when he was serving our country so ably as Secretary of Agriculture, with his accustomed wisdom and foresight asked the Congress in April 1947, the year of the first 20-percent cut, to repeal all exemptions in order to save the program. Later, in December 1947, his Under Secretary, Mr. N. E. Dodd, as the Acting Secretary, sent a similar message, urging such action by the Congress. It has been discussed in tobacco circles ever since.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I am confident the life of this great program depends on the adoption of the amendment. I again yield to the able Senator from Tennessee.

Mr. McKELLAR. The Senator from New Mexico, the former splendid head of the Department of Agriculture, did not testify on it. He did not come to testify on it, at all. His committee did not report the amendment. Why was it not reported, if it is so important? The first time anything was heard of it by the committee was when the Senator offered the amendment, which I believe was last week. The first I knew about it was yesterday morning, when I was informed by the Representative from one of the tobacco-growing districts of Tennessee that he had been informed of what was on foot.

Mr. DONNELL and Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. CHAPMAN. If I may, I shall first answer the distinguished Senator from Tennessee. The distinguished former Secretary of Agriculture is present and can speak for himself. But on Tuesday evening he said in the Senate, in so many words, that it is a good amendment, a step in the right direction. Of course, the distinguished Senator from New Mexico is present and can speak for himself, as he has already spoken.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. DONNELL. There are some of us who are not so familiar with the subject matter as is the distinguished Senator from Kentucky, and we are somewhat puzzled about it. As I understand the distinguished senior Senator from Tennessee—I am not certain as to the position of the junior Senator from Tennessee, because I was not fortunate enough to hear him speak on the subject—is apprehensive of the amendment, because he thinks it will injure the small tobacco farmer. Am I correct in that understanding?

Mr. McKELLAR. The Senator is absolutely correct. As I recall, the small farmer, on nine-tenths of an acre, ordinarily makes about $500 or $600. It is his money crop. It is the crop from which he gets actual cash, because tobacco is salable. It is sold and he gets a return. It is from the small grower that it is sought to take at least 40 percent of his $600; $240 will be taken away from him if the amendment is agreed to. It should not be done.

Mr. DONNELL. May I finish the question?

Mr. CHAPMAN. Yes.

Mr. DONNELL. I appreciate the statement of the Senator from Tennessee. I understood that was his apprehension. At least I inferred from a statement he had informally made to me on the Senate floor that he was apprehensive for that reason. But now, as I read the amendment, I am puzzled as to the theory of it, and as to what it is designed to accomplish. As I read the amendment, it sounds to me as though it were designed to act as a restriction on the amount of reductions that can be made. In the case of a small farmer, the way it reads, at any rate, it sounds to me as though the intent were to say that his allotment cannot be cut down more than a certain amount.

Mr. CHAPMAN. That is correct.

Mr. DONNELL. I would, therefore, draw the prima facie conclusion that the purpose of the amendment, whether it is effected or not, is the protection of the small grower, by restricting the amount of his production that he could be compelled to give up.

Mr. CHAPMAN. The distinguished Senator from Missouri is correct.

Mr. DONNELL. On the other hand, I am quite apprehensive whether I have understood it correctly, by reason of the sincerity, experience, and knowledge of my distinguished friend from Tennessee, who takes the view, as I understand, that instead of being designed to help the small farmer and to restrict the amount by which his crop or his acreage may be reduced, it is a design by which there may be injury to him, by increasing or at least stating in the statute, the percentage that can be taken away from him.

If I may inquire, I should like to know which one of those theories of the amendment is correct, so that I may know something about whether it is designed to help or is designed to hurt the small farmer; and, in the second place, whether its effect would be to help him or to hurt him.

Mr. CHAPMAN. Mr. President, I have undertaken, probably before the Senator entered the Chamber, to show that, in my opinion and in the opinion of the officials who administer the program, both representatives of the growers and the Department of Agriculture, there is serious danger of the entire program collapsing if it continues as it now is. For example, if the 20-percent cut contemplated is made this year it will be, as I said a while ago, only an over-all cut of 13 percent, because 55 percent of the tobacco growers are already in the exempted class. A 20-percent cut this year would leave 65 percent in the exempted

class. Another cut, which is in prospect for the following year because of the increased yield per acre of which we have spoken today, would reduce the group supporting this program, carrying all the load, to 25 percent or less of all the tobacco growers. That is unjust, I submit.

Mr. DONNELL. Mr. President, I am a little confused, because I do not understand what the Senator means by the term "to cut." Is he talking about a cut in acreage?

Mr. CHAPMAN. It has to be; yes.

Mr. DONNELL. What is it?

Mr. CHAPMAN. It is where the Department of Agriculture, in compliance with the statutory formula, is required to reduce acreage. It was cut in 1947, by 20 percent, and it is contemplated this year to cut it by 20 percent.

Mr. DONNELL. Then, is that the purpose of the Senator's amendment?

Mr. CHAPMAN. No, that is already the law.

Mr. DONNELL. I understand.

Mr. CHAPMAN. The purpose of the amendment is to provide that the grower who is now exempt because he does not have an allotment of more than nine-tenths of an acre, may be cut no more than one-tenth of an acre a year, while the other growers can be cut 20 percent.

Mr. DONNELL. If the Senator's amendment does not go into effect, how much of a cut will result to the grower whom the amendment provides can be cut only one-tenth of an acre?

Mr. CHAPMAN. He cannot be cut at all, now. The result is that a minority of producers are carrying the entire burden of the program. It does not apply to any other type of tobacco or any other crop, and it is obviously unjust. The injustice may result in a dissolution of the entire program, if it is not corrected.

So far as the Senator's State is concerned, there is a much smaller proportion of exempted acreage in Missouri than in any other State in the Union. The total allotment in Missouri in 1949 amounts to 5,673 acres. The farmers in Missouri, in that section of the State in which burley tobacco is produced, raise some of the finest tobacco in the United States. There is a splendid market at Weston, Mo., and trucks bring a large amount to Lexington, Ky., for sale at that great marketing center. The total acreage exempted in 1949 is 566 acres. So the State of Missouri has a larger proportion of nonexempt acreage than has any other State in the Union.

Mr. DONNELL. I have here a telegraphic message from W. B. Hull saying:

> May I urge you to support the Chapman amendment which provides for the present tobacco acreage provisions.

I also have a telegraphic message from H. E. Slusher, saying:

> Hope you can support tobacco allotment amendment limiting reductions on nine-tenths-acre allotments, with a minimum allotment of one-half acre. Senator KEM agreeable to amendment.

Mr. Slusher is president of the Missouri Farm Bureau Federation.

Mr. CHAPMAN. I appreciate that observation by the Senator. I knew that the Missouri Farm Bureau Federation and also the burley tobacco organization in Missouri are strongly in favor of the amendment.

Mr. DONNELL. I am not yet entirely clear on the amendment, but I shall subside for the moment.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. GRAHAM. How will the bill, as a basis for a meeting of minds, destroy the program in view of the fact that Congress will meet in the first week in January?

Mr. CHAPMAN. In the meantime there will be another cut, and every time there is a cut the base on which the program rests is reduced. A burley referendum is to be held this fall. Men who have been interested in the program and who have contributed most to its success have told me within the past 24 hours that all that would be required to cause a possible dissolution of the program at the end of this year would be for some powerful and plausible leaders to rise and campaign effectively against the continuance of the program. I am saying that there is injustice in the program as it is now operating, with a majority of all growers milking their neighbor's cows through the fence. As I said in the beginning, that is the kind of thing which will bring a collapse of the program. It is human nature, and human nature does not change.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. If there is such danger imminent, why have not the persons who said they were perfectly satisfied with the law offered testimony before the committee. In 1948 they said they were perfectly satisfied with the law. If they have changed their minds, why did they not be fair with the Congress and come before the committee and testify to that fact? Why is this amendment offered at the last moment, when the Congress is about to adjourn, without the slightest evidence being offered to the Congress in connection with it? There is not a tobacco man in Tennessee who has said to me that it would be ruinous to the 57,000 little tobacco growers.

Mr. CHAPMAN. Mr. President, when the hearing was held before the Senate Committee on Agriculture and Forestry in 1948, when the Aiken bill was the subject of discussion, this question was not in issue and not a man who testified expressed approval of it. The Senator from Tennessee is a venerable political warrior, a battle-scarred and victorious gladiator through more than a generation of political battles. He was born in a party camp, grew to manhood and has spent his life on a succession of political battlefields. He knows that issues do not become acute a year before an election. He knows that, as a referendum approaches, those men whose hearts are in the tobacco program, who have labored and striven to make it a success, as they hear from Washington that they are threatened with another cut of 20 percent, realize that something must be done. The information has only recently come from officials of the Tobacco Section of the Department of Agriculture that a further 20-percent cut is probably imminent. Issues do not become intense, people do not get warmly interested in a campaign, until the last weeks of the campaign. We are now face to face with the effort of carrying this referendum again. We want to carry it more than 100 to 1, as did the growers of flue-cured leaf in North Carolina. We have built this program together, we have risen together, and we want to stand together. If the burley program goes down, as many distinguished farm leaders have said to me on the telephone and in person within the past 2 days, the other programs will go down with it. That will mean the wreck of not only the burley, but also the flue-cured, the fire-cured, and dark air-cured programs.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. ANDERSON. If there is any way in which we can terminate this discussion and come to an issue, I should appreciate it. We have spent nearly an hour on this amendment.

Mr. CHAPMAN. I have been ready for a long time. I yield the floor.

Mr. KEFAUVER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Miller
Anderson	Holland	Millikin
Bricker	Humphrey	Morse
Bridges	Hunt	Mundt
Butler	Ives	Murray
Byrd	Johnson, Colo.	Myers
Cain	Johnson, Tex.	Neely
Capehart	Johnston, S. C.	O'Conor
Chapman	Kefauver	O'Mahoney
Chavez	Kem	Pepper
Connally	Kerr	Robertson
Cordon	Kilgore	Russell
Donnell	Knowland	Saltonstall
Douglas	Langer	Schoeppel
Downey	Leahy	Smith, Maine
Eastland	Lodge	Stennis
Ecton	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Fulbright	McCarthy	Thomas, Utah
George	McClellan	Thye
Graham	McFarland	Watkins
Green	McKellar	Wherry
Gurney	McMahon	Wiley
Hayden	Magnuson	Williams
Hendrickson	Malone	Young
Hickenlooper	Martin	
Hill	Maybank	

The PRESIDING OFFICER. A quorum is present.

Mr. McKELLAR. Mr. President, I shall take only a few moments in making a statement about the Chapman amendment.

I am indeed sorry I cannot agree with the Senator from Kentucky in his amendment. The amendment is as follows:

> Section 409 of title IV of the bill is amended by adding a new subsection (F) as follows:
>
> "(F) Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to

all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. President, according to the latest information we have from the Department of Agriculture, Tennessee has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994.

Under the present law 57,580 farmers have nine-tenths of an acre or less planted in tobacco. These small tobacco farmers are now protected by law, and they ought to be protected by law. Think of a farmer being told by law that he cannot plant in tobacco more than nine-tenths of an acre. Surely that is a restriction which ought not to be added to. We ought not to make it harder on such a farmer. So far as I can find out, the farmers with large acreage in burley tobacco and the farmers with small acreage in burley tobacco in my State and in Kentucky—and the fight is between the large tobacco growers and the small tobacco growers—were satisfied with this law and prospered remarkably under it. The large tobacco growers have grown rich under it. The small farmers, the nine-tenths of an acre tobacco growers, have raised enough for Christmas money, and that is about all the cash money they have to spend.

The purpose of the amendment is to allow the department to cut down the quota. I digress to say that this is not a quota bill. I do not know whether the amendment is subject to a point of order or not. The bill is a price bill. And here we have an amendment offered to a price bill, without any hearing having been had on it, without any evidence having been introduced with respect to it, without any discussion of it except in the last few days, without any hearings at all being had on it. Yet it is sought by the amendment to put the burden of future cuts on the nine-tenths-of-an-acre farmer. I do not believe any Senator in this body feels that to be right. A farmer may own 50 or 100 acres, yet under the present law he is allowed to plant only nine-tenths of an acre in tobacco. Surely all that should be done by law in that regard has been done in order to hold up prices.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. FERGUSON. As I understand the Senator, there are many thousands of small farmers with nine-tenths of an acre or less in tobacco.

Mr. McKELLAR. Yes.

Mr. FERGUSON. Has the Senator any idea what the cost to those farmers really would be if the quota system were placed upon them and they were required to cut their production one-tenth of an acre?

Mr. McKELLAR. The cost to them would be considerable. No one knows what the cost would be. My distinguished friend, the Senator from Kentucky, presented the matter in such a smiling way that seemingly nobody could object to his proposal, but, as a matter of fact, he said the question of money did not cut any figure. If we adopt the amendment the Senator from Michigan knows, since he is a member of the Appropriations Committee, that we will have a request from the Department for a large appropriation to regulate the nine-tenths of an acre tobacco farmers. A larger appropriation will be required in order to regulate production.

Mr. CHAPMAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAPMAN. I am assured by the Department officials who administer this program that the adoption of the amendment would not result in a penny of cost.

Mr. McKELLAR. I do not know about that. They have not testified on the subject. Surely they ought to be allowed to testify about it. I will say to the Senator that I shall seek to summon, or have the committee summon these gentlemen before the committee in order to get their views on the subject. There have been no hearings held on that matter. Is that fair? When the last hearing on the tobacco subject was held witnesses testified they were satisfied with the law as it then was. The Senator from Kentucky made a statement to the committee then. There was no suggestion made that the poor farmers producing less than nine-tenths of an acre should be cut in their acreage.

Mr. President, I hate to take any further time on this subject. I cannot imagine how any Senator would vote to prohibit a farmer from planting nine-tenths of an acre of tobacco. I cannot imagine that any Senator would vote for a reduction in that amount of acreage. That would be simply monstrous.

The Senator from Kentucky says there are small tobacco growers in Kentucky, and that is true. They are not in favor of this proposal, however. The small tobacco growers in Tennessee and Kentucky are all opposed to it, and naturally so. The law prohibits the farmers in the district of Tennessee where burley tobacco is raised from raising more than nine-tenths of an acre of tobacco. The Senator from Kentucky is undertaking to have the Senate write into the bill, which is a price bill, a quota provision. He wants the Senate to take such action without any evidence on the subject, without any witnesses having testified about the matter. The Senator from Kentucky did not even appear before the committee and testify on this particular matter. There were no hearings on this particular subject. I have had that matter looked up, and it was found no hearings were held.

Mr. President, it is proposed to put the burden which it is feared may be placed on the big farmer, also on the small producer. The big farmers have been tremendously prosperous under the present law. The small farmers have been only very moderately prosperous. They cannot be more than moderately prosperous because they cannot raise more than about 500 pounds on nine-tenths of an acre. That is really about as much as they can raise. Yet it is proposed to cut that almost in two. The Senator, by his amendment, wants to reduce it to half an acre. It is unthinkable that this body would do anything of the sort. I simply cannot believe it will do so.

Mr. President, occasionally I lobby with other Senators for matters in which I am interested. I have not lobbied about this matter because it is simply unthinkable to me that any Senator would want to take away from the small farmer the right to plant tobacco on nine-tenths of an acre of his land.

Mr. President, if the amendment is adopted it will mean that nearly 60,000 small Tennessee tobacco growers will be deprived of one-half, or nearly one-half, of their present very small acreage. To these small farmers it is their principal money crop. It gives them their Christmas money. If they receive $100 under the present law, the cut represented by the amendment would reduce it to $60. If they receive $500, the amount could be reduced nearly one-half.

My friend the Senator from Kentucky says the whole program will be in danger unless this reduction is made on the small tobacco grower. He says unless the reduction is made the whole plan will be in jeopardy. Is it not remarkable, if the whole tobacco program, which has been a success up to now, and which witnesses have testified has been a success, should be in jeopardy, that witnesses have not come before the committee and testified to that effect? Would they not come before the committees and testify about it? Of course they would.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ROBERTSON. I merely wish to say, in connection with the last statement, that the burley growers of Virginia do not think they will be in any jeopardy if the Chapman amendment is not adopted. They say that if that amendment is adopted all small growers will be in jeopardy. They feel that it would be very unfair to the small growers.

Mr. McKELLAR. I thank the Senator for his comment. I think he is entirely correct.

Mr. President, the Congress has heretofore established the rule that the allotment shall be not less than nine-tenths of an acre, a small amount indeed. My friend the Senator from Kentucky [Mr. CHAPMAN] says that the whole plan will be endangered unless this reduction is made on the small tobacco grower. I think he is entirely mistaken. He is becoming scared too quickly. I thought he would not be afraid. The large tobacco growers have enjoyed the greatest prosperity. Why does he want to change the law at the last moment, without any hearings? The law has worked well. I hope the Senate will not agree to the amendment. The law has been in effect

for several years, and the large tobacco growers have been very prosperous.

This is a fight between the large growers and the many small growers of tobacco. I hope Senators will not aline themselves with the large growers. The tobacco growers of my State are overwhelmingly against this reduction. I hope the Senate will not force them to take a cut. With all the earnestness with which I am capable, I urge Senators not to cast their votes against the small tobacco growers in Kentucky, Tennessee, and other States where burley tobacco is raised.

My friend the Senator from Kentucky says that all growers ought to be treated alike. That sounds very fine, but we cannot treat them all alike. If we treated them all alike it would not be necessary to have any law. If every man could take what he pleased, we would be without jobs. That is not right. This is not the time to make a change in the law. The change ought to be postponed until there is opportunity for hearing.

Mr. President, I ask Senators not to vote for this amendment, but to defeat it, and let us have a hearing on the subject in January. If there is any danger it can be brought out then.

Mr. President, I ask to have inserted in the RECORD, as a part of my remarks, certain figures, together with a statement with reference to the amendment offered by the Senator from Kentucky [Mr. CHAPMAN] and other Senators.

There being no objection, the matters were ordered printed in the RECORD, as follows:

New burley tobacco allotment data

State	1948		1949	
	Number of farms	Acreage	Number of farms	Acreage
Alabama	2	3	3	4.3
Arkansas	3	2	6	4.2
Georgia	12	14	22	19.1
Illinois	1	1	1	.5
Indiana	87	42	119	55.1
Kansas	6	17	5	12.1
Kentucky	1,680	1,091	2,370	1,172.4
Missouri	46	38	28	23.2
North Carolina	290	94	540	154.6
Ohio	213	108	193	73.0
Oklahoma				
Pennsylvania	1	1	1	1.0
South Carolina	3	1	1	.5
Tennessee	1,351	640	1,711	658.1
Virginia	158	48	233	93.5
West Virginia	54	26	44	18.4
Total	3,907	2,126	5,277	2,290.0

1947 burley allotment data—Jan. 14, 1948

State	All burley farms		Burley farms over 1 acre		1 acre, number of burley farms having exactly 1 acre allotment	Burley farms 0.9 acre or less		Burley farms 0.5 acre or less	
	Number of farms having burley allotments	Total acreage allotted to all burley farms	Burley farms having burley allotments over 1 acre	Total acreage allotted to all burley farms having over 1 acre allotment		Number of burley farms having allotments of 0.9 acre or less	Total acreage allotted to burley farms having allotment of 0.9 acre or less	Number of burley farms having allotment of 0.5 acre or less	Total acreage allotted to all burley farms having allotments of 0.5 acre or less
Alabama	59	107	22	74	11	26	22	2	1
Arkansas	91	105	31	64	6	54	35	18	6
Georgia	122	102	4	11	10	108	81	25	8
Illinois	45	41	8	11	3	34	27	10	4
Indiana	9,365	12,110	3,812	7,944	268	5,285	3,898	1,262	411
Kansas	111	367	90	348	5	16	14	0	0
Kentucky	138,959	311,956	77,039	262,492	8,494	53,426	40,970	10,537	4,253
Missouri	2,189	5,944	1,398	5,375	64	727	505	226	81
North Carolina	14,790	12,834	2,622	4,649	417	11,751	7,768	4,002	1,038
Ohio	10,945	15,644	4,888	10,900	230	5,827	4,514	1,071	366
Oklahoma	1	5	1	5	0	0	0	0	0
Pennsylvania	4	7	4	7	0	0	0	0	0
South Carolina	17	15	1	4	1	15	10	5	2
Tennessee	80,789	89,994	18,272	41,470	4,937	57,580	43,587	11,959	4,403
Virginia	14,748	15,015	3,703	6,768	606	10,439	7,641	2,446	778
West Virginia	4,033	4,344	1,228	2,080	151	2,654	2,113	427	168
Total	276,268	468,590	113,123	342,202	15,203	147,942	111,185	31,990	11,519

Rounded to nearest acre.

STATEMENT BY SENATOR M'KELLAR

Mr. President, I am indeed sorry that I cannot agree with my friend VIRGIL CHAPMAN on his amendment. The amendment is as follows:

"Notwithstanding any other provision of law any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotment shall be applied to all farms except that any farm acreage allotment for burley tobacco established pursuant to Public Law 726, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. President, Tennessee, according to the latest information that we have from the Department of Agriculture has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994. Under the present law there are 57,580 farmers who have nine-tenths of 1 acre or less planted in tobacco. These small tobacco farmers are now protected by law.

The amendment of Senator CHAPMAN is undertaking to have the Senate write in an amendment to the bill this morning reducing this minimum acreage allotment to five-tenths of an acre instead of nine-tenths of an acre. You can thus see how adversely this will affect Tennessee. It would mean that nearly 60,000 small Tennessee tobacco farmers would be deprived of nearly one-half of this very small acreage. To these small tobacco farmers it is their principal money crop. It gives their their Christmas money. Under the present law if they received $100 out of their tobacco crop, if this amendment is agreed to, it would cut out $40 from the $100.

The Congress has heretofore established the rule that their allotment should not be cut below nine-tenths of 1 acre—a small amount indeed.

My friend, Senator CHAPMAN, says that the whole plan will be in danger unless this reduction is made on the small tobacco grower. I think he is entirely mistaken. This law has been in effect for several years and the large tobacco growers have been very prosperous, and the small tobacco growers, numbering about 4 to 1 in my State to the larger growers, would virtually have nothing in the way of a money crop. The tobacco growers of my State are overwhelmingly against this cut. I hope the Senate will not force them to take this cut. I urge the Senate not to do so. My friend says that we ought to treat all alike. That sounds very reasonable but we ought to take conditions as they are. We ought not to deprive these small tobacco farmers of fruit of their labor which we would do to three-fourths of them if we allowed this cut to apply equally to all.

I want to present the figures together with letters from the Department and which show the facts.

MEMORANDUM TO SENATOR M'KELLAR FROM CONGRESSMAN GORE

Here are some of the facts I just stated to you over the telephone. Tennessee, according to the latest information I have from the Department of Agriculture, has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994.

Fifty-seven thousand five hundred and eighty farmers have nine-tenths of an acre or less (mostly nine-tenths of an acre which is now protected by law).

Kentucky has 138,959 farmers with burley tobacco acreage allotments. Kentucky's total allotment amounts to 311,959 acres.

I was instrumental in securing enactment of a bill about 6 years ago which prohibited reduction of burley tobacco acreage allotments below a given minimum (the legal minimum is now nine-tenths of an acre).

Senator CHAPMAN is undertaking to have the Agriculture Committee write in an amendment to the bill this morning reducing this minimum acreage alotment to five-tenths of an acre. You can readily see how adversely this will affect Tennessee. It would mean that nearly 600,000 small Tennessee farms in which the little nine-tenths of tobacco crop is their Christmas money and maybe just about their only cash crop would

have their acreage allotments reduced. It has been my position, and I hope you will find yourself in agreement, that we should give some protection and premium to the small farm homestead, that the fellows with larger farms and larger tobacco acreage allotments could better stand the reduction in acreage allotments.

After all, the farmers with nine-tenths of an acre or less have less than one-fourth of the total acreage allotments anyway.

Unless something is done right away I fear the Agriculture Committee will approve it today.

UNITED STATES DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
Washington, D. C., April 13, 1948.

Hon. ALBERT GORE,
House of Representatives.

DEAR MR. GORE: This is in reply to your letter of April 1, 1949, addressed to Mr. J. E. Thigpen, Director of our Tobacco Branch, concerning minimum burley tobacco acreage allotments.

Because of the continued excessive production of burley tobacco, we have been concerned over a satisfactory solution to the problem of minimum allotments. It has been our position for some time that the minimum allotment provisions should be eliminated if our burley tobacco program is to continue on a sound and reasonably satisfactory basis. For this reason, the Secretary on June 17, 1947, and again on December 8, 1947, requested the enactment of legislation which would eliminate minimum tobacco allotments. The attached letters addressed to the Speaker of the House contained our reasons for these requests. Similar letters were addressed to the President pro tempore of the Senate. Since these requests were transmitted to the Congress, the situation with respect to burley tobacco supply and production has become more acute and intensifies the seriousness of this problem. Briefly stated, burley crops have exceeded domestic requirements and exports for 5 of the past 6 years despite rather substantial reductions in acreage allotments, and supplies are now excessive. Continued production in excess of disappearance can only result in the accumulation of additional supplies and jeopardize continued success of the quota and loan programs. For example, the 1948 crop of burley tobacco amounted to about 600,000,000 pounds with demands from 10 to 15 percent less than this quantity. From this crop alone, nearly 100,000,000 pounds of burley tobacco were placed under price support loan. The total quantity of burley tobacco now under loan is approximately 150,000,000 pounds, farm-sales-weight basis.

Unless the 1949 crop of burley tobacco is substantially smaller than the 1948 crop the Secretary will be required to proclaim a marketing quota for 1950 which would result in material additional reduction in burley acreage allotments. Burley allotments in 1946 were reduced 10 percent and allotments for 1947 were reduced generally about 20 percent below 1946 allotments. Special legislative action permitted the reduction of the minimum allotments by 10 percent in 1946. When the larger allotments were reduced 20 percent in 1947 no reduction was imposed upon farms having minimum allotments. Of the total of 280,000 farms having burley tobacco allotments in 1949, about 157,000 now have immunity from any further reduction by having allotments of 0.9 acre or less. Thus, it may be observed that whatever additional adjustments in allotments become necessary these adjustments can be made only upon a minority of the farms now growing burley tobacco. With the sharp upward trend in yields per acre growers with minimum allotments are now producing and marketing substantially more burley tobacco than ever before whereas the farms having above minimum allotments are producing and marketing proportionately less burley than prior to the enactment of minimum allotment provisions. Continued reduction on farms having allotments above the minimum with immunity to the majority of the burley tobacco farms (that is, those farms having allotments of nine-tenths acre or less), results in inequities which endanger the burley marketing quota program. It is our firm belief that some solution to this question must be reached within the near future if the loan and quota programs are to be maintained.

The average acreage allotment per farm for all burley tobacco is approximately 1.6 acres. All tobacco production involves use of a great deal of hand labor, and the payment which producers get for their tobacco is primarily for the labor they put into producing it. The labor on farms having allotments above nine-tenths acre, barring differences of efficiency, is about the same per pound of tobacco as the labor on farms having smaller allotments.

In our judgment, the marketing quota and price-support operations are helpful to farmers having burley allotments of nine-tenths acre or less just as they are to farmers having larger allotments. Consequently, if periodic adjustment of allotments upward or downward is necessary, then it seems that growers with allotments of nine-tenths acre or less should be willing to participate in these adjustments. We believe the supply-demand situation for burley tobacco may become such if there is a good crop this year that downward adjustment of allotments may be urgently needed and that it is wise to consider modifying the minimum-allotment provisions so that the program can be carried forward on a sound basis and continue to be helpful to all tobacco growers.

Sincerely yours,

FRANK K. WOOLLEY,
Deputy Administrator.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: This Department recommends the enactment of legislation to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to minimum farm-acreage allotments and increases in small tobacco-acreage allotments.

Public Law 337, Seventy-sixth Congress, approved August 7, 1939 (63 Stat. 1261), provides, in part, that except for "new" tobacco farms or a farm operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced, the farm-acreage allotment shall be increased by the smaller of (1) 20 percent of such allotment, or (2) the percentage by which the normal yield of such allotment is less than 3,200 pounds in the case of flue-cured tobacco, and 2,400 pounds in the case of other kinds of tobacco. This provision had the effect of superseding the minimum-quota provisions of subsection (b) of section 313 of the Agricultural Adjustment Act of 1938. The Department has understood this provision to require its application only with respect to the farm allotments established for the first marketing year in which quotas are applicable following the enactment of the provision. The provision has been applied in the case of each of the kinds of tobacco for which quotas are now in effect and is, therefore, considered as being no longer applicable.

Public Law 43, Seventy-eighth Congress, approved April 29, 1943 (57 Stat. 69), provides, in part, that the burley tobacco-acreage allotment which would otherwise be established for any farm having a burley acreage allotment in 1942 shall not be less than one-half acre. Public Law 276, Seventy-eighth Congress, approved March 31, 1944 (58 Stat. 136), provides, in part, that the burley tobacco-acreage allotment which would otherwise be established for any farm having a burley tobacco-acreage allotment in 1943 shall not be less than 1 acre or 25 percent of the cropland, whichever is the smaller.

The declared purpose of the Congress in providing for these minimum allotments was to increase the production of burley tobacco on those farms where additional tobacco could be produced without adversely affecting the production of essential food and fiber crops so vitally needed during the war. The Department interposed no objection to these minimum-acreage provisions, but we have always pointed out the danger of establishing minimums at too high a level, since tobacco acreages on most farms are small in relation to other crops and even on those farms producing larger acreages of tobacco, the acreage per family is small.

Public Law 302, Seventy-ninth Congress, approved February 19, 1946, 60 Stat. 21, authorized reduction of the 1946 national marketing quota and the State and farm acreage allotments for burley tobacco but provided that no farm acreage allotment of 1 acre or less could be reduced by more than 10 percent. Therefore, the allotments of nine-tenths acre or less established for small burley tobacco farms cannot be reduced in the future regardless of the extent of reductions in the national marketing quota and the resulting reductions in larger acreage allotments.

These minimum allotment provisions were beneficial to small burley growers during the war years but it is our opinion that the purposes for which the provisions were enacted have been accomplished. The production of burley tobacco has exceeded disappearance during each of the past 3 years, and a burdensome surplus has recently developed. All farm acreage allotments were reduced 10 percent in 1946. Allotments for 1947 were reduced generally about 20 percent below 1946 allotments, except that 1946 allotments of nine-tenths acre or less were not reduced in 1947. In 1947 there are approximately 276,000 farms having burley allotments totaling 477,000 acres. This means that the average acreage allotment per farm is 1.7 acres and when broken down on a family basis means about 1 acre per family. If it is necessary to reduce allotments further in 1948, or in any subsequent year, as now appears likely, there will be a serious inequity if the reduction is not shared by all farms.

The total 1947 tobacco allotment for each kind of tobacco are less than the 1946 allotments, and present indications are that a further reduction will be required in 1948. We do not believe that it was the intention that allotments for one group of farms would be increased, or remain unchanged, each year while the acreage required for making such increases would necessarily come from the acreage which would otherwise be used for establishing allotments for another group of farms, especially when the total acreage expected to be available for establishing allotments is less than in the preceding year.

There is attached a proposed bill which will amend the provisions of the act with respect to minimum farm acreage allotments and increases in small allotments.

The Bureau of the Budget advises that it has no objection to the submission of this recommendation.

Sincerely yours,

CLINTON P. ANDERSON,
Secretary.

A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938, as amended (U. S. C. 1940 ed. and Supp. V, title 7, sec. 1313), is amended: (1) by striking out

the third proviso in subsection (a) thereof and inserting a period in lieu of the colon following the word "practices"; (2) by striking out the proviso in subsection (b) thereof and inserting a period in lieu of the colon following the word "tobacco"; and (3) by striking out the second sentence of subsection (g) thereof.

SEC. 2. Public Law 276, Seventy-eighth Congress, approved March 31, 1944 (58 Stat. 136), is amended by striking from the next to the last paragraph the language following the enacting clause and by striking from the last paragraph the word "resolved" and the comma immediately following.

DECEMBER 8, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: In a letter addressed to you on June 17, 1947, the Department recommended legislation to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to minimum farm acreage allotments and increases in small tobacco acreage allotments. The same recommendation was made to the President pro tempore of the Senate and S. 1530 was introduced by the chairman of the Committee on Agriculture and Forestry, June 30, 1947.

We have today addressed a letter to the President pro tempore of the Senate renewing our recommendation for enactment of the amendments contained in S. 1530 and recommend further that the language of the bill be changed to provide that the amendments become effective with respect to the farm acreage allotments established for the 1948–49 marketing year.

It was stated in our letter of June 17, that "If it is necessary to reduce allotments further in 1948, or in any subsequent year, as now appears likely, there will be a serious inequity if the reduction is not shared by all."

Under the provisions of the act, flue-cured tobacco acreage allotments for 1948 will be about 28 percent less than in 1947, burley 10 percent, fire-cured 35 percent, and dark air-cured 25 percent.

In view of these drastic reductions in the total acreages to be allotted for the several kinds of tobacco, we again recommend that the act be amended as provided in S. 1530 and that the amendments be made applicable to allotments established for the 1948–49 marketing year.

The Bureau of the Budget advises that it has no objection to the submission of this recommendation.

Sincerely yours,

N. E. DODD,
Acting Secretary.

Mr. HOEY. Mr. President, I have listened with a great deal of interest to the very strong presentation of this question by the distinguished Senator from Kentucky [Mr. CHAPMAN]. I think there is a great deal of force in what he has to say, but there is one reason why I think this amendment should not be adopted, and that is that this is not a bill to regulate acreage.

When we had before us a measure dealing with cotton, we passed a separate bill, and everyone had an opportunity to be heard. The question was determined, and the bill was passed by the Congress. Here is a bill which deals with price supports. No one has had an opportunity to be heard on the subject of this amendment.

In North Carolina there are 15,800 burley tobacco growers. The average acreage is six-tenths of an acre. This proposal, of course, would take away one-tenth, and leave the small grower with only half an acre. I do not believe that the small growers should be so vitally affected without having an opportunity to be heard.

I know that the Senator from Kentucky knows more about the tobacco situation than does any other Member of Congress. He has rendered great service to the tobacco industry; he has been a great friend of the tobacco grower; but I believe that it would be a mistake, in this bill, to adopt the pending amendment and provide for the proposed cut in acreage without giving the small growers an opportunity to be heard.

It is true that some of the farm representatives say that it is a good thing to do. It is true that those in the Department of Agriculture say that it is a good thing. I think the Senator from Kentucky is absolutely correct in saying that we shall have to make a reduction in burley acreage. I think it would be fair to consider whether or not all growers should share in the cut. My position is that I do not believe we should take this step and enforce a reduction on the small growers without giving them the opportunity to be heard. They have not appeared before the committee at all. The subject has never been discussed by the committee. I think it would be manifestly unfair to adopt such an amendment at the close of the session.

I do not see why, when the Congress meets in January, a hearing could not be held upon a bill, giving both sides an opportunity to be heard. Certainly there is to be a referendum before that time, so that would not interfere with the referendum. There are more of the small tobacco growers than of the large growers. Therefore, they would vote for the referendum. They would still be subject to any law which might be enacted in the future to regular acreage.

Therefore, under all the circumstances, I do not believe that we should adopt this amendment. I know the fine motives of the Senator from Kentucky. I know of his intense interest in this subject. I do not believe that the tobacco program is going to be wrecked. I think the situation can be remedied, in fairness and justice to all concerned.

Mr. KEFAUVER. Mr. President, I shall not ask the indulgence of the Senate for more than a few minutes to speak about this problem.

The basic law upon which extended hearings were held, Public Law 302 of the Seventy-ninth Congress, provided that the allotment of the small tobacco grower should not be reduced to less than nine-tenths of an acre. So far as the hearings before Congress show, that was an agreement reached after extensive hearings in the various burley States. Even since that time the burley tobacco representatives have said that they are satisfied with the program, and that they do not want the program changed. That is true so far as the records of Congress are concerned, although some may tell us that changes should be made.

As was stated by the distinguished senior Senator from North Carolina [Mr. HOEY], the success of the tobacco program has been due to the fact that tobacco growers in all the States have been able to reach an agreement. They have been able to iron out their differences in various meetings, so that when they came to Congress they were united in their purpose.

As has been stated, the tobacco program has never cost the Government a cent, but that has been due, I think, to the grassroots approach to the whole problem. In the various States and sections discussions have been held, and the growers have come to Congress with a unified and fully supported program.

My distinguished friend from Kentucky [Mr. CHAPMAN], for whom I have the greatest respect, is an authority on the subject. He believes that if this amendment is not adopted the whole program may collapse.

Let us consider two things. In the first place, no one has come before any committee of Congress to say that he is dissatisfied with the program. Secondly, there are more of the small growers than there are of the large growers. In Tennessee there are 57,000 tobacco growers holding allotments of 0.9 of an acre, out of 80,000 allotments. Unless the small growers are given an opportunity to be heard, there is likelihood that they may vote against any allotments, and that would be a catastrophe to the program. They are entitled to be heard on this question. The great success of this program has resulted because everyone has been considered, and the growers have come to Congress in agreement.

As has been stated by my distinguished colleague from Tennessee [Mr. MCKELLAR], this is not an allotment bill. I have looked through the hearings, and not one person has testified about tobacco allotments—no small grower, no large grower, no Member of the Senate, or anyone else. Should this action be taken without giving the growers an opportunity to be heard?

As we all know, there is a tendency in the country today toward mechanized farming. It has always been the policy of the Nation to give some little incentive to the small homesteader, who has a few acres, a little house, and usually plenty of children. It has been our policy to give him some kind of a break. But during recent years we have been alarmed by the growth in the acreage of farms, which has resulted from mechanized farming. There has been a tendency away from the small homestead, which is a part of the foundation upon which our great Nation has been built. That is the reason for the nine-tenths of an acre exemption.

Mr. CHAPMAN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CHAPMAN. I should like to ask the distinguished junior Senator from Tennessee if he thinks there ought to be an acreage exemption in connection with other types of tobacco, and also in connection with wheat, cotton, corn, and other crops.

Mr. KEFAUVER. I will say to the distinguished Senator that that is getting into the broad question of acreage allotment. That is the reason why I say we ought to have a hearing. There is a good reason for allowing the small growers an exemption.

Mr. CHAPMAN. Does the Senator believe that my question is pertinent to the remarks which prompted the question?

Mr. KEFAUVER. It is pertinent. I say that we should not change the law without giving everyone concerned an opportunity to be heard.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. GRAHAM. Is there not an exemption of 3 acres in the case of cotton?

Mr. KEFAUVER. I believe there is an exemption of 3 acres for cotton; that is correct.

Mr. President, the present program has been agreed to and has been passed upon by Congress. Are we going to change it now, without letting any 1 of the 57,000 small growers in Tennessee have an opportunity to be heard? The great danger to the tobacco program lies in the possibility of having a change made without providing an opportunity for those who are directly affected to be heard, either individually or through their associations or representatives in Congress.

Mr. President, because of the improvements in agricultural methods—the increased use of machinery, sprays, and so forth—the farmer raises more tobacco today on a given acreage of land than he formerly raised. Tobacco is the cash crop of great numbers of small farmers. I think the testimony shows that the average small farmer who raises tobacco gets about $500 out of nine-tenths of an acre of land planted to tobacco. In the hills of eastern Tennessee, $500 does not go very far in the case of a man who has a large family.

So I think the change now proposed would be a step in the wrong direction, particularly when we wish to build up the homesteader, the small farmer.

At any rate, Mr. President, whatever merit there may be in the proposal now before the Senate, it will not suffer if action on it is delayed until everyone can have an opportunity to be heard regarding it. The tobacco growers, large and small, have always prided themselves upon being able to reach agreement after full discussion. On the other hand, if legislation on this subject is summarily enacted, without giving them an opportunity to be heard, such legislation is liable to do much damage and is liable to have a very destructive effect on the entire tobacco program.

So I urge the Senate at least to postpone a decision on this matter until all the facts can be submitted.

Mr. GRAHAM. Mr. President, I simply wish to say that I am in favor of postponing the vote on this amendment until all groups of growers have had an opportunity to be heard.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Kentucky [Mr. CHAPMAN]. [Putting the question.]

Mr. CHAPMAN. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CHAPMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Humphrey	Millikin
Anderson	Hunt	Morse
Baldwin	Johnson, Colo.	Mundt
Butler	Johnson, Tex.	Murray
Byrd	Johnston, S. C.	Neely
Capehart	Kefauver	O'Conor
Chapman	Kem	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Robertson
Donnell	Knowland	Russell
Douglas	Langer	Saltonstall
Downey	Leahy	Schoeppel
Eastland	Lodge	Smith, Maine
Ecton	Long	Stennis
Ferguson	Lucas	Taylor
Fulbright	McCarthy	Thomas, Okla.
Graham	McClellan	Thomas, Utah
Green	McFarland	Thye
Gurney	McKellar	Watkins
Hayden	McMahon	Wherry
Hendrickson	Magnuson	Wiley
Hickenlooper	Malone	Williams
Hill	Martin	Young
Hoey	Maybank	
Holland	Miller	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the senior Senator from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], and the Senator from Pennsylvania [Mr. MYERS], are detained on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. SPARKMAN], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

I announce further that on this vote the Senator from Kentucky [Mr. WITHERS], who would vote "yea" if present, is paired with the Senator from New Hampshire [Mr. BRIDGES], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG], are absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is absent on official business with leave of the Senate.

The Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from Vermont and the Senator from New Jersey would each vote "nay."

The Senator from Ohio [Mr. TAFT], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent. If present and voting, the Senator from New Hampshire would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who is absent because of illness, is paired with the Senator from Kentucky [Mr. WITHERS]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Kentucky would vote "yea."

The Senator from Washington [Mr. CAIN], and the Senator from New York [Mr. IVES] are detained on official business. If present and voting, the Senator from Washington would vote "nay."

The Senator from Indiana [Mr. JENNER] is absent on official business.

The result was announced—yeas 22, nays 51, as follows:

YEAS—22

Anderson	Johnson, Colo.	McClellan
Capehart	Johnson, Tex.	McFarland
Chapman	Johnston, S. C.	Millikin
Connally	Kem	Mundt
Eastland	Kerr	O'Conor
Fulbright	Langer	Russell
Holland	Lucas	
Hunt	McCarthy	

NAYS—51

Aiken	Hoey	Neely
Baldwin	Humphrey	O'Mahoney
Butler	Kefauver	Pepper
Byrd	Kilgore	Robertson
Cordon	Knowland	Saltonstall
Donnell	Leahy	Schoeppel
Douglas	Lodge	Smith, Maine
Downey	Long	Stennis
Ecton	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Graham	Magnuson	Thomas, Utah
Green	Malone	Thye
Gurney	Martin	Watkins
Hayden	Maybank	Wherry
Hendrickson	Miller	Wiley
Hickenlooper	Morse	Williams
Hill	Murray	Young

NOT VOTING—23

Brewster	Frear	Smith, N. J.
Bricker	George	Sparkman
Bridges	Gillette	Taft
Cain	Ives	Tobey
Chavez	Jenner	Tydings
Dulles	McCarran	Vandenberg
Ellender	Myers	Withers
Flanders	Reed	

So Mr. CHAPMAN'S amendment was rejected.

UNITED STATES POLICY TOWARD RUSSIA

Mr. MALONE. Mr. President, I have found no established military authority willing to say that we can hold any part of Europe at this time if Russia started to move into that area. Yet it would seem from press reports and from the results of the British, Canadian, United States conferences that our State Department is seriously considering storing atom bombs in England.

That would be a grave error until such time as it is certain that Europe can be held against any attack, and, in addition, until we know just what attitude England and Europe are going to take toward Soviet Russia in preparation to withstand such attack.

It is well known that England and the Marshall plan countries have made nearly 100 trade treaties with Russia and the countries behind the iron curtain since the close of World War II, and that both England and France have with Russia nonaggression pacts on the order of the North Atlantic Pact.

The information that Russia has the atom bomb should have surprised no one. The only surprise is that anyone should have been surprised, since we knew that Russia fell heir to some of the

outstanding German scientists, men who were near that discovery before the war ended. If the Russians do not have the atomic bomb now, it is well known that they will have it soon. The lack of industrial facilities with which to manufacture it in sufficient quantities is the real cause of the delay.

But, since England and the Marshall plan or ECA countries are sending Russia and the iron curtain countries all kinds of machinery, including engines and power machinery, through their trade treaties to consolidate the Russian gains behind the curtain and also to consolidate their gains in China and in Asia, much of the needed atom bomb industrial machinery and equipment will be included in such shipments, and will definitely hasten the day when Russia will be able to compete with us in the manufacture of atom bombs.

Now we have the picture of England pressing us to recognize the Communist government of China, indicating that England intends to extend such recognition in the very near future.

It may be pertinent to inquire at this time if our State Department considers the Russia bordering on northern China to be the same Russia bordering on eastern Europe; and, if so, how we can officially recognize a Red China Government dominated by the Russians, and at the same time be getting ready to fight the Russia east of Europe.

It is time that the American people and, above all, the Congress of the United States, caught up with this double-dealing strategy and make up their minds just what the American policy should be, and quit adopting without question, without even a close inspection, all the ready-made European programs as fast as they are thrown at us.

Mr. President, the proposal to store the atom bomb in England or anywhere in Europe, and the apparent absence of serious efforts to control the entire atom-bomb program, could result in a grave danger to the peace of the world. That proposal could take its place alongside the two major mistakes of the century, which were made at Yalta, where the Russians were allowed to take over Manchuria, thus giving them a foothold in China, and were also allowed to occupy Berlin, thus obtaining a foothold in western Europe, while at the same time no provision was made for access to Berlin by the other nations.

Mr. President, in connection with these remarks, I ask unanimous consent to have printed at this point in the RECORD a clipping from the New York Journal American of October 5.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN ABANDONMENT OF DEMOCRACY

Danger is great that this country may commit one of the gravest blunders in history by stock-piling atom bombs in England under the North Atlantic Treaty and at the same time establishing international control of atomic energy through the United Nations.

The American plan for atomic-energy control would have made Soviet Russia a participant in scientific development and industrial usage of fissionable materials.

But it would also have forbidden future manufacture of atomic weapons and required preventive inspections, in Russia as well as elsewhere.

When the plan was presented, this country alone had the bomb, but Russia was working on its production—and was also stealing some of our secrets.

Russia accordingly rejected the American plan with its inspection feature, demanding instead that all existing bombs be destroyed before any control at all was adopted.

This would have meant, according to Soviet practice, that the United States would disarm itself while Russia secretly continued to arm for atomic warfare.

Under these conditions, this country should have continued to stock pile the bomb in America and to keep the bomb in our sole custody.

The North Atlantic Alliance, of which we later became a member, was entered into, of course, because of the Soviet military menace.

Under the treaty, a joint defense program was devised in which long-range bombing and delivery of the atom bomb became our strategic role.

Consequently, the absolute security of the bomb was made our security more than ever.

Moreover, the completion of the B–36 superplane gave our Air Force the means of delivering atom bombs wherever there might be a target.

Nonetheless, as long ago as in mid-August it was disclosed at Washington that high United States officials were considering a project to make England our atom-bomb base in order to shorten the distance to Russia.

The Atomic Energy Act of 1946 forbids the exportation of fissionable material, which is the explosive core of the bomb.

However, it was said that the President could ship the finished bomb anywhere, and that the foreign stock pile would be guarded by us.

Since then, the State Department has continued to seek atomic energy control in the United Nations.

If the Department should succeed, Russia would obtain our atomic secrets and might have something to say about the use of our own weapons.

This complicated situation has grown more complicated because of the discussions with Great Britain and Canada about sharing atom-bomb techniques and materials, or even sharing the bomb itself.

In view of the facts that, under any prospective agreement, our bombs would be in England, with the British Labor Government sharing our control, we would be putting ourselves in a very precarious condition.

For one thing, we might find that we had succeeded in giving the bomb away at last.

For another thing, we would be placing a very unsafe reliance in Marxism.

The British Labor Government is a Socialist government, ideologically more akin to Moscow than it is to Washington.

We think or pretend to think that the Socialist Government of England will unite with us on any question involving the rights of free peoples.

But we have seen how little the present government of England regards our interests in the recent Russian treaties with Great Britain, all of which have been for the advantage of Russia and to the detriment of the United States.

By reason of these Soviet-British relations, therefore, stock-piling the bomb in England is putting the stock pile under the control of the Big Three nations.

And this devious method of transferring control of the greatest physical force in the world is actually putting the destiny of all the peoples of Europe, Asia, and America in the hands of the Socialist government of England and the Communist government of Russia, constituting together the majority in the control of atom bombs.

This means the complete abandonment of democracy to the communistic government of Russia and the socialistic government of England whenever they choose to substitute despotism for democracy in any section of the world.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a clipping from the San Francisco Examiner of September 24, covering a part of the whole three-phase program, or the three-ring circus, as it is referred to in the editorial—namely, to have an international conference going on at one place, while at another place a discussion is held regarding a proposal to extend the so-called Reciprocal Trade Agreements Act of 1934, so as further to lower our tariffs and import fees and to open the markets of the United States to all the other nations of the world; and at the same time, as the third part of the three-ring circus, as it is referred to in the editorial, a program is being made and concluded, at a conference between Britain and Russia, for the shipment of additional goods to Russia, which thus will enable Russia further to consolidate the gains she has made behind the iron curtain, including her gains in Red China.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THREE RINGS, BUT NOT A CIRCUS

The monetary and economic crisis in Great Britain has taken so many turns that it is somewhat like watching the distracting performances in a three-ring circus to attempt to keep track of them.

But unfortunately, while there is an element of international drama in this situation, it is definitely not entertaining to the American people, although they are most definitely paying for the performance.

The center ring, and undoubtedly the center of attention, has been the Washington conference between British and American statesmen seeking agreement on the new forms of assistance to be extended to Great Britain by the United States in view of the exhaustion of previous grants of assistance.

But there has been a second performance in Washington to which the American people should have paid more attention—the all-out and finally successful effort of the Truman administration to persuade Congress to reinstate the Reciprocal Trade Agreements Act of the earlier New Deal days.

The effect of the reinstatement of the Reciprocal Trade Agreements Act, now approved by both Houses of Congress, will be to drastically reduce or to entirely eliminate the protective tariffs which safeguard American workers and industries against imported foreign goods produced under conditions of peonage and even slave labor, and which thus safeguard and sustain our American standards of living and our system of high wages and quality goods which supports those essential standards.

Since the reduction or removal of American protective tariffs is one of the main things the British negotiators have sought at the Washington conference, it is perfectly evident that the American negotiators were not only willing to concede the point but had actually done so in advance.

But it is the third performance that really fills out the background for this whole show.

At the very same time the British and American negotiators have been meeting in Washington and the Truman administration has launched its reciprocal trade-agreement program in Congress, it has been formally

announced in London that the new British-Russian trade agreement is now in force.

Under this agreement, shipments of Russian barley, corn, and oats will soon be arriving in Great Britain, and during the term of the agreement a total of 1,000,000 long tons of Russian grain will be delivered—to the very grave depletion of foreign markets in which American grains may be sold.

In addition to grains, Russia has undertaken to sell timber, potash, chemicals, and canned fish to Great Britain, still further depleting the foreign markets of the United States.

But much more significantly, under the same agreement Russia will in its turn soon be receiving industrial machinery, electrical equipment, ships, steel rails, and transport facilities from Great Britain.

And of course all of these products are available to Russia in Great Britain only because of the assistence we have given in the past, and will only continue to be available if we continue to give assistance.

All of which has persuaded Senator MALONE, of Nevada, that—

"There is something very fishy about this whole deal.

"The British conference was accurately timed to coincide with the scheduled reciprocal trade agreement fight in the Senate.

"While the public is keeping its eye on the British attempt to make a new raid on the Treasury, the internationalist will sneak the reciprocal trade law through.

"As it will give the British our markets and world trade, it is worth more to them than a gift of gold."

And as Senator MILLIKIN, of Colorado, has suggested, our cooperation with Great Britain should at least be kept on a "two-way-street basis."

"Let us keep our strength at home," urged Senator MILLIKIN.

"We cannot take on our hands all the infirmities of the world."

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Mr. YOUNG obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LUCAS. Mr. President, as I understand, the amendment of the Senator from North Dakota is the last important amendment to be voted upon. A number of Senators have called upon me and expressed the hope that we might conclude the consideration of this bill this afternoon. Some of them would like to get away to go to various sections of the country. I am wondering if it would be possible to agree to a unanimous-consent request to vote at 4 o'clock.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WHERRY. Mr. President, I hope we may be able to get a unanimous-consent agreement to vote on the bill this afternoon. Several Senators have expressed a desire to vote this afternoon. If the bill goes over until Monday some of those Senators cannot be present.

The bill has been pretty well debated, and I think that if we could get a unanimous-consent agreement sometime this afternoon it would be beneficial to all interested in this farm legislation. I hope the Senator from North Dakota, if he contemplates objecting, will withhold his objection or, if he cannot agree to 4 o'clock, can suggest an hour which would be acceptable.

Mr. LANGER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. LANGER. I should like to know whether or not any Senator is going to propose the Brannan plan.

Mr. LUCAS. I cannot answer the distinguished Senator. So far as the Senator from Illinois is concerned, he is not going to propose it.

The PRESIDING OFFICER. Is objection heard?

Mr. LANGER. Does the distinguished chairman of the Committee on Agriculture and Forestry know whether any Senator is going to offer the Brannan plan?

Mr. THOMAS of Oklahoma. I have been asked a direct question, and I shall have to make a direct reply. In the event the Young-Russell amendment shall be offered and defeated, then I shall offer the Brannan plan.

Mr. LANGER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The Senator from North Dakota will proceed.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. YOUNG. I yield.

Mr. WHERRY. Mr. President, will the majority leader yield for another question?

The PRESIDING OFFICER. One moment. Senators will please resume their seats.

Mr. WHERRY. I ask the distinguished Senator from North Dakota if he will yield that I may propound another inquiry.

Mr. YOUNG. I yield.

Mr. WHERRY. I wonder what the majority leader would feel about making a unanimous-consent request for a vote on the so-called Young-Russell amendment at some hour.

Mr. LUCAS. In view of what the Senator from Oklahoma said, it is apparent that we cannot finish the bill this afternoon. I am wondering if we could make an agreement to vote on Monday at, say, 2 o'clock.

Mr. WHERRY. Mr. President, if that is the intention of the majority leader, I hope he will withhold the request until after we have had a vote on the so-called Young-Russell amendment.

Mr. LUCAS. Can we not vote at 3:30 on the amendment, I ask the Senator from North Dakota?

Mr. YOUNG. I think so.

Mr. RUSSELL. Mr. President, I do not think I shall object, but I think we can vote at 3:30 o'clock, or 3 o'clock, without any agreement, unless some Senator expects to speak at length, and I know nothing about any such intention. Inasmuch as we cannot get an agreement to vote on the bill, I think we might as well proceed.

The PRESIDING OFFICER. Does the Senator object?

Mr. RUSSELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, I wish to announce now that in the event we do not finish the bill by 6 o'clock this evening, under the agreement I have had with other Senators we will have to take a recess until Monday next. I think Senators should know that at this time. I have agreed that there shall be no session tomorrow, and that there will be no night session. It will mean that if necessary we will have to go on with the bill on Monday next.

Mr. WHERRY. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. WHERRY. I appreciate the remarks of the majority leader. I know he is attempting to get a vote on the amendments, in an effort to dispose of the farm legislation today. Of course, as to the amendment which is to be offered again by the distinguished Senator from North Dakota [Mr. YOUNG], I understand in conjunction with the distinguished junior Senator from Georgia [Mr. RUSSELL], it seems to me that inasmuch as the amendment has been debated, and was voted on several times a day or two ago, it would not take too much debate on the amendment to get it out of the way. I had hoped we could get a unanimous-consent agreement on that amendment. I might state to the majority leader that I have persuaded several Senators to remain here, Senators who have to leave this afternoon, and some of them cannot possibly be here Monday. I would deeply appreciate it if, after we take a vote on the amendment of the Senator from North Dakota and the Senator from Georgia, we could try to finish the bill today before a recess is taken.

Mr. RUSSELL. Mr. President, I can assure the Senator that I shall not take any great time on the amendment or on the bill, and I do not know of any other Senator who will, but it seems to me this one amendment has been singled out for a unanimous-consent request, after objection has been made to fixing a time for a vote on the bill. I regard this amendment as being of vital importance. Of course, other Senators differ with me, but I think we can vote on it by 3 o'clock if we run along in the normal course.

Mr. LUCAS. Does the Senator object?

Mr. RUSSELL. I would prefer that we run along. We may vote by 3 o'clock. We may save time by not having a unanimous-consent agreement.

The PRESIDING OFFICER. Objection is heard. The Senator from North Dakota has been recognized, and has the floor.

Mr. YOUNG. Mr. President, on behalf of myself and the junior Senator from Georgia [Mr. RUSSELL], I send to the desk an amendment to Senate bill 2522 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 3, after "(1)", it is proposed to insert "(A)."

On page 3, between lines 8 and 9, it is proposed to insert the following:

(B) The level of support to cooperators shall be 90 percent of the parity price for a crop of any basic agricultural commodity for which marketing quotas are in effect.

Mr. YOUNG. Mr. President, at the outset I wish to take exception to the statement made by the able Senator from Vermont [Mr. AIKEN] last Tuesday

when he said that the wheat farmers and the cotton farmers had ganged up against the other farmers of the country. Obviously that statement was designed to stir up sectionalism, and turn one segment of agriculture against another. I deeply resent all of its implications.

Ever since I came to the Senate I have been working very closely with the Senator from Georgia [Mr. RUSSELL], because he and I think more nearly alike on agriculture than any other two Members of the Senate. We joined in a fight for farm housing, rural electrification, soil conservation, and many other agricultural projects. For the past 3 years, we have served together on the committee considering agricultural appropriations, and I have found the Senator from Georgia to be the fairest and probably the ablest defender of agricultural rights in the Senate.

Mr. President, the amendment which the able Senator from Georgia [Mr. RUSSELL] and myself are offering is somewhat different from the one which was approved by the Senate previously, but deleted by the Senate Agriculture Committee.

The amendment provides that the farmer shall receive a price support for basic farm commodities at 90 percent of parity only when he is under quotas. The last amendment provided that he would receive 90-percent supports when under either acreage controls or quotas.

My good friend, the Senator from Vermont [Mr. AIKEN], contended at the time this amendment was before the Senate that it would mean rigid 90-percent supports at all times. His contention was that under the Agricu.lture Act of 1938 the Secretary of Agriculture would have to declare acreage allotments every year if farmers were to receive the benefits of price-support legislation.

Apparently, many Members of the Senate and the press subscribed to the views of the Senator from Vermont [Mr. AIKEN], since the press all over the Nation has labeled the Russell-Young amendment a rigid 90-percent support program. While I believe in rigid 90-percent supports, I am not, at this time, offering any such amendment.

I discussed this matter yesterday with Representative HOPE, the ranking Republican Member of the House Committee on Agriculture. It was his opinion, and the opinion of the counsel of the House Agriculture Committee, that the Senator from Vermont [Mr. AIKEN] was wrong on his argument. Representative HOPE called my attention to a discussion on this particular provision of the Agriculture Act of 1938 in the House hearings labeled: "Agricultural Act of 1948 (Aiken bill) part 1, serial D."

On pages 221, 222, and 223 it is very apparent, from the questions that Representative HOPE and Mr. Parker asked of Judge Hunter, the Solicitor from the Department of Agriculture, that it is purely optional for the Secretary of Agriculture to call for acreage allotments.

Mr. President, I wish to read just a part of these hearings on page 221:

Mr. HOPE. Yes; but now the point I am still not clear on is whether it is simply up to the Secretary to determine whether or not he will have acreage allotments. Is it true that it is simply up to the Secretary? He has the law on the books, and he can decide whether or not he will have acreage allotments. Is that the case?

Mr. HUNTER. He could establish acreage allotments for the 1950 crop. The time element does not give us any trouble there.

Mr. HOPE. I am not thinking about the time element or anything else. I want to know how it is determined as to whether you are going to have acreage allotments. One reason I want to know that is in connection with the provision of the of 1948 act which says that whenever acreage allotments are in effect, or whenever marketing quotas are in effect, there shall be a 20-percent increase in the support price. What I am trying to find out is whether the Secretary has the authority in any year that he sees fit to put acreage allotments into effect on these four commodities.

Mr. HUNTER. I think, under the opinion rendered, he would have that authority, Mr. HOPE. Where there is no need for acreage allotments at all, I do not see where he is under any mandatory obligation to establish acreage allotments just for the purpose of providing this 20-percent premium.

Mr. PARKER. Under the Agricultural Adjustment Act of 1938, is the Secretary required to proclaim a national acreage allotment for every year for wheat?

Mr. HUNTER. No. I just stated that the opinions state that in view of the emergency that then existed he was not requested to do it.

Mr. President, I suggest that if any Senator is still in doubt, that he read this record carefully, or consult with Representative HOPE and the House Agriculture Committee counsel, who went into this provision very carefully during these hearings.

Even though I am convinced that the Senator from Vermont is completely wrong, in order to overcome some objections that resulted, the Senator from Georgia [Mr. RUSSELL] and myself are willing to modify our amendment only to make mandatory 90-percent supports when farmers are under quotas.

Mr. AIKEN. Mr. President, will the Senator yield long enough so I may put emphasis on the fact that the person giving that testimony, to the effect that the Secretary was not required to proclaim acreage allotments on wheat this year, was the chief solicitor of the Department of Agriculture. That is a fact, is it not?

Mr. YOUNG. Yes. It was Judge Hunter.

Mr. AIKEN. The chief solicitor. I want to emphasize that now because I shall refer to it later after the Senator finishes.

Mr. YOUNG. One of the reasons why I want the change made is that I personally believe the question a very debatable one regardless of this very clear testimony.

Mr. AIKEN. Does not the Senator from North Dakota believe we should read the law, and go by that, rather than by testimony given before a House committee?

Mr. YOUNG. Representative HOPE gave his views on the subject. He has been engaged in agricultural legislation for about 20 some years. I called him yesterday on the subject.

Mr. AIKEN. The reason I want to emphasize this matter now is that I shall point out later the confusion and misunderstanding which exists in some departments of our Government. This is a good example of it. When the Senator concludes I shall put into the RECORD information from the Solicitor's office expressing a viewpoint directly contrary to the one which the Solicitor gave before the House committee.

Mr. YOUNG. I agree that it is a debatable question.

Mr. AIKEN. I do not question that the testimony was given.

Mr. MUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. YOUNG. I yield.

Mr. MUNDT. I wish to refer to the hearings in February and March of this year before the House Agricultural Committee. In those hearings appears the opinion to which the Senator from Vermont has been referring during the debate. Congressman HOPE questioned the witness on section 332 in the Triple A Act of 1938. Then the witness read the section, and was asked this specific question:

Do you mean to say that if quotas are not in effect he is not required to proclaim an acreage allotment, but he may?

Mr. Hunter answered:

That is right.

Mr. AIKEN. But that referred only to cotton and tobacco, and that in recent months. It did not refer to wheat, corn, rice, or peanuts in any respect. On these commodities the Secretary has to proclaim acreage allotments each year, but it does not follow that there will be quotas. On cotton and tobacco he has to proclaim quotas first. Then the quotas have to be translated into allotments.

I am afraid that the gentlemen from the wheat States have fallen into somebody's trap.

Mr. YOUNG. I should like to say to my good friend the Senator from Vermont, that I stuck with him through thick and thin a year ago, but oftentimes since I have been unable to follow him through this price-support legislation.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. The Senator from Vermont is certainly mistaken when he says this deals only with cotton and tobacco. I shall read the language of the section from page 222 of the House hearings. It does not even mention cotton or tobacco. This is the basic law as it is printed in the hearings:

Not later than July 15 of each marketing year for wheat—

Not peanuts, but wheat—

the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat—

Not peanuts, but wheat—

for such marketing year, and the national acreage allotment for the next crop of wheat.

Then the question was asked specifically about wheat:

Do you mean to say that if quotas are not in effect he is not required to proclaim an acreage allotment, but he may.

Mr. Hunter replied:

That is right.

Now, Mr. Hunter is interpreting that law respecting wheat. Mr. Hunter is the Solicitor of the Department of Agriculture, and he was interpreting the law. He is the man who interprets it for Congress and for the Secretary. Consequently, it should be an interpretation upon which we ought to pass intelligent legislation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. May I ask if the Senator believes that the Solicitor's office should make two directly opposite interpretations of the same provision of the law in the same year?

Mr. MUNDT. No; of course not.

Mr. AIKEN. I do not know when the interpretation to which the Senator referred was made.

Mr. MUNDT. This appears on page 222 of the House hearings. It was made in March of 1949.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. What are the facts? What is the law?

Mr. AIKEN. I shall give the facts when the Senator from North Dakota completes his statement.

Mr. CAPEHART. What has been said may have a tendency to confuse some of us. Is there no Member of the Senate present who knows what the law is and what are the facts?

Mr. YOUNG. The Senator from South Dakota [Mr. MUNDT] was quoting from hearings held by the committee. He was reading from the testimony of Judge Hunter. But there are apparently two conflicting opinions. I agree with the Senator from Vermont that, looking over the whole situation, the matter is probably debatable. For that reason I have eliminated that part.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. I should like to correct the Senator. I do not believe the Senator from South Dakota quoted the law. He quoted from Judge Hunter's testimony.

Mr. MUNDT. I quoted from Judge Hunter's testimony, but in the testimony of Judge Hunter he was interpreting the law.

Mr. AIKEN. His interpretation of the law was read, but not the law.

Mr. MUNDT. Yes; his interpretation of the law. The law itself was read immediately before his interpretation.

Mr. AIKEN. Does the Senator from South Dakota believe that interpretation was correct?

Mr. MUNDT. Yes; I have every reason to believe it to be correct since I have no reason for feeling the Department's own Solicitor would make a false or erroneous interpretation. The Senator from Vermont indicates that at some other time Judge Hunter made a different statement; but so far as I know this is the only time the Solicitor has ruled on the question in a public hearing.

Mr. CAPEHART. What has the Secretary of Agriculture been doing? What has been the practice in the past?

Mr. YOUNG. The question has not arisen. During the war allotments were suspended under the war emergency, and the question has not arisen.

Mr. CAPEHART. There has been no necessity for applying allotments?

Mr. YOUNG. That is true.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Does not the Senator from North Dakota recall being requested to meet with the Secretary of Agriculture, Mr. Trigg, Mr. Andrews, the Senator from Oklahoma [Mr. THOMAS], the Senator from Georgia [Mr. RUSSELL] and myself, about a month ago?

Mr. YOUNG. I do.

Mr. AIKEN. At that time it was pointed out that the Secretary proclaimed acreage allotments for wheat this year. The Secretary stated, as I recall, that he was simply complying with the law. I shall read the law into the RECORD.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. Is it not a fact that acreage allotments for next year have been proclaimed?

Mr. YOUNG. That is correct.

Mr. CAPEHART. I have already received my allotment.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. This discussion is largely moot, in view of the fact that the amendment has been altered so as to apply only in case marketing quotas are in force.

Mr. YOUNG. I merely raise the question to point out that I thought I was right before. The publicity which went out over the Nation that this would be a completely rigid 90-percent program.

Mr. RUSSELL. I should like to point out that the so-called Aiken Act, which will take effect the first of next January unless Congress enacts other legislation, has exactly the same provision as did the original amendment which was offered by the Senator from North Dakota and myself. I invite the attention of Senators to paragraph (3) of subsection (b) of section 302 of that act. Following the tables, which run the loan from 90 percent to 60 percent, based upon the supply, we find this language:

(3) Notwithstanding the foregoing provisions of this section—

(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 percent of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity——

Mr. YOUNG. That ought to answer the question.

Mr. RUSSELL. I continue reading from the language to which I have referred:

or if marketing quotas are in effect at the beginning of the marketing year for such commodity, but in no case shall the level of price support for any commodity be increased thereby above 90 percent of its parity price as of the beginning of the marketing year.

Mr. AIKEN. Mr. President, will the Senator read further?

Mr. RUSSELL. Yes. How much further does the Senator desire me to read?

Mr. AIKEN. Until the Senator makes it clear that the provision he just read does not provide for mandatory 90-percent supports.

Mr. RUSSELL. I read further:

(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity as of the beginning of such marketing year.

Mr. AIKEN. I am afraid the Senator skipped a little.

Mr. RUSSELL. Here is a copy of the act. The Senator can read it.

Mr. AIKEN. The Senator did not read the following:

Shall not exceed 90 percent of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

Mr. RUSSELL. That has nothing to do with it. I referred to the table. The language which I read begins:

Notwithstanding the foregoing provisions of this section—

So without regard to what is in this section, this law applies.

Mr. AIKEN. That is correct. It provides that the Secretary shall not fix a level above 90 percent nor less than the minimum provided for by the table in the act.

Mr. RUSSELL. It does not say any such thing. I read it once, and I shall read it again:

The minimum level of price support to cooperators for any basic agricultural commodity shall be 120 percent of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 percent of its parity price as of the beginning of the marketing year.

Mr. AIKEN. Please finish that sentence—

or be less than——

Mr. RUSSELL. There is no such language there.

Mr. AIKEN. I challenge the Senator from Georgia to point out where that means 90 percent.

Mr. RUSSELL. Of course it means 90 percent.

Mr. AIKEN. If it meant 90 percent, why did the Senator from Georgia and the Senator from North Dakota propose anything different?

Mr. RUSSELL. Of course I did not mean to make the argument that it would allow 90 percent in any case. It would allow 80 percent.

Mr. AIKEN. It allows a maximum of 90 percent, and if quotas or allotments are in effect, a minimum of 72 percent.

Mr. RUSSELL. If it goes down to the point where the supply percentage is 130, the level of support will be 60 percent.

Mr. AIKEN. Plus 20 percent, or 72 percent.

Mr. RUSSELL. Exactly. That does not illustrate what I was talking about. The Senator from Vermont, when he drafted the bill, recognized that if acreage allotments were in effect the same premium would apply as in the case of marketing quotas. So we have gone further in this amendment than the Senator did in his bill.

I was further pointing out that this probably explains the action of the Secretary of Agriculture in declaring acreage allotments for 1950, because in the absence of any other law this law would apply, and it would certainly be consistent with his duty, if he apprehended that this law might apply in 1950, to proclaim acreage allotments.

Mr. AIKEN. Of course, in several cases he has already used the provisions of that law in anticipation of its becoming effective January 1.

Mr. RUSSELL. That is what I am pointing out.

Mr. AIKEN. I should like to point out that it does not provide 90 percent support.

Mr. RUSSELL. I did not say that it provided 90 percent. It provides not to exceed 90 percent.

Mr. AIKEN. The minimum, when quotas are in effect, would be the level determined by the formula, plus 20 percent. That means that the minimum for basic commodities under title II of the 1948 act would be 72 percent. The maximum would be 90 percent, unless in the interest of national security the Secretary deemed it advisable to go beyond 90 percent.

Mr. RUSSELL. The Senator is making the point——

Mr. AIKEN. I intended to make a different point from the point which the Senator is discussing.

Mr. RUSSELL. The Senator can make an abstract point which does not cast any light on the discussion if he chooses, and I shall not object.

The point I was trying to make is that the Senator's own bill recognized acreage allotments and marketing quotas as being entitled to exactly the same premium, whatever that premium might be, under the terms of the bill. The Senator knows what the program is better than I do. The fact that the Secretary has proclaimed acreage allotments for next year does not necessarily hinge upon the fact that the law was mandatory, but upon the fact that he assumed that the Aiken law might take effect. I think it was consistent with his duty under the Aiken Act that he should proclaim acreage allotments.

Mr. AIKEN. No; it is under the 1938 law. However, I do not wish to take the time of the Senator from North Dakota. I shall read the law into the RECORD when the Senator from North Dakota concludes, together with information from the Solicitor's office which is directly contrary to the testimony of Judge Hunter as given before the committee.

Mr. YOUNG. That is a moot question, which we have eliminated.

Mr. RUSSELL. I apologize to the Senator for discussing a moot question.

Mr. YOUNG. We have settled that issue now; but I suspect that the opponents of this amendment, for political purposes, will claim that the wheat farmer is getting a bad deal. It probably will not be quite as good. There might occasionally be a year when we would have acreage allotments but no quotas, but it would be very rare.

When Secretary Brannan called me this morning on another matter, I questioned him on this subject. He said, "Your amendment will do about as much good as the one previously offered," which included both acreage allotments and quotas. He stated that he was for it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Did the Secretary of Agriculture state unequivocally that he was in favor of the rigid 90-percent supports?

Mr. YOUNG. He stated that he was in favor of the amendment which I offered.

Mr. AIKEN. That is 90-percent support.

Mr. YOUNG. Under quotas.

Mr. AIKEN. On cotton, tobacco, and peanuts.

Mr. YOUNG. Please let us not confuse this proposal with the rigid 90-percent support. We have already settled that issue.

Mr. AIKEN. I shall point out later that it means a permanent 90-percent support for peanuts and tobacco, and 90 percent for cotton for a long time to come. It does not mean 90 percent for wheat, and possibly not for corn or rice.

Mr. YOUNG. That is the opinion of the Senator from Vermont. I do not believe that the farmer would be more likely to follow his opinion than mine.

Mr. AIKEN. I do not ask him to follow my opinion. I simply wish to present the facts.

Mr. YOUNG. I thoroughly disagree with the Senator's presentation, as I have on many other occasions.

Mr. President, if I were thinking only of political benefits—especially since I may be a candidate for reelection next year—I would let this record go unchallenged. The fact that the newspapers and columnists all over the Nation called this a rigid 90-percent program has certainly put me in good standing with the people of my State and elsewhere.

Now the farmers are calling me a 90-percenter, which, politically, is the next best thing to being called a 100-percenter, in farm language. To those who may question my thinking on this matter, I merely want to point out that in practically every poll taken recently in the Midwest, and even in the conservative area of the Midwest, farmers indicated a heavy preference for 100-percent supports.

Mr. President, the press has been of great service politically in my State by calling this amendment a rigid 90-percent program. Again, if it were only for political purposes, I would not challenge this record. However, I want to be absolutely honest with the farmers of my State and Nation.

Farmers are the most loyal people in the world; and I would not, for anything, try to deceive them in any way.

Only last week the political paper of my colleague the Senator from North Dakota [Mr. LANGER] had this to say:

> Well, now MILT YOUNG is sure getting his neck out pretty far by bucking against the Brannan plan. The farmers want their 100-percent parity and MILT he better watch out. I heard the Farmers Union fellow talk on the radio about it the other night. It sounds like sense to me. The heck with this 65 percent stuff. Sixty-five percent may be enough to suit MILT, but for me, I want 100-percent parity like the Brannan plan says.

So the press may observe that they did me a real service.

Obviously, Mr. President, it gives me a great deal of pleasure to spoil the argument of my good and respected political opponents in North Dakota.

I would be sitting on top of the world politically, if I could only get the press to carry the following statement made by my good friend, the Democratic majority floor leader [Mr. LUCAS]. This statement appears on page 13790 of the CONGRESSIONAL RECORD for October 4, 1949:

> Mr. LUCAS. I know the Senator from North Dakota is for 100-percent parity. He has expressed himself in committee, off the Senate floor, and on the Senate floor. I know he wants 100 percent; 90 percent is not sufficient for the Senator from North Dakota. I am surprised he has not offered an amendment to make it 100 percent. I am really surprised he agreed with the Senator from Georgia on 90 percent because the Senator from North Dakota has continually talked about 100-percent parity.

I may circulate that statement all over North Dakota next year.

Mr. President, I have had more than a little experience with these 60-percent labels, 90-percent labels, and 100-percent labels. My good friend, Vice President BARKLEY, in the last campaign made a brief visit to Minnesota, and I believe he made two speeches. In those speeches he advocated 90-percent supports. The day following those speeches, nearly every farmer in Minnesota was saying, "BARKLEY is a 90-percenter." "BARKLEY is a 90-percenter."

Some of those Minnesota farmers crossed the Red River into North Dakota, and said, "BARKLEY and Truman are 90-percenters, BARKLEY and Truman are 90-percenters." That gave me a rather hard time, when I was trying to carry my State for the Republican ticket.

I, too, was compaigning for 90-percent supports; but I believed the Secretary of Agriculture could provide those supports under the Aiken Act. The net result was that North Dakota gave Governor Dewey a bigger vote than he had received 4 years previously.

However, I noticed that in Minnesota, with its good Governor Youngdahl—and in my opinion he is one of the outstanding governors of the Nation—the two good Republican Senators at that time,

and the many good Republican Congressmen—it was impossible to overcome the argument Senator BARKLEY made and to stop the farmers from voting the Democratic ticket.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. YOUNG. I yield.

Mr. AIKEN. I am glad the Senator who now occupies the chair [Mr. HUMPHREY] is where he is, so that he cannot reply to the statement the Senator from North Dakota has just made—to the effect that Minnesota has two good Republican Senators.

Mr. YOUNG. I was speaking of the situation last year, during the campaign.

Mr. AIKEN. Now I am more than glad that the junior Senator from Minnesota is in the chair, where he cannot talk back. [Laughter.]

Mr. YOUNG. What I am trying to point out, Mr. President, is that, right or wrong, the farmers of the great Midwest want 90-percent supports. If the Republican Representatives in Congress are not willing to go on record for these levels of support, then there is little hope that that area will go Republican again for a long while to come.

Many wonder why farmers are so concerned about price supports and why they want 90- or 100-percent supports. The farmers' thinking would be better understood if the opponents of that legislation had lived through the misery and tragedy with the farmers in that tragic period of the thirties. At that time, as Senators will recall, prices on farm commodities swung to almost record lows. Wheat went as low as 18 cents a bushel, hogs $1.50 a hundredweight, barley and oats from 1 cent to 6 cents a bushel. The result was that the great majority of the farmers, while living on the starvation diet and in dire poverty, still lost most of their farms.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. What prices would the parity arrangement of from 75 percent to 90 percent, as provided in the Anderson bill, have given the farmers during the period of the thirities, for wheat, for instance, during the time the Senator has been discussing?

Mr. YOUNG. The support level——

Mr. CAPEHART. No; I mean this: Under the Anderson bill, as it is being debated today, what would the support price received by the farmers have been during the period the Senator has been discussing?

Mr. YOUNG. I do not know—perhaps about 60 or 70 cents a bushel, I should guess.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Under title II of the Agricultural Act of 1948, the minimum floor for wheat during any of the years in the 1930's would have been 76 cents a bushel. The Anderson bill would have added 5½ cents to that, making the price approximately 81 cents a bushel.

Mr. CAPEHART. So if we went back to the situation we had in the early 1930's——

Mr. AIKEN. Of course, in those days parity for wheat was nearer $1.

Mr. CAPEHART. If we went back to that period, under the Anderson bill the guaranty would be about 81 cents a bushel. Is that correct?

Mr. AIKEN. Yes.

Mr. YOUNG. I think the figure would be lower than that, because the Anderson bill gives a lower parity price for wheat than the parity formula used at that time gave.

Mr. AIKEN. In the figures I gave, I took that into consideration.

I obtained that figure from the Bureau of Agricultural Economics when the 1948 act was being formulated; and it figured out 76 cents under that formula. The Anderson formula, including allowance for the cost of hired farm labor, would raise that figure about 5½ cents a bushel.

Mr. CAPEHART. My point is that I do not think the Senator from North Dakota intends to leave the impression that unless we adopt his amendment, the price of wheat and the price of corn will go as low as they did in 1931 and 1932.

Mr. YOUNG. I shall give a comparison, a little later, in regard to that situation. The Anderson bill, if enacted, would be of some help, but not all the help that is needed. In my opinion, the price of wheat may well go down 30 or 40 cents a bushel without a support program.

Mr. CAPEHART. Under the Anderson bill?

Mr. YOUNG. No; I mean without a support program. Under the Anderson bill, 90 percent of parity is $1.71 a bushel, for wheat. Seventy-five percent of parity, under the Anderson bill, would be about $1.50 a bushel. We are proposing to break it at $1.71 a bushel, when the farmer is under quotas. That is a drastic drop from the present support program.

Mr. CAPEHART. What would be the difference between the price of wheat under the Anderson bill and under the Senator's proposal?

Mr. AIKEN. Ten cents.

Mr. CAPEHART. I should like to know how much difference there would be in the price per bushel. That is what we are really arguing about.

Mr. YOUNG. Under the Anderson bill, the level is between 75 and 90 percent of parity. Of course, the amount of the carry-over would determine whether the percentage would be 75, 80, 85, or 90.

This proposal would make it a rigid 90 percent when the farmer was under quotas. A two-thirds vote of the farmers is required, if they are to be put under quotas.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. Reference has been made to the depression prices, such as $1.50 a hundredweight for hogs, and the drastically low prices on oats and wheat. The only reason I rise now is to call attention to the fact that that was at a time when no farm-support programs were in existence.

Mr. YOUNG. That is correct.

Mr. THYE. There had been the Federal Farm Board, and it had made some purchases of commodities, including grain. But when it reached the point where it was greatly burdened, and was unable to obtain appropriations to permit it to continue making purchases, and when the storage of wheat became a problem the farm program finally broke down, insofar as the Federal Farm Board was concerned. But the drastically low prices the able Senator from North Dakota has recently mentioned occurred at a time when there were no farm price support programs of any kind.

While I am mentioning it, all the discussion we have had here has been on the basic commodities, wheat, corn, cotton, rice, tobacco, and peanuts. The fact of the matter, insofar as the Northwest is concerned—and I do not include North Dakota, except the eastern part of the State, where there is considerable dairying and where there is considerable livestock—and in all the Midwestern States, such as Minnesota, Wisconsin, Michigan, Illinois, Indiana, Nebraska, and Iowa, and southward, there is a generally diversified type of farming, in which the major part of the farmer's income is from the livestock industry, pork, beef, mutton, dairy products, poultry, and turkeys. That particular phase of agriculture has never had specific recognition in price-support provisions.

Mr. YOUNG. I agree with the Senator. I helped put them in.

Mr. THYE. The fact of the matter is, that all the legislation which has been given any consideration has generally been based on the six basic commodities I mentioned. The others were left to the discretion of the Secretary of Agriculture. The Secretary was confronted with the question of whether he would have the money and of whether Congress would make certain appropriations to take care of the perishable commodities. It was provided that section 32 funds should be earmarked or set aside to take care of perishables, but I call the attention of the able Senator from North Dakota to the fact that in the Midwest, while we talk about the basic commodities—and they are absolutely important in the agricultural program—the perishables, such as dairy products, hogs, beef, poultry, mutton, pork, eggs, and turkeys, are major, so far as we are concerned.

Mr. YOUNG. May I interrupt the Senator for a moment?

Mr. THYE. Yes.

Mr. YOUNG. The whole fallacy of the argument of the opposition is exactly what the Senator is pointing out. The Anderson bill has the highest amount of rigid support levels for perishables ever written into any legislation, and it is done with scarcely any means whatever of control. In respect to basic commodities, every imaginable form of control is written into the law—acreage allotments, quotas, marketing agreements, loans, and everything else. The whole weakness of the bill—and I am supporting it, though it needs amending—is that there are no controls in it for perishables.

Mr. THYE. Will the Senator from North Dakota yield further?

Mr. YOUNG. I yield.

Mr. THYE. For the sake of the country folk who will read the RECORD and try to follow what we in the Senate are doing, so far as it relates to their tax money and to their support program, let us not confuse them by making them believe that the six basic commodities are all important in the agricultural support program.

Mr. YOUNG. Let me interrupt the Senator at that point.

Mr. THYE. Will the Senator from North Dakota let me continue the thought for a moment?

Mr. YOUNG. I yield.

Mr. THYE. I beg the Senator's pardon for trespassing upon his time.

Mr. YOUNG. I yield.

Mr. THYE. I wanted to carry through the thought that, while we recognize the Secretary will have a tremendous problem on perishable nonbasic commodities, they are yet subject to storage; and on that particular question the producer has agreed to take 75 to 90 percent of parity, and be very thankful for it, because this is the first time in the history of farm programs that he has been given even that much recognition. Heretofore there has been an effort to control his production by the creation of scarcities in corn and wheat through the reduction of production. He was told, "If you are short of feed, it will influence the production of perishables, and that will result automatically in high prices." But that could not be, because the program itself proved to us in the late 1930's that the wheat and corn controls did not in any sense control dairy products, nor did they control pork and beef. So there was a drastic problem facing the producer of perishables, and a drastic problem of rigid controls facing the producer of wheat, corn, and even cotton, because more than a fourth of the crop of wheat was being put under seal at 57 cents a bushel, under a commodity loan, as late as 1940. It was only the floor that saved us a little.

Mr. YOUNG. I do not like the Senator to make a speech in my time without giving me a chance to answer. He is speaking of a time when we were sealing up wheat. We are importing more wheat than we were exporting during that time. What I resent in the whole argument is that we who are trained to protect the right of the basic farm-commodity producers are accused of unreasonable things. The Anderson program drops the parity level rather severely for the basic commodities, but it ups everything for pork, beef, and dairy products. Everything is upped far above any parity program, and merely because we are trying to cushion the drop a little, we are being severely criticized, accused of sectionalism, and of ganging up.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. First I should like to beg the Senator's pardon for trespassing upon his time.

Mr. YOUNG. I am happy to yield to the Senator.

Mr. THYE. Second, if the Senator will permit, I should like to try to answer the last statement he made. I do it in all sincere friendship, because there are very few men whom I have admired more and for whom I have felt a greater friendship than the Senator from North Dakota. I have been his neighbor, across the line. In 1920, when I was a young man, just out of military service, I traveled through his State. But the fact is that Congress appropriated more than $300,000,000 for soil conservation last year, and annual appropriations are made for that purpose. We are confronted with soil erosion. If I may trespass further on the Senator's time, I may say the good land has been eroded and wasted to a point where more than 282,000,000 acres has been denuded of its rich fertile topsoil. An effort is being made to rebuild it. There is no farm practice known to man which will tie the topsoil to the land, conserve it for future generations, and maintain its fertility, like a diversified family type of husbandry. It will produce more grain and will assist the producers of the cash crops of wheat and corn more than any other type of management.

It is for that reason that the able Senator from New Mexico [Mr. ANDERSON] and the able Senator from Vermont [Mr. AIKEN], listening to the great agricultural economists, and listening to those who are the friends of soil-conservation measures, when they were trying to influence the type of farm legislation, endeavored to bring back into balance the unbalanced situation of our farm management and husbandry. They sought to do so by bringing dairy products, beef, pork, and livestock in general up to such a level that it would be desirable to continue that type of farm practice, rather than to put corn and wheat into bins, seal them up, take the money, sit back, and wait for the next harvesting season.

Speaking of my own experience, I am a wheat producer, as well as a corn producer. More than 80 percent of my wheat acreage was taken from me this year, and I have quietly protested against the cut in my wheat acreage. But in spite of that, I must still rise in the Senate in an effort to protect future generations by seeing to it that the requirements of good farm management are taken into consideration—the type of farming which will hold the soil and preserve its fertility for the benefit of future generations.

Again I apologize to the Senator. I do not like to trespass upon the time of any Senator as I have trespassed upon the time of the Senator from North Dakota.

Mr. YOUNG. Mr. President, I thank the Senator very much. I supported the general principle of the bill. I supported the dairy section. I think the general philosophy is all right. But I think the bill goes a step too far in raising parity in connection with some of the perishables, without any protection in the bill by way of controls. Some method of controlling the production of pork and certain other perishable items should have been provided. In the spring-wheat area wheat has been selling above support levels. The Commodity Credit Corporation can reap a handsome profit in its operations this year. I do not know as to winter wheat.

When wheat was selling for from $2 to $3 a bushel for several years, the farmers enjoyed enough prosperity to buy back many of the farms which they had lost. They repaired the buildings. Many of them received REA aid, and with that REA aid they purchased millions of dollars worth of electrical equipment, bathroom fixtures, and so forth. They purchased great quantities of farm machinery, because their equipment was completely worn out when better times came. They purchased new automobiles and trucks for the same reason. They reinstated their insurance which had lapsed, and in a thousand other ways, through their regained purchasing power, created added new business for the entire Nation.

I wish to point out, Mr. President, that when a farmer is able to buy an automobile or truck, Wisconsin, Michigan, or Indiana benefits by added business. The electrical equipment and other parts of these cars and trucks are manufactured in eastern cities, thereby giving them new business. Most of their insurance policies are carried by companies who have home offices in New York and other eastern cities.

The refrigerators which they purchase, radios, electrical motors, and other such equipment are manufactured in various eastern cities. Much of the business done in the Midwest is through chain stores whose stockholders are eastern people. The profit of this added business enriches the people of the East.

I am trying to point out, Mr. President, what it means to the industrial East, including labor in the industrial East, to have prosperity in the farming area. All this purchasing power is possible if farm products can be sold at a profit.

Wheat is typical of most of the farm products. For a considerable time it sold for over $3 a bushel in the average farmer's market. Now it is down to $2 or less in this same market. This amendment which the Senator from Georgia [Mr. RUSSELL] and I are proposing does not seek to keep it at that level. Under 90 percent of parity, which we are seeking to provide at all times when marketing quotas are in effect, after the second year of operation of this bill, it will be only $1.71 a bushel. With the 75- to 90-percent support-price level, and the level of support dropped to 75 percent of parity, the local market price would be less than $1.60 a bushel.

That is in contrast with the argument made a few days ago that if the amendment were adopted it would break the whole program and would cost $5,000,000,000. I think there was more harm done by that statement in connection with the farm program than has ever been caused in any other session of the Congress.

I received a letter from a consumer a few days ago. He thought we were going to increase the cost to the consumers tremendously through an increased level of support for dairy products, beef, and so forth.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. As one of those supporting the Young-Russell amendment when it was considered on Tuesday, I am a little concerned about the language of your modified amendment, and I should like to be sure that we shall still have adequate safeguards if the new version be adopted. The matter of acreage allotments has now been omitted. As I recall, the Senator earlier stated that he had been in consultation, over the telephone, with Secretary Brannan, and that it was the Secretary's position that if this new language, which does not include acreage allotments, is adopted, and becomes part of the Anderson bill, it would still afford adequate guaranties to the wheat farmer and that it would not reduce his support price below 90 percent, so far as the predictable future is concerned.

Mr. YOUNG. That is correct. I understood, in talking with the Secretary, that he expected the surplus to be heavy enough in the future so that in all probability we shall have quotas in many sections of the country. It is not as good a program as is the one including wheat allotments.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. ANDERSON. Is it not true that the Secretary of Agriculture, on July 14, 1949, announced that there would not be marketing quotas on wheat in 1950, and that therefore the 90 percent will not be applicable on wheat in 1950? Is not that the answer which should have been given to the Senator from South Dakota?

Mr. YOUNG. Under the Anderson bill we shall automatically have supports next year.

Mr. MUNDT. The legislation provides for that, does it not?

Mr. ANDERSON. I am not sure as to what was stricken out of the amendment.

Mr. YOUNG. We fixed it up all right.

Mr. ANDERSON. I am not so sure of that.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LUCAS. The Senator did not fix it up all right for corn.

Mr. YOUNG. Corn has the same deal as has wheat.

Mr. LUCAS. Corn has never been under quotas. We may have quotas this year, and we will take them if we have to have them. But what the Senator's amendment will do is to put a premium on crops which have constantly had quotas, such as cotton, tobacco, and peanuts, and do detriment to wheat farmers as well as corn farmers, because corn, in all the history of the farm program, has never had any quotas imposed, and wheat has had quotas either once or twice.

Mr. YOUNG. For 2 years.

Mr. LUCAS. Twice since 1938. How the Senator from North Dakota can change his amendment to the detriment of the wheat growers of his own State is more than I can understand, because he absolutely gives to the basic crops, cotton, tobacco, and peanuts, quotas with a guaranty of 90 percent of parity, and we in the Corn Belt, if we do not have quotas, take whatever the Secretary says we should take. So will the Senator from North Dakota, so far as wheat is concerned.

Mr. YOUNG. Would the Senator prefer the amendment first offered?

Mr. LUCAS. I am talking about the last one offered.

Mr. YOUNG. The Senator opposed it.

Mr. LUCAS. The first was much better, from the standpoint of the position of the wheat farmer, than is this one.

Mr. YOUNG. How much wheat is raised in the Senator's State?

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. Mr. President, I should like to point out that cotton is not under quotas at the present time. It has not been under quotas for some time. Tobacco will be under quotas, under the bill introduced by the Senator from New Mexico. So the argument of the Senator from Illinois does not apply. Tobacco will be under quota, with or without this amendment. Under the bill it is guaranteed 90 percent of parity. So if there is any disparity here it is between tobacco and commodities that are not under marketing quotas at the present time.

Mr. YOUNG. The Senator is correct.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. I have heard too much about tobacco this afternoon. I want to know how wheat is affected.

Mr. RUSSELL. Efforts have been made to show that there has been special treatment of cotton and tobacco, and I want to point out that that is not a fact.

Mr. MUNDT. The Senator from New Mexico made a statement which was very disturbing to me. I should like to have his attention for a moment. It is his contention that if the Anderson bill passes without the Young-Russell amendment, there will be less than 90 percent of parity for wheat next year?

Mr. ANDERSON. No.

Mr. MUNDT. I gathered that impression from what the Senator said, because he seemed quite surprised——

Mr. ANDERSON. I assumed that the Senator from North Dakota was bringing up the same amendment. I am glad to have it changed. I call the Senator's attention to the fact that year in and year out it has been impossible to establish quotas on corn. He is leaving the corn farmer out of it. Therefore, he is trying to leave the wheat farmer out. Then comes the question of the rice, a commodity of which the total supply next year will be 103 percent. So the rice farmer is out of it. There are three types of farmers protected, those raising cotton, peanuts, and tobacco.

Mr. MUNDT. Mr. President, I am sure that the Senator from North Dakota has no such intention as that suggested by the Senators from Illinois and of New Mexico. We discussed this up one side and down the other and our desire is clearly to protect the price of wheat and corn by this amendment. I wonder if the Senator from North Dakota, in view of the preceding discussions and the point raised by the majority leader and the explanation of the former Secretary of Agriculture, would not consider rewriting his amendment in the exact language we had it before us on Tuesday, because if the amendment shall be agreed to, there will then be mandatory 90 percent of parity price support required for corn and for wheat under certain conditions. We have exploded the theory that it is a rigid support which operates at all times but by reverting to the original language of the amendment we shall be sure its price supports apply to wheat and corn as well as the products enumerated by the Senator from New Mexico.

Mr. YOUNG. I shall be glad to accept that modification.

Mr. MUNDT. I offer that as an amendment to the Senator's amendment, if he will accept it, that the words "or acreage control" be added.

Mr. YOUNG. I accept the amendment.

Mr. AIKEN. Mr. President, will the Senator further yield?

Mr. YOUNG. I yield.

Mr. AIKEN. I might point out that we have mandatory acreage allotments and mandatory quotas, so peanuts and cotton and tobacco, as pointed out, would have perpetual mandatory supports, but wheat would not, for the reason that the Secretary has proclaimed acreage allotments this year, and has announced that there will not be quotas.

The purpose of proclaiming acreage allotments is to govern the supply in such a way that quotas will not be necessary in future years, and if the Secretary has proclaimed the proper acreage for next year, wheat would not come under quotas, possibly for years and years to come, except during an emergency due to a very heavy overproduction because of weather conditions, or something like that.

While I am against the Senator's amendment, I am glad he has accepted the amendment to take in the acreage allotment because certainly corn and wheat and rice should be covered if the others are.

The PRESIDING OFFICER. Does the Senator from North Dakota accept the modification proposed by the Senator from South Dakota?

Mr. YOUNG. Yes.

The PRESIDING OFFICER. And thereby modifies his amendment to that extent?

Mr. YOUNG. Yes.

Mr. LUCAS. What is the modification?

Mr. MUNDT. Could we have unanimous consent to have the amendment read in its modified form, showing inclusion of the words "or acreage control" as I have suggested?

Mr. YOUNG. It will now include the words "or acreage control."

Mr. LUCAS. Then the Senator is back on the original track.

Mr. YOUNG. Yes; the amendment would now be the same as that originally offered.

Mr. MUNDT. We certainly look forward now to having the Senator's vote,

when we reach a vote, since it has been rewritten to meet his recent criticism.

Mr. ANDERSON. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from New Mexico.

Mr. ANDERSON. I did not agree because I felt I wanted to vote for the amendment. I merely thought I knew the Senator from North Dakota well enough to suggest that he does not want to sponsor an amendment which cuts the corn and wheat producers, but does protect cotton and peanuts and tobacco. I thought it was unfair to him to leave him in that position.

Mr. YOUNG. I always have the greatest respect for the judgment of the Senator from New Mexico.

Mr. LUCAS. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. LUCAS. I should like to reply to the Senator with respect to my vote. My vote will be just the same as it was the other day, and I am glad the Senator got back on the right track. He apparently had forgotten the corn and wheat farmers in our section of the country. That is one of the troubles which has developed in the past a good many times—the corn and wheat farmers usually get left out. But so far as voting for the amendment is concerned, I cannot vote for it, because it is in the same condition now in which we found it the other day.

I am a little surprised at the Senator from South Dakota falling for this kind of an amendment when practically every farm organization in the country is against the amendment, and I know that in his section they are very strong against the amendment proposed by the two distinguished Senators. While these organizations do not take much part in controlling legislation, are we going to say to certain groups by an amendment affecting all the basic commodities, especially the commodities which from now on are continuously to have quotas, as I see it, especially under Public Law 342 with respect to cotton and peanuts, "You are going to have 90 percent of parity regardless"? We out in the corn and wheat section of the country do not know whether we are going to get it or not. That is exactly what the situation is, whether we go back to the original status or whether we leave it the way it was under the last amendment.

Mr. YOUNG. Mr. President, I totally disagree with the Senator from Illinois. I have not been able to follow him in the position he has taken.

Mr. LUCAS. There is nothing new about that. There are very few who do follow me here.

Mr. YOUNG. When we passed the Aiken bill a year ago the farmers of the Midwest did not follow the farm organizations, and they will not again on this bill, the Senator can make sure. Farmers want either 90- or 100-percent supports.

It is unfortunate that some careless words were uttered on the Senate floor during the course of the debate a few days ago regarding what this 90-percent amendment would do to this farm bill and the resulting cost to the consumers of the East Wheat, for example, has dropped from more than $3 a bushel to $2 or less a bushel on the farm, yet in the East the price of a loaf of bread has not dropped 1 cent.

It costs from 9 to 11 cents a bottle to deliver an empty milk bottle at the doorstep of a consumer in the East. Support levels for eggs, which is the price the farmer has been receiving most of the time last year, ranges from 35 to 45 cents a dozen. Yet eggs in Washington, D. C., presently are selling for 85 to 90 cents a dozen or more.

It is this extreme spread between what the producer receives and what the consumer has to pay which should be of more concern to those representing big consuming areas in the East. Presently the Gillette committee, of which I am proud to be a member, is investigating this spread.

It is strange that those representing the farmers are taking the most interest in these hearings. There ought to be more Senators representing the consumers taking part in the hearings.

Only a few days ago a milk producer in New York testified that his net profits were $26,000,000 for last year. He himself received a salary of $150,000 a year, and two of his assistants received from $90,000 to $110,000.

I suggest that those representing consumers would do well to look into this, rather than cast suspicion on some of the things the producer needs, the man who is producing at low prices now.

These are things which ought to be of more concern to the Members of Congress, if the food that the consumers have to purchase will ever be reduced to any appreciable degree.

Obviously since wheat has dropped more than one-third and bread has not dropped 1 cent, it would make little difference in the price of bread, even if wheat sold at practically nothing. It is a good guess that if the farmer provided his wheat, free of charge, to the baking industry, bread would not drop more than 3 cents a loaf. I believe that to be an absolutely correct statement.

Let us briefly analyze this Anderson bill and see what it does. It lowers the parity price for the basic farm commodities—wheat, corn, and cotton. Parity under the present farm price-support program is $2.15 a bushel for wheat, while under the Anderson bill it is $1.90 a bushel. It lowers the parity formula for cotton by more than 10 percent.

From a consumer's angle this will not help him very much, because only a small part of the cost of a suit of clothes is represented by the cotton or wool which it contains.

On the other hand, Mr. President, it raises the parity price a sizable amount for butterfat, milk, hogs, eggs, beef, lambs, and other perishable farm products. These products more directly affect the consumer and add to his cost of living. I might add that the spread between what a farmer receives for pork and what the consumer has to pay is far less than in the case of wheat or any other products.

I hasten to add, Mr. President, that I do not believe this raise in parity price is unfair, as the cost of producing these foods is heavy, and through increased production of these products there will be a greater utilization of surplus grains.

I do wish to point out, Mr. President, that some of the statements made on the floor here a few days ago regarding the 90-percent-proposal amendment of the Senator from Georgia [Mr. RUSSELL] and myself were not based on fact. Probably the most important factor of all to be considered is that on all basic farm commodities there is a strict and most effective kind of control legislation now on the statute books which goes back to the beginning of these programs. Production can be effectively controlled on these basic farm commodities to the end that there is little cost to the Government. For example, presently and all during the marketing season cash spring wheat is selling above support levels and the Commodity Credit Corporation will actually make a profit on all the spring wheat that is taken over. I am not familiar with the winter wheat situation.

While the Anderson bill provides higher support levels for perishables than any action ever enacted in the history of price-support legislation, there is little and in most cases no means of controlling the production of these perishable commodities.

To any student of this legislation it should be obvious that the great cost to the Government in supporting farm prices would be in the perishable field and not in the basic farm commodity field to which the amendment of the Senator from Georgia and myself applies.

Mr. President, I wish to point out that in all the history of price-support legislation, the quota which this amendment provides was only in effect 2 years on wheat. It was proposed an additional year, but it was eliminated early in that production year. I wish to point out, too, that before quotas are operated, they must be approved by a two-thirds vote of the farmers themselves.

In all probability corn farmers would rarely vote for quotas, and only when they were in extreme difficulty. There is not a thing unreasonable, in my opinion, about the Russell-Young amendment. If it is adopted, it will make the Anderson bill a fairly good farm program. I would much prefer to have 90-percent supports for basic farm commodities at all times. It would come much nearer meeting the desires of the farmers and preventing another great national depression.

Mr. AIKEN. Mr. President, I do not think there is anything to be added to the debate as to the comparative merits of a 90-percent support program and a flexible support program. Arguments have gone on interminably in that respect and probably will continue as long as there are farm representatives.

The amendment offered by the Senator from North Dakota and the Senator from Georgia, as it now reads, provides for 90-percent support when acreage allotments or marketing quotas are in effect. I am glad that the Senator from North Dakota, whom I know has the interest of his farmers in mind at all times—sometimes I think a little too assiduously—did not intend, when he earlier modified his amendment, to leave out wheat and corn farmers. I am glad he corrected it at the first opportunity.

However, the question has been raised as to whether the Secretary of Agriculture is required to proclaim acreage allotments each year. I should like to insert in the RECORD the sections of the law which point this out very clearly. I should also like to state that on August 9, 1949, I obtained from the Solicitor's office the following information:

The Agricultural Adjustment Act of 1938 requires that the Secretary shall proclaim acreage allotments each year for corn (sec. 328), wheat (sec. 332), rice (sec. 352), and peanuts (sec. 358).

Under the 1938 act as amended, the Secretary can proclaim acreage allotments only when marketing quotas are proclaimed for tobacco (sec. 321) and cotton (sec. 344, as amended by Public Law 372).

I ask unanimous consent to have printed in the RECORD as a part of my remarks the sections of the Agricultural Adjustment Act of 1938, as amended, which show clearly that the Secretary shall proclaim acreage allotments each year for corn, wheat, rice, and peanuts.

There being no objection, the sections referred to were ordered to be printed in the RECORD, as follows:

ACREAGE ALLOTMENT

SEC. 328. The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which, on the basis of the average yield for corn in such area during the 10 calendar years immediately preceding such calendar year [1] [a] adjusted for abnormal weather conditions and trends in yield,[a] will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area, make available a supply for the marketing year beginning in such calendar year, equal to the reserve supply level. The Secretary shall proclaim such acreage allotment not later than February 1 of the calendar year for which such acreage allotment was determined. The proclamation of the acreage allotment for 1938 shall be made as soon as practicable after the date of the enactment of this act. (7 U. S. C. 1940 ed. 1328, Feb. 16, 1938, 52 Stat. 52.)

[Public, No. 470, 75th Cong., p. 34.]

* * * * * *

PROCLAMATIONS OF SUPPLIES AND ALLOTMENTS

SEC. 332. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat for such marketing year, and the national acreage allotment for the next crop of wheat. (7 U. S. C. 1940 ed. 1332, Feb. 16, 1938, 52 Stat. 53.)

* * * * * *

NATIONAL ACREAGE ALLOTMENT

SEC. 352. The national acreage allotment of rice for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the five calendar years immediately preceding the calendar year for which such national average yield is determined, produce an amount of rice adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year not less than the normal supply. Such national acreage allotment shall be proclaimed not later than December 31 of each year. (7 U. S. C. 1940 ed. 1352, Feb. 16, 1938, 52 Stat. 60.)

* * * * * *

MARKETING QUOTAS

SEC. 358. (a) Between July 1 and December 1 of each calendar year the Secretary shall proclaim the amount of the national marketing quota for peanuts for the crop produced in the next succeeding calendar year in terms of the total quantity of peanuts which will make available for marketing a supply of peanuts from the crop with respect to which the quota is proclaimed equal to the average quantity of peanuts harvested for nuts during the 5 years immediately preceding the year in which such quota is proclaimed, adjusted for current trends and prospective demand conditions, and the quota so proclaimed shall be in effect with respect to such crop. The national marketing quota for peanuts for any year shall be converted to a national acreage allotment by dividing such quota by the normal yield per acre of peanuts for the United States determined by the Secretary on the basis of the average yield per acre of peanuts in the 5 years preceding the year in which the quota is proclaimed, with such adjustments as may be found necessary to correct for trends in yields and for abnormal conditions of production affecting yields in such 5 years: *Provided*, That the national marketing quota established for the crop produced in the calendar year 1941 shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than 1,610,000 acres, and that the national marketing quota established for any subsequent year shall be [2] quantity of peanuts sufficient to provide a national acreage allotment of not less than 95 percent of that established for the crop produced in the calendar year 1941. (7 U. S. C. 1940 ed. Supp. IV, 1358 (a).)

(b) Not later than December 15 of each calendar year the Secretary shall conduct a referendum of farmers engaged in the production of peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to marketing quotas with respect to the crops of peanuts produced in the three calendar years immediately following the year in which the referendum is held, except that, if as many as two-third of the farmers voting in any referendum vote in favor of marketing quotas, no referendum shall be held with respect to quotas for the second and third years of the period. The Secretary shall proclaim the results of the referendum within 30 days after the date on which it is held, and, if more than one-third of the farmers voting in the referendum vote against marketing quotas, the Secretary also shall proclaim that marketing quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held. Notwithstanding any other provisions of this section, the Secretary shall proclaim a national marketing quota with respect to the crop of peanuts produced in the calendar year 1941 equal to the minimum quota provided for said year in subsection (a) hereof and shall provide for the holding of the referendum on such quota within 30 days after the date upon which this act becomes effective, and the State and farm acreage allotments established under the 1941 agricultural conservation program shall be the State and farm acreage allotments for the 1941 crop of peanuts. (7 U. S. C. 1940 ed. Supp. IV, 1358 (b).)

(c) The national acreage allotment shall be apportioned among States on the basis of the average acreage of peanuts harvested for nuts in the 5 years preceding the year in which the national allotment is determined, with adjustments for trends, abnormal conditions of production, and the State peanut-acreage allotment for the crop immediately preceding the crop for which the allotment hereunder is established: *Provided*, That the allotment established for any State for any year subsequent to 1941 shall be not less than 95 percent of the allotment established for such State for the crop produced in the calendar year 1941: *Provided further*, That for the second or third year of any 3-year period in which marketing quotas are in effect the acreage allotment for each State for such year shall be increased above or decreased below the allotment for the State for the immediately preceding year by the same percentage as the national marketing quota for such year is increased above or decreased below the national marketing quota for the preceding year. (7 U. S. C. 1940 ed. Supp. IV, 1358 (c).)

(d) The Secretary shall provide for apportionment of the State acreage allotment for any State through local committees among farms on which peanuts were grown in any of the 3 years immediately preceding the year for which such allotment is determined. Such apportionment shall be made on the basis of the tillable acreage available for the production of peanuts and the past acreage of peanuts on the farm, taking into consideration the peanut-acreage allotments established for the farm under previous agricultural adjustment and conservation programs. Any acreage of peanuts harvested in excess of the allotted acreage for any farm for any year shall not be considered in the establishment of the allotment for the farm until the third year following the year in which such excess acreage is harvested and the total increases made in farm-acreage allotments in any year based on such excess acreage shall not exceed 2 percent of the national acreage allotment for such year: *Provided*, That in the distribution of such increases based on such excess acreage the total allotments established for new farms shall not be less than 50 percent of such increases.[a] [a] The amount of the marketing quota for each farm shall be a number of pounds of peanuts equal to the normal production or the actual production, whichever is the greater, of the farm peanut acreage allotment and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm.[a] (7 U. S. C. 1940 ed. Supp. IV, 1358 (d).)

[Public, No. 12, 79th Cong., p. 52.]

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. I have asked the Senator to yield simply to inquire whether that letter from the Solicitor's office was signed by the same Mr. W. Carroll Hunter, who gave contradictory testimony in the hearings before the House committee?

Mr. AIKEN. That information came from Mr. John Bagwell, of the Solicitor's office, who I understand is an expert on this particular phase of the law, and I am sure he prepares a good deal of information for the Solicitor. He is one of the reliable career men in the Department.

Mr. MUNDT. I believe Mr. Hunter has a higher position in the Department.

Mr. AIKEN. Mr. Hunter holds a higher office. I do not want to go into that subject now.

Mr. MUNDT. I do not want to discredit either man, except to point out that apparently there is a considerable amount of debate going on not only between the Senator from Vermont and the Senators from North Dakota and South Dakota about this matter, but

[1] Matter from [a] to [a] added April 7, 1938, by 52 Stat. 202.

[2] So in original.

[a] Matter from [a] to [a] substituted July 9, 1942, by 56 Stat. 653, in lieu of "The amount of the marketing quota for each farm shall be the actual production of the farm acreage allotment, and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm."

also between the respective members of the Solicitor's office in the Department of Agriculture. So I would suggest that if the Young-Russell amendment, as now rewritten at my suggestion, is adopted, we run along into 1950, when it is covered by the other part of the legislation, and have them resolve the debate one way or the other in the Department of Agriculture. Next year we can then amend the law at that time to meet any situation developing out of the Solicitor's final interpretation of the basic legislation once the debate within the Department of Agriculture is ended and the final verdict publicized.

Mr. AIKEN. I might say that the Secretary proclaimed acreage allotment on wheat this year in compliance with the law. I think the Secretary would probably so advise the Senator from South Dakota. This provision of the law was suspended during the war years, as he had a right to suspend it in the event of a national emergency. But the emergency being deemed over, he has again renewed the practice of proclaiming acreage allotments as the law clearly states. I have simply asked to have the provisions of the law printed in the RECORD.

Mr. MUNDT. I am glad the Senator made that request. I suppose neither one of us can conjecture into the future sufficiently well to predict accurately which branch of the Solicitor's office is going to win that debate.

Mr. AIKEN. If the Senator can advise us of any way to compel agencies of the executive branch of the Government to interpret laws as intended by the Congress then I think he should have his statue put up alongside those of Washington, Lincoln, and Jefferson, because that is one of the greatest needs of this democratic Government today.

Mr. MUNDT. I certainly agree with that statement.

Mr. AIKEN. We have had demonstrations this year, as members of the Committee on Agriculture and Forestry know, that representatives of the Department of Agriculture, including the Senator himself, have come before the committee and placed different interpretations upon the law than were placed upon the law by the Solicitor's office itself.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. I was even more distressed by the fact that the Secretary of Agriculture came before the committees of the Eightieth Congress testifying in support of an Aiken bill which he subsequently went before the people of the United States to condemn, during the political campaign.

Mr. AIKEN. The Senator is entirely correct in saying he did so. Insofar as I know, the first time that the public was ever urged to get back of the Aiken bill by that name was when President Truman, speaking in Los Angeles a year ago last May, referred to it as the Aiken bill and urged Congress to pass it.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The question is on agreeing to the modified amendment offered by the Senator from North Dakota [Mr. YOUNG] on behalf of himself and the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL, Mr. WHERRY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I desire to say a few words on this amendment before the vote is taken.

I have served in this body for almost 17 years. During part of that time I was a member of the standing Committee on Agriculture and Forestry. During my entire tenure of service in this body I have served on the subcommittee on agricultural appropriations of the Appropriations Committee, which handles agricultural appropriation bills. During all that time, when I have labored with farm problems, when I have undertaken to handle agricultural appropriations, I hope that I have never been motivated by sectional prejudice against any section of the United States or against the producers of any one commodity. Time and again I have undertaken to rectify injustices, as I saw them, as they applied to the opportunities of the agricultural population of areas far removed from where I live. I have sought to inform myself about the mechanics of agricultural production of commodities which are not grown in the State whence I come, in order that I might assist in seeing that the producers of those commodities received something approximating justice at the hands of their Government in the enactment of farm legislation.

So, Mr. President, I deplore—nay, I resent—the studied effort which has been made to place this amendment upon a sectional basis, and the remarks which have been made, particularly by the majority leader [Mr. LUCAS], to the effect that only commodities which are produced in the South would benefit from this amendment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I did not contact a single Senator from a wheat-producing State before this amendment was offered. In fact, Senators from the largest wheat-producing State of all, Kansas, did not even vote for the amendment. That ought to be proof of the Senator's statement.

Mr. RUSSELL. I am sure the Senator is correct. I may say that I did not discuss the amendment with a single producer or a single Senator from a State which produces cotton, before I joined the Senator from North Dakota in sponsoring this amendment. With regard to the commodities involved in the list of basic commodities, I have always sought to aid producers of those commodities, as well as other farm commodities, where it was practicable to do so, to receive assistance from their Government, to which they were entitled as American citizens.

So I deplore the little snide remarks which are made to the effect that this amendment would benefit only producers of peanuts, tobacco, and cotton. The effort is made even to make it appear, from the statement of the majority leader to the Senator from North Dakota, that the Senator from North Dakota did not know what he was talking about, and that the amendment would not benefit wheat farmers, but would benefit only farmers in Southern States.

I am glad to be associated with the Senator from North Dakota in connection with this amendment. There are a number of Members of this body who are specialists in the field of agriculture. On the occasion when this amendment was previously before the Senate I stated that in my opinion the Senator from New Mexico [Mr. ANDERSON] was one of the best informed men in the United States on all phases of agriculture. I paid sincere tribute to his service as Secretary of Agriculture. But it so happens that the Senator from North Dakota has lived out on the farm. He has operated a plow, and he has followed the reaper and binder. He has operated a tractor with his own hands. He knows something about the practical problems of agriculture from the viewpoint of the man who lives on the farm, rather than from the viewpoint of the agricultural economist who draws a maze of figures upon a chart and from them draws conclusions or formulates theories.

So this is not a sectional amendment. It is not a wheat amendment or a cotton amendment, as the Senator from Vermont [Mr. AIKEN] stated the other day, apparently with the hope that if that impression were instilled in the minds of all Senators the amendment would be defeated. It is an amendment which applies equally to all the basic commodities, wherever they may be produced. It would apply equally to corn, wheat, cotton, and tobacco. Both the amendment and the bill as reported deal exactly the same with tobacco. Tobacco should not have been mentioned in this connection, because the bill reported by the committee provides for tobacco an assured floor of 90 percent of parity. One of the arguments I have made in behalf of this amendment is that we should not give the tobacco farmers special treatment, but that the producers of all the basic commodities are entitled to be treated exactly alike.

Mr. President, as I have said, I have never spoken a sectional word on this floor in dealing with an agricultural subject. However, I wish to discuss some of the reasons why the corn farmers and their representatives have never looked with a great deal of favor upon maintaining a high floor under other agricultural commodities. In the first place, due to the peculiar conditions which existed at the time the original soil conservation legislation was enacted, they receive two or three dollars per acre in benefits for soil conservation, above the amount received by the producers of cotton and tobacco. So they received a great deal more money in the form of payments for soil-conservation practices, for carrying out the same practices as are carried out by the producers of other commodities.

By legislation the producers of corn in the commercial corn area have always had a very distinct preference over the producers of corn in other areas. Corn is produced as widely as any other commodity. It is produced in perhaps more

different States and more different sections than any other commodity. In discussing the reason why some of the representatives of producers in the commercial corn areas are opposed to this amendment, it may be said that under every law we have ever enacted on the subject the producer of a bushel of corn in Georgia can receive only 75 percent of whatever loan is given to the producer of a bushel of corn grown in the State of Illinois or the State of Iowa. So there is a very sound reason why it does not make a great deal of difference to them what their level is, so long as they have an advantage over the other corn producers of the United States. They have had it in all the legislation we have enacted on the subject. They have it in this law. When it comes to the matter of equality to the grower of a bushel of corn on the Pacific coast or in the State of Tennessee, he receives as a loan on his bushel of corn only 75 percent of the loan received by the corn farmer in the commercial corn-growing area on a similar bushel of corn. That tends to discourage the production of corn in other areas. It has not been to the interest of the corn growers in the commercial corn-growing area to favor a high loan value for corn, because it would encourage the production of corn elsewhere in the United States, outside the commercial corn-growing area.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I wonder if the Senator would not agree with me, that the college professors who drew up the parity formula gave corn an undue break. Because of the new hybrid varieties and the use of fertilizers in large quantities in most of the corn-producing area where there is sufficient moisture, the cost of producing a bushel of corn has been greatly reduced; yet the parity formula reduces the support level only a very little. Where most of the wheat is raised, and where much of the cotton is raised, fertilizers are not widely used. They cannot be.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. The figures to which the Senator refers were worked out by the United States Department of Agriculture, in the Bureau of Agricultural Economics, and not by the professors.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the distinguished Senator from New Mexico, a former Secretary of Agriculture, who will be able to throw considerable light on this subject.

Mr. ANDERSON. I only ask Senators not to refer to parity as being the product of the imagination of college professors. The farmers have fought for parity for a long, long time. It came from their hearts and their own experience. I may not have ridden behind a plow for as many hours as have some other Senators. However, I have driven tractors with my own hands. I believe that parity came from the farmers of the country, and not from college professors.

Mr. RUSSELL. There is no question about that. Parity did come from the farmers; and I am apprehensive about changing the parity formula to which the farmers have become educated over a long period of years. We had a parity formula which the farmers had come to understand. They knew what we were talking about when we spoke about parity. But when we have a parity formula based upon sliding 10-year averages and a great many other elements, the farmers do not understand. Whether the formula was drafted by an economist from the Corn Belt or from elsewhere, it certainly militates against the producers of all of the basic commodities except corn and in favor of the producers of the so-called nonbasic commodities. The corn grower is favored by the new parity formula.

One objection I have to the bill is that it changes the parity formula and puts poor old Reuben to work, after he has finally understood what we were talking about when we spoke of parity. He will be sitting up at night trying to figure out the new formula. He is going to be lost without a great many charts which will not be available to him but were used by the economists who devised the new formula.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I do not wish to cast any reflection upon the Senator from New Mexico [Mr. ANDERSON], but this is the parity formula which was adopted a year ago. The only change is that we have added labor costs.

Mr. RUSSELL. The Senator is entirely correct. Some of us had some ideas then as to where the parity formula might have come from. I do not have evidence, and I shall make no charge in that connection. But it does favor corn.

The Senator from North Dakota has spoken of another matter to which I wish to advert. I shall endeavor to be very brief in my remarks. Reference has been made to the fact that the parity formula in this bill is identical with that in the Aiken bill, with the exception of adding the cost of hired labor on the farms. I am very grateful that that was done. I think that is a vast improvement over the Aiken bill. But with that exception, Mr. President, the bill now before us is the Aiken bill in a new dress. The calico has been taken off and the gingham has been put on. The base has been raised from 60 percent to 75 percent. But, by and large, the measure now before us is the original Aiken bill. I was opposed to the original Aiken bill, and I am opposed to this bill, because I do not believe either one of them gives a fair deal to the American farmer. I do not believe the American farmer can live and prosper under either one of them. If they are applied, they will fail the American farmer when he stands in greatest need of assistance at the hands of his Government.

Mr. President, with all due deference to the distinguished Senator from Vermont [Mr. AIKEN], let me say that the farmers of this Nation did not like the Aiken bill, and they are not going to like this bill any better. The farmers of the United States are not going to be deceived by any idea that we have given them a great farm bill, a bill providing permanent farm legislation. They may not understand the formula that is provided in this bill; and, frankly, I do not completely understand it myself, and I can certainly sympathize with the farmers who do not understand it. But there is one thing they will understand: They will understand it when they go to seek a commodity loan and find out that it is some 15 percent lower than the loan they have been receiving on their commodities; they will understand it when they go to market their crops, and find that the parity value of their crops is substantially less than it was in the crop year 1949; and they will understand it when they are put under a reduction in production, and are unable to secure 90 percent of parity on their crops.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I wish to point out that the over-all parity value of all farm commodities is exactly the same under the revised parity formula as it is under the old parity formula. The difference simply is that the relationship between commodities varies from year to year. Just because wheat goes down a little in price now and the price of beef goes up, does not mean that 10 years from now that situation will not be reversed, in the event that there then is a heavy surplus of beef and a shortage of wheat. But the over-all parity value of all commodities is exactly the same under the revised formula as it is under the old formula.

Mr. RUSSELL. I am completely aware of that. I understand that much about the Anderson bill, and I understood that much about the previous Aiken bill. I said then, and I say now, that the trouble with the bill is that some inconsequential commodity such as flaxseed is lumped in with the basic commodities in the determination of parity; and, under such circumstances, if the price of flaxseed were to go up a certain percentage, it would pull up with it the price of cotton and the price of wheat; but if the price of flaxseed were to go down a certain percentage, it would pull down with it the price of such great staple commodities as wheat or cotton or corn. That is why I am opposed to the present bill, because under it when the most insignificant commodity included in the parity formula makes a change in price, it will cause a similar change to be made in the prices of the great commodities on which millions of American farmers depend for their livelihood. I think that is one of the great weaknesses of the proposal now presented to us.

Mr. President, we have had long discussions on farm bills.

Every time we have ever had a farm bill before us, the question has been raised as to why we did not treat all commodities exactly alike and include all of them with the basic commodities. We had that difficulty when the farm bill was first presented to the Congress in the first 100 days of the administration of

Franklin D. Roosevelt, in 1933; and a contest then raged in the Congress of the United States as to which commodities should be designated as basic and which should not. After exhaustive study and long debate, the Congress decided that the commodities which historically had had a system of handling under which it was possible to store them and those which could be stored without deterioration or loss in value should be classified as basic commodities; and that has been the standard we have followed all through the years since that time. There is considerable difference between handling or storing a hundredweight of butter and a bushel of wheat. There is a great deal of difference between handling and storing and marketing some dressed poultry and a bale of cotton. That is the reason why this distinction was made in the first farm bill under the Roosevelt administration, and why the distinction has been continued up to this good day.

The nonbasic commodities, as I pointed out the other day, benefit from this new parity formula, in that their parity values have been increased. The parity values of the basic commodities have been reduced. The failure to adopt this amendment will assure a discrimination against the producers of the basic commodities. That is true without regard to where they are grown.

Mr. President, I do not claim to be a prophet or the son of a prophet, but I think I have some knowledge of conditions on the farms in these United States. In my opinion, this bill will be displeasing to the farmers of this Nation. They did not like the Aiken bill in its old dress; they are not going to approve of it in this new dress.

On the night of June 17, 1948, when the original Aiken bill was under consideration, I stated on the floor of the Senate that when the farmers of the United States understood what was in that bill, there would be a feeling of resentment against those who had forced it upon them. I made this statement:

> If this bill is enacted, I respectfully predict there will be some changes made in our Government. There will be some new Senators here who will be willing to see that the farmers enjoy at least a small modicum of the unparalleled prosperity which is now sweeping the country.

I went into the matter at some length. I predicted then, and I do now, that the farmers would resent it; and I stated that it was not a party proposition at all. I repeat that statement today: It is not a party proposition. The farmers of the United States—indeed, all people who believe in fair play in this Nation—are going to vote for those who they think are willing to give a square deal to the farmer. Any such reduction as the one provided by this measure in the income of farmers, at a time when all other incomes are rising, is not a fair deal for the American farmer.

Mr. President, we have voted to raise the minimum wage to 75 cents an hour. We have voted benefits of one kind or another to almost every group in the United States. I do not see how Senators can in good faith tell the farmers of the United States that they have passed a bill for their relief and benefit, when the bill is certain to reduce the incomes of the farmers of the United States.

The other evening my good friend the Senator from Illinois spoke about economy in the Government, and said that some of those who have been in favor of economy were voting for this amendment. In the first place, Mr. President, no proof has been given that this amendment will cost the people of the United States any money at all, because if marketing quotas are imposed and if production is brought into line with consumption, there will be no great loss under this proposal. All the estimates are speculative and are guesses on the part of Senators as to what the amendment will cost.

But if they involve some expenditure, Mr. President, I say they are fully warranted. We have been in session now since the 3d day of January. We have enacted a great deal of legislation. We have enacted bills which have transferred from the pockets of the American taxpayer to European and other nations some $7,000,000,000. We have passed bills to increase the salaries of Government employees, of executive officers of the Government, of the Army, and the Navy. We are preparing to increase social-security benefits, in which the farmer cannot share. I venture to say that 99 out of every 100 bills enacted by the Congress will mean an increase in the budget and in Government expenditures in 1950, and in the years to come. Not a single proposition has been advanced that would reduce the income of any citizen of this country, not even an increased tax bill to take care of the increasing costs, except in the case of the American farmer; and the American farmer is confronted here with a bill that is sure—and no man can deny it—to reduce his income.

Mr. President, the idea that the farmer's income can be increased by letting him produce more as his prices go down simply will not work. I do not see how any person ever could delude himself with the idea that a farmer is better off producing 2,000 bushels of wheat and losing 5 cents a bushel on it than to produce 1,000 bushels of wheat and make 10 cents a bushel on it. It may be the economist's dream. It may be the delight of the college professor to figure out a formula that would let the farmer increase his production and thereby absorb the reduction in his price. But when the farmer reaches the point where he has to sell his commodity for less than it costs to produce it, it is only adding impetus to his slide into bankruptcy to encourage him to produce more at less than the cost of production, with the fallacious idea that it is going to build up his income.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. There have been certain proposals that we extend the guaranty of support to industry, or to certain segments of industry. I should like to point out that the farmer is in a category by himself. He, so to speak, dumps his products in the street and the highest bidder takes them. In the case of automobiles or of almost any other industrial goods, the manufacturers practically set the price. There is no way of controlling the production of tractors, since the factories have set their programs to suit themselves.

Mr. RUSSELL. The Senator is eminently correct. A great deal has been made of the fact that we have lost money on potatoes and on certain other commodities that have been produced in too great an abundance. That all grows out of the war, and is an expense of war. We stepped up the production of all those commodities during the time our great conflict for survival was raging. We encouraged the farmer to produce as much as he could. We gave him every incentive to produce. Certain losses were incurred when the war ended and there was no way to dispose of those commodities. How about the other costs of the war? We poured out—I think I saw the figures somewhere—$78,000,000,000 or $79,000,000,000 in building great war plants throughout the Nation. And what did we do? We turned them over at a very low cost to some private industry in many cases; in others they are standing vacant and earning no income whatever. That is a cost of the war which exceeds by a hundredfold any costs that may have been incurred in disposing of the surplus war commodities. We passed special tax measures to give a break to industry, to enable industry to get off the war footing and back onto a civilian footing. It cost the Treasury of the United States literally billions of dollars. It was proper that we should have assisted those people in getting readjusted in the postwar period. But when it comes to the postwar period for the farmer, we point to practically insignificant losses, considered in the light of the losses that occurred in other fields, and say, "Well, we had the loss, and we have got to cut down the farmer's loan value. We have got to cut down the parity value of his commodity." These small losses were the result of his superefforts during the war. I say it is discriminatory against the farmers of our land.

Mr. President, I do not know as much about the Bible as I should. But I remember the passage which tells us the word went forth from the palace of Shushan that Mordecai, the Jew, must die. Haman built the highest gallows ever constructed, on which Mordecai was to be hanged. It turned out that Haman was hanged on those gallows. I hope my friends who have sent out to the farmers the word that their income must go down are not building a gallows on which they will be hanged in the next election.

It seems some of us never learn anything from the past. It would seem that a slight reference to the votes in the farm States—and I am not talking about the solidly Democratic States; I am talking about the formerly solidly Republican States—would be enough to let the Senate know how the farmers feel about any legislation that is going to set them backward, when we are pushing forward the income of every other group in the Nation.

I hear that all the votes are present to defeat the amendment. Senators are merely sitting here, champing at the bit, to get a chance to vote, so they can come in and slap the amendment down. The opposition say they have all the votes necessary to defeat it. I hope that will not be the case. I hope the amendment eliminating the word "shorn" in front of the word "wool" in the bill as reported by the committee will not shear away the support of those who thought this a pretty good amendment when it was still "shorn wool" in the bill instead of just being "wool," including also slaughterhouse wool. But I urge Senators to consider this matter in their minds and hearts, to determine whether they can possibly justify passing a bill that is designed to reduce the income of the American farmer at a time when every other piece of legislation enacted here is designed to increase the income of some other group. I shall not go into the figures which show that the farmers are not getting rich. I used them recently in the debate. The price of his commodities has gone up, it is true, but it has increased only about half as much as industrial wages have, the wages of those who toil in the factories, and I certainly want them to earn all they can. I realize we should seek to fix the objective of $300,000,000,000 income for our Nation. If we do not keep our national income high, we shall never be able to handle the gigantic national debt that is saddled upon us. But it is impossible to keep the income high if we start in with a bill to reduce the income of the farmers. It will set in motion forces that will drag down the whole of the national income. Dry up the farmers' buying power? Senators say it can be done—and then have prosperity in the country. It has never been possible to do it before, and it cannot be done now. The farmer may be put out of business, but when he is, the small-town merchant is put out of business. When the small-town merchant goes out of business, it puts out of business the great industries.

If we reduce the income of the farmer while trying to increase national income we are undertaking a task as impossible as that of old King Canute who tried to beat back the ocean with a broom.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I do not know anything about wool, but what is the significance of changing the wool amendment? Does that increase the obligations of the Government in any substantial way?

Mr. RUSSELL. I am not an expert on wool. I understand it brings in slaughterhouse wool and makes it available for loans, which is something which had not been done heretofore.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ANDERSON. It has always been done heretofore.

Mr. RUSSELL. The Senator's original bill did not do it. It took out that category of wool. I am afraid I cannot qualify as an expert on wool.

Mr. FULBRIGHT. Mr. President, will the Senator further yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. What is interesting me is that we added pulled wool and took out mohair. What is the explanation of that change?

Mr. RUSSELL. I am not an expert on that. Perhaps I can answer the Senator's question at some later date.

Mr. President, I hope the Senate will accept this amendment. I do not believe that by the wildest flight of fancy it can cost the Treasury of the United States any substantial part of the estimates which have been made. Certainly, it cannot if the Secretary of Agriculture does his duty.

I want to say another thing, Mr. President. I have heard it rumored that statements had been made that the President of the United States will veto this bill if it is amended as is proposed by the amendment offered by the Senator from North Dakota and myself. I simply do not believe that can possibly be a fact. How on earth could a man be elected President of the United States very largely on the defects of an act, as he appealed to the farmers of the Nation, and veto a bill which is practically a dressed-up replica of it?

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAYLOR. Did the Senator see the statement in the newspapers that the President said he would stay with the Vice President on this bill?

Mr. RUSSELL. No; but it just bears out what I say. I am quite sure the President of the United States, after the appeal made for the farm vote, would not even consider vetoing the bill to keep the farmer nearly as well off as he is today.

Mr. TAYLOR. He could not, after he said that it was what he wanted.

Mr. RUSSELL. I am delighted to hear that, and I appreciate the fact that the Senator has brought it to my attention.

It has been said that the American people are demanding this bill. That is carrying out the old idea that the farmer is a second-class citizen. Is he not among the American people? Is he not a citizen of the United States? He works and produces food and clothing which enable us to live. His sons have always made their full contribution in all the wars in which our Nation has been engaged. He lives close to nature and to nature's God. We never find a farmer in any subversive group. Farmers are good and patriotic American citizens. I believe other citizens of the United States, who are not engaged in agriculture, desire to see the farmers receive the small minimum of justice which this amendment will afford them.

Mr. HUMPHREY. Mr. President, I wish to take a few minutes of the Senate's time to invite the attention of my colleagues to some pertinent material which bears very directly upon the amendment which is before us, and also upon the bill.

I make the categorical statement that this is no time to be cutting price supports. Ninety percent is actually too low for basic commodities. It should be considered the very minimum in the public interest. I think we should look back into history. We can point with abhorrence to the price drop which took place in 1920 and 1921. I invite the attention of the Senate to the price drop which took place in 1920 and 1921. It was actually the beginning of the depression of the 1930's. It was the beginning of the long depression which resulted in collapse in the 1930's.

In the period of 12 months from 1920 to 1921 farm prices were drastically reduced in this great, prosperous America.

I want to point out to my colleagues that from 1920 to 1933 farm mortgage indebtedness increased by $11,000,000,000 at an average of $1,000,000,000 a year. Someone had to pay that indebtedness. Let us see on what kind of parity ratio it was paid. In 1920, the last good year the farmers had up until the war years, the parity ratio was 104. That is when the farmer was still receiving $2 a bushel for his wheat and was still making a little money. Every midwesterner in the Senate knows that in 1921 we were literally ruined. I remember what happened in my own family. I think every man on a farm was literally wiped out of existence by what happened to prices in 1921. I want the advocates of flexible parity to listen to me. Parity was 75 percent in 1921. I ask any farmer in the United States if 1921 did not practically take him to the cleaners. In 1922 it was 80 percent. I ask anyone to consider the mortgage indebtedness record of the farmer. He was going more into debt. In 1923 there was an 86-percent parity ratio. The same was true in 1924. I do not know where the farmers were who were supposed to be making a lot of money.

How about a little bit later on? How about the only year that was a good year for the farmer, which was 1928? He had 90 percent of parity. The records show that 1928 was the only year when the farmer was able to pay off more on his mortgages than he contracted in mortgages.

Let us go a little bit further. How about 1930? I ask my Republican friends: Was it good in 1930? The parity ratio was then 80 percent—not 75, but 80 percent—5 percent better than the low minimum of the bill which we are considering.

How about 1931, when every farmer in this country was on his back? The parity ratio was 64 percent, 11 points below what is contained in this bill we are now considering, and which proposes to give us prosperity.

Mr. President, I am amazed to find out that anyone could be against 90 percent of parity. We have had it only twice, and those were the only times the farmer made a dime. Anyone who has any intimate understanding of farm life knows that a farmer cannot live on 80 percent of parity. If that situation is allowed to exist, we are simply saying that farmers are not as good as other people——

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Does the Senator realize that the economic indicators show that wages in industry have been increased in the Nation, that we are increasing the compensation of Federal Government

employees 3 or 3½ percent, and that apparently the Government realizes that wages are up for everyone else in the country, but now we are proposing to cut them down for the farmers.

Mr. HUMPHREY. That is correct. When are the farmers going to get on the black-ink side of the ledger? I think it was in 1941, the first year of the war, when the farmer began to have some "jingle, jangle, jingle" in his pocket instead of having mortgages. He then had a parity ratio of 94 percent. He made money in 1942. Then the parity ratio was 106. Do Senators think he made any money in 1935, when his parity ratio was 84?

Let us for a moment ask ourselves honestly, when the parity ratio was 84, in 1935, were the farmers doing well? The only time the farmer has ever done well was when he got a ratio of 90, not less. This, I think, a study of the economic facts will definitely indicate.

The farmer's best year was in 1946. In 1946 he had a parity ratio of 121, in 1947 he had a ratio of 120, in 1948 of 115, and his parity ratio, as we all know, has gone down considerably this year.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Has the Senator the figures of per capita incomes so as to put the comparison in the RECORD?

Mr. HUMPHREY. I have, and I shall get to that. Let me point out what has been happening in recent times.

During 1948 farm crops came down 20 percent, and the average of all farm commodities dropped by an unlucky 13 percent. During 1949 the drop has continued. Farm commodities have slid down the old, familiar chute since the start of 1948 by 20 percent. Today the American farmers get $4 for the very same amount of goods that brought $5 just a little over a year and a half ago.

Perhaps some think these price declines have happened just to a few commodities which only a few farmers produce. Let no one fool himself.

Let us look at the major basic commodities. Look at wheat, for example. Since the start of 1948, wheat has come down well over one-third—36 percent to be exact. Cotton has come down from the postwar peak by 22 percent and a fifth or a sixth of the drop has come in the last year. Rice is down 36 percent from the early part of 1948, and more than half of that cut has come in the last year. Tobacco, due to various fortunate circumstances, seems to be in better shape, percentagewise at least. But look at the other great basic commodity, corn. Since the beginning of 1948 corn prices have dropped more than half—52 percent.

Mr. President, that is what price supports do. If the Secretary of Agriculture did not announce price supports, as he has on occasion, when he could announce a 90-percent price support, the prices would go way down. There has been instance after instance where the Secretary of Agriculture has had to announce a price support prematurely in an effort to bolster up the market, as he did recently in connection with some commodities. I recall particularly the case of dried milk. The distinguished senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota and the Senator from Wisconsin went to the Department of Agriculture and asked the Secretary to announce a price support for dried and powdered milk in order to stop the drop. The price support was announced at 90 percent.

Do you know how much less the farmer is paying for the goods he must buy? We know the farmer has to plow back into his business of producing a very big share of his cash receipts. He has to buy machinery and fertilizer, milk cans and feed, and many other items, as well as food, clothing, and household goods.

Do my colleagues know how much less he is paying for what he has to buy? While corn has come down 52 percent and wheat 36 percent, and all farm commodities an average of about 20 percent, the prices of goods bought by the farmer have come down very little. Until recently the reduction was about 3 percent, and at present the average stands at about 5 percent. But that is not the whole story. Farmers buy grain and hay and animals from one another, as well as from dealers, and the reductions in these farm-produced items make up a big share of the small average drop in prices paid by farmers. In other words, if prices farmers pay for farm goods had not come down appreciably the average of prices paid by farmers for all the goods they buy would be down so little it could hardly be noticed.

As we have learned to expect, farm prices are coming down first, much the fastest, and so far much the farthest of all prices.

Thus, the purchasing power of a bushel of corn or a bushel of wheat has dropped very fast. The wheat farmer is getting less than 90 percent of parity. He is getting about 87 percent. The rice grower is getting less than 90 percent of parity. He is getting about 86 percent.

The flue-cured tobacco grower is still getting a little above parity, and the cotton farmer is not so bad off so far with 99 percent. But look at the corn producer. The Secretary informed me that as of September 15, 1949, the corn price was 75 percent of parity, because of lack of adjustment in the parity price.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. Who is responsible for making these announcements?

Mr. HUMPHREY. The Secretary is, but he cannot make them day by day, because of fluctuations in the market.

Mr. AIKEN. Why can he not?

Mr. HUMPHREY. That is what he told me. I asked him the same question.

Mr. ANDERSON. The Senator states that the support of corn was set at 75, when the law required him to support it at 90?

Mr. HUMPHREY. That is correct. He said the average was down to 75 percent of parity as of September 15, 1949.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. The Senator does not suppose that by any chance the Secretary was refusing to make these adjustments in order to force the Brannan bill through Congress, does he?

Mr. HUMPHREY. I would not care to impugn the motives of the Secretary.

Mr. AIKEN. I would not care to impugn them, but I am a little amazed to hear the Senator from Minnesota say that the Secretary of Agriculture told him that the price of corn was 15 percent out of line due to lack of adjustment, when the Secretary has full power to make the adjustments. It sounds very much like what was done to the farmers last year, when they were penalized several hundred million dollars in income on grain, and were told that the Republicans were responsible for it, and the Republicans sat by and never denied it. This sounds like a little more of that.

Mr. HUMPHREY. I wish to say to the distinguished Senator that the alarm I see on the floor of the Senate now about 75 percent is the same alarm I am voicing. Seventy-five percent is not high enough, and that is the point, the Secretary should keep it up to 90 percent.

Mr. AIKEN. That is what I wanted to say. I agree with the Senator.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. If there is an absolute demand that he support it at 90 percent, and he allows it to go to 75, of what value does the Senator think the Russell-Young amendment will be in forcing him to go to 90 percent?

Mr. HUMPHREY. I am sure the Senator knows that there are times in the market when the market price gets below the parity for a short period of time.

Mr. ANDERSON. Rarely.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. I understand the present law fixes parity at 90 percent. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. The bill the Senator is proposing is a 90-percent parity bill; is that correct?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. Now the Senator says the price is down to 75 percent.

Mr. HUMPHREY. I said as of September 15.

Mr. CAPEHART. What makes the Senator feel, as the able Senator from New Mexico asked a moment ago, that if the Senate passes the Senator's version, for 90 percent versus the so-called Anderson amendment, the price will go up from 75 back to 90?

Mr. HUMPHREY. The Secretary of Agriculture keeps it at 75, and if we ever set the minimum at 75, he will keep it at 50.

Mr. CAPEHART. If it is 90 percent, it will be 90 percent for another year.

Mr. HUMPHREY. There are often times when there are fluctuations in the price, and there are often times when the Commodity Credit Corporation has

to make farm loans. Any man who knows anything about agriculture knows that prices do not remain static. When they fluctuate, the market is bolstered. It has fluctuated on rye, corn, wheat, hogs, and milk, a host of commodities, within the last year.

It is my information that there may be some who are afraid the farmer is getting too rich. If so, let us see how rich the farm people of America are. Last year the average income of all farm people was $905. That included food grown on the farm and eaten in the farm home. It included income earned off the farm, as well as income from farming. It added up to $905, compared with $1,572 for the average person not living on a farm.

I ask the Members of the Senate, when we take $905, which includes the farm produce the farmer and his family consume on his own farm, and compare it with $1,572, the average income of a person off the farm, how can we justify a farm-support program of less than 90 percent of parity on the basics?

Farm people are nearly one-fifth of all the people in the United States, and they get a total of less than one-tenth of the national income. The question I wish to ask is: Shall we cut that some more?

Let us not fool ourselves. If we maintain a mandatory support level of 90 percent of parity for a few commodities called basic, we will not be doing too much to prevent the disparity of either farm prices or farm income. It would be a pitifully small thing to do. We would not be doing anything directly at all for the commodities that make up the greater bulk of farm income—those important products which are not called basic. Of course, it is my considered judgment that we ought to have many more commodities under mandatory price supports, many more. I might point out that those that are under mandatory price support of 90 percent of parity, the basics, do not represent the great bulk of American agriculture.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Does the Senator believe that mandatory support of 90 percent of parity for basics would give those commodities an unfair advantage over the producers of dairy products, poultry, and meat products?

Mr. HUMPHREY. I am not opposing the entire bill that is before us, because the entire bill has within it this discretionary power to the Secretary of Agriculture which permits him to set other price supports for the nonbasic commodities, and those price supports shall be in relationship to the price that the farmer has to pay, and to the supply.

Mr. AIKEN. Does the Senator think that the Secretary would fix the price of those other nonbasic commodities at a high level?

Mr. HUMPHREY. I think he would in order to protect the economy.

Mr. AIKEN. Does the Senator know that the Agricultural Act of 1948 permits the Secretary to fix the support level for any farm commodity at 90 percent of parity?

Mr. HUMPHREY. Yes; I do know that.

Mr. AIKEN. Does the Senator think that if the Secretary would fix the support level up near 90 percent under the proposed law, when it is passed, that he would not also fix it at 90 percent under the Agricultural Act of 1948 in the event that no new legislation is enacted?

Mr. HUMPHREY. Yes; I do. I think he would.

I should like to point out in reference to what we are talking about, that is the basics, which we discussed the other day—and, to be very frank about the matter, the basics do not affect a great part of my portion of the country—that these so-called basics are called basics because of tradition. I think there are many other commodities that are much more basic in agriculture than those we are considering.

Mr. AIKEN. Let me say I agree with the Senator in that statement.

Mr. HUMPHREY. I thank the Senator. We are not even talking about beef cattle, for instance, which account for 17 out of every 100 dollars of American farm income. Beef cattle have dropped in price by about one-fourth in a little over a year. Hogs bring 12 out of every 100 dollars that farmers take in, and hogs are between a fourth and a third lower than a year ago. Milk and butterfat account for 14½ dollars out of every 100 in United States farm receipts; milk has dropped from its postwar peak by 26 percent and butterfat by 33 percent. The prices of wholesale milk and butterfat are down from a year ago by one-fifth.

I wish to commend particularly my senior colleague [Mr. THYE] on the inclusion of milk and butter and butterfat. Milk has dropped 26 percent since the postwar peak and butterfat 33 percent from its postwar peak.

We are not even talking about those important commodities that we have not seen fit to call basic commodities. I am of the opinion that the remainder of the so-called Anderson bill as it pertains to the nonbasics and the rest of the commodities other than what we call basics will, if properly applied by the Secretary and if properly interpreted according to the legislative history made in this debate, possibly suffice.

For example, I should like to see the amendment presented by my senior colleague dealing with hogs, turkeys, eggs, and chickens incorporated, to include those commodities as mandatory commodities. But if I understand the report of the committee, the bill contains what is literally a directive which provides that the Secretary of Agriculture shall support these products in relationship to the cost of other items and the supply. I am willing to accept that verdict of the committee. If we are to have 90 percent of parity for so-called basic commodities, then it is important that we also have an equally high parity for those we call the nonbasic commodities.

There are some things that would be dangerous to our farm economy. Three dollar hogs or $10 hogs will not break the country. The danger is when eggs go down to 10 cents or 25 cents a dozen. I think 80 cents or $1 corn, with the present price level, will break the country. I do not think the Commodity Credit Corporation is going to break the country. I will say for the record right now that for every dollar that the Commodity Credit Corporation has spent up to today, or will spend in the next 10 years, the mortgage losses of the American farmers from 1920 to 1936 will total twice as much. Those losses will double the amount the Commodity Credit Corporation ever spends. The millions of dollars the farmers lost in the banks, that they never could reclaim, and which were lost because of low farm prices, would amount to enough to pay off all the Commodity Credit Corporation can spend from now on for the next 2 years.

Low prices to the farmers are what will break the country, not the few dollars we are going to put out in support of the farm economy.

Mr. President, we saw what happened when the price of cotton was down. We had a depression then. When the price of corn was low we had a depressed market for cattle, for hogs, for sheep, for every commodity that the farmer had.

I submit that the record is crystal clear that the only time the American farmer has ever made one dime, the only time he has ever been able to buy his wife a new dress, the only time he has ever been able to have a 2-day vacation, is when he had a level of 90 percent parity ratio.

I submit again to those who are critics of our 90 percent proposal and who are advocates of 75 percent of parity that when in 1921 parity was 75 percent, when in 1934, it was 70 percent, when in 1935 it was 84 percent, what was happening to the country? The only time that anyone on the floor of the Senate can remember the farmer making any money was when the price got up to around 90 percent, and when the price to the farmer is around 90 percent, Mr. Farmer can be a good customer. When the price was below that what was it the farmer needed? He needed the Farm Security Corporation. He needed long range loans, with low rates of interest. He needed all kinds of bank credit. He needed to refinance himself. And generally he ended up in the ash heap. Was that good for anybody?

Mr. President, every depression that has come about has had its beginning on the farm. We are not worried around here over voting a billion dollars for stock-piling minerals. We are going to vote all kinds of money to stock-pile strategic minerals. Why? To defend America. We are willing to vote $1,300,000,000 to arm western Europe. Why? To defend America. We are willing to vote $5,300,000,000 for ECA. Why? To defend America. We are willing to vote $15,000,000,000 for the National Military Establishment. Why? To defend America. But, Mr. President, when someone mentions that we have to spend $600,000,000 upon one-fifth of the population of the country to defend the Agricultural Belt in America so that the farmers will not go "broke," so that they will have a decent farm income, so that the man who is operating a filling station, and the

grocery man will have a customer who can pay his bills, it is said we are going to break the Treasury.

I say that is so much "hogwash." We are not going to break the Treasury. The only time the Treasury is in good condition is when the farmer can buy what he needs and pays for it. The only time the country is prosperous is when the farmer receives a reasonable price for his crops. That is the basic lesson everyone has learned.

I say once and for all that I want any man anywhere to show me wherever a low price ever curtailed farm production. I want somebody to point out the record to me where low prices depleted the acreage or curtailed the production.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Flax is produced in the Senator's State. Will the Senator look at the flax picture for the last 3 years? If so he will have his answer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I wish to answer the distinguished former Secretary of Agriculture.

Mr. AIKEN. Low prices curtail my farming.

Mr. HUMPHREY. That may be.

Let us look at House Report No. 998, Eighty-first Congress, first session, page 19. I quote:

> The shortcomings of a "low price" policy to get production adjustments, the main dependence of title II, can be illustrated by the facts of past experience. Let us choose some examples out of the period before we had national farm programs in operation—a time when the theory should have worked out in practice.
>
> Let's start with potatoes.

That is a familiar old word.

> In 1925 the national average price was $1.70 a bushel. In 1926 farmers planted the same acreage and got $1.31. The next year they increased their acreage and got $1.02. The next year they increased again and got 52 cents. In the next year, 1929, they still had 200,000 acres more land in potatoes, the year after the 52-cent price, than they had in the year after the $1.70 price.

Without even consulting the textbooks, I remember the days when we used to have farm meetings, when all my relatives used to gather in the local opera house. Every farmer would take the pledge. They would say, "We are all going home and cut our production 10 percent. Prices have gone down." The farmers learned that surpluses were killing them and that the real problem of the farmer was the surplus. So all the farmers would take the pledge and say, "We will cut our production 10 percent." They would go home and say, "Hagen is going to cut 10 percent, so we can put in 5 percent more." Everyone was assuming that the other man was going to cut down production, but he never cut production.

I continue reading from the House committee report:

> In wheat the experience has also shown that a reduced price does not lower acreage or result in lower production. From 1920 to 1924 the price went down, and it took 3 years to get an appreciable decrease in acreage. From 1925 to 1929 the price went down and acreage went up. From 1929 to 1932, the price went down and there was practically no reduction in total acreage.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. If the Senator will look at the low-price years of the 1930's he will find that they were also low-yield years. The years 1933, 1934, and 1935 were very low-yield and low-price years. If price does not affect production—and I know that the Secretary claims it does not—what was the purpose of the Steagall amendment guaranteeing a 90-percent support level for 12 commodities?

Mr. HUMPHREY. High prices affect production, to be sure.

Mr. AIKEN. Does it work only one way?

Mr. HUMPHREY. My point is that the farmer is a natural producer. When he is receiving a dollar a bushel for wheat, and next year it is 75 cents, and it is predicted that it is going to be 75 cents for the following year, he plants just a few more acres. That is the history.

My distinguished friend from New Mexico [Mr. ANDERSON] spoke about flax in Minnesota. The reason a great acreage of flax was planted in Minnesota was that we had a high support price. We started producing flax during the war.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THYE. Let me assist the junior Senator from Minnesota. Prior to the war, Minnesota was one of the greatest flax-producing States in the Union. Redwood County, in the midsection of the western part of the State, was one of the greatest flax-producing counties in the United States.

Mr. HUMPHREY. That is correct.

Mr. THYE. Our flax paper was one of the reasons which brought the cigarette paper industry from France to North Carolina. That resulted from the steady volume of flax tow which could be obtained in Minnesota.

Mr. HUMPHREY. That is correct.

Mr. THYE. We had an outlet not only in the central part of the State, but all over the State, for flax straw and tow, to be sent to North Carolina.

I want the junior Senator from Minnesota to pay tribute to Minnesota. Long before price supports or incentive payments, Minnesota was leading the other States of the Union in the production of flax. California crowded us after the incentive payments under the Steagall amendments came into existence.

Mr. HUMPHREY. I am very grateful for the help of my colleague. I am not intimating that Minnesota was not a great flax-producing State. I wish, however, to point out that during the war, with the added implementation of price support, we had increased production of flax. Since the war we have had some acreage reduction.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Will the Senator enlighten us as to why the Secretary of Agriculture has fixed a support price for flax next year at 60 percent of parity, when he had authority to fix it at 90 percent?

Mr. HUMPHREY. Because we had some overproduction.

Mr. AIKEN. What effect will the 60 percent have on overproduction?

Mr. HUMPHREY. I do not know; nor do I think the Secretary knows.

The junior Senator from Minnesota does not claim to be an expert, but would like the distinguished members of the Committee on Agriculture and Forestry to bring to the attention of the Senate any facts which will show that over a long period of time a lower price has resulted in reduced acreage. I want them to prove their thesis, not by flatly asking questions, but by producing evidence on the floor of the Senate that a flexible parity will reduce acreage, and thereby reduce production. Then let them produce evidence to show that a reduced acreage will result in a reduced production. There may be a new kind of seed that will expand production. The program of parity is based upon the concept that a reduced parity ratio will result in reduced production. I submit that we have no guaranty of it. It is a hope. It is a theory. I also submit that such a reduced formula may actually cost the Government more. The 75-percent rate may be applied to more bushels or more pounds.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. What does the Senator have to say about the Democratic Party platform in this connection?

Mr. HUMPHREY. The Senator from Minnesota will conclude by saying that so far as he knows, the Democratic Party promised a 90-percent program. Unless we live up to it, we misled the farmers of the Midwest.

Mr. KERR. Mr. President, I think the Senate is not only going to vote on a proposal for 90 percent of parity for certain basic farm commodities, but also on a proposal for 90 percent of parity as the foundation for the prosperity of the Nation.

The record shows that the farm population is about 20 percent of the population of the country, but that the farmers have only about one-seventh of the national income. The record further shows that the workers of the country have no more income than the farmers. When farm income was $5,000,000,000 a year in the early 1930's, the income of workers was $5,000,000,000 a year. Last year farm income was about $30,000,000,000. The income of the workers was about $30,000,000,000.

A few days ago the President of the United States said that he looked forward to the day when this country would have a national income of $300,000,000,000 a year. We all hope for that day. If that day is to be, and if the future can be judged by the past, it can only be when the farm income amounts to one-seventh of $300,000,000,000 a year. So I say that we are not only voting with reference to the farm program, we are voting with

reference to the prosperity of the country.

We hear a good deal of talk about a recession. We had one the month following the decline in the prices paid to the farmers for their products. If the workers can have full employment at good wages, and if the farmers can have reasonable production at good prices, we cannot have a depression. But I say further that unless the workers have good wages and full employment, and the farmers have good prices for reasonably full production, we cannot have prosperity. On the basis of the record, if the workers cannot receive as much per annum as the farmers, when we are talking about removing price supports from the products of the farm we are talking about removing support from under the amount of wages paid to the workers. The farmers buy 30 percent of the manufactured products of the country. They buy 30 percent of the automobiles. They buy 30 percent of all the motor vehicles. They buy 30 percent of the industrial output of the Nation.

We have had 90 percent of parity without bankruptcy. In fact, instead of encouraging or producing bankruptcy, it has written a guaranty under national prosperity. When we remove that foundation from under the farm income of the country, we are removing the foundation of prosperity.

I not only ran on a program of 90 percent of parity, with adequate controls, but I am going to vote on the basis of 90 percent of parity for basic commodities, with adequate controls. Giving proper concern to the over-all prosperity of the Nation, I see no way that we can do otherwise than approve this amendment.

Mr. GEORGE. Mr. President, I had expected to say something on this subject, but other official duties have prevented me from doing so.

I do not wish to discuss the matter at any length whatsoever, but I do wish to emphasize what the distinguished Senator from Oklahoma [Mr. KERR] has just said. The question here is not whether we are going to support prices at a given level in order to secure reasonable prosperity for the farmer, but the question is whether we are going to maintain the prosperity of the Nation. In order to meet the commitments this country already has made, we must have a national income or national productivity of above $250,000,000,000, constantly rising toward $300,000,000,000 a year. How can that be done if we reduce the income of all the farmers, particularly the income of the farmers who are producing the basic crops?

It will be said at once that we are simply going to add to the burdens on the United States Treasury and on all the taxpayers. To that statement I say, very well, let us face the fact squarely. If we reduce the price of the farmers' products, we shift the burden onto the shoulders of agriculture. Those who vote to do so, wish to put the burden on the farmers. When they do that, they start the downward process toward another depression in the United States. It is infinitely better to permit all the taxpayers to shoulder the losses which may be occasioned by a farm program such as the one here proposed for the basic crops, than it is to put that burden on the shoulders of the American producers of those crops.

Senators may figure it out as they please. I have been amazed to hear so much discussion of statistics and of parity and what it is and what it is not, and to hear various statistics presented in regard to various crops.

Mr. President, this is not a problem which can be resolved on the basis of statistics gathered in any department in Washington. It is resolved back on the farms in the country. What happens? Almost all of us are farmers or are one or two degrees removed from the farm. We know that with declining farm prices for the basic commodities, the equity will go out of everything the farmers have. In a declining market for basic commodities, farm machinery, which has not greatly declined in price, will become almost worthless within 2 or 3 years. It will lose one-third of its value the first year.

Mr. President, that is not all. What else will happen? The moment there is inaugurated a program which will assure declining prices for the basic farm commodities, the equity will go out of the land itself. In that event, land which had been worth something, which was worth something on the tax books, which paid revenues to the States and counties throughout the Nation, will depreciate in value; the revenues of the local governments will decline; and with declining revenues will come greater burdens upon the local governments, both county and State.

What broke the farmer in 1920 and 1921 was not alone the initial shock of low prices, starvation prices for his products; it was that every bit of the equity in his farm, in his machinery, in his equipment—all of it—disappeared almost overnight.

The Senator from Minnesota is entirely correct when he says that those who vote for this bill will increase the farm mortgages in the United States, when a reduction thus begins in the prices of the basic agricultural products of the Nation. Those who vote for this bill will increase the burden upon the farmer himself, and he will have to shoulder it.

We can never have a national income of above $250,000,000,000 a year unless the farmers are prosperous. We cannot meet the commitments which already have been made unless we can have a national income climbing from $250,000,000,000 up toward $300,000,000,000 a year.

That is the matter as I see it. Statistics make no appeal to me. I definitely understand that in certain years and under some conditions, the burden upon the Treasury may be increased. But, Mr. President, we must carry that burden on the shoulders of all the taxpayers, or else we shall have to shift it again, as was done after World War I, to the shoulders of the farmer; and if that is done, it will break him and will destroy his economy and will destroy the value of his holdings and will send him out into the world as a hopeless man struggling against great odds.

Mr. President, today the odds have increased. Wages have risen. The prices of all manufactured and fabricated goods have risen. Not only that, but by our laws we have frozen those prices far beyond the reach of the farmer, unless he can get 90 percent of parity, and more, for his products.

That is the condition we face. We have the choice between a prosperous nation or a nation which finally will suffer all the ills and pangs and hardships of another depression. We have the choice between having all the taxpayers share a necessary burden, whenever it is necessary for that burden to be borne, or putting all of it back on the shoulders of the American farmer. Mr. President, I do not intend by my vote to do that. As a taxpayer, I prefer—because I know it will be better for me—that the American taxpayers share that burden with the farmer.

If our economy and our whole system will not permit the farmer to prosper reasonably, then there is something radically wrong with it. If our system of economy will not support a price of 90 percent of parity, not for all crops, but for the basic crops, there is something definitely wrong with it. Either all the people of the Nation must bear a part of the burden, or it must be shifted back to the shoulders of the farmers alone.

Mr. THYE, Mr. CAPEHART, and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Georgia yield; and if so, to whom?

Mr. GEORGE. I have yielded the floor.

The VICE PRESIDENT. The Senator from Minnesota is recognized.

Mr. THYE. Mr. President, there are very few men whose acquaintance I have made in recent years for whom I have a greater admiration and respect than the senior Senator from Georgia. I do not rise for the purpose of being critical, but to ask whether, in view of the soil-conservation needs of the Nation, the Senator does not concur and agree with me that dairy products, pork, beef, poultry, eggs, and turkeys should have the same specific protection as the basic commodities to which the Senator referred, namely, corn, cotton, wheat, peanuts, rice, and tobacco?

I share the same feeling for the farmer that the Senator has for him. I have been a tiller of the soil from boyhood. Even when other children were at school, I was stumbling along back of a two-horse drag, barefooted, skinning my toes because the reins were too short to allow me to get far enough back of the drag. I have a very sincere feeling for the farmer.

I want a program, too, that is basically sound. If there is anything wrong in agreeing to the amendment to which I referred recently, and that I offered, which included beef, poultry, eggs, and turkeys, I want to be put right. I put the question to the distinguished Senator from Georgia, because of my great admiration for his judgment.

Mr. GEORGE. I answer the Senator unhesitatingly; there is no reason why those commodities and products should not be supported at the proper price. I

am not so familiar with the products and their production as I am with certain of the other basic crops. Ninety percent may be right for those products also, but they certainly should have an adequate support price.

I am anxious to observe the program. Some of my good friends among farm leaders have made this appeal to me: "Let us save the program." My answer has been, "If the program is not going to be worth anything to the American farmer, I am not tremendously concerned with what becomes of it." But I do believe in the program. I unhesitatingly answer the Senator by stating there should be an adequate price support under those products; and so far as I know, 90 percent is a fair basis.

Mr. THYE. I am grateful and thankful to the senior Senator from Georgia for agreeing with me, because there is no farm operation that lends itself to soil building and to the family type of farm operation more than does dairying, poultry raising, or livestock production. For that reason, when the vote has been taken, if the 90 percent prevails, so that we know that the six basic agricultural commodities will have a first lien upon the funds with which the Commodity Credit Corporation supports prices, and if the six basic agricultural commodities are to have a first mortgage on that money, then I pray that Senators will agree with me and will tie into the basic agricultural commodities dairy products, beef, pork, poultry, eggs, and turkeys, in order that we may protect the family-sized type of farm upon which the agricural stability of the United States has been so ably built.

Mr. CAPEHART. Mr. President, I shall only take about 2 minutes. I suspect, if a stranger came onto the floor and listened to the debate for the past few days, he would come to the conclusion that we had had no price-support program, or, if we had, that it was something other than 90 percent. The facts are we have had a 90-percent price support for many years under existing law. The law which was passed last year does not go into effect until January 1 of next year, if at all. Therefore we have had a 90-percent support. Price of farm products at the moment are what they are as a result of the existing law.

I am a farmer. I have been a farmer all my life. I doubt whether there is a Senator on the floor who is closer to farming than I am. I can tell exactly what it will cost to grow the things I grow on my farm. I can tell how much it costs to operate an acre of land. When I hear of this "bushwa" or hogwash, as the able junior Senator from Minnesota referred to it a while ago, I agree with him it is hogwash when a Senator rises on the floor of the Senate to talk about a farmer never being able to buy his wife a dress, and tries to make out that the farmers of the Nation are poor. They are not poor. They are doing well, and they will continue to do well. I do not think there is a single Senator who will ever permit the farmers to get into the condition they once were in in this Nation.

The big problem is that of surpluses. I shall vote for the Anderson bill in an effort to control surpluses. It may not work. In any event, 90-percent parity is guaranteed for one year, under the Anderson bill. The flexible parity does not take effect for a year.

The whole farm problem is one of surpluses. Are we going to try to solve the problem, or are we forever going to continue on the basis of creating greater and greater surpluses? Notwithstanding what the able Senator from Georgia said a moment ago, it may well bankrupt the Nation some day. The farmers in my State, if I can believe the president of the Farm Bureau in Indiana—and we have a good Farm Bureau in Indiana, which is most active—are in favor of the flexible price support. They are farmers. They deal in farm products. They should know what they are talking about. I prefer to follow them rather than some of those on the floor of the United States Senate who possibly have not had as much experience in farming as has the Farm Bureau.

I wish to read a telegram I have received from Hassil E. Schenck, president of the Indiana Farm Bureau, Inc., as follows:

INDIANAPOLIS, IND., *October 6, 1949.*
Hon. HOMER E. CAPEHART,
Senate Office Building:

Deeply appreciate your votes Monday night on farm bill and recommitment. Our defeat on farm bill was due to too many absentees. Understand it will come out for vote again next Monday. If in contact with Senator JENNER insist on his presence or pairing with someone. If possible I shall get in touch with him by phone today.

HASSIL E. SCHENCK,
President, Indiana Farm Bureau, Inc.

I likewise received a night letter from Allan B. Kline, president of the American Farm Bureau Federation, which I wish to read, as follows:

WASHINGTON, D. C., *October 6, 1949.*
Hon. HOMER E. CAPEHART,
Senate Office Building,
WASHINGTON, D. C., *October 6, 1949.*

On behalf of the American Farm Bureau Federation, I congratulate you on your statesmanlike action in opposing the Young-Russell amendment on the critical votes Monday evening. Your vote opposing rigid 90-percent supports indicates your appreciation of the fact that this sort of legislation is the best way to discredit the farm program. We urge that you continue to exert your full influence in support of maintaining and developing a constructive, workable, permanent farm program in this session.

ALLAN B. KLINE,
President, American Farm Bureau Federation.

I understand Mr. Kline to mean, when he speaks of a workable, permanent farm program, a program which will at least have for its purpose the elimination of the causes of low farm prices.

For the reasons stated, I shall vote for the Anderson bill, in the hope that some day, somehow, we shall be able to solve the problem. The bill is at least an effort toward that end.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I am happy to yield to the Senator from Missouri.

Mr. DONNELL. I have been greatly interested in the Senator's reference to surpluses. I voted against the Young-Russell amendment a few days ago. I should like to ask the Senator a question, however, and I hope I may have his answer to it. Under the Young-Russell amendment the level of support is to be 90 percent of parity, but it goes further and refers to a crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect. The question I should like the Senator to answer, if he will, is how can surpluses grow by the imposition of the 90-percent level of support when that level of support is applicable only in cases in which marketing quotas or acreage allotments, which I understand are designed to hold down surpluses, are in effect?

Mr. CAPEHART. There are probably other Senators who are better qualified to answer that question than I am. I should like the able Senator from New Mexico to answer it, and then I shall be glad to give my opinion.

Mr. ANDERSON. Even if acreage allotments on cotton are in effect next year, we will start off with approximately 8,000,000 bales of cotton, and we shall probably add to that amount if acreage allotments are in effect next year. Acreage allocations were made with respect to potatoes, and there was a tremendous potato crop. We have never in the history of the country been able to have a successful acreage allotment as to corn, and we have not even tried to have marketing quotas. Wheat acreage allotments have failed, year after year, even though we tried our very best.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I should like to yield, first, to the Senator from Vermont.

Mr. AIKEN. Mr. President, the only way in which overproduction can be held down is by the very strictest of controls over farm operations. As the Senator from New Mexico has said, every time a farmer's acreage is restricted he finds a way to produce more to the acre than the Government anticipated. That has been proved conclusively in the case of potatoes.

In this general question of controls not only are acreage allotments and quotas involved, but there are very strict penalties. A farmer can be fined half the value of his crop if he produces more than his allotment. If we want to keep the kind of Government we say we want to keep, we cannot place the farmer in a strait-jacket, because it will lead to placing everyone else in the same situation.

Mr. CAPEHART. Mr. President, I shall try to answer the Senator from Missouri as it appeals to me as a farmer. Under the amendment offered by the able Senators from North Dakota and Georgia, we can control the situation by quotas and allocations. In other words, the Government can say to me, as a farmer, "You can grow X number of acres and can sell X number of bushels of corn." Control may be had in that way. As a farmer, I want to avoid that in this country, if it is humanly possible to do so.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I shall be glad to yield in a moment.

I am perfectly willing to experiment with flexible price supports if I can avoid having the Government say to me, "You can cultivate X number of acres and raise X number of bushels of corn." I want to avoid that. That is what the farmers in Indiana want to avoid, and that is why the farm bureau in my State has taken the position which it has announced. That is our feeling in Indiana. I am now very happy to yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, the Senator has stated that surpluses can be controlled by acreage allotments and quotas. Does not the Senator know that at the beginning of the war acreage allotments had been in effect for a number of years, and yet at that time we had on hand the largest surplus of cotton, the largest surplus of wheat, and the largest surplus of corn we had ever had in the history of the Nation?

Mr. CAPEHART. Yes; because it did not work. My point is that the Congress could pass a law with enough teeth in it absolutely to control acreage and the number of bushels of corn a farmer can produce.

Mr. EASTLAND. Is it not a fact that the weather controls production more than do acreage allotments?

Mr. CAPEHART. I was handed a day or two ago a slip reducing the wheat acreage which I can sow this fall. I am going to comply. As the Senator has said, the weather may help me to reduce the size of the crop, or, again, the weather may be excellent, and I may raise more on the reduced acreage than I raised this year.

Mr. EASTLAND. The Senator says production can be controlled by quotas. As a result of quotas we have piled up the largest farm surpluses in the history of the country.

Mr. CAPEHART. My point is that Congress, if it wanted to, could pass a law with sufficient teeth in it absolutely to deny me the right to market each year more than X number of bushels of corn, soybeans, and wheat.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. As I understand the Senator from Vermont—and I want him to correct me if I am in error—he took the view that acreage allotments will not prevent surpluses, that they will simply serve to increase the amount of production and thus produce a surplus.

Mr. AIKEN. That has been proved conclusively in the case of potatoes. Since 1943 potato growers have each year planted less acreage than was recommended by the Department of Agriculture, and yet they have produced more potatoes.

Mr. DONNELL. Is that true in the case of corn and wheat?

Mr. CAPEHART. It is possibly true. There is no question that a farmer can reduce his acreage and, by better farming methods and the use of more fertilizer, can grow more per acre, provided there is good weather.

Mr. EASTLAND. And by the selection of the most fertile land.

If the Senator will yield further, I should like to invite his attention to the fact that the State of Mississippi reduced its cotton acreage practically 40 percent and increased its production 90 percent.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. YOUNG. Potatoes are usually raised in wet areas where fertilizer can be used in large quantities. Most of our wheat is raised in dry areas where fertilizer cannot be used except in a few cases. The reason why we have accumulate large surpluses is because of imports. In the 4 years previous to 1940 we actually imported more wheat than we exported.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I wonder if the Senator from Indiana agrees with me that the answer to the very able speeches made this afternoon by the proponents of this amendment is to be found in the statement that they show a surprising lack of confidence in the Secretary of Agriculture, because, under the Anderson bill, with all the dire predictions as to what might happen if the farmers actually start to develop, the Secretary of Agriculture has the power to raise the parity to the very 90 percent they want adopted as a blanket mandatory parity for a certain selected segment of agriculture, to the discrimination of other segments.

Mr. CAPEHART. The able Senator is 100 percent correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. Am I correct in my interpretation of the Young-Russell amendment, that the 90-percent level of the support is applicable only to a crop of a basic agricultural commodity for which marketing quotas or acreage allotments are in effect, and that the level of support of 90 percent does not apply to any previously piled up surpluses which were accumulated during the period in which neither marketing quotas nor acreage allotments were in effect?

Mr. CAPEHART. I am certain the Senator is correct.

Mr. DONNELL. Let me ask another question. I have been greatly interested in what the distinguished Senator from Indiana, the distinguished Senator from Vermont, and the distinguished Senator from Mississippi have stated, particularly on this point, and I want to be sure whether I get the idea of the Senator from Indiana correctly.

Does he think that the imposition of an acreage allotment need not and will not necessarily be accompanied by a prevention of the creation of a surplus? Let me also ask him in that connection whether or not he thinks, in connection with the corn crop, if an acreage allotment is imposed, it will necessarily result in holding down the production, or does he think that by the use of addititonal fertilizer and more skillful methods of handling the land a surplus may develop, notwithstanding the acreage allotment?

Mr. CAPEHART. Mr. President, my answer could be "Yes" or "No." I am frank to say that I do not know, because I see both sides. I am a farmer. I know what a farmer can do with less acreage. Therefore I doubt if we have handled the surplus situation as yet, but I think we should continue to make an effort to find a way to handle surpluses, because that is the cause of low farm prices, and it is why I prefer the Anderson bill at this time to any other bill.

Mr. DONNELL. May I, with the Senator's permission, ask the Senator from Vermont to give his judgment as to whether or not an acreage allotment applied to corn would prevent the building up of a surplus?

Mr. CAPEHART. I am happy to have the Senator from Vermont answer.

Mr. AIKEN. It would have that effect; but, as has been stated, the crop depends on the weather to a considerable extent, and that cannot be predicted. Therefore in fixing the acreage allotment the Secretary would naturally make the allotment large enough so that we would be sure to have sufficient of a given crop. Then, if we had an exceptionally good year, like 1948 or 1949, we would get too much.

One thing I should like to point out to the Senator from Missouri is that when, through allotments and quotas, it is necessary to take land out of production of a particular crop, it is necessary to be sure that that land does not immediately go into the production of another crop which will create a burdensome surplus of that crop. If we start depending upon controls, there is no ending the controls until we control all the land, and in fact the Secretary has asked for such authority in the so-called Brannan plan, under which he would force the farmer to comply with minimum and sound soil conservation practices in order to qualify for price supports.

I am primarily for flexible supports in order to hold down controls and penalties over the farmers, because I think we must keep democracy free.

Mr. DONNELL. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I am happy to yield for a further question.

Mr. DONNELL. Does the Senator think that with the 90-percent provision, even though accompanied by an acreage allotment and not to go into effect unless there be a marketing quota or acreage allotment, we might lead farmers to cultivate their land so intensively or to cultivate it over a period of years with the same crop, that it would result in the depletion of the value of the land?

Mr. CAPEHART. It might very well do so.

Mr. LANGER. Mr. President, I wish to make my position clear. I am going to support the Young-Russell amendment. I have not spoken in favor of it because, as I conceive it, parity means justice. I do not believe in 60 percent of justice for the farmer, or 70 percent, or 80 percent, or 90 percent, but I believe in 100 percent justice for him. Therefore I am in favor of the Brannan plan, which, as I conceive it, is the very best possible plan not only for the farmers who raise wheat, but also for those who raise the other basic commodities. I wish to make my position plain that I am supporting my colleague from North

Dakota, but in my judgment he does not go far enough.

Mr. LUCAS. Mr. President, just one moment before we vote. Much has been said in the debates about 90 percent parity and flexible price supports, and what the Democratic platform had to say about that in Philadelphia, I think the Senate should know. Here it is:

> We pledge our efforts to maintain continued farm prosperity, improvement of the standard of living and the working condition of the farmer, and to preserve the family-size farm.
>
> Specifically, we favor a permanent system of flexible price supports for agricultural products, to maintain farm income on a parity with farm operating costs—

And so forth. Mr. President, that is the platform about which we have heard much from the distinguished President of the United States during this session of Congress. Democrats have been talking about carrying out the platform which was laid down at the Philadelphia convention, and as one United States Senator in the campaign last year, the Senator from Illinois, took the position that we meant what we said in that platform with respect to flexible price supports in the program of parity prices paid to the farmers.

I wanted to make this statement because so much has been said about those who campaigned on a 90-percent basis. I do not know what happened in other States, but so far as Illinois was concerned, I followed the platform. I was a member of the Committee on Resolutions which wrote this platform, and it was acceptable to the President of the United States before it was adopted at the Philadelphia convention.

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram I received from Allan B. Kline, president of the American Farm Bureau Federation.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *October 6, 1949.*

HON. HARLEY M. KILGORE,
Senate Office Building,
Washington, D. C.:

On behalf of the American Farm Bureau Federation, I congratulate you on your statesmanlike action in opposing the Young-Russell amendment on the critical votes Monday evening. Your vote opposing rigid 90-percent supports indicates your appreciation of the fact that this sort of legislation is the best way to discredit the farm program. We urge that you continue to exert your full influence in support of maintaining and developing a constructive, workable, permanent farm program in this session.

ALLAN B. KLINE,
President, American Farm Bureau Federation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG] and the Senator from Georgia [Mr. RUSSELL]. The yeas and nays have been ordered on the amendment. As many as favor the amendment will answer "yea" as their names are called. Those opposed will answer "nay." The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). On this vote I have a pair with the senior Senator from New York [Mr. DULLES]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. CHAPMAN (when his name was called). On this vote I have a pair with my colleague the junior Senator from Kentucky [Mr. WITHERS]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. MCKELLAR (when his name was called). On this vote I have a pair with the senior Senator from Louisiana [Mr. ELLENDER]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. MCCARTHY (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. TAFT]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. KEFAUVER (when his name was called). On this vote I have a pair with the junior Senator from Iowa [Mr. GILLETTE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

On this vote the Senator from Alabama [Mr. SPARKMAN], who would vote "yea" if present, is paired with the Senator from Vermont [Mr. FLANDERS], who would vote "nay" if present.

I announce also that on this vote the Senator from California [Mr. DOWNEY], who is detained on official business, is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from California would vote "yea," and the Senator from Maryland would vote "nay."

I announce further that on this vote the Senator from Florida [Mr. PEPPER], who is detained on official business, is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Florida would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is absent on official business with leave of the Senate. If present and voting, the Senator from Ohio [Mr. BRICKER] would vote "nay."

The Senator from New York [Mr. DULLES] is absent by leave of the Senate, and his pair has been previously announced by the Senator from Nebraska [Mr. BUTLER].

The Senator from Vermont [Mr. FLANDERS], who is absent on official business with leave of the Senate, is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Alabama would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent. If present and voting, the Senator from New Hampshire would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who is absent because of illness, is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Florida would vote "yea."

The Senator from Indiana [Mr. JENNER] is absent on official business.

The Senator from Ohio [Mr. TAFT] is necessarily absent, and his pair has been previously announced by the Senator from Wisconsin [Mr. MCCARTHY].

The result was announced—yeas 26, nays 45, as follows:

YEAS—26

Connally	Kerr	Neely
Ecton	Langer	Russell
Fulbright	Long	Stennis
George	McClellan	Taylor
Gurney	McFarland	Thomas, Okla.
Hill	Malone	Wherry
Humphrey	Maybank	Wiley
Johnson, Tex.	Mundt	Young
Johnston, S. C.	Murray	

NAYS—45

Aiken	Hendrickson	Martin
Anderson	Hickenlooper	Miller
Baldwin	Hoey	Millikin
Byrd	Holland	Morse
Cain	Hunt	Myers
Capehart	Ives	O'Conor
Chavez	Johnson, Colo.	O'Mahoney
Cordon	Kem	Robertson
Donnell	Kilgore	Saltonstall
Douglas	Knowland	Schoeppel
Eastland	Leahy	Smith, Maine
Ferguson	Lodge	Thomas, Utah
Graham	Lucas	Thye
Green	McMahon	Watkins
Hayden	Magnuson	Williams

NOT VOTING—25

Brewster	Frear	Smith, N. J.
Bricker	Gillette	Sparkman
Bridges	Jenner	Taft
Butler	Kefauver	Tobey
Chapman	McCarran	Tydings
Downey	McCarthy	Vandenberg
Dulles	McKellar	Withers
Ellender	Pepper	
Flanders	Reed	

So the amendment offered by Mr. YOUNG for himself and Mr. RUSSELL was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. ANDERSON. I move that the vote by which the amendment was rejected be reconsidered.

Mr. BYRD. I move to lay that motion on the table.

The VICE PRESIDENT. The question is on the motion of the Senator from Virginia to lay on the table the motion to reconsider.

The motion was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a conference report on House bill 3838, the Interior Department Appropriations bill, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read.

(For conference report, see House proceedings for October 5, 1949, pp. 14242–14243.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3838, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 6, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6, 17, 20, 38, 46, 47, 50, 63, 66, 83, 108, 109, 125, 128, 130, 131, 132, 133, 134, 144, 148, 156, 162, 164, 166, 172, 174, and 189 to the bill (H. R. 3838) entitled "An act making appropriations for the Department of Interior for the fiscal year ending June 30, 1950, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 11 to said bill and concur therein with an amendment as follows: In line 2 thereof, following "exceeding", in lieu of the figure "8" insert "12."

That the House recede from its disagreement to the amendment of the Senate numbered 64 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following: ": *Provided further*, That funds appropriated for the Bureau of Reclamation shall be available for expenditure through the facilities of the National Park Service in amounts of not to exceed $25,000 for any one reservoir area for studies of recreational areas and planning for their utilization, and funds so expended shall not be reimbursable or returnable under the reclamation law."

That the House recede from its disagreement to the amendment of the Senate numbered 67 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out by said amendment insert the following:

"Santa Barbara County project, California, Cachuma Unit, $5,185,000: *Provided*, That none of the funds appropriated herein shall be available for construction of physical works or the acquisition of rights-of-way until the condition contained in the contract between the United States and the Santa Barbara County Water Agency, executed September 12, 1949, concerning participation by member districts shall have been met, and the outcome of elections within the member districts shall have been favorable in sufficient member districts to approve the disposition of the quantity of water as provided in said contract to make the same effective."

That the House recede from its disagreement to the amendment of the Senate numbered 80 to said bill and concur therein with an amendment as follows: In lieu of the language proposed by said amendment insert the following: "and not to exceed $100,000 shall be available for emergency reconstruction of the northwest unit pipe line of the Grants Pass irrigation district."

That the House recede from its disagreement to the amendment of the Senate numbered 115 to said bill and concur therein with an amendment as follows: In lieu of the amount of "$2,975,700" named in said amendment insert "$975,700."

That the House recede from its disagreement to the amendment of the Senate numbered 119 to said bill and concur therein with an amendment as follows: In lieu of the amount of "$794,699.93" named in line 2 thereof insert "$784,699.93"; and in lieu of the amount of "$186,195.93" named after "Klewit Son's Company", in line 9 thereof insert "$186,195.33."

That the House recede from its disagreement to the amendment of the Senate numbered 135 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"Not exceeding 12 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $225,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

That the House recede from its disagreement to the amendment of the Senate numbered 167 to said bill and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert the following: "$3,847,000 (no part of which shall be available for obligation or expenditure with respect to the site known as Castle Clinton, situated in Battery Park, New York City, until title, including rights of ingress and egress, thereto satisfactory to the Attorney General of the United States is vested in the United States)."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 11, 64, 67, 80, 115, 119, 135, and 167.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona [Mr. HAYDEN].

The motion was agreed to.

Mr. HAYDEN. The bill as finally adopted in conference is $40,711,639 under the budget estimates. The amount in the bill as passed by the Senate was reduced in conference by $11,163,460.

If there are any questions I shall be glad to answer them, and then I wish to make a brief statement.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MAGNUSON. There is a section of the bill which earmarks $100,000 for a building for the Bureau of Reclamation, which requires some explanation, which I have attempted to present. I ask unanimous consent that the explanation of that part of the bill be placed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am pleased to see the language in the conference report on the Interior appropriation bill for fiscal year 1950 which earmarks $100,000 of the $68,000,000 appropriation for the Columbia Basin project in my State for plans, designs, and initiation of a headquarters building at Ephrata, from which the operation of the greatest irrigation project in the world will be directed. This building will be badly needed by the time it is completed.

I also call attention to the Senate committee's report (No. 661) on the bill at page 48, which states:

"The committee concurs in the statement on page 13 of House Report No. 324 (81st Cong., 1st sess.) that of the funds appropriated for this project $225,000 be used for new school construction and $100,000 be devoted to repair and improvement of existing school facilities at Coulee Dam, Wash., and recommends that proportionate amounts, based on the relative enrollment of the dependents of Reclamation and contractor employees, be expended on school facilities at Grand Coulee, Wash., in accordance with Public Law 835, Eightieth Congress."

Specific amounts are earmarked for construction of new school facilities and for the repair of existing school facilities at the town of Coulee Dam. The report provided that a proportionate amount be available for construction of new facilities and for repair and improvement of existing facilities at Grand Coulee. If, for example, 900 of the students at Coulee Dam, Wash., are dependents of employees of the Government or of contractors' employees, and 600 such students are in attendance at Grand Coulee, the amount available for Grand Coulee will be two-thirds of that specified for use at Coulee Dam.

By reference to Public Law 835, assistance now available under that act, and, in recognition of the unusual and extensive responsibility of the Government to these two communities, the committee indicated the minimum amount to be made available for school-construction purposes. It is my belief that the Congress intends to assist school districts in the Columbia Basin project to the fullest extent commensurate with the pupil load imposed on them by Reclamation and contractors' employees. Each case should be taken upon its merits, of course, and the localities must make an adequate showing.

The payments provided by Public Law 835, based on the average cost per pupil for instruction, in each Western State, are intended to be in addition to any assistance given directly in building funds as in the case of Coulee Dam and Grand Coulee. I believe that is understood by the Bureau of Reclamation here and in the field.

Public Law 835 with amendment No. 63 inserted by the Senate in the Interior appropriation bill was intended to clarify any question about the authority of the Bureau of Reclamation to provide assistance on account of the dependents of Bureau employees who might be working in district or other field offices and whose children have increased the school load in such towns as Coulee Dam and Ephrata. The hearings on the appropriation-bill amendment, which is the same as included in the second deficiency bill already approved, show that the Bureau of Reclamation is expected to assist school districts in the West affected by construction activities to the full extent of the additional burden imposed on these localities. When the projects are in operation, local taxes will be coming in and Reclamation will be relieved of this responsibility.

Mr. HAYDEN. Mr. President, if there are no further questions about the conference report, I shall make a brief statement.

Senators will remember that in connection with this bill there was considerable discussion with respect to transmission lines.

The Department of the Interior has stated during the hearings on this bill that its policy with respect to arrange-

ments for the delivery of power produced at Federal hydroelectric projects or for delivery beyond load centers is to make wheeling arrangements where:

First, private utilities have ample surplus transmission capacity available or are willing to construct transmission lines for that purpose.

Second, private utilities are willing to furnish such service to the Department at a reasonable price.

Third, such arrangements will enable the Department to render acceptable power service to customers having preference, under existing law, in the purchase of federally produced power.

In this connection it is necessary to state the two sources from which wheeling arrangements can be made. One is power produced at federally owned hydroelectric plants. An instance of that is at the Denison Dam in Texas, where the Texas Light & Power Co. takes the power from the bus bar. The best illustration of taking electric power from beyond load centers is in the Northwest under the Bonneville Power Administration, where it has been agreed that all the backbone transmission lines shall be constructed by the Administration, and that beyond the load centers at the end of such transmission lines the power of all the private utilities and public utilities is integrated into one great power pool, to the advantage of all concerned.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MARTIN. Does the Senator believe that the Administrator, if he so desired, could go ahead and build a transmission line without taking into consideration a line from a private power company which might be available to furnish the power?

Mr. HAYDEN. That was the question which was so long discussed in the committee and in the Senate. The Department of the Interior stated its policy during the hearings. I shall not read extracts from the hearings, but will place citations to them in the RECORD.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

H. R. 3838, INTERIOR DEPARTMENT APPROPRIATION BILL, 1950—REFERENCES IN SENATE HEARINGS ON POWER POLICY

1. Walton Seymour, Director, Division of Power, part 1, pages 102 and 103.

2. Douglas G. Wright, Administrator, Southwestern Power Administration, part 1, pages 1300–1301, 1334–1335, and 1341.

3. Assistant Secretary Warne, part 2, page 2467.

4. Ben W. Creim, regional power manager, region 2, Sacramento, Calif., part 2, pages 2515–2516, 2545–2546.

Mr. HAYDEN. I cite these statements for the information of anyone who is interested as to what is the actual position of the Department of the Interior.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. FULBRIGHT. There has been some misunderstanding. Some people have thought that the statement with regard to policy was carried in the Senate bill and that it has been deleted and does not appear in the report. Is it not correct that it never was in the Senate bill, but was in the report of the committee? The fact that it is not now in the bill does not indicate——

Mr. HAYDEN. It never was in the bill, and I made such statements repeatedly on the floor.

In an address delivered at Phoenix, Ariz., last September, the President of the United States complimented the people of my State upon the fine spirit shown by the private power utilities and the public power agencies in the development and transmission of electric power. He highly approved this example of mutual cooperation between the private utilities and Government agencies and recommended its adoption in other areas of the Nation.

I have talked with the President today, and feel free to say that he has not changed his mind and that it will continue to be the policy of his administration to encourage cooperation between Government agencies and private utilities to obtain the greatest possible benefits from electric power obtained from both sources.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. Is it not a fact that in the deliberations of the conferees a suggested policy was drafted and thoroughly discussed, which was generally accepted by the Senate conferees, along the lines mentioned by the distinguished Senator from Arizona?

Mr. HAYDEN. The Senator is correct. I stated on the floor of the Senate at that time this bill was under consideration, and I wish to repeat now, that when the time comes next year to consider appropriations for transmission lines it will be the purpose of the subcommittee of which I have the honor to be chairman to make diligent inquiry as to how the announced policy of the Department of the Interior is being carried out.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. STENNIS. Let me remind the Senator from Arizona that I was one of those who voted for the restoration of this appropriation for power lines, on the assurance by the Senator from Arizona and the Administrator of the Southwest power project that a bona fide, exhaustive effort would be made to enter into a desirable contract for the benefit of the consumers. It was felt that all those interested owed a moral and legal obligation to exhaust all efforts to do so. I am really disappointed that the report does not contain those provisions, but I appreciate very much the Senator's expression on the floor. His statement certainly reflects my view.

Mr. HAYDEN. In the CONGRESSIONAL RECORD there is a copy of a letter addressed to me by Mr. Douglas Wright, administrator of the Southwest Power Administration, confirming his intention to act in a bona fide manner to bring about the result which the Senator from Mississippi has outlined.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. Is the Senator from Oregon correct in understanding that the conference report contains specific authorization for transmission lines, as such lines were approved by the Senate?

Mr. HAYDEN. Exactly. There was no difficulty about that.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. GURNEY. The Senator from Nebraska [Mr. WHERRY] just asked the Senator from Arizona if the understanding to which he referred had been generally accepted by the Senate conferees. It is my recollection that it was unanimously accepted by the conferees. It was expressly agreed that during the next session of Congress, early in the year, we would request a report from the Department of the Interior as to how it had gotten along in negotiating such contracts, with full information as to what facilities have been offered by the private utilities, and whether contracts have been made, and if not, why.

Mr. HAYDEN. The Senator is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. Is it not a fact that it was the intention of the conferees—basing this question upon the remarks of the able Senator from South Dakota—that if any appropriations are asked by the Department to build lines with public funds it will be necessary for the Department to show that it has exhausted every effort to carry out the policies which the Senator has enunciated here this afternoon?

Mr. HAYDEN. I certainly feel that way about it. When a fair working policy is agreed upon it ought to be carried out.

Mr. MALONE. Mr. President——

The VICE PRESIDENT. The motion of the Senator from Arizona has already been agreed to.

Mr. MALONE. I thought the Senator from Arizona was explaining the report.

The VICE PRESIDENT. He explained it after the motion was agreed to.

Mr. O'MAHONEY. Mr. President, although the explanation comes after the act, since there has been this discussion with respect to the announcement made by the Senator from Arizona as to the position of the Senate conferees, I think the RECORD should show that by reason of the fact that there is before the Congress the recommendation of the Committee on the Reorganization of the Executive Branch of the Government, popularly known as the Hoover Commission, and in view of the fact that among the recommendations of that Commission is one dealing with the water-power resources of the United States, as well as all other natural resources, it becomes a legislative function of the Congress to act upon matters of this kind.

The Committee on Interior and Insular Affairs is now launched upon a study of this whole problem, and it is hoped by the committee that recommendations will come from the committee to the Congress during its next session.

OUR INDIAN POLICY

Mr. BUTLER. In order to conserve the time of the Senate, I ask unanimous consent to have printed in the RECORD at this point some remarks prepared by me regarding our Indian policy, which I would deliver if the opportunity afforded.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, in the Washington Daily News for October 5, 1949, Mrs. Eleanor Roosevelt's daily column makes some rather critical comments with respect to what she calls the Butler-D'Ewart bill, by which she means, I presume, my bill S. 186, which is entitled "A Bill to Emancipate United States Indians in Certain Cases."

Mrs. Roosevelt's column is entitled: "To Arms, Indians! The Congressmen Are Coming!" In this particular column she also tak : occasion to criticize certain other congressional actions aimed at granting to certain groups of Indians the same legal rights now extended to all white and Negro citizens of our country. It is clear from the tenor of her remarks that Mrs. Roosevelt thoroughly endorses the general lines of present Indian Bureau policy and the Wheeler-Howard Act, which is now on the statute books.

Because Mrs. Roosevelt's comments may help to clarify some of the differences in opinion regarding present Indian policy, I insert it in the RECORD at this point.

TO ARMS, INDIANS! THE CONGRESSMEN ARE COMING!

(By Eleanor Roosevelt)

NEW YORK, Tuesday.—One of the Soviet attacks on the democracies, particularly the United States, centers on our racial policies. In recent months the Russians have been particularly watching our attitude toward the native Indians of our country.

So the question of what we do about our Indians, important as it used to be for the sake of justice, is enhanced in importance now because it is part of the fight which we and other democracies must wage, day in and day out, in perfecting our governmental household so that it will not be vulnerable to attack by the Communists.

For that reason our country as a whole should understand what is going on at the present time in Congress in this connection. This particular little plot, shall I call it, has to do with the Navajos and Hopis. There are 11 Hopi pueblos, surrounded by Navajo country. The Navajos number about 65,000 and are the largest Indian tribe north of Mexico. The Hopis represent the most perfect flowering of pre-Columbian culture from the Rio Grande to the Arctic.

For purposes largely of publicity, the Interior Department drafted a bill to authorize a rehabilitation program. This bill reauthorized already authorized appropriations, and the interested public and the Indians gained an impression that the bill actually appropriated $90,000,000 for their needs. It did nothing of the kind. The hope was that it would create public interest and thus stir the appropriations committees in Congress to appropriate some very much needed money.

The bill was approved by voice votes in the House and the Senate and sent to President Truman.

I certainly hope President Truman will veto this bill. One provision of it would place all Navajo and Hopi Indians under the State laws of Arizona, Utah, New Mexico, and Colorado. Only a few minor exceptions in the matter of land law and property taxation were made; nothing was said of water rights; and without any exceptions the Navajos and the Hopis are placed under the jurisdiction of the State and local courts.

For a hundred years it has been the United States policy to allow Indians their own tribal, customary law. Under section 9 of this new bill we will interfere with all the things that are important to them—their religion, their art, their self-governing arrangements. The very things that those who study Indian life consider most important, this bill would destroy.

There is a constant effort going on to transfer Indian property to whites and one of the most successful ways in the past has been to disrupt the Indian social system. Between 1887 and 1933, through land allotments, we transferred 90,000,000 acres of the best Indian land to whites. This was largely done by the method of persuading or compelling the individualization of tribal properties.

In 1934, under the Indian Reorganization Act, land allotments were stopped. Now there is still another bill up for consideration, called the Butler-D'Ewart bill. This authorizes any Indian individual, if declared competent, to sell his equity regardless of the consent of the coowners and, of course, strikes a body blow at all Indian corporate holdings. The intent is similar to the Indian omnibus bill of 1923 which Albert D. Fall nearly succeeded in getting enacted.

There are many other things that are being done in Congress at the present time and which the public knows little or nothing about.

Are we indifferent to the way our Indians are treated? If not we had better let our representatives in Congress know that we do not like the present trend of legislation.

Mr. President, it is a complete mystery to me how a person like Mrs. Roosevelt, who believes so strongly that segregation between white and Negro people should be destroyed, can apparently believe that the segregation system for Indians should be preserved and strengthened. I do not mean any disrespect to our former First Lady. I simply cannot comprehend how any person can arrive at such opposite opinions on two problems which are basically so nearly identical. Let me say frankly that I do not believe Negroes should be segregated, and I do not believe Indians should be segregated. Any institution or any public policy which strengthens and enforces segregation for these two minority racial groups in my judgment is wrong. Right or wrong, that is my opinion, and I am at least consistent.

In order to make this issue crystal clear, I should like to call attention to the principal provision of my bill, S. 186, to which Mrs. Roosevelt takes exception. Very simply, it grants to any Indian who desires it, the right to handle and control, to sell, or to use as he sees fit, his own property, provided only that an unbiased court of the land decides that he is competent to handle his own affairs. That is the same right possessed by every white, Negro, or oriental citizen or resident of this country. If an Indian cannot secure a "decree or judgment of competency" from the naturalization court for his area, his land would continue to remain in a trust status just as it is now.

Mr. President, the country and the Indians have reached the crossroads with respect to Indian policy. Two paths are open before us and the Indians. One path leads to an indefinite continuation and strengthening of the reservation policy, which keeps the Indians isolated and segregated, away from contact with the whites who might teach them and help them to adjust to the demands and to the opportunities of modern civilized life. If the Nation and the Indians follow that path, there is nothing in prospect except an unlimited perpetuation of the semifeudal, poverty-stricken, second-class-citizenship status of the Indians. With probably the best of intentions, that is what Mrs. Roosevelt proposes.

The other path is assimilating and teaching the Indians the things that the white men have learned and created, so that the Indians may advance as rapidly as possible toward a status of equal independence, equal rights, and equal responsibilities with the white race. That cannot be done if the Indians are kept out of the main stream of American life and herded off in remote reservations. The Indians can advance rapidly only as they can come into close and continuous contact with the white men and the ways of the white men.

This issue goes far beyond the specific bills to which Mrs. Roosevelt refers. At the present time, Mr. President, we are facing a subtle and insidious drive to strengthen the power of the Indian Bureau and to give it broader authority over the destiny of the Indians.

This drive takes the form of two sets of bills which are being put forward. One set would transfer away all congressional authority over the expenditure of tribal funds, which I am advised amount to approximately $35,000,000. The other set of several bills would likewise transfer away all congressional authority over the funds appropriated by Congress of millions of dollars to specific Indian tribes, made in the name of Indian welfare and rehabilitation. In both instances the transfer of authority would be from Congress to puppet tribal councils, but in fact, to the Indian Bureau, which controls them.

Good examples of the first type of bill are S. 929, S. 1564, S. 1633, and S. 1763. Examples of the second type are S. 1691, S. 1690, and H. R. 6152. Another good example of this second type is the draft of a bill submitted to Congressman CASE, of South Dakota, and placed in the CONGRESSIONAL RECORD on August 25, 1949. Let me state very definitely that Mr. CASE did not endorse this draft. He simply placed it in the RECORD for study and consideration, which was an excellent idea. This particular draft, prepared and recommended by the Indian Bureau, would require $50,000,000 for the 6,299 families of Sioux Indians of North and South Dakota alone, or about $8,000 per family. These various bills generally provide for loans to Indian groups under Indian Bureau supervision—loans maturing in 25 to 35 years, if ever, thus perpetuating the Indian Bureau. They provide lavishly for the purchase of private land into trust status and communal use, and freed from all State and local taxes. They include in Indian groups to participate in public charity, many thousands of non-Indians as defined by the courts and under the Wheeler-Howard Act.

Preposterous as it may appear, these bills propose to purchase, restore, and consolidate lands into Indian reservations where the Indians are completely

segregated from their white neighbors on tax-free lands closed to non-Indian settlement. Even more preposterous they propose to admit to participation with Indians in all Federal gratuities within the closed reservations large numbers of persons who are three-fourths white, though even the Wheeler-Howard Act defines an Indian as one having one-half or more of Indian blood. These bills are intended to keep the Indians forever on closed reservations and to recapture those who have escaped from the Indian Bureau and who have merged with their non-Indian brothers as equal citizens.

Notice has been given that many more such bills for the pretended rehabilitation of other Indian groups are soon to be presented to Congress.

Congress may well examine the background of this policy which the Indian Bureau and the Department of the Interior are attempting to inaugurate.

The further usefulness of the Indian Bureau has been challenged at various times during the past 50 years by well-informed Members of Congress and even by some of its own higher officials. For many years John Collier challenged its inefficiency, its waste, and its destruction of the intrinsic values in Indian life. But when he became Commissioner of Indian Affairs he supported the Secretary of the Interior, Harold Ickes, in rebuilding the Indian Bureau into a bureaucratic instrument for extracting appropriations from Congress in the name of Indian groups.

Under the slogan Land for Landless Indians, Mr. Collier, supported by the influence of the Secretary of the Interior and his solicitors, forced the Wheeler-Howard Act through Congress in 1934 and imposed it upon the Indians. It is doubtful whether Mr. Collier understood the real significance of the act. He was engrossed in the plans for the self-determination of the Indians. He may not have realized that Ickes was intent on using the act to build up a supporting empire for his department out of public domain and the purchase of private lands. This land was then available for use by the Indian Bureau in various tax-free enterprises in competition with private taxpaying industries.

The Indian Bureau perpetrated the lie upon the public, that the Indians had lost 90,000,000 acres of land since the allotment act of 1887. They had not lost the land. They had sold it. Ickes announced later that the Government itself had paid Indians $800,000,000 for land. Besides they have plenty of land left—so much that they are leasing 12,000,000 acres of it to non-Indians. This land was not lost to the Indians any more than have been lost to non-Indians the millions of acres sold by them during a like period.

The Wheeler-Howard Act provided—

First. That existing periods of Federal trust on all Indian lands were extended indefinitely—although many Indians had been promised fee patents under treaty, and all others had been been so promised directly or by implication. Besides, though some Indians might not want fee patents, all other citizens had a stake in them as future contributing citizens.

Second. So-called surplus lands, lands which the Indians had ceded or sold after they had made their own selections from them could be returned to Federal trust and common use by the Secretary of the Interior, in the name of the tribe which had originally disposed of them. This led to the dispossession of legal non-Indian settlers through cruel and unjust measures of the most revolting nature. The mass eviction of settlers in the Wind River country of Wyoming is an example.

Third. All future allotment of land to Indians was forbidden. This provision turned back the clock of Indian progress 50 years and it gave the Secretary of the Interior an opportunity to force individual owners to turn back their allotments into the common pot of community ownership from which perhaps they could never be recovered.

Fourth. Lands might be purchased by the Secretary of the Interior for use of various tribes or groups. He could use Federal or tribal funds or both. Under this provision came the fantastic purchases of the Padlock Ranch in Wyoming, the Schermerhorn in Minnesota, and the XL in California, as well as divers other lands and ranches to be operated by the Indian Bureau.

Fifth. The Secretary was authorized to create new Indian reservations, a thing that had not been done for 50 years, and to regather dispersed Indians. After creating a few reservations in the Western States, Ickes turned his attention to Alaska where he was making a good start at dividing up the territory among the native groups until somebody stopped him and returned the land to the Territory until it could become a State.

Sixth. All tribal land, all reservations created, all surplus lands returned to trust, all lands purchased for Indians, were to be held in perpetual trust. What was more significant, they were to be held for the communal or common use of the particular Indian groups concerned. Of course, no Indian groups were any more able to make common use of lands than would be any groups of non-Indians. The lands are managed by the Indian Bureau or lie idle. But in order to make the Secretary more secure in his authority over Indian lands, his chief solicitor issued the opinion that "under the rule of communal ownership no individual member of the tribe has any enforceable vested interest in the communal lands or funds." This gave the Secretary complete control over all Indians who had any interest in tribal property.

Seventh. Any group of Indians that accepted the Wheeler-Howard Act was to be permitted to organize under a constitution approved by the Secretary of the Interior, who could then offer them a charter permitting them to do whatever he would direct or allow. This furnished busy work for John Collier and at the same time served Ickes in furnishing rubber-stamp councils to approve what he wanted to do or not to do. Such councils came in handy in the land program of the Department.

Eighth. The Wheeler-Howard Act provided for a $10,000,000 revolving loan fund for groups which accepted the act. It was intended and used as an attractive bait for the Indians to accept. Like all other provisions, it was used to control the Indians and support bureau enterprises. It led to the establishment of what the Commissioner called 80 branch banks.

Mr. Collier's purpose in the Wheeler-Howard Act was to set up under his leadership self-governing Indian groups which would become a part of a far-flung but invisible Indian empire including the 30,000,000 primitives of South and Central America and Mexico. He failed with the Indians at home but was partially successful with those abroad in that he was able through the farcical treaty of Patzquaro to provide for an international Indian institute and through it for a national Indian institute through which he hoped to develop his mystical Indian state.

Mr. Ickes envisioned entirely different results to be gained through the Wheeler-Howard Act. He would use it in a practical way to build up his land empire out of public domain and private land. He was acquiring a 160,000,000-acre grazing bureau and at the same time importuning President Roosevelt to take 135,000,000 acres of forestry away from the Agriculture Department. He was preparing to use the Indian Bureau, national forests, national parks, the Grazing Bureau, a great fertilizer bureau, and his oil lands control, including tidelands, to gather in the remaining public domain and much private land which would be relieved of State and local taxes in lieu of fees and royalties for departmental support.

Under the authority of the Wheeler-Howard Act, the Indian Bureau organized more than a hundred Indian groups, exclusive of those in Alaska, under constitutions. Many of the groups were small, some of them having less than a score of adult members. Each of the groups organized, if living on or near land held in trust for them, was authorized by the Secretary of the Interior to include within its jurisdiction all land within the outer boundaries of the original reservation of which it had ever been a part, even though the territory claimed had been sold and ceded by the Indians and had been legally settled by non-Indians. This gave the Secretary an excuse for claiming many times the amount of land actually held in trust for the group that was being organized. Even though the land was legally settled by non-Indians, the Secretary was able in some cases to restore it to trust through decree or purchase on his own terms, and to evict bona fide legal settlers.

In a great many instances, some residue group of mixed bloods having no tribal organization or relations was organized and chartered as a center around which nonresidents and even non-Indians could be gathered, and for which land could be purchased or to whom it could be restored.

The groups, small and larger, organized under approved constitutions, were given Federal charters of incorporation as political action units operating apart from those among whom they lived—little groups of preferred citizens called

to act for the former Secretary in his land acquisitions and in his experiments in economic controls. Their councils were always subject to Indian Bureau control through the granting or withholding of benefits.

Can anyone doubt that this was all according to plan when he observes how the organizations are now used to transfer authority away from Congress? Mr. Ickes is gone from the Department of Interior, but his policies live on, within the Indian Bureau at least. Today we see proposed a preposterous transfer of authority over Indian Affairs from Congress to puppet councils under the control of the Indian Bureau which has the legal right to delegate to, or withhold authority from, such Indian councils.

The Indian Bureau not only sponsors bills designed to take away the power of Congress over Indian Affairs and to perpetuate itself, but these bills also provide for the purchase of lands to consolidate reservation holdings to be used by the Indian Bureau or under its administration. The bills further provide for great loans to Indian groups—loans maturing in from 35 to 50 years—to be used by the Indian Bureau as it has used the $10,000,000 loan fund under the Wheeler-Howard Act for its own enterprises on its controlled, tax-free Indian land.

In scores of instances during the past 15 or 20 years, the return of land to Indian reservations or additions to them by purchases out of private ownership, have so reduced the taxable holdings of surrounding communities that they are finding it difficult to support local government. For instance, the purchase of the Schermerhorn farms in Minnesota robbed Mahnomen County of several thousand dollars in taxes, thus increasing those of other citizens. The acquisition did not even benefit the Indians, since the Indian Bureau operates the properties for the supposed benefit of Indians scattered through many States and to whom no accounting can be made. South Dakota now finds it difficult to operate county government in the vicinity of Standing Rock, Rosebud, Pine Ridge, and its other big Indian reservations where the Indian Bureau operates on tax-free Indian land. There are scores of instances in which the welfare of Indians and non-Indians alike suffer from the reduced ability of communities to support the common welfare.

To give a general picture of this situation, let me quote from Senate Report No. 310, Seventy-eighth Congress:

> Let us take an example from Montana: Lake County, Mont., has 54 percent of its land tax exempt by reason of Federal-trust Indian property, yet for 30 years since allotment of the Flathead Reservation the Indians have lived in peace with their white neighbors. They go to school with them; they marry with them; they enjoy all the privileges of the best local government that can be supported by taxpaying citizens. As a further handicap to the communities, not only is more than half the land exempt from taxation, but the Indians having less pride in lands held for them, lease most of them to non-Indians who as renters are inclined to large families thus greatly increasing the burdens of the communities in which the Indians usually continue to reside so that the costs of education, welfare, and rehabilitation are doubled.
>
> After the allotment of the Flathead Indians and the settlement of the surplus lands, the various communities, in anticipation of the time when all land would become taxable, bonded themselves to the limit to supply adequate schools and educational facilities. Now, after 30 years, they are still bearing the burden of support while the schools need repairs and extension to meet new requirements. The pittance of tuition paid for a part of the Indians (not for half of those in school and none for the children of lessees) is an insult to the Indians for whom it is paid and is wholly inadequate for the Indians' part in the support of education. The Indians have cast their lots with the whites and have been accepted. If the educational and economic system under which they live breaks down, they suffer equally with the whites, or even more, because it is difficult for them to maintain their self-respect or that of their white neighbors for them when they are powerless to bear their part of the burden, and their sponsor fails to do it for them.

The Indian Bureau is not now, and never has been, a political issue. It has been repeatedly condemned by leaders of both great parties, but has also been supported by both with ever-increasing appropriations in spite of the merging of the Indians into the white community. The Indian Bureau is costing many times as much now as it did when the Indians really needed it. If the Bureau had been supported in a decreasing ratio as Indian need for it declined, the Indians, except for a few unfortunate residues, would be independent and contributing citizens now. But the Indian Bureau is not concerned so much with residue groups as with those who have funds and property which it can control to its own support.

In 1945, after the Indian Bureau had just finished spending over $500,000,000 in the preceding 10 years, Assistant Commissioner Zimmerman made an extraordinary admission. When he was asked by a committee of Congress why he wanted such great increases in funds and what he had accomplished with former appropriations, he answered that during the past 10 or 15 years the Indian Bureau had probably touched with benefit a possible one-sixth of the Indians, but he said that there were many thousands of them still living on the very lowest level of economic existence that had not been touched. Evidently, the Bureau must have spent its money on the upper strata if it had not been able to reach the lower. Only 2 years before Mr. Collier, also asking for increased funds, had told Congress that most Indians managed to make their own living without help from the Federal Government except such as it rendered to its citizens in general. We are forced to the conclusion, therefore, that the Indian Bureau spends its money on the able Indians rather than upon those "living on the very lowest economic level."

It is interesting to note that William Zimmerman, the Acting Commissioner and now Assistant Commissioner of Indian Affairs, on February 8, 1947, in his testimony before the Senate Committee on Civil Service, recommended that a group of 10 Indian tribes were then ready for freedom from the Indian Bureau and 19 Indian tribes would be ready to be released from Federal supervision 10 years from that time—February 8, 1947. None has been released, yet the Indian Bureau now comes asking that Congress appropriate millions of dollars for the rehabilitation of some of these same tribes.

It is a tragic fact that during the past 15 years fewer Indians have escaped from the Indian Bureau into citizenship than have done so during any period of like length during the past hundred years. If now we enter upon a 50-year program of expenditure to establish the Indian Bureau on a grander scale than ever before, there will be fewer and fewer of them becoming real citizens. We must save the Indians from the Indian Bureau.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The VICE PRESIDENT. The committee amendment is open to amendment.

Mr. MAGNUSON. Mr. President, to the committee amendment, I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 25, after line 5, it is proposed to insert the following:

> SEC. 416. Subsection (f) of section 22 of the Agricultural Adjustment Act, as reenacted by section 8 of the Agricultural Act of 1948 (Public Law 897, 80th Cong.), is hereby amended to read as follows:
>
> "(f) No international agreement hereafter shall be entered into by the United States, or renewed, extended or allowed to extend beyond its permissible termination date in contravention of this section."

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. I thank the distinguished Senator.

Mr. President, I should like to ask the acting majority leader whether, in view of the statement made earlier today by the majority leader that he intended to have the Senate take a recess at 6 o'clock this evening, it is the opinion of the acting majority leader that there will be a vote on this bill tonight, following the disposition of this amendment.

Mr. MYERS. Mr. President, after this amendment is disposed of, I think we could very well take a recess until Monday. A vote may be taken tonight on this amendment; but after this amendment is disposed of, it is the desire to have the Senate take a recess until Monday. So there is a possibility that we shall vote on this amendment this evening.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. Does the acting majority leader believe it will take much more time to conclude action on this bill?

Mr. MYERS. It may very well take further time.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. The statement previously made by the majority leader was that he desired to have the Senate take a recess at 6 o'clock this evening. Then some Senator engaged the Senator from Oklahoma in colloquy relative to whether an amendment in the form of the Brannan plan would be offered to the committee amendment; and I understood the Senator to reply in the affirmative. Therefore, it seemed that final action on the bill could not be taken by 6 o'clock this evening.

So, following the disposition of the Magnuson amendment, I wonder whether the Senate will take a recess until Monday.

Mr. THOMAS of Oklahoma. Mr. President, if the Senate will be patient and will wait a little longer, I see no reason why the bill cannot be passed tonight.

Mr. FULBRIGHT. Mr. President, I have an amendment which I intend to discuss. Its discussion will take far beyond 6 o'clock. I do not think there will be time to pass the bill tonight.

FURTHER LEAVE OF ABSENCE FOR SENATOR McCARRAN

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. Mr. President, I have before me a statement from the distinguished senior Senator from Nevada [Mr. McCARRAN] which has been transmitted from Europe. I should like to read the statement to the Senate, and then I wish to propound a unanimous-consent request, based upon the statement the Senator from Nevada makes.

The statement from the distinguished senior Senator from Nevada is as follows:

I have conferred with officials of the Displaced Persons Commission, the United States Consular Service, the Immigration and Naturalization Service, the International Refugee Organization and voluntary agencies, the Lutheran World Federation, the National Catholic Welfare Conference, and the American Joint Distribution Committee. My studies and investigation have included all major areas of Germany having displaced persons. Authentic information discloses to me fraud in essential documents, misrepresentation, maladministration, and violation of law.

All of the officials agreed that the program under the present act when completed will have taken care of the persons actually displaced by the recent war, except for a so-called hard core which covers a group of applicants who are disqualified under the immigration laws because of disease or criminality or because they are persons likely to become a public charge. My investigation indicates the need of tightening the existing law with respect to the security of the United States, as well as the need for more thorough examination of displaced persons applications. Material already developed requires further study and full disclosure of the administration of the present act before intelligent action can be taken on pending legislation. I give you a personal assurance that I am bending every effort to complete my investigation so that I may report at the earliest possible moment.

You Senators may rest assured that there is no immediate need for additional legislation, and that intelligent and prudent action can be taken before the expiration of the existing law. I respectfully request you to obtain unanimous consent for extension of my permission to be absent from the Senate for another 3 weeks, as I must confer with international refugee organization officials in Geneva, Switzerland, and will investigate the displaced persons situation in Austria and Italy. If we pass the House version of the DP bill as it is now before the Judiciary Committee it would be a serious mistake. That is the expression of the DP service here, and of officials of the consular service and the Immigration and Naturalization Service of the United States. I cannot get back in time and conclude my investigation, because it covers such a wide field.

That concludes the statement which has been transmitted from Europe from the distinguished senior Senator from Nevada.

Mr. President, based upon that statement, I respectfully request unanimous consent that his absence from the Senate may be extended for 3 weeks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, I did not understand the request.

The VICE PRESIDENT. The request was that the Senator from Nevada be permitted to remain away 3 weeks more.

PUBLIC WORKS ON RIVERS AND HARBORS

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. O'MAHONEY. Earlier today the senior Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, submitted a report on House bill 5472. As that bill was considered by the Committee on Public Works, it contained a provision dealing with the authorization of certain reclamation projects in the Columbia River Basin. The Committee on Interior and Insular Affairs had no opportunity to pass upon those recommended reclamation authorizations. The chairman of the Committee on Public Works was kind enough to call in members of the staff of the Committee on Interior and Insular Affairs with respect to the drafting of the bill in its relation to reclamation projects. One of the members of the Committee on Public Works, the junior Senator from Utah [Mr. WATKINS], raised the question, in the proceedings yesterday in the Committee on Public Works, with respect to these reclamation projects.

I have had a conference with the senior Senator from New Mexico, and I desire the RECORD to show that I understand the understanding between the Public Works Committee and the Committee on Interior and Insular Affairs to be that although the bill as reported does not contain any provision at all with respect to these reclamation authorizations, the Committee on Interior and Insular Affairs is recognized as having the right to offer, as necessary, as part of the report and as a committee amendment, provisions dealing with that authorization. The reason for that, of course, is that the development of the Columbia River Basin is a joint operation by the Army engineers and the Bureau of Reclamation. The report by the Committee on Public Works is, as I understand, not to be considered as excluding the consideration of reclamation authorizations.

I am announcing to members of the Committee on Interior and Insular Affairs that this matter will be laid before the committee at its regular session on Monday next, when the committee, if it so desires, may take action with respect to the reclamation authorization.

I ask the Senator from New Mexico whether I have correctly stated the understanding.

Mr. CHAVEZ. That is correct. The Senator from Wyoming has correctly stated the understanding.

Mr. President, the Committee on Public Works of the Senate wanted to include the items of the Reclamation Service, but it happened that one member of the committee also belonged to the Committee on Interior and Insular Affairs, and he had some doubt whether the latter committee would be willing; so, if they do not mind, it is all right with us.

Mr. O'MAHONEY. It is all right, also, with us.

Mr. MALONE. Mr. President, if the Senator will yield, do I correctly understand that the preview pertains only to the Columbia River Basin?

Mr. O'MAHONEY. That is correct.

Mr. MAGNUSON. It pertains only to reclamation.

Mr. O'MAHONEY. And it pertains only to reclamation. I thank the Senator from Washington.

NOMINATION OF LELAND OLDS

Mr. BYRD. Mr. President, will the Senator yield for an insertion in the RECORD?

Mr. MAGNUSON. I yield.

Mr. BYRD. I do not want to take up the time of the Senate to read a statement, but I ask unanimous consent to insert in the body of the RECORD a statement prepared by the Senator from Virginia with respect to telegrams which have been sent broadcast over the country by Mr. William A. Boyle, Jr., chairman of the Democratic National Committee, respecting the nomination of Mr. Leland Olds. I do it, Mr. President, to express my indignation that there should be attempted a coercion of Members of the Senate through political channels.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I desire to read to the Senate a telegram sent by Mr. William A. Boyle, Jr., chairman of the Democratic National Committee, to the Honorable G. Fred Switzer, Democratic national committeeman from the State of Virginia:

WASHINGTON, D. C., *October 5.*

Hon. G. FRED SWITZER,
Democratic National Committeeman,
Harrisonburg, Va.:

The effort to block confirmation of Leland Olds to the Federal Power Commission is a straight issue of democratic action to protect the American people against the monopoly-seeking power lobby which wants Olds kept off the Commission because he worked in the public interest during the two terms he has already served on the Commission. Federal Power Commissioner Olds has stood for what the Democratic Party has stood—the best interests of the general public in the

public utility field. Defeat of his nomination would be a defeat for the millions of Americans who are entitled to fair power rates and a victory for the power lobbyists and the Republican Party.

The President has made his views clear to the Congress. He has pointed out that there is only one real issue: How Olds has performed his duty as a public official. The President said Olds "has labored diligently" in the service of all the people and has earnestly sought to protect the public against the narrow interests of special groups." Some Democrats have joined with Republicans in opposition to Olds. We must convince them that rank-and-file Democrats support the President, support Olds. I am asking every member of the Democratic National Committee and every State official of the Democratic Party to make it his personal responsibility to see that the Senators from his State are aware that the people want Olds confirmed and that their Senators' votes reflect this desire.

Every resource of the Democratic National Committee headquarters has been turned to this goal at a special staff meeting held this morning, and I have personally discussed with Senate leaders the importance of this issue to the future of the Democratic Party. The issue is clear-cut. Let us resolve it into a victory for democratic liberalism.

WILLIAM M. BOYLE, Jr.,
Chairman, Democratic National Committee.

I am shocked that the President of the United States would attempt to coerce the Members of the United States Senate in the exercise of their function in the confirmation of an appointment. The right of the Senate to confirm appointments made by the President is one of the checks and balances of our constitutional democracy. The Senate acts as a jury to determine whether an appointment made by the President of the United States is in the public interest. Each Senator should make this decision without outside dictation or attempted coercion or high-powered political pressure.

Mr. Boyle says that every resource of the Democratic National Committee is now being put in operation in order to induce the Senate to confirm Mr. Olds. In the 16 years I have been in the Senate I do not think I have ever seen a more deliberate effort to threaten and coerce the Members of the Senate than that contained in this telegram from Chairman Boyle.

At this time I will not go into the merits of the nomination, but I want to express my strong condemnation of such methods. By implication, at least, Chairman Boyle threatens every Member of the United States Senate with the loss of patronage if the orders given in this telegram are not obeyed. This is true because many, if not most, of the Federal appointments made are routed through the Democratic National Committee. It should be clearly understood that the very astounding action of Chairman Boyle was taken at the direct command of President Truman.

In justification of this effort to apply political pressure on the Senate Mr. Truman said he remembered distinctly when James A. Farley, as Democratic national chairman, in 1937 had "put the heat" on him when he was in the Senate. I, of course, do not know whether Mr. Farley, as chairman of the Democratic National Committee, put the heat on Mr. Truman, but will, of course, accept the President's statement that he did. I will say that Mr. Farley never attempted to put the heat on me during his incumbency as chairman of the Democratic National Committee. Even should he have done so in the case of Mr. Truman, it certainly does not make such a procedure a proper one on the part of the chairman of the Democratic National Committee.

The independence of the United States Senate will largely determine whether we are to maintain our form of government, and Mr. Truman appears to believe that the United States Senate should be an adjunct of his own office, whereby he can issue orders as he pleases and go to the preposterous extent of high-pressuring Senators by the implication, if not by direct action, of depriving Senators of his own party of political patronage unless they obey his instructions. In my opinion, this is a perverse interpretation of the form of government under which we live.

When the nomination of Mr. Leland Olds to be a member of the Federal Power Commission is submitted to the Senate I hope and believe each Senator will vote in accordance with the dictates of his own conscience without intimidation by threats of coercion through patronage denial, or otherwise bludgeoned into action contrary to his conscientious convictions on this or any other nomination.

Practices of this kind lead to a totalitarian government. We have a three-branch government, established with checks and balances, which has given to America the greatest form of democracy the world has ever known, enabling us to progress to a degree never enjoyed by any other nation. It is such action as this that will lead to a dictatorial government and destroy the checks and balances that were established by those wise men who founded our great democracy.

Mr. BYRD. Following the statement, I should like to have inserted in the RECORD an article published in today's New York Times, written by Mr. Arthur Krock, entitled "A Rigid Definition of Party Loyalty."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A RIGID DEFINITION OF PARTY LOYALTY

(By Arthur Krock)

WASHINGTON, October 6.—Section 2 (2) of the Constitution provides that the President has unlimited discretion over whom he shall "nominate" for specified Federal offices, but that the "consent" of the Senate is required before he can "appoint" them. At the White House today Mr. Truman sought to confine this right to deny "consent" to those nominations and legislative proposals only which a President does not certify to be a "party matter."

This extreme position was implicit in his discussion at his press conference of the strong efforts being made at his direction by Chairman Boyle, of the Democratic National Committee, to assure Senate confirmation of Leland Olds, whom the President has nominated for a third term as Federal Power Commissioner. Mr. Boyle telegraphed to national committee members and to the officials of all State Democratic committees, asking them to bring home to their Senators that the "people" want Mr. Olds confirmed. The press conference dialogue with the President follows:

"Question. Is that [the Boyle telegraphic campaign] a new departure in policy? I don't remember the national chairman putting the heat on Senators and Representatives before."

No, said the President; he remembered very distinctly that Jim [James A.] Farley put the heat on him. It was customary and proper and should be done, and Bill Boyle did it with Mr. Truman's instructions.

"Question. Isn't the only difference that Bill Boyle is doing it publicly and it used to be done privately?"

The President said it wasn't done so privately, as he remembered; it was advertised to high heaven to get him to vote against Pat Harrison [the late Senator from Mississippi, when a candidate for Senate majority leadership against Senator ALBEN W. BARKLEY, of Kentucky, now Vice President]. Mr. Truman didn't have anything against Mr. BARKLEY, but he had promised to vote for Harrison, and did so. But the heat was very well put on; that isn't a new thing and should be done in a country with a two-party system of government.

"Question. Isn't that the same as lobbying?"

HE WASN'T TOLD

The President said not necessarily; that you have got to have party discipline to transact the business of Government; that one thing reporters do which isn't right is to point the finger of shame to anybody who is loyal to the party. A man elected on a party platform ought to carry it out.

"Question. Do you plan to discipline Senators who don't vote for Leland Olds?"

The President said he wouldn't answer that one.

"Question. Do you expect them [Senators] to be more in line than you were in the case of Pat Harrison?"

The President said that was a good question, but he was not informed that it [the Barkley-Harrison choice] was a party matter. If he had been so informed he would have voted for Mr. BARKLEY. But that was a Democratic [internal] fight. It was not a party matter at all.

That was the end of today's discussion. But it will not be the end of the subject. For Mr. Truman's position as stated is that, when he informs Democratic Members of Congress that any proposal of his is a party matter, their obligation to the party, and to the maintenance of party discipline, without which the business of Government cannot be transacted, is to agree to his proposal, however they may differ with his interpretation of the party's pledge or his judgment of the qualifications of a nominee. By such fiat previous pledges are canceled, as he was ready to cancel his to Senator Harrison.

DISCIPLINE UNLIMITED

This means in effect that Members of Congress elected on a party ticket should surrender their constitutional right to refuse to consent to a Presidential proposal, whatever their judgment or prior pledges might be, if it comes from a President of their own party and by him is classified as a party matter. He need only do that and resistance of party colleagues in the Senate should end. It clearly was with this interpretation of party obligation in mind that Mr. Truman wrote to the Senate subcommittee that was considering the nomination of Mr. Olds the letter in which he urged that the nomination be approved.

The subcommittee, however, unanimously exercised its privilege and judgment to the contrary, Democrats and Republicans being as one on that. By a vote of 10 to 2 (5 Democrats and 5 Republicans against 2 Democrats) the full committee sustained the subcommittee. After that action, it now appears, the President decided to leave no doubt that the confirmation of Mr. Olds is a party matter and issued his orders to Mr. Boyle on that basis.

Should his interpretation of party obligation prevail, Mr. Truman would effect a discipline which rarely, if ever, has been attained by a political leader under the two-party system, even by Jefferson, Jackson, and F. D. Roosevelt, who exercised great control over Congress. Mr. Truman would get full Democratic support on anything he chose to give the necessary label.

He has seen a dream walking, but it is only a dream.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAGNUSON. I decline to yield further, if we are going to get into a controversy over Mr. Olds. I have an amendment pending. It is expected that the Senate will take a recess at 6 o'clock. I have now yielded time to every Senator

who rose for the last 15 minutes. If it is merely for a question, I yield.

Mr. CAPEHART. It is purely for a question which I desire to ask the Senator from Virginia [Mr. BYRD]. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. CAPEHART. Do I correctly understand the chairman of the Democratic National Committee has some time on the radio for talking about the Olds nomination?

Mr. BYRD. I do not know about the radio. The statement the Senator from Virginia made is relative to a telegram, or copy of a telegram, which has been sent to Democratic officials throughout the country, urging that they high-pressure Members of the Senate to vote for confirmation of the nomination of Mr. Olds.

Mr. CAPEHART. Mr. President, does the Senator know that they likewise engaged 15 minutes on the radio?

Mr. MAGNUSON. Mr. President, I decline to yield further.

The VICE PRESIDENT. The Senator from Washington has the floor, and declines to yield further.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1933, as amended, and for other purposes.

Mr. MAYBANK. Mr. President, will the Senator yield to me for a parliamentary inquiry?

Mr. MAGNUSON. I yield for that purpose.

Mr. MAYBANK. I understood we were to recess at 6 o'clock. It was so stated. Was there a unanimous-consent agreement to that effect?

The VICE PRESIDENT. No order has been made. It was merely an announcement.

Mr. MAGNUSON. Mr. President, I hope I shall not take more time than the time remaining between now and 6 o'clock, but I am again submitting an amendment which caused a great deal of discussion and controversy when the bill was before the Senate the early part of the week. It relates to section 22 of the present Agricultural Act of 1948. I have somewhat changed the amendment, to simplify it. The original amendment, I agree, was somewhat technical and probably could be interpreted as going a good deal further than my present amendment. If Senators will give me their attention for at least 3 or 4 minutes, I think I can explain the amendment, and why I think it should be agreed to.

As many Senators know, particularly those on the Committee on Agriculture and Forestry and those interested in agricultural problems, the Agricultural Act of 1948 contained a provision known as section 22, which in effect provides that whenever the President has reason to believe that any article or articles are being, or are practically certain to be, imported into the United States under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken under this title, or the Soil Conservation Act, or the Domestic Allotment Act, as amended, the President shall then do certain things. I shall not read the whole section, but in part it provides that the President shall make an investigation of so-called imports or threatened imports which might interfere with either a price-support program or an allotment program with respect to any agricultural product in short supply, and provision is made for a public hearing at which all interested parties are asked to appear. If, on the basis of such investigation, the President finds there is such a probable interference, the act then gives him authority to limit temporarily import fees, up to not more than 50 percent of the total quantity of the article or articles being imported. In effect it is 50 percent ad valorem. The act then goes on to prescribe methods by which the President may do this, and it says, after he has completed the investigation, in consultation with the Tariff Commission and with the Secretary of Agriculture, any decision the President shall make as to the facts under this section shall be final.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I am glad to yield.

Mr. KNOWLAND. I merely wish to say I do not know whether the able Senator from Washington has noticed on the United Press ticker today that the State Department was announcing, at a 5 o'clock press conference, the results of the Annecy trade agreements. I ask that the announcement be printed in the RECORD at this point.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

The State Department announced that there will be available at its press room, room 2110, State Department, at 5 p. m., a brief, general release on the result of the Annecy, France, trade conference.

The release is for publication at 7:30 p. m., eastern standard time, Sunday, October 9.

John Evans, Chief of the International Resources Division of the State Department and a member of the United States delegation at Annecy; Walter Hollis, also a member of the delegation; and W. T. M. Beale, Associate Chief of the Commercial Policy Division, will be present to provide background information.

The Department hopes to be able to provide detailed information on tariff rates and products affected on Monday.

Mr. KNOWLAND. I also ask that another ticker item regarding a release or statement by the Senator from Arizona [Mr. HAYDEN] may be printed in the RECORD at this point in my remarks.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

Senator CARL HAYDEN, Democrat, of Arizona, expressed concern to President Truman over a possible tariff change under the reciprocal trade law which would affect Arizona lemons.

HAYDEN told reporters he fears a tariff reduction now under discussion would allow the entry of lemons from southern Europe which would come at a time when there is a surplus for American markets of United States lemons.

Mr. KNOWLAND. I merely say to the Senator from Washington I expect to vote for his amendment, but it rather reminds me of a situation wherein certain parts of American agriculture have had their jugular vein cut, and now the Senator is trying to apply a band-aid to repair the damage.

Mr. MAGNUSON. That may or may not be true, but surely certain segments of American agriculture have been so seriously threatened as to justify some action being taken under the authority given the President.

To continue, Mr. President, section 22 of the Agricultural Act provides that no proclamation under the section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

Such a Presidential proclamation might relate to Arizona lemons or anything else.

All my amendment does, Mr. President, is to change that language to read:

No international agreement hereafter shall be entered into by the United States, renewed, or extended, beyond its permissive termination date in contravention of this section.

In other words, we have said in the Agricultural Act that there should be a medium of protection for agricultural products which either come under an allotment plan or a price-support plan or both, because they are in a different position than are ordinary commodities. That is put into a congressional mandate, and the section goes on to provide that no action shall be taken if it is in contravention of the treaty.

Paragraph (f), in effect, nullifies section 22.

It is my considered opinion that either we should repeal section 22 or adopt the amendment, which would provide, in effect, that no treaty shall be entered into in contravention of the law of the land, which says that the President, in certain emergency situations, can do certain things. His authority is somewhat limited, but in many cases immediate action is required. It is not in contravention of trade agreements, not in violation of the reciprocal trade theory, but is only an authority vested in the President to give temporary relief to agricultural products which are now controlled either by allotments, price supports, or both. Without this authority we might have a price-support program which would be completely nullified by a trade agreement which might have been entered into in contravention of section 22, and the State Department would say that the treaty becomes the law of the land and that the Agricultural Act would be nullified.

My amendment is very simple. Paragraph (f), as it now reads, provides that a treaty can be entered into in violation of section 22, but my amendment says, in effect, that no treaty shall be made in the future in violation of the law of the land.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

Mr. WHERRY and other Senators asked for the yeas and nays.

Mr. FULBRIGHT. Mr. President, we debated this amendment on last Tuesday at great length. The amendment was defeated by a vote of 35 to 37. The amendment, if it means anything at all, means exactly and precisely what the other amendment meant. It is simply a rephrasing in a way which makes it extremely difficult to put one's finger on exactly what it does mean. If it has any objective, it is to reserve the unconditional right to impose a quota or to change the fees—the Senator calls them fees rather than tariffs—at any time.

I confess that it is extremely difficult to understand the language of the amendment, but when we examine the language of section 22 we find it simply means that if, after the President has requested the Tariff Commission to find whether any damage is being done, and he accepts the finding, he can either raise the tariff up to 50 percent ad valorem, or he can impose quotas. I think the practical effect would be that we could not make any further reciprocal trade agreements.

If we are against the reciprocal trade program, we should vote for this amendment. If we are in favor of the peril-point amendment on which we voted a few days ago, we should be for this amendment. That was very clearly brought out in the discussion a few days ago. The Senator from Indiana [Mr. CAPEHART] and other Senators recognized that fact particularly, and so stated, and we had a clear-cut vote on the issue. Now the Senator from Washington brings back the amendment in a more or less disguised form. If it means anything at all, as I say, it means the same thing as did the previous amendment. It would require the termination of any agreement which is in contravention of section 22. What "contravention of section 22" means is not entirely clear.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. MAGNUSON. This amendment has nothing to do with present agreements. If the Senator will read it he will find that it says "any agreement hereafter made."

Mr. FULBRIGHT. The Senator knows that all those agreements terminate from time to time. I think the general agreement expires next year or the following year and will have to be renegotiated and extended. It is a question of a very short time until all of them periodically fall due, so to speak. They are not of a permanent nature. They have to be extended. Six months' notice of an intention not to extend is required, but there are extensions in practically every case.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. CHAVEZ. There was before the Committee on Finance yesterday Senate bill 501, which is more or less identical with the amendment offered by the Senator from Washington. There is no particular reason, when we are considering a particular piece of legislation, why it should not be considered in the proper way. Senate bill 501 has for its purpose getting away from what we have done, along the lines submitted in the amendment, in connection with a sugar bill; in other words, trying to force, by legislative action, morals in connection with a sugar bill. The bill was reported yesterday by the Committee on Finance, of which the Senator from Georgia [Mr. GEORGE], is the chairman. It seems to me the Senator from Arkansas is on the right ground, irrespective of the merits that might be involved in the amendment offered by the Senator from Washington. But it does not belong in this bill. It might belong somewhere else, but not in this bill.

Mr. FULBRIGHT. I will say to the Senator that in the discussion on Tuesday one of the principal points I made was that even though I might misunderstand the implications of it, it should not be brought in and fastened more or less casually to this bill without having gone to the Committee on Finance and having received a complete study. That is my principal objection to it.

Mr. CHAVEZ. The Senator is correct. Two years ago the Committee on Finance reported a bill having to do with sugar, and section 202 (e) got into the bill, which had nothing to do with either cane sugar or beet sugar. It had to do, more or less, with what the Senator from Washington now has in mind—to "make them be good."

I hope the argument being made by the Senator from Arkansas will prevail.

Mr. FULBRIGHT. I thank the Senator.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the senior Senator from Georgia.

Mr. GEORGE. Mr. President, I merely wish to call attention to the fact that this amendment provides that "no international agreement hereafter shall be entered into by the United States or renewed or extended or allowed to extend beyond its permissive termination date in contravention of this section"—a section which was inserted as an appropriate remedy in the hands of the President of the United States. This whole effort is to apply section 22 as against ourselves when we, through farm legislation, undertake to support prices or fix quotas.

I call attention to the fact also that this provision, if inserted in the bill, would require the renegotiation of the quota provisions of the general GATT, as it is called.

Mr. FULBRIGHT. The Geneva agreement.

Mr. GEORGE. The general trade agreement entered into at Geneva. I also call attention to the fact that nearly all our trade agreements have either expired or could now be terminated, so that practically this amendment calls for a complete renegotiation of all the existing trade agreements.

Mr. FULBRIGHT. Even if there is some question about our interpretation of the amendment because it is general language, it certainly should be considered most seriously by the Senator's Committee on Finance before it is adopted by the Senate. I think that is obvious.

Mr. MAGNUSON. I wonder if the Senator would permit me to ask the Senator from Georgia a question?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. The Senator's statement may or may not be accurate, but I will ask the Senator if he thinks we should adopt section 22 and have a provision in it which says that we can make a treaty in violation of it.

Mr. GEORGE. That section was intended to protect us against adverse action of another country. Here we are undertaking to write our own laws, and the Senator undertakes to apply section 22 to action taken by ourselves. It could be done.

Mr. MAGNUSON. It is the law.

Mr. GEORGE. It is the law. We could now invoke it, and it has been invoked by the President against other countries which imposed unfair quotas or restrictions on our products.

Mr. MAGNUSON. Should we not repeal section 22? If we allow the State Department to make treaties in contravention of section 22, what is the sense of having it?

Mr. GEORGE. I do not think we should repeal section 22, because it is a protective measure against adverse actions of hostile foreign countries.

Mr. FULBRIGHT. Taking into consideration the escape clauses which are contained in all the treaties now being negotiated, and those negotiated in the recent past, and the clause which provides that when any of our products are under acreage control we have a right to impose quota restrictions on imports, between those two, does not the distinguished Senator from Georgia think that there is an added protection in the situation which the Senator from Washington is seeking to reach?

Mr. GEORGE. I might say I do think that, but at the same time I recognize the validity and effectiveness of the escape clause as a highly controversial question and issue, which I do not believe is necessarily properly involved in connection with what we are discussing. I think undoubtedly we made a strong fight at Geneva to preserve the right to impose quotas, under certain conditions, and now to require us to renegotiate that agreement would probably be tantamount to the abandonment of most of that general agreement.

Mr. KEFAUVER. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Does not the Senator feel that if this amendment should be agreed to it would be very difficult to renegotiate or extend many of the trade agreements we now have in effect?

Mr. FULBRIGHT. I certainly do. I think it would be extremely difficult, just as difficult as it would have been if we had adopted the amendment proposed a few days ago, and that was my principal point.

Mr. KEFAUVER. I believe the Senator from Washington says this amend-

ment means substantially the same thing as the one he offered the other day, which was voted down by the Senate.

Mr. FULBRIGHT. That is correct.

Mr. MAGNUSON. Mr. President, there is a great deal of difference.

Mr. KEFAUVER. The Senator said the ambiguity was taken out.

Mr. MAGNUSON. I did not interpret the amendment the other day to mean it would affect any trade agreement now in existence. I intended it to refer to any agreement entered into in the future. All the pending amendment tends to do is to say that we shall not enter into any agreement with any other country in contravention of the law of the land, and section 22 is the law of the land. That is all it says. If the Senator from Arkansas is going to suggest that we write sections in agricultural laws such as section 22, and in the same breath say they do not mean anything, and that we can negotiate with another country in contravention of the law of the land, I think we should either repeal one declaration or repeal the other.

Mr. FULBRIGHT. The Senator from Georgia made very clear the usefulness and intention of that section, and it is not at all in accordance with what the Senator from Washington has said.

Mr. KEFAUVER. I think it is impossible for any nation with whom we are negotiating to know with any degree of certainty what kind of a trade they would be getting in connection with agriculture, because conditions might arise which would make it mandatory for the President to put on some kind of limitations or fees.

Mr. MAGNUSON. They know that when the agreement is negotiated. It is a part of the agreement.

Mr. FULBRIGHT. When we look at the language of section 22, whose operation is merely on contingency, then when we consider what would be the position of our Government negotiating an agreement, realizing they could not possibly foresee whether or not a contingency were going to arise, it comes to exactly the same thing as that embodied in the other amendment of the Senator from Washington, it is keeping from ourselves the unconditional right of voting unilaterally any quota we desire.

Mr. KEFAUVER. In view of the fact that the Committee on Finance has had very extended hearings over a period of 15 or 16 years on this subject, and in view of the fact that the ramifications of what might happen are so uncertain and perhaps drastic, does not the Senator feel that we should have extended hearings on this matter before anything is done?

Mr. FULBRIGHT. That was the principal argument I made the other day, that it would seem to me a very rash and a very unwarranted thing for us to pass upon this kind of an amendment under the circumstances which exist at the present time. We are approaching the end of the pending bill, we voted on the subject once, and many Senators, I know, feel that it was disposed of. Its implications, I am frank to say, are not entirely clear. Right at this time the Senator from Washington says it does not mean what I say it means, and what the Senator from Georgia declares it to mean. That alone should be sufficient to justify our deciding that it should go to a committee, perhaps be submitted to the Committee on Finance, and if it has merit—and I do not say that it has not—it ought to be brought forward in the regular way, because essentially it is a matter which has an impact upon our foreign-trade program, a program in which the agriculture of this country has a very great interest. We cannot brush it aside as something that is involved in section 22. It goes far beyond what was contemplated in section 22.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for another question, but I do not want to drag the debate out long.

Mr. MAGNUSON. The Senator questions the propriety of the amendment going on the pending bill.

Mr. FULBRIGHT. Not having been considered by the committee. I think the Senator stated the other day that this amendment was brought in after the bill came to the floor, and was not considered by the Committee on Agriculture and Forestry.

Mr. MAGNUSON. This matter was considered by the committee, because section (f) as it now reads necessarily required consideration.

Mr. FULBRIGHT. No; I mean the Senator's amendment was not considered.

Mr. MAGNUSON. I ask the Senator whether or not he believes that under the Senate rules, if we amend an agricultural bill by inserting a section which states one thing, and we amend it the other way, it can properly be referred to the Finance Committee. This is an agricultural bill. What I am amending is in that bill.

Mr. FULBRIGHT. The Senator knows very well that the objection is to the effect of it upon our reciprocal trade program, which we recently passed in the Senate after a very severe fight.

Mr. President, I asked for a memorandum from Mr. Winthrop Brown, of the State Department, who is the man in charge of the negotiation of trade treaties, because I was puzzled by this rephrasing. The language is very obscure as to its meaning. I wish to read the memorandum presenting the view of Mr. Brown as to the effect of the language:

> It would require the termination of any agreement that was in contravention of section 22. What "in contravention of" means is not entirely clear when one reads the broad and varied language of section 22 with all the findings in its provision and the proviso which it contains, but the amendment could, and is undoubtedly intended to mean, that any agreement which in any way limited the absolute right under section 22 to impose quotas would be "in contravention of," the section. If so, it is subject to the same objections as the previous amendment and would require renegotiations and possible loss of the general agreement on tariffs and trade.

That is the general agreement referred to by the Senator from Georgia. Mr. Brown continued:

> It would be a major tragedy and major blow to our foreign policy to lose the general agreement. This represents years of international negotiations. It is the most important step ever taken toward world tariff reductions. Its provisions allow extensive and fair use of section 22. To break this agreement down by United States action would be a rude blow to United States prestige and disheartening to all who are looking to the United States for leadership.

That is the end of the memorandum.

He certainly thinks it is a very considerable change in our policy in this field. I think the least one can admit is that it has possibilities of a complete reversal of what we did a few weeks ago in adopting and extending the reciprocal trade program. If we want to do it, it may be all right, but it certainly should not be done without hearings in the committee, and a report made by the committee. To do it on the floor would in my opinion be a very serious mistake.

Mr. MAGNUSON. Mr. President, any attempt on the part of the State Department or anybody else to say that this amendment is confusing would make it appear that someone cannot read English. All the amendment provides is that the State Department shall not in the future enter into an agreement in contravention of the existing law of the land. If there is anything wrong with that, then we had better quit writing laws. If the State Department is still in the twilight zone—as it is most of the time—about many of these things, then those in the Department cannot read the English language.

The amendment has nothing whatsoever to do with reciprocal trade agreements which exist. Either the farmers and the agricultural interests of the country are entitled to the protection of section 22, not only in the law of the land but in treaties that are going to be entered into in the future, or they are not. Either repeal section 22 or say to the State Department, "When you are making treaties you have to pay attention to the law of the land." If there is anything that can be more simple than that I do not know what it is. But I think it is hard for the State Department to understand simple things. Things have to be made complicated for them to understand them.

I yield the floor. I simply wanted to leave that thought with the Senate until Monday.

Mr. MYERS. Mr. President, it was announced earlier in the day that the Senate would recess by 6 o'clock. I believe the Senator from Oklahoma desires to offer an amendment, and after he has offered his amendment, I shall move that the Senate take a recess until 12 o'clock noon on Monday.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment, which I ask unanimous consent to have printed in the RECORD, to be printed, and to lie on the table.

There being no objection, the amendment was received, ordered to lie on the

table, and to be printed in the RECORD, as follows:

On page 26, at the end of line 5, strike out the period, insert a semicolon and the following: *"Provided,* That the Secretary of Agriculture is authorized within his discretion to make available, under rules and regulations to be made and announced, any of such surplus commodities to the Cooperative for American Remittances to Europe, Inc. (CARE), for relief in Europe and Asia: *And provided further,* That upon application of the Munitions Board or any other Federal agency for any part of the accumulated supplies on hand at any time for use in making payment for commodities not produced in the United States the Secretary of Agriculture may approve such application or applications and thereafter make such commodities available on such terms, rules, and regulations as may be deemed in the public interest."

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter received by me today from the Secretary of Agriculture.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, October 7, 1949.

Hon. ELMER THOMAS,
Chairman, Senate Committee on Agriculture and Forestry.

DEAR SENATOR THOMAS: From a study of the CONGRESSIONAL RECORD of the Senate proceedings these past few days with respect to agricultural legislation, I have the reaction that there are several areas of misunderstanding, the clarification of which might be helpful to further deliberations.

One of these involves the term "flexibility" as applied to price-support programs. As this term was originally used in this connection, it clearly referred to latitude or elasticity in the means, methods, or devices for providing price support to protect farm income and for assisting farmers to make necessary adjustments in production.

Nevertheless, "flexibility" has been used during the recent debate to apply almost exclusively to several tables which vary the support price of commodities in relationship to the volume of their production. The tables in title II of the act of 1948 indicate that the price of basic commodities and some others should be allowed to fall as low as 60 percent of parity as the volume of supply of that commodity increased. The tables in S. 2522, now before the Senate, contract the range of price fluctuation in relationship to volume by raising the lower level to 75 percent of parity for approximately the same commodities.

This sliding scale of price support, tied exclusively to volume of production, appears now to be held out as the sole meaning of "flexibility" and as an effective device for aiding farmers to make the necessary production adjustments.

I respectfully point out that this is a narrow and misleading definition and use of the term "flexibility." In fact, in these tables of price-volume relationship there is a very high degree of rigidity.

The Department of Agriculture has many times indicated its understanding of the comprehensive meaning of the term "flexibility." For example, in testifying before a congressional committee in 1944, the then Secretary of Agriculture, Claude R. Wickard, stated the need for administrative flexibility in carrying out price-support commitments.

In 1945 the then Secretary of Agriculture, CLINTON P. ANDERSON, stated the need for flexibility in a broad, comprehensive sense. The following is an example:

"Price-support programs must be carried out in full. They must be regarded as the pledge of a firm commitment on the part of the Government. The important thing is that they be carried out. The thing to do is to maintain the level of prices the Government has pledged. The manner of doing so should be flexible so long as the promise is fulfilled."

A further example comes from the files of 1946 when Secretary ANDERSON stated:

"The Government is going to make good on its price-support commitments to farmers. But there are dangers that we may as well recognize. Inflexible price supports may tend to hold agriculture to its wartime pattern of production instead of encouraging it to make the necessary shifts to fit a peacetime-demand pattern. Just for example it looks as if support prices for eggs will encourage farmers to produce more eggs than the market requires. On the other hand, support prices of 90 percent of parity on dairy products would not bring anywhere near the required volume. In fact, demand for dairy products is far from satisfied now with prices far above the support level and with subsidies still being paid. We need to combine with the parity concept a more flexible means of carrying out our price-support commitments if we are to avoid the creation of surpluses and deficits, side by side, and if we are to keep ourselves in position to trade with the rest of world."

In 1947, Carl C. Farrington, who was then Assistant Administrator of the Production and Marketing Administration, in testifying for the Department also indicated a broad conception of the term "flexibility":

"First, a high degree of flexibility, both as to support levels and methods is essential in view of differences between commodities and constantly changing conditions that cannot be foreseen."

I have consistently used the term "flexible" in the broad sense which I have always understood it to have. I stated, for example:

"Legislation that was encouraged before the war was modified and made flexible enough during the war to obtain from the land the products we needed for the war.

"Legislation must be flexible enough to guard against not only a violent drop in prices but be geared to our improved farm economy. It must meet the impact of shifts in our export and domestic demands and stand ready to aid in bringing about needed adjustments in production, distribution, and consumption."

All this clearly indicates that the Department has long been using the term "flexibility" in the broad connotation of latitude and breadth of range in the methods, means, and devices for assisting farmers to deal with their production problems; not by price alone but by a number of administrative devices.

I am very much afraid that the misuse of this term has already led and may continue to lead to some erroneous conclusions. Therefore, I take the liberty of refreshing your memory as to the position the Department has taken with respect to this general subject.

The various sliding-scale tables to which the definition of flexibility is now being confined are based upon the theory that volume of production of agricultural commodities may be controlled and decreases achieved by reduction in price. I most respectfully point out that this is entirely wrong. The history of agriculture gives no one the right to believe that general decreases in price effect a general decrease of agricultural production.

I call your attention to the fact that the United States farm price of wheat dropped from $1.04 in 1929 to 38 cents per bushel in 1932; the acreage in 1930 was 67,600,000 acres while the acreage in 1933 was 69,000,000. From 1929 to 1932 prices for potatoes fell from $1.32 to 38 cents per bushel, while acreage rose from 3,100,000 to 3,500,000 acres. You will find about the same things for other crops and also that farmers change their total acreage of crops even less than they change the acreage of individual crops in response to price declines.

And if prices are an unreliable mechanism for adjusting acreage, we all know that they are a far less reliable mechanism for adjusting production. The reason for this is, of course, simple. Farmers must use their resources as best they can, and natural economic forces push them to maintain full production. As a final example, take flaxseed. Well in advance of the planting season we reduced the support price to about $4 per bushel, compared with $6 the preceding year. We had 4,700,000 acres for harvest in 1948; we have 4,700,000 acres for 1949.

I believe it must be said that only when prices of agricultural commodities have fallen so low and stayed down so long as to practically break American farmers or cause them to deplete the productivity of their lands, does a reduction in price actually result in substantially reduced volume of production.

Another area of misunderstanding that I would like to clarify concerns a statement by me which was read into the record during the debate on S. 2522. My opinion was sought as to the effect of continuing 90-percent price supports without doing anything else. My answer was as follows:

"If they do, all I can say is that the year after this we will have an awfully drastic program of some kind. We will have powers vested in the Secretary of Agriculture, whoever he may be, that go way beyond anything used so far. Another year of big production, with the present program continued, would show so much money involved in farm programs that I do not think any taxpayer could stand it."

The quotation is correct, but it appears to have been used for the purpose of creating the impression that I oppose fair and adequate levels of price support, even though quotas and allotments are available to the producers and used by them to bring supply in line with demand.

This conclusion is not warranted and does not reflect my views. The question answered by the above was raised in connection with continuation of 90 percent of parity price supports for all of the basic and Steagall commodities then proposed to be continued by the so-called Gore bill. The commodities included in the Gore bill, in addition to the basics, are milk, flaxseed, soybeans, eggs, potatoes, hogs, chickens, turkeys, and several other perishable commodities. The Gore bill, like the legislation now in force, provides no means or instruments to farmers with which they can bring their production of other than the basics in line with demand. Therefore, I pointed out that without doing anything else, such as providing authority for allotments or quotas, or a device for moving large volumes of food, the Government would be faced with the possibility of taking over huge unmanageable stocks of perishable commodities, with the result that the cost of our price-support programs and the amounts of money involved in price-support operations could be excessively high.

I should also like to point out that the difference between the amount of funds required to support the price of a given commodity at 90 percent of parity and at 75 percent of parity is reasonably small in terms of the over-all costs or funds involved in the price-support operation, and especially so when benefits or returns to farmers are also considered.

For example, had the wheat support price been set at 75 percent of parity it seems reasonable to assume that, in view of the early crop prospects and the way the economic

situation developed, wheat farmers would have received only the loan level (75 percent of parity instead of 90 percent) for most of their crop. A difference of 15 percent of the parity price for wheat at the time the loan was established would have amounted to 33 cents a bushel—a discount that might well have been applied to almost all commercial sales from this year's estimated wheat harvest of 1,129,000,000 bushels. Actually, however, it appears that domestic and foreign demand for wheat at current prices would just about account for this year's entire harvest, so that the net cost of the 90-percent support price to Commodity Credit Corporation, when the season's account is settled, would not amount to much more than the clerical and administrative costs of making loans available. The only other costs of any size would be those of implementing the International Wheat Agreement. The main result of a lower support price for wheat this year would probably have been simply a smaller return for wheat farmers.

This brings up one important fact: In considering the costs, we should very clearly understand the difference between the volume of credits which the Commodity Credit Corporation may have to extend at some time during the crop season and the eventual actual cost or loss to the CCC.

In closing, let me take this occasion to point out once more that the question of level of support for basic, storable commodities is a very small part of the entire farm price and income problem. The major part of the current problem, in my opinion, is the provision of adequate support for the principal sources of farm income—namely, meat animals, milk, poultry, eggs, and some fruits and vegetables—and how to deal with the surpluses that are daily accumulating. I hope that when it is decided whether the legal minimum for basic commodities is to be 75 or 90 percent of parity, these larger questions may also be settled.

I again wish to assure you and the Congress that whatever the form of the legislation finally provided we in the Department of Agriculture will do our best to make it work successfully.

Sincerely,

CHARLES F. BRANNAN,
Secretary.

Mr. HUNT. Mr. President, I submit an amendment which I ask to have printed and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

MUZZLING OF NEWS CORRESPONDENTS AT SHANGHAI

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD as a part of my remarks the text of the State Department's note criticizing the Chinese Communists for muzzling news correspondents at Shanghai.

There being no objection, the note was ordered to be printed in the RECORD, as follows:

The Department has been informed that the Aliens' Affairs Bureau has handed foreign press correspondents in Shanghai the following order of the Shanghai Military Control Commission, date October 6:

"Effective from the date of issue of this order, all correspondents in Shanghai, irrespective of whether they are Chinese or foreign, for foreign newspapers and periodicals, news agencies and broadcasting agencies, whose country has not established diplomatic relations with the Chinese People's Republic, are to cease acting in their capacity as press men, including the filing of press telegrams and radiomyzms."

The effect of this order is to blot out completely objective reporting of developments in the Communist-occupied territory of China. The order is not based on military security or censorship, but solely on the ground of nonrecognition of the newly announced Communist regime.

It is evident that this order constitutes a crude effort on the part of the Chinese Communists to force recognition of their newly established regime by those countries which continue to have, on the basis of the record of the Chinese Communists to date, wholly justifiable doubts regarding the responsible nature of the regime according to generally accepted international standards.

Further examples of the flagrant disregard of these standards have been the confinement of members of the staff of the United States consulate general at Mukden to their compounds for almost a year; denial of facilities for the withdrawal of the personnel of the consulate in contravention of assurances given as long ago as June 21 that they would be made available; and assent in if not instigation by Communist authorities at Shanghai of mob action against American businessmen in that city.

Far from constituting pressure toward recognition, such act contravening recognized standards of conduct merely reflect discreditably upon the character of the Chinese Communist regime.

RECESS TO MONDAY

Mr. WHERRY. Mr. President, was it the intention to recess before a vote is taken on the amendment offered by the Senator from Washington [Mr. MAGNUSON]?

Mr. MYERS. Mr. President, several Senators have informed me they desire to address themselves to the amendment. They came to me from both sides of the aisle from a quarter of 6 on, and I told them that if we could not secure a vote by 6 o'clock it was the intention to recess until Monday.

I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, October 10, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received October 7 (legislative day of September 3), 1949:

DIRECTOR OF FOREIGN MILITARY ASSISTANCE

James Bruce, of Maryland, to be Director of Foreign Military Assistance.

SENATE

MONDAY, OCTOBER 10, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, we thank Thee that Thou hast set eternity in our hearts. An empty seat in this Chamber speaks to us this morning of the solemn truth that in the midst of life we are in death. Our hearts are saddened by the sudden passing of a highly trusted and respected colleague and of a great-souled public servant. Upon his dear ones we pray for the consolations of Thy sustaining grace.

"A friend has passed
Across the bay
So wide and vast,
And put away
The mortal form
That held his breath;
But through the storm
That men call death,
Erect and straight,
Unstained by years,
At heaven's gate
A man appears."

Keeping to the end of our brief day the unbroken vigil of the inner light, enable us to fill swift hours with worthy deeds, to bear the fret of care, the sting of criticism, the drudgery of unapplauded toil; and then when our hour of departing comes, to leave the world the better for our sojourn in it. Amen.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, and it was signed by the Vice President.

DEATH OF SENATOR MILLER, OF IDAHO

Mr. TAYLOR. Mr. President, since last we met in this hallowed Chamber, my colleague, Senator MILLER, has found surcease from a long and painful struggle against a combination of mortal ills which finally caused his untimely death.

His spirit is now residing in the house of the infinite and merciful Father, where pain and suffering are no more.

His reward in the hereafter should be generous, because his life on earth was a shining example of unselfish devotion to the welfare of his fellow men.

He served the people of his State in many important positions over a long period of years.

Senator MILLER had few if any real enemies, and he enjoyed the friendship and good will of countless thousands of citizens of our State whom he knew personally.

In spite of the fact that he served for several years on the supreme court of our State, and then was elevated to the high office of United States Senator, the common people of Idaho continued to call him Bert. It is a credit to any man, in my opinion, Mr. President, when he so endears himself to his fellows that they continue to affectionately call him by his first name regardless of the high-sounding titles he may acquire.

I know, Mr. President, that every Senator joins in the grief of Senator MILLER'S host of friends, and I know that I speak for all the people of Idaho and the Members of this body in extending our deepest sympathy to the grief-stricken widow and the family of our departed friend and colleague.

Mr. President, I submit a resolution, which I ask to have read.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 182) was read as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. BERT H. MILLER, late a Senator from the State of Idaho.

Resolved, That a committee be appointed by the President of the Senate to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. WHERRY. Mr. President, speaking for myself and for other Members of the Senate, especially those on this side of the aisle, I join in extending to the wife and relatives and friends of Senator MILLER deepest sympathy in this time of bereavement. Many of us knew Senator MILLER only a short time, but he impressed me, as I am sure he impressed all his other colleagues, by his deep humility and his sterling integrity. As a Senator and when called upon to act as presiding officer he was always fair. He always exhibited characteristic qualities of industry and uprightness in full measure. In his passing, his State has lost a fine public servant and the Senate an able, painstaking, and conscientious Member.

Mr. MCFARLAND. Mr. President, I desire to join in the expressions of sympathy extended to Mrs. Miller and Senator MILLER's immediate family. Senator MILLER's passing is a great loss not only to the Senate but to the entire Nation. I had the pleasure of working with the Senator in one of the Senate committees, and I know of no one who worked more diligently than did he. He put all his energy into every task he was called upon to perform. He was a man of sound judgment, he performed his work well, and established a fine record of achievement for himself during the short time he served as a Member of the Senate.

Senator MILLER was loved by all those who labored with him. He was a man of few words, and for that reason, I believe, his influence with his colleagues was perhaps all the greater.

I wish to express my high appreciation of the work and character of Senator MILLER, my regret at his untimely passing, and to extend my condolence to his bereaved family. The junior Senator from New Mexico [Mr. ANDERSON] asked me to state that he was sorry he could not be present to express to Senator MILLER's family his deep sympathy and regret.

Mr. THOMAS of Utah. Mr. President, I desire to associate myself with the Senator from Idaho [Mr. TAYLOR] and the Senator from Arizona [Mr. MCFARLAND] in the tributes they have paid to the memory of our colleague the late Senator from Idaho [Mr. MILLER], and to say a brief further word in remembrance of him. We had many communities of interest, not from long association, because I did not know Senator MILLER until he came to the Senate, though, of course, I knew of him. He was born in my State, and went to Idaho from Utah. It has been a misfortune of the State of Idaho to lose a number of its distinguished sons while they were ably representing the State in this body. Senator Borah was a member of the Committee on Education and Labor when I was chairman, and when he passed away we had occasion to pay tribute to a great man. Senator Thomas of Idaho was a member of the Committee on Military Affairs after I moved from the chairmanship of the Committee on Education and Labor to the chairmanship of the Military Affairs Committee, and he, too, was the type of man to whom it was fitting that tribute be paid.

Senator MILLER I deemed a very close colleague because of the interest we took in one another last fall. I learned to know him from many conversations I had with him and from working in his behalf in Idaho.

A man who had lived the good life as Senator MILLER had lived it, and who had served so well his fellowman, his State, and his country, was ready, we may well believe, when he passed on, to meet his Master. But the State of Idaho suffers a loss, the West suffers a loss, and the Senate suffers a great loss, for Senator MILLER had in him ability that made it possible for him to contribute greatly to our deliberations.

I am acquainted with many of the Members of Senator MILLER's family, but not all. To them all I should like to extend my love and my deep-felt sorrow at his loss. But to them I would say that whenever we are called upon to part with those who have lived full lives, and served their States and the Nation well, the memory of their service will linger with us rather than the feeling of the great loss we sustain. I trust the fine and happy memories the family have of a devoted husband, loving brother, and affectionate father will abide with them always.

Mr. O'CONOR. Mr. President, I rise to pay respectful tribute to the late Senator BERT HENRY MILLER, of Idaho. It was my privilege to occupy the seat beside him in the Senate Committee on the Judiciary and thus, in a particular manner, to have opportunity to appreciate the conscientious and able attention he brought to bear upon the problems before him.

As a result of that close association I had opporunity to observe the courage of the man and his unswerving devotion to duty. In fact, it was apparent to those working in close contact with him that he was giving attention to his duties under the most trying handicaps, and in the face of physical impairment. Sitting at his side in the Senate chamber as late as Friday I made inquiry of him as to the condition of his health. He replied that he was at his post against the wishes of his doctor but he considered it his duty to be present.

To many Americans outside his own State of Idaho, I am sure, Senator MILLER was not widely known and, undoubtedly he preferred it that way. The question of personal glory was to him secondary to a quiet but nonetheless determined sense of responsibility to his country and to his constituents.

His years of service to the people of Idaho as prosecuting attorney, attorney general, and as a justice of the Idaho Supreme Court gave him a well-rounded experience in the handling of Governmental affairs while at the same time keeping him close enough to the rank and file of his people to be alert and responsive to their wishes.

The son of parents who pioneered in the settlement of his section of the great State he represented, Senator MILLER was a typical example of the able, loyal American who values his constitutional rights and privileges to the fullest and is willing to work diligently to safeguard them. Despite severe physical ailments, he held himself to the task for which he had been elected by the people of his State to the very end of his life. He deserves the unstinted respect and admiration of all, for he gave his all for the country and the people who had so often honored him with high office.

Mr. O'MAHONEY. Mr. President, when Senator MILLER became a Member of the Senate he was assigned to serve upon the Committee on Interior and Insular Affairs, as well as upon the Committee on the Judiciary. Throughout the sessions of that committee—and they have been numerous and difficult all during the present session because of the many and diverse problems which are referred to that committee—Senator MILLER was a loyal attendant upon its meetings. I can say from close observation that he was a man of wisdom as well as of ability and industry and, over all, it was clear that he was a man of character and of courage.

Reference has already been made to the fact that last Friday he was in attendance here upon the last previous session of the Senate. He was also in attendance all last week, including Friday, both morning and afternoon, on the meetings of the Committee on Interior and Insular Affairs, considering the very complex problem of submerged coastal lands. He was intensely interested in every problem that came before our committee. The questions which he directed at various hearings to the witnesses, the arguments which he made in the executive sessions of the committee, all showed a lively interest and a clear understanding of the issues which were involved.

I know I speak for every member of the Committee on Interior and Insular Affairs when I say that committee has suffered a grievous loss in the passing of Senator MILLER, of Idaho. The committee adjourned its session last Saturday out of respect to his memory.

Mr. President, I take this opportunity to convey to the members of his family the deep sympathy of every member of that committee. The State of Idaho and the Senate of the United States have suffered a deep loss in the passing of Senator MILLER.

Mr. DONNELL. Mr. President, in connection with certain work of a subcommittee of the Committee on the Judiciary, it was my privilege to learn to know something of the characteristics of Senator MILLER. He possessed calmness and modesty. He demonstrated his reliability in the study of the im-

portant tasks assigned to the subcommittee and in the performance of the other duties attendant upon the problems which were presented to him. His fairness was noticeable in connection with giving everyone an opportunity to be heard, and in determining the time when various matters were to be considered by the subcommittee. Senator MILLER endeavored to see that everyone had fair and proper opportunity to present his views. His sound judgment was very noticeable in his work. Closely akin to the latter characteristic was his common sense in dealing with the problems which came before him.

I join with the other Senators who have spoken here today in expressing personal loss and sorrow and my sympathy for his bereaved family and friends.

Mr. KILGORE. Mr. President, I join the other Members of the Senate who have spoken, in expressing my sorrow at the death of Senator MILLER, and my sympathy to his family. I served with Senator MILLER on the Committee on the Judiciary. While he was in frail health all the time, he carried his end of the load at all times and with great thoroughness. His approach to every subject was of such a common-sense nature that it made his services extremely valuable.

This morning at the regular meeting of the Committee on the Judiciary a resolution with respect to Senator MILLER was adopted, and at this time I ask that that resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Committee on the Judiciary has heard with great sorrow and regret of the death of the Honorable BERT H. MILLER, late a Senator from the State of Idaho; and

Whereas this committee highly esteemed his wise counsel and persuasive thinking while serving as a member thereof: Now, therefore, be it

Resolved, That, this resolution of respect be spread upon the records of this committee, that a copy thereof be furnished the family of the deceased and that, as a further mark of respect this committee do adjourn.

Mr. MYERS. Mr. President, unfortunately, the majority leader, the senior Senator from Illinois [Mr. LUCAS] is absent today. He left Washington late Friday afternoon for his own State of Illinois to keep some engagements, and will not be back until some time late this afternoon. He left, of course, before Senator MILLER died.

I not only speak for him but speak my own sentiments in saying that to me Senator MILLER was one of the noble sons of the far West who were sent forth into the arena of public life to serve their States and to serve, as well, the Nation. He certainly devoted himself to his duty with all the powers of his mind and heart and intellect. Indeed he earned for himself an invaluable reputation among all of us and had earned also the respect and the admiration and the esteem and affection of all others who knew him.

I share the sentiments of those who have previously spoken and who have paid tribute to our departed colleague much more eloquently than can I. I extend to his widow, to his children, and to all the other members of his family my sincerest and deepest sympathy in this hour of their bereavement.

One of the things that touched me most in the Chaplin's prayer today was when he said, "At Heaven's gate a man appears." May that gate be flung wide open, Mr. President, to admit this noble soul.

Mr. WATKINS. Mr. President, I have been detained in a committee hearing and have not been present to participate in the proceedings thus far. I ask unanimous consent to be permitted to submit a statement for the RECORD dealing with our late colleague, Senator MILLER, of Idaho.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I join with my colleagues in paying my respects to BERT H. MILLER, junior Senator from Idaho.

Senator MILLER had a long and distinguished record of public service, both in the State of Idaho and in the Federal Government, finally climaxing his career as Senator from his State. The people of Utah join the people of Idaho in mourning the loss of this faithful public servant.

Senator MILLER was born in St. George, Utah, a country town in the southern part of the State. His formal education was obtained for the most part in Utah public schools and from the Brigham Young University at Provo, Utah. In his youth, while a resident of Utah, he made many warm and sincere friends who are today joining his family and the people of Idaho in mourning his loss.

His father and mother were of pioneer stock, and with others redeemed the waste places and made the desert blossom as a rose. As a young man, BERT MILLER carried his share of these burdens. He knew what it was to toil, to struggle to subdue the waste places and establish homes in the civilization that came from those pioneer efforts.

It was my privilege to serve with Senator MILLER on the Committee on Interior and Insular Affairs. There I learned to appreciate his keen mind, his great interest in all activities of the committee and also his loyalty to his own State and its interests. He was particularly interested in reclamation and in a conversation I had with him he outlined to me his great faith in his State and in the program he was urging so eloquently for the building of reclamation projects which would make new homes, new industries and new possibilities for the young people of his adopted State.

His devotion to duty and to the interests of his State was demonstrated during the last 2 weeks of his life. Even though his appearance indicated that he was not a well man and probably was suffering more than he cared to reveal, yet he carried on. He never flinched.

May I conclude by expressing in behalf of all the people of Utah the sympathy of a sister State to the people of Idaho and to the widow and family of Senator MILLER. Idaho and all the West has lost a devoted public servant.

Mr. HOLLAND. Mr. President, it was my privilege to be the seat-mate of Senator MILLER on the floor of the Senate. Within a very few days I learned to appreciate him for his gentleness, his unfailing courtesy and kindness, and for the deep sense of interest which he had in all matters which were pending. First I noted his modesty and his quiet, gracious nature, and then later I found that in addition he had deep convictions, complete unwillingness to swerve from what he thought to be right, and very great courage.

Always I found him interested in the personal problems of others, particularly those who sat near him. He was kind, courteous, generous, and possessed such qualities as made him very much beloved by those of us who sat near him.

A little later I appeared before him when he was sitting as chairman of a subcommittee of the Committee on the Judiciary, on a particular constitutional amendment which very intimately touched some problems of those of us who come from the South, a part of the Nation with which he had not been well acquainted before his service here. I found that he was deeply interested in trying to learn the viewpoint of those of us who came from another portion of the United States, and that, in addition, he was thoroughly grounded on constitutional questions of the most complex nature. I was impressed by the many high qualities which Senator MILLER possessed, some of which, because of his modesty, would not have been evident upon first acquaintance.

I feel a deep sense of personal loss. I wish to express my abiding sympathy to his family, whom unfortunately I did not know, and to say that in my judgment he will be greatly missed here. His passing is a great loss to the Senate and to the entire Nation.

Mr. MYERS. Mr. President, I wish to announce that services for our departed colleague will be conducted at 3 o'clock this afternoon at the funeral parlors of Joseph Gawler's Sons, 1756 Pennsylvania Avenue NW. The family extends to all Members of the Senate the opportunity and privilege of attending those services.

The VICE PRESIDENT. The question is on agreeing to the resolution submitted by the Senator from Idaho [Mr. TAYLOR].

The resolution (S. Res. 182) was unanimously agreed to.

The VICE PRESIDENT. The Chair will announce the appointment of the committee later.

Subsequently,

The VICE PRESIDENT, under the second resolving clause, appointed Mr. TAYLOR, Mr. O'MAHONEY, Mr. MCFARLAND, Mr. THOMAS of Utah, Mr. KERR, Mr. CORDON, Mr. CAIN, Mr. MURRAY, Mr. WATKINS, Mr. DONNELL, and Mr. SCHOEPPEL, the committee to attend the funeral of the deceased Senator.

Mr. MYERS. Mr. President, as a further mark of respect to our departed colleague, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 12 o'clock and 24 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, October 11, 1949, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, OCTOBER 10, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Father in heaven, we draw near to Thee, that we may learn more and more how to live in the spirit of brotherhood and benefaction. Striving in the midst of temptations, we bring to Thee our frailties and ask for forgiveness and strength.

We beseech Thee to enable us, as a people, to pass thoughtfully into clearer outlook and larger service. With a deep feeling of the law of love in all human lives, how much, blessed Lord, do we need a sense of Thy presence, for we are humanly weak in the things which are divinely strong. O may the day soon come when the power of God shall be felt in mutual fidelities, in patience; then shall the fruit of the spirit of our Saviour be seen in all our daily lives, and within all endeavor shall reign the beneficent heart of a loving God. In the name of our Holy Redeemer. Amen.

The Journal of the proceedings of Thursday, October 6, 1949, was read and approved.

COMMUNICATIONS FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communications from the Clerk of the House of Representatives:

OCTOBER 7, 1949.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority heretofore granted, the Clerk received today from the Secretary of the Senate the following message:

That the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) entitled "An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes"; be it further

Resolved, That the Senate had agreed to the amendment of the House of Representatives to Senate amendment No. 16; be it further

Resolved, That the Senate had receded from its amendments Nos. 12 and 13 to the above-entitled bill.

That the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5300) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes"; be it further

Resolved, That the Senate had agreed to the amendments of the House of Representatives to amendments of the Senate numbered 9 and 19 to the above-entitled bill.

That the Senate insisted upon its amendments to the bill H. R. 86, entitled "An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf," disagreed to by the House of Representatives, and agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appointed Mr. JOHNSTON of South Carolina, Mr. HUMPHREY, and Mr. LANGER managers on the part of the Senate at said conference.

That the Senate had agreed to the amendment of the House of Representatives to the bill S. 2116, entitled "An act to provide for the advance planning of non-Federal public works."

That the Senate had passed S. 2105, entitled "An act to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes."

That the Senate had passed without amendment H. R. 195, entitled "An act to assist States in collecting sales and use taxes on cigarettes."

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

OCTOBER 8, 1949.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority heretofore granted, the Clerk received today from the Secretary of the Senate the following message:

That the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 3838, entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes"; be it further

Resolved, That the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate numbered 11, 64, 67, 80, 115, 119, 135, and 167 to the above-entitled bill.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, announced that that committee had, on October 7, 1949, examined and found truly enrolled bills of the House of the following titles:

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes;

H. R. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945;

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes; and

H. R. 3838. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on October 6, 1949, he signed enrolled bills as follows:

On October 7, 1949:

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes;

H. R. 3134. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945;

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes;

S. 627. An act for the relief of Leon Moore; and

S. 2116. An act to provide for the advance planning of non-Federal public works.

On October 8, 1949:

H. R. 3838. An act making appropriations for the Department of Interior for the fiscal year ending June 30, 1950, and for other purposes.

SPECIAL ORDERS GRANTED

Mr. SABATH. Mr. Speaker, Tuesday, October 11, 1949, will be the one hundred and seventieth anniversary of the death of the Polish Revolutionary War hero, Brig. Gen. Casimir Pulaski.

I ask unanimous consent that upon the conclusion of legislative business on that day that I be recognized for 1 hour to speak in commemoration of General Pulaski and to yield to such other Members who desire to pay their respects to this outstanding hero and Polish-American hero and patriot.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, Wednesday, October 12, 1949, marks the observance of the landing of Christopher Columbus when he sighted an island—San Salvador—which marked the discovery of America.

It is fitting that we commemorate the four hundred and fifty-seventh anniversary of that event, and I ask unanimous consent that upon the conclusion of our legislative business on that day I be recognized for 1 hour to pay my respects in honor of this great Italian.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FERNANDEZ asked and was given permission to address the House today for 30 minutes following any special orders heretofore entered.

Mr. PERKINS asked and was given permission to address the House for 30 minutes on tomorrow, following any special orders heretofore entered, on the subject of Federal aid to education.

EXTENSION OF REMARKS

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD.

Mr. PATTEN asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. DEGRAFFENRIED asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LINEHAN asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. HEDRICK asked and was given permission to extend his remarks in the

RECORD and include an article entitled "Tourist Development in Greece."

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD in two instances and include in each an editorial.

Mr. WAGNER asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Cincinnati Post.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Prof. J. Fred Rippy, of the University of Chicago, on investment of American capital in South America. The article may exceed the authorized limit, but notwithstanding that fact I ask unanimous consent that it be inserted.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

THE HENDERSON CASE

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GOSSETT. Mr. Speaker, I hope I may be pardoned for name calling, seeming exaggeration, and dealing in generalities. But this is a short speech, and the provocation for making it is great.

A new, little publicized, and dangerous assault is being made upon the dignity, decency, and security of this Republic. The Department of Justice, together with the CIO, is going before the Supreme Court in the Henderson case and is asking the Court to overrule the well-established law of this country and to declare the "separate but equal" facilities doctrine to be unlawful. The Department of Justice is acting in opposition to the Interstate Commerce Commission. The Department of Justice is asking the Supreme Court for antisocial legislation by judicial fiat. If the Supreme Court holds with the Department of Justice, and against the Interstate Commerce Commission, we will have, in effect, outlawed all forms of segregation. Racial pride and purity are virtues, not vices. The position taken by the Department of Justice would eventually mongrelize and bastardize all races within this country to the degradation, shame, and destruction of all races. This assault is launched either through malice or ignorance. Those responsible are either villains or fools.

Could it be that the great Department of Justice is becoming a political adjunct of those who would pander to ignorance and prejudice in order to purchase votes at the sacrifice of principles?

In the first place, the Department of Justice has no business intervening in the Henderson case. In the second place, it is an insult to the Supreme Court to openly seek to wring from it social legislation instead of sound judicial decision. Let us hope the Court will live up to its honorable traditions and will not be a party to nefarious schemes that would undermine and destroy this Nation.

EXTENSION OF REMARKS

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD in three instances and include certain letters.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and in each case to include a resolution sent in by the State of New York.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include excerpts.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include newspaper articles.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial from the Waterloo Daily Courier.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include an excerpt from a magazine.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Mark Sullivan.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include in each an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include an article from Fortune by Russell W. Davenport, notwithstanding the fact that it is estimated by the Public Printer to exceed two pages of the RECORD at a cost of $348.50.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today at the conclusion of any special orders heretofore entered.

Mrs. BOLTON asked and was given permission to address the House for 30 minutes on Thursday next, following any special orders heretofore granted.

Mr. JAVITS asked and was given permission to address the House for 20 minutes on Thursday next, following any special orders heretofore entered.

FINANCIAL SITUATION OF THE GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, Fair Deal Under Secretary of the Treasury Edward H. Foley, Jr., said at Syracuse before the New York State Bankers Association on October 8, and I quote:

> The Nation's financial situation is one of unparalleled strength.

I know better. So do you. This country has a national debt of over $256,000,000,000, and last year went in the red to the tune of $1,800,000,000. It looks as if we are going in the red this year at the rate of $7,000,000,000. But what can you expect of the Fair Deal? It seems to me they are patterning after Hitler in the propaganda they are feeding the American people, and they are becoming drunk with power.

Here is what a Jeffersonian Democrat says, on September 1, and I quote Senator BYRD, of Virginia:

> We are rapidly approaching a financial crisis in the fiscal affairs of our Government. When Congress convenes next January, it will be in the fateful position of determining whether: (1) To retrench drastically; (2) to impose staggering new taxes; (3) to embrace deficit spending again.
>
> To me the third course would be the road to certain ruin, for if we again deliberately embark on deficit spending during peace and prosperity it is doubtful whether we shall ever balance the budget thereafter.
>
> The only course remaining open is to reduce expenditures to the point of a balanced budget under existing taxes. Reduction in tax rates would have a wholesome influence if it could be done without deficit spending. The solvency of our Government can be preserved only by the mobilization of public sentiment.

America is in peril. Congress, it is up to you to stop spending. Look and listen. Our financial situation is one of weakness. Do not let the Treasury Department fool you. They are not fooling me, and I question if the New York bankers are being fooled.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. VURSELL addressed the House. His remarks appear in the Appendix.]

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. MCDONOUGH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD in two instances.

CIVILIAN DEFENSE AND THE ATOMIC BOMB

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, evidently the thoughts of the gentleman from California [Mr. McDONOUGH] and my own have been running on similar lines.

The extraordinary vulnerability of Washington to any atomic or large-scale bombing attack is too obvious for comment. I do not know how much thinking has been done on this question in military circles, but certainly plans ought to be devised which would obviate the present danger of the President, the Members of his Cabinet, and the Congress being annihilated in one attack. For this purpose, I have today introduced a resolution which seeks a committee to conduct a study of this subject and to devise remedies for the existing situation.

The SPEAKER. The time of the gentleman from Maine has expired.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in several instances and include a speech recently made by him as well as several newspaper articles and excerpts.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

INVESTIGATION OF CRIMES IN DISTRICT OF COLUMBIA

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 340, Rept. No. 1388), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on the District of Columbia, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of the number and character of crimes committed in the District of Columbia during recent years, and of the action taken by the responsible officers and employees of the Federal and District Governments in identifying and punishing the persons who committed such crimes.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. STAGGERS asked and was given permission to extend his remarks in the RECORD and include a speech by Dr. John M. Chang, Ambassador to the United States from Korea.

AID TO KOREA

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, the Nation has now before it a question of national and international significance, namely, aid to Korea. I am today inserting in the RECORD a speech by Dr. John M. Chang, Ambassador to the United States from Korea, presented at the luncheon of the Press Club, Thursday, September 22, 1949.

I urge that every Member of Congress, and all others who are interested in this vital question, read his illuminatory discussion which should go a long way toward clarifying the issue.

VETERANS' EDUCATIONAL TRAINING PROGRAM

Mr. EVINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Speaker, some days ago I stated here on the floor of the House that the action of the Veterans' Administrator, Gen. Carl A. Gray, in issuing so-called VA regulation 1–A was arbitrary and unwarranted. This regulation, as we all know would have had the effect of canceling all certificates of entitlement held by veterans engaged in or desiring to take certain courses of training and education. It required that veterans should obtain new certificates of entitlement—the issuance of the same being, of course, a matter at the discrimination of the Veterans' Administration. The regulation was to take effect November first of this year.

I feel quite sure that every member of the House received protests in this connection from veterans and educational and trade school authorities who were in complete confusion and uncertainty as a result of this action. The confusion was a natural outgrowth of this unnecessary bombshell that the VA chose to throw into the veterans' training program—an action which, if not entirely at variance with the wishes of the Congress as far as the veterans education and training program is concerned, was certainly dangerously close to being contrary to the wishes of Congress.

In this connection, Mr. Speaker, I was very much pleased to learn recently that General Gray had announced that a "thorough review" of this regulation 1–A would be made looking toward the revision or the rescinding of the same. I felt that such a thorough review of the order would result in its being rescinded and I am pleased to announce to the House that this order has been recalled and rescinded in its entirety and a greatly modified informational pamphlet issued instead. From a review of the new instruction issued by the VA, many persons have indicated that it is more acceptable and more in line with the intent of Congress.

Mr. Speaker, I think that the Congress has expressed its firm opposition to so-called fly-by-night school of training which should not exist and through statute has directed the Veterans' Administration not to approve certain avocational and recreational courses of training. I do not feel that the Veterans' Administration is acting in the best interest of our veterans or expressing the intent of Congress, however, when it reads into the law an authority to curtail and impede the entire educational program under the guise of getting at these fly-by-night schools. That is what regulation 1–A would have done—curtail and impede operation of beneficial and meritorious schools of training and education. regulation 1–A should have been rescinded and I am grateful that it has been done.

I feel, however, that additional legislation may be needed to further outline and detail the authority of the Veterans' Administration in this connection and to prevent a recurrence of such confusion as grew out of the issuance of arbitrary and detrimental regulation 1–A. Congress never intended that legitimate, meritorious and beneficial training schools should be stifled by rule or regulation issued by the Veterans' Administration.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file reports on the bills H. R. 6305, Senate Joint Resolution 134, and H. R. 6185.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REPORT FROM COMMISSION TO RENOVATE THE WHITE HOUSE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 353) authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Reserving the right to object, Mr. Speaker, will the gentleman from Mississippi explain this resolution?

Mr. WHITTINGTON. Mr. Speaker, provision has heretofore been made at this session of the Congress for the White House Commission to renovate the White House. The Commission is required to submit reports of their plans to the Congress.

At the request of the Commission, the Committee on Public Works, of which my colleague the gentleman from Michigan [Mr. DONDERO], is ranking minority

member, reported this resolution to authorize the Commission, with the consent of the President, pending the submission of their plan to Congress and during the recess of Congress, to store or dispose of White House material. It was requested by the Commission, and by the gentleman from Michigan [Mr. RABAUT], a member of the Commission, and unanimously reported by the Committee on Public Works—I refer Members to the report of the committee for a more detailed explanation of the resolution.

Mr. DONDERO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There being no objection, the Clerk read the resolution, as follows:

Whereas, under the provisions of section 4 (b) of Public Law 40, Eighty-first Congress, first session, the Commission on Renovation of the Executive Mansion is required to recommend to the Congress and to the President, at the earliest possible date, a plan for (1) the preservation of any material removed from the Executive Mansion which is of permanent historical importance, and (2) the sale, donation, destruction, or other disposition of the remainder of such material in the manner most consistent with its symbolical value and without commercial exploitation; and

Whereas it is necessary to commence work on the renovation of the Executive Mansion without delay; and

Whereas renovation work cannot be commenced until the disposition of the various categories of the materials to be removed from the building has been determined and specified; and

Whereas time before the adjournment of the present Congress will not permit the development of a complete and detailed plan for the disposal of all of the categories of the material in the manner most consistent with its symbolical value and without commercial exploitation; and

Whereas there is no suitable storage space of adequate capacity available for the storage of this material pending the reconvening of the present Congress for its second session: Now, therefore, be it

Resolved, etc., That the Commission on Renovation of the Executive Mansion is hereby empowered, with the approval of the President, to determine the details of and to execute a suitable plan for the preservation or other appropriate disposition of all the materials removed from the Executive Mansion in connection with the renovation thereof and consistent with their symbolical value and without commercial exploitation: *Provided*, That report shall be made to the Congress of action taken under this authority: *Provided, further*, That the Commission is hereby authorized and empowered to use for this purpose any of the funds appropriated for the renovation and modernization of the Executive Mansion under Public Law 119, Eighty-first Congress, first session, approved June 23, 1949.

With the following committee amendment:

Page 2, line 11, insert "On January 3, 1950, and every 6 months thereafter until the final report is submitted."

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MASON (at the request of Mr. ANGELL) was given permission to extend his remarks in the RECORD.

THE TOWNSEND PLAN VERSUS H. R. 6000

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

Mr. ANGELL. Mr. Speaker, I am filing a request by the gentleman from Illinois [Mr. MASON] to extend his remarks in the Appendix of the RECORD.

I want to quote briefly from them. In them he has said:

I signed that petition for the discharge of the committee on the Townsend plan, and I signed that petition because, when I compare the two programs for social security, the one contained in H. R. 6000 and the one contained in the Townsend plan, I am convinced that the Townsend plan is to be preferred to H. R. 6000.

In my opinion, after careful consideration, the Townsend plan is more equitable, more practical, more just, much easier, and cheaper to administer, and less costly in the long run.

The social-security plan contained in H. R. 6000 when fully matured will require the payment of something like $1,000,000,000 per year in interest alone, in addition to the hundreds of millions of dollars each year for administrative costs.

The SPEAKER. The time of the gentleman from Oregon has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ARENDS. I do this to ask the majority leader if there has been any change in the program for this week.

Mr. McCORMACK. The Committee on Rules today reported out a rule on the bill H. R. 6303, an important bill providing public works for Alaska and Okinawa. It was taken out of the general public-works bill because there is a situation there which requires immediate consideration by the Congress. I made my previous announcement without knowledge that this rule would come out so soon, although we expected it would come out this week.

I previously announced that House Resolution 340 authorizing a subcommittee of the Committee on the District of Columbia to make an investigation of crime in the District of Columbia would be the first order of business. That will take only a few minutes.

On tomorrow, Tuesday, the first order of business will be the conference report on the supplemental appropriation bill, followed by House Resolution 340. The next order of business will be the bill (H. R. 6303) providing public works for Alaska and Okinawa; then the bill (S. 1267) relating to the wind tunnel and air engineering development. The change in the program is to put consideration of the bill H. R. 6303 ahead of S. 1267.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RICH. We expect this to be the last week of the session; are Members going to be permitted to call up bills by unanimous consent during the balance of the week without notification to the membership?

Mr. McCORMACK. The gentleman knows, of course, that for a bill to be brought up by unanimous consent the request has to be screened very carefully. No Member is recognized unless he has first cleared his request with his own committee, or at least the ranking member of it, and the Republican as well as the Democratic leadership; in other words, none of these consent requests for the consideration of legislation are submitted without their having been first screened through the committee and the leadership.

Mr. RICH. But the membership would not know what was going to come up until the consent request was submitted in the House.

Mr. McCORMACK. That is correct. I know of no way to avoid it. We go through this careful screening. The only thing I can suggest to the gentleman from Pennsylvania is that if he is interested in some bill that he advise the leadership on his side in the hope that they will not give their consent without first consulting him.

Mr. RICH. It certainly would be a favor to the membership if the intention to call up these bills could be published a day in advance.

Mr. McCORMACK. I agree with the gentleman, but it is impossible to do that generally.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. RANKIN. I wish to say to the gentleman from Pennsylvania, also to the gentleman from Massachusetts, that as soon as the conference report is disposed of it is my intention to call up House Resolution 348 under the 21-day rule, for the adoption of the rule to consider the veterans' hospital bill, H. R. 5965, to which the gentleman from Pennsylvania objected the other day.

Mr. RICH. The gentleman intends to call it up today?

Mr. RANKIN. Yes.

Mr. McCORMACK. The gentleman from Massachusetts states that there are two bills in the same category. The gentleman from Massachusetts is unable to answer as to their coming up today. In other words, there is one other bill subject to the same recognition.

EXTENSION OF REMARKS

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SANBORN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address.

THE CLEF DWELLERS OF OAKLAND COUNTY, MICH.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, our colleague, the gifted gentleman from Illinois, who possesses a lyric tenor voice and belongs to the Society for the Preservation and Encouragement of Barber Shop Quartet Singing in America, Inc., has advocated a novel Big Four get-together in the interests of world harmony. He would like to hear President Truman playing the piano and singing with Clement Attlee, Charles de Gaulle, and Joe Stalin. If such a meeting were to take place, he believes it might be productive of more harmony than any Big Four conference has yet produced.

I am advised by Carroll P. Adams, of Detroit, international secretary of SPEBSQSA, that 28,528 United States and Canadian barbershop singers, including 3,295 in Michigan, heartily endorse the proposal of the gentleman from Illinois to improve international relations.

Ed Place, of the District of Columbia barbershoppers, advises me that the local group also backs the proposal of a Big Four songfest. They have invited President Truman to attend their third annual "harvest of harmony" Friday evening, October 28, at Constitution Hall.

Michigan's Seventeenth District is justly proud of its champion Clef Dwellers of Oakland County, namely: Dick Wisehart, Bill Johnston, Hal Bauer, and Duncan Hannah. I wish to take this opportunity to congratulate my harmonious constituents on their feat of finishing second only to the world champion Mid-States Four of Chicago in this year's barbershop title classic, staged at Buffalo, N. Y., out of a total of approximately 2,000 registered United States and Canadian quartets, and I am highly pleased that the Clef Dwellers are favored to ascend the "Harmony Throne" next June at Omaha.

I also wish to congratulate the Antlers, of Flint, Mich., and the Songmasters, of Lansing, Mich., on joining with the Clef Dwellers to give Michigan three out of the North American Continent's five top barbershop quartets, an unprecedented honor.

Under leave to extend my remarks in the RECORD, I wish to include a newspaper article entitled "Proposes Big Four Sing at Concert With President at Keyboard," written by Harman W. Nichols, of the Washington United Press Bureau, and published in the Racine, Wis., Journal-Times on October 5, 1949.

AMENDING THE CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee submitted a conference report and statement on the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf.

SCHOOL DISTRICT NO. 5, LINN COUNTY, OREG.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6230) to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey, without payment therefor, to school district No. 5 of Linn County, Oreg., all the right, title, and interest of the United States in and to the following-described land:

Beginning at a point on the south line of the State secondary highway also known as Queen Avenue, thirty and nine-tenths feet south ten degrees fifty minutes west of the northeast corner of George W. Cline DLC numbered 84 in township 11 south, range 4 west, of the Willamette meridian in Linn County, Oreg.; and running thence south ten degrees fifty minutes west along the east line of said claim two hundred and eighty-five feet to a point where the projection of the west line of Liberty Street would intersect said claim line; thence north no degrees forty-eight minutes west along the projection of said Liberty Street two hundred seventy-seven and eight-tenths feet to the south line of Queen Avenue; thence north eighty-six degrees fifty-seven minutes east along said line fifty-seven and seventy-one one-hundredths feet to the place of beginning.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TOWN OF TREMONT, MAINE

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4390) to authorize the conveyance, for school purposes, of certain land in Acadia National Park to the town of Tremont, Maine, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is hereby authorized to convey without consideration, but under such terms and conditions as he may deem advisable, to the town of Tremont, Hancock County, Maine, for school purposes, eight and forty-five one-hundredths acres of land, more or less, situate between Marsh Creek and Marsh Road on Mount Desert Island, Hancock County, Maine, now a part of Acadia National Park.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARLINGTON MEMORIAL AMPHITHEATER, ARLINGTON NATIONAL CEMETERY, FORT MYER, VA.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6259) to provide for the installation of a carillon in the Arlington Memoral Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed to accept on behalf of, and without expense to, the United States Government, an offer by the American Veterans of World War II (AMVETS) to furnish, install, and maintain a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., as a memorial to the World War II dead, subject to the approval by the Commission established pursuant to section 1 of the act of March 4, 1921 (41 Stat. 1440), of the character, design, and location of such carillon.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RACIAL RELATIONS IN THE SOUTH

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I desire to join the gentleman from Texas [Mr. GOSSETT] in his protest against this communistic attempt now being made by certain elements to induce the Supreme Court of the United States to destroy the peaceful race relationships that prevail throughout the Southern States, by wiping out segregation in our schools by judicial fiat.

Every judge who votes for that proposition ought to be impeached. There is no constitutional ground for it. If the Attorney General or the Solicitor General is going to try to disturb the South in that way, he ought to be impeached. If the Supreme Court should uphold this crazy contention, it would do more harm to the honest, hard-working, law-abiding Negroes of the South than anything that has been done since the War Between the States.

It is one of the craziest propositions I have ever heard of, and I sincerely hope that the Supreme Court of the United States will uphold the Constitution and deny any such appeal.

COMMITTEE ON PUBLIC WORKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may be permitted to sit this afternoon during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include a letter on Federal aid to education.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD.

ARMY-NAVY NURSES' ACT OF 1947

Mr. DURHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5876) to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes.

The Clerk read the title of the bill.

Mr. DURHAM. Mr. Speaker, in April of 1947 the Congress passed a bill which created the Army Nurse Corps, the Navy Nurse Corps, and the Women's Medical Specialist Corps within the Army.

That bill provided that for the period of 1 year after the date of enactment nurses whose age did not exceed 35 years could be integrated into any of these three Corps, but that at the expiration of that year the integration age would automatically revert to age 28.

Both the Army and the Navy were of the opinion that these provisions would permit them to obtain an adequate number of personnel to perform the missions desired. However, after 2 years of operation under that law, the Army and the Navy found that it was impossible for them to obtain even the minimum authorized regular strength for either the Army or Navy Nurse Corps or the Women's Medical Specialist Corps of the Army. For instance, the Army Nurse Corps is authorized a minimum strength of 2,558 nurses in the Regular Establishment. The Army has failed to obtain this figure and in fact is almost 1,300 nurses below the figure. The Navy Nurse Corps is approximately 1,000 below its authorized minimum regular strength. A lesser, but comparable shortage exists in the Women's Medical Specialist Corps. Both the Army and the Navy have rather large numbers of nurses who have been on continuous active duty since the beginning of the war who were precluded from being integrated into these respective corps because they exceeded the age limitations prescribed in the original bill. The proposed legislation would, therefore, raise the present age limitation from 28 to 35, for the Women's Medical Specialist Corps of the Army. It would also raise the integration age of Army nurses from 28 to 35, plus the number of years of active duty with the Army Nurse Corps. Approximately 750 Army nurses who have been precluded from being integrated into the Army Nurse Corps would be eligible under such a provision. The age for integration of Navy nurses would be raised from 28 to 40, under the same conditions applicable to Army nurses. The age for Women's Medical Specialists would be increased from 28 to 35.

The needs of both the Army and the Navy in this respect are acute and it is hoped that Congress will take cognizance of the urgency of this situation and give speedy approval to the proposed legislation. The legislation would entail an increased annual expenditure of approximately $25,000. The reason that the increased expenditure would not be greater is the fact that most of the persons who would be integrated into the Regular Services are already on active duty with the respective Services, and no increase in expenditures would be entailed by their integration into the existing Corps.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That until a date 1 year following the date of enactment of this act, any person who possesses the qualifications prescribed in subsection 103 (b) of the Army-Navy Nurses Act of 1947, as amended, for appointment in the Army Nurse Corps or Women's Medical Specialist Corps of the Regular Army may be appointed therein in a grade determined in accordance with section 2 of this act: *Provided,* That for appointment in the Army Nurse Corps the maximum age limit for appointment shall be increased by the number of years, months, and days of active Federal service performed by such person as a commissioned officer of the Army of the United States pursuant to the act of June 22, 1944 (58 Stat. 324), or as a member, including the status of Reserve nurse, of the Army Nurse Corps created by chapter V of the act of July 9, 1918 (40 Stat. 879): *Provided further,* That in computing the total period of active commissioned Federal service of any such person who was honorably discharged or relieved from active service subsequent to May 12, 1945, there shall also be credited, but only for the purpose of determining her eligibility for appointment under the provisions of this act and for the purposes specified in subsection 105 (b) of the Army-Navy Nurses Act of 1947, as amended, the period from the date of her discharge or relief from active service to the date of her appointment in the Regular Army under the provisions of this act.

SEC. 2. The provisions of section 105 of the Army-Navy Nurses Act of 1947, as amended, shall be applicable to persons appointed under the provisions of this act. A person who is credited at the time of appointment with less than 3 years' service shall be appointed in the grade of second lieutenant; a person who is credited with three or more years' service but less than 7 years' service shall be appointed in the grade of first lieutenant; a person who is credited with seven or more years' service shall be appointed in the grade of captain.

SEC. 3. The Army-Navy Nurses Act of 1947, as amended, is hereby further amended as follows:

(a) By amending the last two sentences of subsection (a) of section 102 to read as follows: "The authorized strength of the Women's Medical Specialist Corps, Regular Army, shall be in the ratio of nine-tenths of a member thereof to every 1,000 persons in the total authorized strength of the Regular Army, but not less than a minimum authorized strength of 409 officers in permanent commissioned grades. Not to exceed 5 percent of the authorized commissioned strength may be in the permanent commissioned grade of major and the remainder of such authorized commissioned strength shall be in permanent commissioned grades of captain to second lieutenant, inclusive."

(b) By deleting in section 104 the proviso thereto.

(c) By amending section 107 to read as follows:

"SEC. 107. (a) Officers of the Army Nurse Corps and Women's Medical Specialist Corps, Regular Army, shall be promoted to the permanent grade of first lieutenant upon the completion of the length of service now or hereafter prescribed for promotion of promotion-list officers to the grade of first lieutenant.

"(b) The Secretary of the Army shall prescribe the authorized number of officers in the grade of captain in the Army Nurse Corps and in the Women's Medical Specialist Corps. Officers of the Army Nurse Corps and Women's Medical Specialist Corps, Regular Army, shall be promoted to the permanent grade of captain or eliminated from the active list of such corps upon second failure of promotion to the grade of captain and awarded severance pay if so eliminated in the same manner as is prescribed by law for officers whose names are carried on the Army promotion list. Authorized numbers in the grade of captain in these corps may be exceeded when necessary in order that officers selected and recommended for promotion to that grade may be promoted upon completion of 7 years' service even though no vacancies exist in the authorized numbers in such grade in the same manner as is prescribed for officers whose names are carried on the Army promotion list.

"(c) Promotion of officers of the Army Nurse Corps to the permanent grades of major and lieutenant colonel, and of the Women's Medical Specialist Corps to the permanent grade of major, shall be by selection to fill vacancies in these grades under regulations prescribed by the Secretary of the Army."

(d) By amending section 108 as follows:

(a) In the ultimate proviso of subsection 108 (a) delete "regardless of the years of service completed" and insert after "if her permanent grade is major or higher," the following "or after 20 years' active Federal service in the armed forces of the United States, whichever is later."

(b) Changing subsection (b) of section 108 to read as follows: "Unless entitled to higher rank or pay under any provision of law, each commissioned officer who shall have served for 2½ years or more as Chief of the Army Nurse Corps, Regular Army, or as Chief of the Women's Medical Specialist Corps, Regular Army, or as Assistant Chief of the Women's Medical Specialist Corps, Regular Army, may, in the discretion of the President, be retired with the rank held by her while so serving, and shall receive retired pay at the rate prescribed by law, computed on the basis of the base and longevity pay which she would receive if serving on active duty with such rank, and if thereafter recalled to active service, shall be recalled in such rank and shall constitute an additional number therein: *Provided,* That the commissioned officer first appointed as Chief of the Army Nurse Corps and the commissioned officer first appointed as Chief of the Women's Medical Specialist Corps, pursuant to this act, shall, without limitation as to the time they shall serve in such capacities, upon retirement be retired with the rank held while so serving, and shall receive retired pay at the rate prescribed by law, computed on the basis of the base and longevity pay they would receive if serving on active duty with such rank."

(e) By deleting subsection (c) of section 108.

(f) By amending section 110 to read as follows:

"SEC. 110. Except for the purpose of determining a person's grade, rank, and right to promotion in the Regular Army (see sec. 105 (b) hereof), in computing years of active Federal military service for all purposes of any person, there shall be credited active military service in the Army Nurse Corps and in the Navy Nurse Corps, active military service rendered pursuant to an appointment under the provisions of the act of December 22, 1942 (56 Stat. 1072), and active military service rendered pursuant to an appointment under the act of June 22, 1944 (58 Stat. 324), and active full-time service with the Medical Department of the

War Department as a civilian employee (except as a student or apprentice) in the dietetic or physical therapy categories rendered subsequent to April 6, 1917, or in the occupational therapy category prior to her appointment in any of the corps established by title I of this act."

(g) By amending subsection (a) of section 207 to read as follows:

"(a) Each commander and lieutenant commander of the Nurse Corps who attains the age of 55 years and each lieutenant or officer of lower grade of such corps who attains the age of 50 years may be retired by the Secretary of the Navy on the first day of the month following that in which she attains such age or completes 25 years' active service as prescribed in subsection (h) of this section, whichever is later, or on the first of a month subsequent to such date. An officer retired pursuant to this subsection shall be placed upon the retired list with the highest rank, permanent or temporary, in which she served satisfactorily while on active duty. In any case where, as determined by the Secretary of the Navy, any such officer has not performed satisfactory duty in the highest rank held by her while on active duty, she shall be placed on the retired list with the next lower rank in which she has served satisfactorily but not lower than her permanent rank."

(h) By deleting in the first sentence of subsection (c) of section 207 the words "advanced to" and substituting in lieu thereof the words "placed on the retired list with."

(i) By amending subsection (d) of section 207 to read as follows:

"(d) An officer of the Nurse Corps retired other than by reason of physical disability incurred in line of duty shall, if placed on the retired list in her permanent rank, receive retired pay at the rate of 2½ percent of the active-duty pay to which entitled at the time of retirement multiplied by the number of years of service for which entitled to credit in the computation of her active-duty pay, not to exceed a total of 75 percent of said active-duty pay."

(j) By deleting in subsection (g) of section 207 "(c) and (g)" and substituting in lieu thereof "(d) and (f)."

(k) By amending subsection (b) of section 208 to read as follows:

"(b) In addition to that service to which they may otherwise be entitled for all pay purposes, officers of the Nurse Corps shall be entitled for such purposes to credit for all periods during which they held appointments as nurses in the Regular or Reserve Nurse Corps of the Army, Navy, or Public Health Service."

(l) By deleting in the proviso to section 211 the words "thirty-five" and substituting in lieu thereof the word "forty."

SEC. 4. Each member of the Navy Nurse Corps heretofore retired under any provisions of law shall be advanced on the retired list to the highest grade or rank, relative or commissioned, in which she served satisfactorily on active duty, as determined by the Secretary of the Navy, during the period July 24, 1941, to June 30, 1946, whichever is higher, and shall receive retired pay at the rate prescribed by law computed on the basis of the base and longevity pay which she would receive if serving on active duty in such grade or with such relative or commissioned rank. The provisions of this section shall become effective on the first day of the first calendar month following its enactment, and no back pay for any period prior thereto shall accrue by reason of its enactment.

With the following committee amendments:

On page 8, line 6, substitute the letter "(e)" for "(c)."

On page 9, following line 7, add the following new section:

"SEC. 5. The provisions of this act relating to the Army and the personnel and organizations thereof shall be equally applicable to the Air Force and the comparable personnel and organizations thereof, except that that portion of the amendment to subsection (a) of section 102 of the Army-Navy Nurses Act of 1947 set forth in section 3 (a) hereof relating to the minimum authorized officer strength of the Women's Medical Specialist Corps, Regular Army, shall in the case of the comparable organization of the Air Force, be not less than 53."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIQUIDATION OF THE TRUSTS UNDER TRANSFER AGREEMENTS WITH STATE RURAL REHABILITATION CORPORATIONS

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 382, Rept. No. 1390), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2392), to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment, for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1386)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 10, 11, 14, 15, 16, 19, 20, 24, 26, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 43, 44, 45, 46, 48, 52, 57, 58, 59, 64, 65, 67, 68, 70, 72, 80, 83, 90, and 92.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 9, 21, 22, 23, 42, 50, 53, 54, 56, 60, 61, 63, 66, 69, 75, 78, 79, 82, 85, 86, 88, and 89, and agree to the same.

Amendment number 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$80,000,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$124,675"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,635,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,400,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,336,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,070,000"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "634"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 7, 12, 13, 17, 18, 25, 27, 51, 55, 62, 71, 73, 74, 76, 77, 81, 84, 87, 91, 93, 94, 95, 96, 97, 99, and 100.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

ELMER THOMAS,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOSEPH C. O'MAHONEY,
CHAN GURNEY,
STYLES BRIDGES,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security

Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

OFFICE OF THE SECRETARY OF DEFENSE

Amendment No. 1 authorizes the purchase of five, including one at not to exceed $3,000, automobiles, as proposed by the Senate, instead of four as proposed by the House.

Amendment No. 2 authorizes an appropriation of $11,450,000 for salaries and expenses, as proposed by the Senate, instead of $9,000,000 as proposed by the House.

Amendment No. 3, relating to transfer of appropriations, is reported in disagreement.

Amendment No. 4, relating to retired pay, appropriates $180,000,000 as proposed by the House instead of $190,780,000 as proposed by the Senate

DEPARTMENT OF THE ARMY

Amendment No. 5, relating to field exercises, appropriates $6,000,000 as proposed by the House instead of $2,500,000 as proposed by the Senate.

Amendment No. 6, relating to pay of the Army, appropriates $1,448,350,000 as proposed by the House instead of $1,453,350,000 as proposed by the Senate.

Amendment No. 7, relating to pay of the Army, is reported in disagreement.

Amendment No. 8, relating to travel of the Army, appropriates $80,000,000 instead of $77,000,000 as proposed by the House and $85,692,000 as proposed by the Senate.

Amendment No. 9, relating to apprehension of deserters, strikes out language as proposed by the Senate.

Amendment No. 10, relating to Finance Service, appropriates $28,500,000 as proposed by the House instead of $28,743,000 as proposed by the Senate.

Amendment No. 11, relating to subsistence of the Army, appropriates $255,000,000 as proposed by the House instead of $274,858,000 as proposed by the Senate.

Amendment No. 12, relating to procurement of food, is reported in disagreement.

Amendment No. 13, relating to purchase of food from the Commodity Credit Corporation, is reported in disagreement.

Amendment No. 14, relating to regular supplies of the Army, appropriates $115,000,000 as proposed by the House instead of $125,030,000 as proposed by the Senate.

Amendment No. 15, relating to clothing and equipage, appropriates $192,000,000 as proposed by the House instead of $207,533,000 as proposed by the Senate.

Amendment No. 16, relating to incidental expenses of the Army, appropriates $104,900,000 as proposed by the House instead of $107,286,000 as proposed by the Senate.

Amendment No. 17, relating to Transportation Service, Army, is reported in disagreement.

Amendment No. 18, relating to Transportation Service, Army, is reported in disagreement.

Amendment No. 19, relating to Signal Service of the Army, appropriates $200,000,000 as proposed by the House instead of $207,390,000 as proposed by the Senate.

Amendment No. 20, relating to Engineer Service, appropriates $125,000,000 as proposed by the House instead of $128,925,000 as proposed by the Senate.

Amendment No. 21, relating to barracks and quarters, appropriates $187,732,269 as proposed by the Senate instead of $188,670,000 as proposed by the House.

Amendment No. 22, relating to barracks and quarters, authorizes $9,300,000 of 1947 funds to remain available until June 30, 1950, as proposed by the Senate instead of $7,300,000 as proposed by the House for the same purpose.

Amendment No. 23, relating to military construction, appropriates $85,706,120 as proposed by the Senate instead of $86,737,000 as proposed by the House.

Amendment No. 24, relating to Ordnance Service and Supplies, appropriates $730,000,000 as proposed by the House instead of $757,852,000 as proposed by the Senate.

Amendment No. 25, relating to Ordnance Service and Supplies, is reported in disagreement.

Amendment No. 26, relating to Chemical Service, appropriates $35,000,000 as proposed by the House instead of $36,301,000 as proposed by the Senate.

Amendment No. 27, relating to the National Board for Promotion of Rifle Practice, is reported in disagreement.

Amendment No. 28, relating to the same subject as No. 27, appropriates $272,500 as proposed by the House instead of $160,000 as proposed by the Senate.

Amendment No. 29, relating to salaries, Adjutant General's Office, appropriates $10,300,000 as proposed by the House instead of $10,520,000 as proposed by the Senate.

Amendment No. 30, relating to salaries, Office of the Judge Advocate General, appropriates $600,000 as proposed by the House instead of $620,000 as proposed by the Senate.

Amendment No. 31, relating to salaries, Office of the Quartermaster General, appropriates $7,200,000 as proposed by the House instead of $7,303,000 as proposed by the Senate.

Amendment No. 32, relating to salaries, Office of the Chief of Transportation, appropriates $3,000,000 as proposed by the House instead of $3,006,000 as proposed by the Senate.

Amendment No. 33, relating to salaries, Office of Chief of Engineers, appropriates $4,000,000 as proposed by the House instead of $4,035,000 as proposed by the Senate.

Amendment No. 34, relating to salaries, Office of the Chief of Ordnance, appropriates $4,300,000 as proposed by the House instead of $4,318,000 as proposed by the Senate.

Amendment No. 35, relating to salaries, Office of the Chief of Chaplains, appropriates $124,675 instead of $129,000 as proposed by the House and $106,000 as proposed by the Senate.

Amendment No. 36, relating to contingent expenses, appropriates $9,000,000 as proposed by the House instead of $9,065,000 as proposed by the Senate.

DEPARTMENT OF THE NAVY

Amendment No. 37, relating to miscellaneous expenses, appropriates $4,300,000 as proposed by the House instead of $4,342,600 as proposed by the Senate.

Amendment No. 38, relating to contingencies of the Navy, appropriates $17,500,000 as proposed by the House instead of $17,634,000 as proposed by the Senate.

Amendment No. 39, relating to Naval Petroleum Reserves, appropriates $9,500,000 as proposed by the House instead of $10,000,000 as proposed by the Senate.

Amendment No. 40, relating to contingent expenses, appropriates $1,635,000 instead of $1,100,000 as proposed by the House and $1,685,000 as proposed by the Senate.

Amendment No. 41, relating to salaries, Office of the Secretary, appropriates $4,400,000 instead of $4,321,000 as proposed by the House and $4,600,000 as proposed by the Senate.

Amendment No. 42, relating to the Hydrographic Office, appropriates $4,466,000 as proposed by the Senate instead of $4,145,000 as proposed by the House.

Amendment No. 43, relating to salaries, Office of the Chief of Naval Operations, appropriates $1,477,500 as proposed by the House instead of $1,515,000 as proposed by the Senate.

Amendment No. 44, relating to salaries, Office of Chief of Naval Communications, appropriates $608,000 as proposed by the House instead of $645,000 as proposed by the Senate.

Amendment No. 45, relating to salaries, Office of the Judge Advocate General, appropriates $335,700 as proposed by the House instead of $381,000 as proposed by the Senate.

Amendment No. 46, relating to research, appropriates $43,100,000 as proposed by the House instead of $43,106,000 as proposed by the Senate.

Amendment No. 47, relating to salaries, Office of Naval Research, appropriates $1,336,000 instead of $1,285,000 as proposed by the House and $1,400,000 as proposed by the Senate.

Amendment No. 48, relating to transportation and recruiting, appropriates $32,000,000 as proposed by the House instead of $32,900,000 as proposed by the Senate.

Amendment No. 49, relating to general expenses, Bureau of Naval Personnel, appropriates $2,070,000 instead of $2,000,000 as proposed by the House and $2,193,000 as proposed by the Senate.

Amendment No. 50, relating to salaries, Bureau of Naval Personnel, appropriates $5,825,000 as proposed by the Senate instead of $5,500,000 as proposed by the House.

Amendment No. 51, relating to the employee in charge of the Naval Academy Section of the Bureau of Naval Personnel, is reported in disagreement.

Amendment No. 52, relating to maintenance, Bureau of Ships, appropriates $357,500,000 as proposed by the House instead of $358,023,000 as proposed by the Senate.

Amendment No. 53, relating to the construction of ships, appropriates $157,104,000 as proposed by the Senate instead of $168,000,000 as proposed by the House.

Amendment No. 54, relating to the construction of ships, provides contract authority of $85,748,000 as proposed by the Senate instead of $15,000,000 as proposed by the House.

Amendment No. 55, relating to transfer of contract authority in connection with the construction of ships, is reported in disagreement.

Amendment No. 56, relating to the construction of ships, provides that total obligations incurred during the fiscal year 1950 shall not exceed $101,732,000 as proposed by the Senate instead of $18,700,000 as proposed by the House.

Amendment No. 57, relating to construction and machinery, appropriates $38,000,000 as proposed by the House instead of $38,136,000 as proposed by the Senate.

Amendment No. 58, relating to salaries, Bureau of Ships, appropriates $6,700,000 as proposed by the House instead of $6,775,000 as proposed by the Senate.

Amendment No. 59, relating to ordnance and ordnance stores, appropriates $220,000,000 as proposed by the House instead of $226,385,000 as proposed by the Senate.

Amendment No. 60, relating to ordnance for new construction, appropriates $62,657,000 as proposed by the Senate instead of $66,604,000 as proposed by the House.

Amendment No. 61, relating to ordnance for new construction, provides contract authority of $76,571,000 as proposed by the Senate instead of $32,000,000 as proposed by the House.

Amendment No. 62, relating to transfer of contract authority in connection with ordnance for new construction, is reported in disagreement.

Amendment No. 63, relating to ordnance for new construction, provides that total obligations incurred during the fiscal year 1950 shall not exceed $80,348,000 as proposed by the Senate instead of $33,600,000 as proposed by the House.

Amendment No. 64, relating to armor, armament, and ammunition, appropriates $70,000,000 as proposed by the House instead of $70,014,000 as proposed by the Senate.

Amendment No. 65, relating to subsistence, appropriates $102,000,000 as proposed by the House instead of $110,814,000 as proposed by the Senate.

Amendment No. 66, relating to maintenance Bureau of Supplies and Accounts, appropriates $217,384,000 as proposed by the Senate instead of $220,000,000 as proposed by the House.

Amendment No. 67, relating to fuel, appropriates $65,000,000 as proposed by the House instead of $69,000,000 as proposed by the Senate.

Amendment No. 68, relating to maintenance, Bureau of Yards and Docks, appropriates $153,000,000 as proposed by the House instead of $156,833,000 as proposed by the Senate.

Amendment No. 69, relating to public works, inserts a citation, as proposed by the Senate.

Amendment No. 70, relating to public works, appropriates $52,000,000 as proposed by the House instead of $53,210,000 as proposed by the Senate.

Amendment No. 71, relating to transfer authority in connection with the appropriation "Aviation, Navy," is reported in disagreement.

Amendment No. 72, relating to general expenses of the Marine Corps, appropriates $125,200,000 as proposed by the House instead of $126,900,000 as proposed by the Senate.

DEPARTMENT OF THE AIR FORCE

Amendment No. 73, relating to contract authority for construction of aircraft and related procurement, is reported in disagreement.

Amendment No. 74, relating to special procurement, is reported in disagreement.

Amendment No. 75, inserts a citation, as proposed by the Senate.

Amendment No. 76, relating to transfer of funds by the Secretary of Defense, is reported in disagreement.

Amendment No. 77, relating to maintenance and operations, is reported in disagreement.

Amendment No. 78, relating to type of discharges, strikes out language as proposed by the Senate.

Amendment No. 79, relating to military personnel requirements, appropriates $1,201,000,000 as proposed by the Senate instead of $1,263,623,000 as proposed by the House.

Amendment No. 80, relating to transfer of funds for pay of the Army, deletes the proposal of the Senate.

Amendment No. 81, relating to research and development, is reported in disagreement.

Amendment No. 82, relating to salaries and expenses, administration, appropriates $58,425,000 as proposed by the Senate instead of $59,870,000 as proposed by the House.

Amendment No. 83, relating to contingencies, appropriates $15,200,000 as proposed by the House instead of $14,467,000 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 84, relating to pay and allowances for the National Guard and Reserve forces, is reported in disagreement.

Amendment No. 85, corrects language, as proposed by the Senate.

Amendment No. 86, relating to pay and allowances, includes "Naval Reserve, or Marine Corps Reserve", as proposed by the Senate.

Amendment No. 87, relating to rental and quarters allowances, is reported in disagreement.

Amendment No. 88, relating to construction of family quarters, inserts language as proposed by the Senate.

Amendment No. 89, relating to the construction of family quarters, inserts limitations as proposed by the Senate.

Amendment No. 90, relating to the construction of family quarters, restores language proposed by the House and strikes out language proposed by the Senate.

Amendment No. 91, relating to contract renegotiation, is reported in disagreement.

Amendment No. 92, relating to procurement of civilian physicians, dentists and nurses, deletes language proposed by the Senate.

Amendment No. 93, relating to civilian employment in the Republic of Panama, is reported in disagreement.

Amendment No. 94, relating to civilian employment, is reported in disagreement.

Amendment No. 95, relating to one-year enlistees, is reported in disagreement.

Amendment No. 96, relating to small business, is reported in disagreement.

Amendment No. 97, relating to purchases for public use within the United States, is reported in disagreement.

Amendment No. 98 corrects a section number.

Amendment No. 99, relating to rescissions, including stockpiling funds, is reported in disagreement.

Amendment No. 100, relating to reductions of certain appropriations carried in the bill, is reported in disagreement.

AMENDMENTS IN DISAGREEMENT

The following amendments are reported in disagreement:

Office of the Secretary of Defense

Amendment No. 3: Relates to the transfer of appropriations in cases where functions or activities are transferred under authority of law. The House managers will move to recede and concur.

Department of the Army

Amendment No. 7: Relates to the transfer of a portion of the appropriation for Pay of the Army. The House managers will move to recede and concur with an amendment.

Amendment No. 12: Relates to the procurement of food or clothing not produced in the United States or its possessions. The House managers will move to recede and concur.

Amendment No. 13: Relates to the purchase of certain articles from the Commodity Credit Corporation. The House managers will move to recede and concur with an amendment.

Amendment No. 17: Relates to continuing available for another year $32,000,000 of the 1949 appropriation "Transportation service, Army". The House managers will move to recede and concur.

Amendment No. 18: Relates to the transfer of vessels. The House managers will move to recede and concur.

Amendment No. 25: Relates to continuing available until June 30, 1950 $5,000,000 of the appropriation "Ordnance service and supplies, Army", 1942-1946. The House managers will move to recede and concur.

Amendment No. 27: Relates to the expenses of a team to represent the United States in Argentina in international rifle matches. The House managers will move to recede and concur.

Department of the Navy

Amendment No. 51: Relates to the compensation of the employee in charge of the Naval Academy section of the Bureau of Naval Personnel. The House managers will move to recede and concur.

Amendment No. 55: Relates to a transfer of contract authority under the appropriation for construction of ships. The House managers will move to recede and concur.

Amendment No. 62: Relates to a transfer of contract authority under the appropriation for ordnance for new construction. The House managers will move to recede and concur.

Amendment No. 71: Relates to a transfer of contract authority under the appropriation for Aviation, Navy. The House managers will move to recede and concur.

Department of the Air Force

Amendment No. 73: Relates to contract authority for construction of aircraft and related procurement. The House managers will move to insist upon disagreement.

Amendment No. 74: Relates to special procurement. The House managers will move to insist upon disagreement.

Amendment No. 76: Relates to the transfer of not to exceed $50,000,000 of the appropriation for Acquisition and Construction of Real Property. The House managers will move to recede and concur.

Amendment No. 77: Relates to maintenance and operation. The House managers will move to insist upon disagreement.

Amendment No. 81: Relates to research and development. The House managers will move to insist upon disagreement.

General provisions

Amendment No. 84: Relates to pay and allowances. The House managers will move to recede and concur.

Amendment No. 87: Relates to the occupancy of housing quarters. The House managers will move to recede and concur with an amendment.

Amendment No. 91: Relates to the renegotiation of contracts. The House managers will move to recede and concur with an amendment.

Amendment No. 93: Relates to the employment of civilian personnel in the Republic of Panama. The House managers will move to recede and concur with an amendment.

Amendment No. 94: Relates to civilian employment. The House managers will move to recede and concur with an amendment.

Amendment No. 95: Relates to one-year enlistees. The House managers will move to recede and concur with an amendment.

Amendment No. 96: Relates to small business. The House managers will move to recede and concur with an amendment.

Amendment No. 97: Relates to purchases within the United States. The House managers will move to recede and concur with an amendment.

Amendment No. 99: Relates to the rescission of contract authority for acquisition of strategic materials. The House managers will move to insist on disagreement.

Amendment No. 100: Relates to rescission of various amounts of certain appropriations carried in the bill. The House managers will move to recede and concur with an amendment.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I should like to say with respect to this conference report on the appropriation bill for the Military Establishment, speaking for all the members of the subcommittee as well as myself, that I begin with this premise, that the United States must maintain a strong Military Establishment and pay the inevitable price for it if there is to be a reasonable hope of preserving peace and preventing war. That has been in the background of our thinking as we have considered this bill.

Let me now take a moment to give a brief history of the bill. The House passed the bill on the 13th day of April 1949. The other body passed the bill on the 29th of August. Today, of course, is October 10, and much of the fiscal year has already elapsed.

When the bill passed the House it carried in total appropriations and in cash authority about $15,900,000,000. The Senate took the following action with respect to the bill. All items in the bill practically without exception were restored to the budget estimates by the other body, and the work of the House was written off, so to speak. Then on the final page of the bill, in section 702, the other body instructed the Secretary of Defense to reduce appropriations by $434,000,000.

A further significant action taken in the other body has to do with stock piling and with the Air Force. The other body inserted certain restrictive language and a reduction of $275,000,000 in the funds for stock piling, in the form of a rescission.

The other body struck out the action of the House in providing for the 58-group air force, reducing the program to a 48-group program. We are not in agreement as to stock piling and as to the Air Force. I shall not discuss those two major items at this time. We can discuss those, and I will yield time for that purpose, as we reach them in the conference report.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield, so that the House will be clear about the stock-piling item?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true that this is a rescission of funds heretofore appropriated by this, Eighty-first Congress, for stock piling, and the amount is $275,000,000?

Mr. MAHON. That is right. There was no reference in the House bill to the stock piling because, a few weeks before the bill passed the House, the House and Senate had passed the Treasury appropriation bill which carried appropriations for stock piling.

Mr. CANFIELD. It was a unanimous approach by both committees and was approved by both Houses?

Mr. MAHON. Yes, I believe the stock-piling program was unanimously approved by the House.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. McCORMACK. The question of stock piling is a matter of vital importance to the defense of our country.

Mr. MAHON. It is. We have some special discussion on that which I think the House should have, when we enter that phase. But we are now considering the conference report. The bill before you, as presented in the conference report, provides for the Army $4,300,000,000. This is a reduction below the budget estimate of $225,000,000. These figures I am using are approximate figures.

The conference report provides for the Navy the sum of $4,200,000,000. But you will add to that $634,000,000 in contract authorizations for the Navy. That is in the conference report and it is not in disagreement.

Insofar as the Navy is concerned, the conference report is $118,000,000 below the budget.

This is the general picture of the conference report. However, I should like to say that the supercarrier was eliminated upon the request of the Joint Chiefs of Staff after the bill passed the House, and of course there has been a revision of the Navy's shipbuilding program. That is not in dispute in this bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. RICH. The gentleman made the statement, I believe, that the bill when it left the House was for $16,400,000,000.

Mr. MAHON. I do not recall that figure. When the bill left the House it was for the sum of $15,900,000,000, including contract authority.

Mr. RICH. What did the bill provide after it left the other body?

Mr. MAHON. The other body instructed the Secretary of Defense to make a reduction of $434,000,000.

Mr. RICH. That is, less than the House bill?

Mr. MAHON. No; not less than the House bill, but less than the President's budget. In other words, the other body did not undertake to reduce individual items, even though it was apparent those items could be reduced. The other body used the mechanism of a final paragraph in the bill instructing the Secretary of Defense to make reductions wherever he might desire in the sum of $434,000,000. Generally speaking, the other body restored the budget figures for the bill, eliminating the House reductions and then instructed the Secretary of Defense to make the reduction of $434,000,000.

Mr. RICH. Then the other body did not pass the bill until August, the House having passed the bill in April and the other body has just made a general 10-percent reduction, is that correct?

Mr. MAHON. It was not a 10-percent reduction.

Mr. RICH. It was a request for a reduction, in other words?

Mr. MAHON. It was an arbitrary reduction which was to be made not by the Congress but by the Secretary of Defense. I would like to say that the other body recedes from that position in the conference and has approved the House effort to particularize the places where the reductions are to be made.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. JOHNSON. The gentleman did not tell us what amount was provided for the Air Force. He gave us the other two figures.

Mr. MAHON. We are going to discuss the Air Force figure, which is in disagreement, when we have approved the conference report. On the desk is a statement as to the figure for the Air Force on the 58-group program and the 48-group program, which is available to anyone who may want the specific figures. They are very complicated.

Mr. JOHNSON. Could the gentleman give us the one figure which is uncontested?

Mr. MAHON. It all depends on what you do with the 58-group air force.

Mr. JOHNSON. Well, without that.

Mr. MAHON. If you have the 58-group air force the over-all total in the bill will be $15,500,000,000, and if you do not have it it will be $14,800,000,000.

Mr. JOHNSON. Well, I want the larger Air Force.

Mr. MAHON. Yes; the gentleman's support of a strong Air Force is well known in the Congress.

Mr. Speaker, I would like to say that over $400,000,000 in economies are effected in this bill. They have been specified. The committee is anxious to make any reductions insofar as the establishment is concerned, which will prevent duplications and prevent wastage. But the House has taken the position that our original position with reference to the strength of the military services should be upheld.

SUMMARY

I should now like to summarize my statement and give certain figures—approximate figures only.

The House and Senate have adjusted most of the differences in the bill for the National Military Establishment. The two major items of controversy are, first, 48 versus 58 groups for the United States Air Force. The House bill provided for 58 groups; second, the Senate inserted language in the report prohibiting long-range contracts for the purchase of strategic materials abroad and rescinded $275,000,000 for stock piling heretofore approved by the Congress and the President.

The grand total of the bill for the Army, Navy, and Air Force if the Senate bill on 48 air groups is approved will be $480,000,000 below the budget.

If House figure on 58 air groups is approved, the total in the bill will be $300,000,000 below the budget in cash, but when contract authority is added, the grand total of the bill will be $261,000,000 above the budget.

In other words, the grand total under Senate program is $12,700,000,000 and under House program $12,900,000,000, all cash. When contract authorization is included the Senate bill would be $14,800,000,000, House bill $15,500,000,000.

The Senate program provides for 48 groups and 1,400 new Air Force planes.

The House program provides for 58 groups and 1,800 new planes—10 more groups and 400 more new planes.

Total cash in the bill under 48 air group program for each of the three services:

Army: $4,300,000,000.

Navy: $4,200,000,000 ($4,900,000,000, including contract authority).

Air Force: $3,900,000,000 ($5,300,000,000, including contract authority).

Under the House 58-group program the figures would be:

Army: $4,300,000,000.

Navy: $4,200,000,000 ($4,900,000,000, including contract authority).

Air Force: $4,000,000,000 ($6,000,000,000, including contract authority).

Mr. Speaker, I reserve the balance of my time and yield 5 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Speaker, what I am concerned about in this bill is section 702, which was inserted by the other body.

The House had made cuts of approximately $169,000,000 on various items which, of course, does not include the increase for the 58-group air force. We made those cuts based on decreases in prices of food, clothing, and so forth. We went over each item very carefully. We were in session from January until the time the bill was passed, which was April 13. The record consists of nearly 3,000 pages. Never in the years I have been a member of the Appropriations Committee have I seen a record which had less surplusage in it than this record had. Every line meant something. We worked hard for 3 months on the bill. When we passed it we could justify every cut we had made. Every cut was made based upon facts and upon reason. With one swoop of the pen the other body wiped out every cut we made. It restored the budget estimate on every cut, the entire $169,000,000, and then placed in the bill section 702, which gives the Secretary of National Defense blanket authority to cut $434,000,000 off the bill, wherever he saw fit to cut it.

I take the position, Mr. Speaker, that the Constitution placed in the hands of the House the right and the authority and responsibility of originating appropriation bills. That authority and power was placed there because of the fact that we had to report back to our constituents every 2 years, and if we spent too much money or did not do what they wanted they could put someone else in our place. I have taken the position that authority belongs to the House; that it is absolutely unconstitutional to delegate that authority to the Secretary of National Defense, to make these cuts that we should make.

When the Secretary of National Defense appeared before our committee I questioned him very closely. Here is some of the testimony:

Mr. ENGEL. The way it stands now is this: Outside of the cut of $169,000,000 made by the House, the balance of the $434,000,000 represents merely a guess as to what you are going to do. Is that approximately correct?

Mr. MCNEIL. It is more than a guess, sir, I believe, because it is a mandatory requirement.

Mr. ENGEL. But as to the figures, the balance represented by the difference between $169,000,000 and $434,000,000, as to that there are no firm justifications behind the cut, except what you think you can do.

Mr. MCNEIL. That is correct, sir.

Secretary JOHNSON. No.

Mr. MCNEIL. Except that in many of these areas we could reach that figure, but we do not know from which pot of money the reduction will be taken.

Secretary JOHNSON. No. But there is going to be an absolutely firm justification for every one of these cuts. When we have arrived at the point where the principle has been established, even when we put the combination or coordination, whatever it is, into effect, eliminate the duplications, and have one where there were two or three, we will know there are going to be savings.

In other words, he does not know where he is going to make the cuts. If you give him that authority, he can take it out of any branch of the service he may see fit. He may reduce the Air Force to any amount he wants to. He can eliminate portions of the Navy or the Army. I say that is the responsibility of the Congress and not the Secretary of National Defense. That is the principal difference between Secretary of National Defense Johnson and myself. I have always assumed my share of the responsibility placed upon our subcommittee by the House, and the House has assumed the responsibility placed upon it by the Constitution. We have defended the position of the House time and again that it is the right of the House to originate these appropriations, and when you concede that then you have conceded everything that the Constitution placed in there—the power of making appropriations.

The SPEAKER. The time of the gentleman from Michigan [Mr. ENGEL] has expired.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. MAHON. Mr. Speaker, on several of the amendments in the bill the House managers will move to recede and concur in the Senate amendments. I therefore ask unanimous consent that the House may consider en bloc the following amendments of the Senate numbered 3, 12, 17, 18, 25, 27, 51, 55, 62, 71, 76, and 84.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk will report the indicated amendments in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 3, line 24, insert ": *Provided*, That, during the current fiscal year, whenever under authority of law, any function or activity is transferred or assigned from the Departments of the Army, Navy, or Air Force to an agency for which funds are provided under this appropriation, such amounts as may be approved by the Director of the Bureau of the Budget may be transferred to this appropriation from the current appropriation or appropriations available to those Departments for the function or activity so transferred."

Senate amendment No. 12: Page 14, line 16, after the word "Products" insert ": *Provided further*, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of the Army shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing grown or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and without unduly increasing future United States market prices and except procurements by vessels in foreign waters and emergency procurements or procurements of highly perishable foods by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto."

Senate amendment No. 17: Page 19, line 7, after the word "*Provided*" insert "$332,000,000: *Provided*, That $32,000,000 of the unexpended balance of the appropriation 'transportation service, Army, 1949,' shall remain available until June 30, 1950, and shall be merged with the appropriation 'Transportation service, Army,' made by this act."

Senate amendment No. 18: Page 19, line 18, after the word "procure" insert the following: ": *Provided further*, That vessels under the jurisdiction of the Maritime Commission, the Department of the Army, or the Department of the Navy may be transferred or otherwise made available without reimbursement to any of such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned."

Senate amendment No. 25: Page 29, line 4, after the date "1949" insert the following: ": *Provided further*, That the sum of $5,000,000 of the appropriation 'Ordnance service and supplies, Army,' 1942–46, shall remain available until June 30, 1950, for the payment of obligations incurred under contracts executed thereunder prior to July 1, 1946."

Senate amendment No. 27: Page 42, line 14, after the word "competitions" insert the following: "(no more than $10,000 of which shall be available for incidental expenses, including travel of a team representing the United States at the international matches to be held in Argentina in the calendar year 1949."

Senate amendment No. 51: Page 55, line 23, insert the following: ", and the compensation of the employee in charge of the Naval Academy Section shall be as to base in accordance with the rates applying to grade 14 of the clerical, administrative, and fiscal services so long as the position is held by the present incumbent."

Senate amendment No. 55: Page 58, line 19, after the figure "$84,748,000" insert the following: ", of which $70,748,000 represents a transfer of contract authority granted under this head in the 1949 Department of the Navy Appropriation Act."

Senate amendment No. 62: Page 60, line 9, after the figure "$76,571,000"; insert the following: ", of which $44,571,000 represents a transfer of contract authority granted under this head in the 1949 Department of the Navy Appropriation Act."

Senate amendment No. 71: Page 66, line 25, insert the following: "and, in addition, not to exceed $20,000,000 of the appropriations for the Department of the Navy made by this Act shall be transferred from such appropriations in this Act as the Secretary of Defense may determine and be merged with this appropriation for the purposes of this appropriation."

Senate amendment No. 76: Page 71, line 4, after the figure "$5,445,000" insert the following: ", and in addition, not to exceed $50,000,000 of the appropriations for the Department of the Air Force made by this Act may, in the discretion of the Secretary of Defense, be transferred to and merged with this appropriation, to be available until expended for the foregoing purposes, or in lieu of any part thereof, contract authorizations contained in such appropriations may be utilized for the purpose hereof."

Senate amendment No. 84: page 84, line 11, after the word "section" insert the following: "or any other provision of law shall be so construed as to prevent the application of funds to the pay, allowances, or travel of any member of the Air National Guard, Air Force Reserve, Army National Guard."

Mr. MAHON. Mr. Speaker, on these amendments I move that the House recede and concur.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendments of the Senate numbered 3, 12, 17, 18, 25, 27, 51, 55, 62, 71, 76, and 84, and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 8, line 2, after the figure "$1,453,350" insert the following: ", of which not to exceed $10,000,000 may be transferred to the appropriation "Finance Service, Army, 1949", and."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment as follows: In lieu of the sum stated in said amendment insert "$47,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: Page 15, line 5, insert ": *Provided further*, That, notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any meat owned and stored by such Corporation on the date of enactment of this act which the Secretary determines to be of a satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert ": *Provided further*, That notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any food products owned and stored by such Corporation which the Secretary determines to be of a satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas."

The motion was agreed to.

Mr. MAHON. Mr. Speaker, we come now to that provision of the bill which has to do with the Air Force. There is a sharp difference of opinion between the House and the Senate conferees with respect to that item. There are several amendments in the bill, but they all work toward the same thing.

Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 73, 74, 77, and 81 relating to the size and composition of the Air Force be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 73: Page 70, line 10, strike out "$1,992,755,000" and insert "$1,415,000,000."

Senate amendment No. 74: Page 70, line 19, strike out "$134,477,000" and insert "$126,139,000."

Senate amendment No. 77: Page 73, line 4, strike out "$1,199,792,000" and insert "$1,068,864,000."

Senate amendment No. 81: Page 76, line 8, strike out "$233,000,000" and insert "$215,000,000."

Mr. MAHON. Mr. Speaker, I move that the House insist upon its disagreement to the amendments which have just been read.

The Clerk read as follows:

Mr. MAHON moves that the House insist on its disagreement to Senate amendments Nos. 73, 74, 77, and 81.

Mr. MAHON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, there is a sharp issue in the Congress with respect to what should be the size and power of the United States Air Force. Presently I do not think there is very much doubt among the people in the country at large with respect to the Air Force. The House upon several occasions has taken very definite action with respect to the so-called 70-group air force program.

Upon the recommendation of the President the House approved legislation authorizing a 70-group air force. The other body has approved that action and it has been enacted into law.

The Air Force has stated that 70 groups are essential to the peacetime defense of this country. The Finletter report recommended a 70-group air force program.

At this time we have about 48 groups. That does not mean we have 48 fully modern groups. Only a part of them are absolutely modernized.

This bill does not provide for the 70-group program. It merely provides for taking a step in that direction and creating 10 additional groups which would give us a 58-group program.

CALL OF THE HOUSE

Mr. CASE of South Dakota. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore [Mr. HARRIS]. Obviously a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 220]

Abbitt	Dawson	Harvey
Albert	Dingell	Hays, Ohio
Andresen, August H.	Dollinger	Hébert
Barden	Donohue	Heffernan
Baring	Douglas	Heller
Barrett, Pa.	Ellsworth	Hill
Barrett, Wyo.	Elston	Hoeven
Bates, Ky.	Fellows	Hoffman, Ill.
Bentsen	Fernandez	Hope
Blackney	Fisher	Huber
Bland	Flood	Jenkins
Blatnik	Fogarty	Jennings
Bonner	Forand	Jones, Mo.
Boykin	Gamble	Kearns
Buchanan	Garmatz	Keating
Buckley, N. Y.	Gary	Kennedy
Bulwinkle	Granahan	Keogh
Byrne, N. Y.	Granger	Kilburn
Byrnes, Wis.	Grant	Klein
Celler	Green	Lane
Chatham	Gregory	Larcade
Chesney	Gwinn	Lichtenwalter
Chudoff	Hall, Edwin Arthur	Lind
Clemente	Hall, Leonard W.	Lucas
Coudert	Halleck	McGrath
Cox	Harden	McSweeney
Crosser	Harrison	Mack, Ill.
Davenport	Hart	Macy
Davies, N. Y.		Mansfield
Martin, Mass.	Quinn	Marcantonio
Mason	Rains	Stanley
Morgan	Redden	Tauriello
Morrison	Reed, Ill.	Taylor
Morton	Regan	Thomas, N. J.
Multer	Ribicoff	Thornberry
Murphy	Rich	Underwood
Norblad	Richards	Walsh
Pfeifer, Joseph L.	Rivers	Walter
Pfeiffer, William L.	Rooney	Weichel
Phillips, Calif.	Roosevelt	Whitaker
Phillips, Tenn.	Sadlak	Wier
Poage	Secrest	Withrow
Powell	Shafer	Wood
Preston	Simpson, Pa.	Woodhouse
	Smathers	Worley
	Smith, Ohio	

The SPEAKER. Two hundred and ninety-nine Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

The SPEAKER. The gentleman from Texas [Mr. MAHON] has 2 minutes remaining.

Mr. MAHON. Mr. Speaker, as I was saying when the point of no quorum was made, this is a clear-cut controversy between the House and the other body with respect to air power. Members of the House have a method by which they can express their views. If the Members of the House wish to recede from the position which we have previously taken they are, of course, at liberty to do so. But the Appropriations Committee under no circumstances would retreat from the position which the committee has taken and the House has repeatedly taken; and when this vote is cast, it ought to be crystal clear to the other body and to the country how the House of Representatives feels on the question of the United States Air Force, and air power in general. As has been previously stated, the House has gone on record upon several occasions for a 70-group air force program. It is the law of the land, and it has been officially stated that a 70-group air program is essential to the peacetime defense of this country.

It is recommended in the Finletter report that we have a 70-group program. But we do not have a 70-group program. We do not even have a 48-group air force that is comp'tely modernized. What we are trying to do is build toward a 70-group program in about 1954.

It was suggested in the Finletter report that in about 1952 or 1953 another great military power might have possession of the atomic bomb.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Speaker, I yield myself 10 additional minutes.

Mr. Speaker, the timetable by reason of a recent announcement of the President with respect to the atomic bomb shows there has been a miscalculation as to when other powers might have the atomic bomb.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. SHORT. Both time and events have proved the soundness and correctness of the position so courageously

taken by the gentleman's subcommittee, also by the Members of this House.

Mr. MAHON. I thank the gentleman and I would like to say that insofar as his committee is concerned, the Committee on Armed Services, it has been unanimous in support of the 70-group program.

Mr. SHORT. We have been all along the line.

Mr. MAHON. And your committee is still supporting unequivocally the House position with respect to the 58-group program.

Mr. SHORT. We are because we think it is more needed today than a year ago or 2 years ago.

Mr. MAHON. I thank the gentleman. We have not sought to be extravagant in this bill. When we include the 58 groups the bill in cash will be below the President's budget by some $300,000,000. Apparently the services will have to absorb much of the pay increases from the funds provided in the conference report. In my opinion, the actual expenditures under this bill, including contract authorizations, will prove to be far below the budget estimates.

Mr. Speaker, I mentioned the radar screen. There are no specific funds in this bill for the radar fence, except that the Military Establishment must provide for the radar fence out of other funds appropriated. There are funds in the bill but they are to be absorbed from other appropriations for the Air Force. The radar fence is particularly important in view of recent disclosures.

There has been apparently some misunderstanding about the function of the United States Air Force. We think of it as the first line of defense, we think of it as the striking force, we think of it as a power which will retaliate quickest in the event of trouble. But the further mission of the United States Air Force is the air defense of continental United States. I see the gentleman from Washington [Mr. JACKSON] sitting here. The B–36 is not to be made, as I understand it, in his State of Washington but in the interior because we have not been able to erect the defenses that are necessary for the defense of continental United States.

Mr. JACKSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. JACKSON of Washington. May I say that the announcement was made by the Air Force a month ago that the B–47, which is the jet bomber, will not be built in Seattle because the air defenses in that area are not adequate. Our area is vulnerable to air attack because of a current lack of airplanes, radar fence, and airfields.

May I make the observation at this time that I am greatly concerned not just because of B–47 decision alone, but in addition we have in the Pacific Northwest two features crucial to national defense: The great Hanford atomic project which is so vital to the atomic-energy program and therefore to the security of this country, and the Grand Coulee Dam, which provides the power for one-half of the pig aluminum produced in the United States.

At the present time we have very few planes in the Northwest. I am told that one of the main reasons we do not have more planes in this vulnerable area is that we do not have a radar and communications system adequate to guide more planes to enemy bombers. I am not making this point just because my State is involved. I say this because the security of our country is involved. If Hanford is knocked out, if Grand Coulee is knocked out, if the Bremerton Navy Yard is knocked out, we will find ourselves in a desperate situation. I hope that this House will go along 100 percent with the gentleman's request for funds for a 58-group air force.

If the gentleman will yield further, being on the Atomic Energy Committee, I have been following this matter very closely. I will say to you gentlemen that I think we are not doing enough even with the 58-group air force and the radar screen. Even with the authorization that has been made by the Armed Services Committee we still do not have adequate funds to build the kind of screen that is necessary to protect America. I made a trip during the recess all around the Northwest inspecting our air defenses, and while we have a radar screen operating now, it is not adequate. We need to enlarge that screen to cover a greater area. We need to have a radar screen to protect North America. It will cost a lot of money.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. VINSON. As a matter of fact, in reference to the radar screen, which has been authorized, amendment No. 76 makes the Air Force absorb the $55,000,000 out of its allotment.

Mr. JACKSON of Washington. That is exactly so.

Mr. VINSON. So, as a matter of fact, while we are building up the radar screen, we are doing it at the expense of the Air Force. My point is this, that the amendment is not involved now, but since the gentleman brought it up, I think it is pertinent to say this, that authorization should be made for $50,000,000 and not charged against the balance of the money needed in the Air Force. In other words, you are reducing the Air Force $50,000,000 to build the radar screen. That is amendment No. 76.

Mr. JACKSON of Washington. I agree with the gentleman. It is my understanding that to provide only a meager radar screen we need $300,000,000. We only have $50,000,000 in this budget, and as the gentleman from Georgia has so ably pointed out, that is to come out of the over-all Air Force allotment. It is not treated as a separate item.

Mr. MAHON. The committee was interested in effecting every possible economy, and so no specific funds are included for the radar screen, but it is provided that they must be absorbed from other sources.

Mr. JACKSON of Washington. I think we ought to let the American people know that with the funds we have included in this bill, it will not do one-fourth or one-eighth of the job necessary to provide a radar screen for the United States. I think we have to go much farther than we have in this bill if we are going to provide the kind of defense necessary in light of the President's announcement of September 23.

Mr. MAHON. I am glad the gentleman brought up this matter of the continental defense of the United States. Too many people are inclined to think of the Air Force as a power that goes to the far-away places with the strangest-sounding names to make an attack, and they seem to forget that another mission, and it may be considered a primary mission of the Air Force, is to defend the continental United States. In view of the fact that another great power with long-range airplanes has the atomic bomb, or is said to have the atomic bomb, the responsibility for the continental defense of the United States is greater than ever before. It is unthinkable to me that the Congress would authorize and the President would approve a 70-group air program and then we would repudiate the action of the House and fail to support even a 58-group program, particularly in the light of recent developments.

The Air Force has an additional responsibility of grave significance to the lives of millions of people in the cities and defense establishments of this country, the responsibility of defending them against atomic attack. The funds which we provide in this bill for the Air Force are certainly little enough toward our objective to enable the Air Force to defend the United States from air attack. I would not gamble with the security of the Nation by recommending a reduction in the Air Force program.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. HOLMES. I am deeply concerned about adequate air defense of this country. In the State of Washington are located the Hanford Engineering Works and Coulee Dam and we are building the Washington side of the McNary Dam. A short distance out of that district is the Bonneville Dam. These are establishments that cannot be moved. They are essential to the entire economy of the area and would be of great importance in any war effort this country might have to face.

We are also deeply concerned about proper air defense for the Bremerton Navy Yard, for the people in Alaska, and for the Boeing facilities in Seattle—they are of extreme importance to the Northwest. It seems to me it would be penny-wise and pound-foolish if we did not undertake the most substantial program of air protection for this Nation that we can undertake at this time. In the face of the events and circumstances that have occurred in the last 2 or 3 weeks, it seems to me more necessary than ever before.

Mr. MAHON. I thank the gentleman for his contribution. Let me say that at the Clerk's table we have 300 or 400 copies of a statement which gives the figures with respect to the money in this bill for the Air Force, the Army, and

the Navy. A copy is available to anyone who is interested.

This issue is very clear-cut. It is up to the House to decide what it wants to do for the defense of the United States in the light of world conditions.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. BROWN of Ohio. I wish to congratulate the gentleman and the committee on the position they have taken, that the Congress of the United States is responsible under the Constitution for the defense of this country rather than some individual in the executive branch. The question I want to ask is perhaps somewhat general in nature. Primarily it applies, of course, to the Air Force.

We have reported out of the Rules Committee a measure for certain installations in Alaska and on Okinawa. We have also reported another bill that deals directly with air power, and that is the wind-tunnel experimental bill, the bill to be considered tomorrow.

I am wondering if those two activities will be paid for out of this large general appropriation bill that we now have before us, or if it will take additional appropriations above the approximately $15,000,000,000 contained in this bill.

Mr. MAHON. It will take additional appropriations, but I should like to say that certain construction in Alaska and Okinawa is urgently required in the interest of national security. I want to compliment the Committee on Armed Services on taking action with respect to this matter, but the appropriation will have to come in a separate bill. Savings can be effected in this bill, and certain savings will no doubt be effected here and there.

Mr. BROWN of Ohio. I agree with the gentleman's statement with reference to the Committee on Armed Services. I supported those two bills in the Rules Committee. However, it is a little difficult for some of us to understand why the Department of National Defense did not foresee the demand for these two particular activities and include them in their general request for appropriations earlier.

Mr. MAHON. Officials of the national defense department could not include them in their request for funds in this bill because legislative authorization was required before they could ask us for the funds for construction in Alaska and Okinawa. That issue has been before Congress for several months, as a matter of fact. We could have acted more promptly with respect to it, but there again an effort is being made to conserve funds where possible. However, it was decided, and I think wisely so by the Committee on Armed Services, that this work had to go forward as soon as possible.

Mr. BROWN of Ohio. But even if we do pass these two bills they are only authorization bills, and we will have to wait until next year for the appropriation to start work on this program.

Mr. MAHON. Or unless we report out a supplemental appropriation bill in the brief period of time between now and adjournment.

Mr. Speaker, I believe most Members have made up their minds with respect to this matter, and when the roll call vote comes there will be no doubt about our position.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. VINSON. The parliamentary situation is that the gentleman from Texas has made a motion that the conferees insist on the disagreement of the House.

Mr. MAHON. That is correct.

Mr. VINSON. A vote "aye" means the second-year program of the 70 air group.

Mr. MAHON. Yes, a vote "aye" means 10 more air groups for offensive use in time of war and for defensive use to protect the citizens of this country against air attack. A vote "aye" means that in this bill you will have 1,800 airplanes instead of 1,400, a difference of 10 groups, and 400 aircraft.

Mr. VINSON. A vote "no" means a reduction of some 400 airplanes from what we have authorized in the act of 1949.

Mr. MAHON. I thank the gentleman.

Mr. Speaker, I now yield 5 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, we have been given comparative figures about the cost of the 58-group air force versus the 48-group air force.

CALL OF THE HOUSE

Mr. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 221]

Abbitt	Fogarty	Lesinski
Albert	Gamble	Lichtenwalter
Andresen, August H.	Garmatz	Lind
Bailey	Gary	Lucas
Barden	Gathings	McGrath
Baring	Gilmer	McSweeney
Barrett, Pa.	Gorski, N. Y.	Mack, Ill.
Barrett, Wyo.	Granahan	Macy
Bates, Ky.	Granger	Mansfield
Bentsen	Grant	Marcantonio
Blackney	Green	Martin, Mass.
Bland	Gregory	Mason
Blatnik	Gwinn	Morgan
Bolton, Md.	Hall, Edwin Arthur	Morton
Bonner	Hall, Leonard W.	Multer
Boykin	Halleck	Murphy
Buchanan	Harden	Norblad
Buckley, N. Y.	Harris	O'Hara, Ill.
Bulwinkle	Harrison	Patten
Burke	Harvey	Pfeifer, Joseph L.
Byrne, N. Y.	Hays, Ohio	Pfeiffer, William L.
Byrnes, Wis.	Hébert	Phillips, Calif.
Celler	Heffernan	Phillips, Tenn.
Chatham	Heller	Poage
Chesney	Hill	Powell
Chudoff	Hoeven	Preston
Clemente	Hoffman, Ill.	Quinn
Coudert	Huber	Redden
Crosser	Irving	Reed, Ill.
Davenport	Jenkins	Regan
Davies, N. Y.	Jennings	Ribicoff
Deane	Kearns	Rich
Dingell	Keating	Richards
Dollinger	Kennedy	Rivers
Donohue	Keogh	Rooney
Douglas	Kilburn	Roosevelt
Ellsworth	Klein	Sadlak
Elston	Lane	Secrest
Fellows	Larcade	Shafer
Flood	Lesinski	Lichtenwalter
Simpson, Pa.	Teague	Welchel
Smathers	Thomas, N. J.	Whitaker
Smith, Ohio	Thornberry	White, Idaho
Stanley	Underwood	Wier
Stigler	Velde	Withrow
Tackett	Vursell	Wood
Tauriello	Walsh	Woodhouse
Taylor	Walter	Worley

The SPEAKER pro tempore (Mr. PRIEST). On this roll call 288 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. SIKES. Mr. Speaker, the distinguished chairman of the subcommittee has very ably presented the position of our conferees in upholding the position taken by the House and, we feel, by the Nation in asking for a larger Air Force than is presently planned.

You have been given comparative figures, but for the sake of brevity let me say that in cash the 58-group air force would cost $163,000,000 more in cash this year, plus contract authorization of $577,000,000, which will be spent over approximately 5 years as planes and other equipment are built and delivered.

But, Mr. Speaker, let us go deeper than comparative figures. Let us look at the fact that the Air Force is the only agency of defense which now can strike deep into the heart of any potential enemy. We have signed treaties to help speed a permanent peace. Other nations have signed additional pacts for their collective security. I do not need to remind you that we in this Nation have spent a lot of money in many programs in our efforts to insure peace. All of this has done good, but let us be frank about the thing. The money spent, the treaties signed would in large part be worthless without the force of arms to back up our desire for peace.

We live in a world of uncertainty. We live in a world where aggression has not yet ceased and it may break out in new areas at any moment. What we propose today, a 58-group air force, is one guaranty against aggression.

There are those who say that since Russia now is presumed to have the atomic bomb, we must consider our own bomb neutralized; that this fact has neutralized the value of and need for bombers for long-range warfare. They say that neither country would dare use such a terrible weapon since each could retaliate. That is wishful thinking, that is all. If war should come, we do not know what kind of a war it will be. We know only that it will come suddenly with terrifying force. It may be atomic warfare or it may be the even more frightening and more devastating bacteriological warfare for on this Russia is said to be laying great stress. But all of this does not change the fact that war will come through the air and it means that this Nation must have a defense against whatever condition may arise in the foreseeable future; that it must have the means of striking back, striking back so powerfully and swiftly that no one will dare attack us.

Mr HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield.

Mr. HOFFMAN of Michigan. The gentleman has given a great deal of thought to this matter. Is it possible that we might even have submarine warfare, and we might need a Navy?

Mr. SIKES. Of course, it is possible that we shall have submarine warfare, and we very positively will need a Navy in any emergency which develops. The gentleman can get no argument from me on that score. But we are now talking about the Air Force. Naval appropriations are not in controversy in this conference report. We are settling the differences in the Senate's desire for a 48-group air force and that of the House for 58 groups. I say we need one strong enough to provide a defense and the means of striking back, and to me that means a 58-group force.

It was pointed out only recently that practically all the United States is vulnerable to Russian bombers carrying atomic bombs, using present Russian bombers, patterned after our B–29's. But to reach the greater part of our industrial areas, these would have to be one-way flights; suicide flights whose crews could not hope to return to their own bases.

Mr. Speaker, we do not want to put our fliers in the position of having to make one-way suicide flights. If trouble comes, we want to know that we have done all we can within reason. And we will be far safer as a nation for having done so.

Mr. MAHON. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Speaker, I am very thankful to our able and distinguished friend the gentleman from Texas [Mr. MAHON] and his committee for sticking by their guns on the all-important question of air power. They reflect the strong sentiments of the American people.

As the author and sponsor of the first bill introduced in this House calling for a 70-group air force, I am greatly pleased with the insistence of the House conferees upon the adoption of, at a very minimum, the 58-group program.

If there are some in this Chamber moved by considerations of economy before the plain and urgent needs of our current global military situation, I hope that they will carefully review their attitude.

This Nation is faced with a very critical international problem—a very critical problem of national security, and a very grave threat to our integrity and free institutions. We need compelling military power right now more than ever before in peacetime. Only overwhelming armed strength can assure the national safety. Only the most powerful array of deadly weapons can command the respect of our only potential enemy.

Of course, we intend to sustain the democratic ideology throughout the world. We intend to move for the end of oppression and persecution of free men and women throughout the world. But our immediate aim if we would fit ourselves to carry out these ends must be to make this Nation so strong in the air, on land, and on the sea that no nation will challenge or endanger us.

Let us, above all, keep our fighting system and forces powerful, well-balanced, and effective—ready to spring into instantaneous action at a moment's notice, with shattering striking power.

I gladly support the House conferees.

Mr. MAHON. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, I rise to speak on this great issue with the feeling and conviction that here, once again, as so often in the past decade, this House and the American people are at the crossroads of history.

There are so many parallels to this situation in recent years. And on each occasion, the House has responded to the call of the times.

We faced the same type of decision in 1940, when the Draft Act was before the House.

We faced it again the following year in the draft extension, where one vote saved the issue—and probably—our Nation.

We faced it in repeated amendments to the Neutrality Act.

We faced it in the great debate on the Lend-Lease Act and the appropriations to implement it.

We faced it during the war, when we authorized the induction of pre-Pearl Harbor fathers and the 18-year-olds.

And, since the war, we have faced it almost day in and day out, with one grave international issue after another coming before this body in a steady stream ever since the fighting died away.

And I believe now, as I believed on these other issues, and was not mistaken, that this House will again rise to the call of the times—that the House will meet the needs of the hour on this question of the 70-group air force in the same manner as it has so magnificently responded in the past on similarly critical occasions.

Members of the House, let there be no doubt in your minds as to the nature of this decision before you today.

This vote today on the 70-group program is a vote determining, for years ahead, our national military strategy—a vote deciding whether this Nation is truly determined to have substantial air power in today's world or whether it proposes to be half-hearted about it.

Yes, this is a vote at the crossroads. The decision of the House will turn us down the road of preparedness, of air power, of maintenance of a respectable posture of defense and offense. Or, if we fail to meet the challenge of the times, this vote will turn us down that long, terrible road of unpreparedness, of inadequate military might, of pacifism and head-in-the-sand strategy, which has cost us so many hundreds of thousands of lives, mountains of treasure, and repeated instances of unnecessary peril to our Nation.

Mr. Speaker, it is difficult to gild the lily, to labor the obvious, even though we seem to be confronted by the need so often on this subject.

Can it be that the knowledge of Russia's manufacture of the atomic bomb—so recently announced—is to be heralded by this great Nation by disavowing its program of preparedness in the air?

Such a conclusion seems to me to be so ridiculous that I find it difficult even to acknowledge it.

Can it be, Mr. Speaker, that Russian advances in Asia, that the continuance of Russian dilatory and blocking tactics in the United Nations, that Russia's obvious concentration on air power, that her recognized progress in the manufacture of modern aircraft, all are evidences that the time is propitious for our great Nation to turn its back on the growth of its own Air Force to a respectable—and, far more important, a respected—peacetime strength?

Can it be that the near unanimous action of the House last spring on the 70-group authorization bill and the 70-group appropriation—the near unanimous action of the House last year on the same matter—the consistent and thoughtful recommendations of the President's Air Policy Commission and its congressional counterpart so few months ago—are all now to be relegated to the dim and distant past as idle wanderings of misguided citizens?

Can it be that within the space of the past few months, during which the world has learned of Russian advances in atomic-bomb development, we have good and sufficient evidence to slacken our effort to attain adequate air power?

I find this impossible to believe.

This is no academic matter, involving only dollars and cents. This is not a matter simply of whether or not we would like to save Federal funds and reduce taxes.

This is not a matter of economics, Members of the House.

This is an issue pertaining as directly, as pointedly, as significantly, to the heart of our military planning and the defense of our Nation as can come before the Congress.

This reduction from the 58 groups authorized by House action last spring to the 48 groups proposed by the budget and the Senate—this proposed Senate reduction in $222,067,000 in cash and $557,755,000 in contract authorization for the Air Force—these are not mere figures. These statistics have concrete and significant reality. They mean airplanes—fighting airplanes—airplanes available for the defense of the people of our country, and for the Nation's offense, today and tomorrow, and 5 years from tomorrow. They mean almost 900 more aircraft to be constructed for the Nation's air power than the 1,630 aircraft proposed for procurement by the Senate.

A vote to insist upon the House position is a vote for six more bombardment groups in the Air Force.

A vote to instruct the conferees not to recede is a vote for three more fighter groups in the Air Force.

A vote to demand the 58-group program is a vote for an additional troop-carrier group.

We are talking about 14,840,000 more air-frame pounds, of 28,000 more Air Force officers and men.

We are talking about a growing, modern air force—or, if we follow the Senate, we are committing ourselves to that short-sighted military planning for the Air Force which will result, should war begin, in all the unnecessary tragedy, all

the unnecessary waste and destruction, which have characterized all previous wars in our history.

Before this House I shall continue to insist so long as I remain a Member that adequate military preparedness is our most effective means of avoiding war.

And I shall likewise continue to insist that we can no longer, in this world of lightning warfare, afford the luxury of blowing hot and cold on national defense planning.

It is high time that we maintain a national defense program that lasts longer than from Saturday night to Saturday night.

The President's own expert commission has called for the 70-group air force. The Congress' special committee has called for a 70-group air force. The House has repeatedly expressed itself on the subject, supporting 70 groups on every occasion by nearly unanimous action.

And what has happened since the House last had the issue up 6 months ago?

Only that Russia has succeeded in manufacturing the atomic bomb 3 years earlier than was expected. That is all.

So, Mr. Speaker, I add my voice and my earnest plea to the clamor of voices and powerful effort that I am confident will come forth on this issue to insure that our Nation moves forward with its plans for an adequate peacetime air strength.

Let us knock in the head once and for all this vacillating back and forth on these basic national defense issues.

Let us stop this acting like erratic children on the greatest problems before the Nation.

Let us now, once and for all, announce to the American people and to the world, by our action today in moving forward consistently with our military plans, that the United States will not be persuaded to take the wrong road at this crossroads of her history.

Mr. MAHON. Mr. Speaker, I yield such time as he may desire to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Speaker, one sure way completely to transform our Government is for the Congress to grant either fiscal or administrative carte blanche to the various executive departments.

The only effective way to restrain excesses by the executive departments and to prevent any one of them from becoming a law unto itself is for the Congress to keep its hands securely on the purse strings. To do otherwise is not only the height of foolhardiness but it invites the creation of a governmental frankenstein difficult to control at a later time.

And so, today, we should not vote to clothe the Secretary of Defense with discretion as to how the funds appropriated to his department should be spent: The Congress should have the wisdom and the foresight to direct how the funds should be used. The Congress, by legislation, should enact the laws spelling out what the policy of our Government is and then, within that framework, the executive department should administer those laws.

It is in furtherance of this very general attitude that the House conferees have acted in our deliberations on this measure now before us.

There is another matter, however, that should be discussed since it was the subject of debate among the conferees.

I believe the report of the other body, when it reported this bill out of committee, contained pertinent language that bears not only repeating but some expansion. I had hoped it would be treated in the conference report. It relates to stock piling.

Now, I do not subscribe to the action of the other body in attempting, by amendment, to rescind $275,000,000 in contract authorization for strategic and critical materials for fiscal 1950; I believe the House should stand firmly on the amount originally appropriated and authorized.

However, I do subscribe to the language of the report of the other body when it states that—

> All strategic minerals and materials which are produced in the United States should be purchased here, rather than from foreign sources. The committee was informed that recently a contract was signed between this Government and a foreign company, in which we undertake to buy thousands of tons of copper over a 5-year period. This is taking place at a time when our own mines are closing for lack of a market. The committee recognizes that certain minerals or materials are not produced in this country and has no objection to the foreign purchase of these.
>
> The committee directs that the Munitions Board exhaust every possibility of securing the needed minerals and materials in the United States, before looking to foreign sources.

Mr. Speaker, we should go even further than is suggested in the foregoing quotation. It seems to me imperative that the governmental agencies purchasing strategic minerals and materials for our Nation's stock pile should scrupulously follow the spirit and intent of the Buy America Act and not be permitted nor allowed to evade it by any subterfuge such as the sale of domestically produced material to the stock pile in reliance upon a replacement of such material by importation for sale in the civilian economy.

Mr. Speaker, we are a generous people—but we must sometime, somewhere, somehow cast a passing glance at our own. Let us take one such look right now.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, it was my privilege during the Eightieth Congress to be chairman of what was called the Combat Aviation Subcommittee of the Congressional Aviation Policy Board. That subcommittee and the board, among other duties, listened to the Navy and Air Force talk about their needs for aircraft for the proper defense of our country. I would like to point out to you now a matter which has not been given proper consideration, in my opinion, in certain quarters—outside of the House of Representatives. It is a matter of very vital importance. When World War II descended upon the United States we had a certain basic rate of aircraft production, as we did in everything else. It was possible by the issuance of an all-out order by the then President of the United States to double the production of aircraft in the United States in 18 months. It was then possible to redouble that production in another 12 months.

It was also possible to redouble that rate of production in another 9 months, and so on, until we reached the maximum rate of production of 110,000,000 airframe pounds per month toward the close of the war. But the key to the entire situation was the basic rate of production that we started out with. To double 2 is 4; but to double 1 is only 2. It seems to me that the Congress of the United States, and particularly the House of Representatives, is better aware of some of these situations than some other people outside of the House of Repsentatives.

I remember when the gentleman from Georgia [Mr. VINSON] came to us before the last war and urged that we then and there double the Navy of the United States. The Executive opposed that move where it was made by us here, but it proved to be most valuable foresight as events proved.

I remember also when the proposition came from his committee, or it may have been the Committee on Military Affairs, that we set up a stock pile of strategic and critical materials. It also came from the House of Representatives that we should make efforts toward doubling the locks in the Panama Canal. It was the House of Representatives, if you please, that realized the facts of life and caused preparation for war in advance of war which made it possible for the United States to do its very large part toward winning the war, far better than it possibly could have done if the House had not taken the original action. If we had not originated and taken those actions in this House we could have, in fact, lost that war.

The House of Representatives today, as it did last year, realizes, with much deeper feeling of importance, the need that we have to be ready for anything that might happen. If we look into the future a couple of years, now that we know—somebody said a while ago that maybe something had exploded over in Russia. I do not think there is any maybe about it. I am a member of the Joint Committee on Atomic Energy. I do not think we can stop to worry about whether it is a maybe or not. I think we had better take it at its word and admit that it happened. With that admission, the entire picure of the world has changed. We did not believe it would happen quite so soon as it did. Today we are expending a relatively small proportion of our budget on atomic energy matters. There is nothing in the world to stop the Soviet Government from spending 20 percent of its budget on those matters, working 10 times as hard as we are working. Only a matter of a few years from now, with that stepped-up rate, which they are in a position to do without our knowing it, they might easily be ready to say to us, "All right, gentlemen. This is it. You either come to our terms or we will let you have it."

If you, or anybody else in the Government of the United States wants to put the United States in the position of receiving that kind of ultimatum, then just do not be ready. You will not like it when it comes, but you will not be ready.

The SPEAKER. The time of the gentleman from California [Mr. HINSHAW] has expired.

Mr. MAHON. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. HINSHAW. The House of Representatives, in my opinion, in the over-all, in the past 10 years, has exhibited better judgment in matters relating to the national defense than has nearly any other body or agency of government in the United States. I say that without qualification. I believe that the House will continue to exhibit that judgment. They are much closer to the people and to the realization of circumstances. They do not have so much politics to do, and a few other things that we find necessary in the Government. I believe that this Congress realizes fully the need for air power—and I am speaking not only of the Air Force but of the Navy, because naval airplanes do the same sort of thing. I am talking about our airplanes and pilots and facilities of all kinds, no matter who they belong to or whose uniform they wear. We want them ready and willing and able to do business.

It takes about 2 years, once a contract is given for an airplane, to turn it out of a factory. It takes 5 years from the day a new idea is laid down on paper before you even start to fly the airplane. Any action that we may take here today will not be necessarily for fiscal 1950; the mere fact of contract authority should let you know that; we are looking now to 2, 3, 4, 5 years ahead.

I do not believe that we will permit any other agency of government in the world to have the feeling that they can step up to us and issue an ultimatum and make us like it; we are not going to do that. Therefore, let us take the position today that we will do the very best thing that we can to make sure that the United States is prepared eventually to meet any such ultimatum. If we are prepared then the chances of that ultimatum are moved off into the distance; if we are not prepared then the ultimatum is a cinch to be delivered, is it not? Certainly it is. We should have a 70-group air force, but if all we can get is 58 groups I will, for my part, take 58—but no less.

The SPEAKER. The time of the gentleman from California has expired.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, I think this is the most important single issue that will be faced by this Congress.

I have asked for this time to support, as I feel you will support by your votes, the House Appropriations Subcommittee on National Defense.

I do not like, any more than you do, spending the taxpayers' money. I would like to be able to go to my constituency and say: "Yes; I trimmed $900,000,000 off of an appropriation bill." But I am not willing to go back and say that at the expense of my Nation's security.

This bill strikes a double blow at our national security. It would leave us deficient in our air forces, both defensive and offensive. It cripples our national defense by cutting out the appropriation of $275,000,000 for stock-piling strategic and critical materials needed for armament.

I cannot agree at all with the Committee on Appropriations of the other body. They have raised by hundreds of millions of dollars the appropriations passed by the House for the civilian agencies and for bureaucracy.

The only major cut made in any departmental appropriation bill has been made in our defense funds—and those taken out of the fighting forces—airplane procurement—and strategic materials needed now for our stock piles in case of war.

I do not believe that we can afford, as a Congress, to permit the other body to cut defense funds so drastic that we will be able to buy 757 fewer planes in 1950 than we allowed in 1949.

I remember too well those desperate days of Pearl Harbor when American boys were shot out of the skies only because they had insufficient and inadequate planes to meet the power of the enemy. I never want to see that happen again—Congress must not let that happen again.

We cannot afford to make this cut today in view of the news that came only a few weeks ago, news that we know in our hearts is true, that now we are no longer the exclusive owners of the atom bomb. We know that our largest potential enemy has perfected this bomb; we know that they have at least the prototype of the B–29 and can fly from almost any Russian base and reach every single industrial target in the United States.

Do not worry whether they can get back to their bases or not, because an aggressor nation does not care whether air crews return to their mother land or not; and if they should drop an atom bomb on any of our industrial centers the cost of an air crew would matter little to them.

The Senate bill cuts back the Air Force from 58 groups to 48 groups. The House, by overwhelming majorities, three times, authorized the 70-group air program. This 58-group appropriation that the House made is the first step in this program. The Senate version will wreck this goal.

Bear in mind that this 70-group program is to be completed by 1954. This was the decision, not only of the House Armed Services Committee and the House Appropriations Committee, but of the Presidential Commission and the Congressional Air Policy Board as well. These after two civilian commissions spent long weeks studying America's air-defense needs. These commissions were composed of leaders in American industry and science.

The 70-group program was based on the theory held then, that Russia would not discover or perfect the atom bomb until 1952. Now, Russia has discovered and exploded an atom bomb 3 years earlier than our scientists thought would be possible.

Instead of reducing our air program, we must go forward even faster now that they have perfected this awful weapon.

Mr. Speaker, I believe this issue is of the most transcendent importance at this time. We dare not make the colossal blunder at this hour of playing politics with our Nation's future. The recommended House appropriation bill, bear in mind, has passed this House more than three times with practically no opposition against it.

Mr. Speaker, I do not think this country dares weaken itself now in the face of these two facts: That we know they have the atom bomb, and we know they have a bomber that can reach all of our industrial cities. Most of the Members have seen the bombed-out cities of Germany and know what old-fashioned TNT with air power can do to a nation that finds itself second best in the air. Think what a fleet of bombers could do with the atom bomb reaching American industrial cities.

It is later than we think.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Let me remind the membership also that the Senate slashed another item in this bill—the item for stock piling—stock piling the very materials that go into the making of the planes.

Mr. MONRONEY. Exactly. And I thank the gentleman from New Jersey for that contribution. Stock piling of strategic materials is as important a part of our national defense as is the expansion of our Air Force. We must have both. We dare not use an excuse of economy to risk the very existence of this Nation. It costs much to be sure you win a war, but it is still billions cheaper than to ever lose a war.

Our best insurance for peace in this troubled world, that looks alone to the United States for the prime strength to preserve a free world, is adequate preparation now while there is still time.

The Senate cuts did not come out of the bureaucracy or overhead costs of national defense. They strike at the very fighting strength of our air groups—in trained pilots, air crews, and fighting planes.

You cannot have the same amount of time to get ready that we have had in previous wars. We cannot buy time in atomic warfare. And now the news of the discovery of the bomb convinces me that it is later than we think.

I ask you to vote down the Senate position and to support the House Appropriations Committee.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, this debate has amply justified the point of no quorum that was made at the outset of the remarks of the gentleman from Texas. The House has spoken on this subject several times. In the Eightieth Congress it was the initiative of the House of Representatives that put in the bill funds for the start of a 70-group air force. The House also spoke when this bill was first presented to it this year by supporting the move to put

in funds for an Air Force over and above the budget estimate.

Of course, there is danger when we go into the field of military preparedness of prompting other nations to think we are engaging in an armament race. Everyone must recognize that. At the same time there is such a thing as merely putting ourselves in that posture of which George Washington spoke which merely insures we will be able to give a good account of ourselves and hope that will act as a deterrent while we seek to take those steps which will avoid any actual warfare.

In that spirit I shall certainly support, and trust the House will support, the motion offered by the gentleman from Texas to insist upon disagreement to the Senate amendments that would impair these funds for the Air Force.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman from Texas yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. When the conferees were discussing this matter with the other body, was their attention called to the fact that some of this larger number of planes might be necessary to protect the new Senate Office Building that is going to be constructed?

Mr. MAHON. That specific problem did not arise.

Mr. HOFFMAN of Michigan. I thought that might have had some influence with the conferees of the other body. If every activity of the Federal Government is to be centered here in Washington and we are to spend millions to build a new Senate Office Building here perhaps if that were called to the attention of the Senate conferees they would see the wisdom of our position.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who wish to speak on this motion may have permission to extend their remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BRYSON. Mr. Speaker, naturally, as we consider the multitudinous bills coming before the House day after day, there is great division among us. This is particularly true when we consider measures looking toward the safety of our own great country. Just such a measure is the one before us with regard to our Military Establishment. It is a wholesome fact to observe that party politics are of little influence when we seek to guard and make more secure the land of our birth. There are times when the line of cleavage between the good and the bad, the secure and the insecure, is so indistinct one might unintentionally err. When the issue is as clear as the one before us today, however, one can not imagine any negative vote. Never during my more than a decade of service in this House have I known by a greater degree of certainty how I should vote. Three times the House has indicated its desire and determination to provide for a 70-group air force, and there is no indication that we intend to deviate from that course today. If there ever could have been any doubt as to the position of the House, surely there is no doubt now, in view of the announcement recently made by the President regarding the discovery or perfection of the atomic bomb by another great world power.

Many of us have flown over the desolate, war-ravaged metropolitan cities of Europe. Such an experience fills our hearts with indescribable fear as we wonder when, how, and where our own cities may undergo the same destructive forces. When we contemplate that these cities, requiring thousands of years in their building, were almost completely demolished by now obsolete equipment, we realize how much greater the destruction will be with atomic bombs.

On previous occasions I have spoken at length on the subject of air power, and I now reiterate my former statements with greater emphasis. How anyone could question the propriety or necessity of speedily preparing our country to defend herself with sufficient air power is beyond comprehension. In the words of one of our country's greatest soldiers, Gen. Omar N. Bradley, "air power is essentially a first priority weapon." We dare not by our vote today impede or longer delay providing ourselves with this essential weapon of protection.

Time is of the essence. It is later than we think. We were amazed to learn that, in spite of the greatly accelerated Air Force program sponsored by the late President Roosevelt and authorized by the Congress, not a single plane which was designed after Pearl Harbor participated in combat before the ending of the war. Regardless as to the attitude of others in high places of responsibility, let it not be said of us, Members of the House, that we failed in our duty to provide adequate air power. I entreat you to promptly reaffirm this House's intention to provide at least a 70-group air force.

Mr. MITCHELL. Mr. Speaker, when the gentleman from Oklahoma stated that no city in the United States is today safe from a one-way atom-bombing mission, he provided an unanswerable argument for the passage of the bill under consideration. While there are many steps that must be taken in assuring the defense of the Nation, certainly the appropriations for a 58-group air force is one of the most important.

A defensive air force, stationed in such a way that any attack can be repelled before it reaches its destination, is imperative to the defense of the Nation. Our Government must not proceed on a false plan of security which allows 1 foot of our homeland to be considered expendable.

While I was pleased to hear the subcommittee chairman assure us that funds would be made available for the radar defense screen, another vital part of our defense program, nevertheless, these funds and the screen will prove useless unless backed up with sufficient fighter planes stationed in vital areas, to make any enemy hesitant to launch an attack against us, or to repel any attack once launched.

Although I am not a military expert, I venture to say that our defensive air forces today are very thinly spread over such a great area that no one part of the continental United States stands adequately protected.

The position of the House favoring an increase of our Air Force to 58 groups is a step toward peace.

The defensive plane is just as important as the offensive strategic bomber. The one assures the enemy that his attack would be costly, and the other that there would be a speedy and deadly counterblow at his vital production areas.

One vital defensive area is Alaska. We need additional defensive strength there, not only additional planes but more troops to defend those planes and the airfields from which they must operate. This is imperative in order to assure that this outpost of 586,400 square miles becomes an effective barrier to any threat from the Siberian area.

I hope and expect that we will act on other vital defense measures before we adjourn. Certainly, one of these measures is H. R. 4766 which authorizes many military and naval construction projects, of which the most important in my opinion are those projects in Alaska.

It was my opportunity during the last few weeks to visit Alaska with Air Secretary Symington. I saw there the miserable housing which we are forcing our troops to use. I found that housing has held to a minimum the number of troops which can be assigned to Alaska. This problem must be met.

When any single foot of the United States is singled out as being strategically vulnerable, a need for improving the defense program is apparent. Surely a great part of the Nation's defensive and offensive ability is a thriving and prospering economy. The ability of that economy to do its job is curtailed when any great geographic area is forced to work under the extraordinary handicap of being defined as "strategically vulnerable." We must see that our defenses are such that there will be no such areas.

While I am confident of the action today favoring a 58-group air force, as a step toward 70 groups later, I should like to point out that this is but one of the several steps that must be taken to assure our people the protection they deserve and demand.

Mr. DURHAM. Mr. Speaker, I want to take this opportunity and time to congratulate the subcommittee headed by the able and distinguished gentleman from Texas [Mr. MAHON].

I appeared before this subcommittee several weeks ago when I learned of the action by the other body. I recall the days of 1939 and 1940 when we were facing the danger of becoming involved in war. A committee was appointed and began to search into this problem. I was alarmed to find that this country had acquired very little stock pile of strategic and critical materials.

We fought and won the war by a narrow margin. The study during these critical years convinced me of the necessity of devising a long-range program,

and almost every Member of this House is familiar today with the Public Law 520, better known as the Strategic Stock Piling Act, which was unanimously passed by this body and the Senate concurring without a single dissenting vote. It is a program that is not only for our own national security but it is also one that greatly assists and aids in a sound economic system of mining in America.

These two items here today—the 58 Air Corps group, which I wholeheartedly support, and this program—will add much to the defense of America.

NATIONAL DEFENSE APPROPRIATION

Mr. STEFAN. Mr. Speaker, I listened to all of the debate on H. R. 4146 when we had it in the House in April. It comes back to us now from the Senate and the conference committee with many changes. Most of these differences seem to have been settled except the items for our air forces and for stock piling. I shall vote to sustain the House conferees for the larger Air Force and also for the important stock-piling program. I have not altered my opinion on the necessity for a strong, modern, effective Air Force as recommended by the Congressional Air Policy Board of which I was a member. New events which have transpired in Europe indicating that foreign governments are coming closer and closer to the solution of atomic weapons make me doubly confident that my determination to have my country in possession of the greatest air striking force in the world has been a correct determination. That is also true of my feelings that only by advance stock piling of strategic materials can we feel secure in case of another emergency.

This bill when it is finally agreed upon by the two Houses and signed by the President, will run well over $14,000,000,000. That is a high price to pay annually for the support of our National Security Council, the National Security Resources Board, and for the military functions administered by the National Military Establishment. But, because world diplomacy has not yet brought to us the assurance of world peace, we have no alternative but to follow the advice of our defense experts and vote for these vast sums for the protection of the United States of America. I am hopeful, however, Mr. Speaker, that the statesmen of the world who are now meeting at Lake Success, N. Y., will eventually come to some agreement in order that these billions of dollars can be turned into more useful and productive activities and to bring peace and happiness to the people of the world who today are living in uncertainty and without assurance that another world war will not overwhelm them.

I take the floor at this time, Mr. Speaker, to urge all in authority to give more attention and encouragement to the efforts of world statesmen to bring about world peace than to the manufacture of war material and death-dealing machinery and ammunition, which, if eventually used, will, in my opinion, bring total destruction to the universe.

During my first experience with the United Nations activities at San Francisco in 1945 I developed the feeling that only through the activities of this organization can world peace become a reality. As an adviser to the United States mission at the United Nations Conference in San Francisco, I was given the unusual opportunity to meet with and talk with the chiefs of many of the foreign missions there. The knowledge I gained from intimate conversations with many of these statesmen lead me, then, to believe that the world wants peace, and that only through personal contact and discussions on all subjects by the representatives of world governments can this peace be achieved. During these meetings I came in contact with many American and foreign experts on finance, and it was then generally believed that the Second World War cost over a trillion four hundred billion dollars in money alone. These figures have not yet been successfully disputed by financial experts. I wish my colleagues who sometimes severely criticize the efforts of the United Nations would keep these figures in mind, especially when we are being called upon each year to vote $14,000,000,000 for our own national defense, plus the billions of dollars we are called on each year to help rehabilitate foreign countries and the millions of dollars we vote each year to help certain foreign governments protect themselves from aggressors. I feel that if we can keep the representatives of foreign governments talking peace around the various council tables at the United Nations sessions world peace can eventually be achieved.

Mr. Speaker, I appreciate very much the opportunity given to me by the chairman of this Committee on Armed Services to make a brief report of my recent official visit to the fourth regular session of the General Assembly of the United Nations at Lake Success, N. Y., which convened September 20. I made that official visit at the request of the Secretary of State, the Honorable Dean Acheson, who in a letter addressed to me September 16, 1949, stated that the Department of State believes it would be helpful to the Department as well as to the Congress if a number of Congressmen and Senators could visit the United Nations during this session of the General Assembly. Such a visit would give Members of Congress an opportunity to observe the operations of the General Assembly, its committees, and the United States delegation to the General Assembly. It would also enable them to make the acquaintance of officers of the United Nations and representatives of foreign governments attending the General Assembly.

The Department also invited members of the Foreign Relations Committee of the Senate, Foreign Affairs Committee of the House, the State Department subcommittee of the Senate and House on appropriations, and members of other important House and Senate committees. I hope the members of these committees will avail themselves of this invitation by the Department because I feel that the serious work of the United Nations is too little recognized by many Members of the House due to their heavy duties in Washington and in their districts. I believe if more Members would attend these sessions of the United Nations and get first-hand information of the serious objectives and the seriousness of the delegates in trying to reach these objectives, more support would be given to this world organization which, in my sincere judgment, is the only agency from which the people of the world can hope for world tranquillity and better understanding.

Although I spent less than a week at Lake Success, I came away with a stronger determination to urge more effective encouragement by the United States Government and the people of the United States for the work of the United Nations. I especially commend the election by the General Assembly of the Honorable Carlos Romulo as President of the General Assembly. My colleagues will recall that General Romulo was at one time our colleague in the House. He was the Commissioner to the United States Congress from the Philippine Islands. He was elected practically unanimously by the delegates, and after talking to many of the representatives of various governments I found that he is held in high esteem and great respect by his fellow delegates. He has already brought the work of this gigantic and complex organization far ahead of schedule and is receiving exceptional cooperation by the chiefs of practically all of the foreign delegations present.

In making this brief report of my official visit to the United Nations, I cannot omit the opportunity to most highly commend the Honorable Warren Austin, American Ambassador and chief of the United States mission to the United Nations. This word of commendation includes the efficient staff working under Ambassador Austin's direction. I visited every office and division of our mission, both in the New York headquarters and at Lake Success, and I wish to assure the Members of the House, and especially the Members that deal with appropriations for this activity, that with the modest sums allowed, the United States mission, is carrying on a most effective and efficient operation. In talking to many of the foreign delegates at Lake Success, I found that the chief of our mission, the Honorable Warren Austin, is held in the highest esteem and has the confidence and respect of every delegate I conferred with, even those in frequent disagreement with American foreign policy. No other man, in my humble judgment, is more fitted for the position as chief of the American mission in the United Nations Organization than is the Honorable Warren Austin. He typifies the real American who, while always having his country's interest at heart, can, because of his long experience in dealing with world statesmen, quickly recognize the intricate problems facing the delegates of all of the 59 nations now assembled at Lake Success. Many of these delegates continually seek the advice and counsel of the chief of the American mission and find in him an understanding statesman whose advice in many cases, is followed.

Mr. Speaker, at some other time I will take the floor and discuss in more detail some of the problems which confront the chief of the United States mission and his efficient colleagues in their de-

termination to convey to the representatives of 58 foreign governments the fact that the United States of America, its Government and its people, are seeking but one thing—peace on earth and good will toward men. I believe sincerely that the success of the United Nations will bring this about.

Mr. JOHNSON. Mr. Speaker, I heartily support the recommendation of the conferees in their disagreement with the Senate on the amount, which the House appropriated for a 58-group air force.

We are living in an explosive and chaotic world. Many of us have viewed with apprehension the drift toward chaos and disagreement that has occurred since the ending of the fighting war. Late in May 1945 a subcommittee of the Military Affairs Committee went to Europe to study problems arising out of the ending of the war. All around us were scenes of desolation and ruin. But we all thought that, the fighting having stopped, the Nazis having been beaten to the last man, the world would soon emerge into the bright light of a peaceful world. Reconstruction, we believed, would start immediately and soon treaties of peace would be signed. We envisioned a war-weary world joining together to make future war impossible.

But we were soon to be disillusioned. Evidences of discord cropped out in Berlin, Vienna, Trieste, Korea, and other places. Cooperation between ourselves and our strongest ally gradually disintegrated.

Today we face an uncertain future. If we do not solve the problem of bringing peace, another war will have been fought and won in vain. Three hundred and thirty thousand lives—the cream of the crop—of America's manhood will have been sacrificed and untold agony of over a million more will have been suffered in vain.

Our only hope seems to be to remain strong and by imperceptible steps gradually build world opinion and solidarity to such proportions that no aggressor will dare to attack us. Over that costly and rugged road we may finally emerge into stability and peace.

Air power is the modern symbol of strength and force. We should use it to pry from our tormentors the peace which the world must have. It is an insurance that we must buy to get the calm the world needs. It is the road that will preserve freedom for us and for countless millions beyond our borders. It is comforting to know how unanimous the House is on this particular issue. Part of it is due to our belief in air power as the key to victory and part of it is because of our great confidence in our conferees.

NEED FOR AIR FORCE EXPANSION

Mr. TEAGUE. Mr. Speaker, from the information that I have, the people of this country, the House of Representatives of this country, and the Air Force of this country, want a 70-group air force. Our President and the majority of the United States Senators seem to want a 48-group air force. To compromise to an extent, the House of Representatives this past year agreed on a 58-group air force. I sincerely hope that this House of Representatives will not back down on the 58-group air force.

On January 1, 1948, the President's Air Policy Committee issued their report and, Mr. Speaker, I would like to include at this time the recommendations of this commission as to the requirements of the Air Establishment:

THE AIR FORCE

We have received from representatives of the Air Force and the Navy exhaustive presentations of the war missions to be carried out by each of the services and of the requirements of the services for the conduct of their missions. We have analyzed these strategic plans and requirements and have reached the following conclusions:

The Air Force as presently composed is inadequate. It is inadequate not only at the present time when we are relatively free of the dangers of sustained attack on our homeland, but is hoplessly wanting in respect of the future phase II period when a serious danger of atomic attack will exist.

The present Air Force consists of 337,000 uniformed and about 125,000 civilian personnel. It is equipped with a total of 10,800 aircraft in active status, including about 580 heavy bombers and 2,300 fighters. Backing up this force is a reserve of about 12,800 World War II aircraft usable at any time during the next 2 or 3 years to replace losses of planes due to current peacetime attrition or, in the event of war, caused by combat losses.

Our present Air Force is divided into 55 groups. Each group is trained for specific missions such as strategic bombing, tactical reconnaissance, fighter escort, interception, and troop carrier and transport.

From evidence received from the Secretary of the Air Force, its Chief of Staff, and many of its ranking generals as well as informed authorities outside of the Military Establishment, we conclude that the 55-group force, if engaged in action in this present phase I, could not carry out the missions assigned to it because it is lacking in the essential air units for effective combat action. It would be even less capable of carrying out the missions which would face it in phase II conditions. Even more alarming is the statement by the Air Force that the funds presently available will not permit the maintenance of the present inadequate air force and that if appropriations are not increased the establishment must be cut back to approximately 40 groups with reductions starting in July 1948.

None of this must be permitted. There is a minimum force in being below which we must not go if we are to protect our country and its vital interests.

We have concluded that the minimum force necessary at the present time is an air force composed of 12,400 modern planes, organized into 70 combat groups, and 22 special squadrons, supplemented by 27 National Guard groups and 34 groups of Air Reserve. All these forces, with the exception of the Air Reserve, must be equipped, trained, and ready for immediate action in the event of war. We should build to this force as rapidly as possible and once it is achieved, never permit it to drop below this level. Nor should we permit it to become impotent and ineffective because of failure to keep it modernized with the very best planes and equipment available.

At first we seriously questioned the need of an air force of these proportions because it was obvious that building it and supporting it would involve a substantial increase in expenditures. However, as we studied the strategic and tactical needs of the Air Force we came to the conclusion that:

1. The 70 groups would include the very minimum number of interceptor fighters necessary for our home defenses; and their effectiveness would be almost entirely dependent upon having a satisfactory radar early warning system and adequate ground and air defensive missiles. We emphasize again, however, that no plans for defense should be made in derogation of the striking counteroffensive air arm in being.

2. The 70 groups would provide only 700 very heavy bombers for the strategic bombing of enemy targets. This force of bombers seems minute as compared with the 14,000 bombers of the United States Air Force and the Royal Air Force committed to combat in the European theater during the war. Only by using the very best equipment and the latest techniques will so small a force be able to carry an effective war to the enemy.

On March 1, 1948, the Congressional Aviation Policy Board of the Congress of the United States issued a report and it was printed as a Government document. I wish to have printed at this point in the RECORD the following statement from this report:

From the information made available to the Board by the Air Force and by the Navy separately, it would appear that the initial strength necessary to mount promptly an effective, continuing, and successful air offensive against a major enemy, is what is termed the Air Force 70-group program of 20,541 aircraft, plus the Navy program of 14,500 aircraft, total 35,041 aircraft. At the level-off period in 1953 these programs would require thereafter an annual Air Force procurement of 86,000,000 air-frame pounds and an annual Navy procurement of 25,000,000 air-frame pounds—total 111,000,000 air-frame pounds annually.

Mr. Speaker, I have a letter dated September 25, 1949, from a Mr. Travis B. Bryan, president, First National Bank, of Bryan, Tex., which Mr. Bryan wrote to Senator HARRY BYRD, of Virginia, and sent me a copy of this letter. I wish to insert this letter, and I believe that this letter expresses the opinions of 90 percent of the private citizens of this country concerning our air power today.

THE FIRST NATIONAL BANK OF BRYAN,
Bryan, Tex., September 25, 1949.

Senator HARRY BYRD,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BYRD: As I have expressed to you many times in writing I have appreciated your thoughtful kindness in sending me from time to time reprints of your addresses and statements. You have from time to time indicated that you would welcome any comments or suggestions. So far in the years I have repeatedly expressed the idea that your grasp of the facts and information available was so far superior to any data accessible to me that I have never offered any suggestion.

Having read in the papers the past few days, however, of the proof that the Russians actually have now developed the atomic bomb, and while heretofore everyone believed they would eventually perfect it but perhaps not quite this soon, it would seem that now about the only difference in Russia and the United States of America is that it is generally conceded that at this time our Air Force is superior to theirs—to take the bomb if needs be across the world.

In this morning's paper Mr. Sigrid Arne's Associated Press release from Washington lists thirty-five billions as spent by the United States of America on various foreign activities, all of which fundamentally I would think is related primarily to preserving peace in the world and for the protection of the United States. I have no quarrel with any of these measures. I would not attempt to judge in what measure they are right or wrong. Perhaps all of them taken together

are for the good of our future welfare. Only perhaps the passage of time will tell.

As perhaps the greatest exponent in the Senate of that great characteristic of the human race and which should be applied to the operation of even nations—economy—I write you this morning to offer a suggestion in the hope that it may appeal to you and at least that you may consider it as well adaptable to your lifelong proven record and effort.

History has taught us several things about our international relations as a citizenship. One thing I am convinced of, and that is power is the only circumstance that nations under the control of such men as Hitler and Stalin pay very much attention to.

Aside from and in addition to all the other circumstances and angles of our future welfare, it would seem to me that superior to all and to be acquired first would be to provide this country with an air force superior to any nation. Possessed of that type of air force, first, that and that alone I am convinced will prevent Stalin and his clique from aggression; second, that and that alone will secure for the United States of America the respect from the other nations of the world necessary that our voice may be the voice of authority; third, that and that alone will prevent perhaps in a future far more immediate than anyone can imagine another world-wide war.

Would you give thought from the standpoint of economy to your sponsoring a movement in the Senate of the United States (the House is nearer to the people and is about 100 percent for a 70-group air force, repeatedly so being of record) in not only the interest of security but of economy of providing the United States Air Force with a 70-group or more even if it takes it to become capable of taking instant destruction to any part of the world and of offering the United States every protection with all the modern developments of aeronautical science.

Sure, let us look to the United Nations and all that that agency can do toward world peace.

But with the United States of America supreme in the air and with the already demonstrated ability to produce the atomic bomb our representatives will command respect even from the representatives of Russia.

Carry on the other programs, perhaps, if deemed advisable, and it would seem we are committed almost for a permanent future of supplying food, clothing, and shelter to the nations of western Europe, perhaps Asia, and other parts of the world, but for our own good first let's have an air force of supreme standing.

Considering that we have spent, as Arne's statement shows, thirty-five billions—and God only knows what the future years will call for—why hold the Air Force down to a measly 48 groups; why not give them a 70-group program, at least?

If it takes a billion more for a 70-group air force, don't you agree that it would be most economical for what it can assure us as compared to thirty-five billions already expended and an untold number of billions practically assured in the coming years and no one is willing to yet say whether it is for good or has been just another mistake and lost? Surely from all present indications none of it would tend to stop another war but a superior air force would unquestionably stop any nation from seriously considering attacking us.

If, as a number of Members of the Congress have recently done, a questionnaire were to be circulated among the people of America today, likely it would reflect that most everyone is convinced that our greatest security for the immediate future rests upon the possession of this country of an air force superior to any nation. Armies and navies are necessary but they must accept a subordinate position in the future of warfare. The last war unquestionably demonstrated those facts and many authorities have pointed same out since repeatedly.

Twice in history we have been given time to get the country into production. Children in the seventh grade of school would perhaps be able to inform you that no aggressor is going to grant us a third chance to do that. The next time—and there will be one, God alone knows when, maybe in our time and maybe delayed beyond our time—the United States of America will be the first target and the only possible way to get here quick would be via the air. Should we in the true spirit of economy overlook preparing via the air to repel that attack when we all know how it's coming and penny-wise pound-foolish fail to provide a seventy or whatever type group air force that could instantly give us protection?

I write you, sir, in the utmost humility, recognizing that just as a plain citizen and with limited access to all the data that you have, yet it seems so unanimously the opinion of people like me that perhaps you might not consider my writing you as impudence but that perhaps of the same state of patriotism as I have that you in your position may consider doing something about it and immediately. With kindest personal regards and best wishes.

Sincerely,

TRAVIS B. BRYAN, *President.*

Now, Mr. Speaker, I wish to include an article which appeared recently in Newsweek magazine which was written by Gen. Carl Spaatz entitled "Our Diminishing Air Power":

OUR DIMINISHING AIR POWER

(By Gen. Carl Spaatz, U. S. Air Force, retired)

Apparently the decision has been reached to reduce the United States Air Force to 48 groups. It might be well for the American people to realize the significance of this action.

The reduction to 48 groups means that the Air Force will have to deactivate an appreciable number of groups already organized and well on the road to combat effectiveness. These include strategic bomber groups as well as groups for tactical air support of our Army. This reduction is being made at a time when Mr. Churchill and other top world leaders have stated that air power and the United States Air Force's ability to drop the atom bomb have been the greatest force for world stabilization and peace. It also comes at a time when some Army generals are complaining about the lack of tactical air units for cooperation with the ground forces.

The recent air show over Moscow and resulting statements by Communist officials show clearly their intent to build up the largest air force within their capabilities. Our national security demands an Air Force strong enough to meet this potential threat. The 70-group air force program is the minimum, in my opinion, for our security in the present world situation. This will provide a well-balanced force for the Air Force's missions.

In determining the strength and composition of the military forces—land, sea, and air—which are to be maintained by the United States, full consideration must be given to the military strength in all categories maintained by the other signatory nations of the Atlantic Pact.

The air forces provided by these nations should for the most part consist of air-defense and tactical-air-support units. Strategic bombing forces will be a major commitment of the RAF and the United States Air Force, since the expense of developing and maintaining them would be beyond the means of the other nations. The British Navy is a powerful addition to the forces necessary for control of the seas.

The total amount now being spent for air power by the United States is more than adequate. But it is not enough to support two air forces with duplicate establishments. The composition of our armed forces must be determined not on a hysterical and emotional basis but on the basis of the maximum national defense at the minimum cost.

In terms of air power this means one Air Force for the mission of air defense, strategic bombing, and support of surface forces. In addition the Navy must have all the fleet aviation necessary for control of the seas, with emphasis on meeting the Schnorkel submarine threat.

Overemphasis of peacetime strength in any one service beyond the need for its primary task, will result in improper balance of the forces to meet the impact of a future war. This unbalance is most apparent in overhead installations such as schools, depots, and reserve training stations with which the United States is now dotted, in some instances with Air Force and naval air stations side by side. The Air Force is now being given efficient service by the Army Quartermaster Corps, Army Ordnance, and Army Signal Corps, and similar cross-servicing should be extended to embrace all components of our armed forces. For instance, the Air Force repair and supply-depot system could be extended to take care of naval air and Marine Corps air needs.

However, it will be difficult if not impossible to assure the proper balance under an organizational set-up wherein overemphasis is placed on individual service prerogatives and individual service determination of its requirements for a future war. If the national defense budget took but a small part of our annual income, this would not be a serious matter. But with staggering expenditures of $14,000,000,000 to $15,000,000,000 a year, much closer integration of the service programs is essential to obtain the most from every dollar spent.

If our armed forces were provided with an over-all military Chief of Staff and general staff, sums now wasted on overhead and duplication would be saved. Therein lies true economy, rather than in reducing the combat strength of our Air Force, which is a keystone in the entire North Atlantic defense system.

General Spaatz was the officer in our air forces who was in charge of the strategic bombing of Germany as the commanding general of the Eighth Air Force. General Spaatz is probably as familiar, if not more so, with the strategic needs of the Nation as any man now living. Mr. Speaker, in the past when we were making plans for our armed services, it was impossible for us to know a particular country to plan against, but today this is not true. There is only one country in the world today that could possibly launch an attack against our country, and that country is Russia. Therefore, we know that if we are called upon to defend ourselves, our defense must be against only one particular nation, so the situation is simplified to that extent. We also know that in any war, we win the war and save our country in one of two ways: either we destroy the enemy armies in the field or else destroy the enemy's capacity at home to make war. We know that so far as any potential enemies that we might have today are concerned, we would be foolish to try to destroy that enemy's army in the field, we could not put a sufficient number of men in Europe to meet the millions of men which

Russia could put into the field. So, if we should have a conflict with Russia, every dictate of military strategy would call for the destruction of Russia's capacity at home to make war on us. We know that the only way we can destroy Russia's war-making capacity is with air power, atomic power, and with what we call strategic bombing.

Certainly we should not put all our eggs in one basket, and certainly the Air Force is not the only power that we should be interested in today, but certainly air power is the first power that we should be interested in today and as our President's Aviation Policy Committee and our Congressional Aviation Policy Committee and as men who have been in charge of bombing and have given more thought to it than any other person say that we need a 70-group air force. There is no country going to attack our country unless they believe that they can "whip" us and there is one way today that Russia knows that we could strike back and that is by air power. Russia is afraid of air power. If we provide the proper air power in this country, there will be little danger of an attack from Russia, for Russia knows that if she starts an attack, that her country will be literally destroyed by our Air Force and there will certainly be no attack.

Now, Mr. Speaker, another point that we should not forget, is that there is a long stretch of time in the development of a plane. A plane cannot be developed overnight and if we should be involved in war tomorrow, we could not open an assembly line and turn out better planes. It is necessary to have a program extending it over a period of time. Mr. Speaker, it is also important to note that the Russians are not lagging behind in air power. At the last review which took place in Moscow at which our foreign military observers were permitted to see the review, the reports from that country indicate that the Russians have been developing some of the most modern jet fighter planes. There are also indications that they have had one of our B–29's and that they have developed something probably as good if not better. Certainly this is no time to start reducing our own air force in the view of the present world situation. We have just appropriated about a billion and a half dollars for defense purposes in Europe, which to me is not nearly as important as our research and Air Force staying ahead of the world in this country.

Mr. Speaker, I sincerely hope that the House of Representatives will not back down from our demand for a 58-group air force.

Mr. MILLER of Maryland. Mr. Speaker, I am an old foot soldier who has seen action in two wars, at spots where at times our side lacked air superiority. Then I have witnessed what happened—the changes that occurred—when our airmen got the upper hand. Needless to say, it became a very different world to live or die in.

I am an advocate of economy nearly always but, Mr. Speaker, here is one place that I do not see how we dare gamble with the safety of our country or can measure the value of restful nights in dollars. I hope the House will stand firm.

Mr. ENGEL of Michigan. Mr. Speaker, I have tried in the past not to take the time of the House unless I could contribute something toward the debate which would help settle the issue before the House. If I thought there were anything I could say here to help one Member of the House make up his or her mind I would be inclined to say it at this time.

We have listened to this debate now for nearly an hour, and we have not heard one person say a word against the committee's position. It is a wise lawyer who knows enough to stop talking when he has won his case. I think it is time to stop talking and start voting.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. RANKIN].

OAK RIDGE AND THE TENNESSEE-TOMBIGBEE INLAND WATERWAY

Mr. RANKIN. Mr. Speaker, of course I am supporting the House conferees on this amendment.

I was a Member of the House when Gen. Billy Mitchell was crucified. With the destruction of Billy Mitchell the ground was laid for the disaster at Pearl Harbor.

I am not only for this provision, but I am for every movement which will build up the strength of this country from within. We cannot depend on anybody else to defend this Nation.

In this connection I want to say that the greatest defense plant on earth is at Oak Ridge, on the Tennessee River, where our atomic bombs are made. Recently we had a measure up here to provide a slack-water route from the Gulf to Oak Ridge by way of the Tennessee-Tombigbee inland waterway. It will cut the water distance from the Gulf to Oak Ridge 800 miles. It will cut the cost of getting all the needed materials from the Gulf into Oak Ridge by 75 to 80 percent. That measure is coming up again in the next Congress, and I feel sure we will get all the funds needed for the construction of this great project.

I trust that the Congress will follow the example being set today by these conferees and by the House and help us to provide for our national defense from within, because it is going to be Americans, and not aliens, who are going to defend this country now and in the years to come.

Mr. MAHON. Mr. Speaker, in a moment I shall move the previous question, after which I shall ask for a roll-call vote to sustain the House position.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. MAHON] that the House insist on its disagreement to the Senate amendments.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 306, nays 1, not voting 125, as follows:

[Roll No. 222]

YEAS—306

Abernethy	Frazier	Michener
Addonizio	Fugate	Miles
Allen, Calif.	Fulton	Miller, Calif.
Allen, Ill.	Furcolo	Miller, Md.
Allen, La.	Gathings	Miller, Nebr.
Andersen, H. Carl	Gavin	Mills
	Gillette	Mitchell
Anderson, Calif.	Gilmer	Monroney
Andrews	Golden	Morris
Angell	Goodwin	Morrison
Arends	Gordon	Moulder
Aspinall	Gore	Murdock
Auchincloss	Gorski, Ill.	Murray, Tenn
Bailey	Gorski, N. Y.	Murray, Wis.
Bates, Mass.	Gossett	Nelson
Battle	Graham	Nicholson
Beall	Gross	Nixon
Beckworth	Hagen	Noland
Bennett, Fla.	Hale	Norrell
Bennett, Mich.	Hand	Norton
Biemiller	Hardy	O'Brien, Ill.
Bishop	Hare	O'Brien, Mich.
Boggs, Del.	Harris	O'Hara, Ill.
Boggs, La.	Hart	O'Hara, Minn.
Bolling	Havenner	O'Konski
Bolton, Md.	Hays, Ark.	O'Neill
Bolton, Ohio	Hedrick	O'Toole
Boykin	Herlong	Pace
Bramblett	Herter	Passman
Breen	Heselton	Patman
Brehm	Hinshaw	Patten
Brooks	Hobbs	Patterson
Brown, Ga.	Hoffman, Mich.	Perkins
Brown, Ohio	Holifield	Peterson
Bryson	Holmes	Philbin
Buckley, Ill.	Hope	Pickett
Burdick	Horan	Plumley
Burke	Howell	Polk
Burleson	Hull	Potter
Burnside	Irving	Poulson
Burton	Jackson, Calif.	Price
Byrnes, Wis.	Jackson, Wash.	Priest
Camp	Jacobs	Rabaut
Canfield	James	Rains
Cannon	Javits	Ramsay
Carlyle	Jenison	Rankin
Carnahan	Jensen	Reed, N.Y.
Carroll	Johnson	Rees
Case, N. J.	Jonas	Rhodes
Case, S. Dak.	Jones, Ala.	Rich
Cavalcante	Jones, Mo.	Riehlman
Chelf	Jones, N. C.	Rodino
Chesney	Judd	Rogers, Fla.
Chiperfield	Karst	Rogers, Mass.
Christopher	Karsten	Sadowski
Church	Kean	St. George
Clevenger	Kearney	Sanborn
Cole, Kans.	Kearns	Sasscer
Cole, N. Y.	Kee	Saylor
Colmer	Keefe	Scott, Hardie
Combs	Kelley	Scott, Hugh D., Jr.
Cooley	Kerr	
Cooper	Kilday	Scrivner
Corbett	King	Sheppard
Cotton	Kirwan	Short
Cox	Kruse	Sikes
Crawford	Kunkel	Simpson, Ill.
Crook	Lanham	Sims
Cunningham	Latham	Smith, Kans.
Curtis	LeCompte	Smith, Va.
Dague	LeFevre	Smith, Wis.
Davis, Ga.	Lemke	Spence
Davis, Tenn.	Lesinski	Staggers
Davis, Wis.	Linehan	Steed
DeGraffenried	Lodge	Stefan
Delaney	Lovre	Stigler
Denton	Lyle	Stockman
D'Ewart	Lynch	Sullivan
Dolliver	McCarthy	Sutton
Dondero	McConnell	Taber
Doughton	McCormack	Tackett
Doyle	McCulloch	Talle
Durham	McDonough	Teague
Eaton	McGregor	Thomas, Tex.
Eberharter	McGuire	Thompson
Elliott	McKinnon	Tollefson
Engel, Mich.	McMillan, S. C.	Towe
Engle, Calif.	McMillen, Ill.	Trimble
Evins	Mack, Wash.	Van Zandt
Fallon	Madden	Velde
Feighan	Magee	Vinson
Fenton	Mahon	Vorys
Fernandez	Marsalis	Vursell
Fisher	Martin, Iowa	Wadsworth
Forand	Merrow	Wagner
Ford	Meyer	Welch

Werdel	Williams	Wolcott
Wheeler	Willis	Wolverton
White, Calif.	Wilson, Ind.	Woodruff
Whitten	Wilson, Okla.	Yates
Whittington	Wilson, Tex.	Young
Wickersham	Winstead	Zablocki
Wigglesworth	Withrow	

NAYS—1

Marshall

NOT VOTING—125

Abbitt	Green	O'Sullivan
Albert	Gregory	Pfeifer,
Andresen,	Gwinn	Joseph L.
August H.	Hall,	Pfeiffer,
Barden	Edwin Arthur	William L.
Baring	Hall,	Phillips, Calif.
Barrett, Pa.	Leonard W.	Phillips, Tenn.
Barrett, Wyo.	Halleck	Poage
Bates, Ky.	Harden	Powell
Bentsen	Harrison	Preston
Blackney	Harvey	Quinn
Bland	Hays, Ohio	Redden
Blatnik	Hébert	Reed, Ill.
Bonner	Heffernan	Regan
Bosone	Heller	Ribicoff
Buchanan	Hill	Richards
Buckley, N. Y.	Hoeven	Rivers
Bulwinkle	Hoffman, Ill.	Rooney
Byrne, N. Y.	Huber	Roosevelt
Celler	Jenkins	Sabath
Chatham	Jennings	Sadlak
Chudoff	Keating	Scudder
Clemente	Kennedy	Secrest
Coudert	Keogh	Shafer
Crosser	Kilburn	Simpson, Pa.
Davenport	Klein	Smathers
Davies, N. Y.	Lane	Smith, Ohio
Dawson	Larcade	Stanley
Deane	Lichtenwalter	Taurielło
Dingell	Lind	Taylor
Dollinger	Lucas	Thomas, N. J.
Donohue	McGrath	Thornberry
Douglas	McSweeney	Underwood
Ellsworth	Mack, Ill.	Walsh
Elston	Macy	Walter
Fellows	Mansfield	Weichel
Flood	Marcantonio	Whitaker
Fogarty	Martin, Mass.	White, Idaho
Gamble	Mason	Wier
Garmatz	Morgan	Wood
Gary	Morton	Woodhouse
Granahan	Multer	Worley
Granger	Murphy	
Grant	Norblad	

So the motion was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Barrett of Pennsylvania with Mr. Leonard W. Hall.

Mr. Green with Mr. Halleck.

Mr. Granahan with Mr. Weichel.

Mr. Chudoff with Mr. Jenkins.

Mr. Murphy with Mr. Reed of Illinois.

Mr. Joseph L. Pfeifer with Mr. Coudert.

Mr. Richards with Mr. Keating.

Mr. Gregory with Mr. Simpson of Pennsylvania.

Mr. Lane with Mr. Gwinn.

Mr. Taurielło with Mr. Hoffman of Illinois.

Mr. Larcade with Mr. Ellsworth.

Mr. Dingell with Mr. Gamble.

Mr. Hébert with Mr. Hoeven.

Mrs. Woodhouse with Mr. Sadlak.

Mr. Garmatz with Mr. Morton.

Mr. Multer with Mr. Macy.

Mr. Hays of Ohio with Mr. Hill.

Mr. Mansfield with Mr. Shafer.

Mr. Bonner with Mr. Fellows.

Mr. Keogh with Mr. Elston.

Mr. Lind with Mr. Blackney.

Mr. Thornberry with Mr. Lichtenwalter.

Mr. Bentsen with Mr. Kilburn.

Mr. Rivers with Mr. Scudder.

Mr. Walter with Mr. Martin of Massachusetts.

Mr. Roosevelt with Mr. Taylor.

Mr. Huber with Mr. Crawford.

Mr. McSweeney with Mr. Phillips of California.

Mr. Davenport with Mr. Mason.

Mr. Buchanan with Mr. Barrett of Wyoming.

Mr. Byrne of New York with Mr. Jennings.

Mr. Donohue with Mr. Phillips of Tennessee.

Mr. Powell with Mr. Norblad.

Mr. Heffernan with Mr. August H. Andresen.

Mr. Stanley with Mr. Edward Arthur Hall.

Mr. Fogarty with Mr. Harvey.

Mr. Heller with Mrs. Harden.

Mr. Deane with Mr. Thomas of New Jersey.

Mrs. Douglas with Mr. William F. Peiffer.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 87: Page 85, line 9, strike out all of lines 9 to 15, inclusive.

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment as follows: In lieu of the language stricken by said amendment insert:

"The act of June 30, 1949 (Public Law 154), as amended, making temporary appropriations for the fiscal year 1950 shall not be construed to have in any manner suspended the operation of the act of July 2, 1945 (Public Law 120, 79th Cong.) authorizing military personnel to occupy certain Government housing facilities on a rental basis without loss of rental or quarters allowance."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 91: Page 90, strike out all of lines 16 to 25 inclusive and insert the following:

"SEC. 622. (a) All negotiated contracts in excess of $1,000 entered into during the fiscal year 1950 by or on behalf of the Department of the Army, the Department of the Navy, or the Department of the Air Force for (1) ships; (2) aircraft and aircraft parts; (3) guided missiles and parts thereof; (4) arms, armor, armament, and ammunition; (5) electrical, photographic, electronic, fire control, and hydraulic equipment, of special military application; (6) other technical or specialized equipment and parts thereof, to be designated by the Secretary of Defense whenever, in his judgment, the best interests of the United States so requires; (7) construction of facilities or installations outside the continental United States of America, and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act. It is the sense of the Congress that the Secretary of Defense, in exercising his discretion to exempt subcontracts, either individually or by general classes or types, will take into consideration the competitive conditions affecting the sale of any article covered by such subcontract or subcontracts and the protection of the Government against excessive profits being earned thereon, and, insofar as practicable, will exempt such subcontract or subcontracts if he finds such action to be in the public interest.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948."

Mr. MAHON (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

"SEC. 622. (a) All negotiated contracts for procurement in excess of $1,000 entered into during the fiscal year 1950 by or on behalf of the Department of Defense (including the Department of the Army, Department of the Navy, and Department of the Air Force), and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948."

Mr. MAHON. Mr. Speaker, this amendment is a revision of the provisions of the House and Senate bills with respect to renegotiation. The language is substantially that which has been approved by both bodies and has the approval of the House and Senate Committees on the Armed Services.

I move the previous question.

The previous question was ordered.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 93: Page 97, line 24, insert the following:

"SEC. 630. No part of any appropriation contained in this act shall be used directly or indirectly, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however,* (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than 40 hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided further,* That the President may suspend from time to time in whole or in part compliance with this section in time of war or national emergency if he should deem such course to be in the public interest."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 93 and concur therein with an amendment, as follows:

In line 1 of said amendment change "SEC. 630" to "SEC. 629" and in the last proviso of said amendment delete the words "in time of war or national emergency."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 94: Page 99, line 15, insert the following:

"SEC. 631. The powers and duties vested in the Secretaries of the Army and the Navy with respect to civil-service employees of their Departments by section 3 of the act of December 17, 1942 (56 Stat. 1053), shall, during the current fiscal year, be vested also in the Secretary of Defense with respect to civil-service employees of all agencies of the National Military Establishment other than the Department of the Army, Navy, and Air Force, and in the Secretary of the Air Force with respect to civil-service employees of the Department of the Air Force. The provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), shall not apply to any civil-service employees with regard to whom the powers granted in this section are exercised: *Provided,* That nothing in this section shall repeal or modify any existing powers and duties of the Secretary of Defense, the Secretary of the Navy, the Secretary of the Army, or the Secretary of the Air Force under section 3 of the act of December 17, 1942 (56 Stat. 1053)."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 94, and concur therein with an amendment as follows:

In line 1 of said amendment strike out "SEC. 631" and insert in lieu thereof "SEC. 630."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 95: Page 100, line 8, insert the following:

"SEC. 632. No funds herein appropriated shall be available to pay for the services or support of personnel enlisted after enactment of this appropriation act under the provisions of section 4 (g) of the Selective Service Act of 1948 (Public Law 759, 80th Cong.)."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein with an amendment as follows:

In line 1 of said amendment strike out "SEC. 632" and insert in lieu thereof "SEC. 631."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 96: Page 100, line 13, insert the following:

"SEC. 633. (a) Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this act, and by making available or causing to be made available to purchasing and contracting agencies of the National Military Establishment information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this act.

"(b) The Secretary shall appoint or assign a special assistant to advise and assist him in carrying out the foregoing subsection (a). A report of all activities under this section shall be prepared and transmitted to the Congress as soon as practicable after June 30, 1950."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 96 and concur therein with an amendment as follows:

In line 1 of said amendment strike out "SEC 633" and insert in lieu thereof "SEC. 632."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 97: Page 101, line 9, insert:

"SEC. 634. In order to clarify the original intent of Congress, hereafter, section 2 and that part of section 3 (a) preceding the words "*Provided, however,*" of title III of the act of March 3, 1933 (47 Stat. 1520), shall be regarded as requiring the purchase, for public use within the United States, of articles, materials, or supplies manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, unless the head of the department or independent establishment concerned shall determine their purchase to be inconsistent with the public interest or their cost to be unreasonable."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 97 and concur therein with an amendment as follows:

In line 1 of said amendment strike out "SEC. 634" and insert in lieu thereof "SEC. 633."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 99: Page 101, strike out line 24 down to and including line 9, page 102, and insert:

"SEC. 701. Amounts available from appropriations and other funds, and contract authority, are hereby reduced in the sums hereinafter set forth, such sums (except contract authority) to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act, except as otherwise indicated:

"DEPARTMENT OF THE NAVY

"Repair facilities, Navy, $21,448,439;

"Naval procurement fund, $150,000,000 to be derived from amounts advanced to such fund for the purpose of settlement of war contracts under the Contract Settlement Act of 1944.

"TREASURY DEPARTMENT

"Strategic and critical materials (unfinanced contract authority), $275,000,000. (Second Deficiency Appropriation Act, 1949; Treasury and Post Office Departments Appropriation Act, 1950.)"

Mr. MAHON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment, and I yield myself 5 minutes.

Mr. Speaker, as stated at the outset of the consideration of this conference report, there were two major differences between the House and the Senate conferees. We have already disposed of one of those issues in the vote on the Air Force. Now we come to the question of

the disagreement between the House and the Senate with respect to stock-piling.

As all Members know, we have a law which would provide that our Government, as a national defense measure, would acquire from abroad and domestically, in some cases, certain essential items which are absolutely necessary in the event of war. I personally feel that the amendment with respect to the Air Force is very important, but I would say that perhaps the one with respect to stock-piling is even more important, because if we do not have on hand in our stock pile certain important minerals, mostly from abroad, in the event of war, we are seriously handicapped. It is not necessary for me to remind you of the difficulty we had with rubber in World War II.

When this bill went to the Senate, that body placed some provisions in the report to the effect that materials could not be stock-piled by the long-range contract method. Officials from the White House on down tell us that under the Senate provisions it will be impossible to carry on the stock-piling program as it must be carried on for the safety and security of this country. Take cobalt, a mineral which is absolutely essential in the construction of the jet engines for airplanes. The Senate provision would make it impossible for this element, and elements like tin and manganese and many others, to be bought on long-range contracts in order that our stock-piling requirements might be met.

I cannot think of anything more crippling to our national defense than to destroy our well-thought-out stock-piling program. Let me advise the House that we are far behind with our stock-piling program, and the action of the other body would make it impossible to have these long-range contracts which are so necessary. In the second place, the action of the other body would subtract from funds available for stock piling these essential items, such as I have mentioned, the total sum, $275,000,000.

The House conferees did not entertain any idea of receding and concurring with the other body on that item, because to do so would be playing fast and loose with the security of the United States.

I hope that after we have had a roll call vote on this measure—and I feel it is important enough to ask for a roll call vote—the position of the House may be crystal clear.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. SHORT. When the present appropriation bill for the National Military Establishment was being considered on the floor of the House last April, one of the most forceful presentations I have ever heard made by the chairman of any subcommittee was made by the distinguished and able gentleman from Texas who is now addressing the House.

Mr. MAHON. I thank the gentleman.

Mr. SHORT. I, with the members of the Armed Services Committee, unanimously and wholeheartedly agree with the members of his subcommittee that the stock-piling provision is one of the most important in our whole national defense set-up. I am not merely surprised, I am shocked that not only did the Senate insert language to prohibit the long-range contracts for the purchase of these vital strategic materials abroad but they rescinded the $275,000,000 for stock piling heretofore approved by both Houses of Congress and by the President of the United States. I trust that on the next roll call the Members of this body will give the gentleman's committee the same wholehearted support we have just given you on the previous roll call, to uphold your hands when you go back to conference.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. SHEPPARD. May I ask this question of the gentleman from Missouri. I can only infer from his statement that he is not only dissatisfied with the language that was inserted but would also include the comments that appeared in the report of the other body, which were just as detrimental as the language which was in the bill itself.

Mr. SHORT. That is right.

Mr. SHEPPARD. The gentleman feels that the House should repudiate that language along with the language incorporated in the bill?

Mr. SHORT. I think we should stand 1,000 percent behind the members of this subcommittee.

Mr. MAHON. I thank the gentleman from California, a member of our subcommittee, for making this point clear. A vote now to sustain the House conferees will be a vote to repudiate the language of the Senate report with respect to stock piling. That is, it would repudiate the Senate language eliminating the long-range contracts, and it would of course repudiate the $275,000,000 reduction in the stock-piling program which was proposed by the other body.

Mr. SHORT. How foolish it would be for us to build up a strong Army, Navy, and Air Force unless we have these strategic materials with which to manufacture the necessary weapons of war. The gentleman has named tin, rubber, and manganese, and he can name 30 others.

Mr. MAHON. The gentleman is correct.

Mr. SHORT. We are woefully behind in that program now, 2 years behind.

Mr. MAHON. May I make it clear that this matter of appropriations for the stock piling was not handled in the first instance by the Committee on Appropriations for the armed forces. This item is always handled by the Subcommittee on Treasury Appropriations. I see the gentleman from New Jersey on his feet. I yield to him at this time.

Mr. CANFIELD. I thank the gentleman. I was going to ask this question: Is this not really a rescission by circumlocution, in that the Senate Armed Services Subcommittee never had original jurisdiction over this item? This item was heard in the House by the House Subcommittee on Treasury Appropriations. The members of the committee were unanimous and the House was unanimous in approving the bill. The same procedure was followed in the Senate. However, some economy-minded Members in the other body, looking for places to save money, struck out the heart of stock piling and added this rider to the armed services bill. Really, in fact, it has no place in this bill. Is that not true?

Mr. MAHON. The gentleman is correct. I would much rather strike out airplanes or reduce the military force than to reduce the stock-piling program.

Mr. CANFIELD. Is it not also true that as we send arms abroad following the authorization of the arms aid for Europe bill, we are depleting our own stock piles? Every time we send arms abroad we have to use metals, maybe a dozen or more, from that stock pile. If the House subcommittee on Treasury and Post Office appropriations were to rehear the item now, it might add instead of subtract from that fund.

Mr. MAHON. May I say to the gentleman from New Jersey that I have conferred with the gentleman from Virginia [Mr. GARY], who is the chairman of the subcommittee of which the gentleman from New Jersey is the ranking minority member, and he feels as the gentleman from New Jersey feels and as I myself feel with respect to this item.

Mr. CANFIELD. He is very much concerned over this item. One impelling reason today is the letter he has received from the President of the United States, our Commander in Chief, pointing out that new factors have arisen making it much more important now than when we passed this original bill and this item not to reduce the stock pile.

Mr. MAHON. I know that view is held by the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], who has discussed the matter in conference as a member of the conference committee, and who also has discussed the matter with the chairman of the subcommittee handling the stock-piling program, the gentleman from Virginia [Mr. GARY].

I think there was some little confusion in the other body with respect to the stock piling of pepper. Or course, pepper is an important preservative in the handling of meats. But this bill carries no funds for the stock piling of pepper. We have a small stock pile of pepper. I think it can safely be said that only fourtenths of 1 percent of 1 year's supply of pepper is available in the stock pile. Our annual use of pepper in this country is about 42,000,000 pounds.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. MILLER of Nebraska. I agree that we should take steps to stock pile this critical material. But I am a bit confused sometimes when I realize that in our committee this morning we had a bill in regard to the mines of our country making some eighty or ninety million dollars available each year for mines that are difficult to keep open. Then you read in the paper that they bring in from India 143,000 long tons of manganese and that the Munitions Board, which has some $275,000,000 to spend and which, under the present law, can pay 25 percent over the regular prices for critical materials, are spending that money in Madagascar

and Tripoli and other places outside of the United States and give our local mines no encouragement whatever for the development of strategic materials in our own country. So it disturbs me a little bit that the handling of strategic materials has not, in my judgment, been very careful.

Mr. MAHON. May I say to the gentleman from Nebraska that we have cautioned the Members of the Board to use every reasonable care to prevent any discrimination against American production in these essential materials. I should point out, of course, that if we exhaust, and I am sure the gentleman will agree, if we should exhaust our own supply of critical materials and if trouble should come, we would be in a bad situation. We want to get critical materials from abroad for the reason that we need them. We want to get them for the further reason that we want to deprive others of the opportunity of acquiring them to the exclusion of our own country. But wherever we do have ample supplies of materials in this country, of course we want the local production to be favored.

In a letter which I have from the Secretary of Defense it is stated that in the carrying out of this program an effort is being made to follow the strict letter of the law with respect to buy-American legislation.

Mr. MILLER of Nebraska. Let me point out to the gentleman that the Munitions Board is now opening up new lead mines and zinc mines and copper mines and manganese mines all over the world. They have spent less than 5 percent of the money appropriated to them for our own mining industry in this country. I think the records bear me out on that point. So they are closing down our lead mines in Missouri and our copper mines all over the country as well as our manganese mines and are not following the spirit of the law as outlined by the Congress.

Mr. ENGLE of California. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. ENGLE of California. Relative to the statement made by the gentleman from Nebraska, I have a letter under date of July 25, 1949, from Major General Spaulding of the Munitions Board in which he states that 20 percent of the $766,000,000 or $154,000,000 of this anticipated appropriation would be spent domestically provided that the appropriation is maintained at the House figure. In the event the appropriation is cut then there will be a proportionate cut, of course, so far as the use of funds is concerned domestically. Domestic mining today is a sick industry. We were trying to get a bill out of committee today and will probably bring it out tomorrow to help our domestic mining industry. The expenditure of $154,000,000 for the acquisition of those materials which are critical and strategic and which can be purchased in this country will be of great assistance to the domestic mining industry. I am hopeful, therefore, that the House will stand by its position in this conference, because purchases under this program will be of assistance to those areas throughout the United States vitally dependent on mineral production.

Mr. MILLER of Nebraska. May I ask the chairman of the committee how much money have they spent to date out of the money which Congress appropriated to them.

Mr. ENGLE of California. Approximately 13 percent of the total appropriations which have gone to the Munitions Board have been spent on domestic acquisition, but it must be remembered that less than one-half of the total items which are required for our stock piling can be procured domestically.

Mr. MILLER of Nebraska. But some of that is not for minerals. Only about 5 percent is for minerals. It is for other things than minerals.

Mr. ENGLE of California. I am not so sure about that. But let me read this letter:

MUNITIONS BOARD,
Washington, D. C., July 25, 1949.

HON. CLAIR ENGLE,
House of Representatives.

DEAR MR. ENGLE: You have asked us to provide the answers to two questions: (1) How much of funds appropriated for the stock pile in the fiscal year 1950 are planned to be used to buy domestically produced materials within the framework of the stock-pile procurement program based on relative urgencies of materials? (2) What could be done, in addition, to increase the extent of procurement of domestically produced materials for the stock pile?

The estimates of domestic and foreign procurement in the fiscal year 1950 which we submitted to your hearing of July 18, 1949, were based on past experiences of the availability of domestic materials. The estimates which follow in this letter are based on the assumption that domestic materials will be available to the full extent necessary to meet our stock-pile requirements. In view of the many uncertainties involved, we cannot be certain that domestic materials will be available in the required quantities.

Of our current appropriations, without taking into account the proposal for rescission now under consideration in the Senate, about $766,000,000 is available for buying materials, bringing them into the stock pile, and paying charges for inspection and handling. (The remaining $69,000,000 is allocated for processing and rotation, maintenance, and operation of storage facilities, administration, etc.)

The program for use of the $766,000,000 is designed to bring the stock pile into the best possible strategic balance. Of this amount, $154,000,000, or 20 percent, is intended for domestically produced materials. It is expected that contracts will be placed in the course of the present fiscal year to bring the stock pile (including materials on hand and on order) beyond the halfway point. Until this point is reached, emphasis should be placed on items available largely from overseas because of the high strategic priority attached to these items.

Only 27 of the 69 stock-piled items can be procured in this country in any significant quantities. Funds intended to buy these 27 materials will amount to $245,000,000, of which $154,000,000, or 63 percent, will be spent for quantities of these materials produced in this country.

These 27 materials include only 8 items (among these copper, lead, and zinc) for which domestic production in 1947 accounted for in excess of half of domestic industrial requirements. We are prepared to spend 100 percent ($130,000,000) of funds allocated for the purchase of certain of these 8 items for quantities of materials produced in this country.

It should be emphasized that these are estimates only. We remain aware of the requirements of the statute that domestic materials be favored, and will meet our requirements from domestic sources to the extent that domestic producers are able to set aside these materials for the stock pile.

Your second question was as to the feasibility of an expansion in stock-pile procurement of domestically produced materials. It is evident that this can be accomplished only by an expansion in stock-pile appropriations or by a modification of stock-pile procurement schedules.

We are responsible for carrying out the terms of the Stock-Piling Act which requires us to reduce or eliminate a "dangerous and costly dependence of the United States on foreign nations for supplies" of strategic and critical materials. Pursuant to this act we have established a procurement schedule designed to provide at all times a maximum degree of strategic protection. Any significant departure from this schedule would bring less protection and thereby reduce the benefits of the statute. We do not recommend such a course.

As to the possibility of an expansion in stock-pile appropriations, action by the Senate Appropriations Committee points in the other direction. The original appropriation voted for the stock pile for the fiscal year 1950 was $835,000,000 in new cash and contract authority, but the Senate committee has voted to recommend a reduction of $275,000,000 in the contract authority extended under this measure. Should this reduction become effective, purchases of domestically produced materials would, of course, need to be reduced proportionately.

The attention of your committee is invited to the fact that our procurement schedules, which have worked somewhat to the disadvantage of domestically produced materials during the first half of the stock-pile program, will have the opposite effect subsequent to the present fiscal year. It is anticipated that thereafter our procurement schedules will call for a constantly increasing percentage of each year's stock-pile appropriation to be spent for purchase of domestically produced materials, insofar as domestic producers are able to meet stock-pile requirements.

Sincerely yours,

S. P. SPALDING,
Major General, United States Army,
Acting Director for Industrial Programs.

It is apparent from General Spalding's letter that procurement from domestic industry, so vitally necessary to it now, will be directly affected by the proposed Senate reductions in this appropriation.

Beyond the vital effect of this appropriation upon our limping mining industry, the national interest is far more important. And, in this respect I desire to read to the House a quotation from the Stock Pile Report of the Munitions Board, January 23, 1949, submitted to Congress as required by Public Law 520 of the Seventy-ninth Congress, as follows:

Every item in the stock pile is absolutely essential to American industry in time of emergency. The objectives of the program are minimum ones; even when these objectives have been fully attained, the stock pile would not be able to cure all wartime shortages. It would do no more than ease the desperately critical shortages that might otherwise block our war production completely.

Mr. Speaker, I emphasize the first and last sentences. Every item in the stock pile is absolutely essential to American

industry in time of emergency. It would do no more than ease the desperately critical shortages that might otherwise block our war production completely.

Now, how far have we gone in taking care of this very necessary matter? I quote again from the report of the Munitions Board, this time the report of July 23, 1949, submitted to Congress, and more particularly to page 30, as follows:

Stock piles physically on hand June 30, 1949, amounted to 28 percent of the total dollar value of the objectives. At that time an additional 12 percent were under contract, making 40 percent on hand or under contract. Appropriations approved for the fiscal year 1950 will permit the physical stock-pile level to be brought up to 48 percent by June 30, 1950. At that time the total on hand and under contract for future delivery will be 66 percent.

The significant thing about all this is that these items are absolute essentials; the objectives of the program are minimum objectives and would do no more than prevent a complete collapse of war production; at this stage these minimum objectives are only a little over 25 percent realized. In short, we are only one quarter of the way to having even the minimum stock-piling protection to prevent a complete collapse of our industry in the event of a national emergency. I trust, therefore, that the House will sustain the committee's position and insist on the full amount of the appropriation.

Mr. MAHON. I thank the gentleman for his contribution.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SHORT. As the gentleman from California [Mr. ENGLE] has so forcibly pointed out, we worked together last year and succeeded in getting a mining bill passed by both Houses of Congress, but that bill was vetoed by the President of the United States. The mining industry in this country is very sick. In my own district, where we produce much of the lead and zinc of this country, scores of mines have been forced to close and thousands of miners are now out of work and thrown upon the relief rolls.

The SPEAKER. The time of the gentleman from Texas [Mr. MAHON] has again expired.

Mr. MAHON. Mr. Speaker, I yield myself five additional minutes.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. PRIEST. Mr. Speaker, I move a call on the House.

A call on the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 223]

Abbitt	Bentsen	Byrne, N. Y.
Albert	Blackney	Celler
Andresen, August H.	Bland	Chatham
	Blatnik	Chudoff
Bailey	Bolling	Clemente
Barden	Bonner	Coudert
Baring	Boykin	Crosser
Barrett, Pa.	Buchanan	Curtis
Barrett, Wyo.	Buckley, N. Y.	Davenport
Bates, Ky.	Bulwinkle	Davies, N. Y.
Dingell	Jenkins	Quinn
Dollinger	Jennings	Ramsay
Donohue	Keating	Redden
Douglas	Kennedy	Reed, Ill.
Eaton	Keogh	Regan
Ellsworth	Kilburn	Rhodes
Elston	Klein	Ribicoff
Fellows	Lane	Richards
Flood	Larcade	Rivers
Fogarty	Lichtenwalter	Rooney
Gamble	Lind	Roosevelt
Garmatz	Lucas	Sadlak
Gary	McGrath	Secrest
Gorski, N. Y.	McKinnon	Shafer
Granahan	McSweeney	Simpson, Pa.
Granger	Mack, Ill.	Smathers
Grant	Macy	Smith, Ohio
Green	Mansfield	Spence
Gregory	Marcantonio	Stanley
Gwinn	Marshall	Tauriello
Hall, Edwin Arthur	Martin, Mass.	Taylor
	Mason	Thomas, N. J.
Hall, Leonard W.	Morgan	Thornberry
	Morton	Underwood
Halleck	Multer	Walsh
Harden	Murdock	Walter
Harrison	Murphy	Weichel
Harvey	Norblad	Whitaker
Hays, Ohio	Pfeifer, Joseph L.	White, Calif.
Hébert		White, Idaho
Heffernan	Pfeiffer, William L.	Wier
Heller		Withrow
Hill	Phillips, Calif.	Wood
Hoeven	Phillips, Tenn.	Woodhouse
Hoffman, Ill.	Poage	Worley
Huber	Powell	
Javits	Preston	

The SPEAKER. On this roll call, 287 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Florida [Mr. SIKES], a member of the committee.

Mr. SIKES. Mr. Speaker, I wonder if we might not emphasize the fact that with all the sympathy in the world for those Members who represent mining districts, where they certainly have their problems, this is not a mine-relief bill, this is a stock-piling bill intended to make it possible for us to accumulate sufficient stocks of critical and scarce materials to see us at least partly through an emergency should one develop. But in that same connection, Mr. Speaker, may I point out that if the position of the House conferees is sustained there would be $130,000,000 more to spend in domestic mines than there would be under the Senate provision.

Mr. MAHON. I thank the gentleman for his contribution.

I reemphasize the fact that this is a matter of the very greatest importance. This country has been burned once, and burned badly by reason of our failure to have sufficient stock piles. I do not believe we are going to be willing to be caught short in that department again.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. D'EWART. In response to the remarks just made by the gentleman, I would like to call the attention of the House to this report which has just been made available on the National Minerals Act of 1949, by the Subcommittee on Mining. The hearings at page 140 contain a statement by Mr. Carpenter, chairman of the Munitions Board. He brings out very clearly the connection between the acquisition of minerals for strategic purposes and the development of our national resources and the dependence of one on the other.

Mr. MAHON. I thank the gentleman. I would like to cite a letter I have from Mr. Hoffman, head of the ECA. He points out the important relationship between the European recovery program and the stock-piling program. That program is integrated with the stock-piling program. In that case we can be sure that we are actually getting something worth while for our money because we are accumulating these important stock piles of critical materials from abroad.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ENGEL of Michigan. Mr. Speaker, I call attention to the fact that this is a different kind of appropriation than any other appropriation in the bill. This is not an expenditure of money, in the sense that it is for pay-roll purposes and will never come back. In other words, on page 17 of the hearings on stock piling you will find the following:

Mr. ENGEL. In other words this stock pile that we have is the same kind of capital assets as the gold at Fort Knox?

Mr. ROLLE. That is right.

In other words, Mr. Speaker, that stock pile is there and we can only lose if the price goes down and we will gain if the price goes up. It is not a loss, it is a capital asset.

Mr. MAHON. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I now yield 3 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, this is a turbulent day in Washington. In committee rooms here on Capitol Hill representatives of our armed forces are literally tearing each other apart and our countrymen are asking themselves this question: Are we truly and properly prepared to fight against a strong aggressor? I was consternated some 10 days ago when I read in the Washington press that the Nation's Capital had no A-bomb civilian defense. I know that is so in my own home city of Paterson, N. J., because some 2 months ago I had a letter from the civilian defense chief of Paterson asking me to obtain for him information on how the people of Paterson could prepare themselves for civilian defense against atom bombs and poison gases. I directed that letter down town to our military leadership, and it was referred to the State authority in Trenton, N. J., proving what the newspapermen discovered here the other day, that in Washington we had prepared no coordinated program for atomic-bomb defense. I sat down and wrote my President and my Commander in Chief that night and asked him wherefor. I was glad to see that yesterday the gentleman from Massachusetts [Mr. KENNEDY] did likewise, because most certainly we have been remiss.

Now, what does the Senate propose to do? Slash stock piling by $275,000,000.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. MAHON. It was suggested by the Senate conferees they might be willing to split the difference and cut the stock piling in half.

Mr. CANFIELD. Oh, yes.

Mr. MAHON. I would like to have the gentleman's reaction to that.

Mr. CANFIELD. Thank God, the gentleman addressing me now would not do that. He would not temporize and gamble with American security. Most certainly this House is not going to. As the gentleman from Texas [Mr. MAHON] well said, this is the No. 1 item in national defense—not a bigger air force, because we are not going to have a bigger air force unless we build up this strategic stock pile.

Now, what did the President and Commander in Chief do about this item, after he made the announcement of the atomic bomb explosion in Russia? He sat down and wrote the chairman of the Senate Appropriations Committee, the gentleman from Tennessee [Mr. MCKELLAR], and the chairman of the House Appropriations Committee, the gentleman from Missouri [Mr. CANNON], and he asked them point blank to see that this rider was deleted. He also wrote:

Since the presentation of the stock-piling program to Congress, and more particularly since its consideration by the Senate Appropriations Committee in connection with the armed services appropriation bill, certain new and highly significant factors have increased the importance of continuing the program originally authorized.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield right there?

Mr. CANFIELD. I yield.

Mr. MCCORMACK. I may say to the gentleman that I talked by telephone with the President in the early part of the forenoon, and he is very strong to have retained this appropriation in the bill.

Mr. CANFIELD. Of course, he is very much concerned about this item, and right he should be, in view of the events of this day.

I ask for a vote equal to the vote that we just gave in favor of a bigger air force. Stock piling. The No. 1 item in national defense. Let us not gamble on it.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who care to do so may have the right to extend their remarks at this point in the RECORD on the stock-piling amendment.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CZECH URANIUM CITY

Mr. STEFAN. Mr. Speaker, ever since the President of the United States announced that an atomic explosion had occurred somewhere behind the iron curtain and especially since news has come from Czechoslovakia that more slaves are being forced into the uranium mines I have been asked by House Members to repeat part of the report I made to this House last year on Czechoslovakia. The full text of this report will be found on pages 10223–10226 of the CONGRESSIONAL RECORD of August 7, 1948. The report was originally made by me to the Secretaries of State and the Army and the chairman of the House Committee on Appropriations on August 6, 1948.

Most Members are interested in that part of my report dealing with the uranium mines in Czechoslovakia and for their information I repeat that part of the report at this time:

CZECH URANIUM CITY

One very well-informed escapee told me a grim story about the famous uranium mines in Jackymov in Bohemia. Last February before the Communist putsch in Czechoslovakia, a Prague newspaper reported that the mines had received 22 trucks from the Ministry of Transport in spite of the scarcity of such vehicles. The journalist was charged by the Communist-controlled Ministry of the Interior with a crime against the defense of the Republic for having revealed a very important military secret. Since May 1945, when the Soviet troops took over the mines, the name of Jackymov had become tabu in Czechoslovakia. The Soviet officers and officials who occupy and administer Jackymov do so as if it were a Soviet colony. All post cards and all propaganda literature describing the healing powers of Jackymov Spa which had a world-wide reputation were confiscated. Subservient Czech authorities had declared that to sell a post card of the famous resort hotel there constituted a crime against the security of the state. Practically all civil rights of the citizens of the town were abolished. Spa guests have been limited in their movements. When Jan Masaryk was minister he was, upon one occasion, expelled from the restricted area by Russian soldiers. The Russians went so far as to suggest to the Czechoslovakian Government that in geography lessons in Czech schools not a word be said about the existence of the town of Jackymov.

Its mines rival the uranium deposits of the Belgian Congo and yield other valuable ores. Prior to the Russian seizure of the mines, the yield of uranium amounted to approximately 60 tons per year. Now the Russians are producing approximately 200 tons per year. This increase, instead of being attributable to efficiency, is testimony of the absolute ruthlessness with which the mines are being plundered, and the way human beings are being treated.

Work in uranium mines, unless carefully managed, gradually kills the miner. For this reason all work in prior years was carried out with great care for the health of the workers. The Russians have made the mines forced-labor establishments using German prisoners of war. The slaves are worked till exhausted, or they die of exposure. The number of miners has been increased from approximately 350 to approximately 650.

For over 80 years cartographic researches have been going on in Jackymov, thus giving precise knowledge of the uranium beds and their capacity to the depth of 600 meters. The Russians, using this knowledge, have opened up a shaft in the 530–560-meter depth where no mining had taken place in view of the fact that work there was dangerous and very unhealthy because of its extreme radio activity. The Russians, in spite of all warnings, started work there and endanger not only hundreds of lives but also the whole mine and the whole region if the strong geyser of mineral water breaks loose.

The Soviet commander of Jackymov, Major Michajlov, and the Russian geologist, Mishinko, are deaf to warnings. They are certain that if and when the gigantic strength of the mineral waters will break the dam and flood the mines, nobody will ever hear of it.

The Russians care little about the cost of the mining operation as there is more than money at stake. The Soviet is trying to catch up with the United States on atomic bomb production.

At Freiburg in Saxony, a Soviet center for uranium research has been set up in the building of the Saxon Mining Academy. It is not the only one, because even in Prague in the borough of Zisker, the Czech Government has established a uranium research laboratory for the Soviets. Five to fifteen tons of uranium are brought there every month. It is difficult to estimate the value of the uranium ore that is being stolen from Czechoslovakia by the Russians, according to my informant. As he pointed out, Belgium sells uranium to the Americans whereas the Russians steal it from the Czechoslovakians.

Respectfully submitted.

KARL STEFAN,
Member of Congress.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Speaker, I appreciate very much getting this time to speak on the importance of the No. 1 item of defense, stock piling.

The present Stock-Piling Act was passed during the Seventy-ninth Congress, and it was understood that we should accumulate those materials without harming the domestic mining industry. The letter which the gentleman from California [Mr. ENGLE] placed in the RECORD this afternoon will put those from the mining areas at ease on that point. The important thing is to remember what we are up against in the way of matching our strength against other forces in the world. If you will take the time to read the British Encyclopedia Year Book for 1948, you will find that Russia spent $1,250,000,000 in 1947 on military research; that they spent from nine to ten billion on new equipment for an army of 3,800,000 men on full-time duty. They were also carrying out a program that would take them up to fifteen to twenty million trained reserves by 1955. In the Seventy-ninth Congress we set out a 5-year program for stock-piling strategic and critical materials. We are far from realization of even half of that program. The letter that was read by the gentleman from California [Mr. ENGLE] this afternoon will tell you that the contracts authorized by this legislation would, when filled, bring us up to the halfway point on our 5-year stock-pile program.

If we should cut back our appropriation for strategic and critical materials, we would be guilty today of letting down national defense. The first point we should look to in adequate defense is to bolster up our strategic and critical materials. What is our yardstick for an adequate stock pile? The stock-pile yardstick is that amount of any strategic or critical material that we need for a 5-year war program at the highest yearly rate we used these materials in World War II, less the amount that we can reasonably expect to produce in America in a similar period of time under wartime conditions. With that yardstick you should build up 100 percent of the stock-pile program at the earliest possible date. Let us at least get it up over the 50-percent mark by supporting the Appropriations Committee of the House of Representatives in their opposition to the proposed rescission of $275,000,000 in our stock-piling program.

The reason I place the stock-pile program in first place in our national defense program is because the weapons we are using today may be short in quantity or entirely obsolete tomorrow morning and new weapons can be made only from the supply of raw materials we then have available.

The huge expansion and improvement by Russia in submarines may make it necessary for us to develop a greatly expanded air transport service for the accumulation of any strategic and critical materials from abroad after any future war may start. Even such an airlift development can then be maintained only if we have control of the foreign points of production.

The supersonic speed of any possible future war makes it imperative that we have our stock-pile program built up to 100 percent before we enter the first day of that war.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, I shall support the Committee on Appropriations in what it has brought before the House this afternoon; and I thoroughly agree with the comment made by the chairman of the subcommittee and the ranking minority member of the committee with respect to the importance of the stock-piling program. I cannot, however, let this opportunity pass without placing in the RECORD some observations that refer to a rather small industry that is vital to this stock-piling program, that is truly and particularly American. Some of you will recall that I had something to do with the hemp program that was inaugurated in this country during the last war; you will recall that we became faced with a critical shortage of fiber because of the inability to get suitable fiber into this country that was vitally needed for our armed services. It so happened that in the district that I represent in Wisconsin there had been carried on for many years the nucleus of a little domestic-hemp industry. And it is well for this Nation that that little hemp industry had been kept alive by the vision of certain people who knew that sometime the United States of America would be dependent upon hemp for its fiber.

What happened? The Congress of the United States provided a vast hemp program and spent millions of dollars building mills all over the Middle West and in Kentucky. To do what? To produce a stock pile of hemp. And what has happened to it? Today the industry is practically gone. I believe there are about five operating plants left in the country; the rest have been sold and closed up. Those that are still trying to operate raising hemp, which is an agricultural commodity, in order to produce vitally needed fiber for the domestic use of the United States now find themselves this year faced with a situation where they have an enormous surplus of hemp on hand from last year's record-breaking crop and are faced with a large crop coming onto the market as a result of hemp grown this year. The time is at hand when the contract with the farmers for acreage to grow hemp next year must be entered into. Unless those contracts are entered into the growers of seed in Kentucky will not grow the seed. When that happens the hemp industry of this country is dead. So I say to those who are in charge of the stock piling of critical materials, of which hemp fiber is one, that they cannot afford to allow that industry to die and to go out of business, because if we ever become involved in war again we will then frantically do the thing that we did last time and spend needlessly millions and millions of dollars in an attempt to do what foresight would have taken care of had we had a little foresight at the proper time.

The remainder of this nucleus of the hemp-producing industry has appealed to the Department of Agriculture for a support price so that the Commodity Credit Corporation could stock-pile this hemp under the support price program. They have appealed to the Munitions Board to have them purchase this hemp and stock-pile it as a critical medium needed in the war effort. They all concede and admit that it is vital and critical, but nobody does anything about it. The representatives of the industry, whom I know as great patriotic Americans, most of whom live in the district I represent, were down here last week frantically trying to save this little nucleus of an industry that will be vital and critical if we ever get into another war. So I call upon the proper agencies of the Government to see to it that whether the steps be taken under the price-support program of agriculture or whether they be taken by purchase and stock piling of the hemp by the Munitions Board, something should be done before the end of this calendar year or that industry will be lost to America.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I want to commend the subcommittee for its firm stand on this stock-piling proposition. There are two requisites for stock piling. One is the money for purchasing with which we are dealing here, the other is the critical materials to be purchased. We must not assume that the materials will always be available or obtainable even if we have the money. With the advance of Communist forces in Asia, and also in Africa and in South America, where they are working full speed, the day is not too far off when there is reason to expect that the Soviets will control many more sources of essential raw materials and any amount of money we may have appropriated will then be unable to buy them.

The administration has been concentrating its efforts on western Europe because we are told the 280,000,000 people who live there have our type of civilization, are industrially developed, and have superior technical skills. We must support them first because they are the most advanced peoples and therefore, supposedly most useful to us. But they cannot use their superior productive capacity without raw materials any more than we can. Our side leads in scientific and industrial development; the Soviet side will lead in materials and manpower. They can overtake us in our field, as they have proved by their discovery of the atomic bomb. But we cannot overtake them in the fields where they will lead, if they have control of the areas which Europe and we must increasingly depend on for certain raw materials.

The United States Government ought to get a hustle on to stock pile these essential materials, with maximum speed, especially those we will not be able to obtain if certain areas in Asia and in other parts of the world come under the control of the Soviet dictators and their satellites, as we have every reason to believe they will come if our country continues its disastrous policy of wait and see.

Mr. MAHON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 306, not voting 126, as follows:

[Roll No. 224]

YEAS—306

Abernethy	Combs	Harris
Addonizio	Cooley	Hart
Allen, Calif.	Cooper	Havenner
Allen, Ill.	Corbett	Hays, Ark.
Allen, La.	Cotton	Hedrick
Andersen, H. Carl	Cox	Herlong
Anderson, Calif.	Crawford	Herter
Andrews	Crook	Heselton
Angell	Cunningham	Hinshaw
Arends	Curtis	Hobbs
Aspinall	Dague	Hoffman, Mich.
Auchincloss	Davis, Ga.	Holifield
Bailey	Davis, Tenn.	Holmes
Bates, Mass.	Davis, Wis.	Hope
Battle	Dawson	Horan
Beall	Deane	Howell
Beckworth	DeGraffenried	Hull
Bennett, Fla.	Delaney	Irving
Bennett, Mich.	Denton	Jackson, Calif.
Biemiller	D'Ewart	Jackson, Wash.
Bishop	Dolliver	Jacobs
Boggs, Del.	Dondero	James
Boggs, La.	Doughton	Jenison
Bolling	Durham	Jensen
Bolton, Md.	Eberharter	Johnson
Bolton, Ohio	Elliott	Jonas
Bosone	Engel, Mich.	Jones, Ala.
Bramblett	Engle, Calif.	Jones, Mo.
Breen	Evins	Jones, N. C.
Brehm	Fallon	Judd
Brooks	Feighan	Karst
Brown, Ga.	Fenton	Karsten
Brown, Ohio	Fernandez	Kean
Bryson	Fisher	Kearney
Buckley, Ill.	Forand	Kearns
Burdick	Ford	Kee
Burke	Frazier	Keefe
Burleson	Fugate	Kelley
Burnside	Fulton	Kerr
Burton	Furcolo	Kilday
Byrnes, Wis.	Gathings	King
Camp	Gavin	Kirwan
Canfield	Gillette	Kruse
Cannon	Gilmer	Kunkel
Carlyle	Golden	Lanham
Carnahan	Goodwin	Latham
Case, N. J.	Gordon	LeCompte
Case, S. Dak.	Gore	LeFevre
Cavalcante	Gorski, Ill.	Lemke
Chelf	Gorski, N. Y.	Lesinski
Chesney	Gossett	Linehan
Chiperfield	Graham	Lodge
Church	Gross	Lovre
Clevenger	Hagen	Lyle
Cole, Kans.	Hale	Lynch
Cole, N. Y.	Hand	McCarthy
Colmer	Hardy	McConnell
	Hare	McCormack

McCulloch	Patman	Staggers
McDonough	Patten	Steed
McGregor	Patterson	Stefan
McGuire	Perkins	Stigler
McKinnon	Peterson	Stockman
McMillan, S. C.	Philbin	Sullivan
McMillen, Ill.	Pickett	Sutton
Mack, Wash.	Plumley	Taber
Madden	Polk	Tackett
Magee	Potter	Talle
Mahon	Poulson	Teague
Marsalis	Price	Thomas, Tex.
Marshall	Priest	Thompson
Martin, Iowa	Rabaut	Tollefson
Merrow	Rains	Towe
Meyer	Ramsay	Trimble
Michener	Rankin	Van Zandt
Miles	Reed, N. Y.	Velde
Miller, Md.	Rees	Vinson
Miller, Nebr.	Rhodes	Vorys
Mills	Rich	Vursell
Mitchell	Riehlman	Wadsworth
Monroney	Rodino	Wagner
Morris	Rogers, Fla.	Welch
Morrison	Rogers, Mass.	Werdel
Moulder	Sabath	Wheeler
Murdock	Sadowski	White, Calif.
Murray, Tenn.	St. George	White, Idaho
Murray, Wis.	Sanborn	Whitten
Nelson	Sasscer	Whittington
Nicholson	Saylor	Wickersham
Nixon	Scott, Hardie	Wigglesworth
Noland	Scott, Hugh D., Jr.	Williams
Norrell	Scrivner	Willis
Norton	Scudder	Wilson, Ind.
O'Brien, Ill.	Sheppard	Wilson, Okla.
O'Brien, Mich.	Short	Wilson, Tex.
O'Hara, Ill.	Sikes	Winstead
O'Hara, Minn.	Simpson, Ill.	Withrow
O'Konski	Sims	Wolcott
O'Neill	Smith, Kans.	Wolverton
O'Sullivan	Smith, Va.	Yates
O'Toole	Smith, Wis.	Young
Pace	Spence	Zablocki
Passman		

NOT VOTING—126

Abbitt	Granger	Morton
Albert	Grant	Multer
Andresen, August H.	Green	Murphy
Barden	Gregory	Norblad
Baring	Gwinn	Pfeifer, Joseph L.
Barrett, Pa.	Hall, Edwin Arthur	Pfeiffer, William L.
Barrett, Wyo.	Hall, Leonard W.	Phillips, Calif.
Bates, Ky.	Halleck	Phillips, Tenn.
Bentsen	Harden	Poage
Blackney	Harrison	Powell
Bland	Harvey	Preston
Blatnik	Hays, Ohio	Quinn
Bonner	Hébert	Redden
Boykin	Heffernan	Reed, Ill.
Buchanan	Heller	Regan
Buckley, N. Y.	Hill	Ribicoff
Bulwinkle	Hoeven	Richards
Byrne, N. Y.	Hoffman, Ill.	Rivers
Carroll	Huber	Rooney
Celler	Javits	Roosevelt
Chatham	Jenkins	Sadlak
Christopher	Jennings	Secrest
Chudoff	Keating	Shafer
Clemente	Kennedy	Simpson, Pa.
Coudert	Keogh	Smathers
Crosser	Kilburn	Smith, Ohio
Davenport	Klein	Stanley
Davies, N. Y.	Lane	Tauriello
Dingell	Larcade	Taylor
Dollinger	Lichtenwalter	Thomas, N. J.
Donohue	Lind	Thornberry
Douglas	Lucas	Underwood
Doyle	McGrath	Walsh
Eaton	McSweeney	Walter
Ellsworth	Mack, Ill.	Weichel
Elston	Macy	Whitaker
Fellows	Mansfield	Wier
Flood	Marcantonio	Wood
Fogarty	Martin, Mass.	Woodhouse
Gamble	Mason	Woodruff
Garmatz	Miller, Calif.	Worley
Gary	Morgan	
Granahan		

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Miller of California with Mr. Halleck.
Mr. Whitaker with Mr. Woodruff.
Mr. Barrett of Pennsylvania with Mr. Macy.
Mr. Green with Mr. Eaton.
Mr. Granahan with Mr. Lichtenwalter.
Mr. Davenport with Mr. Coudert.
Mr. Chudoff with Mr. Sadlak.
Mr. Harrison with Mr. Shafer.
Mr. Tauriello with Mr. Gwinn.
Mr. Lane with Mr. Hoffman of Illinois.
Mr. Donohue with Mr. Martin of Massachusetts.
Mrs. Douglas with Mr. Jenkins.
Mr. Byrne of New York with Mr. Weichel.
Mr. Blatnik with Mr. Taylor.
Mr. Buchanan with Mr. Simpson of Pennsylvania.
Mr. Rivers with Mr. Reed of Illinois.
Mr. Ribicoff with Mr. Gamble.
Mr. Gregory with Mr. Mason.
Mr. Dingell with Mr. Norblad.
Mr. Hébert with Mr. Smith of Ohio.
Mr. Richards with Mr. Jennings.
Mr. Dollinger with Mr. Hoeven.
Mr. Fogarty with Mr. Harvey.
Mr. McSweeney with Mr. Elston.
Mr. Mack of Illinois with Mr. Fellows.
Mr. Hays of Ohio with Mr. Barrett of Wyoming.
Mr. Clemente with Mr. Kilburn.
Mr. Quinn with Mr. August H. Andresen.
Mr. Stanley with Mr. Ellsworth.
Mr. Thornberry with Mr. Leonard W. Hall.
Mr. Bentsen with Mr. Hill.
Mr. Garmatz with Mr. Phillips of California.
Mr. Worley with Mr. Morton.
Mr. Lind with Mr. Phillips of Tennessee.
Mr. McGrath with Mrs. Harden.
Mr. Huber with Mr. Edwin Arthur Hall.
Mr. Mansfield with Mr. Blackney.
Mr. Preston with Mr. William L. Pfeiffer.
Mr. Kennedy with Mr. Keating.
Mr. Bonner with Mr. Thomas of New Jersey.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 100: Page 103, line 3, insert:

"SEC. 702. The aggregate amount appropriated by the various appropriation items contained in titles II, III, IV, and V of this act is hereby reduced by $433,968,611. The Secretary of Defense is authorized and directed to determine and to certify to the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Committees on Appropriations of the Senate and the House of Representatives, on or before January 1, 1950, which of such appropriation items shall be reduced and the amount that each shall be reduced in order to effectuate such reduction of $433,968,611. Each appropriation item specified by the Secretary of Defense in his certification is hereby reduced by the amount of reduction specified by him with respect to such item in such certification; and the Secretary of the Treasury is authorized and directed to make the necessary entries on the books of the Treasury to reflect such reductions. In determining which appropriation items shall be reduced under the authority of this section and the amount of reduction in any such item, the Secretary of Defense shall be guided solely by the consideration that the aggregate amount appropriated to the National Military Establishment by this act should be available for expenditure for such purposes as will afford the utmost national security which can be obtained by the expenditure of such amount."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 100 and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

"SEC. 702. The amounts to be obligated or expended from certain appropriation items contained in titles II, III, IV, and V of this act shall not exceed the following:

"Department of the Army

"Pay of the Army	$1,440,778,178
Welfare of enlisted men	6,566,688
Subsistence of the Army	242,372,534
Regular supplies of the Army	109,254,420
Clothing and equipage	175,097,252
Incidental expense of the Army	99,586,215
Transportation Corps: Transportation service	305,602,009
Signal Corps: Signal service of the Army	197,062,137
Medical Department: Medical and Hospital Department	65,048,856
Engineer service	116,702,830
Barracks and quarters	184,976,037
Military construction	85,177,044
Training and operation	3,814,243
Maintenance and operation, USMA	5,964,583
Salaries:	
Secretary of the Army	3,141,639
Chief of Staff	7,450,965
Judge Advocate General	579,426
Chief of Finance	1,455,399
Quartermaster General	6,808,340
Chief of Transportation	2,935,930
Chief Signal Officer	2,471,176
Provost Marshal General	134,352
Chief of Engineers	3,789,316
Chief of Ordnance	4,040,904
Chief of Chemical Corps	750,000
Contingent expenses, Department of the Army	8,949,500

"Department of the Navy

"Miscellaneous expenses	$4,283,000
Salaries, Office of the Secretary	4,321,000
Research	42,697,000
Pay and allowances	1,039,871,000
Transportation and recruiting	31,804,000
General expenses	2,040,000
Naval Reserve	126,117,000
Naval Academy	5,130,000
Naval Home	390,000
Construction of ships	156,996,000
IRNV-Construction and machinery	37,787,000
Ordnance and ordnance stores	219,000,000
Ordnance for new construction	62,128,000
IRNV-Armor, armament, and munition	69,379,000
Maintenance, Bureau of Supplies and Accounts	207,331,000
Fuel	58,654,000
Salaries, Bureau of Supplies and Accounts	4,676,000
Medical department	38,686,000
Maintenance, Bureau of Yards and Docks	151,282,000
Public Works	51,876,000
Salaries, Bureau of Yards and Docks	2,257,600
Aviation	511,604,000
Pay, Marine Corps	185,818,000
General expenses, Marine Corps	121,182,000
Salaries, Headquarters, Marine Corps	2,475,000

"Department of the Air Force

"Special procurement	$125,797,000
Maintenance and operations	1,143,858,000
Air Force Reserve	77,630,000
Air Reserve Officers' Training Corps	11,677,000
Air National Guard	114,690,000
Salaries and expenses, administration	57,242,000

"The Secretary of Defense is authorized and directed to determine and certify to the Committees on Appropriations of the Senate

and the House of Representatives, on or before January 1, 1950, from any appropriation provided in this act which he finds may be reduced without prejudice to the national security, any amount which may be reduced, stating the reason for such reduction."

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. MAHON. I yield.

Mr. TABER. This is quite a long amendment; will not the gentleman explain it pretty carefully?

Mr. MAHON. Mr. Speaker, as I indicated earlier in the discussion, the House conferees declined to go along with the blanket cut effected in the bill by the other body; the House insisted that all reductions should be made in the individual items. Under the parliamentary procedure we found that in some cases the Senate figure for a certain item and the House figure for the same item were such that we could not in the main body of the bill effect the reduction which the officials of the Military Establishment assured us they could make, and which we desired to make, because under the procedure on a certain amendment we could not go below the lowest figure.

In section 702 of the bill the other body placed a proviso giving the Secretary of Defense blanket authority to reduce the bill by $434,000,000. The House refused to accept the over-all reduction of $434,000,000 as such but advocated making any reductions that might be possible. Numerous reductions were made in the bill where they could be made and where under the parliamentary situation reductions could be made in individual items.

For example on subsistence for the Army, the lowest figure in conference was $255,000,000. Army officials assured us that they only needed $242,000,000. So we resorted to the mechanism of placing in section 702 the further reduction in subsistence for the Army.

Those reductions provided in the motion which is now before you amount to $238,584,366. Those reductions are made in the specific items that have been read by the reading clerk.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. SHEPPARD. Mr. Speaker, the only way the House could go ahead and place the savings that were made in the different paragraphs of the bill because of the chaotic condition in which we found the bill was to include them in section 702; is that correct?

Mr. MAHON. I thank the gentleman and he is entirely correct.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. ENGEL of Michigan. Using amendment No. 11, which is the amendment that the gentleman speaks about on subsistence, the budget figure was $274,850,000. The House, because of a reduction in prices, put in $255,000,000. The Senate restored the budget figure of $274,000,000 plus. The Army comes along and says that because of further reductions they can get along with $242,000,000. However, under amendment No. 11 we could only arrive at a figure between the House figure, which was the lowest, and the Senate figure, which was the highest. So we left the House figure in there and had to place the difference between the $255,000,000 and the $242,000,000 in paragraph 702. In other words, we cannot go below the lowest figure as between the House and Senate, so we put in section 702. In that manner, we can go down to $242,000,000; otherwise the figure would have been $255,000,000.

Mr. MAHON. The gentleman is correct.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Can the gentleman tell me whether there is in the House any real opposition to the position taken by the the House conferees or whether there is a move on to perhaps prevent the calling up of the veterans' hospital bill?

Mr. MAHON. Certainly we are not taking too much time on this bill. This is the largest appropriation bill of the session and the gentleman from New York [Mr. TABER] asked for an explanation of this item. May I make a little further explanation of the amendment.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Then in effect this amendment which is sought to be modified by the proposed motion would accomplish a modification of the figures that appear earlier in the bill at several points?

Mr. MAHON. Yes.

Mr. CASE of South Dakota. Is this $238,000,000 a net reduction below the total figure in the House or below the Senate figure?

Mr. MAHON. That is a reduction of the budget figure.

Mr. CASE of South Dakota. A reduction of the budget figure of $238,000,000?

Mr. MAHON. Yes. Of course, the Secretary of Defense has assured us that further savings can be made in some items in the bill. But, we did not have information before us to particularize as to further savings, having effected many millions of dollars of savings in the bill ourselves. So, we have added in the bill the following paragraph, in order that the legislative body might retain maximum control over appropriations: "The Secretary of Defense is authorized and directed to determine and certify to the Committees on Appropriations of the Senate and the House of Representatives on or before the 1st of January 1950, from any appropriations provided for in this act, which he thinks may be reduced without prejudice to the national security, any amount which may be reduced, stating the reasons for such reduction." This was done in order that the Congress may be kept closely informed as to the developments in the National Military Establishment.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the conference report just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO AUTHORIZE CERTAIN CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 388, Rept. No. 1391), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMITTEE ON BANKING AND CURRENCY

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 331, Rept. No. 1392), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Committee on Banking and Currency, acting as a whole or by duly authorized subcommittee or subcommittees, appointed by the chairman of said committee, is authorized to conduct full and complete studies and investigations and make inquiries with respect to any matter or matters in the field of housing coming within the jurisdiction of such committee, including, but not limited to—

(1) any housing or housing facilities under the jurisdiction of the Housing and Home Finance Administrator; and

(2) any and all methods of planning, organizing, operating, and financing the construction, purchase, or rental of housing including cooperative or mutual ownership housing organizations,

and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued

over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 390) providing for the consideration of and waiving all points of order against the resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes (Rept. No. 1393), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes, and all points of order against said bill are hereby waived. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Banking and Currency, the resolution shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by the direction of the Committee on Banking and Currency, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had adopted the following resolution (S. Res. 182):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. BERT H. MILLER, late a Senator from the State of Idaho;

Resolved, That a committee be appointed by the President of the Senate to attend the funeral of the deceased Senator;

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased;

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now take a recess until 12 o'clock meridian tomorrow.

The SPEAKER. The Chair recognizes the gentleman from Idaho [Mr. WHITE].

THE LATE HONORABLE BERT H. MILLER

Mr. WHITE of Idaho. Mr. Speaker, it became my sad duty to announce to the Members of the House that the distinguished junior Senator from Idaho, BERT H. MILLER, passed away on Saturday last.

Senator MILLER has made an enviable record as attorney general in Idaho and also during his brief service to the Nation during his brief term as Senator from the great State of Idaho.

Mr. Speaker, I offer a resolution (H. Res. 389).

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. BERT H. MILLER, a Senator of the United States from the State of Idaho.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of four Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the gentleman from Idaho [Mr. WHITE], the gentleman from Arizona [Mr. PATTEN], the gentleman from Oregon [Mr. ANGELL], and the gentleman from Idaho [Mr. SANBORN].

The SPEAKER. The Chair recognizes the gentleman from West Virginia [Mr. KEE].

PARLIAMENTARY INQUIRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. It is my understanding, Mr. Speaker, that under the new rules of the House that a bill must be taken up the twenty-first day after the Rules Committee has not acted. There was before the committee a hospital construction bill, but my understanding is that it will not be taken up for action today, and the veterans will not receive any hospitalization or any additional hospital beds. There are 100 veterans in jail today, and 50 in Pennsylvania.

The SPEAKER. The gentlewoman is making a speech. For what purpose does she rise?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask if on tomorrow, for instance, the hospital construction bill can be taken up. That will be the twenty-second day.

The SPEAKER. It can be taken up only by unanimous consent or if the Committee on Rules reports a rule.

Mrs. ROGERS of Massachusetts. It has not reported a rule. The gentleman from Mississippi knows the exact number of beds——

The SPEAKER. The Chair has already recognized the gentleman from West Virginia [Mr. KEE]. Is he willing to yield for these matters?

Mrs. ROGERS of Massachusetts. Will the gentleman yield for a parliamentary inquiry?

Mr. KEE. Yes, Mr. Speaker; I yield for a parliamentary inquiry only.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. RANKIN. When the gentleman from West Virginia gets through, I expect to take up this bill for the construction of these hospitals. It has already been appropriated for, and I hope the Members will stay here and help us put it through.

Mrs. ROGERS of Massachusetts. I should like to say to the gentleman from Mississippi that if the filibuster continues and he cannot bring that bill up, he cannot take the bill up for action tomorrow.

Mr. RANKIN. We cannot take it up tomorrow. If it fails to pass today, we will have to carry it over to January. We might as well understand that. I hope the Members of the House will stay here and help us put it through.

Mr. KEE. Mr. Speaker, pursuant to the provisions of rule XI (2) (c), I call up House Resolution 350, which has remained in the Committee on Rules for more than 21 days without being reported.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H. J. Res. 334) to amend certain laws providing for membership and participation by the United States in certain international organizations. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. KEE. Mr. Speaker, I believe under the rules we have 1 hour on this rule; is that correct?

The SPEAKER. The gentleman is correct.

Mr. KEE. I yield 30 minutes to my colleague the gentleman from Minnesota [Mr. JUDD], the ranking member of the subcommittee that considered this measure, and yield myself now 10 minutes.

Mr. Speaker, this rule makes in order the consideration of House Joint Resolution 334, to amend certain laws providing for membership and participation by the United States in certain international organizations. It will also authorize the appropriation of certain amounts of moneys, so much for each of the organizations affected, to pay our annual contributions.

The five organizations affected by this joint resolution are the American International Institute for the Protection of Childhood, the Food and Agriculture Organization, the South Pacific Commission, the World Health Organization, and the International Labor Organization.

Heretofore we have contributed annually our proportionate part of the expenses of operating these institutions, and those contributions have been authorized by the Foreign Affairs Committee and appropriated by the Committee on Appropriations under the general authorization. At the present session of Congress a bill was drafted and submitted to our committee which provided, in

fact, for removing the ceilings from these appropriations. That bill was considered by the full Committee on Foreign Affairs and was referred to a subcommittee which, after due consideration, concluded that it would be advisable to put a ceiling upon the appropriations in order that the appropriations might be reviewed at each session of Congress and the action and conduct of these international organizations be subject to the scrutiny of the Congress. Therefore, after careful consideration the subcommittee drafted a new joint resolution in which, so far as is possible, they placed a ceiling upon our contributions. Our contributions to the organizations represent our proportionate share of the regular budget of the different organizations.

In the case of the American International Institute for the Protection of Childhood, that organization has been in existence for a period of about 20 years. So there is nothing new about that organization. But recently and for some time we have fallen in arrears in paying our contribution. In that organization we had a ceiling of $2,000. That was only about 12½ percent of the total cost of the operation of the organization. As the budget of that organization has been increased, this bill will raise our contribution to $10,000 a year and also provide for the appropriation of $24,000 to pay our arrears. In other words, we are behind in our dues to that organization, and we are paying up such arrears by the authorization of $24,000.

The cost to the United States of that organization is, possibly, the smallest of any of them. As all of you know from past history, from the time of UNRRA to the present we have been ordinarily paying about 47 percent of the cost of these different organizations. These amounts are being gradually cut down even though the work of the organizations is being increased. Now we are paying in some instances not over 30 percent and in another instance not over 20 percent. The United Nations has determined that it is not proper for any country to pay more than one-third of the cost of the operation of any international organization organized within the framework of the United Nations.

We have in the resolution the Food and Agriculture Organization. This Organization has increased its budget, and because of that increase we have increased the authorization of the amount necessary to carry on the Organization from $1,250,000, which was the ceiling heretofore, to $2,000,000, making an increase of $750,000. That does not mean we have increased our contribution. It means we have raised the ceiling, in each case giving a margin for exceptional incidents which may happen during the course of a year and make it necessary to seek an appropriation to increase our contribution.

We have here also the South Pacific Commission. Our contributions to that organization have been heretofore $20,000 per year. We have an additional assessment for that organization of $55,000, and we placed a ceiling on that at $75,000. On the World Health Organization our former contributions were $1,920,000. That has been increased, by reason of the enlargement of the program of the Organization and an addititonal increase in the budget, to $3,000,000.

The International Labor Organization has broadened its program of operations, all of which will appear in the very excellent report made by this committee. Our contribution in that case has been increased from $1,091,000 to $1,750,000.

This subcommittee held hearings upon this joint resolution for several days. A number of witnesses who were acquainted with the operations of the organizations, to which we have contributed and to which we must contribute, testified and put their stamp of approval upon the organizations.

There are about 30 different organizations in South America, all of which the subcommittee and the full Committee on Foreign Affairs is looking into, with the hope of combining all of these operations into a lesser number.

The SPEAKER. The time of the gentleman from West Virginia [Mr. KEE] has expired.

Mr. KEE. Mr. Speaker, I yield myself two additional minutes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield.

Mr. RICH. In looking over this committee report, I notice you are increasing all these items. Are they to be annual contributions?

Mr. KEE. They are annual contributions.

Mr. RICH. You are now increasing many of them more than twice what they were before.

Mr. KEE. That is because of the enlargement of their programs and an increase in their budgets. Our representatives in the organizations agreed to these increases. The increases are made by the organizations themselves, to which increases our agreement must be had in advance.

Mr. RICH. Is it not a fact that in the last month these foreign countries all reduced the price of silver, cut it down 50 percent, and naturally that would cause our money to be twice as valuable over there? So, why do you now increase our contributions? The first thing you know we will be paying four times as much as we were supposed to pay. I think those foreign countries are pulling the wool over the eyes of the Foreign Affairs Committee like nobody's business, and I think that after awhile the people of this country will be so sick and tired of the obligations that our Foreign Affairs Committee has placed on the taxpayers of this country, when they are not able to stand it, that there will be something doing. I do not know what will happen and you do not know what is going to happen. Probably bankruptcy for America. We are only wrecking this country by sticking our noses into the affairs of all these foreign countries. I attribute more of it to the Foreign Affairs Committee and to our State Department than anything else. I think the State Department we have and the way they have been handling foreign affairs just smells bad to me—I do not like it—they are more for foreign countries than for America.

Mr. KEE. I did not yield to the gentleman for a speech.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. I wonder if my colleague would advise us how much the United States pays into similar international organizations? How much is it costing?

Mr. KEE. I am sorry, but I do not have that figure before me. There are a number of these organizations, some organized outside of the United Nations; some are part of the United Nations' program and organized within its framework.

Mr. O'HARA of Minnesota. I hope the gentleman will be able to get that.

Mr. KEE. I will be able to get that and put it in the RECORD.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wonder if the gentleman would object to my offering as an amendment to his bill my bill to build these hospitals for the disabled veterans.

If we could get in under one of these foreign-aid bills, we would get all the money we needed for disabled veterans and for veterans' hospitals. If the gentleman would accept it, I would offer my bill as an amendment to his.

Mr. KEE. I am in favor of hospitals, but I am afraid the gentleman's amendment would not be germane.

Mr. RANKIN. I am going to ask that we stay here tonight, then, until we can pass this veterans' hospital bill. The money has already been appropriated to build the hospitals which my bill authorizes.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. KEE. I yield to the gentleman from New York.

Mr. TABER. I am advised that we have 250 of these organizations and that they are all elaborate. I am wondering if the gentleman can explain that situation, that they are all operating on an elaborate basis, and as a result of it we are not getting anywhere internationally.

Mr. KEE. I believe the gentleman is mistaken when he says they are all operated on an elaborate basis. We have quite a number of these organizations operating in South America, it is true. Steps are being taken very rapidly, however, to combine those organizations into a lesser number, as I have previously stated.

The SPEAKER. The time of the gentleman from West Virginia has expired.

Mr. JUDD. Mr. Speaker, I yield myself 10 minutes.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Am I correct in assuming that we are in the Committee of the Whole?

The SPEAKER. We are in the House considering a rule on which there is an hour's debate.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 225]

Abbitt	Hall,	Murphy
Albert	Edwin Arthur	Murray, Tenn.
Andresen,	Hall,	Norblad
August H.	Leonard W.	Pfeifer,
Barden	Halleck	Joseph L.
Baring	Harden	Pfeiffer
Barrett, Pa.	Harrison	William L.
Barrett, Wyo.	Harvey	Phillips, Calif.
Bates, Ky.	Hays, Ohio	Phillips, Tenn.
Bentsen	Hébert	Poage
Blackney	Heffernan	Powell
Bland	Heller	Preston
Blatnik	Hill	Quinn
Bonner	Hinshaw	Ramsay
Breen	Hoeven	Redden
Buchanan	Hoffman, Ill.	Reed, Ill.
Buckley, N. Y.	Holifield	Regan
Bulwinkle	Huber	Ribicoff
Byrne, N. Y.	Irving	Richards
Cannon	Jackson, Calif.	Rivers
Celler	Javits	Rooney
Chatham	Jenkins	Roosevelt
Chudoff	Jennings	Sadlak
Clemente	Keating	St. George
Cooley	Kennedy	Secrest
Coudert	Keogh	Shafer
Crosser	Kilburn	Simpson, Pa.
Davenport	Klein	Smathers
Davies, N. Y.	Lane	Smith, Ohio
Dawson	Larcade	Smith, Va.
Dingell	Lesinski	Stanley
Dollinger	Lichtenwalter	Tauriello
Donohue	Lind	Taylor
Douglas	Lucas	Thomas, N. J.
Eaton	McCarthy	Thornberry
Ellsworth	McDonough	Towe
Elston	McGrath	Underwood
Fellows	McKinnon	Vinson
Flood	McSweeney	Wadsworth
Fogarty	Mack, Ill.	Walsh
Gamble	Macy	Walter
Garmatz	Mansfield	Weichel
Gary	Marcantonio	Whitaker
Gilmer	Martin, Mass.	Wier
Gore	Mason	Winstead
Granahan	Miller, Neb.	Withrow
Granger	Mitchell	Wood
Grant	Morgan	Woodhouse
Green	Morrison	Worley
Gregory	Morton	
Gwinn	Multer	

The SPEAKER. Two hundred and eighty-six Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

DISTRICT OF COLUMBIA LEGISLATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order to take up District of Columbia business on Thursday next.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PAYMENTS BY THE ADMINISTRATOR OF VETERANS' AFFAIRS ON THE PURCHASE OF AUTOMOBILES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to recommit the conference report on the bill (S. 2115) to authorize payment by the Administrator of Veterans' Affairs on the purchase of automobiles and other conveyances by certain disabled veterans, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN submitted the following conference report and statement on the bill (S. 2115) to authorize payment by the Administrator of Veterans' Affairs on the purchase of automobiles and other conveyances by certain disabled veterans, and for other purposes, for printing in the RECORD:

EXTENSION OF REMARKS

Mr. BREHM asked and was given permission to extend his remarks in the RECORD.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances, containing material which he prepared with reference to social security.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement by Secretary Matthews.

RURAL TELEPHONES

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2960, an act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. COOLEY, Mr. POAGE, Mr. PACE, Mr. GRANT, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. MURRAY of Wisconsin.

SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1950—CONFERENCE REPORT

Mr. CANNON submitted conference report and statement on the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2105. An act to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes; to the Committee on Public Lands.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2514. An act to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes.

PARTICIPATION IN INTERNATIONAL ORGANIZATIONS

The SPEAKER. The gentleman from Minnesota [Mr. JUDD] is recognized.

Mr. JUDD. Mr. Speaker, this rule provides for the consideration of House Joint Resolution 334, a resolution which increases the ceilings on the authorization of American contributions to five of the international organizations of which we are members.

In the last few years and even months we have passed huge appropriations, running into billions of dollars to build up our own defenses. We had two important votes on that this afternoon, which were practically unanimous. Everybody believes we must spend for that purpose.

We have appropriated other billions of dollars to furnish food, machinery, and materials to fill certain critical vacuums in western Europe.

We have recently voted another billion or so to furnish arms to those countries in the belief that it will help them protect the investment and their security and, thereby, ours.

This resolution is the first time we have been called on in some time to authorize small increases in our contributions to certain organizations that are working positively, constructively, in the building of good health, and better social and economic conditions which are of special interest or importance to ourselves.

The total amount involved if the Appropriations Committee were to make the whole increase in authorization available equals but one twenty-five hundredths part of our annual expenditure for foreign assistance alone; it is one twenty-fifth of 1 percent of what we have already appropriated in this session for foreign assistance. It is one one-sixtieth of 1 percent, or six ten-thousandths, of the total annual expenditures of the Federal Government. I should like to explain these proposed increases because the resolution does not give you much idea as to the what and why of them. Let me take them up one by one, and I shall be glad to try to answer any questions so the Members may know exactly what they are voting on.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. JUDD. I shall be delighted to yield.

Mr. TABER. Is the full limit that is presently authorized being appropriated at the present time for each of these organizations?

Mr. JUDD. Yes; and that is the reason for this resolution; the full amount authorized for each one of them is being appropriated and in one case the assessment made by the organization as our share under the formula fixed in its basic instrument is in excess of the authorization by $8,000 a year. That has produced in 3 years an arrearage of $24,000, which our Government was prevented from contributing because of the limitation that exists in present law.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. JUDD. Gladly.

Mr. KEEFE. What authority does the Congress of the United States speaking for the people of America have in the matter of the expenditures of these organizations? Do we have anything to do about them at all? Or do they devise their own budgets, spend whatever they please, and then come in here and ask us for the money to be appropriated?

Mr. JUDD. No, sir.

Mr. KEEFE. And is not that what we are doing here today?

Mr. JUDD. No, sir; the gentleman is not correct; and if he will examine the committee report he will find the matter discussed there in considerable detail. We belong to a good many international organizations, and the system by which their budgets are prepared and the share of each country determined varies in different organizations.

The items in this resolution deal with organizations where a limitation on the amount the United States can contribute exists in the statutes. With respect to some other organizations, including the United Nations itself, and UNESCO, there is no limitation in law. For each of the five organizations in this resolution there is a limitation established by the Congress, wisely, I think. I, myself, insisted upon a ceiling, as the gentleman knows, in the resolution by which we joined the World Health Organization. At the beginning of those organizations it was impossible to estimate what their approximate budget should be. Now we have a good deal of experience, experimental data, by which to judge. Some of the organizations are not using their full amount; but our committee believes these five can use to good advantage larger amounts than their present ceilings permit; and it is to increase those ceilings by about 60 percent, in the case of the three larger organizations, that this resolution comes before the House today.

Mr. KEEFE. Mr. Speaker, will the gentleman yield

Mr. JUDD. I yield.

Mr. KEEFE. The reason we are asked to increase the authorization limitations is because these very organizations themselves are establishing budgets which are in excess of any previous authorizations fixed by this Congress. Is not that true?

Mr. JUDD. No; that is not quite true.

Mr. KEEFE. Did not the gentleman just get through telling us that there was one organization which has already exceeded its budget and that you are asking this Congress now to raise the appropriation to take care of the excess expenditure?

Mr. JUDD. It is true in that one case.

Mr. KEEFE. If that is not what the gentleman said, then I do not understand English.

Mr. JUDD. That is true in that one case.

Mr. KEEFE. It is true in the others, too.

Mr. JUDD. No; some have not yet determined their budgets; and none has spent more than it has received. Some of them do not know how much of a program to adopt, because they do not know what the contributions will be from this country. Most other countries have not placed ceilings, but of course, in almost every case their individual shares are less than ours, although their total contributions are greater.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I will yield, but I think it would be better briefly to explain each one of the items and then answer questions if the gentleman will let me proceed.

Mr. CURTIS. I have a question or two about the ILO. Would the gentleman prefer that I withhold them?

Mr. JUDD. Yes; for the present. May I take the items up one by one as we come to them in the resolution?

Mr. Speaker, the first item (A) raises from $2,000 to $10,000 a year the ceiling on America's annual contribution to the American International Institute for the Protection of Childhood. This is one of the 28 organizations to which we belong in the Western Hemisphere. It was established largely on the initiative of various Latin-American countries. Its headquarters are in Uruguay. That country took the leadership in forming the organization right after World War I. It has worked to develop and provide information and advice to the peoples in the Western Hemisphere countries on all questions relating to child welfare. It collects and analyzes statistics, it has done research work, it has answered inquiries by the various countries as they endeavor to improve the condition of their children, physical, educational, social, and so forth.

Personally, I felt that this organization ought to be merged with the World Health Organization, as you will note in the hearings. Suggestions to that effect were made last year. But some of the Latin-American countries are jealous for this organization. They are proud of its work and fearful of its being discontinued. It is one of the few that has come up from them. Most others have been suggested or sort of handed out to them by ourselves. They are in the process, as a result of action taken at the Bogotá conference, of surveying all the pan-American organizations with a view to discontinuing, strengthening, adapting, or merging, as may be appropriate, just as the so-called Pan-American Sanitary Bureau is being incorporated, or at least integrated, into the World Health Organization. Actually, even if this resolution is passed, the sum of money that we can contribute is only $10,000. That amounts to 37.9 percent of the total budget proposed by that organization's controlling body, made up of representatives from all the member countries.

As the gentleman from Wisconsin said, in the 3 years since the war, the Institute set up a larger budget, and, according to terms of its constitution, apportioned the contributions to be made by the respective countries, ours coming to $10,000.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. JUDD. Mr. Speaker, I yield myself 10 additional minutes.

Mr. Speaker, the ceiling in our law held our contribution down to $2,000. So in addition to raising the ceiling to $10,000 a year, the resolution provides a nonrecurring sum of $24,000 for arrearage. If we want to pay our full share of the expanded budget, our share being 37.9 percent, we should pay the organization $24,000 for the last 3 years. The ceiling would then continue at $10,000 a year. I do not believe this organization will be in existence with a separate budget more than 3 years longer.

It would be extremely undiplomatic and unwise for us to refuse to grant this increase when it is one of the pet organizations of the Latin-American countries, established on their own volition and initiative, and when the other countries have paid their increased shares, Brazil's being the next largest at 18 percent.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. VORYS. The observation has been made that these international organizations get together and vote for an assessment, then we are asked to respond. In every instance is it not the case that our representatives have been there and participated in the deliberations and that unless these international organizations, including the United Nations itself, can get together, and their representatives, and discuss, then vote, and unless their collective action means something, why, we cannot go ahead at all on the international front?

Mr. JUDD. That is right.

The second organization is the Food and Agriculture Organization. The present limitation on America's contribution is $1,250,000 per year, which represents 25 percent of that organization's budget. It has been operating since 1945 on a $5,000,000 budget per year.

It was the first of the permanent United Nations organizations developed during and as a result of this war. Its work, as you know, has largely been to raise the world's production of food, fish, and agricultural products, especially in those parts of the world where hunger is constant and starvation frequently menaces survival. During and after the war it did a good job when everyone had shortages, including ourselves. Now some of its work has to do with trying to handle the surpluses that exist in certain countries, like our own, at the same time as critical shortages exist elsewhere. It is not a supply organization. It does not pass out food. It is a technical assistance and advisory organization, not an operating agency. The committee report describes its chief activities. One of them is a seed-stock catalog for helping people find out what seeds are best suited for their problem, and how to get them. It makes available to them our experience and knowledge by conducting demonstrations and training schools. For example by the introduction of hybrid corn last year in Europe, it was possible to increase the production of corn by as much as 128 percent in some countries in 1 year. That was one of the most spectacular things that has been done.

Also, the control of rinderpest, the worst disease for destroying cattle and similar work animals in many parts of

the world. A start has been made on soil-, forest-, and water-conservation practices. It collects statistics, has plans for a world census of agriculture in 1950, and is doing research on nutrition in various regions. Its budget ought to be increased. They could use advantageously to all concerned a larger amount. They have not decided on their budget for this year, as a matter of fact, but it will be somewhat larger and the United States ought to take its fair share of the increase. On the basis of the proposals and the estimates, a ceiling of $2,000,000 a year as America's 25-percent share, in place of $1,250,000, should take care of any probable needs of this organization for any foreseeable future.

The third organization is the South Pacific Commission. It was set up by the Eightieth Congress, as you will remember, to try to work out for the two and a half million people in the whole South Pacific area where six countries—France, England, Holland, Australia, New Zealand, and ourselves—have possessions, a program of development along the general lines the United States followed in the Philippines. That was the first such experiment in history; for the second time in history the western nations are making a genuine effort to work toward social and economic development in these so-called non-self-governing territories. There are 15 of them in this area. Some of them are wards of the United States—Samoa and smaller islets. We have a special responsibility and obligation to work for the betterment of those people. Our share in that organization is only 12½ percent because our possessions are smaller than those of other countries. That is the percentage that the organization itself assigned to us. At the time the existing ceiling was established at $20,000, as 12½ percent of the first year's budget of $160,000, the committee report stated it would have to be revised later when more experience had been obtained. The resolution raises our ceiling from $20,000 to $75,000. That is 12½ percent of the total budget that it is believed they may need in the conceivable future. They actually asked only $40,000 this year, but in order not to have to come back, for the program is just getting started, we established $75,000, believing it will take care of any probable expansion.

The fourth item is the World Health Organization. Its ceiling is increased from $1,920,000 to $3,000,000. I am sure many of you remember that we had a long discussion about this last year and the Committee on Rules held up for a long time my resolution by which we joined the Organization, because it was feared that the Assembly might decide on a huge budget to provide a vast health program in Russia, for example, and the United States would be expected to bear the great bulk of the cost, even though I had placed in the resolution a ceiling on our contribution. I stated then, however, that I expected it would probably need to be raised, but I wanted that power to make that decision retained by ourselves.

There are certain special reasons why the ceiling should be increased now. One is this: At present we are contributing about $25,000,000 a year to the United Nations International Children's Emergency Fund. About $6,000,000 of that is for health activities. That organization is to be liquidated at the end of the present fiscal year. Perhaps $1,000,000 of the children's program which is now being carried on, $1,000,000 out of the $6,000,000, should be made permanent—the professional advisory part of it as contrasted with the furnishing of supplies. That will be transferred into the World Health Organization and will account for much of the increase. It actually represents a drastic reduction below what we are presently providing for health activities through international organizations.

I should say that the World Health Organization Assembly in its meeting this year in Rome, attended by our colleague from Pennsylvania, Dr. MORGAN, and last year in Geneva by our colleague from Pennsylvania, Dr. FENTON, voted to reduce America's share of the budget from 38.54 percent, which it had been, to 36 percent, and adopted the policy of reducing our share as soon as possible to not more than 33⅓ percent. I am sure the Members will all agree that it is not a wise policy to have any one country contributing more than one-third to the budget of an organization. It is bad for the country that so contributes. It is even worse for the organization, because it makes it a sort of appendage of one contributor. That country has undue influence in making policy, and if that country should withdraw it would wreck the organization. So the delegates from other countries realized the problem and they are deliberately, voluntarily, reducing our share.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield.

Mr. CASE of South Dakota. What is our contribution to IRO? I thought that was much more than one-third.

Mr. JUDD. Our contribution to the IRO—and the facts and figures are all here in the appendix of the report—was about $70,000,000 this year, but that organization is not considered in this resolution.

Mr. CASE of South Dakota. Does not the gentleman think it might be well to reduce that to one-third or less?

Mr. JUDD. As I recall our percentage, it is 45 percent or something like that. That was decided by the last Congress. I am not debating that bill.

Mr. CASE of South Dakota. The gentleman has just said it is a good idea for no country to contribute more than one-third.

Mr. JUDD. I agree with that and certainly in any permanent organization. We are participating in three programs which are on a temporary basis, the International Refugee Organization, the United Nations International Children's Emergency Fund, and the United Nations Relief for Palestine Refugees. To those three organizations alone we have given $104,000,000 in the past fiscal year. Our total contributions to all of the remaining international organizations, beginning with the United Nations itself and all these I have mentioned and two score others which are covered in the appendix of this report, have amounted to only $25,000,000, that sum for all of our permanent international organizations is certainly not exorbitant. This resolution would increase the amount by not to exceed two and a half millions.

I must get to the International Labor Organization. Our share of its budget is 22 percent. As you know, that organization consists of about 60 nations. It tries to improve the standards of labor and employment around the world. It seeks to get agreements on conventions among the various nations that they will not allow designated substandard labor practices to be carried on, such as child labor, that is enormously in the interest of American labor. One of the surest and most important ways to protect our standards is to try to elevate the standards of working conditions around the world.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Nebraska.

Mr. CURTIS. The ILO has a legislative program that it urges member nations to adopt; is not that true?

Mr. JUDD. Yes; it works out conventions and tries to get countries to agree to them. They can agree or not agree.

Mr. CURTIS. A part of their program, what they are campaigning for, includes compulsory health insurance. Is not that correct?

Mr. JUDD. I am not familiar with that.

Mr. CURTIS. Was not this organization created following World War I? Its first director was the well-known French socialist, Albert Thomas, who served for 15 years as a leader of that socialist organization.

Mr. JUDD. I have heard that. If the gentleman wants to offer an amendment to strike out this particular subsection or to modify it, he can do so and let the House vote upon it.

Mr. CURTIS. I think the gentleman will find that the constitution of ILO, Annex III, subparagraph (f), carries a commitment that its member nations will work for a uniform and comprehensive medical-care program in the various member nations.

Mr. JUDD. There was something suggesting that in the constitution of WHO to which I objected strongly. I brought it out and called it to the attention of the Rules Committee and the House last year, and it is discussed in the committee report on this resolution. The fact that it is in the organization's constitution does not mean that we have to go along, and my resolution last year contained that specific reservation. It does mean we have to provide a ceiling on appropriations so that we retain control over our appropriations, can examine the nature, the substance of the program, as well as the amount of money involved.

Mr. Speaker, the State Department did not want any ceilings at all. The bills they sent up were to take off the ceilings entirely, presenting the argument that such action was necessary to allow them to negotiate properly, and other arguments discussed on pages 4 to 8 of the report. We felt they could negotiate better if a ceiling were imposed by the

Congress enabling them to say frankly that they could not agree to more than a certain amount. We cannot delegate to any organization our constitutional responsibility for determining appropriations for the money of the American taxpayers. So this resolution retains ceilings and prevents any possble runaway spending which the gentleman from Wisconsin is properly anxious about. It seems to me that this policy is wholly in keeping with our American philosophy of government. We believe in doing all we can by ourselves. But those things which can be done only or better by international organizations than we can do them by ourselves, we delegate to such organization under proper safeguards. Those are the functions on which we ought to cooperate in a sound, sensible, intelligent and effective way. I would not vote for a one of these, if I did not believe it to be in the interest of the United States. I urge that the rule be adopted. Then if the House in the Committee of the Whole wants to amend the resolution, it can do so.

Mr. Speaker, I reserve the balance of my time.

Mr. KEE. Mr. Speaker, I yield 5 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, I had intended to ask for time on a point of personal privilege, but I realized that the House had important conference reports to dispose of, and I have therefore waited patiently.

I had intended to ask for time on a point of personal privilege, Mr. Speaker, because John Collier, in an article published in the October 4, 1949, issue of the New York Herald Tribune, defames and vilifies the membership of this House. Speaking of the Navajo rehabilitation bill, he characterizes those who sponsored it, and particularly those who sponsored and voted for section 9 of the bill, as sinister men. He characterizes their actions as similar to those of a former Senator whom he calls the notorious Albert Fall. He thereby insults, maligns, and libels those men, and the whole membership of the House, but especially the senior Representative from New Mexico. He singles me out specifically by name, and says:

> At hearings on the bill, Representative FERNANDEZ, of New Mexico, presented an ultimatum. Interior and Indian Service could have the bill, but there was a price. The price was section 9, the surrender of Navajos and Hopis to State laws and courts.

The price he characterizes as the destruction of the Indians and their property. He ends with the blood-curdling pronouncement that "the final chase will be neither in the Interior Department nor in the halls of Congress, but in Navajo and Hopi land. The killing," he says, "will be of the Indians—unless the American people, at this eleventh hour, demand that the bill be rejected in its entirety, or, if passed, be vetoed by the President." The whole article, through the erection of false premises and forced conclusions, craftily intertwined with innuendo, is designed to poison the minds of the American people against the bill, against its sponsors, and against the Secretary of the Interior and the administration itself.

"During recent years," he says, "the Indian Service and the Department of the Interior have been the target of much unpleasant criticism, mainly as regards their failure to provide adequately for Navajo needs"; that they "decided to divert this criticism from themselves to Congress"; and that the method chosen was "disastrous." He says:

> It was the Navajo-Hopi rehabilitation bill. The Interior Department and the Indian Service were fully aware that every classification and item of the proposed authorization bill had already been authorized by statutes years and decades old. Yet they drafted, advertised, and enlisted public support for this bill without substance.

In this broad indictment he charges bad faith and deception on the part of the Secretary of the Interior, who planned the program, the President of the United States, who recommended it, and on the part of all persons in and out of Congress who had anything to do with its drafting and presentation. He thereby attacks the entire bill as a fraud on the people, and on the Indians.

Mr. Speaker, I have said on this floor before, and I repeat it now, that Collier is sincere in his ideological philosophy respecting the Indians, and almost fanatical in their interest; but I also say that he is ruthless and intellectually dishonest in his methods, as will be shown by an analysis of this article in the light of the facts. He does not hesitate to ruin the character and reputation of honest men to gain his objectives, just as he did not hesitate to ruthlessly destroy the economy of the Navajo to gain his ends in that reservation. He is an evil man, and he has an evil influence because of the facility he possesses for dialectic debate, which he never hesitates to base on false assumptions, secure in the fact that the public is not informed sufficiently and looks on him as an authority on the subject. He does not hesitate to traffic in hate by arousing the fears and prejudices of Indians and whites alike, by reviling all who oppose him as deadly enemies and destroyers of the Indian. It is one thing to oppose legislation with arguments based on facts and reason; it is another to do so by accusations and innuendoes impeaching the motives and integrity of his opponents.

He is determined, Mr. Speaker, to destroy this bill in the same fashion and with the same ruthlessness that he, as Commissioner destroyed the Navajo economy, when they had the temerity to reject his proposed reorganization under the Wheeler-Howard Act, a plan designed to place the Navajos under his absolute domination.

Having failed in that, he nevertheless proceeded to organize and operate tribal police courts for his own purposes, notwithstanding the fact that Congress had denied him the right in the Wheeler-Howard Act, and notwithstanding the Indians likewise had rejected his proposals.

It was section 9 in the bill, you recall, that brought Collier charging pell-mell like a Don Quixote. What does section 9 contain and what does he say about it? He says:

> Section 9 of this bill places the Navajos and Hopis under State laws and the unlimited jurisdiction of State courts. This means that Indian communities would be subject to white sheriffs and justices of the peace of neighboring towns; that the water rights and many other property rights of Indians could be adjudicated by their non-Indian neighbors. All of which adds up to the alienation of Indian lands and, ultimately, the total disinheritance of the American Indian.

Let us look at the record. Section 9 does give Indians the same status as that enjoyed by their neighbors, insofar as their personal relations are concerned. Section 9 says:

> All Indians within the tribal or allotted lands of the Navajo and Hopi Reservations shall be subject to the laws of the State wherein such lands are located, and shall have access to the courts of such State for the enforcement of their rights and the redress of wrongs to the same extent and in the same manner as any other citizen thereof.

But the bill does not stop there, and when Collier talks as if it did, he deliberately concocts a falsehood as a premise to mislead his readers. He ignores the fact that the bill specifically continues the exemption from taxation of all classes and character of property now exempt, and further leaves all Federal and tribal laws and regulations respecting their lands and everything connected with them in full force and effect. It says:

> *Provided, however,* That all classes and character of property now exempt from taxation shall continue to be and remain exempt from taxation by the State until otherwise provided by Congress; and that, until otherwise provided by Congress, all Federal and tribal laws and regulations respecting the management, assignment, inheritance, or disposition of lands shall be recognized and enforced where such laws or regulations are in conflict with State laws.

Collier knows that with those Federal laws being continued in full force and effect any suit against Indians with respect to such property may, when the Federal Government deems it of sufficient importance, be immediately removed to the Federal court.

Water rights are not specifically mentioned as such in the bill one way or the other, but Collier deliberately attempts to mislead when he says that the water rights of Indians "could be adjudicated by their non-Indian neighbors," by which he probably means the State courts. He knows full well that the title to all the reservation lands of the Navajos and Hopis—and this bill applies only to them—is the Federal Government; that water rights which have been put to beneficial use by the Indians are appurtenant to the land; and that any water rights which may have been impliedly reserved under treaties to the Indians likewise are appendant to the reservation; and that consequently the Federal

Government is a necessary and indispensable party defendant to any water adjudication suit. Collier knows that the Federal Government cannot be sued without its consent, and consequently no suit can be brought in any court against the Federal Government for the adjudication of water rights unless the Congress grants that consent. This bill does not do that, but Collier deliberately ignores these fundamental principles in his attempt to discredit the bill.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. D'EWART. I want to congratulate the gentleman from New Mexico for making this reply to these misleading and ofttimes false statements that have been carried in the press regarding this Navajo bill. The gentleman is entirely correct in what he is stating, and it is important that the truth should be brought out. The gentleman is to be congratulated on his statement.

Mr. FERNANDEZ. I wish I had the time now to go into an analysis of the entire bill and his arguments. I have done so in this statement which will be in the RECORD. I have said some harsh things about John Collier, but I think they will be justified in the light of the analysis which I have made and which will appear in the RECORD.

Collier speaks about the violation of Federal treaties, and he willfully ignores and omits to call attention to the fact that the bill again goes further and says:

> Nothing in this act provided shall be deemed to impair the terms and obligations of any existing statute or treaty between the United States Government and the said Indians, nor take away the jurisdiction now exercised by the Federal Government or the tribes.

The bill takes nothing away from the Indians which they now have. All it does is give them, in their personal and business relations with each other, the same rights enjoyed by other citizens under the civil laws of the State, and gives them the same protection afforded to other citizens of the State under the criminal laws. This is the whole thing in a nutshell.

The rights enjoyed by citizens under the State laws are civil rights to which every citizen is entitled, and a denial of those rights to the Indians is a fundamental denial of civil rights to Indians. Collier, the self-appointed champion of civil rights, must plead guilty to denying these most fundamental rights to the Indians. Indeed, he is guilty of more. He is guilty of deliberately using every ounce of power he had as Commissioner to perpetuate their segregation from all the civil rights which the State affords to other citizens. These provisions relating to the civil rights of the Indian under State laws were carefully considered by the committee for days at formal meetings and at conferences with the Interior Department. They were submitted, at the request of the Department, to the Indians themselves, and the Navajo Council approved them by a vote of 37 to 20, after consulting with their own private attorney, and after debating the matter for many long hours. No one has said that all the Indian reservation is unanimous in demanding these civil rights, but even the council who would be naturally inclined to preserve their own control over the individual Indians voted 37 to 20 in favor of this proposal giving the individual Indians the protection of the State laws and the State courts.

At this same meeting they even urged that the amendment be broadened to include the school system under State law. They bitterly complained also of the lack of law enforcement throughout the reservation.

In an editorial in this morning's Washington Post, it is stated:

> In the House, Representative FERNANDEZ, of New Mexico, succeeded in getting into the bill an amendment that would place the Navajos and Hopis under State laws and subject them to the jurisdiction of the State courts. At present, law enforcement on the reservations is entirely in the hands of tribal and Federal officials. Many authorities on Indian affairs agree that the reservations should ultimately be integrated with adjacent communities and that Indians, as well as other people, should be subjected to State law enforcement. In New York, Iowa, and Kansas this has already been accomplished, and the Bureau of Indian Affairs is moving toward a wider application of other State laws to Indians. But the Navajos are said to be among the least prepared of all the tribes for a transition of this sort.

Mr. Speaker, if the Navajos are so backward—and they are, thanks to John Collier, who for years ruled over them with an iron hand, and who for many more years has influenced the policies of the Indian Office—if they are so backward, how in the name of common sense can they be expected to govern through their tribal courts a reservation larger than the State of West Virginia with a population of 60,000 souls, 26,000 of whom are concentrated in one-fifth of the reservation on the New Mexico side?

The fact is that they are not doing it and cannot do it. They bitterly complained at the council meeting last summer when this amendment was before them for their consideration, that they needed law enforcement and were not getting it. Bootlegging is rampant in the reservation and when construction work starts under this rehabilitation plan, the bootleggers will have a field day. This is especially true in and surrounding the allotted lands in New Mexico, where the Indian Office has washed its hands of any attempt at law enforcement. They have done so because they never know whether a crime was committed in the small allotted land or on the leased State land, lying unfenced, unmarked, adjacent to the allotted lands and used by the Indians. For the same reason the State authorities cannot effectively police it and are not attempting to do so. They say it is necessary to have a surveyor along to determine who has jurisdiction in each instance. The result is complete chaos. This bill will give the State jurisdiction, regardless of whether the crime occurs in the allotted land or just outside.

We have not asked and are not asking for State jurisdiction as to the 18 or 19 pueblos, because they are well advanced, they live in pueblos or villages, and have effective quasi-municipal governments of their own. They constitute no problem either to themselves or the State.

That is not true of the Navajos. They are intensely individualistic people, as all students of the Navajo Reservation have pointed out. They have never had tribal government in the same sense of the word that pueblos and other reservations have had. And they do not want it. It has been forced upon them by Collier. They resent it and they resent the injustices they are forced to live under. I went into detail about this matter in my statement on the floor of this House on August 2, 1949. In reply to that, Mr. Collier virtually admitted the logic of my statements when he said:

> Reliance has been placed on a political and sociological fiction—the fiction that the Navajo are a politically integrated tribe and that democratic dealings require nothing beyond the persuasion or manipulation of the elected tribal council; whereas, actually, authority and responsibility in Navajo life are diffused amid a thousand of local communities, extended families, outfits, headmen, and so forth; and administrative pride and haste have committed the deadly waste of ignoring these vital centers of decision and responsibility which are, even if silent, quite controlling.
>
> Hence it has seemed enough if the tribal council could be brought and dubiously held within administrative control. But the tribal council is a recent and most unstable institution, with few roots as yet in Navajo life, few roots in that deep, strong sense of responsibility and of continuity which lives on in the local societies of the Navajo. (Appendix, CONGRESSIONAL RECORD, August 10, 1949, pp. A5192-5193.)

John Collier knew when he was Commissioner that this was the fact, but he was determined to create a tribal government and to perpetuate it as a separate government. As stated in his book entitled "The Indian New Deal," he envisions strong tribal governments all over the United States federating together into one federation not only in the United States but throughout the Americas. When he undertook to organize the Navajo into a tribal government and to create Indian police courts, he was doing so notwithstanding the fact that the Indians had rejected organization under the Wheeler-Howard Act in an election at which Collier put every pressure he could on the Indians to adopt it. He did so, furthermore, in utter disregard of congressional intention and policy. In the Wheeler-Howard Act, as stated by Mr. Collier himself on page 265 of his book, "civil and criminal law enforcement, below the level reached by Federal court jurisdiction, was to be set up under a system of courts operating with simplified procedures and ultimately responsible to the tribes."

This provision, even in the New Deal days when Collier had so much power and influence, was rejected by Congress, thereby indicating its disapproval respecting the creation, encouragement, and perpetuation of tribal police courts, separate and apart from the States and Federal Government.

The Navajo Indians have to depend for the enforcement of the criminal law, below the 10 major crimes covered by Federal law, upon their tribal courts, such

as they are; and they have to depend on the settlement of their civil controversies among themselves in the same inadequate tribal courts. In either the criminal or the civil side, they have no appeal. The tribal courts resolve themselves actually into what may be said is the council itself, which then takes the role of lawmaker, judge and jury, and in some cases prosecutor or defender as well. Many Indians have told us time and again that they want the protection of the State laws. They cannot understand why they are not allowed those rights.

SOCIAL-SECURITY RIDER

Let us now examine the provisions of the so-called social-security rider. With respect to that, Collier, with intellectual dishonesty, says that these sinister men in Congress turned the knife and adopted a Jim Crow provision. Never have I been so astonished as when I read that statement under Collier's name, for the very opposite is true.

The social-security rider in this bill makes it possible for New Mexico and Arizona to place all Navajo dependent children, needy old, and needy blind under their social-security program, and makes it possible for them to hand those Indians the same benefit payments, in the same manner and to the same extent as the rest of their citizens. Up to now they have been furnished through the Indian Office, until recently when at the insistence of the Social Security Agency, Arizona, New Mexico, and the Social Security Agency entered into an agreement whereby the States would process some of the cases and would pay not to exceed 10 percent of the benefits. The balance are still being paid through the Indian Office from Indian appropriations.

Because of the tremendous Indian population in the States of New Mexico and Arizona, as compared to the sparse settlement of non-Indians who have to carry the burden of taxation in those States, the Indians have been supplied the equivalent of social-security benefits through the Indian Office. That is being done today, except for the informal agreement entered into between the Social Security Agency and those States whereby they voluntarily put up 10 percent additional to assist in the matter.

As stated in the report of the Subcommittee on Appropriations, of which the distinguished Member from Wisconsin [Mr. KEEFE] was chairman in the Eightieth Congress, the situation in these States presents a problem unlike any other State, and would constitute quite a burden and hardship to those States, were they to take all the Indians under their social-security program without some adjustment in the law. All this rider does is make such an adjustment pending permanent legislation, and makes it possible for all monies to be distributed to the aged, blind, and the dependent children as benefits under social security in the same manner and to the same extent as to other citizens. So far as the Indian is concerned, he is by this rider placed on an equal basis with other citizens, to his everlasting benefit. This bill does not put in, but does do away with, Jim Crow law in social security. This provides the Navajo and Hopis equality in the matter of State social security, the very thing that the distinguished gentleman from Wisconsin [Mr. KEEFE] has been advocating for the last 2 years.

It does provide more assistance to the States in assuming this burden than it provides other States with respect to their Indians. It provides this assistance with respect to the Navajos and Hopis only. New Mexico, in respect to the 18 or 19 pueblos and the other 2 Apache reservations, gets no additional assistance. I have said repeatedly on this floor that as to the pueblos and the other Apache reservations, New Mexico can and should without additional assistance give them the full benefits of the State social security.

I have said repeatedly that Collier has deliberately attempted to mislead the public about this matter. In an article published in The Nation, he stated as a summation that in this bill our purpose was "not only the destruction of the freedom-giving and life-building measures worked out by Franklin D. Roosevelt and Harold L. Ickes for and with the Indians." The widow of that great President reacted as she was expected to by the cunning Mr. Collier, and we do not think the less of her for it. She wrote an article in her daily column opposing the bill, but in her argument she only echoed Collier, even to the extent of naming Colorado, as Collier had, as one of the States affected. Colorado has no Navajo lands whatsoever and is in no way affected. Having been misled by Collier, no one can blame that distinguished, kind, and noble lady.

May I say in conclusion that her great husband would have done a real service for the Indians as he did for other distressed people, but for his misfortune in trusting to the advice of Collier, and, worse, in appointing him to administer among the Indians the humanitarian social measures passed during his administration. As a result of the visionary and impractical Mr. Collier, it may be said now that the New Deal, which did so much for others in their distress, left the Indians in just as bad a condition, or worse, than it found them.

The SPEAKER. The time of the gentleman from New Mexico [Mr. FERNANDEZ] has expired.

Mr. JUDD. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I hope I may have the attention of the House for the few minutes which have been allotted me.

The matter which we have before us is a rule. It is a rule that has been brought up under a resolution which was filed originally with the Rules Committee under the so-called 21-day rule.

This afternoon the Rules Committee turned down an application for a rule on this bill. We had held hearings on it last week, at which time the author of House Joint Resolution 334, the gentleman from Pennsylvania, Dr. MORGAN, was before the Rules Committee. He told us very frankly and very honestly that the original request was for no limit whatsoever on the amount that this country would be obligated for funds for these particular agencies of the United Nations.

I do want to congratulate the Foreign Affairs Committee of the House for placing a limitation on it, but I want to call attention to the fact that in every one of these measures when they came up, the appropriations were fixed by the Congress, and the only reason why this particular resolution is before you is because these various agencies have seen fit to go beyond the amount authorized by the Congress.

I want to read just one sentence relative to the World Health Organization. You will remember that we had a serious fight in the House as to whether or not we were even going to join the World Health Organization last year, and rather reluctantly, at the last few minutes, the Rules Committee did clear a rule for the measure, and it passed, and the ceiling was fixed then at $1,920,000.

I want to read to you from page 17 of this report:

> The occasion for this legislation insofar as it deals with the World Health Organization is simply that the organization has voted itself a larger budget than was anticipated a year ago.

I want to say to the Members of this House, if we permit ourselves to be blackjacked and blackmailed into approving this legislation, next year we will have to do it all over again. Once you pay blackmail, of course, they come back for you to pay again. Either the Congress of the United States must decide what our representatives to these organizations will spend or what we will contribute, or we will let some international organization decide for us. Of course, they will decide that we ought to spend more and more. As long as we are footing the bill, why should they not do so? They are not dumb.

If there is any dumbness displayed it is by those of us who mechanically go along and permit them to lead us around by the nose. So I am hoping that the House will speak up and say that we agreed to do certain things; that the United States will keep its contracts but you cannot write larger obligations into the contract and bind us to it in the future; we will not stand for it.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Georgia.

Mr. COX. I wish merely to say that it was no capricious action on the part of the Rules Committee that it declined to grant this rule. The proponents of the measure failed completely to establish by the showing they made any reasonable basis for favorable action on the part of the committee. The committee did not have much to do when it reported this bill to the Congress, for it is nothing more than professional pilfering. I am confident that if the membership of the House had an opportunity to hear both sides and realize just how these organizations function they would not criticize the Committee on Rules.

Mr. BROWN of Ohio. I thank the gentleman for his contribution. I agree with the gentleman from Minnesota, the

amount involved is not very much, just two or three million dollars this time. But there is a very important principle involved as to whether we are going to permit these international agencies to spend more than they are authorized to spend and then come back to us and say "We do not care whether you like it or not, you are going to have to lift the ceiling and let us spend more money." It will happen year after year just as soon as we get weak-kneed and let them raise the ante on us in what they spend in these international organizations.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. JUDD. Mr. Speaker, I yield the gentleman one additional minute.

Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. JUDD. May I say that the one of these organizations to which you referred, the World Health Organization, voted a budget for this next year of $7,000,000, and reduced the United States' share to 36 percent, which means that they ask us not for $3,000,000 but for only $2,520,000. Our committee examined the matter carefully and we felt that it was a justified budget, and that it should be increased still further in the coming years so it can expand its program beyond its present major projects of malaria, venereal disease, and tuberculosis control. That is why the ceiling was put at $3,000,000. It was at my suggestion, not the result of blackjack or blackmail by the organization. You may be sure it will not spend more than we and the other nations give it, they footing two-thirds of the bill to our one-third. Probably within 5 or 10 years, if we have peace, the organization ought to have a budget of perhaps $15,000,000, with one-third — $5,000,000 — coming from the United States, if its work so commended itself to us that we voted at that time to make appropriations accordingly. Control over our contributions would remain with us.

They did not try to blackjack us, they made a reasonable proposal. Their budget was carefully worked out. I, myself, proposed a higher ceiling than they requested in order to provide a suitable cushion.

Mr. BROWN of Ohio. Now it is going up to $15,000,000. Last year it was $3,000,000; it is going to be $15,000,000 in 4 or 5 years.

Mr. JUDD. Last year it was $4,800,000. This year it will be $7,000,000, if the members pay their respective shares. Theirs are increased more than ours.

Mr. BROWN of Ohio. These are the things that discredit these organizations. The next thing will be to bring in a proposition providing for no ceiling at all, permit them to spend any amount of money they want to spend and tell the American Congress to make good. That is why I am opposed to it.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. KEE. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Speaker, we certainly are not coming before you with something new. We now have under consideration a resolution we are going to vote on directly which will give the House permission to consider House Joint Resolution 334. This resolution deals with five of the international organizations in which our Nation, we should be proud to say, happens to hold membership. We have been in some of these organizations for years; we have been in the American International Institute for the Protection of Childhood for the last 20 years. We have been a member of the Food and Agricultural Organization since 1943. We have been a member of the South Pacific Commission for about a year, and our membership there was the work of the Eightieth Congress. We have been in the World Health Organization for some time, and since 1934 we have had membership in the International Labor Organization which was set up in 1919.

The question before us is, Are we, our own Nation, going to keep up with the development of these international organizations? Are we going to allow contributions for our just share of carrying on these organizations? Yes, I agree with the gentleman from Ohio there is a principle involved. That principle is whether or not we are going to enter, with the other friendly nations of the world, into an attempt to perpetuate a world in which free men may continue to live. If the free concept of life is going to be actually established in the world, it is going to be established in time of peace, working with other friendly nations.

The principle involved is whether or not we are going to do our part or whether we are going to say to the rest of the world: You get along as best you can.

Certainly we need these organizations, and we need to contribute our share. We should take our rightful place among the nations of the world in leadership. We do have much to offer and all we want to do is to share our way of life with the rest of the world. If democracy lives, we are going to have to help build a world, a free world, in which democracy can live. I urge the adoption of this rule.

Mr. TABER. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count.

Mr. TABER. Mr. Speaker, for the moment I withdraw the point of order.

Mr. KEE. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. WILSON of Indiana. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-seven Members are present, not a quorum.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

Mr. RANKIN. Mr. Speaker, I hope that is voted down.

The SPEAKER. The question is on the motion to adjourn.

Mr. EBERHARTER. Mr. Speaker, I demand tellers.

Tellers were refused.

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were—ayes 120, noes 40.

Mr. RANKIN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to; accordingly (at 6 o'clock and 8 minutes p. m.) the House adjourned until tomorrow, Tuesday, October 11, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

966. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $1,093,300, for the judiciary, other courts and services (H. Doc. No. 346); to the Committee on Appropriations and ordered to be printed.

967. A communication from the President of the United States, transmitting proposed contract authority in the amount of $4,500,000 for the Department of Commerce (H. Doc. No. 347); to the Committee on Appropriations and ordered to be printed.

968. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $46,546,000 for the Post Office Department (H. Doc. No. 348); to the Committee on Appropriations and ordered to be printed.

969. A communication from the President of the United States, transmitting a proposed provision and supplemental estimates of appropriation for the fiscal year 1950 in the amount of $33,000,000 for the Department of Defense, Department of the Navy (H. Doc. No. 349); to the Committee on Appropriations and ordered to be printed.

970. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $75,000 for the National Mediation Board and $35,270,000 for the Federal Security Agency (H. Doc. No. 350); to the Committee on Appropriations and ordered to be printed.

971. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $17,500,000 for the Veterans' Administration (H. Doc. No. 351); to the Committee on Appropriations and ordered to be printed.

972. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $814,010,000 and contract authorization in the amount of $500,000,000 for the fiscal year 1950 to provide assistance in accordance with the provisions of the Mutual Defense Assistance Act of 1949 (H. Doc. No. 352); to the Committee on Appropriations and ordered to be printed.

973. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1950 in the amount of $12,500,000 for the General Services Administration and proposed contract authorization in the amount of $25,000,000 for the General Services Administration (H. Doc. No. 353); to the Committee on Appropriations and ordered to be printed.

974. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1950 in the amount of $50,000 for the Commission on Renovation of the Executive Mansion (H. Doc. No. 354); to the Committee on Appropriations and ordered to be printed.

975. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $870,000 for the Department of Agriculture (H. Doc. No. 355); to the Committee on Appropriations and ordered to be printed.

976. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the fiscal year 1950 in the amount of $525,000 for the Department of the Interior (H. Doc. No. 356); to the Committee on Appropriations and ordered to be printed.

977. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $95,000 for the Department of Labor (H. Doc. No. 357); to the Committee on Appropriations and ordered to be printed.

978. A communication from the President of the United States, transmitting a proposed increase of $3,450,000 in the limitation on the amount available for administrative expenses for the fiscal year 1950 for the Commodity Credit Corporation, Department of Agriculture; also a revised budget program for the fiscal year 1950 (H. Doc. No. 358); to the Committee on Appropriations and ordered to be printed.

979. A letter from the chairman, Marine Corps Memorial Commission, Chicago, Ill., transmitting a report of the Marine Corps Memorial Commission pursuant to section 6, Public Law 327, Eightieth Congress, including recommendations for congressional action; to the Committee on House Administration.

980. A letter from the Secretary of the Army, transmitting a quarterly report on the name of each claimant to whom relief has been granted, together with the amount of such relief and a brief statement of the facts and the administrative decision, pursuant to Public Law 657, Seventy-ninth Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. House Resolution 340. Resolution to authorize the Committee on the District of Columbia to investigate and study crimes committed in the District of Columbia in recent years; without amendment (Rept. No. 1388). Referred to the House Calendar.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 86. A bill to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf; without amendment (Rept. No. 1389). Ordered to be printed.

Mr. COLMER: Committee on Rules. House Resolution 382. Resolution for consideration of H. R. 2392, a bill to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; without amendment (Rept. No. 1390). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 388. Resolution for consideration of H. R. 6303, a bill to authorize certain construction at military and naval installations, and for other purposes; without amendment (Rept. No. 1391). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 331. Resolution to authorize the Committee on Banking and Currency to make investigations into any matter in the field of housing within its jurisdiction, and for other purposes; without amendment (Rept. No. 1392). Referred to the House Calendar.

Mr. LYLE: Committee on Rules. House Resolution 390. Resolution for consideration of Senate Joint Resolution 134, joint resolution to amend the National Housing Act, as amended, and for other purposes; without amendment (Rept. No. 1393). Referred to the House Calendar.

Mr. RANKIN: Committee of conference. S. 2115. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; without amendment (Rept. No. 1394). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6305. A bill to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; with an amendment (Rept. No. 1395). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. Senate Joint Resolution 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes; with an amendment (Rept. No. 1396). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6185. A bill to amend the Federal Credit Union Act; without amendment (Rept. No. 1397). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FERNÓS-ISERN:

H. R. 6348. A bill to prohibit the importation into the United States of cloth fabrics manufactured in the United States and hand finished outside the United States, its Territories, or possessions; to the Committee on Ways and Means.

By Mr. HAVENNER:

H. R. 6349. A bill to provide for the payment of interest on amounts payable on account of adjusted-service certificates; to the Committee on Veterans' Affairs.

By Mr. JAVITS:

H. R. 6350. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Veterans' Affairs.

By Mr. KARST:

H. R. 6351. A bill to authorize the Postmaster General to use the services of for-hire motor carriers for highway postal service; to the Committee on Post Office and Civil Service.

By Mr. KING:

H. R. 6352. A bill to authorize and direct the Civil Aeronautics Board to study the need for smog control in the vicinity of airports in order to promote safety in air navigation; to the Committee on Interstate and Foreign Commerce.

By Mr. KLEIN:

H. R. 6353. A bill to amend the Alcoholic Beverage Control Act of 1934 of the District of Columbia; to the Committee on the District of Columbia.

H. R. 6354. A bill to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District; to the Committee on the District of Columbia.

By Mr. MILLER of California:

H. R. 6355. A bill to provide for the conveyance of certain real property to the city of Richmond, Calif.; to the Committee on Merchant Marine and Fisheries.

By Mr. MURRAY of Tennessee:

H. R. 6356. A bill to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SASSCER:

H. R. 6357. A bill relating to the basis for computing of compensation of certain civilian employees in the navy yards; to the Committee on Armed Services.

By Mr. STEED:

H. R. 6358. A bill to amend section 12B of the Federal Reserve Act pertaining to the Federal Deposit Insurance Corporation; to the Committee on Banking and Currency.

By Mr. O'TOOLE:

H. R. 6359. A bill to amend the act entitled "An act to provide books for the adult blind"; to the Committee on House Administration.

By Mr. VURSELL:

H. R. 6360. A bill to amend the Tariff Act of 1930 to limit importations of petroleum and petroleum products; to the Committee on Ways and Means.

By Mr. MARTIN of Iowa:

H. R. 6361. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to provide full annuities, at compensation of half salary or wages based on the five highest years of earnings, for individuals who have completed 30 years of service or have attained the age of 60; to the Committee on Interstate and Foreign Commerce.

By Mr. WICKERSHAM:

H. R. 6362. A bill to increase the equipment maintenance allowance payable to rural carriers; to the Committee on Post Office and Civil Service.

By Mr. DOUGHTON:

H. J. Res. 371. Joint resolution relating to the income taxes of life-insurance companies for 1948 and 1949; to the Committee on Ways and Means.

By Mr. KLEIN:

H. J. Res. 372. Joint resolution for the temporary relief of certain persons pending disposition of proposed legislation to amend the Displaced Persons Act of 1948; to the Committee on the Judiciary.

By Mr. BOLLING:

H. Res. 383. Resolution creating a select committee to conduct an investigation and study of the effect of Federal ownership of real property upon States and their political subdivisions; to the Committee on Rules.

H. Res. 384. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 383; to the Committee on House Administration.

By Mr. HALE:

H. Res. 385. Resolution creating a select committee to conduct an investigation and study of methods for the better protection of the President, Members of the Congress, and other essential Government personnel in the event of war or sudden attack; to the Committee on Rules.

H. Res. 386. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 385; to the Committee on House Administration.

By Mr. BENNETT of Florida:

H. Res. 387. Resolution creating a select committee to conduct a study and investigation of the problems of the Government of organizations dealing with labor; to the Committee on Rules.

MEMORIALS

Under Clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the

United States to request the United States Civil Service Commission to grant to civil-service employees who served in Hawaii during the period of active hostilities in World War II preference rights equivalent to those granted to military and Navy personnel; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DEANE:

H. R. 6363. A bill conferring jurisdiction on the United States district court for the middle district of North Carolina to hear, determine, and render judgment upon certain claims of the Patuxent Development Co., Inc.; to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H. R. 6364. A bill for the relief of Yoshiko Matsumura; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 6365. A bill for the relief of Apostolos Paul Somalis and Zoe Vassidiades Somalis; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 6366. A bill for the relief of Kyriakos George Kanellis; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 6367. A bill for the relief of Anthony Jandacek; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 6368. A bill to recognize the men responsible for the design, development, and construction of the first airplane to fly across the Atlantic Ocean; to the Committee on Armed Services.

By Mr. HOLIFIELD:

H. R. 6369. A bill for the relief of Julien Musafia; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6370. A bill for the relief of Constantin David, Paule David, Claire David, and Ariane David; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 6371. A bill for the relief of J. O. Evans; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1527. By Mr. CASE of South Dakota: Petition of Mrs. Walter Burt, Hazel, S. Dak., and 15 others, urging enactment of legislation to prohibit the sale of liquor in public eating places; to the Committee on Interstate and Foreign Commerce.

1528. By the SPEAKER: Petition of the mayor, city of Ennis, Tex., requesting that the Chambers Creek project be declared an emergency so that construction may be begun as soon as feasible; to the Committee on Public Works.

1529. Also, petition of Polish-American Labor Council, Chicago, Ill., urging the Congress to take cognizance of the result of the Tehran, Yalta, and Potsdam Agreements, which have been so directly instrumental in bringing Poland and her neighbors under the yoke of communism; to the Committee on Foreign Affairs.

1530. Also, petition of Miss G. F. Hogan, New York, N. Y., relative to the social-security bill, H. R. 6000, and requesting that the $50 penalty clause in the section headed "Reduction of benefits" be removed, etc.; to the Committee on Ways and Means.

1531. Also, petition of Wood, Wire, and Metal Lathers' International Union, Cleveland, Ohio, urging the Congress to give favorable consideration to legislation which would authorize the General Services Administrator to furnish aid to local public-school agencies to assist them in the construction of adequate public schools; to the Committee on Education and Labor.

1532. Also, petition of John F. Linderman and others, St. Petersburg, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1533. Also, petition of Mrs. Lizzie Fleming and others, Valdosta, Ga., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1534. By Mr. SMITH of Wisconsin: Resolution unanimously adopted by the American Aid for Expellees from Czechoslovakia and other European countries, requesting our Congress to do whatever possible to right the wrong to their relatives and friends who were dispossessed and expelled from countries of their birth because of their religious beliefs, their race, or national origin; and commending steps taken to amend the Displaced Persons Act of 1948, that expellees and expellee orphans shall hereafter be admitted in fair proportion and on the same terms as other displaced persons; to the Committee on the Judiciary.

1535. By Mrs. NORTON: Petition of New Jersey Bankers Association, advocating the passage of Senate bill 2006 and House bill 4710; to the Committee on Banking and Currency.

SENATE

TUESDAY, OCTOBER 11, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God and Father of us all, amid the maddening maze of things that fill our toiling days with fever and fret we would tarry now in the shelter of Thy shadowing wings. For this moment we would stay the noisy shuttle of time that we may catch a revealing glimpse of the larger pattern it is weaving. Tune our tangled lives to the harmony of Thy purpose. Before evening comes and our work is done may our glad eyes yet see some victory of liberty over tyranny, of righteousness over injustice, of brotherhood over ruthlessness, of peace over war, in our hearts, in our Nation, and in all the world. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, October 7, 1949, and Monday, October 10, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On October 6, 1949:

S. 2085. An act to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report.

On October 10, 1949:

S. 2042. An act to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction cost obligation, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Bert H. Miller, late a Senator from the State of Idaho.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. PACE, Mr. GRANT, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. MURRAY of Wisconsin were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 3, 12, 17, 18, 25, 27, 51, 55, 62, 71, 76, and 84 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 7, 13, 87, 91, 93, 94, 95, 96, 97, and 100 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 73, 74, 77, 81, and 99 to the bill.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 4390. An act to authorize the conveyance, for school purposes, of certain land in Acadia National Park to the town of Tremont, Maine, and for other purposes;

H. R. 5876. An act to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to School District No. 5, Linn County, Oreg.;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2514) to enable the

Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes, and it was signed by the President pro tempore.

DISPLACED-PERSONS LEGISLATION—REQUEST FOR MEETING OF THE JUDICIARY COMMITTEE

Mr. LUCAS. Mr. President, I ask unanimous consent that the Committee on the Judiciary have the privilege of sitting this afternoon while the Senate is in session.

Mr. CAIN. Mr. President, reserving the right to object, may I inquire what the purpose of the meeting is to be?

Mr. LUCAS. I do not know anything about it. I have no idea.

Mr. CAIN. I object.

Mr. KEFAUVER. Mr. President, will the Senator withhold his objection?

Mr. CAIN. I am pleased so to do.

Mr. KEFAUVER. The Committee on the Judiciary is considering the displaced-persons legislation.

Mr. CAIN. May I inquire of the Senator from Tennessee how many members of the Committee on the Judiciary are absent from the city?

Mr. KEFAUVER. In response to the question of the Senator, two members, I believe, are absent from the city. All other members are present, or were this morning.

Mr. CAIN. Mr. President, I feel impelled to object.

The PRESIDENT pro tempore. Objection is heard.

Mr. LUCAS. Mr. President, I regret that the Senator from Washington has not seen fit to grant this very reasonable request. Similar requests are made almost every day. I am sure that the Senator himself has been a member of committees the chairmen of which many times have requested, or the minority or majority leader on their behalf has requested, that the committees sit and perform the ordinary business of committees.

Furthermore, Mr. President, the time is getting pretty short in view of an early adjournment, and I am sure the Committee on the Judiciary would like to go ahead and finish its business as soon as possible. I do hope the Senator will withdraw his objection.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAIN. I think the Senator from Illinois is entitled to a brief statement on my part, merely to advise the Senate the reasons for my opposition.

I was on the floor of the Senate a few days ago when there was read a telegram from the distinguished senior Senator from Nevada [Mr. McCARRAN], who is now in Europe, in which he expressed his considered opinion that action on the displaced-persons bill should not be had at this session of the Senate.

I am further advised of the substantial resistance of another distinguished Senator, the senior Senator from Mississippi [Mr. EASTLAND], who is absent in his own home State today because of a death in his family.

I am likewise conscious of the fact that on our calendar there is a petition to discharge the Committee on the Judiciary from the further consideration of the displaced-persons bill.

Therefore, in view of the fact that certain Senators are not present who obviously would vote against reporting the bill from the Committee on the Judiciary, and because we have an instrument which will permit us to fight the issue out on the floor of the Senate, and in the name of fair play, I am duty bound to my own conscience to object.

The PRESIDENT pro tempore. Objection is heard.

Mr. LUCAS. Of course, Mr. President, it is perfectly within the right of any Senator to object to any unanimous-consent request. The distinguished Senator from Washington apparently has in his own mind and his own conscience good reasons for objecting, and, obviously, I take no exception to the objection being made. However, I do desire to make a statement with respect to the distinguished Senator from Nevada. I was about to say that every Senator knows, but at least the Senator from Nevada knows, that he has been given due notice with respect to the taking up of the displaced-persons bill, and immediately following the disposition of the farm bill the motion to discharge the Committee on the Judiciary will be taken up, whether the committee acts favorably or unfavorably in reporting a bill. In view of the petition which was filed some time ago to discharge the committee, I believe Senators on both sides of the aisle are duty bound to the Senate and to the country to consider the displaced-persons bill before we adjourn.

Mr. CAIN. All I am asking is that the petition to discharge the committee be acted upon, rather than possibly have the committee report a bill against which several absent Senators obviously would vote were they present.

Mr. LUCAS. Of course, if that practice were followed, probably there would never be a bill reported, because rarely is there a full attendance in committee during the consideration of any particular bill. I dare say that in over 10 percent of the cases every member of the committee was not present when measures were ordered reported. If we had had to wait until some Senator returned from overseas before we took up a bill in which he was interested, very few bills would have been considered during the past 3 or 4 months, because I can recall that from time to time during that period several Senators have been in Europe, studying different problems which were obviously very important to the Senate and the country; and I make no complaint about that. But if it is to be the rule that we must wait until every Senator is present, we might just as well forget about ever taking up a bill other than in the morning hour.

Mr. McCLELLAN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I merely wish to make the observation that the Senator from Mississippi [Mr. EASTLAND] called me on Saturday just before he left for Mississippi unexpectedly because of the illness resulting in the death of a member of his family. He expressed the hope that nothing would be done in regard to the displaced-persons legislation until he could return to Washington, and I am advised now that he expects to be here Thursday morning. He is making every effort to do so. I think the funeral is to be tomorrow, and the Senator from Mississippi will return Thursday morning, and I hope the bill will not be taken up in his absence. This is not the case of a Senator who is in Europe on an official mission, or on a mission of pleasure, or whatever the occasion might be. In this case a Member of the Senate is absent because of a circumstance which confronts all of us in life frequently, and it is something which the Senate should respect. I am sure every Senator would respect the request of the Senator from Mississippi because he is a member of the Committee on the Judiciary, he has been very active in connection with the displaced-persons legislation, has a deep concern about it, and wants to be present if a motion is to be brought up to discharge the committee and to take up the bill.

The PRESIDENT pro tempore. Objection has been made to the request of the Senator from Illinois.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may introduce bills and joint resolutions, present petitions and memorials, and submit routine matters for the RECORD, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

OREGON SHEET METAL WORKS

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of the Army, reporting, pursuant to law, on the claim of the Oregon Sheet Metal Works, wherein relief of $25,000 was granted, which, with the accompanying papers, was referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Post Office and Civil Service:

"House Concurrent Resolution 5

"Concurrent resolution to request the United States Civil Service Commission to grant to civil-service employees who served in Hawaii during the period of active hostilities in World War II preference rights equivalent to those granted to military and Navy personnel

"Whereas civil-service employees of the United States in Hawaii have been reduced in status or dismissed due to the operation of the civil-service laws and regulations relating to preferences for veterans in the Federal civil service; and

"Whereas many of these employees served in Hawaii during the period of active hostilities in World War II at a time when Hawaii was considered a combat zone for military purposes; and

"Whereas many of these employees were further required to remain in a civilian status and were not allowed to enter into

military or naval service: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-fifth Legislature of the Territory of Hawaii in special session assembled (the Senate concurring), That the Congress of the United States of America, by law, and the United States Civil Service Commission, by rule or regulation, be and they are hereby respectfully requested to grant to civil-service employees of the United States who served in Hawaii during the period of active hostilities in World War II preference rights equivalent to those granted to military and Navy personnel for service at such times and place, in order that the service rendered in a combat zone by civilians may be recognized; and be it further

"Resolved, That duly certified copies of this concurrent resolution be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States of America, the Delegate to Congress from Hawaii, and the United States Civil Service Commission."

A resolution adopted by the Foreman's Association of America, Detroit, Mich., favoring the repeal of the Taft-Hartley labor law; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 2404. A bill authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; with amendments (Rept. No. 1146).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 4586. A bill to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; with amendments (Rept. No. 1152);

H. R. 4686. A bill to authorize the issuance of certain public-improvements bonds by the Territory of Hawaii; with an amendment (Rept. No. 1148);

H. R. 4968. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds; with an amendment (Rept. No. 1149);

H. R. 5105. A bill to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.; without amendment (Rept. No. 1147);

H. R. 5459. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings; with an amendment (Rept. No. 1150); and

H. R. 5490. A bill to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public-improvement bonds; with an amendment (Rept. No. 1151).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

H. R. 3699. A bill to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; with an amendment (Rept. No. 1144).

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

H. R. 5731. A bill to discharge a fiduciary obligation to Iran; without amendment (Rept. No. 1145).

By Mr. O'CONOR, from the Committee on the Judiciary:

S. Res. 106. Resolution to give recognition to the Tercentenary Observance of the Maryland Act of Religious Tolerance passed in 1649; without amendment (Rept. No. 1153); and

S. Con. Res. 63. Concurrent resolution relating to the holding in 1950 of the Dr. Thomas Walker Bicentennial Historical Pageant; without amendment (Rept. No. 1155).

By Mr. WILEY, from the Committee on the Judiciary:

H. R. 5319. A bill granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society; without amendment (Rept. No. 1154).

EDUCATION OR TRAINING OF VETERANS—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS OF BILL

Mr. PEPPER. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with an amendment in the nature of a substitute, the bill (S. 2596) relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944), and I submit a report (No. 1156) thereon. The committee was unanimous in its recommendation that the bill pass.

The PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar.

Mr. PEPPER. Mr. President, I ask unanimous consent that the names of the Senator from Utah [Mr. THOMAS], the Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. NEELY], the junior Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Kentucky [Mr. WITHERS], the Senator from Vermont [Mr. AIKEN], the Senator from New Jersey [Mr. SMITH], the Senator from Oregon [Mr. MORSE], the Senator from Missouri [Mr. DONNELL], the Senator from Georgia [Mr. GEORGE], the Senator from New York [Mr. IVES], the Senator from Tennessee [Mr. KEFAUVER], the senior Senator from Illinois [Mr. LUCAS], the Senator from Connecticut [Mr. MCMAHON], and myself be added as additional cosponsors of the bill, S. 2596, just reported by me.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Florida? The Chair hears none, and the request is granted.

WILDER DAM PROJECT REVIEW—ADDITIONAL INDIVIDUAL VIEWS (PT. 2 OF REPT. NO. 1077)

Mr. JOHNSON of Colorado. Mr. President, on behalf of the senior Senator from Kansas [Mr. REED] I submit additional individual views by him on Senate Joint Resolution 58, providing for a rehearing in the matter of the Bellows Falls Hydroelectric Corp. (Project No. 1892), known as the Wilder Dam project, and a review of any order of the Federal Power Commission therein.

The PRESIDENT pro tempore. The views will be received and printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing two nominations, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

Ugo Carusi, of Vermont, Edward M. O'Connor, of New York, and Harry N. Rosenfield, of New York, to be members of the Displaced Persons Commission;

John C. Pickett, of Wyoming, to be judge of the United States Court of Appeals for the Tenth Circuit, to fill a new position;

Herbert I. Hinds, of Oklahoma, to be United States marshal for the eastern district of Oklahoma, vice Granville T. Norris, term expired; and

Joseph A. McNamara, of Vermont, to be United States attorney for the district of Vermont.

By Mr. O'CONOR, from the Committee on the Judiciary:

Ben C. Connally, of Texas, to be United States district judge for the southern district of Texas, to fill a new position; and

James V. Allred, of Texas, to be United States district judge for the southern district of Texas, to fill a new position.

By Mr. WILEY, from the Committee on the Judiciary:

Timothy T. Cronin, of Wisconsin, to be United States attorney for the eastern district of Wisconsin; and

Charles H. Cashin, of Wisconsin, to be United States attorney for the western district of Wisconsin.

By Mr. MAGNUSON, from the Committee on the Judiciary:

Walter C. Lindley, of Illinois, to be judge of the United States Court of Appeals for the Seventh Circuit, vice Sherman Minton, elevated; and

Casper Platt, of Illinois, to be United States district judge for the eastern district of Illinois, vice Walter C. Lindley, elevated.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TAFT:

S. 2655. A bill for the relief of Mrs. Evelyn M. Hryniak; to the Committee on the Judiciary.

(Mr. GILLETTE introduced Senate bill 2656, to prohibit the movement in interstate commerce of injurious, misrepresented, and uninformatively labeled household cleansers, and for other purposes, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

By Mr. SALTONSTALL:

S. 2657. A bill for the relief of Klaus W. Jonas and his wife, Ilsedore Barkow Jonas; to the Committee on the Judiciary.

By Mr. CHAPMAN (for himself and Mr. WITHERS):

S. 2658. A bill to establish rearing ponds and a fish hatchery in the State of Kentucky; to the Committee on Interstate and Foreign Commerce.

S. 2659. A bill for the relief of the estate of William R. Stigall, deceased; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2660. A bill to authorize the construction of a toll road in San Isabel National Forest; to the Committee on Agriculture and Forestry.

By Mr. DONNELL:

S. 2661. A bill for the relief of Victoria Zaharia Hillel; and

S. 2662. A bill for the relief of Evzen Syrovatka and his wife; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2663. A bill to provide for the establishment of a ferry across the Powell River at or near Lead Mine Bend, Tenn.; to the Committee on Public Works.

S. 2664. A bill to provide that small business shall receive a fair share of Government procurements; to the Committee on Expenditures in the Executive Departments.

By Mr. MYERS:

S. 2665. A bill for the relief of Efstatheos Gasparis; and

S. 2666. A bill for the relief of Chang Fook (known as Chang Jack); to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2667. A bill to amend the Tariff Act of 1930 to limit importations of petroleum and petroleum products; to the Committee on Finance.

By Mr. McMAHON:

S. 2668. A bill to amend the Independent Offices Appropriation Act for the fiscal year 1950; to the Joint Committee on Atomic Energy.

S. 2669. A bill to increase the salaries of the Chairman of the Atomic Energy Commission, the four remaining Commissioners, and the General Manager of the Atomic Energy Commission; and

S. 2670. A bill to increase the compensation of members of the Board of Parole; to the Committee on Post Office and Civil Service.

By Mr. JOHNSTON of South Carolina:

S. 2671. A bill to ratify the administrative promotions of certain postal-service employees who were promoted upon return from military furlough; to the Committee on Post Office and Civil Service.

By Mr. McMAHON:

S. J. Res. 135. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States; to the Committee on Foreign Relations.

LABELING OF CERTAIN HOUSEHOLD CLEANSERS

Mr. GILLETTE. Mr. President, in the course of the hearings before the subcommittee of the Senate Agriculture Committee on the Utilization of Farm Crops information brought to the attention of the subcommittee indicated a need for the strengthening of the Federal Food, Drug, and Cosmetic Act to cover soaps, detergents, and household cleansers. On a previous occasion I introduced S. 2392 to remove the exemption existing in the act in the case of soap. That bill would make soap subject to the same regulations in the Cosmetic Act as other skin cleansers.

At a later date, also on behalf of the subcommittee, I introduced S. 2531 which would place soaps and detergents under the labeling provisions of the Federal Food, Drug, and Cosmetic Act. That would cover the labeling of such soaps and detergents as are used in the home laundry, for washing dishes and which could not be classified as cosmetics or skin cleansers.

There are a great many other items in the soap and detergent class that should be brought under the regulation of the Food and Drug Department, but which would not be covered by either S. 2392 or S. 2531. To accomplish this purpose of placing some control over labeling and ingredients going into the many cleansers sold and used in the household it seems necessary that a whole new piece of legislation be enacted. To that end I introduce for appropriate reference a further bill.

The bill (S. 2656) to prohibit the movement in interstate commerce of injurious, misrepresented, and uninformatively labeled household cleansers, and for other purposes, introduced by Mr. GILLETTE, was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

FUNERAL EXPENSES OF FORMER SENATOR MILLER, OF IDAHO

Mr. TAYLOR submitted the following resolution (S. Res. 183), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. BERT H. MILLER, late a Senator from the State of Idaho, on vouchers to be approved by the Committee on Rules and Administration.

INVESTIGATION OF NATIONAL HEALTH PROBLEMS

Mr. MURRAY (for himself and Mr. DONNELL) submitted the following resolution (S. Res. 184), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Senate Committee on Labor and Public Welfare is hereby authorized and driected through the Subcommittee on Health of the said committee to—

(a) Continue its study of the health problems of the Nation and of legislative proposals relating thereto which have been referred to the said subcommittee, which study shall be primarily concerned with ascertaining the full extent and nature of existing national health problems and the action, if any, which the Federal Government should take in relation to said problems;

(b) Consult, in the course of such study, with Federal agencies administering health and related programs, with such other legislative committees of the Senate as are concerned with related matters, and with such other agencies, organizations, or persons as the subcommittee may desire to consult;

(c) Report to the Senate not later than March 15, 1950, the results of the study, together with such proposed legislation, if any, and such other recommendations as the subcommittee may deem desirable.

SEC. 2. (a) The Senate Committee on Labor and Public Welfare, through the said Subcommittee on Health, is authorized to sit and act at such times and in such places during the sessions, recesses, and adjourned periods of the Eighty-first Congress, to employ such consultants, clerical, and other assistance; to procure such printing and binding; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures within the limits below set forth as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The expenses incurred under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Subsequently,

Mr. MURRAY, from the Committee on Labor and Public Welfare, reported without amendment Senate Resolution 184, supra, and submitted a report (No. 1157) thereon; and, under the rule, the resolution was referred to the Committee on Rules and Administration.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. McKELLAR submitted the following resolution (S. Res. 185), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amounts, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946, and Senate Resolution No. 126, agreed to June 22, 1949.

ELEMENTARY AND SECONDARY SCHOOL CONSTRUCTION—AMENDMENT

Mr. TAFT submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2317) to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—AMENDMENT

Mr. ANDERSON submitted an amendment intended to be proposed by him to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred or ordered to be placed on the calendar as indicated:

H. R. 4390. An act to authorize the conveyance, for school purposes, of certain land in Acadia National Park to the town of Tremont, Maine, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.; and

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead; to the Committee on Interior and Insular Affairs.

H. R. 5876. An act to amend the Army-Navy Nurses Act of 1947 to provide for additional appointments, and for other purposes; to the Committee on Armed Services.

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation; ordered to be placed on the calendar.

PRICE SPREAD OF MILK—STATEMENT BY SENATOR GILLETTE

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD a statement prepared by him on the subject of the price spread between what the farmer receives for milk and what the consumer pays, including a letter received by him from an Ohio dairyman on the subject, which appears in the Appendix.]

HAPPENINGS IN WASHINGTON—ADDRESS BY SENATOR MARTIN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a radio address entitled "Happenings in Washington," delivered by him on October 10, 1949, which appears in the Appendix.]

TRIBUTE BY SENATOR WILEY TO MEMORY OF GEN. CASIMIR PULASKI

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him in tribute to Gen. Casimir Pulaski, which appears in the Appendix.]

AN APPEAL FOR FUNDS FOR THE WASHINGTON CATHEDRAL—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address in an appeal for funds for the Washington Cathedral, delivered by him at the Washington Cathedral, Washington, D. C., October 9, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—TELEGRAM FROM GOVERNOR TUCK AND ARTICLE BY ARTHUR KROCK

[Mr. BYRD asked and obtained leave to have printed in the RECORD a telegram from Governor Tuck, of Virginia, to William M. Boyle, Jr., chairman of the Democratic National Committee, regarding the nomination of Leland Olds to the Federal Power Commission, together with an article by Arthur Krock on the same subject, which appear in the Appendix.]

POINT 4—EDITORIAL FROM THE WASHINGTON POST

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD, an editorial entitled "Your Money Back," published in the Washington Post of October 9, 1949, which appears in the Appendix.]

SHOULD MARSHALL PLAN MONEY BE USED TO BUY CANADIAN WHEAT?—ARTICLE BY GEORGE ROTHWELL BROWN

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD, an article entitled "Should Marshall Plan Money Be Used To Buy Canadian Wheat?" written by George Rothwell Brown and published in the Washington Times-Herald of October 9, 1949, which appears in the Appendix.]

POWER AND ATOMIC ENERGY—MAJOR AMERICAN ISSUES—ARTICLE BY JUDSON KING

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Power and Atomic Energy—Major American Issues," written by Judson King, director, National Popular Government League, and published in the July-August 1949 issue of the Machinists' Monthly Journal, which appears in the Appendix.]

THE GRASS ROOTS ARE THE KEY TO ACTION IN AMERICA—EDITORIAL FROM THE MEXICO (MO.) LEDGER

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "The Grass Roots Are the Key to Action in America," from the Mexico (Mo.) Ledger of October 4, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—EDITORIAL FROM WASHINGTON POST

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial entitled "Sham Battle," relating to the nomination of Leland Olds to be a member of the Federal Power Commission, published in the Washington Post of October 7, 1949, which appears in the Appendix.]

ABOUT TWO GRADES OF JUSTICE—EDITORIAL FROM SAN FRANCISCO CHRONICLE

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial entitled "About Two Grades of Justice," published in the San Francisco Chronicle of August 19, 1949, which appears in the Appendix.]

HANDICAPS ON CONSTITUTIONAL GUARANTIES—ARTICLE BY ROYCE BRIER

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article written by Royce Brier in the San Francisco Chronicle dated September 21, 1949, which appears in the Appendix.]

PLANNED RIVER DEVELOPMENT—NEW YORK TIMES EDITORIAL

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial entitled "Planned River Development," published in the New York Times of Tuesday, August 30, 1949, which appears in the Appendix.]

STUDENT EXCHANGE PROGRAM

[Mr. MYERS asked and obtained leave to have printed in the RECORD a letter from Sidney W. Lowery regarding the Fulbright student exchange program and a welcoming address by R. J. Cruikshank, editor of the London News-Chronicle, which appear in the Appendix.]

PROPOSED TAX ON IMPORTED COPPER—LETTER FROM GEORGE C. DELP

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a letter from George C. Delp, president of the New Holland Machine Co., of New Holland, Pa., regarding the proposed import tax on copper, which appears in the Appendix.]

LELAND OLDS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement by Hon. Jerry Voorhis, executive secretary of the Cooperative League of the United States of America, regarding the nomination of Leland Olds to the Federal Power Commission, which appears in the Appendix.]

REPORT OF FAIR EMPLOYMENT PRACTICE COMMISSION OF MINNEAPOLIS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a report of the Fair Employment Practice Commission of the city of Minneapolis for the period June 1, 1947, to June 30, 1949, which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. ROBERTSON asked and obtained consent to be absent from the sessions of the Senate after tomorrow.

Mr. GILLETTE asked and obtained consent to be absent from the sessions of the Senate for the remainder of the week, beginning tomorrow.

NOMINATION OF LELAND OLDS—EDITORIAL FROM THE PHILADELPHIA INQUIRER

Mr. HENDRICKSON. Mr. President, in the Saturday's issue of the Philadelphia Inquirer, there appeared an editorial entitled "Truman 'Puts on the Heat' for Olds."

Since the Olds nomination has become an issue involving an important constitutional principle, I ask unanimous consent that the editorial be inserted in the body of the RECORD at this point in my remarks. Mr. President, it is my sincere hope that the editorial will be read by every Member of the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRUMAN "PUTS ON THE HEAT" FOR OLDS

President Truman's matter-of-fact admission that he has "put the heat" on Democratic Senators to force their support of his nomination of Leland Olds for a third term on the Federal Power Commission has serious complications that go far beyond this particular issue.

Truman has made the Olds appointment a matter of party loyalty and discipline. He wants Members of the Senate to surrender their constitutional right to reject a Presidential appointee, regardless of their opinion of the latter's fitness.

That means absolute party dominance over the individual. And if that is not the basic philosophy of fascism, what is?

The President has been stirred into this latest shoddy imitation of Franklin D. Roosevelt, in his whip-cracking phase, by the obvious disinclination of Democratic Senators to swallow the renaming of Olds. Truman is backing Olds because he believes the appointment of this radical would benefit him if and when he goes after the half-million leftist Labor Party votes in New York that were chalked up for Henry Wallace last year.

When the Senate Interstate Commerce Committee, despite a preemptory letter from the President, voted to reject Olds by a vote of 10 to 2, with 5 Democrats joining 5 Republicans in opposition, Truman decided to take extraordinary measures. He got William M. Boyle, Jr., chairman of the Democratic National Committee, to telegraph all members of that committee and the officials of all Democratic State committees, urging them to warn their respective Senators that "the people want Olds confirmed."

Neither Truman nor Boyle, naturally, have asked the people whether they want Olds on the Commission. If they had, we are sure the answer would have displeased them.

Boyle made the reckless statement, also, in his pressure telegrams to the State leaders that Olds "has stood for what the Democratic Party has." In view of Olds' well-known radical background, this is an indictment of the Democratic Party, inflicted by its own national chairman, that may return to haunt it.

Truman, in the Olds case, is trying the old Roosevelt game of scaring Democrats in Congress into obedience under the implied threat of defeating them for reelection.

But even Roosevelt was not able to get away with that in the celebrated purge of 1938, when he declared war on all the Democratic Senators who opposed his Supreme Court packing bill. Roosevelt met defeat all down the line.

The Constitution provides, in the filling of specific Federal offices, that the President shall nominate and the appointment shall be made only with the consent of the Senate.

But Truman would leave to the members of his own party in the Senate no discretion in such matters. The Senators would merely be automatons, to acquiesce in whatever the party leadership ruled.

The case of Olds is one to strain party loyalty to the limit. He has a notorious radical background, with extreme views in favor of nationalization of industry and a record of left-wing political and journalistic affiliation.

Senator EDWIN C. JOHNSON, Democratic chairman of the Commerce Committee, in his reply to Truman's letter stated that the committee was "shocked beyond description of the political and economic views expressed by Olds some years ago" and that "We cannot believe that a person under our democratic capitalistic system holding such views is qualified to act in a quasi-judicial capacity in the regulation of industry."

Yet it is this man the President would ram down the throats of the Democratic Senators.

Says Truman: You have got to have party discipline to transact the business of government * * * A man selected on a party platform ought to carry it out.

Tuesday's vote in the Senate on the Olds appointment will show whether the Democratic Members are going to be cowed by Truman's decrepit take-off of Roosevelt as Congress' boss, or whether they are going to vote as they think. We hope and believe that they will not surrender their rights.

NOMINATION OF LELAND OLDS

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared in regard to the nomination of Leland Olds to be a member of the Federal Power Commission.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, after sitting in hearings in subcommittee on the nomination of Mr. Leland Olds for reappointment to the Federal Power Commission, it amazes me that President Truman should have so nearly quoted a passage from the Communist Party membership book in explaining his support for Mr. Olds.

None of us had the opportunity to hear the exact words of President Truman in explaining his position at his press conference on Wednesday, October 5, but Arthur Krock, the eminent columnist for the New York Times, reported the conference in a manner which I am willing to believe is accurate.

During the course of the conference the reporters questioned Mr. Truman about the pressure messages of Democrat Chairman William M. Boyle, Jr., to members of his party throughout the Nation in which he demanded support of Mr. Olds.

Mr. Krock reports the repartee at the press conference went something like this:

"Question. Isn't that the same as lobbying?

"Answer (by President Truman). Not necessarily. You have got to have party discipline to transact the business of government."

I want to call the attention of the Members of the Senate to this paragraph which appears in the membership books of the Communist Party in the United States:

"The strictest party discipline is the most solemn duty of all party members and all party organizations. The decisions of the Communist International and of all the leading bodies of the party must be promptly carried out."

I think the members of the party on the other side of the aisle (Democrat) probably have resented the similarity of the President's attitude in the Olds matter and the dictum of the Communist Party in the United States.

Nevertheless, Mr. President, the parallel of Mr. Olds and the Communist philosophy did not begin with the President's press-conference explanation, nor will it end there.

Although President Truman's choice of party-discipline-above-national-good has attracted Nation-wide editorial comment of a nature most unfavorable to the President, I am inclined to believe that the recent editorials published in the Washington Post and Washington Evening Star will suffice as reasonable examples and I hereby submit them for publication in the CONGRESSIONAL RECORD as a part of my remarks:

"[From the Washington Post of October 9, 1949]

"PARTY RESPONSIBILITY

"President Truman's comments about turning the heat on Members of Congress raise some far-reaching questions about our political system. Mr. Truman seems to think it is a simple matter of party discipline. Having nominated Mr. Leland Olds for a third term on the Federal Power Commission, and having encountered a rebuff from the Senate Commerce Committee, the President assumes he is justified in using the machinery of the Democratic Party in an effort to swing the Senate into line for his decision. Wholly aside from the merits of the case and of Mr. Olds' qualifications for the position, this maneuver seems to us a sorry distortion of party responsibility.

"The President might have asked himself first of all whether his attempt to discipline the Commerce Committee has any chance of being successful. In his press conference on Thursday he admitted that when Jim Farley turned the heat on him [Truman] as a Senator, in connection with the Barkley-Harrison fight for the party leadership, he ignored the White House request and honored his commitment to vote for Senator Harrison. All self-respecting Senators do likewise, unless the President's demands upon them happen to coincide with their own ideas. President Roosevelt's efforts to force the Court-packing bill down the throats of legislators by means of political pressure were a notorious failure. So was his attempted purge of legislators who resisted his demands.

"From the viewpoint of expediency, therefore, the President's tactics are not likely to change many votes. From the viewpoint of principle, moreover, they are wrong. Legislators would become mere puppets if they should surrender their right to make decisions of their own on policy issues that come before them. If the President were free to decide at any time that a policy he favors is a party matter, and if legislators belonging to the party represented by the President were then under obligation to fall into line with his request, we should have dictatorship rather than party responsibility.

"To our mind party responsibility has a very different meaning. It indicates that a group of leaders in both the executive and legislative branches work together to formulate a party policy which all can and will support. Decisions of this group can then be presented with a united front and command party-wide support because they reflect a meeting of minds among the leaders who have come to the top in the party's councils. The caucus can be used to bind party members to the support of decisions taken by this means, and any rebellion against such decisions by individual legislators can be reasonably treated as party treason.

"But this sort of party responsibility, which comes of discussion and cohesion among a substantial group of party leaders, is totally different from an attempt on the part of the President to impose his will upon Congress when no party policy in any accepted meaning of the word has been established. It seems to us that the President has slipped into a dictatorial attitude that will not only injure the worthy cause that he is espousing but is likely also to bedevil his relationship with Congress cn many other issues."

"[From the Evening Star of October 8, 1949]

"BULLDOZING THE SENATE

"President Truman is singularly inept in his efforts to secure Senate approval of Leland Olds for a third term on the Federal Power Commission.

"He began by writing a letter to the committee considering the nomination. The letter implied that unless the committee approved the nomination it would be playing into the hands of selfish corporate interests.

"Then he instructed the Democratic national chairman, William M. Boyle, Jr., to appeal to State political bosses to put the heat on the Senate. The State leaders were told to let the Senators know that "the people want Olds confirmed." It would be hard to think of anything sillier. The chances are that 98 percent of the people had never heard of Mr. Olds until this week, and it is a cinch that 99 percent have not the foggiest notion whether he has been a good, bad, or indifferent member of the Power Commission.

"Finally, the President personally undertakes to make the issue one of party regularity. He claims for himself the power to determine that some question—the nomination of Mr. Olds, for instance—is a party matter. And once that determination has been made, he says, the Democratic Senators are expected to fall into line and vote as they are told to vote. Never mind that the Senators take an oath to support the Constitution, and that the Constitution contemplates that they will exercise their own independent judgment in voting for or against a nominee. Skip the fact that the President, in effect, is demanding that Senators vote contrary to their convictions and without regard for what they may sincerely believe to be best for the country. When the partisan whip is cracked, they are expected to toe the line.

"It can be argued, with truth, that there is need for some party discipline. It is also true that this is not the first time, nor will it be the last time, that party bosses have tried to bulldoze one or both branches of Congress. But when, in a matter of this kind, a President goes to the lengths to which Mr. Truman has gone he deserves a figurative rap on the knuckles. And that probably is just what Mr. Truman will get from the Senate."

The gentlemen who wrote these editorials not only frowned upon President Truman's newest effort to become not only the administrative but the legislative branch of the Government, but they also were quite aware that newspaper accounts of the subcommittee hearings were accurate in describing Mr. Olds' philosophy of Government.

The witness, Congressman JOHN E. LYLE, a Democrat from Texas, set forth 25 points of Mr. Olds' thinking. Briefing them still further for sake of clarity, we find the 25 points as follows:

1. He urged comrades to enroll in Communist training courses.
2. Claimed educational institutions are subservient to money princes.
3. Hailed the decay of the church.
4. Advocated elimination of private property and nationalization of railroads, public utilities, and coal.
5. Called Fourth of July as the day set apart by the world's greatest exploiters to glorify their rise to power.
6. Revealed fundamental opposition to private enterprise system.
7. Denounced private enterprise system.
8. Exulted over decay of capitalist system.
9. Urged downfall of American system.
10. Predicts passing of capitalism.
11. Hailed fatal illness of profit system.
12. Predicted dire consequences unless profit system is superseded.
13. Foresees elimination of competitive private capitalism.
14. Looks forward to planned economic order.
15. Expresses contempt for major political parties.
16. Asserted that political democracy based on geographical representation is played out.

17. Contended that confusion of thinking arises when social revolution is conceived as an extension of democracy.

18. Extols the virtues of the Russian system as against conditions in the United States.

19. Commended Lenin for knowing what would take the place of political partyism.

20. Enthused that in Russia the labor movement leads the world in building a workers' republic.

21. Urged, in conformity with Marxian doctrine, the establishment of a new world unity of workers.

22. Laments the failure of American labor to join with Russian unions.

23. Praised the Russian system as the coming world order.

24. Preached class war.

25. Echoes the Communist doctrines of class struggle as proclaimed by Karl Marx.

As Congressman LYLE testified, these points of Mr. Olds' philosophy as represented in the former Commissioner's writings, some of which were published in the Communist Daily Worker, show unmistakably that Mr. Olds' objectives were basically hostile to our American way of life.

Nevertheless, Mr. William M. Boyle, Jr., Democratic national chairman, saw fit to say that Federal Power Commissioner Olds has stood for what the Democratic Party has stood.

Mr. Boyle made this evaluation of Mr. Olds' philosophy in telegraphic messages which he sent to Democratic Party leaders throughout the Nation in an effort to enforce the party discipline above national good about which Mr. Truman commented in the afore-mentioned press conference.

One might think that Mr. Boyle could be excused for such flamboyant disregard for the principles of Thomas Jefferson and Andrew Jackson because he had not attended the subcommittee hearings, or perhaps had not so much as read a newspaper.

However, when the learned men of the press who also had not attended the subcommittee meetings find it possible to be so unerringly right in their evaluation of Mr. Olds' thinking, then it is to be assumed that Mr. Boyle, who has access to the same source of information, is attempting to formulate a new party line.

The same could be said here of President Truman, but it really isn't necessary, because it was said by inference and very effectively by a member of his own party, the esteemed chairman of the Senate Interstate and Foreign Commerce Committee, EDWIN C. JOHNSON, in a letter which Senator JOHNSON sent to President Truman on October 4.

Now, keep in mind that October 4 President Truman received Senator JOHNSON'S letter by special messenger, and yet on October 5, the very next day, Mr. Truman sent a disciplinary warning to his party members.

Mr. Truman was not without proper information about Mr. Olds even if he waited until Senator JOHNSON'S letter arrived before trying to find out anything about him. Senator JOHNSON'S letter said:

"The subcommittee was shocked beyond description by the political and economic views expressed by Mr. Olds some years ago. We cannot believe that a person under our democratic capitalistic system holding such views is qualified to act in a quasi-judicial capacity in the regulation of industry."

This was pretty plain talk and could not possibly have been of such magnitude as to have been beyond the understanding powers of the President.

Senator JOHNSON was quite lenient with the President's responsibility in such important matters when he wrote in the letter:

"I feel very certain these radical views have never been brought to your attention, and I will therefore include herewith a few excerpts."

Then Senator JOHNSON inserted in his letter to the President the following excerpts from the writings of Mr. Olds for the Federated Press, whose dispatches were carried by the Daily Worker:

"Capitalism in the United States is rapidly passing into the stage which has marked the decay of many earlier social orders, the stage in which a dominant owning class ceases to perform a function in the business of society. * * * The owners exist only, a privileged class of parasites whose idleness and dissipation become an increasing stench in the nostrils of the people." (Leland Olds, Federated Press, Labor Letter, January 24, 1929, p. 1.)

"The manipulation of democratic institutions by this wealthy autocracy forces labor to seek other than constitutional processes." (Leland Olds, Federated Press, Labor Letter, May 11, 1927, p. 1.)

"Here is certainly a breach which may widen until the sanctity of private property in the capitalist sense follows the divine right of kings into discard. Inevitable changes in the economic organizations of society are exposing it as just another myth preached in the interest of a small class seeking to retain power and privilege." (Leland Olds, Federated Press, Labor Letter, July 28, 1927, p. 1.)

"The opposition of the United Mine Workers to competitive wages can only be made effective through the elimination of competitive private capitalism. The miners have two alternatives—to develop, along with the rest of organized labor, political power sufficient to put over nationalization, or to seek control by the workers themselves under a worker government." (Leland Olds, Federated Press, Labor Letter, April 6, 1927.)

"Lenin knew what would take the place of political partyism when he made his bid for power in Russia with the slogan 'All power to the Soviets. * * * That change is coming in America. Under labor's advance preparation will depend its share in the new apportionment of authority.' " (Leland Olds, Federated Press, Labor Letter, November 11, 1925.)

"To millions of workers slaving throughout the world to provide the tribute enacted by the American dollar empire the Fourth of July will loom as anything but the birthday of liberty. They will view it as the day set apart by the world's greatest exploiters to glorify their rise to power." (Leland Olds, Federated Press, the Daily Worker, July 5, 1928.)

I think the next to the last paragraph of his letter was Senator JOHNSON'S very loyal and last attempt to excuse his Chief Executive's apparent ignorance of the facts about Mr. Olds.

Senator JOHNSON said in that paragraph:

"The committee found Mr. Olds glib of tongue and very convincing. Like many crusaders for foreign ideologies he has an attractive personality and is disarming to a very high degree."

This constituted the major portion of Senator JOHNSON'S reply to President Truman's letter of October 3 to Senator JOHNSON in support of Mr. Olds.

President Truman displayed his lack of knowledge of what had been said and proved of Mr. Olds' past before the committee when, in his letter to Senator JOHNSON, the President wrote:

"Nothing has been presented in testimony there which raises any doubt in my mind as to his integrity, loyalty, or ability."

Yet, after reading Senator JOHNSON'S letter—and it is presumed the President did read it—the next day he continued to talk in favor of Mr. Olds.

It is hard to believe that any American could have any doubt about Mr. Olds' philosophy of government after reading Senator JOHNSON'S letter to the President, or hearing the testimony against him.

In the face of all this evidence—and much, much more on the pages of the committee transcript—it doesn't seem quite logical that this matter should be determined on the basis of party discipline.

I believe it is quite clear that the country's good is a principle here that far overshadows any partisan considerations.

I am hopeful that Senators on both sides of the aisle will join me in voting against the nomination of Mr Olds.

FARM LEGISLATION—LETTER FROM J. BLEEKER TO SENATOR YOUNG

Mr. YOUNG. Mr. President, on Monday of this week I received a letter from a farmer of Coatesville, Pa., named J. Bleeker. It contained an excellent statement and analysis of the farm-price support proposal now pending in Congress. I wish to commend this farmer for his excellent and straight thinking on agricultural matters. I ask unanimous consent that the letter be printed as a part of my remarks in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Senator MILTON R. YOUNG:

We are amazed that the Senators can't see the fundamentals for the details. All the discussion of farm bills is on details, minor points, how much of this or that, but only casually and briefly, as of small importance, are fundamentals even mentioned. The delays are not worth the difference. If necessary, pass a bill leaving details to the discretion of the Secretary of Agriculture, but do it quickly. Then the following year's experience will suggest needed modifications. And time will be available to pass the overdue social security bill without quibble from either side, as both have promised it.

In the first place, the farm problem is not a farm problem, it is a depression problem, and it concerns chiefly 5,000,000 farm families and 10,000,000 families of industrial workers. Why? Because the condition of farming over which the individual farmer has no control, have, beginning with the depression of 1828, started the downward spiral which resulted in our major depressions. At that time President Jackson aptly commented: "The predicament of the farmers toppled the first domino." Obviously the industrial workers whose families suffer during a depression, would, if they were aware of the above fact, insist on action to maintain farm-family buying power. When farmers stop buying industrial products, industrial workers are laid off, and then they cannot buy industrial products, more industrial workers are laid off, and the cumulative effect results in a major depression. We need go no farther back than 1928 to cite an outstanding example of this historic fact.

Secondly, why do farm families lose their buying power right at the height of production? Because of two facts, one historic, the other economic. The historic fact is that farm-prices received start falling before industrial prices. Example: farm prices received began falling in mid-1947, but the prices the farmer must pay have remained level or have risen. (A few months ago the price of 40-quart milk cans rose in Coatesville from $10.75 to $11.80.) This loss of net income means loss of ability to buy industrial products, unemployment of industrial workers began and reached 4,000,000 before seasonal and other factors reversed the trend, but the underlying fundamental persists, though obscured by strikes, and will topple us in a 1950's depression probably out-rivaling that of the 1930's, unless prevented by act of Congress. This is the economic factor referred to above: Industries operate on a backlog of orders at agreed-upon prices, and

of materials supply in hand or under contract. Without such support from the markets the industrial plants cease operation. But the farmer has no backlog of orders, and knows not what production, prices, and demand will be at harvest time, and he can't shut down his plant. So, when prices he receives start falling, he must plant more, which makes prices go still lower. This is a cumulative effect which historically has accelerated the squeeze on farmer buying.

Why can't farmers get together to control production and so to control farm prices received? Another historic fact is the answer: they have tried to do so but a 10 percent of chiselers were enough to cause defeat. Example: the Kentucky "night riders" of 50 years ago. Only a combination of Federal support and adequate incentive can succeed.

Stated in a few words, the farm problem is a problem of preventing depressions, and a solution is important to some 15,000,000 families.

Specifically, the problem is to maintain the buying power of some 5,000,000 farm families entirely dependent on operation of family-size farms for income. Get the point: only farm-operating families should receive support. The immediate means are controls of farm production of and bonuses for staples. The farm must be the sole means of support for a farm-operating family. This eliminates absentee landlords, and takes care of large holdings divided amongst tenant families. Renters would receive total support, share croppers only on their share of the crop. Small pieces of land operated as an avocation or as additional means of support would be eliminated. The criterion would be sole support for a farm-operating family.

Because of human nature, and gradations of intelligence, production limitation should be optional to each farm family. Mandatory controls enforced by fines result in too much bitterness, argumentation, and friction. Votes should not be taken: the losers are bound to feel resentful and imposed upon, and fines produce permanent scars. With a properly based plan of control, and adequate incentive, voluntary cooperation will be assured. Hold-outs will soon see their errors of judgment.

The basis for corn, wheat, cotton, rice, peanuts, etc., should be acreage, and payments should depend not on measured production, but on average production for an area. This basis of acreage and average production, would require the lowest cost of administration. Field men, properly chosen, are excellent judges of field size, fields in general remain the same in size year after year, county controls have maps from which checks can and should be made, the Government need not store, payments are simply calculated or read from acreage tables. Services of field men, disputes, office expense, and favoritism are minimized. The farmer could store, or sell at open-market prices. The basis of payment would be determined by the average of open-market prices in a given area at time of harvest. The criterion of amount of support should be to give, say to a wheat farmer, a net income equal to that of an industrial worker of equivalent responsibility. Simple in the extreme. There would be no lack of incentive to intensify, and careless farming would punish itself.

Mixed farming on family-size farms would be handled automatically by the above plan. Consider a farmer who sells whole milk and some grain for cash income. To the extent that he sells grain, he is a grain farmer and receives pro rata support. To the extent that he sells whole milk he is a dairy farmer and comes under the Federal milk-price control. In adjusting acreage limitation for a dairy farmer on a covered grain crop, he would be allowed so many acreas to be fed on his farm, and then a limit be specified for excess which he would sell and on which support would be paid. If he keeps other animals, similar adjustment would be made. There would exist the possibility that a farmer would claim a covered crop to be fed, and an uncovered crop to be sold, to influence adjustment, and later do a vice versa, but a qualified field man would discover the trick sooner or later, and a penalty in the form of no allowance for fed acreage of the covered crop would deter such chiseling in general.

By the above simple plan, production of staples can be limited to adequate and safe carry-over, open-market prices would be maintained at a real-value level, total cost of support would be minimized, a safe net income of farm families would be maintained with consequent avoidance of farm-induced depressions, all accomplished with a minimum cost of administration of support.

We confess that we farmers are on the whole ignorant of legal lingo and politics, that we are misled by self-anointed farm leaders (?), but it pains us greatly to read reams of congressional blah-blah which skims over fundamentals, gets nowhere, and even admits jokers like the storage limitation of the Eightieth Congress intended to sabotage the whole idea. For ignorant as we are, we realize fully that the big industrial leaders largely control Government, are interested in low cost of living for their workers regardless of farm bankruptcies, and worry now about depressions except when they think of the Bastile of 1789.

It appears to us that Secretary Brannan has the aim of this plan—the family-size farm—but gets lost in a fog of details and consequent complexity. We would suggest that Senators who have had no great experience as responsible operators of family-size farms as sole support for their families, should not waste the time of the Senate by speaking on this subject from the floor. Design of a support plan should be left to Senators and others who have had plenty of such experience.

J. BLEEKER.

COATESVILLE, PA., *October 7, 1949.*

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON] on page 16, line 16, of the committee amendment.

Mr. WHERRY. Mr. President, now that the preliminaries are out of the way, and we are engaged in consideration of the farm bill, I should like to ask the majority leader if it is his intention, in the event the farm bill is not completed this afternoon, to have a night session? Several Senators have asked me that question. I thought possibly the majority leader would like to answer.

Mr. LUCAS. I am delighted to answer the question and advise my good friend from Nebraska that there will be no night session.

Mr. MAGNUSON. Mr. President, I hesitate to take up much more time of the Senate, but by reason of the fact that last Friday, when the amendment was being discussed, several Senators were not present on the floor who are now present, I want to take this opportunity, hoping I do not abuse the privilege by taking too much time, to explain what the amendment is, so that Senators will understand it.

There was some discussion last Friday regarding whether or not the language of the amendment was sufficiently clear so that it was susceptible of a complete understanding. I said at that time that I did not know how one could set forth more plainly in the English language the intent of the amendment, and I still say so after having explored the possibility, over the week end, that we might make the language of the amendment more clear. It has been suggested humorously that if I couch the amendment in an English accent perhaps the State Department may more completely understand it, but we are still dealing with the American language.

This is what the amendment does. Section 22, which is now the law of the land, and has been the avowed policy of the Government and the Congress since the passage of the Agricultural Act of 1948, provides in effect that when certain agricultural commodities being imported under trade agreements or otherwise reach a point where they may jeopardize either a price-support program or an agricultural product in short supply, or an agricultural product under control by the terms of the act, then the President of the United States shall do certain things.

First, he shall ask for a fact-finding board and give public notice of hearings. He shall consult with the Secretary of Agriculture, who knows the subject. He shall then consult with the Tariff Commission, and the facts will be presented to him. If, after the presentation of the facts he finds that the importation of certain agricultural commodities is seriously affecting the market, the price support, or the controls with respect to any mandatory provisions set forth in the Agricultural Act, he then shall have permissive authority to set import fees of a temporary nature which will help our domestic situation. That is the law of the land.

Also in section 22 of the act, paragraph (f) reads as follows:

> No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

In other words, we set an agricultural policy. We set it for a very good and meritorious reason. We say that when a product is controlled, either by price support or otherwise under the terms of the act, the President shall have the right temporarily to protect it by doing certain things if the facts justify it. But we also say, in paragraph (f), that the State Department may make any agreement in contravention of this section. In other words, it may completely nullify it if it wishes to do so. All my amendment does, in plain English, is to reverse that policy. It provides as follows:

> No international agreement hereafter shall be entered into by the United States, or renewed, extended, or allowed to extend beyond its permissible termination date in convention of this section.

In simple terms, it says to the State Department, "You shall not make international trade agreements in violation

of law." That is all it does. This act is the law. Either we must repeal section 22, which after long hearings the Committee on Agriculture and Forestry of the Senate thought would be necessary, or we must change the policy. The effect has been that in many instances the State Department has entered into trade agreements with other countries in direct contravention of this section.

Several farm organizations, appreciating the need for this amendment in order to maintain a stable agricultural economy in this country, since they have become conscious of the amendment, and previous to this, in connection with the reciprocal trade agreements debate, have sent telegrams to Members of the Senate.

I shall read several of the telegrams:

OCTOBER 10, 1949.

On behalf our members we urge passage of Magnuson amendment to revised farm bill S. 2522, in order to authorize protection of support price structure against nullifying imports. We believe it illogical to undertake farm price supports by one law and make it possible to completely or partially neutralize price supports by another.

JOHN H. DAVIS,
Executive Secretary, National Council of Farm Cooperatives.

(Sent to Senators GEORGE D. AIKEN, SCOTT W. LUCAS, OLIN D. JOHNSTON, CLYDE R. HOEY, JAMES P. KEM, BOURKE B. HICKENLOOPER, PAUL DOUGLAS, ERNEST W. MCFARLAND, DENNIS CHAVEZ, HARLEY M. KILGORE, MATTHEW M. NEELY, HARRY FLOOD BYRD, HENRY CABOT LODGE, JR., CARL HAYDEN, LESTER C. HUNT, PAT MCCARRAN, JAMES E. MURRAY, ELBERT D. THOMAS, HERBERT R. O'CONOR, GUY M. GILLETTE, SHERIDAN DOWNEY, FRANCIS J. MYERS, RICHARD B. RUSSELL, GLEN H. TAYLOR, Senate Office Building, Washington, D. C.)

WASHINGTON, D. C., *October 8, 1949.*

Urge support of Magnuson amendment to farm bill because without some such provision entire price-support program on many commodities could be nullified by occasional or unlimited imports. Any farm program to be effective must be protected if it is to work.

ALBERT S. GOSS,
National Grange.

(Sent to: All members Agricultural Committee and Senators CHAVEZ, KILGORE, NEELY, BYRD, LODGE, DOUGLAS, ELLENDER, HAYDEN, MCFARLAND, HUNT, MCCARRAN, MCCLELLAN, MURRAY, MYERS, GEORGE, RUSSELL, TAYLOR, THOMAS of Utah, O'CONOR, GILLETTE.)

DENVER, COLO., *October 10, 1949.*

Senator ELMER THOMAS,
Senate Agriculture Committee,
Washington, D. C.:

Agricultural industry increasingly alarmed over developments relative to tariff matters. The new trade agreement just announced with further cuts, the failure to include the peril point in the extension of the reciprocal trade act makes it seem tremendously important to do the one thing that remains left at this session that will be of help, namely, to support the Magnuson amendment to section 22 of the AAA Act. Hope you are in a position to do this.

AMERICAN NATIONAL LIVE STOCK ASSOCIATION,
F. E. MOLLIN, *Executive Secretary.*

OCTOBER 10, 1949.

SENATE OFFICE BUILDING,
Washington, D. C.:

Present interpretation of subsection (f) of section 22 of the Agricultural Adjustment Act nullifies intent of Congress. Unless such interpretation is changed Government is powerless to protect agricultural programs, including price-support programs, against unlimited importation of agricultural commodities. We respectfully urge your support of Magnuson amendment to Anderson bill S. 2522 which proposes to clarify congressional intent concerning this subject.

CHARLES W. HOLMAN,
Secretary, The National Cooperative Milk Producers Federation.

(Sent to Senators ELMER THOMAS (Okla.), ALLEN J. ELLENDER, SCOTT W. LUCAS, CLYDE R. HOEY, OLIN D. JOHNSTON, SPESSARD L. HOLLAND, GUY M. GILLETTE, CLINTON P. ANDERSON, GEORGE D. AIKEN, MILTON R. YOUNG, EDWARD J. THYE, JAMES P. KEM, BOURKE B. HICKENLOOPER, Senate Office Building, Washington, D. C.)

I know of no farm organization which opposes this amendment. It does not affect the present Reciprocal Trade Agreements Act. It does not affect the reciprocal-trade program, because it is the law of the land. Those who negotiate trade agreements should be put on notice, and it is only fair to the other countries to know that section 22 is a part of our law.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LANGER. The Senator stated that he knows of no farm organization which opposes the amendment. Is that true of the National Farmers Union?

Mr. MAGNUSON. I have no communication from the Farmers Union in support of the amendment, but most of the other organizations have sent me communications in support of the amendment.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WATKINS. Did the Senator include the American Farm Bureau Federation in the group supporting the amendment?

Mr. MAGNUSON. I have a letter from the American Farm Bureau Federation, but it was directed to this question when we discussed it informally in relation to my amendment to the Reciprocal Trade Agreements Act. So I could not categorically state what their position is on an amendment to the agricultural bill.

Mr. WATKINS. Does the Senator have any communication from them opposing the amendment?

Mr. MAGNUSON. No; I have none. All farm organizations have been put on sufficient notice as to this proposal.

A great deal was said on Friday in opposition to this amendment, to the effect that the amendment would make necessary the renegotiation of all our trade agreements. I contend that that is not true. I do not think that would be required. I wish briefly to state my reasons why.

The Magnuson amendment to the farm bill would not and could not require the renegotiation of the Geneva agreement or any other trade agreement that was properly drawn in the first place.

The proof of this is simple and to the point. Paragraph (f) of section 22 of the AAA Act was adopted after the Geneva agreement was signed. Neither that agreement nor any other agreement could legally interfere with any section 22 program. Trade agreements are executive agreements, whereas section 22 was an act of Congress signed by the President and takes precedence over any executive agreement. What is the use of enacting laws if laws do not take precedence over executive agreements.

Paragraph (f) of section 22 was only adopted in 1948. Therefore, it could not have created any obligation on the part of the signatories of any trade agreement that did not already exist. No trade agreement has become effective since paragraph (f) of section 22 was adopted.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LANGER. Would section 22 cover not only grain, but cattle?

Mr. MAGNUSON. Yes; all agricultural products.

Therefore the changing of section 22 (f), or even its complete abolishment or its replacement, could not have any legal or moral effect on any international agreement made prior to its adoption. There was no obligation to any country to change section 22—every agreement made had to be, and was, subject to the terms of existing United States law. After the trade agreement was signed and became effective changes in United States agricultural laws could not create any obligation under the terms of that agreement. Furthermore, neither the President nor the State Department had authority under the trade-agreement law, or otherwise, to promise that Congress would alter existing agricultural laws.

If adoption of the Magnuson amendment requires renegotiation of any trade agreement, then that same agreement would have had to be renegotiated anyway because the Magnuson proposal is an amendment to section 22 (f), a section which did not exist when any trade agreement was signed.

On February 25, 1949, Mr. Winthrop Brown, testifying for the State Department before the Senate Finance Committee, made the flat statement that the Geneva agreement contained nothing that would limit the power to put into effect section 22. Mr. Brown was quoted last Friday as being opposed to this section. I hope the Senators from Georgia and Arkansas will note that the man who was quoted by the Senator from Arkansas [Mr. FULBRIGHT], Mr. Winthrop Brown, in testifying for the State Department before the Senate Finance Committee, made the flat statement that the Geneva agreement contained nothing which would limit the power to put into effect section 22. He did state that an absolute embargo would conflict with the spirit of the Geneva agreement, but neither section 22 nor the Magnuson amendment contemplate or permit embargoes.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me complete this thought.

I refer to pages 1223 and 1224 of the hearings on H. R. 1211 before the Senate Finance Committee. It is interesting to note—page 1224—that the Senator from Georgia [Mr. GEORGE] agreed with Mr. Brown, as I interpret his statement. I

have the colloquy before me, and if Senators wish to have me read it, I shall be glad to do so.

Section 22 does not permit the imposition of absolute embargoes. It should also be noted that Mr. Brown's recent statements that some agreements would need to be renegotiated if the Magnuson amendment is adopted were not supported by any evidence. As a matter of fact he did not actually make the statement, but he did leave that impression. This was in February 1949, after the Agricultural Act of 1948 had been enacted.

In short, any agreement that was made in contravention of existing United States laws was not legal; and the adoption of paragraph (f) to section 22 could not have created any legal aura that was missing, for if the original agreement was made in excess of existing authority, then the commitments were not binding.

Mr. President, this amendment merely indicates the intent of this Congress to give the laws which it makes precedence over State Department international agreements. That is the law. This amendment merely clarifies the congressional intent.

Mr. President, at this point in my remarks, I ask unanimous consent to have printed in the RECORD the examination of Mr. Brown by the Senator from Colorado [Mr. MILLIKIN], and by the distinguished chairman of the Finance Committee, the Senator from Georgia [Mr. GEORGE], appearing at page 1223 of the hearings on the proposed extension of the Reciprocal Trade Agreements Act, held in February and March of 1949.

There being no objection, the excerpt from the hearings was ordered to be printed in the RECORD, as follows:

The CHAIRMAN. Is there anything in this article, Mr. Brown, referring now to the general agreements and not to the provision in the Canadian trade agreements, because the Canadian trade agreement obviously would not, which would conflict with the provision, for instance, in section 22 of the Agricultural Adjustment Act?

Mr. BROWN. No, sir. It would have an effect on the administration of that act, but it would not affect the act itself or the authority conferred by the act.

The CHAIRMAN. Just what do you mean by "administration of that act"? Under that section 22, the President himself is authorized to take steps which will prevent the negation of an act of the Congress as, for instance, in the field of agricultural production.

Mr. BROWN. That is correct, sir. And it is the purpose of this exception to permit him to do so.

The CHAIRMAN. It is the purpose of this to permit that?

Mr. BROWN. Yes, sir.

The CHAIRMAN. And it would not operate to prevent it or to restrict or limit the power, would it?

Mr. BROWN. It would not prevent him from preventing the frustration of a program imposed under or put into effect under section 22.

The CHAIRMAN. I just wanted to get your view on that point.

Senator MILLIKIN. Do you understand, Mr. Chairman, that the President would have authority to put a quota into effect to prevent the frustration?

The CHAIRMAN. Oh, yes. Or a limited quota, or restrictions of some sort. Yes. He has done so.

Senator MILLIKIN. That is my impression.

The CHAIRMAN. That is true, is it not, Mr. Brown?

Mr. BROWN. That is correct, sir.

The CHAIRMAN. The President has imposed limited quotas, at least. I do not know of any instance in which he has put an absolute embargo on and stopped all importations, even though the agricultural program might have been suffering somewhat. But he has taken steps.

Mr. MAGNUSON. Mr. President, that is about all I have to say regarding this amendment. I seriously plead with the Senate that either we should clarify this matter so that the State Department cannot make agreements in contravention of existing law, or else we should repeal the section which, in my opinion, was for the protection of American agriculture, and was arrived at not only after long and careful discussions and hearings, on the part of the committees, but after careful consideration on the part of the Congress of the United States itself.

RECOGNITION OF SOVIET REGIME IN CHINA

Mr. KNOWLAND. Mr. President, I shall take only a few moments to discuss the question of recognition of the Soviet regime in China.

It is my belief that recognition will not solve any problem. The next logical step to recognition of that country, with which the Congress would be confronted, would be the question of trade with the Communist regime in that country. Later, we would be told that such moves were not sufficient and there would be involved a question of financing the trade to Communist China. When that had been completed, we would be told that these moves were not a sufficient gesture of good will toward the people of that new Communist satellite, and that it would therefore be necessary for us to offer them ECA aid. If we follow the whole silly cycle, I suppose that in a short period of time it would be suggested that in order not to discriminate against the satellite powers, we should bring them in under the military-assistance program.

Mr. President, the question of recognition is one which I think is of great concern to the American Congress and to the American people. I do not believe the citizens of the United States can for long be sold a bill of goods that it is important to maintain a free world of free men by keeping 240,000,000 western Europeans outside the iron curtain, while simultaneously the Government of the United States is following a policy of giving aid and comfort to the spread of communism in Asia.

Mr. President, I recognize the fact that the British Government and the British people perhaps have great investments in the Far East. I recognize that there may be some pressures on the part of business groups for recognition. I merely wish to call to the attention of His Majesty's Government, as well as to the attention of the people of Britain and to the attention of the people of the United States, the fact that when the British Government first recognized the Soviet Union it was done with the purpose in view that by such recognition of the Soviet Union, British investments in the Soviet Union would be somewhat safeguarded or at least salvaged in part. Of course, the cold, hard facts of history are that there was no salvage of British investments in the Soviet Union as a result of Britain's recognition of that government. It is my judgment that history will point out very clearly that there will be no salvage of British investments in Communist China if the Communist regime in China is recognized. Communism has no respect for private property. It will tolerate it while it awaits a better time to digest it.

But, Mr. President, the matter has even more important implications than that. There were business groups in the United States, as well as in Britain, who thought they could do business with Hitler, who thought they could do business with the warlords of Japan. Some of the scrap iron and oil Americans sold to Japan in the days prior to Pearl Harbor came back on us on the morning of December 7, 1941, and some of the British businessmen who thought they could do business with Hitler, and supplied Nazi Germany with machine tools and other equipment, found that equipment had been used to help fortify Nazi Germany, and some of the products of that equipment came back on them during the blitz on London and during the other air raids on Britain.

Mr. President, the Senate has a tremendous responsibility in the field of foreign relations. I do not believe the American Government necessarily has to follow a policy of recognizing, either de facto or de jure, another government merely because it has overrun by force of arms a major area of a legal government which is still functioning. To the contrary, President Woodrow Wilson clearly indicated in at least one of the Mexican revolutions, where the government of Francisco Madero had been overthrown by force and violence and the President assassinated, that the government which succeeded it was not a legal government and that, despite the fact that government then held de facto power, it was not entitled to de jure or de facto recognition. Later Secretary Stimson in his nonrecognition policy in regard to Manchuria, clearly indicated that merely because a government had established de facto power, as had the Japanese puppet government in Manchuria, that was no reason at all why the Government of the United States should give its blessing to any such government.

Mr. President, it is a fallacy to believe that there is any basis at this time or in the immediate future for the recognition of the Communist regime in China. They have had no free elections. They have an absolute dictatorship. We have only to read the proclamations of the new Communist constitution and the statements of Mao Tze-tung and the other leaders of the Communist movement, to know that it has no claim of validity or legality as being the action of the Chinese people themselves; but, rather, it is a government which has been established by force of arms over a part of China.

Furthermore, Mr. President, despite the dark days through which the Government of China is now passing, the legally recognized Government of that

country still controls an area which is of the approximate geographic size of the United States of America; and still outside the Communist orbit are approximately 150,000,000 people of China, or a population approximating that of the United States of America.

Mr. President, I wish to have printed at this point in the RECORD, as a part of my remarks, a number of articles and editorials. I shall take the time of the Senate to read only one of them. It is a very able editorial which appeared yesterday in the New York Times, one of the leading newspapers, if not the leading newspaper, in the United States. I wish to read it to the Senate. It appears under the heading "China's double ten:"

CHINA'S "DOUBLE TEN"

The tenth day of the tenth month has been celebrated in China since 1911 as National Emancipation Day. It is the anniversary of the start of the successful revolution against the Manchu dynasty led by Dr. Sun Yat-sen. Its theme has always been liberation from a regime regarded as wrong politically and as essentially alien.

It is tragic and ironic that those Chinese who are still free, and their American friends, must observe the day this year in the shadow of the conquest of a large part of China by another regime that is essentially both wrong and alien. Presumably there will also be some observation of the day in Communist-dominated areas where the Red Army is called the army of liberation. But the very use of the word "liberation" by a regime that has already pledged its fealty to a foreign state and the idea of celebrating "emancipation" in an area that has been newly enslaved are mockery and travesty.

Chiang Kai-shek, in his message of the day, has declared that China has been subjected to a new alien aggression more treacherous and deadly than the last. He has once more appealed to us, if indirectly, for whatever assistance we can give to aid in stemming that tide of aggression so that China may once more be free. Such an appeal has a poignancy that cannot be ignored. It must cause us to question, once more, if we have done all that we could have done.

There has been a widespread tendency, particularly in some State Department circles, to reduce our Chinese policy to what are called the "practical realities" of the situation. We are urged carefully to assess what use would be made of help that we could give and to weigh and decide, in advance, if such help would be sufficient from the outside to turn the tide. On Double Ten Day such an attitude seems needlessly cold-blooded. We can at the very least make it plain that we support the Nationalist Government of China and that we do not propose to traffic with the aggressor. Dr. Sun made no practical appraisal when he set China on the road to liberty. He believed freedom could not be compromised.

We shall have to answer to our own consciences and to history if we sacrifice principle to expediency. We also will be weighed when it is asked how deep was our devotion to freedom, how firm our loyalty to our friends who wish to be free. Double Ten Day, today, is a grim day for China. It ought to be a solemn day for us in the United States.

I also ask that there be printed in the RECORD as a part of my remarks an editorial which appeared in the New York Herald Tribune, another of the great newspapers of the country, under the heading "The Red future in China"; an article by Mr. Raymond Lawrence, which appeared in the Oakland (Calif.) Tribune, October 5, 1949, entitled "Recognition the Way To Seal China's Fate"; and an article written by Victor Riesel, which appeared under date of October 3, from which I want to read two paragraphs. In discussing the American Federation of Labor's convention at St. Paul, he says:

First off, leaders of the A. F. of L.'s powerful 8,000,000 members bluntly assert that the United States Department was responsible for the Chinese Communists' new Central Government.

"The Far Eastern Division of the State Department seemed to favor the Communist cause in China and used its influence to prevent Congress from voting further aid to the Nationalist (Chiang) Government," the A. F. of L. chiefs here charge officially and angrily in their report to the convention—where most delegates represent a powerful union.

I ask that the entire article be printed as a part of my remarks.

There being no objection, the editorial and the two articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of October 11, 1949]

THE RED FUTURE IN CHINA

During the past few months, following the Communist victories in the Yangtze Valley, there have been few indications of any development of Titoism in China. The Chinese Reds have been loud in their protestations of love for Moscow. (They have been so loud, indeed, that some observers believe they have been trying to allay suspicions in the Kremlin.) The new constitution of Communist China, broadcast on the Red radio, provides for a centralized dictatorship on the Communist pattern. Little has occurred to indicate that the Communist leaders in China, although they won control of large areas of their country with comparatively little help from the Soviet Union, plan to deviate from whatever party line is issued in Moscow. The Chinese Reds have won their own victory but also have enslaved their own minds.

It seems difficult to explain their intense allegiance to the Soviet Union. Reaction to American support of Generalissimo Chiang Kai-shek over a period of years presumably is part of the explanation but does not appear to be a complete one. Whatever the cause, at any rate, the phenomenon is highly interesting because it holds implications for the future of China. There is a strong possibility that the more the Chinese Communists persist in being thoroughly Red the weaker will be their hold on the Chinese people.

China does not resemble the Soviet Union and is not like the Communist countries of eastern Europe. It is an agrarian country with few mineral resources and has an economy based on subsistence agriculture. Neither food production nor the welfare of the peasants could be improved materially by collective farming. There is no industrial proletariat except in a few cities. Because of this situation Marxist ideology was at times almost ignored in building the Communist party in China. The more it is adhered to in the future the more difficulties the Reds may have.

At present they seem to have a good many new problems. The liberals and moderate left wingers who joined them because of dislike for Generalissimo Chiang are becoming disillusioned as they begin to realize the Reds are anything but democrats. In addition the Communists are becoming unpopular in the great coastal cities their armies won from the Nationalists, as they have been unable to revive the trade on which these cities lived in the past. The Reds also are losing popularity in many farming areas. This is especially true in regions where high taxes have been levied by Communist officials or where the poor administration of the Reds has been unable to cope with disasters caused by floods or drought. And almost everywhere in China the praise by the Chinese Reds of the Soviet Union is a handicap to them—as the Chinese people are inclined to view all "foreign devils" as savages living in outer darkness.

Although the Communists in China still are enormously strong, largely because of the power of their army, they are in a curious position. If they try to deal with China's problems as something Stalinism will solve, regardless of the peculiar conditions in China, they will increase the magnitude of their tasks and over a period of years set the stage for their own destruction. They certainly must be tempted at times to become heretical Communists, at least to some degree, but it would be hard for them to do so without losing face in China and without sacrificing the support of the Soviet Union, on which they presumably set considerable value. They are victors for the moment—there is no doubt of that—but the dilemmas they face are grave and there is no assurance their victory is permanent.

[From the Oakland (Calif.) Tribune of October 5, 1949]

RECOGNITION THE WAY TO SEAL CHINA'S FATE

(By Raymond Lawrence)

Like the Russian bomb, the Russian recognition of the Communist regime in China was long anticipated and it was also expected that the satellites would dutifully append their diplomatic endorsements, which they did.

But, also like the bomb, this legal recognition raises new problems and presents the State Department with a fresh opportunity to lengthen the list of its mistakes in the Far East.

Moscow has planned, supported, encouraged, and inspired the Chinese Communists. Except in the minds of some Americans both inside and outside the Far Eastern Division of the State Department, there never has been the slightest doubt about these Moscow connections and the Communist character of the Chinese movement. Mao Tse-tung, the traditional party leader, made public his political persuasion and pledged fealty to Moscow. None of the other Communists concealed their allegiance.

So now comes the time when relations between the Soviet Union and the Peiping dictatorship are publicly avowed and formalized, so its proper place may be assigned in the Soviet hierarchy.

UN CHARGES

The moment is propitious, for the Government of China, through its delegates to the United Nations, has preferred charges against the U. S. S. R. Instead of answering the indictment and thus perhaps obviating inconvenient disclosures of assistance measures engineered in the Kremlin, the U. S. S. R. may present the case that the real Government—de facto and de jure—resides in Peiping and not in Canton.

It is the kind of diplomatic offensive that appeals to the less subtle instincts of Soviet diplomats who have never been noted for any of the refinements that lessen the normal frictions prevailing among nations.

But it should not necessarily, for this reason or any other logical consideration, appeal to the principles and policies of the United States Government. There may be far-eastern experts like Butterworth, Vincent, Fairchild, and others who wish to regularize their sympathies in the more decent forms of diplomatic procedure, but, then, there are always those who are willing to condone in the name of realism. There may be others who think they can do business with the Chinese Communists just as they thought they could do business with Hitler. This may be the case (although we doubt it any

more than in the case of the European satellites) but the trading will be exclusively on the terms of the Communists and not necessarily to the pecuniary advantage of the westerners. In any case, pecuniary advantage seldom is a solvent or stable basis for a foreign policy.

BRITISH POLICY

This is the weakness of the British position. British citizens have huge investments and commercial interests in China. In the eyes of these individuals, like their counterparts in America, immediate commercial considerations dictate early recognition. This, however, is only a part of the story.

Let us make haste slowly. This Communist "people's democracy" has no claim to popular validation. It came into being because a small group of party leaders parcelled out the top jobs, dropped a few crumbs to henchmen, and proclaimed a government. There was no popular vote, no free election, no foundation that anyone outside of the Communist party would call democratic.

Communism in China has high pretensions to being a popular movement, but the gulf between fact and fancy has never been bridged by any acceptable verification. There is not even any assurance that the Chinese Communists can produce the minimum of reform and reconstruction offered by the Nationalists and stifled, first, by the Japanese, and second, by the civil war.

STILL A REGIME

The Communists in China have set up a regime and nothing more. So far it has produced no evidence that it can conform to those conditions which international law requires in the event of recognition: A regular and permanent government, a respect for international obligations.

Obviously the Kremlin is satisfied that its creation in China will perform according to plan, but the rest of the powers, lacking this paternal solicitude, must judge the Communist regime by what it does rather than what it says.

Furthermore, there are more Chinese living in free China today than at the highest point of the Japanese advance. Something can be salvaged here, but the surest way to seal our disaster in China is to accord an indecently hasty recognition of a party dictatorship.

A. F. OF L. MAPPING WAR ON REDS

(By Victor Riesel)

ST. PAUL, October 3.—Your flight into this city carries you over 1,000 steel-picket lines into convention-filled hotels where the A. F. of L. labor giants are gathered who haven't led their millions of followers into a single major strike all this past year.

Your airlift over smokeless, silent steel mills, transports you into a convention city which is another labor world.

First off, leaders of the A. F. of L.'s powerful 8,000,000 members bluntly assert that the United States State Department was responsible for the Chinese Communists' new central government.

"The far-eastern division of the State Department seemed to favor the Communist cause in China and used its influence to prevent Congress from voting further aid to the Nationalist (Chiang) Government," the A. F. of L. chiefs here charge officially and angrily in their report to the convention—where most delegates represent a powerful union.

SERIOUS CHARGES

These are serious charges. They came from some of the Nation's most conservative, sober, and responsible labor circles—from men who'd much rather get back to their union business than spread themselves the world over.

For example, these same labor giants report here that they believe India remains as the one great Asiatic nation able to take effective leadership in blocking Communist aggression. Upon India will fall the brunt of the responsibility for the democratic control of Asia.

No mere words these. If the oriental democratic forces knock off the political mobs like Capone's crowd fell to income-tax "T-men," a lot of our ex-GI's who sweltered in the Burma and Assam swamps, and guarded the rat-fringed fields from which we flew the Hump, won't need send their sons on similar malaria missions against a new enemy.

So these staid union men announce that "the wage earners of all democracies stand ready to cooperate with the wage earners of India" and those of deepest Africa too.

A. F. OF L. TAKES STEPS

Plans will be made here to checkmate this Red game. Already there is an A. F. of L. representative directing a Free Labor Bureau in Bombay, India—just as his chief, the curly-haired, easy-smiling Irving Brown, world-roving A. F. of L. representative, operates such a headquarters out of Brussels, and the federation's machine-gun-tongued Serafino Romauldi works in the Latin-American orbit.

They have been successful. Right now the report is that through publication of special newspapers, outright money loans, gifts of food, typewriters, paper, microphones, and other routine things of political life, the A. F. of L. has:

Strengthened the anti-Communist democratization league in Japan and so beat the Commies there; rehabilitated the free French unions which have sapped so much strength off the Reds that the Stalinists French labor outfits "no longer are capable of launching a paralyzing general strike" set up a "trade-union center in exile" in Paris which slips literature under Russia's iron curtain where an anti-Communist underground network relays it.

The A. F. of L. has helped organize a new western German trade-union federation, speaking for 5,000,000 German workers which will meet officially for the first time in Munich on October 12.

As I said, you fly into a new labor world here, and land amongst men making friends for us the world over. What happens here will be worth many an Army division later, somewhere on a foreign front.

Mr. KNOWLAND. Mr. President, I believe it is significant that, in addition to a great many Members of the Senate and the House of Representatives who have been concerned about the policies enunciated and followed by the far-eastern division and the State Department, great newspapers throughout the Nation, from the Atlantic to the Pacific, also have been concerned about the policies we have followed. I think it is significant that the American Federation of Labor, which has a fine history in support of American institutions, should of their own volition have adopted resolutions on foreign policy, in which they also recognize what the American people are coming to understand—the betrayal that has taken place in the State Department of a wartime ally and a traditional friend.

I think it is significant, Mr. President, that, at the last national convention of the American Legion, very strong resolutions were adopted, condemning the policy of do nothing or of wait until the dust settles, which this country has followed in regard to the China policy. I predict that in time even more organizations and more individuals will come to recognize that in this matter of international, global communism it is futile to attempt to stop it in Europe while "playing footsy" with it in Asia.

Mr. President, another matter which is related to this subject and one which I think is of considerable importance to the Senate, is the issue I have raised heretofore about the difficulty that Members of the Senate and of the House of Representatives, and even our committees, at times, have in obtaining information from the executive branches of the Government. Under date of September 27, 1949, I addressed a letter to the Secretary of State, Mr. Dean Acheson, which I desire to read to the Senate:

SEPTEMBER 27, 1949.

The Honorable DEAN ACHESON,
Secretary of State,
State Department, Washington, D. C.

DEAR MR. SECRETARY: Yesterday, by telephone, my office requested from the office of Mr. Ernest A. Gross of the State Department that we be supplied with copies of all agreements and protocols signed at the Moscow Conference of Foreign Ministers held December 16–26, 1945.

Pursuant to this request there was sent to us the following documents:

One of these (marked by me as "A") is the radio address of Secretary of State Byrnes made at 10 p. m. eastern standard time, December 30, 1945.

The second (marked "B") is a State Department publication which contains the above-mentioned radio address plus what is entitled "Soviet-Anglo-American Communique" and "Report on Moscow Meeting of Foreign Ministers."

The third document (marked "C") is entitled "Moscow Agreement, 1945" which appears to contain the same information as in document B without the Byrnes radio address.

The inquiry, which as a Member of the Senate of the United States, I wish to address to you is this: Are there any agreements or protocols relating to China and the Far East that were agreed to or signed at the Moscow Foreign Ministers Conference, December 16–26, 1945 which are not included in these documents which were furnished me by the State Department.

On page 121 of his book Speaking Frankly former Secretary of State James F. Byrnes states as follows: "Members of the staff were asked to prepare the protocol to be signed by the three foreign ministers. This was completed about 2:30 in the morning and in a formal meeting there were nine copies that each of us had to sign. Mr. Bevin signed first and the papers were passed to me. After signing, I arose to say good-by to a member of the British delegation seated near me."

I would appreciate it very much if this information could be furnished me at the earliest possible date.

With best personal regards, I remain,

Sincerely yours,

WILLIAM F. KNOWLAND.

That letter was dated the 27th of September. I have never had an answer to that letter, addressed by me, as a Member of the United States Senate, to the Secretary of State. So, on October 6, 1949, I addressed to the Honorable James E. Webb, Under Secretary of State, a letter reading as follows:

OCTOBER 6, 1949.

The Honorable JAMES E. WEBB,
Under Secretary of State,
State Department.

DEAR MR. SECRETARY: Under date of September 27 I addressed a communication to Secretary of State Dean Acheson, copy of which is enclosed. I fully recognize that the

Secretary has been tremendously busy with the reconvening of the United Nations Assembly in New York and related matters. However, at your earliest convenience I would like to have the State Department's reply to the inquiry which I made.

With best personal regards, I remain,

Sincerely yours,

WILLIAM F. KNOWLAND.

I have not had an answer to date from the Under Secretary of State. Mr. President, this is no personal matter, so far as I am concerned, but I do speak as a Member of the Senate of the United States. I at least had reason to believe there may have been some understandings or agreements arrived at in Moscow in 1945 other than those contained in the documents sent me. I am at least entitled to an answer as to whether there were such documents. If there were no such documents, it is a very simple matter to answer a United States Senator and say, "The information which we sent you is the complete information. There is no other verbal understanding; there is no other written understanding." If, on the other hand, there has been some other understanding, I am at least entitled, as a Senator of the United States, to have them say to me, "Senator, there are some additional agreements. However, because of national policies, or security reasons, or otherwise, we do not feel at this time that it is in the national interest to supply you with a copy." At least I am entitled, as a Senator of the United States, to that information. So long as the Senate remains in session and so long as this situation continues to arise, I intend to stand on the floor and protest as vigorously as I can this lowering of an iron curtain between the executive branch of the Government and the Congress of the United States. We, too, are charged with some policy decisions. We are responsible not only to the constituents in our own States, but, as Senators of the United States, we are responsible to the people in the other 47 States of the Union.

I am becoming terribly fed up, as one Member of the Senate of the United States, with having appointed officials, many of them in the lower echelons in the Government of the United States, making policy decisions which may adversely affect the very safety and security of this Nation, while at the same time information is denied to the elected representatives of the people either in the Senate of the United States or in the House of Representatives.

Mr. President, there appeared an interesting little item in the United States News during the past week. I do not know whether it accurately portrays the situation, but I think I shall conclude my remarks by reading it into the RECORD. It is as follows:

Philip Jessup, Ambassador at Large, who was expected to work out a policy for United States to follow on China, is pursuing a course of slow motion. Idea is that Congress may cool on the China issue, sparing the State Department the need to define publicly a new policy toward that part of the world.

Mr. President, I sincerely hope that this not a footdragging which is taking place in the executive branch of the Government because, as one Member of the Senate, I do not intend that this issue shall be allowed to be forgotten.

Mr. KNOWLAND subsequently said: Mr. President, in view of the statement which I made earlier in the day, I desire to read a letter which has just been received in my office from the Department of State. It was sent over to me on the floor of the Senate about 15 minutes ago. The date of the letter is October 7, 1949. It read as follows:

DEPARTMENT OF STATE,
Washington, October 7, 1949.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR KNOWLAND: I have your letter of September 27, 1949, in which you refer to three documents furnished you by the office of Assistant Secretary Gross, and in which you ask: "Are there any agreements or protocols relating to China and the Far East that were agreed to or signed at the Moscow Foreign Ministers' Conference, December 16–26, 1945, which are not included in these documents which were furnished me by the State Department?"

The protocol to which the former Secretary of State, James F. Byrnes, refers in the portion of his book which is quoted in your letter is the document which is contained in State Department Publication No. 2653, entitled "Moscow Agreement, 1945, Between the United States of America, the Union of Soviet Socialist Republics, and the United Kingdom."

The Department is unaware of the existence of any agreements or other international commitments with respect to China and the Far East entered into at the conference on behalf of the United States other than those published in the documents to which you refer.

Sincerely yours,

JAMES E. WEBB,
Acting Secretary.

INVESTIGATION OF AMERICAN GRAND STRATEGY

Mr. LODGE. Mr. President, I feel that it is incumbent upon me to say a word regarding the current public investigation of American grand strategy which is now going on and which I think is highly deplorable, for two reasons: First, it may convey to some hostile foreign power information which it does not already possess; and second, it will surely be used by the Communist propaganda machine to back up its contention that the United States is starting another war.

There is irony in the thought that the armed services, whose sole reason for existence is to provide for our national security, are now the subject of a public dispute which is actually impairing the strength of our position in the world. In no other country could one conceive of grand strategy being publicly discussed in this way. I think the Secretary of the Navy is correct in saying that this matter should be argued in private.

Mr. President, I do not think the Navy should be criticized for having classified as top secret a statement approved by its high ranking officers that morale in the Navy is low. The opinion of the chiefs of a service on morale is a matter of such vital importance that it should always be kept secret. During the war, morale reports were always kept secret because, obviously, if the enemy had known where morale was low, if he had known the units or the areas in which morale was low, he would surely have placed his next attack in such areas. The same analogy holds true in this time of cold war. Indeed, if the publication of low morale in the Navy were to be followed by similar revelations of low morale in the Army and in the Air Force, it might be enough to induce a hostile power to conclude that this was the moment to attack the United States. There is, therefore, no doubt that if, for example, the ordinary civilian soldier or civilian sailor had made these revelations, the punishment which he would receive would be severe, and he would be considered reckless, self-centered, and unmilitary.

Insofar as morale in the face of reduced appropriations is concerned, we must always remember that all through the years following World War I the funds for the Regular Army were so curtailed that the Army could scarcely put a fully-equipped and manned battalion into the field for maneuvers. Yet morale in the Regular Army was not low, and out of those days came Eisenhower, Devers, Bradley, and Patton.

Morale should be able to stand adversity. I speak as one who has always supported and who expects to continue to support the Navy and naval aviation.

Mr. McMAHON. Mr. President, I rise to join with the Senator from Massachusetts [Mr. LODGE] in his feeling of regret as to the present conflict between the branches of the armed forces. I wish to make a very brief reference to a statement which was made by a Navy commander yesterday when he gave his estimate of the worth of atomic explosives. They wanted a supercarrier in order to deliver the atomic bomb. Now when the issue of the supercarrier has been decided adversely the Navy finds the atomic bomb of small destructive force.

Approximately 6 months ago we heard from an English physicist by the name of Blackett. Mr. Blackett wrote a book which attempted, as I read it, to prove two things: First, that strategic bombing was not a particularly effective way of making modern war; second, that the Soviet position on atomic energy control is the correct one. The book has been referred to by many reviewers as an apologia for the Union of Soviet Socialist Republics' position expressed in the United Nations Atomic Energy Commission. His conclusions as to the way in which the political situation should be handled certainly leave a careful observer plenty of room to doubt the validity of his scientific estimate of the bomb.

I regret to state that the Blackett book, at least that part which is devoted to strategic bombing, seems to be the basic thesis of the testimony which was presented yesterday by the Navy to the Armed Services Committee of the House. The statements made yesterday were not true. It is dangerous to overemphasize the importance of the atomic weapon, but God knows it may be fatal to underemphasize it. It has seemed to me that the statement made by the commander to whom I have referred was about as silly as any I have ever heard of in my life; and to one who has contemplated Hiroshima and Nagasaki, to say nothing of Bikini and Eniwetok it comes as a distinct shock that this kind of testimony

can be presented by a supposedly intelligent man. I join with the Senator from Massachusetts in the hope that this kind of action will stop before irreparable harm is done to our national security.

Mr. McMAHON subsequently said: Mr. President, I ask unanimous consent that there be printed at the end of the remarks which I made a few minutes ago a commentary I wrote on Mr. Blackett's book, which appeared in the February 1949 Bulletin of the Atomic Scientists, in which I think I pretty thoroughly demolished the Blackett thesis, upon which the Navy is operating.

There being no objection, the comment was ordered to be printed in the RECORD, as follows:

COMMENT ON BLACKETT'S BOOK

(By Brien McMahon)

(Senator BRIEN MCMAHON sponsored the legislation under which our domestic organization of atomic energy operates. He has recently been appointed Chairman of the Joint Congressional Committee on Atomic Energy.)

Dr. Blackett, the well-known British physicist, has written a book "debunking" atomic weapons. Yet Dr. Blackett's arguments, far from disparaging the atom, impress me as strengthening our fears.

He estimates, for example, that some 400 improved bombs would have been required to do the same damage to Germany as was actually done by the Allied bombing offensive, assuming the same average accuracy of attack and the same distribution in time.

This estimate is a narrow and cautious one. It ignores the likelihood that atomic bombs would cause many more human losses than an equivalent tonnage of ordinary bombs. It does not allow for lingering radiation which might delay the repair of devastated zones. The estimate assumes, too, that each of the 400 bombs would burst in the air. However, if some were detonated underwater in harbors, the victim nation might not only lose its port facilities but also suffer great havoc from radioactive spray which drifted over populous industrial areas.

But taking 400 bombs as the least quantity needed to duplicate the ruin visited upon Germany, how can we conclude that atomic energy is an exaggerated menace? Must we not conclude, rather, that 400 bombs is a terrifying small number? Must we not conclude that hostile planes, aided by surprise and attacking at night, could deliver 400 bombs in one raid and that America might suffer as much damage between sunset and sunrise as Germany suffered in 6 whole years of aerial warfare? Any American who has seen the horror of present-day Germany—as I have—may perhaps be pardoned for committing what Dr. Blackett regards as a cardinal sin, namely, placing atomic weapons in a class by themselves.

Curiously enough, Dr. Blackett uses his terrifyingly low figure of 400 bombs as a basis for arguing that the atomic bomb alone cannot play a decisive role in any world war fought during the next 5 or 10 years. He contends that the equivalent of 400 atomic bombs was not even decisive in defeating Germany and that, therefore, it would certainly fail to subdue either America or Russia. The fact that Germany absorbed aerial punishment slowly at first and in heavy doses only after a long, gradual build-up does not impress Dr. Blackett. He indicates that concentration of the punishment in a very brief time—as is possible with atomic weapons—would make little difference, and that the bombed nation could still continue to fight.

This is really like arguing that if you put out both a man's eyes and cut off an arm and a leg, he may nevertheless survive. Accepting the argument as valid, is it comforting to learn that we will keep struggling after we lose two-thirds of our big cities?

Actually the argument can be challenged on many grounds. For example, Dr. Blackett quotes liberally from Liddell Hart's book entitled "The Revolution in Warfare," but he does not quote the following passage from that book:

"Decisive results come sooner from sudden shocks than from long-drawn pressure. Shocks throw the opponent off his balance. Pressure allows him time to adjust himself to it. That military lesson is closely linked with the general experience of history that human beings have an almost infinite power of accommodation to degradation of living conditions, so long as the process is gradual."

Liddell Hart, himself a highly conservative military thinker, seems to imply that Dr. Blackett is wrong and that brief, severe atomic attacks could achieve a decision against Russia or America.

Both countries possess an Achilles' heel which Dr. Blackett neglects. Russia's weak point may consist of the flimsy railroad network which binds her far-flung empire. Our own weak point is the 50,000,000 Americans who live in crowded cities of 30,000 or more people. If 400 of Dr. Blackett's "improved" atomic bombs landed suddenly on these cities, and if average casualties merely equaled those inflicted upon Nagasaki, we would suffer 16,000,000 deaths and 16,000,000 injuries—a total of 32,000,000 or 23 percent of our entire population. The near simultaneous detonation of 400 bombs might also create such intense clouds of radioactivity as to occasion many additional American losses. Germany surrendered when only about 15 percent of her people became casualties; and Japan surrendered when only about 8 percent of her people had been struck.

Without speculating about pure radiological warfare or the possibility of a new superbomb, I am inclined to fear that atomic weapons numbered in hundreds could be delivered rapidly and could force the surrender of America or Russia. But there is no need to quibble over numbers. Dr. Blackett admits that thousands of bombs might conquer a continental power; and he further refers to the time when Russia will possess this many bombs.

In other words, Dr. Blackett is like the man who leaps from the top of a skyscraper and who shouts, while passing the fifth-story window, "Everything's fine so far." Dr. Blackett does not expect Russia to amass thousands of bombs for some years, and, therefore, he informs us that our fears are exaggerated and that "Everything's fine so far" because, in his extremely cautious appraisal, any war during the next decade could only ravage America to the extent Germany was ravaged.

It is easy to point out other remarkable aspects of Dr. Blackett's book. He regards the horrors of Hiroshima as real but deplores the publicity given this reality. He concludes that atomic weapons are not so frightening after all—but frightening enough to justify Russia in enslaving the countries of eastern Europe and using them as a cushion against atomic attack. America's attempt to secure allies is portrayed as sinister imperialism, but Russia's complete domination of 100,000,000 Europeans is at least pardonable if not actually praiseworthy.

The fact that Germany, with all her technical and industrial genius, rarely shot down 10 percent of an Allied bomber formation does not discourage Dr. Blackett from discoursing at length upon raids in which 90 percent of the attackers would invariably be destroyed. He pictures 2,000 miles as an extreme range for aircraft developed during the next 5 years; but existing planes, with a bomb-load and full combat equipment, have already proved the feasibility of ranges over 4,000 miles. He stresses that an aggressor's air bases would be vulnerable to counterattack; but he fails to mention the aggressor might exploit surprise to destroy his victim's bases and thus avert retaliation. He speaks of atomic raids confined to military points and factory areas—just as though an aggressor could destroy Floyd Bennett Field in New York City or the Pittsburgh steel mills without also destroying tens of thousands of civilians.

Dr. Blackett's criticism of the United Nations plan for control of atomic energy assumes that the atomic bomb is just another weapon—an assumption which his own arguments refute. Logically, then, the apologies he advances for Russian rejection of the United Nations plan crumble to the ground.

Dr. Blackett argues that the Kremlin fears atomic controls because these would involve a factory quota for each nation and thus—allegedly—limit Russia's use of the atom for industrial power. But here Dr. Blackett has clearly outwitted himself. Russia's own diplomats express approval of factory quotas—about the only feature of an effective control plan which they do endorse. Therefore Dr. Blackett has put an excuse in Stalin's mouth which Stalin's personal spokesmen contradict. Of course America never has and never will advocate placement of a ceiling on the use of atomic energy for peaceful purposes.

Dr. Blackett suggests that the Kremlin does not trust us—that lack of confidence helps explain its attitude. Here again Dr. Blackett has outwitted himself. Since the men of the Kremlin know that we alone possess atomic weapons and since they persist in an aggressive policy, they must repose the utmost faith in America's passion for peace. Otherwise, the Kremlin would surely appease us with all its might and main, until Russia had amassed her own atomic weapons. Furthermore, the whole point of our control proposal is to guarantee security for all men and all nations, no matter how intensely they may mistrust one another. Also, to say that the Kremlin balks because it lacks confidence is to become involved in a vicious circle. How else could men create real confidence except through the establishment of atomic peace?

An effective control plan must take effect by gradual stages. According to the Lilienthal plan, the first stage would consist of a world-wide survey for uranium deposits. Dr. Blackett reasons that America would peek behind the iron curtain, would learn the location of Russian factories and bases as a result of the first stage, but would not surrender atomic weapons until afterward. Thus, if plans for control broke down at the end of the first stage, Dr. Blackett claims that Russia would have lost important secrets, whereas we would have lost nothing.

But this argument puts the Kremlin in the position of a man who murders his father and mother and then pleads for mercy as an orphan. By raising an iron curtain between the Russian people and western peoples, the Kremlin has in my judgment committed an act of aggression against the peace of the world. Yet Dr. Blackett pleads that we must sympathize with Moscow because the first stage of a control plan would mitigate the effects of that crime.

Today Russians can travel anywhere they please in America. They know the exact location of our big factories, our military bases, our vital points. We do not even know the location of whole cities situated behind the Russian Urals. Perhaps Dr. Blackett would have us drop an iron curtain ourselves, relocate all our own cities and factories, and generally remake the map of the United States. Then, in the first stage of a control plan, the Kremlin would discover as much new intelligence about us as we discovered about the Soviet Union.

Dr. Blackett also emphasizes that Russia might be outvoted by other countries sitting

on an atomic control commission. But the language of any treaty establishing UN control over the atom would protect all of Russia's legitimate rights. If she could not always have her way on issues left to the discretion of a control commission, the same would be true of America and every other state. Does Dr. Blackett advise us to let the Kremlin conquer all of Europe and all of Asia—so that it would then dictate to a majority of the world's nations and thus be certain of having its way on every issue, large and small?

In all of Dr. Blackett's long book only one footnote hints at what may be the real reason why Moscow opposes the United Nations plan. Is the Kremlin afraid that Russians who became UN inspectors would visit America and observe the American standard of living? Is the Kremlin fearful that these Russians would taste the heady wine of liberty—and that they would compare their own unhappy plight with conditions in the West?

Is the Kremlin perhaps afraid that western inspectors in Russia would glimpse Soviet concentration camps? Does the Kremlin fear that Europeans would observe its secret police in action, its iron-fisted control of labor unions, and the luxuries accorded members of the Communist elite as compared with the poverty-stricken lot of ordinary Russians?

Certainly the iron curtain nourishes and protects the Kremlin in many vital ways. Russia can appropriate our technical knowledge and use it to forge weapons, without offering anything in exchange. She can keep her eye on us, though we cannot keep our eye on her. She can see, but we are blind.

Even more important, the iron curtain means that Moscow can flood the western world with propaganda; Moscow can use our own democratic instruments of publicity to undermine democracy; and yet Moscow can prevent western ideas and western opinion from reaching Russia. When Vishinsky or Molotov addresses the United Nations Assembly, his words are printed in newspapers thoughout the globe. When an American ventures to reply, his speech is printed only in the West—never in the East.

I gravely fear that the iron curtain has enabled the Kremlin to win brilliant victories in the propaganda war—as evidenced by Dr. Blackett's book. Since the Kremlin exports revolutionary symbols but never imports them, since the Kremlin can use the United Nations as a sounding board to magnify its voice, but can muffle the sound of anyone else's voice, Russia speaks in a roar, and we respond with a whisper.

Are these the real reasons why the Soviet opposes atomic peace? Does Moscow believe that lifting the iron curtain would result in disclosures shocking to the civilized world? Such pertinent questions are not even asked, much less discussed, in Dr. Blackett's book.

We know that anything less than effective atomic control would be worse than nothing. Under a slipshod, faulty plan neither America nor Russia could afford to assume that the other was not making atomic weapons in secret. Under such a plan both sides would consider it more dangerous to play fair than to cheat. Or, if we played fair, the Kremlin might cheat and thereby amass enough hidden weapons to threaten the world. Therefore, given a plan containing loopholes, the armaments race would continue. The control proposals we originally made; the proposals which the United Nations has studied, revised, and improved; the proposals which the great majority of mankind now supports—these proposals are the minimum necessary to safeguard one and all against foul play.

Dr. Blackett tries to argue that our insistence upon effective control is really a foolish demand for absolute security. He might as well argue that insistence upon policemen to regulate motor traffic is the same as demanding the total abolishment of automobile accidents. Absolute security against atomic attack vanished forever on July 16, 1945, when the first bomb was tested at Alamogordo, N. Mex. Even if men established a full-blown world government, they might later fight a world civil war in which atomic weapons would be used. Even if Russia or America established an hegemony over the whole earth, a later revolt might bring atomic weapons into play. If the United Nations control plan were adopted, any nation at any time could seize the atomic plants located in its territory, exclude international inspectors, and commence producing weapons. The remaining countries, forewarned, would, of course, race to produce atomic weapons for defense. We ask only for the least restraints, the least controls which would make it safer for all peace-loving nations to destroy atomic armaments than to continue manufacturing them.

I will not dwell on the point that Dr. Blackett writes a book to attack the United Nations plan and then proposes nothing concrete in its place. The UN plan is based on an appreciation of the technical facts and the facts of nuclear physics. The spectacle of a noted nuclear physicist defying those laws and advancing vague suggestions which ignore the technical facts speaks for itself.

Nor will I dwell on Dr. Blackett's attempt to blacken our motives in using the two atomic bombs against Japan. Here he commits a logical fallacy so obvious that it could hardly have escaped his own notice; even if some hindsight commentators are right in saying that Japan would have quickly surrendered without the use of the two bombs and prior to a land invasion, President Truman lacked this knowledge at the time of his decision. Dr. Blackett apparently blames the President for failing to read the United States Strategic Bombing Survey—a document which had not yet come into existence. All the evidence shows that Mr. Truman ordered the two bombs to be dropped in the sincere belief that they would obviate a land invasion and save hundreds of thousands and perhaps millions of lives. Personally, I think that this belief was not mistaken and that many an American, British, Russian, and Japanese boy is alive today solely because the two bombs gave Japan a face-saving pretext for capitulation.

Is it not a shame that no Russian apologist for America dares express himself inside the Soviet Union? Is it not sad that no Russian apologist for America may stress our refusal to annex a single inch of territory from the defeated Axis countries? That no Russian apologist for America may tell how we demobilized our vast armed forces almost overnight? That no Russian apologist for America may describe our offer to give up the atomic bomb, to admit Russian inspectors inside our borders, and even to allow foreign operation of our atomic factories? It offends my sense of justice that apologists for the Kremlin, such as Dr. Blackett, can appeal to Western opinion, whereas apologists for the West may not so much as whisper in Russia.

I imagine that the Russian people, if they knew the details of the United Nations plan and were free to discuss it, would quickly scuttle Dr. Blackett's criticisms and would join hands with us to achieve the blessedness of real atomic peace. The No. 1 task before us, therefore, is conquest of the iron curtain.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. JOHNSON of Colorado. Mr. President, I ask the Chair to lay before the Senate a message from the House with respect to House bill 160.

Mr. MAGNUSON. Mr. President, if the Senator will yield a moment, I was wondering how long he would take. I had hoped we could dispose of the pending amendment to the farm bill.

Mr. JOHNSON of Colorado. It will take me only about 2 minutes.

Mr. MAGNUSON. I thank the Senator.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 160) to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Colorado. Mr. President, this message concerns a bill which passed the Senate by unanimous consent after an amendment by the Senator from New Jersey [Mr. HENDRICKSON] was agreed to. When the bill reached the House, the House did not like the amendment. The matter was taken up with the Senator from New Jersey, and with others of the group which had sponsored the amendment, and they said it was all right with them to let the bill go through as the House wanted it. So, so far as I know, there is unanimous consent on the part of all concerned.

Mr. President, I move that the Senate recede from its amendments.

The motion was agreed to.

WILDER DAM PROJECT, VERMONT—REQUEST TO FILE ADDITIONAL INDIVIDUAL VIEWS

Mr. JOHNSON of Colorado. Mr. President, on behalf of the senior Senator from Kansas [Mr. REED] I request that he be granted permission to file additional individual views on Senate Joint Resolution 58, providing for a rehearing in the matter of the Bellows Falls Hydroelectric Corp. project No. 1892, known as the Wilder Dam project, and a review of any order of the Federal Power Commission thereon.

Mr. AIKEN. Mr. President, may I ask the Senator whether he knows the purpose of this request? I know that the Senator from Kansas, around the 1st of August, assured other Members of the Senate he was going to make a minority report, and he did not make any at all until just 2 or 3 weeks ago. In the meantime the power company had gone ahead building the dam, in complete disregard of the desires of the officials of the State of Vermont and the effect on farmers who own some 5,000 acres of class I land in the valley affected. The power interests seek delay, and the Senator from Kansas is playing right into their hands by contributing to the delay.

I am wondering if we cannot have this matter brought before the Senate. The joint resolution passed the Senate unanimously last year, and has been reported by the committee presided over by the Senator from Colorado by an overwhelming vote this year. I know there is such a thing as Senatorial courtesy, but I am wondering if there is not such a thing as carrying it too far. The farmers affected have had served on them papers in condemnation proceedings; they have been haled into court, they have to go

into court right away; and the only hope is that the Congress of the United States will intercede in their behalf. They have never had an opportunity to appeal to the courts the granting of the license by the Federal Power Commission.

Mr. JOHNSON of Colorado. Mr. President, the Senator from Vermont knows that the Senator from Colorado and a majority of the committee have supported his position straight through.

Mr. AIKEN. I realize that, and the Senator from Kansas is the only dissenter.

Mr. JOHNSON of Colorado. He is the only dissenter on the committee. The Senator from Kansas objected to a statement that was made in the majority report, and desires to point out the inaccuracies, as he deems them, in the report. I have his report before me ready to file, so that there cannot be any possible delay, or any reason for delay.

Mr. AIKEN. Then, Mr. President, if the report is ready, that is all right. What I was fearful of was that the Senator from Kansas might take more time to prepare the report, and thereby cause greater delay.

I wish to express my appreciation to the Committee on Interstate and Foreign Commerce for the very good report which they submitted to the Senate on the joint resolution, and the position which they took, which was a position entirely fair to the State of Vermont and the farmers of Vermont and New Hampshire.

Mr. JOHNSON of Colorado. We appreciate the attitude of the Senator from Vermont.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado? The Chair hears none, and it is so ordered.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Mr. MAGNUSON. Mr. President, inasmuch as the pending question is the amendment I have offered, I hope we can get a vote on it without further interruption. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	McCarthy
Anderson	Hayden	McClellan
Baldwin	Hendrickson	McFarland
Brewster	Hickenlooper	McKellar
Bridges	Hill	McMahon
Byrd	Holland	Magnuson
Cain	Humphrey	Malone
Capehart	Hunt	Martin
Chavez	Ives	Maybank
Connally	Jenner	Millikin
Cordon	Johnson, Colo.	Morse
Donnell	Johnson, Tex.	Mundt
Douglas	Johnston, S. C.	Murray
Downey	Kefauver	Myers
Ecton	Kem	Neely
Ellender	Kilgore	O'Conor
Ferguson	Knowland	O'Mahoney
Fulbright	Langer	Pepper
George	Lodge	Robertson
Gillette	Long	Russell
Graham	Lucas	Saltonstall
Schoeppel	Thye	Williams
Taft	Watkins	Young
Taylor	Wherry	
Thomas, Okla.	Wiley	

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). A quorum is present.

Mr. FULBRIGHT. Mr. President, I do not want to delay the Senate and do not intend to occupy more than 2 or 3 minutes of its time. As the Senate knows, we discussed the subject thoroughly on last Tuesday, had a vote on it, and decided it. The amendment was rephrased and resubmitted, and we discussed it at great length on Friday up until the last minute of the session on Friday evening.

All I wish to do at this moment is to read again the statement of Mr. Winthrop Brown of the State Department on this subject. I read it again because I know some Senators did not hear it when I read it before into the RECORD on last Friday evening. Mr. Winthrop Brown is in charge of the negotiations under the Reciprocal Trade Agreements Act for this country.

There is obviously a difference of opinion about the significance of the amendment. The Senator from Washington says it is only carrying out the law, that it is only a clarifying amendment. The Senator from Georgia [Mr. GEORGE], who certainly knows as much if not more than any other Senator about reciprocal trade agreements and our whole foreign-trade structure, says that in his opinion it would be disastrous to the carrying on of our foreign trade under the reciprocal trade agreements to adopt the amendment. It does have an effect upon the general agreement on tariffs and trade, and would make it very difficult, if not impossible, to extend those agreements. Mr. Brown sums it up, not as the final answer to the merits, but he certainly would know, I think, the significance of the amendment. If the Senate chooses to adopt the amendment with knowledge of Mr. Brown's statement, of course, that is its privilege. I quote:

It—

That is, the amendment—

It would require the termination of any agreement that was in contravention of section 22. What "in contravention of" means is not entirely clear when one reads the broad and varied language of section 22 with all the findings in its provision and the proviso which it contains, but the amendment could, and it undoubtedly intended to mean, that any agreement which in any way limited the absolute right under section 22 to impose quotas would be "in contravention of," the section. If so, it is subject to the same objections as the previous amendment and would require renegotiations and possible loss of the general agreement on tariffs and trade.

It would be a major tragedy and major blow to our foreign policy to lose the general agreement. This represents years of international negotiations. It is the most important step ever taken toward world tariff reductions. Its provisions allow extensive and fair use of section 22. To break this agreement down by United States action would be a rude blow to United States prestige and disheartening to all who are looking to the United States for leadership.

It seems to me that, at the very least, we ought to give sufficient credence and acceptance to that statement to have the amendment referred to the Committee on Finance, and it ought to be considered in the regular order in that committee and then submitted to the Senate, if it has merit in it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. MAGNUSON] on page 16, line 16, of the committee amendment.

Mr. MILLIKIN and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). I have a pair with the Senator from North Carolina [Mr. HOEY]. If I were at liberty to vote I would vote "yea." If he were present and voting, he would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Rhode Island [Mr. GREEN], the Senator from North Carolina [Mr. HOEY], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Oklahoma [Mr. KERR], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Utah [Mr. THOMAS] are detained on official business.

The Senator from Alabama [Mr. SPARKMAN] is paired on this vote with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Vermont would vote "yea."

The Senator from Mississippi [Mr. EASTLAND] is paired on this vote with the Senator from Nebraska [Mr. BUTLER]. If present and voting, the Senator from Mississippi would vote "nay," and the Senator from Nebraska would vote "yea."

The Senator from Rhode Island [Mr. GREEN] is paired on this vote with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Rhode Island would vote "nay," and the Senator from New Hampshire would vote "yea."

On this vote the Senator from Mississippi [Mr. STENNIS] is paired with the Senator from Kansas [Mr. REED]. If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Kansas would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If pres-

ent and voting, the Senator from New Jersey would vote "yea."

The Senator from New York [Mr. DULLES], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] who is necessarily absent is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from Rhode Island would vote "nay."

The Senator from Maine [Mrs. SMITH] is detained on official business.

The Senator from Nebraska [Mr. BUTLER] who is absent on official business is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Mississippi would vote "nay."

The Senator from Vermont [Mr. FLANDERS] who is absent on official business with the leave of the Senate is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from Alabama would vote "nay."

The Senator from Kansas [Mr. REED] who is absent by leave of the Senate is paired with the Senator from Mississippi [Mr. STENNIS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Mississippi would vote "nay."

The result was announced—yeas 44, nays 28, as follows:

YEAS—44

Aiken	Hickenlooper	Millikin
Baldwin	Hunt	Morse
Brewster	Ives	Mundt
Bridges	Jenner	Murray
Byrd	Johnson, Colo.	Saltonstall
Cain	Kem	Schoeppel
Capehart	Kilgore	Taft
Cordon	Knowland	Taylor
Donnell	Langer	Thye
Downey	Lodge	Watkins
Ecton	McCarthy	Wherry
Ferguson	McFarland	Wiley
Gillette	Magnuson	Williams
Gurney	Malone	Young
Hendrickson	Martin	

NAYS—28

Anderson	Humphrey	Myers
Chavez	Johnson, Tex.	Neely
Connally	Johnston, S. C.	O'Conor
Douglas	Kefauver	O'Mahoney
Ellender	Long	Pepper
Fulbright	Lucas	Robertson
George	McClellan	Russell
Graham	McKellar	Thomas, Okla.
Hill	McMahon	
Holland	Maybank	

NOT VOTING—23

Bricker	Hayden	Sparkman
Butler	Hoey	Stennis
Chapman	Kerr	Thomas, Utah
Dulles	Leahy	Tobey
Eastland	McCarran	Tydings
Flanders	Reed	Vandenberg
Frear	Smith, Maine	Withers
Green	Smith, N. J.	

So Mr. MAGNUSON's amendment to the committee amendment was agreed to.

Mr. WHERRY. Mr. President, I move that the Senate reconsider the vote by which the Magnuson amendment was just agreed to.

Mr. MORSE. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the Magnuson amendment was agreed to.

The motion to lay on the table was agreed to.

Mr. HUNT. Mr. President, I call up the amendment which I submitted on Friday last to House bill 5345, and ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 7, in line 23, it is proposed to delete the period, insert a colon in lieu thereof and the following provision: "*Provided, however,* That in the case of new lands being brought into production for the first time in the year 1950 and which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas for a period of time not to exceed 2 years."

Mr. HUNT. Mr. President, it will be noted that I have circumscribed the amendment by applying it to only the year 1950, and that I have further limited the amendment by providing that it shall not apply for longer than 2 years.

This amendment is offered for the sole purpose of making it possible for a very few individuals, principally ex-servicemen, whom the Government has invited to take up homesteads, and settle on the land; and the amendment will make it possible for them to produce one cash crop the first year.

The Senate will understand that I have taken up this matter with the Secretary of Agriculture, and the amendment meets with his approval. I should also like to have the Senate know that I have taken up this matter with the Bureau of Reclamation.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. LANGER. I could not tell, because of the noise in the Chamber, whether the Senator stated that the Secretary of Agriculture has approved or has disapproved the amendment.

Mr. HUNT. I said the Secretary of Agriculture approves this amendment.

Mr. LANGER. I thank the Senator.

Mr. HUNT. The Bureau of Reclamation also approves this amendment.

Mr. President, this amendment will have absolutely no appreciable effect on the over-all program as set forth in the bill.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. ANDERSON. Did I correctly understand the Senator from Wyoming to say that the Secretary of Agriculture has approved the amendment?

Mr. HUNT. Certainly, that is exactly what I said; and I got it directly from the Secretary of Agriculture, not from an understudy.

Mr. President, as I said, the amendment affects so little acreage that it will have absolutely no effect whatever on the over-all program. In my State in the past few years we have been opening up new reclamation projects. We have been inviting ex-servicemen from all over the United States to apply for those units. Week before last my colleague attended an opening or drawing at Powell, Wyo., and last week there was a similar opening in my own county of Fremont, where some 50 units were drawn by ex-servicemen. Those ex-servicemen have been invited by the Government to settle on the projects. Congress has appropriated money to make those projects possible.

But under the bill as it is now written, it is practically impossible for ex-servicemen to settle on those units and make any return, to speak of, in the first 2 or 3 years, especially in the first year, because it is practically impossible to get the land into such shape within that period of time that it will produce row crops and the other crops which are produced in irrigated areas.

Mr. AIKEN. Mr. Presdent, will the Senator yield for a question?

Mr. HUNT. I yield.

Mr. AIKEN. I wonder what the Senator's definition of "new land" would be. The Senator probably knows that on some of the old estates there is land which was producing crops 100 years ago, but since then has been abandoned, and has grown up into woodland. At times that land is cleared off again, is plowed again, and is planted to potatoes or some other crop. Would the Senator consider that such land, which had not been in cultivation for 100 years, would be "new land"?

Mr. HUNT. My answer to the question asked by the distinguished Senator from Vermont is that my conception of "new land" is land which has no previous crop-production history, land which has never been in production.

Mr. AIKEN. Then the amendment would perhaps exclude land in the East and in the South which perhaps had not been under cultivation for 100 years. Would it not be better to include such land?

Mr. HUNT. I do not quite agree with the distinguished Senator from Vermont. If an area of land has been out of production for 15 or 20 years, and subsequently comes back into production, I certainly think it should be considered new land. I think I know what the Senator from Vermont has in mind.

This amendment would apply to a small acreage of land in Michigan or Minnesota where the timber had been cut off and where some of the land is now coming into production. The amendment also would apply to a small acreage in Oklahoma or possibly in some of the delta States, where lands are being drained, in some cases by the Government, and now are coming into production. I would consider those lands as having no previous crop history.

But let me say to the distinguished Senator that including all the categories to which I have just referred, the land covered by the amendment would not amount to one-tenth of 1 percent of the total of 300,000,000 acres of land now under cultivation in the United States. So my amendment could have no effect whatsoever on the over-all crop program.

Mr. AIKEN. Mr. President, I sympathize with the purpose of the amendment, which is to make the newly irrigated land exempt from quotas for several years. On the other hand, we find that much of the fruit land in the East is old land which was in cultivation two or three or four generations ago, and then reverted to forest, but later was cleared again. Much of that land makes the best orchard sites, or can be used for other purposes. Ordinarily I would not wish to see that land excluded from consideration, although it probably would not make too much difference, either acreagewise or percentagewise.

However, I would not want all this encouragement given solely to newly irrigated lands, but I would wish to have the same advantages made available to all the other States, too.

Mr. HUNT. Of course, Mr. President, my amendment makes no reference to irrigated land, for I was quite familiar with the lands referred to by the Senator.

Mr. AIKEN. The Senator from Wyoming is quite correct about that. The amendment should not apply solely to irrigated lands, and it does not.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. MUNDT. I think the Senator from Wyoming has a very splendid and useful amendment. We in South Dakota expect to have some new irrigated tracts come into production within a year or two. We also have some land which is constantly being occupied for farming by veterans and other persons who are moving on to land not previously farmed.

However, it occurs to me that the amendment in its present language could possibly have one evil consequence. In South Dakota and in some of the other States in that area we have been suffering, in the past few years, from a sort of corporation farmer who has moved in from the outside, usually from Texas or Oklahoma, with a lot of high-powered equipment, and has turned up a large amount of our very fine native pasture land and some of our buffalo grass, and has gone there as a sort of hit-and-run farmer to make a "slot-machine" killing, if he can, as a result of getting one crop, and then is prepared to move on, after having destroyed some of our fine range land. I think it would be unfortunate if this proposal should become an inducement and an encouragement to that type of practice.

I have discussed it with the able Senator from Wyoming, and have suggested an amendment to his amendment which will meet that specific situation, and which I believe he will find acceptable. I should like to read it at this time, if I may: "On line 7 of the amendment of the Senator from Wyoming strike out the period after the word 'years' and insert 'to the extent of 80 acres by any operator for any specified product'."

That would limit it to the purpose we have in mind, namely, to make these lands available to young farmers and veterans on new tracts. It would not be an inducement or an encouragement to the practice we are trying to stop, in our part of the country. I wonder whether the Senator will accept the modification.

Mr. HUNT. I may say to the distinguished Senator from South Dakota, I am glad to accept the modification. Did the Senator indicate the number of acres to which it is limited?

Mr. MUNDT. Eighty acres.

Mr. HUNT. That is very agreeable, so far as I am concerned. I may say that for my people, a limitation of 20 acres would be agreeable. However, I am very much pleased to go along with the 80-acre provision.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 7, line 23, it is proposed to delete the period, insert colon and the following provision: *"Provided, however,* That in the case of new lands being brought into production for the first time in the year 1950 and which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas for a period of time not to exceed 2 years to the extent of 80 acres by any operator for any specified product."

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. HUNT. I yield.

Mr. LANGER. I understood the Senator to say the amendment was for the benefit of the veteran.

Mr. HUNT. Yes.

Mr. LANGER. Eighty acres would not be enough for a man taking up a quarter of a section under the irrigation law.

Mr. HUNT. I may say to the distinguished Senator from North Dakota, the units are limited to 160 acres. In the past, these homesteaders have gotten all their acreage under cultivation within 10, 15, or even 20 years. As I suggested, for my people in Wyoming, settling on the reclamation projects, I would accept a limitation of 20 acres. Under the present law, or under the bill as it is now written, they will get about an acre and a half each.

Mr. MUNDT. I thank the Senator for accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming, as modified.

Mr. ANDERSON. Mr. President, has the Senator from Wyoming concluded?

Mr. HUNT. I had not quite concluded my remarks.

Mr. ANDERSON. I shall wait until the Senator concludes.

Mr. HUNT. Mr. President, I want to read a letter from one of the ex-servicemen who have settled on the allotments. The letter is addressed to the junior Senator from Wyoming, and reads as follows:

SHOSHONI, WYO., *September 2, 1949.*

Hon. LESTER C. HUNT,
United States Senate,
Washington, D. C.

DEAR SENATOR: We have our next regular homesteaders meeting next September 13. If you have been able to make any progress regarding special wheat allotments for this new land I would like to make a report of it at this meeting. Several of the homesteaders have asked me recently if I had received any additional information.

Wheat allotments for 1950 have already been made as set up under the present ruling which is 3 percent of the counties total wheat acreage. Fremont County has a total acreage of about 5,500. So that gives 165 acres to be divided up between 55 of us new fellows or 3 acres each. Of course that varies with the individual farms. As you can see that is very insignificant. Then, too, as time goes on other crops will come under allotments. So unless there is a law or ruling to permit special crop acreage allotments to new land with no previous crop history we will be in very dire circumstances. We feel this is a very urgent matter.

With best wishes,

CARROLL A. RIGGS.

Mr. President, I also have a letter urging acceptance of the amendment from the Congress from the United States Department of Agricultural Council in the State of Wyoming, composed of various agricultural organizations. I shall not take the time to read the letter, but merely to say it urges adoption of the amendment and makes a special plea for these men who need so badly to have some cash crop the first year they are on the projects.

Mr. President, the amendment I have offered is not merely of a great interest to the State of Wyoming, but should be of interest to the Senators from other States which have a similar problem.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. WHERRY. In view of the statement just made by the distinguished Senator from Wyoming [Mr. HUNT], that other States are interested, I should like to say to the Senator that we in Nebraska have new lands which will come into production during the current fiscal year, and that there are several projects, some of which will bring in land next year. Naturally we are intensely interested in the waiving of the acreage limitations and marketing quotas on the new land. I wish to commend the distinguished Senator from Wyoming for offering the amendment. I think the modification suggested by the Senator from South Dakota, which has been accepted by the distinguished Senator from Wyoming, will be most helpful in having the amendment adopted by those who might otherwise attempt to secure quotas and acreage limitations on larger tracts.

There is one question I should like to ask the distinguished Senator from Wyoming, which I think ought to be made clear in the record.

The language of the amendment is:

Provided, however, That in the case of new lands being brought into production for the first time—

And so forth. What is the Senator's definition of "new lands being brought into production for the first time"? Is it applicable to irrigation only, or does it apply to land on someone's farm that is not in cultivation but which can be plowed and considered as new land? I believe if the Senator from Wyoming will make an observation on that point it will be helpful in the record.

Mr. HUNT. I thank the distinguished minority leader for his remarks. My definition of what should be considered as new lands would include lands from which the timber is being cropped, say in Michigan and in Minnesota. I would

consider as new lands the lands which are now being drained in Oklahoma, even though, a long period of years ago, they may have had some production. I did not limit the amendment purely to irrigated agricultural lands, for the reason that I anticipated other Senators would want some lands in their States included. But I again want to say that the inclusion of all these lands, in all these categories, would make absolutely no appreciable difference in the crop plan.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. MUNDT. I wonder whether the Senator from Nebraska has not, along with the Senator from Vermont, put his finger on an ambiguity of language which will make the provision rather difficult to administer. The language is, "that in the case of new lands being brought into production for the first time in the year 1950." The language "being brought into production for the first time" must mean for the first time. I wonder whether this is not what is sought to be expressed—in the case of new lands being brought into production for the first time since the passage of the Agricultural Adjustment Act of 1938; in other words, "brought into production for the first time" since this program has been in effect. I think if the Senator will offer an amendment along that line, he will meet the suggestion of the Senator from Vermont [Mr. AIKEN], and resolve the ambiguity, which I think is very real, as the language now reads.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. AIKEN. I think it would help considerably if we went back to the year 1938. Most of the tillable land in the East was put under cultivation during the war period. Land that had been used before was put to work during the war, and of course there are quotas. There is an historic basis for fixing quotas on it. I think the acreage that would be put to use, which was not in use since 1938, would be pretty small.

Mr. MUNDT. It would be very small.

Mr. AIKEN. But I can conceive of orchards being planted on that type of land. In fact, I have known of land which has been cleared for the planting of fruit trees. I would not really want to exclude that.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. HUNT. I yield.

Mr. MUNDT. I am sure if the language is left as it is, it will defeat some of the objectives the Senator has in mind. Some of our irrigated land has been farmed at some time in the past, by way of dry farming and through other methods. I am sure the Senator wants such land to be covered by the amendment. I think if the Senator would change the language in the direction I suggested, it would improve the workability of the amendment.

Mr. HUNT. I agree with the Senator from South Dakota, and again I express my appreciation for his suggestion. Therefore I would modify my amendment to read as follows:

Provided, however, That in the case of any lands being brought into production for the first time since the passage of the Agricultural Adjustment Act of 1938——

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from Wyoming further modifies his amendment according to the language which he has just read?

Mr. HUNT. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HUNT. I yield to the Senator from Nebraska.

Mr. WHERRY. Does the Senator strike out the words "in the year of 1950," or are they left in?

Mr. HUNT. That is rather immaterial. I believe the words "in the year of 1950" are left in, because it will not become effective until the year 1950. It is rather immaterial, but I believe it will be helpful to leave those words in.

Mr. WHERRY. If I may make a suggestion—of course I am not in any way trying to rewrite the Senator's amendment—it seems to me it could be done in this way, and I should like to know the reaction of the Senator from Wyoming to the suggestion:

In case of new lands being brought into production for the first time—

Then skipping the words "in the year of 1950"—

which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas for the year 1950 and for a period of time not to exceed 2 years.

I think that will make the amendment grammatically correct and will carry out the intention of the Senator from Wyoming.

Mr. HUNT. I thank the Senator very kindly. I agree with the Senator, and will modify my amendment in that way.

The PRESIDING OFFICER. The Senator from Wyoming further modifies his amendment in accordance with the language just stated.

Mr. HUNT. I shall read it for the benefit of the Senator from New Mexico [Mr. ANDERSON]. I shall read the whole amendment as it has now been modified:

Provided, however, That in the case of new lands brought into production for the first time since the passage of the Agricultural Adjustment Act of 1938 and which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas in the year of 1950 and for a period of time not to exceed 2 years.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. MUNDT. Mr. President, in order that the RECORD may be complete, will the Senator also read the concluding language?

Mr. HUNT. I say to the Senator from New Mexico that as I stated the amendment it did not include the modification by the Senator from South Dakota.

Mr. President, in conclusion, I should like to say that it is certainly inconsistent, if it is not almost ridiculous, that we should invite ex-servicemen to take up units of land and start to make homes for themselves, and at the same time, through the passage of any act, say to them, "you can produce only an acre or up to 3 acres of wheat." That is the cash crop which they need in order economically to survive for the first year or two on the new lands. Let me say that I am speaking from close and intimate knowledge, for the projects which I have in mind are in my own State, and one of them is in my own county. I am not asking for anything which will injure the farm program in any way. It will allow ex-servicemen taking up new lands to produce a cash crop and exist until such times as they have an opportunity to acquire machinery, stock, and so forth, which requires time and money to accomplish.

The PRESIDING OFFICER. The Chair suggests that the clerk state the amendment as modified.

The CHIEF CLERK. On page 7, line 23, it is proposed to insert the following provision: *"Provided, however,* That in the case of new lands brought into production for the first time since the passage of the Agricultural Adjustment Act of 1938 and which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas in the year of 1950 and for a period of time not to exceed 2 years, to the extent of 80 acres by any operator for any specified product."

Mr. ANDERSON. Mr. President, I now know what it feels like to be about to cut one's own throat. This amendment could be of tremendous benefit to me in a particular problem in my own State where, in one section of the State, by the use of pumping, cotton acreage has been increased since the passage of the Agricultural Act of 1938 from zero to 60,000 acres. Every acre, under this amendment, would get a cotton history and would be allowed to come into the program. The amendment would be of deep interest, I am sure, to the State of California, where 50,000 acres have just been brought in in one area under cooperative arrangement with various persons. All they have to do is to transfer 80 acres to a single operator. It might be 80 acres of wheat, 80 acres of canteloupes, 80 acres of cotton, and so on down the list. The limitation is restricted only by the number of agricultural commodities in the spectrum, if there is such a word relating to agricultural products.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. O'MAHONEY. Does the Senator not recognize that since the amendment offered by my colleague places the administration of the amendment solely within the power of the Secretary of Agriculture, any such "ring-around-the-rosy" as the Senator now mentions could easily be stopped by administrative action?

Mr. ANDERSON. I recognize that, but I also recognize that the Secretary has approved this amendment, so I assume he approves the "ring-around-the-rosy."

Mr. HUNT. Mr. President, will the Senator yield?

Mr. ANDERSON. I shall be glad to yield.

Mr. HUNT. Does not the distinguished Senator from New Mexico realize that the Secretary of Agriculture carefully analyzed and definitely understood what his authority would be if the amendment should be adopted, and that is why he gave it his approval?

Mr. ANDERSON. I recognize that the farmers prefer to get their acreage by virtue of law and not by virtue of the largesse of the Secretary of Agriculture. They do not care to come to the Secretary with their hats in their hands and say, "Please give me 80 acres. I want to plant cotton in the Tucumcari project in New Mexico." They want to say, "By virtue of the law passed by the Congress of the United States and by virtue of the history I have accumulated, I am entitled to acreage."

I hate to say this, because no one is more sincere than is the distinguished junior Senator from Wyoming. I know the problem of which he speaks. I think it needs to be corrected. I submit to him that this amendment does not correct it. I am sure his amendment would be better with the 80-acre limitation, but not for any specified product. I think the Senator from South Dakota ought to urge the modification of the amendment so that only 80 acres in total could be used by any one operator. But I respectfully suggest that this is not the place to write corrections in connection with our cotton acreage and our limitations as to wheat acreage and various other things.

There was a bill before the Senate Committee on Agriculture and Forestry to correct the cotton acreage situation. We spent 6 weeks holding hearings. The bill has been passed and signed. To it were added a limitation on peanut acreage and a limitation on wheat acreage. I was not very happy over the suggestion offered by the distinguished senior Senator from Colorado [Mr. JOHNSON] or by his colleague the junior Senator from Colorado [Mr. MILLIKIN], but we have worked out a compromise which I thought was satisfactory. This amendment, in my opinion, throws it wide open and says to anyone, "If you wish to go out and tear up the terrain of the State of Colorado or the State of South Dakota, so long as you can bring in new land by 1950 you can have 3 years in which to get history and you can go ahead."

Mr. MUNDT. It is to extend to only 80 acres.

Mr. ANDERSON. I understand that, but I understand also that can be multiplied by as many digits as there are.

Mr. MUNDT. It represents a very small factor.

Mr. ANDERSON. I, too, come from the State of South Dakota and my people once owned a great stretch of land west of Okaton in that State. That particular area was the center of a cattle trade and we owned a good deal of land along a river. That land became valueless because in the period after the First World War people rushed to areas where wheat grows and ripped up the buffalo grass, which the Senator from South Dakota is as anxious as I am to preserve, and that land has not been worth anything for a whole generation. Now, again, it is becoming valuable as pasture land, where the topsoil is knit together, and I hope we will not start to rip it up again.

Mr. HUNT and Mr. THYE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. ANDERSON. I yield first to the distinguished author of the amendment.

Mr. HUNT. Let me suggest that the amendment to my amendment offered by the Senator from South Dakoto be further modified to the extent of placing the word "one" after the word "any," making it read "to the extent of 80 acres by any one operator."

The PRESIDING OFFICER. Does the Senator offer that as a modification of his amendment?

Mr. HUNT. Yes; I do.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. THYE. Mr. President, if the Senator from New Mexico will yield, I should like to make one comment, namely, that the amendment would definitely permit any man to go into a section in the West which had absolutely no wheat, as the Dakotas and Montana have, or into any other area which is now grazing area, and rip it up. In other words, the amendment would also make it mandatory that they do it in order that they might establish a wheat acreage. Much damage could be done to the grazing areas of the United States by this amendment because it is not confined to reclamation projects; it is not confined to irrigation; it is opened up to every piece of grazing land that lies between the Mississippi and the Rocky Mountains. That is where there will be tracts of land broken up that are now grazing land in order that those owning the land may qualify themselves under the act so that at any future time they will have the wheat acreage as a base and go back on some land that today would be adapted to wheat production. If a man had, let us say, a thousand acres of grazing land up on the slopes which had always been in grass, and 500 acres which he had been farming, he would go up and establish his wheat acreage on the slopes in order that he might have it to use on the bottom land when the time came that the act expired.

Mr. HUNT. Mr. President, may I ask the Senator a question?

Mr. ANDERSON. I do not know whether I can yield to the Senator to permit him to ask a question, but I ask unanimous consent that I may yield to the Senator from Wyoming for the purpose of asking the Senator from Minnesota a question.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. HUNT. If I may ask the distinguished Senator from Minnesota a question, does not the amendment provide that the Secretary of Agriculture is "hereby authorized"? It is at his discretion. The Senator understands, of course, that the Secretary of Agriculture is intensely interested in this piece of legislation. I think the Senator from Minnesota is entirely in error when he is of the opinion that the Secretary of Agriculture is going to allow to happen anything of the nature he suggests. I call his attention again to the fact that the amendment is limited to 80 acres, so that it would be impossible for anyone to open up a thousand or five hundred acres.

Mr. THYE. Mr. President, if the Senator from New Mexico will yield, I should like to state that I recognize that it is confined to 80 acres to any one individual, but there could be many who could qualify under the 80-acre provision. The entire concern is, as the Senator stated last week, that what he is trying to reach is the limitation which has been established on a reclamation project, but he does not confine the amendment to reclamation projects. He opens up the entire West, wherever there is any grazing area that has not been subject to the plow for the past 10 or more years.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. THYE. I cannot yield, but I should like to have the Senator have the privilege of replying.

Mr. ANDERSON. I yield to the Senator from Wyoming.

Mr. HUNT. Does not the Senator from Minnesota remember that when I presented this amendment to the committee, the committee was in great haste to report the bill and, with all due respect to the committee, let me say I think they acted very hastily, and did not give it due consideration. Does not the Senator distinctly remember that these other areas were incorporated primarily at his request because it did not apply to the people of Minnesota who might want to plant some acreage of land which had been cropped for timber?

Mr. THYE. If the Senator from New Mexico will yield, I will say to the Senator from Wyoming that that is entirely true. He certainly would not approve any Member of the Senate standing and watching his own State's producers sacrifice wheat acreage to some other section of the United States. I merely sought to bring that question out in order that we might have full light on the entire question, and see how far it would carry us in the event such a proposal were agreed to.

I recognize that under the Senator's amendment we could go up into the brush land and plow down the brush land, open up an area that had not been cropped, and put it to wheat in order that we might take full advantage of the legislation the amendment proposes. But I am not so concerned about the brush land of my State, Minnesota, as I am concerned about the fact that we might re-create a dust bowl. We have far too much wheat acreage in the Southwest now that originally was grazing land, and we have endangered our grazing area by opening it up to a wheat crop during the war years, when it was so advantageous to do it because of the price of wheat. The combine and the great power that is available in tractors of all kinds made it possible to rip up grazing land in just a matter of a few

days. So we have opened up too much grazing land, we have far too many wheat areas in production today, and we do not know what we are going to do with the surpluses.

Mr. President, I fully sympathize with the Senator to this extent, that he is trying to cover producers who have settled on reclamation projects which are today new, but the Senator's amendment goes beyond reclamation projects. His amendment goes to every grazing area in the West. If this amendment shall prevail, I do not know where we are headed, either in wheat production or in tearing up the sod of the Western States.

Mr. HUNT and Mr. LANGER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. ANDERSON. I should like to yield further to the Senator from Wyoming to complete his statement. Then I shall be glad to yield to the Senator from North Dakota. I shall be happy to yield the floor in a moment, but I should like to make one or two more statements.

Mr. HUNT. Mr. President, I should like to say to the distinguished Senator from Minnesota that I think all his fears are entirely unfounded. We have all had our lesson with reference to plowing up pasture lands and grazing areas, and putting the land into new crops. We have all had that lesson in the West. We know it has been done in the past, but is not being done now.

Mr. THYE. If the distinguished Senator from New Mexico will yield to me, I would say to the Senator from Wyoming that we have had our lesson. Yes, we learned our lesson during World War I, but our memories were short. We as a nation found it necesary to plant shelter belts in the attempt to check the winds which were eroding the entire western area. But unfortunately, as soon as the rains came, and the dust-bowl condition no longer existed, we forgot the days of yesterday, and the plow again went out to turn under what nature had been able to heal in a few years. We turned the sod back under, wheat has flourished there in the past few years, and we are absolutely ripe for another dust bowl.

The entire Midwest yesterday was torn by a wind of from 60 to 90 miles an hour. If such a wind should ever hit the great Southwest again during any growing season of the year, devastation and destruction could again come to the land surface of that area. So for that reason I say that we learned our lesson, but we forgot it.

Mr. HUNT. I will say to the distinguished Senator that is not the case in my State.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LANGER. May I call to the attention of the Senator, in the form of a question, the fact that last year and the year before in the Northwest, we could break up lands for flax which sold for $6 a bushel, and that under the law at that time the county AAA committee had to give consent before any land could be taken for that purpose. Is the Senator from New Mexico familiar with that situation?

Mr. ANDERSON. Yes.

Mr. LANGER. Why would not that be a good provision to insert in the pending bill? Would it not prevent land which is not fitted for a crop to be broken up?

Mr. ANDERSON. I was going to suggest to the distinguished Senator from Wyoming that he make some modification of the amendment so that if the Senate should adopt it, it could at least be carefully reviewed.

Mr. President, I desire to answer those who feel that the farmers will grant to any Secretary of Agriculture the right to determine what their acreage allotment will be. I remind Senators that the distinguished Secretary of Agriculture sent to the Committee on Agriculture and Forestry of the Senate a proposal for a cotton-acreage bill, which carried a provision that there should be reserved 3 percent of the national quota for allocation to new areas, and, without a single exception, every cotton-growing State was against it. Each cotton State wanted to make its own allocations for new areas, and they compelled us to write in the provision that 10 percent should be set aside within each State. In other words, instead of taking 25,000,000 acres of cotton, or 21,000,000 acres of cotton, and saying that the Secretary of Agriculture could take 3 or 5 percent of that acreage and allocate it over the whole country, the cotton bill, as it finally emerged after long conferences with the cotton producers, contains a provision that the State of Texas can take 10 percent of its 7,500,000 acres, namely 750,000 acres, and put it where it wants—that is, for new areas and for new farmers.

If we were to vary from that principle we would arouse to wrath the farmers who have preserved these acreage allocations with great care, because they are a part of the value of their farms and they do not want it wiped away even though the situation the Senator deals with is worthy and deserving of consideration.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WHERRY. Does the Senator from New Mexico now interpret the amendment of the junior Senator from Wyoming, which has been modified, to include the provision that there shall be a limitation of 80 acres to any one operator to mean that an operator can plant up to 80 acres of wheat, and then another 80 acres of corn, and then another 80 acres of something else; or does the distinguished Senator from New Mexico interpret the language to mean that one operator can plant only 80 acres in some cultivated crop? I think that is the point we have to determine.

Mr. ANDERSON. I am happy to take it in the restricted manner that the Senator from Nebraska, I am sure, means.

I remind the Senate that the distinguished senior Senator from Kentucky [Mr. CHAPMAN] on the Senate floor a couple of days ago pleaded for the right to reduce the tobacco acreage from nine-tenths of an acre to five-tenths of an acre. But under the proposed amendment a farmer could go into Kentucky and take some cut-over land and put in 80 acres of burley tobacco or he could go into North Carolina and put in another 80 acres of flue-cured cigarette-type tobacco. That applies all over the United States. If that is what the Senate wants, the Senate can vote for it. As for me, count me out.

Mr. WHERRY. Mr. President, will the Senator again yield?

Mr. ANDERSON. I yield.

Mr. WHERRY. I am deeply interested in this subject. When I rose I was thinking more of reclamation land which is going to be brought under irrigation. That is why I asked the distinguished Senator from Wyoming to define what he meant by "new land." I think the Senator will recall my question. What I am trying to do now is to find the interpretation which the distinguished Senator from New Mexico, the former Secretary of Agriculture, would place upon the modified language. I gather from the Senator's remarks that he feels the amendment means that only one operator can bring in 80 acres of new land, so there is no dispute about that. But the distinguished junior Senator from New Mexico also stated that unless there is a further limitation to comply with all other limitations which are placed on such commodities as tobacco it is his opinion that it would nullify the acreage limitation in burley tobacco, for example.

Mr. ANDERSON. Oh, yes; there can be no question about that. The Senator from Wyoming does not mean to do such a thing as that at all. I know he does not mean to do that. I am not trying to take advantage of him. That is why I suggested to him previously that if his amendment could be modified to provide for the case of new lands being brought into production in the year 1950 for the first time under Federal reclamation projects—I do not care whether they are brought in for the first time before 1950, because it takes a long time to get reclamation projects into operation—I would not be averse to having some such amendment as that go to conference and see if it could be worked out there.

But there are many problems which simply cannot be worked out. Today if one could have 80 acres without regard to limitations it would open wide the door to all sorts of abuses. While I grant that I do not think the Secretary of Agriculture would want to proceed in that way, I remind Senators that great pressure can be brought to bear. For example a man may say "I am a veteran, and I want only 1 acre of tobacco. I fought in France. Surely I am entitled to 1 acre of tobacco." What can be said to that individual The Secretary would almost have to allow him the acre of tobacco. When such a thing is begun, in a very short time the whole tobacco-restriction program is broken down. Tobacco is already suffering by virtue of the tremendous increase in production and we no longer can make our limitations effective without cutting every large operator nearly 25 percent in order to get a 10-percent reduction. Those are aspects of this problem.

I am only trying to suggest to the distinguished Senator from Wyoming, who has first-hand acquaintance with the matter, and I know how deeply he feels about it, that he insert restrictive language which we can carry to conference and there try to agree on something still germane to his amendment. But do not make the door wide open and destroy farmers' wheat-acreage limitations of which they are proud. I know there was a time, in the western areas of Texas, when land sold for several hundred dollars higher if it had a cotton quota along with it. And if the law should provided that one can bring in some new land and automatically acquire a cotton quota by 3 years of planting, as would be done under this amendment, I submit that great violence would be done to the whole program.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. O'MAHONEY. I should like to ask the Senator from New Mexico if it is his understanding that the amendment or modification, which, during the course of the discussion my colleague accepted, the modification appearing at the conclusion of his amendment, constituting a limitation upon the area on which the waiver may be granted, and reading, "to the extent of 80 acres by any one operator for any specified product," means that the waiver is only for a total of 80 acres for any one operator, and that it does not mean that the operator may have 80 acres for every product he may desire to raise.

Mr. ANDERSON. I do not know that my opinion would be worth nearly so much as that of the senior Senator from Wyoming, who is a lawyer. I am not. But if I were given the responsibility of interpreting it I would interpret it to mean 80 acres for any one operator for any one product. He might have a second product, a third, or a fourth. He could go as far as he wished.

Mr. O'MAHONEY. I am certain that my colleague did not intend that. The purpose of the Senator from South Dakota, who made the suggestion in the first place, was to have an over-all limitation of 80 acres, no matter what products were planted.

Mr. ANDERSON. Then it should be limited to 80 acres by any one operator.

Mr. O'MAHONEY. I suggest to my colleague that if he would accept the elimination of the four words at the end, "for any specified product," and place a period after the word "operator," all doubt on this score would be eliminated.

Mr. HUNT. Mr. President, I thank my colleague for that suggestion. I am very pleased to accept it. I therefore further modify my amendment by deleting the four last words of the modified amendment, "for any specified product."

The PRESIDING OFFICER. The amendment is so modified.

Mr. O'MAHONEY. Mr. President, I should like to say a word or two in support of my colleague's amendment. I quite agree with him that the fears which have been expressed here are largely fears and are not supported by the language of the amendment itself. It has been offered in a good-faith attempt to make it possible for new settlers, wherever they may settle, whether on reclamation projects or elsewhere, to have an opportunity to participate in a very small degree, even though they may not have had a prior history.

The amendment contains several qualifications. It refers only to new lands being brought into production for the first time since the passage of the Agricultural Adjustment Act of 1938.

There is an additional qualification that such lands must be lands "which have no production history." If they have a production history at any time they are not within the terms of the amendment.

Then there is the additional provision that the authority is granted to the Secretary to waive acreage allotments or marketing quotas. It is not made mandatory upon him. He must take into consideration the circumstances in each individual case.

The lands to be covered constitute only a minor fraction of the lands involved in this bill. There is slight possibility, if any, that any abuses could be practiced under the language of the amendment. That is particularly so because of the last modification which was accepted, which provides that the extent of waiver in any event shall not be more than 80 acres for any one operator, no matter how many products are involved.

Mr. President, I certainly hope the amendment will be adopted.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MUNDT. Does not the Senator from Wyoming agree with the Senator from South Dakota that, since this amendment would merely confer authority upon the Secretary, in all probability before granting a waiver he would confer with the local PMA committees and that local advice would flow to the Secretary?

Mr. O'MAHONEY. Without question the law would be administered in that manner. This is not an attempt to grant a waiver with respect to the over-all policy. It is merely a recognition of the fact, first, that in connection with reclamation projects, for which the Government of the United States is making substantial appropriations, thousands of veterans are seeking to obtain authority to settle upon them. After having settled upon such projects, they should not be barred from planting the appropriate crop in the area in which they reside.

My colleague did not want to place himself in the position of saying that this waiver should be granted only to those who settle on reclamation projects. There may be those who are new settlers in other areas. Therefore the amendment should be stated in language broad enough to include them: provided, however, that it is clearly understood that these are new lands to be brought in since 1938, and that they are lands which have no production history with respect to any such product.

Mr. MUNDT. The aggregate is bound to be very small, since it applies only to lands which were not under production during the war years, when all farm products were extremely high priced. It is certain to apply to only a small amount of acreage in the aggregate.

Mr. O'MAHONEY. I am sure that, if the distinguished Senator from New Mexico will take the amendment to conference, he will find little difficulty in working it out in such a way that it will clearly mean for everyone precisely what has been prescribed.

Mr. ANDERSON. Mr. President, not only could I not accept the amendment but I shall certainly insist upon the yeas and nays, because this amendment strikes at the very heart of the acreage system in this country.

Mr. CAPEHART. Mr. President, I rise to take 2 or 3 minutes of the time of the Senate, primarily because of the debate on the amendment which we are now considering, which brings forcibly to my attention, and should bring forcibly to the attention of every other American and every farmer the situation in which we now find ourselves.

I am wondering if the American farmers and the American people, and we ourselves, realize that we are now debating, and possibly are about to adopt, an amendment which gives an American who owns land the right to cultivate that land, the right to sow that land to crops, and to make a living from it. Do Senators realize that that is exactly what it means? That is exactly what we are talking about.

Mr. President, I have been in every State in the Union. I know that there are literally millions of acres of uncultivated land, much of which should not be cultivated, and much of which should be irrigated and developed.

I cannot help saying something about the philosophy which we have adopted, of stopping the future progress of this Nation. Here we are, debating a little amendment, and trying to determine whether or not a man should have the right to cultivate or irrigate 80 acres of land and put it to crops to make a living from it. We certainly do not have the answer to the farm problem. I do not say that in criticism of anyone. But to curtail production, to deny a man the right to use his land to grow crops without coming to Washington for permission to do so, to me is simply un-American. It is directly opposed to the principles which have made this Nation the greatest nation in the world. I cannot help but wonder if the farmers of America and the people of America realize why this amendment becomes necessary under existing laws. I am wondering if they understand the situation.

I am confident that we do not have the answer to this problem, because if this amendment is necessary—and it is necessary—then we are saying to the American people, "You who own land and have a production quota are going to have a seniority right over all other Americans who do not own land, and a seniority right over all the land in America which is not now under cultivation, and over many tens of thousands of acres which are now in woods, as well as the many millions of acres which might well be irrigated, and which would be very productive." It makes me wonder. It makes me shake my head. I feel very badly about it.

I do not know whether I shall vote for the amendment or not. Possibly all Senators should vote for the amendment. Of course, I do not know that I want by my vote to deny any American, anywhere in the United States, the right to till 80 acres of land. On the other hand, I agree with the able Senator from New Mexico that the amendment absolutely will break down the workability of the existing agricultural law and the existing philosophy of our Government toward agriculture in America, which is a philosophy of regimentation.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. I should like to ask the Senator what he thinks about the advisability of giving the Secretary of Agriculture discretion to waive the acreage allotments on one man's piece of land, but not to waive them on another's land. Is not that one of the things the amendment will do?

Mr. CAPEHART. Perhaps it will, but I doubt it.

Mr. DONNELL. I should like to make my question clear, if the Senator will yield further.

Mr. CAPEHART. I yield.

Mr. DONNELL. The amendment now says that in the case of new lands, and so forth, the Secretary of Agriculture is authorized—not commanded or directed, but authorized—to waive acreage allotments to the extent of 80 acres by any one operator. Does not such a provision give the Secretary of Agriculture the right to say to John Smith, "I waive the acreage allotment for you, for 40 acres of land," but to say to Tom Jones, "I will not waive the acreage allotment for you for any amount of land"?

Mr. CAPEHART. I believe that is a correct interpretation of the amendment.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUNT. I should like to say, in answer to the question asked by the distinguished Senator from Missouri, that we must take into consideration the fact that the new settlers who have come on the land are without farm machinery. The farmer about whom the Senator spoke has his farm equipment. We must remember that when the homesteader comes to the land, the land is not level. The farmer about whom the Senator spoke is now using level land. The homesteader, when he comes to the land, has no fence around the land. The farmer of whom the Senator just spoke has fenced land. The homesteader has no home on the land, no barn, no stock. Yet at the present time he will be placed on a basis of equality with a farmer, perhaps in the same area, who has been a successful farmer over a period of years, and who not only has all the improvements and advantages which we have just mentioned, but also has a bank account.

Mr. CAPEHART. Mr. President, let me ask the Senator, does not it make big tears come into his eyes to realize that the farmers he has just described have to get permission to farm the land?

Mr. HUNT. Is the Senator referring to the ones I have just described?

Mr. CAPEHART. I am referring to the ones who will come within the provisions of the amendment, and to the idea that any man who owns land in the United States, and who may wish to till 10 or 20 or 40 or 80 acres of his land, has to get permission from Washington before he can till it.

Mr. HUNT. Yes, I do; and I think it is ridiculous that we invite ex-servicemen to take up these units, and we appropriate money in order to make irrigation projects available to them, and during the war the Senator from Indiana and I and all other Senators said, "Nothing is too good for these men, and we will do everything we can for them when they return"; but now we write into the bill a provision which will make it impossible for them to produce wheat on even 1 acre of land.

Mr. CAPEHART. But if we write the amendment into the law, we shall break down the existing allocation structure to the point where it will not work.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ANDERSON. The very situation the Senator from Wyoming points out with reference to an isolated tract of irrigated land will apply to all other land in the United States. There may be in the projects veterans who will buy land which has tobacco or cotton allocations; but now the Senator's amendment starts to remove those allocations in order to clear up what I admit is a very regrettable situation.

Mr. CAPEHART. I admit that the amendment possibly would break down the allocation law under which we are operating today. For instance, I have about 80 acres of woodland on my farm. Under this amendment, I would be able to clear the timber off that land and put the land into cultivation, and I would come to Washington and get an allocation for the 80 acres. I suppose similar steps might be taken in tens of thousands of cases, with the result that the philosophy of the law under which we are working today would thus be broken down.

But what I feel so badly about is that at the moment we have a system which places us in the middle, so to speak, so that although we should permit any American who owns 5, 10, 15, or 20 acres of land to cultivate that land and grow food on it, yet today he has to come to Washington and obtain permission to raise food on it.

On the other hand, we have placed ourselves in a position where, if we do permit him to obtain that permission, we break down the present system under which we are operating.

The entire situation shows that we in Washington do not have brains enough to be able to handle the problem properly. If we start out to do one thing, we run into complications in regard to other things. We simply do not have in Washington the brains necessary for doing a satisfactory job.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. The Senator from Indiana seems to place on one side the veteran homesteader and on the other side the old-established farmer. However, that is not what I meant.

I ask the Senator if he understands from the amendment that it gives the Secretary of Agriculture the power to discriminate and distinguish as between homesteaders.

Mr. CAPEHART. That is correct.

Mr. DONNELL. In other words, John Smith, a homesteader, might say to the Secretary of Agriculture that he wished to be free from acreage allotments; and the Secretary of Agriculture could, under the provisions of this amendment, agree that he would be free. But Bill Smith, also a homesteader, might make a similar request of the Secretary of Agriculture, and, under the amendment, the Secretary of Agriculture could say, "I do not have to do it, and I will not do it."

Is not my construction of the amendment correct?

Mr. CAPEHART. I think so. As I understand the amendment, the Secretary of Agriculture could say to CAPEHART, "You may cultivate 80 acres," and he could say to the able Senator from Missouri, "You cannot cultivate 80 acres or any other acres." Under the amendment, the Secretary of Agriculture would have that power, if he wished to use it.

Mr. DONNELL. And he would have that power, even though in each case the person applying to him might be a homesteader. Is not that correct?

Mr. CAPEHART. Yes; even though both persons might be homesteaders, and might be living on adjoining farms.

Mr. DONNELL. Of course, in the illustration I just gave, I was simply referring to a theoretical homesteader; I was not claiming that I myself am a homesteader.

Mr. CAPEHART. I understand.

Mr. DONNELL. I was simply using that as an example.

Mr. CAPEHART. Of course, Mr. President, I am a veteran. I do not know whether I am a homesteader. I have done a good deal of work on the farm.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUNT. Under the amendment the Secretary of Agriculture will have authority to say to one person, "You can plant 20 acres in wheat," and to say to another person, "You cannot plant 20 acres in wheat." Of course, that is exactly the authority we wish to provide in this case. Naturally, the Secretary of Agriculture will consider the merits of each application. If an application came within the intent of the act, certainly the Secretary of Agriculture would have that authority. He has it now.

Mr. CAPEHART. I should like to ask the able Senator from Wyoming this question: Does he think there is possibly one American today who realizes that such an amendment as this is necessary in order to permit him to put into cultivation acreage which now is not in cultivation?

Mr. HUNT. In reply, let me say that for 2½ months, now, I have been attempting to get the Secretary of Agriculture to say to me that these new settlers can plant so many acres of wheat.

He has told me time and time again, "I do not have that authority."

Before the Senator entered the Chamber I had incorporated in the RECORD, as a part of my remarks, a letter to a Senator, in which the question was asked, "Have you been able to do anything for us yet, so we can plant some wheat?"

Under the present allotment such a person can plant 1⅓ acres.

Mr. CAPEHART. Mr. President, I do not know how I am going to vote on the amendment. I do not like the amendment or the necessity for it. I do not like the amendment because I think it would break down the existing system.

So I can only throw up my hands, shake my head, and say, "God help America, when, as a result of the existing legislation and of the legislation we are enacting, we work ourselves into the situation in which we find ourselves today."

Mr. HOLLAND. Mr. President, I agree entirely that what the distinguished Senator from Wyoming [Mr. HUNT] has in mind is a worthy objective, and that he is trying to do something he thinks is fair for America and for the citizens whom he is trying to serve in connection with certain new reclamation areas in his own State. I wish it were possible for me to view his proposed amendment as an amendment which would apply only to a limited section of the country and to a very greatly localized group of people, and in a way which would not be disturbing elsewhere in the Nation.

It seems to me that the amendment very clearly is a mischievous one, that it leads to very great possibilities of discrimination, that it involves almost impossible, intolerable problems of administration on the part of the Secretary of Agriculture, and opens the door wide to decisions which may conceivably upset the whole agricultural program and the whole structure of our program for price supports in America.

In my own State there is in one area, the Lake Okeechobee area, a total of thousands of acres of land which has now been reclaimed, which has never been planted, which is now available for the planting of sugarcane, and which could be planted in such way as completely to upset the on-shore cane-sugar quota, at least I think its production could be of such volume as to be most disturbing to the whole sugar picture.

Much of the land is available likewise for the growing of various vegetables. I am thinking now particularly of Irish potatoes. As I told Senators in the committee meeting when this amendment, or one similar to it, was heard and rejected, I had just been waited upon by a committee of Irish-potato growers from southern Florida who had this precise problem with reference to drained lands which had just been reclaimed so that they could be made productive, on which about 600 acres of new production of Irish potatoes was being planted for this year, much of it by the veteran group to which the distinguished Senator has alluded. That planting in Florida would seriously upset the situation in that State, and the problem might become vastly larger if, in addition to the 600 acres to which I have referred, further acres were so utilized.

Mr. President, it seems to me the amendment flies directly in the face of the knowledge we have obtained on the floor during the last few days that in some of the system of distribution and allocation of benefits, and acreage allotments, the acreage which goes to the various growers is small indeed. I remember that the distinguished Senator from Tennessee [Mr. MCKELLAR] in his argument on the floor recently remarked that the average acreage in the production of burley tobacco in the State of Tennessee was less than 1 acre per grower. I do not recall the exact acreage, but that was his statement. My recollection is he said that more than 60,000 growers in that one State were engaged in the production of the one crop, burley tobacco.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Nine-tenths of an acre.

Mr. HOLLAND. I thank the distinguished Presiding Officer. My recollection is correct. Nine-tenths of an acre was the amount he stated as having been the average produced by each grower in that great State. My recollection is there were some 56,000 who are producing burley tobacco.

The PRESIDING OFFICER. Fifty-six thousand.

Mr. HOLLAND. Fifty-six thousand farmers are producing burley tobacco in that one State.

Of course, there are many acres of uncleared land within that State, which are available to be cleared and to be planted. There are in the State of Florida tens of thousands of acres of virgin land which has never been cleared or cultivated, which would be made available for the production of various crops upon which acreage allocations or quotas prevail.

Furthermore, Mr. President, there is hardly a piece of land in the Nation which, if it is taken up either by a veteran or by any other new producer, cannot be used for many, many crops which are not brought under the quota system, and therefore he would not be prevented from utilizing his acreage in an advantageous way. I think of hay and grass crops; of alfalfa; of dairy farming; I think of livestock production; I think of many types of vegetable production which have never been brought under any kind of support program involving either limitation of acreage or marketing quota, and which can be freely offered on the markets.

So, Mr. President, it seems to me the amendment would be mischievous in the extreme and might be destructive of many of the fine programs which are now under way, and that above all things, it would open the door to charges of discrimination which would be rife and which would be difficult to avoid on the part of the Secretary of Agriculture as he attempted to enforce and carry out this particular amendment. For example, suppose that, in his judgment, he should feel that in new acreage for the production of one crop he would be justified in allowing exemptions, but in new acreage suitable for the production of another crop he would not be justified in allowing exemptions. It goes without saying that the individuals who were interested in becoming producers of the crop for which no leeway was given for new production would feel that they had been discriminated against.

Mr. President, suppose that, in his judgment, the Secretary of Agriculture should think that in one State there was justification for using the amendment, and in another State there was no such justification; and suppose one of those States was very close politically, and the other happened to be in an area where there had never been any question of what its political conviction was. It seems to me the opportunities for charges of discrimination and unfairness as between individuals and as between commodities and as between States and areas would be almost unlimited under the amendment, and that from the very beginning it would present to the Secretary of Agriculture an intolerable problem of administration.

With all due regard to my friend, the Senator from Wyoming, it seems to me he is asking the Senate to adopt an amendment which would be highly destructive of a program which in so many of its aspects has already shown itself to be workable and which is working well. So in my opinion, by no manner of means should the Senate consider seriously the adoption of the amendment as proposed.

Mr. HUNT. Mr. President, I wish to offer a further modifying amendment. I wish to modify the amendment by deleting the figure "80" and inserting the figure "40", and, in line 4 of the amendment, following the word "production" by inserting "on Federal reclamation projects."

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The LEGISLATIVE CLERK. On page 7, line 23, it is proposed to strike out the period and insert a colon and the following proviso: "*Provided, however,* That in the case of new lands brought into production on Federal reclamation projects for the first time since the passage of the Agricultural Act of 1938 and which have no production history, the Secretary of Agriculture is hereby authorized to waive acreage allotments or marketing quotas in the year 1950 and for a period of time not to exceed 2 years, to the extent of 40 acres by any one operator."

Mr. HUNT. Mr. President, having offered the further modification, I hope the Senate will adopt the amendment, and, of course, I also hope it will prove of benefit to the settlers on these projects. Let me assure Senators the amendment means the economic life or death of settlers who have just moved onto the projects. I hope the amendment, as modified, will be adopted.

Mr. WHERRY. Mr. President, as one who is interested in this amendment, now that it has been modified, I hope the distinguished Senator from New Mexico will accept it. There are many Federal reclamation projects in the Missouri River Basin which would be helped if this amendment should be adopted. It seems to me it is taken out of the cate-

gory of the argument which has been made by the distinguished Senator from Indiana [Mr. CAPEHART]. It was never my intention to open it up to change the historic basis of land which has already been under cultivation, turned back, and then brought under cultivation again. I did not intend that when I said I would support the amendment. What I had in mind was the very objective which the distinguished Senator from Wyoming is intending to subserve. I hope the distinguished Senator from New Mexico, inasmuch as a concession has been made, limiting it only to Federal reclamation land brought in new and which has no historic basis, will at least take it to conference and see if something cannot be worked out which will be satisfactory.

Mr. AIKEN. Mr. President, I might add that the proposed modification of the amendment certainly makes it worse, because it confines the provisions to a very few States. The reclamation projects are west of the one hundredth meridian, as I understand. Furthermore, I should like to point out that the State committee in each State has an allowance in acreage to allot to new homesteaders each year and can take care of them in that way. Each State committee can assign the right to produce, if it happens to be a controlled crop. As I understand, the crops which concern the Senator from Wyoming are not at present controlled. I suppose he fears they may be controlled in the future. But I would not restrict it to new lands on reclamation projects, by any means.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wyoming, as modified.

Mr. ANDERSON. Mr. President, I withdraw my request for the yeas and nays.

Mr. HOLLAND. Mr. President, I should like to address a question to the distinguished Senator from Vermont. A few moments ago I stated that I thought the amendment in its original form was highly discriminatory. Is it not the opinion of the Senator from Vermont that in its amended form, the amendment would become much more discriminatory, in that, first, it would apply only to a very small number of States, and, second, it would differentiate between the Federal reclamation projects and the State and district drainage projects which are found in so many States of the Union, in which, through the use of public capital and initiative, new lands are made ready for agricultural production?

Mr. AIKEN. The Senator from Florida is entirely correct in his statement. The modification of the amendment, in my opinion, does make it more discriminatory than it was in the first place. I believe the State committees can take care of a reasonable number of persons each year and make allowance for new settlers.

Mr. HUNT. Mr. President, I am very anxious to close this debate, because we have taken perhaps too long already. I want to say to the distinguished Senator from Vermont that I have limited this amendment for the sole reason that no one seems to object to the amendment so far as it applies to veterans on reclamation projects. They object with reference to the cut-over lands in Minnesota, the brush lands in Montana, and the delta lands in Florida. No one seems to have any objection to the particular settlers whom I am trying to protect.

I should like to say, further, to the distinguished Senator from Vermont that, under the pending bill, the local committee does have some latitude, so much so, in fact, that settlers can actually plant one and a half acres of wheat. The Senator will agree with me that that is ridiculous.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUNT. I yield.

Mr. THYE. I want to ask the distinguished Senator how large an acreage to one individual will be permitted on these reclamation projects. Is it 80 or 160 acres?

Mr. HUNT. One hundred and sixty acres is the amount a settler can take up.

Mr. THYE. The Senator would give a homesteader 40 acres. If he has 160 acres the Senator would give him that additional land. If he has 40 acres he can put it all into wheat.

Mr. HUNT. Physically he cannot, because he does not have the necessary equipment and the resources. If he puts in from 10 to 20 acres of wheat, he will be doing well.

Mr. THYE. Nothing in the world would prevent him from share cropping it and saying, "I will give you 50 percent if you will break the land up, because I want to get the acreage allotment." Equipment is available all through that area to break it up and plant it. I see a great deal of danger in the amendment.

Mr. HUNT. The Senator overlooks the fact that it is limited to a 2-year period.

Mr. THYE. But it establishes a base in that 2-year period with which we shall have to cope.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming, as modified. [Putting the question.] The amendment is apparently rejected.

Mr. WHERRY. Mr. President, I ask for a division.

On a division, the amendment was agreed to.

Mr. YOUNG. Mr. President, I ask for the yeas and nays.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. After the result has been announced, is it not too late to ask for the yeas and nays?

The PRESIDENT pro tempore. After the result is announced the yeas and nays are not in order.

Mr. ANDERSON. Mr. President, I move to reconsider the vote by which the amendment was agreed to. I ask for the yeas and nays.

Mr. MUNDT. Mr. President, I do not think the Senator is entitled to make that request.

The PRESIDENT pro tempore. Any Senator can make such a motion.

Mr. ANDERSON. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The question is on agreeing to the motion to reconsider the vote by which the amendment of the Senator from Wyoming, as modified, was agreed to.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum where there was no yea and nay vote.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hunt	Millikin
Anderson	Ives	Morse
Baldwin	Jenner	Mundt
Brewster	Johnson, Colo.	Murray
Capehart	Johnson, Tex.	Myers
Cordon	Johnston, S. C.	Neely
Donnell	Kefauver	O'Conor
Douglas	Kem	O'Mahoney
Downey	Kerr	Pepper
Ecton	Knowland	Robertson
Ellender	Langer	Russell
Ferguson	Leahy	Saltonstall
Fulbright	Lodge	Schoeppel
George	Long	Taft
Gillette	Lucas	Taylor
Graham	McCarthy	Thomas, Okla.
Gurney	McClellan	Thomas, Utah
Hayden	McFarland	Thye
Hendrickson	McKellar	Watkins
Hickenlooper	McMahon	Wherry
Hill	Magnuson	Wiley
Holland	Malone	Williams
Humphrey	Martin	Young

The PRESIDENT pro tempore. A quorum is present. The question is on agreeing to the motion of the Senator from New Mexico to reconsider the vote by which the amendment of the Senator from Wyoming was agreed to.

Mr. HUNT. Mr. President, I am at a loss to understand why the distinguished Senator from New Mexico has asked for a reconsideration of the vote. The vote was taken, it was taken fairly, the vote was counted, the count showed that the amendment was agreed to, and in all good faith I see no reason why we should reconsider the vote.

The PRESIDENT pro tempore. The question is on agreeing to the motion to reconsider the vote by which the amendment was agreed to. The yeas and nays have been ordered, and those in favor will vote "yea" when their names are called, and those opposed will vote "nay." The clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from West Virginia [Mr. KILGORE], and the Senator from South Carolina [Mr. MAYBANK] are detained on official business.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. STENNIS], the Senator from Rhode Island [Mr. GREEN], the Senator from North Carolina [Mr. HOEY], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from

Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from Vermont and the Senator from New Jersey would each vote "yea."

The Senator from Nebraska [Mr. BUTLER] is absent on official business.

The Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent. If present and voting, the Senator from New Hampshire would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], and the Senator from Maine [Mrs. SMITH] are detained on official business. If present and voting, the Senator from Maine [Mrs. SMITH] would vote "yea."

The Senator from Washington [Mr. CAIN] is necessarily absent. If present and voting, the Senator from Washington would vote "yea."

The result was announced—yeas 42, nays 27, as follows:

YEAS—42

Aiken	Holland	McMahon
Anderson	Ives	Martin
Brewster	Jenner	Myers
Donnell	Johnston, S. C.	Neely
Downey	Kefauver	O'Conor
Ellender	Kem	Robertson
Ferguson	Knowland	Russell
Fulbright	Leahy	Saltonstall
George	Lodge	Schoeppel
Gillette	Long	Taft
Graham	Lucas	Thye
Hendrickson	McCarthy	Wiley
Hickenlooper	McClellan	Williams
Hill	McKellar	Young

NAYS—27

Baldwin	Johnson, Colo.	Mundt
Capehart	Johnson, Tex.	Murray
Cordon	Kerr	O'Mahoney
Douglas	Langer	Pepper
Ecton	McFarland	Taylor
Gurney	Magnuson	Thomas, Okla.
Hayden	Malone	Thomas, Utah
Humphrey	Millikin	Watkins
Hunt	Morse	Wherry

NOT VOTING—26

Bricker	Eastland	Smith, Maine
Bridges	Flanders	Smith, N. J.
Butler	Frear	Sparkman
Byrd	Green	Stennis
Cain	Hoey	Tobey
Chapman	Kilgore	Tydings
Chavez	McCarran	Vandenberg
Connally	Maybank	Withers
Dulles	Reed	

So the vote by which Mr. HUNT'S amendment, as modified, was agreed to was reconsidered.

The PRESIDENT pro tempore. The question is on the amendment, as modified, of the Senator from Wyoming [Mr. HUNT], to the committee amendment.

The amendment, as modified, to the committee amendment was rejected.

Mr. JOHNSON of Colorado. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. On page 11, line 17, after "wool", it is proposed to insert a comma and the following: "Angora rabbit wool."

On page 11, line 25, after "honey", it is proposed to insert a comma and the following: "Angora rabbit wool."

Mr. JOHNSON of Colorado. Mr. President, this amendment provides for some assistance to perhaps the smallest agricultural industry in the United States. As a matter of fact, the breeding of Angora rabbits and the production of Angora wool is handled mostly by veterans, disabled veterans, widows of veterans, and small operators generally, who do it more or less as a side line. It is possible with a thousand rabbits to have a gross income of three or four thousand dollars a year.

I shall not take much of the time of the Senate at this very late hour on this amendment. I hope the Senator in charge of the bill [Mr. ANDERSON] will take my amendment to conference and see if the small amount of assistance which this amendment provides may not receive favorable consideration in the conference. I assure the Senate that the need is desperate.

Mr. ANDERSON. Mr. President, there is no question that the industry for which the distinguished senior Senator from Colorado has just spoken is entitled to some help. The difficulty is that this is not the way, in my opinion, to give it to them. The Angora rabbit industry does need some protection, but it needs far more a proper classification of the product.

It so happens that the January-February 1949 issue of the Angoran News, which is the official organ of this industry, contains the following statement:

> We do not want or need a support price. Without an import tax, a support price would only bring in more imports. The wool can be produced in low-labor-cost countries at a price far below our cost of production, and to give a support price would only cause exporters in those countries to give rebates to the mills in this country who are importing from them. It would enable them to get more money for their wool, and since they can make a handsome profit at the present price due to their low labor, they could give some of it back to the mills and still be getting all they are getting now.
>
> What we need is proper classification of Angora wool under the Department of Agriculture so we can get protection on Angora rabbit wool on a basis of Angora rabbit wool, and not on the basis of sheep's wool as the value is now figured.

I think that is a correct statement of the situation.

The Senator from Colorado is completely right in saying that the industry needs assistance, but a support price will not give it to them. During the past 6 months we received a tremendous quantity of this wool from Spain, Italy, and other countries. We cannot protect this industry in this country by raising the support price, because importers can pay the duty and still ship the wool in. I want the Senator to feel that we are all deeply sympathetic with the problem, and regret that apparently it cannot be cured by a support price.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MILLIKIN. Would the President have the power under existing law, or under the amendment which was voted for here today, to exclude such imports if the Angora rabbit wool were under the operation of support prices?

Mr. ANDERSON. The Senator has asked a question which I cannot answer, but I think in fairness to him, and in honesty, I should say that I believe that if we had a support price the President would be in a position, under section 22 of the Agricultural Act, to bar imports which are causing trouble.

Mr. MILLIKIN. I suggest to the distinguished Senator that in view of the fact that a remedy is available, the measure proposed by my distinguished colleague together with the relief which the President has it in his hands to give, the two measures taken together would solve the problems of those producers.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. McCARTHY. The President will have such power if the fur amendment, which is now deadlocked in conference, and which the State Department is going all out to oppose, is adopted by the conferees. The President will then have the power to rectify the situation. Nevertheless, I am in favor of the amendment offered by the Senator from Colorado.

Mr. ANDERSON. Mr. President, I wish to say to both Senators from Colorado that I certainly do not like this amendment, but I must admit that there is some justice in the suggestion so far as a fair price for Angora rabbit wool is concerned.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON]. [Putting the question.] The Chair is in doubt.

Mr. JOHNSON of Colorado. I ask for a division.

On a division, the amendment was rejected.

Mr. McCARTHY. Mr. President, on behalf of my colleague [Mr. WILEY] and myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. On page 11, after line 18, after "potatoes", it is proposed to insert a comma and the following: "hemp."

On page 12, between lines 4 and 5, it is proposed to insert the following:

(3) The price of hemp of the 1948 and subsequent crops of the following grades shall be supported at the following prices:

Crop:	*Price cents per pound*
No. 2 line	20
No. 3 line	16
No. 1 tow	15
No. 2 tow	12
No. 3 tow	10

On page 12, line 5, it is proposed to strike out "(c)" and insert "(d)".

Mr. McCARTHY. Mr. President, I should like to take this opportunity to tell the Senate, very briefly, a story which I believe concerns the welfare of the Nation. The story begins with World War I, and it is the story of a vital material, hemp. Before World War I this

Nation had never produced more than 9,000,000 pounds of hemp. We depended on importing almost all the fibers we needed. But, of course, when the war began, the German raiders immediately set out to cut off our supply of hemp as well as other materials. We found that if we were to prosecute a war, hemp was one of those unromantic and unpublicized materials without which it was impossible to do so. It was found necessary to quadruple our domestic production—and it was still necessary to risk and lose the lives of Americans to bring in foreign fibers.

The war came to an end and we promptly forgot about the unromantic item of hemp. Time passed—and nations quarreled—and in 1941 we found ourselves again engulfed in a world-wide struggle. Of course, the first thing the enemy tried to do was to cut off our supply of essential materials, among which were fibers. It again became necessary to supply our needs from domestic production. The Government found that a small group of patriotic and far-sighted men in Wisconsin had kept the hemp industry alive—weak to be sure, but alive. In this entire country, there were only five mills for processing hemp. They had been kept open, between the two wars, at practically no profit to the operators. But they had been kept alive, and the skills and knowledge necessary for producing and processing hemp were kept alive with them. In its hour of critical need, the Government turned gratefully to that small group of men. Government engineers rushed to Wisconsin to learn the techniques and equipment needed for hemp processing. Agriculture experts were rushed to Wisconsin to learn the necessary facts about the growth of hemp. The great hemp program was launched by the Government.

Forty-two additional hemp-processing plants went into immediate construction. Crops were grown in Illinois, Indiana, Iowa, Kentucky, Minnesota, and Wisconsin. The planted acreage of hemp was increased 62 times. It took two full years to get the industry on a sizable scale. Had it not been for the tiny industry still operating in Wisconsin, the situation would have been impossible to meet.

Mr. President, our Nation narrowly escaped what might have been an extremely tragic shortage. I am sure other Senators will agree with me that two close shaves are enough. War has sped up too much for us to depend on having such good fortune again. That is why I bring to the Senate the news that we have again lapsed into a complete disregard of hemp. After the war, the Government declared the 42 plants to be surplus, and sold them. Only one is still used for hemp processing.

The huge surplus of fiber built up in accordance with War Production Board directives was dumped into commercial channels, and the spinners who formerly used the hemp-mill production, actually bought such vast quantities at such low prices that they are now sellers, instead of buyers.

The market for fiber grown by the five original companies in Wisconsin has virtually disappeared. The industry has almost been wiped out. No one can deny that today the Nation is faced with at least the possibility of war; and unless something is done, it will face that possibility with no hemp, and even without the few faithful mills that kept the industry alive in the prewar period, and furnished the core of the wartime expansion. Mr. President, this is obviously the path of ruin and the course of madness.

The hemp-mill operators, now staring bankruptcy in the face, are asking that their product be given support prices. They feel, and I feel, that since other products are receiving support, this crop, because of its previous importance in times of emergency, deserves equal treatment.

I hope the Congress will see fit to grant this relief to the hemp-growing industry and to provide this security for the Nation. For that purpose, I am submitting the amendment to provide that the Nation stock pile a sufficient quantity of hemp to guarantee a supply in case of emergency, and a support price that very closely parallels that which was established in 1946.

I wish to call attention to the fact that in 1946 there was a support price for hemp.

I sincerely hope the junior Senator from New Mexico will at least take the amendment to conference, and in the meantime will contact the officials in the Defense Establishment and will obtain their reaction as to whether it is necessary to keep this industry alive.

Mr. ANDERSON. Mr. President, I assure the Senate that it is no pleasure for me to come before the Senate, round after round, and oppose amendments offered by Senators whom I should be glad to support if I could.

It so happens that the Munitions Board has not placed hemp on its No. 1 critical list. Furthermore, I think it should be remembered that we have demonstrated once, during the war, the ability of the American farmer to grow the necessary amount of hemp when a situation demanding increased production of hemp arises. The 1949 production of hemp is only about 5,500,000 pounds from, I am told, approximately 4,450 acres. That is not enough in time of war, and all of us recognize that fact. I merely point out that the American farmers have in the past shown what they could do, for although in 1942, they produced 13,922,000 pounds of hemp from 14,500 acres, the very next year, 1943, they produced more than 140,000,000 pounds of hemp from 146,000 acres.

The farmers the distinguished Senator from Wisconsin represents were a great part of that effort, and they are entitled to an "E" award for it; they are entitled to full recognition for what they did. But the best way to proceed in the future, in my opinion and in the opinion of those who were very closely connected with hemp production during the recent war, is the way by which we proceeded the last time, namely, by incentives in wartime not by a very small support price in time of peace.

So I ask that the amendment be rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wisconin. [Putting the question.]

The amendment was rejected.

Mr. HUMPHREY. Mr. President, the debate during the past week has indicated that there exists some confusion in the minds of Senators as to the position taken in the past by one of our great farm organizations, the National Farmers Union, with respect to flexible price supports. There would seem to be no good reason for such misconceptions, since representatives of that organization have testified repeatedly before our committees; and the attitude of the organization has been made public frequently through statements of its president, Mr. James G. Patton, and of its board of directors.

In order to clarify this matter, I should like briefly to indicate for the RECORD exactly what the National Farmers Union sought of Congress during 1948, the period when the Agricultural Act of 1948 was being discussed.

On April 15, 1948, Mr. Patton appeared before the Committee on Agriculture and Forestry to testify on Senate bill 2318, the Aiken bill. Concerning the price support sections of S. 2318, Mr. Patton praised the work of the committee but added that "it should be possible to be both more creative and more realistic"—page 113 of the hearings. He then criticized the bill's support provisions on two principal scores, and suggested two major changes in them.

First, Mr. Patton said the level of support to be given a commodity should be related "to the production goals hammered out by the Department and the farmers."

Then—

He went on—

instead of seeking to encourage or discourage production by reference retroactively to the production of previous years, we should be tackling boldly and with vision, the real problem, which is * * * to encourage or discourage production in the forthcoming year.

Next, Mr. Patton said:

Forward pricing should be given more emphasis in relation to next year's production goals so that get shifts within the total structure.

This, of course, is very far from a blanket endorsement of any kind of sliding scale. It should be notice, too, that failure of the Eightieth Congress to enact any agricultural law would have resulted in a reversion to the old Triple-A support levels, far under now proposed of then proposed. Moreover, in concluding his testimony, Mr. Patton had this to say—page 131 of the hearings:

Agriculture as usual finds itself in an extremely vulnerable position in the aftermath of war. Farmers for several years to come face a condition where failure to continue exports of farm products at very high levels would almost certainly bring about another and worse decline in prices of the things farmers sell. At the same time this could well be accompanied by continuing and even increasing inflation of the prices of things farmers buy.

Therefore, the National Farmers Union alone, I believe, among the major farm organizations, has taken the position that the support levels guaranteed in the so-called Steagall amendment to the Price Control Act of 1942 must be continued unless something were done to control the rest of the economy. In fact, we have advocated price control right across the board, backed by adequate credit control, for agriculture as well as for everybody else.

The enactment of S. 2318 or similar legislation would assist materially in quieting our fears. It would not, however, in my judgment, remove the necessity for strong action to curb inflation. We think both things ought to be done.

If, however, it appears later that it will not be possible for the committee to obtain favorable action on a satisfactory long-range bill, I appeal to it today to do all it can to obtain the extension for at least another year of the Steagall amendment levels of price support. In an uncertain world, there appears to be no other way available immediately to assure farmers against at least some of the worst effects of inflation.

In conclusion, I should like to insert in the RECORD at this point, three documents which show conclusively the position in 1948 of the National Farmers Union. One of these is a statement of the board of directors of the farmers, adopted in Denver, Colo., on September 15, 1948. Another is a press statement by Mr. Patton, dated September 3, 1948. Both defend title I of the Agricultural Act of 1948, which extended the general 90 percent of parity support level through 1949.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

SPECIAL SESSION AGENDA

WASHINGTON.—National Farmers Union President James G. Patton today proposed a six-point agenda for the special session of Congress upon which he urged President Truman and Governor Dewey to unite. Patton's statement putting forward the Farmers Union agenda for Congress was as follows:

"The National Farmers Union urges President Truman, as the leader of the Democratic Party, and Governor Dewey, as the leader of the Republican Party, to unite in pressing for action by the special session of Congress meeting Monday on the enactment of the following six-point program:

"1. An omnibus civil rights bill, with cloture invoked in the Senate immediately upon the opening of the session to insure against a filibuster that will delay the remainder of the program.

"2. The remainder of a long-range agricultural program supplementing the long-range price supports adopted by the last session. This legislation should include a permanent land-use and conservation program, a strengthened and better integrated farmer committee system, and a nutrition program for low-income groups.

"3. Ratification of the International Wheat Agreement by the Senate.

"4. Adoption by the House of the original Taft-Ellender-Wagner bill as passed by the Senate, including the first comprehensive farm housing program ever seriously considered by Congress.

"5. Adoption by the House of the Federal-aid-to-education bill as passed by the Senate, another major piece of agricultural legislation, since rural areas would be prime beneficiaries of such aid and stand most in need of it.

"6. Adoption by both Houses of genuine inflation control legislation that not only will stop the present upward spiral of prices but will give a base for real full employment legislation in the new Congress aimed at preventing a major economic collapse."

FARM PRICE SUPPORTS

WASHINGTON.—In identical letters to Chairmen GEORGE AIKEN and Representative CLIFFORD HOPE, of the Senate and House Agriculture Committees, respectively, President James G. Patton of the National Farmers Union today said the Farmers Union is solidly behind the present program of farm price supports and asked the cooperation of the two chairmen in getting the true facts of present conditions to the American people.

Patton transmitted with the letter a copy of a resolution to this effect adopted by the Farmers Union's board of directors. A copy of the resolution is attached to this press release. Text of the letter was as follows:

"In view of the continued distortions and misrepresentations of the farm price-support program and of farm income, I am sending to you with this a copy of a resolution which has been unanimously adopted by the board of directors of the National Farmers Union, composed of all of the presidents of State farmers unions.

"I hope that you may find some use for it in combating, as I am sure you will wish to do, the misinformation being so widely spread among the American people. As a true friend of farmers, you have always stood steadfastly for legislation that will benefit them, and I felt sure that you would like to know that the Farmers Union is solidly united behind the position stated in the resolution as follows:

" 'So long as the prices of all other commodities continue to spiral, and farm costs continue to mount, we believe that the 90 percent of parity support levels should remain. If this terrible spiral of inflation can be halted, then we feel that the long-range, flexible program provided in the present law, to become effective in 1950, can safely be put into effect.'

"The fact of the matter is that agriculture still lags far behind other segments of the economy in income and that its real income is declining more rapidly than that of any other group. At the same time, consumers are receiving no benefits from lower farm prices and within agriculture itself depressed groups are suffering severely.

"For these reasons, I am making public this letter, in the earnest hope that it may help in some measure to bring to the American people the true facts of the present situation."

STATEMENT OF THE NATIONAL BOARD OF DIRECTORS OF THE NATIONAL FARMERS UNION ADOPTED IN DENVER, COLO., SEPTEMBER 15, 1948

Farmers face the prospect of being put through the 1932 wringer again. We do not propose to sit idly by and watch this happen, and we denounce the campaign now being waged to undermine farmers' support prices.

To that end, we here and now declare our firm support of the present bipartisan agricultural policy and program, including the 90 percent of parity supports, and reiterate our purpose to fight to the limit during this Congress to retain it intact.

Most farmers are having very great difficulty making both ends meet. Prices received by farmers have been dropping steadily since January. Their costs have been rising sharply during the same time. Farm costs now stand at the highest level in history. With every month of 1948, the share of the consumer's dollar received by farmers has declined.

The facts should be made crystal clear to that great majority of the American people who are fair and open-minded citizens. They should also know that exorbitant profits are still being made by the great corporations and that processors and middlemen are refusing to pass on lower costs of farm products in the form of lower prices to consumers.

We deplore the apologies of other farm organizations for present prices of farm products, and the present price-support legislation.

We resent the effort of former Gov. Harold E. Stassen and others to attack by implication, the farm price-support system, and to make a political football of it.

Those who are waging this campaign of misinformation against the farm price-support program should remember that the great depression of 1929–32 had its roots in the previous collapse of farm prices.

The Farmers Union, in waging its struggle for continuation of the present support price levels, is fighting for the best interests of the Nation as well as of farmers alone.

Farm price supports are not responsible for present prices of food to consumers. It is not farmers but some segments of business that are pushing consumer prices ever upward. We call upon consumers everywhere to join us in demanding that the Agricultural Marketing and Research Act be applied effectively to reduce the widening gap between prices on farms and food costs in cities.

American farmers have produced in the last 6 years staggeringly large crops, crops that helped to win the war and save the world from chaos and starvation. American farmers have made us the best-fed Nation in history. Without price supports this record of production would have been impossible.

If it should become necessary to spend considerable sums to support the prices of farm products, the Nation should do so. So long as the prices of all other commodities continue to spiral, and farm costs continue to mount, we believe that the 90 percent of parity support levels now in effect for most farm products should remain. If this terrible spiral of inflation can be halted, then we feel that the long-range, flexible program provided in the present law, to become effective in 1950, can safely be put into effect.

While standing firmly behind present price supports, we shall continue to work for governmental aid to improve the diets of low-income consumers and for a more comprehensive national land policy.

We, the board of directors of the National Farmers Union, have approved this statement of policy in session at Denver, Colo., September 15, 1948.

FLEXIBLE IMPORT FEE AND PARITY PRICES AMENDMENT TO H. R. 5345

Mr. MALONE. Mr. President, I offer the amendment which has been printed and lies on the desk. I ask that it be read.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to add the following new section:

SEC. . Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), and reenacted by section 3 of the Agricultural Act of 1948 (Public Law 879, 80th Cong.), is hereby amended to read as follows:

"SEC. 22. Whenever the average wholesale price of any farm commodity or product thereof is less than the parity price of such commodity or product, there shall be levied, assessed, collected, and paid, on such commodity or product when imported from any foreign country into the United States or into any of its Territories or possessions, an import tax or fee equal to the difference between the landed cost of such imported commodity or product and the parity price thereof.

"The term 'average wholesale price' for the purpose of this section shall, as of any date, mean the average wholesale price used by the

Bureau of Labor in computing the wholesale price commodity index (1926=100) current on such date.

"The term 'parity price', in the case of a farm commodity, shall mean the parity price as determined under the Agricultural Adjustment Act of 1938, as amended, and in the case of a product of such a commodity, a price which reflects the parity price of the commodity."

Mr. MALONE. Mr. President, without an import fee to make up the differential of cost, we are placed in a position of having to support the price structure of the entire world at a level required to maintain our national income on a prosperous basis. The question before us is, At what level is it feasible to support such prices, and how can that be accomplished in a practicable manner?

COTTON, WHEAT, OTHER COMMODITIES

In my opinion, Mr. President, we cannot support farm prices successfully at parity without having some protection against imports from the low-wage-standard countries of the world.

We shall be forced into a position of buying up the products of the world, even though other nations starve. At the same time wheat, cotton, and other farm commodities will be stored up in the United States.

BUY CHINA EGGS—STORE OUR OWN

For example, in the debate on this bill, the distinguished Senator from New Mexico [Mr. ANDERSON] pointed out that dried eggs acquired by the Government under the price-support program were unsalable at $1.26 a pound. He gave as a reason the fact that American industries using the dried-egg product could buy Chinese dried eggs at $1.10 a pound. Thus, we find ourselves buying eggs from China, while the people in China are starving.

Another example is the demoralized situation in our fats and oils market. Net imports of fats and oils during 1947 and 1948 forced the price of fats and oils to drop an average of 15 cents a pound.

This drop in the price of fats and oils has affected every section of the United States, and directly affected the income to our American producer.

FATS AND OILS

Our annual production of fats and oils totals approximately 10,000,000,000 pounds. The drop in price of 15 cents a pound represents a loss of income of approximately $1,500,000,000. This drop in price took place even though the European countries were desperately in need of fats and oils and were on a rationed level of consumption.

The effect of this drop in price of fats and oils, instead of promoting foreign trade, has destroyed it.

For example, we have a special agreement with the Philippines to bring in approximately 400,000,000 pounds of coconut oil duty-free. On a comparative basis with our parity price level, coconut oil should be worth about 30 cents per pound. At 30 cents per pound 400,000,000 pounds of coconut oil provided an income for the Philippines of $120,000,000.

This income, in turn, represented dollar exchange and trade. The drop of 15 cents a pound reduced this income $60,000,000 and, in turn, reduced the dollar exchange in that amount and made it impossible for the Philippines to pay for goods imported from the United States or other nations.

In fact, the so-called crisis in Great Britain which led to the devaluation of the pound was a direct result of a drop in commodity prices which shut off both income and markets for Great Britain. Loans will not correct this situation.

If we really intend to help the world we must reverse our direction.

FOREIGN EXCHANGE AND PRICE LEVELS

Instead of permitting indiscriminate tariff reductions to reduce our price and income level to that of the rest of the world, we should maintain our price level and assist the rest of the world in reorganizing their exchange and price levels at a par with the United States.

NATIONAL INCOME

In 1948 we had a national income of $226,000,000,000. If we permit our price level to drop back to 1941 levels our national income will drop back to $103,000,000,000.

Such a drop in national income would force the United States into a depression and precipitate financial chaos throughout the world.

By using a flexible import fee as an indirect support for farm commodities, our entire support-price program would be greatly simplified. A flexible import fee at the parity level would automatically protect over 85 percent of our farm-price structure without any further legislation.

FARM INCOME

In 1948 our cash receipts in the sale of all farm products totaled over $31,000,000,000. Of this total, 50 percent is represented by livestock dairy products, poultry, and eggs. An import fee at the parity level would indirectly support the price of these products.

Our principal exports of crops are wheat and cotton. The exportable surplus of the two items represent a total of approximately $1,500,000,000 at gold parity values. This represents approximately 5 percent of our total cash receipts for agricultural products.

WORLD UNDERFED

The world for years has been underfed and underclothed and a truly reciprocal trade program should make it possible to exchange these products so badly needed throughout the world for things that we may need to supplement our own economy.

In my opinion, a principal reason for poverty is lack of production, and low food standards in the rest of the world can be directly traced to the low level of farm prices produced by peon labor.

The real solution, in my opinion, for economic problems in the United States and the world is a level of prices for farm commodities and other raw materials at the American parity level.

Mr. President, the amendment does not cost anything. It may save the United States tremendous sums of money because, if we are to hold the parity level at any fixed price or at any flexible price, then the only way it can be so held is some kind of flexible import fee to make up the deficiency between the landed cost in this country and the cost of the parity level.

MAY SAVE THE FARM PROGRAM

Mr. President, I hope the Senate will see fit to adopt the amendment because I believe it may be instrumental in saving the entire program. If we start buying the products of the world to stabilize our own economy, it will cost so much money that there will be a reaction against the entire program.

Mr. ANDERSON. Mr. President, I shall not detain the Senate more than 2 minutes to say that section 22 is one of the sections of the bill which farmers regard as being for their protection. The Senator from Washington [Mr. MAGNUSON] has been fighting hard to get an amendment through, and finally got it through today, that seeks to make section 22 operative. I only suggest to the Senate that the section should not be changed without giving the farm organizations and the farmers generally a chance to be heard. I think they like the section. I think they would like to have it in the bill. I agree with the Senator from Nevada it is not effective at the present time, and there may be cheaper and more reasonable ways of doing it, but until such an amendment can be presented at some time in a regularly scheduled agricultural hearing, and until the farmers of the country get a chance to speak on it, I do not think we ought to adopt it here on short notice.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. ANDERSON. I am glad to yield.

Mr. MALONE. I should like to ask the distinguished Senator from New Mexico whether there is anything in the amendment that could in any wise injure a farmer coming under the act? In other words, whether it is parity, or a flexible sliding scale, or any other basis that may be adopted, is there any way in the world he might be adversely affected?

Mr. ANDERSON. I do not know, but I think the farmer himself ought to have a chance to come into a hearing to testify on it. I should very much regret having a serious matter of this nature—and section 22 is a very serious matter—disposed of without a word of warning to one farm organization of any kind that the matter is coming up today. I am not trying to say that by any stretch of the imagination the Senator from Nevada is seeking to take an improper or unfair advantage of the farmers; not at all. I only say it is a matter the farmer regards with some seriousness, and I think he would like to have a chance to be heard. I find myself unable adequately to answer the argument of the Senator from Nevada, because I am not familiar with the implication of his amendment, but I think the matter is of sufficient importance that it ought not to be quickly acted on without warning to the farm organizations of the country.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MALONE. I may say to the Senator I have taken it up with the officials of the Farm Bureau of my own State,

and they agree it would not only affect the farmers in any wise, but probably would be a protection to them in the long run, in connection with the program, because of the fact that import fees would be charged, equaling the differential of cost; there would therefore be a minimum of imports and therefore the United States Government would only have to purchase the surplus materials raised in the United States, not the surplus materials of the world.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nevada. [Putting the question.] The Chair is in doubt.

Mr. WHERRY. Mr. President, I ask for a division.

Mr. ANDERSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Millikin
Anderson	Hunt	Morse
Baldwin	Ives	Mundt
Brewster	Jenner	Murray
Bridges	Johnson, Colo.	Myers
Byrd	Johnson, Tex.	Neely
Capehart	Johnston, S. C.	O'Conor
Chavez	Kefauver	O'Mahoney
Connally	Kem	Pepper
Cordon	Kerr	Reed
Donnell	Kilgore	Robertson
Douglas	Knowland	Russell
Downey	Langer	Saltonstall
Ecton	Leahy	Schoeppel
Ellender	Lodge	Taft
Ferguson	Long	Taylor
Fulbright	Lucas	Thomas, Okla.
George	McCarthy	Thomas, Utah
Gillette	McClellan	Thye
Graham	McFarland	Watkins
Gurney	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Williams
Hickenlooper	Malone	Young
Hill	Martin	
Holland	Maybank	

The PRESIDENT pro tempore. A quorum is present. The question is on agreeing to the amendment of the junior Senator from Nevada [Mr. MALONE]. [Putting the question.] By the sound the "noes" appear to have it.

Mr. WHERRY. I ask for a division.

On a division the amendment was rejected.

ONE HUNDRED AND SEVENTIETH ANNIVERSARY OF THE DEATH OF CASIMIR PULASKI

Mr. McCARTHY. Mr. President, I very much dislike to take even a brief period of time on a subject other than that of the pending bill, but today is the one hundred and seventieth anniversary of the death of one of the greatest men in our history. As I say, much as I dislike to delay the business of the Senate, I should like to take about 5 minutes briefly to discuss this great man.

Mr. President, the cause of liberty is a strange and fascinating thing. Throughout history it has drawn certain men to its service and has exacted from these men such unswerving devotion that the course of history has repeatedly been changed by a few men, dedicated to the cause of freedom.

This Nation has been fortunate in having, perhaps, more than its share of such men. The cause of American liberty has time and again drawn the services of men of other nations, and for these men we of America are forever grateful. Our debt to England for the services rendered by the pen of Tom Payne, our debt to France for Lafayette's great aid, have been amply repaid both in friendship and in more concrete manifestation. But there is one nation to which this country has done a great disservice. We have violated their trust, and we have violated our promise. I refer to Poland.

One hundred and seventy years ago today Casimir Pulaski died fighting for American liberty during the Revolution. His entire life was dedicated to freedom. He gave his fortune, his family, his home, and finally his life to the cause of liberty. The pages of history can disclose no patriot who gave more, or who gave more willingly. Because of Pulaski, Kosciusko, and others, the American people have a long traditional friendship for the Polish people. Unfortunately the present administration does not seem to share in this high regard for Poland and sympathy for the cause of Polish freedom. The record of our foreign policy toward Poland is one of shameful cynicism and of complete disregard of both our promises and commitments and Poland's welfare.

The last war began because Polish soil was invaded. Through the Atlantic Charter, this Nation pledge itself to the cause of obtaining for all people everywhere four basic freedoms, freedom from want, from fear, freedom to choose one's own government, and freedom from territorial seizure. I do not think it necessary to point out in detail just how badly this promise has been kept in regard to Poland. She lives in fear, is wracked with hunger and poverty, has had a dictatorship imposed upon her, and has seen even that mockery of a government completely dominated by a foreign power.

What I wish to point out is that this supreme betrayal of Poland was not done without our knowledge or despite our opposition. The sad and shameful truth is that this Nation, at Yalta and at Tehran, deliberately and knowingly sold this ally, and delivered Poland to the hands of her oldest and most evil enemy. Bliss Lane, the American Ambassador to Poland, resigned rather than be a party to the reprehensible policy which this country followed toward Poland.

He felt that as an American he should be free to tell the American people of the betrayal of Poland. He felt so strongly about this that he resigned his position as Ambassador rather than deal with the Communist-dominated government which we recognized in Poland and wrote a book which sets out the sins of our Polish policy in great detail. It is a good book, but one cannot read it without being deeply ashamed of the manner in which this administration betrayed Poland.

It is, perhaps, too late to undo the great wrong which has been committed. But it is not too late for us to at least acknowledge our errors and to change our attitude toward Poland. It is not too late to begin to aim for eventual freedom for Poland. It is not too late to recognize that the Polish people are our friends, regardless of what their Communist masters might say or do. It is not too late to reaffirm our affection and regard for the Polish people and our intention to support them in every manner short of war in their struggle. The cause of Polish freedom is not dead. The Polish people have a written history of 1,000 years of Christian influence and western civilization behind them. For a large part of that millennium they have been struggling for liberty. I do not believe the Polish spirit of liberty can be long subdued by the Communist hordes. It is my hope that this Nation will give all possible support to any forces within or without Poland that work toward a liberation of a great people.

On this anniversary of the death of the first great Polish American, we should remember that Pulaski fought for two things, the freedom of his native Poland and the freedom of his adopted land, America.

At a time when our own country's fight for freedom was at its lowest ebb, when the army of Gen. George Washington was little more than a tired and tattered group of men willing almost to forego liberty for a pair of shoes, a decent meal, a clean bed—at that time when the physical hardship of battling for freedom could so easily have crushed our spirit and our desire for freedom, a great Polish statesman, General Pulaski, left his country and offered his services to the disillusioned army of George Washington.

Like other Polish statesmen of the late eighteenth and the nineteenth century, Pulaski felt that when freedom was suppressed in one part of the world it was dangerous for the rest of the world. Pulaski could no longer fight for the independence of his native land after his military and political group was destroyed by the overwhelming forces of the partitioning powers of Poland. So he came to America to take part in the wider struggle for freedom, feeling that in helping America obtain her liberty, he would be fighting also for the eventual liberation of Poland. "For your freedom and ours" was the slogan of Pulaski and other Polish statesmen of his day.

General Pulaski's contribution to our freedom and to the American Republic which came about as a result of the Revolution, cannot be repaid by all the statues we have erected in his honor, nor by the great avenues which we have dedicated to him. Only in one way can we truly revere the memory of General Pulaski—by keeping the flame of freedom alive throughout the world and by showing the same great faith in freedom for which Pulaski gave up his life.

Today, when the circumstances under which Pulaski aided our Nation are reversed—when the heart of his native land has been cut out by an oppressor—we should demonstrate the same courage, the same faith in freedom which Pulaski demonstrated. We must denounce our betrayal of Poland at Tehran and Yalta.

The eternal striving of Poland toward the freedom of her own nation and others can never die. Now when the Polish Nation needs the friendship of this coun-

try—a Nation to whom she gave her friendship so readily and to whom she gave the services of her greatest statesman in the cause of freedom—we cannot continue to betray the memory of General Pulaski.

The Polish people ask only that we understand their plight, knowing that this country, once it is aware of the truth, will give its full-hearted moral support to the ultimate liberation of Poland.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 3, 5, 11, 21, 25, and 27 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 9 and 26, to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

SUPPLEMENTAL APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on House bill 6008, making supplemental appropriations for the fiscal year ending June 30, 1950, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 8, 13, 14, 19, 20, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 15, 16, 17, 18, 23, 28, 29, and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,700,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,250,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

"For expenses necessary for the National Capital Sesquicentennial Commission to prepare and carry out a program for the commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, as authorized by the Acts of July 18, 1947 (Public Law 203), and May 31, 1949 (Public Law 78), including personal services and rent in the District of Columbia; Services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and such construction or other expenses as may now be authorized by law; $3,000,000."

And the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 5, 9, 11, 21, 25, 26, and 27.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6008, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 11, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 11, 21, 25, and 27 to the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: *": Provided*, That the Administrator may, with the approval of the Director of the Bureau of the Budget, transfer to this account from funds of the constituent agencies such sums as relate primarily to functions which are consolidated in the Office of the Administrator as authorized by title III of the Housing Act of 1948, as amended."

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$125,000."

Mr. McKELLAR. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 9 and 26.

Let me state to the Senate that both of these are merely amendments changing the language so as to make it perfectly clear. For instance, the first relates to the Housing and Home Finance Agency, Office of the Administrator, for salaries and expenses.

I may state that the latter amendment involves purely a matter of language.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a conference report on House bill 86, to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
WILLIAM LANGER,
Managers on the Part of the Senate.

TOM MURRAY,
HOMER THORNBERRY,
EDWARD H. REES,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, I call up my amendment lettered "E."

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add the following new section:

SEC. . Section 201 of the Sugar Act of 1948 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *"Provided*, That the amount of sugar heretofore determined by the Secretary to be needed to meet the requirements of consumers in the continental United States for the calendar year 1949 are hereby increased by 500,000 short tons, and the Secretary shall revise accordingly the quotas for such year established pursuant to section 202 of this act."

Mr. FULBRIGHT. Mr. President, the occasion for this amendment has arisen because of developments affecting small business people, particularly smaller bottlers. Within the past week I have received a good many telegrams and letters complaining about the continued increase in the price of sugar. For the information of the Senate I shall read just

one or two of these as an example of the character of the complaints. The first is from Wynne, Ark., a small town in my State:

In spite of bumper world crops sugar prices have advanced while other commodity prices have lowered. Make every effort to get Secretary of Agriculture to increase both national allotments and quotas now by at least one-half million tons.

FRED RITCHIE,
Nehi Bottling Co.

Mr. WHERRY. Mr. President, can the Senator give us an idea of what this man bottles?

Mr. FULBRIGHT. The Nehi Bottling Co. produces a line of drinks, soda waters. They are usually made up by small bottling companies.

Mr. WHERRY. Are they independent?

Mr. FULBRIGHT. They are independent. Practically all these companies are small, locally run independents. There are only a few large bottlers, in the large cities. I shall come to a discussion of the character of the trade a little later. There are, roughly, 6,000 of these small independent bottlers in the country.

Involved in this question are not only the bottlers, but business people like candy makers, local confectioners, canners, ice cream makers, and the like. They are all in the same boat, in the business sense, in relation to the continued increase in the price of sugar. It is a very strange thing that while all other commodities, wheat, corn, cotton, and so on, have gone down in price in the last 3 years, the price of sugar has continued to rise. It has gone up this year; there have been two or three increases during the year. It is now at $9.50 a hundred in the large centers, which is approximately twice as much as it was in 1939. From all I can gather it is likely to continue to rise, from the way the Sugar Act of 1948 has been administered.

Mr. WHERRY. Will the Senator advise us whether the result of the amendment would be an increase in acreage?

Mr. FULBRIGHT. I wish to develop that idea. This particular amendment is in the nature of immediate assistance to the consumers of sugar, by directing the Secretary to increase the quota immediately. One of the major defects in the handling of the sugar question has been the administration by the Secretary of Agriculture. I must say I do not think that is the only defect. I think the act gives an unwarranted preference to a selected group. I see no reason why sugar should not be on the same basis with wheat, corn, cotton, peanuts, and tobacco so far as support price is concerned. To me this is a wholly unconscionable preference which has been given to a relatively unimportant segment of agriculture, and I hope to say a few words about that.

At the time the bill was passed, at which time the Senator was present, there was practically no debate, and there was no record vote. The bill was passed on July 25, 1947, the last day of the session. I am frank to confess that at the time I had not the slightest idea of what the bill did and how it did it, and what was the effect of it.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MILLIKIN. Did the Senator observe the Senators who sponsored the Sugar Act last year?

Mr. FULBRIGHT. I am speaking of the act passed in July 1947.

Mr. MILLIKIN. Did the Senator notice who sponsored it?

Mr. FULBRIGHT. I noticed a large number of Senators sponsored it. I assume they were all from States that produce sugar.

Mr. MILLIKIN. A very large number of Senators sponsored the bill. It was, quite naturally, sponsored by Senators from States which produce sugar, and a large number of States produce sugar.

Mr. FULBRIGHT. My complaint is that I do not quite see why sugar should have a preferential treatment over wheat, for example. There are a large number of wheat States. There are a large number of corn States.

Mr. MILLIKIN. Has the Senator introduced any measure to change the Sugar Act?

Mr. FULBRIGHT. Yes; I am speaking now of an amendment I have submitted.

Mr. MILLIKIN. That amendment goes merely to the increase of the quantity.

Mr. FULBRIGHT. No; I have another amendment pending which proposes to repeal the Sugar Act. If the amendment I am now speaking of is not adopted, I wish to submit a second amendment to repeal the Sugar Act.

Mr. MILLIKIN. The Senator is now dealing with the one which would increase the amount of the quota?

Mr. FULBRIGHT. Yes.

Mr. MILLIKIN. A matter which is within the present discretion of the Secretary of Agriculture.

Mr. FULBRIGHT. The Senator is quite correct. I have just made that plain.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. WHERRY. If the amendment the Senator is now discussing is not adopted, then is it the intention of the Senator from Arkansas to offer an amendment to repeal the Sugar Act?

Mr. FULBRIGHT. It is my intention to offer that amendment, I will say to the Senator from Nebraska. It will be up to the Senate to repeal the Sugar Act.

Mr. WHERRY. Will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. WHERRY. I think that act was worked out with the growers and the sugar refineries—at least that is true of my State and, I am satisfied, of States of the Middle West—in conjunction with the sugar growers in the largest sugar-producing States. Not only that, but I might say for the benefit of the distinguished Senator from Arkansas it was worked out with the sugar growers of Cuba and the sugar growers all over the world that we would have a certain quota and they would have a certain quota. After all, I think the United States buys most of the foreign sugar; at least the International Food Board makes the allocations. The Secretary of Agriculture sits on the Board, does he not, and if there is anything wrong he can do something to correct it, can he not?

Mr. FULBRIGHT. I certainly agree that the administration of the act by the Secretary of Agriculture is bad.

Mr. WHERRY. Very well.

Mr. FULBRIGHT. I will also go further and say that the act itself is unjustified, because sugar ought to be treated just like the other basic commodities. Its total value is much less than that of our major crops.

I will risk boring the Senate by reading one other telegram just to give the Senate a slight variation of the type of complaints which have come in. This telegram is addressed to me, and reads as follows:

Despite huge surpluses of sugar the price continues to advance. Please use your influence to get Secretary of Agriculture to increase both national allotments and quotas now by at least one-half million tons. Ours is one of very few industries which have held price line. We appreciate the excellent job you are doing.

Signed:

"Jimmie" Sanders. Pepsi-Cola Bottling Co. of Blytheville.

Of course, this industry is in a particularly bad situation, in that it is about the only industry I can think of which is selling its commodity at the same price, and of the same size it has been for the last 20 years, or 50 years, for that matter. Ever since I have known it it has been sold at 5 cents a bottle. That is all the retailers receive. Yet the price of the ingredients has risen. Not only has the price of ingredients risen, but so has the cost of labor. Of course, the industry has had to absorb those increases, as well as the increased price of all other materials.

The price of sugar has increased to them due to the very peculiar situation which has developed, as was pointed out, by reason of cooperation of the growers and the processors. How did that cooperation result? Through a most unusual act. There is no other act similar to it that I know of. Here is a commodity which was produced in 1948 of the value, in round figures, of about $130,000,000. The per capita consumption of sugar in this country is roughly 100 pounds per person. I think the amount is 102 pounds per person. That is divided about equally between table consumption and industrial consumption. About 50 pounds go into the sugar bowl of the American housewife for table use, and so forth. The other 50 pounds go to industrial users such as those I am talking about. They are to a great extent small-business people.

The act has a very peculiar combination of methods of extorting increased funds from the public. We have here an act which imposes a tariff. We have an act which provides for payment of a subsidy to the producer. We have an act which provides for an ironclad quota, and which gives the power of enforcement to the Secretary, but under his administration the Secretary has not even

reallocated the deficiencies which have developed in the producing areas which, in effect, amounts to a decrease in the quota which was set.

As an example of how it worked this year, in December of last year the Secretary set a quota of 7,250,000 tons for this year, although in 1948 there was more than that consumed by this country. How it could be imagined that there would be less consumption in 1949 than there was in 1948 no one has been able to explain. I protested at the time, and a little later I want to put in the RECORD the letter I wrote and the answer I received showing, I think, how completely negligent those administering the act have been in doing so. Even assuming that the act would be workable if properly administered with the combination of power that is given the Secretary and the producers, I think it is the worst imposition upon the American people that could be imagined; not only upon the small-business men, but on the average housewife, when we consider the relative importance of this crop and what it costs the people of the country to protect and to enrich this small group of producers—small, I mean, compared to those who produce wheat or corn or cotton, or, for that matter, tobacco or peanuts.

As I said, I do not have all the figures. I know off-hand that the value of our cotton crop is in the neighborhood of $1,500,000,000 to $1,800,000,000. But here there was a great deal of complaint about an anticipated loss which we might suffer by the purchase of some cotton by the Commodity Credit Corporation. That loss has not been realized, because the Corporation made a big profit out of what it bought before the war. But we are dealing there with a great segment of our agriculture. Here is a little group of 55,000 farmers on only 1,000,000 acres of land, producing a crop valued at only $130,000,000, for the protection of which this tribute is levied on all the American people.

I go back now to the character of this bottling industry. I happen to know something about bottling. I have a small interest in a small bottling company in my home town of Fayetteville, so I have some personal knowledge of the facts in this industry, aside from the information which has been sent to me. This industry is an example of that which is the hardest hit by legislation of this kind. As I said, there are approximately 6,000 bottling plants. It is an industry which is essentially one of small businesses, locally owned and operated, and which forms an integral part of the business life of the small communities. We hear much in the Senate about protecting small business. I have yet to run across a single instance when anything concrete has ever been done about it by this Senate. These small businesses, local in character, constitute an average productive value of approximately $800,000,000 a year. That is around six times as important in the gross value of the product as the whole domestic sugar industry. They provide employment for more than 80,000 men and women on a year-round basis, which is a substantially larger number than all the farmers who produce sugar in this country. They are the third largest customer of the glass-bottle manufacturing industry. That affects many industrial States. They are the third largest consumer of glass products. They are important users of automotive equipment, machinery, plant equipment, lumber and fiberboard products, petroleum products, textiles, printing, and advertising materials, as well as many other products of industries which are essential to America's industrial health and well being.

The products of bottling plants are sold through 1,250,000 groceries, restaurants, roadside stands, and amusement centers. For the most part, all those operators are small-business men and women, scattered all over the communities and up and down our highways. Many of them depend to a very great extent for their profit upon the handling of soft drinks.

Soft-drink bottlers traditionally sell their products at levels which permit the resale of the bottled drinks to consumers at an acceptable price. I think it is unique in industry in our country that the prices now obtained from the sale of their products are the same as they were before the last war or before the first war. Ever since I have known anything about the subject, the price has been 5 cents, and still is, for a bottle of Coca-Cola, Nehi, Grapette, Dr. Pepper, 7-Up, or what have you. The principal ingredient of a bottle of soft drink is approximately 2 ounces of sugar sirup. That is where this cost hits them. There has been a gradual squeezing out of all the profit. Hence the telegrams which I have received.

The price of sugar is now approximately 100 percent higher than it was before the war. It is the only agricultural commodity that I know of the price of which has been constantly going up during the past year. There was an increase in January of 25 points. There was an increase only last month, when the Secretary finally got around to the announcement of a revision of the quota which he had set last December. He waited so long that the effect of it will be very slight on this year's price. In the meantime the price has gradually climbed up until it is now, on the average, in the large centers, $9.50 a hundred. In the smaller centers, because of distribution cost, it is slightly higher. I am informed that in my town it is $10.

In 1948 the sugarcane and sugar-beet crops in the United States amounted to $163,238,000, including a total of $32,328,000 in cash payments from the United States Treasury to the growers. The value of the sugar itself was approximately $130,000,000.

I referred to the official consumption estimate for 1949, which controls the flow of sugar to American consumers. That was set as long ago as December, at 7,250,000 short tons, or approximately 250,000 tons below the actual 1948 consumption, as officially reported by the Bureau of Agricultural Economics. I should like to place the quotas in the RECORD, and point out the fact that not since 1940 has the beet-sugar industry produced anything near the quota which was given to it under the act.

The Sugar Act of 1948 recognizes certain areas and sets the quotas. The mainland beet quota was set at 1,800,000 tons. Never since 1940 has that point been reached. It went down in 1943 to less than 1,000,000 tons. This year it is estimated that distribution will be between 300,000 and 400,000 tons under the quota. The final figures have yet to be issued.

Mainland cane has a quota of 500,000 tons. In 1948 mainland beet-sugar production was 1,656,000 tons, which, as will be seen, is approximately 150,000 tons under the quota. The quota for mainland cane was 500,000 tons. The production was 469,000 tons. Hawaii, with a quota of 1,052,000 tons, produced 714,000 tons. That is, that much was distributed in the United States. Puerto Rico, with a quota of 910,000 tons, distributed 1,026,000 tons. The Virgin Islands, with a quota of 6,000 tons, distributed 4,000 tons. The Philippines, with a quota of 982,000 tons, distributed only 252,000 tons. Cuba, with a quota of 1,923,000 tons, distributed 3,124,000 tons. The quota for other foreign production was 27,000 tons, and the distribution was 98,000 tons.

Of course, when these quotas were not met by the producing areas, the deficit was allocated to Cuba. For the RECORD it should be noted that the difference between the 7,343,000 tons delivered in 1948 and the Department of Agriculture estimate of 7,500,000 tons consumption is covered by withdrawals from reserves on hand at the beginning of 1948. That is what is happening now. I have figures from the Department of Agriculture which indicate that these deficits, which the Department has refused to allocate to Cuba or to areas which have the sugar, are being made up and met by depletion of the inventories and reserves of the companies, so that we are approaching the end of the year with very much less sugar than we normally have in that supply. That is one of the reasons why the price continues to rise.

The record shows that mainland beet-sugar production falls short of its 1,800,000-ton quota by anywhere from 200,000 to 600,000 tons, and that the Philippines are still far from filling their quota. We know what has happened in Hawaii, which was one of the explanations for the decline in its deliveries.

The Department of Agriculture could see as well as anyone else that when labor trouble developed in Hawaii there would be a great deficit in the amount of sugar which could be shipped; but the Department delayed the revision of the quota. The first time it made any revision in the quota was on September 13, I believe, not quite a month ago, when the Department finally revised the original estimate. That is very late in the year, as anyone can see.

The mainland producers consist of approximately 1 percent of our farmers. The total number of producer beneficiaries of subsidy payments under the Sugar Act of 1948 was 55,702. The total number of farmers in continental United States, shown by the latest United States census, for 1945, is 5,851,169. The gross

farm income for all crops was $31,312,000,000 for 1948. The beet- and cane-sugar acreage for 1949 is 1,062,000, three-tenths of 1 percent of the gross crop acreage for 1949, which is 353,000,000 acres.

The annual sugar bill for mainland United States is $1,400,000,000. That includes a hidden excise tax of $78,000,000, which is paid by the processor. It seems to me that those who are always talking about their interest in the consumer should certainly take an interest in the operation of this act.

On September 13, Secretary Brannan revised his original estimate of 1949 requirements, which he made on December 23, 1948, by increasing it 250,000 tons, which I think is approximately half enough. But this only brought the basic estimate up to the Department of Agriculture's estimate of 7,500,000 tons actual consumption in 1948, as I have already mentioned, although the Department reported on September 13, 1949, that consumption for the first 8 months in the current year had exceeded by 165,000 tons the consumption for the same period last year. Since then, as of September 24, this excess over last year's consumption has increased to 260,000 tons.

On September 26, the Secretary made two further reallocations of deficits. He should have made these reallocations at least 3 months before. He made one of 100,000 tons to adjust for shortage in mainland beet production and one of 200,000 tons against the shortage developed by labor difficulties in the Hawaiian area. These reallocations substantially cover the deficits anticipated this year, but increased consumption is still to be provided for. That is why my first amendment is entirely justified.

The Secretary's policy of releasing sugar on a hand-to-mouth basis—of keeping our sugar trade continuously "behind the eight-ball"—has naturally had its effect in Cuba which produced a surplus of some 1,000,000 tons above its marketing expectations. World markets proved stronger than had been anticipated; hence, the Cubans, impatient with our Secretary's policy, began disposing of this surplus in those markets.

At the same time our own sugar users, prevented from getting adequate supplies of new sugar, began drawing still further on the so-called invisibles or reserve stocks in the hands of industrial users, wholesalers, and retailers. The result is reflected in the USDA figures given in the August 29 report on invisible supplies. I have before me a copy of that report, and I shall refer to it in a moment. As indicated by the marked figures in this report, 1,037 firms had on hand more sugar in 1947, just before rationing was discontinued, than 1,400 firms had on June 30 of this year. Hence, our sugar "pipe line" has been so depleted that we have little or no reserves upon which to draw between now and March 1, when new sugar will start moving in from Cuba.

The two figures I have just mentioned are as follows: On June 30, 1947, 1,037 firms had 237,049 short tons of sugar, raw value, on hand. This year, 1949, 1,400 firms, or approximately 350 more firms, had on hand, on June 30, 235,765 short tons, raw value, of sugar, showing a very marked decrease in the amount of sugar inventory on hand for those reporting firms.

Mr. President, I have a very interesting letter from the National Association of Consumers, an organization which is not interested in the bottlers, so far as I know, but is interested in the ordinary, average housewife. I wish to read from page 2 of its field letter dated September 1, 1949:

> 3. Also at any time or times during the year that it becomes apparent that any of the producing areas will fall short of their respective quotas, he—

That is to say, the Secretary of Agriculture—

> may reallocate such deficits to areas with surplus production, increasing their quotas by the amounts of such allocations. As all the domestic producing areas were given, in the law, basic quotas at or near their record production, most of these areas (and chiefly the mainland beet sugar) fail to meet their quotas by varying amounts year after year. Unless and until each of these deficits is reallocated, it is obvious that the total supply of sugar made available to consumers will be reduced by the amount of shortage outstanding.
>
> How has this device worked in the current year?
>
> On December 23, 1948, the Secretary of Agriculture published his estimate for 1949 at 7,250,000 tons, or 250,000 tons below the Department of Agriculture's estimate of actual consumption in 1948. As of August 24, 1949, this estimate still binds the sugar trade in the strait-jacket.
>
> Although sugar experts knew from experience and from field reports at the beginning of this year that mainland beet-sugar production would fall short of its quota by 350,000 tons and that the Philippines, still struggling to rebuild from wartime destruction of their sugar industry, would fall by at least 425,000 tons, here is the record to date of reallocations:

1949:	*Tons*
January 8, Philippine	125,000
June 16, mainland beets	200,000
June 30, Philippine	300,000
August 29, Hawaii	200,000

> This latest reallocation reflects the result of the protracted labor struggle in Hawaii and therefore will presumably effect no net increase in supplies available to the mainland. Thus we are now well into the third quarter of the year (the season of peak sugar consumption by both housewives and food-processing plants) with a supply for the year of 7,100,000 tons, or 500,000 below last year's consumption.

That was the estimate given in the telegrams I read a moment ago.

Since that was written, the Secretary of Agriculture has increased and revised his estimate, increasing the quota about 250,000 tons. My amendment provides that he shall increase it another 250,000 tons, in order to meet the deficit.

Of course, it may be too late. I cannot say whether it will be, because several letters indicate that the Cubans already have disposed of much of their surplus, and it is not definitely known how much of it they have left. But certainly we should take advantage of whatever supplies they have left, in order to meet the demands of this country.

Mr. President, with regard to the action of the Secretary, as I mentioned a moment ago, very strong protest was made regarding his action in setting the quota as low as 7,250,000 tons. The bottling association recommended that he set a quota of 7,940,000 tons, at the hearings that were held last year, in November 1948, I think it was. Vigorous protest was made at that time by some of the bottlers, but he ignored their protest, and again shortly after that, on February 4, I wrote the Secretary, Mr. Brannan. I ask permission to insert in the RECORD at this point a copy of my letter of February 4, and, following that, a copy of a letter dated February 28, 1949, signed by Mr. Loveland, Under Secretary, which simply brushes off the whole inquiry with the statement in substance that they know what they are doing, and that they stood by their decision.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 4, 1949.

Hon. CHARLES F. BRANNAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: My attention has been called to the complaints on behalf of consumers generally concerning the sugar quota of 1949, and particularly to the failure of the Department of Agriculture to reassign anticipated deficiencies in sugar-producing areas.

I understand that the major sugar using industries requested a minimum of 7,940,000 tons, but that you granted a quota of only 7,250,000 tons. It is also my understanding that the American consumers pay approximately 1.20 cents more for their sugar today than the world market, and that this restriction on your part is tending to increase the price of sugar very substantially.

I find it very difficult to reconcile the requests of the administration for controls designed to curb inflation on the one hand and on the other this artificial restriction on an item of such basic importance as sugar, with the objective of raising the price.

The bottlers of soft drinks in my State, and I am sure that it is the same throughout the country, are being very severely squeezed, and in many cases forced out of business by this policy. It seems to me that the deficiency should be reallocated at the earliest possible time. I also would like to request that you review the quota for 1949 with a view to raising it sufficiently to take care of the domestic demand without increasing the price.

I will appreciate very much having your views about this matter.

With kindest regards, I am,

Sincerely yours,

J. W. FULBRIGHT.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 28, 1949.

Hon. J. W. FULBRIGHT,
United States Senate.

DEAR SENATOR: This is in reply to your letter of February 4, 1949, regarding complaints received from your constituents criticizing the Department for maintaining a high sugar price, establishing the 1949 sugar-consumption estimate at the low figure of 7,250,000 short tons, raw value, and failure to reassign immediately any anticipated deficiencies in sugar-producing areas.

The Department is required under the Sugar Act to estimate the consumption requirements each year in December for the following year and to establish quotas in accordance with the formula in the act

based on such estimated total requirements. The act also provides for revision of the initial estimate of consumption requirements during the year in question whenever developments make such revision necessary. The Department continuously reviews data with respect to sugar imports, distribution, consumption, and demand and stands ready to revise the consumption estimate and quotas whenever necessary. To illustrate, the 1948 consumption requirements were established at 7,800,000 tons. During the year that estimate was revised to 7,500,000 tons, then to 7,000,000 tons, and finally to 7,200,000 tons. Only a little more than a month of the year 1949 has elapsed and it is obviously too early to draw any firm conclusions with respect to the accuracy of the initial consumption estimate of 7,250,000 tons.

In regard to the reallocation of deficits, it should be pointed out that the Department is required under the Sugar Act to reallot deficits in the quotas for the various areas whenever the facts clearly indicate that such areas will be unable to market the total quotas established for them under the act. As a result 125,000 short tons of the 1949 Philippine sugar quota were reallotted in General Sugar Quota Regulations, series 11, No. 1, effective January 1, 1949, to Cuba and other foreign countries. The calendar year has just begun; production of sugar in Puerto Rico, Hawaii, and the Republic of the Philippines is still in progress. Prospective deficiencies in the continental cane-and-beet areas for any calendar year are affected by the fall production and marketing of sugar by these areas. Later in the year it will be possible to determine with far greater accuracy the amount of any deficits from any particular area.

With regard to the price of sugar, we should like to call your attention to the objective of the consumption estimate, which is set forth in section 201 of the Sugar Act of 1948. This objective is to provide a supply of sugar for the year at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry. The estimate of sugar consumption requirements announced on December 23, 1948, was made only after public hearings held on November 15 and 16, 1948, at which representatives of industrial sugar users and consuming groups, as well as representatives of the domestic sugar-producing groups, were given an opportunity to express their points of view as to the size of the sugar quotas. A copy of the press statement is enclosed announcing the 1949 sugar consumption estimate which indicates the Department's responsibilities under this act insofar as they relate to sugar consumption and prices.

While it is true that the wholesale price of refined sugar has advanced since January 3, 1949, from 7.75 cents per pound to 8 cents per pound, seaboard basis, it should be noted that this price is almost one-half cent less than the 8.40-cent price which prevailed in October 1947 under price controls. It seems apparent that if we are to have relatively large supplies of sugar that our food processors and civilians require, the price of sugar must be maintained at levels which are fair to producers as well as to consumers.

We hope the foregoing explanation will clarify this matter.

Sincerely yours,

A. J. LOVELAND,
Under Secretary.

Mr. FULBRIGHT. I ask to have included in the RECORD at this point in my remarks my second letter, dated October 6, 1949, addressed to Mr. Brannan, calling his attention to these developments.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
October 6, 1949.

The Honorable CHARLES F. BRANNAN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: As I am receiving many telegrams and other communications from industrial sugar users in my State, complaining about the current situation in sugar and urging an immediate and adequate increase in your basic estimate of sugar requirements for 1949, I have had my office assemble information on the subject.

This information would seem not only to justify the concern of my constituents but also to reflect a grave situation affecting sugar consumers throughout our Nation. I shall therefore appreciate any comment you may want to make, as well as an indication of your Department's basic sugar policy for the balance of this calendar year and for 1950.

I do not need to tell you that the industrial sugar users constitute an important segment of our whole economy, directly employing many times the number of mainland farmers growing sugarcane and sugar beets, and being heavy purchasers of glass bottles, wooden cases and cartons, advertising, etc. Unless they can be assured of sugar at a reasonable price and in steady and adequate supply, many of these industrial users (and especially the small businesses in our towns and villages) may be forced out of business with consequent damage to our economy and bitterness against governmental interference with normal trade.

Further, it is obvious that the housewives of Arkansas and of our sister States are equally affected through their purchases of sugar for direct consumption in the home. They may be slower to recognize the danger and less well organized than the industrial users to express their concern, but for that very reason the Congress and the administration should be especially conscientious in protecting their consumer interest.

What I gather from the information available to me is that we are now in the last quarter of the calendar year with our sugar supplies held to your own Department's estimate of actual consumption in 1948, although the use of sugar in the current year is already more than 250,000 tons above that during the first three quarters of last year. As a result, reserve stocks in the "pipe line" of refiners, industrial users, wholesalers, and retailers have been drawn down substantially below the reserves which were considered essential for an orderly distribution of sugar when rationing was still officially in effect. I understand further that because of the sugar-control policy which has been in effect so far this year Cuban producers have become so discouraged and impatient that much of their surplus sugar, which we have traditionally called on to help us through tight situations, has already been disposed of in world markets. Now that we need it badly, it just isn't there.

Finally, I am told that it is not sufficient so to plan our sugar-control policy as to squeak through this calendar year. With the Cuban surplus, which was estimated at 1,000,000 tons at the beginning of this year, all but dissipated in world markets, there may not be sufficient carry-over to fill our normal sugar needs in January and February, the "dead" months before Cuba's new crop begins to reach our markets.

Apparently we are faced with these alternatives: Either we must act promptly through an adequate increase in the basic estimate to permit our mainland refiners to buy such raw sugar as still may be available in Cuba or the President will have to suspend all sugar quotas, as was done in the wartime emergency. To have to resort to this latter alternative in a year of peace when world sugar production has reached an all-time high of more than 37,000,000 tons would reflect a complete break-down in the administration of the Sugar Act. I am confident that you will do everything in your power to prevent such a development.

Sincerely yours,

J. W. FULBRIGHT.

Mr. FULBRIGHT. It is a rather mysterious thing to me why in the face of the developments in Hawaii, which are well known, and in fact, in the face of the well-known facts of the situation in the Philippines, that he was so slow in making these reallocations of the deficits.

In this connection I ran into what I think was rather interesting information. It may have significance. I certainly think it is worth while calling it to the attention of the Senate, not only in the consideration of the amendment but in the consideration of the Sugar Act as a whole. All Senators who have been in the Senate for any length of time are quite familiar with former Representative Flannagan, who was chairman of the Agricultural Committee of the House. He was from Virginia. I am quoting from a summary of his statement made on July 10, 1947, shortly before the passage of the present Sugar Act. The statement is found in volume 93, part VII of the CONGRESSIONAL RECORD, at page 8636. I think it is very pertinent as to how the original act was passed. I mentioned a moment ago that if Senators will look in the RECORD of July 25, 1947, they will see there was very little debate on the entire act. There was no yea-and-nay vote. It was passed by a voice vote. There was no division. I am frank to say I had not the slightest idea what the bill was, or of what it did. It was announced that everyone was in agreement, it was a fine bill, and there was no objection. I can well understand that anyone who has the slightest interest in the sugar industry would not object to this bill, because there is nothing comparable with the Sugar Act to be found in our laws, in the way it protects, subsidizes, and supports the sugar industry. There is nothing concerning any other industry comparable with it. I cannot of course testify as to its accuracy, but this is a brief statement of what the chairman of the Agricultural Committee said, taken from the CONGRESSIONAL RECORD:

Robert Shields, then Solicitor of the Department of Agriculture, wrote the bill which became the Sugar Act of 1948. He resigned (before the bill was passed) and went to work for the United States Beet Sugar Association at a reputed salary of $40,000 per year. He took along with him, at $18,000 per year one H. B. Boyd, a member of the Board of the Commodity Credit Corporation, who, with Shields (as another member) had voted to make an award of $1,500,000 to the Sugar Trust, under a contract with CCC covering the 1943 crop, after the then Economic Stabilizer, Byrns, had turned it down. Also one Dennis O'Rooke, then in the Solicitor's office, Department of Agriculture, wrote an opinion upholding the claim of the

Sugar Trust. He was also taken care of by one of the Sugar companies.

Earl Wilson, while drawing a salary of $25,000 a year as vice president of the National Sugar Refining Co., also was connected with the Sugar Branch of both the CCC and the Department of Agriculture. Secretary Anderson found out about this, referred the question to Shields, who was then solicitor, for an opinion. Shields took up the question with Justice, which ruled he could not draw both salaries. Wilson then relinquished his salary from the company and went to work for the Department until the latter part of 1946. Today I am told he is drawing $50,000 per year as an official of the California-Hawaiian Sugar Refining Co.

There was also inserted in the report of the committee the reply by Secretary Brannan to the Senator from Wisconsin [Mr. McCARTHY], who had made inquiry about the act. I quote from the Secretary's answer to the Senator; taken from last year's hearings on inflation control legislation before the Banking and Currency Committee:

REPLY TO INQUIRY OF SENATOR M'CARTHY BY SECRETARY BRANNAN

The original determination of the amount of sugar needed to meet requirements of consumers in the continental United States during the year 1948 was made by Secretary of Agriculture CLINTON P. ANDERSON on January 2, 1948. The amount was 7,800,000 short tons. At that time Mr. James H. Marshall was Director of the Sugar Branch, Production and Marketing Administration of the Department. On February 26, 1948, this estimate was revised. The revised estimate was 7,500,000 short tons. At that time CLINTON P. ANDERSON was Secretary of the Department and Mr. James H. Marshall was Director of the Sugar Branch. On May 25, 1948, the estimate was again revised. The second revision placed the estimate at 7,000,000 short tons. At this time Mr. N. E. Dodd was Acting Secretary of Agriculture and Mr. Lawrence was Acting Director of the Sugar Branch.

Mr. James H. Marshall left the Department on April 3, 1948, to enter the employ of the California-Hawaiian Sugar Refining Corp. with headquarters at San Francisco. I have no information regarding his salary.

That ends the quotation of Mr. Brannan's reply. But those little statements certainly indicate there was strong pressure in the Department, aside from the Office of the Secretary, which influenced the quotas which we see starting at 7,800,000 short tons, reduced to 7,000,000. Although the consumption of sugar was 7,500,000 tons.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. ANDERSON. Of all the people I have been associated with in the Department of Agriculture, I know no individual whose sense of integrity was higher than that of Earl Wilson, who was head of the Sugar Branch. He left a very fine job at $25,000 a year to serve during the war at $9,000 a year, when his personal financial resources were very thin. He left the Department to return to private business, expecting to resume his former position. It was, I think, my own urging that prevailed upon him to announce to the trade that he was returning to private business. He was swamped with offers from companies of all kinds, and finally he accepted one in excess of $50,000.

As to James Marshall: three distinguished American companies tried to obtain his services. He finally took a salary at much less than the salary offered him by another company, to go with Mr. Wilson, because he admired him so greatly. Mr. Marshall's health was so shattered by the work he did in the Department of Agriculture, working night after night, late at night, at $7,000 and then at $8,000 a year, that he was unable to assume his duties with the new company for nearly a year after he went into its employ. Mr. Wilson and Mr. Marshall are two of the finest men I have ever known in my life.

Mr. FULBRIGHT. Mr. President, I will say to the Senator that I do not know any of the persons individually. These are circumstances which the chairman of the committee drew to the attention of the House. I do not think the association of those occurrences in the allocations and legislation referred to necessarily proves that anyone has done anything criminal or open to censure from a legal or ethical point of view. There has been a similar problem in the RFC. There were cases in which persons who had participated in the granting of loans in very large amounts took positions with firms which had received the loans. The Baltimore & Ohio Railroad was one instance. No one said it violated any practice at all, but there was a feeling left in the minds of certain persons that it was not quite the proper thing to do, when a railroad had been loaned $80,000,000, for the person who was instrumental in connection with the loan to take a position at three or four times his previous salary. The Senate recently passed a bill prohibiting that sort of thing. It is no reflection upon the honesty and integrity of the persons who, prior to this time, have done it, because it has been an accepted practice. There were several instances at RFC, but none of the persons involved could be said to have violated any regulation or rule.

It is true that there grows up an association in the process of making a loan or setting a quota. I am not interested in condemning those individuals. I am seeking to condemn a law which places a wholly arbitrary power in the Secretary of Agriculture. It has been exercised arbitrarily this year and has resulted in a most peculiar and evil situation with regard to the American consumer. It involves a small item, overall, although it amounts to $1,400,000,000 in the total cost to the country. It may be that the housewife does not worry about it very much, but it is all out of reason when one considers what a small segment of agriculture is being subsidized.

I have no idea of saying that sugar should not be protected. I do say that it should not be protected any more than is any other of our basic crops. I am quite unable to see how it deserves to stand quite apart from every other kind of agricultural product and be hedged about with tariffs, subsidies, and quotas. I am frank to say that I was not conscious of the situation until I received complaints and began to look into the way in which it is operating. I think the Secretary should not have such power over the selling price of sugar. If a support price comparable to that of wheat could be justified, I should be for it. But I think we are paying a big price to protect 1 percent of our farmers in this program.

Mr. President, I do not wish to proceed much further. However, I want to call attention to one or two items. Canners use large amounts of sugar. There are many small canners as well as large ones in nearly every State in the Union who are hit by this bill. In addition to that, I have some bulletins showing the impact upon other fields of agriculture.

My State, along with some others, happens to export rice to Cuba. Cuba is probably the largest single purchaser of rice from the United States. I wish to read from the bulletin for September, 1949, of the United States Cuban Sugar Council:

Texas, as the second largest rice-producing State, ordinarily providing about 25 percent of the total grown in this country, has an interest in Cuba's purchases of rice.

Rice exports from the United States to Cuba in 1948 were valued at $43,000,000 and in 1947 at $74,000,000, about 50 percent of the total value of all rice exports from this country in 1948 and 81 percent in 1947.

Rice exports to all countries in 1948 amounted to about one-third of the total United States crop and in 1947 to 41 percent. Exports to Cuba constituted 17 percent of the crop in 1948 and 32 percent in 1947.

The sum of $43,000,000 is approximately one-third of the total value of all the sugar produced in the United States. The farmers in that field have an interest. We cannot disassociate this one problem from any of the others. I think it has a harsh impact upon our whole agricultural program to treat this particular crop in this highly preferential manner.

I am told that in Florida, in 1948, Cuban tourists spent $70,000,000, a sum almost equal to the total value of the Florida citrus crop in good years. That statement is from the general counsel of the United States Cuban Sugar Council. I should like to quote another sentence from his letter:

Similarly, while one hears constantly of the Louisiana sugarcane production, the Cuban purchases of rice from that State seem generally to be lost sight of.

The exports of other agricultural products to Cuba are, of course, directly dependent upon the purchases of sugar from Cuba. If we establish quotas in an effort to try to force an artificially high production of sugar in this country, we get caught in the back-lash.

Mr. President, at this point I should like to insert in the RECORD a copy of an editorial from the New York Times of Friday, November 19, 1948, which gives a fairly good description of the act. It is entitled "The Sugar Act Farce."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE SUGAR ACT FARCE

This week the Sugar Branch of the Department of Agriculture conducted hearings to which it invited all persons interested in

the determination of next year's consumption requirements for the United States.

Under the Sugar Act of 1948 the Secretary of Agriculture is directed to make such an estimate some time during December. Domestic producers are guaranteed a minimum quota of 1,800,000 tons, and on the basis of the estimate of probable total demand the Secretary decides what the import quotas will be for the year. Among the considerations which he is instructed to keep in mind are: The level of consumption of sugar this year; whether there is a current deficiency or surplus of sugar inventories; current trends in population and consumer demand, and the cost of living today compared with that of 1947. There is also an officially stated warning from Congress that the resulting quota figure must "protect the welfare of consumers" by insuring prices that are not excessive, but must also protect the welfare of the domestic sugar-producing industry.

The hearings this week testify to the fantastic character of the Agriculture Department's assignment under the contradictory provisions of this act. It also corroborates a prediction we made here when the law was under debate more than a year ago. The Department, we then pointed out, would find itself under constant pressure to arrive at consumption estimates which would result in artificial shortage of sugar, thus deliberately squeezing the Nation's consumers by a rise in prices for the benefit of a few thousand domestic producers.

A year ago CLINTON P. ANDERSON, then Secretary of Agriculture, estimated American sugar consumption for 1948 at 7,800,000 tons. This forecast was subsequently revised three times, finally coming to rest at 7,200,000 tons. Deliveries of newly produced sugar this year will come to just about 7,200,000 tons, but it is estimated that consumption from invisible sources accounted for an additional 400,000 to 450,000 tons. That would mean an indicated total consumption for 1948 of 7,600,000 tons or thereabout.

There is nothing in the potential-demand situation to suggest that the country won't require at least as much sugar in 1949 as it did in 1948. Representatives of consumer groups maintain that the consumption figure should be set at 8,000,000 to 8,500,000 tons if household needs and the needs of industrial users for current consumption and inventory rebuilding are to be met. Doubtless those figures can be regarded as somewhat on the generous side. But what do the producers have to say? They demand that the consumption figure be set at around 6,900,000 to 7,000,000 tons. But here is the interesting point. They don't even pretend that they are arguing for this estimate because it represents the country's probable sugar requirements. They say frankly that they are proposing it because it would have the effect of raising the price of refined sugar from the present level of 7.75 cents a pound to around 9.15 cents. In other words, the Government is being called upon to bring out an estimate of the country's sugar needs that is arbitrarily manipulated in order that a handful of producers may profit from the artificial shortage thus created.

One might be tempted under ordinary circumstances to say that it is not the sugar interests who are to blame in this case but the legislation which encourages such action on their part. Unfortunately, however, this law happens to be the handiwork of the domestic sugar industry itself, including the representatives of the producers. So, if the latter are taking advantage of provisions of the law which require the Government to safeguard their welfare and consider living-cost changes, they are simply relying upon provisions which they themselves wrote into it.

Mr. LUCAS. Mr. President, much as I dislike to disagree with my distinguished friend from Arkansas, I rise in opposition to his amendment. We passed the Sugar Act in 1948, and as I recall, there was no particular objection at that time. I have always considered the Sugar Act of 1948 a rather fine piece of legislation.

Under this proviso we find that the amount of sugar heretofore determined by the Secretary to meet the requirements of consumers in continental United States for the calendar year 1949 will be increased approximately 500,000 short tons.

Mr. President, this is an important amendment. It is the kind of an amendment which should be studied most seriously, after hearing experts upon the question. The committee to which an amendment of this kind should be referred is the Finance Committee. The distinguished Senator from Arkansas is offering an amendment of this kind without any hearings whatsoever before the Finance Committee, and it seems to me to be unwise and improper. In discussing the Magnuson amendment a few days ago my good friend had this to say, which definitely clinches the argument, so far as I am concerned, by the Senator's own words. He said, in reply to the Senator from Washington [Mr. MAGNUSON], the following, among other things:

> I oppose the amendment on two or three grounds. My first ground is that I do not think a matter which is so important as this one should be brought in at the last moment in connection with an agricultural bill without having been examined very closely and considered by the proper committee, which, in my opinion, would be the Finance Committee, dealing with our reciprocal trade agreements.

The Senator from Arkansas was absolutely correct in making that statement, in my opinion. I think his argument with respect to the amendment offered by the Senator from Washington applies equally to the pending amendment, because it is of tremendous importance not only to the consumers, but the sugar-beet growers, the cane growers, and all others who produce sugar in this country.

Mr. FULBRIGHT. Mr. President, I should like to point out that the Senate did not agree with my position, and very decidedly overruled it and adopted the Magnuson amendment. I have been voted out of court on that position.

Speaking of the amendment now pending, it does not in any way change existing law. It directs the Secretary of Agriculture to perform an administrative act which he should have performed, in my opinion, at least 3 months ago. It would have no permanent effect upon the legislation, or his power. It merely says for him to do something which I think nearly every consumer believes he should have done long ago.

The president of the Sugar Refiners' Association was here last week apologizing for the way the law had been administered. He is very strong for the act, but he recognizes those administering it have been derelict in their duty in meeting the situation, particularly in recognizing the situation which developed in Hawaii due to the strike.

The remarks with reference to the Reciprocal Trade Act would not apply to the pending amendment. They might apply to the one which would repeal the act, which is a little more drastic than the first amendment.

During the delivery of Mr. FULBRIGHT'S speech,

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. FULBRIGHT. I yield.

Mr. THOMAS of Oklahoma. I ask unanimous consent that members of the Committee on Appropriations be excused from attendance on the session immediately, for a special meeting in the office of the majority leader [Mr. LUCAS].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and permission is granted.

Mr. LUCAS. Mr. President, I understand the argument of the Senator from Arkansas, but it still does not convince me that he is not slightly inconsistent in the position he took the other day before the Senate and the one he is now taking. There is nothing too unusual about Senators being inconsistent in matters at different times, and I do not particularly hold that against my able friend, the Senator from Arkansas, but he did make a very strong and impelling argument on the previous occasion, and it was due primarily to his argument that the Magnuson amendment was defeated by one or two votes. We were overpowered today, because many of our colleagues were absent, and it was too bad. Nevertheless, the argument the Senator made in the early part of the debate, which led to the defeat to the Magnuson amendment, still holds good. I congratulate him on the argument now, especially with respect to the importance of that amendment being considered by the Finance Committee.

The pending amendment is equally important, as I know from my experience in the committee meetings where sugar quotas and allotments have been under consideration. Whenever there is a sugar bill before the Committee on Finance, plenty of people in Washington come forward and tell exactly what should be done with respect to the allotments and the quotas, how they should be handled, the way they should be increased, and the like. I do not know anything about how the Secretary of Agriculture has been administering the act; I have not followed it because my State is not in the sugar-producing territory, but perhaps some of the complaints the able Senator from Arkansas makes would justify the adoption of this amendment directing the Secretary's attention to the facts, and he may be able to correct the practice complained of. Certainly, however, under no circumstances should the Senate adopt this amendment on a farm bill so important as the one now before the Senate.

Mr. President, it is this kind of an amendment which is likely to defeat the farm bill. If Senators are truly interested in a farm bill, they had better stick to the text of the original farm bill

as reported by the Senate committee, so that we can go to conference with amendments which are absolutely germane and really come within the jurisdiction of the Committee on Agriculture and Forestry. I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Arkansas [Mr. FULBRIGHT].

The amendment was rejected.

Mr. FULBRIGHT. Mr. President, I call up my second amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to add at the end of the bill the following new section:

SEC. . The Sugar Act of 1948 is hereby repealed effective December 31, 1949.

Mr. FULBRIGHT. Mr. President, I do not intend to reiterate the arguments I have made. If it is impossible to get the Senate to instruct the Secretary of Agriculture to administer the law as it should be administered, and if he insists upon so administering it as to run the price of sugar up, apparently endlessly, because the price continues to move up, I think the act should be repealed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was rejected.

Mr. THYE. Mr. President, there is an amendment before the Senate which proposes price supports for beef, pork, poultry, eggs, and turkeys. My colleague, the junior Senator from Minnesota [Mr. HUMPHREY], also offered an amendment embodying practically the same commodities under a similar price-support program.

I honestly feel that this amendment is a sound and reasonable one, for supports on the basic commodities such as wheat, corn, cotton, rice, peanuts, and tobacco do not particularly benefit the diversified agricultural areas, and Minnesota is definitely a diversified agricultural State. There the dairy products, poultry and eggs, as well as pork, are predominant, and while we do receive some benefit from price-support legislation regarding wheat, and likewise corn, yet those are not large income-producing commodities in the State as are dairy products, eggs, and poultry, and unless poultry, eggs, turkeys, and pork—and I would say we are definitely interested in beef—are supported by a support program, the diversified agricultural sections of the United States, which of course definitely include Minnesota, are not going to receive much benefit from price support.

Mr. President, the producers of eggs in the Northwest are in distress at the present time, and have been in distress all summer. The producers of dairy products last spring were in distress up until those of us representing the Midwest, and the diversified area of the agricultural belt of the Nation contacted the Secretary of Agriculture and insisted that the Commodity Credit Corporation make purchases of butter and powdered milk in order to support the dairy price in the areas where the farmers are dependent on either the manufacture of butter or the powdering of their skimmed milk as a marketable outlet. Up until the time the Commodity Credit Corporation made those purchases, the dairy prices were slipping month by month.

Mr. IVES. Mr. President, will the Senator from Minnesota yield?

Mr. THYE. I am happy to yield.

Mr. IVES. The Senator from New York would like to ask the distinguished Senator from Minnesota whether his term "poultry" includes ducks.

Mr. THYE. We may have to refer to the dictionary to make certain what the interpretation of that term would be by the Secretary of Agriculture.

Mr. IVES. If there be some question about it, would the distinguished Senator from Minnesota be willing to modify his amendment by the inclusion of the word "ducks"?

Mr. THYE. I should have no objection, and I could see no reason for objecting, if there is an area in the United States where ducks are grown to any great extent. I should say those who raise ducks would be in distress in the same manner as those who raise poultry.

Mr. IVES. That is correct. That is the reason the Senator from New York has an interest in this particular amendment, if it is going to be adopted. New York State happens to have quite a sizable duck industry.

Mr. THYE. From the standpoint of a producer who is engaged in the production of poultry——

The PRESIDING OFFICER. Does the Senator wish to have his amendment modified by the addition of the word "ducks"?

Mr. THYE. I have no objection, Mr. President, to the modification of my amendment so as to include the word "ducks." I modify it accordingly, with pleasure.

The PRESIDING OFFICER. The amendment will be modified accordingly.

Mr. THYE. Mr. President, the Anderson bill, which we are now considering, contains the following language on page 18 in section 408:

SEC. 408. For the purposes of this act—

(a) A commodity shall be considered storable upon determination by the Secretary that, in normal trade practice, it is stored for substantial periods of time and that it can be stored under the price-support program without excessive loss through deterioration or spoilage or without excessive cost for storage for such periods as will permit its disposition without substantial impairment of the effectiveness of the price-support program.

In my humble opinion that language is not sufficiently clear. It is not specific and mandatory. I am not certain whether the Secretary would give price support to poultry, eggs, pork, and turkeys, as well as beef. It is for that reason that I and my colleague the junior Senator from Minnesota [Mr. HUMPHREY] have submitted the two amendments. My colleague's amendment is somewhat different from mine, but its purpose is the same, that is, a price support on the products I have mentioned. My amendment provides for price support from 75 percent to 90 percent. I cannot speak for my colleague's amendment, but I have a nod from him indicating that his amendment likewise carries a price support of from 75 to 90 percent.

Mr. President, in view of the fact that we are all concerned with conserving the fertile topsoil of our land, and in view of the fact that the dairy type of farm enterprise will conserve the soil, and is soil building, and that such an enterprise lends itself to a family type of farm unit, it is on such a farm the boy and the girl can assist with the chores in the morning and in the evening during the school year, and out of school in the summertime they can assist in the harvest fields and in the hay fields and in the preparation of feed necessary to carry the livestock through the winter months, it is important that everything possible be done to encourage such farming. Such a farm operation is a complete farm operation which lends itself to the development of a family type farm. For that reason we must protect it.

In the years past, while we have had a soil-conservation program, we have always given consideration to appropriations to make possible the carrying out of soil-conservation practices. But here we are considering a family type farm support program which lends itself to soil-building practices. For that reason we must protect the dairy, the poultry, the egg, the livestock type of farm management.

I also wish to call attention to the fact that in the years past, while cotton, tobacco, wheat, and rice were classified as basic, they were not so basic in our Minnesota farm economy as the nonbasis commodities which we find listed, as pork, beef, poultry, eggs, dairy products, as well as turkeys. It is for that reason that, in my humble opinion, the amendment before the Senate which will give price support to poultry, eggs, turkeys, pork, and beef, is absolutely sound and reasonable. I hope my amendment will be adopted.

The PRESIDING OFFICER. The Chair is advised that the Senator's amendment has not been sent to the desk. Does the Senator have a copy of his amendment?

Mr. THYE. The amendment was read into the RECORD last week. It must be on the desk, because I offered the amendment to the bill last week. If my amendment is not at the desk, I call attention to page——

The PRESIDING OFFICER. The Chair is advised that when the Senate recommitted the bill and it was subsequently reported, it came to the Senate containing only the committee amendments.

Mr. THYE. Then, Mr. President, I offer an amendment calling for price support for beef, pork, poultry, eggs, and turkeys. I agreed, at the request of the Senator from New York [Mr. IVES], to include ducks in the amendment. All those products would have a price support, under my amendment, of from 75 to 90 percent. I know there is before the Senate a printed copy of the amendment submitted by my colleague the junior Senator from Minnesota, which contains some such language as I have just set forth. I am perfectly willing to concur with the junior Senator from

Minnesota in his amendment if his amendment has embodied in it all the provisions my amendment calls for. I would say that the amendment should appear under what is designated as title II, section 201, and it should follow right along with the language found on page 11, in line 18 of the bill, which reads as follows:

Irish potatoes, milk, and butterfat as follows:

Following that particular language could be inserted the amendment I have proposed.

The PRESIDING OFFICER. The Chair is now glad to say that the clerk has located the amendment as it was offered last week, and the Chair will ask the clerk to read it.

Mr. THYE. I shall be glad to have the amendment stated as I proposed it.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 4, line 8——

Mr. THYE. Mr. President, as I said, the amendment offered last week would appear in a different place in the bill than the amendment I have now proposed to follow right after dairy products in the bill. It can be located properly in the bill.

The CHIEF CLERK. On page 4, line 8, after the word "potatoes", it is proposed to insert a comma and the words "hogs, eggs, turkeys, and other poultry."

On page 5, line 6, it is proposed to strike out the period and insert a semicolon.

On page 5, between lines 6 and 7, it is proposed to insert:

(d) The price of hogs, eggs, turkeys, and other poultry, respectively, shall be supported through loans, purchases, or other operations at a level not in excess of 90 percent nor less than 75 percent of the parity price therefor.

Mr. THYE. Mr. President, it will be found that I submitted such an amendment, and it appears in the CONGRESSIONAL RECORD of October 4 on page 13774. It is the same amendment, and it could go into the bill either as it was spelled out at that time or in an appropriate place in the bill, which would be following dairy products.

I know that from the standpoint of the entire agricultural economy of the United States, dairy products—and, of course, the bill specifically refers to dairy products—poultry, eggs, turkeys, ducks, pork, and beef are major factors. In the event we permit our agricultural economy so far as it affects these particular commodities to go unprotected by price support, if the prices of those commodities drop to ruinous low levels, the entire agricultural economy will be affected. It is for that reason that I join my colleague [Mr. HUMPHREY] in offering an amendment providing for such price supports. I certainly hope that the price supports which we have asked for will be approved.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. AIKEN. Without committing myself to the support of the Senator's amendment, I suggest that it would also have to appear in paragraph (c) of section 201, as well as in the initial paragraph of section 201.

Mr. THYE. I certainly agree with the able Senator from Vermont. I appreciate the fact that he has called this to our attention. As I stated, the amendment should appear in the bill in the appropriate place.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. YOUNG. I did not catch the point in the bill where this amendment would apply. Would it be in the mandatory price bracket?

Mr. THYE. It comes under title II, under the following language:

The Secretary is authorized and directed to make available (without regard to the provisions of title III) price support to producers of wool, tung nuts, honey, Irish potatoes, milk, and butterfat.

We would have to follow butterfat with the other products which I have mentioned, namely, beef, pork, poultry, eggs, turkeys—and, if the Senator from New York [Mr. IVES] is successful in his amendment, ducks.

Mr. YOUNG. Would the Senator be willing to modify his amendment by adding oats, barley, rye, and flax?

Mr. THYE. I share the feeling of the junior Senator from North Dakota that a man who is producing barley, oats, or flax has just as much right to be recognized and given price support as the man who produces rice, peanuts, cotton, tobacco, or any other commodity. In the Northwest wheat is not a major in the agricultural economy. Corn is not a major in our agricultural economy in Minnesota. Livestock products are the major, so far as our agricultural economy is concerned. Therefore I could not and would not object to the Senator's proposal that barley, oats, and flax be included in the support from 75 to 90 percent. I know that the view was expressed in all the discussions in the committee that the Secretary should support barley, oats, and flax along with meats and dairy products.

Mr. YOUNG. Would the Senator include rye?

Mr. THYE. There are areas in the United States where the rye crop is the only safe crop that can be planted. The man who finds himself in such an area certainly must be protected. I think it is the intent of all those who support agricultural programs that all the commodities which figure in the basic part of our agricultural program should be spelled out and supported. It does us no good in the Midwest to put wheat and corn under seal and thereby deny the dairy farmer the feed, at the same time permitting dairy products to go to ruinous low levels, or permitting poultry prices or turkey prices to go to ruinous levels. Our whole philosophy should be to increase our animal husbandry and thereby bring about farm practices which will conserve the fertility of the soil and build the soil, rather than the philosophy of putting a commodity into a bin and sealing it up, and then worrying about what we are going to do to dispose of it.

Mr. YOUNG. Do I correctly understand that the Senator accepts the modification of oats, barley, rye and flax?

Mr. THYE. I shall be glad to do so, with the concurrence of my colleague.

Mr. HUMPHREY. Mr. President, I concur.

The PRESIDING OFFICER. Has the Senator from Minnesota modified his amendment by the insertion of the four additional commodities suggested by the Senator from North Dakota?

Mr. THYE. With the concurrence of my colleague, I so modify the amendment.

Mr. HUMPHREY. Mr. President, joining with my colleague the senior Senator from Minnesota [Mr. THYE] in the consideration of this amendment, I wish to reiterate and reemphasize what he has so well expressed as his belief and my belief as to the philosophy behind the pending legislation.

As I gather it, the economic philosophy in support of the pending legislation is that, despite the fact that some commodities are not spelled out by name, there is the intent to have such commodities supported by the discretionary authority of the Secretary at such price levels as to make them economically profitable. There is line after line within the pending bill which tells the people of America that it is the intention of the Congress and of the administrative branch of the Government to provide a price-support floor for the agricultural economy. The so-called basic commodities do not cover all the basic commodities of our agricultural economy. As pointed out in debate the other day on the floor of the Senate, some of the so-called basic commodities do not rank among the top 10 commodities in their relationship to the total agricultural income. Therefore, since the philosophy of the bill is to place a minimum floor under the agricultural economy, certain other products ought to be included in the mandatory list.

I think it is quite clear that I did not concur in the program of flexible supports. However, this is to be the philosophy of the bill. We voted down the 90-percent support; and since we voted down the 90-percent support, it appears even more evident to me that these other products, which are related types of agricultural commodities, should be supported at the same percentage levels as the so-called basics.

Many a turkey producer must buy feed. If that feed is supported at 75 to 90 percent, and the commodity which he is producing—turkeys, chickens, or ducks—is not supported at 75 to 90 percent, he will find himself on the diminishing end of an agricultural economic picture. It makes good practical common sense that there should be the same proportionate relationship between the commodities which the farmer has to buy and the commodities which the farmer has to sell.

Mr. President, I should like to have inserted in the RECORD at this point some pertinent factual material with reference to the production of hogs, turkeys, eggs, and chickens in the year 1948. With due State pride on behalf of the State of

Minnesota—I know my colleague concurs in this—we would like to make proper note as to where Minnesota ranks in the production of these important agricultural commodities. I ask unanimous consent that the information to which I have referred be printed in the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

1948 marketing production

Hogs:	*Pounds*
United States total	15,524,000,000
Iowa	3,750,000,000
Illinois	1,940,000,000
Indiana	1,415,000,000
Minnesota	1,142,000,000
Missouri	1,093,000,000
Turkeys:	
United States total	579,000,000
California	97,000,000
Minnesota	52,000,000
Texas	48,000,000
Iowa	37,000,000
Oregon	32,000,000
Missouri	24,000,000
Eggs:	*Dozen*
United States total	55,168,000,000
Iowa	4,339,000,000
Minnesota	3,885,000,000
Pennsylvania	3,096,000,000
Texas	2,774,000,000
Missouri	2,731,000,000
Illinois	2,712,000,000
Chickens:	*Pounds*
United States total	2,354,000,000
Iowa	170,000,000
Pennsylvania	137,000,000
Illinois	121,000,000
Missouri	118,000,000
Minnesota	116,000,000
Indiana	111,000,000

1946 and 1947, Minnesota was second.

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from North Dakota [Mr. YOUNG] that grain products such as barley, rye, oats, and flax, are a part of the general picture of a farm which exemplifies what we call diversified production. From what little I know about it—and I do not pose as an expert—for many years the Department of Agriculture has been educating the farmers at least in the Midwest, to what we call diversified farming. The American Farm Bureau Federation, the Grange, the National Farmers Union, and every other great agricultural organization has been telling the farmers that they ought not to be one-crop farmers. They have been urged to diversify, to raise chickens, turkeys, if possible, a few cows, a few hogs, and a certain amount of feed grain, in addition to the cash crop. That has been the picture which has been developed in the agricultural belt of the Midwest. This type of agricultural development has saved the Government of the United States a great deal of money. As my colleague has stated, that kind of agricultural development has protected the soil. At the same time it has given a diversified agricultural economy a chance to survive, in order that there may be a cash crop for the farmer as well as the crops which he needs for feed. I think our amendment will do more to stabilize American agriculture than will be done by any other amendment which has been proposed to this bill on the floor of the Senate. This amendment will tend to lead toward the family-size farm. It is the kind of amendment which will give a reasonable amount of stability and security.

Mr. President, let me say that I should like to have a greater amount of parity provided for these commodities. I still do not think 75 percent of parity is sufficient. I wish the amendment provided for 90 percent of parity, because 90 percent of parity is not too high. But I recognize the facts of the situation before us. In view of the fact that we have made up our mind that the so-called basics will be supported at from 75 percent to 90 percent of parity, so far as the Senate version of the bill is concerned, I see no reason why we should not spell out the other commodities to be supported, and thereby save the Secretary of Agriculture the problem of deciding whether it was the intent of Congress that they be supported. I do not wish to leave in the Secretary of Agriculture the amount of authority that is provided by the bill, without spelling out what the nonbasics to be supported will be, because according to my memory the nonbasics will be supported only if there is sufficient appropriation to provide for supporting them. However, if we definitely include them in the bill, with a provision of mandatory authority for mandatory price supports for them, then it will be the obligation of the Congress to provide appropriations to support them. Certainly I do not think the turkey farmer, the duck producer, the farmer who raises oats or barley or rye or flax, or the pork producer or the producer of eggs should be left with uncertainty as to whether the commodity he produces will be given supports. These commodities should be supported and no doubt should be permitted.

I point with reasonable pride to the leadership the senior Senator from Minnesota [Mr. THYE] has given in this respect, and I join him in sponsoring the amendment. I urge favorable action and ask that the Senate conferees seek to incorporate our amendment in the final agricultural bill accepted by House and Senate.

Mr. ANDERSON. Mr. President, of course, this amendment is what many persons thought would result from much of the discussion we had the other day. I do not regret that this matter has come out here in the form of a specific amendment.

I wish to say in the beginning that the term "basics" is a bad term. There are many persons who recognize that the commodities listed as "basics" are not truly basics. But once having started with that terminology, as the list of agricultural products was increased, the term "basics" continued to be applied to the commodities which it was desired to have subject to controls. If Senators will cross out that term, and will use the term "controllable products," that will be an improvement, because they are the products whose prices we have for a long time been supporting.

However, we shall have a great deal of difficulty if we embark upon a program of supporting the prices of beef, hogs, poultry, eggs, turkeys, barley, oats, flax, and rye. I do not know why hops was omitted. I am much more interested in hops than I am in flax. [Laughter.]

Nevertheless, Mr. President, I submit that all we have to do is call upon groups of cattlemen or various cattlemen's associations in the various States and ask them whether they want price supports provided for beef. As a matter of fact, they have fought price supports harder than has any other single group in the United States, so far as I know. There has never been a time when the cattle raisers' associations have not had their representatives appear before the committees of Congress and say, "We do not want a support price on beef." They have refused it round after round after round.

I say to the Senate that I would be unwilling to attempt to shove down the throat of the American cattlemen the suggestion of a support price of 75 percent of parity for beef.

Mr. LUCAS. Mr. President, will the Senator yield at this point?

Mr. ANDERSON. I yield.

Mr. LUCAS. In line with what the distinguished Senator has said, I call the attention of the Senate to a meeting held before the Committee on Agriculture and Forestry during the war, when beef was under control by the Office of Price Administration. Cattlemen from all over the country came before the committee and demanded that the Office of Price Administration remove controls from that one commodity, and that one alone. So if they did not want beef to be controlled during wartime, certainly they would not be very anxious to have it controlled now.

Mr. ANDERSON. Of course, they would not. No doubt the distinguished senior Senator from Texas [Mr. CONNALLY] can remember that the Texas and Southwestern Cattle Association, with Judge Montague as its spokesman, has time after time appeared before congressional groups and has protested.

I was trying to think of a very distinguished gentleman from the home State of the distinguished junior Senator from Nebraska [Mr. WHERRY], a former member of the agricultural committee of the United States Chamber of Commerce.

Mr. WHERRY. Mr. Chris Abbott.

Mr. ANDERSON. Yes; Chris Abbott, from Hyannis, Nebr. All we have to do is call in such men, and they will tell us what the cattle industry thinks about supports for beef.

So I do not think it is a good idea to start talking about price supports for beef, when the cattlemen wish to have beef left outside of price supports.

As to the question of supports for pork, there may be some persons who are interested in having supports provided for pork. We had hearings before the Senate Committee on Agriculture and Forestry. I believe it will be recalled that, for round after round, the representatives of the largest pork producers in the State of Iowa, and certainly those representing production in the entire

United States, announced that they did not want to have supports placed upon pork.

The question of supports for eggs certainly has been discussed considerably during the past few months. The distinguished Senator from Nevada said a moment ago that I had talked about dried eggs. I had; the Senator quoted me entirely correctly. But I was quoting from a telegram which was sent by a large importer, who said:

> We offer you 46,000 pounds Chinese yolk for September-October delivery, $1.25 a pound, ex-dock New York. Chinese dried whole eggs, $1.10 a pound, New York. There is one car American dried whole eggs that would cost us $1.35 f. o. b. western Nebraska.

Mr. President, what was the trouble with the American egg industry? We bought approximately 74,000,000 pounds of dried egg powder, but we had no place to store it. Why did we do that? Because we were committed, a year ago, to a program of supporting eggs at 90 percent of parity; and the Department of Agriculture, not having storage facilities for all the eggs which were being offered to them, had to run those eggs through the dryers, and to store tremendous quantities of dried eggs.

I do not believe Senators will help the agricultural program if they provide that 60 million or 70 million pounds of dried eggs shall be placed in cold storage at $1.27 a pound, for if that is done, the opportunity for legitimate American industries to acquire their supplies of eggs in the normal fashion will be destroyed.

Let me illustrate that point by referring to the noodle industry. I never thought the noodle industry was a very large business; but when we remember the size of the soup business, we realize that it employs a great many persons. The firms in that business universally go to the western areas and buy broken eggs at a certain price per dozen. However, they were not able to do so during the past few years, because the Government was buying the eggs away from them. The people in that industry have been hard put to find a place to get their supplies.

The reason I had possession of those telegrams was that the noodle manufacturers with whom I had had dealings in some prior years, came to me and pleaded that I try to break loose some of the stock of dried eggs which the United States Government has on hand, in order that they might get their normal supplies of that product.

I do not wish to detain the Senate; but in view of the circumstances I have narrated I hope the Senate will not vote for the amendment relating to eggs.

Mr. IVES. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. IVES. Question arose as to whether the Senator would agree to have ducks included under the amendment of the Senator from Minnesota. I raised this question because of the fact that the term "poultry" appears in the bill itself. If the term "poultry" is proposed to include ducks, then there would seem to be no need to have the term "ducks" included in the amendment or anywhere else in the bill.

I should like to inquire of the able Senator from New Mexico whether he considers the term "poultry" to embrace ducks.

Mr. ANDERSON. Yes, I say to the distinguished Senator from New York that I do consider the term "poultry" to include ducks, and also includes geese, pigeons, and pheasants. I wish to congratulate the Senator from Minnesota upon including pheasants, because they are very popular in the State which is a neighbor of his State, and also in his State.

I think it would be much better to include chickens only or turkeys only, but I am well satisfied to have the term "poultry" include all poultry. The difficulty is exemplified by the inclusion of chickens and of eggs.

Mr. President, the reason we have been able to include other agricultural commodities is that we say they are controlable. We can say quite easily how much tobacco a man shall plant or how much rice a farmer shall plant or how much cotton a farmer shall plant. But, somehow, when we try to tell the chickens how many eggs they will be permitted to lay, they very frequently misunderstand the instructions. [Laughter.] We have all sorts of trouble with poultry as a result of that.

I do not wish to detain the Senate longer at this late hour. I merely assure Senators I think it is an amendment we can afford to vote down.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Minnesota [Mr. THYE] on behalf of himself and his colleague the junior Senator from Minnesota [Mr. HUMPHREY].

The amendment was rejected.

Mr. MURRAY obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield for a moment?

Mr. MURRAY. I yield.

Mr. LUCAS. May I inquire whether there remain any other amendments to the bill to be offered?

Mr. WHERRY. Yes.

Mr. TAFT. I intend to offer an amendment.

The PRESIDING OFFICER. The Senator from Ohio has an amendment. Are there other amendments?

Mr. THYE. Mr. President, if the Senator will yield, I was just informed the majority leader had inquired whether there were any additional amendments. I may say I was asked whether I would call the Senate's attention to the amendment proposed by the Senator from Nebraska [Mr. BUTLER], relative to section 412 of the act. The amendment is on the table, and I ask to have it stated, in order that the amendment may be taken up at this time.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. MURRAY. I yield.

Mr. LUCAS. My only reason for making the inquiry was to determine whether we might expect to finish the bill tonight. It is my understanding that the Senator from Montana desires to speak upon a subject entirely different from the farm bill. May I inquire how long our able friend will speak?

Mr. MURRAY. I shall endeavor to take not longer than 15 or 20 minutes.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. MURRAY. I yield.

Mr. THYE. I ask unanimous consent that a statement prepared by the Senator from Nebraska [Mr. BUTLER], in explanation of the amendment, may appear in the RECORD immediately following the stating of the amendment, so that the Senate may have the information respecting the Senator's views on it.

Mr. LUCAS. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The statement appears in the RECORD following the reading of the amendment.)

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. WHERRY. My understanding is that the majority leader is attempting to ascertain how many more amendments are yet to be offered, in order to be able to estimate the length of the session. I may say to the distinguished majority leader, the Senator from Delaware [Mr. WILLIAMS] has one amendment at least, possibly two. The Senator from Ohio has an amendment. I am wondering whether the Senator from Oklahoma has an amendment he intends to offer.

Mr. THOMAS of Oklahoma. I have an amendment.

Mr. WHERRY. I think that will give the majority leader an idea of the number of amendments yet to be offered.

Mr. LUCAS. I hope we may finish the bill tonight. If the distinguished Senator from Montana takes but 20 or 25 minutes, it is possible we could finish by 7 o'clock. If possible, I should like to do that, but if not, we shall recess until noon tomorrow, since I have told everyone there would not be a night session.

Mr. WHERRY. Mr. President, if the Senator will yield further, is it the announcement that the Senate will continue in session until 7, and if consideration of the bill is not concluded by that time, we shall recess until noon tomorrow?

Mr. LUCAS. That is correct.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. THYE. May we have action on the amendment of the Senator from Nebraska [Mr. BUTLER] at this particular time? A number of Senators are present.

The PRESIDING OFFICER. Does the Senator from Montana yield for that purpose?

Mr. MURRAY. I yielded for the purpose of having the amendment stated.

Mr. THYE. I thank the senior Senator from Montana for so courteously yielding.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska [Mr. BUTLER] will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out section 412 relating to an Assistant Secretary of Agriculture in charge of sales operations, and insert as section 412 the following:

In the disposal of commodities, acquired through loans, purchases, and otherwise, the Secretary of Agriculture shall employ usual and customary channels of trade.

EXPLANATION BY SENATOR BUTLER OF AMENDMENT TO THE FARM BILL, H. R. 5345

The Butler amendment, proposed October 7, provides two principal things:

It would knock out section 412 of the Anderson bill providing for a new Assistant Secretary of Agriculture in charge of sales operations.

It would require the Commodity Credit Corporation to employ usual and customary channels of trade in disposing of agricultural surpluses it has acquired.

This amendment is essential to prevent the Commodity Credit Corporation from invading still further the field of private and cooperative enterprise in the marketing of agricultural surpluses. During recent years, the Commodity Credit Corporation has been entering bit by bit into some of the fields that have always heretofore been properly handled by private marketing agencies. Both the cooperatives and private businesses have been becoming more and more alarmed at this steady invasion of their fields. They feel that if the trend is continued, ultimately the whole marketing function will be taken over by the Government and become nationalized.

The provision contained in section 412 of this bill for a new Assistant Secretary of Agriculture in charge of sales appears to be a further step in that direction. The language of section 412 is drawn in rather general terms. While it does not specifically grant very much new authority to the Department of Agriculture, it will probably be interpreted as a general license to the Department to continue to take over more and more of these marketing functions. It seems essential to write into the bill clear-cut language so as to make the intent of Congress very definite.

I invite the attention of the Senate to the insertion made by Senator BUTLER in the CONGRESSIONAL RECORD of October 4, beginning on page 13792. These insertions show that the cooperatives particularly are very much concerned about this situation.

Mr. THYE. Mr. President, I have had a great many inquiries concerning this particular subject.

Mr. MURRAY. Mr. President, I understood I had yielded only for the purpose of having the amendment stated.

The PRESIDING OFFICER. The Chair so understood the Senator from Montana.

Mr. ANDERSON. Mr. President, will the Senator yield for a moment?

Mr. MURRAY. I yield.

Mr. ANDERSON. There has been much discussion of this amendment. I should like to take time to discuss it, and I am sure there are other Senators who would like to discuss it. But I am willing to submit it now, to a division vote, and, whatever happens, take it to conference.

Mr. President, will the Senator from Montana yield, so we may have a division vote, if no one asks for the yeas and nays?

Mr. THYE. Mr. President, I would defer any further discussion of the proposed amendment.

The PRESIDING OFFICER. The Chair understands the Senator from Montana has yielded so a vote may be taken on the amendment in line with the suggestion of the Senator from New Mexico.

Mr. DONNELL. Mr. President, some of us would like to hear something more about the amendment before we vote on it.

Mr. AIKEN. I think that is a good idea.

Mr. DONNELL. What is the purpose of the amendment?

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Is not the pending question that of agreeing to the amendment called up by the distinguished Senator from Minnesota, on behalf of the senior Senator from Nebraska [Mr. BUTLER]?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. The distinguished Senator from Montana has the floor. I appreciate the effort which is being made to expedite consideration of the amendment, but I submit the orderly thing to do is to permit the Senator from Montana to speak, and to take up the amendment immediately after the Senator concludes, when the amendment becomes the pending question, so all Senators may understand what the amendment is.

Mr. ANDERSON. I withdraw my request.

The PRESIDING OFFICER. The request of the Senator from New Mexico is withdrawn. The Senator from Montana may proceed.

NOMINATION OF LELAND OLDS

Mr. MURRAY. Mr. President, in view of the fact that I expect to be absent from the Senate for the next few days, I should like to call the attention of Senators to a matter of grave public interest and concern.

Mr. President, a legal execution has been arranged to take place in this Chamber in a few days when the President's appointment of Leland Olds to a third term on the Federal Power Commission is to come before us for confirmation or rejection. It is being said in the lobbies, in the press, and on the air waves that the vote against confirmation is virtually a sure thing. This I refuse to believe. Lelands Olds' official life is not going to be ended now.

It is to enlist other Members of the Senate and the American people in an examination of the vast interests at stake in the life or death of Leland Olds as a Federal Power Commissioner, in advance of the opening of debate and while there is yet time for examination of the facts and evidence, that I take the floor at this time.

Leland Olds, the man and the public official, has been pushed around, slandered, and vilified long enough. It is time for those of us who know that he is not a Communist, that he is not an enemy of private enterprise, that he is not a traitor, or any other of the cheap and disgraceful things that were thrown at him in hearings, to fight back; it is time to point out that he is an intelligent, farseeing, statesmanlike, courageous, and incorruptible public servant, that he is loyal, deeply religious in his own faith, and that he deserves well of the Republic which he has served with devotion, international distinction, and success for the past 10 years.

I do not propose to engage the Senate in debate at this time on the merits and demerits of the Olds reappointment to a third term. I am resolved to lay before the Senate and the American people some food for thought, for searching of conscience, and for closer examination of every man's and woman's individual and common interest in the Olds renomination.

Mr. President, this fight which at the moment is centered on the reappointment or rejection of Leland Olds is only beginning. The basic issue will not be settled until it is settled and settled right, that is, in the people's interest. Nor will Leland Olds be counted out as a leader and symbol in this fight. I believe, whatever the polls today may be, that, when the Senate and the American people fully appreciate the issue and the magnitude and importance of the stake, our historic policy will be reaffirmed and Leland Olds will be put back to work as a member of the Federal Power Commission.

What is the issue?

President Truman, in his October 3, 1949, letter to the senior Senator from Colorado, has stated it well. He said:

We cannot allow great corporations to dominate the commissions which have been created to regulate them.

In other words, who runs this country? The people, through their constitutionally elected and appointed representatives and officials, or monopolistic corporations which, when unable to get their way by legislation and through the courts, seek to achieve it by terrorization of the officials charged with the duty of administering laws enacted and interpreted in conformity with our Constitution?

Today I do not want to take the time of the Senate to discuss all the pros and cons of the confirmation of the nomination of Leland Olds. I do think it proper, and very much in the public interest, and in the national interest in terms of the commerce, welfare, and national security clauses of the Constitution, to lay before the Members of the Senate and the American people some indication, some inkling, of the size and scope, and the vital interest of every American in the debate on the Olds appointment which, I understand, is scheduled shortly to ensue.

Such an exposition would be in order even if for any reason Mr. Olds' appointment were not to come before us before adjournment. This is so, be-

cause, Mr. President, we are embarked upon a great debate, a debate over who shall run this country, the people or massed and closely allied concentrations of economic power beyond anything in the history of man. We recently won one stage in that debate when we restored to the Interior Department appropriation bill the many items for the development and transmission of public power for the benefit of domestic consumers, industry, and business that had been cut out or made meaningless following requests by representatives of the private power interests. As we won that fight, so we shall win this fight. The American people, and their Congress, will not surrender their country and their Government to the corporations.

I dare say, Mr. President, that I shall be disclosing no secret when I say that what we are all concerned about in acting upon the President's appointment of Leland Olds is the long-range effect of our action upon Government regulation of private utilities and the immediate effect upon the price of natural gas.

Both the proponents and the opponents of Mr. Olds have these matters in mind. Mr. Olds' opponents want higher prices. They are on record for increases in field prices of natural gas. They are for charging what the traffic will bear. Mr. Olds is not. His proponents are not.

I am sure there is no Member of the Senate who for a moment entertains the notion that when his confirmation comes before the Senate we shall be voting upon Mr. Olds' writings for the labor press more than 20 years ago. I am sure, Mr. President, that what Mr. Olds wrote about his ideas of the state of the Nation in the 1920's is as of little concern to the Senators of 1949 as are the ill-fated prophecies of Andrew Mellon and of President Hoover in those same years. The Senate will recall the prophecies of the 1920's, so soon to be discredited by events, that we had arrived at a condition of permanent prosperity and that poverty had been abolished forever from the United States.

Those were the days, Mr. President, when some men talked of two chickens in every pot and two cars in every garage, world without end. Those were the days when encyclopedias included a learned treatise by the late Henry Ford proving that mass production had abolished the old-fashioned business cycle of boom and bust, and a definitive description of the new corporate state, written and signed by its inventor, one Benito Mussolini.

Ford's piece was in the Encyclopedia Britannica, 1932.

Mussolini's piece was in Encyclopedia Italiano, 1932.

Wise men learn from experience. In the light of the wisdom of later years they do not debate among themselves as to the wisdom or folly of their words of 20 and 30 years ago. And this is especially true, I venture to say, of men who hold political office, for politicians of necessity are all wise men, or presumed to be so by a voting plurality of their constituents.

Mr. Olds has not repudiated what he wrote a quarter of a century ago, insofar as its purpose was at that time to inform and shock American workers into an awareness of what was happening to them and to the country; he has stated that his attitudes and beliefs have developed and changed. For 20 years Leland Olds has been engaged in the effort to make private enterprise adapt itself for survival by meeting the needs of the American people.

I shall not consume the Senate's time by discussing what we are not truly concerned with in the Olds reappointment. I am here to lay before the Senate a few preliminary facts relating to the immediate issue that is involved in the confirmation of the nomination of Leland Olds. I do so in order that the Senators and the American people will have time to examine, test, and consider these facts before we are called upon to vote.

The immediate issue that will be before us in the Olds confirmation, Mr. President, is the price of natural gas.

The oil and gas companies seek, by the removal of Leland Olds from the Federal Power Commission, to prevent Federal regulation of their sales of gas to interstate pipe lines. The evidence proves beyond a shadow of doubt that this is the purpose of the oil and gas companies and that this is the reason for the objections that have been raised to Mr. Olds' confirmation. Today I wish only to get before the Senate an ample description of the stakes for which these industries are playing.

The stakes in this case are of staggering proportions. Ten billion dollars is a conservative estimate of what the oil and gas companies hope to extract from the public when they get Olds out of the way. The dollar rewards that are involved dwarf the sums for which certain oil companies gambled when they tried by corruption of public officials to acquire drilling rights on Teapot Dome. Teapot Dome, as its name might suggest, would seem to be only a tempest in a teapot when we try it for size against the $10,000,000,000 which the oil industry hopes to extract from household and industrial consumers of natural gas by wrecking Federal regulation of the price of gas.

In the Report of the Special Investigating Committee to the Seventieth Congress, first session, May 28, 1928, pursuant to Senate Resolution 101, it is stated at page 4 as follows:

> Secretary Wilbur has estimated the net value of the leased reserves at $1,000,000,000.

The Secretary of the Interior was speaking of what was involved in the attempted rape of Teapot Dome and Elk Hills.

Let me assure the Senate I am not here implying any parallel between what was then attempted and what is now before us. On the contrary, I am emphasizing the difference, and that difference, if stated in money terms, is the difference between one and ten billion dollars.

It is because I consider $10,000,000,000 a not inconsiderable sum to be voted out of the pockets of natural gas consumers and into the treasuries of oil and gas companies that I have intruded upon the time of the Senate to place these preliminary facts before my colleagues, and, if the press and radio will permit, the American people.

Let me make clear, Mr. President, how the oil industry will amass this added fortune if, by defeating the Olds nomination, it should succeed in defeating public regulation of its sales of natural gas into interstate commerce.

Natural gas is a very fine fuel. At the relatively low prices for which it can be profitably, and indeed very profitably, sold by the oil companies, it competes favorably with coal and fuel oil. Therefore it is in great demand. Pipe-line companies are hard-pressed to meet the requirements of their customers. The oil companies which own the gas in the ground enjoy a luxurious sellers' market. Under these circumstances it should be plain to everyone that only Government control of the prices at which the gas can be sold to the pipe lines will hold the price down to within some reasonable relationship to cost and a fair profit. With Olds on the Federal Power Commission, this will be done; without him, it may not be done. The present balance in the Commission is 2 to 2.

How far the price of natural gas would rise if action of the Senate were to support the view that these sales should not be regulated by the Federal Power Commission is, of course, a matter of some conjecture. Yet we find a very satisfactory clue on that point in the claims which the oil and gas companies have made many times in public hearings and which they continue to make. They say that their gas should sell at its intrinsic value and what they mean by "intrinsic value" is a price for gas which places it, on a B. t. u. or heating-unit basis, on the same high levels as coal or oil. When they say they want to be free to sell their gas at its intrinsic value, what they really mean is that they want to charge for it all that the traffic will bear. Pages of testimony by qualified spokesmen for the industry make this plain. I refer to page 143, Natural Gas Investigation, Docket No. G–580, Report of Commissioners Leland Olds and Claude L. Draper, 1948.

The prices which oil companies are now getting for their gas in their sales to the pipe lines average about 4½ cents per thousand cubic feet. The average price could increase by at least 10 cents a thousand if it were to be sold for all the traffic would bear.

However, to be extremely conservative in estimating the total sums involved, we can assume that the increase in average price would fall somewhere between 5 cents and 10 cents per thousand cubic feet. I make this lower estimate of what price increase will be possible, if and when all thought of Federal control has been banished from the future of these oil and gas companies, because I wish to give recognition to the fact that a considerable part of the gas in the ground is already contracted for by the pipe

lines. True, these contracts are mostly of the flexible variety, with the flexibility all in the upward direction. But I am sure we will fully allow for any lag which existing contracts may impose on the upward price movement if we estimate that the increase will be within a range of from 5 cents to 10 cents per thousand cubic feet, instead of the increase of 10 cents or more which would result if the price of all gas could be increased to the limit of what the traffic will bear.

Known reserves of natural gas in the ground, according to Gas Facts, American Gas Association, 1948, page 17, amounted to 174,000,000,000,000 cubic feet at the end of last year. Let me repeat that these are present known reserves. No gas or oil man would say that additional supplies will not be discovered. In fact, the known reserves increased by 8,000,000,000,000 cubic feet during 1948, although the country drained off 6,000,000,000,000 cubic feet of gas in that year.

To get an idea of how much is at stake in the industry's desire to sell this gas uninhibited by Government regulation, we can multiply these known reserves of 174,000,000,000,000 cubic feet by 5 cents per thousand and by 10 cents per thousand. The resulting figure for the total amount involved ranges from $8,500,000,000 to $17,000,000,000. Therefore when I place a figure of only $10,000,000,000 on the question which is shortly to come before the Senate I am not assuming that the price of gas will rise to the limit of what the traffic will bear. Moreover I am making ample allowance for the fact that not all of these reserves will be sold into interstate commerce subject to Federal regulatiton.

So the first point which I want to place clearly before the Senate in this summary of the facts in this overriding and, to me, overwhelming, fact that the total sum at stake in the confirmation of Leland Olds may be conservatively placed at $10,000,000,000.

I am sure the Members of the Senate and the American people will be interested in the geographic distribution of this sum, both as to its source and as to its destination.

First, let me explain where these gas reserves, which are intended to be so greatly appreciated in dollar value, are held.

Thereafter I shall give the Senate as good a basis as I can find for estimating how much of this increased cost of natural gas will be contributed by the several States.

I am sure I have made clear that this $10,000,000,000 windfall, while it may be attributed to action that may be taken by the Senate, is not in the nature of a Government subsidy to the oil and gas industry. Rather it will be an enforced contribution by the householders and the industries which burn the gas to the companies which own the gas in the ground. It will be levied by an industry which, unable to persuade the Federal Government to amend the Natural Gas Act, has succeeded in its vendetta against Leland Olds, who is committed to carrying out that policy of effective regulation as set by the Congress and interpreted by the courts under our Constitution.

Total reserves of natural gas at the end of 1948 were, as I have stated, 174,000,000,000,000 cubic feet.

Of this total, 55 percent or nearly 96,000,000,000,000 cubic feet were in Texas.

Next in line was Louisiana, with 14 percent of the total, or 24,000,000,000,000 cubic feet.

Kansas, Oklahoma, California, and New Mexico follow next in order with amounts ranging from 8 percent down to 3 percent of the Nation's gas reserves. These four States together account for 41,000,000,000,000 feet, or 24 percent of the present reserves.

Texas, it will be noted, owns the lion's share of these reserves. Texas, it may also be noted, contributed the lion's share of the witnesses and messages opposing the confirmation of Leland Olds, as printed in the subcommittee's hearings. Perhaps, Mr. President, it is but a coincidence—a mathematical accident—but I cannot withhold from my colleagues of the Senate the curious fact that, whereas Texas owns 55 percent of the Nation's natural gas reserves, 20 out of 37, or exactly 54 percent, of the persons recorded in opposition to the Olds appointment came from the State of Texas. All the witnesses who testified against Leland Olds were associated with the oil and gas industry, with colleges in oil-producing States, or with public office in oil-producing States.

What part of this $10,000,000,000 bonanza will be contributed by the various States in which natural gas is consumed cannot be estimated very accurately at this time. For there has been, and there will be, a rapid expansio nof pipe-line capacity to carry this fuel from the producing areas into the great industrial area of the Northeast. It is still true that the greater part of natural gas is consumed in the States where it is produced, but if the Senate creates, as the industry hopes it will, a situation in which it can look forward to an unregulated future, we may expect that much greater volumes of gas will be sold in the great industrial triangle delimited by lines connecting Boston, Milwaukee, and Birmingham.

On the basis of the 1948 distribution of natural gas, the five East North Central States—Ohio, Indiana, Illinois, Michigan, and Wisconsin—consumed 15 percent of the national total. The proportion of the total supply which these States will consume in future years can be expected to be considerably greater than this. Yet on the 1948 basis alone, the contribution which those States must make to the $10,000,000,000 increase in the value of present gas reserves would be $1,500,000,000.

The three Middle Atlantic States—New Jersey, New York, and Pennsylvania—are just at the beginning of their natural-gas use, yet they used 7 percent of the national total in 1948.

The seven West North Central States—Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota—have experienced only a limited industrial development, but they consumed 12½ percent of our natural gas last year.

Adding these two groups of States to the East North Central area, we find that these 14 States along the northern and eastern borders of the country accounted for 35 percent of total natural-gas consumption in 1948. On this basis they are already earmarked to contribute $3,500,000,000 to the prospective $10,000,000,000 take, but with increased interstate movement of gas they can look forward to a considerably larger contribution—well over $4,000,000,000 and perhaps close to $5,000,000,000.

The six Mountain States—Montana, Wyoming, Colorado, Utah, Arizona, and New Mexico—will be called on to contribute 6½ percent of the $10,000,000,000 total, or $650,000,000, at their 1948 rate of natural gas consumption. Gas consumers in the State of Montana would contribute $100,000,000 of this.

Increase in the cost of natural gas to consumers, if the industry is to be turned loose to charge all the traffic will bear, was recently estimated by the Federal Power Commission at $500,000,000 a year. This estimate is contained in the Commission's report to the Senate dated May 16, 1949, on S. 1498. This estimate includes only the gas that is sold by utility companies.

Sales of industrial gas in the Southwestern States, where most of the gas is produced, would add very greatly to the total annual take of the oil and gas companies, if they could sell it for all the traffic will bear, that is, at the equivalent of the cost of the fuel oil. Commissioner Olds, in his testimony on S. 1498, before the Senate Committee on Interstate and Foreign Commerce, on May 24, 1949, submitted a table of figures showing that sales of industrial gas in the seven Southwestern States of Arkansas, Kansas, Louisiana, Mississippi, New Mexico, Oklahoma, and Texas would have been increased by $413,000,000 in 1947 if the oil and gas companies had been free to price gas on the basis which they claim is its intrinsic value. This would have been an increase of 400 percent over the actual cost of gas to industries of those seven States in that year.

Obviously, as Mr. Olds observed, such fantastic overpricing would make the industrial use of gas impracticable for the industries of those States. His calculation, however, is not based on any theory of pricing which Mr. Olds advances, but upon the theory of "intrinsic value" which the industry advocates, and upon figures relevant thereto which were submitted to the Senate committee during the 1948 hearings on the Moore-Rizley bill by Edward Falck, representing the Independent Natural Gas Association of America.

Now let me bring to the attention of the Senate the stake of some of the individual oil and gas companies in the elimination of Federal regulation over prices of gas moving in interstate commerce. I have said that we may expect natural-gas prices to increase between 5 cents and 10 cents per thousand cubic feet. I ask unanimous consent to include at this point in my remarks a table entitled

"Natural Gas Acreage in the Texas Panhandle and Hugoton Gas Fields Owned in Fee or Held Through Leasehold by Certain Companies, Together With Estimated Reserves and Possible Values." This is taken from the testimony of Commissioner Olds on May 24, 1949, previously referred to.

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Without objection, it is so ordered.

The table is as follows:

TABLE A.—*Natural-gas acreage in the Texas Panhandle and Hugoton gas fields owned in fee or held through leasehold by certain companies, together with estimated reserves and possible values*

	Panhandle field (acres)	Hugoton field (acres)	Total (acres)[1]	Possible reserves at 7,500 thousand cubic feet per acre (MMcf)	Value at 5 cents per thousand cubic feet	Value at 10 cents per thousand cubic feet
Pipe-line companies:						
Canadian River Gas Co	262,883		262,883	1,971,000	$98,500,000	$197,100,000
Cities Service Gas Co	104,921	201,601	306,522	2,299,000	114,950,000	229,900,000
Consolidated Gas Utilities Corp	17,551		17,551	132,000	6,600,000	13,200,000
El Paso Natural Gas Co		[2] 34,800	34,800	261,000	13,550,000	26,100,000
Kansas-Colorado Utilities Co		6,693	6,693	50,000	2,500,000	5,000,000
Kansas-Nebraska Natural Gas Co		8,080	8,080	61,000	3,050,000	6,100,000
Northern Natural Gas Co	16,005	188,917	204,922	1,537,000	76,850,000	153,700,000
Panhandle Eastern Pipe Line Co	40,269	401,301	441,570	3,312,000	165,660,000	331,200,000
Texoma Natural Gas Co	140,118		140,118	1,050,000	52,500,600	105,000,000
Total for group	581,747	841,392	1,423,139	10,673,000	533,650,000	1,067,300,000
Other companies:						
Cabot Carbon Co		17,920	17,920	134,000	6,700,000	13,400,000
Cities Service Oil Co		33,900	33,900	254,000	12,700,000	25,400,000
Columbian Fuel Corp		55,633	55,633	417,000	20,850,000	41,700,000
Fin-Ker Oil & Gas Production Co		48,200	48,200	362,000	18,100,000	36,200,000
Hagy, Harrington & Marsh	32,990	149,848	182,838	1,371,000	68,550,000	137,100,000
Kansas Natural Gas Inc		14,980	14,980	112,000	5,600,000	11,200,000
Magnolia Petroleum Co		118,480	118,480	889,000	44,450,000	88,900,000
Peerless Oil & Gas Co		116,000	116,000	870,000	43,500,000	87,000,000
Phillips Petroleum Co	285,000	620,880	905,880	6,794,000	389,700,000	779,400,000
Republic Natural Gas Co		220,501	220,501	1,654,000	82,700,000	165,400,000
Shamrock Oil & Gas Corp	220,000	1,700	221,700	1,664,000	83,200,000	166,400,000
Sinclair Prairie Oil Co		19,000	19,000	142,000	7,100,000	14,200,000
Skelly Oil Co		171,520	171,520	1,286,000	64,300,000	128,600,000
Stanolind Oil & Gas Co		600,000	600,000	4,500,000	225,000,000	450,000,000
United Producing Co		90,920	90,920	682,000	34,100,000	68,200,000
White Eagle Oil Co		70,000	70,000	525,000	26,250,000	52,500,000
Total for group	537,990	2,349,482	2,887,472	21,656,000	1,082,800,000	2,165,600,000
Total acreage listed	1,119,737	3,190,874	4,310,611	32,320,000	1,616,450,000	3,232,900,000
Holdings by others	280,263	1,009,126	1,289,389	9,671,000	483,550,000	967,100,000
Total acreage of field	1,400,000	4,200,000	5,600,000	42,000,000	2,100,000,000	4,200,000,000
Percent of listed acreage to total	80	75	77			

[1] Data on acreage are from testimony in this record and from Commission files and records.
[2] Held by affiliates.

Mr. MURRAY. Mr. President, it should be noted that this table relates to the gas reserves in only two fields, which account for only forty-two trillion out of the total reserves of one hundred and seventy-four trillion cubic feet throughout the country.

Some of these companies stand to gain sizable increases, indeed, in the value of their present reserves. Phillips Petroleum stands to increase the value of its gas in these two fields by $389,000,000 to $779,000,000 on increases of 5 cents and 10 cents, respectively, in the price of natural gas.

Stanolind Oil & Gas, a subsidiary of Standard Oil of Indiana, stands to gain, on the same assumptions, from $225,000,000 to $450,000,000.

Pipe-line companies, which naturally expect to increase the value of their own gas reserves when they pay higher prices for gas to the independent producers, would also cash in for large amounts.

Panhandle Eastern's holdings in these fields would be increased more than $165,000,000 in value through a 5-cent increase in price and would increase $331,000,000 through a 10-cent increase.

Cities Service Gas Co. would stand to gain one hundred to two hundred million dollars, and so on.

Perhaps the significance of these prospective gains in value of gas reserves will be more readily appreciated by the Senate and the American people if related to the cost of the acreage which these companies hold. Acreage-cost figures are available for the Panhandle and Hugoton holdings of five pipe-line companies included in the table which I have submitted for the RECORD.

Mr. KERR. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. MURRAY. I am anxious to get through with the presentation of these statements, because we are interrupting the consideration of the farm bill. I am merely introducing these statements so as to make them available to the Senate.

Mr. KERR. Will the Senator yield for a question in reference to his statements?

Mr. MURRAY. I yield for one question, yes.

Mr. KERR. Did the Senator make a statement as to what would happen to the holdings of Panhandle Eastern?

Mr. MURRAY. Yes.

Mr. KERR. Is the Senator aware that Panhandle Eastern is a natural-gas company under the act, and that its holdings would not be affected one way or the other by the legislation to which the Senator has referred?

Mr. MURRAY. That is a matter for the Senator to discuss when the legislation he refers to is before the Senate in full debate.

Mr. KERR. I was wondering whether the Senator had knowledge with reference to the statements he is making.

Mr. MURRAY. My information is to the effect which I have stated. If I am mistaken I am willing to be corrected.

Mr. KERR. Then I will say for the RECORD, in response to the Senator's suggestion, that Panhandle Eastern is a natural-gas company under the act, and would not in anywise be affected by the legislation to which the Senator has referred, if it were enacted.

Mr. MURRAY. I thank the Senator for his contribution. It is a question which will be considered, I am sure, in the full-dress debate on the legislation he refers to when it comes before the Senate but it is not related to the question of the confirmation.

Mr. KERR. I remind the Senator that that is well known by the gentleman to whom he is referring.

Mr. MURRAY. I beg the Senator's pardon.

Mr. KERR. I remind the Senator that that is a fact well known to the gentleman to whom the Senator is referring, if it is not known to the Senator.

Mr. MURRAY. My information has been to the effect that the facts as I have stated them are correct. As I say, if there is any mistake in anything I have said, it is a matter to be brought before the Senate when the full debate comes before us. I am merely making this statement at this time because I expect to be absent attending the funeral of the late Senator Miller from Idaho, and very likely I shall not be present when this question comes before the Senate.

Perhaps the significance of these prospective gains in value of gas reserves will be more readily appreciated by the Senate and the American people if related to the cost of the acreage which these companies hold. Acreage cost figures are available for the Panhandle and Hugoton holdings of five pipe-line companies included in the table which I have submitted for the RECORD. These figures are taken from the Olds-Draper report in 1948 on the Natural Gas Investigation of the Federal Power Commission, at page 149.

Permit me to recite the facts for each of the five companies for they are truly astonishing.

Panhandle Eastern Pipe Line Co. acquired its Panhandle and Hugoton acreage at a cost of $1,913,433. A 5-cent increase in the price of gas above actual cost plus a 6½-percent return would yield an excess profit to this company of $165,600,000 over the life of the reserves. Assuming these reserves to last 25 years, the annual excess profit would amount to $6,600,000. This is a return of 344 percent per year on the original investment. If the price increase were 10 cents, the excess profit would be at a rate of 688 percent a year on original cost.

Canadian River Gas Co. acquired its acreage in these fields for $2,035,640. A 5-cent increase in the price of gas above actual cost and a 6½-percent return would enable this company to earn an excess profit of $3,900,000 a year throughout an assumed period of 25 years for the life of the reserves. This excess profit would equal 193 percent a year on original investment. At a 10-cent increase in price the excess profit would represent 386 percent a year on investment.

Cities Service Gas Co. acquired its holdings in these two fields at a cost of $1,720,745. Its excess profit on a 5-cent increase in price over cost and a 6½-percent return would be $4,600,000 a year or 266 percent on original investment for 25 years. At a 10-cent increase in prices its excess annual return would be 532 percent a year throughout the life of the reserves.

Northern Natural Gas Co. acquired its holdings in these fields at a cost of $615,304. A 5-cent increase in the price of gas over cost and a 6½-percent return would give it excess profit of $3,070,000 a year for 25 years. This is an annual return of 500 percent on original investment. If the increase in gas price is 10 cents, the excess profit would amount to 1,000 percent per year on investment.

Texoma Natural Gas Co. holds its gas acreage in the Panhandle-Hugoton area at $8,186,406, a figure which apparently includes some $5,000,000 of write-up over original cost. On a deflated investment base of $3,186,406, a 5-cent gas-price increase could provide the company an excess profit of $2,100,000 a year for 25 years, or 66 percent a year on original cost; while a 10-cent increase would provide an annual yield of 132 percent on original cost.

I dare say, Mr. President, if we knew the cost of gas acreage held by the oil and gas companies, we would find the same fantastic profit possibilities as I have shown for these pipe-line companies.

Let me assure the Senate that these oil and gas companies which stand to gain the lion's share of the $10,000,000,000 bonanza are neither small nor struggling enterprises. They are among the largest and most profitable corporations in the United States.

Testimony presented to the subcommittee in opposition to confirmation of Leland Olds, like testimony presented in earlier hearings in support of legislation to exempt from regulation sales of natural gas to pipe lines, bears heavily on the plight of the small producer and the small-royalty owner. Let me say that I know of no one who is not ready to exempt from the scope of regulation such sales by small producers. They must look to the great interstate pipe-line companies if they are to dispose of their gas in interstate commerce, and none of us will have any illusion as to who will have the controlling effect upon prices in such transactions between small sellers and giant buyers.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. MURRAY. I yield.

Mr. KERR. Do the residents of the Senator's State ship in interstate commerce any commodities produced in his State?

Mr. MURRAY. Yes; they do.

Mr. KERR. Any natural resources?

Mr. MURRAY. Yes.

Mr. KERR. Does the Senator feel that the Federal Government should invade the field of production of the copper business and say that the producer thereof shall be limited to the cost of the reserve, plus 6 percent, merely by reason of the fact that it is shipped in interstate commerce?

Mr. MURRAY. I think that is an entirely different category. I do not think that is a legitimate comparison.

Mr. KERR. What difference is there between the producer of natural gas producing in a free market and the producer of copper producing in a free market?

Mr. MURRAY. Gas goes into consumption by citizens generally, whereas copper goes into consumption by industry on a large scale.

Mr. KERR. What is the difference between the citizens of consuming States, whether they are buying copper from the Senator's State or gas from my State?

Mr. MURRAY. The Senator knows what the rule is with reference to public utilities.

Mr. KERR. By what authority does the Senator refer to the producer of natural gas as a utility?

Mr. MURRAY. When it is furnished to consumers, he becomes a utility.

Mr. KERR. Is the identity of utility imposed upon an individual by the whim of a public official or by an act of Congress?

Mr. MURRAY. It is not imposed upon him by the whim of anyone. It is imposed by act of Congress and decisions of the court.

Mr. KERR. Is there any reason why it should be imposed upon a producer of gas any more than upon a producer of copper?

Mr. MURRAY. As I say, they are in entirely different categories.

Mr. KERR. If each individual owns his production, does he not have the right to sell it wherever he can?

Mr. MURRAY. Of course, but there is only one place where gas can be sold, and that is to private consumers, people in small homes.

Mr. KERR. Is the Senator aware of the fact that only 16 percent of the gas produced is sold in the market to which he refers?

Mr. MURRAY. That may be true at the present time, but we are thinking about the future. We are talking about what is going to happen.

Mr. KERR. Did not the Senator say that that was the only place where gas could be sold?

Mr. MURRAY. I am not going to engage in any long-winded debate with the Senator. These are points which will be discussed in great detail when the question comes before the Senate for debate.

Mr. KERR. I merely asked what difference there was between the status of an independent producer of gas on the one hand, having the right to sell his product in a free market, and the independent producer of copper on the other hand, who has the right to sell his product in a free market?

Mr. MURRAY. I think there is considerable difference, just as there is a difference with respect to water.

Mr. KERR. If a man owned water he would have the right to sell it in a free market, would he not?

Mr. MURRAY. Yes, he would.

Mr. KERR. If he owns copper, he has the right to sell it in a free market.

Mr. MURRAY. Yes.

Mr. KERR. If he owns gas, does he not have the same American right to sell it in a free market?

Mr. MURRAY. Yes, if it is confined to a free market, and not sold to the public.

Mr. KERR. Is there anything sold that is not sold to the public? Who else buys things, if the Senator can enlighten us?

Mr. MURRAY. I am discussing the theory of utilities, and public service. When a producer devotes his commodity to the public service he assumes a public responsibility imposed by the Congress through statute.

Mr. KERR. I have asked the Senator to explain what there is inherent in the status of an independent producer of gas, selling it in a free market, which automatically constitutes him a utility?

Mr. MURRAY. If he engages in dealing with the citizens of the country, and selling his commodity on a basis of that kind, if the commodity is something like gas or water, then he becomes a public utility.

Mr. KERR. By what authority does the Senator make that statement?

Mr. MURRAY. By the general laws of the country. It has been well established that if a man goes into the water business in a community and undertakes to sell water to the community he becomes a public utility.

Mr. KERR. The independent producer sells gas at the well.

Mr. MURRAY. If he wishes to hold his gas in the ground at the well, and keep it there, that is all right. But if he is going to sell gas to the American people and make millions of dollars out of it, he should come under Government control.

Mr. KERR. What is the difference between the seller of gas and the seller of coal?

Mr. MURRAY. That is a matter for the Senator to debate when the question comes up.

Mr. KERR. I merely ask the Senator to tell the Senate what would be the difference between the independent producer of gas selling his product in a free market and the independent producer of coal selling his product in a free market.

Mr. MURRAY. This is a subject which could be considered.

Mr. KERR. Is that a question which can be answered?

Mr. MURRAY. If coal became a commodity in such demand as water is, and of such an essential character, I suppose coal could be made subject to control, if that were desired.

Mr. KERR. The Senator from Montana is aware of the fact that there are five times as many individual consumers of coal as there are of gas, is he not?

Mr. MURRAY. Yes, but gas is in more demand; it is in a different situation at the present time. People want gas and want to get it at a fair price. They do not want the corporations which have gotten control of it to monopolize it and force them to pay excessive prices for it.

Mr. KERR. Who does the Senator think is entitled to help fix the fair price, if the producer who owns it is not?

Mr. MURRAY. I thought that myself at one time. Years ago I had the notion that if a man owned the water supply in a community, he could fix the price of it. But we very soon got over that notion when public service commissions were established and undertook to regulate prices of that sort.

Mr. KERR. I did not know we had a water bill under consideration. I thought the bill related to the producer of a natural commodity or natural resource which belongs to the man who finds it.

Mr. MURRAY. But gas is not produced; it is just taken out of the ground.

Mr. KERR. What is done in the case of copper or coal?

Mr. MURRAY. Of course, it is taken out of the ground. But gas is not produced; it is something that is in the ground.

Mr. KERR. And the Senator from Montana does not think it belongs to the man who finds it and takes it out of the ground; is that correct?

Mr. MURRAY. It belongs to him as long as he keeps it in the ground. But if he wants to sell it in interstate commerce, and sell it to the public, he has no right to expect to demand excessive prices for it.

Mr. KERR. He has the right to sell it for only what he can get for it; does he not?

Mr. MURRAY. For what he can get for it?

Mr. KERR. Does not he have the right to sell what he owns for what he can get for it?

Mr. MURRAY. I would not say that is always true.

Mr. KERR. Is not that what the coal producer sells coal for?

Mr. MURRAY. He sells it for what he can get for it.

Mr. KERR. Is not that what the copper producer sells his copper for?

Mr. MURRAY. Yes.

Mr. KERR. Is not that what the zinc producer and the lead producer sell their commodities for?

Mr. MURRAY. Those commodities are under such competitive control that theoretically the public gets them at a fair price.

Mr. KERR. They are under such control of whom or by whom?

Mr. MURRAY. They are under, that is to say, a competitive situation where only a certain price can be obtained for them.

Mr. KERR. Is not gas in the same situation?

Mr. MURRAY. Yes; under some circumstances.

Mr. KERR. Then why should someone in Washington tell the producer of gas that he must sell his product under a regulated market, whereas the Washington authorities do not say that to any other producer of any other commodity under the American flag?

Mr. MURRAY. Because it is in a different category.

Mr. KERR. Will the Senator explain the difference in the category.

Mr. MURRAY. I have tried to explain it several times, but I do not think I can make it any plainer than I have already undertaken to make it.

Mr. KERR. I agree with the Senator that it cannot be made any plainer.

Mr. MURRAY. It will be discussed and considered on the floor of the Senate when the matter comes to the floor of the Senate. If anyone is being deprived of any rights, that is something to which we should give very careful consideration.

Mr. KERR. Mr. President, will the Senator yield for one more question?

Mr. MURRAY. Yes.

Mr. KERR. If the utility status is to be applied to a group of people in the United States, should it be done by the Congress of the United States or by a commission created by the Congress, but not having specific authority to do so?

Mr. MURRAY. Of course, commissions are created by the Congress with certain authority and power.

Mr. KERR. I am talking about the OPA regulation of the price of a commodity in a free market. Who should put that restriction upon the producer of that commodity in this country?

Mr. MURRAY. Of course, Congress lays the basis for the control of those matters.

Mr. KERR. If it is done, it should be done by the Congress; should it not?

Mr. MURRAY. Of course.

Mr. KERR. Would the Senator from Montana now point to the law which puts that restriction upon the producer of gas in this country?

Mr. MURRAY. It is there by the natural fact that it is gas and is going into the service of the people on that basis; and therefore it should be controlled.

Mr. KERR. Does it merely automatically apply without any law?

Mr. MURRAY. I think so; but Congress has recognized such control.

But, Mr. President, let me assure the Senate that the really small producer is of the same relative inconsequence in the ownership and production of gas as he is in most of our great industries. The Federal Power Commission's report to Congress on the Kerr bill, Senate bill 1498, dated May 16, 1949, disclosed great concentration of ownership. It showed that 86 percent of the Nation's gas reserves is controlled by the so-called independent producers, and that by 1952 more than two-thirds of this "independent" supply will come from only 35 of the 2,300 producers who make sales to interstate pipe lines.

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. MURRAY. I have already yielded freely to the Senator. It is now 25 minutes to 7.

Mr. KERR. If the Senator does not care to yield further, I shall not ask further questions.

Mr. MURRAY. I prefer not to yield. At the time when I took up this matter, I promised to take only 20 minutes. If the Senator from Oklahoma obtains unanimous consent from the Senate to have this debate continued, of course that will be all right with me.

By an exemption from Federal regulation of producers who sell not more than 2,000,000,000 cubic feet of gas in a year, we could exempt 2,230 of the 2,300 suppliers of gas to interstate pipe lines; yet more than 70 percent of the "independent" supply of gas to pipe lines would still be subject to Federal regulation, as of course it should be.

The producers who control the greater part of this gas are impressively large companies. Let me list a few of them, ranked in the order of the volume of their interstate sales of gas in 1947:

Largest seller of gas to interstate pipe lines was Phillips Petroleum. Its assets at the end of last year totaled $579,273,500; its gross operating revenues in 1948 were $487,165,287.

Next in line is the Chicago Corp., with assets of $41,490,000; followed by Republic Natural Gas Co., with assets of $22,760,000.

Then we come to the fourth largest seller of interstate gas, Humble Oil & Refining Co., with assets of nearly $900,000,000; and a subsidiary of Standard Oil of New Jersey, whose assets exceed $3,500,000,000.

Then follow in order the Standard Oil Co. of Indiana, Skelly Oil Co., Continental Oil Co., and Gulf Oil Corp., all large companies; and they rank among the 10 largest sellers of interstate gas.

These are the kind of companies that control the bulk of the gas, and that would be free to raise the price of gas if Federal regulation is terminated either by legislation or by removal of Leland Olds from the Federal Power Commission.

Mr. KERR. Mr. President, will the Senator yield for a further question?—and in this connection I ask unanimous consent that the Senator have sufficient additional time to cover the time required for this question.

Mr. MURRAY. Mr. President, I decline to yield further. I have yielded freely.

Mr. KERR. Will the Senator yield for just one more question?

Mr. MURRAY. I am merely bringing up this matter at this time because I have to leave the Senate, and will not be here for the debate. If it occurs, it will be after I leave.

Mr. KERR. Will the Senator from Montana permit me to remind him that up to this hour the Federal Power Commission never has attempted to regulate any of these producers, and none of the regulation to which the Senator from Montana has referred has yet been implemented? Is the Senator aware of that?

Mr. MURRAY. If it has not been, it should be.

Mr. KERR. Then it should be done by act of Congress, rather than by action of a Commission, should it not?

Mr. MURRAY. Not if it comes within the province of the Commission by reason of the law and the act setting it up.

Mr. KERR. But if the Commission has been in existence for 11 years and never has had that jurisdiction, would the Senator from Montana think it has that jurisdiction now, even though it never has had it heretofore?

Mr. MURRAY. I should like to look into that matter. But it seems to me that when some persons have possession of this great natural resource, which is of such tremendous value to the American people, they should not be allowed to profiteer from it, but there should be some way to control it and to prevent them from being unfair.

Mr. KERR. But the Senator referred to what would happen if the regulation came to an end, did he not?

Mr. MURRAY. Yes.

Mr. KERR. I am reminding the Senator of the fact that it has never started.

Mr. MURRAY. If that be true, I think the Senator probably is in a pretty good situation. That is a matter about which we shall learn more later, I suppose.

Mr. KERR. But if it has never started, I merely wanted the Senator to know that the tragedy he thought was about to happen if the regulation ended probably would not take place, in view of the fact that the regulation to which the Senator refers has never started.

Mr. MURRAY. If it has not started, I think it would be a great misfortune to the American people that such a thing as this could be permitted to be put over in this country. It seems to me it would be a great injustice to the American people who want to get the benefit of natural gas, that someone in control of it should be able to hold them up by excessive prices and make profits which seem to me to be so utterly excessive and unjust as to be unconscionable.

Let us not have our eyes closed to these large facts of life by the array of small producers and royalty owners who make their case against Federal control while the real beneficiaries of the proposed action keep themselves discreetly out of sight.

In concluding this brief outline of the money stakes involved in the vote on confirmation of Leland Olds, I want to present a few facts to convince the Senate and the American people that this oil and gas industry which hopes to increase the value of its gas reserves by some $10,000,000,000 is and has been a highly profitable one. Indeed it is probably the most profitable of the major industries of the country.

I turn to the monthly bulletin of the National City Bank of New York to find how this industry has fared during postwar years. I find in this bulletin a report for some 44 petroleum-products companies in the manufacturing field and for some 40 oil and gas companies in the mining and quarrying group.

The petroleum-products companies made total profits, after taxes, of $597,000,000 in 1945, which, according to National City Bank, was equal to 8.8 percent of their net worth in that year.

In 1946 the profits of this group increased to $770,000,000, which was equal to 10.7 percent of their net worth.

The 1947 profit figure jumped nearly half a billion to a total of $1,216,000,000. This raised the return on net worth to 15.8 percent.

Last year, 1948, these petroleum products companies added nearly three-quarters of a billion to their profits, reporting a total of $1,954,000,000, and a return of 22 percent on their net worth. I submit that they seem to have been doing very well indeed.

Now let us examine the postwar fortunes of the 44 oil and gas companies which National City Bank has selected for inclusion in its monthly bulletin.

In 1945 their profit after taxes totaled $31,000,000. This gave them a return of 11.3 percent on net worth.

In 1946 they made $36,000,000, or about 12½ percent on net worth.

In the following year, 1947, they almost doubled their profit. It reached $70,000,000 and was equal to 20 percent of net worth.

Between 1947 and 1948 the profits reported for a somewhat larger number of companies in this category increased 75 percent, so that we can say that the group which started with $31,000,000 profits in 1945, made about $123,000,000 of profit in 1948—a fourfold increase in 3 years. Their 1948 profits were equal to 36 percent of their net worth. Again, I submit, we have here all the earmarks of a profitable industry, a most extraordinarily profitable industry.

I recite these facts so that the Senate and the American people shall know something about the profit level from which these oil and gas companies start as they launch into the years of a great gas boom, which, if they succeed in their campaign to kill effective Federal regulation, will add $10,000,000,000 to the value of their present gas reserves.

To conclude this brief sketch of the financial background of the immediate issue that is involved in the confirmation of Leland Olds, I append a table taken from the Federal Power Commission's report to the Senate on Senate bill 1498, and ask unanimous consent for its inclusion in the RECORD at this point in my remarks.

There being no objection, table B was ordered to be printed in the RECORD, as follows:

TABLE B.—*Income available for common stock as percent of common stock and surplus (at end of year) of oil and gas companies selling large volumes of natural gas to interstate pipe lines*

	1946	1947	1948
Barnsdall Oil Co	17.8	25.6	31.6
Continental Oil Co	12.8	18.4	25.8
Gulf Oil Corp	12.0	17.6	20.0
Humble Oil & Refining Co	14.7	22.2	27.7
Ohio Oil Co	15.0	20.9	28.4
Phillips Petroleum Co	8.9	11.9	18.7
Plymouth Oil Co	17.6	28.7	37.9
Pure Oil Co	12.1	13.8	23.6
Republic Natural Gas Co	18.6	26.0	27.4
Shamrock Oil & Gas Co	18.5	28.9	40.6
Seaboard Oil Co. of Delaware	19.3	31.0	29.6
Shell Union Oil Corp	11.6	19.5	29.5
Sinclair Oil Co	8.9	14.1	21.2
Skelly Oil Co	13.3	22.3	30.4
Sun Oil Co	9.1	13.2	19.4
The Texas Co	10.5	12.3	17.4
Tidewater-Associated Oil Co	11.2	15.4	18.0
Union Oil Co. of California	5.7	10.7	16.3
Warren Petroleum Corp	6.6	27.0	28.2

Mr. MURRAY. This table lists a number of oil and gas companies which sell large volumes of natural gas to interstate pipe lines. These would be among the important beneficiaries of any action by the Senate to remove from Federal jurisdiction the prices at which gas is sold to the pipe lines. It will be noted that these companies have been earning very substantial returns upon their net worth, but of course they will perform far more handsomely for their stockholders if they are freed of any control with respect to the price of gas. I call attention to the fact the rates of return in this table are computed upon stockholders' equity at the end of the year. In other words, they are conservatively computed, for they include a large part of the year's profit in the base against which the profit rate is calculated.

To summarize the postwar profit record of these companies as reported to date, I submit a final table which sets forth for each of them the value of capital stock and surplus on January 1, 1946, and the dollar profits, after taxes, earned in the three postwar years and ask unanimous consent to insert it at this point in my remarks.

There being no objection, table C was ordered to be printed in the RECORD, as follows:

TABLE C.—*Percentage of common stock and surplus at Jan. 1, 1946, recouped through profits during 3-year period of 1946 to 1948, inclusive of oil and gas companies selling large volumes of natural gas to interstate pipe lines*

	Common stock and surplus, Jan. 1, 1946	Income available for common stock			Total, 1946, 1947, and 1948	Ratio, 3-year income to Jan. 1, 1946, common stock and surplus
		1946	1947	1948		
						Percent
Barnsdall Oil Co	$27,759,000	$5,113,811	$9,119,031	$13,473,629	$27,706,471	99.8
Continental Oil Co	135,578,261	19,013,899	31,356,664	54,216,729	104,587,292	77.1
Gulf Oil Corp	435,220,942	58,284,830	95,540,059	153,539,299	307,364,188	70.6
Humble Oil & Refining Co	444,578,707	71,831,758	124,106,877	186,068,579	382,007,214	85.9
Ohio Oil Co	111,040,000	18,253,236	29,161,496	49,333,158	96,747,890	87.1
Phillips Petroleum Co	235,214,878	22,625,151	40,893,647	72,630,997	136,149,795	57.9
Plymouth Oil Co	11,508,723	2,105,239	4,197,420	6,594,656	12,897,315	112.0
Pure Oil Co	156,157,795	14,895,791	18,984,899	39,459,966	73,340,656	47.0
Republic Natural Gas Co	8,423,838	1,779,404	3,040,034	3,947,002	8,766,440	104.1
Shamrock Oil & Gas Co	7,585,724	1,564,078	2,875,158	5,573,548	10,012,784	132.0
Seaboard Oil Co. of Delaware	11,510,350	3,000,586	5,941,002	6,780,713	15,722,301	136.6
Shell Union Oil Corp	252,638,662	32,880,417	59,874,698	111,396,447	204,151,562	80.8
Sinclair Oil Co	291,114,866	27,607,645	48,776,125	81,048,602	157,432,372	54.1
Skelly Oil Co	65,824,565	10,108,765	21,090,936	38,914,350	70,114,051	106.5
Sun Oil Co	153,459,818	14,307,158	23,920,521	42,434,447	80,662,126	52.6
The Texas Co	597,918,359	71,089,267	106,312,617	165,980,980	343,382,864	57.4
Tidewater-Associated Oil Co	148,792,000	20,302,000	33,622,000	37,856,000	91,780,000	61.7
Warren Petroleum Corp	5,600,203	1,115,041	4,926,388	8,393,637	14,435,066	257.8
18 companies	3,099,926,691	395,878,076	663,739,572	1,077,642,739	2,137,260,387	68.9

Data from Moody's Industrials.

Mr. MURRAY. The last column of this table is especially interesting. It relates the total postwar profits earned by each company to the stockholders' equity at the beginning of the postwar period. What we find is that only one of these large sellers of natural gas has earned less than 50 percent of the equity with which it started this 3-year period. Six of them recouped between 50 and 75 percent of stockholders' equity at the beginning of the period. Five recouped from 75 to 100 percent; five more recouped from 100 to 150 percent; and one got back its original equity 2½ times.

For all 18 companies together, postwar earnings totaled close to 70 percent of their common stock and surplus at the start of the 3-year period. By far the most profitable of the 3 years was 1948, when aggregate profits, after taxes, topped $1,000,000,000. This alone was equal to 33 percent of stockholders' equity on January 1, 1946.

Can there be any doubt about the profitability of this oil and gas industry which has projected its demand for release from Federal jurisdiction to the floor of the Senate, and which asks the Senate to remove Leland Olds from the Federal Power Commission to achieve this end?

Is there any shadow of justification in these facts which I have presented for the demand that is made upon the Senate by this industry—a demand which turns out upon examination to open the door to a gigantic bonanza of $10,000,000,000 to be taken from the pockets of the users of gas and to be added to already swollen profits of the oil and gas industry?

Mr. President, in a very brief and preliminary way, I have set forth the nature and magnitude of the stake involved in the decision on the renomination of Leland Olds to the Federal Power Commission.

The attempt to shift the issue from the price of gas is not going to succeed.

For one thing, the press is on to it. Many of the country's commentators and editorial writers have penetrated to the real issue.

The farmers are on to it. Labor is on to it. State commissions and the municipal law officers, who know the great service Commissioner Olds has rendered consumers and the cause of conservation, are on to it.

As proof of this, I ask unanimous consent to insert at the conclusion of my remarks certain press clippings, including news reports and editorial comment, as follows:

First. The leading editorial in the newspaper Labor, October 8, 1949, published by the 15 recognized standard railroad labor organizations, headed "Power and Gas Trusts asking Senate to crucify Olds—purpose of 'Red smear' is to terrorize other conscientious public officials."

Second. Editorial in the New York Times, October 8, 1949, headed "The Olds nomination" and saying that—

What Mr. Olds wrote and thought then is far less important than what he has done as Chairman and member of the Federal Power Commission since then. His most recent notable public activity was to have objected last spring to proposed amendments to the Natural Gas Act which, in his view, would have removed the producers of natural gas from the domain of Federal regulation.

Third. Editorial from the El Paso Herald-Post, October 4, 1949, headed "FPC appointment," and saying:

The gas interests and their brothers-in-law, the electric utilities, don't like Commissioner Olds because he's the people's man. They want a man of their own. * * * Mr. Olds is one of five Commissioners. He does not control the FPC, but he does speak up for Juan Smith. We hope the Senate confirms him.

Fourth. Editorial from the Muskegon Chronicle, September 23, 1949, headed "Gas users concerned."

Fifth. A syndicated article, On the Other Hand, by Lowell Mellett, from the Washington Star, October 4, 1949.

Sixth. Editorial from the Milwaukee Journal, October 4, 1949, headed "Confirm Leland Olds," and saying:

Natural gas, and natural gas alone, is the point at issue in Representative LYLE's outrageous attack on Olds' nomination.

Seventh. Editorial from the Kansas City Times, September 9, 1949, headed "Punishing Public Service," and saying:

We have heard of no case that could be made against Olds except vigorous action under the present law which was written by Congress. His sin is doing his duty as he saw it.

Eighth. Editorial from the Kansas City Star, October 6, 1949, headed "A record versus Olds writings," and saying:

The real reason for this attack is not what he [Olds] wrote in the twenties. It is part of the general drive of the natural-gas industry to weaken Federal control over the price of gas at the wells.

Ninth. Editorial from the Raleigh News and Observer, October 2, 1949, headed "Do lobbies rule?" and saying:

The lobbyists are arrogantly and brazenly demanding that the very Commission set up to regulate the interests the lobbyists represent be stacked with men biased in favor of those interests. Mr. Olds' one crime is that he has represented the public rather than the special interests. The Senate is itself on trial in this case.

Tenth. Editorial from the St. Louis Star-Times, October 3, 1949, headed "Onslaught against Olds," and saying that:

Olds is a man who puts the public interest above private gain. He is a man who believes the natural resources of this Nation were meant for the Nation as a whole, not the gain of a few. He is a man who thinks that a return to the utility scandals of the twenties would be ruinous for this Nation. Because of these things some utility interests oppose him now. It is just because of these things that the Senate should quickly confirm him for his new appointment.

Eleventh. Article from the League Reporter, October 10, 1949, published by Labor's League for Political Education, of the American Federation of Labor, headed "Low-rate exponent—Workers await Senate verdict on Olds—Enemies use smear tactics" and saying:

This is the case against Olds: He has championed the consumers' interests in low utility rates. He has refused to bow to the demands of the Power Trust for high rates and tremendous profits. The "He's a Communist" smear technique is being used by the gas and oil interests. This is the way the utilities are attacking Olds: In the 1920's he wrote articles for Federated Press, a labor news service. One of the clients of FP was the Daily Worker, the Communist paper published in New York. Therefore, Olds is a Communist. By that same sort of ridiculous reasoning, President Hugh Baillie, of the United Press, must be a Communist because he sells his service to the Daily Worker.

Twelfth. Article from the CIO News, October 10, 1949, headed "CIO, administration gear to fight to confirm Olds," and saying:

CIO's position was stated in a letter to all Senators from President Murray. It said: "The issue is oil. If the oil industry succeeds in removing Olds from the Power Commission, it will have gained a major victory in its campaign to escape Federal regulation of the prices it charges for natural gas. The stakes are enormous. Through increased prices of gas at least $8,000,000,000 will be added to the value of oil companies' known gas reserves. Consumers will pay hundreds of millions of dollars a year in higher gas bills."

Thirteenth. Article from New York Times, October 8, 1949, headed "Renaming of Olds demanded by NCA," and saying:

The National Coal Association yesterday endorsed the reappointment of Leland Olds as a member of the Federal Power Commission.

Fourteenth. Article from the Machinist, September 29, 1949, published by the International Association of Machinists, headed "Knife out for Lee Olds: He fought to keep your gas, light bills down," and saying:

Whether or not Leland Olds is confirmed by the Senate will determine the size of those monthly light and gas bills that every family will be paying for years to come—

IAM President Al Hayes told the Machinist.

Fifteenth. Article from United Automobile Workers, October 1949, published by the UAW-CIO, headed "Hatchet job on Truman appointee—Oil companies want free hand to pick gas consumers' pockets," and saying:

Two sitting Commissioners have said the present law can be interpreted to give the oil companies what they want. Two other Commissioners won't let the oil companies get away with it, unless Congress changes the law. Olds goes along with these two. His reappointment would give the public viewpoint a majority on the Commission. That is why Olds was called Communist, traitor, menace, and many other choice words by the oil industry in these hearings. If they can't get the law they want, the next best thing is to get the Commission that administers the law. More than the billions of dollars of oil profit are involved. If the oil industry can kick a competent and courageous man like Olds out of public service, all Government administrators will be given notice that they had better be nice to big business if they want to keep their jobs.

Sixteenth. Article from the Washington Daily News, October 4, 1949, by Eleanor Roosevelt, headed, "Why can't Senators recognize honest public servants?" and saying:

By and large the people of the United States are not so gullible. They want the kind of public servant that Leland Olds has proved himself to be in the Federal Power Commission.

Seventeenth. Three editorials from the Washington Post, September 29, September 30, and October 7, 1949, headed "Lobby target," "Radical pasts," and "Sham battle."

Eighteenth. Editorial from the St. Louis Post-Dispatch, October 7, 1949, headed "Leland Olds and St. Louis," and saying:

His (Olds') record on the FPC shows that he has been a supporter of private enterprise, but enterprise kept within reasonable bounds by respect for the interests of the consumer. Mr. Truman knows that the consumers of the United States expect his administration to continue this watchfulness. He knows that if the Democratic majority in the Senate fails to confirm Leland Olds, its Members will be held responsible for higher utility bills. The President does not want the Democratic Party to carry that responsibility. He is right.

Nineteenth. Article from the Washington Star, September 28, 1949, headed "Public servant on trial" by Thomas L. Stokes.

Twentieth. Article from the Washington Star, October 1, 1949, headed "On the other hand," by Lowell Mellett.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From Labor of October 8, 1949]

POWER AND GAS TRUSTS ASKING SENATE TO CRUCIFY OLDS—PURPOSE OF RED SMEAR IS TO TERRORIZE OTHER CONSCIENTIOUS PUBLIC OFFICIALS

Will the Senate let the Power Trust and Natural Gas Trust crucify Leland Olds, and thereby terrorize other public officials into putting private interests above the public interest?

That was the real issue at Senate Interstate Commerce Committee hearings, when hostile witnesses—rounded up by the power and gas lobbies—attempted to smear Olds as a Red. If he were a Red, this paper would be fighting his confirmation. But he isn't a Red. Just a decent public servant who can't be fixed. Now the issue is up to the Senate.

From 1931 to 1939, Olds was a member of the New York State Power Authority, an electric utility regulating body. Then President Roosevelt, who had been Governor of New York and knew Olds' work there, appointed him to the Federal Power Commission, which regulates the interstate electric and gas industries. Now President Truman asks the Senate to approve his reappointment for another term.

Olds' record as a public regulator has been an open book for nearly two decades. Witnesses favoring his reappointment testified he has saved the American people many millions of dollars by helping to reduce electric and gas rates. His opponents choose to ignore the record and indulge in one of the dirtiest attacks ever made on any public official.

Even some conservative daily newspapers objected to hitting below the belt when an attempt was made to hang the Red label on Olds, by saying he once wrote for the Daily Worker, the Communist paper.

Olds explained that, years ago, he wrote articles for the Federated Press, which sold its news service to labor papers. The Daily Worker bought that service, and Olds had no choice as to where his articles appeared.

Next, Olds' opponents tried to paint him Red by recalling that he has advocated public ownership of electric power.

That kind of argument would make Communists out of both T. R. and F. D. Roosevelt, Woodrow Wilson, the late Senator Norris, and many other great Americans who believed in and worked for public-ownership programs.

Olds' principal opponents were spokesmen for the big oil companies and their natural gas subsidiaries. They want to force Olds out of the FPC, because he has opposed a bill which would largely free the gas concerns from any kind of regulation, Federal or State, enabling them to raise their rates to consumers by many millions of dollars a year.

In short, the electric power and gas interests wish to control the Federal Power Commission, which is supposed to regulate them. They are afraid of Leland Olds because they can't control him. That's the best reason in the world why he should be confirmed.

[From the New York Times of October 8, 1949]

THE OLDS NOMINATION

Around the renomination of Leland Olds to serve a third term as member of the Federal Power Commission there swirls a double-barreled controversy. It threatens to eclipse the really pertinent question: Do Mr. Olds' present views and his record as commissioner for the past decade warrant his reappointment?

The hearings of the Senate Interstate and Foreign Commerce Committee, which culminated in an unfavorable vote on Mr. Olds' renomination, centered not on this important issue, but rather on the allegation that Mr. Olds had given vent to bitterly anticapitalistic views more than 20 years ago. In his letter to the President explaining the adverse vote, Senator Johnson, chairman of the committee, offered no concrete evidence that Mr. Olds was unfit other than quotations from his writings, none of which was dated later than January 24, 1929. Admittedly, the views Mr. Olds then expressed sound radical today. But what Mr. Olds wrote and thought then is far less important than what he has done as Chairman and member of the Federal Power Commission since then. His most recent notable public activity was to have objected last spring to proposed amendments to the Natural Gas Act which, in his view, would have removed the producers of natural gas from the domain of Federal regulation. The battle over his confirmation, if there was to be one, should have been fought on the issue of whether, as commissioner, he will properly serve the intent of Congress and the best interests of the Nation. That is what the Senate ought to debate next week when the Olds nomination comes to the floor.

On the other hand, we think the tack President Truman has taken toward those Democratic Senators who sincerely oppose the Olds nomination is unfortunate. While the President certainly has every right to fight for his nominee, the Senate, too, has the constitutional duty of approving or disapproving the nomination. To place confirmation of this appointment on mere grounds of party loyalty, and to imply that any Democratic Senator who opposes it is ipso facto a traitor to his party, hardly does justice to the qualifications of the appointee. Mr. Olds should be considered on his merits, neither on the false issue of communism nor on the foolish one of party discipline.

[From the El Paso Herald-Post of October 4, 1949]

FPC APPOINTMENT

The utilities, particularly the natural gas interests, are staging a knock-down fight in Washington to prevent Senate confirmation of Leland Olds as a member of the Federal Power Commission. He has served one term.

The gas interests and their brothers-in-law, the electric utilities, don't like Commissioner Olds because he's the people's man. They want a man of their own. They would make the FPC a creature of the utilities as the Interstate Commerce Commission has been made a creature of the railroads.

Mr. Olds got in bad with gas last year when he reported on the Commission's Nation-wide gas investigation.

He said that if the gas reserves of Texas and other Southwestern States were tied up to supply the industrial areas of the remainder of the Nation, the effect would be to:

1. Take away raw materials from which literally thousands of materials and products can be processed.

2. Cause fuels and electric rates to skyrocket.

3. Put an end to the hope of industrialization.

4. Consign such States to a permanent raw-material status.

5. Doom the people of the have-not States to continued low purchasing power and poor living standards (Texas ranks thirty-third among the States in per capita income, New Mexico, thirty-eighth).

6. Make it impossible to absorb into industrial activities within the State the surplus farm population created by mechanization; and

7. Create unwise and unnecessary migration.

Commissioner Olds' report containing the above findings was 323 pages, but his text was in this one paragraph:

"We are dealing here with an important factor, not only in the ambition of the Southwest to build up industrially, but also in the national interest in industrial decentralization through the widest possible dispersion of manufacture and population. To achieve these allied objectives, policies must be promoted which will bring about the development of manufacture in areas heretofore predominantly raw-material producers. Such policies will include the conservation of the exhaustible natural gas resources of the Southwest, because the reserve would hamstring industrial development in that region while encouraging further centralization of industry in the great coal-producing region of the northeastern industrial belt."

Coming to the aid of the natural gas industry, and its cheering section, the electric power boys, are a number of Texas Congressmen, including K. M. REGAN, of the El Paso district, and Senator LYNDON JOHNSON.

They have advanced no sound argument against Mr. Olds. They have turned to shedding tears for "the poor farmer" who, they claim, can't get full price for his gas if Mr. Olds stays on the Commission and the successor to the Rizley bill, defeated last session, is not passed.

Utilities act strangely when possible regulation of their rates comes up. An honest reflection on the record would show them that regulation—Federal, State, and municipal—has through the years meant sounder and more profitable business for them. They have been taught that low prices and high quality mean increased profit and increased good will. El Paso Natural Gas Co., for example, had its rates cut $500,000. Among the beneficiaries were the citizens of El Paso. A greater beneficiary was the company itself, which went ahead at the lower rates and sold more and more gas to its old and new customers. An expertly managed outfit, we doubt if it would raise rates if it could. But there are many that can't see beyond the price per thousand cubic feet.

Mr. Olds is one of five Commissioners. He does not control the FPC, but he does speak up for Juan Smith.

We hope the Senate confirms him.

[From the Muskegon Chronicle of September 23, 1949]

GAS USERS CONCERNED

Greater Muskegon gas consumers are directly concerned in the fight now being waged in the United States Senate against the Federal Power Commission, and particularly against Commissioner Leland Olds, whose term has expired.

The issue is whether the Commission shall continue to regulate the rates paid for gas at the well, when it moves in interstate commerce, or whether this power shall pass to the States as proposed in a bill introduced by Senator KERR, of Oklahoma.

The Muskegon division of Michigan Consolidated Gas Co. has over 22,000 meters installed. In the past 30 days more than 2,500 users petitioned the gas company for gas for house-heating purposes. Since our gas comes from the Texas-Hugoton fields, we have a direct interest in the price of gas at the well.

Senator KERR is rated as a multimillionaire. The bulk of his wealth comes from gas wells. It is understandable that he should prefer to have the States of Texas and Oklahoma fix the price of gas sold to outstate consumers.

What is less understandable is that he, in his position of United States Senator, should seek to drive from public office an individual who feels the Federal Government should regulate these prices in the interest of the consuming public.

Senator KERR is seeking to remove Mr. Olds, who has served for 12 years on the Commission, most of the time as Chairman.

Olds has been serving without pay since his term expired June 22, largely because Senator KERR and a few of his friends are doing their utmost to block approval of his reappointment. President Truman sent his name to the Senate more than 3 months ago. After persistent stalling, the Senate subcommittee of the Committee on Interstate and Foreign Commerce has finally scheduled hearings for Tuesday, September 27.

One of the charges leveled against Olds is that he is identified with subversive groups. Such a charge, coming after 12 years of outstanding public service including his opinion in the Michigan gas pipe-line case, illustrates the lengths to which certain vested interests will go.

Senator KERR and his cohorts have done business a grave disservice in using their official positions to serve their private interests in seeking to block Mr. Olds' reappointment.

[From the Milwaukee Journal of October 4, 1949]

CONFIRM LELAND OLDS

Leland Olds, nominated for a third 5-year term on the Federal Power Commission, is being made the victim of a merciless and unjustified attack by the natural gas lobby.

Spearheaded by Representative LYLE (Democrat of Texas), opponents are accusing Olds of Communist sympathies, radical beliefs and have even dragged in the old bromides that he is opposed to the home, the family and the church.

These charges, which were fought over and disproved when Olds was renominated in 1944 and when he was first nominated in 1939, are patently ridiculous. As a young man Olds was a labor writer. He held admitted leftist views—but not Communist views. He wrote with a labor viewpoint. His articles for the Federated Press were reprinted in leftist papers. Those things are matters of record and Olds has never hidden them before any committee considering his nomination. They were views not uncommon to many thinking young men.

Olds has matured. He is a liberal, but certainly not a radical. He has had almost 20 years of utility regulation experience, 8 of them as a member of the New York State Power Authority and 10 as a Federal Power Commissioner. As a Federal Power Commissioner, he has, in the words of Thomas C. Buchanan, a fellow Commissioner, been "a watchdog of the public welfare, which to some people makes him a dangerous radical." He has aroused the indignation of utility interests by his constant insistence on wringing water out of utility accounts and keeping down utility rates.

Olds' current crime is that he opposes bills, such as the Moore-Rizley measure, which have attempted to remove independent producers of natural gas from Federal Power Commission control. That would take about three-quarters of the industry out from under any effective rate control and send natural gas rates skyrocketing. So far Congress has refused to grant such immunity to the natural gas industry. In the interests of consumers it will have to continue to refuse it.

Natural gas, and natural gas alone, is the point at issue in Representative LYLE's outrageous attack on Olds' nomination. Communism and all the other charges are pure smear tactics. Attacks like this on able public servants are major reasons for the reluctance of good men to take Government posts of responsibility. The Senate, as it has on two previous occasions in the case old Olds, should show its disapproval of such tactics by confirming him for a third term.

[From the Kansas City Times of September 9, 1949]

PUNISHING PUBLIC SERVICE

Human memory and gratitude are short, but a few persons in this area have reason to remember Leland Olds. He is the strong man of the Federal Power Commission who stepped into the 15-year-old battle for lower gas rates in this region and won.

Since last June his reappointment to the Commission has been held up by a Senate subcommittee headed by Senator LYNDON JOHNSON of Texas. It so happens that Texas is one of the gas-producing States leading the fight to undermine the authority of the Federal Power Commission. JOHNSON, who went into the Senate as a liberal (Texas version) has appeared to be very much on the side of the pipe-line companies.

This looks like a drive to get at the Power Commission one way or the other. If its control can't be weakened by a new law, then the next best thing (for the big companies) is to block the man who has been carrying out the intentions of the present law.

We have heard of no case that could be made against Olds except vigorous action under the present law which was written by Congress. His sin is doing his duty as he saw it.

One of his greatest sins, no doubt, came in this area. When the authority of the Federal Power Commission came into the old gas rate fight the public saw results in an amazingly short time.

From impounded funds out of that case the Kansas City gas users received checks totaling nearly $8,000,000. Throughout the Cities Service system the refunds aggregated $24,000,000, most of it in western Missouri and Kansas.

Since that time the Kansas City public has continued to receive the benefit of the rate reduction to the tune of more than $2,000,000 a year (four and a half million for the system).

After all this saving for the public the pipe-line company has continued to make a good income by utility standards. The only complaints come from the fact that the pipeline companies in general think they should make a speculative profit from the increased real value of their own wells.

The real issue is in the Kerr bill, which would remove the authority of the Commission from the producing end of the pipe lines. We believe the bill would be very expensive to gas users, but if the natural-gas Senators can win in an open fight that's that.

The sneak play against Olds is entirely different. The Senate subcommittee probably knows that it doesn't have a single honest reason to justify holding up his appointment. It hasn't risked bringing the name out on the floor of the Senate. The play is to do absolutely nothing and thereby punish a man for the sin of working in the public interest—as the present law provides.

[From the Kansas City Star of October 6, 1949]

A RECORD VERSUS OLD WRITINGS

Leland Olds now appears to have little chance of Senate confirmation after the one-sided adverse vote of the Commerce Committee. Here is an unusual situation of an important public official being blocked on the record of indiscretions of 20 years ago—not on his record in office.

As the dominant force on the Federal Power Commission Olds deserves a large share of the credit for the present low price of gas in this area and the millions of dollars in refunds that went back to the gas users. Since this tremendous saving for the public was accomplished Cities Service has still managed to show excellent earnings.

The city administration of Kansas City was active as an intervenor in this case. It

was just as tough as the Federal Power Commission in upholding the rights of the gas users and we have not yet heard it accused of being Communist or even pink.

The case against Olds was based on his writings in the 1920's. At that time he was on the staff of the Federated Press. According to former Senator E. H. Moore of Oklahoma the press service was a Communist organization with Earl Browder and William Z. Foster serving on its board. Its service was used by the Daily Worker and Olds' column was published in that Communist paper.

Olds has denied that he ever was a Communist and there is nothing in his selected writings (apparently assembled by the natural gas interests) to identify him as a Communist. But his attacks on the performance of capitalism and bouquets for the Soviet Union were enough to make him "hot" in this current uprising against all Communist activities.

Of course excerpts can be very misleading. And this country as a whole was very slow coming to its present appraisal of Soviet Russia. Olds did his writing so long ago that it might easily be charged to an addled youth and since outgrown. But his opponents have been able to use their material at a time when it can cause Olds the greatest possible damage.

The fact is, there is no taint of communism in his record on the Federal Power Commission. He has been a capable and we believe generally reasonable public official. The real reason for this attack is not what he wrote in the 1920's. It is part of the general drive of the natural gas industry to weaken Federal control over the price of gas at the wells. This objective is in the Kerr bill which hasn't yet succeeded.

We don't like Olds' writing of 20 years ago either, and they don't help our feelings about his emotional stability. But when a man has since served many years in responsible public office it is the record in office that should count on confirmation. From the standpoint of the consumers his record has been excellent.

[From the News and Observer, Raleigh, N. C., of October 2, 1949]

DO LOBBIES RULE?

Seldom, if ever, has a more clear-cut issue been presented to the United States Senate than that involved in the impending nomination of Leland Olds for another term on the Federal Power Commission.

The Washington Post, which is a frequent critic of the Truman administration, presents the case succinctly and fairly in the following editorial headed "Lobby Target":

"Leland Olds, nominated by the President to serve another term as member of the Federal Power Commission, is in danger of being rejected by the Senate because he has had the temerity to oppose the powerful natural gas lobby. He was known to be an opponent of the Moore-Rizley bill which passed the House but died in the Senate during the Eightieth Congress. He testified vigorously before the House and Senate Interstate Commerce Committees in opposition to the similar bills before the present Congress. These bills would amend the Natural Gas Act of 1938 in such a way as to remove from regulation of the Federal Power Commission all the independent producers of natural gas—about three-fourths of the industry. The effect would be to deprive consumers of the protection afforded by Federal rate fixing and make them the victims of a price gouge by an already profitable industry.

"Mr. Olds has had nearly two decades of experience in utility regulation. He served the New York State Power Authority from 1931 to 1939, when President Roosevelt named him to the Federal Power Commission. On that body, where he has completed two 5-year terms, he has been vigilant in squeezing the water out of utility accounts and vigorous in pressing for gas and electric rate reductions. Testifying in his behalf on Tuesday, Ordway Tead, chairman of New York City's Board of Higher Education, observed that 'if, as some allege, there is a disposition to have men serving on this Commission whose first loyalty is to some lesser private interest, then Mr. Olds is not your man. He has served and will serve one interest only—that of all the plain people of America.'"

It is clear that there is a disposition, at least among the utility lobbyists, to have men on the Commission whose loyalty is to private interest. This disposition was evident in the opposition to Mr. Buchanan's confirmation as a Commission as well as in the opposition to Mr. Olds. It was evident in Representative LYLE'S despicable and preposterous attempt to smear Mr. Olds as a Red because he worked and wrote for labor unions 20 years ago. The Senate can best demonstrate its own devotion to the public interest by confirming Mr. Olds at once.

The lobbyists are arrogantly and brazenly demanding that the very Commission set up to regulate the interests the lobbyists represent be stacked with men biased in favor of those interests.

Mr. Olds' one crime is that he has represented the public rather than the special interests.

The Senate is itself on trial in this case. This nomination should not be pigeonholed by a committee. It should be brought to a vote in the Senate and the roll call should be called on that vote.

[From the St. Louis Star-Times of October 3, 1949]

ONSLAUGHT AGAINST OLDS

For 10 years now Leland Olds has been the most publicly prominent member of the Federal Power Commission. And he has won that prominence by no spectacles of flamboyance, no off-the-handle excesses. He has won it by the simple process of being tirelessly intelligent in the service of the public. There have been few enough headlines to herald his success in that service; FPC decisions are complicated things that deal with the tangles of utility-rate cases and boundaries of jurisdiction, so they make anything but light reading. Experts in the utility field, though, have come to recognize Olds as one of their own. He knows his subject thoroughly, deeply, and he has used his knowledge to the benefit of the consumers.

Yet Leland Olds today is literally fighting for his official life. Renominated by President Truman for a third richly deserved term on the Commission, he has run into powerful opposition. It is, as was to be expected, public-utility opposition. The men Olds has resisted in their attempts to encroach on the public are the men who now fight him with every weapon at hand. But the force such men can yield in the Senate is no less strong for being a strictly private, strictly entrenched-interest force.

There are some weird charges being brought against Olds. Typical of them is the one that he is a Communist, or at least a Communist sympathizer. "Olds' articles," it is whispered about, "used to appear in the Daily Worker. You know what that means." And his articles did so appear—at a time when he was writing for the Federated Press, a trades-union press syndicate, back in the twenties. Olds had no more responsibility for or connection with Daily Worker policy than an Associated Press reporter today has responsibility for Star-Times policy. What's more, he has been consistently vigorous in his opposition to communism. There are even competent authorities, men like former Assistant Secretary of State Berle, to testify that Olds has been a prime champion against communism and socialism; by the policies he espoused, these authorities say, Olds has preserved private enterprise in the utility field from excesses that would otherwise have led to collectivism in some form.

Olds is no Communist. But he is a man who puts the public interest above private gain. He is a man who believes the natural resources of this Nation were meant for the Nation as a whole, not the gain of a few. He is a man who thinks that a return to the utility scandals of the twenties would be ruinous for this Nation. Because of these things some utility interests oppose him now. It is just because of these things that the Senate should quickly confirm him for his new appointment.

[From the A. F. of L. League Reporter of October 10, 1949]

LOW-RATE EXPONENT—WORKERS AWAIT SENATE VERDICT ON OLDS—ENEMIES USE SMEAR TACTICS

Millions of Americans are awaiting the Senate's verdict on Leland Olds. All the testimony is in. The lower court—the Senate Interstate and Foreign Commerce Committee—has given its verdict. Now the case is in the hands of the highest court—the Senate itself.

Olds, who has been a member of the Federal Power Commission for 10 years, has been renominated by President Truman for another 5-year term. A week of hearings on the nomination has been completed by the Senate subcommittee.

UNANIMOUS VOTE

On October 4 the subcommittee voted unanimously, 7 to 0, against Olds. And on October 5 the full committee voted 10 to 2 to turn down Olds. The Senate still must act on the nomination.

These 10 members of the committee voted against Olds and against your interests:

LINE-UP

Five Democrats: JOHNSON (Colorado), MCFARLAND (Arizona), O'CONOR (Maryland), JOHNSON (Texas), and HUNT (Wyoming). Five Republicans: TOBEY (New Hampshire), REED (Kansas), BREWSTER (Maine), CAPEHART (Indiana), and BRICKER (Ohio).

Two Democrats, MAGNUSON (Washington) and MYERS (Pennsylvania), voted for Olds and your interests. One Democrat, MCMAHON (Connecticut), was unable to be present at the meeting and has not yet announced his position on Olds.

CASE AGAINST OLDS

This is the case against Olds:

He has championed the consumers' interests in low utility rates. He has refused to bow to the demands of the power trust for high rates and tremendous profits.

The "He's a Communist!" smear technique is being used by the gas and oil interests.

This is the way the utilities are attacking Olds: In the 1920's he wrote articles for Federated Press, a labor news service. One of the clients of the FP was the Daily Worker, the Communist paper published in New York. Therefore, Olds is a Communist.

By that same sort of ridiculous reasoning, President Hugh Baillie, of the United Press must be a Communist because he sells his service to the Daily Worker.

[From the CIO News of October 10, 1949]

CIO, ADMINISTRATION GEAR FOR FIGHT TO CONFIRM OLDS

CIO joined the administration last week in a last-ditch fight to win Senate confirmation of Leland Olds, named by President Truman for a third term as head of the important Federal Power Commission.

Olds, under a barrage attack from gas and electric utility lobbies because of his consumer-minded regulation of rates charged by the companies, was turned down by a 10 to 2 vote of the Senate Commerce Committee.

Only Senator MYERS (Democrat, Pennsylvania), and Senator MAGNUSON (Democrat, Washington) voted for Olds.

The fight to overrule the Committee on the Senate floor received strong support from the Democratic National Committee. Chairman William Boyle, Jr., sent telegrams to heads of the party's State organizations asking them to let their Senator know that the people want Olds confirmed.

Boyle said that Olds, during his past 10 years' service on the Power Commission, has stood for the best interests of the general public in the public utility field. Defeat of his nomination would be a defeat for the millions of Americans who are entitled to fair power rates and a victory for the power lobbyists and the Republican Party."

Boyle's statement was backed up by President Truman, in the form of a letter to Senators and in outspoken remarks at his press conference. The President said that opposition to Olds comes from powerful corporations.

CIO's position was stated in a letter to all Senators from President Murray. It said:

"The issue is oil. If the oil industry succeeds in removing Olds from the Power Commission, it will have gained a major victory in its campaign to escape Federal regulation of the price it charges for natural gas. The stakes are enormous.

"Through increased prices of gas, at least $8,000,000,000 will be added to the value of oil companies' known gas reserves. Consumers will pay hundreds of millions of dollars a year in higher gas bills.

"The vote of the Senate on Leland Olds will determine whether oil will again stain the public record.

"The President said: 'We cannot allow the great corporations to dominate the commissions which have been created to regulate them.'

"These are the real issues on which you will vote when the confirmation of Olds is before you."

Washington experts say that some $2,000,000,000 are involved in the fate of the Olds appointment. As Chairman of the FPC, Olds has headed a 3-2 majority which has stood consistently for protection of the consumers in matters of gas and electric-power rates.

Defeat of Olds, and selection of a less militant or experienced person to the Commission, would be a tremendous victory for the power and gas interests—and it would undoubtedly spur industry demands by the industry's lobby for higher rates.

[From the New York Times of October 8, 1949]

RENAMING OF OLDS DEMANDED BY NCA—COAL GROUP'S FINAL SESSION FOR FPC REAPPOINTMENT ON "SOUND" STAND ON NATURAL GAS—OPPOSE SECURITY TAX RISE—PRODUCERS ADOPT A RESOLUTION FOR CONGRESS TO FIND FUNDS FOR PLAN SOME OTHER WAY

The National Coal Association yesterday endorsed the reappointment of Leland Olds as a member of the Federal Power Commission. Speaking at closing sessions of the bituminous-coal-producing industry's forty-second annual convention at the Waldorf-Astoria Hotel, Charles A. Owen, NCA president, said coal producers feel that Commissioner Olds has been very sound in his treatment of natural-gas matters coming before the Commission. "We are hopeful that he will be continued in office," Mr. Owen said.

In the same statement Mr. Owen denied reports published by a Washington newspaper, which stated that coal producers had been opposed to the confirmation of Leland Olds. In rejecting this Washington story Mr. Owen said he did not know the source of the report and "I know of no foundation for it."

[From the Machinist of September 29, 1949]

KNIFE OUT FOR LEE OLDS—HE FOUGHT TO KEEP YOUR GAS, LIGHT BILLS DOWN

The International Association of Machinists this week threw the full weight of its support into the fight to win confirmation of Leland Olds, at right, whom President Truman has reappointed for a third term on the Federal Power Commission.

"Whether or not Leland Olds is confirmed by the Senate will determine the size of those monthly light and gas bills that every family will be paying for years to come," IAM President Al Hayes told the Machinist. "Olds has campaigned consistently against exorbitant electric and gas rates, and the power lobby is out to get him. If they succeed, the Government's regulation of utilities is going to be seriously weakened."

Olds was first appointed to the Federal Power Commission in 1939 by the late President Roosevelt. He served as chairman from 1940 to 1944 and was reappointed in 1945. During Olds' tenure the Power Commission has—

Forced the utility companies to squeeze $1,400,000,000 water out of utility-company accounts, thus lowering the capitalization on which utility rates are based.

Established Supreme Court precedents fixing actual net investment, and not theoretical replacement cost, as the base for determining electric rates.

Established cooperative working arrangements under the law to enable State and city utility commissions to borrow competent Federal experts to help handle utility requests for rate increases.

In addition, Olds has openly announced himself in favor of river-basin development on the Tennessee Valley Authority pattern and is currently opposing the Kerr bill to exempt producers of natural gas from any Federal rate regulation.

Typical of the vigorous action Olds has taken to enforce utility regulations occurred in Kansas City in 1943 when Olds threw the authority of the Power Commission into a Midwestern gas-rate fight. As a result, gas users throughout the Cities Service System in western Missouri and Kansas received refunds adding up to $24,000,000. They are still receiving the benefit of that rate reduction to the tune of more than $4,500,000 a year. After all this saving for the public, the pipe-line company has continued to make a good income by utility standards.

Even his enemies concede that Leland Olds is one of the more competent administrators in the Government service.

To block Olds' reappointment, the electric and gas lobbies have succeeded in rigging the subcommittee of Senators who will make the recommendation to the Senate.

That committee is composed of Senators LYNDON JOHNSON, Democrat, Texas; ED JOHNSON, Democrat, Colorado; MCFARLAND, Democrat, Arizona; HERBERT R. O'CONOR, Democrat, Maryland; BRICKER, Republican, Ohio; CAPEHART, Republican, Indiana; and REED, Republican, Kansas.

To give these Senators an excuse to vote against Olds, the power lobby has dug into Olds' past and furnished the committee with some radical statements Olds wrote 25 years ago. In that period he was Director of Research for the Railway Employees Department, AFL during the 1922 railroad strike, and wrote economic articles for a labor news service which was supported by the International Association of Machinists and other trade unions.

The IAM agrees with the St. Louis Post-Dispatch which recently summed up the case against Leland Olds this way:

"Mr. Olds' offense is his unbroken record of zeal in the protection of the public."

[From the United Automobile Worker for October 1949]

HATCHET JOB ON TRUMAN APPOINTEE—OIL COMPANIES WANT FREE HAND TO PICK GAS CONSUMERS' POCKETS

WASHINGTON.—Consumers of natural gas are due for a beating if the oil companies win their campaign to kick Leland Olds out of the Federal Power Commission.

Twice appointed to the Commission by President Roosevelt, Olds was reappointed by President Truman last June. Senate action on confirmation is expected almost any day now. A Senate subcommittee has recommended rejection of Olds' appointment.

If the Senate turns Olds down, oil companies will have won a major victory in their drive to keep the Government from regulating prices at which they sell gas to pipe lines. Retail prices of gas in a large part of the country will be headed for high altitudes. Home owners who heat with gas will take such a licking they will wish they were still burning coal or oil.

SMEAR CAMPAIGN

At recent hearings before the hand-picked Senate subcommittee, Olds was subjected to a brutal barrage of character smears by oil-company witnesses and their like-minded Senators. For ferocity and unfairness the proceedings touched a new kind of low.

The hearings dramatically demonstrated that the issue is not Olds. It is gas. Opposition to Olds was all from the oil country, pleading for profits on natural gas. Oil industry lawyers were supplemented by spokesmen from four oil country universities, including the president of Texas Christian University.

Frankest of the four professors was Rupert Richardson, president of Hardin-Simmons University, Abilene, Tex., who said: "Central western Texas has for 30 years produced quantities of oil and gas. The university with which I have been associated for a third of a century could not have survived save for gifts which these industries made possible."

Backing Olds were CIO, IAM, Farmers' Union, National Grange, ADA, rural electrical cooperatives, many State utility commissions, city attorneys from Detroit, Pittsburgh and Kansas City, and a distinguished list of public-spirited citizens.

Camouflage in the subcommittee's attempt to beat Olds was a rehashing of articles he wrote for the Federated Press during the 1920's. The pieces, printed widely in labor papers, but also in the Daily Worker, slashed hammer and tongs at the union-busting open-shop industries of that day and called for radical reforms of that kind of capitalism. Like many mistaken liberals of that period, he looked with some hope toward the revolutionary changes abroad. Today, in a new setting, this makes fine fuel for reactionary Senators engaged in burning an honest and vigorous liberal, and they are pouring it on. But they have been unable to show that he advocated communism or sympathized with it in his program of reform for this country, although they have done their best to smear him with that brush.

WANT FREE HAND

Real reason why the oil industry and the oil country Senators want to beat Olds is to escape Government regulation of natural gas. Since 1947 the oil industry has tried, without success, to get a bill through Congress exempting gas sales from regulation. The Harris-Kerr bill in the present Congress has the same purpose, but if it passes it will be killed by a Presidential veto.

Oil companies know this. That's why they want to get Olds off the Federal Power Commission. Two sitting Commissioners have said the present law can be interpreted to give the oil companies what they want.

Two other Commissioners won't let the oil companies get away with it, unless Congress changes the law. Olds goes along with these two. His reappointment would give the public viewpoint a majority on the commission.

This is why Olds was called Communist, traitor, menace, and many other choice words by the oil industry in these hearings. If they can't get the law they want, the next best thing is to get the commission that administers the law.

More than the billions of dollars of oil profit are involved. If the oil industry can kick a competent and courageous man like Olds out of public service, all Government administrators will be given notice that they had better be nice to big business if they want to keep their jobs.

OIL STATE LINE-UP

Political line-up on Olds is top stuff. The President is backing him to the limit. Speaker SAM RAYBURN, Texas Democrat, has not publicly spoken against Olds but he has spearheaded the oil industry legislative drive. Senators LYNDON JOHNSON, Texas; ED JOHNSON, Colorado; MCFARLAND, Arizona, all Democrats, and REED, Kansas Republican, are most openly active against Senate confirmation of Olds. Senator BOB KERR, Democrat, Oklahoma, oil millionaire and Sunday school teacher, is kingpin behind the scenes in the fight against Olds.

[From the Washington Daily News of October 4, 1949]

MY DAY—WHY CAN'T SENATORS RECOGNIZE HONEST PUBLIC SERVANTS?

(By Eleanor Roosevelt)

NEW YORK, Monday.—When the special interests today find that they cannot quite carry their point against some public servant on the actual facts of a case, they are prone to fall back on the accusation that at some time in the individual's career he had a tie with communism.

At the present moment hearings are going on dealing with the reappointment for a third term of Leland Olds to the Federal Power Commission. I knew Mr. Olds first when my husband was Governor of New York State. He started his battle then for sound utility and power policy as a representative of the community councils of the City of New York.

Mr. Olds' work must have been well done because it brought about changes in the State, and he helped with the report that recommended a program of effective regulation. This was later implemented by United States Supreme Court decisions secured by the Federal Power Commission when Mr. Olds, himself, was Chairman of the Commission.

It is easy to understand why the electric power companies are opposed to him. Anyone familiar with his record sees quite well why the people from Texas or Oklahoma who are interested in oil and natural gas businesses are also opposed to him. Mr. Olds' opposition stopped the attempt in the 80th Congress to get amendments to the Natural Gas Act restricting the Federal Power Commission's jurisdiction to the transportation, companies and the final interstate sale. Had the producers succeeded, it would have left the pipe-line company as well as the independent producers free to get an unregulated price at the start of the journey of gas to the consumer markets.

It is easy to see the tie of all those who are against Mr. Olds with their personal interests, or the interest of their State, or their business, or their friends. He has the backing, however, of such organization and individuals as the National Grange, the National Farmers' Union, the Rural Electric Cooperative Association, American Public Power Association, Municipal Law Officers Institute, the CIO, the AFL, the ADA, railroad unions, four State regulatory commissions, and such individuals as Morris L. Cooke, Ordway Tead, James C. Bonbright, Adolf Berle, Jr., Jonathan Daniels, and others.

None of these organizations or people believe him to be communistic in his thinking This is, of course, implied by his opponents because articles he had once written were distributed by a news service to newspapers including the Daily Worker. In addition, the horrible fact has been brought out that he once spoke on the same platform with Earl Browder.

I don't know what that proves, because Lowell Mellett found a picture of Earl Browder taken with four other men with whom he shared a platform. This is in Elizabeth Dilling's book, The Roosevelt Red Record and Its Background. Among these four men is the Senator from Ohio, Mr. TAFT.

Can't our Senators and Representatives see through this opposition and recognize honest public servants? Must they swallow such an obvious red-herring allegation of communism?

By and large, the people of the United States are not so gullible. They want the kind of public servant that Leland Olds has proved himself to be in the Federal Power Commission. I hope they will speak out now when he needs their backing—in no uncertain terms.

[From the Washington Post of September 29, 1949]

LOBBY TARGET

Leland Olds, nominated by the President to serve another term as member of the Federal Power Commission, is in danger of being rejected by the Senate because he has had the temerity to oppose the powerful natural gas lobby. He was known to be an opponent of the Moore-Rizley bill which passed the House but died in the Senate during the Eightieth Congress. He testified vigorously before the House and Senate Interstate Commerce Committees in opposition to the similar bills before the present Congress. These bills would amend the Natural Gas Act of 1938 in such a way as to remove from regulation of the Federal Power Commission all the independent producers of natural gas—about three-fourths of the industry. The effect would be to deprive consumers of the protection afforded by Federal rate fixing and make them the victims of a price gouge by an already profitable industry.

Mr. Olds has had nearly two decades of experience in utility regulation. He served the New York State Power Authority from 1931 to 1939, when President Roosevelt named him to the Federal Power Commission. On that body, where he has completed two 5-year terms, he has been vigilant in squeezing the water out of utility accounts and vigorous in pressing for gas and electric rate reductions. Testifying in his behalf on Tuesday, Ordway Tead, chairman of New York City's Board of Higher Education, observed that "If, as some allege, there is a disposition to have men serving on this Commission whose first loyalty is to some lesser private interest, then Mr. Olds is not your man. He has served and will serve one interest only—that of all the plain people of America."

It is clear that there is a disposition, at least among the utility lobbyists, to have men on the Commission whose loyalty is to private interest. This disposition was evident in the opposition to Mr. Buchanan's confirmation as a Commissioner as well as in the opposition to Mr. Olds. It was evident in Representative LYLE's despicable and preposterous attempt to smear Mr. Olds as a Red because he worked and wrote for labor unions 20 years ago. The Senate can best demonstrate its own devotion to the public interest by confirming Mr. Olds at once.

[From the Washington Post of September 30, 1949]

RADICAL PASTS

A great deal of fuss—most of it as synthetic as it is silly—has been raised in the Senate hearings on confirmation of Leland Olds to the Federal Power Commission because the nominee expressed some opinions in the 1920's which sound very bad in 1949. His predicament or embarrassment is not unique. Many a respectable lawyer, doctor, merchant chief, as well as Government administrator, has sown ideological wild oats in his salad days which he might find it awkward to explain in his maturity. But this is, in point of fact, no more than an indication of healthy growth on the part of an intelligent and inquiring mind.

As a young man, Mr. Olds was very impatient with the social injustices which, it is now generally acknowledged, were widespread in the United States during the first quarter of the twentieth century. He thought that industrial workers were entitled to a living wage and that laissez-faire capitalism should be sharply curbed; he was an enthusiastic labor-union man and bitterly fought the open-shop policies of industrial management. With this background, he began in 1922 to write a column for the Federated Press which served a number of labor newspapers. One of the clients of the Federated Press was the Daily Worker; but to say that Mr. Olds wrote for the Daily Worker because that Communist house organ published his pieces is to strike a blow very far below the belt. It would be as reasonable to condemn a reporter for the United Press because the Daily Worker receives and uses that wire service.

Mr. Olds said some extravagant things in his column 25 years ago. Taken out of context and looked at in the light of today's relationship between right and left, they may be made to seem extremely radical. But the social conditions of 25 years ago invited radicalism. A man could denounce open-shop capitalism in those days without being called a Communist or considered disloyal to the United States. The elder La Follette did so, and Mr. Olds supported his candidacy in 1924. On the whole, the resurrection of Mr. Olds' ancient writings is by no means discreditable to him. They make him appear to have been what might now be called, to paraphrase a term in current usage, a member of the noncapitalist right. Like many a young man, he was in a great hurry to reform the world and seems to have taken the Sermon on the Mount somewhat too literally for contemporary digestion. We hope he has not settled down too thoroughly.

[From the Washington Post of October 7, 1949]

SHAM BATTLE

It would have been embarrassing, to be sure, but still it would have been respectable, if the Senate Commerce Committee had rejected Leland Olds as a member of the Federal Power Commission on the candid ground that he has been stubborn in his opposition to the utility interests. But the proprieties, it appears, call for a greater measure of piety. Thus we have the spectacle of Senators shocked beyond description because more than 20 years ago Mr. Olds wrote disrespectfully, indeed sacrilegiously, about the Fourth of July.

Mr. Olds' disrespect for the oil and natural-gas lobbies, therefore, has nothing to do with the case. And President Truman was just wasting so much ink and paper when he wrote to Senator EDWIN C. JOHNSON pointing out that "Mr. Olds is a nationally recognized champion of effective utility regulation," that "he has already served two full terms as a member of the Federal Power Commission," that "he has labored diligently in the service

of all the people and has earnestly sought to protect the public against the narrow interests of special groups." If the President could only show that Mr. Olds now sets off firecrackers fervently whenever Independence Day rolls round, he might get somewhere.

One can only hope that when Mr. Olds' name comes before the Senate as a whole that body will prove more profound and less chauvinistic, more interested in substance and less in symbols. It would be a good idea to make the fight over Mr. Olds' confirmation something more than a sham battle.

[From the St. Louis Post-Dispatch of October 7, 1949]

LELAND OLDS AND ST. LOUIS

St. Louis home owners should be especially interested in President Truman's fight to keep Leland Olds on the Federal Power Commission. They might be among the first to suffer if the Senate refuses to confirm his renomination. This is because so many of them are turning to natural gas as the source of their heat.

That natural gas comes from beyond the borders of Missouri. State and local agencies, therefore, cannot regulate its cost. That is up to the FPC, a sometimes divided body which Mr. Olds has tipped in favor of regulation to insure fair prices and fair profits. Today's Marquis Childs column and the article under the cartoon both point out that the utilities have not suffered under FPC regulation, and that consumers at the same time have saved millions of dollars.

There is, however, a utilities cabal headed by Senator KERR, of Oklahoma, which wants to make a killing. To that end, it is not only fighting against Olds, but also pressing for a law which would exempt natural gas production from Federal regulation. If this crowd wins out, St. Louisans may get bigger gas bills instead of lower ones. The Laclede Gas Co. will be helpless. If the natural gas producers hike their rates, the local distributor will have to pass along the increase, instead of giving consumers the benefit of a cheaper fuel.

Mr. Truman knows what this fight is about. He is not deceived by the Senate Commerce Committee's convenient discovery that Mr. Olds expressed some "radical" ideas a quarter of a century ago. His record on the FPC shows that he has been a supporter of private enterprise, but enterprise kept within reasonable bounds by respect for the interests of the consumer.

Mr. Truman knows that the consumers of the United States expect his administration to continue this watchfulness. He knows that if the Democratic majority in the Senate fails to confirm Leland Olds, its Members will be held responsible at the polls for higher utility bills. The President does not want the Democratic party to carry that responsibility. He is right.

[From the Washington Evening Star of September 26, 1949]

PUBLIC SERVANT ON TRIAL—OIL AND GAS INTERESTS SEEN OUT TO HANG LELAND OLDS IN SENATE UNIT HEARING

(By Thomas L. Stokes)

It is often the secret maneuverings and manipulations of little groups of men, your elected public servants ostensibly, that decide great issues here that deeply and directly affect your public welfare.

There is another example here now in the attempt of some members of the Senate Interstate Commerce Committee to defeat confirmation of a proved and outstanding champion of the public interests, Leland Olds, to another term on the Federal Power Commission.

Just to freshen the memory and get the perspective of the big issue involved, the Federal Power Commission, established in 1930 during Herbert Hoover's administration, is charged with regulatory authority over electric and natural gas utilities to see that you, the consumer, pay fair rates for the services they render. Congress, representing you, passed the regulatory laws and created this Commission and delegated it authority to protect your interest.

TOO ALERT FOR INTERESTS

For 10 years, through two terms, Leland Olds has been alert to protect your interest—too alert, in fact, for powerful oil, natural gas and electric utility interests which are exerting all sorts of pressures to get him off the five-man Commission. Among other things, Mr. Olds has taken a stand against proposals in Congress sponsored by these interests to weaken existing statutes long ago passed by Congress—the 1920 Federal Water-power Act affecting utility regulation and the 1938 Natural Gas Act—so that the FPC would be hampered in the necessary investigatory work preliminary to prescribing fair rates.

Mr. Olds is on trial at public hearings before a Senate Interstate Commerce Subcommittee which obviously is packed against him as an experienced observer here can plainly see. The plot, of course, is to hang him privately behind closed doors.

Southwestern oil and gas interests, dominant particularly in the politics of Oklahoma and Texas, are very active, as the list of witnesses against him reveals. Both States are very influential in this Democratic Congress.

Mr. Olds is testifying in his own defense, laboriously going over a whole life devoted to public service to refute the usual baseless sort of insinuations so carelessly made these days against progressive figures in public service. Outstanding men, nationally known for their expert knowledge of utilities and utility regulation and for their activity in behalf of fair treatment of the public, are appearing in his defense at their request. Representatives of interests which want to ged rid of him likewise are appearing before the subcommittee which is headed by Senator LYNDON JOHNSON, Democrat of Texas, hitherto regarded as a progressive who now is lined up against Mr. Olds and appearing somewhat uncomfortable in that role.

TERMED "OUTSTANDING"

The issue was well put by James C. Bonbright, professor of business and finance at Columbia University and chairman of the New York Power Authority, who praised Mr. Olds at the outset for his "magnificent job" on FPC and termed him "one of the most distinguished and outstanding men" in the field of public-utility regulation.

Professor Bonbright, a recognized authority, said that administration of FPC, to which Mr. Olds has made such a valuable contribution, has been so good that it has helped the private power industry, keeping it out of the dangers that were so manifest during its complacency of the 1920's. The abuses of that era, the watering of stocks, the siphoning off of profits through manipulations of holding company piled on top of holding company, the pernicious influence of utilities in politics—all these were revealed by the Federal Trade Commission's exhaustive 6-year investigation beginning in the late twenties. He doubted that the industry would want to return to those conditions.

No member of the Commission, he said, has done more than Leland Olds to maintain the vitality of the FPC.

"Millions of people," he concluded, "are paying millions less for public-utility services than they would have if it were not for the presence of Leland Olds on the Commission. At the same time the utility industry has been very healthy and prosperous."

[From the Washington Evening Star of October 1, 1949]

CRY OF "COMMUNISM" DOES NOT ANSWER QUESTIONS BEFORE SENATE

(By Lowell Mellett)

The weakness of the case against Leland Olds, nominated by the President for another term on the Federal Power Commission, was revealed when his senatorial opponents took up the cry of "communism."

Mr. Olds has been operating as a member of the Commission for 10 years and that means he has been operating in a glass house, subject to public scrutiny. The scrutiny has not been lacking. Representatives of the utilities regulated by FPC have watched his every move and made note of his every utterance, ready to run to their friends in Congress at the slightest slip on his part. Utility men among the Congressmen's constituents back home have done likewise.

In the course of those 10 years nothing said or done by Mr. Olds had caused him to be charged with communistic tendencies. At worst he was accused occasionally of being overzealous in the public interest and not sufficiently considerate of private property rights. That was the view expressed to me this week by Senator ROBERT S. KERR, of Oklahoma, himself a natural-gas producer and one of Mr. Olds' most active opponents.

BASIS OF OPPOSITION

The Senator took an hour and a quarter of his time to spell out patiently and clearly the basis of his personal opposition. This related chiefly to the position now taken by Mr. Olds that sales of natural gas to the interstate pipe-line companies should be subject to Federal regulation rather than State regulation. The Senator offered documentary evidence to show that this represented a change of viewpoint on the part of Mr. Olds, one that rendered him unacceptable to any producer or gatherer of natural gas.

To hear what Mr. Olds would have to say in defense, I attended a subcommittee hearing on his nomination. Instead, however, of a debate or discussion of the gas-regulation issue, I found the hearing had been launched as a trial of Mr. Olds as an alleged former and perhaps unreformed Communist. The air was charged with emotion or a reasonable appearance of same. The subcommittee members were being shocked, to their manifest delight, by the testimony of Representative LYLE, of Texas, concerning articles written by Mr. Olds back in the twenties as a member of the Federated Press. The Federated Press merely had the Daily Worker as one of its subscribers in those days, most of the others being good non-Communist A. F. of L. newspapers, but the witness had little difficulty in identifying, to his own satisfaction, Mr. Olds with communism.

Not only were the subcommittee members shocked by what Mr. Olds had written, but there was something worse. The Daily Worker reported his appearance once on the same platform with Earl Browder, then chairman of the Communist Party. That really hit the Senators hard.

"SHOCKED," SAYS M'FARLAND

"I am shocked," said Senator MCFARLAND, of Arizona, "shocked beyond words." Which in the case of a Senator could be a third-degree shock, possibly fatal. But the sturdy Arizonian rose to his feet and departed for the Senate chamber, apparently not wishing to hear any more.

If Senator MCFARLAND had detoured by way of the Congressional Library and asked for a copy of Elizabeth Dilling's book, The Roosevelt Red Record and Its Background, he'd have got a shock that would have finished him. On page 59 he would have found a picture of Earl Browder taken with four men with whom he had just shared the platform

at a meeting of the American Youth Congress. And who is the smiling gentleman sitting in the middle? None other than the senior Senator from Ohio, Mr. TAFT.

This, when he learns of it, will make it impossible for Senator MCFARLAND to sit in Mr. TAFT's Senate, but it leaves unsettled the question of who should regulate the sale of natural gas.

THE ANNECY, FRANCE, TRADE AGREEMENT'S EFFECT ON UNITED STATES ECONOMY

Mr. MALONE. Mr. President, there was released to the public today the tariff reductions agreed to by our representatives with other nations under the Trade Agreements Act at Annecy, France.

On September 13, the junior Senator from Nevada said in an address, at the time the 1934 Trade Agreements Act, then called the Trade Agreements Act of 1949, was up for extension, that hundreds of products under 133 agreements made at Annecy, France, among 34 nations would be adopted immediately following the extension of the trade agreements.

CURRENCY MANIPULATIONS

The junior Senator from Nevada also said that the currency manipulations would start throughout Europe very soon, following the extension of the Trade Agreements Act.

CONSPIRACY TO LOWER WAGES

Mr. President, this amounts to a conspiracy to lower the effective wages of the workingmen of this Nation.

Sir Stafford Cripps freezes the wages of the English people but devalues their currency, so the price of commodities goes up, thereby definitely lowering the standard of living.

Mr. Acheson, our Secretary of State, lowers the tariffs on import fees, allowing the products from the low-cost labor to be imported and displaces American-made goods, thereby importing unemployment through importing man-hours of labor of the lower wage and slave labor of the world.

We are knowingly or unknowingly paying the lower wage living standard, and the slave labor of Asia, Europe, and South America against our own high-living-standard working men.

COST OF EXPORTS AND IMPORTS

Mr. President, the devaluation of foreign currencies increased the cost of American exports by 40 percent. The devaluation at the same time decreased the cost of foreign imports to this country by 30 percent.

ANNECY AGREEMENTS BASED ON $4.03 POUND

The Annecy negotiations and all arguments in favor of the concessions granted by the United States and those obtained for the United States were based on the $4.03 pound. The great stress placed on the desire to protect American industry against serious injury is also based on the assumption that the imports coming in at the new tariff rate would cost on the basis of $4.03 for the pound.

All the stress, in the Senate, on the peril-point provision was on the assumption that these peril-points would be determined at the $4.03 pound.

FEW CONCESSIONS TO UNITED STATES

The much-advertised recent British concessions, eliminating import restrictions, and so forth, apply to everything except United States products; it specifically excludes the application of these liberalized trade restrictions to United States exports.

The State Department propaganda announcing the advantages of the new tariff agreement stressed the advantage to United States exports. It is well known that none of the import quotas, foreign exchange licenses, or other import barriers were removed in favor of United States exports. The reduction in foreign tariffs will, therefore, be completely meaningless for American exporters, and the State Department's claim that benefits will be derived by exporters can only be intentionally deceptive. If the State Department were correct in its claim, then the advantages to American exporters would merely increase the gap between exports and imports and thereby aggravate the so-called dollar shortage.

PROPOSED AGREEMENT WITH SOUTH AMERICA

The implication that new tariff slashing conferences will soon be held with South America, before fluctuating currencies have stabilized, is conclusive proof that the State Department is carrying on its foreign-aid program in contemptuous and reckless disregard of American producers and American labor.

DEVALUATION NULLIFIES TRADE AGREEMENTS

Mr. President, on September 13 I said that within a short time following the extension of the Trade Agreements Act England would devalue the pound sterling and nullify any trade agreements made with the United States under such agreements since 1934.

We did extend the act, and Great Britain did devalue her currency from $4.03 to $2.80, 30½ percent, which action was followed by practically all the European nations.

BRITISH-MADE AUTOS—FORD—TO UNITED STATES

I also said, during the ECA debate, in March of this year, and I read from the CONGRESSIONAL RECORD of that date, the following:

Mr. President, the time will come when the jobless auto worker in Detroit will begin asking questions about British-made Ford cars rolling through Grand Central Park, with its owner wearing a suit of clothes made of foreign cloth.

Henry Ford II told workers in his British factory, near London, that his United States dealers will do everything possible to increase sales of English-made Fords in the United States in order to help Britain get dollars.

BRITISH-UNITED NATIONS FOOD AUTHORITY

In Boston, a United Nations food authority warned that unless the United States finds some means of importing more from the rest of the world, United States exports will fall and global depression will set in.

COMPETITIVE VERSUS NONCOMPETITIVE TRADE

Mr. President, it is well known that the 30½-percent reduction caused an immediate reduction of that amount in practically all the goods from England and other nations sold in this country where they were competitive. Where they were not competitive, as in the case of Scotch whisky and certain other materials which could be sold in any case, instead of allowing the devalue to stand—they raised the amount by 30½ percent, so they could get the same amount of dollars they had always received.

UNITED STATES RECEIVES NO CONCESSIONS

Thereby the United States received no concessions, and the reduction has resulted in a one-way street.

In connection with Mr. Ford's statement that the United States dealers will try to boost the sales of English Fords, I want to submit for the RECORD a clipping from the Wall Street Journal containing an AP dispatch dated yesterday, but appearing in the Wall Street Journal as of today, which says:

LONDON.—Henry Ford II told workers in his British factory his United States dealers will do everything possible to increase sales of English-made Fords in the United States.

Mr. Ford told shop representatives at the Ford plant in nearby Dagenham:

"Your country must get dollars now, and the American Ford Co. and its dealer organization will make every effort to back you up on our side of the Atlantic."

SELL MORE CARS IN UNITED STATES

On our side of the Atlantic. Mr. Ford is "backing them up" in England so they can sell more Fords in this country.

Continuing, he said:

"I give you my word that everything will be done that possibly can be done to increase their (British-made Fords) sales in America."

Last year 3,661 British Fords were sold in the United States, and sales were 4,673 so far this year. The cars, first offered in the United States in May 1948, are the Anglia, a two-door sedan, and the Prefect, a four-door sedan. The sales trend in the United States market has been downward since spring, presumably because of the return of the buyer's market in that country.

CUTS IN UNITED STATES AUTO MANUFACTURE

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an Associated Press dispatch of this date from Detroit.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

CAR PRODUCERS BEGIN SEASONAL CUTS IN OUTPUT—STEEL SUPPLY ALSO FACTOR IN TREND OF PRODUCTION

DETROIT, October 10.—The expected production curtailment in the auto industry is under way. Overtime work that figured so largely in the output of records of recent weeks is being cut off. Here and there some smaller factories are cutting back assembly plant schedules.

Last week the industry built 139,609 vehicles. That was a drop of about 5,000 from the previous week. However, the week's effort brought the 1949 production total to date to 5,005,911 units.

Steel, of course, is an immediate concern to the car makers. It would be an even greater worry but for the fact a seasonal drop in production is going to ease the industry's requirements.

The trade paper Automotive News estimates the car builders' steel inventories are sufficient for the assembling of another 600,000 cars and trucks. That's slightly more than a month's output at the current production level.

In their planning, however, the auto manufacturers have to figure on a substantial

volume of material for new model production. Several new models go into production next month.

Among the things you can hear in automotive circles today is that several makes of cars that have been in heavy production recently now are going into storage. That, of course, is what makes up the field stocks now estimated to exceed 600,000 vehicles.

But the important thing about the situation is that it reportedly affects makes that until only a few weeks ago were described as far behind accumulated orders. That, too, is just another seasonal factor that should cut into production totals in the weeks ahead.

There still are a few industry experts talking about a 6,000,000 vehicle output this year. The more conservative among these authorities, however, believe the production cutbacks now in prospect will hold the year's total to not more than 5,800,000.

In the following tabulation Automotive News estimates output by each car maker for the week ended October 8; the week ended October 1, and the period from January 1 through October 8:

	Oct. 8	Oct. 1	Jan. 1–Oct. 8
Chrysler	4,514	4,543	118,237
De Soto	3,027	3,104	85,821
Dodge	9,076	9,166	235,002
Plymouth	14,511	14,493	443,243
Total, Chrysler	31,128	31,306	882,303
Ford	20,393	20,536	647,418
Lincoln	926	933	29,501
Mercury	4,614	4,611	155,618
Total, Ford	25,933	26,080	832,537
Buick	8,405	8,720	320,494
Cadillac	1,960	1,914	69,634
Chevrolet	26,738	26,697	887,220
Oldsmobile	5,875	6,994	231,915
Pontiac	6,848	8,928	268,804
Total, General Motors	49,826	53,253	1,778,067
Frazer	----------	----------	6,460
Kaiser	1,241	----------	48,513
Total, Kaiser-Frazer	1,241	----------	54,973
Crosley	100	56	7,534
Hudson	----------	1,709	116,453
Nash	3,544	3,945	113,029
Packard	1,888	3,607	91,524
Studebaker	5,295	5,204	171,777
Willys	808	----------	26,347
Total cars, United States	119,763	125,160	4,074,544
Total trucks, United States	19,846	19,442	931,367
Total cars and trucks, United States	139,609	144,602	5,005,911
Total cars and trucks, Canada	6,912	6,866	229,677
Total cars and trucks, United States and Canada	146,521	151,468	5,235,588

In its survey of truck output Automotive News credits Chevrolet with building 7,112 last week against 7,332 in the preceding week; Dodge 2,721 against 2,747; Ford, 5,488 against 6,050; GMC, 1,427 against 1,329; International, 299 against 139; Studebaker, 1,072 against 1,036; and Willys, 870 against none.

AMERICAN WORKINGMEN THROWN INTO COMPETITION WITH LOW-WAGE LABOR OF WORLD

Mr. MALONE. Mr. President, wittingly or unwittingly we are throwing the slave labor and the low-wage labor of the world into direct competition with American labor. Without any disparaging remarks of Mr. Ford, for whom I have the highest regard, we are going to the point-4 program, the bold, new program.

AMERICAN VERSUS EUROPEAN MARKETS

We shall not only furnish the market that was supposed to be made available—at least, it was the conclusion reached a year ago last March, when the Marshall plan was being considered, that we were going to develop a great market throughout the world for American products, American labor, and American investments—but we are going to guarantee the investments of American businessmen such as Mr. Ford and Mr. Rand, of Remington Rand, and the businessmen of other nations.

They have been encouraged to go to the low-wage countries, and not only are they securing the markets which were supposed to be made available to American businessmen and workingmen, but through free trade, they are bringing products into this country which are in direct competition.

SIR HERBERT BROADLEY—AMERICAN MARKETS

Mr. President, I should like to submit for the RECORD a rather lengthy statement of five points made by Sir Herbert Broadley, Deputy Director-General of the United Nations Food and Agriculture Organization. Mr. Broadley says that the reduction of trade restrictions which would make it difficult for foreign nations to find a market in the United States is a matter which should be further pursued in order to have world prosperity; in other words, that there should be a greater access to the American market and a greater investment in Europe and in other parts of the world.

Higher productive efficiency in Europe in order to supply the United States market and meet competition—"temporary sacrifices for future gains"—

Is necessary. He further said:

Big capital investment in undeveloped countries, mostly on the part of the United States—maybe as much as $10,000,000,000 annually.

It should be very interesting to Senators that $10,000,000,000 annually is necessary, at least in the opinion of this expert from England, Sir Herbert Broadley, for world prosperity.

I read further:

In this connection Sir Herbert declared President Truman's "point 4" for technical and economic assistance is "undoubtedly the remedy, outstanding beyond all others, for solving our current problem."

Mr. President, I ask unanimous consent to have included in the RECORD at this point the Associated Press dispatch from Boston, dated October 10, from which I have just been quoting.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

BOSTON, October 10.—Unless the United States finds some means of importing more from the rest of the world, a United Nations Food Authority said today, its exports will fall and global depression will set in.

Five major remedies were proposed by Sir Herbert Broadley, Deputy Director-General of the United Nations Food and Agriculture Organization.

FEARS POLITICAL BLOCS

He told the annual Boston conference on distribution that unless these are carried out the world will shape up into two (or three) self-contained groups and the threat of surpluses (of all kinds) in the dollar world will soon become a menacing social and political problem.

He listed the remedies as—

1. Maintaining high production and employment, especially in the United States.

2. The reduction of trade restrictions which make it difficult for other countries to find a market in the United States.

PRODUCTIVITY RISE NEEDED

3. Higher productive efficiency in Europe in order to supply the United States market and meet competition—"temporary sacrifices for future gains."

4. Big capital investment in undeveloped countries, mostly on the part of the United States—maybe as much as $10,000,000,000 annually.

In this connection, Sir Herbert declared President Truman's point 4 for technical and economic assistance is "undoubtedly the remedy, outstanding beyond all others, for solving our current problem."

MULTILATERAL TRADE

5. "Trade must ultimately become multilateral and currencies freely convertible again." Britain's recent devaluation of the pound sterling, Sir Herbert said, was an "essential first step" in this direction.

A device to tide the world over until these remedies become effective, he declared, is the FAO's recently proposed International Commodity Clearing House.

The short-run function of this body, he explained, would be to acquire with its member-contributed capital surpluses occurring in member countries.

PAYMENT FOR STOCK

This stock would then be resold to other members. They would pay for it either with their own money or with low rates in a currency acceptable to the supplying country.

And in the long run, Sir Herbert said, the ICCH would direct its activities toward stabilizing prices and produetion.

This proposed body, he concluded, offers to the United States "an international rather than a national solution of its economic problems—a matter of utmost importance to this country because of its creditor position and because its responsibilities for leadership are, under present world conditions, unique."

DOUBTS EARLY REVIVAL

At the opening session of the two-day conference, A. W. Zelomek, president of the International Statistical Bureau, Inc., said he doubted that in the near future "we are quite ready for a broad and vigorous revival of business activity."

But "there is still a large volume of accumulated demand," he declared, in a prepared text, and a field of technological improvement which "will make cost problems look less desperate than they now appear."

Vice Adm. E. D. Foster, chairman of the Munitions Board's distribution policy council, said in another speech that in any future war the United States would be operating in an "economy of scarcity."

SEES TERMINAL POINT

"Such a situation is historic with the nations of Europe and of Asia, but a new development for the United States. There is a terminal point, proved by the last war, beyond which greater demand will result only in negligible output."

The industrial East is facing a new rival in the Pacific Coast States and may lose old markets if it doesn't get on the ball, said Nathaniel H. Engle, professor of business administration at the University of Washington.

Not only are the States of California, Oregon, and Washington depending less and less upon the East for manufactured goods, he said, but they are invading it increasingly with merchandise and branch plants.

This trend is being aided, Professor Engle declared, because national distributors have failed to evaluate fully recent changes in Western population and income and consequently "have been slow to make necessary adjustments in quotas."

TARIFF REDUCTIONS AND AGRICULTURE

Mr. MALONE. Mr. President, the results of the recent tariff reductions, as announced by the State Department, are in direct conflict with farm price supports as contemplated by Congress. Quoting from the New York Journal of Commerce:

The largest items affected by tariff cuts, as measured by the volume of imports last year, were almost all agricultural.

The list of reductions include tariff cuts on black strap molasses, which competes with our grains in the production of alcohol, canned meats, hides and butter—all products of our livestock industry. How can we keep faith with agriculture when on one hand we pass legislation to support farm prices and on the other hand permit tariff reductions on farm products to force the price down. It seems to me that we are running around in a vicious circle that will ultimately force down our farm price structure and force the United States into a depression.

From time to time I have pointed out on the floor of the Senate that we were being led into a vast program which will ultimately become a "share the wealth" program under a program of international socialism.

FREE TRADE AND POINT 4

Under the program of free trade, Sir Broadley's program will be forced upon us. We will buy up the food supplies of the world in excess of a mere existence diet for other nations. We will furnish the funds through ECA to buy up the supplies of other nations for distribution in Europe while we store ours with commodity loans. In that way the United States will become the international clearing house that Sir Broadley mentions. We will furnish all the capital in this operation.

In addition, Sir Broadley expects us to spend $10,000,000,000 a year to develop other nations, so that we can pile up more supplies produced in a world that believes in low prices and low wages.

With our national debt of $255,000,000,000 every Member of this Senate must realize that we must maintain a high price level if we are to have the national income to meet our obligations. If we are to continue to have full employment it is imperative that agricultural prices be supported at a parity level.

COST LEVEL PRICE AND TARIFF

In my opinion it is impossible to have a successful support-price program for agriculture or the wages of American labor unless we have tariff protection at the American cost level. The United Nations, the New Deal, and the Fair Deal all added together are not powerful enough to bypass arithmetic. If we are sincere in offering a price-support program for agriculture, then we must demand that this support price be protected at the save level against the imports from nations that believe in low wage standards.

We cannot go in two different directions at the same time. We are either going to maintain our American price level and have a national income for prosperity, or we are going to permit cheap imports to destroy our price level and force us into national bankruptcy. The recent tariff reductions are just another step toward the financial collapse of our American system.

TARIFFS AND STEEL PRODUCTION

Mr. President, I have outlined the effects of a new wave of tariff cuts on certain products, with special reference to steel, and I ask unanimous consent to have the statement included in the RECORD at this point.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EFFECTS OF NEW WAVE OF TARIFF CUTS

The United States has just announced tariff cuts negotiated with 10 countries: Denmark, Dominican Republic, Finland, Greece, Haiti, Italy, Liberia, Nicaragua, Sweden, and Uruguay.

The tariff reductions apply to exported commodities to the 10 countries from the United States which totaled $537,000,000 in 1947.

The concessions granted by the United States consisted of tariff cuts as high as 50 percent on dozens of commodities, including such important products as butter, steel, cheese, olive oil, plywood, molasses, and various steel products. The drastic reductions in tariffs on steel and steel products are likely to have important adverse effects on employment in the American steel industry, and accentuate the decline in employment which has been growing rapidly during the past year.

TARIFF REDUCTIONS WILL HURT AMERICAN STEEL INDUSTRY

Under the Annecy agreements American tariffs on steel ingots, wire rods, iron and steel bars, strips, plates, and sheets of steel and iron, steel wire, and forgings of iron or steel were in each instance cut by 50 percent. This will greatly encourage steel imports into the United States at the very time when we have surplus steel capacity here and employment in the steel industry has fallen off by 135,000 since July of last year. The number of production workers in the American steel industry declined from 1,068,000 in July 1948 to only 933,000 in July of 1949.

The State Department points out that imports of steel were small from Sweden and other countries last year, but the size of steel imports in 1948 has nothing whatever to do with what steel imports will be in the future under the greatly reduced tariffs and with Europe now back into production and with surplus steel capacity. The countries of western Europe today are producing far more steel than they did just prior to World War II. Let us look at some of the figures:

Sweden: In 1938 Sweden produced 996,000 tons of steel ingots and castings. In 1949 Sweden is producing at the rate of 1,380,000 tons annually.

France: In 1938 France produced 6,200,000 tons of steel. In 1949 France was producing at the rate of 9,600,000 tons annually.

Luxemburg: In 1938 Luxemburg produced 1,400,000 tons of steel. In 1949 Luxemburg is producing at the rate of 2,800,000 tons annually, or double the prewar rate.

England: England is producing steel at almost double the 1938 prewar rate. In 1938 England produced 10,500,000 tons of steel. During the second quarter of 1949 England was producing steel at the rate of 16,000,000 tons annually.

With the exception of western Germany the countries of western Europe today are producing far more steel than in 1938 and are now having difficulty in selling it all. They look to the United States as the place to dump their surplus steel, which will be possible now that tariffs have been cut 50 percent.

And the countries of western Europe not only are producing more steel than they can sell but they are planning to still further increase their steel capacity with funds given by the United States under ECA. Paul Hoffman testified before the Senate Appropriations Committee in June that he wanted to give these European countries over $300,000,000 to increase their steel capacity. France, Scotland, and Italy are countries scheduled to receive millions to increase their steel capacities.

SWEDEN PLANS TO INVADE THE AMERICAN MARKET

According to the country study on Sweden prepared by the ECA, it is evident that Sweden plans to greatly increase her exports to the United States during the next 3 years while holding her imports from the United States to a minimum. On page 80 of this study it is stated that Sweden plans to increase her exports to North America by 33 percent above 1947. She plans to increase her exports of iron and steel by 1952 to 80 percent above the 1947 level. Meanwhile she hopes to decrease her imports from the United States.

A look at the concessions which Sweden granted United States imports into her country indicates that the concessions are practically worthless, as they are on products which Sweden produces not at all or in deficient supply, so must import them whether tariffs are high or low. For example, Sweden cut tariffs by 5 percent only on American automobiles. But Sweden produces no autos similar to United States cars, so these concessions will have no effect in increasing exports of American automobiles to Sweden.

A further examination of the concessions granted to the United States by Sweden shows that in practically every instance Sweden merely agreed not to raise tariffs but to keep them where they are; while the United States, on the other hand, slashed its tariffs by 50 percent. Moreover, Sweden's tariffs are low anyway, and the promise to keep them unchanged is certainly not a 50–50 square deal when we cut our tariffs by 50 percent. The tariff agreement with Sweden is a striking example that the agreement is a one-way street and can in no sense of the word be considered a reciprocal trade agreement. Sweden wins everything and the United States wins nothing.

And it should be remembered that the 50-percent slash in tariffs on steel and steel products applies to all other countries besides Sweden. British steel, Belgian steel, French steel, etc., can now flood the American market and increase the unemployment in our American steel industry.

Mr. MALONE. Mr. President, I wish to recall to my colleagues that in March of this year, in my debate on the subject of the ECA, I quoted an article written by Mr. Paul Hoffman, Director of the ECA, which appeared in the April issue of the American magazine. The following was one of the quotations:

Secondly, we must go out of our way consciously to encourage imports from Europe. We must, in certain instances, be ready to reduce tariffs to make it possible for them to trade with us. The Danes, for example,

would like to send us more of their good butter in exchange for United States goods; but an inordinate tariff of 14 cents a pound prevents them from doing so.

Senators will note that it says "an inordinate tariff." This must have been in some way a prediction of the future. The tariff is no longer 14 cents. It is 7 cents, as it was listed today in the reduction notice.

Now just another paragraph from this April number of the American magazine, quoting from Mr. Paul Hoffman:

Another way Europeans can increase their sales to us is by letting us see exactly what they do offer. Perhaps a "fair train" touring the country with displays of European merchandise and taking orders from wholesalers and department stores would help.

THE DIRECTOR OF ECA

I am quoting, not from someone in Sweden, or other European countries, or South Africa, who want to sell things in this country, I am quoting from the Director of the great organization which the Senate of the United States built up in order to develop a great market throughout the world for United States businessmen. The predictions made in this April number of the American magazine have proved very true. It must have been written in February. The Annecy, France, conference was in session from April to August 1949. Many of the cuts which were then predicted were announced.

Mr. President, I shall not take the time of the Senate to cite the various examples in this preliminary analysis of protocol of the general agreement on tariffs and trade, negotiated at Annecy, France, April-August 1949. I call attention to the fact that the article in the American magazine was written before the session where they cut tariffs on articles like butter, which Mr. Paul Hoffman indicated should be done.

GENERAL AGREEMENT ON TARIFFS AND TRADE

I wish to read very briefly from page 105 of this analysis. It is so full of such comparisons that just reading briefly from such an agreement should be sufficient to make the Senate back away from anything that has been done so far in these conferences. Unfortunately, the Senate does not have to ratify these treaties.

On page 105 there under the heading "Concessions obtained from Sweden," let us see what these concessions are. We gave plenty of concessions to Sweden. All the concessions we made, which are set forth in this book, are available to Sweden and every other country under the multilateral treaty arrangement. I quote:

AN EXAMPLE OF SWEDISH CONCESSIONS

The rates applied under the Swedish tariff are generally moderate, and most of the concessions to the United States are bindings of present rates or of duty-free treatment. In many concessions involving specific rates of duty, Sweden has reserved the right to convert specific rates to ad valorem rates at levels no higher than those indicated for the respective items.

In other words, most of the concessions to the United States are bindings of present rates, and also they have made the great concession that the specific duties will be changed into ad valorem duties, of the same effect, however.

I read further:

If established, these rates will be, in general, about equal to or lower than the ad valorem equivalents of the present rates during 1936–38.

TRADES A ONE-WAY STREET

Mr. President, finally I want to say again that most of these great concessions and trades represent a one-way street. They do so for many reasons.

MANIPULATION OF CURRENCY

The main reason, however, is the manipulation of the currency. All of these great trade treaties made from 1934 to the present day, and including the Annecy, France, agreements were made on the basis of $4.03 for the pound, along with other European currencies on that general basis; then comes a reduction of 30½ percent, which nullifies at one time all the agreements that have been made under these trade agreements.

METHODS OF MANIPULATING MONEY EXCHANGE

Mr. President, the devaluation of the currency is just one of the follow-ups; Britain still retains control, and the situation still is manipulated. The pound still has many different values depending on where one is going to spend it.

For example, no one with whom I am acquainted has ever paid $2.80 for a pound.

With respect to trading in the Far East I will give the Senate one specific example. Many of them can be given. Before the devaluation a United States dollar bought $6.10 of Hong Kong money. Fifteen dollars of Hong Kong money bought a pound sterling. That is $2.60. So the first devaluation did not come down to the true level.

THE DOLLAR STANDARD

I would say in passing, while I am on the subject, that there is only one thing that would ever make trade flow between the two countries, and that would be a freely convertible currency; that is, freely convertible European currencies and all other currencies, in terms of the dollar. We have no gold standard, but we would then have a dollar standard, instead of there being so much complaint about a dollar shortage.

NO DOLLAR TROUBLE

Of course, there is no dollar shortage, and there is no dollar trouble, and there is no pound sterling trouble and there is no franc trouble and there is no guilder trouble that a little simple honesty would not cure.

TRUE VALUE OF FOREIGN CURRENCIES

In other words, let the currencies reach their true values on the markets of the world and one would just as soon have a pound sterling in his pocket as $2.60, if that is what the pound costs on the markets of New York or London.

No one, however, wants to get caught with very many pounds in his pocket which cost $4.03, or which cost even $2.80. That, Mr. President, is what is holding up trade.

SPEND OWN MONEY IN UNITED STATES

If there were freely convertible currencies foreigners could spend their own money in the United States. They do not need the dollars. That is merely a fallacy. Then beyond that there are put into effect the quotas and the embargoes and the license fees and the specifications.

EXCHANGE CONTROLS RETARD TRADE

With respect to exchange controls, like that of the pound, one cannot spend the pound anywhere in any area in Europe except where the Bank of England says one can spend it. Therefore trade is restricted. Such a situation as that is what holds up trade. It will continue to hold up trade.

FEW CONCESSIONS MADE TO UNITED STATES

Mr. President, the advertising and the statements and editorials published in the United States newspapers today on foreign concessions made to the United States are wide of the truth. Britain has made very few if any concessions to us. Even if she agrees to lower a tariff what good would that be if quotas keep us out, or if the exchanges keep us out, or if specifications keep us out, as they do in Bermuda, for example, and in many other places? England sets the specifications there of an automobile. It cannot weigh more than a certain number of pounds, and just by coincidence England is the only country which makes an automobile of that certain weight. The same is true with respect to other products. So the United States is unable to trade.

Mr. President, I will say in closing that the European countries have had from 100 to 300 years of experience in foreign trade, while we are just neophytes. Our initiation fees are coming very high in financial and economic matters.

CONGRESS SHOULD ADOPT FLEXIBLE IMPORT FEE PRINCIPLE

Congress should repeal the Trade Agreements Act of 1949 and adopt the flexible import fee principle of again protecting the American workingmen and American investments.

Mr. LUCAS. Mr. President, I had agreed that the Senate would take a recess at 7 o'clock. We have not completed action on the farm bill and it is apparent we cannot do so tonight. Three or four more amendments are still to be acted upon.

ONE HUNDRED AND SEVENTIETH ANNIVERSARY OF THE DEATH OF GEN. CASIMIR PULASKI

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. Mr. President, I want to take only a moment of the Senate's time to observe that today, October 11, is the one hundred and seventieth anniversary of the death of Gen. Casimir Pulaski.

General Pulaski was one of the great figures in the history of man's struggle for liberty. At the age of 20 he joined in the revolt against the foreign domination of Poland by Stanislaus II. When he was forced to flee from Poland

he joined forces in Turkey's fight against Russian domination.

Again defeated in Turkey, Pulaski came to America, where he was welcomed and served valiantly in the American struggle for independence. He fell mortally wounded at the siege of Savannah.

General Pulaski left his stamp on America. It is the stamp of an unrelenting quest for freedom which joins all nations and all people.

It is appropriate that we should be observing the anniversary of General Pulaski's death and the contribution which he made to the American heritage. The country of his birth is today overrun by a tyranny of the sort he fought against. The menace to liberty is everywhere throughout the world.

But the heritage of which General Pulaski was so great a part stands out as our people's great bulwark against such threats.

LOBBYING ACTIVITIES IN CONNECTION WITH DISPLACED PERSONS LEGISLATION

Mr. LANGER. Mr. President, I have been shocked by the fact that in order to get one bill passed in the Senate one organization has spent nearly $1,000,000, and has so reported under oath. We do not know how much more they have spent. Therefore I submit a resolution, and I ask unanimous consent that it be printed and lie on the table. The resolution is as follows:

Whereas it appears from reports filed in accordance with the Regulation of Lobbying Act that large sums of money have been expended by the Citizens Committee on Displaced Persons and other organizations and person or persons for the purpose of influencing the passage of legislation relating to displaced persons;

Whereas it is advisable to ascertain why the expenditure of nearly a million dollars was necessary for such purposes, and whether any of such expenditures were made for illegal purposes: Therefore be it

Resolved, That a subcommittee of the Committee on the Judiciary, composed of three members to be appointed by the chairman thereof, is authorized and directed to make a full and complete investigation with respect to lobbying activities in connection with displaced persons legislation with a view to ascertaining the reasons for the expenditure of excessive amounts of money for such purposes and whether any of such expenditures were made for illegal purposes and whether other money was spent which has not been legally reported.

The committee shall report to the Senate at the earliest practicable date the results of such investigation, together with such recommendations as it may deem necessary.

The resolution (S. Res. 186) was ordered to lie on the table and to be printed.

Mr. LANGER. Mr. President, I might say that I was actuated to submit this resolution by resolutions adopted by the American Legion and by other veterans' organizations at their annual conventions.

VISIT OF PRIME MINISTER NEHRU TO AMERICA

Mr. HUMPHREY. Mr. President, earlier this afternoon it had been my hope that I might be able to say a few words with reference to a very momentous event which has taken place today. I refer to the visit of the distinguished leader of south Asia, one of the great statesmen of our time, the Premier of India, Mr. Nehru. As Senators know, the President of the United States afforded the Prime Minister of India the opportunity and the privilege of using the President's plane in a flight from London to the National Airport at Washington, D. C. It is my understanding that the President and members of the Cabinet greeted Mr. Nehru, the Prime Minister, upon his first official visit to the United States of America.

This afternoon I listened with much interest to the remarks of the distinguished Senator from California [Mr. KNOWLAND], and I have listened on other occasions to the remarks of my colleages pertaining to the problems of foreign policy in the Far Eastern area. I would say that the visit of Mr. Nehru marks a turning point in American foreign policy in reference to the Far East and in particular in reference to south Asia.

On many occasions I have had the opportunity of studying material pertaining to this section of the world, and it has been my observation that there has been far too little consideration given to this great country of 333,000,000 people. It represents a great force for liberty and democracy in the eastern section of the world, or in the Asiatic area.

Mr. President, I ask unanimous consent to have printed in the RECORD at the end of my remarks a special feature article published in the New York Times Magazine of last Sunday, October 9, 1949. The article is entitled "Spokesman of a Troubled Continent. Prime Minister Nehru, a Hero to the Millions of India, Is Also the Champion of the New Asia."

Mr. President, I also ask unanimous consent to have printed in the RECORD at the end of my remarks an editorial from the Washington Post of October 11, 1949, entitled "Welcome to Nehru."

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibits A and B.)

Mr. HUMPHREY. Mr. President, there has been a good deal of discussion concerning American foreign policy, particularly as it pertains to the mainland of Asia and the East Indies.

Recent events in China have brought into sharp focus the complexity of the problem of a policy in Asiatic areas as well as failure of our Nation to have any consistent foreign policy in Asia.

Repeatedly, competent observers of international events have warned our Nation of the importance of developing a sound and consistent foreign policy pertaining to the nations in the Asiatic area. Recent events in Burma, French Indo-China, Indonesia, China, and India compel our Government to direct its attention to these troubled and explosive regions. The cold war in Europe has diverted our attention to the European theater despite the fact that we consistently talk in terms of one world.

Surely, the memory of Japanese aggression, Chinese civil war, and the freedom of India should remind us that Asia cannot be ignored. Then, too, the diplomatic and moral problem with which we are faced in Indonesia and our relationships with the Dutch Government call to mind the difficulties that we face in formulating a consistent world-wide policy that conforms with our ideals and our position of world leadership.

Frankly, we need friends in Asia. We need to bolster up those forces that are aspiring to democratic goals. We need to recognize the tremendous potential of wealth and power as well as the real fact of population and race that exist in the Asiatic area. What to do in China is a question mark and will remain so for some time to come. The other potential great power in Asia is India. This nation is still preserving its freedom. India still remains free from Communist conquest or successful infiltration. India is blessed by the leadership of a humanitarian and a man of democratic instincts, Pandit Nehru.

India is strategically located for purposes of geopolitics. In other words, geographically she is a pivotal nation in our relationships with the Near East and the Far East. She represents a great potential industrially and commercially. She is a republic with a constitution that points in the direction of individual freedom and responsible government. She is a leader in the southeastern Asia area. The recent conference of southeastern Asiatic states called by Pandit Nehru is ample testimony as to her strategic and vital role in Asiatic affairs.

Likewise, India is a member in good standing of the United Nations. She has played a consistent and devoted role to the principles of the United Nations Charter. Up to this time, she has aligned herself in the United Nations deliberations on the side of the Western Powers. She has a deep friendship for the United States.

We in the United States have watched with sympathy, affection, and understanding, India's long struggle for independence and we welcomed her with cordiality when, her immediate objective reached, she joined the family of independent nations 2 years ago.

The imagination of the American people had been captured by that struggle and by the strength and high purpose of Gandhi's leadership. Since Gandhi's tragic death, which so shocked and grieved the whole world, our eyes have been focused on the most highly esteemed of his disciples, the Prime Minister of India, Pandit Nehru, who is guiding the great Indian people through these difficult, early days of their newly regained freedom.

There already exist many bonds which bind us in friendship to India. The traditional love of freedom and democracy held by the Indian people strikes a similar chord in us. We likewise believe that this democratic freedom can flourish only in a world at peace, a world in which the fruits of the earth and of man's ingenuity are freely carried to all peoples.

Like India, we believe that a free democratic political system exists for the benefit of its citizens. These ties between India and the United States now exist. It is now our pleasant duty to work for their strengthening.

In recent weeks events have helped to focus our eyes primarily on Europe. In Asia we have all been concerned and

puzzled by the enigma of China—no such puzzling situation obtains in India. She is a great and rich country, a nation which fought beside us in the Second World War, and which has associated itself in the cause of peace since the war. India is a nation of ever-increasing democracy, whose leaders today are among the great and wise men of our times. Her government, under such leadership, is emerging as a politically and economically stable administration, despite the tremendous difficulties imposed by partition of the subcontinent and by the economic dislocations which India shares with most of the rest of the world. It is in India and the rest of southeast Asia that the real struggle for men's minds is now taking place.

There, newly enfranchised peoples will soon be able for the first time in modern history to go to the polls and determine the sort of government which will administer their countries. Many of these people are illiterate. Their knowledge of the democratic system is composed solely of a fundamental, instinctive love for freedom. The problems of these governments in education and in the maintenance of a standard of living above starvation level, are therefore enormous. And there is the ever-present danger that totalitarianism, in one form or another, may step in where men and women lack the necessities of decent living.

In the south Asian area we recognize India as an essential element in the maintenance of political and economic stability. Without stability in south Asia it is no exaggeration to say that there can be no real peace in the world. It is in our interests, therefore, in the cause of that peace which the American people so desire, to work in effective collaboration with the people and the Government of India.

The subcontinent has been the source of many great and ancient civilizations. We are now happy to be associated with a new India as she resumes her place in world affairs. I know that, working closely with other like-minded nations, she can be a powerful factor in our efforts to attain that common purpose.

Yes, I repeat, in South Asia we recognize India as an essential element in the maintenance of political and economic stability in that area. Without stability in Southern Asia, without freedom for Asiatics, without education for the people of Asia, without food and nourishment for the childrens of Asia—there can be no real peace in the world.

India is not a question mark. In every way she belongs to the family of free nations. Her needs are no secret; they are all too evident. Her aspirations are not hidden; her ideals are not camouflaged.

With these needs, aspirations, and ideals in mind, our task here in the United States is clear if we would help build a free world.

First, we must recognize the needs of India as being equally crucial as those of Europe. With this in mind, we must understand that vast numbers of her peoples are poverty-stricken and uneducated, that India's national economy is only $13,636,300,000 for her 337,000,000 people as compared to our approximately $224,000,000,000 in 1948 for our 140,000,000 people. Her per capita income therefore is about one-fortieth of ours. It would be in the best interest of world peace and world order for America to extend direct financial assistance to India under the same terms as our Marshall-plan program for Europe.

To be sure, India can and will use the facilities of the World Bank, the International Monetary Fund, the United Nations Food and Agriculture Organization. These are the facilities which have been made available in this postwar period for the relief and rehabilitation of peoples who are recovering from the ravages of war and who are attempting to develop and improve their economies. Yes, these facilities are not only available but it is to the interest of all nations that they be effectively utilized. This, however, does not minimize our opportunity for direct assistance through grants and loans under terms similar to the ECA to our friend, the Republic of India.

Secondly, we must recognize the legitimate self-government aspirations of the countries of southeast Asia and avoid aid or comfort or encouragement to any European nation now attempting to maintain an old, antiquated colonial system by continuing to subjugate the peoples of southeastern Asia.

Thirdly, we must recognize that there are many areas in which our two countries can cooperate to our mutual benefit in the development of commerce and industrial techniques in the advances which are obtained from scientific progress.

India needs help to bring her riches out of the ground, to extend her industrial production, to feed her expanding economy. India needs our support in that venture quickly and adequately. In 1947–48 India reclaimed 32,306 acres of land for agriculture. She is now working to reclaim 100,000 acres more. Her industrial production is increasing. She is now producing electrical supplies, Diesel engines, bicycles, superphosphates, caustic sodas, soda ash, sugar, hydrogenated oils, and soaps at a new high peak. We must help her.

Mr. President, I invite the attention of the Senate to an excerpt from a column by Stewart Alsop in the New York Herald Tribune of August 5, 1949. I read what Mr. Alsop had to say:

> Yet the fact remains that India has a government which governs and that India is the last best hope of Asia. There are two phrases which the reporter in India hears constantly repeated: "About 5 years will tell the story," and "It all depends on food."
>
> Find the food, within that time, to feed India's people a little above the level of half-starved animals, and India will become a vital makeweight against the Kremlin's Asiatic imperialism. Fail, and India is ultimately lost, and so is Asia.
>
> The Indian Government prodded by Premier Jawaharlal Nehru, is now making a determined effort to solve the food problem, which is at the heart of all India's problems. Nothing in all Asia is more inescapably obvious than that it is in the American interest that this effort should succeed. And with surplus wheat piling up in the American granaries, it is nonsense to say, as some say here, that the Indian problem is too vast for American help, and that nothing can be done here by the United States.

I also ask to have incorporated in the RECORD an excerpt from Mr. Alsop's column of August 22, 1949, in the New York Herald Tribune.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> The odd sense of unreality which most travelers experience on their return from abroad is curiously heightened in one who has returned to Washington from the Far East. For it is perfectly clear that, if southeast Asia is allowed to go the way of China, an unthinkable war is virtually inevitable. And it is perfectly clear that southeast Asia will go the way of China—and very soon—unless a major effort is made to reverse the process which is now under way.
>
> Yet—and this causes the sense of unreality—there is no atmosphere of urgency at all in Washington. There is a good deal of talk. There is a good deal of worrying. A good many policy papers are being written. But nothing very much is being done, and nobody seems to contemplate doing anything very much for a long time to come.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an excerpt from the pamphlet entitled "India," published August 15, 1949, by the Embassy of India, in Washington, D. C.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Perhaps the greatest handicap facing the Government of India is the shortage of food and the necessity to spend hard-earned foreign exchange on imports of food-grains. The Government of India has declared war on food scarcity and a tremendous drive is in progress to make India self-sufficient in food by 1951.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. WHERRY. Is that excerpt to be printed in the body of the RECORD?

Mr. HUMPHREY. In the body of the RECORD.

Mr. WHERRY. Is the pamphlet long?

Mr. HUMPHREY. No. I have merely asked to have printed in the RECORD an excerpt of five lines from a pamphlet which was published by the Indian Embassy.

American private capital will find a welcome market in India. The Government of that nation has indicated its friendly attitude toward private investment and industrial development. In view of the great potentialities for a mass market and the possibilities of development of the natural resources of India, it should be expected that American private capital will flow to India in ever-increasing amounts. We must remember, however, that the days of capital exploitation or of economic imperialism are over. Capital has a moral obligation to serve the people and not to exploit them. Private capital has every right to expect a reasonable profit. It also has an obligation to be reasonable in its relationships with the people and the government.

Fourthly, we must strengthen the ties that bind us and I suggest that we give

serious consideration to the formulation of a program for educational opportunities and advancements, and in which Indian students are given an opportunity to make use of the educational facilities and opportunities in our country on the basis of scholarships provided by our Government. In turn, it is important that we encourage American students to go to India so that we may know each other and grow to respect one another.

Finally, we must recognize that America must redeem itself in the eyes of the people of India, and must earn for itself again the position of world moral leadership. The birth of a new India should lead us here to rededicate ourselves to the principles of human equality which gave the early sustenance to our new Nation. We must remember that we were the Nation which gave to the world the political ideal that all men are equal, that men are endowed by their Creator with certain inalienable rights—that all men have these rights. To do that, it is altogether fitting and proper that we forcefully demonstrate again our belief in these principles by acting to insure a climate and an atmosphere in our society which would allow our brethren and fellow citizens of whatever color, race, creed, or national origin to walk again with heads raised high and with dignity.

The future of the world lies across the Pacific. Let us not allow that future to escape us. Let us understand that fact; let us understand that the Asiatic peoples are rising to greatness and strength. Let us understand that they wish to be our friends; that they can be our friends; and that they will be our friends if we welcome them as friends. Let us act like friends. Let us act toward them like fellow citizens in one world. Let us help them in their struggles for stability, for maintenance and sustenance. Let us in our attitude toward them and in our demonstration of that attitude, through our laws—including our immigration laws—prove the sincerity of our convictions.

The interests of the United States and India are interdependent. Together we can help build a world order and a world society based on freedom and democracy.

It is in this spirit that we welcome the Prime Minister of India. We regard his presence in our country as further evidence of our friendship and interdependence.

Mr. President, as we view the visit of this great international figure a new hope ought to come into our hearts. I have heard a great deal of disappointed talk, and at times almost irresponsible talk, with respect to our foreign policy. I think it can be frankly said that we have not developed a foreign policy with respect to these 330,000,000 people. I think it is time for the United States to develop such a foreign policy.

I for one, as a younger member of the Government, am not going to constantly look backward to our mistakes. I think it is time for us to look forward to a better future. It seems to me that our relations with this great nation, which is so strategically located, may well spell the difference between peace and war. It is in the philosophy of those remarks that I welcome the visit of the great Prime Minister of India. I hope that his visit to the United States will convince him that this Nation is a nation of peace-loving people, that we are desirous of being of help to the millions of India, and that we look forward to a friendly and sound commercial and diplomatic relationship between the United States and the great Dominion of India.

It seems to me that there is a market for our goods; but more than that, there is a place in the world in which we find a friendly leader, where we will find a friendly neighbor and a spirit of understanding as to our mutual needs and mutual problems.

EXHIBIT A

[From This Week magazine of October 9, 1949]

SPOKESMAN OF A TROUBLED CONTINENT—PRIME MINISTER NEHRU, A HERO TO THE MILLIONS OF INDIA, IS ALSO THE CHAMPION OF THE NEW ASIA

(By Robert Trumbull)

Pandit Jawaharlal Nehru, Prime Minister of India, arrives in the United States this week and the American public will see for the first time the world's most popular individual—if a man's popularity can be measured by the spontaneous response of his countrymen. Crowds of a million and more in moderate-sized cities of India are no novelty for him.

In any comparison of the appeal of national leaders among their own peoples, Nehru enters the competition with the advantage of heading the world's most populous united country. India contains almost one-sixth of the population of the globe. Most of this mass—at least most of those with an awareness of personalities beyond the stultifying life of their own mud villages—idolize Jawaharlal Nehru. The Prime Minister has not applied himself to the technique of mass appeal and never has sought this vast popularity. Indeed, he has very little in common with the masses that cheer him and he often is violently impatient with their vagaries. In writings he has appraised his stature as a national hero with good-humored cynicism but he is humanly appreciative of it and uses it in a calculated way. Only the late Mohandas Gandhi, an uncanny psychologist where Indian temperament was concerned, possessed greater public appeal.

Nehru, however, did not learn from Gandhi how to win his people. The Prime Minister is a far different personality from his mentor and though Gandhi's mantle fell upon Nehru this did not increase his actual standing; he already had it. Nor did it make him in any sense a new Mahatma (Great Soul). He remained Gandhi's protégé and temporal successor but not his spiritual heir or equal.

The beliefs of Gandhi—in their broadest sense and not applied to particular things—vastly influence Nehru and India but Nehru's appeal to his people and his kind of leadership are his own brand. He is perhaps a bridge between today's world and Gandhi's world, which was not of today but of yesterday and tomorrow. For Nehru is the synthesis of the east and west, of Gandhi's ancient India and the halls of Lake Success.

Gandhi and Nehru were worlds apart in personality and outlook and Nehru often doubted and disagreed and was uncertain in his mind. But he understood the basic rightness of his great leader's approach—rereading Indian history of the past 30 years one can see that Gandhi's course almost always turned out to be the right one—and he had the profoundest respect for Gandhi's depth of perception into the Indian mind.

Nehru follows the Gandhian path, broadly speaking, today. But in his own way. He makes many compromises between Gandhi's ethereal philosophy and the realities of life in India. The Gandhian doctrine of nonviolence guides Nehru's conduct of India's foreign affairs but he is too much of a realist to go along with Gandhi in advocating the abolition of armies, navies, and police forces. This is an ideal the achievement of which Nehru does not foresee in his own time.

During the war, Nehru considered Gandhi's advice against armed resistance to Germany and Japan absurd. Today he would not hesitate to lead India into a shooting war, if such an extremity faced him, to gain what he thought was right or to resist what he thought was evil. He has, in fact, allowed Indian armed forces to move four times in less than 2 years of independence in order to preserve what he considered this country's security. These were all minor affairs having to do with princely states but they indicate the extent of Nehru's compromise with nonviolence.

Nehru is Gandhian in his meticulously fair treatment of minorities, a policy that cost Gandhi his life and has made Nehru many enemies among the religious extremists of this country. He is Gandhian again in his holding India aloof from the cold struggle between the Soviet bloc and Western democracies.

Nehru is accused of trying to keep in right with both sides. It is fairer to say he is following what he thinks is the right course—the path toward ultimate world justice and peace—convinced that Gandhi's way must eventually come to universal acceptance and that India thereby will gain respect and greatness in world councils.

Nehru today is thoroughly the product of his own background in which contact with Gandhi was important but perhaps not the most important part. Nehru's early upbringing was amid surroundings of Western culture and luxury—his father was a wealthy lawyer and his tutors were English. He emerged from his education at Harrow and Cambridge far more European than Indian in his tastes and ways and he was not, in a strict sense of the word, a Hindu at all.

Descended from Kashmiri Brahmins—his title Pandit or Learned One is extended to all men of this exalted caste—he professed agnosticism, and his autobiography reveals complete impatience with those trappings of Hinduism which he thinks have held his people back. Of course, it would have been impossible for him to escape some of the sensitiveness and embedded gloom characteristic of his race. But his reflectiveness and introspection are perhaps not inherent qualities but products of his long periods of reading and contemplation while in British prisons.

He has an immense pride in India's ancient heritage, its ageless culture and thought. In his earlier years his interest in his country extended to lands nearby and he interprets history in the light of its impingements upon Asia. Inevitably he looks upon the present-day world as a vortex with Asia somewhere near its center. It irritates and appalls him that Western statesmen subordinate this continent to Europe.

Nehru's furious championing first of Indians and then of Asians generally has penetrated the consciousness of India's millions. Though his breeding, intellectuality, and urbanity are far above that of the legions who follow him, he is accepted by them as one of their own and they take pride in his superiority over the herd.

Leadership of the masses came to Nehru as an earned encomium but not as something he ever sought for itself. Unlike most other Indians in political life, he broadened as his prominence grew and he never became a politician. Indeed, he professed disdain for factional maneuvering.

He took office as Prime Minister upon conclusion of the interim government in which he had been vice president under Viscount Mountbatten's viceroyalty. Hardly had the first grave, hopeful words of the new Domin-

ion's leaders and well-wishers died away when ominous rumblings came from the Punjab. Immediately upon the inauguration communal rioting spread across more than a thousand miles. This was followed by an unplanned exchange of populations, about 5,000,000 Hindus and Sikhs migrating to India and a slightly larger number of Moslems fleeing to Pakistan—all in fear of their lives, stripped of their land, and most of them utterly denuded of their possessions except the garments on their backs and what they could pile onto bullock carts.

The blow to the new Prime Minister was staggering. To the credit of Nehru and his colleagues it may be said now—what they would not have admitted at the time—they survived a period of trial that might well have unseated them. Nehru himself drove through angry villages of the Punjab pleading for a return of reason. Often he lost his renowned temper and castigated rioters in a way that, according to observers on the spot, might have resulted in assassination of a less revered personality.

Though it is not his special project, a Refugee Rehabilitation Ministry was soon established. Problems of refugees still have a hold on Nehru and doubtless will for years to come. A man of great compassion for his suffering countrymen, he gives his personal attention to the desperate plights of individuals when they come to his attention.

India's Prime Minister has reminded some American observers of the late Mayor F. H. LaGuardia, of New York, in his zeal for taking personal hold of relatively minor situations and driving through a remedy. Once, two cars collided before his eyes in an intersection near the government buildings. He personally hauled the victims from the wreckage and, at his personal direction, a safety island of old oil drums was installed at the intersection immediately.

Now, somewhat to his regret, Nehru finds that his job keeps him more and more away from common contacts. His major attention is focused on foreign affairs. The greater burden of domestic matters comes under the widely inclusive ken of his Deputy Prime Minister, State's Minister and Home Minister Sardar Vallabhbhai Patel. Patel is responsible for internal security and the policing which has put an end to communal rioting. His State's Ministry—with the former Indian Civil Service official, V. P. Menon, as actual executive—accomplished the stupendous feat of erasing India's more than 500 semi-independent princely states from the map and making the country a solid political unit for the first time.

Besides acting as a gadfly to numberless internal projects that actually come under other ministries, Nehru, as Minister of External Affairs, took hold of India's foreign policy. This was a new field.

He immediately stepped into the dispute with Pakistan over the Princely State of Kashmir, a dispute which President Truman recently termed a threat and urged be settled at once.

One powerful drive behind India's interest in Kashmir, a mountainous sparsely populated northern state of doubtful commercial or strategic value, is Nehru's sentimental attachment to that land. His forefathers migrated from Kashmir about 200 years ago, but he still speaks of himself as a Kashmiri.

"We may have been wrong on many things," Nehru once emphatically remarked, "but on Kashmir we are dead right."

As Prime Minister he has seized also on the problems of Jumagh and Hyderabad, two intransigeant states with Moslem rulers, and he sanctioned the military action that brought them into the Indian fold. In any matter affecting relations between India and Pakistan, these being external affairs, Nehru exerts his influence.

One has the impression from a study of his activities in the past 2 years that his primary interest lies in guiding India's course in relation to other nations. Here he is, of course, swayed one way or another by his two passions: Asia for Asians and racial equality everywhere.

He really burst forth into world affairs with his convening of the Asian conference in defense of Indonesia. By that, he made himself the No. 1 man in Asia without doubt, and the size and importance of his country—what Ambassador Loy Henderson referred to as India's specific gravity—assures his continuance in that position so long as he is at the helm of Indian affairs.

Nehru's devotion to Asiatic causes is not, however, new. It goes back at least 22 years when he attended a conference of dissident colonial people in Europe. There he met Dr. Mohammed Hatta, Premier of Indonesia. When Hatta launched his postwar movement for an independent Indonesia, Nehru made himself the virtual godfather of the new republic. It was his monumental rage at the Dutch police actions of last December that impelled him to invite 19 powers to the conference in New Delhi in January. This conference itself, of which Nehru was chairman, was mostly a tentative show of muscle. However, it did affirm Nehru's position in Asia. This mantle of leadership was not, however, received with unbounded joy by other Asiatic nations.

China, considerably more of an entity then than she was to be in the months immediately following, was not too pleased. The Philippine delegate showed a tendency to grab the ball and this has since been followed, significantly, by Philippine President Elpidio Quirino's sponsorship with Chiang Kai-shek and President Syngman Rhee of South Korea of an Asian pact against communism—from which Nehru, incidentally, is quietly abstaining. Some in Siam and Ceylon, too, looked a bit askance at the sudden eminence of their colossal neighbor.

Still Nehru stands as the strongest figure in a troubled continent, and his delegates to the United Nations are continually striving for a stronger voice in those councils. It is expected that India will continue to contest for vacant seats on the Security Council until she gets one. Then her status will be doubly asserted. As a newcomer in the world arena Nehru's capacity for leadership in international endeavors possibly has not reached its apex.

Nehru's most brilliant triumph in international relations, however, and one of the farthest reaching in concrete effect was his achievement at the Conference of Commonwealth Prime Ministers of a formula whereby India could become a republic—as she will next January 26—and yet remain in the Commonwealth. Nehru's simple expedient was to recognize the symbolism of the King in the Commonwealth while at the same time renouncing allegiance to the British Crown.

Now near the pinnacle of an eminence both he and his associates fully appreciate, Nehru has averted a government crisis simply by threatening to resign. Where Gandhi addressed great crowds in a fatherly tone Nehru often rails at them and they accept it with admiration, for although the Indians are supposed to be of gentle nature, they have been trained through long centuries to accept harshness from above. Nehru, with impunity, has gone so far as to step off the speaker's platform and physically assault persons creating a disturbance anywhere near him.

Though he frequently rebukes his people with the sternness of a schoolmaster, Nehru takes passionate exception to any foreign criticism of those Indian traits about which he himself is so often impatient. This is a contradiction which has only endeared him with his people, no less than the personal contact he keeps alive by frequent appearances all over India. Always an indefatigable traveler—by air—and speaker, his program of cornerstone laying and speechmaking has been intensified since the confinement of Deputy Prime Minister Patel by illness.

Doubtless a part of Nehru's immense popularity stems from an attribute common to most great personalities, or even to bad ones—color. In conversation or in speech making his features are a panorama of his thoughts. His moods glow in his eyes and face so that there is no mistaking them. He will be kindly and humorous and then, taking up a subject that displeases him, will thunder and shake with anger. These quick rages are accepted by Indians and foreigners alike as genuine. If he has ever been acting he has certainly been very good at it.

Indians are accustomed to long speeches and Nehru's are as nearly interminable as any. He speaks extemporaneously, even on the radio, and rambles over many fields. His spoken English, like his writing, is often extraordinarily eloquent—he is not so good in any Indian language. There are some here who consider his impetuosity no asset at all in these times.

It would take pages to list all the concerns of India's Prime Minister. He has been criticized for taking on too much for any one man. Before he moved into the guarded mansion of the former British Commander in Chief of the Indian Army, it was not far wrong to say that anyone could see him just by walking in. Now his privacy is assured, but he spares many hours for interviews with newspaper correspondents, politicians of high and low rank, and all manner of deputations.

The Prime Minister works an 18-hour-day. This begins at about dawn with a half hour of his favorite Yogi exercise—standing on his head. Besides whatever beneficial physical effect standing on one's head may have for Nehru, he finds that the attitude puts him in good humor for the start of his labors. He says his troubles and worries seem to fade away when one looks at the world upside down. This, of course, is basic Yogi philosophy.

His diversions are extremely rare. An excess of public adulation forbids his indulging in his favorite sport, horseback riding, or to go walking in public. Either is likely to provoke a friendly mob scene. He customarily works at his home until after 2 o'clock in the morning, and if he is persuaded by his sisters or daughter to relax for an hour or two he usually makes it up by staying at his desk an equal time after his usual late bedtime.

A large part of Nehru's accomplishment for his country in 2 years cannot be measured by any handy yardstick. Much of his service consists of exerting his powerful personality upon others—upon his Cabinet, his colleagues in the Congress party working committee, upon Parliament, to which he occasionally administers a tongue lashing, and through his speeches to hundreds of thousands of his people.

The ultimate aim of his efforts can be stated very simply: to bring India to a decent standard of living and position of influence in the world. No one who knows Nehru doubts that his motive in seeking a stronger voice for India is a sincere desire to impart to the world that philosophy of brotherhood which is the heritage of India's ancient civilization and which received new life and meaning from Gandhi.

EXHIBIT B

[From the Washington Post of October 11, 1949]

WELCOME TO NEHRU

The arrival of Pandit Jawaharlal Nehru in the Capital today will be an event of great import in the relations between East and West. Nehru comes as Prime Minister and Minister of External Affairs of India. But

these titles do less than justice to his prestige in his own country. He is a founding father, second only to Gandhi in the people's veneration. He wears a halo in his own lifetime—more or less like Mannerheim's in Finland or Masaryk's in Czechoslovakia. Neither's problems, of course, could compare with Nehru's, either in complexity or scope. Within India a sixth of the human race live, divided into innumerable classes and minorities. Nehru's task is to weld them into a single whole in a state based upon the liberal tradition. It is mammoth undertaking—one that is complicated by the fact that India is still bedeviled by the border problems left by the partition with Pakistan, but one which has shown so much progress that that very fact has given Nehru a towering stature beyond the confines of his own country.

Few men in charge of great affairs are more gifted than Nehru. Pandit means learned one, given to all Kashmiri Brahmins, to which his family belongs; but the honorific suits the mind of Nehru as well as his pedigree. Incidentally, Nehru's lineage doubtless explains an attitude toward the allegiance of Kashmir which would otherwise be incomprehensible. Kashmir is a major issue in India-Parkistan relations, but a man of Nehru's great authority could dispose of this problem without inviting much trouble from his own constituency. There is a precedent in this respect in his adroit handling of the issue over separation from the British Crown. Equipped to act according to his own lights, he severed the link, and then agreed to a new link through the Commonwealth. The solution was as brilliant as it was statesmanlike. India is as free as any country in the world, and exercised its sovereignty to become a member of a new community. Nehru by this act demonstrated not only the hold he has on the Indian people, but also the kinship he recognizes between his love of country and love of mankind.

The unique leadership exercised by Nehru is at once hierarchic and democratic. He knows the "art of being a king." At the same time he has a common touch which excites the sympathy of all kinds and conditions of India's population. He can stir millions with pen or tongue. This is the man we are now going to see. We want to know him, and we want him to know us, partly because of his own dynamic personality, partly because he has a contribution to make to world pacification. His vast country is an island in a continent of turmoil which makes the truth hard to discern. It would be the part of wisdom to listen to what he has to say on how to deal with Asia. His reading should tell him that the people of this country has its anti-Colonial past in its marrow, and his look at us—hurried and kaleidoscopic, though it is being made to be by the schedule-makers—may, let it be hoped, show him some of the folkways of America, where the good life is being lived.

LEGISLATIVE AND EXECUTIVE PROGRAM

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the distinguished majority leader when it is planned to proceed with the consideration of the Executive Calendar. I have in mind the question of the confirmation of the nomination of Leland Olds. I am wondering what the Senator's plans are for considering that question.

Mr. LUCAS. I will say to the Senator that I think probably following the disposition of the farm bill we shall take up Senate bill 2319, which is a bill reported unanimously from the Committee on Foreign Relations. I discussed that bill with the Senator from Texas [Mr. CONNALLY], and he is anxious to have it considered and disposed of one way or the other.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Can the distinguished majority leader tell us the calendar number of the bill?

Mr. LUCAS. It is Calendar 757, Senate bill 2319, providing aid for Korea.

I should say to the chairman of the Committee on Interstate and Foreign Commerce, who, as I know, is very much interested in an early vote on the nomination of Mr. Olds, that there will be no question so far as the Senator from Illinois is concerned about the Senate voting on Mr. Olds' nomination. As to the exact time, I am unable to say. I will say that certainly some time this week we shall reach it and get it out of the way.

Mr. JOHNSON of Colorado. The point which greatly concerns me is the fact that so many Senators are planning to be absent. It seems to me that we ought not to take any chances on not having a quorum present in the closing days of the session.

Mr. LUCAS. I agree with the Senator from Colorado that we ought to have a quorum here until we get through. So far as I am concerned, when we talk about a quorum being present, there are two or three other measures which are far more important from the standpoint of the welfare of the country than is the appointment or disappointment of Mr. Olds. I am thinking of the farm bill, for one. To me it is all-important to pass a farm bill of some kind. If we do not have a quorum present when the conferees finally come back with the farm bill, we shall have no farm legislation at this time.

The displaced-persons bill is an important measure. A number of Senators are wondering why that cannot go over until next year. But I think we have a commitment to the Senate and to the American people at least to try to do something toward the liberalization of the Displaced Persons Act. So far as the Senator from Illinois is concerned, we are going to do that.

Those are matters of great importance. There are other bills which are more important than the confirmation of the nomination of Mr. Olds. However, I can assure my friends, who I know are vitally interested in this nomination, that certainly within the next 2 or 3 days the nomination will be taken up and disposed of.

With regard to the question of Senators going to Europe at this particular time, whoever goes, I suppose the result will be a 50–50 proposition. The Senator's forces will not be greatly reduced as a result of trips to the Old Country.

Mr. JOHNSON of Colorado. I am not too much worried about the ratio. What I am worried about is whether we shall have enough for a quorum, in view of the number of Senators who have booked passage. Having booked passage, they say they must go.

Mr. LUCAS. If we do not have a quorum, it will be too bad. I cannot be responsible for keeping here Senators who desire to go to Europe or any other place. So long as there is business to be taken care of before the Senate—and I have said this frequently—so far as I am concerned, we are going to remain here. Whenever Senators get ready to go home or go to Europe or to South America, or some other place, if we cannot get a quorum I cannot be responsible for it. They will have to accept that responsibility in their own States.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPEHART. Why do not we stay in session tonight, and finish the farm bill tonight?

Mr. LUCAS. I told the Senator from Nebraska earlier in the day that we would stop at 7 o'clock this evening.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I want the majority leader to know that it will be perfectly satisfactory to me to have the Senate remain in session tonight, but an announcement was made earlier in the day that we would stop at 7 o'clock this evening.

Mr. LUCAS. Yes, and I assume responsibility for that.

Mr. WHERRY. Yes.

Let me ask this question: I understand that when action on the farm bill is completed, the majority leader expects to take up the bill for aid to Korea, Senate bill 2319, Calendar 757.

Mr. LUCAS. That is correct.

Mr. WHERRY. Does the majority leader care to state what will be the program after that bill is disposed of?

Mr. LUCAS. There is Calendar No. 957, Senate bill 2317, authorizing grants to the States for surveying their need for elementary and secondary school facilities, and so forth. We probably shall take up that bill. There is some opposition to the bill by the Senator from Ohio [Mr. TAFT] and the Senator from Missouri [Mr. DONNELL].

Following that, we could take up Calendar No. 1134, Senate bill 2383, a bill to make effective the International Wheat Agreement.

Mr. WHERRY. Mr. President, what I should like to know, if the distinguished majority leader will yield to me, is this: Does the majority leader expect to have the Senate take up that bill prior to the time when the motion to discharge the Judiciary Committee from the further consideration of the displaced persons bill is taken up or prior to the time when the displaced persons bill is taken up?

Mr. LUCAS. I do not say as to that. It all depends upon what the Judiciary Committee does. If the Judiciary Committee does not report a bill on the subject, I can say to the Senate now that immediately following the disposition of the farm bill, we shall take up the motion to discharge the Judiciary Committee from the further consideration of the displaced persons bill.

Mr. WHERRY. So when action on the farm bill is completed, if the Judiciary Committee has not then reported the proposed legislation regarding displaced persons, it will then be the pur-

pose of the majority leader to have the Senate take up the motion to discharge the Judiciary Committee from the further consideration of the displaced persons bill, and that will follow the farm bill. Is that correct?

Mr. LUCAS. That is correct. That does not mean that we shall not take up the executive calendar sometime during the debate on these matters.

Mr. JOHNSON of Colorado. Why cannot we take up the executive calendar some evening, and have a night session?

Mr. LUCAS. We may do that.

Mr. JOHNSON of Colorado. What is the matter with doing that tomorrow?

Mr. JOHNSTON of South Carolina. Mr. President, I should like to know whether we shall have another call of the Legislative Calendar, on which there are some important bills, for instance Senate bill 333 and a companion House bill, authorizing the appointment of three additional judges for the municipal court for the District of Columbia. We certainly wish to pass such important bills, if possible.

Mr. LUCAS. Certainly there is plenty of work to be done. So I am warning Senators that they had better stay around.

Mr. THYE. Mr. President, I should like to ask the majority leader if we might have opportunity to give consideration to Senate bill 2002, Calendar 1126. That is a simple little bill which will permit the cities of Duluth and Superior, Wis., to construct a bridge.

Mr. LUCAS. I thank the Senator for the information; I am glad to find one of those simple little bills.

Mr. THYE. This bill will cost the Federal Government no money. The bill will simply authorize the two cities to levy a toll to obtain revenue with which to pay the expenses of the bridge. There will be no Federal expenditure. The House passed the bill this afternoon. In fact, if the Senate would consider the bill at once, we could dispose of it in the next minute.

Mr. LUCAS. We would have to have a quorum call first, I am afraid.

Mr. THYE. It is a simple bill; it does not involve any Federal appropriation.

Mr. WHERRY. Mr. President, I should like to ask the majority leader whether he intends to have a call of the Legislative Calendar again before the session adjourns.

Mr. LUCAS. We shall have a call of the Legislative Calendar.

Mr. WHERRY. Then I should like to know whether the majority leader intends to have a night session tomorrow night. Question as to that was raised by the Senator from Colorado [Mr. JOHNSON].

Mr. LUCAS. I am not sure that we shall not have a night session then. I am not sure that we would take up the Olds nomination then.

Mr. WHERRY. I am doing my best to cooperate. All I should like to know is whether there is to be a night session. If there is to be one, we shall work toward that. If there is not to be one, we shall arrange our time accordingly.

Mr. LUCAS. If all Senators will work that way, that will be helpful.

Mr. WHERRY. I am delighted to cooperate in that way; I have constantly tried to do so.

Mr. CAPEHART. Mr. President, I suggest that we have a night session; I have already had my dinner.

Mr. LUCAS. I am sorry, but announcement has already been made that we would not have a night session tonight.

Mr. CAPEHART. Why not have a night session tonight?

Mr. LUCAS. I am always happy to cooperate with the Senator, especially after he has had a good dinner. Perhaps other Senators have not had theirs.

Mr. JOHNSON of Colorado. Mr. President, how about my suggestion that we have a night session tomorrow, to take up the Olds nomination?

Mr. LUCAS. I cannot guarantee that.

Mr. JOHNSON of Colorado. It would be well to announce that beforehand.

Mr. LUCAS. I am sure the Senator will have all his votes assembled.

Mr. JOHNSON of Colorado. That is not the reason for my suggestion.

Mr. JOHNSON of Texas. Mr. President, may I ask the Senator if the reason for the delay is the desire to get votes?

Mr. LUCAS. Mr. President, I did not yield to the Senator from Texas; I yielded to the Senator from Colorado.

Mr. JOHNSON of Colorado. For the past several weeks, I have been reading in the newspapers and in articles by various columnists that the Senate Interstate and Foreign Commerce Committee was engaged in some kind of a big plot to keep nominations from coming before the Senate or from reaching the Executive Calendar; and many of the articles have urged that action be taken.

We called the Senator from Texas [Mr. JOHNSON] back from his vacation, so as to hold hearings, because of the pressure to have the nomination reported. We have hurried as fast as we could. We reported the nomination, but now we cannot even have it brought up in the Senate for a vote. I cannot understand that.

Mr. LUCAS. It will come up for a vote in due course. I wish to congratulate the committee for reporting the nomination. I think the committee has taken exactly the proper course. I do not care whether a nomination gets a single vote in the committee; I think every nomination should be reported. Nominations should not be bottled up in committee, as was done in the case of the nomination of Mon Wallgren.

Mr. JOHNSON of Colorado. That is exactly the position I took in the committee. I said I would not be in favor of bottling up the nomination. I wish to say that several Senators suggested that the nomination be bottled up, but I opposed that.

Mr. LUCAS. I congratulate the Senator from Colorado for his opposition to the bottling up of a nomination of this kind. I do not think it is the proper practice to bottle up nominations; I do not think any committee has a right to determine whether its members shall be the only Senators who will have an opportunity to give advice and consent to a nomination. I think that right belongs to the entire Senate, under the Constitution.

But I do not know why I have to be rushed into this matter.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. LUCAS. I am delighted to yield to my very delightful and lovable friend, the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I am very grateful to the Senator for extending that privilege to me.

I wish to say that I do not know whether the committee is to be congratulated or not. The committee reported the nomination upon what it thought was assurance that as soon as it was reported it would be considered by the Senate. The Senator from Illinois was very persuasive upon the Senator from Texas when he stated what he thought about the full Senate's having the right to pass upon nominations, and the Senator from Texas thought he had the assurance of the Senator from Illinois that when the nomination was reported it would not be bottled up on the floor. [Laughter.]

The Senator from Texas does not say it has been bottled up on the floor.

Mr. LUCAS. I thank the Senator for that statement.

Mr. JOHNSON of Texas. But word is going around the corridors—I am sure it is not coming from the Senator from Illinois—that certain persons are not so anxious to have that nomination considered as they were a few days ago, when the present speaker was in Texas.

The Senator from Texas understood the Senator from Illinois to request that the committee not act until at least Tuesday, and the Senator asked the committee to withhold action until Tuesday. Last Tuesday the Senator from Illinois assured him it would be all right for the committee to proceed. The committee did proceed, by a unanimous vote of 7 to 0.

On Wednesday the full committee took action, and it was the understanding of the Senator from Texas that the nomination would be considered by the Senate shortly after it was reported.

Finally, the Senator from Illinois indicated he would take up the nomination on Monday. When the matter was brought up on the floor, the Senator from Illinois said "Maybe," "Perhaps," "It may be brought up on Tuesday." The Senator from Texas has some plans—not to go to the Old Country, because he has some matters to dispose of here before he leaves.

Mr. LUCAS. A good many of us are in that situation.

Mr. JOHNSON of Texas. The Senator from Texas hopes he may be able to dispose of them. I think it would be a good thing if we could have some indication of the day on which the vote will be taken, so the Members of the Senate can arrange their plans accordingly.

Mr. LUCAS. Does the Senator consider the nomination more important than the farm bill?

Mr. JOHNSON of Texas. No. The Senator from Texas would be glad to have it follow the farm bill, but the Senator from Texas does not consider the nomination less important than did the Senator from Illinois last week, when

the Senator from Texas was in Texas, and he was called and told the President of the United States wanted the nomination reported to the Senate. The Senator from Texas reported it, with what he thought was the assurance of the Senator from Illinois that it would be considered.

Mr. LUCAS. The Senator from Illinois never telephoned the Senator from Texas to tell him anything of the kind.

Mr. JOHNSON of Texas. The Senator from Texas did not even so indicate.

Mr. LUCAS. The Senator from Illinois did not ask the Senator from Texas——

Mr. JOHNSON of Texas. The Senator from Texas did not so indicate.

Mr. LUCAS. Let us get the record straight.

Mr. JOHNSON of Texas. The record is straight. The Senator from Texas said he was in Texas when he received a message to the effect that the President of the United States wanted the nomination reported to the Senate.

Mr. LUCAS. That is correct.

Mr. JOHNSON of Texas. I therefore understood that the Senator from Illinois wanted it reported.

Mr. LUCAS. The Senator from Illinois is following the instructions of the White House, and the Senator from Illinois is going to get a vote on the Olds nomination. The statement has been circulated in the Senate, and even bets have been made as I understand—I do not know how much, but in small amounts at least—that the Olds nomination would not come up for vote in the United States Senate. I cannot understand why so many people are interested, for some cause or other, in getting an early vote on the Olds nomination. If I give assurance there will be a vote on the Olds nomination some time this week, that ought to suffice. If the Senator is going to pin me down to the exact hour, he may not get a vote at all. I am going to give the Senator an opportunity to vote on the Olds nomination, but I am not now going to be badgered or intimidated or coerced into stating the exact hour we are going to take the vote, regardless of how much interest certain Senators have in getting Mr. Olds out of the way once and for all.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. Did I correctly understand the Senator to say he had been acting under the direction of the President and under the instructions of the President?

Mr. LUCAS. The Senator from Missouri knows I am the majority leader.

Mr. DONNELL. I am asking the Senator whether I understood him correctly.

Mr. LUCAS. Just one moment. The President of the United States sent word that he wanted the nomination of Mr. Olds brought to the floor of the Senate—and it is here. The Senator from Illinois was the one, of course, with whom the President of the United States would probably take up the matter. That is the business of the Senator from Illinois. If the Republicans ever get into power—which I do not think they ever will [laughter] and if the Senator from Missouri becomes majority leader—which I hope may happen, sometime—then the Senator from Missouri will be on the telephone frequently with someone in the executive branch of the Government who happens to be a Republican President, and he will get some orders once in a while probably that he may want to carry out for the President of the United States.

Mr. DONNELL. Mr. President, will the Senator yield at that point?

Mr. LUCAS. I am sure, knowing the great fidelity the Senator from Missouri has for any position he takes, if he ever should be called upon on his side of the aisle to assume the role of majority leader of the Senate, and he received an order or two from the executive branch of the Government—it would not have to be very serious—he would carry it out. This is not a very serious order.

Mr. DONNELL. Mr. President, will the Senator yield at that point?

Mr. LUCAS. I am glad to yield.

Mr. DONNELL. The Senator has referred several times, at least twice, to orders from the President.

Mr. LUCAS. Oh, no one ever gives the Senator from Illinois any orders.

Mr. DONNELL. That is what the Senator said.

Mr. LUCAS. No orders.

Mr. DONNELL. I do not consider it the function of the President, on the one hand, to give any order to the Senate, or to any Senator, or the function of any Senator on the other hand to accept orders from the President of the United States. This is a Government of three distinct branches, and we are just as independent as is the President of the United States.

Mr. LUCAS. The Senator is correct about that. I am sure the Senator from Missouri is a little more independent than the President of the United States, so far as his voting record is concerned. I am not objecting to that, but, after all, the President of the United States sends to the Congress at the beginning of every session a message on the state of the Union, and he makes suggestions as to what the Senate and House should do in respect to legislation. I am happy to say the Eighty-first Congress has followed his suggestions about 60 percent already, and we are going to try to take care of about 25 percent of the remainder in the next session. So we shall have a pretty good record coming, not from orders of the President, but merely from suggestions when the President delivers a message to the Congress. The Senator from Missouri has been very fine on some of those things, too. He has gone along with us. I appreciate it, and I hope the Senator will continue from time to time to follow the leadership on the Democratic side of the aisle.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield again to my good friend.

Mr. DONNELL. I merely want to say most respectfully to the Senator from Illinois that while I appreciate the very kind words he has said, my recollection is that the function of the President under the constitutional provision is to deliver a message on the state of the Union and to make recommendations to Congress; but I know of nothing in the Constitution or anywhere else that says the Executive, the President, or any other officer has any right to issue orders to the United States Senate or to the majority leader.

Mr. LUCAS. That is correct; I agree.

Mr. DONNELL. I am sure the Senator, on reflection, will agree with that observation.

Mr. LUCAS. I concur completely with the Senator from Missouri. But the President of the United States has sent to the Senate a nomination to an important office. He was anxious to have the Senate consider the nomination. I think the Senator from Missouri will agree with me that the President was not out of order in requesting, through the majority leader, that the committee report the nomination.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I think it is perfectly within the proprieties for the President to express his desire.

Mr. LUCAS. That is all he did.

Mr. DONNELL. That is, his desire for information.

Mr. LUCAS. If I said he gave any orders——

Mr. DONNELL. The Senator, I may say, did say it. He said it in two or three words, "direction," "instruction," and "orders." I do not think, with all due respect both to the distinguished President and to the distinguished majority leader, that the Senate of the United States should for one instant concede directly or indirectly that any official has the right to issue orders to the Senate or to any Member of the Senate.

Mr. LUCAS. The Senator is absolutely correct, and if I made that statement, it was not made in the sense in which the Senator from Missouri is now discussing. I think the Senator from Missouri knows the Senator from Illinois well enough to understand that it is a little difficult for anyone to tell the Senator from Illinois to take orders. I have been fairly independent in my service as a United States Senator. But a Senator is in a little different position when he is behind the majority leader's desk. I think the Senator from Nebraska will agree with me on that. He has been very cooperative all day, and I am sure he will be again. I thank the Senator.

Now, Mr. President, I move——

Mr. CAPEHART. Mr. President, I suggest that a session be held tomorrow night. I am very anxious that that be done.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Indiana?

Mr. LUCAS. We are going to recess until 11 o'clock in the morning. That ought to satisfy the Senator.

LEAVE OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. BUTLER was excused from attendance upon the sessions of the Senate for the remainder of the present session.

RECESS

Mr. LUCAS. That is another good vote gone for me. I regret to see the senior Senator from Nebraska leave, because he has been agreeing with us so much all along.

Mr. President, I now move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, October 12, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate October 11 (legislative day of September 3), 1949:

UNITED NATIONS

John C. Ross, of New York, to be Deputy Representative of the United States of America to the Security Council of the United Nations.

Ernest A. Gross, of New York, now an Assistant Secretary of State, to be the Deputy Representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and Deputy Representative of the United States of America to the Security Council of the United Nations.

DEPARTMENT OF STATE

Jack K. McFall, of the District of Columbia, a Foreign Service officer of class 3, to be an Assistant Secretary of State, vice Ernest A. Gross.

DEPARTMENT OF THE AIR FORCE

Harold C. Stuart, of Oklahoma, to serve as Assistant Secretary of the Air Force.

UNITED STATES ATTORNEY

George Earl Hoffman, of Florida, to be United States attorney for the northern district of Florida. Mr. Hoffman is now serving in this office under an appointment which expired September 28, 1949.

UNITED STATES MARSHAL

Rex Bryan Hawks, of Oklahoma, to be United States marshal for the western district of Oklahoma, vice Dave E. Hilles, term expired.

UNITED STATES COAST GUARD

Joseph F. Farley, Commandant of the United States Coast Guard, to be an admiral on the Coast Guard retired list effective upon his retirement on January 1, 1950, pursuant to the provisions of section 4 of the act approved March 21, 1945 (50 U. S. Code, Appendix 1724).

WITHDRAWALS

Executive nominations withdrawn from the Senate October 11 (legislative day of September 3), 1949:

SECURITY COUNCIL OF THE UNITED NATIONS

John C. Ross to be deputy representative of the United States of America, with the rank and status of Envoy Extraordinary and Minister Plenipotentiary, in the Security Council of the United Nations.

POSTMASTER

IDAHO

J. D. Petty, Meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, OCTOBER 11, 1949

The House met at 12 o'clock noon.

Rev. Jacob S. Payton, D. D., of Washington, D. C., offered the following prayer:

For innumerable manifestations of Thy love, our Heavenly Father, we return thanks. So impart to Members of this body Thy restoring and sustaining presence that they may never make peace with evil nor regard as futile any effort to right the most stubborn wrong.

May America keep aflame and aloft the torch of freedom as she moves amid the complexities and confusions of a dark world. Give guidance and blessing, O Lord, to those who direct the destinies of our land.

Grant that from the family of nations discord may depart and that over its members the scepter of the Prince of Peace may hold sway. Enable us to walk this day in the path of righteousness. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On September 9, 1949:

H. R. 1132. An act for the relief of Mabel H. Slocum; and

H. R. 2594. An act for the relief of Grace L. Elser.

On September 10, 1949:

H. R. 3829. An act to provide assistance for local school agencies in providing educational opportunities for children on Federal reservations or in defense areas, and for other purposes.

On September 19, 1949:

H. R. 4040. An act for the relief of Agnes Tarjani.

On September 26, 1949:

H. R. 1211. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

On September 27, 1949:

H. R. 1824. An act to amend section 433 (f) of the act of August 4, 1949.

On September 28, 1949:

H. J. Res. 295. Joint resolution to erect a memorial to the memory of Mohandas K. Gandhi.

On September 30, 1949:

H. R. 2944. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide survivorship benefits for widows or widowers of persons retiring under such act.

On October 1, 1949:

H. R. 1976. An act to authorize the sale of certain allotted inherited land on the Flathead Indian Reservation, Mont.;

H. R. 3616. An act authorizing the issuance of a patent in fee to Lulu Two Spears Iron Bird;

H. R. 3851. An act to amend Public Law 289, Eightieth Congress, with respect to surplus airport property and to provide for the transfer of compliance functions with relation to such property; and

H. R. 3886. An act authorizing the Secretary of the Interior to issue a patent in fee to Jeanette Pearl Burns.

On October 5, 1949:

H. R. 524. An act to provide for the release of all the right, title, and interest of the United States in a certain portion of a tract of land conditionally granted by it to the county of Los Angeles;

H. R. 540. An act to provide terminal-leave pay for certain officers of the Navy and Marine Corps, and for other purposes;

H. R. 584. An act for the relief of Mike Clipper;

H. R. 588. An act for the relief of Col. David R. Wolverton, United States Army, retired;

H. R. 1097. An act for the relief of Edgar Barbre;

H. R. 1620. An act for the relief of Robert E. Bridge and Leslie E. Ensign;

H. R. 1800. An act for the relief of Howard E. Giroux;

H. R. 2015. An act to authorize the Secretary of Agriculture to convey and exchange certain lands and improvements in Grand Rapids, Minn., for lands in the State of Minnesota, and for other purposes;

H. R. 2075. An act for the relief of Frank G. Moore;

H. R. 2619. An act to extend the benefits of the annual- and sick-leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees;

H. R. 2678. An act to amend section 5 of the act approved July 10, 1890, as amended, relating to the admission into the Union of the State of Wyoming, so as to permit the leasing of school lands within such State for mineral purposes for terms in excess of 10 years;

H. R. 3405. An act for the relief of Vivian Newell Price;

H. R. 3534. An act for the relief of Eleanor P. Simmonds, as administratrix of the estate of Norman B. Simmonds, deceased;

H. R. 3810. An act for the relief of Cecil E. Gordon;

H. R. 3864. An act to convey certain lands taken from W. W. Stewart by the United States;

H. R. 4050. An act to authorize advances of pay to personnel of the armed services upon permanent change of station, and for other purposes;

H. R. 4556. An act for the relief of the estate of Elmo Sodergren;

H. R. 4875. An act to amend title 28 of the United States Code relating to travel expense allowances for Government employee witnesses;

H. R. 5310. An act to confer jurisdiction on the State of California over the lands and residents of the Agua Caliente Indian Reservation in said State, and for other purposes;

H. R. 5342. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts;

H. R. 5356. An act to provide for the conveyance of land to the Norfolk County Trust Co. in Stoughton, Mass.;

H. R. 5465. An act to amend section 4 (e) of the Civil Service Retirement Act of May 29, 1930, as amended;

H. R. 5670. An act authorizing transfer of land to the county of Bernalillo, State of New Mexico, for a hospital site;

H. R. 5773. An act to authorize the carrying out of the provisions of article 7 of the treaty of February 3, 1944, between the United States and Mexico, regarding the joint development of hydroelectric power at Falcon Dam, on the Rio Grande, and for other purposes; and

H. R. 6006. An act for the relief of Anthony Charles Bartley.

On October 6, 1949:

H. R. 554. An act to provide for the construction, extension, and improvement of school buildings in Hoopa, Calif.;

H. R. 695. An act for the relief of Mrs. Mary A. Bailey;

H. R. 2437. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947;

H. R. 3413. An act for the relief of Alfred Daumgarts;

H. R. 3420. An act to authorize the exchange of wildlife refuge lands within the State of Washington;

H. R. 3926. An act to rename a game sanctuary in the Harney National Forest as the "Norbeck Wildlife Preserve," and for other purposes;

H. R. 4585. An act to authorize the purchase of additional farming land for Leavenworth Penitentiary;

H. R. 4829. An act to authorize the President to appoint Paul A. Smith as representative of the United States to the Council of the International Civil Aviation Organization without affecting his status and perquisites as a commissioned officer of the Coast and Geodetic Survey;

H. R. 4830. An act making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4943. An act to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes;

H. R. 4986. An act to amend an act entitled "An act to provide for the adjustment of irrigation charges on the Flathead Indian irrigation project, Montana, and for other purposes", approved May 25, 1948;

H. R. 5148. An act to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim or claims of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska; and

H. R. 5895. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing military assistance to foreign nations.

On October 7, 1949:

H. R. 1020. An act for the relief of the legal guardian of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman;

H. R. 1106. An act for the relief of King V. Clark;

H. R. 1484. An act for the relief of Mrs. Mary Capodanno and the legal guardian of Vincent Capodanno;

H. R. 1666. An act for the relief of Maurice J. Symms:

H. R. 1672. An act for the relief of Jack Phillips;

H. R. 1694. An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects;

H. R. 1864. An act for the relief of Mitsuo Higa and Hilo Sugar Co.;

H. R. 1950. An act for the relief of certain consultants formerly employed by the Technical Industrial Intelligence Committee of the Foreign Economic Administration, and for other purposes;

H. R. 2921. An act for the relief of Nicholas C. Kalcoutsakis;

H. R. 3618. An act for the relief of the legal guardian of Marcia Moss Carroll, a minor, and Charles P. Carroll;

H. R. 3863. An act for the relief of Carl C. Ballard;

H. R. 4165. An act for the relief of Katherine H. Clagett;

H. R. 4186. An act for the relief of Jan Liga;

H. R. 4306. An act for the relief of Zora B. Vulich;

H. R. 4792. An act for the relief of Harry Fuchs;

H. R. 4889. An act for the relief of Mrs. Jack J. O'Connell;

H. R. 5299. An act for the relief of Mrs. Giovanna Follo Discepolo;

H. R. 5353. An act for the relief of Max Schlederer; and

H. R. 5777. An act for the relief of Joe D. Dutton.

On October 10, 1949:

H. R. 605. An act for the relief of the estate of James B. Stirling, deceased;

H. R. 734. An act for the relief of Curtis R. Enos;

H. R. 1033. An act for the relief of Mrs. Ethel Barrington MacDonald;

H. R. 1447. An act for the relief of Ethel Roth;

H. R. 1794. An act for the relief of Cohen, Goldman & Co., Inc.;

H. R. 2457. An act for the relief of Helen Morren;

H. R. 2538. An act to authorize completion of the land development and settlement of the Angostura unit of the Missouri Basin project, notwithstanding a limitation of time;

H. R. 2876. An act to effect an exchange of certain lands in the State of North Carolina between the United States and the Eastern Band of Cherokee Indians, and for other purposes;

H. R. 3081. An act for the relief of the estate of Maurice G. Evans;

H. R. 3499. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Mabel Colliver;

H. R. 3598. An act for the relief of Mrs. Katherine Gehringer;

H. R. 4029. An act to authorize the Secretary of the Interior to procure for the Everglades National Park with available funds, including those made available by the State of Florida, the remaining lands and interest in lands within the boundary agreed upon between the State of Florida and the Secretary of the Interior, within and a part of that authorized by the act of May 30, 1934 (48 Stat. 816), and within which the State has already donated its lands, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945;

H. R. 4767. An act to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes;

H. R. 4777. An act for the relief of J. D. Lecky;

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes;

H. R. 5582. An act for the relief of the Belle Isle Cab Co., Inc.;

H. R. 5764. An act to authorize the granting to the city of Los Angeles, Calif., of rights-of-way on, over, under, through, and across certain public lands; and

H. R. 5598. An act to increase compensation for World War I presumptive service-connected cases, provide minimum ratings for service-connected arrested tuberculosis, increase certain disability and death-compensation rates, liberalize requirement for dependency allowances, and redefine the terms "line of duty" and "willful misconduct."

ALLIE LOUISE HALL

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 378) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Allie Louise Hall, widow of LeRoy A. Hall, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $350 toward defraying the funeral expenses of said LeRoy A. Hall.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RUTH B. PHILLIPS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 373) and ask for its immedicate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to the estate of Ruth B. Phillips, late an employee of the House Committee on Agriculture, an amount equal to 6 months' salary at the rate she was receiving at the time of her death, and an additional amount not to exceed $350 toward defraying the funeral expenses of the said Ruth B. Phillips.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPEAKER RAYBURN HAS A SHILLELAGH

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I have just returned from a trip abroad. While there I was alarmed at the headlines. They stated that the Speaker had absolutely lost control of his side of the House. I wondered what I might do about it. I went to the ancient village of Shillelagh, where the big black oaks grow. I saw one old oak that had witnessed many a rebellion and inquired if I could obtain from it that instrument of persuasion known as a shillelagh. They said they would make one for me. I asked what the purpose of a shillelagh really was, and they said to bash heads. So I am going to deliver to the Speaker at this time a shillelagh to see if he can get control of his side of the House.

The SPEAKER. It says here "Right from Ireland." I have always thought that probably a Democratic Speaker needs a shillelagh worse than a Republican Speaker, because it seems that more Members on our side than from the other side of the aisle come from that "Auld Sod." So I am mighty glad to have this—I will at least threaten them with it.

EXTENSION OF REMARKS

Mr. RAINS (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include two editorials.

Mr. PERKINS asked and was given permission to extend his remarks in the RECORD with reference to the postal pay bill.

UNION DEMOCRACY COMMITTEE

Mr. JACOBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Speaker, on August 31 the Union Democracy Committee of the Committee on Education and Labor of the House was capriciously dissolved with instructions to make a report. I am just a new Member of the House of Representatives. I do not know very much about those things. If any of you Members can inform me as to how a dissolved committee can function and make a report, I would be very happy to have that information. I have written to the chairman of the full committee and asked him to tell me how, but I have not received an answer.

I doubt if I ever receive an answer from him. But he will have a great opportunity to answer several questions if he ever calls another meeting of the full committee, which is also very doubtful.

I would like to observe that neither the people of my district nor those of the other Members of this body elected the gentleman from Michigan [Mr. LESINSKI] to represent them; and that refusing to permit the full committee to express its will is a usurpation of the prerogatives of other members of the full committee as well as that of all other Members of the House.

SPECIAL ORDERS GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House for 30 minutes on Friday of this week, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

Mr. HERLONG asked and was given permission to address the House for 30 minutes on Thursday next, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

Mr. WILLIAMS asked and was given permission to address the House for 30 minutes on Thursday next, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

VETERANS' HOSPITALS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, it is to be regretted that the gentleman from Mississippi [Mr. RANKIN], chairman of the Committee on Veterans Affairs, did not succeed in getting H. R. 5965 brought up for consideration yesterday under the 21-day rule. It is my understanding that, since this much-needed legislation was on the agenda yesterday, it will be possible to call the same up for consideration today by unanimous consent.

Surely no Member of this House will object to the immediate consideration of H. R. 5965 and the passage of the same, in view of the fact that, as was stated by the gentlewoman from Massachusetts [Mrs. ROGERS], hundreds of honorably discharged veterans are incarcerated in the common jails of the country by reason of the fact that there are no hospital beds available to them. It is a shame and a disgrace to continue to neglect our own veterans while at the same time we increase appropriations to take care of veterans in other lands, even our former enemies.

The Congress has heretofore provided funds for the erection of the hospitals as set out in H. R. 5965. Let us now speak with a determined voice and order the construction of adequate hospital facilities to care for those who cared for us.

EXTENSION OF REMARKS

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD in two instances, in each to include extraneous matter.

ATOMIC BOMBS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, a naval officer testified yesterday before the Armed Services Committee that a person standing at one end of the north-south runway at the National Airport would not be injured by an atomic bomb which was exploded at the other end of the runway, approximately 6,800 feet distant. This statement was no doubt based on the evaluation of the effect of the Hiroshima and Nagasaki bombs.

The statement ignored the progress which has been made since August 1945 in the development of a deadlier and more powerful type of bomb.

The Nagasaki-Hiroshima bomb is obsolete and the statement of the naval officer, in my opinion, is dangerous and should not stand unchallenged. It stems either from ignorance or intention to deceive the American public. Neither position is excusable.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. ARENDS. I may say to the gentleman that that same naval officer went into greater detail before the committee, and I suggest that you get a copy of his remarks and get a clearer understanding.

Mr. HOLIFIELD. I have a clear understanding of the atomic energy program without talking to a naval officer. However, I will be glad to look it up.

The SPEAKER. The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an address delivered by him and in the other to include extraneous matter.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD and include an article, notwithstanding the fact that the cost would be $246.

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter.

Mr. DONOHUE (at the request of Mr. FURCOLO) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the RECORD and include a speech by Congressman CHESNEY and a resolution.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD and include an address by the Federal Security Administrator.

Mr. HARRISON asked and was given permission to extend his remarks in the RECORD in three separate instances.

SALE OF SHIPYARD FACILITIES AT ORANGE, TEX.

Mr. COMBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COMBS. Mr. Speaker, today I have introduced a resolution that will authorize the sale of shipyard facilities owned by the Federal Government at Orange, Tex., to the Consolidated Western Steel Corp.

In order that the House Members may know what is involved, and the emergency that faces us, I have asked unanimous consent to insert certain documents in the RECORD.

Due to a technicality in the law, it seems that a sale negotiated by War Assets Administration cannot be consummated unless we pass the resolution. The Government will be forced to lose perhaps a half million dollars and to scrap a facility that is vital to the national defense and to the economy of Orange, Tex. The technicality is that the sale may tend technically to be in violation of the antitrust law because the proposed purchaser is a subsidiary of United States Steel Corp. Actually the sale of the facility can have no appreciable effect on monopoly.

The preamble to the resolution set out below tells in brief what the situation is. Early in the war the Government at the expense of more than $8,000,000 equipped a great shipyard facility at Orange, Tex. The facilities were placed on something more than 45 acres of land belonging to the Consolidated Steel Corp., which concern operated the shipyard during the war employing more than 20,000 workers. By the end of the war they had constructed some 16 of our largest and finest destroyers and had constructed more than 100 vessels of other types for the Navy; such as destroyer escorts, landing craft, and so forth. The shipbuilding ceased after the war and the facility has been standing largely idle. The Consolidated Western

Steel Corp. purchased the Consolidated Steel Corp., including of course the land upon which the Federal shipyard facilities are located. Under the contract between the Government and the Consolidated Steel Corp. the Government-owned property can be removed at any time upon 60 days' notice. The facility was declared surplus by the Navy, and War Assets Administration made an effort to sell it in place but without success. Finally on May 18, 1949, the Consolidated Western Steel Corp. submitted an offer to purchase the federally owned property for a cash price of $1,001,000. I attach hereto for the RECORD a copy of their offer to purchase. It will be noted in their offer they stated they would not purchase the facility with the national security clause attached; however, I am advised that they later agreed to the purchase of the facility with the security clause proposed by the Munitions Board, which would obligate the purchaser to maintain the facility without expense to the Government for a period of 5 years.

War Assets Administration recommended the acceptance of the offer of the Consolidated Western Steel Corp., and in that connection it was stated that under the contract Consolidated has a right to remove the Government improvements and thus destroy a productive facility having a present-day reproduction cost of almost $9,000,000. War Assets Administration has stated also that if the proposed sale is not consummated it will find it necessary to certify the shipyard facilities as undisposable in place and transfer them to National Industrial Reserves pursuant to Public Law 883, Eightieth Congress, it having already made every effort to dispose of the property in present place without success. It further states that it would not undertake a salvage operation voluntarily because it would result in the defeat of the Munitions Board's purpose to preserve the shipyard facility under the national security clause. It is further estimated in that connection that should it be necessary to salvage these facilities the Government could reasonably expect to recover on today's market the approximate sum of $468,800, or less than one-half the cash price offer of the Consolidated Western Steel Corp.

The maintenance of the shipyard facility at Orange is vital to national defense. The Navy has a storage basin for its reserve vessels at Orange where more than 100 naval vessels are now stored within a few hundred yards of this shipyard facility. In fact, some of the vessels are berthed at wharves of the facility. In the event of an emergency, this shipyard, which is fully equipped with switch tracks, launching ways, and complete shipbuilding and ship-repair facilities, would be urgently needed. Consolidated Western Steel Corp. has a steel fabricating plant in the vicinity of this property and can use it as a part of the facilities for its steel fabrication work. It would employ approximately 1,000 workmen in the operation of the facility. This shipyard is vital to the economy of the city of Orange. Several large industries exist there in part because of the existence of this shipyard. It is vital, therefore, to the local economy as well as to the national defense that the continued operation of the yard be insured by sale of it to Consolidated Western Steel Corp., as recommended by the War Assets Administration.

There is one impediment in the way of the sale. Section 207 of the Federal Property and Administrative Services Act of 1949, in substance requires the Attorney General in the case of the proposed sale of any Government facility in excess of $1,000,000 to give an opinion as to whether or not so far as he can determine the disposition of property would tend to create a situation in violation of the antitrust laws. This law is very broad. The Consolidated Western Steel Corp. is a subsidiary of United States Steel and by reason of that fact the law referred to might operate to prevent the sale. Obviously no other purchaser could be induced to buy it and the size of it is such that it could have little practical effect on the question of monopoly. In order to clear out the legal technicality involved, I have introduced the resolution and shall push for its passage as in the national interest as well as in the interest of the economy of the city of Orange, Tex.

I regret having to introduce and attempt to call up this resolution in the closing days of the session, but the fact is the probable difficulty standing in the way of the proposed sale developed recently. While it might be possible to consummate the sale without the adoption of this resolution, it now appears doubtful and because of the importance of the matter I think we should take no chances of the deal falling through. The matter is urgent—I am advised that the deal must be closed without delay if at all. If it should fall through it is evident that the Government stands to lose a substantial sum of money, but that is relatively much less important than the resulting destruction of a shipyard facility vital to the national defense and which would require many months and perhaps $9,000,000 to replace should an emergency develop requiring it. It would be tragic for that to happen and I trust we will avoid that possibility by passing the resolution I have introduced before the end of the present session.

The resolution I am introducing in the form of a House joint resolution reads as follows:

House Joint Resolution —

Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

Whereas the General Services Administration now holds for disposition certain shipyard facilities at Orange, Tex., declared surplus by the Navy Department; which facilities were constructed during the war on land belonging to the Consolidated Steel Corp. at a total cost of $8,235,000; which facilities were operated during the war by Consolidated Steel Corp. in the construction of naval vessels; which facilities were closed down at the end of the war and have since remained idle; and

Whereas Consolidated Western Steel Corp., successor to the Consolidated Steel Corp., is now the owner of the lands upon which said facilities are located and has the right, under the contract with the Government under which said facilities were constructed, to require their removal upon 60 days' notice; and

Whereas it is vital to the national defense that the facilities be maintained and to the extent practicable operated and kept in good condition; and

Whereas Consolidated Western Steel Corp. in a written offer dated May 18, 1949, submitted to War Assets Administration its offer to purchase the Government-owned facilities for a cash price of $1,001,000; and

Whereas the Munitions Board in connection with said proposed sale has imposed a national-security clause on the facility, under the terms of which the facility will be maintained for the purposes of national defense by the proposed purchaser for a period of 5 years without cost to the Government; and

Whereas if the proposed sale is not consummated the facility will have to be scrapped at a possible loss to the Government in excess of $500,000 and in addition will destroy the facility so vitally needed for national defense; and

Whereas the proposed sale will result in the employment in excess of 1,000 workers in the operation thereof by the proposed purchaser; and

Whereas the War Assets Administration has strongly recommended a consummation of such sale to the Consolidated Western Steel Corp.; and

Whereas under the provision of section 207 of the Federal Property and Administrative Services Act of 1949, the Attorney General is required to give an opinion as to whether or not so far as he can determine the disposition of property would tend to create a situation in violation of the antitrust laws; and

Whereas said provision may have the effect of preventing the consummation of said proposed sale; and

Whereas it is in the public interest and in the interest of the national security and the national economy that said sale be consummated; and

Whereas every effort has already been made to dispose of the facilities in place without success, and it will therefore be necessary to certify such facilities as undisposable in place pursuant to Public Law No. 883, Eightieth Congress, unless the proposed sale is consummated: Now, therefore, be it

Resolved, etc., That, notwithstanding any other provision of law, the Administrator of General Services is hereby authorized and directed to consummate, on behalf of the United States, the sale of said facilities to the Consolidated Western Steel Corp. in accordance with its offer of May 18, 1949, and in accordance with the national security clause imposed with respect to said facilities by the Munitions Board.

EXHIBIT A

CONSOLIDATED WESTERN STEEL CORP.,
UNITED STATES STEEL CORP., SUBSIDIARY,
Orange, Tex., May 18, 1949.

WAR ASSETS ADMINISTRATION,
Office of Real Property Disposal,
Regional Office No. 27,
Houston, Tex.

Subject: Proposal to purchase surplus facilities—NOo-1544/NObs-396

Reference: (a) Commanding Officer, United States Naval Station to War Assets Administration dated August 12, 1948, L24-1/L4-3 Serial F3309, correcting Naval Station letter to War Assets Administration, June 30, 1948. L4-3/L24 Serial F2674 enclosing War Assets Administration 1005 Form declarations of Real Property No. 234-R-1 pages 1 through 85. (b) Commanding Officer United States Naval Station to War Assets Administration dated July 29, 1948. L24-1/L4-3 Serial F3121 correcting Naval Station letter to War Assets Administration dated June 30, 1948. L4-3/L24-1 Serial F2674 enclosing War Assets Administration 1001.1 Form Declarations of Personal Property No. 234-P-87A, 234-P-102A,

234–P–125A, 234–P–137A, and 234–P–170A. (c) Receipt of Facilities S & A Form 127 Invoices 328 (49) through 442 (49), 444 (49) and 453 (49) through 503 (49) on War Assets Administration 1001 Declarations 234–P–1 through 234–P–115, 234–P–117 and 234–P–126 through 234–P–176 effective 0001 August 10, 1948 (Personal Property). (d) Receipt of Facilities S & A Form 127 Invoices 443 (49) and 445 (49) through 452 (49) on War Assets Administration 1001 Declarations 234–P–116 and 234–P–118 through 234–P–125 effective 0001 August 10, 1948 (Personal Property). (e) Receipt of Facilities S & A Form 127 Invoice 508 (49) on War Assets Administration 1005 Declaration 234–R–1 effective 0001 August 10, 1948 (Real Property). (f) Inventory of wood buildings, portable welding machines, and furniture not included in this offer to purchase.

GENTLEMEN: This letter relates to facilities acquired, constructed, and installed on premises owned by Consolidated Steel Corp., predecessor of the undersigned, at Orange, Tex., under Contracts NOd–1544 and NObs–396 not heretofore removed or disposed of. Heretofore these facilities have been declared to be surplus and were advertised for sale with a closing date of February 10, 1949, being specified. It is understood that at the public opening no bids were received in connection with the offering for sale. The Government-owned facilities were operated during the war period by Consolidated Steel Corp., and the facilities have been idle since completion of the shipbuilding contracts.

Consolidated Western Steel Corp., a Delaware corporation, hereby offers to purchase from the appropriate Government agency or agencies all the facilities located on the premises of the undersigned at Orange, Tex., including all facilities listed and/or referred to in references (a) to (e), inclusive, excluding certain wood buildings, portable electric welders, and furniture set forth in detail in reference (f) attached hereto, which items shall be removed from the premises by the appropriate Government agency, at Government expense, within 90 days from date of acceptance of this offer.

The undersigned offers to pay for the facilities covered by this offer the sum of $1,001,000 in cash.

If this proposal is accepted, title to the said facilities is to be transferred by the appropriate Government agency or agencies to the undersigned as of the close of business on the date of your acceptance of this offer, and payment will be made on that day.

While, as between the undersigned and the Government, the said facilities may constitute personal property in view of the provisions of the aforesaid contracts, we deem it advisable to evidence that any of the facilities which might be considered real estate from the standpoint of third parties or otherwise is covered by the transfer. Accordingly, we suggest that the transfer to the undersigned be made either by a combination quitclaim deed and bill of sale; or by bill of sale covering all of the said facilities, accompanied by a quitclaim deed in which the Government will transfer to the undersigned any right, title, or interest in and to real estate located within that part of the undersigned's premises bounded by the yellow line on the attached plot plan DE–N1–1–3. In this connection we note that the facilities contract was recorded.

If the foregoing offer is accepted, it is planned to recondition the usable shop buildings and place as much of the equipment as practical in operation for the production of steel plate products, fabricated pipe work, general machine-shop work, and other fabricated products. Substantial additional expenditures and the installation of additional equipment to accomplish this objective, presently estimated to amount to approximately $500,000, are anticipated. The Government is not expected to furnish any financing in connection with any proposed changes in the facilities, which will be accomplished solely at the undersigned's expense.

The Government facilities, included in this proposal, are located on land owned in fee by Consolidated. Accordingly, sale of the facilities to this company would eliminate any necessity for removal thereof by the Government, and would insure the productive use thereof. It is believed that, if this offer is accepted, the estimated ultimate increase in average annual employment by the undersigned's Orange plant will be around 500 employees. This statement represents the bidder's best judgment, based on available information, and is not made by way of warranty or representation.

In the event this offer is not accepted prior to the close of business on June 20, 1949, the undersigned reserves the right to withdraw or modify this offer at any time thereafter.

Certain buildings, furniture, and equipment included in this proposal to purchase are presently leased from the Government under interim-lease agreements dated August 10, 1948, and March 19, 1949. Transfer of title to the facilities from the Government to Consolidated Western Steel Corp. will effect termination of the afore-mentioned lease agreements and no rental shall accrue thereon after the date of transfer.

The undersigned, Consolidated Western Steel Corp., is a wholly owned subsidiary of United States Steel Corp., a New Jersey corporation, copy of whose latest financial statement is attached hereto.

In view of the integration of the facilities proposed for purchase with the undersigned's facilities, and for other reasons, including the complete lack of demand for such type of facilities and the post lay-up reconditioning of the facilities for use, in no event can the undersigned consent to accept a transfer subject to the provisions of the national security clause.

Very truly yours,
CONSOLIDATED WESTERN STEEL CORP.,
H. C. CRANFILL, *Vice President*.

The SPEAKER. The time of the gentleman from Texas has expired.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes following any other special orders heretofore entered.

EXTENSION OF REMARKS

Mr. JACKSON of California asked and was given permission to extend his remarks in the RECORD and include two editorials.

INTERNATIONAL WHEAT AGREEMENT

Mr. MADDEN, from the Committee on Rules, submitted the following privileged resolution (H. Res. 391, Rept. No. 1400), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AIR ENGINEERING DEVELOPMENT CENTER

Mr. MADDEN, from the Committee on Rules, submitted the following privileged resolution (H. Res. 392, Rept. No. 1401), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DEVALUATION OF THE POUND AND ITS EFFECT ON AMERICAN INDUSTRY

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, in yesterday's Evening Star there appeared an advertisement which reads in part:

> Because of the devaluation of the English pound we have lowered prices on all our English clothing.

And it names the articles.

The State Department and the Treasury Department agreed to the lowering of the value of the English pound. You are going to find out that all kinds of merchandise will be brought into this country because of that action and that the workers of this country will be thrown out of employment. It seems as though the people of this country are more interested now in taking care of people in foreign lands than they are in taking care of their own. I for one feel that the State Department needs an overhauling. If they are not overhauled pretty soon we will not have any country here for them to give away. Also, the lowering of tariffs under the reciprocal trade agreements will write the finish on jobs for American workers and give them to foreigners. I for one am for America first, last, and all the time.

PERMISSION TO ADDRESS THE HOUSE

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent tc address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. McDONOUGH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. VURSELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a broadcast made by Fulton Lewis, Jr., on Thursday, September 29, 1949.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. VURSELL addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include newspaper articles.

Mr. LATHAM asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD.

Mr. HAND asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. KELLEY asked and was given permission to extend his remarks in the RECORD and include an address by Mildred Scott, secretary of the American Federation of the Physically Handicapped.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include extraneous material.

AMERICA'S DESTINY IN THE BALANCE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter, even though it exceeds the amount allowed by the 1-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Speaker, when I presented my candidacy to the voters of the Third Congressional District in Oregon in the November elections of 1948, the Republican State Central Committee made the following statement in the official voters' pamphlet, with reference to my qualifications and platform:

HOMER D. ANGELL, Republican Party candidate for Representative in Congress, Third Congressional District, is dean of Oregon's delegation; he holds the record for length of service from the Third District. His experience and seniority is invaluable to Oregon. He is chairman of the Rivers and Harbors Subcommittee and vice chairman of the Public Works Committee of 27 members, with jurisdiction over the Columbia River, Bonneville, flood control, public buildings and roads. He leads the fight successfully for these great projects upon which our prosperity depends.

He vigorously fights to cut taxes and bloated costs of the Government and to keep America solvent, with full production and employment in private enterprise with fair treatment for labor and capital. He fights against Government regimentation and tax waste taking one-third of our income to support supercentralized Government while incurring a debt of two hundred and sixty billions with a peacetime budget of over forty billions. Spendthrift bureaucrats are bleeding the taxpayers white, creating inflation and high prices, stifling free enterprise, and dragging the Nation into bankruptcy.

He opposes all profligate spending, believing foreign aid should provide only a springboard for self-help and not a wheel chair for permanent doles.

He fights for veterans. He voted against pensions for Congressmen but leads the fight for old-age security, Federal workers, the blind, and dependent children. Believing spiritual understanding as important as political wisdom, he opposes racial and religious prejudices, and works for international cooperation for world peace and for strong national defense.

Mr. Speaker, as the first session of the Eighty-first Congress draws to a close I want to say that I have endeavored to carry out those promises I made in the campaign and, so far as lay within my power, to make effective the platform upon which I stood. While it is true that in the everyday give-and-take process in the enactment of legislation in the National Congress it is necessary to make adjustments and compromises and to accept less in the way of appropriations and legislation beneficial to one's congressional district than one would like to have, on the other hand, I feel gratified and I believe pardonably so, on the record of the Eighty-first Congress in legislation and appropriations passed for the benefit of the great Northwest and particularly the State of Oregon, a portion of which I have the honor to represent.

In the appropriation bills enacted, and still in the process of enactment, there are included substantial appropriations for the development of the rivers and harbors and flood-control protection in the Columbia River Basin which will redound to the benefit of the citizens of that great area throughout all future years. McNary Dam is progressing full speed ahead; the Chief Joseph project is in the construction stage and before this session of Congress adjourns I am sure the Albeni Falls project will have been authorized. These will provide much-needed hydroelectric energy for industrial, agricultural, and domestic use throughout the entire Columbia River area. I am particularly glad that the Congress has provided in the omnibus bill, H. R. 5472, for rivers and harbors and flood control, which came from the Committee on Public Works, authorizations for many essential projects in Oregon and Washington and neighboring States for the protection against floods and the avoidance of hazards and devastation such as that wrought in 1948 by the Columbia River flood.

This bill is of major importance to us in the Portland area and the Pacific Northwest by reason of the fact that, as a member of this committee, I was able to have included in it a number of projects approved by the Corps of Army Engineers for the prevention of floods similar to the one we experienced last year. That flood alone resulted in the loss of over $100,000,000 in property and some 50 lives. There are two rivers and harbors projects in the bill, one of which, Columbia Slough, was covered by a bill I introduced, H. R. 4679. This provides for the improvement of this waterway which lies in the Portland area between the Willamette and the Columbia, which will be of great importance in the improvement of transportation facilities in that industrial area. The other is Westport Slough, 70 miles below Portland, which provides much-needed channel transportation improvements. While both of these projects are small and minor as compared with the other major Oregon projects, they are of great benefit to the communities served.

One project covered by the bill was included in my bill, H. R. 4314, for the construction of Albeni Falls Dam and hydroelectric plant on the Pend Oreille River just over the Washington-Idaho line, in Idaho. This project is generally conceded to be the one most available for early construction to provide not only flood control but hydroelectric power in the Columbia River area to relieve the critical shortage now existing. The Corps of Engineers of the Department of the Army have advised that if this project is immediately authorized, and an adequate appropriation made available, the project can be brought into operation in 1951 in time to help in alleviating the shortage during that most critical period. The importance of this project lies in the water storage that will increase the capabilities of the major projects on the main stem of the Columbia River. During the year of initial operation this plant will add approximately 80,000 kilowatts to the firm power capabilities of the Grand Coulee and Bonneville plants and these benefits increase materially as other projects are brought into operation. The total downstream benefits from this project, when integrated with others, existing and yet to be built, are conservatively estimated to be about 260,000 kilowatts and together with the firm power generation at the Albeni Falls project increase the total benefits from this project to nearly 300,000 kilowatts. The early completion of this project will be a boon to the Portland area in relieving the hydroelectric power shortage.

There is also included in the bill a flood-control project for the improvement of Johnson Creek against flood damage, which annually causes much property loss and devastation to the heavily populated area bordering this stream, in the southern portion of the city of Portland proper. Its early construction will prevent heavy losses and

be of material benefit to many of our citizens in that area.

I was particularly gratified to have included in the bill authorization for the expenditure of some $14,000,000 for the Portland area, consisting of about 4 miles of levees, 5 miles of flood walls, and appurtenant works along the Willamette River in the city of Portland to alleviate flood damage which occurs from time to time, resulting in great loss of property. The Mayor's Citizens Committee on Flood Control Planning in Portland reported to our committee that the annual flood damages on the east and west sides of downtown Portland are $820,000 and $960,000, respectively. While the Columbia River does not reach the corporate limits of the city of Portland, it has on many occasions caused extensive flood damage in the downtown and waterfront area by reason of the backwater in the Willamette River. In the 1948 flood 5,000 acres in the Portland area were inundated, causing an estimated damage of $10,275,000. The committee states it is the feeling of this citizens' committee that adequate protection of the Portland area can only be accomplished by three main coordinated programs:

(a) Completion of the Willamette Valley project in Oregon.

(b) Completion of an over-all flood-control system on the upper Columbia by the construction of multipurpose projects.

(c) Construction of an adequate system of local flood-protective works in the Portland Harbor and at critical points on the main stem of the lower Columbia River.

Shortly after the devastating flood of last year I flew over the flooded area and also later inspected on the ground with the Corps of Army Engineers the flood damage and the suggested protective works necessary to alleviate the flood hazard. As a result, I was successful in having included in the bill passed this week the $14,000,000 item, as well as an item of $4,900,000 for the lower Columbia River bank protection, $14,722,000 for the modification of existing projects in the lower Columbia River, and an authorization of $2,973,000 for levees and dike improvement along the lower Columbia River.

There is also included in the bill a $40,000,000 authorization for prosecuting the work of the Willamette Basin project in carrying to completion the several dams now authorized. These combined works in the Portland area, Columbia River, and Willamette River Basins will, to a large extent, carry out the recommendations of the Portland Citizens Committee and the Corps of Army Engineers for protective works against future flood damage insofar as possible by a short-range program, together with some units of the over-all program for the comprehensive development of these river basins.

Mr. Speaker, while this bill is still before the Senate, I feel certain that it will receive Senate approval and will be signed by the President at this session of Congress. The Senate has offered some substantial amendments to the bill incorporating additional major projects for the Northwest from Army Engineers' Three Hundred and Eighth Report which are most meritorious and should be allowed to remain in the bill, and I hope that the conferees of the House will approve these amendments.

Mr. Speaker, while I am for economy in Government expenditures, I sincerely believe that necessary expenditures made for public works for the preservation, development, and full utilization of our natural resources are sound investments and will be returned manyfold to the Nation in the years ahead. I regret to have to say that this has been a spendthrift Congress and unless the Congress puts into effect a program to eliminate wasteful and profligate spending and to keep the Federal budget balanced disaster must follow. The late President Roosevelt said in 1932, in running for the Presidency:

> Any government, like any family, can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse.

In 1932, when this statement was made, the Federal Government spent four and one-half billion dollars. For the fiscal year 1950 it is proposed to spend forty-five billions. We have a national debt of over $250,000,000,000, and at the rate of existing deficit spending we will spend from five to seven billion dollars more this fiscal year than our receipts and over a 2-year period the deficit expenditures will amount to eight or nine billion dollars, according to the forecast made by financial experts. Since the war's end we have expended overseas alone over $27,000,000,000. Very little, if any, of it will ever be returned to our Federal Treasury. Senator HARRY F. BYRD recently said:

> Through the 22 programs (of foreign aid) devised in the first 4 years after VJ-day we managed to spend $27,100,000,000 through June 30, 1949. This averaged approximately $18,500,000 per day, or $750,000 per hour, or $12,500 per minute, or $200 every time your watch has ticked since the last gun was fired.

It is time for Uncle Sam to stop, look, and listen if the American way of life is to be preserved and our financial structure kept intact.

I most sincerely hope that the Congress of the United States in the second session of the Eighty-first Congress will see the light and follow the lead of ex-President Hoover, Senator BYRD, and many others who have been pleading for economy in Government and the elimination of wasteful spending and for the adoption of a program that will keep our expenditures within our receipts so that the national debt will not continue to rise. There is a safety point in the size of the national debt beyond which we cannot go without jeopardizing the existence of our Republic. As the late President Roosevelt said, to pass that point means the "poorhouse" for America, and he could well have said destruction of our Republic. We are again embarked on the high road of deficit spending. Let us put an end to it before it is too late.

The debt is about $1,800 for every individual in the United States. Every child that is born inherits $1,800 of this debt. The national debt represents a hidden mortgage of $6,000 on every home in America. In the four peacetime years, 1946 to 1949, inclusive, the United States spent $177,000,000,000; in the 152 years from the inauguration of George Washington in 1789 to the beginning of World War II in 1940 the Government spent only $167,000,000,000. In a single month this year the United States Government during peacetime spends as much as the total cost of Government in the 4 years of the Civil War, namely, $3,350,000,000. There is a bottom to Uncle Sam's Treasury, and, unless we curtail the wasteful and reckless spending, balance the budget, and conserve our resources, the financial stability of the country will be jeopardized.

Mr. Speaker, one of the major problems confronting our Nation today is adequate Federal care for the aged of America. During the 11 years I have been a Member of the Congress, I have labored continuously for the enactment of an adequate old-age-security program that would bring social-security protection to all of the elderly people of America 60 years of age and over who are in need of their Government's protection, as well as dependent widows, orphans, and the disabled.

While the bill amending the social-security law recently passed by the House provided necessary and needed amendments to the existing social-security law, it fails in one major respect, in that no substantial aid is provided in it for the aged of America who are not able to qualify as insured employees and therefore are without the protection of social security. A much more equitable solution would have been to provide Nation-wide Federal annuities for the aged of America who are unable to be absorbed as employees in America's workshop and who by reason thereof are without the means to provide a minimum of food, shelter, and medical attention to keep them from want in their old age.

I am proud in having been the author of H. R. 2136. This bill, if enacted into law, would provide a self-financing noncontributory retirement system under which beneficiaries will receive annuities as a matter of right without reference to need or prior contributions. It is Nation-wide and covers all citizens 60 years of age or over. It is a pay-as-you-go system. Annuities will be paid currently out of currently raised revenues. Sums received by annuitants must be spent within 30 days. The existing system of old-age and survivors insurance and old-age assistance is abolished, together with the pay-roll tax for financing old-age and survivors insurance.

I call attention to the statement recently made by ex-President Hoover, Chairman of the Commission for the Organization of the Executive Department, in considering this important problem in a letter to the gentleman from North Carolina, Chairman DOUGHTON, of the Ways and Means Committee:

> I wish to say at once that I strongly favor governmental provision for protection of the aged and their dependents.
>
> The problem before the Nation is to obtain a workable system, with a minimum of administrative cost, a minimum of bureaucracy, adjusted to the economic strength of the

country which gives an assurance of security to this group. In my view, we have not yet found that system.

I should like to make two general observations:

1. There is an illusion about the whole Federal old-age and survivors insurance. Because the taxes on pay rolls are paid into a trust fund and paid out without appropriation by Congress, there is an idea that these are neither taxes nor Federal expenditures. They are just as much a burden upon our national economy as any other tax or any other Government expenditure. Also, payroll taxes, however justifiable, are, like all other taxes, a burden on the standard of living of the whole Nation. A considerable part of the pay-roll taxes paid by employers in the long run is passed to the people as a whole in prices, and a considerable part of the taxes paid by wage earners is passed on by demands for increased wages.

2. The old-age problem has been thrust upon the Federal Government largely by the great increase in longevity. Its dimensions are indicated by the fact that there will be by 1950 about 11,000,000 persons over 65 years of age. They will increase in numbers absolutely and relatively, both with the increase in population and with the constantly advancing protections to health.

In our long fight for reasonable and sufficient income for our elderly citizens to live in decency and health, we have always been confronted by the opposition with the claim that it costs too much and the Government cannot afford it. First of all let me say that the moneys now being paid by Federal and local governments for the support and maintenance of our elderly people and for relief is equal in amount to that which would be required to finance the program in my bill, H. R. 2136, covering all instead of only a privileged few. Aside from this we are spending billions of dollars every year for many Federal programs which do not have the merit and the equity of an old-age retirement plan. To do this the tax burden on the American people has been skyrocketed until it is about to break the backs of the taxpayers. In 1929 Federal spending amounted to less than two-thirds of the personal income of the inhabitants of California. By 1947 it had increased so much that the Federal expenditures were approximately the total personal income of all of the inhabitants of California, Washington, Oregon, Nevada, Idaho, Utah, Arizona, Montana, Wyoming, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and about four-fifths of Texas.

With the moneys owing to the United States for loans unpaid from the First World War and with the expenditures overseas since, Uncle Sam has taken from the American taxpayers for foreign aid over $92,000,000,000. Since the war ended we have contributed to these countries over $30,000,000,000 alone. Although in one generation we have had two world wars we are now spending over $15,000,000,000 in the next fiscal year for rearmament and preparation for war. The President's total budget for the year will approximate $42,000,000,000 to $45,000,000,000, more than two-thirds of which goes for war preparation and taking care of the costs of former wars, at a time when our national debt is over $252,000,000,000. World War II cost over $350,000,000,000.

Am I wrong when I say that with a judicious handling of our governmental affairs, more common sense and less war and devastation, we would be able, from savings alone without increasing the taxes, to take care of our own people here in America, provide a decent living retirement for all of our old people, the widows, the injured, and the orphans and still have billions of dollars left over for schools, churches, libraries, hospitals, and for the upbuilding and rehabilitation of this great Republic?

Are we not overlooking the admonitions of the Sermon on the Mount and the great spiritual values of life and placing our dependence on material things, the war engines of destruction, and the atomic bomb?

For heathen heart that puts her trust
In reeking tube and iron shard—
All valiant dust that builds on dust,
And guarding calls not Thee to guard.

The Great Architect of the universe has been good to America. He has given us the greatest country on earth. It is rich in natural resources; we have great fertile fields, broad rivers charged with almost boundless hydroelectric power, great forests, an industrial system with skilled workmen, the greatest and most productive for human welfare and needs in all history and a garden spot in which to spend our days during the short span we are permitted here on earth.

We have, indeed, a wonderful world to live in, yet we are spending most of our time in petty, intolerant jealousies, selfish grasping for wealth and power, and in waging world-wide wars, preparation for war, or the sordid business of cleaning up the mess after death and devastation wrought by war. Am I out of place today here in this great company, before this loyal and patriotic group of American citizens who believe in the promises of a just God, in saying that we need in America today more good will among men and less war, more of the spirit of cooperation, brotherly love, and fellow feeling and less of selfishness, hatreds, animosity, and jealousies which are abroad in the world? I agree with James Keller, founder of the Christophers, when he said in the home, in all our personal relationships we must practice love and we must pass on the message of the good life. As you grow in love for others you will find your own power increasing. You will learn how to disagree without being disagreeable. You will become more approachable. You will better understand why all people want to be truly loved and not just tolerated. You will emphasize more and more of the good side of even the worst people. You will develop an inner warmth, an abiding sense of humor. Naturally you will make mistakes, but you will always be able to laugh at yourself. Your never-say-die spirit will give courage to everyone you meet. Life itself will take on a new and exhilarating meaning, because you will be fulfilling the purpose for which you were created—to love God above all things and your neighbor as yourself.

If we fortunate Americans could in this great freedom-loving Republic put into practice such a program, would we not be taking the most forward step toward abolition of war and the restoration of peace and brotherhood among the nations of the world? And could we not then say with the poets:

The day is done
And the night shall be filled with music,
And the cares that infest the day
Shall fold their tents, like the Arabs,
And as silently steal away.

* * * * *

When Earth's last picture is painted,
and the tubes are twisted and dried,
When the oldest colors have faded,
and the youngest critic has died,
We shall rest, and faith, we shall need it—
lie down for an eon or two.
Till the Master of All Good Workmen
shall set us to work anew.

At best we will be here but a little while in this great adventure of life. We are admonished that we brought nothing into this world when we came and we can take nothing out when we go. It behooves us to garner our resources well and put them and our talents to good use and to extend the hand of friendship and good feeling to our neighbors before we are called home forever.

SPECIAL ORDER GRANTED

Mr. POTTER asked and was given permission to address the House today for 10 minutes following disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

THE HENDERSON CASE

Mr. COLMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, and Members of the House, I hope you will pardon me in this deviation from my usual conduct here with reference to the matter of making 1-minute speeches. I am provoked into this deviation by an editorial which appeared in the morning Washington Post attempting to justify the unusual and inconsistent conduct of the Department of Justice in interfering in the case now pending in the Supreme Court between a publicity-seeking Negro, on the one hand, and the Interstate Commerce Commission, on the other.

The decision of the Interstate Commerce Commission holding that the Southern Railroad did not violate its regulation in the Henderson case was upheld by a Federal district court requiring passengers to be segregated, but providing for equal accommodation in the railway's dining cars.

If I understand the duty of the Department of Justice, that duty requires that the Department of Justice enter a case, if it enters at all, on the side of the Interstate Commerce Commission

and the Federal courts; but, substantiating the charge that the Justice Department has become the political arm of the administration's political philosophy, we find it injecting its strong arm into this case in an effort to have the highest Court of the land reverse itself and the law of the land in order to carry out the political philosophy of the administration in racial matters.

More than that, Mr. Speaker, we have here a spectacle of the Department of Justice attempting to persuade the Supreme Court, by judicial fiat, to decree what the Congress, the legislative body of the Government, has refused to legislate.

This is but another evidence of the bold and brazen effort of those now in charge of our Government to obtain by indirection what Congress has refused to do. For, if the Court yields to this political interference of the Department of Justice, and upholds its views, segregation in all forms, in our hotels, in our picture shows, in all public and private places, is at an end, another cherished right of the individual—choosing his own associates—is denied.

It is indeed alarming in this connection, Mr. Speaker, to note that the Department of Justice, which is supposedly charged with upholding our form of government, and opposing such modern isms as communism, sees fit to cite statements made by Soviet representatives, in support of the Russian effort to break down segregation in this country, as it does on page 61 of its brief before the Court.

It is unthinkable, the Washington Post to the contrary notwithstanding, that the members of the Supreme Court, regardless of their own varying degrees of so-called liberality, will accede to this type of political propaganda. I rather believe that that body will adhere to the view that this Government is composed of three independent departments, and that legislation in social, as well as other human relations, is a matter entirely within the province of the Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GREEN (at the request of Mr. BARRETT of Pennsylvania), indefinitely, on account of illness.

GREAT VICTORY FOR TENNESSEE-TOMBIGBEE INLAND WATERWAY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include excerpts from the RECORD and from statements I made before a Senate committee.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, we won a great victory in our battle for funds for the Tennessee-Tombigbee inland waterway.

We not only secured an appropriation of $200,000 to complete the planning of this project, but we secured an appropriation of $1,000,000 to begin the construction of the first dam—that is the Demopolis Dam across the Tombigbee River just below the mouth of the Warrior River.

The construction of this Demopolis Dam will give us a 9-foot channel for more than 60 miles up the Tombigbee River, and reduce the length of the undeveloped balance of the project to less than 200 miles. When this Demopolis lock and dam is finished we will have about 300 miles of the 481 miles of this project completed.

This is the only possible way to construct a slack- or still-water route from the Gulf of Mexico into the Ohio River. It will provide what will amount to a slack-water route from the Gulf of Mexico to all points on the Ohio River up to Pittsburgh, Pa., and to all points on the Monongahela and the Allegheny Rivers.

It is the only possible way to ever provide a slack-water route from the Gulf of Mexico to the Great Lakes by way of the upper Mississippi and the Illinois Rivers.

It is the only possible way to provide what will amount to a slack-water route from the Gulf of Mexico to Cairo, Ill., and to all points on the upper Mississippi River to Minneapolis and St. Paul.

It is the only possible way to construct what will amount to a slack-water route from the Gulf of Mexico to St. Louis, Mo., and to Kansas City, Omaha, Nebr., and Sioux City, Iowa, on the Missouri River.

It will provide the final link in the greatest inland-waterway system in all the world, one that will be worth untold billions of dollars to the people along the Ohio River, the upper Mississippi, the Illinois, the Missouri, the Monongahela, the Allegheny, the Tennessee, the Cumberland, and the Tombigbee Rivers and their tributaries, as well as along the Gulf and the Great Lakes, in the years to come.

While providing this slack-water route to these areas, it will save the swift current of the Mississippi River for the downstream traffic.

As I have pointed out before, the round trip from Cairo to New Orleans, 869 miles down the Mississippi River, then across to Mobile 156 miles along the intercoastal waterway, then 481 miles up the slack-water route behind locks and dams along the Tombigbee to the Tennessee River, then downstream along the Tennessee River 215 miles to Paducah on the Ohio River, then 47 miles back down the Ohio to Cairo is 1,768 miles; 1,131 miles of it, or practically two-thirds of the distance, will be downstream, and the rest of it will be in slack water.

There is not another project like it on earth, and the Army engineers say that there is not another place in all the world where the traffic can be transferred from one major watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances.

As I said, when this Demopolis Dam is finished we will have three-fifths of this great project built, and the money has now been appropriated to complete the planning.

NATIONAL DEFENSE

From the standpoint of national defense, it is the most important waterway project on earth. It will not only give us two great outlets to the sea from Oak Ridge, our great atomic-bomb plant on the Tennessee River, but it will cut the water distance from that point to the Gulf at Mobile by more than 800 miles, and will cut the cost of transportation coming from Mobile into the Tennessee River by more than 75 percent, as will be seen by the tables which I am inserting in connection with my statement before the Senate committee.

It is utterly impossible to even begin to estimate the value of this great project from a standpoint of national defense alone in providing this short slack-water route from the Gulf of Mexico to our Oak Ridge plant, the greatest defense project the world has ever known, and the one on which America must rely in case of another conflict.

EXTENSION OF REMARKS

Under permission granted me to extend my remarks, I first want to answer the statement made by the gentleman from Missouri [Mr. CANNON] in his 1-minute speech today. In reply to my statement that the Demopolis Dam was across the Tombigbee River and a part of this great inland waterway project, the gentleman from Missouri said:

> Evidently the $1,000,000 to which the gentleman from Mississippi refers was for a dam down on the Warrior River.

As a matter of fact, this Demopolis Dam is to be constructed across the Tombigbee River below the mouth of the Warrior River, and the rest of the entire project has been designed, based upon its construction.

It will be the highest dam between Mobile and the Tennessee River and will constitute the most essential step in the construction of this great Tennessee-Tombigbee inland waterway.

SAVINGS IN TRANSPORTATION COSTS

The tonnage traffic on the Ohio River last year exceeded that of the Panama Canal by more than 16,000,000 tons; and even the traffic on the Monongahela River, one of the tributaries of the Ohio, exceeded that on the Panama Canal by more than 6,000,000 tons.

I predict that within less than 20 years after this project is constructed, the tonnage carried annually over it will exceed that of the Panama Canal; and the savings in the cost of transportation will more than pay for its construction within a few years; as you will see from the tables which I inserted in my statement before the Senate committee, and which I am making a part of this extension of remarks.

At this point I am inserting in the RECORD the statement which I made before the Senate committee on this subject when they were considering the appropriation which the Senate provided for this project.

The statement referred to follows:

STATEMENT OF HON. JOHN E. RANKIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSISSIPPI

GENERAL STATEMENT ON TENNESSEE-TOMBIGBEE RIVERS PROJECT

Representative RANKIN. Mr. Chairman, in the beginning, let me say that I agree with the gentlemen who have spoken on the Coosa-Alabama project.

I also want to say to the distinguished Senator from South Dakota, Senator GURNEY, that I agree with him on the development of the Missouri Valley area. Recently, I checked up on that proposition, and found that the power that could be generated on the Missouri River and its tributaries would be a minimum of 20,000,000,000 kilowatt-hours a year.

Senator GURNEY. I do not know what the kilowatt-hours are, but the ultimate installed capacity is 1,400,000 kilowatts.

Representative RANKIN. I checked with the Federal Power Commission a day or two ago and was informed that the entire area would produce a minimum of at least 20,000,000,000 kilowatt-hours of hydroelectric power a year.

You measure your electricity that is used by the ultimate consumer, by the kilowatt-hour. That would be more than the Tennessee Valley Authority now produces. It produces about 15,000,000,000 kilowatt-hours a year.

Senator THOMAS. You multiply the amount of kilowatts first by 24, which gives the kilowatt-hours per day, then you multiply by 365 for the kilowatt-hours a year.

Representative RANKIN. If you want to run the day around, there are 8,760 hours, I believe, in a year. So a kilowatt running the entire year would amount to 8,760 kilowatt-hours.

When I came to Congress and I started in this fight in 1921, the people of this country used 37,000,000,000 kilowatt-hours of electricity a year. Last year, 1948, we used 336,000,000,000 kilowatt-hours. We now have 394,000,000 kilowatt-hours of hydropower going to waste every year, a large portion of which is in the Missouri Valley area.

I wish to express to the distinguished Senator from South Dakota my interest in that development, because that is more power than the people in the entire area are now using. I have those figures in my pocket. I could give them to you, State by State, but it is not necessary to take up the time of the committee for that purpose.

Senator GURNEY. Congressman RANKIN, let me say that I have always been, since I have come to the Senate, a supporter of the northbound channel of the barge line there that takes in Tombigbee. I feel that it is worth while.

AMOUNT REQUESTED

Representative RANKIN. I know that and I am grateful, Senator. I remember your support of it all through the years, and I remember your statements for it on the floor of the Senate.

Now, let me say to you in the beginning that the Army engineers say they would like to have $5,000,000 to start this project now. I am not quoting anybody, individually, but that is what they say they would like to have to start with.

If this amendment is inserted in the Senate, I do not have the slightest doubt but that it will be retained in the House.

Let me show you where we are. I brought this map down to show you. You can see from those rivers there that it is almost a duplicate of this map except the lines are made heavier in order that you might more easily see what we have at stake.

Somebody said the other day that there is only a foot or two of water in this river. Where I am pointing is the confluence of Browns and Mackys Creeks, which join to form the Tombigbee about 25 miles from the Tennessee River. My father used to go to Walkers Ridge just below that point on a steamboat that came all the way from Mobile. There is a slight sand ridge between those two rivers, the Tennessee and the Tombigbee, and for more than a hundred years the Army engineers refused to approve this project, because they said they would have to have lifts both ways, and there was no water supply at the summit.

PICKWICK DAM

But in 1938, the Tennessee Valley Authority built the Pickwick Dam on the Tennessee just below the mouth of the Yellow Creek, and raised the water level 55 feet. The Army engineers made a new survey and came back and said that would solve the problem. They could cut through that sand ridge and put the summit of the project in the Tennessee River.

That would give us a slack or still water route for returning or upstream traffic to the Tennessee River, and a downstream route from that point 215 miles to Paducah on the Ohio River or 262 miles to Cairo on the Mississippi.

Mr. Chairman, in order that the Members may have these figures before them, I am inserting three tables here as part of my remarks, which show the savings this project will provide.

As I said, they have been worked out by the Army engineers, and can be thoroughly relied on.

MULTIPLE PROJECT BENEFITS

Here is a table showing the cost per ton and the savings per ton this project will provide on the fuel bill alone, for upstream traffic:

Comparison of costs per ton of upstream traffic

From—	To—	Cost via Mississippi per ton	Cost via Tennessee-Tombigbee per ton	Average savings per ton
New Orleans, La.	Cairo	$2.02	$1.32	$0.70
	Paducah	2.10	1.26	.84
	Tennessee-Tombigbee junction	2.42	.99	1.43
Mobile, Ala.	Cairo	2.39	.95	1.44
	Paducah	2.47	.89	1.58
	Tennessee-Tombigbee junction	2.79	.62	2.17
Port Birmingham, Ala.	Cairo	2.96	.95	2.01
	Paducah	3.04	.89	2.15
	Tennessee-Tombigbee junction	3.36	.62	2.74
Demopolis, Ala.	Cairo	2.68	.67	2.01
	Paducah	2.76	.61	2.15
	Tennessee-Tombigbee junction	3.08	.34	2.74
Columbus, Miss.	Cairo	2.83	.51	2.32
	Paducah	2.91	.45	2.46
	Tennessee-Tombigbee junction	3.23	.17	3.06
Aberdeen, Miss.	Cairo	2.88	.46	2.42
	Paducah	2.96	.40	2.56
	Tennessee-Tombigbee junction	3.28	.13	3.15
Amory, Miss.	Cairo	2.91	.44	2.47
	Paducah	2.99	.38	2.61
	Tennessee-Tombigbee junction	3.31	.11	3.20
Fulton, Miss.	Cairo	2.93	.41	2.52
	Paducah	3.01	.35	2.66
	Tennessee-Tombigbee junction	3.33	.08	3.25

Here is a table showing the cost and the savings on a barge load or tow of 3,500 tons.

I might say here, that except on the traffic from the larger cities such as Pittsburgh, Chicago, and Detroit, a majority of the traffic, at least until recently, was handled by these 3,500-ton tows.

Showing cost per tow of barges carrying 3,500 tons, and showing savings via Tennessee-Tombigbee

From—	To—	Cost via Mississippi per tow of 3,500 tons	Cost via Tennessee-Tombigbee per tow of 3,500 tons	Average savings per tow of 3,500 tons
New Orleans, La.	Cairo	$7,070	$4,620	$2,450
	Paducah	7,350	4,410	2,940
	Tennessee-Tombigbee junction	8,470	3,465	5,005
Mobile, Ala.	Cairo	8,365	3,325	5,040
	Paducah	8,645	3,115	5,530
	Tennessee-Tombigbee junction	9,765	2,170	7,595
Port Birmingham, Ala.	Cairo	10,360	3,325	7,035
	Paducah	10,640	3,115	7,525
	Tennessee-Tombigbee junction	11,760	2,170	9,590
Demopolis, Ala.	Cairo	9,380	2,345	7,035
	Paducah	9,660	2,135	7,525
	Tennessee-Tombigbee junction	10,780	1,190	9,599
Columbus, Miss.	Cairo	9,905	1,785	8,120
	Paducah	10,185	1,575	8,610
	Tennessee-Tombigbee junction	11,305	595	10,710
Aberdeen, Miss.	Cairo	10,080	1,610	8,470
	Paducah	10,360	1,400	8,960
	Tennessee-Tombigbee junction	11,480	455	11,025
Amory, Miss.	Cairo	10,185	1,540	8,645
	Paducah	10,465	1,330	9,135
	Tennessee-Tombigbee junction	11,585	385	11,200
Fulton, Miss.	Cairo	10,255	1,435	8,820
	Paducah	10,535	1,225	9,310
	Tennessee-Tombigbee junction	11,655	280	11,375

Here is another table which the Army engineers have worked out showing the cost per tow of barges carrying 14,000 tons, and also the savings which these barges would provide.

As I pointed out, these larger barges are being used more and more as time goes on.

Showing cost per tow of barges carrying 14,000 tons and showing the savings via the Tennessee-Tombigbee

From—	To—	Cost via Mississippi per tow of 14,000 tons	Cost via Tennessee-Tombigbee per tow of 14,000 tons	Average savings per tow of 14,000 tons
New Orleans, La.	Cairo	$28,280	$18,480	$9,800
	Paducah	29,400	17,640	11,760
	Tennessee-Tombigbee junction	33,880	13,860	20,020
Mobile, Ala.	Cairo	33,460	13,300	20,160
	Paducah	34,580	12,460	22,120
	Tennessee-Tombigbee junction	39,060	8,680	30,380
Port Birmingham, Ala.	Cairo	41,440	13,300	28,140
	Paducah	42,560	12,460	30,100
	Tennessee-Tombigbee junction	47,040	8,680	38,360
Demopolis, Ala.	Cairo	37,520	9,380	28,140
	Paducah	38,640	8,540	30,100
	Tennessee-Tombigbee junction	43,120	4,760	38,360
Columbus, Miss.	Cairo	39,620	7,140	32,480
	Paducah	40,740	6,300	34,440
	Tennessee-Tombigbee junction	45,220	2,380	42,840
Aberdeen, Miss.	Cairo	40,320	6,440	33,880
	Paducah	41,440	5,600	35,840
	Tennessee-Tombigbee junction	45,920	1,820	44,100
Amory, Miss.	Cairo	40,740	6,160	34,580
	Paducah	41,860	5,320	36,540
	Tennessee-Tombigbee junction	46,340	1,540	44,800
Fulton, Miss.	Cairo	41,020	5,740	35,280
	Paducah	42,140	4,900	37,240
	Tennessee-Tombigbee junction	46,620	1,120	45,500

Now let me show you what all this means.

Let us take the river systems that are affected above this project. Just forget us local people for the time being. As I said to a man the other day, this project would be worth more in dollars and cents to Detroit, Mich., than to the district I represent. It will be worth far more in dollars and cents to Pittsburgh, Pa., or Cincinnati, Ohio, than to the district I represent. It will be worth far more in dollars and cents to the city of St. Louis or Chicago or Kansas City or Minneapolis or St. Paul or to Memphis or New Orleans than it will to the district I represent.

This bottleneck of our whole internal waterway system just happens to be in my district.

LOCKS AND DAMS

Now, there are 47 locks and dams on the Ohio River between Cairo and Pittsburgh. Then there are 13 locks and dams on the Monongahela and 8 on the Allegheny. All that traffic is simply stymied behind the swift current of the Mississippi River, so far as their returning, or north-bound traffic, is concerned.

In addition to that, on the upper Mississippi we have 26 locks and dams providing a splendid navigation channel all the way up to Minneapolis and St. Paul, Minn.

On the Illinois River we have seven locks and dams, extending our inland waterway system into the Great Lakes.

All those locks and dams together cost more than $400,000,000, and yet they are virtually isolated for want of the very connection this project will provide.

On the Missouri River, a 9-foot channel is being developed up to Sioux City, Iowa. This project will be worth untold millions of dollars to the people of that area.

We get our grain from that section. The State of Mississippi, and I dare say the State of Alabama, raises no wheat. The same thing is true of Louisiana, Georgia, Tennessee, and all the other States in that part of the South.

They ship it down to us in barges. Those barges can come down the Mississippi flying, and so can these barges from Pittsburgh, Chicago, Minneapolis, and St. Paul; but when they start back here is the trouble. It is 869 miles from Cairo to New Orleans. That is the finest inland waterway in the world for downstream traffic, and the worst for upstream traffic.

You see, when that river is running 5½ or 6 miles an hour your barges cannot move against it. All they can do is stand still and burn up gasoline. A barge only moves about 5½ miles an hour in still water. We have an intercoastal waterway protected by a chain of islands here, extending all the way from Florida to the Mexican line. It is 156 miles from New Orleans to Mobile along this intercoastal waterway—which, of course, is in slack or still water.

This Tombigbee inland waterway is already completed up to Demopolis, Ala., at the mouth of the Warrior River, where I am pointing on the map. Eighteen locks and dams are to be provided between Demopolis and the Tennessee River.

It will be 481 miles from Mobile up this Tombigbee route to the Tennessee River. That will be in still water, just as this is still water up the Ohio River behind those 47 locks and dams between Cairo, Ill., and Pittsburgh, Pa. When you get to the Tennessee River, it is downstream 262 miles to Cairo, Ill., or 215 miles to Paducah on the Ohio River.

So the traffic will come down the Mississippi River to New Orleans and then go across to Mobile along this intercoastal waterway, then back up this inland waterway to the Tennessee River, then downstream to Paducah, that is the traffic going up to the Ohio River, or downstream to Cairo for the traffic going to the upper Mississippi, the Missouri, the Illinois, or the Great Lakes.

This project was unhesitatingly approved by the Ohio Valley Improvement Association of which Mr. Walter M. Larence, of Cincinnati, I believe, is the chairman. He was down here the other day. When the Rivers and Harbors Congress met here, Mr. Larence was on the committee, and they put at the head of the projects they recommended this Tennessee-Tombigbee inland waterway.

There is a firm in Pittsburgh that is engaged in the transportation business. They own a string of barges that come down the Ohio and the Mississippi Rivers bringing materials produced in Pittsburgh, such as steel, farm machinery, and other manufactured products. When they go back they take oil, bauxite, sulfur, salt, lumber, cottonseed meal, and other materials they need.

This firm is tremendously interested, because they realize what it would mean for their returning traffic.

I am going to give you the figures on that in just a moment, but first I want to say one other thing.

Nobody need kid themselves; if we ever have another war, it is going to be fought with airplanes and atomic bombs. The greatest defense project the world has ever known is the Oak Ridge project on the Tennesse River. This inland waterway will cut the water distance between Oak Ridge and New Orleans by 650 miles, and between Oak Ridge and Mobile by 806 miles, and at the same time give us two outlets to the sea instead of one.

In addition to that, it will give us a slackwater route into the Tennessee River and cut the cost of transportation from the Gulf to the Tennessee by more than 75 percent or from $2.79 to 62 cents a ton.

Now, I am going to take some of the barges they handle here, the big ones, because they are drifting rapidly toward the use of 14,000-ton barges. However, I am going to insert some tables showing the savings on smaller loads also.

DISTANCES INVOLVED

Senator STENNIS. Before you leave that, will you retrace your route there from Cairo, Ill., to New Orleans and back to Cairo, and give us that mileage?

Representative RANKIN. Yes; let's take the traffic going downstream from Cairo, Ill. We will say a barge comes down the Missouri River, or down the upper Mississippi, or down the Illinois River, or down the Ohio River. They all come through Cairo.

Going from Cairo to New Orleans, you go downstream 869 miles. That is said to be the finest inland waterway on earth; and I think it is. I have never found one to equal it.

Then it is 156 miles across along the intercoastal waterway from New Orleans to Mobile. If I make a mistake, I want Colonel Jewett, the Army enginer who is sitting near me, to correct me. I do not want to mislead the committee.

It is 481 miles from Mobile to the Tennessee River, of which portion 221 is already developed up to the mouth of the Warrior River at Demopolis.

When you get to the Tennessee River it is 215 miles downstream to Paducah on the Ohio, and 47 miles from Paducah down the Ohio River to Cairo.

In other words, the round trip is 1,768 miles. Of that 1,768 miles, 1,131 or approximately two-thirds of it is downstream, and the rest of it is in slack water. The Army engineers tell me—and I am quoting every engineer that has studied this question from General Reybold, General Feringa, General Wheeler, to our distinguished company here today, Colonel Jewett—they tell there is not another place on the face of the earth, nor can they find a place on the face of the earth where a project of this kind can be constructed so that you can transfer the traffic from one major watershed to another with so much ease, so little expense, and such tremendous savings in transportation costs and distances.

Some fellow up in the House got up and said, "My God, JOHN RANKIN is the only man on earth that could have found a project that would be downstream both ways."

But I did not make this project. I did not build these rivers. De Soto discovered the upper Tennessee River more than 400

years ago. He came down it to where Guntersville now stands. He left it there and went down to Tuscaloosa, got into a fight with the Indians and came back across to the site of the present city of Memphis.

He thought it was the same stream. De Soto's map shows the Tennessee River curving southward and making the Mississippi. I have a copy of his map in my files now.

Now let us see what this project will mean. Let us take the 14,000-ton barges. Here is one [pointing to the picture on the map] coming down from Detroit, Mich. It is loaded with automobiles and accessories. It is evidently coming from Detroit. It is coming out of the Great Lakes down the Illinois River.

Here is one coming from Pittsburgh, Pa., loaded with the manufactured products of Pittsburgh.

Here is one over here that is coming, I believe, down the Missouri. I do not know what it is loaded with; probably with grain or beef or other products that those people out in that area produce.

Suppose that 14,000-ton barge gets to New Orleans; what does it cost to go back? If it goes back by way of the Mississippi River to Cairo, it will cost $28,280, for its fuel bill alone.

Going back via Tombigbee and the Tennessee to Cairo the cost would be $18,480, or a saving of $9,800 on its fuel bill alone.

Senator GURNEY. That is about one-third.

Representative RANKIN. That is about right.

Suppose it is going back to Pittsburgh or to Cincinnati or Wheeling or to any point on the Allegheny or the Monongahela it would cut the cost from $29,400 to $17,640, saving $11,760 on its fuel bill alone going back to any point on the Ohio River, or its tributaries.

Suppose it is going into the Tennessee; suppose we are in an emergency and it is going back to Oak Ridge, on the Tennessee River; it will cut the cost from $33,880 to $13,860, or a saving of $20,020, on the fuel bill alone. That is from New Orleans.

Every 14,000-ton barge that goes into the Tennessee River from New Orleans via this route would save $20,020 on its fuel bill alone, or two-thirds, as Senator GURNEY said.

Suppose it is going from Mobile, carrying a load of that bauxite, we will say, that they are bringing in from South America, or salt or lumber or cottonseed meal, hulls, or oil, anything that they take back in those barges; going back from Mobile to Cairo, the cost would be reduced from $33,460 to $13,300 just on the fuel bill alone, a saving of $20,160.

Now, that means every barge that is going, not only to Cairo, but to Chicago, any point on the Great Lakes, or the upper Mississippi, all the way up to Minneapolis, St. Paul, anywhere up the Missouri River to Sioux City, Iowa.

Suppose it is going the other way. We will say that it is going to Pittsburgh, Pa.

The fuel bill would be cut from $34,580 to $12,460, or $22,120. That would be the saving on its fuel bill alone. That is a 14,000-ton barge going from Mobile all the way up to Pittsburgh, or to any other point on the Ohio or any of its tributaries.

Suppose it is going into the Tennessee River; your cost would be cut from $39,060 down to $8,680, or a saving of $30,380 on its fuel bill alone. That is for material, we will say, that is going to supply our defense plant at Oak Ridge or any other point on the Tennessee River.

Now, let us go a little further. We have this Tombigbee developed up to Demopolis. I want to say, too, that one of these things these barges take back is oil. A man from Pittsburgh, talking to me the other day, said, "We are hauling this machinery and other manufactured articles down. We are hauling oil back."

One of the biggest oil fields that has been discovered in recent years is just to the west of Demopolis, Ala. The biggest oil well ever brought in east of the Mississippi River was in Jasper County, Miss., about where I am pointing at this time. It produced a thousand barrels of oil a day, and I am told that no other well has ever been brought in east of the Mississippi that produced that amount.

By the way, this is the saving that the Birmingham traffic would enjoy, because every vessel from Birmingham has to come down the Warrior to Demopolis to go either way. These things I am referring to will apply to traffic going from Birmingham or Demopolis Let us see what they amount to.

Going from Demopolis to Cairo, the cost will be cut from $37,520 on one of these 14,000-ton barges to $9,380, or a saving of $28,140 on its fuel bill alone.

In other words, that barge going back to Detroit, Mich., would save $28,140 on its fuel bill alone. That barge going to Pittsburgh would save $34,440, or have its fuel bill cut from $40,740 to $6,300, a saving, as I said, of $34,440.

These figures are worked out by the Army engineers; they are not my figures.

If it were going into the Tennessee, supplying oil or other materials, we will say to the Oak Ridge project, the cost would be cut from $43,120 to $4,760, or a saving of $38,360 on its fuel bill alone.

Now, you talk about water development, traffic transportation development, but nowhere else on earth can the same amount of money bring the same benefits to the people that this project will bring to the people of this vast area, all the Missouri River Valley, all the way up the Mississippi River, all the way up the Illinois into the Great Lakes and along the Great Lakes, all the way up the Ohio River to Cincinnati, Wheeling, Pittsburgh, and up the Monongahela or the Allegheny, and then along the Tennessee River all the way up to Oak Ridge or to Knoxville. There is not another project on earth, and there cannot be one found or constructed that will produce such benefits. The nearest we have ever found was a connection between the Don and Volga in Russia, and it does not have the benefit of the downstream traffic both ways for two-thirds of the distance.

The Senator from South Dakota asked what would happen to it if it went back to the House. I do not have the slightest doubt but that the House will sustain it. I have talked to many Members since this bill was up before. They say that, if the Senate gives us an appropriation for this project, it will be sustained in the House.

All we are asking is that you give us a reasonable amount. I would like to see you provide 5 or 10 million dollars. I think we ought to have that amount. The Army engineers could start with a smaller amount.

But I think it is imperative that we construct this project now as rapidly as possible.

ESTIMATED TOTAL COST

Senator THOMAS. What will it cost, all told?

Representative RANKIN. The latest estimate I see is $116,000,000. Someone said that the advance in the cost of labor and also the advanced cost of materials would probably run it up to $136,000,000 all told.

By the way, they would employ 5,000 people, and we seem to be heading into unemployment in this country, in every section of it.

Senator ELLENDER. What size channel is that?

Representative RANKIN. Nine-foot channel with a 12-foot base, you understand, in the locks, so that if you wanted to increase it to 12, that could be done.

Senator ELLENDER. According to the figures you have just given us, I would assume that if goods are to be sent from Pittsburgh to Mobile, it would be more profitable to go by way of New Orleans.

Representative RANKIN. That is right.

Senator ELLENDER. Although there is about 200 miles difference.

Representative RANKIN. You can go from Pittsburgh to New Orleans without spending a nickel, if you go with the current, and that current is pretty fast after you reach the Mississippi. That stream sometimes runs 6 or 7 miles an hour. That traffic would go down the river, down the Mississipi River to New Orleans, and then it would go back through this slack-water route. In other words, the traffic would move counterclockwise.

Senator ELLENDER. You said there are several locks up there?

Representative RANKIN. Eighteen locks and dams between Demopolis and the Tennessee River.

PROPOSED CHANNEL WIDTH

Senator THOMAS. How wide would the channel be?

Representative RANKIN. I believe it is 170 feet.

Senator STENNIS. Is that large enough to take care of all normal traffic?

Representative RANKIN. Yes.

By the way, when this project was first before the Senate and the House, they recommended locks 75 feet wide and 475 feet long, and there was a good deal of complaint about it by people along the Ohio and the Illinois and the upper Mississippi for the simple reason that all the locks on those streams, and the locks at Pickwick and at Gilbertsville on the lower Tennessee, are 110 by 600 feet. So the Army engineers went back, made a new survey at the request of the Members of the House, and they have made these locks all 110 by 600 feet, so that they will carry all the traffic that can travel any of the rest of these streams.

Senator GURNEY. The only difference we would be short if we approved this $136,000,000 project would be the difference between the 9-foot and 12-foot channel. We would later have to deepen it to 12 feet probably.

Representative RANKIN. We might do it, but we could do it; there would be no trouble about that.

The project has already been approved. It was approved in the Senate by a vote of 44 to 21 and by the House by a good majority, in 1946.

It is already written into the law.

Senator GURNEY. For a 9-foot or 12-foot channel?

Representative RANKIN. Nine foot with 12 feet over the sills so it can be deepened to 12 feet if necessary. That will put it as deep as the current stream along the Mississippi, the Ohio, the Illinois, and the intercoastal canal.

As I said, we people in my district will probably get no more benefit out of it than St. Louis, Pittsburgh, Memphis, New Orleans, Chicago, Minneapolis, or St. Paul. It will not only benefit all these areas here along these streams that are now seeking an outlet; the people on the Ohio River during last year, or 2 years ago, had a mass meeting to figure out some way to get an outlet to the sea.

Well, this will provide exactly what they are seeking.

Senator STENNIS. Will this 9-foot channel take care of all these barges about which you are talking?

Representative RANKIN. Yes; it will take care of every one of them.

Then, in addition to that, it will take care of all this traffic along the Great Lakes from Detroit and Cleveland. In addition to that, it will take care of the traffic along the Gulf of Mexico from Florida clear around to the border of Mexico. We have that Intracoastal Waterway that is protected behind a string of submerged islands, and these barges can go down and go either way. It simply comp'etes the missing link in the greatest inland waterway system in the world.

I want to thank the committee for your kindness. I do not want to take up all your time. You have been very generous. We have some more gentlemen here who would like to be heard.

Senator ELLENDER. It has been most interesting.

Representative RANKIN. Thank you, Senator.

I do want to say this. The last time I discussed this project with the President, he said, "John, I am just as much interested in that project as you are."

Thank you.

Senator THOMAS. Thank you, Congressman RANKIN.

TOMBIGBEE INLAND WATERWAY

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, regarding the appropriation for the Tombigbee, which has just been referred to, we allowed $200,000 for survey and planning. Nothing at all was allowed for construction. Evidently the $1,000,000 to which the gentleman from Mississippi refers was for improvements on the Warrior River, which has no connection with the money for planning improvements on the Tombigbee, and it is specifically understood by the committee, as well as on the floor, no money for construction of any character on the Tombigbee was included in the bill.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Mississippi.

Mr. RANKIN. Certainly, the gentleman does not know that the Demopolis Dam is across the Tombigbee River.

Mr. CANNON. I am thoroughly aware of that fact, but it is below the junction with the Warrior River and according to the testimony of the engineers is not a part of Tennessee-Tombigbee project. It is a part of the established waterway connecting Mobile and Birmingham and is intended to improve navigation on that waterway.

The Tombigbee project covers an entirely different area. General Feringa testified before the committee, as may be noted on page 186 of the hearings:

That project, sir, starts on the Tombigbee River, at the junction of the Tombigbee and Warrior Rivers, following the Tombigbee River for a distance of 180 miles; thence a canal section 41 miles in length and a divide section 39 miles long, ending in Pickwick pool on the Tennessee River.

The gentleman from Mississippi certainly does not contend that the Demopolis Dam is in that area.

Mr. RANKIN. The gentleman said it was on the Warrior River.

Mr. CANNON. It is a part of the Warrior River system. General Feringa testified in hearings before the committee as reported on page 105 of the hearings:

The first construction project for rivers and harbors appears on page 217 of the justifications and is for the Demopolis lock and dam in the Warrior system, Mobile to Birmingham, Ala.

No money was allowed for construction on the Tennessee-Tombigbee project, and but for an unexpected and unforeseen parliamentary tangle the $200,000 would not have been allowed for planning. Any money spent on planning on such an impracticable and costly project will be thrown away. It can never be built.

COUNT CASIMIR PULASKI

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is but fitting that this Nation should pause briefly on this date and pay tribute to the memory of Count Casimir Pulaski.

Seven months ago, in my remarks noting the anniversary of his birth, I pointed out the great deeds by virtue of which the name of General Pulaski is forever enshrined in the hallowed history of our Nation.

His preeminent characteristic was an abiding devotion to the ideals of liberty and justice.

At the age of 24 he was already a veteran in the continuing struggle for freedom, and with the defeat of his own gallant little nation by the overwhelming oppression of Russia, he eagerly enlisted in the cause of the American colonies.

With the benediction of Benjamin Franklin, he presented himself for service to General Washington, and during the dark and bitter winter of 1778–79, his military skill and strategy were invaluable aids to the American commander in chief.

The battles of Brandywine, Germantown, and Trenton were marked by his courageous leadership and valiant heroism, and so outstanding were his deeds of valor that the Congress thereafter readily assented to Washington's recommendation that the Polish nobleman be commissioned a brigadier general.

Not content with his personal participation in the war for American independence, General Pulaski recruited, organized, and equipped the celebrated Polish legion which became the core of the cavalry in the armies of the United States.

The climax of his American career came when he paid the last full measure of devotion to his adopted land at the battle of Savannah while he was attempting to stem the retreat of the French troops in the American ranks.

Mortally wounded by grapeshot, he died 170 years ago on October 11, 1779. He was buried at sea from the deck of the American brig *Wasp*, and it is recorded that—

He sleeps where the ebbing tide of the Savannah meets and commingles with the waters of the broad Atlantic. Fit resting place for a hero of such expansive soul.

The honor and glory of Pulaski's contribution to the cause of freedom here in America give poignant reminder to the fact that the soil from which he sprung is no longer free. His great spirit will not be at rest until his native Poland is redeemed from the chains of Communist tyranny.

On this, the anniversary of his death, we join with all Americans of Polish descent in the prayerful hope that the liberty for which Pulaski fought and died will soon again blossom forth in the land which gave him birth.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

VISIT OF PRIME MINISTER NEHRU

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday next, for the purpose of receiving the distinguished visitor from India, the Prime Minister, Mr. Nehru, that the Speaker may declare a recess.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUPPLEMENTAL APPROPRIATION BILL, 1950

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1387)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 8, 13, 14, 19, 20, and 24.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 15, 16, 17, 18, 23, 28, 29, and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,700,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,250,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

"For expenses necessary for the National Capital Sesquicentennial Commission to prepare and carry out a program for the commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, as authorized by the Acts of July 18, 1947 (Public Law 203), and May 31, 1949 (Public Law 78), including personal services and rent in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and such construction or other expenses as may now be authorized by law; $3,000,000."

And the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 3, 5, 9, 11, 21, 25, 26, and 27.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the conference report as to each of such amendments, namely:

Amendment No. 1, relating to the Senate: Inserts heading.

Amendments Nos. 2 and 3, relating to the Senate: Reported in disagreement.

Amendment No. 4, relating to the Senate restaurant: Inserts heading.

Amendment No. 5, relating to the Senate restaurant: Reported in disagreement.

Amendment No. 6, relating to Capitol Building, Architect of the Capitol: Deletes provision of the Senate appropriating $5,000 for improvements, as proposed by the House.

Amendment No. 7, relating to Housing and Home Finance Agency: Appropriates $2,700,000 for salaries and expenses, Office of the Administrator, instead of $2,500,000, as proposed by the House, and $2,900,000, as proposed by the Senate.

Amendment No. 8, relating to Housing and Home Finance Agency: Provides for the purchase of two passenger motor vehicles, as proposed by the House, instead of three, as proposed by the Senate.

Amendment No. 9, relating to Housing and Home Finance Agency: Reported in disagreement.

Amendment No. 10, relating to the Public Housing Administration: Appropriates $4,250,000 for administrative expenses instead of $4,125,000, as proposed by the House and $4,375,000, as proposed by the Senate.

Amendment No. 11, relating to the Public Housing Administration: Reported in disagreement.

Amendment No. 12: Appropriates $3,000,000 for the National Capital Sesquicentennial Commission, as proposed by the Senate.

Amendment No. 13, relating to the United States Maritime Commission: Deletes provision of the Senate appropriating $25,000,000 for the repair of vessels in national defense reserve, as proposed by the House.

Amendment No. 14, relating to the Office of the Corporation Counsel, District of Columbia: Deletes provision of the Senate appropriating $11,660 for this office, as proposed by the House.

Amendment No. 15, relating to the Health Department, District of Columbia: Appropriates $103,065.65 as an additional amount for medical charities, 1948, as proposed by the Senate.

Amendment No. 16, relating to day-care centers, District of Columbia: Appropriates $100,000 for nurseries and nursery schools, as proposed by the Senate, instead of $50,000, as proposed by the House.

Amendment No. 17, relating to settlement of claims and suits, District of Columbia: Appropriates $8,198.03 for the payment of claims in excess of $250, as proposed by the Senate, instead of $6,950, as proposed by the House.

Amendments Nos. 18 and 19, relating to Farm Housing, Department of Agriculture: Delete center heading, as proposed by the Senate, and appropriate $3,000,000 for salaries and expenses, as proposed by the House, instead of $3,100,000, as proposed by the Senate.

Amendment No. 20, relating to the Forest Service, Department of Agriculture: Appropriates $325,000 for emergency reconstruction and repair, as proposed by the House, instead of $450,000, as proposed by the Senate.

Amendment No. 21, relating to Rural Electrification Administration, Department of Agriculture: Reported in disagreement.

Amendment No. 22, relating to Bureau of the Census, Department of Commerce: Appropriates $8,000,000 for a census of housing under provisions of the Housing Act of 1949 instead of $7,500,000, as proposed by the House, and $8,500,000, as proposed by the Senate.

Amendment No. 23, relating to the Bureau of Indian Affairs, Department of the Interior: Appropriates $150,000 for construction of buildings and utilities, as proposed by the Senate.

Amendment No. 24, relating to roads, administered by the Bureau of Indian Affairs, Department of the Interior: Appropriates $98,500, as proposed by the House, instead of $154,300, as proposed by the Senate.

Amendment No. 25, relating to the National Park Service, Department of the Interior: Reported in disagreement.

Amendment No. 26, relating to salaries and expenses, Department of State: Reported in disagreement.

Amendment No. 27, relating to the Bureau of Internal Revenue, Treasury Department: reported in disagreement.

Amendment No. 28, relating to the Bureau of the Mint, Treasury Department: Appropriates $2,500 for medal for the Vice President of the United States, as proposed by the Senate.

Amendments Nos. 29 and 30, relating to claims for damages and judgments: Insert reference to Senate document and appropriate $1,033,748.54 for this purpose, as proposed by the Senate, instead of $568,054.44, as proposed by the House.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, this is in effect a fourth deficiency bill.

The budget estimates as submitted to the House aggregated $89,995,021. The bill as it passed the House carried $72,790,521, a reduction of $17,200,000 below the budget estimates.

But the Senate passed the bill carrying the sum of $104,172,589, an increase of $14,600,000, above the budget estimate. The House passed the bill $17,000,000 below the budget estimate and the Senate passed the bill $14,000,000 above the budget estimate. In conference we agreed upon $78,005,129, a final figure of $26,100,000 under the budget estimate. We believe we have made a very satisfactory reduction in submitting the conference report.

The bill consists of the usual routine deficiencies, and only three items may be expected to be of any particular interest to the House at this time. The first of these is an appropriation of $3,000,000 for the Sesquicentennial Commission. As you will recall, the House refused to make this appropriation, but the Senate put it in as a Senate amendment and insisted on it in conference. The conferees therefore submit the bill, including $3,000,000 for the Sesquicentennial Commission.

The second item which may be considered to be of interest to the Members of the House is the refusal of the conferees to include in the bill a proposed appropriation of $25,000,000 for ship repairs under the Maritime Commission. There was considerable demand for such an appropriation, but due to the fact that there was no budget estimate for it and that it was a matter which naturally required some study by the Maritime Commission in conjunction with the military authorities, we considered it the part of wisdom to defer it until the beginning of the second session, when there would be opportunity for the committee to hold hearings and adduce testimony and reach some conclusion after opportunity for deliberation on the subject.

The third item is an appropriation for rural electrification. It was added by the Senate in response to the enactment of the bill H. R. 2960, covering rural telephones, an entirely new subject. In conformity with the provisions of the authorization bill which was extensively considered and debated in both Houses, we provide $250,000 for administrative expenses and authority to draw up to $25,000,000 from the Secretary of the Treasury to be used for loans to cooperatives, following the same plan that is used in making loans to cooperatives for rural electrification.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

CALL OF THE HOUSE

Mr. FORD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 226]

Abbitt	Blatnik	Davies, N. Y.
Albert	Bonner	DeGraffenried
Allen, Ill.	Buckley, N. Y.	Denton
Andresen, August H.	Bulwinkle	Dingell
Baring	Byrne, N. Y.	Dollinger
Barrett, Wyo.	Carroll	Dondero
Bates, Ky.	Chatham	Donohue
Bentsen	Clemente	Ellsworth
Blackney	Coudert	Elston
Bland	Crosser	Engle, Calif.
	Davenport	Fellows

Fisher	Kennedy	Powell
Flood	Keogh	Reed, Ill.
Fogarty	Kilburn	Regan
Garmatz	Klein	Ribicoff
Gary	Larcade	Richards
Granger	Lind	Rivers
Grant	Lucas	Sadlak
Green	McMillen, Ill.	Sadowski
Gregory	McSweeney	Sanborn
Hall,	Mack, Ill.	Secrest
Edwin Arthur	Mack, Wash.	Sheppard
Hall,	Macy	Smith, Ohio
Leonard W.	Mansfield	Stanley
Halleck	Marcantonio	Tauriello
Harden	Marshall	Taylor
Harvey	Martin, Mass.	Thomas, N. J.
Hays, Ohio	Mason	Thornberry
Hébert	Morgan	Underwood
Heffernan	Morrison	Walter
Heller	Multer	White, Calif.
Hoffman, Ill.	Murphy	White, Idaho
Huber	Norblad	Wier
Jackson, Calif.	Pfeiffer,	Withrow
Jenkins	William L.	Wolverton
Jennings	Phillips, Calif.	Wood
Kearney	Phillips, Tenn.	Woodhouse
Keating	Poage	Worley

The SPEAKER. On this roll call 317 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD. The subject matter may be a little longer than that allowed by the Public Printer, but I ask that it be printed notwithstanding that fact. I shall get an estimate on it.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

SUPPLEMENTAL APPROPRIATION BILL, 1950

Mr. TABER. Mr. Speaker, this is a conference report on the supplemental appropriation bill. I am only going to talk about one item in it because, while there are other items that I think too large, that is the only one that I am going to raise a question about and ask for a vote on. When the time comes to vote and after the previous question has been ordered on the conference report, I shall offer a motion to recommit to the conferees instructing them to insist upon the House disagreement to amendment No. 12, which is the provision for a Sesquicentennial Commission, amounting to $3,000,000. If the House votes "aye" on that motion, I am satisfied the Senate will immediately yield and that we will be rid of the proposition. These people have been before the House committee twice and they have been before the Senate committee twice. Gradually they have built up quite a story as to what they would spend and what they want.

When they first came before the House committee they asked for $1,500,000. They went over to the Senate after that and asked for $3,000,000. The Senate gave them an appropriation and it was eliminated in the conference. Then they came to us again when the supplemental hearing was held and they wanted $3,000,000 again. They told a little more elaborate story. Now they have been to the Senate again and the Senate has placed $3,000,000 in this bill, which I hope we can save. This involves a great lot of money, but the meat of the whole question is in an interview which Mr. Barron, who is the head of the Commission in charge of that operation, gave to the Washington Daily News as shown in its issue of August 18, 1949. There Mr. Barron was reported to have said:

> Mr. Barron figures the Government will get back about $10,861,000 from its investment. Local businessmen probably could have been able to contribute enough money to swing the whole celebration, but "we wanted the prestige of a congressional appropriation."

Can you imagine the Congress giving any outfit the prestige of a congressional appropriation, not because it needs the money but because of the prestige?

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. SHORT. Did we not read only in this last Sunday's issue of some of the Washington papers that in the coming year this city will receive approximately $100,000,000 or more from conventions and tourists who visit this Capital?

Mr. TABER. Yes. The hotels are jammed every minute and even the movie houses are jammed every minute.

Amongst the items they want this money for is $962,500 for space sales expense. They are paying not just 5 percent, they are paying 10 percent. Just think of it, $962,000 for space sales expense.

Mr. SHORT. I wonder how much the city of New York or Buffalo or Rochester in the gentleman's own State would pay to get such a convention, or Chicago or Springfield or Peoria in Illinois, or Cleveland or Columbus in Ohio, or St. Louis or Kansas City in Missouri?

Mr. TABER. Chicago is running a show as big as this right now and paying its own expenses.

Mr. SHORT. We always do in Missouri.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. GROSS. Is it not true that on August 20, the day after we defeated this proposition in the House, which was on August 19, Mr. Barron announced that the plans had been abandoned for the sesquicentennial celebration and that time did not permit the staging of this so-called celebration here, even if the House later passed the item?

Mr. TABER. I believe that he did announce that.

Mr. Speaker, the gentleman from Missouri has stood for economy in the Congress. He has told us so. When they come before us, not with a request for which they say they need the money, but for an item where all they want is the congressional prestige, I hope that the gentleman from Missouri will stand for economy here and support the motion to insist upon our disagreement to the Senate amendment.

In the promotion of this thing there has been the most persistent lobby that I have ever seen in the 27 years I have been here. They have annoyed people to death—these costume jewelers and hot dog people. They have been out all over the congressional domain trying to persuade the membership of the House to go along with this unnecessary appropriation. Maybe we ought to do something like this—maybe we ought to agree to this sort of thing even when they say they do not need the money, but it does seem to me we should never appropriate money unless it is necessary.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. The gentleman said that the gentleman from Missouri was talking about economy. I would like to know whom you are talking about because I have heard Members say that they are for economy, but then they vote for everything. I just want to know where this man from Missouri comes from. I am from Missouri, too—you have to show me.

Mr. TABER. I hope that the gentleman from Missouri will insist upon the disagreement of the House to this Senate amendment which is absolutely and totally unnecessary.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANFIELD. In all fairness to the gentleman from Missouri, our distinguished chairman of the Committee on Appropriations of the House, is it not a fact that he was in there pitching against this appropriation when it was first taken up in conference? Is that not correct?

Mr. TABER. That is correct, and it was thrown out. I hope we may have a continuance of that attitude here today and that we may throw this thing out and get rid of it.

Mr. Speaker, I am not going to talk any longer at this time, but I do hope the membership of the House will show some appreciation of the situation that the country is in when we face a deficit of $5,500,000,000 in the current fiscal year. I hope we will regard our obligation to the people of the United States and try to prevent such a terrible thing as a deficit of $5,500,000,000.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES. I am in accord with the gentleman's statement and believe that we should strike this item out. I notice, however, that you also have in this conference report an amendment No. 16 where you increase an item up to $100,000 for day nursery centers. Is that for those people who leave their youngsters while they go to work or go shopping and we pay for it?

Mr. TABER. I think it is. Frankly I do not feel very friendly to this item, because I think they could get along with what they have had before, namely, $50,000.

Mr. REES. Why in the world should we pay the taxpayers' money to take care of these youngsters in the District of Columbia while their folks are away from home?

Mr. TABER. There seems to be a contest to see how much money we can spend.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, as I read the daily papers, Washington is afflicted. The people of the city have to associate with Senators and Congressmen. They seem to regard that as a very, very severe affliction. Other than that it seems to me that if there is any city in the whole wide, wide world that is blessed, it is the city of Washington.

In the cities of Michigan—and I assume it is so in other States—we have factories, we have men who are in business, but they all have to provide their own pay rolls. They have to get the money to meet the pay rolls, and they have to do it through their own individual efforts.

Sometimes business is up, sometimes business is down. We have good times, we have bad times, we have prosperous times, and we have depressions all over the United States, except in Washington. But never, at least during the 15 years I have been here, have the people of Washington failed to be on the receiving end. Something like 300,000 Federal employees, and that does not include Congressmen or their secretaries, 300,000 or more employees never miss a pay day or a pay check.

Washington should never have a financial worry. In addition to the more than 300,000 Federal employees residing either in or in the vicinity of Washington, thousands of businessmen or their representatives must come to Washington on business.

In addition, hundreds of thousands of tourists come here each year and they come every month in the year. They must eat. They must sleep and they purchase entertainment.

Federal employees, the thousands who of necessity come to Washington on business, the hundreds of thousands who come for pleasure, spend millions of dollars each and every year.

In prosperous times, Washington is hard pressed to care for those who come with money to spend. There is a steady stream of Federal dollars and of dollars made in private business flowing into Washington, into the pockets of its merchants and, in fact, of every individual who does business here.

Washington is one city in a thousand. It is continuously on the receiving end. By that statement, it is not meant that those spending their dollars here do not receive an adequate return. The fact to which I wish to call attention is that Washington, year in and year out, day by day and week by week, has dollars literally dumped on its business people.

Washington has become so accustomed to being the Nation's Capital, to being ever a prosperous city, that it takes its prosperity as a matter of course—the spending of dollars something to which it is entitled.

To me, with the Nation operating day after day in the red, with unemployment spreading throughout the country, with other cities confronted by the problem of making ends meet, it seems that Washington, if it wants a celebration, wishes to use a national event for that purpose, should be willing to assume the business risk and not ask the taxpayers of other States to back a commercial venture, which, if rightly managed, will bring it a profit.

As the gentleman from New Jersey [Mr. CANFIELD] pointed out, the conferees who are insisting upon this $3,000,000 being given to the city of Washington for a celebration deny a like sum to the Coast Guard, deny a like sum for welfare purposes here in the city.

We have heard overmuch about economy, but it is noted that the economy talk does not produce results.

I can listen patiently and courteously to the lobbyists of the city of Washington who come to the Hill, praising Congressmen for their intelligence, but backslapping and praise cannot make me forget my duty to my constituents. Nor do they cause me to forget that, day in and day out, Congressmen are, by an altogether too large proportion of the citizens of Washington, regarded as something of a nuisance—a necessary evil to be tolerated while we are spending our money here.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, I rise in support of the announced motion to strike out this appropriation.

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield for a question?

Mr. JACOBS. I yield for a question.

Mr. McCULLOCH. Does the gentleman from Indiana know that Union City, Indiana and Ohio, have just completed celebrating a centennial celebration and there was no tax money, either State, local, or Federal, used in that celebration?

Mr. JACOBS. That is correct. In my district, and in the district of the gentleman from Ohio, and in all of the other districts, for that matter, when there is going to be a convention or celebration, the business people underwrite it. They take their chance as to whether or not that convention will yield them sufficient profit to warrant or repay their contribution or advancements.

You will recall that I am the only Member on my side of the House who stood up and voted against relieving the inaugural tickets of the amusement tax. I could not do that when back in my home district and yours, if civic-minded folks put on a little show and charge 10 or 25 cents admission merely to get the kids off the streets and shield them from juvenile delinquency, they pay a tax on those tickets.

Now in my judgment it is about time that Washington was weaned.

Here is something else. I come here and I pay $175 a month for a rabbit hutch to live in. They will not let me park my car on that street. They have to keep it clear as a racetrack for the folks who live out in Silver Spring. I have to wander around all over the neighborhood like a lost soul looking for a place to park my Ford. I checked up on this property. It is a three-story house that has been partially converted into two apartments. The second and third floors are mine, with a side entrance, at $175 per month, and the staircase is partitioned off. That partition has holes and cracks large and long enough that I could throw a full-grown, fat, Hoosier black snake through them broadside. But this property, built out on the sidewalk, and jammed against the other houses, no back yard, but enough dirt on the walls to grow a crop of corn—different variety than is commonly found in Washington—yields $240 a month income. It is assessed for $8,400 at a 2¼-percent tax rate. I own property in my district, and I pay around 5 percent, and my property is assessed for what it is worth, too, and not at one-third of its market value. Despite this lush real-estate business, comparable to the lushness of all other business here, a sales tax was imposed upon people so that we would have to pay the just taxes of those enjoying it.

So I simply say that it is about time we weaned Washington. If Washington wants a celebration, and it is as good an investment as they say it is, I do not think the local folks would be peddling it to the Federal Government. But even aside from this, let these business people in Washington, who gouge you every time you buy something, underwrite their own celebration, because it is their celebration, and they will gouge every one of your constituents who come here for it.

They say the celebration is for the whole country. That is right; it is for the fleecing; and the local business people are the fleecers and your constituents, who will be able to get here, will be the fleecees, and lucky if they do not go home in a barrel.

A lot of people who are looking to me to represent them are not going to be here anyway, and those who will be here will then pay dearly for seeing the show without paying twice and in advance at that.

Furthermore, I am amazed at some folks who live near Washington and who urge economy constantly are the strongest supporters of this unwarranted syphoning of $3,000,000 from the National Treasury.

It is time for some folks to practice with their votes what they preach.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, the chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON], has referred to Senate amendment No. 13 which has been deleted from the conference report by reason of the decision of the Senate conferees to recede from the position of the Senate.

The amendment is one in which many Members of the House have expressed a deep interest.

It provides $25,000,000 for the repair of 134 vessels in the national defense reserve, pursuant to section 11 (a) of the Merchant Ship Sales Act of 1946.

Under the terms of that act it is provided that the Maritime Commission "shall place in a national defense reserve such vessels owned by it as, after consultation with the Secretary of War and the Secretary of the Navy, it deems

should be retained for national defense," and "that unless otherwise provided for by law, all vessels placed in such reserve shall be preserved and maintained by the Commission for the purpose of national defense."

In other words, Mr. Speaker, a mandatory obligation for the preservation and maintenance of the ships referred to is placed upon the Commission.

Pursuant to this law, after consultation with the military and naval authorities, as appears from the Senate hearings, it has been determined that 439 specified ships, out of a total of about 900, have been designated as necessary for preservation, maintenance, and retention in the national defense reserve.

Speaking for the Joint Chiefs of Staff with reference to these ships, Gen. Omar N. Bradley, in a memorandum addressed to the Secretary of Defense under date of March 22, 1949, made the following statement:

In answer to your memorandum of February 24, 1949, the Joint Chiefs of Staff recommend that you reply to the letter of the Chairman of the United States Maritime Commission along the following lines:

(a) The Joint Chiefs of Staff have repeatedly determined that the ability of the United States to meet the demands of shipping in the event of war, particularly in the early stages thereof, is largely dependent on the material condition of the merchant shipping held in inactive reserve.

(b) At the present time it is understood that many of the ships in inactive reserve are inoperable due to needs of repairs.

(c) From the military point of view, it would be highly desirable to accomplish the minimum essential repairs of all these vessels at this time. It is realized, however, that the complete program cannot be financed immediately.

(d) In lieu thereof, the Joint Chiefs of Staff feel that a modest program (of the nature of $25,000,000 initially) in order to carry out essential repairs in commercial ship repair yards to hulls, engines, and electrical equipment to as many ships as feasible in the reserve fleet is a matter of high priority and essential to the national security.

(e) The Joint Chiefs of Staff further feel that it is very much in the national interest that some such similar program be carried out on an annual basis.

(f) It is also felt that the Maritime Commission should consult with the Departments of the Army, Navy, and Air Force whenever it is necessary to determine the priority of ships which would undergo repair with the limited funds which may be made available.

The $25,000,000 suggested would cover essential repairs for 134 vessels, each one of which is described in detail on pages 176 to 178 of the Senate hearings, representing an initial investment of $800,000,000 and would make them available for immediate use at any time within a period of 20 years in the event of emergency. It will be noted that some of the ships are on the Atlantic coast, some on the Gulf coast, and the balance on the Pacific coast.

The amendment in question, designed to carry out the suggestion of the Joint Chiefs of Staff in respect to the fiscal year 1950, was offered in the Senate, not by any one Senator but by no less than 25 Members of the Senate.

It was deleted in conference by reason of the decision of the Senate conferees to recede, largely because of the fact that there is no budget estimate for the expenditure in question.

Of course, Mr. Speaker, there should be a budget estimate. It is difficult to understand why those sponsoring the amendment have not obtained such an estimate.

I desire to point out, however, that there are several items approved in this conference report in respect to which there is no budget estimate and in respect to which no such powerful argument can be made as can be made for this amendment based first, on the high priority attached to the repair work in terms of national defense by the Joint Chiefs of Staff and second, on the jobs which its adoption would provide for thousands of skilled workers in the ship repair field who now have little or no employment—jobs which might prevent the breaking up of staffs of these skilled workers which are in themselves a national asset of tremendous value from the standpoint of national defense in time of emergency.

I supported the program in conference. In view of the action of the Senate conferees there is nothing before the House at this time. I welcome the assurance of the gentleman from Missouri [Mr. CANNON] to the effect that if a budget estimate can be obtained in the meantime, the matter will receive further and prompt consideration with the reconvening of the Congress in January.

Now, Mr. Speaker, I want to say that even if I approved of the expenditure of $3,000,000 for the sesquicentennial celebration here in Washington, which I do not, I could not have conscientiously signed this conference report.

I could not have done so in the absence of further action on the part of the House in view of the fact that on three separate occasions the House has indicated that it is opposed to the expenditure of this amount for the purpose in question.

Personally I am opposed to the expenditure of the suggested sum of money. I am in favor of appropriate observation of the sesquicentennial here, but I am not in favor, under present conditions, of spending $3,000,000 of the savings of the people, or anything like that sum of money, in this connection.

I think it ought to be possible, as the gentleman from Indiana [Mr. JACOBS] has just indicated, to have an appropriate observance of the occasion here with the expenditure of very little money; and if much money is to be expended, I think that a very substantial portion of it at least should come from local sources.

I shall accordingly support the motion of the gentleman from New York [Mr. TABER] to recommit the conference report to the conferees.

Now, Mr. Speaker, I want to call another witness in opposition to this proposal.

A short time ago there was placed in my hands a statement made by a distinguished former Member of the United States Senate, in the course of an address to the Massachusetts Federation of Taxpayers Association on December 12, 1942.

When I consider this item and similar items, unnecessary and wasteful in character, which are continually submitted to the Congress for its consideration, by the President and the Bureau of the Budget, I believe a few sentences from this statement are worth bringing to the attention of the House. I quote:

It is easy to appropriate billions of dollars, but it is not so easy to obtain those billions of dollars. There is a limit to the amount by which we can safely increase our national debt.

Every dollar that is appropriated and spent must someday be paid back and paid back with interest. Any suggestion that it will not is malicious rumormongering. The only way it can be paid back is through taxation.

New plans for increasing tax revenues are constantly being made. New sources of additional tax revenues are continually being sought, but the tax burden is becoming increasingly harder to bear. We must always bear in mind that taxation when made too severe destroys the subject upon which it is sought to be levied. If we keep on piling tax upon tax there will come a time when we pile on the last straw that will break the camel's back.

* * * We ought not to saddle the next generation, however, with a burden so great that it will spoil the fruits of the hard-won victory. Our duty to posterity is not merely to beget them and forget them.

* * * The American people * * * are not willing and must not be asked to suffer unnecessary burdens of waste, carelessness, and confusion.

These words, Mr. Speaker, are not the words of the distinguished Senator from Virginia, Senator HARRY F. BYRD, as some might guess. They are the words of another distinguished Senator, our present Chief Executive, Senator Harry S. Truman, at the time when he was Senator from the great State of Missouri.

Mr. Speaker, I suggest that we take these words to heart at this time.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, as we approach this important vote it is well to bear in mind the fact that Uncle Sam is at the present time in the red. In order to give this $3,000,000 to the city of Washington for the big birthday party next year Uncle Sam has to borrow that $3,000,000 from your people and mine.

Now, I have a proposition to make. Is any Member of the House perchance interested in making a million dollars within the next 4 months without putting out any monetary investment? I know how it can be done and you can find out how it can be done by reading the hearings on this item. This is how you do it. You get the job as concessionaire for apportioning and selling space for the exhibits at this big birthday party. This will involve less than 4 months' work and your fee will be $982,000. Yes, that is slightly less than a million dollars, though one-third of the appropriation asked for here today.

In this same bill, H. R. 6008, what do we do? We reject a request made by the President of the United States and the Secretary of the Treasury for $3,000,000 to reactivate the United States Coast Guard, an important item in our national defense program. Both the President and the Secretary of the Treasury

say it is most important that we do this. Yet we reject that $3,000,000. Now, are we going to vote $3,000,000 for the big birthday party for Washington next year?

Oh, what a lobby. Even as I am speaking, I understand that attachés on the floor of the United States Senate are calling House Members on the phone and asking them to be sure to vote for this $3,000,000. We are not interested in appropriating funds for the welfare centers for the District of Columbia, for the needy kids of this city. We rejected that only this week.

Let me tell you about this lobby, this carnival that is working downtown. Last week one of the sesqui boys came to a New England Member of the House. I have told you the story before. I will tell it again. He said:

"Mr. Congressman, you ought to be for this $3,000,000."

"Why?"

"Because it is going to mean employment in your State."

"What do you mean employment in my State?"

"Have you not got an artist colony in the southern part of your State?"

"Yes."

"Well, we are going to employ a lot of those fellows to go down to Washington to paint or make murals for this birthday party. So you should get on the bandwagon."

At the same time I heard that story straight from the lips of a New England Congressman, a Texas Member of the House who is opposed to this proposition came to me and said: "Mr. CANFIELD, one of the No. 1 contractors in these United States just called me on the phone to say it is absolutely necessary that this money be appropriated."

He told me to get on the ball, too. Carter Barron, the executive vice president of the Commission, was on Capitol Hill yesterday lobbying for this cause as a Georgian, and he was calling upon the Georgia Members of this body to vote for this appropriation because they are fellow Georgians and they ought to come through.

That is not the worst. It was represented to a Member of this body concerned about a bill passed by both Houses, and now before the President in the White House, and fearful that he might veto that bill—now listen to this—that if he came through on this vote today a herculean effort would be made by the sesqui boys to get that bill approved by the President of the United States.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Georgia.

Mr. COX. Am I to understand that the gentleman is making an attack upon Carter Barron, who has been drafted to head this movement, out of which he makes absolutely nothing, devoting months of his time to this effort?

Mr. CANFIELD. I shall not make a personal attack on anybody; I am just reporting the facts.

Let me tell you about my own experience. They have called me day and night on this proposition. I have had no letters from representatives of the District of Columbia, and they are notably lacking in the forums of the Capital press. You do not see letters from the District of Columbia representatives to appropriate these funds. But, a representative of the sesquicentennial called me out the other day and he said, "CANFIELD, do you think this sesqui deal is crooked?" I said, "I never used any such word; I never suggested anything like that, and I am surprised that you use the word." He said, "Well, what is the matter with it?" The answer was this: "My dear fellow, I have heard the case, and it is terribly unimpressive; it is most improper that my people should be called upon to pay taxes for this party." And, I pointed out to him that the local press, particularly the Washington Times-Herald, in lead editorials, was calling upon the local people to pay for this job themselves, emphasizing that the money was here and that the job could be done. I said, "You heard Mr. Boykin, the executive director, making certain statements," and before I could finish my statement, here is what he said—I have his card in my pocket—"Mr. Boykin, he gets everything all balled up." It was Mr. Boykin who told the press the other day that not a nickel had been pledged by local interests for this sesquicentennial party. What an indictment of the Commission. I am reliably informed that moneys have been pledged and that this appropriation is unnecessary.

So, I ask you today to reject this appropriation. Think in terms of your own people back home who certainly are not writing you to vote for it.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Would it not be far more to the interest of the District of Columbia were we to allocate this $3,000,000 for the construction of three new high schools, for example, that are very much needed?

Mr. CANFIELD. Most certainly, and for welfare centers for the kids; an appropriation we reject here in this very bill, as well as $3,000,000 for the Coast Guard. What is wrong with that? I do not see how we, in good conscience, can vote for this matter today; wanted only for a cushion; wanted only for congressional prestige.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Georgia who sponsored the amendment to delete the item when we last voted.

Mr. WHEELER. In the opinion of the gentleman from New Jersey, is this by any stretch of the imagination necessary?

Mr. CANFIELD. Of course, it is not necessary, and the case has not been made out in any particular. Even the press of Washington holds that the money can be raised locally.

Mr. WHEELER. Then I wonder how we can justify spending it in view of our present fiscal situation?

Mr. CANFIELD. It cannot be done. I am sure the gentleman from Georgia must be aware of the lobby that has been carrying on day and night on this proposition. If the lines hold, they will never get this money from the Congress of the United States.

Mr. WHEELER. I should like to say the lobby has not impressed me.

Mr. CANFIELD. It has not impressed me, either.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Missouri.

Mr. SHORT. I merely want to say that the Mr. Boykin to whom the gentleman refers is certainly not our esteemed and beloved colleague from Alabama.

Mr. CANFIELD. No, indeed, not FRANK BOYKIN, who is one of the most lovable characters in the Congress of the United States.

Mr. GROSS. Mr. Speaker, the amazing thing about this latest attempted raid on the Treasury is that we even have it before us again. Twice has the House expressed its opposition to this proposal and now, for the third time, we have the money-hungry boys trying to batter down the door.

When this deal was before us the last time, on August 19, we were then told by Carter T. Barron, vice president of the Sesquicentennial Commission, that the Federal Treasury would probably be handed nearly $11,000,000 in return for the $3,000,000 we are here asked to appropriate. In other words, a profit to the Government of nearly $8,000,000.

Are you and I supposed to believe that everyone in Washington, with a healthy bank account, has suddenly become allergic to making a quick dollar, especially when, according to Mr. Barron, a $3,000,000 investment can be turned into a neat profit of $8,000,000 in the short space of 24 months?

Local financing of this proposition would not require payment of a cut to a single 5-percenter, and it would not require the handing out of a single deep freeze to close the deal.

I reiterate what I said before on this subject—that the enchanting story of a huge profit to the Government is just so much verbal hogwash.

Immediately after the House, on August 19, wisely and emphatically rejected this money grab, Mr. Barron, and others announced that all plans had been abandoned—that it was too late then to proceed. Now, nearly two full months later, he and his cohorts are back again with their hands out. Apparently it is never too little or too late if a hand can be stuck in the Federal Treasury, and especially if it can be rammed in up to the elbow.

I said before and I repeat that the Federal Treasury is not being used to finance celebrations in the cities, towns, and communities in the State of Iowa or the congressional district which I represent, and I have not the slightest intention here today of committing the taxpayers at home or anywhere else to underwrite an entertainment program chiefly for the benefit of the people of the District of Columbia with whatever profits there may be going to the commercial interests of this area.

I am confident that Members of the House will again reject this proposal,

knowing that by next June 30 the Federal debt will have climbed to nearly $270,000,000,000 and the deficit for this fiscal year alone will stand at five to seven billion dollars.

Under those circumstances, the spending of $3,000,000 for a celebration and a peacock parade will be a hollow achievement.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, you are called upon now to appropriate $3,000,000, for a fair with a national debt of $256,000,000,000. You went in the red last year $1,800,000,000, and you can go into the red at least $7,000,000,000 this year, and probably you will run to $10,000,000,000. I just want to ask the chairman of the Committee on Appropriations if he has asked the Committee on Ways and Means where they are going to get the money.

Mr. McCORMACK. If the gentleman will yield, may I suggest to the gentleman from Pennsylvania that he voted for a $5,500,000,000 tax-reduction bill, and a mighty poor one.

Mr. RICH. The people of this country want less taxes. The people of this country are looking for economy, and they cannot get it from the Democratic administration you have now. Why do you not repeal the tax law? You have the votes. I am for economy—less spending, less squandering—less taxes for our American people. I vote like I talk.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, from the discussion of this item one would think the celebration was supposed to be for the District of Columbia, instead of which it is, as you know, a national celebration to commemorate the one hundred and fiftieth anniversary of our Federal Government in Washington.

I have been in this House for 25 years, and may I say I have voted on appropriations for celebrations held in many other principal cities in this country. I have never heard as much opposition to the Federal Government's contributing large appropriations to these different States and cities, New York, Texas, Chicago—I could mention any number of them. Members from these States were interested, and should be. The Federal Government felt that it was doing the right thing in helping to commemorate the anniversaries in these different States.

Now we come to the time when the Federal Government is commemorating or at least should be commemorating its own anniversary—the one hundred and fiftieth anniversary of the establishment of the Federal Government in the city of Washington. It is a lot of nonsense to say that we have nothing to do with that, and that only the people of the District of Columbia have anything to do with it. That is not true, and we know it is not true. There are many arguments that I could advance as to why we should make this appropriation aside from the fact that it is such a noteworthy celebration. But one of the things I would like to remind the Members who come from the different States of the Union is that nearly every State in the Union is going to participate in this sesquicentennial celebration. I will read a list of the names of the States that have sent in acceptances so far. They are Rhode Island, West Virginia, Alabama, Oklahoma, Louisiana, Washington, Nevada, Oregon, South Dakota, Missouri, Delaware, Maine, New Hampshire, Iowa, Kansas, Texas, Florida, South Carolina, Virginia, Maryland, Pennsylvania, Wisconsin, Tennessee, Alaska, and Hawaii.

All of these States and Territories have given assurances that they will participate and send delegations here to represent them in the National Capital.

In addition, affirmative replies have been received from the following States: California, Illinois, Nebraska, Arkansas, Ohio, Colorado, Vermont, and Massachusetts.

Negotiations are still under way with Connecticut. My own State of New Jersey, which I am sorry to say at first refused to participate in this celebration, is, I understand from a recent communication, going to participate and I would be very much surprised if it did not.

Now, let us not confuse the issue. Let us not say we are doing this for the District of Columbia. We are not doing this for the District. We are doing it for the United States of America. We are doing it because we want the people not only in the United States, but all over the world to know that we appreciate the fact that this Government has been meeting here in the Capital of the United States for 150 years. In addition, let me say I do not believe this celebration is going to cost the United States 1 cent. It is expected that the money, which will be advanced at this time, will be returned to the Treasury. Every big business organization in the country has advised that it will have a big celebration here. Just think what that is going to mean. Think of the number of people who are going to be employed, hundreds of thousands of people, not only from the District of Columbia but from all over the country. That, in itself, is going to help pay for this celebration. So, my dear people, do not let us get confused with the idea that you are doing something for the District of Columbia. I was chairman of the Committee on the District of Columbia for 7 years, and I know that no matter what happened in the District, it seemed to be nobody's business because everybody seemed to think that we were doing something for the District of Columbia whereas we were really doing it, not for the District, but because of our responsibility as Members of Congress whose duty it is to legislate for the District of Columbia.

So, my friends, I sincerely hope that this item of $3,000,000 will not be used as a sort of whipping boy for the people who are talking about what they are going to save the taxpayers of our country because I do not think when you get right down to it that that is the reason for their objection to this appropriation. I sincerely hope that the committee will be able to say to the people of the country that we think enough of our Capital City—those of us who are interested in the Capital City and in the country and in the world, to make this very small contribution to a very worthy cause.

The SPEAKER pro tempore. The time of the gentlewoman from New Jersey has expired.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. RABAUT] to close the debate.

Mr. BROWN of Georgia. Mr. Speaker, with the gentleman yield?

Mr. RABAUT. I yield.

Mr. BROWN of Georgia. I have known Carter Barron all his life. I know him to be honest and upright. I resent the unjustified attacks upon him on this floor.

Mr. COX. Mr. Speaker, will the gentleman yield to me?

Mr. RABAUT. I yield.

Mr. COX. I want to join with my friend the gentleman from Georgia [Mr. BROWN] in what he says about Carter Barron. There is no cleaner or more wholesome man in Washington or anywhere else. He ought not to be condemned for having come forth and accepted a responsibility that was not of his own choosing.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. DAVIS of Georgia. Mr. Speaker, I concur in the remarks which have just been made by my colleagues from Georgia. I know Carter Barron personally, and regard him as a man of high character and integrity. He has told me that the $3,000,000 sesquicentennial item provided in this conference report will be repaid. I voted against this item when the bill originally passed the House, but on his statement that the money will be repaid, I am going to vote for the item today.

Mr. RABAUT. I thank the gentlemen for I recognize in their words the spirit of the adage, "A friend in need is a friend indeed."

Mr. Speaker, as my colleague the gentlewoman from New Jersey [Mrs. NORTON] spoke to this body a few moments ago, I could not help but feel in my heart that the very words she spoke here this morning were the sentiments of my Republican colleagues across the aisle when they passed this bill in the Eightieth Congress, creating the sesquicentennial. This is the work of a Republican Congress, but it remains for the Eighty-first Congress to implement the law with funds to make the sesquicentennial an actuality. So when we hear the words of the gentleman from New York [Mr. TABER] it is evident that he forgets his work of yesteryear. When we hear the remarks of the gentleman from New Jersey [Mr. CANFIELD], it is evident that he has forgotten the devotion that he had to the glorification of this Government of ours, our National Government, in this city, for the past 150 years. When we hear the gentleman from Massachusetts [Mr. WIGGLESWORTH] speak of this subject as if he never before had a positive interest

in it, as if it were a leech upon the people of the Nation, I say he has forgotten what he so quietly and properly decided in the last Congress of the United States.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I will not yield. I may yield when I am through.

I want to say that in our action we are implementing with funds the very law they passed.

Could you imagine what our friends across the aisle would be saying to us today—and I am speaking to you, my Democratic colleagues—what they would be saying to us today if the shoe were on the other foot? Oh, yes. We are placing in this bill $3,000,000, and we will receive out of this bill substantial permanent buildings in the District of Columbia, the ownership of which will revert to the Federal Government, in the value of $10,000,000. So it is a good business proposition. And do you not let anybody talk you out of it. It is a good business proposition.

Over and above that, let us turn to the sentimental devotion which this project engenders.

Is there any reason why we, as a nation, should crawl beneath a bushel basket and hide the clear, brilliant light of achievement from the world at a time when we have progress through freedom? "Progress through freedom," that is the slogan of the sesquicentennial, not stagnation through serfdom. There's a slogan to hurl from the housetops; it should be shouted from the mountain peaks to rumble through the valleys, and it should rumble in the valleys of the depressed countries across the sea.

Shame! Shame on those who would walk out in these times upon the glorification of the system of government that is ours, that we hope to present to the children of this Nation, that we hope to inculcate in the homes and the schools of this Nation, that we hope to put upon the radio, that we hope to put in the theater, showing the glory that has been ours through the century and a half that has passed while the sores of dictatorship have festered elsewhere in this world. Oh! The demand for space at the rate of $30 a foot comes from the best industry in America. So business thinks it is good. Business, good business, big business, giant business, small business thinks it is good, and they will come to the Capital of the United States, not somewhere else; they will come to the seat of government, the home of the Federal Government, if it please you, to recognize and hail the progress that has been ours through the years. Oh! There is going to be a vote here to recommit. I hope now that these maneuvers have been thoroughly explained. This bill was born across the aisle, and it will reach its maturity today over here.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield now? He has the time.

Mr. RABAUT. Yes; I yield to the gentleman now.

Mr. CANFIELD. I am going to ask the gentleman these two questions: Has the gentleman forgotten the opposition to this item by the distinguished chairman of our committee? Has the gentleman forgotten the amendment which caused this to be deleted from the RECORD in this House offered by the gentleman from Georgia on the other side?

Mr. RABAUT. I do not yield further. I yielded to the gentleman to ask a question; now let me answer the gentleman. I have not forgotten that it was deleted in this House, and I have not forgotten the part that the distinguished gentleman from New Jersey played in deleting it from the bill.

Mr. CANFIELD. A most justified action.

Mr. RABAUT. Just a moment; I am not yielding now. And I want to say further that I think the gentleman was as wrong then as I am proclaiming him to be wrong today. Variety of opinion still makes a horse race; I have mine and the gentleman has his.

Mr. CANFIELD. And I think the majority was right on three occasions.

Mr. RABAUT. I am not yielding to the gentleman now; I yielded to the gentleman for his questions and here is the answer to the second one. I am not going to differ with the chairman of my committee, and the gentleman from New Jersey cannot inveigle me into such a position. I do not travel the road of life in that manner.

Mr. McDONOUGH. Mr. Speaker, I am in favor of this motion to be offered by the gentleman from New York [Mr. TABER] to recommit this item to the conferees instructing them to exclude this $3,000,000 appropriation for a very definite and specific reason. My reason is because this conference report under consideration denies the appropriation of $25,000,000 to reactivate the merchant ships on the west coast, which will deny employment to thousands of workmen in California, which is, in my opinion, more important than giving $3,000,000 for a celebration in the District of Columbia. This celebration would not be postponed if this appropriation was denied, but it is certain that many men in California will lose their jobs if the $25,000,000 is denied.

There is another item which is being neglected and which is vitally important, and that is the appropriation of $800,000 for the improvement of the Los Angeles post office, which is badly in need of expansion in order to properly serve the public.

I would like to see this celebration proceed, but since more important matters, such as these two which I have referred to, are being held up and this item is given preference over them I am voting to recommit this report with instructions to eliminate this $3,000,000 appropriation.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. TABER. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the conference report to the managers on the part of the House on the disagreeing votes of the two Houses with instructions to further insist upon the disagreement of the House to Senate amendment No. 12.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 159, nays 164, not voting 109, as follows:

[Roll No. 227]

YEAS—159

Allen, Calif.	Hand	Nixon
Allen, La.	Hare	Noland
Andersen, H. Carl	Herlong	Norrell
	Herter	O'Konski
Angell	Heselton	Pace
Arends	Hill	Pickett
Auchincloss	Hobbs	Plumley
Bates, Mass.	Hoeven	Polk
Bennett, Mich.	Hoffman, Mich.	Potter
Boggs, Del.	Holmes	Rankin
Bolton, Md.	Hope	Reed, N. Y.
Bolton, Ohio	Howell	Rees
Bramblett	Huber	Rich
Breen	Hull	Riehlman
Brown, Ohio	Jacobs	Rogers, Mass.
Burdick	James	St. George
Byrnes, Wis.	Jenison	Saylor
Canfield	Jensen	Scott, Hardie
Case, N. J.	Johnson	Scott, Hugh D., Jr.
Chiperfield	Jonas	
Church	Judd	Scrivner
Clevenger	Kean	Scudder
Cole, Kans.	Kearns	Shafer
Cole, N. Y.	Keefe	Short
Colmer	Kruse	Simpson, Ill.
Cotton	Kunkel	Smith, Kans.
Crawford	Lanham	Smith, Wis.
Cunningham	Latham	Stefan
Curtis	LeCompte	Stockman
Dague	LeFevre	Sutton
Davis, Wis.	Lemke	Taber
Denton	Lichtenwalter	Talle
D'Ewart	Lodge	Tollefson
Dolliver	Lovre	Towe
Dondero	McCarthy	Van Zandt
Doughton	McConnell	Velde
Eaton	McCulloch	Vorys
Engel, Mich.	McDonough	Vursell
Engle, Calif.	McGregor	Wadsworth
Feighan	McMillen, Ill.	Wagner
Fenton	Macy	Walsh
Fisher	Martin, Iowa	Weichel
Ford	Merrow	Werdel
Gavin	Meyer	Wheeler
Gillette	Michener	Whitten
Golden	Miller, Md.	Whittington
Goodwin	Miller, Nebr.	Wigglesworth
Gossett	Mills	Williams
Graham	Morton	Willis
Gross	Moulder	Wilson, Ind.
Gwinn	Murray, Tenn.	Withrow
Hale	Murray, Wis.	Wolcott
Hall, Leonard W.	Nelson	Woodruff
	Nicholson	Young

NAYS—164

Abernethy	Bryson	Christopher
Addonizio	Buchanan	Chudoff
Andrews	Buckley, Ill.	Combs
Aspinall	Burke	Cooley
Bailey	Burleson	Cooper
Barrett, Pa.	Burnside	Corbett
Battle	Burton	Cox
Beckworth	Camp	Crook
Bennett, Fla.	Cannon	Davis, Ga.
Blemiller	Carlyle	Davis, Tenn.
Bishop	Carnahan	Dawson
Boggs, La.	Carroll	Deane
Bolling	Cavalcante	Delaney
Bosone	Celler	Douglas
Boykin	Chelf	Doyle
Brown, Ga.	Chesney	Durham

Eberharter	King	Preston
Elliott	Kirwan	Price
Evins	Klein	Priest
Fallon	Lane	Quinn
Fernandez	Linehan	Rabaut
Forand	Lyle	Rains
Frazier	Lynch	Ramsay
Fugate	McCormack	Redden
Fulton	McGrath	Rhodes
Furcolo	McGuire	Rodino
Gathings	McKinnon	Rogers, Fla.
Gilmer	McMillan, S. C.	Rooney
Gordon	Madden	Roosevelt
Gore	Magee	Sabath
Gorski, Ill.	Mahon	Sadowski
Gorski, N. Y.	Marsalis	Sasscer
Granahan	Marshall	Sheppard
Granger	Miles	Sikes
Hagen	Miller, Calif.	Simpson, Pa.
Hardy	Mitchell	Sims
Harris	Morris	Smathers
Harrison	Murdock	Smith, Va
Hart	Norton	Spence
Havenner	O'Brien, Ill.	Staggers
Hays, Ark.	O'Brien, Mich.	Steed
Holifield	O'Hara, Ill.	Stigler
Horan	O'Hara, Minn.	Sullivan
Irving	O'Sullivan	Tackett
Jackson, Wash.	O'Toole	Thompson
Javits	Passman	Trimble
Jones, Ala.	Patman	Vinson
Jones, Mo.	Patten	Welch
Jones, N. C.	Patterson	Whitaker
Karst	Perkins	Wickersham
Karsten	Peterson	Wilson, Okla.
Kee	Pfeifer,	Wilson, Tex.
Kelley	Joseph L.	Winstead
Kerr	Philbin	Yates
Kilday	Poulson	Zablocki

NOT VOTING—109

Abbitt	Garmatz	Morrison
Albert	Gary	Multer
Allen, Ill.	Grant	Murphy
Anderson, Calif.	Green	Norblad
Andresen,	Gregory	O'Neill
August H.	Hall,	Pfeiffer,
Barden	Edwin Arthur	William L.
Baring	Halleck	Phillips, Calif.
Barrett, Wyo.	Harden	Phillips, Tenn.
Bates, Ky.	Harvey	Poage
Beall	Hays, Ohio	Powell
Bentsen	Hébert	Reed, Ill
Blackney	Hedrick	Regan
Bland	Heffernan	Ribicoff
Blatnik	Heller	Richards
Bonner	Hinshaw	Rivers
Brehm	Hoffman, Ill.	Sadlak
Brooks	Jackson, Calif.	Sanborn
Buckley, N. Y.	Jenkins	Secrest
Bulwinkle	Jennings	Smith, Ohio
Byrne, N. Y.	Kearney	Stanley
Case, S. Dak.	Keating	Tauriello
Chatham	Kennedy	Taylor
Clemente	Keogh	Teague
Coudert	Kilburn	Thomas, N. J.
Crosser	Larcade	Thomas, Tex.
Davenport	Lesinski	Thornberry
Davies, N. Y.	Lind	Underwood
DeGraffenried	Lucas	Walter
Dingell	McSweeney	White, Calif.
Dollinger	Mack, Ill.	White, Idaho
Donohue	Mack, Wash.	Wier
Ellsworth	Mansfield	Wolverton
Elston	Marcantonio	Wood
Fellows	Martin, Mass.	Woodhouse
Flood	Mason	Worley
Fogarty	Monroney	
Gamble	Morgan	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Regan for, with Mr. Blackney against.

Mr. Smith of Ohio for, with Mr. Beall against.

Mr. Wolverton for, with Mr. Kearney against.

Mr. Jackson of California for, with Mr. Anderson of California against.

Mr. Keating for, with Mr. Garmatz against.

Mr. Ellsworth for, with Mr. Murphy against.

Mr. Elston for, with Mr. Wood against.

Mr. William L. Pfeiffer for, with Mr. Thornberry against.

Mr. Jenkins for, with Mr. Morrison against.

Mr. Taylor for, with Mr. Fogarty against.

Mr. Mason for, with Mr. Heller against.

Mr. Allen of Illinois for, with Mr. Dollinger against.

Mr. Coudert for, with Mr. Davenport against.

Mr. Gamble for, with Mr. Clemente against.

Mr. Hoffman of Illinois for, with Mr. Byrne of New York against.

Mr. Fellows for, with Mr. Gary against.

Mr. Phillips of Tennessee for, with Mr. Green against.

Mr. Reed of Illinois for, with Mr. Mack of Illinois against.

Mr. Jennings for, with Mr. McSweeney against.

General pairs until further notice:

Mr. Bonner with Mr. Kilburn.

Mr. Blatnik with Mr. Norblad.

Mr. Hays of Ohio with Mr. Sadlak.

Mr. O'Neill with Mr. Edwin A. Hall.

Mr. Ribicoff with Mr. Brehm.

Mr. Hébert with Mr. August H. Andresen.

Mr. Stanley with Mr. Case of South Dakota.

Mr. Tauriello with Mr. Mack of Washington.

Mr. Monroney with Mr. Halleck.

Mr. Dingell with Mr. Hinshaw.

Mr. Donohue with Mr. Martin of Massachusetts.

Mr. Larcade with Mr. Harvey.

Mr. Morgan with Mr. Sanborn.

Mr. Worley with Mrs. Harden.

Mr. Rivers with Mr. Barrett of Wyoming.

Mr. Richards with Mr. Phillips of California.

Mr. PHILBIN changed his vote from "yea" to "nay."

Mr. TACKETT changed his vote from "yea" to "nay."

Mr. CHESNEY changed his vote from "yea" to "nay."

Mr. JAMES changed his vote from "nay" to "yea."

Mr. STEFAN changed his vote from "nay" to "yea."

Mr. BRYSON changed his vote from "yea" to "nay."

Mr. GATHINGS changed his vote from "yea" to "nay."

Mr. GILMER changed his vote from "yea" to "nay."

Mr. WHITAKER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

Mr. CANNON. Mr. Speaker, in view of the fact that the first three amendments in disagreement, Senate amendments Nos. 2, 3, and 5, relate to Senate matters, I ask unanimous consent that these amendments be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The Clerk will report the indicated amendments in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 1, line 9, insert:

"Office of the Sergeant at Arms and Doorkeeper: Effective on the first day of the first month following enactment of this act, the appropriation for salaries of officers and employees of the Senate contained in the Legislative Branch Appropriation Act for the fiscal year 1950 is made available for the compensation of one additional special employee at the basic rate of $1,000 per annum."

Senate amendment No. 3: Page 2, line 5, insert:

"For payment to Adelaide R. Hasse for compensation for the compilation of the index digest of the Temporary National Economic Committee, $3,600."

Senate amendment No. 5: Page 3, line 3, insert:

"Senate Restaurants: For repairs, improvements, furnishings, and equipment for the Senate Restaurant, Senate Office Building, including personal and other services, $13,500, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to Section 3709 of the Revised Statutes, as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 5, strike out lines 24 and 25 and insert the following: *"Provided,* That the Administrator may, with the approval of the Director of the Bureau of the Budget, transfer to this account from funds of the constituent agencies such sums as relate primarily to functions which are consolidated in the Office of the Administrator as authorized by said title."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 9, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *"Provided,* That the Administrator may, with the approval of the Director of the Bureau of the Budget, transfer to this account from funds of the constituent agencies such sums as relate primarily to functions which are consolidated in the Office of the Administrator as authorized by title III of the Housing Act of 1948, as amended."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: On page 7, after line 3, insert the following: "The second proviso in the paragraph under the heading 'Public Housing Administration' in title I of the Independent Offices Appropriation Act, 1950, is hereby repealed as of August 24, 1949."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 13, after line 14, insert the following:

"RURAL ELECTRIFICATION ADMINISTRATION

"To carry into effect the provisions of the Rural Electrification Act, as amended, and to provide for rural telephones and other purposes: *Provided,* That the following two paragraphs shall be effective only upon the enactment into law during the first session

of the Eighty-first Congress of H. R. 2960, as follows:

"Salaries and expenses: For an additional amount for administrative expenses, including personal services in the District of Columbia, $250,000, of which amount $35,000 shall be transferred to and made a part of the appropriation for the Office of the Solicitor.

"Loans: For loans in accordance with title II and for carrying out the provisions of section 7 of title I, $25,000,000, to be borrowed from the Secretary of the Treasury in accordance with the applicable provisions of section 3 of title I."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 15, after line 19, insert the following:

"INTERNATIONAL PEACE GARDEN, NORTH DAKOTA

"For the construction of roads, trails, buildings, utilities, and other improvements, including expenses incidental thereto, necessary for completion of the International Peace Garden, North Dakota, $25,000, to remain available until expended: *Provided*, That this paragraph shall be effective only upon the enactment into law during the first session of the Eighty-first Congress of H. R. 2369."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 20, after line 10 insert the following:

"PORT-AU-PRINCE BICENTENNIAL EXPOSITION

"For carrying out the provisions of the joint resolution of August 19, 1949 (Public Law 251, 81st Cong.), authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Republic of Haiti, $170,000, to remain available through June 30, 1951."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 26, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert "$125,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 27: Page 23, after line 5, insert the following:

"BUREAU OF INTERNAL REVENUE

"Refund of taxes illegally assessed and paid by Indian wards: For the payment by the Treasury Department of the principal amount of any claim or claims for refund of income taxes filed within the 2-year period permitted by and pursuant to the declared policy of Congress as contained in section 2 of the act of Congress of January 29, 1942 (56 Stat. 21), by or on behalf of any Indian allottee of the class mentioned therein as having been required or permitted to pay any Federal income tax on the rents, royalties, or other gains arising from such allotment during the minority of the allottee, $200,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the RECORD on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ST. LOUIS RIVER BRIDGE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5956) to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. BECKWORTH. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. WHITTINGTON. The purpose of this bill, Mr. Speaker, is to clarify and amend the act of August 7, 1939, which authorized the city of Duluth to acquire two existing bridges and to construct a new bridge across the St. Louis River, a navigable stream between the States of Minnesota and Wisconsin. The bill as amended conforms to the established policy of Congress with respect to the acquisition and construction costs of bridges upon which tolls are charged and the amortization of such costs within the period of 30 years as set forth in the General Bridge Act of 1946 as amended by Public Law 350, Eightieth Congress, approved May 25, 1948. I refer Members to the report of the committee which fully explains the bill which was unanimously reported by the committee.

Mr. BECKWORTH. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939 (53 Stat. 1258), is amended to read as follows:

"SEC. 3. Said city of Duluth is hereby authorized to fix and charge tolls for transit over any bridge or bridges acquired or constructed under the provisions of this act, and the rates of toll so fixed shall be such as will pay costs of operation and maintenance and amortize the cost, within the period provided herein, of such bridge or bridges as evidenced by an issue or issues of bonds to pay the cost of such bridge or bridges, which bonds may be so issued subject to and in accordance with the pertinent laws of the State of Minnesota. All such bonds shall be in a form not inconsistent with this act, and shall mature at such time or times as the city may determine, not exceeding 20 years from the date of their issue. The city, when it deems it to be in the best interests of the city, may issue refunding bonds to repurchase and redeem any outstanding bonds before the maturity thereof: *Provided*, That the refunding bonds shall mature at such time or times not exceeding 30 years from the date of issue of such repurchased or redeemed bonds, as the city may determine. The city of Duluth, in its discretion, may treat the acquisition and construction of any bridge or bridges acquired or constructed under the provisions of this act as a single project, and may provide that revenues realized from the operation of any such bridge or bridges may be used in payment of any bond or bonds issued as provided by this act. An accurate record of the cost of any bridge or bridges and their approaches acquired or constructed, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested."

SEC. 2. The first sentence of section 4 of such act is amended by striking out "as a free bridge" and inserting in lieu thereof a comma and the following: "with authority in the city of Duluth to charge such tolls as may be reasonable and necessary to defray all of the expenses incurred in connection with the operation, maintenance, and repair of such bridge or bridges".

SEC. 3. The first section of Public Law 527, Seventy-ninth Congress (60 Stat. 653), is amended by striking out "1 and 3 years, respectively, from October 16, 1946," and inserting in lieu thereof "until such construction is commenced and completed."

With the following committee amendments:

Page 2, line 2, before the word "amortize", insert the word "will."

Page 2, line 3, after the word "bridges", insert the following: "and approaches thereto."

Page 2, line 9, strike out "twenty" and insert "thirty."

Page 2, line 15, strike out "issue of such repurchased or redeemed bonds" and insert the following: "the original issue of the bonds proposed to be repurchased or redeemed."

Page 2, line 19, after the word "that", insert the word "the."

Page 3, beginning with line 2, strike out all of section 2 and insert in lieu thereof the following:

"SEC. 2. The first sentence of section 4 of such act is amended by striking out all after the word 'tolls' down to and including the words 'free bridge'."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include excerpts.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in the RECORD in two instances; in one to include articles on the atomic bomb, and the other relating to the Panama Canal.

PHILIP E. KEECH

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil

Service be discharged from further consideration of the bill (H. R. 6284) for the relief of Philip E. Keech, and that the bill be referred to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

INVESTIGATION OF CRIMES COMMITTED IN THE DISTRICT OF COLUMBIA

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 340 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on the District of Columbia, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of the number and character of crimes committed in the District of Columbia during recent years, and of the action taken by the responsible officers and employees of the Federal and District Governments in identifying and punishing the persons who committed such crimes.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this is a very simple little resolution authorizing the District of Columbia Committee to investigate the rather inordinate increase in crime in the District in the last few years.

I figure that the committee would have authority in any event to hold investigations of an informal character, but it lacks the authority to subpena witnesses and require the production of books and records.

The resolution was introduced by our colleague from Georgia [Mr. DAVIS], who is a member of the District of Columbia Committee, and his attention was brought to the situation in the District, which is truly alarming, by the recent report of the Washington Criminal Justice Association, which makes a report and investigation annually on crime conditions in the District.

I think it suffices to say that since these crime reports began to be made by the Washington Criminal Justice Association in 1945 crime in the District of Columbia has increased 300 percent. Last year there were over 13,000 felonies reported.

I am a member of the District Committee and I am anxious to see this investigation conducted, but I do not prejudge the situation. I do not mean to criticize anybody about it because I do not know where the fault lies, if anywhere. However, I do think it is well for the District of Columbia Committee to look into the situation from an unbiased standpoint and find out, if we can, whether further legislation is desirable, and make a report back to the Congress as this resolution indicates.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BATES of Massachusetts. This is the first time this matter has been called to my attention. I happen to be a minority member of the committee, but I understand the chairman has had very little information about the necessity for this investigation. I am wondering why the petitioner went through the procedure of asking the Rules Committee for a rule on this when it could have gone to the chairman of the District Committee, himself, and had the chairman appoint a subcommittee. What was the reason that was not done?

Mr. SMITH of Virginia. Because the District of Columbia Committee does not have jurisdiction of investigations. This necessarily went to the Rules Committee. What members of the District of Columbia Committee were informally advised on the matter or discussed it I do not know. Personally, when I was spoken to about it, it seemed to me it was a thing to which no one would object. I can certainly see no reason why the District of Columbia Committee should not have authority to subpena witnesses and find out why crime in the District of Columbia is three times as much as it was 3 years ago.

Mr. BATES of Massachusetts. Then the whole question revolves around whether the committee itself has the authority to summons witnesses. We certainly have the authority to invite witnesses to appear and we certainly have the authority to investigate. We certainly have authority to go into every phase of municipal activity within the District. If the purpose of this resolution is simply to summons witnesses, we do not have that authority, and if the gentleman feels we ought to have it I have no objection. However, I do not like the idea of circumventing the work of the committee, even though I happen to be a minority member.

Mr. SMITH of Virginia. The gentleman and I have worked very harmoniously on the District of Columbia Committee in the past. Certainly there was no intention on my part to bypass the committee. However, I did not regard it as a function of the committee. The function of the Rules Committee is to grant rules for investigations of this kind. I hope the gentleman does not think anybody was trying to bypass the committee.

Mr. BATES of Massachusetts. No; but I still feel the committees of the House have certain jobs to perform, and I think this is well within the province of the committee that has jurisdiction over the administration of the affairs of the District. It is, Mr. Speaker, a very competent committee, in my opinion. However, I have no objection to this resolution if the only question involved is one of summonsing witnesses. If that is the thing behind this whole investigation, then I have no objection to it.

Mr. SMITH of Virginia. Of course, the gentleman understands this investigation is to be conducted by the District of Columbia Committee, of which the gentleman is a very distinguished and useful member.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 340, as the gentleman from Virginia has explained, was reported by the Committee on Rules which has original jurisdiction over the question of granting special authorities such as contained in this resolution to the various legislative committees of the House. The minority members of the Committee on Rules were unanimous in their vote in favor of this resolution, which does not take away from the Committee on the District of Columbia any of its rights or jurisdiction. It only gives the committee, if it desires to use it, the additional power of subpenaing records and compelling the attendance of witnesses in the investigation of conditions in the District of Columbia. The Committee on Rules, when this resolution was presented, certainly did not feel there would be any objection from any of the members of the Committee on the District of Columbia, so far as the granting of this additional power to it is concerned. Rather, it was the feeling of the Committee on Rules that because this investigation dealt with the crime situation that the Committee on the District of Columbia should be given the power and authority not only to subpena records, but to compel the attendance of witnesses. Rather peculiarly there are times when those who are engaged in criminal activities do not care to volunteer their testimony or their records.

This resolution also goes a bit further. It gives the District Committee the opportunity to determine for itself, after it has made an investigation, whether it wants to recommend any legislation, which authority it already has. Certainly it was the feeling of the Committee on Rules that there should be no limitation placed upon the power or authority of the Committee on the District of Columbia to go into this very important situation.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. MILLER of Nebraska. Mr. Speaker, I feel this way about the resolution. There is no reason why the committee should not investigate crime in the District of Columbia. But I do think that such a resolution should have come before our Committee on the District of Columbia instead of the chairman of our committee, the gentleman from South Carolina [Mr. MCMILLAN] and the ranking minority member, the gentleman from Massachusetts [Mr. BATES] not having any information about the resolution coming up. It did not come before our full committee.

I want to say in defense of the law-enforcement agencies of the District of Columbia that I believe the House of Representatives can be proud of the fact that, in my opinion at least, we have one of the finest law-enforcement agencies under Major Barrett of any city in the United States. I presume that one reason that crime has shown a large increase in the District of Columbia is the fact that they have been diligent in apprehending the criminals. Washington, D. C., is a cauldron of a mixture of people from the four corners of the earth. Crackpots of all types migrate to Washington, D. C., for one reason or another. I am not referring to my colleagues, although at times we have been called crackpots, or at least I have been called that. But we do have in Washington, D. C., because it is the Capital City, a festering cauldron if you please, of population that is not always law-abiding. So our police officials have, through their activity and diligence, apprehended the criminals, so that the criminal records of the District of Columbia have gone up nearly 300 percent. I believe that is the right figure. I am somewhat concerned because when I was chairman of the Committee on the District of Columbia Subcommittee on Adult Education, I wondered why the courts were so lenient in handling some of these criminals who were second and third offenders. I think they were entirely too lenient. Perhaps this investigation of the criminal situation, not only from the enforcement angle of police officials, but as to the courts and why they granted paroles, and so forth, so much sooner in comparison to the other States might be something that should have a second look.

Mr. BROWN of Ohio. May I point out to the gentleman that the adoption of this resolution simply gives the Committee on the District of Columbia more authority and more power than the committee now possesses.

The District Committee will still control every action that is taken under this resolution. The Rules Committee will not control it. You gentlemen on the District Committee will have complete authority to do as you see fit with this new authority. All that the Rules Committee has suggested, as a result of this resolution, and all that the House will be doing if it adopts the resolution, is to give you a little more power, if you, in your wisdom, as the Committee on the District of Columbia, decide it is necessary to exercise such power and authority, not just in investigating the Police Department, but anyone else you desire.

Mr. MILLER of Nebraska. I am not going to object to the resolution. I think it is unfortunate that it did not come before the Committee on the District of Columbia first.

Mr. BROWN of Ohio. I am sorry.

Mr. MILLER of Nebraska. I do want to make the point that we ought not point a finger of suspicion at any particular group.

Mr. BROWN of Ohio. I think if you will read the resolution you will find there is no finger of suspicion pointed at anybody. I was under the impression that this resolution was something that your entire committee wanted. It does not take away from you any of your jurisdiction or discretion.

Mr. MILLER of Nebraska. The resolution never was before the whole committee.

Mr. BROWN of Ohio. Of course, the Rules Committee does have original jurisdiction on legislation of this kind, but we assumed the matter had been discussed in your committee.

Mr. MILLER of Nebraska. I think the fact that we have had the large apprehension of criminals has been due to the fine work of the Police Department.

Mr. BROWN of Ohio. Your committee can find whatever your judgment and discretion dictates, but all that this resolution proposes is that you have authority to do what you deem best.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. O'HARA of Minnesota. I wish to express my interest in the resolution, although I did not know until the other day that we were going to have such a resolution, which I knew had not been taken up with the committee. I certainly share the welfare of the people of the District of Columbia and the finest kind of police protection and law enforcement and action of the judiciary and all of the other things that go with it. I served with the excellent Hébert committee a few years ago. We did not have a resolution of this kind, and I think that committee did a very good job.

I do want to ask the distinguished gentleman from Georgia, author of the resolution, this question: If it is in any way a reflection upon the Police Department or their lack of enforcement? It has been my own observation that there has not been any lack of action by the Police Department which was in any way reprehensible. The fact is I have had a rather high regard for our police enforcement here.

Mr. BROWN of Ohio. I did not yield to the gentleman for a two- or three-way argument with other Members on my time. I can speak only for myself, but I believe I am also speaking for other members of the Rules Committee, when I say it was our opinion that we were leaving this matter entirely to the discretion of your committee. Your committee can ascertain whether the Police Department or Joe Dokes down in some State a thousand miles away may be responsible for any condition which you may or may not find here. I do not know what you are going to find, but it is not unusual to give to a standing committee of the House, especially when a resolution is presented to the Rules Committee in this way, the right and authority to compel the attendance of witnesses and to subpena records. That is not an unusual power or authority. The fact of the matter is it ought to be contained in the Reorganization Act, in my opinion, so that your committee has such a right all the time.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. BATES of Massachusetts. Has the gentleman been under the impression that the committee itself has asked for such authority as this?

Mr. BROWN of Ohio. I was under the impression that this resolution was entirely satisfactory to your committee. The fact of the matter is I cannot see why—except that perhaps some member's pride may have been pricked—any member of any committee should object to having this power and authority.

Mr. BATES of Massachusetts. We have no objection, but we would like to be consulted.

Mr. BROWN of Ohio. Certainly; I can understand that. I would like to be consulted on the Rules Committee, too, but I am not always consulted.

Mr. GRANGER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. GRANGER. Let me say for the benefit of the gentleman that this is not a question of whether the minority is being left out; I knew nothing about this resolution until it was called up, and as far as I am concerned I do not see any necessity of it.

Mr. BROWN of Ohio. I appreciate the gentleman's comment. I can only say that the Rules Committee considers legislation which comes before it and acts thereon on its merits. I am sorry if the gentleman objects to having this power and authority given to his committee. All we are doing is to try to be helpful so that the gentleman's committee may have these powers if it wants or needs to use them. I certainly hope that all those of us who own shotguns will not begin shooting people right away. The time may come when the gentleman will want to use this power.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HARRIS. Mr. Speaker, I frankly do not see that there should be any objection to this power. I think probably we had better get back to what I believe the bill proposes. Under the Reorganization Act, as I remember it, the provision authorizing House committees to subpena witnesses was stricken out.

Mr. BROWN of Ohio. It was.

Mr. HARRIS. But the Senate still has that power.

Mr. BROWN of Ohio. Yes.

Mr. HARRIS. This is merely to give that authority to this committee which now does not have it under the Reorganization Act. It also provides that if the House adjourns the committee can continue its investigation which it could not do under the Reorganization Act.

Mr. BROWN of Ohio. That is right, although Senate committees have such power.

Mr. HARRIS. Yes; that is true. But we are here thinking that Congress will adjourn this week or sometime next week. As I understand, it was the purpose of the gentleman from Georgia [Mr. DAVIS], the author of the resolution, to continue this investigation after the adjournment of Congress. Just because the power exists is no mandate that it must be used, but it is there if and when the committee needs to use it.

Mr. BROWN of Ohio. That is a fine way to put it.

Mr. McMILLAN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. McMILLAN of South Carolina. Mr. Speaker, the gentleman from Georgia dropped this resolution into the hopper and it was automatically referred to the Committee on Rules and they have full jurisdiction over it. Our committee has nothing to do with it until it is referred to our committee. We will have plenty of time to pass on it further when it is referred to our committee.

Mr. BROWN of Ohio. I congratulate the gentleman on making a very apropos statement of fact; and I want to say that the Committee on Rules, being a liberal committee, wants to give authority to the legislative committees of the House to conduct investigations of this kind, and to give such committees the same power that is now held by Senate committees.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. O'HARA of Minnesota. I wish to say to the gentleman, with all the respect in the world for the Committee on Rules, that I still think this was a matter that should have come from the Committee on the District of Columbia rather than from the Committee on Rules.

Mr. BROWN of Ohio. I must say to the gentleman, even loving him as I do, that the gentleman should and must defer to the Committee on Rules as to matters which under the rules of the House are plainly within the jurisdiction of that committee. The Committee on Rules has jurisdiction over the granting of all investigatory powers. I am sorry we cannot confer that power upon the gentleman from Minnesota, but we are trying to give him this subpena power in his committee so that he may make use of it should need arise. We have tried to be gracious, if you please, about the whole matter.

Mr. O'HARA of Minnesota. The committee is surprisingly gracious.

Mr. BROWN of Ohio. In view of all the facts and circumstances if, in your discretion, or judgment, and it becomes your desire to do so, you may use the powers provided in this resolution. Perhaps we of the Rules Committee have greater confidence in the gentleman's own committee than the gentleman has.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. SABATH. The Committee on Rules does not wish to hurt anybody. We were under the impression that this power was desired by the District Committee. Now, if it is not desired no harm has been done because the committee is not compelled to start any investigations.

Mr. O'HARA of Minnesota. Oh, yes; there is.

Mr. SABATH. They can ignore it completely, but the powers can be used if so desired and the committee can make the investigation.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, with reference to the question which has been raised by the gentleman from Massachusetts, the gentleman from Minnesota, and the gentleman from Utah, may I say that this resolution was introduced on the 25th of August and the reason it went to the Rules Committee was because the Speaker of the House under the rules of the House referred it to the Rules Committee.

I discussed this with the chairman of the committee, as he has stated here during the discussion, and it not only met with his approval, it met with his enthusiastic approval. I discussed it with the gentleman from Virginia [Mr. SMITH], I discussed it with the gentleman from Mississippi, I discussed it with quite a number of the members of the District of Columbia Committee of the House.

The reason that the resolution did not go to the District of Columbia Committee was something that I, as author of the resolution, could not control, and I do not see how either of the gentlemen who have raised the point could have controlled that either. It went to the Rules Committee because the Speaker of the House referred it there and he referred it to that committee because the rules of the House required it.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to say that the gentleman did discuss this with me before introducing the resolution. He advised me of the information he had and he thought that the committee might do a great service in the District of Columbia after the Congress adjourned. I was inclined to agree with the gentleman and, as I understand it, this resolution does provide authority for subpena and investigative authority after the adjournment of Congress, the investigation to be conducted by members of the District of Columbia Committee. Is that true?

Mr. DAVIS of Georgia. Yes, indeed.

Mr. HARRIS. Personally, I am not offended. I thought it was a very good thing.

Mr. DAVIS of Georgia. Mr. Speaker, the resolution now under consideration authorizes and directs the House Committee on the District of Columbia, acting either as a whole, or by subcommittee, to conduct a full and complete investigation and study of the number and character of crimes committed in the District of Columbia during recent years, and of the action taken by the responsible officers and employees of the Federal and District Governments in identifying and punishing the persons who committed such crimes.

Under the terms of the resolution, the committee is directed to report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

In considering the question whether such an investigation is needed, it is proper to consider whether the amount of crime in the District of Columbia is increasing, remaining at about the same level, or decreasing, and also to compare the amount of crime committed in Washington with the amount of crime committed in other cities comparable in size and area to Washington.

A study of these questions shows that there has been a noticeable increase in crime year by year from 1945 up to the present time. Dealing with major crimes only, records show that 4,433 felonies were reported in the District of Columbia in 1945. This compares with 6,159 felonies reported in 1946, with 8,002 felonies reported in 1947, and with 13,029 felonies reported in 1948. Some of the enormous increase in felonies reported during 1948 over those reported in 1947 is chargeable to a change in method of reporting. However, these statistics show that notwithstanding this change in method of reporting during the year 1948, there has been a large annual increase in number of felonies committed and reported in the District of Columbia from 1945 through 1948. Statistics, of course, have not been completed for the year 1949.

The felonies tabulated in these statistics are murder and manslaughter, robbery, burglary, rape, incest, receiving stolen property, grand larceny, forgery, and counterfeiting, embezzlement and fraud, aggravated assault, and arson.

These figures are taken from reports compiled by the Washington Criminal Justice Association.

I have for a number of years studied the annual and semiannual crime reports issued by the Federal Bureau of Investigation.

I have compared the number of some felonies committed in Washington with the number of the same felonies committed in other cities of the United States for the purpose of getting a general idea as to how the amount of crime in the District of Columbia compares with the amount of crime in other cities and sections of the country. Baltimore is estimated to have 100,000 more population than Washington. In the year 1948 the FBI reports show that there were 1,023 robberies committed in Washington as compared with 433 committed in Baltimore; 4,049 aggravated assaults in Washington as compared with 1,235 in Baltimore; 4,543 burglaries committed in Washington as compared with 1,999 in Baltimore, although in 1948 Baltimore reported 110 murders as compared with 73 in Washington. However, for the first 6 months in 1949 Washington reported 37 murders as compared with 38 in Baltimore. St. Louis is estimated to have 44,000 more population than Washington, and in the year 1948 Washington's 1,023 cases of robbery compare with 643 in St. Louis; Washington's 4,049 cases of aggravated assault compare with 2,214 in St. Louis; and Washington's 4,543 cases of burglary compare with 4,682 in St. Louis. Washington's 73 murders in 1948 compare with 67 in St. Louis.

Boston is estimated to have 61,000 less population than Washington. In the

year 1948 Washington's 73 murders compare with 19 for Boston. Washington's 1,023 cases of robbery compare with 314 for Boston. Washington's 4,049 cases of aggravated assault compare with 199 for Boston. Washington's 4,543 cases of burglary compare with 1,333 for Boston. For the first 6 months of 1949 Washington's 37 murder cases compare with 6 for Boston. For the same 6 months' period Washington's 1,996 cases of aggravated assault compare with 96 for Boston. Washington's 2,368 cases of burglary compare with 742 for Boston. A comparison of Washington's crime figures with those of Pittsburgh shows Washington up very unfavorably.

The crime statistics of the above cities were taken from the reports of the Federal Bureau of Investigation for the year 1948 and for the first 6 months of 1949.

I realize, of course, that statistics and amount of crimes committed do not, standing by themselves alone, by comparison with other cities and areas enable one to draw a correct conclusion regarding the crime picture. However, they are most relevant in determining what the crime situation is, although other factors must also be taken into consideration.

In my opinion, there is no question that the crime situation in Washington can be greatly improved, and much greater protection afforded to the law-abiding people from the lawbreakers.

Many of the crimes committed in Washington are of the most violent and brutal nature. These violent crimes are committed on men, women, and children. They are increasing, and have been constantly and steadily increasing during the past 5 years.

It is a problem which deserves attention. It should have careful study from every angle. Decisions regarding ways and means of correcting the crime situation should not be based on snap judgment, but upon a thorough knowledge of all the factors involved.

I believe that an investigation and study such as is contemplated by the resolution now under consideration will be of great benefit in the efforts to cope with crime and criminal activities in the District of Columbia.

In presenting this resolution we did not request funds with which to operate, believing that it would be more practical to set up the subcommittee, determine upon the scope of the investigation to be made, reach an estimate as to the probable cost of such investigation, and then apply for funds to finance it, based upon actual estimated needs.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. VORYS asked and was given permission to extend his remarks in the RECORD and include an editorial by Walter Lippmann.

INCREASED RATES OF COMPENSATION TO HEADS OF EXECUTIVE DEPARTMENTS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 1689) to increase the rates of compensation to the heads and assistant heads of the executive departments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SCHEDULE OF RATES

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tomorrow night to file a conference report on the bill (H. R. 5931) to establish a standard schedule of rates for certain employees of the Federal Government.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA of Minnesota asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. HELLER (at the request of Mr. BENNETT of Florida) was given permission to extend his remarks in the RECORD.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include an editorial.

KENTUCK DRAINAGE DISTRICT TO OPERATE A DAM AND DIKE

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5133) authorizing the Kentuck drainage district to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Kentuck slough.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the chairman to make a brief explanation of the bill?

Mr. WHITTINGTON. Mr. Speaker, this bill authorizes the State of Oregon, through its highway department and the drainage district mentioned, to construct a small dam to prevent overflow as specified in the bill. It provides that the work shall be done under the supervision of the Chief of Engineers, and that the work shall be approved by him. It was unanimously reported by the Committee on Public Works, and is explained fully in the report of the committee which is available to members. The bill further provides that the authority shall terminate if actual construction is not commenced within 1 year and completed within 3 years.

Mr. DONDERO. It means no expense to the Government of the United States?

Mr. WHITTINGTON. The gentleman is correct.

Mr. DONDERO. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That authority is hereby granted to the State of Oregon, acting through its highway department, to the Kentuck Inlet drainage district, organized under the laws of the State of Oregon, to construct, maintain, and to operate at a point suitable to the interests of navigation, a dam and dike to prevent the flow of tidal waters into Kentuck slough (Inlet) in Coos County in township 25 south, range 13 west, Willamette meridian.

SEC. 2. Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of Engineers and the Secretary of the Army, who may impose such conditions and stipulations as they deem necessary for the protection of the United States.

SEC. 3. The authority granted by this act shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the date of the passage of this act. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND SECOND SUPPLEMENTAL NATIONAL DEFENSE ACT, 1943

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5934) to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. DONDERO. Mr. Speaker, reserving the right to object, and I shall not object, of course, except to ask the chairman of the committee to make a brief explanation of the bill.

Mr. WHITTINGTON. The Second Supplemental National Defense Appropriation Act of 1942 provided that all electric fans, water-cooling units, air-conditioning equipment procured by any Federal agency and installed in any Government-controlled buildings should be under the supervision of the Public Buildings Administration without exchange of funds. It has been found that for certain laboratories the agencies themselves know better how to install the cooling units to protect the laboratories belonging to the agency. This bill provides for the agency to do the construction and then to turn it over to the Public Buildings Administration for its control. It does not require any additional appropriation. The report contains a full explanation of the bill. I refer Members to the report.

Mr. DONDERO. Was this bill unanimously reported by the committee?

Mr. WHITTINGTON. It was unanimously reported by the Committee on Public Works and it has been cleared with the majority and minority lead-

ers and the ranking member of the Committee on Public Works.

Mr. DONDERO. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That that portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942, appropriating moneys to the Public Buildings Administration, Federal Works Agency, for salaries and expenses, public buildings and grounds in the District of Columbia and adjacent area, and for other purposes, be amended by changing the colon to a comma after the word "buildings" (as set forth in line 22 of paragraph 5, page 999, of volume 56, part 1, U. S. Stat. L.), and adding the following: "such restrictions shall not apply, however, to ventilating and temperature and humidity control equipment for special laboratory, scientific, and research purposes, the cost of the purchase and installation of which may be borne from the appropriations of the particular Federal agency utilizing such equipment, but such installations shall be subject to approval by the General Services Administration and subsequent to its installation the equipment shall be maintained and operated by the General Services Administration and shall remain under the custody and control of such Administration without exchange of funds:".

The bill was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

PROGRAM FOR REMAINDER OF WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of asking the majority leader if he can give us some additional information as to the program for Thursday and Friday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCORMACK. I will be very glad to answer the inquiry, and I am glad the gentleman has made it today, in view of the fact that the House is not meeting tomorrow.

Of course, conference reports will always be in order.

As to the legislative business from Thursday on, the measures I am naming I am stating for the information of the House, although I do not mean to be understood as confining myself to those, for there may be others.

By unanimous consent granted yesterday, District of Columbia business is to be in order on Thursday. Following that there will be taken up these bills:

H. R. 2392, the rural rehabilitation trust funds bill.

House Resolution 331, to give the Committee on Banking and Currency authority to investigate housing abroad.

House Joint Resolution 134, to amend the National Housing Act and extend titles I and VI.

H. R. 6305, relating to the international wheat agreement.

That is the specific program I can announce at present.

Mr. ARENDS. I thank the gentleman very much.

CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. SABATH. Mr. Speaker, I call up House Resolution 388 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this rule makes in order the consideration of the bill, H. R. 6303, and not the original bill, H. R. 4766. It provides for the authorization of construction of military and naval installations and housing facilities in Alaska and Okinawa. The original military public works bill contained authorizations in excess of $600,000,000. I was indeed surprised that the chairman of the Committee on Armed Services instead of insisting upon the original bill, which called for the amount of $630,000,000, suggested that in lieu of it we report a rule on the bill, H. R. 6303, from which most of the provisions of the original have been eliminated, which provides for only $154,000,000. This action was taken notwithstanding that the President was extremely desirous and anxious that favorable action be taken on the original bill, H. R. 4766, and he communicated with me on several occasions that a rule be granted.

I fully appreciate that his aim and desire is the proper defense of our country, and I know he has in mind, and is extremely interested in bringing about the strengthening of our defenses. Of course, this, I presume, is due to the reports of the officers—military, naval, and Air Force advisers—and in this action I wonder if they do not take advantage of the fact that he is so greatly concerned in safeguarding and protecting our Nation and at the same time provide proper housing facilities for our servicemen in our far-flung outposts. Of course, the able chairman of the great Committee on Armed Services feels at this time it will be sufficient to provide for defenses and installations for Alaska and Okinawa. However, as I stated, he previously introduced a broad bill for authorizations, but now requests action on the bill before us, which reduces the authorizations from six hundred and thirteen millions to one hundred and fifty-four millions. This, of course, is something unusual for a committee to come and ask for a reduction in its original authorization request. I, as one who believes in economy and who feels that the military gentlemen are too reckless with their expenditures as I have so often stated, would find no objection, and were it not that the President recommended the more comprehensive bill, I would approve of such action. However, as it is, this is the bill before us and I know it will have unanimous support. We have several other bills coming up for consideration and shall not further take up the time of the House and conclude my remarks.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Illinois [Mr. SABATH] explained, House Resolution 388 makes in order the consideration of the bill H. R. 6303 under an open rule subject, of course, to amendment under the 5-minute rule.

I do not know anything about the other bill to which the gentleman from Illinois has referred, except to say that there were two measures introduced and this measure, H. R. 6303, was the boiled-down version, as I understand it, of the original bill, and does contain an authorization for the construction of military facilities in Okinawa and Alaska which are considered of the utmost and prime importance to our national defense.

I must say frankly to the House that the President did not consult me on this matter. He never told me that he wanted some other measure instead of H. R. 6303. I do not recall reading any message from the President, or of reading any statement made to the press, as to his desires in connection with this legislation. I am not certain that he has contacted the chairman of the Committee on Armed Services as to this matter, so perhaps the gentleman from Illinois has information as to the position of the President which was not available to me.

However, I do know that the chairman of the Committee on Armed Services, in whom I have great confidence, has told me, as he has told other Members of the Rules Committee, that the bill H. R. 6303 is of prime importance, and that its prompt passage is necessary at this time in order that appropriations can be made as quickly as possible so that the work on these particular installations, which are so vital to our national defense, may proceed promptly.

In other words, as I understand the chairman of the Committee on Armed Services, he wants to put first things first, which seems to me to be rather sensible. I believe, however, I should be very frank with the Members of the House and explain that it does not make too much difference as to whether the other bill, to which the gentleman from Illinois referred, is passed at this time, or this measure, since neither bill will become effective until the Committee on Appropriations brings in an appropriation, therefore I suspect that perhaps it is the hope of the Armed Services Committee and the heads of our armed forces who are responsible for our national defense, that, because this bill is a smaller measure and because it deals with certain specific outposts of this country, that the needed funds may be

contained in the deficiency appropriation bill to be enacted before this session of Congress adjourns.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. VINSON. I will state to the gentleman that he has covered the case exactly. That is one of the purposes for doing this. We are in hopes the deficiency bill can carry the money for this bill, but the other bill will be considered at a more leasurely time.

Mr. BROWN of Ohio. If I understand correctly, this measure contains the noncontroversial items that were in the other or original bill—items, the need for which is apparent to every American citizen, and there will be no objections with reference to those matters.

Mr. VINSON. Not at all. The world situation is such since we reported the omnibus bill that it is imperative that we take care of the situation in Alaska and Okinawa right now.

Mr. BROWN of Ohio. I thank the gentleman very much. If the Members will study this matter and see where these facilities are to be installed, I feel they will appreciate the statement of the gentleman from Georgia and agree that it is necessary to act quickly. I do think we should do what we can right now to meet our national defense needs.

Mr. Speaker, I have no further requests for time.

Mr. SABATH. Mr. Speaker, I have no further requests.

I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6303, with Mr. SMATHERS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Georgia [Mr. VINSON] is recognized for 30 minutes.

Mr. VINSON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the military public-works bill, H. R. 4766, was passed by the House Committee on Armed Services and reported to the House on July 25, 1949. That bill contained an authorization for more than $600,000,000 for the construction of military installations and facilities both within and without the continental limits of the United States. For reasons of national economy that bill has not been presented to the Congress for its consideration.

In view of recent developments in the field of atomic energy, it is a matter of common knowledge that our defensive capabilities in both Alaska and Okinawa have taken on much greater significance than in the past. This fact has been particularly emphasized by the Joint Chiefs of Staff who have recently returned from an inspection of our military installations in Alaska and who have urgently requested that the Congress take affirmative action to improve our situation there. Regardless of future events in the Pacific, I feel that it is a matter of common knowledge that Okinawa is of great strategic importance to the United States.

It is highly desirable to have the entire military public-works bill approved by the Congress in the present session. However, since that does not appear to be possible, it is a matter of considerable urgency that the Congress approve at least those portions of the bill that pertain to Alaska and Okinawa.

In view of that situation the chairman of the House Armed Services Committee, had all of the provisions of H. R. 4766 pertaining to Alaska and Okinawa extracted and included in a separate bill, H. R. 6300, which is now submitted for your consideration.

Now in order that there be no misunderstanding, I want to point out that this bill is not just a public housing bill. The bill in its present form contains an authorization of approximately $154,600,000. Approximately half of this sum is for the construction of purely military facilities to be used in the accomplishment of the military mission. The remaining portion of the authorization is for the construction of housing, utilities, and other supporting facilities for those purely military installations.

H. R. 6303 contains all of the projects which effect Alaska and Okinawa and which were included in H. R. 4766. They appear in H. R. 6303 in exactly the same monetary amounts as they appeared in the military public works bill, H. R. 4766.

The break-down between the services is as follows:

Title I, Army	$80,363,700
Title II, Navy	25,414,000
Title III, Air Force	48,834,770

This results in a total authorization of $154,612,470 in the bill in its present form.

I want to advise the Members that since the committee reported H. R. 6303 in its present form that we have received an urgent request from the Department of Defense to amend the bill in two particulars so as to provide an additional authorization of $50,774,208 for the repair, replacement, and relocation of military and supporting facilities on Okinawa, which action becomes urgently necessary as a result of typhoon damage and destruction on Okinawa. I want to say to the Members at this time that before you form any preconceived ideas in opposition to this additional authorization, which would increase the total authorization of the bill to $204,386,678, that you withhold such opinions until a full explanation has been made of the additional items. I assure you that I shall make such an explanation in support of the amendments as soon as they are offered.

Again I want to emphasize the fact that this legislation pertains only to Alaska and Okinawa. I am sure you are aware of the strategic importance of each of these places and I hope that you are equally aware of the deplorable conditions which exist there at this time. This legislation, even with the increases proposed through the committee amendments will involve only about one-third of the full military public works bill and I urge you to give it your speedy approval.

Members will recall that the American forces occupied the island of Okinawa before the cessation of hostilities and that its occupation resulted in a great strategic advantage for our forces, particularly our Air Force. During that time all of the facilities on the island were all strictly of a temporary nature.

At the close of hostilities it was apparent that occupation of Okinawa would continue for an indefinite time in the future and an attempt was made to make the place as livable as possible for our military personnel without resorting to permanent-type construction. In the main, the construction has consisted of Quonset huts for both the personnel and the care and maintenance of equipment and purely military facilities.

It is a matter of common knowledge that Okinawa lies within the typhoon zone in the Pacific. In October of 1945 the first typhoon hit our forces on Okinawa. A number of lives were lost, there was a high rate of casualties and great destruction resulted to all of our facilities. Since that time three additional typhoons have struck Okinawa, the last one on July 23 of this year. I direct the Members' attention to the fact that the proposed amendments would add approximatey $50,000,000 in authorization to the present bill. I would also inform the Members that the Army and Air Force alone have spent approximately $25,000,000 since our occupation of Okinawa in making repairs and replacements of temporary-type construction as a result of the four typhoons which have struck Okinawa. I take the position that if we are to continue to occupy Okinawa, and in view of the strategic importance, I have no doubt that that is the intention of our military planners, that the least we can do is to provide some degree of comfort and safety to our military personnel who must be stationed there and to the military facilities which are necessary in accomplishing their mission. It is not difficult to visualize the danger and destruction which results from the present temporary construction and if any of you have any doubts on this matter I shall be glad to present for your visual inspection a rather complete photographic account of the damage which resulted from the last typhoon in July. While our casualties from flying debris have been rather high, our death rate has been held to a rather low rate simply because we have four permanent-type buildings on the island in which our personnel gather when a typhoon threatens.

In the last 3 years the Air Force has spent $10,000,000 for repair work only but this did not include the damage of the last typhoon. Since that time the Air Force has spent $2,700,000 for procurement and repairs. It would require an additional $10,800,000 just to complete

these repairs. It would cost approximately the same to perform the same repairs for Army facilities. The construction proposed under the amendments would permit erection of facilities made of concrete blocks with concrete floors and roofs which would withstand winds of 120 miles per hour. The safety and comfort of our personnel demands that we approve these amendments and certainly on the basis of economy alone we cannot continue to throw our money away for the continual repair of temporary-type facilities which are either destroyed by a typhoon or progressively deteriorate with each succeeding typhoon.

This is not an expansion program; it is a repair, replacement, and relocation program. It will not exceed present temporary facilities and accommodations and I strongly urge the Members to take favorable action.

If there are any questions I shall be glad to try to answer them.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. VINSON. With pleasure.

Mr. BENNETT of Florida. Do I understand that it is very probable that in the early part of next year any remainder of H. R. 4766 will come before us for consideration?

Mr. VINSON. It is already on the calendar; and, of course, we will go back before the Committee on Rules at the next session and ask that the balance of this program be completed, yes; because it is just as important as early as possible to finish the whole program, but on account of the world situation we cannot afford to delay the work in Alaska.

Mr. D'EWART. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the distinguished gentleman from Montana.

Mr. D'EWART. There are two questions I wish to ask the gentleman. This bill has to do with rehabilitation, housing, and so forth in Alaska.

Mr. VINSON. Yes.

Mr. D'EWART. The continental terminus of the air flight from Alaska, is the Great Falls (Mont.) Air Force base. The bill H. R. 4766 carries $7,500,000 for improvements at the continental end of the flight from Alaska. Is it the intention of the committee to proceed with that improvement in the original bill?

Mr. VINSON. At the continental base?

Mr. D'EWART. At Great Falls. Great Falls is the continental terminus for flights to Alaska. That bill contains $7,500,000 for that base.

Mr. VINSON. I cannot recall what other items in continental United States are left in the bill, but if it is necessary to have some activity there due to the fact of its being a continental base, no doubt it will be provided for.

Mr. D'EWART. That item was contained in the bill H. R. 4766.

Mr. VINSON. Then it will be in the bill next year.

Mr. D'EWART. My next question deals with line 2 on page 2 of the bill, Fort Richardson power plant. On July 13 the Congress passed H. R. 940 which was a bill authorizing the construction of a power plant known as the Eklutna power plant at Fort Richardson, $14,000,000. That bill is now before the Senate. I wish to ask, since this House has already acted on that measure, and it is proposed to construct that power plant through the Interior Department, and we have given approval to the construction of that power plant, why is it included again in this bill?

Mr. VINSON. I am satisfied the Congress will not appropriate for it twice. It may be necessary to put it in this public works program.

Mr. D'EWART. The House indicated that it wanted that constructed by the Department of the Interior under H. R. 940.

Mr. VINSON. There is no harm in carrying it in this bill; however, the Appropriations Committee will appropriate for it only once.

Mr. SHORT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, no individual has to serve in any legislative body, and most of all in either branch of the Congress of the United States, to quickly and painfully learn that almost invariably, regardless of the party in power, more bad and vicious legislation is passed in the few closing days of any session of Congress than the remainder of the whole session. We have witnessed that repeatedly. That is the reason some controversy was engendered here a few minutes ago when we had a resolution calling for an investigation of crime in the District of Columbia. I think it was the reason just a few minutes before that the House, after having taken a definite and positive stand on three different occasions, reversed itself, due, perhaps, to political pressure coming from high places. I repeat, it does not matter which political party is in power, it almost inevitably happens at the close of any session of Congress when Members are tired, worn, and weary, particularly under present circumstances where we are forced to labor in cramped quarters and under very trying conditions. So much for a general statement. We all know it is true.

Mr. Chairman, on July 25 of this year the Committee on the Armed Services of the House unanimously reported a public works bill, H. R. 4766, which provided $625,000,000 for the construction of public works. When we say public works we mean such things as ordnance shops, water tanks, petroleum terminal storage and docks, hospitals, water supplies, warehouses, heat and power plants, water-treatment plants, enlisted men's service clubs, public utilities of all sorts, quarters and barracks, roads, and so forth.

It was the opinion of the members of our committee when we reported this bill, and I think it is the unanimous opinion of the committee now, that the $625,000,000 provided for construction of all these installations and improvements, not only in continental United States but outside continental United States, particularly in Alaska and in Newfoundland, was the irreducible minimum in order to maintain the morale of our armed forces in all the different theaters.

Because there are only a few days left in this session of the Congress, our able and resourceful chairman in his wisdom, I think in good judgment, felt it necessary to pull out of that general bill that covered not only continental United States but outside only those items that were most necessary at this particular hour. So he introduced this new bill, H. R. 6303, which deals only with the building of additional equipment and improvements of installations already in existence in Alaska and Okinawa.

The total for the Army is $80,000,000, and I am giving round figures; for the Navy $25,000,000, and for the Air Force $48,000,000, which makes a total of $154,000,000. But I understand the chairman will offer two amendments as committee amendments aggregating $50,000,000, which will bring the total up to just a little in excess of $200,000,000, but far below the $625,000,000 contained in the bill as reported unanimously by the House Armed Services Committee in July.

Those of us who have been fortunate enough to have visited both Okinawa and Alaska realize that it is only a stone's throw across the Bering Strait, not far from Nome to the Asiatic continent in Siberia. Since we have been recently apprised—and certainly it should not be to the surprise of any well-informed American, because we have known ever since the capitulation of Germany—that one of our erstwhile allies carried off not only the machine tools and the finest equipment but also the scientists and technicians who have given them possession of the atomic bomb, it is more necessary and imperative than ever before that we build up our Alaskan defenses for the security of continental United States. That is the chief reason, gentlemen, we should pass this bill.

Let me say that I am sorry, personally, that we could not pass the original bill calling for an appropriation of $625,000,000, notwithstanding the deplorable debt that is upon our backs, and in spite of the deficit that we face at the end of this fiscal year. I regret that we could not pass this original bill, because if there is one thing that would improve the morale of our armed services everywhere in all branches of the Departments of the National Military Establishment, I think it is the passage of this military public-works bill. But since we cannot get the whole loaf we will take a half loaf, or even a third of a loaf.

Certainly, no one should oppose this bill now under consideration which calls for the improvement and strengthening of our defenses in Alaska, and though some of the material in this folder might possibly be called restricted, I do not think it would be denied any Member of this House. After we pass this measure, which I am sure will go over unanimously, Members may see the immense damage done to Okinawa by "Typhoon Gloria"—they have so many out there they are naming them now—which occurred on the 24th of July this year, with water tanks blown over, with Quonset huts blown to the ground, the roofs of the houses ripped off, and all kinds of damage done to power lines and water mains. Any Member of the House, I believe, would be welcome to take a brief glimpse at these pictures of almost unbelievable destruction that happens

when a typhoon hits. It is worse than the blitzkrieg, because I happened to have landed on Iwo Jima, not so far from Okinawa, shortly after one of these typhoons had struck and saw with my own eyes the almost indescribable and irreparable damage that was done. So I urge the Members of the Committee to support the bill introduced by our distinguished chairman [Mr. VINSON] from Georgia.

Mr. Chairman, I now take pleasure in yielding to the Delegate from Alaska [Mr. BARTLETT] whose Territory is more vitally affected than any other particular spot, and upon whose defense the safety of the United States largely depends, such time as he may need. I am happy to yield him at least 10 minutes.

Mr. BARTLETT. Mr. Chairman, Alaska and the Aleutians must be retained as the forward bastion of our defense. Bases for long-range heavy-bomber units must be developed, inasmuch as Alaska is primarily a theater for long-range, heavy-bomber operations. These bases must be adequately staffed, even though there is a current over-all shortage of personnel that seriously affects all planning for the peacetime Air Force.

No effort to conquer the problems presented by Alaska can be too great. The late Gen. Billy Mitchell said, "Whoever holds Alaska will hold the world." To fail to develop this potential would leave a critical gap in our national defense. Alaska retains a defense value that is both psychological and real. Alaska has been United States territory for 80 years. Americans anywhere would be as quick to resent an aggressive attack on Alaska as they were on Pearl Harbor, or as they would be on any part of the continental United States. Such an attack on Alaska would be certain cause for war.

The average concept of Alaska and the Arctic is continuous cold, icebergs, glaciers, Eskimos, and generally uncomfortable living conditions. The people of the United States should be informed of the fact that this is not an accurate picture. While it is true that winter months are in some areas severe and really Arctic, it is also true that occasionally temperatures and conditions exist which are experienced as far south as the middle United States.

Students of geopolitics have long been familiar with the teachings of Sir Halford Mackinder, who reasoned that whichever nation dominates a certain land mass (which he called the heartland) lying partly in Europe and partly in Asia, would be able eventually to control the whole world. More recent geopolitical theory speaks of two heartlands—the one designated by Mackinder, and another in North America. The shortest distance between the two "heartlands" of the world is across the Arctic regions. Our Arctic frontier has become, therefore, our primary defense consideration. Alaska, the northernmost portion of our Nation, thus assumes a place of primary importance in the strategy of national security.

Mr. Chairman, the words you have just heard are not original with me. They were written by Lt. Gen. N. F. Twining, our theater commander who is serving in Alaska with such distinction, and who has chief responsibility in defending Alaska.

Mr. Chairman, I think the distinguished chairman of the Committee on Armed Services, the ranking minority member of the committee and, in fact, the entire committee should be thanked by the Nation for taking the Alaska and Okinawa items out of the main military public works bill and proceeding to enact this bill into law at this session. We cannot afford to let another postwar year pass without adding to the defensive structure in Alaska. We already have lost one postwar year by reason of the fact that the appropriations came too late in the summer of 1 year to be begun. The Corps of Engineers have told me that if this bill is not enacted this summer nothing can be done in Alaska by way of building in 1950 because the entire winter ahead must be taken up in preparing designs and shipping material. If appropriations are not made until later in the winter, the relatively short building season will be lost. So it is my sincere hope that the bill will become law and the appropriations will be made at this session.

Mr. Chairman, the President of the United States told me personally he believes the items in this bill are imperative in the interest of our national defense. The Secretary of Defense has told me the same thing. Several members of the Joint Chiefs of Staff who recently were in Alaska likewise have pointed out the vital need of enacting this bill with the least possible delay.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. SHORT. I might add that the original bill in which these items were included was approved by the Secretary of National Defense, the Secretary of the Army, the Navy, and the Air Force, as well as the Director of the Budget. I wish the Delegate from Alaska, who is so well informed on Alaskan affairs, would tell the Members that while some of the items here seem to be rather large expenditures, the reason for that is the high cost of construction in countries like Alaska.

Mr. BARTLETT. Everything is expensive in Alaska today. Transportation is high and other costs likewise are high in that frontier land. It is not a happy situation, and it prevails throughout the entire economy of Alaska at this time during the postwar period and always has, to a certain extent. Of course, the costs are high there, but the work must be done, and I honestly believe that this defense work should be done without any delay, regardless of the cost.

In many ways in Alaska today we are in a much worse situation than we were prior to the outbreak of World War II. At that time we had only a a garrison of 300 officers and men in southeast Alaska. After the Japanese attacked us, they could have had Alaska with a very slight expenditure of men and material. But having had it, the chief value of the Territory to them against the United States would have been by way of nuisance raids. But today the situation is entirely different. We have done either too much or too little. We have magnificent airports up there, but as we all know, too, the great trouble is that they are not properly protected.

If this bill is enacted, and the appropriation is made, we can get the housing there that we so urgently need so that the combat troops can be taken to the Territory. Then, and only then, will the area be properly defended.

Mr. SHORT. Unless we do make these improvements quickly, many of the men serving in Alaska and Okinawa will never reenlist. I could say more, but I do not care to say it in public.

Mr. BARRETT. That housing is needed now.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. JOHNSON. I would like to bring out the fact that Alaska is one place which, if we lose, we cannot get back except at a terrible cost. Most other places we can fight our way back, but in Alaska, due to the elements and the peculiar geography, that is almost imposible. So the only way we can be sure that we are going to have Alaska in the event of trouble is to put in the facilities which will enable us to hold it and never lose it.

Mr. BARTLETT. That is right. This is not a bill for the defense of Alaska, this is a bill for the defense of the Nation.

Mr. JOHNSON. I am glad the gentleman mentioned that this is a bill for the protection of the United States of America, especially the Pacific Northwest and the Pacific coast and is just as important to us in California, almost, as it is to Alaska that Alaska be held.

Mr. BARTLETT. I think I can give the gentleman some figures which demonstrate how close Alaska is in this air age to important centers of the United States.

While it is 4,000 miles from Fairbanks, Alaska, to Moscow, it is only 2,790 miles from Fairbanks to Chicago; 3,270 miles to Washington and 3,255 miles to New York. The distance from Fairbanks to Seattle is only 1,525 miles.

Another important bill needed to bring the Alaska defense structure up to par is H. R. 4315, which would do for the Alaska communication system, an arm of the Signal Corps; what the bill under consideration would do for the Navy, the Army, and the Air Force. I hope it will be acted on without delay.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I will take but a very few minutes of the time of the committee this afternoon.

The Committee on Armed Services that has given a great deal of thought and study to the public works bill of the armed services embracing $600,000,000 that is now before the Congress, of which the items in this bill are a part. We feel very strongly that we have to pay particular notice to the physical requirements of our military organizations. We cannot have a fighting organization, whether it is the Navy, the Air Force, or the Army, unless we have, along with the personnel and the guns and the tanks,

the facilities to support those fighting activities.

The reason this bill is before us this afternoon is because of the delay in the consideration of the over-all public works bill that the Committee on Armed Services reported out some months ago. The reason we are taking this bill out is because it relates to one of the most strategic areas, affecting the security of this country, that is the Alaskan area and also the strategic importance of the Okinawa area.

As the gentleman from Missouri [Mr. SHORT] has well stated, the climatic conditions and weather conditions in Okinawa are such that we must resort to a more permanent method of construction in order that the structures built may be able to stand the typhoon weather. So it is also in the Alaskan area, where we have the most miserable weather that can be found in any part of our occupied areas—a type of weather that requires us to build projects of a more permanent nature, and because of this perhaps the most costly type.

We well understand that in the Okinawa area the typhoons are leveling all buildings that are not tied to the ground or tied in, in such a way that they will stand that tremendous wind pressure that comes with a typhoon.

In the Alaskan area, due to the particular type of weather there, and the cold they experience, we must have facilities that men can live in for any particular period of time. It is because of the type of weather we have in the Alaskan area that we are limiting the overseas period that men will have to serve. While we are requiring at the moment 3 years of service in the European area, in the Alaskan area it is only 18 months, because of the conditions under which men must live.

It has been brought to our attention on many occasions by those high in authority in the three services, the Army, the Navy, and the Air Corps, that the situation really is intolerable in those areas, from the standpoint of living conditions. Something must be done to improve them and to permit those men to operate more efficiently and carry out the great calling that they are expected to perform during their term of service in the Alaskan and Okinawa areas.

I trust that as time goes on the Congress will give more attention and thought to the physical requirements of the three services, in order that we may have those supporting facilities, not only in armament but also requirements in other ways supporting our military organization. We must give more attention to the conditions under which our men in the military services are living in the housing quarters that are presently available.

I trust, Mr. Chairman, that the Committee this afternoon will unanimously approve this bill, as the Armed Services Committee has already done, and pass it on so that at this session of Congress we can have an appropriation to permit this work to get under way at the earliest possible time.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I favor the passage of H. R. 6303, now before us. I think that it is important and imperative that we make these provisions for our national defense. However, I am very disappointed that the parliamentary situation will not allow the substitution of H. R. 4766, which includes all of the provisions of H. R. 6303 and other important provisions for our defense. My feelings of frustration about H. R. 4766 were somewhat relieved a moment ago when the gentleman from Georgia [Mr. VINSON] told me that the remaining provisions of H. R. 4766 will receive top priority position next January. I think we should approve H. R. 4766 now; but if it cannot be done now, I am glad that the opportunity will come at the opening of Congress in 1950.

When I learned that H. R. 4766 was to be considered by the Committee on Rules, I made inquiry of Secretary of Defense Johnson about the priority of H. R. 4766 and received the following telegraphic reply which I conveyed to the Committee on Rules:

> In response to your inquiry concerning the military public works bill, H. R. 4766, this has been and continues to be a top priority item in the legislative program recommended to Congress by the Department of Defense. Congress having enacted a number of our other top priority items, H. R. 4766 is now the most important remaining legislative item from our standpoint.
>
> LOUIS JOHNSON,
> *Secretary of Defense.*

H. R. 6303 deals mostly with military housing facilities in Alaska and on Okinawa. As important as those items are, I would like to bring the attention of the House to omitted portions of H. R. 4766, which provide for such things as: air-to-ground rocket firing research facilities, compressor building for supersonic wind tunnel, radiological laboratories, explosion test chamber, hazardous propellant storage, chemical test structure and test cells, facilities for rocket development, facilities for chemical research, submarine propulsion test facility, variable pressure water tunnel, ballistics measurement building, static firing facilities for liquid fuels, instrumentation for guided missile range, carrier basin and turning facilities, strategic fuel storage, runways for jet operations, dredging at submarine basin, electronics laboratory, rocket direction finder facilities, ordnance laboratory, undersea warfare school, radar test building, and many other things which we should not postpone securing.

So, I think it can be understood that, although I favor H. R. 6303, it is a deep disappointment to me that we are not voting today on all of the provisions of H. R. 4766. I am glad to be reassured, however, that H. R. 4766 will be given top priority in January of 1950.

Mr. SHORT. Mr. Chairman, I yield the remainder of my time to the gentleman from California [Mr. JOHNSON].

The CHAIRMAN. The gentleman from California is recognized for 6 minutes.

Mr. JOHNSON. Mr. Chairman, I am glad that this bill was reported out during this session of Congress.

In my humble judgment, there are three very critical areas that should get facilities promptly. One of them is Alaska, the second is Okinawa, and the third is Muroc Lake, Calif. The third one is not in this bill, but the other two are. As has been pointed out by other Members, Alaska is a key spot in our defense system. As long ago as 1925 General Mitchell pointed out that in any future war Alaska would be the key point of our defenses. We must remember that the only way that we can have successful military installations is to have manpower to man them. Living conditions in that cold country are almost intolerable. If we are not careful and do not provide facilities we shall not be able to attract the manpower we must have to man this installation. Every single branch of our armed forces is in Alaska; they all need help desperately, and we in this bill think we have started to provide partially the help that these people in that area who represent us must have. I think we should bear in mind that we are not trying to do a favor for the Territory of Alaska primarily; we are trying to place in one of the most important and also one of the most vulnerable spots in our whole defense system adequate facilities so that they can be manned by the necessary personnel to give us the protection that we need.

This is distinctly a step for the protection of the United States of America. As was pointed out by the gentleman from Alaska [Mr. BARTLETT], Alaska is only 3,000 miles away from Washington; it is only about 2,000 miles away from San Francisco, and only 1,500 miles away from Seattle. Should Alaska be taken it would be a very long, bitter, and costly struggle to retake it. The only way we can secure ourselves and adequately protect our people and our institutions is to man it with the necessary equipment and manpower to hold it. In that way we can retain our strength and protect our people; otherwise, we will place our people and our defense system in jeopardy. I am quite sure that everybody here agrees that this bill should be passed.

Frankly, I am sorry that we did not pass the whole public-works bill for the armed services at this session of Congress. There are some very vital parts and installations in that system that should be taken care of promptly, but there is none more critical than the Territory of Alaska, and I hope that we will take prompt steps not only to give the authority for the installations, but that the money will be forthcoming at the earliest possible moment.

Mr. Chairman, I yield back the balance of my time.

Mr. MITCHELL. Mr. Chairman, the projects in this measure for Alaska are vital to the defense of the United States. This is true despite the fact that they represent only a start toward meeting the current housing and facility needs.

During the first part of September, I visited Juneau, Anchorage, Fairbanks, Nome and a number of military posts including Ladd and Eielson air bases which

are located in the important center section of that vast Alaska area which covers 586,400 square miles and is equal to one-fifth the area of the continental United States.

This inspection trip, made with Air Secretary Symington, certainly confirmed my conviction that the intolerable Alaskan troop housing is not only costing the United States an immense sum to finance, but actually precludes the stationing of the required defense forces in the area.

General Bradley, upon his return from the Joint Chiefs' Alaskan inspection trip, made in early September, confirmed the suspicions of many when he stated that "our present deployment of troops in the most important areas is based on housing capacity rather than on the size of the force necessary for adequate defense."

These vitally important Alaska defense bases are now short 19,616 housing units for military personnel and civilian defense employees.

This bill now before us is measured against this minimum need. Although it decidedly falls short of the real requirements, it is a positive beginning. At these most important areas, it proposes the construction of 3,849 units of barracks space, bachelor officer quarters and family quarters for officers and men entitled to base housing.

I have made an Alaskan housing report to the chairman of the House Banking and Currency Committee. It is my intention to ask the Congress to consider additional Alaskan defense housing measures. It is my hope that the chairman of the Banking and Currency Committee will give me permission to have my full housing report published in the RECORD for the information of the Congress.

It is my contention that the Nation cannot afford a situation where lack of housing precludes the stationing of the troops necessary to protect our Alaskan defense establishment and thus endanger continental United States.

We cannot afford not to have adequate troops stationed to protect the vital Ladd field located as it is at a vital point on the Alaskan Highway, the Alaskan Railroad, and the pipe line from Whitehorse.

Yet this bill proposes 120 units of family quarters where the total need is for 1,770 units. With the 210 units now available the proposal will bring the total to 330 or 18 percent of the requirements.

The Forty-ninth Star, an air-base publication at Elmendorf field, in March published an editorial which pointed out the need for greater continuity in the housing construction program with these words:

Failure of Congress to appropriate sufficient funds for Alaskan housing has set the defense program back 3 years * * * maybe 5 years.

Four complex steel skeletons, three here and one at Ladd Air Base, Fairbanks—framework of 500-man permanent barracks—are rusting and going to pot because Congress refused in the past to appropriate funds to finish them. These barracks were started in 1946. Work stopped on them in 1947.

Apparently failure of the Eightieth Congress to carry on work started by the Seventy-ninth has cost the Nation valuable time.

Later, I want to discuss this whole problem at greater length and it is an obligation of Congress to consider a more promising method for meeting our important defense-construction program in Alaska.

Mr. VINSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. BIEMILLER].

Mr. BIEMILLER. Mr. Chairman, when the late Gen. Billy Mitchell, whom we in Milwaukee consider one of the great heroes, made that succinct statement: "Whoever holds Alaska will hold the world," he crystallized the reasoning of the Armed Forces Committee who are presenting this bill as a means of expediting the protection of Alaska.

With adjournment impending, we must of necessity pass this legislation to implement the construction of military installations in Alaska. Construction must get under way at once. At best, the $133,000,000 provided in this bill for Alaska will meet only minimum needs, a fraction of the detailed defense programing contained in the original bill, H. R. 4766. But it will provide basic reinforcements in key defense locations in the Territory which will assure our holding, safeguarding, and improving our defense structures. It will provide purely military facilities, including base housing and other corollary requirements.

It is significant that an Alaskan assignment is considered undesirable by Army personnel because of the substandard living accommodations; this in the face of the Army's recognition of the peculiar duress of living in Alaska for which reason enlisted men are assigned for only 18 months in comparison with 3-year assignments in other theaters. Housing construction in Alaska ceased in 1947. The Eightieth Congress put Alaskan housing in their outsize "deep freeze," paralyzing our defense program until today we are faced with the crucial urgency of passing this essential legislation which must become an act immediately.

Mr. VINSON. Mr. Chairman, I ask that the bill be now read for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army, under the direction of the Secretary of Defense, is hereby authorized to establish or develop military installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Survey Valdez pipe line, $315,000.

Eielson Air Force Base, Alaska: Petroleum terminal storage, $6,800,000.

Fort Richardson, Alaska: Ordnance shops, water intake, petroleum terminal storage and dock, design of 400-bed station hospital, water supply, warehouses, heat and power plant, water treatment, enlisted men's service club, outside utilities, bachelor officers' quarters, barracks, family housing and utilities, $46,720,000.

Whittier, Alaska: Outside utilities, central heat and power plant, composite bachelor housing, service and recreation building, $12,645,700.

Okinawa: General depot facilities, road net, water-supply system, $1,439,000.

Naha, Okinawa: Sewers, including sewers at Machinato, ship basin, $1,139,000.

Sukiran, Okinawa: Signal and telephone system, utilities, roads, site preparation, family quarters, and utilities, $11,305,000.

TITLE II

The Secretary of the Navy, under the direction of the Secretary of Defense, is hereby authorized to establish or develop naval installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

OUTSIDE CONTINENTAL UNITED STATES

Adak, Alaska: Permanent communication facility, including buildings, collateral equipment, and accessory construction, magazine buildings and accessory construction, permanent facilities including buildings, collateral equipment and accessory construction of communication supplemental activity, family quarters and utilities, $22,616,000.

Naval operating base, Kodiak, Alaska: Extension of runway, family quarters and utilities, $2,548,000.

TITLE III

The Secretary of the Air Force, under the direction of the Secretary of Defense, is hereby authorized to establish or develop installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Warm-up shelters for aircraft, $1,000,000.

Eielson Air Force Base, Alaska: Theater, maintenance, docks, utilities, utilidor and tie-in to new power plant, refrigeration building, power and steam plant, telephone exchange, truck fill stands, barracks, bachelor officers' quarters, family quarters and utilities, $28,156,200.

Elmendorf Air Force Base, Fort Richardson, Alaska: Telephone system, outside utilities, warm storage for vehicles, $3,664,600.

Ladd Air Force Base, Fairbanks, Alaska: Family quarters and utilities, $5,610,000.

Naha Air Force Base, Okinawa: Sewage facilities, $1,361,250.

Kadena Air Force Base, Kadena, Okinawa: Sewage system, $2,825,000.

TITLE IV

GENERAL PROVISIONS

SEC. 401. To accomplish the above-authorized construction the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, under the direction of the Secretary of Defense, are authorized to acquire lands and rights pertaining thereto, or other interests therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended. When necessary, the Secretary of the Army, under the direction of the Secretary of Defense, is authorized to commence construction authorized in title I hereof for the special weapons project prior to approval of title to such lands by the Attorney General as required by section 355, Revised Statutes, as amended.

SEC. 402. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary for the purposes of this act.

SEC. 403. The approximate cost of each project enumerated and authorized by titles I, II, and III of this act may in the discretion

of the Secretary concerned, be varied upward 5 percent.

SEC. 404. No family quarters shall be constructed under the authority of this act which are in excess of a net floor area of 1,080 square feet per unit.

SEC. 405. Appropriations made to carry out the purposes of this act shall be available for expenses incident to construction, including administration, overhead planning and surveys, and shall be available until expended when specifically provided in the appropriation act.

SEC. 406. Any projects authorized herein may be prosecuted under direct appropriations, or authority to enter into contracts in lieu of such appropriations.

With the following committee amendments:

Page 3, line 12, insert:

"Various locations: Aviation gasoline station, $250,000."

Page 4, line 13, insert:

"Various locations: Weather broadcast point-to-point communication facilities, $787,774; ground control approach facilities, $289,174; air-to-ground radio station, $519,145; multichannel single side band station, $1,247,061; radar set facilities, $174,566; low-cost-family-housing units, $3,200,000."

Page 5, line 5, after the period strike out the word "When" and all of lines 6 to 11, inclusive.

The committee amendments were agreed to.

Mr. VINSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: Page 2, line 13, strike out the figures "$1,439,000" and insert the following: "family quarters, barracks, mess halls, bachelor officer quarters, shop buildings, equipment sheds, warehouses, administration buildings, refrigeration plants, harbor facilities, communications facilities, fuel storage facilities, medical facilities, training and recreation facilities, operations facilities, site development and utilities, $22,256,000."

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON: After line 12, page 4, insert the following:

"Okinawa: Various locations: family quarters, barracks, mess halls, bachelor officer quarters, shop buildings, equipment sheds, warehouses, administration buildings, refrigeration plants, harbor facilities, communications facilities, fuel storage facilities, medical facilities, training and recreation facilities, operations facilities, site development, and utilities, $28,518,208."

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMATHERS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes, pursuant to House Resolution 388, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

UNITARY PLAN FOR CONSTRUCTION OF TRANSSONIC AND SUPERSONIC WIND-TUNNEL FACILITIES AND THE ESTABLISHMENT OF AN AIR ENGINEERING DEVELOPMENT CENTER

Mr. MADDEN. Mr. Speaker, by direction of the Rules Committee, I ask unanimous consent for the immediate consideration of House Resolution 392.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, this legislation was reported out unanimously by the Armed Services Committee. Testimony was taken by the Committee on Rules, and it was reported out unanimously by that committee. The legislation is of a highly military nature, and it calls for the construction of wind tunnels and other experimental and testing facilities in the field of transsonic and supersonic aeronautics. I have no requests for time.

The gentleman from Ohio [Mr. BROWN] has 30 minutes if he desires to use it, but there is no opposition so far as I know of.

Therefore, Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1267, with Mr. HARDY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DURHAM. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I want to report on S. 1267, which is a companion bill of H. R. 3434. The purpose of the proposed legislation is to promote the national defense by authorizing a unitary plan for the construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center.

The proposed legislation has been before our committee for months, during which time we have received the testimony of the best qualified experts of the Army, the Air Force, the Navy, and the National Advisory Committee for Aeronautics. In addition, we have received testimony from able and respected scientific representatives from the fields of education and industry.

Inasmuch as S. 1267 passed the Senate on August 12, 1949, we have directed our attention to the Senate bill and have incorporated our conclusions as amendments to that bill.

The original legislation contained an authorization of approximately $300,000,000. This sum was distributed among the interested agencies as follows:

One hundred and fifty million dollars to NACA to implement existing facilities by the construction of additional wind tunnels and other appurtenances.

Four million four hundred and forty thousand dollars to construct and equip transsonic or supersonic wind tunnels at educational institutions.

Six million six hundred thousand dollars to the Navy to construct a wind transsonic or supersonic wind tunnels at Carderock, Md.

One hundred and fifty million dollars to the Air Force for the establishment and initial construction of an Air Engineering Development Center.

I would now like to briefly discuss each of these items and advise you of the action with the committee has taken and its reasons for so acting.

Section 1 of the bill contains the general authorization for the National Advisory Committee for Aeronautics and the Secretary of Defense to jointly develop a unitary plan for the construction of transsonic and supersonic wind-tunnel facilities for training and research in aeronautics and to revise the uncompleted portions of the unitary plan from time to time to accord with changes in national defense requirements and scientific and technical advances.

Section 102 contains the authorization for the construction of transsonic and supersonic wind tunnels at educational institutions within the continental limits of the United States, the institutions to be selected by NACA. The NACA may, in its discretion, upon approval by the Committees on Armed Services of both Houses of Congress, vest

title to the facilities completed pursuant to this section in such educational institutions.

The original amount provided for the construction of educational wind tunnels was $4,440,000. The committee is of the opinion that this sum is not adequate for the intended purpose. Educational wind tunnels will serve two vital purposes. They will provide the facilities for the conduct of basic research in the field of aerodynamics by selected educational institutions. They will also provide facilities for the training of scientific personnel within this field. I cannot overemphasize the importance of either of these fundamental purposes. In view of the committee's opinion, we have increased the authorization for educational wind tunnels from $4,440,000 to $10,000,000 and we have done so with the firm conviction that there has been an underemphasis on the value of the degree of participation of approved educational institutions in this field. We feel confident that this action will bear great dividends in the future.

Section 103: The original section gave a general authorization for the construction of wind tunnels and other facilities at the Langley Air Force Base at a total cost not to exceed $150,000,000. The committee amended section 103 covering that portion of the unitary plan represented by the allocation of facilities to the NACA by substituting an entirely new section 103 (a) which spells out in detail the actual facilities proposed for allocation to the National Advisory Committee for Aeronautics. In addition to the change in form, a change of substance has also been made through the elimination by the subcommittee of two proposed 8-foot wind tunnels. The construction of these two 8-foot tunnels would have cost approximately $70,000,000.

The NACA already has in operation the following large supersonic wind tunnels:

A 4 by 4 foot aerodynamic tunnel at Langley Field.

A 6 by 6 foot tunnel at Moffett Field.

A 6 by 8 foot propulsion tunnel at Cleveland.

In addition, there is an older 8-foot tunnel at Langley Field capable of attaining speeds in the lower supersonic range. An 8-foot propulsion tunnel, identical to that proposed under this bill for the Cleveland Laboratory is also proposed for the Air Engineering Development Center.

Inasmuch as there is a great deal of work to be done before all of the engineering problems incident to the development of a satisfactory 8-foot propulsion tunnel can be completely solved, it is the sense of the committee that only one new 8-foot tunnel should be authorized at this time and this tunnel should be allocated to the Air Force in view of the fact that, comparable or nearly comparable facilities already exist at the laboratories of the National Advisory Committee for Aeronautics. Furthermore, since considerable additional design study and pilot work must be carried on before construction of the 8-foot propulsion tunnel can be undertaken, it is believed that ample opportunity will remain for timely authorization at a later date of an additional tunnel of this type for NACA should the need therefor become imperative.

Having deleted the two 8-foot tunnels from the NACA program, a large portion of the original estimate of $12,681,000 for utility installations has become unnecessary. It is the committee's opinion that a total of $6,522,000 is ample for this purpose and that sum is included in the $60,000,000 authorization provided in section 103 (b), which section also permits an upward variation of 5 percent in the construction of any facility but limits the total cost for all facilities to the sum specified.

Section 103 (c) authorizes NACA to operate and staff the facilities authorized in section 103 (a) but makes such facilities available to industry for testing experimental models in connection with the development of aircraft and missiles.

Section 104 authorizes the Navy to construct a small wind tunnel and other pertinent facilities at Carderock, Md., at a cost not to exceed $6,600,000.

Section 105 is a committee amendment requiring the NACA to submit semiannually written reports to the Congress covering the selection of educational institutions and contracts and other pertinent activities performed pursuant to section 102.

Section 201 authorizes the Secretary of the Air Force to establish an Air Engineering Development Center which will include temporary and permanent public works, housing accommodations, and community facilities for military and civilian personnel and other pertinent facilities, and wind tunnels in implementation of the unitary plan referred to in title I of the proposed legislation; and to maintain and operate the public works and wind tunnels authorized by title II of the proposed legislation.

Sections 202 and 203 grant necessary authority to the Secretary of the Air Force to acquire lands and other rights necessary for the construction of the proposed center, without regard to existing bigger restrictions, and to employ such civilian personnel as may be necessary to carry out the purpose of title II.

Section 204: This section originally contained an authorization not to exceed $150,000,000 for the initial construction, installation, and equipment of the AEDC authorized in title II. The committee came to the conclusion that it cannot justify an authorization in this amount at this time. While the committee is reluctant to intrude in matters involving such technical complications, we are of the opinion that the Air Force cannot judiciously spend or obligate $150,000,000 in the initial phases of the development of AEDC. The Congress will not be in recess to exceed 2 months between the first and second sessions of the Eighty-first Congress and such additional authorizations as circumstances may require will be readily obtainable by the time they are needed.

Summarizing the action of the subcommittee, we have reduced the initial authorization from approximately $300,000,000 to $176,600,000. In view of recent announcements regarding the progress in the field of atomic energy by Russia, I think everyone will recognize that time is of the essence so far as this legislation is concerned. When dealing with such technical matters we laymen can never be certain that we are right. However, it is the best judgment of the committee that we have taken appropriate action in adopting the amendments which are now included in S. 1267.

This Nation is faced with the necessity of establishing and maintaining superiority in the field of scientific research and development. That is a difficult and expensive undertaking. Since Russia now has the atomic know-how and since she has jet planes which appear to be at least equal to the best which we have, I am sure that I need not emphasize the importance of our endeavors in this field.

In closing, I want to give you a brief summary of our situation so far as wind tunnels are concerned. I think I can do that best by directing your attention to the chart on my right. It is a graphic representation of the complete situation.

The tallest column on your left shows the number of wind tunnels which are used in making tests up to 200 miles per hour. The brown portion at the bottom of the column represents the number of those tunnels which are presently operated by the National Advisory Committee for Aeronautics. They are five in number. The remainder of the column, colored in blue, represents the number of those tunnels which are operated by private industry and educational institutions. They are 55 in number.

The second column represents our wind tunnels which operate in speed ranges from 200 to 500 miles per hour. NACA has 7 such tunnels, while industry and educational institutions have 13.

The third column represents wind tunnels which operate in speed ranges of 500 to 700 miles per hour. NACA has six and industry and educational institutions have four.

This takes us approximately up to the speed of what is known as the subsonic zone. The top limit of this zone is known as Mach I, the speed of sound.

Now proceeding from the column on the left to the columns along the bottom of the chart you will notice the gap between those two columns. This represents speeds which we refer to as transsonic, which means speeds varying from those slightly below the speed of sound, through the speed of sound to speeds slightly higher than the speed of sound.

The columns along the bottom of the chart represent our wind-tunnel development in the supersonic field, all of which speeds are higher than the speed of sound. The first small column on the left represents three wind tunnels which are operated by NACA. They operate in the area of 750 to 800 miles per hour.

The next column represents four tunnels which are operated by NACA and one by industry. They operate in speeds varying from 800 to 1,500 miles per hour.

The next column represents one wind tunnel which is operated by NACA in speeds varying from 1,500 to more than 2,000 miles per hour. You will note that as we proceed to the higher speeds that we have almost no facilities. The bill which is before you proposes the con-

struction of three additional wind tunnels which will operate within the range of speed.

The next column represents one wind tunnel which is operated by NACA in speeds varying from 2,000 to 3,500 miles per hour. The present legislation authorizes two additional tunnels within this field.

The final column represents a proposed tunnel which is authorized in this bill and which will permit research in very high supersonic speeds varying from about 3,500 miles per hour to perhaps 7,000 miles per hour.

I want to direct your attention to one outstanding point in the entire field of research in supersonic speeds. There is only one wind tunnel in existence in the United States which is operated by industry and none are operated by educational institutions. All of the remainder are operated by the National Advisory Committee for Aeronautics, a governmental agency. The very pertinent reason for this concentration of these facilities in a governmental agency is that they are so expensive to construct and operate that they are wholly beyond the capabilities of any agencies, except governmental agencies. Therefore, gentlemen, the responsibility for our future capabilities within this field is entirely upon the Congress. I urge you to approve the program which I have presented.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I am glad to yield to the gentleman.

Mr. MONRONEY. I congratulate the gentleman on his excellent explanation of this. The gentleman mentioned that this is an authorization bill, but that there were funds on hand now to start. I wanted to be sure that that was the case—that funds had been appropriated for certain research and would be available if this authorization is passed.

Mr. DURHAM. The NACA have $51,000,000 already this year. The NACA program, as it stands here at the present time, has no appropriation. The AEDC program, I understand, is going to request something like $30,000,000 in the next few days to start this program.

Mr. MONRONEY. If we pass this bill today we will be assured that there will no longer be any delay in starting this Air Engineering Development Center.

Mr. DURHAM. I think I can assure the gentleman that we expect to start as soon as possible.

Mr. MONRONEY. I thank the gentleman.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. EVINS. Mr. Chairman, I want to say briefly that I wholeheartedly support this measure—S. 1267—here today as a long-overdue effort on the part of this country to keep abreast of international developments in an age of atomic weapons and supersonic speeds of aircraft.

I desire to commend the distinguished chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], and also the able chairman of the subcommittee, the gentleman from North Carolina [Mr. DURHAM], for bringing this bill before the House for consideration at this time. I deem it of the utmost importance that this measure be passed—as it has been shown that our country is considerably behind other nations in the matter of experimentation in supersonic speeds of aircraft.

When I say that action in this connection is overdue, I think that I am using the term advisedly, since it is, I am sure, the knowledge of this body that what is proposed under this measure is a project of scientific development and experimentation in which the German military machine was well advanced, a fact which the American forces discovered when they went into Germany. So, I think—certainly, I hope—recognizing realities, that this body will approve the bill before us without delay.

I have asked this time particularly in order that I might propound several questions of the chairman of the subcommittee, the gentleman from North Carolina [Mr. DURHAM], some questions that I think of importance which should be a matter of record.

First. I notice in section 202 of title II of the bill that authority is given to the Secretary of the Air Force to acquire lands and other rights by donation, purchase, or exchange of Government-owned lands—and also that section 101 of title I empowers the National Advisory Committee for Aeronautics to vest title to facilities in various institutions where such wind tunnels may be constructed. Is it proposed that once lands are acquired that both lands and facilities may ultimately be given to institutions where these projects may be located? And is it intended that such projects would be limited to State educational institutions, or does it also include privately endowed educational institutions?

Second. Title I of the bill provides a total authorization of $76,500,000. Title II authorizes the Secretary of the Air Force to establish an Air Engineering Development Center with a total authorization of $100,000,000. I am just wondering whether the $76,000,000 is limited to the development of the unitary plan for construction of transsonic and supersonic wind tunnels and research facilities. And whether the $100,000,000 is authorized specifically, or earmarked for the construction of the Air Engineering Development Center?

Mr. DURHAM. The educational institution which is in section 104 of the bill was raised by the committee from $4,000,000 to $10,000,000. It was felt wise to give the institutions pretty wide authority. Of course, they would have to come here to the Congress before the land could be transferred. If we go out, for instance, and build a wind tunnel—and I think that is the heart of this program—it was pointed out to us plainly that at the present time they have about one-twentieth the personnel they should have. I think it is just as important to train those people in the colleges on this type of wind-tunnel development and research as it is to train men at West Point or the Naval Academy. We have had great difficulty in operating what we have, I can assure the gentleman of that.

Mr. EVINS. The gentleman has answered my question, but I have one or two other questions.

We all recognize that the time element is an important factor in the development of military aircraft—for instance, I am advised that planes coming off the factory lines today were subjects of construction contracts some 5 years ago—and also I note from reading the hearings and from a study of this question that when we invaded Germany during the recent war, as I have indicated previously, that our forces discovered wind tunnels and supersonic experiment stations spotted throughout Germany. Because of the time element, it would thus appear that we are considerably behind in such experimentation and research—and I am just wondering if the chairman would care to make any statement as to the necessity and importance of passing this legislation at the present time—in other words, how many years would elapse before this Air Engineering Development Center may ultimately be in full operation?

Mr. DURHAM. Of course, we have a great deal of information. This wind tunnel that is in this program is a plan that we captured from Germany. That is how far they have gone into this. We have no facility whatever in the hypersonic field. The other one was taken by France. France took the big wind tunnel which was already up and operating. The BMW test facility I have already spoken about. We got that.

Mr. EVINS. In other words, 3 or 4 or 5 years would elapse before this program would reach fruition if we proceeded immediately.

Mr. DURHAM. We all recall that Germany put jet fighters into the air. Of course, fortunately, she did not get many of them into the air.

Mr. EVINS. From what has been said here, it would appear that this project, the Air Engineering Development Center, would be a permanent Air Force installation, a construction in which only the Air Force is concerned or interested. The report indicates that the bill has the approval of not only the Secretary of Defense but of the Army and Navy, the research and development boards, and that of all the services. The Army, Navy, and Air Force may utilize the facilities and have full benefit of research and developments gained; in other words, I would like the chairman to make it clear, if I am correct in this premise, that all branches of the services and of our Defense Establishment will utilize the facilities and profit from this development.

Mr. DURHAM. I guess more noted scientists are for this bill than any other bill that has been before the Armed Services Committee this year. I mean by that, the head of Brown University, and a great many more people who did most of the work on our wind tunnel during the war. Of course, the NACA is headed by Dr. Dryden who, in my opinion, is one of the best experts in the whole world.

Mr. EVINS. All branches of our Military Establishments are vitally interested in this tunnel. It is not exclusively an Air Force installation?

Mr. DURHAM. No. Of course, it will carry out the research and development

work for the Navy, the Marine Corps, and the Air Corps.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. DURHAM] has expired.

Mr. SHORT. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. EVINS. I should like to ask one other question: To what extent will resources of power, water, isolation play, in the opinion of the chairman, in the selection of a site for the Air Engineering Development Center; and I should like also to inquire as to whether, in your opinion, it would not be wise to establish this great development where there exists an abundance of such power and resources?

Mr. DURHAM. I can assure the gentleman the need for the tunnel requires 71,000 horsepower units every 24 hours. It must be put somewhere where there is a lot of juice.

Mr. EVINS. I thank the gentleman for his informative opinions and may I say that I join with him in urging passage of the pending bill.

Mr. DURHAM. Mr. Chairman, I yield back the remainder of my time.

Mr. SHORT. Mr. Chairman, though I have 30 minutes, I will have mercy upon my colleagues and yield myself 1 minute.

Mr. Chairman, I take this 1 minute to say that the mathematics of Pythagoras and Euclid, plus the genius of a physicist like Newton or Einstein, with all the patience of Job and the piety of St. Francis of Assisi, could not understand the complexity of this highly technical subject. I am not, therefore, going to reveal my abysmal ignorance. Let me say only that I think members of our committee have heard enough to realize that perhaps the less we say on this particular matter the better off all of us will be, and particularly the safety of our country.

In the 20 seconds remaining I wish to take the opportunity to offer my congratulations and appreciation to the distinguished and able gentleman from North Carolina [Mr. DURHAM], who has for so long and so patiently and painstakingly studied this problem from beginning to end from all the evidence that has been offered by these technicians, engineers, and scientists who have appeared usually in executive session. Our committee is unanimously in favor of the bill, and I hope it will receive the full support of the House.

I am glad to yield to the gentleman from North Carolina the remainder of my time.

Mr. DURHAM. Mr. Chairman, I thank the gentleman from Missouri for the kind words he has spoken of my efforts.

Mr. TEAGUE. Mr. Chairman, I am very much concerned about our Nation maintaining its superiority in the field of aviation because certainly we will depend greatly on the airplanes for defense and for offense in another conflict. We cannot wait until an emergency is upon us to develop the type airplane needed to accomplish a desired mission in war. The planes must be designed and constructed and tested long before they are needed.

Senate bill 1267 will authorize the construction of wind tunnels and other experimental and testing facilities suitable for research, development, and evaluation in the field of transsonic and supersonic aeronautics. This work is very important because of the importance attached to the development of high-speed types of military aircraft and guided missiles.

Texas A. and M. College has been aware of the need for such development and research and have established the Personal Aircraft Research Center at College Station, Tex. This is a research agency sponsored jointly by the Department of Aeronautical Engineering at Texas A. and M. College and by the Texas Engineering Experiment Station. Its facilities include a modern airport—Easterwood Airport—a wind tunnel, power plant research laboratory, precision shops, a number of airplanes, and the scientific laboratories of the college.

Mr. Chairman, this research center stands ready to assist on any assigned project and I trust that this authorization to expand facilities and research activities will be enacted into law before we adjourn.

Mr. DURHAM. Mr. Chairman, I have no further requests for time and ask that the bill be read for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The National Advisory Committee for Aeronautics (hereinafter referred to as the "Committee") and the Secretary of Defense are hereby authorized and directed jointly to develop a unitary plan for the construction of transsonic and supersonic wind-tunnel facilities for the solution of research, development, and evaluation problems in aeronautics, including the construction of facilities at educational institutions within the continental limits of the United States for training and research in aeronautics, and to revise the uncompleted portions of the unitary plan from time to time to accord with changes in national defense requirements and scientific and technical advances. The Committee and the Secretaries of the Army, the Navy, and the Air Force are authorized to proceed with the construction and equipment of facilities in implementation of the unitary plan to the extent permitted by appropriations pursuant to existing authority and the authority contained in titles I and II of this act. Any further implementation of the unitary plan shall be subject to such additional authorizations as may be approved by Congress.

SEC. 102. The Committee is hereby authorized, in implementation of the unitary plan, to construct and equip not to exceed 13 transsonic or supersonic wind tunnels at educational institutions to be selected by the Committee, or to enter into contracts with such institutions to provide for such construction and equipment, at a total cost not to exceed $4,440,000: *Provided*, That the Committee may, in its discretion, vest title to the facilities completed pursuant to this section in such educational institutions under such terms and conditions as may be deemed in the best interests of the United States.

SEC. 103. The Committee is hereby authorized, in implementation of the unitary plan, to expand the facilities at its existing laboratories by the construction of additional wind tunnels, including buildings, equipment, utilities, and accessory construction, and to acquire not to exceed 500 acres in expansion of the Langley Aeronautical Laboratory, Langley Air Force Base, Virginia, at a total cost not to exceed $150,000,000.

SEC. 104. The Secretary of the Navy is hereby authorized, in implementation of the unitary plan, to expand the naval facilities at the David W. Taylor Model Basin, Carderock, Md., by the construction of a wind tunnel, including buildings, equipment, utilities, and accessory construction, at a cost not to exceed $6,600,000.

SEC. 105. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purpose of this title.

SEC. 106. This title may be cited as the "Unitary Wind Tunnel Plan Act of 1949."

TITLE II

SEC. 201. The Secretary of the Air Force is hereby authorized to establish an Air Engineering Development Center, and to construct, install, and equip (1) temporary and permanent public works, including housing accommodations and community facilities for military and civilian personnel, buildings, facilities, appurtenances, and utilities; and (2) wind tunnels in implementation of the unitary plan referred to in title I of this act; and to maintain and operate the public works and wind tunnels authorized by title II of this act.

SEC. 202. To accomplish the purposes of this title, the Secretary of the Air Force is authorized to acquire lands and rights pertaining thereto, or other interest therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, and construction under this title may be prosecuted without regard to section 3648, Revised Statutes, as amended.

SEC. 203. The Secretary of the Air Force is authorized to employ such civilian personnel as may be necessary to carry out the purposes of this title without regard to the limitation on maximum number of employees imposed by section 14 (a) of the Federal Employees Pay Act of 1946 (5 U. S. C. 947 (g)).

SEC. 204. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, to remain available until expended when so specified in the appropriation act concerned, (a) not to exceed $150,000,000 for the establishment and for initial construction, installation, and equipment of the Air Engineering Development Center authorized in this title, including expenses for necessary surveys and acquisition of land, and (b) such sums as may be necessary to carry out the other purposes of this title.

SEC. 205. This title may be cited as the "Air Engineering Development Center Act of 1949."

Mr. DURHAM (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that the bill be printed in the RECORD and that it be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: Page 2, line 2, after the word "institutions", insert "within the continental limits of the United States."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, lines 16 and 17, strike out the words "not to exceed thirteen."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 17, after the word "tunnels", insert: "of a size, design, and character adequate for the efficient conduct of experimental work in support of long-range fundamental research."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 20, after the word "institutions", insert "within the continental United States."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment Page 2, line 25, after the word "discretion", insert "upon approval by the Committees on Armed Services of both Houses of the Congress."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, strike out all of lines 6 to 13, inclusive, and insert in lieu thereof the following:

"SEC. 103. (a) The Committee is hereby authorized to expand the facilities at its existing laboratories by the construction of additional supersonic wind tunnels, including buildings, equipment, and accessory construction, and by the acquisition of land and installation of utilities as follows:

"(1) Ames Aeronautical Laboratory, Moffet Field, Calif.:	
"One 2-foot by 2-foot supersonic wind tunnel	$6,402,000
"One 4-foot by 4-foot supersonic wind tunnel	20,317,000
"Total, exclusive of utility installations	26,719,000
"(2) Langley Aeronautical Laboratory, Langley Air Force Base, Va.:	
"One 2-foot by 2-foot supersonic wind tunnel	6,402,000
"One 4-foot by 4-foot supersonic wind tunnel	20,317,000
"Acquisition of not to exceed 500 acres of land	40,000
"Total, exclusive of utility installations	26,759,000
"(3) Utility installations at various laboratories at a cost not to exceed	6,522,000

"(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed $60,000,000: *Provided*, That the approximate cost of each wind tunnel or other item of expense set forth in subsection (a) of this section may, in the discretion of the Committee be varied upward 5 percent, but the total cost of work authorized by this section shall not exceed the sum herein specified.

"(c) The facilities authorized by this section shall be operated and staffed by the Committee but shall be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. Such tests shall be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time shall be made in accordance with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, strike out all of lines 24 and 25, and on page 5, strike out all of lines 1 and 2, and insert in lieu thereof the following:

"SEC. 105. The Committee shall submit semiannual written reports to the Congress covering the selection of institutions and contracts entered into pursuant to section 102 of this title together with other pertinent information relative to the Committee's activities and accomplishments thereunder."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, lines 12 and 13, strike out "$150,000,000" and insert "$100,000,000."

The committee amendment was agreed to.

The CHAIRMAN. Are there further amendments? [After a pause.] If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, pursuant to House Resolution 392, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. DURHAM. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

INTERNAL REVENUE CODE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H. R. 5268.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. HAYS of Arkansas (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

The SPEAKER. Under previous special order of the House, the gentleman from Illinois [Mr. SABATH] is recognized for 1 hour.

GEN. CASIMIR PULASKI

Mr. SABATH. Mr. Speaker, today marks the one hundred seventieth anniversary of the death of Casimir Pulaski—a name that will live forever in American history.

After a splendid career of mighty service for his own oppressed people, he came to General Washington with a letter of introduction from that great diplomat and statesman, Benjamin Franklin, and offered his all to the cause of liberty in the new world.

In his letter to General Washington, Franklin said he was "an officer famous throughout Europe for his defense of the liberties of his country." Of course, his offer was immediately accepted by General Washington.

To offer one's services to a group of loosely knit colonies in revolt—in their fight for freedom—truly marks any such man as a martyr to liberty. To leave one's native land and travel thousands of miles to lead in battles for the freedom of another people, marks such a man as a humane, brave, and great soldier and leader.

Rising to the rank of brigadier general during the two most crucial years in the American Revolution, Pulaski fought with valor and distinction in the Battles of Brandywine, Germantown, and Trenton. He organized the Pulaski Legion, whose fame is one of the most cherished memories of the American Revolution. His name is enshrined in the Parthenon of the world's heroes; and in the hearts of all Americans, for all time to come, there shall vibrate the tenderest chords of responsive gratitude. He was stricken by mortal wounds in the assault on Savannah, Ga., on October 9, 1779, and his death occurred 2 days later, plunging the American Army into most profound grief.

In his last message to the Continental Congress, Pulaski wrote:

I could not submit to stoop before the sovereigns of Europe, so I came to hazard all for the freedom of America.

History has already recorded how the people of the Thirteen Colonies expressed their heartfelt gratitude by according to General Pulaski the highest honors for his indispensable service to our country in its supreme hour of trial and danger.

It is therefore highly fitting that, on this one hundredth and seventieth anniversary of his death, we again dedicate these moments in affectionate remembrance of the sacrifice and service to the cause of freedom and liberty contributed by Casimir Pulaski. And may we also offer the solemn hope and prayer that the noble and historic Republic of Poland, which sacrificed so much in the past to civilization and to humanity, will safely survive the storms of her present adversity, and arise triumphant in her destiny to endure forever as a beacon light of liberty among the nations of the world.

General Pulaski set a splendid example to the thousands upon thousands of his countrymen, who, like he, believed in freedom and liberty. Many strove and sacrificed their all to emigrate to the country for whose freedom he fought and died. Being deprived of freedom in their own land, they continued to arrive in the United States in ever-increasing numbers, carrying with them the burning desire to contribute to personal liberty and freedom for all peoples, as so many thousands of Polish extraction have done in our two most recent wars. Today they occupy positions of trust and confidence in our educational, commercial, industrial, social, as well as in our political life. Not unmindful of their good fortune in becoming citizens of this great land of the free, they have contributed generously to their less fortunate brethren in the country of their forefathers. And they are ever in the forefront in the struggle to bring back to their beloved land the freedom and liberty of which it was deprived by the brutal and inhuman force of two of the world's greatest tyrants—Hitler and Stalin.

Mr. Speaker, as one who came to these fair shores in youth, from an area everlastingly plagued by the oppressive heel of tyrants, I have always harbored a deep affection for the sacrifices of General Pulaski and Kosciusko. As a mark of my high esteem for his valiant contribution to American liberty, I introduced, on February 14 of this year, House Joint Resolution 159, providing for the observance of October 11 of each year as General Pulaski Memorial Day, authorizing and directing the President of the United States to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting our people to observe the day in schools, churches, and other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski. I sincerely hope the Congress will see fit to extend this honor to his memory by acting favorably upon this resolution.

In conclusion, Mr. Speaker, it is my fervent hope that in appreciation of the splendid courage shown, and aid given us, by the man whose memory we are today honoring, our great Nation will continue to demonstrate to the Polish people that we stand resolutely with them in their continuing struggle for the freedom and liberty which they value so intensely.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. O'BRIEN].

Mr. O'BRIEN of Illinois. Mr. Speaker, on this day when we pause to pay honor to a great man of another day, a foreigner who participated in our battle for freedom, the name of Gen. Casimir Pulaski takes on a heightened significance.

The underlying motive of all General Pulaski's life was love of liberty. Rarely in history do we read the record of one more outstanding in courage. Hardship never diminished his thirst for freedom, and great hardships he endured in his participation in the American struggle for independence.

Born to a high position in his native Poland, he cast aside all the comforts that wealth could provide and cast his lot with the oppressed, and in doing so became a hero of the Revolutionary War. His death at the early age of 31 from wounds suffered in the siege of Savannah, illustrates as it could in no other way his strong character, his fortitude, and his devotion to duty.

The honor we pay his memory on this date is but a token payment for what he did for a struggling America and for his valuable asistance to Gen. George Washington.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] be given permission to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DINGELL. Mr. Speaker, today, as we commemorate the hundred and seventieth anniversary of the death of General Pulaski, it is unnecessary to call attention once more to the valor and heroism of this great Polish-American soldier, but we might reflect upon the unhappy repetition of history. For once again, as in his own time, his native Poland has been offered up on the altar of avarice. Two hundred years ago that infant democracy was devoured by the greed of nations, and now in our time the Eastern hordes again oppress these freedom-loving peoples, and we cannot in truth foresee the day of their release. For it was only yesterday that the world took up arms for the freedom of the Poles, who were the first to oppose modern tyranny, and, yet despite the magnitude of the victory they still remain in bondage.

At the siege of Savannah in 1779 when Pulaski lay dying of wounds inflicted in the cause of liberty, he affirmed his faith in the will of God. Today the Poles are deprived of all but that faith and their undying love of freedom such as we enjoy through the sacrifice of such men as General Pulaski. May it be God's will that the hundred and seventy-first anniversary of his death will see the return of freedom, and let this be the occasion for the rekindling of the patriotism inspired by that noble man.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. LESINSKI] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LESINSKI. Mr. Speaker, today marks the one hundred and seventieth anniversary of the death of Gen. Casimir Pulaski, whose love of freedom inspired him to regard that great human birthright not as the privilege of his native country—Poland—alone, but as the birthright of the entire human race. It was this love of freedom that prompted him to join the forces of General Washington in the middle of July 1777, under whose command he first served as an ordinary volunteer. Two months later, on September 15, on the recommendation of General Washington, Congress elected Pulaski "commander of the horse, with rank of brigadier." The part he played during the American war of independence is recorded in the annals of history. Suffice it to say that he died for American independence.

The position of the Poland of today is parallel to what it was in Pulaski's time. Although her brave people were the first to take up armed conflict against the forces of Nazi totalitarianism, the victory which we have won has not restored her to the position to which her sacrifices rightly entitle her. Even today Poland is under the heel of an oppressor. Today, as in the days of Pulaski, her gallant people are scattered all over the globe, and the hope for Poland's restoration as a truly free and independent country is strong in the hearts of all liberty-loving men.

It was our late beloved President who assured the Polish people that they may be certain that their sufferings and unceasing contributions to the common cause would not be forgotten when their hour of liberation struck. Facts prove that we have been tricked and that the promises and pledges so readily and solemnly given while war was in progress, were not kept.

We are witnessing today the enslavement and practical domination of the free peoples of Europe by a ruthless dictator whose every act is a disgrace and a threat to Christian civilization. Let us face reality and fully realize that we are brazenly challenged by a barbarous creed based on madness which endangers enlightened humanity the world over.

Our great democracy stands out as the stronghold of all those ideals for which the free peoples of Europe fought the last war. Let us keep faith with General Pulaski who gave his all in our war of independence.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. LINEHAN].

Mr. LINEHAN. Mr. Speaker, I join with my distinguished colleagues in paying tribute to the memory of Gen. Casimir Pulaski. He was a great son of Poland and he was a great American patriot. His influence has been a powerful force for good in the many generations that have come and gone during the 170 years since his death. His place in the gallery of "American Immortals" has long since been fixed.

No race can claim the sole credit for the greatness of America. They all came here, usually with no wealth except in character and in the will to work, and they all worked together to make this the great land that it is. This is reflected in the fact that our national heroes, whose names are known in affection by every generation of our school children, did not come from one race or one country. They came from many races, from many countries, but they worked together to make this a better world by establishing and maintaining popular government under which men and women could govern themselves and thus be assured of that equality in op-

portunity and in the pursuit of happiness which all men desire.

Gen. Casimir Pulaski was born in Poland. He gave his life in America for America. He is a vital part of the American heritage. His memory is revered by all of us. To the young man or woman of Polish extraction it must, in an especial sense, ever continue to be an inspiration and a spur to patriotic endeavor.

The Polish people have made a contribution to America second to none. As Casimir Pulaski, a Polish-American, is one of our predominating national heroes, so are our present-day fellow countrymen of Polish extraction a powerful force for good in every activity.

On the anniversary of the death of Gen. Casimir Pulaski, naturally, we think of the present unhappy plight of the people of Poland. We want them to know that the heart of America beats in sympathy with them and that we look forward to the day when there will be a free Poland, guided by a government selected only by the people of Poland and responsible only to the people of Poland.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. RODINO].

Mr. RODINO. Mr. Speaker, today we recall the life and accomplishments of Count Casimir Pulaski. His story is that of a man who made one of the greatest personal sacrifices of the War of the Revolution. He demonstrated great ability and leadership, supreme loyalty, and painstaking devotion to the cause of the Revolution. This great man came to this country from his own distant land. He offered his services to the struggling American colonies and followed the leadership of General Washington until he met his death at the siege of Savannah. Mr. Speaker, this heroic officer, who fell under heroic and valorous circumstances, was one of the great and outstanding sacrifices of the Revolutionary War.

He organized his own Pulaski Legion, which fought at Little Egg Harbor and Charleston, as well as in a number of other engagements. At the Battle of Savannah, on October 9, 1779, General Pulaski was mortally wounded; he died three days later, on October 11, 1779.

In his last message to the Continental Congress, Pulaski wrote:

> I could not submit to stoop before the sovereigns of Europe, so I came to hazard all for the freedom of America.

So, on this day, the day on which we observe the anniversary of the death of General Pulaski, it is our hope that Poland will take her place again among the strong nations of the world.

Let us remember also the historic achievements, not only of the thousands of Polish-American men who have fought in our Army and Navy in all of America's wars, but also the heroic struggles of the Polish people against the invaders of Poland. The story of the epic struggle of Poland will live forever as an inspiration to freedom-loving nations.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Indiana [Mr. CROOK].

Mr. CROOK. Mr. Speaker, considering the great contributions made by various nationalities in all epochs of the evolution of our cherished democracy, we would be grossly derelict were we not, on this 11th day of October 1949, to pause for a brief spell and pay profound tribute to Brig. Gen. Casimir Pulaski, the hero of two continents, who 170 years ago today met with heroic death in a charge against the British at the siege of Savannah, Ga., during the Revolutionary War.

It is only fitting and proper that America and the grateful people thereof enjoying the blessings of liberty, security, happiness and prosperity should revere the venerable man who, at the age of 30, fell in an unexcelled and daring campaign dedicated to the cause of American liberty in our march for independence.

It has been said on many memorable occasions that General Pulaska died as he had lived, a noble and undaunted warrior, fighting the battles of liberty for his esteemed homeland and our cherished Republic. When this man sacrificed his youthful life, his fortune, splendid genius, lofty spirit and all his earthly aspirations for humanity, liberty, and justice, he gave his last full measure of devotion to a cause which possessed his body, mind, and soul. What more could mortal man contribute?

The light of Pulaski's genius and humanity was turned into a flaming torch by the mere touch of death and immortality. Principles live on without personalities. They are the deathless things of this world's affairs. The cause that he fought for has been anointed by his own blood. It is now buttressed in the heart of a great Nation.

He was denied the privilege to look with finite eyes upon the ultimate vindication, but let us, his followers, be heartened by the thought that not the least of the rewards of immortality will be his privilege to view from beyond the shadows of a vindication denied him while he trod the pathway of life in America.

As beneficiaries of General Pulaski's noble and heroic efforts linked with those of Kosciusko in battles fought for American independence, we do well to frequently pay high respect to that fine country that cradled such illustrious sons into courageous service for humanity. For centuries the Poles have fought bravely, tenaciously and with untiring zeal for their freedom and that of others against vicious tyrants. During two world wars in as many generations, hundreds of thousands of American citizens of Polish extraction have freely enlisted in and answered the call to the forces of the United States and fought all over the world for an established brotherhood of man and a just and lasting peace.

May we in America ever appreciate the inestimable contribution the Polish people have made in every field of activity in helping to build our Nation strong and stately, and may we constantly be stimulated by their philosophy of respect for the integrity of the human soul and the welfare of all humanity to the extent that our subsequent teamwork with them will gradually restore peace, law, and harmonious order for the world, including the restoration of their homeland to its original state of identity. Such cooperation and reciprocation will surely further the cause for which General Pulaski courageously drained the reservoir of his life.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New York [Mr. GORSKI].

Mr. GORSKI of New York. Mr. Speaker, today marks the one hundred and seventieth anniversary of the death of Gen. Casimir Pulaski, a valiant defender of liberty and the natural rights of people to live in a land of freedom.

General Pulaski distinguished himself in his native land, Poland, and was famous throughout Europe for his courage and heroism in the struggle of his country against the invaders who would destroy a truly Christian and peace-loving nation.

In 1777 General Pulaski joined the Army of Gen. George Washington where he again distinguished himself for his bravery. He soon rose to the rank of brigadier general and formed a group known as the Pulaski Legion. He led his men through some of the fiercest battles of the Revolutionary War. It is only fitting that today we pay tribute to a man who fought not only for his own country but fought and died for America. General Pulaski believed in the principles of democracy and paid the supreme sacrifice to preserve those principles. On October 9, 1779, the general was mortally wounded at the Battle of Savannah, Ga., and died 2 days later ending a noble life of sacrifice. The inspiration of General Pulaski has been carried down through the years as evidenced by the vigorous fight the Polish people have waged since 1939. At this time, particularly, we are concerned with the fate of the nation which bred a man so gallant. It was only 2 days ago we marked the tenth anniversary of the invasion of Poland by the Nazis. At that time no country had the courage to resist the forces of the stronger nations of Europe. But when Hitler invaded Poland he was met, for the first time, with stubborn resistance, a resistance which was admired by all nations that fostered liberty.

What a coincidence it is that we should now mark the 9th of October as invasion day by the Nazis into Poland and recollect that Gen. Casimir Pulaski was mortally wounded on that very date while fighting for the privileges which the present generation is seeking in Poland today.

If we here in America go forward and nourish the ideas of Pulaski and the brave men who fought that we might be free there is no doubt that we can build a world where ideas of justice and liberty are adhered to by all nations.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. TAURIELLO] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. TAURIELLO. Mr. Speaker, on this day we recall the anniversary of the death of General Pulaski.

General Pulaski's story is that of a young man who made one of the greatest personal sacrifices of the War of the Revolution. This man came to this country from his own distant land and offered his services to the struggling American Colonies and demonstrated great leadership, ability, and supreme loyalty to the cause of this war. In the year of 1777 he joined the army of General Washington and distinguished himself on several occasions. He rose to the rank of brigadier general in the American Revolution and fought with valor and distinction in many battles. At the Battle of Savannah, in the year of 1779, General Pulaski gave his life for the cause of freedom.

It is only fitting that at this time we should also remember the thousands of Polish-American men who have given their lives in all of the American wars.

We should go forward in the spirit of General Pulaski and build a world where the ideals of liberty and justice are adhered to by all the nations and where intolerance and aggression are only bitter memories of the past.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. GORSKI].

Mr. GORSKI of Illinois. Mr. Speaker, we pause today to pay tribute and honor to the memory of a great Revolutionary War hero, Gen. Casimir Pulaski, who gave his life in our Nation's fight for freedom and independence, which we so freely enjoy here in these United States.

This occasion reminds us of the great hardships and sacrifices which our heroes suffered and endured in the early days of our country. Today we are a strong nation, the most powerful on earth, enjoying the highest standard of living and the greatest latitude of freedom, of any people in the world. History teaches us how dearly our forefathers paid for these precious privileges. The great principle of freedom and independence for which general Pulaski made the supreme sacrifice should reawaken and rekindle the spirit of patriotism in the principles of our country.

We should be on guard against false ideologies and be alert to defend and uphold our form of government. We cannot become complacent, while our enemies and their propagandists are rampant in our midst. The danger is greater now than it has been in a century, for our enemies are bolder and more powerful. They attempt to create dissension, dissatisfaction, and unrest, with the object of fomenting trouble among our people, hoping thereby to divide us, while their only goal is to further the interest of some of those who would, if they could, foist upon us some other form of government. We know what has happened to the democracies in Europe and we should not take the attitude that it cannot happen here. In these perilous times of suspicion, distrust, and unrest throughout the world, with the torturing, imprisonment, and brutality inflicted on patriots in totalitarian governments, where neither freedom of speech or of worship is permitted and where the entire population lives in fear of secret police of the state, whose people also fought in the last war to preserve or defend their freedoms, now find themselves with a totalitarian form of government. We should reawaken the spirit of loyalty and patriotism among our people to our democratic form of government, so that we too may not lose this precious heritage of freedom and independence, which Gen. George Washington with his brave soldiers fought so hard to win, and which our great hero, General Pulaski, gave his life for.

On this one hundred and seventieth anniversary of the death of Gen. Casimir Pulaski, we take renewed faith in the words of our illustrious Civil War President, Abraham Lincoln, who said "government of the people, for the people, and by the people, shall not perish from the earth" and that this great Republic, the citadel of freedom, shall be the beacon light of democracy to all freedom-loving people of the world. The cause of freedom for which General Pulaski gave his life is of the uppermost importance to millions of people throughout the world. It is a treasured possession valued more than anything by those who have lost it and the struggle for it will continue until the people of all nations are free.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address delivered by Very Rev. John A. Flynn.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Speaker, I ask unanimous consent to insert my remarks in the RECORD on the one hundred and seventieth anniversary of the heroic death of General Pulaski, who gave his life at the siege of Savannah in 1779.

We Americans of Polish descent are commemorating today, the one hundred and seventieth anniversary of that great hero, the champion of freedom, who fought for it in the Old World and the New World.

History tells us of General Pulaski's great love of liberty. In the service of his native country he fought valiantly for its liberation, and during that struggle saw his father and his brothers killed; saw his home and his property destroyed and confiscated, and finally driven out of his native land as an exile. His determination and love for freedom did not stop. When he learned of the American struggle for independence, he immediately volunteered and offered his services for the freedom of America.

Serving in the Continental Army, General Pulaski endured the hardships and deprivations as did George Washington.

General Pulaski used the remnants of his own personal fortune, estimated at about $50,000 to equip the men during the Revolutionary War. He is considered the father of the United States Cavalry. During the first 18 months of the Revolutionary War, our forces did not have a regular Cavalry Corps, and was only formed when Congress commissioned General Pulaski to organize one. His great knowledge and leadership upon sound military lines has created an outstanding cavalry that brought many victories to our Nation. His book for cavalrymen is still widely used in military academies.

General Pulaski was born of noble blood, reared in wealth in comfort, protected against the hard knocks of life; yet he chose to cast aside all these comforts of life and join the forces which fought the battle against oppression and tyranny.

Poland's position today is similar to what it was in Pulaski's time. Today, as then, she is under the heel of an oppressor; today it is not free, though Poland's loyal fighting men in World War II contributed their share in vanquishing the enemy of democracy—Nazi Germany. Today it is enslaved by Soviet Russia, its people are ruled against their will by puppets that were put down their throats by Stalin.

General Pulaski in his time held the plight of his own country uppermost in his mind, and when he offered his youth and his very life to the American cause, it was with the hope that by his deeds and sacrifices, he could win a strong ally for the Polish cause, which was so similar in ideals to the American one. Poland's cause today, 170 years after Pulaski's death, is again our cause.

The tragic death of this Polish and American hero did not erase his deeds from the memory of future generations, either in the Old World or the New. By his great courage and his unceasing zeal with which he incited thousands of others, he contributed to the preservation of the Polish spirit.

Every time we gather to commemorate Pulaski, we manifest this same spirit. It is an occasion for us to remind our fellow Americans of the debt this country owes Poland for Pulaski and many other Poles contributing in making our Nation the greatest democracy in the world.

We must not forget Poland, for she is as in Pulaski's time, again under the heels of Russia, this time a Red Russia.

We must insist that Poland be liberated from the oppressors and regain her freedom with eastern boundaries returned to her and her recovered western lands to be a part of an independent and integral Polish nation. American leadership should strive toward this end. No civilian people in Europe have been more brutally persecuted and double-crossed, or suffered greater losses, both in lives and materials, or more heartaches at the hands of the Axis supermen than has Poland.

We are the greatest and most powerful Nation on earth. As Winston Churchill stated, greatness and power carry with them definite responsibilities. It is our duty and obligation to collaborate with the other freedom-loving peoples of the world to establish and maintain peace for all men of good will.

In doing so, we shall keep faith with General Pulaski and the other great men

who gave their lives and all, since the beginning of the history of our great country.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, only a month ago millions of Poles all over the world were commemorating the tragic anniversary of the brutal Nazi invasion of Poland. That tenth anniversary of that ignoble moment was made so much more tragic by the realization of the fact that Poland, which was the first to stand up against the Nazi attack and which fought so gallantly on our side, is still today bound and enslaved.

The plight of Poland today, in the words of our estimable leader the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK, is that of an ally forsaken and a friend betrayed.

The 1,000 years of her national existence, her manifold sacrifices as the bulwark of Christianity and the defender of western Europe, her contributions to the culture which today belongs to the world, and the countless noble achievements of her sons cry for justice.

If we are to remain at peace with our consciences, if the armed victory of the Allies during the recent global conflict is not to remain but a hollow word, Poland must be given justice—restored her lands, her people released from the yoke of oppression and fear, she must be returned to her rightful position among the free nations of the world.

This year we are commemorating the two hundred and first anniversary of the birth and on this day the one hundred and seventieth anniversary of the death of Gen. Casimir Pulaski, the renowned Polish-American hero. May the memory of this great man, a soldier and a humanitarian, once again remind us of the debt which we, as a nation, owe to the Polish people. As he did not hesitate to cross an ocean and give his life for the principles which we hold dear, so may we also be forthright and outspoken in demanding that the principles be adhered to—that Poland be rendered justice.

It is hardly necessary for me to recall or enumerate the data pertaining to the life of General Pulaski—his history and the long list of his achievements are well known to lovers of liberty throughout the world. Let me then but join in paying my tribute to this man of noble birth who, instead of leading a life of pleasant leisure, devoted his efforts and gave his life for those ideals of freedom, personal liberty, and equality, which are still upheld by us today.

The age in which General Pulaski lived was one of the most trying and momentous periods in the history of the world. From the lands of Poland, through the western Europe, and on to the New World, the stage was being set for a tremendous conflict between the old traditions of absolute monarchy and the supremacy of the state over all its subjects on one hand and the comparatively new ideas of individualism, personal liberty, and equality on the other. It was in America that this conflict first broke out in an open struggle of arms—France, through its bloody revolution, and Poland, through the peaceful transformation accomplished by the adoption of the constitution of May the 3d, were to witness the later stages of this conflict.

General Pulaski saw the oncoming of this conflict in his own native land and, impatient with the gradual peaceful transformation which was beginning to materialize in Poland, he decided to travel to America where on the battlefields of the Revolutionary War more rapid results were to be expected, and where the need for champions of liberty and freedom was pressing. It was his idealistic and generous gesture of crossing an ocean to fight on the side of the underdog that endeared him to Americans of his time and of generations to come, as much as his feats on the battlefields and his death at Savannah. He, like many others of his time, would have been happy to see the ideals and principles for which he fought come out victorious and take deep roots both on the American soil and on the Continent, had he survived the conflict.

Mr. Speaker, at this point I wish to include the following address of Mr. Anthony Szymczak, of Milwaukee, Wis., in further tribute to the memory of General Pulaski:

I feel it a great privilege and a pleasure to welcome you on behalf of the Milwaukee Society on this occasion of our annual Pulaski Day. It is a tradition with us to honor Poland's illustrious son, soldier, patriot, and friend of Washington and Franklin, defender of liberty and the martyr to the cause of American independence. In the evolution of moral crises great men grow. They bud and and they blossom in the air and the earth that evolves them. So it was with Brig. Gen. Casimir Pulaski. He fought and died for America in the saddened love he bore fair Poland, ravaged, pillaged, the darkest tragedy, the blackest chapter in the annals of human misery, unparalleled in crimson history.

Few names of the stirring period of Casimir Pulaski's lifetime have come to us with more dignity or clothed in greater attractive romance. No purer patriotism glowed in the breast of any revolutionary father than was kindled in the heart of this true son of liberty. No nobler sentiment ever lived in deeds of valor than burned in him that gave up all that man could hope and live for to bear the dangers of a distant land in the unequal contest and almost hopeless cause. But he came to us in that consecrated love of freedom and humanity that finds its home in the hearts and minds of great men.

Pulaski chose to battle for the new world—a land where kings were yet unborn, where freedom was a star and thrones were dust. He saw like a bright vision from afar the beautiful and imposing temple of liberty building on the Western Hemisphere. He saw beneath the furls of our starry banner a home for his compatriots in the land of the free. And they came to enjoy the land whose freedom he consecrated with his blood. They lived to see the sunshine, but he fell in the smoke of battle. He gave his life at the age of 31 at the siege of Savannah, 170 years ago. He died as he had lived—a hero and an archenemy of tyranny. His hero soul goes marching on with the warriors of our cherished republic.

Destiny delights to mingle in the veins of American greatness the invigorating blood of many races. On this occasion America honors the name of Casimir Pulaski. The President of the United States has again proclaimed October 11 as Pulaski Day. Honoring Pulaski America honors his homeland, and the people of that land, of past generations and of the present. Land of patriots and scholars, land of glorious yesterdays—her spirit, unbroken through 150 years of partition and servitude, and the tyranny imposed by powerful and brutal oppressors, is immortal.

Poland has kept the torch of freedom aloft through the centuries. Her history is an epic of the nation's struggle, for the independence of the human spirit, and man's dignity.

From the very birth of our Nation, to the present day, the descendants of Pulaski have written their names in flaming letters upon the pages of American history.

Let the grateful American Nation declare that Poland shall remain and retain her freedom. They are determined, and we are determined, that they shall be free. The heart of this great people beats in unison with the heartstrings of every man, woman, and child who is dedicated to the doctrines of man's humanity to man.

Stirred by the treasured memories of her historical past, inspired by men of valor like Casimir Pulaski, moved by a heavenly impulse for liberty, Poland will rise again majestically from her deep sorrow—refreshed and purified—to a glorious and more triumphant destiny.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on Pulaski Day.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it is not given to many men to be remembered long after they are dead.

Of the millions on earth today, each doing his part in the place where the pattern of life placed him, few will be remembered by name or by deed longer than the life-span of dear ones of his own immediate family and the circle of his own friendships.

Lives of men and women are as the leaves on the trees, and when they have fallen and the tree of their generation is barren it is seldom that any individualized memory survives.

But to some in the past has been given, and to some in the future will be given, an escape from this sea of the anonymous.

There are some lives in every generation that stand out as bright stars, as though fixed in the heavens by an unseen hand, to direct mankind in the ever-groping climb toward the heights.

Such a life was that of Gen. Casimir Pulaski.

There is a deep significance in what we are doing here today. None of us knew him in the flesh. He had done his work, had finished his mission, and had gone long before any of us in the Eighty-first Congress had been born. Yet today, when this is the capital of the world and America has come into the fulfillment of her destiny, we in this Congress from all the States, the territories, and the possessions of America join in a chorus of acclaim to one who was born in another century and in another land. This, Mr. Speaker, I interpret as an acknowledgment by us that there is an American heritage—an intangible possession reflective of the soul of a noble people—and that Casimir Pulaski is a vital and an eternal part of that heritage.

The influence of his life is a continuing and never diminishing strength to this, our country. He has been an inspiration to all of us, and especially to our countrymen in whose veins courses the blood of the Poland of his nativity. The contribution that generations of Polish-Americans have made to the richness of American life, in every cultural and patriotic phase, has kept faithfully to the pattern furnished by the life and the deeds of Gen. Casimir Pulaski.

On the one hundred and seventieth anniversary of his death we best pay tribute to his memory, and show the sincerity of our deep appreciation of the great contribution he made to the freedom of the America he served and loved, by reaffirming our friendship for the people of Poland. The nation that gave us Casimir Pulaski, and from which have come so many thousands of men and women to aid magnificently in the building in our America of an enduring fortress of freedom, must ever stand in our affection with the closeness of a brother.

The men and women and children of Poland have suffered as few peoples in the long history of the world have suffered. They have been martyrs to the cause of freedom. I wish today we might do or say something in this Congress of the United States of America to give strengthening reassurance to every man, to every woman, to every child in Poland that now and always our country will stand by their country as a brother. There must and shall be again a free Poland—a great nation wherein the dignity of man will be respected and human contentment will reign in a free society in which the ennobling influence of religion will prevail according to the wishes, and in answer to the prayers, of a happy people in a happy land.

On the one hundred and seventieth anniversary of the death of Casimir Pulaski we from the Congress of the United States of America send to the people of Poland the message that we have not forgotten and that the freedom-loving spirit of that great patriot still unites us as one people in the common cause of freedom. In faith we look with certainty to the close-by tomorrow when government of the people of Poland, for the people of Poland and by the people of Poland—with no alien hand influencing or interfering—will be established in a free, independent, and sovereign Poland.

Mr. DINGELL. Mr. Speaker, today as we commemorate the hundred and seventieth anniversary of the death of General Pulaski it is unnecessary to call attention once more to the valor and heroism of this great Polish-American soldier, but we might reflect upon the unhappy repetition of history. For once again, as in his own times, his native Poland has been offered up on the altar of avarice. Two hundred years ago that infant democracy was devoured by the greed of nations, and now in our time the eastern hordes again oppress these freedom-loving peoples; and we cannot in truth foresee the day of their release. For it was only yesterday that the world took up arms for the freedom of the Poles, who were the first to oppose modern tyranny, and, yet despite the magnitude of the victory they still remain in bondage.

At the seige of Savannah in 1779 when Pulaski lay dying of wounds inflicted in the cause of liberty he affirmed his faith in the will of God. Today the Poles are deprived of all but that faith and their undying love of freedom such as we enjoy through the sacrifice of such men as General Pulaski. May it be God's will that the hundred and seventy-first anniversary of his death will see the return of freedom, and let this be the occasion for the rekindling of that patriotism inspired by that noble man.

SPECIAL ORDER GRANTED

Mr. SABATH. Mr. Speaker, a few days ago I received permission to address the House on tomorrow for 1 hour and to yield to such Members who desired to speak on the four hundred and fifty-seventh anniversary of the discovery of America. Unfortunately we are not meeting tomorrow, consequently I ask unanimous consent that I may proceed today to pay my respects to that great Italian sea captain, Christopher Columbus.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

FOUR HUNDRED AND FIFTY-SEVENTH ANNIVERSARY OF THE DISCOVERY OF AMERICA

Mr. SABATH. Mr. Speaker, due to the fact the House will not be in session tomorrow, I will be unable to deliver an address I have prepared paying tribute to the memory of an outstanding Italian—a world figure—Christopher Columbus, whose discovery of America makes our presence here today possible. I therefore, ask unanimous consent to proceed at this time.

Mr. Speaker, tomorrow is the four hundred and fifty-seventh anniversary of the discovery of America. It is with great pleasure and satisfaction that I join with the millions of Americans who today give praise and thanks to that intrepid and audacious Italian sea captain, Christopher Columbus.

In many hamlets, towns and cities, in schools and churches, and in public places, the name of Columbus is spoken in reverent tones and with kind expressions of love and affection for the man we honor today.

Even as I speak here at this moment, in my great city of Chicago, preparations are being completed for a celebration to be held tomorrow at Christopher Columbus Monument in Grant Park where civic and patriotic groups, men and women of all races and creeds, will join enthusiastically with our worthy citizens of Italian extraction, in paying homage to the brave and courageous mariner whose great and epoch-making discovery brought about deep and profound, yet beneficial, changes in the world in which he lived.

And may I take this opportunity to point out the many splendid and useful gifts and contributions which the citizens of Italian descent have heaped upon America during the course of our rapid and sustained progress as a nation.

In a speech I made in 1909 upon the floor of this House, in connection with the consideration of a bill to increase immigration fees which I opposed, I took the occasion then to detail the fine qualities and virtues of the Italian immigrants who came to our shores, many of whom contributed so largely to the building of our railroads and other arteries of communication, while others assumed a foremost position in our social, industrial, and economic life; that, possessed of high character and purpose, carried on everywhere in America in a manner worthy of the traditions of Dante, Leonardo da Vinci, Michelangelo, Raphael, Volta, Cavour, Garibaldi, Marconi, and a host of others who contributed to the civilization and culture of the world.

Well may we in America be grateful that Christopher Columbus, an Italian, lived to discover our land—fertile and rich—a land destined to provide unlimited opportunity not only for our own people but also for the oppressed of other lands.

Another effect of the discovery of America was to give spur to a new civilization which stands incomparable in the course of historical events which it produced. Out of it came the desire of people for self-expression, for self-government, for justice, and a desire for national and patriotic outlet.

Thus began the modern age which gave us this revival of learning or the Renaissance, the Reformation or religious movement, and the golden age of discovery and exploration of new lands, followed by colonization of these territories.

The story of Columbus is too well known to require repetition, although it is a powerful and fascinating one. Every school boy and girl and most adults have read or heard the narrative which recites the puzzling problem of seafaring men living in the fifteenth century, who believed the earth to be flat, who believed there was a dropping-off place somewhere far beyond the horizon from which there was no return.

The golden age of discovery was precipitated by the exploit of Columbus, which set the stage for the great adventures of Vasco da Gama, who traveled for the first time the sea route to India by way of the Cape of Good Hope; John Cabot, who reached America at a point near Halifax; Amerigo Vespucci, who gave to America his name, sailed to the coast of South America; while Balboa found the Pacific Ocean; followed by Magellan, who sailed round the world.

But it was Columbus whose name is the personification of courage, patience, and rectitude—Columbus whom we single out today for praise and adulation.

Columbus it was who made his dream come true, for he was firm in his belief that the earth was round since his compass, the tides, the study of the seaways, the changes in the positions of the stars from time to time, all convinced him that the earth was round.

With the formation of this deep-seated conviction arose other difficulties. He had no finances, and he begged the King of Portugal for help but was refused. Finally, after 5 years of dogged and tenacious insistence, Queen Isabella of

Spain fitted out the *Nina*, the *Pinta*, and the *Santa Maria*. I pause for a moment here, because early in my congressional career I interested myself in refitting the replicas of these ships which took such an important part in one of the greatest world's fairs—the Columbian Exposition of 1893, at Chicago.

I like to visualize the gripping, dramatic account of what occurred on those three ships during the fateful 3 months of unrest, commotion, superstition, fear, and mutiny which possessed his crew on the one hand, and on the other the daring, the courage, the patience, and faith of their leader who, unfortunately, was not destined to receive and enjoy at the close of his life the continued approbation and thanks of the people whom he had served so well and so generously. Here indeed is a prophet not accepted in his own country.

For us in the United States and for that matter the whole world, the period of Columbus marks the transition from the old concepts of life to the bringing of new ideas into being. Columbus, in his quest for a new route to India, brought about a period of widespread demand for new things in life—education, fine arts, trade, and territorial expansion.

And so as a result of the discovery of America we today are able to look back upon our past history—its colonial beginnings and expansion, the American Revolution and its Declaration of Independence in words:

> That we here highly resolve that these united Colonies are, and of right ought to be, free and independent states.

We fought a successful war against great odds; then followed the formation of the United States—the Article of Confederation; then the Constitution and the Bill of Rights. George Washington became our first President, later followed by men like Jefferson and Jackson, to mold the beginnings of a representative form of government in a democracy which believes in and follows high moral and spiritual values—in which every human being has a personal value and is not regarded as a chattel—on which each man is free to follow his own bent, free to exercise his own rights, to advance spiritually, materially, and mentally according to his abilities and capacities—all these in contrast to the concepts of Carl Marx and Lenin, of subordination of the individual to the state with no rights of his own except those which a totalitarianism pretends to dole out.

Columbus Day of 1949 again brings to my mind the remarkable strides taken by our country in its early expansion, its beginnings in industrialization as evidenced by Eli Whitney and his cotton gin, our improvements in transportation and communication by means of the steamboat and railroad—then the highly controversial States' rights which brought on the conflict between the States. And here my thoughts revert to Abraham Lincoln, the emancipator, the great American fast becoming legendary, who sought to prevent the war. Following next in the history of our country made possible by Columbus is the period of reconstruction and the continued development of our natural resources and industrial establishments.

We arrive at the end of the century, and in 1898 we assume for the first time in our history a place among the nations of the world, followed by two cataclysmic wars only separated by a devastating depression, the ravages of which are still felt.

Such in brief is a thumbnail sketch of outstanding events in our Nation's history, again I say, made possible by the discovery of America by Christopher Columbus, whose achievement we make more than passing note of here in our great country on this, Columbus Day.

Columbus made possible the works of Washington, Jefferson, Jackson, Lincoln, Theodore Roosevelt, Wilson, Franklin Delano Roosevelt, and other great Americans too numerous to mention for lack of time and space.

They all believed, like Columbus, in a better life for all men. They too, like Columbus, sailed upon the shoals and the shallows of contentious seas of thought and action. They, too, suffered and endured courageously, with patience and with faith in our creator, the restlessness, the agitation, the fear, and the mutiny of inferior and rebellious minds of men, myopic in their views and partisan in their actions.

They, too, like Columbus, did not live to witness the triumph of their immortal labors which built truly great monuments for posterity to emulate and preserve.

And now there arises this question which we must answer: Shall we continue to maintain that path of progress which our forefathers planned for us to follow and pursue? Shall we be able to bring about an enduring peace for which all humanity cries, in this age of the atomic bomb and jet planes—in these days of attempts at the moral and physical rehabilitation of Europe by economic aid—in these days of contention with Russia—of Tory opposition to executive and legislative measures calculated to better the lot of our sorely oppressed people and their families, thereby improving and safeguarding the position of those who are already favored with the conveniences of life and offering opportunities for greater service to their fellow citizens and mankind, and by retaining our democratic form of government?

These are the thoughts which recur to me on this Columbus Day of 1949. These are the hopes which motivated the every thought and action of that fearless and valorous navigator. His motto was God and Country. He served both well. It is within our power to follow. Let us do likewise—let us emulate Christopher Columbus.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Speaker, it gives me great pleasure to join my distinguished colleagues in commemorating the four hundred and fifty-seventh anniversary of the discovery of America. This is a day of deep significance to all Americans who think with gratitude of the home for free people which the discoveries of Christopher Columbus gave to humanity, and it would be most fitting that this day be commemorated each year as a national holiday. Daniel Webster has described the great event most vividly in his Bunker Hill Monument speech:

> We do not read even of the discovery of this continent without feeling something of a personal interest in the event; without being reminded how much it has affected our own fortunes and our own existence. It would be still more unnatural for us, therefore, than for others to contemplate with unaffected minds that interesting. I may say that most touching and pathetic scene when the great discoverer of America stood on the deck of his shattered bark, the shades of night falling on the sea, yet no man sleeping; tossed on the billows of an unknown ocean, yet the stronger billows of alternate hope and despair tossing his own troubled thoughts; extending forward his harassed frame, straining westward his anxious and eager eyes, till Heaven at last granted him a moment of rapture and ecstasy in blessing his vision with the sight of the unknown world.

Although this picture of the great and daring discoverer standing on the deck of a tiny ship, catching his first sight of the New World, is inspiring to all Americans, it is especially stirring to those citizens who, like myself, are of Italian descent. They are mindful of their responsibility to be worthy citizens of the great Nation made possible by the questing mind and courageous spirit of Christopher Columbus. They are proud that the people of his race who crossed the ocean to the New World in later centuries have contributed so magnificently to the building of the America of today. The emigrants from Italy, like the other peoples of the Old World, have demonstrated their love and loyalty to this country in times of peace and of war. In World War II in each division of the United States Army nearly 500 soldiers, on the average, were the sons of Italian immigrants to America. Many more were of older Italian origin. These men were abundantly represented in the list of heroes decorated for bravery in the war.

The splendid showing the Italians of America have made was recognized by our Government during the war in its ruling that regulations applying to alien enemies would not apply to Italian aliens. Those of the older generation of Italians who because of language or other barriers had not acquired formal citizenship had in all other respects made this country their own and, like the millions of Americans born of the people of Italy, they proved their devotion to our democratic principles.

This observance of the achievements of the great Columbus recalls the other noble sons of Italy who in diverse ways searched and found new paths to the liberation of man's spirit—Dante, Galileo, Leonardo da Vinci, Michelangelo, Tasso, Ariosto. We think of Garibaldi, Mazzini, Cavour, Carducci, Verdi, Marconi, Puccini, Caruso, Toscanini, and all the other great artists, philosophers, musicians, scientists that Italy has produced.

The spirit of freedom, the love of liberty have always characterized Italy

which time and again has arisen to resist the arms of the invader of its soil. Americans of Italian descent are happy that on this anniversary of Columbus Day the land of their fathers is a free and democratic Italy which is making encouraging progress in economic reconstruction. They are grateful to their fellow-Americans who have been exceedingly generous in aiding Italy in her great task of rehabilitation and regeneration.

Mr. SABATH. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. RODINO].

Mr. RODINO. Mr. Speaker, it is fitting on this day that I join my distinguished colleagues in commemoration of the four hundred and fifty-seventh anniversary of the discovery of America by that great Italian—Christopher Columbus.

At about this time 457 years ago, three light caravels were ploughing through placid waters off the coast of Cuba. These three ships, the *Pinta*, the *Nina*, and the *Santa Maria* were driven onward, in the face of mutiny, by the fevered will of an adventurous Italian. On the eve of sighting land, with his eyes straining in the gloom, the commander of the little flotilla saw a glimmer of light "a will-o-the-wisp that rose and fell." This spark of hope came from the shores of San Salvador which he was to sight the next day, October 12, 1492.

Thus it was that, conquering the mysterious ocean, converting rumor into reality, contradicting legends and "rising above nature and the incredulity of men," this Genoese captain, Christopher Columbus, gave the world a new hemisphere which supplied the missing half of the earth. According to some thinkers, the effect of the feat of Columbus can be compared only to that of Christianity, the Renaissance, or the French Revolution.

Not much is known about the personal life of Columbus. In fact, there is scholarly controversy on almost every point of his career, but there can be little doubt as to the character of this great man. This land in which we live is firm testimony as to that. Although Columbus was a man of the middle ages, he was, in a very real sense, a modern man of action. In order to get around the trade barriers of the Old World, he turned to discovery and found a new one. Prof. Samuel Eliot Morison, who received the Pultizer prize for his book on Columbus, entitled "Admiral of the Ocean Sea," had this to say on that point, and I think it is well worth quoting:

> My main concern is with the Columbus of action, the discoverer who held the key to the future in his hand, and knew exactly in which of a million possible keyholes it would turn the lock. I am content to leave his "psychology," his "motivation," and all that to others. Yet, as the caravels sail on tropic seas to new and even more wonderful islands and to high mountain-crested coasts of terra firma where the long surges of the trade winds break and roar, I cannot forget the eternal faith that sent this man forth to the benefit of all future ages.

That glimmer of light first seen by Columbus became a beacon which led men to our shores. First, came the Conquistadors to the south, and then came the traders to the north. Almost 200 years later came the colonist seeking refuge from the persecutions of Europe. Thus the conquest and colonization of America were made possible. Eventually the colonies were impelled by force of circumstances to break the ties that bound them to the mother countries, and to enter upon an independent life as a group, held together by their republican institutions and their common democratic ideals. Time and again, rough hands have sought to snuff out this light of freedom, but we have maintained it against the forces of tyranny with courage and devotion. In this perpetual struggle to preserve our liberties, many Italian-speaking Americans and Americans of Italian descent have served gloriously. I speak specifically of some 845,000 Americans of Italian descent who served in the Second World War. I speak specifically of 20 of these youths who won the Congressional Medal of Honor, the Nation's highest decoration. One of these boys, from our own State of New Jersey, was Sgt. John Basilone, USMC, who was killed in action in 1942 on Guadalcanal. Sergeant Basilone was in charge of two heavy machine-gun sections which were charged by the Japanese and fired upon with mortar shells and hand grenades. When a gun was knocked out, Sergeant Basilone repaired it; when the gun crew was killed, this hero manned the gun alone. When shells ran out, Basilone ran through the enemy lines and brought back more ammunition and continued the attack. Such, said the Navy Department, "is in keeping with the highest traditions of the United States naval service."

It is significant that, with one exception, Italy has sent a larger number of immigrants to this land than any other nation in the world. There are no official records of the influx of foreign populations into the United States prior to 1820. In 1830, after the first decade of census taking, only 450 Italians were registered as having immigrated to this country, but by 1850 there was a steady stream of arrivals—among them artisans, political exiles, merchants, singers, musicians, and priests. Year by year the numbers increased, and during the 1901–10 period 2,045,877 settled in the America discovered by Columbus and named after their countryman, Americus Vespucius. In the course of 1 year alone, in 1913, 870,000 crossed the oceans to settle in this, to them new, land. The story is even told of the mayor of a small Italian town who received an American visitor with these words:

> I greet you in the name of the 5,000 inhabitants of my village, 4,000 of whom are now in your country.

The Italians were welcomed in the United States and became good citizens, community and governmental leaders. They contributed their special talents to the arts, crafts, and sciences. There is no industry that does not bear their imprint. They helped build ships and railroads, skyscrapers, and highways. The halls and walls of the Capitol itself are adorned by the genius of Italian artists who displayed in the new setting the talents which are in some ways so uniquely Italian.

Today, we still need the faith and courage of Columbus. As Tom Paine wrote, during our Revolution, by the light of a campfire: "Tyranny, like hell, is not easily conquered." Tyranny still threatens to quench the light of our freedom. We must be ever alert, we must be prepared, and we must unite with those whose freedom is also threatened. Millions of our fellow-Americans are celebrating this great day with us at this time, both in North and South America. In conclusion, let me quote from last year's proclamation of our great President, Harry S. Truman:

> The Old World which gave him birth and the New World which he discovered are now joined in a closer relationship not only through modern miracles of speed but also through a mutual need for the achievement of lasting peace and a higher civilization.

The city of Newark, N. J., which is part of the congressional district I am proud to represent, has already set aside October 12 as a national holiday by resolution adopted on October 5, 1949.

I anxiously look forward to the day when all of America will set aside October 12 as a national holiday in just recognition of the great discoverer, Christopher Columbus. In this connection, I introduced H. R. 4897 declaring October 12 to be a legal holiday. I hope that the Eighty-first Congress will enact this bill into law.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks in the RECORD concerning the discovery of America by Columbus.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

FEDERAL AID TO EDUCATION

Mr. PERKINS. Mr. Speaker, when this Eighty-first Congress convened on January 3, 1949, it was the considered opinion of a great majority of the Members that early action would be taken on a Federal aid to education measure. Our majority party is clearly committed to such legislation. Many individuals in each political party came to Washington determined not to let party prestige, religious controversy, false economy, nor anything else block passage of long overdue legislation to raise the level of education for the children and youth of America.

However, as we now rapidly approach the adjournment day for the 1949 session, the needs of over 25,000,000 children and the 1,000,000 teachers of those children have been almost totally ignored by this House of Representatives. This neglect has not been due to any lessening of the serious plight into which education has been thrown as an after-

math of World War II. In fact, the situation remains deplorable and will continue to become more critical for the next decade unless the House of Representatives assumes its obligation to the children and youth of our country without further delay.

SENATE PASSED S. 246 MAY 5

Probably the most widely known Federal aid to education bill is S. 246, the bill introduced in the Senate in early January of this year. That bill authorized $300,000,000 per year in Federal assistance to the States for public education and assures just and equitable treatment for children of minority racial groups. It assures an annual expenditure from combined local, State, and Federal revenues of at least $55 per child. It provides for Federal allotments to the States to be made according to an objective formula based upon the number of school-age children, the income of the people of the State, the effort the State is making to finance education from its own State and local resources. S. 246 was passed by the United States Senate May 5, 1949 by a vote of 58 to 15.

DETERMINED SUPPORT BY CITIZENS GROUPS BETWEEN MAY 17 AND JUNE 6

On May 17, our House Subcommittee on Federal Aid to Education, under the chairmanship of Congressman GRAHAM A. BARDEN, of North Carolina, opened public hearings on the subject. Chief attention was directed during those hearings to S. 246 and H. R. 4643 introduced by Mr. BARDEN. During the hearings statements urging passage of a good Federal aid to education bill were submitted by the American Legion, Veterans of Foreign Wars, and other veterans' organizations; by the American Farm Bureau Federation, the National Grange, and the Farmers Union; by the CIO and the A. F. of L.; by the National Congress of Parents and Teachers, and the National Congress of Colored Parents and Teachers; and by many national women's organizations representing millions of American women. Vigorous support for Federal aid to education was presented by numerous other national and State organizations of citizens, by Congressmen and by prominent citizens interested in the improvement of educational opportunities for the future citizens of our land. The United Mine Workers of America are supporting Federal aid to education.

HOUSE ACTION BLOCKED

On June 7, 1949, the Federal aid to education subcommittee recommended by a 10 to 3 vote the Barden bill, H. R. 4643, although many members of the committee did not intend to vote for the Barden bill at a regular full committee session unless amended.

Now, Mr. Speaker, from that time until the current date, more than four calendar months, only one official meeting has been held by the Committee on Education and Labor to consider Federal aid to education. Chairman JOHN LESINSKI has persistently refused to call the committee into official session to consider this important legislation. Furthermore, it became most apparent during informal meetings of the Committee on Education and Labor called by Chairman LESINSKI on August 22 and 23 that an existing religious controversy is doing much harm to the cause of Federal aid to education.

I have before me copy of a letter from William Jesse Baird, president of the Morehead State College, Morehead, Ky., addressed to Hon. JOHN LESINSKI, which I will now read:

Hon. JOHN LESINSKI,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN LESINSKI: In reality, the first line of defense of America and the American way of life is the schools of America. Surely, the comparatively small amount asked for Federal aid to education in the United States is almost a mere drop in the bucket as compared to the amount of money we are spending for military purposes, and the money we are spending all over the world to combat communism. A good educational program, adequately financed for education in America, will do more to save democracy and the American way of life than the total amount spent in foreign aid and for military purposes.

Surely our Representatives in Congress are too big of soul and mind to permit a religious question to prevent Federal aid for education in the United States. It is difficult for those of us who believe in the democratic process to allow any committee or small group of Representatives to prevent the total House membership from having opportunity to decide the question for or against Federal aid.

Won't you please use your influence and the good offices of your position as chairman of the House Committee on Education and Labor to bring the Federal-aid bill to a vote in the House during this session of Congress?

Very sincerely yours,
WILLIAM JESSE BAIRD,
President, Morehead State College,
Morehead, Ky.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Indiana.

Mr. JACOBS. Is it not a fact that at the last meeting of the House Committee on Education and Labor the meeting was adjourned by reason of the fact that the House had convened while a motion was pending to consider a bill that had been passed in the Senate?

Mr. PERKINS. That is correct. May I state further that I observed the clock at the time and it was 3 minutes to 12.

Mr. JACOBS. I should like to confirm that. According to the clock in the committee room, it was not 12 o'clock at the time the chairman adjourned the committee.

Is it not also a fact that on many occasions members of this committee have requested a meeting of the full committee and that it has not been called since?

Mr. PERKINS. That is correct.

Mr. JACOBS. I wish to say further that in the last meeting we had, which I think was on July 29, I had made a request for an appropriation of $42,000 to staff the Union Democracy Subcommittee. That request was opposed by the chairman of the full committee. It was voted on. By that vote the request was upheld and the resolution for an appropriation was voted out by better than 2 to 1. That was the last expression of the membership of this committee and the last opportunity it had to express itself. But notwithstanding that it had so expressed itself with regard to this subcommittee on August 31, 1949, without consulting the membership during the recess the chairman purported to dissolve all subcommittees operating under the full committee.

Mr. Speaker, I wish to say my vocabulary is adequate to describe my feelings in this matter, but the words I would have to choose are entirely too salty for this RECORD.

Mr. PERKINS. I wish to state for the RECORD, inasmuch as I yielded to the gentleman from Indiana, that I do not recall the exact procedure which took place concerning his resolution. It was voted on in the latter part of July, but I do recall that members of the committee have persistently asked our chairman to call a meeting of the full committee and that he has continuously refused to do so.

Some of the best educational experts in the entire Nation appeared before the House Education and Labor Committee in support of Federal aid. Their testimony revealed that educational slums have sprung up in certain sections of the country; that those slums will continue to grow; and that this condition will not improve until the Federal Government does something toward equalizing educational standards. It is common knowledge that these are indisputable facts.

It is foolish to think that our committee cannot intelligently solve this issue and decide whether or not we should appropriate money for services directly to parochial schools in those States where State policy specifically prohibits use of public funds for parochial-school services. The committee, if given an opportunity, will gladly relieve our distinguished chairman of any pressure along this line, and will strive to work out a bill for the benefit of all concerned. This religious controversy is a very small matter in comparison with the great harm that is being placed upon the school children of our Nation in depriving them of proper services and essential classroom instruction.

Especially is this true when we are now engaged in the passage of much legislation for our national security. There never was a time in the history of this country when our own national security demanded as much technical knowledge as today. Yet despite this basic reason, the House of Representatives is permitting hundreds of thousands of school children to be deprived of the proper instruction.

FARM YOUTH SUFFER

At this time I wish to call your attention again to the Nation-wide need for assistance to our States and localities to raise the level of educational expenditures. During the House hearings spokesmen for three great national farm organizations each urged passage of a Federal aid to education bill. These groups include more than 5,000,000 farm men and women. On May 18, 1949, the American Farm Bureau Federation wired the House Committee on Education and Labor to urge passage of a sound Federal aid bill retaining State and local control of educational policies.

On June 1, the National Farmers Union submitted to the committee the following resolution:

Rural children and young people do not have equality in opportunity in education, in comparison with children and young people of the cities. They do not have even one-half of equality. The educational facilities for rural youth are in a shocking condition. There is a lack of qualified teachers, a lack of good school buildings, a lack of money to go ahead. We are in favor of a greatly expanded Federal-aid appropriation, with an accent on help for rural areas, in order to supply money for improvement of rural schools.

One of the best arguments I have ever heard for Federal aid to education was that submitted by Mr. J. T. Sanders, of the National Grange. Mr. Sanders said:

If the net migration from farm areas to urban centers were a temporary phenomenon it would not be a basis of justification of Federal aid. But the birth rate on the farm is certain to exceed that in urban centers into the forseeable future. * * * Thus the excess of a half million farm boys and girls is probably the most permanent and surest farm surplus production—far more certain than the danger of surplus crop production.

This half million boys and girls are reared, fed, clothed, and protected in health up to the very beginning of their earning life at rural expense. In their prime they usually migrate to cities to spend their entire earning life, and pay their taxes to urban areas. Thus, cities have over the past 30 years actually capitalized on the entire cost of rearing and educating over 15,000,000 workers reared and educated at the expense of farm earnings. * * *

This alone would amply justify Federal aid to rural schools in far greater amounts than that proposed currently.

FARM STATES NEED FEDERAL AID

Mr. Speaker, the poorest States in our Nation include several farm States. In several of our Southern States more than 70 percent of the school population consists of farm boys and girls. By comparison with the national picture, it is in these poorer States that we find, first, more teachers on emergency certificates; second, more classes too large for the good of either teachers or pupils; third, the shortest school year in the Nation; and, fourth, almost a total lack of the simplest equipment and supplies needed in every school room. Shall we continue to provide less than one-half as good educational advantages for millions of our farm boys and girls as we provide other children over the Nation merely because these millions of farm boys and girls were born in areas of our Nation less fortunate financially?

LABOR URGES FEDERAL AID LEGISLATION

Edward H. Weyler, secretary-treasurer of the Kentucky State Federation of Labor, told our subcommittee on June 2:

Where the problem of education is concerned, Kentucky's present situation really is cancerous. Our rate of illiteracy and our lack of educational facilities are positive threats and hindrances to the social, economic, political, and educational standards and potentialities of our Nation.

Business, industry, agriculture, and the professions are all vitally affected. They will either suffer or profit by our recommendation and the decision of this Congress. Our Government, in many methods of subsidizing, assists these four segments of our society. Yet, in most cases the governmental assistance rendered does not minutely touch or attempt to correct the grass-root evil which, in my opinion, can be corrected by adequate Federal aid to education.

KENTUCKY TEACHERS UNDERPAID—STATE EFFORT HIGH

Mr. Speaker, on May 19, Mr. Boswell B. Hodgkin, our Kentucky State superintendent of public instruction, testified before the Subcommittee on Federal Aid to Education that during the 1947–48 school year 4,300 of our 18,700 Kentucky teachers were teaching on emergency certificates. Of these 4,300 substandard teachers, many were only high-school graduates. Superintendent Hodgkin also pointed out that during the 1947–48 school year 54.2 percent of our Kentucky teachers were paid annual salaries of less than $1,500, and that more than 3,600 teachers received less than $1,200 last year. He said:

In Kentucky we have had children in school for eight long years who have never had a qualified teacher.

May I make it very clear that the plight of Kentucky teachers is not due to lack of effort on the part of Kentucky citizens. In the fiscal year 1947–48 per capita income in my State was $850. In 43 States per capita income was higher, ranging up to $1,842 in 1 State. Over the 5-year period from 1943 to 1947 Kentucky citizens spent 1.98 percent of their income on public education, a higher percentage than that of 23 other States.

STATES ASSIST LOCAL DISTRICTS

Mr. Speaker, 41 of our 48 States in recent years have established minimum foundation programs of education. These foundation programs place the wealth of the State, regardless of where that wealth is, back of the education of every child regardless of where the child lives. Adoption of such programs of State assistance to local school districts within each State constitutes a new high in approaching our highly praised American principle of equal opportunity. Thus several of our poorest States as well as our wealthy ones have established foundation programs of education. It must be remembered however that any foundation program in the State of Mississippi is limited by an average expenditure of $66 per pupil per year while such a program in New Jersey can be planned to operate on the much more generous expenditure of $260 per pupil.

STATE BOUNDARIES LIMIT OPPORTUNITIES OF YOUTH

Rigid and impregnable walls between one State and another today constitute great barriers to equal opportunities for our children who are, after all, American citizens from the day of their birth. The study made by the Council of State Governments shows that the five more fortunate States with greatest industrial, commercial, or mineral resources were able to guarantee high levels of education within their borders in 1948 by spending more than $223 on the education of each child. Those children who happen to be born in any one of the five least fortunate States were required to get along on the kind of a year's education which could be provided by the expenditure of less than $105 per pupil in each State. Furthermore, great inequalities exist between one community and another in both our wealthy and our poorest States.

Are our American ideals of equal rights mere idle words? We provide the United States manufacturer uniform and equal protection against foreign competition but deny to American boys and girls born in our poorer States and the poorer localities in all States the educational opportunities available to those youths in our more wealthy communities.

We carry Federal-tax dollars across State boundaries and into any State in the Union to build vast power projects, and to combat crop diseases. We use tobacco revenues collected in North Carolina to build or improve harbors in New York or Connecticut. Opponents of Federal aid to education, however, have clamored successfully against the use of Federal-tax dollars to combat ignorance. How long shall we allow them to put over this hoax on the children of America? When can we unite in providing a decent minimum program of education for every child in order that he can become an active, useful citizen regardless of the State or school district in which he happens to be born?

NUMBER OF QUALIFIED TEACHERS DECREASING

In June 1949 fewer than 25,000 persons completed 1 to 4-year elementary teacher-training courses in our 48 States as compared to 32,000 in 1941. The Nationwide estimated demand is for 80,000. Meager salaries, overcrowded classes, double sessions, lack of equipment and supplies, and other results of inadequate financial support not only drive qualified teachers out of teaching but deter young people from preparing for the teching profession. An estimated 95,000 teachers hold substandard certificates this year.

EDUCATION DEPRESSION NATION-WIDE

Glaring inequalities exist in educational opportunities between States and between sections of our country. No region nor State is exempt. On the contrary the educational crisis is a national and not a regional phenomenon. According to the Council of State Governments the schools of both New York and Mississippi employed more than 3,500 teachers in 1947–48 with no college preparation. Both Illinois and Tennessee employed more than 2,400 such teachers. Salaries continue woefully low.

The Council of State Governments study shows that in 1947–48 half of the teachers of Alabama, Arkansas, Georgia, Kentucky, Mississippi, Nebraska, North Dakota, South Carolina, and Tennessee received less than $2,000, and 25 percent of the teachers in each of these States were paid less than $1,500 for their year's work.

DOES MINORITY PARTY SUPPORT THEIR OWN FEDERAL-AID BILL

Now may I address my remarks particularly to our Republican colleagues. In late July, Congressman KEARNS, of Pennsylvania; WERDEL, of California, and MORTON, of Kentucky, each introduced a Federal-aid-to-education bill. This bill was presumably designed to meet the needs of the Nation's schools as recognized by Republican leaders and has,

therefore, become known as the Republican bill. Mr. Speaker, may I point out at this time that there has been no effort on the part of our Republican colleagues to bring this bill out of committee. In fact, Congressman McCONNELL, ranking Republican member of the Committee on Education and Labor, has told me and other Members of this House that it is his intention to do no more with this bill than to give it wide publicity during the next several months. Mr. Speaker, I honestly question the advisability of further delay on the part of our Republican colleagues if they are sincere in wishing to help improve educational opportunities for the children and youth of this country.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. NICHOLSON. Does the gentleman know that the communities in the United States are raising 150 percent more money than they did 10 years ago to educate children and that they are now raising something over a billion dollars more than they were 10 years ago?

Mr. PERKINS. May I ask the gentleman from Massachusetts what communities he is referring to?

Mr. NICHOLSON. I am referring to the over-all expenditures in the United States.

Mr. PERKINS. It is true that all the States are spending more money today than they were 10 years ago for the cause of education, but the discrepancies and inequities are just as great today insofar as equalizing educational standards as they were 10 years ago. In fact there are many more disparities that necessitate an urgent need for Federal aid to education than there were 10 years ago.

Mr. SIMS Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. SIMS. Could the gentleman tell me where the Republicans were at the last regularly called meetings of our committee?

Mr. PERKINS. Yes. Since the gentleman from South Carolina has asked that question, they were approximately 35 or 40 feet on down the hallway on the opposite side—southeast side—from the regular committee meeting room. That is, most of the Republicans on our committee. The gentleman from Kentucky, Congressman MORTON, was absent and perhaps someone else.

Mr. SIMS. Was there a single member of the Republican Party present at the meeting when only 11 members were present—a meeting called by a petitioner, which included 12 Democratic names?

Mr. PERKINS. One of the minority members told me that the meeting would not be boycotted by the Republicans, but the meeting was boycotted by the Republicans on that date. We forced a meeting by a petition, but two members failed to show up. Therefore we did not have a quorum present. No Republicans were present until after 12 o'clock, at which time we could not hold a legal meeting on account of the rules of the House.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. JACOBS. Incidentally, would you mind stating where the chairman of the Committee on Labor and Education was when we finally located him?

Mr. PERKINS. In response to the gentleman's question, I could not find the chairman myself.

Mr. JACOBS. You never did find him?

Mr. PERKINS. I never did find him.

Mr. JACOBS. Then I will state that he was over in the minority room with the Republicans.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield further?

Mr. PERKINS. I yield.

Mr. NICHOLSON. I did not want to get into any controversy about Republicans sitting on these committees, but it has been my experience, and I have attended every one of my committees, that we Republicans might just as well not be there because they do not pay any more attention to us than if we had not been there.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield.

Mr. RICH. There is nothing I like better than when you say something about the Republicans. I am a Republican, and I stand for Republican principles. But you are talking about an educational program, and wanting the Federal Government to get into it. I want the Federal Government to stay out of it, because you have got politics in everything you do. If you get an education bill in here and start to get the New Deal in it, it will not be long until you will be running the schools of this country. It would be the worst thing that could happen to America. We founded this country because we wanted more freedom, freedom of religion and freedom for our schools; teachers to teach the children, and not politicians. We do not want politics to get into these things. That is, as far as I am concerned.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Pennsylvania for a reply.

Mr. EBERHARTER. I would like to say in answer to the gentleman from Pennsylvania [Mr. RICH] that the Republican Party has been in control in the State of Pennsylvania for many, many years, and the State Government has spent many millions of dollars every year for educational purposes.

Mr. RICH. Yes; but we did not get politics into it.

Mr. PERKINS. I do not yield any further.

Mr. EBERHARTER. I thank the gentleman for yielding to me. However, the State of Pennsylvania, under a Republican administration, is spending millions of dollars every year for educational purposes, and no politics enters into the education of the children in the State of Pennsylvania. So that is no argument for the Federal Government not participating in Federal aid to education and financing some of the much-needed building and payment of school teachers and generally raising the standards of education in all the States of the Union.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Not at this time.

I want to thank the gentleman from Pennsylvania [Mr. EBERHARTER] for his answer to the gentleman from Pennsylvania [Mr. RICH]. I would like to say that politics should not enter into a measure of this kind, but I take it, from the argument of the gentleman from Pennsylvania [Mr. RICH] that he is entirely against the principle of Federal aid to education. Am I correct in that statement?

Mr. RICH. That is right. I am against it. Now will the gentleman yield?

Mr. PERKINS. I do not yield further. You have answered my question.

Mr. RICH. Let me answer my colleague from Pennsylvania.

Mr. PERKINS. I do not have the time. I want to get along.

Mr. JACOBS. Mr. Speaker, will the gentleman yield to me?

Mr. PERKINS. Not at this time. I will later.

Why do not Congressman McCONNELL and the gentlemen who introduced the Republican Federal-aid-to-education bill indicate their good faith by placing their names on a petition to call a meeting of the Committee on Education and Labor for the specific purpose of considering their bill?

Frankly I am raising this question. Does Congressman McCONNELL want any Federal-aid-to-education bill, or is he only interested in making political capital—political capital gained by depriving children of a minimum educational program?

I will sign a petition to bring the so-called Republican Federal-aid-to-education bill before our Education and Labor Committee for consideration. Furthermore, I am authorized to say that several other members of the majority side of our committee will likewise sign such a petition.

SALARY BILL A POSSIBILITY

It is not my intention to imply that S. 246 should be the only acceptable Federal-aid-to-education bill. Congressman BURKE recently introduced H. R. 5939, a bill to provide Federal assistance to the States to be used exclusively for salaries of public-school teachers. Since the low salaries paid our public-school teachers constitute the single greatest threat to our public schools over the Nation, I would be willing to give my vote to report favorably on Congressman BURKE's bill or one similar to it.

S. 246 PREFERABLE

However, I do prefer S. 246 over any and all other Federal aid to education bills which are before the Education and Labor Committee. S. 246, if enacted and placed in effect will assure raising the level of education in the poorer communities of every State. It recognizes completely the constitutional and traditional right of each State to determine educational policies, including the right of the State to determine whether or not public funds shall be used for transportation of non-public-school children.

It will establish a minimum foundation or floor under educational expenditures in every State. Therefore, but chiefly because the bill prohibits Federal control and retains State and local control over basic educational policy, I believe this Congress should speedily enact S. 246 and assume our part of the responsibility for educating the future citizens of our Nation.

I now yield to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. I just wanted to make one comment at this point with reference to politics in education and in connection with the idea of Federal aid to education. The record should disclose that Abraham Lincoln signed the first bill for Federal aid to education. Many of our colleges have Federal aid. It works so well and so smoothly that most people are not even aware of the fact that there is such aid.

I realize that the gentleman from Pennsylvania is against the bill. I think the Republican Party was, and I think that that is one of the reasons that the people did not return the Republican Party to power last year.

Mr. RICH. Mr. Speaker, will the gentleman yield to me now?

Mr. PERKINS. I will yield to the gentleman from Pennsylvania for a question.

Mr. RICH. My colleague from Pennsylvania [Mr. EBERHARTER] and the gentleman from Indiana are interested in getting the Federal Government into education. But in the State of Pennsylvania we are 10 times better able to carry on our educational system than the Federal Government. You fellows are going to break down our Federal Government. You add on, add on, and add on. Why, you do not know where you are going. You are going broke pretty soon, and you do not know it. You are going over the hill so fast and so far that the first thing you know you will be going down the river one of these days.

Mr. PERKINS. Let me reply to the gentleman from Pennsylvania by stating that in my district the Pittsburgh Consolidation Coal Co. and many other coal companies own a great part of the wealth. They take the coal from my district. The citizens do not own the mineral rights. That is perfectly legitimate under our form of government, but does not the gentleman believe that these facts should cause him to recognize the principle that we should tax wealth where it is located? Our people do not own that coal; the people in Pennsylvania own that coal, or a part of it, that is, the coal rights; and it seems to me that it is perfectly fair that they should pay a fair share in taxes to equalize educational opportunities in this Nation, at least to assist in providing a minimum educational program such as provided in S. 246, especially since we are spending a greater percentage of our total wealth in Kentucky than the State of Pennsylvania is spending. The Pittsburgh Consolidation Coal Co. and other companies pay income tax on their earnings from the coal properties located in Kentucky in the State of Pennsylvania and not in Kentucky.

Mr. RICH. We do not find any locality in the whole United States where they say they have money; they all say they are poor, do they not?

Mr. PERKINS. Not necessarily; no.

Mr. RICH. Show me a place where they do not feel as if they were taxed to death.

Mr. PERKINS. The gentleman does not claim that the State of Pennsylvania is poor, does he?

Mr. RICH. Why, certainly we are; we are taxed to death up there. We pay more taxes to the Federal Government than we pay to our State government, yet we try to take care of them. I am not against taxes for education; I am for education; I believe in it. But I do not believe that the Federal Government should undertake to use the political pressure that is behind the principle to get the various States into the educational system. That is the reason I am against it. I think it is wrong, because you cannot keep it up.

Mr. PERKINS. May I ask the gentleman from Pennsylvania to tell me what is wrong with the principle when my State is making a greater effort and spending a greater percentage of its total income on education than the State of Pennsylvania is spending?

Mr. RICH. In Kentucky you have all the coal there and you can tax your coal in Kentucky and get the money that is necessary from your coal mines to keep the people in Kentucky and give them the very best schools that there are in the land. You have your coal lands there to tax, and the State of Kentucky is a whole lot better off than most of the States. The gentleman knows that there is not a spot in the United States that is not better off than the Federal Government. Whose fault is it? It is the fault of the squandering New Deal.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Arkansas.

Mr. TACKETT. I believe this observation will be pertinent at the present time. The city of New York has become great because it is the center for an enormous national and international trade. They come down into the State of Arkansas, take the raw product, carry it up to New York and the other eastern sections of this country, manufacture the raw product and they sell it back to us plus the manufacturer's cost, which is the greatest trade profit in existence.

Now, as long as we have inadequate and unfair freight rates which preclude us from entering into competition with the eastern manufacturing cities, should we be precluded from having a little bit of that money returned from whence it came?

The gentleman from Pennsylvania says that each State should take care of itself. The gentleman from Texas [Mr. PATMAN] represents one-half of Texarkana, I represent the other half. If Arkansas be a poor State, and Texas be a wealthy State, and a boy happens to live one block from the State of Texas, is this little child one block from the rich State of Texas not to have the same kind of an education as that child who lives in the State of Texas? Every boy and girl in the hills of my State or in the forks of the creek throughout this country is entitled to the fair opportunity to develop educationally in this great battle of life, the gentleman from Pennsylvania [Mr. RICH] notwithstanding.

Mr. PERKINS. I agree with the gentleman.

Mr. Speaker, may I say that the gentleman from Pennsylvania [Mr. RICH] did not answer my question a few moments ago. The record shows that the State of Kentucky, like many other States, spends a greater percentage of its total income on education than the State of Pennsylvania. For that reason it seems to me that the argument of the gentleman from Pennsylvania has no basis. Current taxes are obtained from current income. There is no other place from which to get them. Kentucky is spending for education a higher percentage of her total income than the national average. The wealth should be reapportioned in order to provide a minimum foundation education program for elementary and secondary schools in order to strike out the educational slums that are springing up over the country.

PUBLIC OPINION DEMANDS COMMITTEE ACTION

On July 15 a committee of representative citizens called upon Chairman LESINSKI to urge committee action on Federal aid. This committee transmitted to our chairman the following letter:

> The national organizations represented by the undersigned vigorously favor Federal aid under State and local control, to assist the States in more nearly equalizing educational opportunity for the youth of our Nation.
>
> We most earnestly request that you call an early meeting of your Committee on Education and Labor to consider Federal aid to education legislation. We respectfully urge that through your leadership the committee report favorably a Federal-aid-to-education bill for House action at the earliest possible date in order that appropriate legislation may be enacted before the current session of Congress adjourns.

The above letter was signed by representatives of 29 national organizations. The letter therefore represented the wishes of millions of individual citizens. Among the organizations which signed this request were the American Legion, the CIO, the National Congress of Parents and Teachers, the National Council of Negro Women, and the Veterans of Foreign Wars.

President Truman himself has joined other leaders in calling for action by the House committee. On August 5 the President held a special White House conference with Senate and House Democratic leaders. He urged that the House committee be called into official session and that S. 246, or some other bill satisfactory to the committee, be approved. It is perfectly obvious that the President's urgent request did not secure the cooperation of Chairman LESINSKI. No committee meeting has been held to this date.

During August and after the President's request had been ignored day after day, members of the Committee on Education and Labor became alarmed at the autocratic methods of Chairman LESINSKI in blocking official consideration of Federal-aid measures. Thirteen members—12 Democrats and 1 Republican—thereupon signed a petition, calling for an

official meeting on August 24. However, only 11 members showed up in the committee meeting. Chairman LESINSKI was among those who refused to attend the meeting to help constitute a quorum to transact official business.

In blocking committee consideration of this important legislation Chairman LESINSKI is defeating the purposes of representative government. He is prohibiting the operation of democratic methods and is substituting in place thereof the most autocratic and dictatorial procedures. The Committee on Education and Labor should be called into official session to consider general Federal - aid - to - education legislation. The committee should continue to meet daily until a bill has been worked out which is acceptable to a majority of the committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I think the gentleman has made a very excellent contribution to the House in giving us the history of this legislation and what has transpired in his committee, particularly as far as the leadership of that committee is concerned. There is one question that occurs to me, though, that I think the House would be interested in, and that is to know of the gentleman what particular Federal aid bill, of the various bills that are before the committee, he recommends.

Mr. PERKINS. I personally prefer Senate bill 246.

Mr. BYRNES of Wisconsin. That raises this question, if the gentleman will yield further. How, then, can the gentleman justify the payment of Federal aid to States like Pennsylvania, which the gentleman has admitted is well able to take care of its own educational benefits, or to a State like New York, which has an adequate income within the State? How can he justify the payments that are made under the Senate bill of Federal moneys to those States?

Mr. PERKINS. I will answer the gentleman in this manner: It is generally known that all the States of this Nation do not have adequate school buildings. They could take this $5 minimum, and that could be put to the use for general educational purposes under Senate bill 246 and be expended in accordance with the laws of the State of Pennsylvania. And, you could use some of your local revenue which this $5 minimum would make up for the purpose of constructing buildings.

Mr. BYRNES of Wisconsin. Does the gentleman mean to leave the impression that in that way the people of Pennsylvania could get something for nothing? Does not the gentleman appreciate, in the first instance, that the money is coming from the people of Pennsylvania and New York and the other States. I will be perfectly frank that I do believe we need Federal aid to education, and there are some States that do need the money, but I do not see how the gentleman can justify the proposition of paying to those States that are well able to take care of their own needs.

Mr. PERKINS. I will say to the gentleman further: it is no doubt true that the $5 minimum represents more or less a compromise.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include an open letter to Congress by L. F. Harza.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include an acticle by the Senator from Maine, MARGARET CHASE SMITH.

SPECIAL ORDER GRANTED

Mr. REES asked and was given permission to address the House for 10 minutes on Thursday next, following any special orders heretofore entered.

GEORGE M. FORD—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 362)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I have considered most carefully H. R. 1019, for the relief of George M. Ford, and have reached the conclusion, although reluctantly, that I should return it without my approval.

The bill would authorize the payment of the sum of $750 to George M. Ford, of Birmingham, Ala., as compensation and satisfaction of his claim against the United States for personal injuries sustained on November 19, 1943, while handling heavy scrap metal in the performance of his duty as a member of the Volunteer Auxiliary Police.

The committee reports and Government records reveal that, on the foregoing date, Mr. Ford, a member of the Volunteer Auxiliary Police Unit, United States Citizens Defense Corps, responded to a call from the officials of his unit to assist in a scrap drive. While so engaged with others in the unloading of a heavy automobile chassis, he suffered a bilateral inguinal hernia.

In due course, he filed a claim with the Federal Security Agency for benefits under the civilian war benefit program. That program was founded to provide, among other things, benefits for injuries incurred by members of the United States Citizens Defense Corps in the protective service established by the Director of the Office of Civilian Defense. Members of that corps, however, were not covered by the benefit program while engaged in other activities such as scrap-collection drives, distribution of war-bond literature, and the like. The Federal Security Agency, therefore, after affording a hearing to the claimant, was obliged to deny Mr. Ford's claim because he was not injured while engaged in the protective service.

This claimant is, of course, to be commended for his patriotic service, as are countless others who devoted their time and energies to these programs. Their part in our united war effort was a major contribution to victory. If the sole consideration here were one of individual equity, it would be difficult to resist the appeal of this relief proposal. Other considerations, however, are of paramount importance.

The coverage limitations of the civilian war benefit program were carefully considered before they were imposed. It would have been impossible as well as unjustifiable to create a benefit program for every illness or injury that might have been attributed to activities undertaken voluntarily by the individual to help his country in time of war. The degree of potential hazard involved in various activities suggested a sound basis for extending benefits to some undertakings and not to others. This basis was generally accepted. Judged in the light of this background, it is apparent that the effect of this individual relief bill would be to enlarge, solely for a single participant, the coverage of the civilian war benefit program. Were I to approve the bill, I would approve extending to Mr. Ford alone benefits heretofore denied to him and the many others who engaged in nonprotective services programs. I feel that the resulting multiple inequity and injustice to others who remain uncompensated for injuries received while engaged in civilian defense programs require me to return the bill without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 11, 1949.*

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts is recognized for 5 minutes.

UNITED STATES NAVY

Mrs. ROGERS of Massachusetts. Mr. Speaker, our national security is primarily the most important responsibility of every Member of Congress. I know, Mr. Speaker, that you and every Member are just as much concerned with all of the factors and problems involved in the possessing of an adequate national defense system as I am. From the peaceful days long passed before the First World War until now, I have fought and pleaded in public addresses in different parts of the Nation and on the floor of this House for a strong Army and Navy. The Constitution of the United States states that the Congress, and only the Congress, has the power to appropriate money, to raise and support armies, and to provide and maintain a navy. All of us have taken an oath to support the Constitution of the United States. It is our duty, therefore—I repeat, our duty—to support our Army and to provide for and maintain our Navy.

In view of this duty that the Congress shoulders and cannot delegate to any person or department of Government, the story of facts which has opened before our eyes in the hearings before the Armed

Services Committee of this House has left me in complete amazement. I am astounded. These hearings are not over but based upon the facts presented at the moment by distinguished and trusted officers of the Navy, it appears that the constitutional duty of the Congress has been usurped by individuals in the Department of Defense. This must stop and must stop now.

Everyone knows the value to the security of this Nation of the United States naval air forces. The two most vital arms of a modern navy are that of its undersea power and that of its air power. In spite of this obvious fact it has become evident in these hearings now going on before the House Armed Services Committee that a plan is being followed step by step to crush out and eliminate completely naval air power. The methods used are secret, underhanded, and unauthorized. They are similar to the methods that Hitler used. They are not the methods of a free, democratic, constitutional government. They are the methods of dictatorship. They are wrong. They violate and are contrary to the laws of Congress.

It is a real, hard, factual world we live in today. These are decisive hours. So, let us face the hard facts and be decisive. The so-called unification of the armed forces of this country is a failure. It is a failure because from the beginning it was not right. The American people and the Congress of the United States supported the principle of unification based upon the announced objective of economy and efficiency. But, I say to you that was nothing but a smoke screen. The real undercover objective of the proponents of this legislation was a merger of our armed forces. Through this merger they have attempted to eliminate the United States Navy as a fighting force in the defense of this precious country. By this merger they have attempted to concentrate power so great and so extensive as to be alarming to the constitutional, democratic system. The people of the United States are not going to stand for this. And as the representatives of the people neither can this Congress accept this treacherous, this tragic plan. When this Congress legislated unification it did not approve a merger. We did not approve of the elimination of the United States Navy as a fighting force. On the contrary, according to the sworn duty of every Member of Congress to uphold the Constitution, we must shape our national security around a great, powerful, fighting Navy and a strong Army, as stipulated by the Constitution—the document under which this Government was organized and operates.

During these closing hours of this session of Congress, it is unfortunate that we must face such an important issue. But the issue is important and we must face it. We must face it now, for next January may be too late. Action must be taken in this session of Congress to prevent the step-by-step elimination of the United States Navy as a fighting unit. Action must be taken now to stop and prevent the elimination of naval aviation together with marine aviation. Action must be taken now to build the naval air forces into a strong fighting protective force for this Nation. Action must be taken to provide for the equipment necessary for the naval air forces to carry their striking power anywhere in the world at any time. Action must be taken to compel the construction of the great super aircraft carrier, *The United States*. I say to you that action must be taken even if it means that this Congress must remain in session.

These are vital hours—hours affecting our destiny. Already too much—much too much—time has been lost. We have a duty to perform. It is the duty of not only saving the United States Navy but the duty of adequately providing and maintaining the United States Navy. It is the duty to stop squandering the national security. I hope and I plead in the name of this great, free, and precious country, that we will face up to our duty.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has again expired.

EXTENSION OF REMARKS

Mr. COMBS asked and was given permission to revise and extend the remarks he made earlier in the day in regard to the sale of Government facilities at Orange, Tex., to the Consolidated Western Steel Corp., and to include a copy of their offer of purchase.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as a part of my extension of remarks a statement by the American Legion as to the inequalities and inequities in the increased pension bill that was passed. I think the veterans themselves did not realize what had happened.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. POTTER] is recognized for 10 minutes.

COMMANDER SHANAHAN

Mr. POTTER. Mr. Speaker, I have always had the greatest respect for our various branches of military service. It is to be regretted that today I must call your attention to a series of incidents that cast a reflection upon the Navy in its inability to administer its own program.

The case directly concerns Commander Shanahan, a resident of my district whose home is in Charlevoix, Mich. Commander Shanahan graduated from the United States Naval Academy in 1927. He was graduated in the top third of his class at that time. He served with honor and merit in the United States Navy during all his years of service. He was commissioned and assigned to duty as an aviation officer. In November of 1937 Commander Shanahan requested and was ordered to duty aboard a destroyer. During his tour of duty he served successively at sea as gunnery officer and executive officer of the U. S. S. *Worden*. While serving aboard this vessel he was selected for promotion to the grade of lieutenant commander. Believing that his service as an aviator was necessary, Commander Shanahan on July 29, 1942, requested a refresher flight training course at the earliest opportunity, this course being necessitated because of his field of duty out of the field of aviation since 1937. Just prior to Commander Shanahan's duty as a student at the flight training center his name was submitted inadvertently to a special nonstatutory selection board which had been convened to select naval aviators in the grade of lieutenant commander for promotion to the next higher grade. This board which was selected to promote officers to the rank of commander for aviation duty passed over Commander Shanahan and rightly so because he had been out of the field of aviation since 1937 and had not been actively flying since that time. The records in this case further show that Commander Shanahan was again considered for selection for promotion by one of the nonstatutory selection boards which convened during the period from January to June 1943. However, at this time, a fitness report covering the period of his training in aviation from September 12, 1942, to January 10, 1943, was missing from his record. These fitness reports are reports prepared by the commanding officer, and the responsibility for seeing that such reports are made part of the individual's permanent record is that of the officer's immediate superior. Because this fitness report was not in Commander Shanahan's file he was passed over for the second time. At a later date the fitness report was supplied and made a part of Commander Shanahan's record, and a third selection board promoted Shanahan to the rank of commander from August 28, 1943. But as a direct result of being passed over twice, Shanahan suffered a lot of precedence from the top third of the Naval Academy class of 1927 to the foot of the class of 1932. The Board for the Correction of Naval Records, having considered this case, concluded; and I quote from the Board's statement:

> That an injustice is found in subject officer's record under applicable standards of naval law, administration, and practice in that, his failure of selection in 1942 should have been considered to be a case of nonconsideration, and he was thereby improperly precluded from subsequent consideration by the Jones Board so-called.

The records of the Department of the Navy show that the "Jones Board" was a nonstatutory board created by the Secretary of the Navy on March 25, 1947, "for the purpose of considering and recommending the readjustment of the lineal position of those officers of the line and staff who once failed of selection for promotion to the rank of captain or below, and who were subsequently selected by the next succeeding board."

In view of the Secretary of Navy's directive, the "Jones Board" refused to correct the injustice done Commander Shanahan by readjusting his lineal position based upon the fact that he was passed over twice and, therefore, was not eligible to be considered by that Board.

The Department of the Navy contends that it cannot correct, which they themselves admit is, a grave injustice to Commander Shanahan unless it has special

authorization from Congress. A bill was introduced in the other body by the distinguished Senator from Maryland [Mr. TYDINGS] for the relief of Commander Edward White Rawlins, United States Navy. Commander Rawlins' position is similar to that of Commander Shanahan. The bill was amended by the Senate so as to specifically authorize the Navy to review those cases and to correct their lineal positions where injustices to individual officers have occurred. This bill was passed by the other body and is now being pigeonholed in the House Armed Services Committee. It is my understanding, from people most familiar with the committee's activities, that the Navy itself is opposing this bill. If the Navy is not opposing the bill, it is certain that it is not directing its efforts toward having it enacted into law. It puts the Navy in a position of on one hand saying it cannot correct its own administrative mistakes, without special authorization from Congress, and at the same time tacitly opposing legislation which would authorize correcting its administrative errors.

Commander Shanahan is now being faced with the necessity of retiring from the Navy, which is his life's career, because he was twice passed over for promotion. I feel that Commander Shanahan has been penalized out of all proportions to the facts involved by suffering a loss of precedence from the top third of the Naval Academy class of 1927 to the foot of the class of 1932.

In the case of Commander Shanahan, I would like to develop the following points:

First. The action of the selection board in August 1942 should not have been constituted a passover but rather a nonconsideration for promotion. Because of his nonflying status, an entry should have been made that such nonconsideration was without prejudice to his record and rights when due for subsequent consideration.

Second. That because of the missing report of fitness, a more equitable course of procedure in the instance of the second selection board would have been for the latter to have abstained from any action in Commander Shanahan's case, due to the lack of material bearing upon his fitness for promotion.

Third. That in all fairness of justice Commander Shanahan should have been permitted to benefit from the administrative action taken in 1947 to readjust the precedence of those officers who had records of one passover that caused them to lose precedence out of all proportion to the intent of the selection laws.

Fourth. If the Navy still cannot answer why it cannot correct its own errors in the handling of promotions without congressional action, it should be one of the first to push for speedy enactment of legislation—legislation which would allow the Navy to correct its own mistakes which it claims it cannot do administratively.

Mr. Speaker, I am bringing this matter to your attention, and to the attention of the House of Representatives, not alone for the benefit of Commander Shanahan—whose naval records will show that he has served with honor and merit—but for the benefit of all officers of the United States Navy who may suffer undue injustices due to hide-bound naval red tape. It causes one to reflect, Mr. Speaker, that possibly the advocates of the Air Force are right in their contention that the Air Force should assume responsibilities that formerly were handled by the Navy. If the Navy cannot correct its own injustices, created through administrative errors, then possibly the bulk of the defense of this country should be placed in another branch of our military service. It is with great reluctance, Mr. Speaker, that I find it necessary to severely criticize the Navy. With this Congress appropriating billions upon billions of dollars for our national defense, I feel the taxpayers of this country have a right to know when hide-bound red tape cannot cope with even a minor problem such as correction of a promotion list. It gives reason to doubt if the Navy should be entrusted with major responsibilities for national defense when instances such as this Shanahan case prevail. Much of the money that is being used by our Navy is used for enlistment propaganda. To me it is ridiculous to spend one more cent for enlistment publicity when the Navy deliberately endeavors to throw a man out of the Navy who has had honorable service and force his retirement due to circumstances which the Navy itself admits exist through no fault of the officer.

Mr. Speaker, I have taken this matter up with the Secretary of the Navy and received a reply from the Under Secretary, Mr. Kimball. I then appealed to the Secretary of Defense, Mr. Johnson, and received a reply from him. Neither the reply from the Secretary of the Navy nor the Secretary of Defense was satisfactory. I ask unanimous consent that I may insert at this point in the RECORD my letter to the Secretary of the Navy and the reply of his Deputy, my letter to the Secretary of Defense and his reply.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection to the request of the gentleman from Michigan?

There was no objection.

The letters referred to follow:

AUGUST 3, 1949.

Re Edward K. Shanahan, Commander, USN
61255.

The Honorable FRANCIS P. MATTHEWS,
Secretary of the Navy, The Pentagon,
Washington, D. C.

DEAR MR. SECRETARY: Commander Shanahan under date of December 8, 1947, directed an appeal to the Secretary of the Navy for adjustment of his lineal position.

I understand the case was heard by the Board for Correction of Naval Records. Will you kindly advise me the Board's recommendation. This information is solicited in view of the bill which recently passed the Senate creating a Special Selection Board to review cases of this nature throughout the service.

Very sincerely yours,

CHARLES E. POTTER,
Member of Congress.

THE SECRETARY OF THE NAVY,
Washington, August 12, 1949.

Hon. CHARLES E. POTTER,
House of Representatives,
Washington, D. C.

DEAR MR. POTTER: I wish to refer to your letter of August 3, 1949, by which you inquire as to the recommendations of the Board for Correction of Naval Records in the case of Commander Edward K. Shanahan, United States Navy.

The Board has recently submitted a recommendation that remedial action be taken in this case, pursuant to a finding that Commander Shanahan's professional career has been improperly retarded by reason of an injustice suffered under the wartime promotion system. Specifically, the Board recommended that action be initiated to effect this officer's adjustment to the next higher rank with accompanying lineal adjustment. Such action would require special legislation.

In view of the pendency in the Congress of the bill referred to in your letter, no immediate action upon the Board's recommendation is contemplated, as it would appear that in the event that bill is enacted Commander Shanahan's case would be a proper one for reference to the Board contemplated therein. Therefore, while I am appreciative that a considerable period has elapsed since this matter was first taken under consideration, I am of the opinion that it would be unwise to reach a final determination in this matter prior to such time as consideration of the bill in question is completed.

I trust the above will serve the present purpose of your inquiry, and shall be pleased to advise you as soon as further information is available.

Sincerely yours,

DAN A. KIMBALL,
Under Secretary of the Navy.

AUGUST 16, 1949.

Re Commander Edward K. Shanahan, USN
61255.

The Honorable LOUIS A. JOHNSON,
The Secretary of Defense,
The Pentagon, Washington, D. C.

DEAR MR. SECRETARY: Commander Shanahan, a resident of my district, was unjustly passed over for promotion under the wartime promotion system.

I am in receipt of a letter from the Under Secretary of the Navy dated August 12, 1949, copy attached.

You will note that the Board for Correction of Naval Records has submitted a recommendation that remedial action be taken in this case. You will note also that the Under Secretary claims that special legislation is required in order to make this correction.

The correction of an administrative error on the part of the Navy Department is entirely in the province of the Department and not one requiring special legislation. I would appreciate receiving a written opinion from your counsel as to whether my contention on this point is correct.

With reference to S. 780, for the relief of Commander Edward White Rawlins, United States Navy, and which would also afford relief to Commander Shanahan, I have been informed that the likelihood of our House Armed Services Committee reporting out this bill is extremely remote at this time due to the opposition of the Navy.

From the information that I now have, it appears that the Navy—while admitting it has erred in the case of Commander Shanahan—is reluctant to admit its error through administrative procedures and is endeavoring to pass the buck to the Congress. At the same time the Navy opposes congressional action which would provide such relief. It is inconceivable to me that the Navy cannot rectify its own mistakes.

Your further clarifying comments on the foregoing will be appreciated.

Very sincerely yours,

CHARLES E. POTTER,
Member of Congress.

THE SECRETARY OF DEFENSE,
Washington, September 8, 1949.

The Honorable CHARLES E. POTTER,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR MR. POTTER: With further reference to your letter of August 16, 1949, I am informed that the matter of Commander Edward K. Shanahan, United States Navy, has been given careful consideration by the Secretary of the Navy, together with the Chief of Naval Personnel and the Judge Advocate General of the Navy. In Court-Martial Order 12–1948, page 329 (approved by the Secretary of the Navy), a copy of which is attached hereto, you will find the opinion of the Judge Advocate General explaining why it is his view that the matter cannot and must not be disposed of by administrative means outside and in violation of the promotion system established by Congress in the Officer Personnel Act of 1947 (61 Stat. 795), and why, therefore, the proposed relief for Commander Shanahan is not "entirely in the province of the [Navy] Department," thus leading to the conclusion that legislation would be required.

It may be observed that Commander Shanahan became eligible for consideration for promotion to captain under section 307 (a) (3) of the Officer Personnel Act of 1947, 61 Stat. 842, 34 U. S. C. Supp. II 306b. He was eligible for consideration for promotion to captain by the line selection board convened on November 29, 1948 (AlNav 75–48) but was not selected (AlNav 70–48), although, of course, he remains eligible for consideration by future selection boards.

The Navy Department has not yet stated its views with respect to S. 780 as enacted by the Senate on July 6, 1949.

Sincerely yours,

LOUIS J. JOHNSON.

CLERK AUTHORIZED TO RECEIVE MESSAGES FROM SENATE AND SPEAKER AUTHORIZED TO SIGN ANY BILLS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Thursday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDING INTERNAL REVENUE CODE—CONFERENCE REPORT

Mr. DOUGHTON submitted a conference report and statement on the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On October 7, 1949:

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes;

H. R. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945; and

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes.

On October 10, 1949:

H. R. 3838. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes.

On October 11, 1949:

H. R. 2514. An act to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.), under its previous order, the House adjourned until Thursday, October 13, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

981. A communication from the President of the United States, transmitting supplemental estimates of appropriation for fiscal year 1950 in the amount of $62,000,000 and contract authorization in the amount of $92,612,470 for the Department of Defense (H. Doc. No. 359); to the Committee on Appropriations and ordered to be printed.

982. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal years 1949 and 1950 in the amount of $1,008,581.68 for the Department of the Interior (H. Doc. No. 360); to the Committee on Appropriations and ordered to be printed.

983. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $175,000 for the Department of the Interior (H. Doc. No. 361); to the Committee on Appropriations and ordered to be printed.

984. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $5,515 for the legislative branch, House of Representatives (H. Doc. No. 363); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 378. Resolution for the relief of Allie Louise Hall; without amendment (Rept. No. 1398). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 373. Resolution granting 6 months' salary and $350 funeral expenses to the estate of Ruth B. Phillips, late an employee of the House Committee on Agriculture; without amendment (Rept. No. 1399). Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 391. Resolution for consideration of H. R. 6305, a bill to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; without amendment (Rept. No. 1400). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 392. Resolution for consideration of S. 1267, an act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center; without amendment (Rept. No. 1401). Referred to the House Calendar.

Mr. WHITTINGTON: Committee on Public Works. H. R. 6281. A bill to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; without amendment (Rept. No. 1402). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURDOCK: Committee on Public Lands. S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes; without amendment (Rept. No. 1404). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress; without amendment (Rept. No. 1405). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 5940. A bill to amend the Public Health Service Act and the Vocational Education Act of 1946 to provide an emergency 5-year program of grants and scholarships for education in the fields of medicine, osteopathy, dentistry, dental hygiene, public health, and nursing professions, and for other purposes; with an amendment (Rept. No. 1406). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 5346. A bill to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes; with an amendment (Rept. No. 1407). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce; without amendment (Rept. No. 1408). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 1282. An act to authorize grants under the Federal Airport Act for minor projects at major airports, and for other purposes; without amendment (Rept. No. 1409). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo; without amendment (Rept. No. 1410). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 1689. A bill to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies; without amendment (Rept. No. 1411). Ordered to be printed.

Mr. DOUGHTON: Committee of conference. H. R. 5268. A bill to amend certain provisions of the Internal Revenue Code; without amendment (Rept. No. 1412). Ordered to be printed.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce; without amendment (Rept. No. 1413). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands; without amendment (Rept. No. 1414). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 2436. An act to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska"; without amendment (Rept. No. 1415). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. S. 2105. An act to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes; with an amendment (Rept. No. 1416). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURDOCK: Committee on Public Lands. S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson; without amendment (Rept. No. 1403). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KARST:

H. R. 6372. A bill authorizing the transfer of Jefferson Barracks, Mo., to the State of Missouri; to the Committee on Public Works.

By Mr. McMILLAN of South Carolina:

H. R. 6373. A bill granting relief to retired members of the Metropolitan Police Department and Fire Department of the District of Columbia who have been disabled by injury or disease contracted in actual discharge of their duty, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANKIN (by request):

H. R. 6374. A bill to liberalize the service pension laws relating to veterans of the War with Spain, the Philippine Insurrection, or the Boxer Rebellion, and their dependents; to the Committee on Veterans' Affairs.

By Mr. WHEELER:

H. R. 6375. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Veterans' Affairs.

By Mr. BURKE:

H. R. 6376. A bill for the relief of the city of Toledo; to the Committee on the Judiciary.

By Mr. HELLER:

H. R. 6377. A bill to amend the Veterans' Preference Act of 1947 to provide additional preference for amputees and seriously disabled veterans; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H. R. 6378. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Veterans' Affairs.

By Mr. PETERSON (by request):

H. R. 6379. A bill to provide for competitive bidding on oil and gas leases issued on acquired lands where a competitive interest in leasing is evident; to the Committee on Public Lands.

By Mr. COMBS:

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.; to the Committee on Expenditures in the Executive Departments.

By Mr. COLE of Kansas:

H. Res. 393. Resolution to authorize an investigation of the RFC and the Lustron Corp.; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 6380. A bill for the relief of Eugene Rivoche and Marie Barsky; to the Committee on the Judiciary.

By Mr. BUCKLEY of Illinois:

H. R. 6381. A bill for the relief of Luigo Ginese Belluomini; to the Committee on the Judiciary.

By Mr. CAVALCANTE:

H. R. 6382. A bill to record the lawful admission to the United States for permanent residence of Goswin Boner; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 6383. A bill for the relief of Jacob A. Hale; to the Committee on the Judiciary.

By Mr. KING:

H. R. 6384. A bill for the relief of Mr. and Mrs. Monzaburo Igarashi; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 6385. A bill for the relief of Louise M. Koch; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 6386. A bill to legalize the entry of Amos Chen, a native of China; to the Committee on the Judiciary.

By Mr. THOMPSON:

H. R. 6387. A bill for the relief of Viktor Robert Sek; to the Committee on the Judiciary.

SENATE

WEDNESDAY, OCTOBER 12, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O merciful God, whose law is truth and whose statutes stand forever, we beseech Thee to grant unto us who in the morning seek Thy face fervently to desire and obediently to fulfill all that is pleasing unto Thee.

Unite our hearts and minds to bear the burdens that are laid upon us. Grant unto us all that, laying aside any partisan divisions, we may be given tallness of stature to see above the walls of our prideful opinions the good of the largest number. In these perplexing times that try our souls and test our character may Thy strength sustain us, Thy grace preserve us, Thy might protect us, and Thy hand direct us, this day and ever more. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, October 11, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5133. An act authorizing the Kentuck drainage district to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Kentuck slough;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes; and

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 6008) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, and it was signed by the Vice President.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MYERS. Mr. President, I ask unanimous consent that the Committees on Foreign Relations and Interior and Insular Affairs be permitted to sit during the session of the Senate today.

Mr. WHERRY. What committee is that?

Mr. MYERS. The Committee on Foreign Relations and the Committee on Interior and Insular Affairs.

Mr. WHERRY. The Committee on the Judiciary is not included in the request, is it?

Mr. MYERS. No; it is not.

Mr. WHERRY. I thank the Senator.

Mr. MYERS. Would there be an objection?

Mr. WHERRY. I was told to object.

Mr. MYERS. I have not included the Committee on the Judiciary in the request.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Pennsylvania? The Chair hears none, and the permission is granted.

The question before the Senate——

CALL OF THE ROLL

Mr. WHERRY. Mr. President, I wonder if the acting majority leader would suggest the absence of a quorum.

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Maybank
Anderson	Humphrey	Millikin
Baldwin	Hunt	Morse
Brewster	Ives	Mundt
Bridges	Jenner	Murray
Cain	Johnson, Colo.	Myers
Capehart	Johnson, Tex.	Neely
Chavez	Johnston, S. C.	O'Conor
Connally	Kefauver	O'Mahoney
Cordon	Kem	Robertson
Donnell	Kerr	Russell
Douglas	Kilgore	Saltonstall
Downey	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ellender	Leahy	Taft
Ferguson	Lodge	Taylor
Fulbright	Long	Thomas, Okla.
George	Lucas	Thomas, Utah
Graham	McCarthy	Thye
Green	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McKellar	Wiley
Hendrickson	McMahon	Williams
Hickenlooper	Magnuson	Young
Hill	Malone	
Hoey	Martin	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Kentucky [Mr. CHAPMAN] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Mississippi [Mr. STENNIS], the Senator from Florida [Mr. PEPPER], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

VISIT TO THE SENATE OF PRIME MINISTER NEHRU, OF INDIA

Mr. MYERS. Mr. President, I desire to make an announcement. Tomorrow Prime Minister Nehru, of India, will address the House immediately after the House convenes. It is anticipated that he will reach the Senate about 12:45 p. m. tomorrow. I make that announcement so that Senators may know that the Prime Minister will be here to address the Senate at about a quarter to 1 tomorrow afternoon.

LEAVE OF ABSENCE

On request of Mr. IVES, and by unanimous consent, Mr. DULLES was excused from attendance on the sessions of the Senate for the remainder of the present week.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

RESOLUTIONS OF WISCONSIN CONSERVATION DEPARTMENT

Mr. WILEY. Mr. President, this morning I was glad to receive from the Conservation Department of the State of Wisconsin two important resolutions in which the conservationists of my State are deeply interested. The resolutions endorse ratification of the Great Lakes fishery treaty in order to meet such problems as the menace of sea lampreys and the problem of use of nylon in fishing nets, which may, the conservation department feels, result in serious overfishing in the Lakes.

I have previously commented on the floor of the Senate on the critical lamprey problem and the importance of all-out efforts to meet it.

It is my intention to follow up on both of these matters, as I am sure many of my colleagues will.

I ask unanimous consent that the text of both of these Wisconsin Conservation Department resolutions be appropriately referred and printed at this point in the RECORD.

The VICE PRESIDENT. The resolutions will be received, and appropriately referred, and, without objection, printed in the RECORD.

To the Committee on Foreign Relations:

"Whereas an international treaty relative to the regulation of the fishery of the Great Lakes has been pending before the United States Senate for several years; and

"Whereas the enactment of this treaty would provide necessary means for uniformity of regulations and management of the Great Lakes fishery; and

"Whereas two recent problems of international importance, namely, the marine-lamprey menace which is a threat to the future of the Great Lakes fish supply, and the use of nylon in nets, which is a problem to overall fishing, have recently come to the attention of the Wisconsin Conservation Commission; and

"Whereas the problems listed are not limited to any one State but are of interest to all the Great Lakes States and the Dominion of Canada: Now, therefore, it is hereby

"*Resolved by the State Conservation Commission of Wisconsin*, That all possible action should be taken toward the enactment of this treaty so that such uniform control is made possible to the benefit of the entire Great Lakes fishery; it is further

"*Resolved*, That copies of this resolution be sent to United States Senators MCCARTHY and WILEY, of Wisconsin, and to the Honorable A. VANDENBERG, chairman of the Foreign Relations Committee, before which committee the treaty is at present pending."

To the Committee on Interstate and Foreign Commerce:

"Whereas it has come to the attention of the Wisconsin Conservation Commission that a new material, namely, nylon, is being used in the manufacture of gill netting; and

"Whereas evidence indicates that this material will catch approximately three times as many fish as similar nets constructed of linen or cotton; and

"Whereas extensive use of such nets by commercial fishermen is likely to create an overfishing problem in the Great Lakes; and

"Whereas use of nylon material in gill nets has many favorable advantages in reduction of cost of production and overhead to the commercial fishermen, it is obvious that the use of nylon netting should not be prohibited but should be properly regulated; and

"Whereas the scope of this problem is not limited to any one State on the Great Lakes in the United States but also involves the Dominion of Canada; and

"Whereas more information is needed before proper and equitable regulations can be enacted: Now, therefore, be it

"*Resolved by the Wisconsin Conservation Commission*, That the United States Fish and Wildlife Service be requested to inaugurate such study and experimentation, as may be necessary, to enable the several States to adopt proper and uniform regulations governing nylon netting; it is further

"*Resolved*, That copies of this resolution be sent to Mr. Albert Day, Director, United States Fish and Wildlife Service; Mr. J. A. Krug, Secretary of the Interior; and United States Senators McCarthy and Wiley for such action as may be possible to fulfill the provision of this resolution."

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. 1583. A bill to provide for the establishment of the Island Beach National Monument, in the State of New Jersey, and for other purposes; with an amendment (Rept. No. 1161);

H. R. 3480. A bill to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively; without amendment (Rept. No. 1159); and

H. R. 6259. A bill to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead; without amendment (Rept. No. 1160).

By Mr. CORDON, from the Committee on Interior and Insular Affairs:

H. R. 6230. A bill to direct the Secretary of the Interior to convey certain land to School District No. 5, Linn County, Oreg.; without amendment (Rept. No. 1162).

PROGRESS REPORT ON HOOVER COMMISSION RECOMMENDATIONS (S. REPT. NO. 1158)

Mr. MCCLELLAN. From the Committee on Expenditures in the Executive Departments I submit a progress report on the Hoover Commission recommendations, compiled by the Senate Committee on Expenditures in the Executive Departments, for information of Senators.

All of the 18 major reports, and the concluding summary, of the Commission on Organization of the Executive Branch were submitted to the Senate Committee on Expenditures in the Executive Departments by the President of the Senate. The report I am filing today contains complete information relative to the progress made to date on approxi-

mately 300 recommendations made by the Commission.

The report contains a separate analysis of each of the Hoover Commission reports, consisting of a summary of recommendations; a brief outline of supporting documents, an analysis compiled by the Bureau of the Budget relative to the procedure to be followed in implementing each recommendation, involving a total of 322 separate steps; comments from all Federal departments and agencies relative to the effect such recommendations would have on the individual agencies; a compilation of legislative action effectuated during the first session of the Eighty-first Congress, and pending legislation designed to further implement the recommendations in the various reports, covering more than 200 separate bills and resolutions.

The report will be an extensive one, and will, I believe, provide complete and detailed data which will enable Members of Congress to fully evaluate progress made since the reports were submitted to Congress by the Commission, and presents a basic program for activation of additional recommendations in the next session of Congress.

The VICE PRESIDENT. The report will be received and printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Interstate and Foreign Commerce.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

James Bruce, of Maryland, to be Director of Foreign Military Assistance;

John C. Ross, of New York, to be deputy representative of the United States of America to the Security Council of the United Nations;

Ernest A. Gross, of New York, now an Assistant Secretary of State, to be the deputy representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and deputy representative to the Security Council of the United Nations; and

Jack K. McFall, of the District of Columbia, a Foreign Service officer of class 3, to be an Assistant Secretary of State, vice Ernest A. Gross.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2672. A bill for the relief of Aiko Schaffer; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2673. A bill to amend section 3615 of title 18 of the United States Code to protect holders of liens against vehicles seized for use in violation of laws regulating traffic in liquor; to the Committee on the Judiciary.

ALLOCATION OF FUNDS FOR AIRPORT CONSTRUCTION—AMENDMENT

Mr. CORDON. Mr. President, there is on the calendar Senate bill 1284, Calendar No. 735, to amend section 6 of the Federal Airport Act, which has to do with the allocation to the States of certain funds for airport construction. The bill was reached during the call of the calendar, but certain objections were raised to the bill in the terms in which it was reported. On behalf of the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. SCHOEPPEL], and myself, I submit an amendment in the nature of a substitute intended to be proposed to that bill.

In order to conserve the time of the Senate, I present a statement explanatory of the amendment, together with sundry letters and telegrams from officials of the Federal Government and the governments of the several States which are charged with certain duties in reference to this legislation. I ask unanimous consent that the amendment, statement, letters, and telegrams may be printed in the RECORD for the information of the Senate. In presenting this material, I call attention to the fact that there is a very great interest in getting the earliest possible full utilization of funds which have been appropriated under this act, but which cannot be used unless there is amendatory legislation.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the amendment, together with the statement, letters, and telegrams, will be printed in the RECORD.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 6 of the Federal Airport Act is amended by deleting the second sentence of subsection (a) and inserting in lieu thereof the following: 'all sums so apportioned for a State shall, during the fiscal year for which they are originally appropriated, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such sums which remains unexpended or unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section.'

"And by adding thereto a new subsection (c) as follows:

"'(c) At the expiration of each fiscal year any funds apportioned for a State pursuant to this section which have not been expended or obligated for approved projects located in that State or sponsored by that State or some public agency thereof but located in an adjoining State, shall be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of this section governing the distribution and apportionment of newly appropriated funds.'

"SEC. 2. All funds apportioned among the States pursuant to subsection (a) of section 6 of the Federal Airport Act out of appropriations for the fiscal years 1947, 1948, and 1949, which, 90 days after the effective date of this act, shall remain unexpended or unobligated for approved projects sponsored by such States or public agencies thereof, shall then be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of said section 6 of the Federal Airport Act governing the distribution and apportionment of subsequently appropriated funds."

The statement presented by Mr. CORDON is as follows:

STATEMENT BY SENATOR CORDON ON THE PROPOSED AMENDMENTS TO S. 1284 (CALENDAR NO. 735)

This amendment to S. 1284 is proposed with the assurance that it completely accomplishes the objectives of the bill. The purpose of the bill is to have funds which have or would be apportioned to States which are not in position to use same made available for urgently needed airport projects in other States.

This amendment will accomplish this end by taking the unobligated balance from each State having such balance at the end of each fiscal year. The total of these balances will then be distributed in the same manner as the original appropriation, that is, 25 percent will be made available to be used on projects in any State at the discretion of the Administrator of the Civil Aeronautics Administration and the remaining 75 percent will be reapportioned to the States in accordance with the present area-population formula.

Under this amendment each State will receive the same amount of each appropriation as with the present act, and each State will receive its share of all balances which remain unobligated at the end of the fiscal year for which those funds were appropriated. At the same time all funds which are not being used will be redistributed to urgently needed airport projects which can be accomplished. Thus it more effectively redistributes the funds and assures each State of its proper share of each appropriation in accordance with the provisions and purposes of the Federal Airport Act.

This amendment has been endorsed by the aviation associations having an interest in the enactment of this bill and the Civil Aeronautics Administration. The principal organizations which formally support this amendment are:

1. Airport Advisory Committee.
2. National Association of State Aviation Officials.
3. American Municipal Association.
4. Airport Operators Council.
5. American Association of Airport Executives.
6. United States conference of mayors.

I understand that this amendment is acceptable to the chairman of the Interstate and Foreign Commerce Committee which favorably reported S. 1284. I am also advised that the members of the committee which reported the corresponding bill in the House endorse this amendment and that those Members of the Congress which opposed the present bill are favorable to this amendment.

The letters and telegrams presented by Mr. CORDON are as follows:

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS ADMINISTRATION,
Washington, October 12, 1949.

The Honorable GUY CORDON,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CORDON: This will serve as a reply to Mr. R. P. S. McDonnell, who has been working in collaboration with members of my staff on the proposed substitute to S. 1284.

The Civil Aeronautics Administration has worked closely with various aeronautical organizations and others as to the objectives to be gained under the proposed amendment. The following organizations have made known their approval of the proposed amendment: National Association of State Aviation Officials, American Association of Airport Executives, American Municipal Association, Airport Operators Council, Conference of Mayors, and the Airports Advisory Committee. We believe that a satisfactory solution has been worked out for all

concerned and know of no known opposition to the proposed amendment that you propose.

Your cooperation in seeking the introduction and the passage of this proposed legislation is greatly appreciated.

Sincerely yours,

DONALD W. NYROP,
Acting Administrator of Civil Aeronautics.

NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS,
October 8, 1949.

The Honorable GUY CORDON,
United States Senate,
Washington, D. C.

DEAR SENATOR: With respect to the proposed amendment, which we understand you are considering sponsoring as a substitute amendment in the nature of a substitute bill to S. 1284, we wish to advise you that this amendment is acceptable to the National Association of State Aviation Officials. This association, which has been established for 17 years, represents the State aviation agencies of 43 States and 3 Territories. The purpose of the association is outlined below.

A review of the proposed amendment mentioned above indicates that the moneys apportioned to each State out of each annual appropriation under the Federal Airport Act shall be available solely for those States only during the fiscal year for which the moneys are originally appropriated instead of for the life of the program, and that the unexpended and unobligated portions of these funds shall be recaptured at the end of each fiscal year and redistributed under the present requirements of the act; i. e., 75 percent to be reapportioned to the several States and 25 percent to the discretionary fund.

In addition, the proposed amendment would recapture all unused and unexpended State apportioned funds for the fiscal years 1947, 1948, and 1949, remaining unexpended or unobligated for approved projects 30 days after the effective date of the proposed act.

The National Association of State Aviation Officials is of the opinion that the proposed substitute amendment will accomplish the objectives originally contemplated under the provisions of S. 1284 and favors its adoption. The association will actively recommend and support this proposed legislation.

Very truly yours,

A. B. MCMULLEN,
Executive Secretary.

WASHINGTON, D. C., *October 8, 1949.*

Hon. GUY CORDON,
United States Senate:

Bernard M. Doolin of San Francisco, president of the Airport Operators Council has instructed me to inform you that he has indications you will sponsor amended S. 1284 in the Senate and wants you to know that council members endorse and will back the bill as amended. The following cities provide airport facilities for more than half of the public served by our air carriers and are members of the Airport Operators Council: Baltimore, Boston, Chicago, Cleveland, Denver, Jacksonville, Kansas City, Los Angeles, Memphis, Miami, Minneapolis-St. Paul, Nashville, Newark, New York, Oakland, Philadelphia, Pittsburgh, St. Louis, San Francisco, Seattle, Tampa, and Washington.

CYRIL C. THOMPSON,
Executive Secretary, Airport Operators Council.

THE AMERICAN MUNICIPAL ASSOCIATION,
Washington, D. C., October 7, 1949.

Hon. GUY CORDON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CORDON: We have been informed that you are contemplating introducing an amendment in the nature of a substitute for S. 1284 providing for the use of unused Federal aid airport program funds.

We understand that your amendment will provide for the redistribution of unused State apportionments among the States under the formula which also governs the initial distribution, that is, 25 percent to be apportioned in the discretion of the Administrator of Civil Aeronautics.

In view of the importance of putting to work those funds that are not required by the municipalities in certain States we heartily favor your amendment which would permit reapportionments to those States where municipalities are eager to participate in the program.

This will provide for maximum utilization of the limited appropriations urgently needed for airport development in many municipalities.

We endorse your effort.

Very truly yours,

DONOH W. HANKS, Jr.
Assistant Director.

SALEM, OREG., *October 8, 1949.*

Hon. GUY CORDON,
United States Senator,
Senate Office Building,
Washington, D. C.:

This office whole heartedly endorses your amendment to S. 1284.

W. M. BARTLETT,
Director, Oregon State Board of Aeronautics.

TOPEKA, KANS., *October 8, 1949.*

Senator GUY CORDON,
Senate Office Building:

Kansas Division of Aeronautics favors your proposed amendment to S. 1284.

RILEY WHEARTY,
Director, Division of Aeronautics.

MADISON, WIS., *October 11, 1949.*

Senator GUY CORDON,
Senate Office Building:

Re substitute amendment S. 1284 meets with the approval of Wisconsin State Aeronautics Commission, and you are urged to introduce the measure. We are advising our Congressmen via air mail concerning our action.

T. K. JORDAN,
Deputy Director.

AUSTIN, TEX., *October 11, 1949.*

Senator GUY CORDON,
United States Senate Chamber:

Texas Aeronautics Commission will do everything possible to support the substitute amendment to S. 1284. Will contact Texas legislators as soon as notified it will be introduced.

A. W. MEADOWS,
Director, Texas Aeronautics Commission.

CONCORD, N. H., *October 8, 1949.*

GUY CORDON,
United States Senator,
Senate Office Building:

Strongly endorse proposal your telegram.

RUSSELL HILLIARD,
Director, New Hampshire Aeronautics Commission.

AUGUSTA, MAINE, *October 9, 1949.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

We favor and strongly urge such an amendment as you propose to offer in order to keep available to individual States funds available for airport purposes.

JOHN B. NICHOLS,
Acting Director, Maine Aeronautics Commission.

JACKSON, MISS., *October 10, 1949.*

United States Senator GUY CORDON:

Strongly favor your amendment to S. 2184. Your telegram appreciated.

C. A. MOORE,
Director, Mississippi Aeronautics Commission.

HELENA, MONT., *October 8, 1949.*

Hon. GUY CORDON,
United States Senate:

Retel favorably recommend your amendment as solution to distribution of unobligated balances.

FRANK W. WILEY,
Director, Montana Aeronautics Commission.

BATON ROUGE, LA., *October 10, 1949.*

Senator GUY CORDON,
Senate Office Building:

This State completely in accord with your proposed amendment section 6, Federal Airport Act, to reallocate unobligated funds under same formula that governs original allocation to each State.

T. B. HERNDEON,
Chief, Aeronautics Division.

COLUMBUS, OHIO, *October 8, 1949.*

Senator GUY CORDON:

Advised your proposed amendment to S. 1284, a bill which amends section 6 of the Federal Airport Act. I strongly favor this amendment and believe that it is strongly supported by the CAA and other aviation organizations throughout the United States.

C. E. A. BROWN,
Director, Ohio Aviation Board, Columbus, Ohio.

JEFFERSON CITY, MO., *October 10, 1949.*

Senator GUY CORDON,
United States Senate:

Missouri Resources and Development Commission favorable to substitute amendment to S. 1284 as proposed by NASAO.

CLYDE W. PACE, Jr.,
Aviation Section, Division of Resources and Development.

INDIANAPOLIS, IND., *October 10, 1949.*

Senator GUY CORDON,
Senate Office Building,
Washington, D. C.:

Just learned you are considering introduction substitute measure for S. 1284. Urge your early introduction this substitute and its passage by Eighty-first Congress.

AERONAUTICS COMMISSION OF INDIANA,
C. F. CORNISH, *Director.*

EAST BOSTON, MASS., *October 10, 1949.*

Hon. GUY CORDON,
United States Senate Office Building:

Retel. We are heartily in favor of proposal as a substitute for S. 1284.

CROCKER SNOW,
Massachusetts Director of Aeronautics, Logan Airport, East Boston, Mass.

PROVIDENCE, R. I., *October 10, 1949.*

United States Senator GUY CORDON,
Senate Office Building:

In favor of proposed amendment to S. 1284 except that provisal pertaining to recapture of 1947–49 funds should become effective 90 days rather than 30 days after passage.

ALBERT R. TAVANI,
Administrator of Aeronautics, State of Rhode Island.

HARTFORD, CONN., *October 10, 1949.*

Hon. GUY CORDON:

Retel October 10, Connecticut Department of Aeronautics favors and endorses proposed

amendment to S. 1284. Strongly recommends that 90 days be considered rather than 30 days after effective date of act for recapture of funds that remain unexpended or unobligated for fiscal year 1947–49.

KENNETH H. RINGROSE,
Director of Aeronautics, State of Connecticut.

COLUMBIA, S. C., *October 11, 1949.*
Senator GUY CORDON,
Senate Office Building:

Retel. We are opposed to any change in the method of allocation of Federal air port funds. It is necessary to accumulate several years of funds to sponsor major projects.

DEXTER C. MARTIN,
Director, South Carolina Aeronautics Commission.

PIERRE, S. DAK., *October 11, 1949.*
Hon. GUY CORDON,
United States Senator,
Washington, D. C.:

The South Dakota Aeronautics Commission concurs with amendment to S. 1284, drafted September 30, 1949, amending section 6 of the Federal Airport Act, which you propose to introduce. Desirable that recapture of 1947–49 unexpended funds become effective 90 days after passage of the act.

L. V. HANSON,
Director, South Dakota Aeronautics Commission.

CHEYENNE, WYO., *October 8, 1949.*
Senator GUY CORDON,
United States Senate:

Most appreciate your interest in NASAO endorsed amendment to S. 1284. I strongly urge introduction and adoption of your proposed amendment with following change. That section 2 read "the effective date of the redistribution be July 1, 1950," rather than "30 days after the effective date of this act."

C. K. FAUGHT, Jr.,
Director of Aeronautics, Wyoming.

OKLAHOMA CITY, OKLA., *October 8, 1949.*
Senator GUY CORDON,
United States Senate:

Endorse NASAO support of S. 1284. Appreciate your sponsorship; is necessary to adequate State participation in airport construction.

ELDON STOUT,
Oklahoma Director of Aeronautics.

HARRISBURG, PA., *October 8, 1949.*
Senator GUY CORDON,
Senate Office Building:

Proposed substitute amendment to S. 1284 maintain the 75–25 ratio on Federal airport funds has the strong support of the Pennsylvania Aeronautics Commission.

WM. L. ANDERSON,
Executive Director, Pennsylvania Aeronautics Commission.

TALLAHASSEE, FLA., *October 8, 1949.*
GUY CORDON,
United States Senator:

The aviation division of the Florida State Improvement Commission strongly approves the substitute amendment S. 1284, amending section 6 of the Federal Airport Act. Sincerely trust you will consider sponsoring this substitute amendment.

WALDRON F. SCHANZ,
Florida State Aviation Supervisor.

LINCOLN, NEBR., *October 8, 1949.*
Senator GUY CORDON,
United States Senate:

Have been informed you are considering sponsorship of amendment to S. 1284, as approved by NASAO. Wish to advise this amendment satisfactory to State of Nebraska.

JAMES D. RAMSEY,
Department of Aeronautics Director.

SPRINGFIELD, ILL., *October 8, 1949.*
Senator GUY CORDON,
Senate Office Building:

Urge adoption of substitute amendment to S. 1284 be considered by you provided CAA is in substantial concurrence.

JOSEPH K. MCLAUGHLIN,
Director, Department of Aeronautics.

DES MOINES, IOWA, *October 8, 1949.*
Senator GUY CORDON,
Senate Office Building:

Iowa Aeronautics Commission strongly favors adoption of substitute amendment to S. 1284. Your aggressive action will be appreciated.

NORBERT LOCKE,
Director, Iowa Aeronautics Commission.

BALTIMORE, MD., *October 10, 1949.*
Senator GUY CORDON,
United States Senate:

Telegram of October 7 just received. Proposed amendment to S. 1284 has been studied. Request your proposal and strong support of amendment. Senator O'CONOR, of Maryland, previously advised of urgent necessity of this amendment. Many thanks.

R. A. JAMISON,
Maryland Aviation Commission.

MONTPELIER, VT., *October 11, 1949.*
Senator GUY CORDON,
Senate Office Building:

Recommend substitute for S. 1284. Urge you sponsor same. Would prefer 90-day period for recapture 1947–49 funds and recapture current funds 1 year after end current fiscal year, but these changes not vital to basic substitute bill.

EDWARD F. KNAPP,
Director, Vermont Aeronautics Commission.

SACRAMENTO, CALIF., *October 11, 1949.*
Senator GUY CORDON,
Senate Office Building:

Reference proposed substitute for S. 1284. This commission concurs in draft furnished us and urges the present State apportionment of 75 percent be not disturbed by any measure designed to recapture unused State allocations. Your support this principle appreciated.

WARREN E. CAREY,
Director, California Aeronautics.

MIAMI, FLA., *October 10, 1949.*
Hon. GUY CORDON,
United States Office Building,
Washington, D. C.:

Urgently urge introduction and passage of your proposed substitute amendment to S. 1284. Your substitute amendment has the unanimous approval of the national airport advisory committee.

A. B. CURRY,
Chairman, Airport Advisory Committee to CAA.

PRINTING OF REVIEW OF REPORTS ON OUACHITA RIVER AND TRIBUTARIES, ARKANSAS AND LOUISIANA (S. DOC. NO. 117)

Mr. McCLELLAN. Mr. President, I present a letter from the Acting Secretary of the Army, transmitting a report dated July 13, 1949, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of, the Ouachita River and tributaries, Arkansas and Louisiana, and I ask unanimous consent that it be referred to the Committee on Public Works, and printed as a Senate document with illustrations.

The VICE PRESIDENT. Without objection, it is so ordered.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed or the calendar, as indicated:

H. R. 5133. An act authorizing the Kentuck Drainage District to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Kentuck slough; and

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes; to the Committee on Public Works.

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes; ordered to be placed on the calendar.

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

OUR MILITARY GOVERNMENT IN GERMANY—INTERVIEW BY SENATOR KEFAUVER WITH ROBERT DONIHI

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a radio interview conducted by him with Robert Donihi, legal adviser of the military government in Germany, which appears in the Appendix.]

HOUSEWIFE'S BILL OF RIGHTS—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the subject A Housewife's Bill of Rights, broadcast by him from Station WLS in Chicago; October 8, 1949, which appears in the Appendix.]

EQUAL-RIGHTS AMENDMENT—ARTICLE FROM THE CHRISTIAN SCIENCE MONITOR

[Mr. HUNT asked and obtained leave to have printed in the RECORD an article regarding the equal-rights amendment from the Christian Science Monitor of July 7, 1949, which appears in the Appendix.]

FINANCIAL ASSISTANCE IN CONSTRUCTION OF HOSPITALS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 614) to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes, which was, to strike out all after the enacting clause and insert:

That this act may be cited as the "Hospital Survey and Construction Amendments of 1949."

EXTENSION OF DURATION AND INCREASE IN AUTHORIZED APPROPRIATIONS

SEC. 2. (a) The first sentence of section 621 of the Public Health Service Act is amended to read as follows: "In order to assist the States in carrying out the purposes of section 601 (b), there is hereby authorized to be appropriated for the fiscal year ending June 30, 1950, and for each of

the five succeeding fiscal years, the sum of $150,000,000 for the construction of public and other nonprofit hospitals; and there are further authorized to be appropriated for such construction the sums provided in section 624."

(b) The paragraph "Grants for hospital construction" under the heading "Public Health Service" in the Federal Security Agency Appropriation Act, 1950, is amended by striking out "$75,000,000" and inserting in lieu thereof "$150,000,000."

ADDITIONAL FEDERAL AID IN CONSTRUCTION OF HOSPITALS

SEC. 3. (a) Section 623 of the Public Health Service Act is amended by adding after subsection (d) the following new subsection:

"(e) The State plan may include standards for determination of the Federal share of the cost of projects approved in the State. Such standards shall provide equitably (and, to the extent practicable, on the basis of objective criteria) for variations between projects or classes of projects on the basis of the economic status of areas, relative need as between areas for additional hospital facilities, and other relevant factors. No such standards shall provide for a Federal share of more than 66⅔ percent or less than 33⅓ percent of the cost of construction of any project. The Surgeon General shall approve any such standards and any modifications thereof which comply with the provisions of this subsection."

(b) Sections 624 and 625 (b) of such act are each amended by striking out "33⅓ percent" and inserting in lieu thereof "the Federal share."

(c) Section 625 (e) of such act is amended by striking out "33⅓ percent of the then value of such hospital, as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated" and inserting in lieu thereof the following: "an amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the district court of the United States for the district in which such hospital is situated) of so much of the hospital as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects."

(d) Section 625 of such act is amended by adding at the end thereof the following new subsection:

"(f) If the Surgeon General finds with respect to an application for a hospital project that—

"(1) the project is for the completion of a hospital the construction of which was commenced prior to the effective date of this subsection and without Federal aid under this title;

"(2) completion of construction is necessary for use of the completed portion as a hospital;

"(3) the State agency has certified that the applicant is unable, by use of all available funds and by exercise of reasonable effort in obtaining additional funds to pay the non-Federal share (determined without regard to this subsection) of the cost of completing the hospital but will be able to complete construction with the additional Federal aid provided by this subsection;

"(4) the plans and specifications for the entire hospital are in accord with the regulations prescribed pursuant to section 622, or if not in accord with such regulations, meet substantially the objectives of such regulations;

"(5) the application meets all the requirements of subsection (a) of this section except in the respects covered by clauses (3) and (4) hereof and contains assurances applicable to the operation and maintenance of the entire hospital which meet the requirements of such subsection; and

"(6) the unobligated balance of the sum allotted to the State is equal to or greater than the Federal share of the estimated cost of construction of such project plus the additional amount specified below in this subsection;

he shall approve the application. Upon such approval the Federal share of the estimated cost of such project plus an additional amount not to exceed (1) 33⅓ percent of the necessary cost to the applicant of the construction completed prior to such approval, or (2) the amount certified by the State agency as necessary to complete the construction of the hospital, whichever is less, shall constitute a contractual obligation of the Federal Government, and certifications for payment under subsection (b) of this section shall be on the basis of the Federal share plus such additional amount: *Provided*, That the total amount certified for payment shall not exceed the cost of construction of such project."

ADMINISTRATION OF STATE PLANS

SEC. 4. Section 632 (a) of such act is amended by inserting after "under section 625," in clause (4) thereof the following: "or (5) that adequate State funds are not being provided annually for the direct administration of the State plan,".

STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

SEC. 5. Part D of title VI of such act is amended by adding after section 635 the following new section:

"STUDIES AND DEMONSTRATIONS RELATING TO COORDINATED USE OF HOSPITAL FACILITIES

"SEC. 636. In carrying out the purposes of section 301 with respect to hospital facilities, the Surgeon General is authorized to conduct research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and, after consultation with the Federal Hospital Council, to make grants-in-aid to States, political subdivisions, universities, hospitals, and other public and private nonprofit institutions or organizations for projects for the conduct of research, experiments, or demonstrations relating to the development, utilization, and coordination of hospital services, facilities, and resources. Any award made under this section for any such project in any fiscal year may include amounts for not to exceed the four succeeding fiscal years, and such amounts for such succeeding fiscal years shall constitute contractual obligations of the Federal Government: *Provided*, That the total expenditures for all such projects may not exceed $1,200,000 in any fiscal year."

PURPOSE OF ACT

SEC. 6. Section 601 of such act is amended to read as follows:

"SEC. 601. The purpose of this title is—

"(a) to assist the several States to inventory their existing hospitals (as defined in section 631 (e)), to survey the need for construction of hospitals, and to develop programs for construction of such public and other nonprofit hospitals as will, in conjunction with existing facilities, afford the necessary physical facilities for furnishing adequate hospital, clinic, and similar services to all their people;

"(b) to assist in the construction of public and other nonprofit hospitals in accordance with such programs; and

"(c) to authorize the Surgeon General to conduct, and make grants for the conduct of, research, experiments, and demonstrations relating to the effective development and utilization of hospital services, facilities, and resources, and to promote the coordination of such experiments and demonstrations and the useful application of their results."

MINIMUM ALLOTMENT

SEC. 7. Section 624 of such act is amended by striking out "$100,000" in inserting in lieu thereof "$200,000".

FILING OF APPLICATIONS

SEC. 8. Section 625 (a) of such act is amended to read as follows:

"(a) For each project for construction pursuant to a State plan approved under this part, there shall be submitted to the Surgeon General through the State agency an application by the State or a political subdivision thereof or by a public or other nonprofit agency. If two or more such agencies join in the construction of the project, the application may be filed by one or more of such agencies. Such application shall set forth (1) a description of the site for such project; (2) plans and specifications therefor in accordance with the regulations prescribed by the Surgeon General under section 622 (e); (3) reasonable assurance that title, as defined in section 631 (j), to such site is or will be vested in one or more of the agencies filing the application or in a public or other nonprofit agency which is to operate the hospital; (4) reasonable assurance that adequate financial support will be available for the construction of the project and for its maintenance and operation when completed; (5) reasonable assurance that the rates of pay for laborers and mechanics engaged in construction of the project will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended; and (6) a certification by the State agency of the Federal share for the project. The Surgeon General shall approve such application if sufficient funds to pay the Federal share of the cost of construction of such project are available from the allotment to the State, and if the Surgeon General finds (A) that the application contains such reasonable assurance as to title, financial support, and payment of prevailing rates of wages; (B) that the plans and specifications are in accord with the regulations prescribed pursuant to section 622; (C) that the application is in conformity with the State plan approved under section 623 and contains an assurance that in the operation of the hospital there will be compliance with the applicable requirements of the State plan and of the regulations prescribed under section 622 (f) regarding the provision of facilities without discrimination on account of race, creed, or color, and for furnishing needed hospital facilities for persons unable to pay therefor, and with State standards for operation and maintenance; and (D) that it has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the regulations prescribed pursuant to section 622 (d). No application shall be disapproved until the Surgeon General has afforded the State agency an opportunity for a hearing."

DEFINITIONS

SEC. 9. (a) Subsection (g) of section 631 of such act is amended to read as follows:

"(g) the term 'nonprofit hospital' means any hospital which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;".

(b) Such section is further amended by striking out "and" at the end of paragraph (h), by striking out the period at the end of paragraph (i) and inserting in lieu thereof a semicolon, and by inserting after paragraph (i) the following new paragraphs:

"(j) the term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 percent of the value of the land) as the Surgeon General finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project;

"(k) the term 'Federal share' with respect to any project means the proportion of the cost of construction of such project to be paid by the Federal Government under part C. In the case of any project approved prior to the effective date of this subsection, the Federal share shall be 33⅓ percent of the cost of construction of such project. In the case of any project approved on or after the effective date of this subsection, the Federal share shall be determined as follows:

"(1) if the State plan, as of the date of approval of the project application, contains standards approved by the Surgeon General pursuant to section 623 (e), the Federal share with respect to such project shall be determined by the State agency in accordance with such standards;

"(2) if the State plan does not contain such standards, the Federal share shall be the amount (not less than 33⅓ percent and not more than either 66⅔ percent or the State's allotment percentage, whichever is the lower) established by the State agency for all projects in the State: *Provided*, That prior to the approval of the first project in the State during any fiscal year, the State agency shall give to the Surgeon General written notification of the Federal share established under this paragraph for projects in such State to be approved by the Surgeon General during such fiscal year, and the Federal share for projects in such State approved during such fiscal year shall not be changed after such approval."

EFFECTIVE DATE

SEC. 10. This act shall take effect upon the date of its enactment.

Mr. HILL. Mr. President, I have consulted with the distinguished senior Senator from Ohio [Mr. TAFT], the ranking member of the Senate committee that considered the original bill, and it is our judgment that the best thing to do is to concur in the House amendment. I therefore move that the Senate concur in the House amendment.

The motion was agreed to.

MEMORIAL TO SEAMEN WHO LOST THEIR LIVES WHILE SERVING ON SUN OIL CO. TANKERS DURING WORLD WAR II

Mr. MARTIN. Mr. President, last Saturday at Marcus Hook, Pa., on the Delaware River, not far from where William Penn started his holy experiment in political, social, and religious freedom, the Sun Oil Co. dedicated a beautiful memorial to the 141 seamen who lost their lives while serving on Sun Oil tankers during World War II.

With most impressive ceremonies, a powerful business organization which geared all its great resources and ability to processing gasoline and oil products and sent them to all parts of the world in order to win the war stopped to pay tribute to the men who gave their lives that we might live and be free.

The percentage of men lost in this service was greater than that of any other American organization, including the United States Navy.

The whole theme of the exercises was in accordance with the Psalms:

> They that go down to the sea in ships, that do business in great waters; these see the works of the Lord, and His wonders in the deep.

American wars have been won by the great hosts of heroes who dedicated their lives to our ideals of freedom.

The beautiful ceremony Saturday afternoon was the first of its kind held in the United States. It is to be hoped that others will follow this example. It should help enthuse all our people to a greater appreciation of what America stands for during this critical period.

At the same time the exercises were held at Marcus Hook similar ceremonies were held on the ships of the Sun Oil Co. all over the world.

The exercises were under the direction of J. N. Pew, Jr., chairman of the board of directors of the Sun Oil Co., a man of deep American convictions.

I ask unanimous consent that the remarks of Mr. Joseph N. Pew, Jr., be printed in the RECORD at this point as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

We are gathered today to pay tribute to Sun seamen who so nobly gave their lives as volunteer fighters in our common cause.

Our other heroes—the 3,695 Sun men and women who served in the Nation's armed forces—have already shared national and world-wide acclaim with their glorious companions at arms. It is without slight to them that today we pay homage to Sun seamen, whose voluntary sacrifices are so largely unknown and unsung.

We of Sun Oil Co. have looked forward to this occasion since the dark days of 1942. For since that time we have felt a compelling desire to perpetuate in some imperishable form our sense of indebtedness to our seamen, particularly the 141 who met death aboard Sun tankers during the desperate war years.

The idea of erecting a monument to Sun's lost tankermen was conceived by our seamen before the war's end. Subsequently men and women in all departments of the company joined them in the work of raising funds and making necessary plans. Now, at last, the fruits of this work are to be seen.

But we have no sense of triumph at having succeeded in this endeavor. The occasion is too solemn for triumph on our part. The memories which arise in our hearts today are still too fresh and too painful.

To you, the families of our lost heroes, may I say that our hearts have gone out to you in sympathy and understanding in the intervening years since those sorrowful days. We hope that you will find some consolation in the fact that the monument which we shall dedicate today will be an enduring reminder to all who pass of the great sacrifice your loved ones made.

To you, distinguished friends in private and public life, and to you, our neighbors, permit me to express appreciation on behalf of all of us in the Sun organization that you have joined us in this dedication service.

Mr. MARTIN. The Department of the Navy was represented by Rear Adm. Roscoe E. Schuirmann and the United States Maritime Commission by Col. Joseph K. Carson, Jr. The dedicatory address was made by J. Howard Pew, who was head of the organization during the war and who appreciates so much American ideals.

The memorial was unveiled by Mrs. Joseph N. Pew, Jr., and everyone was deeply touched when she spoke as follows:

Before the unveiling I would like to say a few words to the mothers and next of kin of these brave men.

This memorial was started by the spirit of all our gallant boys who died that we might live.

Today if they were here and could speak to us, they would say:

"We paid a high price for liberty. Enjoy it—serve it—protect it."

Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Mr. J. Howard Pew at the Sun seamen's memorial dedication, Saturday afternoon, October 8, 1949, at Marcus Hook, Pa., and also the remarks made on the same occasion by Rear Adm. R. E. Schuirmann, of the United States Navy, and Col. Joseph K. Carson, Jr., of the United States Maritime Commission.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

REMARKS OF MR. J. HOWARD PEW AT THE SUN SEAMEN'S MEMORIAL DEDICATION, OCTOBER 8, 1949, MARCUS HOOK, PA.

The officers and seamen on Sun Oil Co. tankers during World War II displayed the highest ideals of courage, loyalty, and devotion to duty. Never in my lifetime have I known a more heroic group of men. They were determined to serve their country regardless of personal danger and sacrifice. They were very real patriots. It is a privilege to tell you their story.

In World War II, as in World War I, the military authorities regarded petroleum of vital importance to the conduct of their operations. Transporting petroleum and petroleum products by sea was one of the most hazardous and most essential tasks of the conflict.

Petroleum requirements of the armed forces were enormous. By the war's end twice as many tons of oil had been shipped overseas as the combined total of all other war materials, including men, weapons, ammunition, and foodstuffs.

In doing their part in this great task, Sun seamen sailed to all theaters of the war—to Greenland, Iceland, and Scotland in the treacherous North Atlantic, to the Mediterranean, Russia, the Persian Gulf, Australia, and the many Pacific islands won by the armed forces. Altogether Sun tankers traveled 2,358,000 miles and carried 41,000,000 barrels of aviation gasoline and other petroleum products. This was a major contribution to the war effort.

In pursuance of their duty, these seamen faced great personal danger. Of the 17 tankers owned and operated by Sun during the war, 4 were lost. The United States Navy operated 91 tankers and lost 7. On a percentage basis, therefore, our losses of tankers were three times as great as the Navy's. A more important comparison lies in the relative loss of lives. The Navy lost 1 out of every 34 of its average wartime complement. The Army lost 1 out of 29. Of Sun's average wartime complement of seamen, one out of five was lost. These comparisons measure the danger our men faced.

It is a credit to the bravery of Sun seamen to say that they were fully aware of the danger which awaited them on the open seas. But they accepted this danger without complaint. In the First World War the enemy had concentrated on sinking tankers even in preference to troopships, because he knew that troops without petroleum supplies are easily conquered. When World War II began, the enemy quickly employed the same strategy. So swiftly did he strike that he torpedoed 4 of our ships, sinking 2 with a loss of 40 lives, before guns and gun crews could be made available to them. Not until 18 months of the war had passed was effective antisubmarine protection given us. By that time we had lost 131 men.

Yet, despite the danger, and despite the fact that service aboard our tankers was completely voluntary, no Sun ship was ever

delayed in sailing by the failure of crew members to report aboard. Examples of their extreme devotion to duty are legion. I should like to recount some of these examples for you.

When the steamship *J. N. Pew* was sunk off the coast of Aruba with a loss of 33 lives, there were but 3 survivors. Two of these men, Orla Bowhall and Robert Kelly, a young man who drifted 21 days in an open lifeboat before being rescued, returned to serve aboard Sun ships for the duration of the war. In fact, they are still serving aboard our vessels.

Patrick Pierce, the third mate of the motorship *Mercury Sun*, was severely burned when his ship was torpedoed and sunk. After he and his fellow survivors were returned to this country, he was forced to spend several months in the hospital recovering from the effects of the burns. Yet as soon as he was able, he reported back to us for further duty at sea.

Let me give you another example. The motorship *Sun* was crippled by a torpedo while sailing in the Caribbean. Since the ship was unarmed and was unable to maneuver effectively enough to avoid a possible second torpedo, the captain ordered his men to take to the lifeboats. After a patrol plane answered their call for help, the officers and men returned aboard and managed to take the badly damaged ship into a Caribbean port. Temporary repairs were made, and then the crew brought the weakened ship to our yards in Chester for full repairs. When the ship was again ready for service, her entire complement, with the exception of one man who sailed on another Sun ship, took her to sea.

On the very next trip, the motorship *Sun* was torpedoed a second time. Again her crew managed to bring her to port, this time to New Orleans. The crew remained together, and, when the ship was ready a second time, sailed her back to sea. Were there ever men more dauntless?

While off Key West, the motorship *Pennsylvania Sun* was struck by a torpedo which ruptured several tanks of oil. In a few moments fire raged on and around the ship. So furious was the inferno that the crew was forced to abandon the ship and go ashore. The next day, armed with fire-fighting chemicals, crew members returned to their ship, fought the blaze successfully, and brought the vessel into port at Key West. Temporary repairs were effected, and the regular ship's crew brought her home for major damage repairs under her own power.

The motorship *Atlantic Sun* was hit by a torpedo while sailing off Cape Lookout, N. C. Her crew brought the damaged ship to port and she was repaired at our yards. When the *Atlantic Sun* again put to sea, she had aboard substantially the same crew as had seen her through her first disaster. Sailing in the frigid waters of the North Atlantic, the vessel was blasted by a torpedo a second time. She broke in half, and all members of her brave crew, save one, were lost.

My final example of the heroism and loyalty of Sun seamen concerns the motorship *Bidwell*. While off the coast of North Carolina, the *Bidwell* was struck amidships by a torpedo, cutting communication between the bridge and the after quarters of the vessel. Blazing fires and heavy smoke enfolded the forward part of the ship. The deck officers forward, thinking the vessel had broken in half, gave orders to abandon ship. But the engineers in the after quarters of the vessel were able to see that she was still intact and might be saved. They stayed aboard, fought and subdued the fire, and, with the help of the others who returned aboard, brought the severely damaged ship to port. So weakened was the vessel these men refused to abandon that she actually did break in half in the repair dock. For his part in this heroic action, the ship's chief engineer, William Dalton, received the Maritime Commission Distinguished Service Medal.

Other equally inspiring tales of Sun seamen might be told, demonstrating their great courage and high resolve during World War II. But such tales do not make the loss of our dead less painful. Sun seamen made a magnificent contribution toward the winning of the war, but in doing so 141 brave men sacrificed their lives.

When I think of these—our war dead—I cannot help asking myself in the most searching manner: Did we of Sun Oil Co. do all that we possibly could to prevent these losses and to give our men the best available protection? Only after the most painstaking investigation have I concluded that the answer is yes; we did all that was possible under the circumstances.

Some years before the war, for example, the company had installed on all these ships highly effective and expensive carbon dioxide systems for the prevention of explosions and fires. These installations were far superior to the fire-fighting apparatus to be found aboard Navy tankers and most other privately owned tankers. Beyond question our CO_2 systems were responsible in large part for the fact that our men were able to bring five of the nine torpedoed ships to port for repairs. It is probable that many lives were saved by these installations.

In addition we at Sun interested a rubber company in the development of abandonship suits. These suits, which we supplied our men, were designed to protect a man who had abandoned ship from cold and exposure. We installed radio equipment on our lifeboats, supplied our vessels with black-out screens, and stocked our lifeboats with special provisions before Government regulations made these steps mandatory. To our regular ships' supplies we added foam generators for fighting fires, special protective clothing for heavy weather, damage-control gear for making temporary repairs aboard ship, and emergency life rafts. I do not enumerate these things boastfully. I only wish to assure you that we did what we could to safeguard our men.

In the early months of the war we at Sun initiated the plan of having units of the Civil Air Patrol fly over coastal shipping lanes on antisubmarine patrols. We secured permission for such units and we advanced the initial funds required for the establishment of coastal patrol bases. These Civil Air Patrol groups, made up of civilian pilots flying their own small aircraft, performed yeoman service in driving enemy submarines from our coastal waters. They were responsible for sinking enemy U-boats, rescuing survivors of torpedoed ships, and reporting the locations of vessels in distress. After the first of these units proved its worth other oil companies joined us in defraying the cost. Later the Civil Air Patrol became an auxiliary of the Army Air Force and continued to perform valuable service.

For a critical year and a half of the war, before the Navy, Coast Guard, and Air Forces were able to furnish us with effective protection from enemy submarines, the main source of strength of the Nation's tanker fleet lay in the caliber of our men. Unprepared and lacking proper defenses, they battled a skillful and fully prepared foe. By their valor they kept our armed forces supplied with petroleum products and gave us at home time to mobilize the vast strength of our country.

We are assembled today to register our deep gratitude to Sun seamen, who played an important part in this achievement. The monument which is about to be unveiled is dedicated to our 141 war dead in a spirit of humble appreciation. We extend the same heartfelt appreciation to the mothers and wives who so loyally supported these men in the performance of their hazardous duties. All of us share the sorrow of those who sacrificed their sons, husbands, and fathers in this, their country's cause.

May this monument serve always to keep fresh in our hearts the inspiring memory of the bravery and loyalty of Sun officers and seamen.

REMARKS OF REAR ADM. R. E. SCHUIRMANN, UNITED STATES NAVY, AT THE SUN SEAMEN'S MEMORIAL DEDICATION, OCTOBER 8, 1949, MARCUS HOOK, PA.

I have the honored duty to participate in these dedication exercises as the representative of the Navy. It is a privilege to join in paying homage to the men of the Sun merchant fleet to whom this monument is dedicated. These gallant, intrepid, merchant sailors lost their lives in the service of their country, in the battle of the Atlantic, and rest with their Navy brothers lost in that same battle. These men knew, when they signed on for a voyage through the submarine infested waters of the Caribbean, or wherever they might be called upon to go on their lawful occasions, of the extra hazardous nature of the cargo beneath their feet; they knew that tankers were among the chosen targets of the submarine, they knew the probability of a torpedo hit turning their ship into a funeral pyre. They were doubtless afraid, but they overcame fear, and they sailed. They sailed because of a high sense of duty, because they recognized the vital need of keeping the lifeblood of the war effort—oil—flowing.

Though this monument being dedicated today, here at Marcus Hook, the home port of the Sun fleet, was erected through the efforts of the memorial committee of employees and management of the Sun Oil Co. in prideful commemoration of their own, the lost shipmates of the Sun Marine Employees Association and Sun Licensed Officers Association, it also serves to honor all the thousands of merchant seamen who gave up their lives in the last world war undaunted by the threat of air attack, sea mines, surface fire, or submarine to keep our supply lines open.

Should the dreaded drums of war beat again, the Navy and the merchant marine will once more be called upon to fight another battle of the Atlantic. We will be faced with improved submarines which were nearing development at the close of the last war, such as the schnorkel, a device which makes it unnecessary for a submarine to surface to charge her batteries; submarines with high underwater speeds enabling them to attain favorable attack positions and to more easily escape, and new types of underwater propulsion. Happily, the war ended before these new devices and inventions were perfected, put into mass production, and sent to sea. Our potential enemy has full knowledge of these developments.

To combat the improved submarine will require improved weapons, improved techniques and tactics, and a higher degree of training in antisubmarine tactics, than was required in the last world war. The Navy is conducting research to improve old weapons, develop new ones, and constantly training the crews of surface vessels, submarines, and last but not least, planes, in how to effectively use these weapons to find and destroy a submarine. Due to the high degree of training required of the crews of both ships and planes and the close coordination between plane and ship necessary in antisubmarine warfare, men, time, and the means for training must be available in time of peace, so that a large nucleus of trained crews may be available on the outbreak of war. For example, a large number of submarines must be maintained in time of peace, if for no other purpose than to act as targets for training the antisubmarine forces.

Again, one of the many functions of the aircraft carrier is to work its planes with the other antisubmarine training forces to coordinate the efforts of all in hunting and sinking the submarine. These forces must be maintained if we are not again to face the dark days of 1942 when the Florida coast and Caribbean were ablaze with sinking merchant ships, some of them manned by these heroic men whom we honor today.

This bronze sailor standing on the banks of this historic river will remind future generations that men of fortitude and courage will ever be found when our country is in danger, and may he serve as a beacon to welcome the sailor home from the sea, and to God-speed those making their way toward the capes of the Delaware.

REMARKS OF COL. JOSEPH K. CARSON, JR., COMMISSIONER, UNITED STATES MARITIME COMMISSION, AT THE SUN SEAMEN'S MEMORIAL DEDICATION, MARCUS HOOK, PA., OCTOBER 8, 1949

The monument which is to be dedicated today is the only one of its kind erected to the memory of the merchant seamen of World War II. The United States Maritime Commission, which I have the honor to represent here today, is intimately acquainted with the heroic service rendered our country by the merchant sailors, especially those men who served aboard tankers. Certainly it is a well-deserved and fitting tribute to the brave officers and seamen who lost their lives while serving aboard Sun Oil Co. tankers.

We of the Commission know full well that had it not been for the fortitude, bravery, and patriotism of those living and dead who manned the tanker vessels, World War II would probably have been lost and civilization plunged into an era of darkness and despair. Hence it is altogether proper that a member of the Commission be here today to pay deserved tribute to those whose sacrifice has made it possible for those of us who remain to continue to enjoy the blessings of peace and freedom.

It is indeed a personal privilege to take part in the dedicatory ceremony and to express to this gathering the high esteem in which the tankermen are held by the Commission officially and by every man and woman connected with it. We regarded them in a very real sense as a part of our fighting forces. There was one difference however. They waged their part of the fight with insufficient and inadequate arms. When we realize that during World War II a total of 5,638 merchantmen were listed among the dead or missing and 581 were made prisoners of war we need no further proof that they, too, fought with the same determination and valor as did those in the air, in the tanks, and on the land. It is our best estimate that more than one-fourth of the merchantmen lost during the war were those who rode the tankers. Over 40,000 men went to sea on tankers. About 4 percent of them lost their lives.

In my view, our merchant seamen were not simply an auxiliary of our air, naval, and ground forces—they were in reality a concomitant of each component. They were the indispensable link and lifeline between our men in the uniformed services and the production forces at home.

When asked to participate in this ceremony I sought to refresh my own memory with a bit of research, a quick look at the record. And as I reviewed the course of events I felt a thrill of pride in rediscovering the crucial contribution of our tankermen.

I commenced my search with the full realization that the petroleum, carried across the seven seas, was at least one indispensable wartime cargo without which our fighting forces would have been doomed to early defeat and extermination. The extent of military success depended entirely upon the availability of oil—all kinds of it. What does the record reveal?

When we entered the war we had only 370 tankers with an aggregate deadweight tonnage of 4,200,000. As of midyear 1945 there were 866 with a total deadweight of over 12,000,000. Between 1939 and 1946 we lost 128 United States-flag tankers with a deadweight tonnage of 1,600,000. During the war 864 tankers were constructed, many of which went to the armed forces direct, and the losses to which I shall hereinafter refer were sustained by those operated only under the War Shipping Administration, manned with civilian crews. Without the successful construction program which fortunately we were able to accomplish, the outcome of World War II might have been entirely different. Close by at Chester, a great part of that construction program was completed.

Now as to some of the accomplishments of the tankermen: Exclusive of the petroleum products carried by the Army and Navy for the use of those services, there was carried in merchant tankers almost 60,000,000 tons. To move this amount of gasoline and oil required more than 4,000 voyages. Naturally the tanker was the merchant vessel which the enemy wished most to destroy. These 4,000 voyages meant 4,000 opportunities for enemy submarines, surface craft, and airplanes to make the tankers and their crews a target. Yet the tankers continued to deliver their precious cargo.

When we entered World War II there were about 55,000 men in our active merchant marine. This number soon proved to be too few, resulting in ship delays at the outset of the war. But this situation was soon remedied. By the end of 1943 over 100,000 experienced seamen voluntarily and many at great personal sacrifice returned to the sea when the need for their services became evident.

As we have observed before, the destruction of the tank vessel was a primary goal of the enemy. Our tanker crews knew this and knew it well. The fact that our seamen flocked to the tankers and signed on to meet the deficiency during the early period of the war is all the more remarkable when we think of the dark days of 1942 when losses of tanker tonnage were so great that it amounted to 62 percent of all the tank vessels lost during the World War II. When we consider all this and the further facts that the turn-over rate during the war dropped to one-fourth of what it had been in prewar years, and that not one strike occurred in the maritime industry during the war, we have all the more reason to be proud of those whom we honor today. I am now serving as a member of the Maritime War Emergency Board and I can tell you that the statement of principles to which the maritime unions subscribed is eloquent proof of the determination of our merchant sailors to defeat the enemy.

The discharge of our mission here today would be incomplete were we not to take cognizance of the spendid contribution made to victory by the Sun Oil Co. and its allied interests. The great organization of which this company is the parent did an outstanding job right here in this immediate community and has left a record of performance seldom equalled and to the best of my information never exceeded in its line of endeavor. Mr. Pew, we of the Commission know you have performed every function in getting petroleum to our fighting men from the laying of the tanker keels to the discharge of the cargoes on a foreign shore. The Nation is in your debt for this achievement.

To me the dedication of this monument has a special significance—a real personal one. As I take part in this ceremony I am reassured that America will not forget the debt of gratitude owed to our valiant men who sailed the perilous seas. You see, I was overseas in World Wars I and II. I went over when war was in progress. I came back when it was over. The last time I went to the European theater of operations on the *Queen Mary*. As we sailed each hour was filled with apprehension. Would a submarine or enemy airplane attack? Fortunately, neither did. You can be sure that when we sighted the coastline of northern Ireland, we felt that real danger was past. But what of the fellow whose job it was to turn around and traverse the sea lanes again? When did that sense of relief come to him?

It was during that voyage on the great *Queen Mary* that I said to myself, "After all, am I not one of the fortunate ones?" I resolved then and there that if afforded the opportunity I would embrace that occasion to speak from my heart a word of personal gratitude to the brave men who, in those grim months from Pearl Harbor to victory, carried on to make victory certain.

And I also resolved on that voyage not only to remember the sacrifices of our merchant seamen. I thought of their loved ones and of the sleepless nights of mothers, wives, and children. For reasons of security little information could go to the homes of our sailormen. I knew then that for those mothers, wives, and children there were to be no badges of honor, no citations for heroism, no victory parades, but rather the pall of dreary hours and mental anguish. To them I also wish to pay my deepest respect.

The memory of the dead and missing who were employed by the Sun Oil Co. must ever abide with us. There is no saga or epic which in the annals of man exceeds in valor or patriotism the deeds of the brave who risk their lives in challenging oppression. They die yet they live. The debt we owe our merchant seamen will not be fully realized until the history of their achievements is completely recorded. They were bombed, machine-gunned, and torpedoed. They knew the fate that would befall all of us if they failed to deliver the guns, the tanks, planes, fuel, and food by the millions of tons.

It is not given to man the gift of prophesy which enables him clearly to see all that the future shall hold but I profess now to envisage a future in which our countrymen of a later day shall have fully assessed and appropriately enshrined in the hearts of a free people the heroism and stout hearts of men to whom a call to duty was an ever welcome opportunity.

It is with a deep sense of gratification that I am permitted to be here today humbly to pay a full meed of respect.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE] on behalf of the Senator from Nebraska [Mr. BUTLER].

Mr. DONNELL. Mr. President, I should like to ask the Senator from New Mexico a question.

The so-called Butler amendment, the one to which the distinguished Vice President has just referred, proposes to strike out section 412 of the bill and insert one sentence, as follows:

In the disposal of commodities, acquired through loans, purchases, and otherwise, the Secretary of Agriculture shall employ usual and customary channels of trade.

Section 412, to which reference is made in the pending amendment, requires the President to appoint, by and

with the advice and consent of the Senate, one additional Assistant Secretary of Agriculture, with various duties relating to programs for developing marketing outlets, and so forth.

The thought I have in mind, and on which I would personally be very happy to hear the Senator from New Mexico express himself, in this: As I understand, under the Commodity Credit Corporation charter law, namely Public Law 806 of the Eightieth Congress, the Commodity Credit Corporation has authority to "remove and dispose of or aid in the removal or disposition of surplus agricultural commodities."

I am quoting from section 5 of Public Law 806, to which I have referred. It therefore seems unnecessary, as I read the provisions of section 412 of the pending bill, and as I read the so-called Butler amendment, that there be any further provision of any kind in regard to the disposition of commodities. Therefore it is my purpose, at the appropriate time, to move to strike out the entire section 412 of the pending bill, House bill 5345, and likewise to oppose the adoption of the amendment proposed in behalf of the Senator from Nebraska [Mr. BUTLER]. I ask the Senator from New Mexico if he would concur in such action.

Mr. ANDERSON. Mr. President, in reply to the Senator from Missouri I will say that last night we had a sort of agreement to dispose quickly of several amendments. This is one which I think we ought to dispose of quickly. We have been debating the bill for 5 days, and I do not think a vote is going to be changed.

As to the amendment offered on behalf of the Senator from Nebraska, I think it is completely out of line. I regret that the Senator from Nebraska is not present. The amendment provides, as the Senator from Missouri has so well pointed out, that the Secretary of Agriculture shall do certain things, whereas the Commodity Credit Corporation charter says that the Commodity Credit Corporation should do those things. I should like to avoid the confusion which would result from the adoption of the amendment of the Senator from Nebraska. I am sure that he would not desire to bring about such confusion if that point were called to his attention.

I think the Senate should quickly dispose of the amendment of the Senator from Nebraska. I hope it will be voted down. Then if the Senator from Missouri wishes to move to strike out section 412, I hope he will submit that question and let us vote upon it.

The Senator from New York [Mr. IVES] has called my attention to the fact that cooperatives in his State have some rather strong feelings on that question. Personally I do not think we have room for fear. They are the most sincere friends of agriculture we have. Therefore let us submit this question, dispose of it, and move on to the amendment of the Senator from Delaware [Mr. WILLIAMS] and dispose of it. I know that he will take only a few minutes. I hope we can dispose of these amendments and permit the distinguished senior Senator from Oklahoma [Mr. THOMAS] to make an address which he wishes to make.

Senators are trying to get away. The Senator from Oklahoma wishes to make his contribution to the discussion of this bill. I think we should dispose of these amendments very quickly. Therefore I hope the Chair will put the question on the amendment offered in behalf of the Senator from Nebraska. I hope it may be rejected. Then if the Senator from Missouri wishes to move to strike section 412, there will be no discussion from this side so far as I am concerned.

Mr. DONNELL. Mr. President, I am entirely willing to follow the suggestion of the distinguished Senator from New Mexico. I shall make no further remarks in regard to the Butler amendment, but if that shall be voted down I shall make a motion to strike section 412 of the pending bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE] on behalf of the Senator from Nebraska [Mr. BUTLER].

Mr. AIKEN. Mr. President, referring to section 412 of the pending measure, let me say I am in full accord with the remarks of the senior Senator from Missouri. I think they were directly to the point and were very timely.

The adoption of either the Butler substitute or the present wording of section 412 could lead only to confusion in the matter of disposing of farm commodities acquired by the Commodity Credit Corporation. This matter is fully covered in the Commodity Credit Corporation Charter Act. That agency is charged with the disposal of the commodities which it acquires. It would only make things much worse if the Commodity Credit Corporation were charged with acquiring surplus commodities, and then the Secretary of Agriculture were charged with the disposal of them. I hope the amendment offered by the Senator from Nebraska, although it undoubtedly would be a good amendment if provision were not already made elsewhere in the law to accomplish the purpose the Senator from Nebraska evidently has in mind will be rejected, and that then section 412 itself will be stricken from the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE] for the Senator from Nebraska [Mr. BUTLER].

The amendment was rejected.

Mr. DONNELL. Mr. President, I move that section 412 of the bill be stricken from it.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I offer the amendment which I now have at the desk, and which has been printed.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 26, at the end of line 5, it is proposed to strike out the period, insert a colon and the following: *"Provided,* That the Secretary of Agriculture is authorized within his discretion to make available, under rules and regulations to be made and announced, any of such surplus commodities to the Cooperative for American Remittances to Europe, Inc. (CARE), for relief in Europe and Asia: *And provided further,* That upon application of the Munitions Board or any other Federal agency for any part of the accumulated supplies on hand at any time for use in making payment for commodities not produced in the United States, the Secretary of Agriculture may approve such application or applications and thereafter make such commodities available on such terms, rules, and regulations as may be deemed in the public interest."

Mr. THOMAS of Oklahoma. Mr. President, I wish to take only a few moments to explain the amendment.

Under the price-support program, the Department of Agriculture has accumulated a vast amount of food supplies. For example, it now has on hand more than 10,000,000 pounds of butter, which cost the taxpayers in excess of $6,000,000. It now has on hand over 127,000,000 pounds of dried milk, which cost the taxpayers more than $16,000,000. It now has on hand 24,000,000 pounds of dried prunes, which cost the taxpayers more than $2,000,000. It now has on hand more than 11,000,000 pounds of raisins, costing more than $1,000,000. It now has on hand more than 500,000,000 pounds of edible beans, costing more than $42,000,000. It now has on hand more than 65,000,000 pounds of dried eggs, which cost in excess of $87,000,000.

Mr. President, under the present program not very much of the accumulated products are being disposed of. They are being held in refrigerated containers at different points throughout the country; and unless they are disposed of, sooner or later they will spoil and will be a total loss, not only to the Government but to the people who would like to have these supplies for use.

In the event we cannot dispose of these products to some good purpose, it seems to me we should give them away in order that they may serve a good purpose, which, obviously, is possible. For example, there are throughout the country many Indians, located in more than 20 States. Some of the Indians are not in very good economic condition. Some of them have scarcely any place in which to live, and have very little to eat.

So my amendment provides that these supplies shall be made available to the Indian Bureau for distribution in such manner as the Bureau may see fit. The Indian Bureau has a limited amount of money with which to take care of needy Indians, and that money can be used to pay express and freight charges, if necessary, in transporting the supplies from their present location to the several Indian reservations. That is one use which possibly can be made of some of these supplies.

A second use, which an amendment already in the bill provides, is to have these commodities used for school-lunch programs.

Another use of the supplies is for distribution to State and local welfare organizations. Of course, such welfare organizations have certain funds which

they use for the purchase of food supplies, and they could use some of that money to pay express and freight charges on the shipment of these supplies from the places where they are now located to the points where they can be consumed.

To the provisions already in the bill as it is now before the Senate, I propose to add two further amendments. I should like now to call attention to those two possible added sources of outlet for these supplies. The bill as it now stands will make the supplies available to Indians throughout the country and to school-lunch programs, and to State and local welfare organizations.

The amendment I offer broadens the outlet, as follows: There is at present an organization known as American Remittances to Europe, Inc. The nickname for which is "CARE." That is an organization, wholly charitable, which secures supplies and makes them available to needy people in certain European and Asiatic countries. Under the amendment, if agreed to, these supplies will be made available to this international organization, which is distributing goods abroad, not altogether on a charitable basis, but on a humane basis as well.

The amendment provides, in the second place, that the Munitions Board, which now is searching the world for strategic and critical military supplies, may use any of these accumulated goods on a barter basis to secure the things we need from countries that need the materials we have on hand but do not have dollars with which to purchase such supplies. In other words, some countries do not have money with which to buy from this country things they need, but they have certain critical and strategic materials. The amendment simply gives authority to the Munitions Board, if it sees fit, to make a barter or trade, and to use the surplus supplies to pay for the things thus acquired. I may say the Munitions Board has already accumulated a vast quantity of supplies of various kinds. We have appropriated to that organization already during this Congress about $835,000,000, and the Board has elected 69 commodities which it contends are in critical and strategic need, so far as our country is concerned. Of the total of 69 commodities wanted, the Board has already accumulated from a 1-year to a 20-year supply of 49 of the commodities. So there are 20 commodities left which they are trying to secure. As I have said, there has been appropriated by the Congress for their use some $835,000,000.

At this point let me say one item is in disagreement in connection with the national military bill. The Senate ordered a rescission of $275,000,000 of the $835,000,000 already appropriated and authorized by the Congress. The Senate, I say, ordered the rescission; it is in the Senate bill, but the House refused to accept the amendment, so sometime today, no doubt, a decision will be reached with respect to whether the Board will be able to use the $275,000,000 the Senate has ordered rescinded. If the Senate has to yield, then the Munitions Board will have the entire $835,000,000 appropriated by the Congress with which to acquire the remaining materials which are required.

But, Mr. President, the vote comes now, if the Senate is ready, on the broadening of my amendment to cover, first, CARE, and then, second, the provision making it possible for the Munitions Board to consummate barters or trades, if desired.

I submit the amendment to a vote.

The VICE PRESIDENT. The Senator has the right to modify his own amendment without unanimous consent.

Mr. THOMAS of Oklahoma. Then, if that is the ruling of the Chair, I modify my amendment and ask for a vote on the amendment as modified. The first part of my amendment, though, Mr. President, is already incorporated in the bill, and I am of the opinion I must do this from the floor.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. As I understand the parliamentary situation, the amendment to which the Senator has already referred is in the bill as one of the committee amendments. So I raise the issue whether under the circumstances the Senator can modify his amendment, since it is no longer his amendment but is a committee amendment, reported by the committee.

The VICE PRESIDENT. The Chair is of opinion that a Senator who offers an amendment may modify the amendment, even though it includes things already in the bill.

Mr. THOMAS of Oklahoma. Mr. President, the same effect will be accomplished if we vote on the pending amendment. If it is agreed to, it then becomes a part of the section in the bill which was originally presented by me to the committee.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. KNOWLAND. I think it is important to straighten out this matter. As I understand the situation, the Senator from Oklahoma is not modifying the amendment which is the pending question, but rather his amendment, in effect, modifies an amendment which is in the bill and which was reported from the committee. I have never understood that a single Senator on the floor by such procedure could modify a committee amendment reported to the Senate. It would be, I think, a rather unusual procedure.

The VICE PRESIDENT. It is, of course, up to the Senate to decide whether it wants to vote a duplication or a redundancy into the bill, because it happens to be part of an amendment which is offered.

Mr. KNOWLAND. It is a very material change, Mr. President. I am not objecting to the amendment, which the Senate may well adopt.

The VICE PRESIDENT. The Senator from Oklahoma proposes to add certain provisos, but does not propose to strike out anything.

Mr. KNOWLAND. No; but the amendment adds a number of agencies which heretofore have not been in the bill as reported by the committee.

The VICE PRESIDENT. The Chair holds the Senator may modify his amendment, even though he includes a matter already in the bill. There is no parliamentary rule that prevents a Senator from modifying his own amendment. It is then up to the Senate to decide whether to adopt it.

The question is on agreeing to the amendment offered by the Senator from Oklahoma, as modified. [Putting the question.] The "noes" seem to have it. The "noes" have it.

Mr. THOMAS of Oklahoma. I request a division.

Mr. AIKEN. Mr. President, may we have the amendment read as modified before the Senate divides on it?

The VICE PRESIDENT. The only thing at the desk is the printed amendment. The Chair finds something that seems to be connected with it. The amendment does not seem to be in existence in the modified form, so far as printing is concerned. The Chair declared the amendment lost, and it is now an academic question whether it is printed. The Chair wishes to correct his statement by saying that the Senator from Oklahoma requested a division.

Mr. GURNEY. Mr. President, may I request the Senator from Oklahoma to restate his amendment?

Mr. THOMAS of Oklahoma. Mr. President, here is the whole thing. It is very simple. I may say I presented to the committee an amendment which, if adopted, would make certain supplies now in the possession of the Commodity Credit Corporation available to Indians, to school-lunch programs, and to needy persons throughout the country, through State and local welfare organizations. That part of the amendment is in the bill. Since that time, representatives have come to me from CARE and from other organizations asking that they be permitted to get some of the supplies to be used for the work in which they are engaged. The international organization called CARE secures supplies from the public gratuitously and sends them abroad. They communicated with me and asked whether I could broaden my amendment to make CARE eligible to make application to the Secretary in order to secure some of the supplies which are about to spoil and which, if not used, will rot. There are on hand millions of pounds of meat from Mexico which is in cans, and the cans are rusting and bursting. It is now costing us money to keep it in storage.

The amendment proposes a way of getting rid of some of these supplies by making the food available to people who are hungry. It gives them an opportunity to get some of the supplies under rules and regulations prescribed by the Secretary. That is No. 1.

No. 2, it makes the supplies available to the Munitions Board so that, instead of using money to buy materials which are needed, they can use these surplus supplies in trade or barter, and in that way perhaps get rid of them. In that way these surplus articles will serve a good purpose. I simply propose by the amendment to broaden my previous

amendment to cover the two organizations, CARE and the Munitions Board.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from California?

Mr. THOMAS of Oklahoma. I yield.

Mr. KNOWLAND. To take a specific example, would the Senator have in mind that India, let us say, had some manganese available, and that, rather than the Munitions Board's having to pay dollars for it, it could, providing the Government in India and the Munitions Board itself felt it would be an advantageous deal, in effect barter or exchange some of the surplus commodities for the manganese. Is that the idea?

Mr. THOMAS of Oklahoma. Yes. The Board could offer some of the 10,000,000 pounds of butter; it could offer some of the dried milk, or dried prunes, or dried raisins, or beans or eggs.

Mr. KNOWLAND. And it would be the Senator's idea that by a trading arrangement we might then be able to save on the appropriations made by the Congress, or if we were not able to do that, that we might be able to obtain certain of the stock-piling materials through barter. Is that correct?

Mr. THOMAS of Oklahoma. That is correct.

The VICE PRESIDENT. Debate is out of order at this time. The Chair was in the process of putting the question to a division.

Mr. THOMAS of Oklahoma. I asked for a division.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. DONNELL. I should like to ask a question, if I may.

The VICE PRESIDENT. The Chair is now in the act of putting the question to a division. After declaring the amendment submitted to the Senate to have received a majority against it, a division was requested, and the Chair must carry out that process.

Mr. DONNELL. Mr. President, may I ask unanimous consent that I may interrogate the Senator from Oklahoma? I should like to understand the question a little better, if I may.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. DONNELL. Mr. President, I should like to ask the Senator from Oklahoma this question: He mentioned, as I understood, that there is already provision in the bill by which commodities may be given to charitable organizations.

Mr. THOMAS of Oklahoma. That is correct.

Mr. DONNELL. Where is that in the bill?

Mr. THOMAS of Oklahoma. It is the last section.

Mr. DONNELL. It is the last section of the bill?

Mr. KNOWLAND. It begins at the bottom of page 25, in section 417.

Mr. DONNELL. Omitting the introductory premise, the section reads as follows:

> The Secretary of Agriculture and the Commodity Credit Corporation are directed to make such commodities available at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, to school-lunch programs when approved by the Secretary, and to the Bureau of Indian Affairs and to Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons.

Is that the section to which the Senator refers?

Mr. THOMAS of Oklahoma. I propose to broaden that by my original amendment, which is pending before the Senate, to include CARE and the Munitions Board. They may not exercise the power, but one of the organizations, CARE, has asked me to have the provision placed in the bill, and, in compliance with their request, I have offered the amendment.

Mr. DONNELL. I thank the Senator. I know of the organization, CARE, but I am not familiar with the details of its organization. Is it a private organization?

Mr. THOMAS of Oklahoma. I think it was privately organized but it is an association of all the charitable organizations interested in affording relief to foreign needy peoples.

Mr. DONNELL. I assume it is a nonprofit organization. Does the Senator think that by authorizing the Secretary of Agriculture to make available surplus commodities to CARE, other organizations of like character which are not mentioned might feel that they are discriminated against?

Mr. THOMAS of Oklahoma. I think the State and local welfare organizations will cover that point. That authority is already in the bill. This is a means of getting rid of surplus supplies which, if not gotten rid of, will continue to accumulate storage charges.

Mr. DONNELL. I can well understand the Senator's point.

The VICE PRESIDENT. On the question of agreeing to the amendment offered by the Senator from Oklahoma a division has been asked. [Putting the question.]

On a division the amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, I desire at this point to detain the Senate only for a few moments with respect to the status of farm legislation generally. I do this mainly for the RECORD.

At the present time there is upon the statute books the Agricultural Adjustment Act of 1938. To it has been added the Hope title of the 1948 bill, which is in effect at this time. If nothing is done by this Congress, on January 1, 1950, the 1938 Agricultural Adjustment Act will be modified, the Hope section of the 1948 act will cease to exist, and the so-called Aiken law will become the basic agricultural law of the United States.

Mr. President, in the early days of this session the Secretary of Agriculture sent to me, as chairman of the Senate Committee on Agriculture and Forestry, a copy of a bill which he desired to have considered. I might say that the original bill was sent to the Vice President, as the presiding officer of the Senate, and by the Vice President sent to the Committee on Agriculture and Forestry, and in that manner I got the text of the bill which I introduced in the Senate. The bill is known as Senate bill 1971, a copy of which I exhibit to the Senate.

Later on, when the business of the Senate became more congested, I found myself not only chairman of the Committee on Agriculture and Forestry, but likewise a member of six subcommittees of the Senate Appropriations Committee, and along about May and June, when the appropriation bills began to come over from the House and the subcommittees were called to meet, I felt that I had to give some attention, at least, to appropriations, because they affected my State directly, along with other States. So, doing what I thought was the proper thing, I got permission to appoint a subcommittee of the Committee on Agriculture and Forestry to take up the so-called Brannan bill, Senate bill 1971, and another bill which had been introduced, and the subcommittee was authorized to hold hearings and submit a report. Knowing that we had on our committee one of the outstanding agricultural experts of the country in the person of the Senator from New Mexico [Mr. ANDERSON] I took it upon myself to make him chairman of the subcommittee, and I appointed four members to serve with him. Immediately he organized his subcommittee, and issued notices and started hearings on the Brannan bill and on another bill which, as I stated, was pending before the committee.

Pursuant to that appointment the Senator from New Mexico held hearings on the Brannan bill and the other bill which I have mentioned, which is Senate bill 1882. I exhibit to the Senate a copy of the printed hearings taken by the subcommittee on those two bills. At a later date supplemental hearings were held and a second volume was produced. I exhibit to the Senate a copy of the second volume of the hearings.

As a result of the hearings it seemed that the so-called Brannan bill was not very well understood. No one asked to be heard in favor of it, and no one appeared in favor of the bill save the Secretary of Agriculture and some of his assistants. The bill was not introduced in the Senate until May 31. Congress was then well along in the session. The Brannan bill to this day has not been given very much consideration, for the obvious reason that it was not understood. So the subcommittee, in place of making a report on the Brannan bill, proceeded to develop the bill which is now pending before the Senate. Inasmuch as the Brannan bill or the Brannan plan for supporting prices has not been reported on to this date, excepting indirectly, I desire at this time to take a very few moments to explain briefly what confronts the Senate.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILLIAMS. Do I correctly understand that the Senator is offering the Brannan plan as a substitute for the pending bill?

Mr. THOMAS of Oklahoma. No; that is not what I am doing at the present time. I am merely talking about the Brannan bill at this time.

Mr. WILLIAMS. Is the Senator going to offer it or ask the Senate to consider it?

Mr. THOMAS of Oklahoma. I want to lay a foundation by explaining the bill for a few moments, before I answer that question. I want the Senate to understand just what confronts us.

On the first day of January, if no action is taken, the so-called Aiken law will become effective. My committee has had its legislative staff and the Senate drafting staff make an analysis of the so-called Aiken Act, and I should like at this time to place in the RECORD, with the consent of the Senate, a short statement seeking to explain what the Aiken law will do.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. AIKEN. May I inquire who made the analysis? I do not seem to have any knowledge of its being acted on by the committee.

Mr. THOMAS of Oklahoma. I will submit the statement to the Senator. It is a copy of a statement placed in the RECORD a few days ago by the distinguished Senator from North Dakota [Mr. YOUNG]. I took it from the RECORD because I wanted to use it at this time. I think it is accurate.

Mr. AIKEN. Mr. President, I ask unanimous consent to insert in the RECORD near the same place an analysis of the so-called Aiken Act made by the office of the Solicitor of the Department of Agriculture approximately a month after the law's passage.

The VICE PRESIDENT. Without objection, the two analyses will be printed in the RECORD in juxtaposition.

Mr. AIKEN. I hope the chairman of the committee will make it clear that no action was taken by the committee in connection with having an analysis of this kind prepared.

There being no objection, the analyses were ordered to be printed in the RECORD, as follows:

AIKEN ACT

(Permanent legislation)

(Use Aiken parity formula)

The Aiken Act provides:

1. Mandatory price supports for the basic commodities, wheat, corn, cotton, tobacco, rice and peanuts, between 90 and 60 percent of parity, the minimum varying within such limits as the supply varies from 70 to 130 percent of normal supply. Whenever acreage allotments or marketing quotas are in effect the support level would be increased 20 percent, which would make the minimum level no lower than 72 percent in actual operation. The Secretary has ruled that if he deems it advisable, he can set the level of support at 90 percent in any year, but in no event can the level be set at less than the minimum provided.

2. Mandatory price supports for shorn wool and Irish potatoes between 60 and 90 percent of parity. Other conditions of support same as Anderson bill.

3. All other nonbasics, including rye, barley, oats, flax, eggs, poultry, dairy products, beef, and pork to be supported between 0 and 90 percent of parity, at the discretion of the Secretary.

4. Allows perishable farm commodities to be supported by subsidy payment to farmers but limited by the funds it may use for that purpose.

UNITED STATES DEPARTMENT OF AGRICULTURE—AN ANALYSIS OF THE PRINCIPAL PROVISIONS OF THE AGRICULTURAL ACT OF 1948 AND RELATED LEGISLATION (PREPARED IN THE OFFICE OF THE SOLICITOR)

INTRODUCTION

The Agricultural Act of 1948 supplements and amends legislation affecting producers and handlers of agricultural commodities. The act relates principally to price support, parity, funds for the encouragement of the exportation and domestic consumption of surplus agricultural commodities, import quotas and fees, farm-marketing quotas, and conservation payments.

The act provides for (a) price support beginning at the expiration of preexisting emergency price-support legislation on December 31, 1948 (i) for 1949 on a temporary basis and (ii) for years subsequent to 1949 on a permanent basis, (b) a new parity-price formula effective January 1, 1950, (c) the accumulation from fiscal year to fiscal year after January 1, 1950, up to $300,000,000 of unexpended section 32 funds which are appropriated annually for the encouragement of domestic consumption and exportation of surplus agricultural commodities, (d) immediate extension of authority for imposition of import quotas and fees so as to bring price-support programs within such authority, and (e) continuation of conservation payments until December 31, 1950.

The act also makes effective January 1, 1950, certain changes (a) in the conditions under which marketing quotas for some of the basic commodities may be proclaimed and in the effective marketing year for such quotas, and (b) in the definitions of "normal supply," "total supply," and "carry-over" as affecting programs for the basic commodities.

PRICE SUPPORT

A. Generally

The Agricultural Act of 1948 amends the permanent legislation for price support as contained in the Agricultural Adjustment Act of 1938. These amendments will not become effective until January 1, 1950. In the meantime, price support is continued under temporary legislation. The enactment of emergency legislation since 1941 has rendered largely inoperative the price-support provisions of the 1938 act. The emergency legislation consists principally of the Stabilization Act of 1942 which will expire with the 1948 crops of the basic commodities, and the so-called Steagall amendment of 1941 which will expire on December 31, 1948, and also that part of the Agricultural Act of 1948 which makes special provision for price support for 1949.

Agricultural commodities are classified, for price-support purposes, as basic and nonbasic, with a temporary subclass of the nonbasic known as Steagall commodities. The basic commodities are cotton, wheat, corn, tobacco, rice, and peanuts. All other commodities are nonbasic. The Steagall commodities are hogs, eggs, chickens, turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American-Egyptian cotton, potatoes, and sweetpotatoes—commodities for which the Secretary formally requested an increase in production during the war-emergency period. The special status of the Steagall commodities, as extended by the 1948 act, will expire December 31, 1949.

The applicable legislation provides for both permissive and mandatory price-support programs. Price support is mandatory for all basic commodities, for Irish potatoes and wool, and, until December 31, 1949, for the Steagall commodities. Price support is permissive for all other commodities. Administrative action in inaugurating a price-support program, including the level of support, is subject to statutory requirements.

B. Basic commodities

1. Level of support: For crops of either the 1948 or 1949 year, including that part of any such crop which is harvested in the following year, the level of mandatory support is 90 percent of the parity price, except for cotton of the 1948 crop for which the level is 92½ percent. For all crops subsequent to the 1949 crop, the level will range between a maximum of 90 percent of the parity price and a minimum of between 60 and 90 percent of the parity price, according to the supply level. The supply level is indicated by the percentage relation of total supply to normal supply, called the "supply percentage." If the supply percentage is more than 98 but not more than 102—that is, when the total supply is substantially in balance with the normal supply—the minimum level of support is 75 percent of the parity price. For each 2-point increase in the supply percentage above 102, the support level decreases 1 percent but not below 60 percent of the parity price, and for each 2-point decrease in the supply percentage below 98 the support level increases 1 percent but not above 90 percent of the parity price. For example, when the supply percentage is more than 102 but not more than 104, the minimum level of support is 74 percent of the parity price, and when the supply percentage is more than 96 but not more than 98, the minimum level of support is 76 percent of the parity price. Within the range between the minimum level of support and 90 percent of the parity price, the level of price support is a matter of administrative determination. Special provision is made, applicable to the 1948 and all subsequent crops, for the support of fire-cured tobacco at 75 percent, and of dark air-cured and Virginia sun-cured tobacco at 66⅔ percent, of the loan rate applicable to burley tobacco.

2. Cooperation of producers: The basic commodities are those for which acreage allotments and marketing quotas are provided under the Agricultural Adjustment Act of 1938. Acreage allotments for corn, wheat, cotton, and rice may be established annually whether or not the supply situation is such as to call for a proclamation of marketing quotas, and quotas for these commodities when established are based upon such acreage allotments. For tobacco and peanuts the acreage allotments are dependent upon a proclamation of quotas which are converted into the allotments. A proclaimed quota becomes effective only upon approval by two-thirds of the producers voting in a referendum.

The right of producers in the aggregate in respect to mandatory support for any basic commodity is affected by acreage allotments and marketing quotas, including the disapproval of marketing quotas, for the commodity. For the 1948 and 1949 crops there is no such support if producers disapprove quotas. For subsequent crops the level of mandatory support upon the disapproval of quotas is a flat 50 percent of the parity price, regardless of the supply percentage, and, if there are in effect acreage allotments at the beginning of the planting season or marketing quotas at the beginning of the marketing year, the minimum level of price support, as fixed by the supply percentage, is increased 20 percent, but not beyond 90 percent of the parity price. Under a special provision, the support level for tobacco, if marketing quotas are in effect, is a flat 90 percent of the parity price, regardless of the supply percentage.

The right of an individual producer to mandatory price support and the level of such support are also affected by the acreage planted to the commodity after the establishment of a farm-acreage allotment, whether or not marketing quotas are in effect. The full measure of mandatory support is accorded only to a cooperator—that is, a producer whose planted acreage does not

exceed the farm-acreage allotment—and all cooperators are entitled to such support at the same level, except that as to corn of any crop, except the 1949 crop, cooperators outside the commercial corn-producing area are entitled to support only at 75 percent of the level for cooperators inside the commercial area. A noncooperator—that is, a producer who knowingly overplants his acreage allotment—is not entitled to mandatory support for any overplant crop subsequent to the 1949 crop. For the 1948 and 1949 crops a noncooperator is entitled to support only on that part of the commodity in excess of his farm-marketing quota and at 60 percent of the level applicable to a cooperator.

C. Nonbasic commodities

The legislation permits price support for all and makes price support mandatory as to some of the nonbasic commodities. There are three periods involved for which separate treatment is given, namely the calendar year 1948, the calendar year 1949, and calendar years subsequent to 1949. The level of permissive support is discretionary during all such periods, except that for any calendar year subsequent to 1949 the level may not exceed 90 percent of the parity price.

Mandatory support is permanent as to some, and temporary as to other, nonbasic commodities. It is temporary for the Steagal commodities. Mandatory support for the Steagall commodities has been authorized since 1941, and the expiration date of such support has been extended from December 31, 1948, to December 31, 1949. All of these commodities, except Irish potatoes, will thereafter fall within the general class of nonbasic commodities for which there will be permissive support only and at a level not exceeding 90 percent of the parity price. Mandatory support for Irish potatoes will be permanently in effect. Permanent mandatory support is also provided for wool, which is a nonbasic, but not a Steagall, commodity.

For the calendar years 1948 and 1949, the legislation declares a policy that the nonmandatory lending and purchase operations of the Department shall be carried out so as to bring the price and income of producers of commodities for which only permissive support is provided into a fair parity relationship with other commodities to the extent that funds are available.

The level of temporary mandatory support for the Steagall commodities for the calendar year 1948 is at least 90 percent of the parity price, and for the calendar year 1949 not less than 60 percent of the parity price nor more than the level of support which prevailed in the year 1948, except that during the calendar year 1949 support at 90 percent of the parity price is required for Irish potatoes harvested before the beginning of the year, milk and its products, hogs, chickens, and eggs. The comparable price shall be substituted for the parity price of the Steagall commodities whenever the production or consumption of the commodity has so changed since the base period as to result in a price out of line with parity prices for the basic commodities. Comparable prices are used for soybeans, dry peas, and peanuts for oil.

Irish potatoes harvested in any year after December 31, 1949, are still required to be supported and the level of support is not less than 60 percent nor more than 90 percent of the parity price.

Poultry is subject to a special provision that any permissive support given after December 31, 1949, for turkeys or chickens is required to be extended to all poultry at the same level as for turkeys or chickens.

The level of mandatory support price for wool for the calendar years 1948 and 1949, and for the first 6 months of the calendar year 1950, is the same price at which wool was supported in 1946, while thereafter the support price is at such a level between 60 percent and 90 percent of the parity price as is necessary to encourage an annual production of approximately 360,000,000 pounds of shorn wool.

D. Price support in excess of statutory maximum level

The maximum level of support is 90 percent of the parity price for any crop of a basic commodity following the 1949 crop and for any nonbasic commodity after January 1, 1950. The legislation expressly provides, however, that this maximum may be exceeded as to any particular commodity, basic or nonbasic, whenever it is administratively determined, after a public hearing and finding, that an increased level of support is necessary in order to increase or maintain the production of the commodity in the interest of national security.

E. Underlying conditions and methods

The legislation specifies matters to be considered in determining whether a price support operation shall be undertaken and the level of support; authorizes the administrative establishment of conditions of eligibility to be compiled with by producers; and also authorizes administrative adjustments in any support price on account of marketing factors relating to the commodity.

The matters to be considered in connection with any particular commodity consist of the supply of the commodity in relation to the demand therefor, the price levels at which other commodities are being supported, the availability of funds, the perishability of the commodity, its importance to agriculture and the national economy, the ability to dispose of stocks acquired through a price-support operation, the need for offsetting temporary losses of export markets, and the ability and willingness of producers to keep supplies in line with demand. The conditions of eligibility to be complied with by producers may relate to acreage allotments, production goals or marketing practices. These matters and conditions are of primary importance in connection with permissive price-support operations, and such aspects of mandatory price-support operations as rest within administrative discretion.

The administrative adjustments on account of marketing factors relate to differences in such factors as grade, type, staple, quantity and location.

The methods of price support consist of loans, purchases, and other operations and, subsequent to January 1, 1950, also payments and indirect operations such as an improved merchandising practice. The use of any particular method or methods rests within administrative discretion.

The legislation contains specific provision for continuing the nonrecourse feature of price-support loans. This feature was originally introduced by the Agricultural Adjustment Act of 1938. In the absence of fraud, the producer is not liable for any deficiency on his loan resulting from a decline in the market value of the commodity securing the loan. The producer may be held liable, however, for deficiencies in the grade, quality, and quantity of the commodity.

F. Funds available

The funds of Commodity Credit Corporation and section 32 funds are available for price-support operations, subject to certain limitations. The funds of the Corporation are derived from its capitalization of $100,000,000, its borrowing power of $4,750,000,000, and a reserve for postwar price support consisting of the original sum of $500,000,000, with a balance on May 31, 1948, of approximately $385,000,000.

Section 32 funds consist of an appropriation for each fiscal year of an amount equal to 30 percent of the gross receipts from duties for the encouragement of domestic consumption and exportation of surplus agricultural commodities. It is recognized that section 32 programs (and also programs under section 6 of the National School-Lunch Act) are effective in supporting prices to producers of the commodities covered by such programs. The facilities of Commodity Credit Corporation may be used in the administration of such programs. The unexpended balance of section 32 funds will accumulate from fiscal year to fiscal year after January 1, 1950, up to $300,000,000.

The funds of the Corporation may be used in supporting the price of perishable commodities as long as the unexpended balance of section 32 funds at the end of the preceding fiscal year is $300,000,000 or less and then only to the extent that the reserve for postwar price support is sufficient to cover any losses that may be incurred in such operations. This limitation is not applicable where the perishable commodity is reasonably storable without excessive loss or excessive cost, or to Irish potatoes regardless of storability, or where it is sought to support the price of a nonstorable perishable commodity through a loan or other operation with respect to a storable product of the commodity.

G. Restrictions on disposition of commodities

The Agricultural Act of 1948 imposes a restriction, effective January 1, 1950, on the disposition by Commodity Credit Corporation of farm commodities owned or controlled by it. The restriction is comparable to the existing restriction which expires on December 31, 1948. The principle purpose of the restriction is to avoid the impairment of price support programs.

The restriction presently in effect prohibits the sale of a commodity at less than the parity price, with important exceptions. The restriction which becomes effective January 1, 1950, is on the sale of a commodity at less than a price determined on a reimbursable pricing basis for the Corporation's stocks of the commodity, or a price halfway between the support price, if any, and the parity price, or a price equivalent to 90 percent of the parity price, whichever price is lowest.

The exceptions to the new restriction are also comparable to those now in effect. The exceptions relate principally to sales where the commodity is deteriorated, or, if perishable, where there is danger of loss through spoilage, and sales for export. The exceptions also include sales for other than primary uses, including new or byproduct uses, the sale of peanuts for the extraction of oil, the sale of a commodity for seed or feed, and sales to establish claims. The sale of wool also falls within the exceptions.

Reference is made to two other statutory provisions relating to the disposition of commodities owned by Commodity Credit Corporation. The provision of the Agricultural Adjustment Act of 1938 that cotton may not be sold for less than reimbursement price and in a quantity more than 300,000 bales a month or 1,500,000 bales a calendar year is suspended until December 31, 1948, and is repealed as of January 1, 1950. It will, therefore, be technically in effect only during the calendar year 1949. There will continue in effect through 1949 the provision of the Surplus Property Act of 1944 authorizing the disposition of any agricultural commodity or product thereof for export at competitive world prices for cash, the equivalent of cash, or adequately secured credit, without regard to any other restriction, unless such disposition would interfere with our normal domestic requirements for food.

NEW PARITY FORMULA

A new parity price formula, applicable to all agricultural programs, will come into effect on January 1, 1950. In the meantime, the old parity formula will continue in effect. The agricultural programs affected by parity are price support, farm marketing quota, and marketing agreement and order programs.

The parity price under the old formula for any particular commodity is determined by multiplying the average price received by farmers for the commodity during a base period by the parity index. The parity index is used in order to bring farm prices into the desired relation with nonfarm prices. The index is the ratio of the current level of prices of articles and services purchased by farmers to the level of such prices during the base period.

The base period under the old formula is not the same for all programs nor for all commodities under the same program. The base period is August 1909 to July 1914 for all commodities, excepting that (a) under marketing agreement and order programs, the base period is August 1919 to July 1929 for tobacco of all kinds and potatoes and this base period is required to be used also for any other commodity in respect to which the purchasing power during the 1909–14 period cannot be satisfactorily determined and (b) under the price-support and farm-marketing-quota programs, the base period is August 1934 to July 1939 for burley and flue-cured tobacco and August 1919 to July 1929 for other kinds of tobacco. There is, however, a special base period, August 1936 to July 1941 for Maryland tobacco which will be effective under the provisions of the act of 1948 relating to temporary price support.

The parity index used under the old formula reflects in all cases the prices of articles and services purchased by farmers and, with respect to all commodities for which the base period is 1909–14, reflects also the current interest payments per acre on farm indebtedness secured by real estate and tax payments per acre on farm real estate.

The new parity formula, including the parity index, adopts the same base period for all commodities and all programs. The parity index reflects, in addition to prices, interest and taxes paid by farmers. The base period is January 1910 to December 1914, inclusive. The distinguishing feature of the new formula is that it adopts an adjusted base price in determining the parity price for a particular commodity. This adjusted price is used in place of the average price actually received in the base period for the commodity. The adjustment takes into consideration the general level of farm prices for all agricultural commodities, first, during the most recent 10-year period, and, secondly, during the 1910–14 period. The ratio of the former to the latter gives an index number by which the average farm price of the particular commodity under consideration during the same most recent 10-year period is divided. The quotient is regarded as the adjusted base price for the particular commodity. The parity price under the new formula is obtained by multiplying this quotient, or adjusted base price, by the current parity index.

The parity price under the new formula may equal, or it may be lower or higher than, that calculated under the old formula. If it is lower, a transitional parity price will be used until such time as it becomes the lower of the two prices. The transitional parity price, as of any date, consists of the parity price under the old formula less 5 percent thereof multiplied by the number of calendar years which shall have lapsed after January 1, 1949.

The new parity price, including the transitional price, of any particular commodity may be revised where it appears after a public hearing that such price is seriously out of line with the parity prices of other commodities, and such a hearing must be held when requested by a substantial number of interested producers.

The new parity price formula applies after January 1, 1950, to all agricultural programs, including marketing agreement and order programs under the Agricultural Marketing Agreement Act of 1937, but any marketing agreement or order in effect on January 1, 1950, may continue in effect without the necessity of amendatory action as long as such agreement or order tends to effectuate the legislatively declared policy.

The operation of the new parity formula, as projected into the year 1950, may be illustrated, in the case of corn as an example, upon the assumption that the level of farm prices and the indices used in the computation of parity will be the same then as they were in July 1948. The parity price for corn would be $1.42 per bushel under the new adjusted base price formula and $1.61 per bushel under the old formula. The transitional parity price would be $1.53 per bushel, which is the old parity price of $1.61 per bushel less 5 percent thereof by reason of the lapse of one full calendar year since January 1, 1949. The effective parity price is the transitional price since it is higher than the parity price under the new adjusted base price formula. The parity price of $1.42 per bushel under the adjusted base price formula is obtained as follows: The general level of prices for all agricultural commodities for the 10-year period, 1940–49, is 168 percent of the level for the base period, 1910–14. The all commodity price index is, therefore, 1.68. The average farm price of $0.953 for corn during said 10-year period, when divided by 1.68, gives an adjusted base price of $0.567. The present level of prices paid by farmers for articles purchased by them is 251 percent of the level in the base period 1910–14, giving a parity index of 2.51. The adjusted base price of $0.567 a bushel for corn, when multiplied by the parity index of 2.51, gives a parity price of $1.42 a bushel. The parity price of $1.61 under the old parity price formula is obtained by multiplying the average price of $0.642 for corn in the 1910–14 base period by the parity index of 2.51. The all commodity index of 1.68 and the parity index of 2.51 would be applicable in computing the parity price for any commodity.

EXTENSION OF AUTHORITY TO IMPOSE IMPORT QUOTAS AND FEES

The authority of the President under section 22 of the Agricultural Adjustment Act of 1933, as amended by the Agricultural Marketing Agreement Act of 1937, to impose import quotas or fees on any commodity the importation of which would interfere with the operation of certain agricultural programs is amended in several particulars, including the extension of the authority of this section to price-support programs. This amendment became effective July 3, 1948.

CHANGES IN CONDITIONS FOR PROCLAIMING MARKETING QUOTAS AND IN METHOD OF CALCULATING "SUPPLY"

The Agricultural Act of 1948 changes the conditions under which marketing quotas are to be proclaimed for all of the basic commodities except peanuts. It also changes the definitions of "carry-over," "total supply," and "normal supply," as applied to some of the basic commodities in the establishment of marketing quotas and acreage allotments. The definitions of "total supply" and "normal supply" will also become important in determining the minimum level of mandatory price support for the basic commodities. The legislation which is changed is that contained in the Agricultural Adjustment Act of 1938. The changes will become effective January 1, 1950.

The changes in the definitions of "carry-over," as affecting all of the basic commodities except tobacco and wheat, and in the definition of "total supply," as affecting all of the basic commodities except tobacco, have the effect principally of adding peanuts to each definition and of bringing imports of each of the commodities within the definitions. The present definitions of "carry-over" comprise that part of each commodity produced and on hand in the United States, except that it includes wheat produced elsewhere but on hand here, and cotton on hand elsewhere but produced here. Wheat, therefore, is the only commodity for which imports are presently required to be taken into account in determining carry-over. The new legislation does not change the definition for wheat, which includes imports, nor does it change the definition for tobacco, which excludes imports. The new definition of "carry-over" for cotton, however, excludes foreign-held stocks of cotton produced here. The present definition of "total supply" comprises estimated domestic production plus carry-over. As indicated above, the changed definition adds estimated imports except in the case of tobacco. Consistently with the changes thus made in the definitions of "carry-over" and "total supply" so as to include imports, the new legislation requires that imports be used also in determining acreage allotments for wheat and corn and the national baleage allotment for cotton which is converted into acreage allotments.

The change in the definition of "normal supply," as affecting all the commodities except tobacco, is a substantial change. The new definition adds peanuts and makes the normal supply of each of these commodities more representative of current needs than is presently the case in the use as to corn, wheat, cotton, and tobacco of a 10-year average, and as to rice of a 5-year average, of domestic consumption and exports, plus a percentage thereof varying in amount as to each commodity. The new definition states that "normal supply" for any marketing year shall be the sum of estimated domestic consumption for the preceding marketing year and estimated exports for the marketing year involved plus, as an allowance for carry-over, a percentage of consumption, and exports varying in amount as to each commodity. The carry-over percentages are: Corn, 7 percent; cotton, 30 percent; rice, 10 percent; and wheat and peanuts, 15 percent. The normal supply is adjustable for current trends in consumption and unusual conditions. There has been no change in the definition in respect to tobacco for which the normal supply consists of a normal year's domestic consumption and exports plus, as a carry-over allowance, 175 percent of the consumption and 65 percent of the exports.

The supply conditions presently required for the proclamation of quotas are an excess of "total supply" over "normal supply" (as these terms are defined in the 1938 act) by more than 5 percent for tobacco, 10 percent for corn and rise, and 7 percent for cotton; while for wheat the requirement is that "total supply" exceed a "normal year's domestic consumption and exports" by more than 35 percent. For peanuts, a quota is required to be proclaimed each year without regard to the supply situation.

The new legislation makes no change in the requirement as to peanuts or tobacco except that the supply conditions under which a quota for any kind of tobacco is to be proclaimed after January 1, 1950, are, to some extent, rendered inoperative by the new requirement for a proclamation of a quota for each kind of tobacco for which a quota was proclaimed in the preceding year and also a quota for Virginia sun-cured tobacco for each year for which a quota is proclaimed for fire-cured tobacco.

The new legislation changes the supply conditions under which quotas are to be proclaimed for corn, wheat, cotton, and rice and also the year during which quotas for such commodities are to become effective. The changes require a proclamation of a quota upon a determination in any calendar year that the total supply of the commodity for the marketing year beginning in such calendar year will exceed the "normal supply" by more than 20 percent for corn, wheat, and rice and 8 percent for cotton, or that for the marketing year ending in such calendar year the "total supply" is not less than the "normal supply" and the average farm price

for three successive months does not exceed 66 percent of the parity price. The "normal supply" and the "total supply" will be determined in accordance with the new definitions of these terms. The quota thus proclaimed in any calendar year would be in effect, as to wheat, cotton, and rice, to marketings during the marketing year beginning in the next succeeding calendar year and, as to corn, to the crop grown in such succeeding calendar year.

The new legislation makes certain changes in the amount of national marketing quotas, of national acreage allotments, and of the national baleage allotment for cotton which is converted into acreage allotments. National marketing quotas for tobacco and peanuts are converted into acreage allotments which are established only upon the proclamation of the quota. National acreage allotments for corn, wheat, and rice, and the national baleage allotment for cotton which is converted into acreage allotments, may be established annually whether or not the supply situation is such as to call for a proclamation of quotas, and any proclaimed quota is based upon such acreage allotments. The national quota, the amount of which is specifically provided for only in the case of tobacco, peanuts, and rice, the national acreage allotments for corn, wheat, and rice, and the national baleage allotment for cotton, are such in each case as will make available a given supply. The supply to be made available by quotas for tobacco and rice is the normal supply plus, as to tobacco, 5 percent thereof, while for peanuts the supply to be made available by the quota is the average harvest for nuts for the preceding 5 years, adjusted for current trends and prospective demand conditions. The acreage allotments in the case of corn and wheat are such as to make available a supply equal to a normal year's domestic consumption and exports plus 10 percent in the case of corn and 30 percent in the case of wheat, and, in the case of rice, to make available a supply equal to the normal supply. The national baleage allotment for cotton is also such as will make available a supply equal to the normal supply.

The new legislation makes no change in the amount of the national quota for tobacco, rice, and peanuts except insofar as the definition of "normal supply" has been changed in its application to rice. Nor has any change been made in the acreage allotments for corn, wheat, and rice and the national baleage allotment for cotton except insofar as imports are required to be considered in making the determination of the allotments for corn, wheat, and cotton, and as changes are made in the definitions of "carry-over" as applied to corn, wheat, cotton, and rice, and of "normal supply" as applied to cotton and rice. The requirement that quotas be approved by two-thirds of the producers of the commodity in a referendum is not changed. The amounts of national marketing quotas, national acreage allotments, and the national baleage allotment for cotton are subject to exceptions not material here.

EXTENSION OF PERIOD FOR MAKING CONSERVATION PAYMENTS

The authority of the Secretary of Agriculture to make conservation payments to producers of agricultural commodities, as contained in sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, is extended for a period of 2 years from December 31, 1948, to December 31, 1950.

This analysis is not an interpretation of the law in its application to specific situations. A careful study of the relevant provisions of the law will be necessary in the solution of particular problems as they arise.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILLIAMS. In order that the RECORD may be complete, I was wondering if the Senator does not think it advisable to have the Brannan bill printed at this point in the RECORD.

Mr. THOMAS of Oklahoma. I had anticipated that action, but the so-called Brannan plan is printed in the hearings. It is rather lengthy, and I did not want to encumber the RECORD unnecessarily. I have the bill before me. It contains 86 pages.

Mr. WILLIAMS. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Delaware.

Mr. WILLIAMS. Would the Senator have printed a short analysis of the Brannan plan? It seems to me the RECORD should be complete at this time.

Mr. THOMAS of Oklahoma. If anyone is sufficiently interested in the Brannan plan, he can send to any Senator or to the Senate Committee on Agriculture and Forestry and secure a copy, but I do not care to encumber the RECORD with an 86-page bill.

Mr. YOUNG. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield to the Senator from North Dakota.

Mr. YOUNG. Does the copy of the analysis which I presented for the RECORD, which the able Senator from Oklahoma is now asking to have printed, show that it was prepared by Mr. Stanton? The Senate Committee on Agriculture and Forestry had an analysis made by Mr. Stanton, of the Senate legislative counsel, and from that analysis I made rather a brief summary of the analysis, which, while brief, I believe to be absolutely correct.

Mr. THOMAS of Oklahoma. I am only too glad to include along with my interpretation of the Aiken Act the interpretation made by the distinguished author of the law, the Senator from Vermont [Mr. AIKEN], so that the members of the public who may see fit to read this RECORD may have what the committee counsel has prepared and also what the author of the act has prepared. What I have is very brief.

Mr. AIKEN. Mr. President, the analysis which I have inserted is not my analysis. It is an analysis made by the solicitor's office of the Department of Agriculture last July, which has been disagreed to in considerable measure by the Secretary of Agriculture at various times since.

Mr. WHERRY. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask a question of the distinguished Senator from Oklahoma, chairman of the Committee on Agriculture and Forestry, with whom I have had a long association on the Committee on Appropriations, and whom I have always known to be very fair and honorable. I have a feeling that that sentiment is mutual, so far as the junior Senator from Nebraska and the senior Senator from Oklahoma are concerned.

Mr. THOMAS of Oklahoma. It is 100 percent mutual.

Mr. WHERRY. The Brannan plan has been discussed from one end of the country to the other. There have been those who have supported it and there have been those who have opposed it. The Eightieth Congress adopted the so-called Aiken plan. We have before us now the Anderson plan. We have had a vote on the Aiken plan, and we are shortly to have a vote on the Anderson plan. I ask the distinguished Senator from Oklahoma whether, as a possible guide to the leadership, to the farm organizations of the country, and to the farmers of the country, he does not feel that after he has completed his statement he should offer his amendment embodying the Brannan plan, and permit the Senate to take a vote on the amendment.

Without any idea of being facetious, but because the plan has been considered and may become an issue, I think we should be perfectly frank about it. So, can we not go on record as to how we feel about it, vote it up or down, and let the country know where we stand on it? I ask the distinguished Senator to state if he does not think that is the proper procedure, in view of the fact that the distinguished and able Senator, the chairman of the Committee on Agriculture and Forestry, is now presenting the plan.

Mr. THOMAS of Oklahoma. Mr. President, answering the inquiry of the distinguished minority leader, let me say that no report has been made to the Senate on the Brannan plan, and, personally, I would object to asking the Senate to vote upon a bill that has not even been reported to the Senate. That is my first point.

Second, it is my judgment, speaking for myself, that I do not know enough about the Brannan plan, and I do not know of any Senator who knows enough about the Brannan plan, to justify us in casting our votes on it now. If I were asked to vote on that plan, I would say that I was not prepared to do so. It would not be proper, from my standpoint, to ask Senators who do not know about it to vote on it. I am fearful that if called upon to do so now, for the best of reasons, they would vote "no." That would be unfair to the Brannan plan, with the information we have. If the Senator will permit me to proceed, I think he will have my viewpoint with respect to the matter.

Mr. WHERRY. I have no purpose of disturbing the Senator in his presentation; but if he will yield——

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. Certainly the Brannan plan has been discussed from Des Moines to both coasts and back again. Secondly, we have the Anderson agricultural bill before us, and we know that we have passed on bills containing more pages than the bill to which the Senator has referred in a shorter time than we are giving to this bill. Every Senator knows really what is at the basis of the Brannan plan. We know it is a question of production payments to be made to the farmers for producing agricul-

tural products based upon the consumer prices. That principle is involved, and every Member of the Senate knows what principle is involved. We know the Anderson plan involves a flexible parity, on a different percentage basis from the Aiken plan. We know what is contained in the Aiken plan.

I submitted to the distinguished Senator my request, which he declined, but I made it in all sincerity and humility, with the thought that the Senator might furnish a guide to the thinking of the Senate as to which plan to proceed with. As I understand, the President of the United States has supported continuously flexible parity formulas, until very recently. Let us have a vote on this matter, if the Senator can bring that about, so that we will understand whether we are to have the flexible parity formula, the 90-percent-of-parity formula, or the Brannan plan. Let us have a vote on it.

Mr. THOMAS of Oklahoma. I appreciate the suggestion made by the minority leader, but it is not fair to me to break in and make the suggestion before I have laid the foundation for my conclusion. I shall have to leave the Chamber shortly after 12:30 o'clock, and I must conclude before that time. After I have concluded with my foundation, if there is any question, I shall be glad to answer it.

I have placed in the RECORD a brief analysis of the Aiken law. At this point I should like to have printed a brief analysis of the so-called Gore bill, now pending on the Senate Calendar.

The VICE PRESIDENT. Is there objection?

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

GORE BILL

(1-year extension of present program only)

(Use Gore parity formula)

The Gore bill provides:

1. Mandatory price supports for the basic commodities, wheat, corn, cotton, tobaco, rice, and peanuts, at 90 percent of parity for the 1950 crop.

2. Mandatory price supports for milk and its products, hogs, chickens, and eggs at 90 percent of parity during 1950.

3. Mandatory price supports during 1950 for turkeys, Irish potatoes, flaxseed, soybeans and other Steagall commodities at not less than 60 percent of parity and not more than the level at which the commodity was supported in 1948.

4. All other commodities to be supported between 0 and 90 percent of parity at the discretion of the Secretary.

Mr. THOMAS of Oklahoma. Following what has just been placed in the RECORD, I ask to have printed at this point a brief analysis of the so-called Anderson bill, the pending bill. It is very brief. These are incorporated in the RECORD so as to give readers a chance to understand the basic principles.

The VICE PRESIDENT. Is there objection?

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ANDERSON BILL

(Permanent legislation)

The Anderson bill provides:

1. Mandatory price supports for the basic commodities, wheat, corn, cotton, tobacco, rice and peanuts, for the first year when under either acreage allotments or marketing quotas at 90 percent of parity, and in all other years between 90 and 75 percent, the minimum varying within such limits as the supply varies from 102 (108 in the case of peanuts and cotton) to 130 percent of normal supply. The Secretary of Agriculture would have authority to set the support at 90 percent or at any level down to the minimum in the case of any basic or nonbasic commodity.

2. Mandatory price supports for shorn wool and Irish potatoes between 60 and 90 percent of parity. In the case of wool other provisions would assure certain 90-percent supports for several years.

3. Mandatory price supports for whole milk and butterfat between 75 and 90 percent of parity.

4. Oats, barley, rye, flax, and other storable nonbasics to be supported at between 75 and 90 percent of parity, and support is mandatory at such levels whenever production controls are in effect.

5. Pork, beef, eggs, and poultry to be supported at between 75 and 90 percent of parity.

Mr. THOMAS of Oklahoma. Following the Anderson bill, I ask unanimous consent to have a brief analysis of the so-called Brannan plan printed, as embraced in Senate bill 1971.

The VICE PRESIDENT. Is there objection?

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

BRANNAN PLAN

(Permanent program)

(Use Brannan parity formula)

The Brannan plan provides:

1. Mandatory price supports for the basic commodities, wheat, corn, cotton, tobacco, whole milk, eggs, chickens, hogs, beef cattle, and lambs, at 100 percent of parity (or the income-support standard). The support price of whole milk, eggs, chickens, hogs, beef cattle, and lambs may be reduced by not more than 15 percent at the discretion of the Secretary to maintain proper feed ratios.

2. All other agricultural commodities can be supported from 0 to 100 percent of parity at the discretion of the Secretary.

In addition, the Brannan plan limits price supports to individual farms to 1,800 units or approximately $20,000. Any production above that limit would be ineligible for support.

3. Allows unlimited practice of supporting perishables by subsidy payment. Secretary Brannan's many statements to the Senate Agriculture Committee and public statements make plain his purpose to allow prices of perishable commodities to drop to any level the supply-and-demand market would provide and make up the difference to the farmers by a subsidy check which would be subject to yearly appropriations by Congress. The major perishables coming under this program would be pork, beef, dairy products, poultry, potatoes, vegetables, and fruits.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Delaware.

Mr. WILLIAMS. May I ask who prepared the analysis of the Brannan plan?

Mr. THOMAS of Oklahoma. I have that information. We have a staff member, Mr. Stanton, assigned to the committee, who is a member of the legislative drafting service, who has prepared the analysis, and from that analysis the Senator from North Dakota [Mr. YOUNG] prepared a briefer analysis. I did not want to put in all the extraneous matters, so I merely put in the gist, or substance.

Following the Brannan-plan analysis, I ask permission to have placed in the RECORD a chart showing support base prices under the various plans—the present Aiken law, the contemplated Anderson law, and the further contemplated Brannan plan.

The VICE PRESIDENT. Is there objection?

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Support base prices under various plans—Estimates of 100-percent parity for selected commodities under various alternative plans [1]

Commodity	Unit	100 percent parity under—			
		Aiken (title II), Public Law 897	Anderson plan, S. 2522 [2]	Brannan plan support standard	Gore bill, H. R. 5345
(1)	(2)	(3)	(4)	(5)	(6)
Wheat	Bushel	[3] $1.80	[3] $1.90	$1.84	$2.15
Corn	do	[4] 1.40	1.49	1.44	1.56
Butterfat	Pound	.642	.716	.658	.639
Milk	Hundredweight	4.06	4.48	4.16	3.89
Hogs	do	18.10	19.20	18.60	17.70
Eggs	Dozen	[5] .439	[5] .465	.450	.522
Chickens	Pound	.278	.295	.285	.277
Flaxseed	Bushel	4.13	4.37	4.23	4.11
Potatoes	do	[6] 1.55	[6] 1.64	1.57	1.78
Beef cattle	Hundredweight	16.20	17.30	16.60	13.20
Lambs	do	17.60	18.90	18.10	14.30
Oats	Bushel	[7] .792	[7] .838	.812	.970
Barley	do	[8] 1.17	[8] 1.24	1.20	1.50
Wool	Pound	.479	.507	.491	.445

[1] Based upon index of prices paid, including interest and taxes, as of Sept. 1, 1949, and estimate of 1940–49 average prices received by farmers, where appropriate.

[2] Based upon index of prices paid, including interest, taxes, and hired farm wage rates, as of Sept. 1, 1949, and estimate of 1940–49 average prices received by farmers, where appropriate.

[3] Transitional parity price of $2.04 (95 percent of $2.15) would apply.

[4] Transitional parity price of $1.48 (95 percent of $1.56) would apply.

[5] Transitional parity price of $0.496 (95 percent of $0.522) would apply.

[6] Transitional parity price of $1.69 (95 percent of $1.78) would apply.

[7] Transitional parity price of $0.922 (95 percent of $0.970) would apply.

[8] Transitional parity price of $1.42 (95 percent of $1.50) would apply.

Mr. THOMAS of Oklahoma. Mr. President, I wish now to give the reasons why it seems to me the Senate can well consider the so-called Brannan plan.

Mr. AIKEN. Mr. President, will the Senator yield for a moment?

Mr. THOMAS of Oklahoma. I yield.

Mr. AIKEN. I wish to say that I have just read the analysis of the Aiken Act, so-called, which the Senator has placed in the RECORD, and I find it completely accurate. It is not an elaborate analysis, but it is entirely correct so far as it goes.

Mr. THOMAS of Oklahoma. It might be termed a cornerstone, or two cornerstones, or four cornerstones, of the 3 or 4 or 5 basic principles on which the so-called Aiken plan is based.

Mr. AIKEN. Yes.

Mr. YOUNG. Mr. President, I purposely boiled it down so that it would be readable. It does not give all the workings of the plan.

Mr. THOMAS of Oklahoma. I call attention to a few facts which should be appealing to the Senate. Whether or not Senators feel that they appeal to them, I say, Mr. President, they must appeal to them. The record over the period of 100 years shows that the national income of the United States is approximately seven times the income of all farmers. I want that statement to sink in. The national income, over the past 100 years, has been each year approximately seven times the income of the farmers of the Nation.

When the farmers have a high income the national income is high. When the farmers' income falls, the national income falls. If a billion dollars is added to the farm income of the Nation in any year the national income for such year goes up $7,000,000,000. If the income of the agricultural interests of America should drop $1,000,000,000, the national income would fall $7,000,000,000.

If agricultural income is the basis of national income, the question is: Should we not give thorough consideration to the basis of the income of the agricultural producers of the United States? The facts I have stated, Mr. President, are facts we cannot get away from.

I shall place in the RECORD at this point a few income figures. In 1932, when we had the lowest prices in my lifetime, when wheat sold in my State for 19 cents a bushel, when corn sold for 15 cents a bushel, when hogs and cattle sold for less than 2 cents a pound, and other prices were commensurate, agriculture in that year earned $6,000,000,000, while the total national income was $43,000,000,000. The national income was not exactly seven times the agricultural income, but the figure of seven is the closest figure at which we can arrive. The figure 8 would be too high, and the figure 6 would be too low.

Mr. President, all the people of America in 1932 did not earn enough money gross to pay the Federal tax bill which will be asked for in 1951. Add to the Federal tax bill the State, county, and city tax bills and we have $17,000,000,000 more. Today the total tax bills which fall upon our people amount to some $60,000,000,000. If the price received for farm products should drop, the national income would drop. If some Senators had their way the result would be a cut in the gross national income in such an amount that the national tax bill could not be met.

In 1933 the farmers received $7,000,000,000, and that year the national income was even less than the year before—it was only $42,000,000,000.

In 1937 the farmers' income was $11,000,000,000. The national income that year was $71,000,000,000.

In 1941 the farm income was $13,000,000,000. The national income was $94,000,000,000.

In 1942 the farm income was eighteen billion, and the national income was $120,000,000,000. As farm income goes up the national income goes up. As farm income goes down the national income likewise goes down.

In 1943 the farm income was $22,000,000,000, and the national income was $150,000,000,000.

In 1944 the farm income was $23,000,000,000, and the national income was $160,000,000,000.

In 1946 the farm income was $25,000,000,000, and the national income $180,000,000,000.

In 1947 the farm income was $30,000,000,000, and the national income was $217,000,000,000.

In 1948 the farm income was $34,000,000,000, and the national income, according to the best figures I can obtain, was $231,000,000,000.

Mr. President, I am prepared to say on the basis of these figures that the national income is governed by the farm income. The alternative is to say that the farm income is governed by the national income. Either way, it makes no difference. But if my position is correct, if the national income is governed by the farm income, then the higher the farm income is, the higher the national income will be. When the farm income begins to decline, then the national income begins to fall.

Mr. President, the question now is: Which of the bills will be most likely to produce a national income which will permit the people of America to make sufficient money to pay an annual tax bill of $60,000,000,000? I am advised that next year the national budget will call for $44,000,000,000. Next year the State, county, city, and local budgets will call for $17,000,000,000 more. The $44,000,000,000 added to the $17,000,000,000 makes a total of more than $60,000,000,000 which the people next year must make and lay aside to pay their tax bill.

Mr. President, they cannot do that on low incomes. From this time on we must have high farm prices, we must have high wages, we must have high salaries, we must have high industrial prices, we must have full employment in order to keep the national income up to around $250,000,000,000. If we do not, we cannot collect sufficient taxes to conduct the affairs of the Nation and of the State and local subdivisions of government If the national income falls and Congress keeps on appropriating money for useless purposes, as it already has appropriated some money and proposes to appropriate more, then sooner or later the structure will become top-heavy and topple over.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. SALTONSTALL. Is there not one very essential fallacy in what the Senator has just stated?

Mr. THOMAS of Oklahoma. I shall be glad to have the Senator point it out.

Mr. SALTONSTALL. If it is proposed to keep the farm income up through subsidies collected from the industrial worker when the articles produced by the industrial worker are falling in price and quantity, it will not be possible to keep up the national productivity so as to be able to pay the high taxes to which the Senator has referred. The result would be simply to make the industrial worker pay more taxes, would it not?

Mr. THOMAS of Oklahoma. The matter can be considered from any angle, and the same result will be arrived at. If the income of the farmers is cut down, they cannot buy the automobiles produced by the industrial workers, they cannot buy the combines produced by them, they cannot buy the plows produced by them, they cannot buy the food products processed by them. Then what is going to happen to the industrial workers? They cannot themselves produce the raw materials, and they cannot process raw materials which are not available. The manufacturers cannot make raw materials into finished products because there will be no consumers. Then what will happen? We arrive at the same result from whatever angle we consider the problem.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. YOUNG. A few days ago the able Senator from Georgia [Mr. GEORGE] pointed out the most important part of the whole farm program and the price-support program. Industry is so well organized now that when steel prices are raised or lowered they are raised or lowered straight across the board. Labor is so well organized now that they have been able to secure three rounds of wage increases since the war. Unless the farmers have a good price-support level the taxes and other expenses of running this Nation will again be placed on the backs of the farmers, and they will have to pay the whole cost of the war. It will mean enslavement for the farmers, exactly as they were enslaved after the previous war. If that is good for the economy of the Nation I simply cannot see it.

Mr. THOMAS of Oklahoma. Mr. President, inasmuch as I must leave in a few minutes and I must conclude quickly, I wish to make my presentation, and it will appear in the RECORD for those who want to consider it.

At this point, Mr. President, I pass around among Senators copies of some statistics to which I shall refer very briefly. I am passing out among the Senators present four or five sheets of data which were prepared by agents in the Department of Agriculture. I am not prepared to say that these figures are official in that the Secretary of Agriculture has O. K.'d or approved them. The figures were assembled by an expert in the Department, and if anyone wants to question their authenticity I shall give the name of the man who prepared them for me, so Senators can check up on them. The work has been done too hurriedly to have an official stamp placed upon the figures.

Page 1 provides a list of the main commodities American farmers produce. In the first column will be found "USDA proposal," or otherwise the Brannan plan, so that if the Brannan plan should

become law Senators will find in column No. 1 of the chart the total income of the farmers. Now that may be net income. For 1950, it is estimated to be $23,000,000,000 plus. That is the income which it is estimated the farmers would receive if the Brannan plan should become a law at this session.

The second column sets forth the income which would be produced for the farmers under the Gore bill. The Brannan proposal would give them $23,000,000,000 plus. The Gore bill would give them $21,000,000,000 plus. The third column shows the estimated amount of income during 1950 which the farmers would receive under the Anderson bill, which would be $15,010,000,000. In the fourth column is the estimated amount which the farmers would receive under the so-called Aiken Act during 1950. This is figured out for each commodity.

On page 2 there is the same information for the year 1951; and on page 3 are found similar figures for 1952.

At the bottom of page 1, I wish to call attention to something which is all-important. Under the so-called Brannan plan the farmers would receive what might be termed 100 percent of parity prices for their commodities, or a total sum of $23,000,000,000 plus. If the Gore bill should be enacted there would be a substantial reduction, down to $21,000,000,000 plus. If the Anderson bill should be enacted there would be a still further reduction, and instead of getting $23,000,000,000 they would receive only about $15,000,000,000. Under the Aiken Act, if it goes into effect on the 1st of January, instead of the farmers receiving $23,000,000,000, which it is estimated they would receive under the Brannan plan, they would receive only $9,000,000,000 plus.

These tables show the effect on our economy if any one of these bills should be enacted. Seven times the farm income will show the number of dollars of national income which would be lost if any of the other bills should be passed. If the Gore bill should be enacted, as compared with the Brannan plan, the income of farmers would be reduced by the difference between $21,000,000,000 plus and $23,000,000,000 plus, or $1,728,000,000. If we multiply that by seven, it shows that the farmers would lose under the Gore bill, as compared with the Brannan plan, the sum of $12,000,000,000. The Nation would lose that much. There would be that much reduction in the national income.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CAPEHART. I find that the total income in the column headed "USDA proposal" is $23,000,000,000 plus. This includes income from cotton, wheat, corn, tobacco, milk, chickens, eggs, cattle and calves, hogs, lambs, and sheep. Under title II of the Aiken Act the total income, on cotton, wheat, corn, tobacco, rice, peanuts, potatoes, and wool is $9,000,000,000 plus. Does the Senator feel that this statement is quite clear, inasmuch as under the Aiken Act neither milk, chickens, eggs, cattle and calves, hogs, and so forth are included? Is it not necessary to add the income from those commodities to the $9,000,000,000 to get the income of the farmers?

Mr. THOMAS of Oklahoma. Under the Aiken bill no consideration would be given the articles mentioned by the distinguished Senator from Indiana. The Brannan plan takes into consideration only the commodities which it covers. It does not cover a number of things which might be mentioned. So the difference between $23,000,000,000, the income of farmers on the commodities which are covered, and $30,000,000,000-odd which they obviously will receive in income, is not calculated in this report.

Mr. CAPEHART. Does not the chart simply show that the income from the commodities which come under the various programs, the prices of which will be guaranteed under the respective bills, totals the sums shown at the top of the various columns? It is not a fact that none of the totals covers the entire income of the farmers?

Mr. THOMAS of Oklahoma. The Senator is absolutely correct, because no legislation today covers all the farmers' products. The Aiken bill covers the fewest of them.

Mr. CAPEHART. The Aiken bill covers the fewest of them, the Anderson bill the next smallest number, the Gore bill third, and the Brannan proposal the largest number. I am sure the able Senator did not intend to leave the impression that under the Brannan plan the total income of the farmers would be $23,000,000,000; under the Gore bill $21,000,000,000; under the Anderson bill $15,000,000,000; and under the Aiken Act $9,000,000,000. Those are the figures for the commodities the prices of which would be guaranteed by the Government. In no respect do they represent the total income of the farmers of America.

Mr. THOMAS of Oklahoma. I appreciate the contribution made by the Senator from Indiana. He has made the point clear. No one of the pending proposals covers all the things which the farmer produces. These tables show only the effect of the several bills upon the commodities covered in the respective bills.

The point I wish to make is this: If the Gore bill should go into effect, rather than the Anderson bill, it would have the effect in 1950 of reducing the national income by the sum of $12,000,000,000. If the Anderson bill should become law, it would have the effect of reducing the national income in the sum of $57,000,000,000. If the Aiken Act should go into effect, it would reduce the national income by $95,000,000,000, or almost one-half the total income now being received by all the people of America.

Mr. THYE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I shall not have time to finish my remarks in full. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the tables to which reference has been made.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

1950—Income support floors provided by mandatory minimum-price supports for 1950 in major farm price-stabilization proposals

(NOTE.—Income figures shown are 1948 production multiplied by applicable mandatory minimum support prices)

[In millions of dollars]

Commodity	USDA proposal	Gore bill and title I	Anderson bill [1]	Title II (Aiken Act) [1]
Total	23,224	21,496	15,010	9,539
Cotton	2,064	2,024	1,924	1,646
Wheat	2,396	2,499	2,370	2,190
Corn	5,293	5,147	4,928	3,906
Tobacco	965	836	898	848
Milk [2]	4,112	4,054	3,915	0
Chickens [3]	577	588	0	0
Eggs [3]	1,774	2,170	0	0
Cattle and calves, marketings	3,238	0	0	0
Hogs, marketings	2,484	2,468	0	0
Lambs (and sheep)	321	0	0	0
Rice	0	144	168	159
Peanuts	0	246	234	234
Flaxseed	0	130	0	0
Soybeans	0	308	0	0
Potatoes	0	477	455	455
Sweetpotatoes	0	64	0	0
American-Egyptian cotton	0	1	0	0
Dry field peas	0	11	0	0
Beans, dry edible	0	103	0	0
Turkeys	0	122	0	0
Wool, shorn	0	99	107	101
Mohair	0	0	7	0
Tung nuts	0	0	4	0

[1] Supply percentages for 1950 are assumed to be: Wheat, 121; cotton, 124; corn, 131; rice, 103; and peanuts, 91.
[2] Total production including butterfat.
[3] Produced.

[In millions of dollars]

Income results	USDA proposal	Minus other proposal	Reduction of farmers' income	Times 7 to get maximum effect on national income
USDA over Gore bill	23,224	21,496	1,728	12,096
USDA over Anderson bill	23,224	15,010	8,214	57,498
USDA over Aiken Act	23,224	9,539	13,685	95,795

1951—Income support floors provided by mandatory minimum-price supports for 1951 in major farm price-stabilization proposals

(NOTE.—Income figures shown are 1948 production multiplied by applicable mandatory minimum support prices)

[In millions of dollars]

Commodity	USDA proposal	Gore bill and title I	Anderson bill [1]	Title II (Aiken Act) [1]
Total	23,135	21,496	13,930	9,249
Cotton	2,069	2,024	1,774	1,572
Wheat	2,383	2,499	2,228	2,087
Corn	5,293	5,147	4,198	3,796
Tobacco	971	836	910	858
Milk [2]	4,089	4,054	3,881	0
Chickens [3]	570	588	0	0
Eggs [3]	1,761	2,170	0	0
Cattle and calves, marketings	3,199	0	0	0
Hogs, marketings	2,484	2,468	0	0
Lambs (and sheep), marketings	316	0	0	0
Rice	0	144	168	159
Peanuts	0	246	221	221
Flaxseed	0	130	0	0
Soybeans	0	308	0	0
Potatoes	0	477	432	455
Sweetpotatoes	0	64	0	0
American-Egyptian cotton	0	1	0	0

[1] Supply percentages for 1951 are assumed to be: Wheat, 121; cotton, 124; corn, 131; rice, 103; and peanuts, 91.
[2] Total production including butterfat.
[3] Produced.

1951—Income support floors provided by mandatory minimum-price supports for 1951 in major farm price-stabilization proposals—Continued

(NOTE.—Income figures shown are 1948 production multiplied by applicable mandatory minimum support prices)

[In millions of dollars]

Commodity	USDA proposal	Gore bill and title I	Anderson bill	Title II (Aiken Act)
Dry field peas	0	11	0	0
Beans, dry, edible	0	103	0	0
Turkeys	0	122	0	0
Wool, shorn	0	99	107	101
Mohair	0	0	7	0
Tung nuts	0	0	4	0

Income results	USDA proposal	Other proposal	Reduction of farmers' income	Times 7 to get maximum effort on national income
USDA over Gore bill	23,135	21,496	1,439	10,073
USDA over Anderson bill	23,135	13,930	9,205	64,435
USDA over Aiken Act	23,135	9,249	13,886	97,202

1952—Income support floors provided by mandatory minimum-price supports for 1952 in major farm price-stabilization proposals

(NOTE.—Income figures shown are 1948 production multiplied by applicable mandatory minimum support prices)

[In millions of dollars]

Commodity	USDA proposal	Gore bill and title I	Anderson bill [1]	Title II (Aiken Act) [1]
Total	23,893	21,496	13,813	9,093
Cotton	2,137	2,024	1,778	1,575
Wheat	2,473	2,499	2,125	1,984
Corn	5,548	5,147	4,198	3,796
Tobacco	993	836	902	850
Milk [2]	4,193	4,054	3,869	0
Chickens [3]	584	588	0	0
Eggs [3]	1,802	2,170	0	0
Cattle and calves, marketings	3,276	0	0	0
Hogs, marketings	2,563	2,468	0	0
Lambs (and sheep), marketings	324	0	0	0
Rice	0	144	168	159
Peanuts	0	246	209	209
Flaxseed	0	130	0	0
Soybeans	0	308	0	0
Potatoes	0	477	446	419
Sweetpotatoes	0	64	0	0
American-Egyptian cotton	0	1	0	0
Dry field peas	0	11	0	0
Beans, dry, edible	0	103	0	0
Turkeys	0	122	0	0
Wool, shorn	0	99	107	101
Mohair	0	0	7	0
Tung nuts	0	0	4	0

[1] Supply percentages for 1952 are assumed to be: Wheat, 121; cotton, 124; corn, 131; rice, 103; and peanuts, 91.

[2] Total production including butterfat.

[3] Produced.

[In millions of dollars]

Income results	USDA proposal	Minus other proposals	Reduction of farmers' income	Times 7 to get effect on national income
USDA over Gore bill	23,893	21,496	2,397	16,779
USDA over Anderson bill	23,893	13,813	10,080	70,560
USDA over Aiken Act	23,893	9,093	14,800	103,600

Working table—Mandatory minimum support prices

Commodity	Gore bill	USDA proposal			Aiken Act			Anderson bill		
		1950	1951	1952	1950	1951	1952	1950	1951	1952
Cotton	$0.2723	$0.2776	$0.2783	$0.2874	$0.2214	$0.2114	$0.2119	$0.2588	$0.2387	$0.2392
Wheat	1.94	1.86	1.85	1.92	1.70	1.62	1.54	1.84	1.73	1.65
Corn	1.41	1.45	1.45	1.52	1.07	1.04	1.04	1.35	1.15	1.15
Tobacco	.422	.487	.490	.501	.428	.433	.429	.453	.459	.455
Milk	3.51	3.56	3.54	3.63				3.39	3.36	3.35
Chickens	.250	.245	.242	.248						
Eggs	.472	.386	.383	.392						
Beef cattle		14.20	14.03	14.37						
Hogs	15.90	16.00	16.00	16.51						
Lambs		15.50	15.25	15.67						
Rice	1.78				1.95	1.95	1.95	2.06	2.06	2.06
Peanuts	.105				.0999	.0945	.0893	.0999	.0945	.0893
Potatoes	1.07				1.02	.97	.94	1.02	1.02	1.00
Wool					.432	.432	.432	.457	.457	.457
Mohair								.407	.407	.407
Tung nuts								61.80	61.80	61.80
Flaxseed	2.47									
Soybeans	1.40									
Sweet potatoes	1.28									
American-Egyptian cotton	.3734									
Peas, dry field	3.06									
Beans, dry edible	4.93									
Turkeys	.211									

Mr. LANGER rose.

Mr. THYE. Mr. President, will the Senator yield for one question?

Mr. THOMAS of Oklahoma. I yield first to the Senator from North Dakota.

Mr. LANGER. Mr. President, it is my understanding that the distinguished Senator from Oklahoma is not going to offer Senate bill 1971.

Mr. THOMAS of Oklahoma. For reasons heretofore explained. We do not know enough about it. I would not want to ask the Senator to vote upon it. I would not want to vote upon it myself. If I may be permitted to complete my statement, I shall prepare the Senate, if I can, for a vote as soon as it can be had. We are not now prepared.

Mr. THYE. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. THYE. With reference to the chart handed us by the able and distinguished Senator from Oklahoma, chairman of the Senate Committee on Agriculture and Forestry, I should like to ask him how he arrived at the totals which appear in the first line of the chart. Under the heading "USDA proposal," which is known as the Brannan bill, in the first column, the figure is $23,224,000,000. Following that are shown the figures for the Gore bill, the Anderson bill, and the Aiken Act. I think I am somewhat familiar with the agricultural question. It certainly is most confusing to me when I look at this particular statement in the chart which has been laid before the Senate. I cannot understand in what manner the able Senator arrived at the figures which he has presented.

Mr. THOMAS of Oklahoma. The question submitted by the Senator from Minnesota prompts me to suggest that if he will call the office of the Secretary of Agriculture and get in contact with Mr. John Baker, he will explain any of the figures. Mr. Baker has been an expert in that Department for years. He comes from the great State of Arkansas. I would not say that he is the chief economist, but he is a general economist. He prepared these figures. If the Senator wishes to ask any questions about them, I suggest that he call Mr. Baker. Mr. Baker will be glad to come to the Senator's office and explain them.

Suffice it to say that the questions already asked on the floor of the Senate justify my refusal to place the Brannan bill before the Senate for a vote. I do not believe that any Senator is satisfied in his own mind that he knows enough about the Brannan plan to pass upon it. For that reason I do not ask the Senate to vote on it as a substitute measure.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILLIAMS. In view of the fact that the chairman of the Committee on Agriculture and Forestry has pointed out that no Member of the Senate is sufficiently familiar with the Brannan plan to vote intelligently upon it, does not the Senator think it would be well to instruct the Secretary of Agriculture to present his plan to the Senate, so that we may be informed?

Mr. THOMAS of Oklahoma. That shows how little we know about this matter. He has submitted his proposal to the Congress. I have introduced the bill. I have referred it to a subcommittee. The subcommittee held hearings all summer. It has not made a report on the bill. What further can I do?

Mr. WILLIAMS. Evidently the members of the subcommittee are familiar with the plan, and have rejected it.

Mr. THOMAS of Oklahoma. They have made no such report.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement with respect to how the various bills will apply to cotton. This will be especially interesting to Senators who represent cotton-producing States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Possibilities re Government's 1950 cotton loan rate if end-season parity price were to be same as at present

ITEMS	
	Cents
(1) Parity price, per present formula	30.01
(2) Parity price, per Aiken formula	26.71
(3) Parity price, per Anderson formula	28.24
(4) Transitional parity price	28.51
PER GORE BILL	
Parity price, per present formula	30.01
90 percent of parity	27.01
(5) Premium of 15/16 inch over 7/8 inch	1.62
Loan on Middling 15/16 inch	28.63
PER ANDERSON BILL	
Transitional parity price	28.51
90 percent of transitional parity price	25.66
(5) Premium of 15/16 inch over 7/8 inch	1.62
Loan on Middling 15/16 inch	27.28
PER AIKEN BILL	
	Bales
(6) Estimated total supply for 1950–51	19,900,000
(7) Estimated normal supply for 1950–51	15,300,000
	Percent
(8) Supply percentage	130
(9) Support level (61 by 120 percent)	73
	Cents
Transitional parity price	28.15
73 percent of transitional parity price	20.81
(5) Premium of 15/16 inch over 7/8 inch	1.62
Loan on Middling 15/16 inch	22.43

NOTE.—(1) As reported each month by the BAE. (2) Item (1) price minus 11 percent. (3) Item (2) price plus 5.74 percent, or item (1) price plus 5.74 percent minus 11 percent. (4) Item (1) parity price minus 5 percent. This transitional parity price is to be used under Aiken and Anderson bills so long as it is above the Aiken and Anderson parity prices. (5) Average difference so far this season between Middling 7/8-inch and 15/16-inch cotton at the 10 southern markets. (6) Based on August 1, 1950, estimated carry-over of 8,300,000 bales, estimated 1950 crop of 11,400,000, and imports of 200,000. (7) Based on 1949–50 estimated consumption of 7,800,000 and exports of 4,000,000 giving total distribution of 11,800,000 plus 30 percent of this figure for carry-over approximates 15,300,000. (8) Total supply shown under the Anderson and Aiken bills are based on the assumption that crop controls will be in effect on the 1950 crop.

(From the New York Cotton Exchange Weekly Trade Report, October 10, 1949.)

Mr. THOMAS of Oklahoma. Mr. President, I must leave in the next few minutes. When the Senate reconvenes in January, if I am here—and I expect to be, because I have been here for a long time—my first act will be to set the Brannan bill for hearings. Hearings will be begun before the committee, if the committee is agreeable. After we have held all the hearings we need, it may be necessary to take the committee or the subcommittee out through the country to see what they think about the Brannan plan.

In that connection, I should like to submit for the RECORD a petition which I received yesterday morning from my State.

There being no objection, the petition was ordered to be printed in the RECORD, as follows:

We, the members of the junior class of the Fairview Farmers Union, Local No. 266, hereby urge you to do everything in your power to bring about the acceptance of the Brannan farm program this session of Congress.

Nancy Ann Clovis, Rosemary Dolezal, Dolores Dolezal, Kathleen Kouba, Dolores Yeck, Gary Bornemann, Donald Bornemann, Betty Boorsma, Harriett Estep, Velta Jo Schein, Norma Jean Palmer, Agnes Palmer, Donie Lee Baker, Harry Heupel, Fred Biller, Allan Taylor, Helen Louise Dolezal, Darla Jean Hinricksen, Karen Kay Boorsma, Jackie Maine.

Mr. THOMAS of Oklahoma. The county seat is Fairview, Okla.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SALTONSTALL. What the Senator from Oklahoma really is doing, as I understand—and let me say that I come from a consumer State and an industrial State—is asking the Senate to take the Anderson plan, so-called, which as I understand is a permanent farm bill, and presumably, at least, consider replacing that bill within the period of 1 year with another plan.

Mr. THOMAS of Oklahoma. The Senator is a mind reader; he could not come to another conclusion if he understood the situation as I understand it. The so-called Gore bill, if passed, would extend the present 90-percent support prices for a year, and that is all. The Anderson plan would extend support prices on a 90-percent basis for 1 year, and then perhaps vary them. So after a year the whole matter will be opened up again, and the farmers and others will be contending for a permanent program. I propose to give them one if I can.

Mr. SALTONSTALL. But the Anderson plan is a permanent one, as I understand it.

Mr. THOMAS of Oklahoma. But after 1950, under the allocation of land, in connection with the Anderson plan, the support prices may change. So the plan may vary.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Will the Senator tell us whether the Senate Committee on Agriculture and Forestry has taken a vote on the Brannan plan?

Mr. THOMAS of Oklahoma. No vote has been taken, to my knowledge, except to report the committee's own bill. The committee reported its own bill, which is separate from the Brannan bill. I am not complaining; I am supporting the Anderson bill, and I want it passed and agreed to in conference, if that can be done. But it will be for only 1 year.

Mr. DONNELL. I understand that the Senate committee voted on the Brannan plan, and that no member of the committee voted in favor of it. Am I correctly informed as to that?

Mr. THOMAS of Oklahoma. My memory may be in error; but so far as I know, no vote was taken on the Brannan bill. No report was made on the Brannan bill.

Mr. LUCAS. Mr. President, there are a number of Senators, on both the Democratic and Republican sides, who have to be at a conference at the White House at 12:45 p. m., on a very important matter. Of course, all Senators who go to the White House at that time desire to vote upon this bill. I wonder whether unanimous consent can be obtained to have the Senate vote on the bill and all amendments thereto at 2:30 o'clock this afternoon.

Mr. TAFT. Mr. President, reserving the right to object, let me say that I have an amendment which I should like to offer, and I should like to speak regarding it for about 30 minutes, altogether. Subject to that, I have no objection to an agreement to have the Senate vote at 2:30 or 3 o'clock.

Mr. LUCAS. I propose that the vote be taken at 2:30 o'clock.

Mr. TAFT. Or at 2:30 o'clock. I wish to make a few remarks on the Brannan plan, and it will take me about 15 minutes to present the amendment.

Mr. LANGER. Mr. President, reserving the right to object, let me say that conferees are meeting on the pay bill at 2 o'clock. Would there be objection to having the vote taken at 1:45 p. m. today?

Mr. LUCAS. Those of us who are to go to the White House might not return by that time. However, I am willing to agree to that time.

Mr. WHERRY. Mr. President, in order to accommodate the two Senators who are to present amendments—I understand that the Senator from Delaware [Mr. WILLIAMS] and the Senator from Ohio [Mr. TAFT] have amendments which they wish to present—of course, we wish to allow sufficient time for them. I wonder whether any other amendments are to be offered.

Mr. HOLLAND. Mr. President, I should like to be heard briefly on the Brannan plan, before the vote is taken.

Mr. ANDERSON. Mr. President, I have a small amendment which relates to cotton acreage. The amendment is now at the desk. It will take about 5 minutes.

Mr. WHERRY. Mr. President, I wonder whether the Senator will agree to have the Senate vote at 2 o'clock. That will give 15 minutes beyond the time suggested by the Senator from North Dakota.

Mr. KNOWLAND. Mr. President, reserving the right to object, let me say I do not intend to object, provided some arrangement can be made in regard to a division of the time.

Mr. CAPEHART. Mr. President, I should like to have about 10 minutes.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. In connection with the unanimous-consent request, I should like to ask the Senator whether there is to be an understanding in regard to a division of the time. If there is to be a division of the time, I suggest that the time be controlled by the distinguished Senator from New Mexico [Mr. ANDERSON], who is in charge of the bill, and some other Senator, to handle the time for the proponents of the amendment.

Mr. LUCAS. Of course, the time will be divided. I would suggest that it be divided by the Senator from Ohio [Mr. TAFT] or the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Pennsylvania [Mr. MYERS]. But the exact details in that connection do not make much difference.

Mr. President, I ask unanimous consent that the Senate proceed to vote upon the bill and all amendments thereto by 2 o'clock this afternoon, and that the time be divided between the distinguished Senator from Massachusetts [Mr. SALTONSTALL] and the distinguished Senator from Pennsylvania [Mr. MYERS].

The VICE PRESIDENT. Is there objection?

Mr. HUMPHREY. Mr. President, reserving the right to object, let me say that I should like to find out whether any time is to be allowed for those of us who may not wish to have the Brannan plan kicked around. I understand there will be some comments contrary to the Brannan plan. There are some of us on the floor of the Senate who feel somewhat sympathetic to the aims and objectives of the Brannan plan. Will time be provided for an expression of that opinion?

Mr. LUCAS. I am sure the Senator from Pennsylvania will be generous with the Senator from Minnesota.

Mr. HUMPHREY. And also with any colleagues?

Mr. LUCAS. And with any colleagues who wish to answer complaints as to the Brannan plan.

The VICE PRESIDENT. Without objection, the requirement for a quorum call will be waived.

Is there objection to the unanimous-consent agreement proposed by the Senator from Illinois?

Mr. CAPEHART. Mr. President, let me inquire whether I correctly understand that the proposal is to have the Senate vote at 2 o'clock; and, if so, I should like to ask again the names of the Senators who will divide the time.

Mr. LUCAS. My suggestion is that the time be divided by the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Pennsylvania [Mr. MYERS].

Mr. SALTONSTALL. Mr. President, reserving the right to object, I wish to say that I would be glad to sit down with the Senator and make up a list of all Senators who wish to speak, and assign time to them accordingly.

Mr. TAFT. Mr. President, reserving the right to object, let me say that I shall wish to take about 25 minutes. I hope that much time can be assigned to me in some way.

Mr. CAPEHART. Mr. President, reserving the right to object, let me state that I wish to have about 10 or 15 minutes.

The VICE PRESIDENT. If the agreement is entered into, Senators who wish to speak, of course, will consult with the Senators on either side who will be in charge of the time.

Mr. LUCAS. Mr. President, in view of the statements made, I think the original suggestion of 2:30 is probably better. I modify my request accordingly.

The VICE PRESIDENT. Is there objection to the unanimous-consent request, as modified?

Mr. WILLIAMS. Mr. President, reserving the right to object, let me say that I wish to be sure that I have about 15 minutes in which to present my amendment.

Mr. LUCAS. I have just added another 30 minutes, by proposing that the time be 2:30 p. m. I am quite sure that all Senators, on either side of the question, who wish to speak will have an opportunity to speak between now and 2:30 p. m. today.

The VICE PRESIDENT. Is there objection to the unanimous-consent request, as modified? The Chair hears none, and it is so ordered.

From now on the time is divided, until 2:30 o'clock. At the present moment no Senator has the floor. Under the unanimous-consent agreement the time between now and 2:30 p. m. is divided between the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Pennsylvania [Mr. MYERS]. No Senator can speak unless he is yielded to by either of those Senators.

Mr. TAFT. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Ohio; and if so, for how long a time?

Mr. SALTONSTALL. I yield to the Senator from Ohio not more than 25 minutes, and I hope he will not require more than 20 minutes.

The VICE PRESIDENT. The Senator from Ohio is recognized for 25 minutes.

Mr. TAFT. Mr. President, I offer the amendment which I have previously sent to the desk. It will not be necessary to have the amendment read, since it is on the desk, except that where the term "5 years" appears, I have changed it to "3 years."

Mr. TAFT's amendment, as modified, is as follows:

At the end of the bill add the following new section:

"SEC. —. (a) Section 41 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134c) is amended by adding at the end thereof the following:

" 'Notwithstanding any limitations or conditions imposed by law, but subject to the availability of appropriations, each bank for cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of grain storage structures in amounts up to a maximum of 90 percent of the cost of such grain storage structures, as approved by the bank for cooperatives to whom application is made for the loan: *Provided*, That the cooperative association which has applied for any loan shall have furnished to the bank for cooperatives an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease such grain storage structures when completed for a period of at least 3 years.'

"(b) Section 34 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134j) is amended by adding at the end thereof the following:

" 'Notwithstanding any limitations or conditions imposed by law, but subject to the availability of appropriations, the Central Bank for Cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of grain storage structures in amounts up to a maximum of 90 percent of the cost of such grain storage structures, as approved by such bank: *Provided*, That the cooperative association which has applied for any loan shall have furnished to such bank an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease such grain storage structures when completed for a period of at least 3 years.' "

Mr. TAFT. Mr. President, I want to say a few words on the general subject of the Brannan plan and the general question of farm price supports. I have talked, I think, probably to 200 or 300 farmers in Ohio within the last month. Ohio is a great farming State. I think it is today fifth in the value of products sold by the farmers. The sales of farm products in Ohio exceed $1,000,000,000 a year, and therefore the farmers from Ohio are certainly qualified to speak and have a right to be heard on this question.

The problem of the Ohio farmer is different from the general problem affecting wheat and cotton farmers. Of the total Ohio farm production, 25 percent is dairy products; 25 percent, hogs; 20 percent, beef and poultry; and the remainder consists of crops of different kinds. Seventy percent of all our farm products are animal products. We consequently have perhaps a different point of view from those who want high grain prices. The Ohio farmer is not interested in high grain prices and is generally more interested in the profitability of the feeding industry.

Mr. President, I have had difficulty from the beginning with the whole problem of support prices. I feel, however, that support prices for farm products at some level are justified on two grounds. In the first place the farmer sells in a free market; that is, the market in which he sells fluctuates away up and away down. The ordinary industrial products are sold practically on an inelastic price scale; to a certain extent they vary, of course; but they do not vary as the farmer's scale does. It is quite possible that the bottom may drop out of the farm market completely. That actually occurred in 1913, and the farmers were left without purchasing power. I think that in order to secure some equality, some insurance against the extremes of the free enterprise system, a minimum is justified, on very much the same basis as the minimum wage, on very much the same basis as we have unemployment compensation.

Furthermore, I think that, unless there is some such protection, a serious

depression is likely to be precipitated. One of the things we want to prevent is such a depression. Our friends in Russia are thoroughly convinced that the capitalist system has within it the seeds of its own destruction because of the extreme freedom of that system, and I believe we have to temper the system somewhat in order to prevent extremes from occurring.

A slight decrease in demand and a slight increase in supply might have a very material effect on farm prices, so that a slight recession, bringing about such a condition, might very easily completely destroy farm purchasing power and turn a recession into a depression. I have therefore felt that the general theory of support prices is sound.

On the other hand, the theory contemplates only a minimum. It is not, and cannot be, a theory that the Government must fix the price at a fair figure. It seems to me inevitable that if the Government attempts to fix, so to speak, a fair price, it is price fixing. It is no longer protecting against a certain minimum. It is undertaking to fix the price of farm products. If the Government should undertake to fix the price of farm products, it would have to go on and fix the price of all products before it got through, and we would have a completely regulated economy.

Certainly this much is true, that we cannot proceed on the theory announced by Mr. Brannan, of paying the farmer what is a fair price, and then selling to the consumer for a low price. Under our system what is a fair price to the farmer must be a fair price to the consumer. If the Government can buy a commodity at the support price and can dispose of it at that price to the consumer, then I think there is no interference with the free-enterprise system. But if the Government undertakes to buy at a high price and to sell at a low price, and to charge the difference to the taxpayer, in the first place it is a fraud on the farmer and the consumer who are supposed to get benefits because they are taxpayers, but who will have to pay for the benefits which they receive. It seems obvious to me, therefore, that it is impossible to undertake deliberately to buy at a price which cannot be realized on a resale. It seems to me it would be possible to try to have the consumer pay a fair price, but I do not think it possible deliberately to buy at a price at which the product cannot be resold. Incidentally, it is very expensive. It is in effect a consumer subsidy, and the consumer subsidy in Great Britain today, where exactly this thing is done, is costing the British the sum of approximately $2,000,000,000 a year, which in this country would represent a cost of $6,000,000,000 a year to the taxpayers if carried out to the extent to which the British carry it.

In the second place, the difficulty with trying to fix a fair price, the Government guaranteeing a fair price, is that inevitably the Government must impose controls; it cannot do otherwise. That question arose in connection with the full employment bill, under which we were requested to guarantee every man a job. Surely, every man ought to have a job. Surely the farmer ought to have a fair price. But if we say the United States Government shall guarantee it, then it can only guarantee a job to a man if the Government is willing to assume complete control of employment and tell every man where his job shall be.

Exactly in the same way, if we are to try to fix a price which the farmer is entitled to, that is, a fair price, inevitably controls must be imposed, because the farmer cannot be encouraged to go on and produce surplus after surplus. The Brannan plan recognizes that. So that it is repugnant, it seems to me, to the very basis of our entire system. I am convinced we are where we are today because we do not have controls, because we do not have price fixing, because we do not have wage fixing.

The British today are completely controlled, and they are a complete failure so far as their production is concerned. The United States today has the highest production of any country in the history of the world, the highest productivity per person, I think because of the liberality of our free system. I have no question that is the reason for it. That is why we have the highest standard of living. It applies to the farm just as much as to any manufacturing industry. I went to a farm in Medina County, Ohio, 3 days ago. The man who was running the farm cooperated with the Department of Agriculture in the Soil Conservation Service. He adopted strip planting. He has increased the production of the farm 100 percent since he started 10 years ago. His farm today is supporting 40 cows, whereas it then supported 20. He did it by proper methods, and he is entitled to the reward of his efforts and of his increased production. The farmer's ultimate solution is not a limitation of production, it is an increase in production. That does not mean that at times he may not overproduce temporarily, and that control may be needed now and then, just as a manufacturer exercises control by shutting down his plant. But certainly the basis for farm prosperity can only be the increase of farm production, just as the basis of industrial prosperity is the increase of industrial production. If there is provided for the farmer a guaranteed price, or a fair price—and it is admitted he should have a fair price—it can be done only by fixing the price and taking full control of production, until in the end the Government will tell every farmer not only how many acres he shall plant but how many hogs he shall raise, how many cattle he shall feed, how many chickens he shall raise, and how many eggs he shall produce. It is done in England today, where there is complete control of every farmer. He is told exactly what he shall raise and what he shall not raise.

I know that within 4 weeks I have talked to 200 farmers in Ohio, if not many more, including many of the leading agricultural men in Ohio, and I have yet to find one, outside the AAA, who is for the Brannan plan. It is a little difficult to say exactly what the Brannan plan is, but they are so strongly opposed to universal control that they are skeptical about any very high guaranteed price.

The 90-percent guaranty has produced wheat-acreage control and may produce corn-acreage control. A farm in Ohio which has rotation of crops is completely upset by having the acreage of wheat limited. Of course it benefits a man who has not pursued proper soil-conservation practice. If he has been raising more wheat than he should raise, he gets a quota for his wheat. If a farmer has deliberately held down his wheat production and built up his soil, he gets a lower acreage allotment of wheat, lower than the amount necessary to conduct a proper rotation of crops on his farm. As I gathered it, the farmers' principal feeling is against control. I do not know that that applies to one-crop States, but that certainly is the position of the Ohio farmer.

I feel very confident, therefore, that we shall make a mistake in placing controls so high that we cannot avoid production controls at every step. Obviously, under the Aiken plan there are production controls at times, but the effort is to control production out of the price. That is the way it has always been done in a free economy and it is the way it should basically be done. We reach points at which temporary controls are needed, for a year or two, and I think farmers are quite prepared to accept them, but they do not want to accept a plan which would substitute a Government price-fixing system which, in the end, I believe, will do more harm to the farmer than it will do good. I do not believe the farmers whom I represent want any such plan. The solution of their problem is increased marketing. The chief problem is to get rid of the crop, just as every manufacturer has to find a market for his product.

There are various plans proposed. We are spreading $8,000,000,000 around the world today for the purchase of various commodities. Certainly some part of it could be used here to buy our agricultural surplus. We would not need more than $2,000,000,000 to take care of the agricultural surplus. But if we let the other nations use all the money we give them to buy Canadian wheat, the Canadians will probably spend some of those dollars with us, but for the purchase of manufactured goods.

The farmer does not have the selling organization which the manufacturer has. I have heard it said that the trouble is that people are buying automobiles instead of meat. On nearly every page of the magazines they read they find advertising of automobiles, and there is very little consolidated advertising of farm products. If we can increase the consumption of animal products, I think 5 percent of the animals will eat up all the grain surplus which exists, and it will benefit the farmer as well as the country at large.

So, without discussing the exact percentages in the bills, I think a farm price support program is justifiable if it is not so high as to force the control of agricultural production. I cannot think of anything which would be more to the detriment, ultimately, of the farmers of

the United States, than the control of agricultural production.

Mr. President, I have presented an amendment requested by the Farm Bureau Federation of Ohio. It provides, roughly, that the Bank for Cooperatives shall have the power to make loans to cooperative associations for storage elevators up to 90 percent, instead of 60 percent. If we are going to have loans to support prices, we must have storage. Today, under a recent act, the Commodity Credit Corporation is building cribs all over the State of Ohio. They are metal cribs and are constructed in all sorts of places, at all sorts of railroad stations. The Corporation is transferring to those cribs the corn on which they loaned money last year. Those cribs provide dry storage, but it is the universal opinion of all the farm experts I can find in Ohio that that kind of dead storage will almost inevitably result in the spoiling of the grain which is stored there. Ohio grain has much more moisture than is contained in grain grown farther west, and this is not a very practical method of storing. Furthermore, if there are to be storage facilities constructed at Government expense, they ought to be owned by the farmers. The loans will be paid off. If the farmer is going to have to store his grain ultimately, it seems to me that it is better to have the storage facilities owned by the farmers than by the United States Government under the present program.

The amendment would require the Commodity Credit Corporation to store for 3 years—I have changed the 5 years to 3 years—in order to give the farmers a start, and enable them to get the payments going. In general, the farmers would have to get together 10 percent in order to match the 90 percent, and then they would be able gradually to pay off the balance.

In Ohio, until last year, we had never stored very much grain. I think it is estimated that at least 60 percent of the farmers were wholly unable to take any advantage of the loans until last year. In certain sections of Ohio, especially in the northwestern part of the State, there is a surplus of wheat, and the farmers received 35 cents a bushel less for their wheat than was received in other sections. The Commodity Credit Corporation is now putting up the storage cribs to which I have referred, at Government expense. If we are going to spend Government money we had far better loan it to persons who will ultimately own the storage and will ultimately repay the loans.

Therefore, Mr. President, I hope my amendment may be accepted by the Senator in charge of the bill.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. The Commodity Credit Corporation did have full authority to assist the farmers to provide storage facilities, did it not?

Mr. TAFT. Yes. It was never thought of until just before the election, and it was then too late. Previous to that there was no program to provide storage, and the Administration had not intended to provide it, but since the election they have been very much concerned.

Mr. AIKEN. They told the farmers that the Eightieth Congress prohibited it. That was not true.

Mr. TAFT. That is what I understand. I understand, also, that they disposed of many storage bins which they had up to within a short period before the election, when it was suddenly realized that they had to reverse themselves and acquire more storage.

Mr. President, I hope that my amendment may be accepted and taken to the conference and considered by the House of Representatives.

The so-called bank for cooperatives now has the right to loan 60 percent. The RFC has the right to loan 90 percent to private organizations, if it wishes to do so. It cannot loan to cooperatives, because the bank for cooperatives was established for that purpose. Private citizens can borrow from the RFC up to 90 percent, but cooperatives can borrow only up to 60 percent. Large numbers of individual farmers are prepared to form small cooperatives to provide storage for themselves.

Mr. SALTONSTALL. Mr. President, in the name of the Senator from Pennsylvania [Mr. MYERS] and myself I yield 20 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER (Mr. HOEY in the chair). The Senator from Florida is recognized for 20 minutes.

Mr. HOLLAND. Mr. President, I desire to speak briefly upon the hearings which were held by the subcommittee of the Committee on Agriculture and Forestry of the Senate upon Senate bill 1971, which was the bill introduced by the chairman of the Senate committee to carry out the so-called Brannan plan. Those hearings were extensive. They were held on S. 1971 principally, but also on S. 1882. The predicate for the hearings was two appearances by the distinguished Secretary of Agriculture, Mr. Brannan. An opportunity was given for every witness who wished to be heard upon the Brannan plan, either for it or against it, to be heard at length. The reports of the subcommittee which conducted the hearings contain 394 pages of testimony taken. The subcommittee consisted of the distinguished Senator from New Mexico [Mr. ANDERSON] as chairman, also the distinguished chairman of the full committee, the Senator from Oklahoma [Mr. THOMAS], as a member, as well as the Senator from North Carolina [Mr. HOEY], the Senator from Vermont [Mr. AIKEN], the Senator from North Dakota [Mr. YOUNG], the Senator from Minnesota [Mr. THYE], and the junior Senator from Florida [Mr. HOLLAND].

Mr. President, I would not like to have the RECORD make it appear that anything less than the fullest hearing that was possible was given to the so-called Brannan proposal. The hearing extended for as many days as witnesses appeared who wished to be heard, and those witnesses were heard in full.

I wish to make it clear also that at the termination of some 6 or 8 days of hearings, when no further witnesses appeared or asked to be heard upon either side of the Brannan program, the subcommittee took a vote and decided by unanimous action of the subcommittee not to report the Brannan plan, S. 1971, to the full committee, but instead to endeavor to bring out a bill which would be nearer what we felt would be approved not only in the Senate, but in the House, the House having already passed the so-called Gore bill.

I may say that, insofar as the expressions which were made by members of the subcommittee were concerned, I understood that every member of the subcommittee, consisting of seven Senators, was opposed to the Brannan plan.

Mr. President, I think it should appear in the RECORD, and it is for that reason that I make this statement now, that the subcommittee particularly asked for the advice and reactions of the responsible agricultural groups of the Nation toward the so-called Brannan plan, and that we received the reactions of those responsible groups through the testimony of their duly delegated officials.

For instance, President Kline, of the American Farm Bureau Federation, testified at length in opposition to the Brannan plan. I wish I could quote him more fully, but I think the RECORD should show as quotations from him the seven specific objections which he advanced for his organization, far flung as it is, to the Brannan plan. I therefore read that portion of the testimony of Mr. Kline into the RECORD. It is found on pages 207 and 208 of the report of the hearings before the subcommittee. I quote:

> The following are among the more obvious objections to the Brannan plan and that part of S. 1971 which would implement it:
>
> First, under the Brannan proposal, the farmer's only hope for a fair income would depend on Government hand-outs from annual appropriations by Congress. We maintain that it is unreasonable to stake the welfare of agriculture upon such a hazardous possibility.

I recall at this time, outside of the quotation, that in this very session of the Congress we have found important appropriation bills languishing unpassed almost 4 months after the time when they should have been passed, that is, at the beginning of the fiscal year, July 1 last past.

I continue the quotation:

> Second, the cost of the program would be staggering. It is a well-known economic fact that the demand for most agricultural products is such that an increase of a given percentage in supply makes a greater than proportionate decrease in price. This means that a 15-percent increase in supply does not produce a 15-percent decrease in price, but more likely results in a drop of 20 to 25 percent.

Mr. President, I digress long enough merely to say that everyone who knows anything about farm marketing knows that when we start marketing surpluses the price received for them tends to fix the price of that which should have been marketed just to meet the demand of the consumers.

I continue the quotation:

> Because of this factor, a year or two of vastly expended uneconomic production, stimulated by synthetic prices, might well

drive farm prices in the market place so low as to result in all the farmer's net income, and more, being tied up in his ability to get a Government check. This doesn't involve just the farmer's ability to build a new kitchen or buy a new car. This is concerned with his capacity to feed and clothe his own family. Here is the basis for real regimentation. Furthermore, there is no good reason why the Government should pay part of the grocery bill of every citizen.

Third, price goals of the plan, including direct payments to farmers, of course, are so high as to make for certainty of continuous and rigid controls over production and marketing. We are convinced that more freedom of choice for farmers would result in a better allocation of resources, and more efficient farm production.

Fourth, the plan, which promises high per-unit returns—including direct payments to farmers—cheap food, and moderate tax costs, would actually result in low farm prices and high food costs when the inevitable and excessive tax costs are included. All human experience indicates that whenever Government undertakes to make the decisions on which volume and quality of production must depend, the result is inefficient and costly production, with constantly increasing Government subsidies.

Fifth, the proposal would place a ceiling on opportunity in agriculture. This, in turn, would result in penalizing efficiency. Food prices eventually would reflect this inefficiency. We view unit limitations as a dangerous precedent—an opening wedge which eventually would result in Government supervised and stabilized agricultural poverty.

I read that again, "We view unit limitations as a dangerous precedent—an opening wedge which eventually would result in Government supervised and stabilized agricultural poverty."

Sixth, the plan discards the fair-exchange concept of parity, which has been the basis of farm programs since 1933, and substitutes therefor a new and untried concept which might conceivably result in unsatisfactory farm income as the dislocations of war recede into the past.

Seventh, the unusual procedure employed in creating this plan and presenting it to the public has had the effect of throwing the farm problem into the partisan political area, a situation which we deplore and condemn.

It is our intention to continue to work aggressively for a farm program which will best serve the industry of agriculture, regardless of partisan political considerations. In the future, as in the past, sound farm legislation will depend on the best efforts of both political parties.

Mr. President, not only did we have the statement from the head of the National Farm Bureau Federation, but we also had statements from the heads of numerous farm bureau federations in the States. I shall not attempt to cite all of them in the RECORD, but there are some excerpts from their testimony which seem to me to add to the statement of Mr. Kline, and I quote briefly from them. First, on page 215 of the printed record, I quote from the testimony of Mr. Schenck, president of the Indiana Farm Bureau Federation:

If you are going to give the farmer a good price and the consumer cheap food, you are going to have to regiment every business engaged in the handling of that food from the time it leaves the farmer's hands until it reaches the ultimate consumer. I wanted to impress that fact upon you, because I think it is much more far-reaching than merely recommending regimentation of the farmers' activities.

I read next from the statement of Mr. Walter L. Randolph, president of the Alabama Farm Bureau. I read from page 217 of the hearings as follows:

The Brannan plan means more and more Government control. It is nearer to those who seek totalitarian collectivism than to those who believe in the inviolate individual soul.

Mr. President, there are other statements by Mr. Randolph which I should like to read to the Senate, but time does not permit me to do so.

I read next from the statement of Mr. Charles B. Shuman, president, Illinois Agricultural Association, Chicago, Ill., as his statement appears on page 222 of the hearings:

I want to further emphasize too, the danger of the unit limitation. Mr. Kline's statement said that it placed a ceiling on opportunity and efficiency in agriculture. Undoubtedly on livestock farms in this country that unit limitation could be used soon as a ceiling on efficiency.

The great danger in my mind is that it would be used as a means of reducing production, and when you start to roll back agricultural efficiency by limiting the size of the farm family operation—I am not talking about large corporations but when you start to limit the size of a farm family operation, then you start on the road that a lot of other nations have gone down, by limiting the size, the efficiency and the opportunity in agriculture.

Mr. President, there are more statements of the same kind from Farm Bureau Federation officials.

I come next to the statement of Mr. Albert S. Goss, master of the National Grange, which appears on page 263 and following of the committee hearings. I am sorry I cannot read more fully from Mr. Goss' statement, but the time limitation will not permit. First I quote from his statement as follows:

We believe in an economy of plenty. Every step of progress civilization has made has been marked by greater consumption of goods and services. We cannot attain high standards of living in a world of shortages.

I quote further from Mr. Goss' statement:

While we believe in protecting the farmers from the impact of surpluses, we do not contend that farmers who persistently produce more than can be used of any commodity should be protected in such practices.

I quote further from Mr. Goss:

The farmer who persistently produces more than can be used does not contribute to the general welfare as much as he might under a sound production program, and is not entitled to the protection that should be accorded farmers who endeavor to produce intelligently and adjust their production to the Nation's needs as far as practicable. Farmers who do so produce, are entitled to compensation in proportion to the service they render. We believe that farmers are entitled to receive this compensation through the regular channels of trade, and that marketing practices which do not return fair compensation for the service rendered are unsound and should be corrected. We do not believe the public should expect to get its food at less than cost, or at less than reasonable price. We think the farmers' services deserve a fair price at the market place. We resent any program which would set him apart as one whose services need not be compensated at their full worth, and we don't want to go to the Treasury for part of our compensation.

I continue to quote from Mr. Goss:

Subsidies are degrading. Once started they are most difficult to end. They are attended by a serious element of risk in the possible failure to secure sufficient appropriations. This is recognized in the bill before us which provides protection for certain crops, and for a second category of crops if, and only if, the appropriations provided by Congress are adequate. If subsidies become a part of farm income, farmers would be induced to vote for those who promise the biggest and juiciest subsidies, even though they might be opposed to many of the basic principles for which such candidates stand. Democracy cannot live if its citizens demand of Government more than Government can normally give. There are too many people today expecting support of one kind or another from Government and too many election campaigns are waged on promises of such support. We do not want to see farmers placed in this class.

I again quote Mr. Goss' statement. Mr. President, I am sorry I cannot quote more fully from his statement, because it is certainly excellent and to the point. I read from his statement as follows:

If food prices are maintained at below cost by means of paying 5 or 10 billions out of the Treasury, we may well be assured that we, the consumers of the Nation, will pay much more than 5 to 10 billion dollars in excessive costs of the goods and services we buy, and our purchasing power will be reduced by that amount. Possibly one-half of our people do not need the reduction in food prices, and the savings which they would make thereby would not add anything to their purchasing power because they already purchase everything they want. Nevertheless furnishing them their food below cost, along with others, would add to the prices on other things which poor people would have to pay, and millions of people of low income would have to do without things they would otherwise buy, while industrial output would go down because of the lack of purchasing power on the part of the people who really need the goods industry has to offer.

I read further from the statement of Mr. Goss:

We have gone into such length in stating our reasons why we are opposed to a program of selling food below cost, and supporting the farmers by subsidies paid from the Federal Treasury, because it is basically wrong. It is a dangerous trend of the times which we must have enough stamina to stop. It is a trend which has wrecked the economy of France, and is rapidly wrecking the economy of the United Kingdom. It is a product of the most dangerous political philosophy which plays on class prejudices and individual selfishness, and which sacrifices patriotic statesmanship to class politics. We want none of it.

* * * * *

The example of other nations which have followed such courses should be argument enough to prevent our going further down the road of having the Government support us and order our lives.

We use the phrase "order our lives" advisedly. When we enter into any such complicated methods of Government controls there must, of necessity, be extensive authority granted to the administrator. In studying S. 1971 we were struck by the number of cases in which the Secretary was given authority to make decisions and in many instances determine policies. We ran through the bill to note how many there were, and

if we made no mistakes in our count, found 115 such cases exercised by someone if such a program is to be carried out.

I quote once more from Mr. Goss:

If the purpose of the measure is to provide a completely controlled agricultural economy, we believe the production payments and their use as outlined in this bill would constitute about as effective a means as anything reasonably possible to devise. For the reasons set forth earlier in this statement, however, we believe that the use of production payments would be costly and the whole program of controls and subsidies would increase the cost of living, result in less consumption and lead to a general break-down in our economy.

In addition to these statements by the two leaders of the most important and responsible farm agencies in our Nation, we have in the record of the hearings a statement by the secretary of the National Cooperative Milk Producers Federation, Mr. Charles W. Holman. For his important organization he completely opposed the Brannan plan.

We have also in the record a statement made by Mr. John H. Davis, executive secretary, National Council of Farmer Cooperatives. Incidentally, just after Mr. Davis appeared before the committee, his directors took action to oppose vigorously the Brannan plan, and I am advised that the American Institute of Cooperatives, the other big cooperative, took the same action.

That, Mr. President, is the history of the kind of showing that has been made on behalf of the producing farmers of the Nation through their responsible elective officials, showing their resentment at what they consider to be regimentation, which would place them in a position of receiving periodically a hand-out by the Government, which will determine whether or not they may remain in such position as to take care of their families.

Mr. President, one organization appeared in favor of the Brannan plan. How much more time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has one more minute.

Mr. HOLLAND. I should like to quote from the statement made by the representative of that organization. It was the National Farmers' Union. That organization was represented by Mr. Glenn T. Talbott, chairman of its executive committee, and president of the North Dakota Farmers' Union. I wish I had time to quote more liberally from the testimony of Mr. Talbott, but I want to make it clear that the basic philosophy which manifests itself in his testimony, given for his organization, is the share-the-land and share-the-wealth philosophy, and the casual reader of his statement cannot escape that conclusion. For instance, I read the following from his statement which appears on page 234:

The Farmers' Union has proposed a commodity unit system which would give full support to real family farmers, those who gross incomes now average roughly $12,500 or below a year, and would give less support, by volume of production, to the larger farmers.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, I ask that I may have one more minute to conclude.

The PRESIDING OFFICER. Without objection, the request of the Senator is granted.

Mr. HOLLAND. I call attention to the fact that that organization asked for more regimentation instead of less; for a smaller limit than that proposed by S. 1971, namely, $12,500 gross income on a family farm.

Coming back to Mr. Talbott, he stated, as appears from page 245:

Going back beyond the point that you mentioned, I should like to have our position completely clear, my own and that of the organization. We should like to see the kind of farm program legislation, call it what you will, sufficiently punitive—

I call attention to the words "sufficiently punitive"—

on the industrialized type of agriculture to make it unprofitable for the 90,000-acre Tom Campbell farms in wheat, with hired men for 30 days in the spring and another 30 days in the fall. That land then would be available to hundreds of family-type farmers who might find a home and a way to make a living on that land.

We are seeking there to deal with the problem of population pressure on the land which is probably not going to get better, because geographically and physically we cannot make more land available. I want our position to be perfectly clear about that. That is what we seek.

We do not like that type of agriculture. We want those kinds of land resources available. We want the men and women and children who are willing to work on them to be able to make a home on them and to become a part of a good sound rural community in America.

That is the testimony of the responsible head of the only farm organization in the Nation which appeared to support the philosophy of the Brannan plan. I think the RECORD should show that the subcommittee did conduct fair and extensive hearings, and that it was the unanimous feeling of the subcommittee, based upon the hearings, that the Brannan plan should not be favorably reported.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 20 minutes.

Mr. HUMPHREY. Mr. President, in the few minutes allotted to me I wish to review some of the debate which has taken place not only with reference to the Brannan plan, but also with reference to the Anderson program and the various amendments which have been offered. I shall deal with one amendment in particular.

My position on the parity formula has been made quite clear in these debates. I have stood for 90 percent of parity. A critical examination of the record of the parity formula over the past years shows conclusively that whenever there was less than 90-percent parity provided for farm commodities, or whenever the price level of farm commodities fell below 90 percent of parity, the American farmer found himself in financial distress. I still say to Members of the Senate that this is an observation which has not been answered. I distinctly remember the distinguished senior Senator from Georgia saying that he did not want to deal with statistics. To be sure, one cannot eat them; but the simple fact is that whenever farm prices have gone below 90 percent of parity in reference to what the farmer must pay for the goods he needs for his family and his farm, the farmer has been in economic trouble.

It may seem to some that what we are talking about is the mere statement that one small group in America find themselves in financial distress. However, it has been brought out, without contradiction on this floor, that the farm economy is the foundation-stone of a sound American economy.

I shall repeat at this time the statement which I made a week ago. Every depression this country has known in the past 75 years has been born in the Farm Belt because of depressed farm prices. That was true of the depression or recession of 1920 and 1921. It was also true in 1907. It was also true in 1931, 1932, and 1933.

I invite the attention of my colleagues to the fact that in 1932, at a time of low farm prices the average farm commodity had a parity ratio of 55. In other words, the prices of farm commodities averaged 55 percent of parity. That is only 5 percent below the low minimum of the act of 1948. I ask any reasonable person to form his own judgment as to what a 60-percent parity ratio would mean to America. It would mean ruination, lack of jobs, unemployment, business bankruptcies, and farm-mortgage foreclosures.

The other day, in reviewing my material, I started with 1920 and 1921. From 1917 to 1920 we had a parity ratio of more than 100, and the farmer made money. Businessmen made money. In 1921 we had a parity ratio of 75; and I should like to have anyone produce evidence that the farmer prospered in 1921–22. The beginning of the depression of the 1930's was in 1921–22, when we had mortgage foreclosures when the farmers hauled their commodities to market at ever-descending prices, when the farmers of America went deeper into debt, and small businesses were being liquidated by the hundreds of thousands.

The recession of 1921 and 1922 was more intense, more vigorous in its application to small business and farmers, than any other recession in the history of the country. It was catastrophic.

From 1921 to 1940 there were two periods in which we had a parity ratio of 90 or more. We had it in 1925 and again in 1928. The records reveal that those were the only 2 years when the farmers made a profit. Some people may want to fool around with the American farm economy, but, personally, I do not. I am unwilling to ignore the plain facts of agricultural economics. I am unwilling to close my eyes to the cruel lessons of history. The farmers of America cannot endure low prices—they cannot endure farm prices of 60 percent of parity, of 75 percent of parity, or of any percent below a minimum of 90.

I have heard a great deal about the question of cost. I want Members of the Senate to figure out the cost of a de-

pressed agriculture. It is estimated that the cost of the depression was approximately $300,000,000,000 in lack of income to the American people, loss of production, and loss of employment. That cannot be laughed off. This country was almost wrecked, primarily because we had 9-cent corn, 25-cent wheat, and $2.50 to $3 hogs. Yet in 1932 we had a parity ratio of 55 percent.

In 1926 we had an 87-percent parity ratio. In 1926 two-thirds of the banks in North Dakota and South Dakota closed their doors. By 1930 two-thirds of the banks in the State of Minnesota had closed their doors. Some people forget that. I do not know what comes over us to make us forget the troubles of the past and how they started.

The distinguished Senator from Oklahoma [Mr. KERR] pointed out that there is a direct relationship between farm income and industrial wages. That has not been disputed. As farm income goes up so do industrial wages. Today the senior Senator from Oklahoma [Mr. THOMAS] pointed out conclusively in the debate that there is a direct relationship between farm income and national income. For every dollar of farm income there is $7 of national income. No one can dispute that. We have had the best national income we have ever had in peacetime, under a 90-percent parity program. That program yielded results to the farmers, the businessman, the corporation, and the Government.

We talk about money. How are we going to pay for these things? I want to know how we are going to pay for a 75-percent parity program if the farmer does not have enough money to pay his taxes. I predict that if there is a decrease in farm prices on the basis of this flexible parity program, we shall find such a sizable depreciation in the revenues of the Government that the loss which will result because of the flexible parity program will be 10 times the loss which would result from a 90-percent parity program. A high parity program means revenue—revenue for the farmer, for the worker, for business, and for the Government. A low parity of 75 or 85 means trouble—trouble to the American economy and trouble to the Federal Treasury. Ninety percent of parity has not cost this Nation one dime, it has yielded millions and millions and millions of dollars in good business. Seventy-five percent of parity, 80 percent of parity, or 85 percent of parity will bankrupt the American farmer. A plan providing for 75 percent of parity will simply be telling the American farmer that he can get by on 75 percent of what we can get by on. Even those of us who favor providing for 90 percent of parity are not so generous; we are merely telling the American farmer, "You can get by on 90 percent of what we can get by on."

Mr. President, another argument which has been presented is the cost of storing surpluses. It is said that we cannot afford to store agricultural commodities. We are told to look at the surplus commodities already in storage. Very well, Mr. President; but let me ask where we would have been in 1941 and 1942 if the granaries of this country had not been stored full of crops on which there were Government loans. That was at a time when our allies needed food. Those materials were critical materials. Of course we are willing to appropriate billions of dollars for the stock piling of strategic minerals, but I cannot find very many Members of Congress who are willing to appropriate a few hundred millions of dollars for the stock piling of strategically needed foods. Frankly, Mr. President, now that Mr. Nehru, Prime Minister of India, is visiting in the city of Washington, if we have any surplus wheat, I know where it can be well used to stop Joe Stalin. Let us send it to India or give it to India. Perhaps by doing that we shall avoid having to spend billions of dollars on atomic bombs, perhaps to be used some time to protect our freedom. Food can be used both as an instrument of peace and an instrument of war.

Mr. President, we are beginning to hear talk about how expensive the farmer is. But the only time he is expensive is when he is broke, and the only time he is broke is when he receives less than 90 percent of parity for the crops he produces. I defy anyone to prove to the contrary. That is a broad defiance and a broad challenge. Instead of talk, I ask anyone to present actual facts and figures to show me to the contrary, to show where the farmers have been able to get by with less.

Now a word about the Brannan plan. I should like to support it, but I agree with the Senator from Oklahoma that we have not had all the information we need about it. I am in favor of its broad economic philosophy. I may not go along with it entirely, in respect to crossing every "t" and dotting every "i," but I do support its basic philosophy.

Under the Brannan plan there are to be loans, acreage allotments, and controls, as we now have them under the Steagall amendment and under the basic act of 1938. Where does the Brannan plan move in a new direction? It does so in regard to perishables and nonstorables. Where does the hue and cry come from today in opposition to the price supports? It arises in respect to eggs and potatoes. Why is that? Because we do not have a formula by which we can properly store those commodities and at the same time make them available to consumers at prices which the consumers can afford to pay. The Brannan plan gives us that formula.

Mr. President, we have heard a great deal of talk to the effect that no one is in favor of production payments. Let me say, without fear of successful contradiction, that the president of the American Farm Bureau when testifying before the House committee, when he was questioned by Representative PACE, of Georgia, said he was in favor of production payments. But when such a plan was called the Brannan plan, he said he was not in favor of it. Mr. President, that is politics; it is not agricultural economics.

The distinguished Senator from Vermont [Mr. AIKEN] is absolutely correct, for he said on the floor of the Senate again and again that production payments are provided for by the Aiken Act. They are limited by the amount of money made available, but they are provided for. So production payments are nothing revolutionary, nothing fantastically new. Production payments simply are payments made directly to the farmer, which means that instead of paying twice, the American taxpayer will pay only once. Today we pay high taxes, plus high prices in the consumer market. Under the Brannan plan, taxes will not be increased, but there will be lower prices in the consumer market.

Mr. President, I know why some persons do not like the Brannan plan. They do not like it because it is the first plan which points clearly to the identity of interest of the American workers and the American farmers. Let us not kid ourselves, Mr. President. We can have good prices for the farmers and reasonable prices for the consumers. We can have that situation under production payments, and at no more cost than the cost at the present time—and at less cost, really. At the same time we encourage the development of family-sized farms and diversified farming with soil conservation practices.

I submit that the Brannan plan will provide a program by which the farmer can have a good income and at the same time the consumers can be supplied with a great variety of foods, at prices which they can afford to pay.

I repeat that in the case of the so-called basics—cotton, wheat, corn, tobacco, and rice—there is litle or no difference between the Brannan plan and the present plan. But when it comes to dairy products, milk, chickens, turkeys, ducks—many of them coming from New York, as was discussed by my friend the Senator from New York [Mr. IVES]—and when it comes to the perishable commodities which today are a problem because they cannot be stored, the Brannan plan is the answer, on the simple basis of establishing a parity price for those commodities. Under the Brannan plan the farmer will sell his commodities in the normal market, and the law of supply and demand will establish the market price. The difference between the price the consumer pays, namely, the market price, and the price the farmer should receive for his products, namely, the parity price, will be paid by a direct production payment. Is there anything wrong with that, Mr. President? Certainly there is something wrong with it if Senators do not believe the farmer should make a decent living or if there is a desire to keep the farmers and the workers divided. I think there is a good deal of that kind of politics on the part of certain Senators on the other side of the aisle. The Republican Party has won a good many elections on the basis of persuading the worker that the farmer is his enemy, and persuading the farmer that the worker is his enemy. In that connection the philosophy of the Brannan plan which demonstrates that workers and farmers have an identity of interest is good medicine and sound economics. It joins together the farmer and worker or, better to say, the farmer and consumer, in a program that provides support for the producer and fair prices for the consumer.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an analysis of the Brannan plan which has been made by a good farmer, Representative FRED MARSHALL, representing the Sixth District of Minnesota. His family have been in Minnesota for over 100 years and they have been recognized as one of the leading farm families in the Midwest. He formerly was a member of the State Agricultural Adjustment Administration committee and was State director of the Farm Security Administration, and he defeated Mr. Knutson. Mr. MARSHALL knows the farmer and his business. He will take a back seat to no one when it comes to agricultural legislation. Believe me, Mr. President, in his statement, which I now submit rather than to take the time of the Senate to read it, Representative MARSHALL has given a fine analysis of the Brannan plan.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

MARSHALL DISCUSSES BRANNAN LONG-RANGE FARM PROGRAM

Farmers and farm leaders are watching each new development this week involving recommendations made by Secretary of Agriculture Charles Brannan for the country's long-range farm program. The basic outline of the plan has been presented to the Committee on Agriculture, which will continue extensive hearings on its major principles when Congress convenes again on April 25. As a framework for practical farm legislation, the Brannan plan deserves serious consideration from every person interested in the future economy of this Nation. The interdependence of the farmer, the worker, and the businessman is reflected in these recommendations to a degree seldom paralleled in any past farm legislation.

Basically, the new program is designed to reduce the retail price of food and at the same time maintain a parity of income for the farmer. In other words, plenty of food at prices people can pay, plus a fair return to the farmer. The farmer would receive production payments, loans, and purchase agreements to make up the difference between the support price for commodities and the average selling price of these commodities in the market place.

Most significant is Brannan's emphasis on the family sized farm. It is part of his effort to halt the increasing industrialization of farming. He realizes that the backbone of rural America is the farm family and that the backbone of our economy is the family farm. Under the proposed plan, the parity of income formula would apply only to the family sized farm, which is defined in the program as any farm producing under 1,800 units for marketing. A unit is simply a common scale of measurement for all commodities under support. The basic unit would be 10 bushels of corn. Other comparative units are based on this, so that a unit of hog would be 76 pounds and a unit of whole milk would be 346 pounds. A farm eligible for participation in the program would then be one with production of not more than 1,800 of such comparative units.

Brannan reverses the present procedure and starts his computations from an income level fixed for the farmer on the basis of average annual purchasing power of cash receipts from farm marketings for the years 1939 through 1949. The base period would move forward each year to reflect the changes in farm costs and average income during the most recent 10-year period. The schedule of price supports is arrived at by comparing the average farm prices for the 10 preceding years to the average level of cash receipts from farm markets as this is related to the current income support standard.

In a government of formulas this is actually a fairly simple one, and, since income must be our ultimate concern, it would seem to be a realistic one. It sets a minimum level under which it would be dangerous to let farm income drop. From experience we know that in times of depression farm income drops the farthest first and comes back to normal last. By attempting to stabilize this income we tend to stabilize other segments of our economy because farmers are industry's best customers and industrial workers are the farmer's best customers.

Under the Brannan plan farmers will need to practice sound soil conservation and comply with whatever programs are necessary to curtail wasteful production and disorderly marketing. This is rightly based on the principle that the farmer is a trustee of our soil and is expected to safeguard its productivity for future generations. It is difficult to see that any widespread control or limitation would be necessary at a time when consumption can be increased by allowing market prices to seek their own level on the basis of supply and demand. While maintaining reserve supplies against crop failures and national emergency, and with increased consumption at home and growing world markets, it should minimize the danger of wasteful production of disorderly marketing. Also, the proposed plan would not give the Secretary of Agriculture a single power which he does not already possess under present laws.

It is difficult to estimate the cost of such a program since we are always faced with the unknown quantities of weather, production, and markets. Mr. Brannan insists, however, that basing our estimate on existing circumstances during the past marketing year, it will cost the same amount we are spending on our present support program and in some instances, it will cost less. At the same time, the cost would be reflected in cheaper prices in the market place. Under present legislation the Secretary announced that he will buy pork and milk in the near future to support these prices on the market. Why can't that money be used to provide cheaper pork and milk for our people? This is the question we must be prepared to answer in considering the cost of this plan. We must compare the over-all effect of both programs as well as the costs of both programs. This will give us a true evaluation of the new plan.

FRED MARSHALL.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD the Minnesota poll of Sunday, July 10, 1949, as printed in the Minneapolis Sunday Tribune. It is entitled "Farmers Tend To Favor Brannan Plan, But Many Are Undecided." The poll refers to Minnesota farmers. In that area the Farm Bureau is strong.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

FARMERS TEND TO FAVOR BRANNAN PLAN, BUT MANY ARE UNDECIDED

A sampling of farm opinion throughout the State by the Minnesota poll indicates that among farmers who know something of the Brannan farm program, there is more sentiment in favor of the plan than against it. But almost half of them haven't yet formed any opinion about the program.

In the State as a whole, including city and town residents as well as farm people, opinions are almost evenly divided on the Brannan proposals. But the indecision even among Minnesotans who know about the Brannan plan (only 37 percent of the State's adults recall having heard or read about it) signifies that there has been no crystallization of State-wide opinion about the program.

When farm people are asked which they would choose if given the chance—(a) the Brannan idea of a guaranty of fair income for farmers, provided they comply with crop controls, or (b) no income guaranty, but freedom from Government controls—they lean toward the guaranty of income.

In announcing the Truman administration's farm program several months ago, Secretary of Agriculture Charles Brannan said it was designed to reduce prices to consumers on such things as meat, milk, poultry products, fruits and vegetables, by letting market supply-and-demand factors determine prices. At the same time, farmers would receive Government payments to cover the difference between lower market prices and the amounts which the program said they should receive.

To be eligible for payments, farmers would have to agree to comply with Government crop control programs and to cooperate in soil conservation work.

Hotly debated since its announcement, the Brannan plan has become one of the major issues before the Eighty-first Congress.

Minnesota poll interviewers asked a representative cross section of men and women 21 years of age and older, in all parts of the State:

"Have you heard or read about the Brannan plan, the administration's proposed new Federal farm program?"

The answers:

	All	City	Town	Farm
	Percent	*Percent*	*Percent*	*Percent*
Yes	37	32	34	47
No	58	65	61	44
Don't recall	5	3	5	9

Those answering "yes" then were asked:

"From what you have heard or read up to now, would you say you are inclined to be in favor of the Brannan plan or against it?"

The replies:

	All	City	Town	Farm
	Percent	*Percent*	*Percent*	*Percent*
In favor	10	10	8	14½
Against	11	11	10	10
No opinion	16	11	16	22½
Total knowing of program	37	32	34	47
Haven't heard of plan; don't recall	63	68	66	53
Total	100	100	100	100

These are the principal explanations offered by people who are inclined to support the Brannan plan:

"It would give all farmers a fair price;" "I'm afraid if farm prices tumbled too much, we would have another depression;" "it would give farmers an equal purchasing power with the rest of industry;" "it will help the small farmers;" "it guarantees the farmers an income."

Those who tend to oppose the Brannan program say:

"It's too much socialism;" "I don't like subsidies;" "I like to run my own farm"; "it's too costly for the Government to support;" "the difference will be made up in taxes;" "there's too much Federal control in this country—soon they'll socialize everything;" "it takes away our liberty."

Democratic-Farmer-Laborites lean toward support of the plan; independent voters are divided in sympathies; and Republicans are inclined to be opposed to it, the survey indicates.

The final question was asked only of farm people interviewed throughout the State. Each was handed a card bearing two statements, and interviewers asked:

"The Brannan plan calls for a guaranteed fair income to farmers, provided they comply with Government crop programs. If you yourself had the choice, which of these would you take?"

The two choices were stated in this manner:

1. The guaranteed income, on condition you comply with marketing quotas, acreage allotments and other Government programs.

2. No guarantee of income, but freedom to plant any crops and any acreages you wanted, regardless of Government programs.

The farmers' replies:

	Percent
Would take guaranty of income	46
Would take freedom to plant	39
Undecided	15

More than half of the farm people belonging to farm organizations choose the No. 1 statement. Farmers who do not belong to any organization are divided about evenly in their preferences.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an article from the Duluth Herald for May 9, 1949. The title of the article is "State Farm Income Drop Is Viewed With Concern."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THIRTY-THREE MILLION SIX HUNDRED AND EIGHTY-ONE THOUSAND DOLLARS LOWER—STATE FARM INCOME DROP IS VIEWED WITH CONCERN

WASHINGTON.—Minnesota farm income is dropping, and members of the State's congressional delegation are concerned.

There is divided opinion whether the new farm plan proposed by Secretary of Agriculture Brannan offers a remedy.

Minnesota cash farm income in 1948 reached the all-time record of $1,356,883,000, and present indications are that that record will stand for some time before it is again reached.

For instance, Minnesota farmers during the first 2 months of 1949 received $184,123,000 from crops, livestock, and its various products. This is a drop of $33,681,000 from the $217,804,000 they received in the first 2 months in 1948.

There is nothing in the present picture to indicate that the story will be any different the rest of this year. Some experts say the down trend in agricultural prices will continue.

The 1948 total of $1,356,883,000 for State farm income represented the top of a trend that was on during the war years and afterward. Each year since 1944 the total has been up.

In 1944 the State farm income total was $803,280,000. In 1945 it went to $859,238,000; in 1946 to $1,057,468,000; in 1947 to $1,344,108,000.

These increasingly larger income figures for Minnesota farmers all came while the present support program was in effect.

This support program calling for a guaranty of at least 90 percent of parity on most major crops, will continue through 1949, and, unless Congress changes signals, will be replaced in 1950 with flexible supports varying from 60 to 90 percent of parity.

The Brannan plan is a drastic change from both of these programs. Its main feature provides that prices of farm commodities would be permitted to drop to a natural level decided by supply and demand, with the Treasury paying farmers for the difference between these prices and a Government-determined support level.

It is aimed at providing lower food prices to consumers while keeping farm income high.

Thus Minnesota Members of Congress, as well as those from the other States, are faced with deciding which of the plans to support.

Reactions of the Minnesota Members to the Brannan plan:

Senator EDWARD J. THYE (Republican), of Northfield: "It would involve the greatest regimentation ever placed on the American farmer. There are no accurate estimates, but the cost apparently would be tremendous. It is our duty, however, to give it close study and scrutiny."

Senator HUBERT H. HUMPHREY (Democrat), of Minneapolis: "I favor the general principles of this proposal. It is designed to aid the consumer and at the same time keep farm income high."

Representative AUGUST H. ANDRESEN (Republican), of Red Wing: "It is fantastic. It would depend on the ability of the Government to collect increased taxes from the farmers and others to reimburse the farmers. With the farm income going down, the tax income will be materially reduced."

Representative JOHN A. BLATNIK (Democrat), of Chisholm: "I am in favor of its general principles."

Mr. HUMPHREY. Mr. President, in conclusion, let me state what we are faced with. The House has passed the Gore bill, which provides for 90 percent of parity. The Senate has before it the Anderson bill, which the Senate will pass. I think it is a decided improvement over the Agricultural Act of 1948. I wish to commend the committee for the fine work it has done in reference to the so-called nonbasics, the nonstorable commodities. The Senator from Minnesota [Mr. THYE] and I proposed an amendment to broaden the provisions with reference to the nonstorable commodities. We have been told now that the nonbasics—oats, turkeys, hogs, beef, barley, flax, poultry, eggs, and rye—have been covered by the Anderson plan. I wish to place that statement in the RECORD, because that is what we have been told. It is our understanding that the Anderson bill provides 75 to 90 percent price supports for these commodities.

Mr. President, for one more year we shall have 90 percent of parity, under the Senate bill. I say that shows that those who have been writing farm legislation are not quite convinced that they have the right formula, because, believe me, if 90 percent of parity is too expensive in 1949, it is not going to help in 1950, either. Frankly, they are so uncertain as to the flexible program that they have got to have one more year of rigid price supports, as they call them, 90 percent of parity.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. May I have one more minute in which to conclude?

The PRESIDING OFFICER. Without objection, the Senator may proceed for 1 minute.

Mr. HUMPHREY. I wish to see this one more year devoted to the further study of the objectives and philosophy and the economic program of the Brannan plan. I do not think anyone is prepared to say the Brannan plan today is a final answer, but I submit that the Brannan plan offers a program, it offers us a practical alternative, it offers us a sound basis upon which to measure a long-range agricultural plan which gives a guaranty in price support for the basic commodities, and at the same time provides an effective price support for the perishable nonstorable commodities, provides an income for the farmer that will make him a productive individual in our society, and assures a price for the consumer that will encourage the consumption of goods. Some people may say it cannot be true, that we simply cannot have so many good things all in one package.

Mr. President, I submit that the best way to find out about it is to try it. It is possible to have it all in one package. The Republican Eightieth Congress said it could be had all in one package.

The PRESIDING OFFICER. The Senator's additional minute has expired.

Mr. KEFAUVER. Mr. President, when the Magnuson amendment was being considered it was stated that Senators did not know the position of the National Farmers Union. I have received a telegram from Mr. James G. Patton, president of the National Farmers' Union, which I should like to read into the RECORD. It reads as follows:

WASHINGTON, D. C., *October 11, 1949.*

Senator ESTES KEFAUVER,
Senate Office Building.

The National Farmers Union is opposed to the approval of the Magnuson amendment to the pending Anderson farm bill. We are strongly of the view that adoption of this amendment will seriously handicap the operation of the reciprocal trade-agreements program and urge that it be defeated. I hope it may be possible for you to read this telegram into the RECORD in today's debate so that the position of our organization may be made clear.

JAMES G. PATTON,
President, National Farmers Union.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 10 minutes.

Mr. CAPEHART. Mr. President, I rise not to debate the merits or demerits of the pending bill. In anything I may say, I want it definitely understood I am not referring to the able Senator from Oklahoma [Mr. THOMAS], because I know he did not prepare the chart I hold in my hand. He, I think, stated for the RECORD who prepared it. But, until I came to the United States Senate, I never realized that it was possible for employees of the United States Government, and employees of the Senate, to do the things the gentleman did who prepared the chart I hold in my hand. There is an old saying, "figures do not lie, but liars can figure." I do not think that aphorism was ever truer than in its application to the gentleman who prepared this chart.

The chart proposes to show that, if we should pass the Anderson bill, the Nation would lose in national income $57,000,000,000 in 1950. Should we continue with the Aiken bill, it would lose $95,000,000,000; and under the Gore bill, $12,000,000,000. I regret all Senators are not present, but I wish each Senator on the floor would take the chart which was distributed. I ask Senators to pay close attention to what I am going to

say. For example, the chart refers to the USDA, which, I understand, means the United States Department of Agriculture bill, more commonly called the Brannan plan. Why the name of the bill has been changed is something I shall never understand, but evidently its authors are ashamed of it. It is now called the United States Department of Agriculture bill, which further presumes to fool the American farmer and the American people. In the first column it is said that the total farm income under the so-called Brannan plan, would be $23,000,000,000. It is made up of cotton, wheat, corn, tobacco, milk, chickens, eggs, cattle, calves, hogs, and lambs.

Under the Gore bill the chart shows a farm income of $21,000,000,000, and, in addition to the items I have just named, there is a long list of other items. Under the Anderson bill the chart shows a farm income of $15,000,000,000, and it includes the four commodities I have mentioned—cotton, wheat, corn, and tobacco—plus milk and a few other items. Under the Aiken bill the chart shows a farm income of $9,000,000,000 and it includes cotton, wheat, corn, tobacco and a few other commodities.

Mr. President, how anyone could be so unfair, how anyone could be unethical as to prepare a chart such as I hold in my hand is beyond my comprehension. Under the Brannan plan the total of $23,000,000,000 is arrived at by adding milk, $4,000,000,000, chickens, $577,000,000, eggs, $1,774,000,000, cattle, $3,328,000,000, hogs, $2,484,000,000, and lambs, $321,000,000. But under the so-called Anderson plan there is only one of those items listed, namely, milk, at $3,900,000,000. Under the Aiken Act, none of those items is mentioned.

Talk about distortion of facts and distortion of truth. It is unbelievable. It is unbelievable that the intelligence of the United States Senate should be so insulted as it has been in the presentation of this chart. I shall state the facts. Take the same items, cotton, wheat, corn, and tobacco; under the Brannan plan as compared to the Gore bill, they are exactly the same. Comparing the Brannan plan with the Anderson bill, they are also approximately the same. Comparing it with the Aiken bill, they are about a billion dollars more.

Let us go to the bottom of the chart, where there is an apparent effort to make someone believe that the Brannan plan would bring in $12,000,000,000 more national income than the Gore bill; that it would bring in $57,500,000,000 more than the Anderson bill, and $95,700,000,000 more than the Aiken law. That is on the sole premise that the American farmers would not sell—and, Mr. President, listen to this closely—would not sell a nickel's worth of milk in respect to the Aiken bill, a nickel's worth of chickens, a nickel's worth of eggs, a dime's worth of cattle and calves, a nickel's worth of hogs, a nickel's worth of lambs, or a nickel's worth of other items too numerous to mention.

It is claimed that under the Brannan plan the mandatory minimum price supports would be $23,000,000,000; under the Gore plan, $21,000,000,000; under the Anderson bill, $15,000,000,000; and under the Aiken Act, $9,000,000,000. The chart in that respect is 100 percent correct. But under the Brannan plan, not under the Aiken Act, it shows $4,000,000,000 in milk, $577,000,000 in chickens, $1,700,000,000 in eggs, $3,250,000,000 in cattle, and $2,500,000,000 in hogs. In the figures applying to the Aiken Act not a nickel's worth of credit is given to the American farmers for selling those items I have just mentioned.

Mr. President, if that chart was prepared by an employee of the United States Senate, or by an employee of a committee of the United States Senate, he should be discharged immediately. If the chart was prepared by anyone in the Department of Agriculture to mislead the United States Senate and to mislead the American people, he should be discharged immediately. I have never seen anything in my life so unfair, so distorted, so evidently intended to be unfair and distorted, so obviously insulting to the United States Senate and to the American people.

Why is it we cannot obtain the facts? Why is it that those who advocate the British type of socialism in America cannot be just as fair, honest, and aboveboard as other Americans are? Why do they have to distort the facts? Why do they have to present such charts as this, a chart so misleading as the one I hold in my hand? The very idea of saying that under the Aiken Act the American economy would suffer to the extent of $95,000,000,000. The present total is only what? About $250,000,000,000. The very idea of not giving the American farmer credit for selling a single gallon of milk, a single chicken, a single egg, a single calf, or a single hog, or any lambs or sheep. That is exactly what is contained in the chart. It not only shows the situation so far as the year 1950 is concerned, but also the years 1951 and 1952. There is a chart on the back which I believe to be fair and accurate, which gives the amount of mandatory support. I think it indicates the correct prices so far as bushels of wheat and corn are concerned.

Mr. President, I did not rise to debate the merits of the bill but I could not allow to pass unchallenged some of the statements which have been made and some of the figures given. I hope every farmer and every other American will realize how unscrupulous and unfair are those who would attempt to promote their own schemes by the manner in which they present their proposition to the American people.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. SALTONSTALL. Mr. President, in the name of the Senator from Pennsylvania and myself I yield 10 minutes to the Senator from South Carolina [Mr. JOHNSTON].

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). The Senator from South Carolina is recognized for 10 minutes.

Mr. JOHNSTON of South Carolina. Mr. President, I have listened to the Senator from Indiana [Mr. CAPEHART], and I am forced to say that it is true that the very mudsills of our economic structure are based upon the income of the farmers of the Nation. That being true, in the interest of the farmers of the Nation as well as those of my home State, South Carolina, I think it is time to rid the Congress of all this confusion of so many proposals for one objective.

We have the Anderson bill, the Aiken Act, the Brannan plan, and the Gore bill, all of which supposedly are for the benefit of the farmers. The time is running out in the Senate, and the farmers are losing patience. We must enact a bill now which will support the farmers, not only now and next year but every year.

I have introduced a bill which would extend for 2 years 90-percent-parity support for agricultural commodities. The present system has proven very beneficial to the farmers. Therefore, I believe the strict 90-percent-parity program should be continued for two more years, especially in the face of the precarious economic conditions. In view of the fact that this has not met with approval in the committee, I am ready for the next best bill, the Anderson bill. I want to make the impression in the minds of the Senate that unless we get a favorable bill from the ones we have for consideration the Aiken Act will become effective on January 1, 1950, and I shudder to think of the consequences for cotton farmers if this law is permitted to operate. The farmers of our Nation do not want a temporary law. They want a law which will operate fairly and squarely this year and every year. The Anderson bill provides 75 to 90 percent of modernized parity, including farm labor, varying as the supply percentage varies from less than 102 to more than 130 with a price-support level of 75 to 90 percent. The Aiken Act provides only 60 to 90 percent, varying as supply percentage from less than 70 to more than 130.

The Anderson bill provides specific price support for commodities such as butterfat, milk, and other important commodities which are storable and declared nonbasic.

The provisions of the Anderson bill would in effect support cotton prices at 90 percent of parity during 1950. If increased support is necessary either to prevent or alleviate shortage in supply of agricultural commodities essential to national welfare or in the interest of national security, it can be done by the Secretary of Agriculture after a fair hearing.

The Aiken Act provides no increase, which is, in my mind, detrimental to the farmers. The Brannan plan requires long and extended hearings which would make it impossible for it to be passed during this session of Congress.

The Anderson bill provides that support prices may be announced prior to the beginning of the planting season and if at the beginning of the marketing year it develops that the announced prices are in excess of the maximum support prices otherwise permitted, support must be given at the announced prices. The Aiken Act, which would become effective on January 1, makes no such provision. The Anderson bill further provides that the Commodity Credit Corporation shall

take no less than the current support price plus 5 percent in the resale of the commodities.

The Anderson bill repeals the restriction of the Aiken Act with respect to the price support for poultry and the use of Commodity Credit funds to support prices of perishable commodities. No similar provisions are contained in the other bills.

The Anderson bill would amend the definition of normal supply in case of corn as set out in the Aiken bill by providing for a 10-percent allowance, in lieu of a 7-percent allowance for carryover.

The Anderson bill would permit the CCC to issue obligations in excess of its assets for the purpose of carrying out support programs directed by Congress. The other bills do not contain any similar provisions.

The Anderson bill provides that section 32 funds are to be devoted principally to perishable commodities. This provision is not contained in the other bills. The Anderson bill would also provide for an Assistant Secretary of Agriculture whose job it would be to dispose of surplus commodities acquired through price-support operations. He would ration these commodities to schools, hospitals, and to other institutions instead of letting them go to waste. This provision is not contained in the other bills.

In making out the parity formula the Aiken Act does not even include hired farm labor wages and it is not clear that wartime subsidies are taken into account.

Mr. AIKEN. Mr. President, will the Senator yield for a correction?

Mr. JOHNSTON of South Carolina. I shall finish in a moment, and then I shall be glad to yield.

The prosperity of our great Nation lies largely in the hands of our farmers and the prosperity of our farmers lies largely in our hands. They should receive 90-percent parity. If not that, then the Anderson bill is the best legislation for the farmers and for the country.

General prosperity is essential to a successful agricultural program. High production per man in the rest of the economy and a well-distributed real income are of utmost importance to farmers. This furnishes goods, for which farmers trade, and purchasing power to our customers. Farm surpluses over the years have always been surpluses in relation to effective demand, and not surpluses in the absolute sense of the word. The farmer can produce and he wants to produce, but he needs support prices. I think the Anderson bill is the best support we have in consideration at this time.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I understood the Senator from South Carolina to say that the Aiken Act did not take into consideration wartime subsidies.

Mr. JOHNSTON of South Carolina. I said it was not clear whether it did, in all instances.

Mr. AIKEN. It was made perfectly clear on the floor of the Senate at the time the bill was being considered. The Secretary of Agriculture absolutely refused to recognize the intent of Congress, and the only excuse he gave me was that prices were going up and the consumers would not stand for any further increases in prices. That was a deliberate perversion of the intent of the law by the Department of Agriculture as the reason why it did not include wartime subsidies in figuring parity under the 1948 act. It persisted not only in considering wartime subsidies under the Brannan plan, but, in order to make those prices higher, it projected the anticipated prices for the year 1949 into the picture and thereby further deceived the farmers and the public.

Mr. JOHNSTON of South Carolina. Mr. President, I appreciate the statement of the Senator from Vermont, but he will have to acknowledge that even the Secretary of Agriculture doubted whether or not he could put it into effect.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SALTONSTALL. Mr. President, in the name of the Senator from Pennsylvania [Mr. MYERS] and myself, I yield 3 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, my attention has been called to several tables which I understand were inserted in the RECORD earlier today by the Senator from Oklahoma [Mr. THOMAS] tending to show what income farmers might expect under the different proposed farm programs. I say this is the most misleading and distorted material I have ever seen offered for the RECORD in debate on any farm legislation. It shows the worst possible treatment the farmer could receive under the Agricultural Act of 1948, and the best possible income he could expect under the Brannan plan. This information is so misleading that it should not even be in the RECORD at all. It is a cheap political document; that is all it is.

Mr. President, I think it is time that something be done to keep our Department of Agriculture from degenerating into a cheap political machine, and oblige it to perform the duties it was originally set up to perform.

In effect, Mr. President, this is a threat by the administration to show that if the 1948 law is not changed the Secretary of Agriculture is going to withdraw supports from the major farm commodities, with the exception of the six basics, in defiance of the intent of the 1948 law. I think this kind of thing has gone far enough. I do not know whether or not the Secretary would do what is indicated. I do not know whether the administration would do it or not. When we realize that this administration did deprive the farmers of this country of hundreds of millions of dollars in the price of grain last year by misleading them and saying there was no storage for them, and that the Department had no authority to help them get storage, I cannot say they would not do the thing which this table implies. It is a thoroughly dishonest table that distorts the facts; it has no business in the CONGRESSIONAL RECORD, and I hope that anyone who reads the table will read my remarks concerning it.

Mr. MYERS. Mr. President, in the name of the Senator from Massachusetts and myself, I yield 3 minutes to the Senator from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. President, I understand an amendment will be called up shortly which would eliminate from the Anderson bill the 1-year provision extending price supports, at 90 percent of parity, on the basic farm commodities. I do not think it is necessary to discuss that amendment at length, because I believe it will be overwhelmingly defeated. No Senator, I think, wants to vote to bring about a farm depression in an election year.

Mr. President, I should like to point out a few things pertinent to the bill. There are very many who talk about farm price supports. I should like to have them talk a little about how farm prices have been depressed by governmental action. I shall deal strictly with wheat, in these 4 minutes time allotted to me because it is the subject about which I know the most. All during the war the price of wheat was held down by OPA and other Government action. In July or August of 1945 OPA was eliminated, but the controls over the price of wheat and other farm commodities continued after that. Following this action prices of farm machinery, automobiles, and most everything a farmer had to buy raised in price by 30 percent or more. All wheat had to be sold through the Commodity Credit Corporation.

In September 1947 I was in Geneva attending the War Food and Agricultural Conference. All these forty-odd nations were trying to divide up the world short supply of wheat. Because of the limitation on exports, the price of wheat was held down all during that period. That was not enough to suit some of the extreme free enterprisers in Congress. The appropriations bill of 1948 contained a provision that there had to be a carry-over of wheat of 150,000,000 bushels. I was successful in the Senate Committee on Appropriations in having that reduced to 125,000,000 bushels, but that was defeated in conference with the House. The provision had a very depressing effect on the market. In fact, in my opinion it was largely responsible for the great drop in the price of wheat in February 1948, when the price of wheat dropped about 75 cents a bushel.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SALTONSTALL. I yield 30 seconds more to the Senator from North Dakota.

Mr. YOUNG. May I have 2 minutes more?

Mr. SALTONSTALL. I yield the Senator a minute more.

Mr. YOUNG. Mr. President, the surplus created by that amendment to the appropriations act is part of our problem today. The fact that we had to hold the wheat in reserve here and could not export it is a cause of part of the problem today.

I should like to point out, too, that the price of wheat makes little difference to the consumer. Out of the retail dollar spent on cotton goods the farmer receives, on the average, 12 cents. Out of

the retail dollar spent on tobacco the farmer receives 17 cents. Out of the retail dollar spent on bread, the farmer receives 16 cents. Out of the retail price of a suit of wool clothes costing $75 the farmer receives only $5.45, or 7½ percent. This spread between what the producer receives and what the consumer pays is of tremendous importance.

Mr. President, those are the things in which consumers are interested, and I invite those Senators representing consumers to take the opportunity to read the hearings held by the Senator from Iowa [Mr. GILLETTE] and myself looking into the extreme spread between what the consumer pays and what the farmer receives. It is significant that only two farmer Senators so far have taken part in these hearings. Other Senators should help in this investigation.

Mr. MYERS. In agreement with the Senator from Massachusetts, I yield 12 minutes to the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, the purpose of my amendment is to strike out that section of S. 2522, the Anderson bill, which proposes to project the 90-percent rigid supports for certain basic commodities for another year.

The Russell-Young amendment, which the Senate has already rejected, proposed to extend in the indefinite future the 90-percent-support-formula level. The Anderson bill as it is now before the Senate proposes to extend this 90-percent formula for the calendar year 1950 on those commodities for which marketing quota or acreage allotments will be in effect. Already the Secretary of Agriculture has declared acreage allotments for wheat. The quotas for corn, rice, and cotton are expected to be announced shortly, and this will have the effect of projecting the 90-percent level of support on these basic commodities for another 12 months.

My amendment would strike out this proposed projection of the 90-percent support, and would allow the flexible formula as provided in the bill to become effective January 1, 1950, instead of January 1, 1951.

Many of the leading farm organizations have gone on record in opposition to the 90-percent-support level on the basis that the high cost of the program would be prohibitive and would only serve to discredit the entire farm program. They know the taxpayers and consumers will eventually revolt against such a high support level. They also recognize that high supports would automatically require the placing in the hands of the Secretary of Agriculture of rigid controls over all farms. Already, during the past 12 months, under the 90-percent formula we have accumulated huge surpluses of farm products. For instance, during the past 12 months we have stored away in Government warehouses over 88,000,000 pounds of butter at a cost to the taxpayers of over $55,000,000.

During the past year we have removed from the market and stored in Government warehouses more than 8,000,000 pounds of prunes, 2,500,000 pounds of raisins, nearly 200,000,000 pounds of peanuts, along with 180,000,000 dozen eggs which have been reduced to dried form. In addition to these items, we have stored over 80,000,000 pounds of dried milk representing several million quarts of fluid milk which have been removed from the regular channels of trade along with many other commodities, including the much-discussed potatoes. Altogether a total of nearly $3,000,000,000 worth of agricultural commodities are now being held in storage for lack of sufficient markets. Much of this will, no doubt, eventually be a total loss.

This program has not only had the effect of maintaining excessively high prices for the basic food items to the consumers but also has resulted in the destruction of millions of pounds of good, edible foods.

In my opinion, there has not been and never will be any excuse for the destruction of good, edible foods, particularly so long as we have people in our own country who are actually hungry. I believe that we should have a sound farm program, but, in my opinion, the support price of any agricultural product should never exceed the cost of production except possibly during a period of national emergency when perhaps higher supports might be necessary to encourage increased production. The 90-percent-support level was enacted during the war for this purpose of encouraging the farmers to increase their production. The Congress recognized that the sudden ending of hostilities could leave the farmers in an embarrassing position with high inventories. Therefore, they made the effective date of the termination of 90-percent-support level to read 2 years after the ending of the war. At the last session of the Congress, when the Aiken farm bill was enacted, the Congress saw fit to extend to the farmers one additional year at the same 90-percent-support level. This was to give them additional time to adjust their acreage. It was extended with the clear understanding, at that time, that effective January 1, 1950, the flexible formula, as provided under the Aiken bill, would go into effect. Very few of the farmers are now asking for any extension of this 90-percent-support level.

During the recent political campaign much was said by both political parties expressing sympathy for the consumer, but during the discussion of this bill we have seen very little of this sympathy converted into action. This amendment might be termed both a farmer and consumer amendment, because by placing into operation on January 1, 1950, the flexible provisions of the Anderson bill we would lower the prices to the consumer and at the same time provide adequate protection for the farmer.

In the long run the farmer would benefit in that at last he would have a long-range farm program in actual operation.

Now is the time to take this farm-support problem out of politics and enact a bill fair to both the consumers and farmers.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. As one who comes from an industrial State, I ask if the Anderson bill is right and fair to the farmer and to the consumer alike, why should it not go into effect on January 1, 1950? That is the Senator's point, is it not?

Mr. WILLIAMS. That is the point, and I know of no reason why it should not go into effect at that time, unless, as the chairman of the Committee on Agriculture and Forestry [Mr. THOMAS] pointed out in his speech, they are only offering this Anderson plan as a temporary measure and with the understanding that next year the Anderson plan will be repealed and another plan proposed. Apparently they prefer to project this question into the 1950 campaign regardless of the damage it will do to the farmer.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. WILLIAMS. Will the Senator wait until I finish my statement, and then I shall be glad to yield to him.

Mr. President, in urging the Senate to adopt this amendment, I know of no stronger argument that could be used in its support than to quote a statement which was made on October 7, 1949, on the floor of the Senate by the distinguished Senator from Illinois [Mr. LUCAS] at which time he quoted the Democratic platform as adopted in Philadelphia last year as endorsing the flexible price supports, not for January 1, 1951, after the congressional elections had been held, but endorsing them for January 1, 1950. I am reading from page 14115 of the CONGRESSIONAL RECORD of October 7, this year. At that time the majority leader said:

> Much has been said in the debates about 90-percent parity and flexible price supports, and what the Democratic platform had to say about that in Philadelphia I think the Senate should know. Here it is:
>
> "We pledge our efforts to maintain continued farm prosperity, improvement of the standard of living and the working condition of the farmer, and to preserve the family-size farm.
>
> "Specifically, we favor a permanent system of flexible price supports for agricultural products, to maintain farm income on a parity with farm operating costs."

and so forth.

Please note the platform did not say the Democratic Party favored this flexible program in 1951. The Democratic National Convention favored it for the beginning of 1950.

The majority leader continued:

> Mr. President, that is the platform about which we have heard much from the distinguished President of the United States during this session of Congress. Democrats have been talking about carrying out the platform which was laid down at the Philadelphia convention, and as one United States Senator in the campaign last year, the Senator from Illinois took the position that we meant what we said in that platform with respect to flexible price supports in the program of parity prices paid to the farmers.

Mr. President, I am looking forward this afternoon to having the support of the majority leader for my amendment.

If we are ever to have a permanent agricultural program, let us put it into effect now. If we project the effective date of this flexible formula until 1951, everyone knows the chances are they will never go into effect.

Already the chairman of the Agriculture Committee, with the backing of the Administrator, in his speech here this afternoon announced that beginning next January he will start hearings on another farm program to replace the Anderson bill which has not even as yet been enacted.

Mr. MUNDT. Mr. President, I think there are some Senators from the farming areas who want to comment on the Senator's amendment. Will the Senator yield to me now?

Mr. WILLIAMS. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. WILLIAMS. I yield to the Senator from South Dakota for 1 minute.

Mr. MUNDT. Mr. President, I think it would be just as logical for Senators from the farming West to try to write a tax structure for the corporations of Delaware or Massachusetts, or a labor bill applying to the industries of those States, as it is for the Senators from Massachusetts and Delaware to try to write or wreck a farm program, for the bread baskets of America.

As one who expects to vote for the Anderson bill, not as a permanent farm program, but as an improvement over what we have, I think certainly we should retain the 90-percent provision until we can have satisfactory permanent farm legislation enacted. I urge the defeat of the proposed amendment to eliminate the 90-percent parity supports for next year's crops.

Mr. WILLIAMS. I thank the Senator very much for his observation and in reply I point out that the so-called farm area is already writing our tax bills. You have a majority on the Senate Finance Committee while the farmers in the East have but one representative on the Agriculture Committee.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS. I cannot yield to the Senator now. The Senator from South Dakota [Mr. MUNDT] just said that he did not believe the Senators from Massachusetts and Delaware were qualified to write an agricultural bill. Perhaps what he said is true. But I wish to point out to the Senator from South Dakota that the State of Delaware is a large producer of agricultural products and I particularly call his attention to the fact that the county in which I live ranks third highest in the production of agriculture among all the counties east of the Rocky Mountains. In agricultural production the county in which I live outranks any county in so-called farm areas in the Midwest, and particularly any county in the Senator's own State. Furthermore, a farmer in the East is just as important to the economy of this Nation as is a farmer in the West.

Mr. MYERS. Mr. President, in agreement with the Senator from Massachusetts [Mr. SALTONSTALL], I yield 1 minute to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, I should like to make a motion in which I believe the able Senator from Oklahoma [Mr. THOMAS] will concur. My motion is that the chart the Senator from Oklahoma placed in the RECORD earlier today, which he himself did not prepare, and which he did not have time to go over, be taken out of the RECORD and referred back to the Department of Agriculture which prepared it, with instructions to give the Senate full and complete facts and information. I offer that as a motion.

Mr. MYERS. Mr. President, I understand a unanimous-consent agreement has been entered into that votes on all amendments to the bill and the bill itself will be had at 2:30 o'clock this afternoon. Therefore, I believe the motion is out of order at the present time.

The PRESIDING OFFICER. The Senator from Pennsylvania is correct in his statement that voting on the amendments to the bill and the bill itself will begin at 2:30 o'clock.

Mr. CAPEHART. In other words, it is out of order for me to offer a motion at this time for the specific purpose I mentioned?

The PRESIDING OFFICER. It is out of order to vote on the motion at this time.

Mr. CAPEHART. Then I make the motion, Mr. President, to be voted on after the farm bill has been disposed of.

Mr. IVES. Mr. President, I merely wish to take a minute, and I wish to speak because of the statement made by my distinguished colleague the Senator from South Dakota [Mr. MUNDT]. I happen to come from the industrial East. My State forms an important section of the industrial East. It so happens that the State of New York is also a great agricultural State. I believe New York ranks seventh in the United States in agricultural production.

I want to say here and now that my farmers are in favor of a flexible price-support program and are not in favor of this fixed price-support program of 90 percent. We in New York State feel that the sooner we can have a program of flexibility put into force, believing as we do in flexibility, the better off we shall be.

My people do not believe in the fixed 90-percent provision in this bill. For those reasons, just as last year, I was disappointed over the fact that the Aiken law provided for a 1-year delay before becoming operative, so this year I am going to be disappointed again if the fixed price-support provision is retained, and I oppose the attempt to delay the adoption of flexible price supports through the provisions in the bill as it now stands. For those reasons I support as strongly as I can the amendment offered by the Senator from Delaware.

Mr. MYERS. Mr. President, in agreement with the Senator from Massachusetts [Mr. SALTONSTALL] I yield 5 minutes to the majority leader.

Mr. LUCAS. Mr. President, I do not believe I will take that much time. I am going to talk upon another subject than the farm bill for just a moment.

On yesterday the distinguished occupant of the Chair, the Senator from Colorado [Mr. JOHNSON] pressed me rather severely with respect to a vote upon the confirmation of the nomination of Leland Olds. At that time I advised the Senator and his colleagues, who are likewise interested in an early vote, that we would have a vote upon the confirmation of Mr. Olds' nomination in due course.

After giving the matter serious consideration, and in line with the suggestion made by the Senator from Colorado yesterday, it seems to me that probably a night session is in order so that the Senate may make disposition of the nomination of Mr. Olds. I am sure that that will be acceptable to the distinguished occupant of the chair who is the chairman of the Committee on Interstate and Foreign Commerce.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. Does the Senator mean a night session tonight?

Mr. LUCAS. We shall have a night session for the discussion of the nomination of Mr. Olds.

Mr. IVES. Tonight.

Mr. LUCAS. Yes.

The PRESIDING OFFICER. Is a vote also contemplated?

Mr. LUCAS. I should like to conclude with a vote tonight. However, I shall be satisfied if we can obtain a unanimous-consent agreement to vote, say at 1 o'clock tomorrow.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. I should like to take a moment to protest the unanimous-consent agreement to vote at 2:30 this afternoon without a quorum call. I thought we had fought that issue out during this session of Congress two or three times. I thought there was a gentlemen's understanding that unanimous-consent agreements would not be asked for without a quorum call. I have worked cooperatively for months on the question of unanimous-consent agreements. I have agreed to one such request after another, following a quorum call. But in my judgment it is a violation of what I think was the general policy to enter into a unanimous-consent agreement this afternoon without a quorum call. It places me in the position of again declining to agree to such unanimous-consent requests.

Mr. LUCAS. Will the Senator withhold his objection for a moment?

Mr. MORSE. Certainly.

Mr. LUCAS. In behalf of my good friend from Oregon let me say that if he desires to speak on the farm bill or any amendment thereto, I shall ask unanimous consent that the previous unanimous agreement be set aside in order to give him the opportunity he desires.

Mr. MORSE. Mr. President, the Senator from Oregon is not objecting because of any desire on his part to speak. He is objecting to what he thinks is a very unsound practice of entering into

unanimous-consent agreements to vote, without a quorum call. I do not know how we are going to protect the interests and rights of Members of the Senate in the closing days, busy as we are, unless we are accorded the courtesy of a quorum call.

Mr. LUCAS. The only way I can protect any Senator who comes into the Chamber and interposes an objection, as my distinguished friend from Oregon has done, is to ask unanimous consent that the previous unanimous-consent agreement be set aside in order to give such Senator an opportunity to speak upon the pending bill or any amendment thereto. When we entered into the unanimous-consent agreement this afternoon to vote at 2:30, it was pretty well understood that almost all Senators had exhausted their remarks on the farm bill and the amendments thereto. I hope my good friend will not think that there was any real impropriety because of the unanimous-consent agreement which we entered into.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. I will say to the Senator from Oregon, in justice to the majority leader and the minority leader, who was sitting in this chair at that time, that the Vice President, who was in the chair, assumed that the quorum call was waived, for the following reasons: At least five Senators, three from the majority side and two from the minority side, had an appointment with the President of the United States in 10 minutes; also there were a great many Senators in the Chamber. I realize that that is not a full answer to the Senator from Oregon, but in justice to the majority leader it should be said that the agreement was entered into very quickly for the reasons which I have stated. So far as the majority leader, the minority leader, and the assistant to the minority leader could see, all Senators who were particularly interested in the problem were in the Chamber.

Mr. MORSE. Mr. President, I simply wish to say to the Senator from Massachusetts that I do not think that is any answer at all, in any degree whatsoever.

Mr. LUCAS. Mr. President, objection has been made.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCLELLAN. Does the able majority leader have in mind that immediately following the vote on the farm bill we shall begin debate on the Olds nomination?

Mr. LUCAS. I am not so sure. I think there is one measure which we might dispose of before that. I thought perhaps we would have a night session to consider the Executive Calendar, beginning at about 5 or 6 o'clock. That would include discussion of the nomination of Mr. Olds. If we could obtain a unanimous-consent agreement for a vote tomorrow, that would be satisfactory; but objection has been made. We might well dispose of it tonight before we take a recess until tomorrow?

Mr. President, has my time expired?

The VICE PRESIDENT. The time of the Senator from Illinois has expired.

The Senator from Vermont [Mr. AIKEN] is recognized for 1 minute.

Mr. AIKEN. Mr. President, the provision for a mandatory 90-percent support for crops under quotas or allotments for next year means mandatory 90-percent support for all the basic commodities. That will settle nothing at all, any more than title I of the 1948 act settled anything. It means that the farm bill will be under attack again next year. We shall have to go through it all over again. It means that interested groups will be trying to outbid each other for the farmers' vote, particularly in an election year. I think the time to place in effect a long-range farm program is right now.

Therefore, I hope that the amendment of the Senator from Delaware [Mr. WILLIAMS] will be adopted, and that we can at last get farm legislation out of the field of politics—and not very clean politics at that—so that the farmer may know what to look forward to from one year to another.

The VICE PRESIDENT. The Senator from New Mexico [Mr. ANDERSON] has 3 minutes and the Senator from Delaware [Mr. WILLIAMS] 1 minute.

Mr. ANDERSON. Mr. President, I wish to say only two or three things in the last couple of minutes.

There will be a minor amendment with reference to cotton acreage. A difficulty has developed in trying to apply the new cotton-acreage limitations this year, which has caused trouble in Mississippi, Texas, and perhaps other States. Representative PACE and Representative ABERNETHY and others have asked me to present an amendment which will clarify the situation and permit 15 percent to the county committees.

I realize that we have not much time to consider what seems to be an important amendment. However, I assure Members of the Senate that we have checked it as carefully as we know how and find nothing wrong with it.

As to the amendment offered by the distinguished senior Senator from Ohio [Mr. TAFT], I can only say that theoretically I can see nothing extremely wrong with it. I think it could be corrected to make it better. However, there is hardly time adequately to consider it. We would prefer not to accept it because we believe that it would cause some difficulty. I am sorry to say to the Senator from Ohio that I cannot accept his amendment.

Mr. KNOWLAND. Mr. President, will the Senator yield for a brief inquiry?

Mr. ANDERSON. I yield.

Mr. KNOWLAND. In accepting the cotton amendment, is the Senator opening up a whole field in conference which has not heretofore been opened up?

Mr. ANDERSON. I assure my friend from California that we are not opening up a new field.

If the Senator from Ohio would permit a change in his amendment, in line 4, on page 3, so as to say "not less than 75 percent of the storage space contained in such grain structures," then I think the amendment would not be in bad shape.

There were other amendments pending before the committee. I hope that we shall not go back to an amendment to strike out the provision for 90 percent for most of the basic commodities for the first year, because the subject has been very carefully considered. There are many Members of the Senate who would like to have voted on that question, who are no longer present. They have gone on trips of various kinds on public business. I believe that the amendment originally suggested by the Senator from Vermont [Mr. AIKEN] and by the Senator from Delaware [Mr. WILLIAMS] is one which ought to be defeated because of that fact.

Mr. WHERRY. Mr. President, is there any time left?

The VICE PRESIDENT. There is 1 minute left.

Mr. WHERRY. May I have the 1 minute?

The VICE PRESIDENT. The time is in the control of the Senator from Massachusetts [Mr. SALTONSTALL]. So far as the Chair is concerned, the Senator may have it.

Mr. WHERRY. Mr. President, all I wish to do is to submit what might be called a unanimous-consent request. If any Senator would like to speak further on the bill, or if the distinguished Senator from New Mexico feels that this amendment is so important that it ought to be further discussed, or if the Senator from Ohio [Mr. TAFT] wishes to modify his amendment, I ask that the previous unanimous-consent agreement be rescinded. I do not think we should act in haste. The reason for the unanimous-consent agreement which was entered into was that a delegation was asked to go to the White House in connection with an appropriation matter. I am sure the majority leader would agree with me that if there was anything done relative to the unanimous-consent agreement which should not have been done, there should be no objection to a unanimous-consent request to continue the debate until all the amendments are modified, ironed out, or satisfactorily explained before there is a vote on them. I, for one, probably was as much to blame as any other Senator for agreeing to the unanimous-consent proposal. We have been pushed rather hard by those who wanted to leave. I certainly feel now that a quorum call should have been had before the agreement was entered into.

So, Mr. President, I ask unanimous consent that the period for debate——

The VICE PRESIDENT. The hour of 2:30 having arrived, all time has expired.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is it possible to suggest to the Senate a unanimous-consent agreement to extend the time 30 minutes?

The VICE PRESIDENT. The Senate may do so at this time, if it wishes.

Mr. WHERRY. I ask such unanimous consent.

Mr. YOUNG. I object.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the amendment of the Senator from Ohio, as modified. Debate is not now in order.

Mr. TAFT. Mr. President, I ask unanimous consent that the Senator from New Mexico may state an amendment to my amendment which I think will be satisfactory to both sides, so that debate will be avoided.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from New Mexico is recognized.

Mr. ANDERSON. Mr. President, if the Senator from Ohio will agree to these changes, the committee will accept his proposals:

On page 2, in line 9, after the word "lease", insert "not less than 75 percent of the storage space contained in."

On the same page, at the end of line 10, after the word "years", and before the period, insert "if such structures are not additions to existing structures, or 2 years if such structures are additions to existing structures."

Mr. TAFT. Those changes are satisfactory to me.

Mr. ANDERSON. And also make the same changes on page 3: namely, in line 4, after the word "lease", insert "not less than 75 percent of the storage space contained in"; and in line 5, after the word "years", and before the period, insert "if such structures are not additions to existing structures, or 2 years if such structures are additions to existing structures."

Mr. TAFT. Mr. President, I so modify my amendment.

The VICE PRESIDENT. The Senator from Ohio has modified his amendment accordingly.

The amendment as modified is as follows:

SEC. 418. (a) Section 41 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134c) is amended by adding at the end thereof the following:

"Notwithstanding any limitations or conditions imposed by law, but subject to the availability of appropriations, each Bank for Cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of grain storage structures in amounts up to a maximum of 90 percent of the cost of such grain storage structures, as approved by the Bank for Cooperatives to whom application is made for the loan: *Provided*, That the cooperative association which has applied for any loan shall have furnished to the Bank for Cooperatives an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease not less than 75 percent of the storage space contained in such grain storage structures when completed for a period of at least 3 years if such structures are not additions to existing structures, or 2 years if such structures are additions to existing structures."

(b) Section 34 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134j) is amended by adding at the end thereof the following:

"Notwithstanding any limitations or conditions imposed by law, but subject to the availability of appropriations, the Central Bank for Cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of grain storage structures in amounts up to a maximum of 90 percent of the cost of such grain storage structures, as approved by such bank: *Provided*, That the cooperative association which has applied for any loan shall have furnished to such bank an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease not less than 75 percent of the storage space contained in such grain storage structures when completed for a period of at least 3 years if such structures are not additions to existing structures, or 2 years if such structures are additions to existing structures."

The VICE PRESIDENT. The question now is on agreeing to the modified amendment of the Senator from Ohio.

The amendment, as modified, was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I call up the amendment which I have at the desk.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, it is proposed to strike out lines 5 through 10, inclusive.

On page 10, line 11, strike out "(2)" and insert "(1)."

On page 11, line 4, strike out "(3)" and insert "(2)."

On page 11, line 8, strike out "(4)" and insert "(3)."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS, Mr. IVES, and other Senators requested the yeas and nays, and they were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Kentucky [Mr. CHAPMAN] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Idaho [Mr. TAYLOR] is a member of the committee appointed to attend the funeral of the Honorable Bert H. Miller, late a Senator from Idaho, and is, therefore, necessarily absent.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Kentucky [Mr. CHAPMAN] is paired on this vote with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from New Hampshire would vote "yea."

The Senator from Mississippi [Mr. EASTLAND] is paired on this vote with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Mississippi would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Florida [Mr. PEPPER] is paired on this vote with the Senator from New York [Mr. DULLES]. If present and voting, the Senator from Florida would vote "nay," and the Senator from New York would vote "yea."

The Senator from Alabama [Mr. SPARKMAN] is paired on this vote with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Vermont would vote "yea."

The Senator from Mississippi [Mr. STENNIS] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Mississippi would vote "nay," and the Senator from New Jersey would vote "yea."

If present and voting, the Senator from Iowa [Mr. GILLETTE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], who is absent on official business with leave of the Senate, is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Mississippi would vote "nay."

The Senator from New York [Mr. DULLES], who is absent by leave of the Senate, is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from New York would vote "yea," and the Senator from Florida would vote "nay."

The Senator from Vermont [Mr. FLANDERS], who is absent on official business with leave of the Senate, is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Alabama would vote "nay."

The Senator from New Jersey [Mr. SMITH], who is absent on official business with leave of the Senate, is paired with the Senator from Mississippi [Mr. STENNIS]. If present and voting, the Senator from New Jersey would vote "yea," and the Senator from Mississippi would vote "nay."

The Senator from New Hampshire [Mr. TOBEY], who is necessarily absent, is paired with the Senator from Kentucky [Mr. CHAPMAN]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from Kentucky would vote "nay."

The Senator from Nebraska [Mr. BUTLER] is absent on official business with leave of the Senate.

The Senator from Kansas [Mr. REED] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The result was announced—yeas 20, nays 54, as follows:

YEAS—20

Aiken	Bridges	Hendrickson
Baldwin	Cain	Hickenlooper
Brewster	Ferguson	Ives

Knowland	Saltonstall	Watkins
Lodge	Smith, Maine	Wiley
Malone	Taft	Williams
Martin	Thye	

NAYS—54

Anderson	Holland	McMahon
Capehart	Humphrey	Magnuson
Chavez	Hunt	Maybank
Connally	Jenner	Millikin
Cordon	Johnson, Colo.	Morse
Donnell	Johnson, Tex.	Mundt
Douglas	Johnston, S. C.	Murray
Downey	Kem	Myers
Ecton	Kerr	Neely
Ellender	Kilgore	O'Conor
Fulbright	Langer	O'Mahoney
George	Leahy	Robertson
Graham	Long	Russell
Green	Lucas	Schoeppel
Gurney	McCarthy	Thomas, Okla.
Hayden	McClellan	Thomas, Utah
Hill	McFarland	Wherry
Hoey	McKellar	Young

NOT VOTING—21

Bricker	Frear	Sparkman
Butler	Gillette	Stennis
Byrd	Kefauver	Taylor
Chapman	McCarran	Tobey
Dulles	Pepper	Tydings
Eastland	Reed	Vandenberg
Flanders	Smith, N. J.	Withers

So Mr. WILLIAMS' amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. ANDERSON. Mr. President, I have an amendment which is on the desk, and which I ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The amendment was, on page 23, after line 4, to insert the following:

SEC. . Section 344 (f) (3) of the Agricultural Adjustment Act of 1938, as amended by Public Law 272, Eighty-first Congress, is amended (i) by striking the figure "10" in the first sentence and inserting therefor the figure "15", and (ii) by striking the figure "30" in the proviso and inserting therefor the figure "20."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. ANDERSON].

The amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

The title of the bill was amended to read: "An act to stabilize prices of agricultural commodities."

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. LUCAS, Mr. ANDERSON, Mr. AIKEN, Mr. YOUNG, and Mr. THYE conferees on the part of the Senate.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the bill be ordered printed, with the Senate amendments numbered.

The VICE PRESIDENT. Without objection, it is so ordered. Without objection, Senate bill 2522 is indefinitely postponed.

Mr. BREWSTER. Mr. President, I have refrained from a discussion of the farm bill, in deference to the desire to terminate that discussion. Early in its discussion, there was considerable misrepresentation about the potato situation. I now ask unanimous consent to have inserted in the RECORD certain reports, which I have had prepared, dealing with that matter, which I think will assist in clarifying the understanding. I also ask unanimous consent to have published in the RECORD a reprint of an article from the Christian Science Monitor showing that the people in my State who are greatly interested in potatoes have been supplementing the potato crops with crops of peas.

There being no objection, the reports and articles were ordered to be printed in the RECORD, as follows:

AS TO THE DESTROYING OF POTATOES

Potato farmers and their program have been the victim of so many malicious and misleading attacks that I believe that the best answer to the old mistruths about destroying potatoes is a simple statement of fact.

The people who are trying to undermine and tear down this Nation's great agricultural program have cunningly used the Hitler-like method of repeating the lie until today every man, woman, and child in the United States thinks the Government is burning, destroying, and dumping potatoes every day in the year.

Here are the facts from the official records of the Department of Agriculture and from the official records of the Congress of the United States:

During the war years, total surpluses of potatoes were relatively small, and disposal under the price-support program was fairly simple.

The three crops of 1943, 1944, and 1945 produced an aggregate surplus of 49,000,000 bushels, for which the principal outlets were 8,500,000 bushels exported, 11,600,000 bushels used for livestock feed; and 5,400,000 bushels used to make alcohol. Total physical losses during these 3 years amounted to only 3,100,000 bushels, most of which were lost because of deterioration rather than lack of outlets.

In 1946, the surplus amounted to 107,800,000 bushels. All outlets together absorbed 73,300,000 bushels, and 34,500,000 bushels were lost, or dumped, under the kind of surplus disposal program the United States Department of Agriculture was operating at that time.

The Department chose to dump the potatoes rather than increase the cost of the program by putting them through diversional outlets.

Serious criticism followed the Department's action. The Department was roundly condemned for permitting a situation where potatoes were rotting or freezing in piles while most of the world was hungry.

A congressional committee—the Subcommittee on Food Shortages of the House Agriculture Committee—made a thorough study in June 1947, of the Department of Agriculture's handling of the 1946 crop of potatoes. One of the recommendations of that subcommittee was:

"The prevention of dumping or other outright waste of potatoes to solve any surplus problem without first exhausting all possibilities of useful consumption, including marketing in areas distant from that where the local surplus exists, and of relief and industrial uses."

This was a congressional mandate to the Department to stop its dumping activities and make use of the potatoes. The Department's operations since the 1946 crop have been on that basis. No potatoes have been dumped anywhere under the Department's program since that House subcommittee recommendation was made public in June 1947.

In 1947, the surplus was moderate, 34,200,000 bushels. Imports increased in 1947 to nearly 12,000,000 bushels, and starch, flour, livestock feed, and alcohol consumed virtually all of the remainder. Only 500,000 bushels were lost on the entire crop, which is a nominal loss which would have been experienced by any commercial potato men handling that many potatoes.

In 1948, even though the surplus was 133,600,000 bushels, it was possible, by utilizing every available outlet, to get the surplus into some sort of consumption.

These are the facts which are available to anyone looking for facts instead of fallacies.

The pictures you see in some of our newspapers and magazines of mountains of potatoes were made back in 1946.

The same publications that pride themselves on their editorial "scoops" and "news alertness" dust off these old pictures and use them again every time they mention the word "potato."

These well-trained editors and picture men blandly omit the date the old pictures were made. They make no reference to the changes that have been made to make the potato program in 1949 one of the best operated in the whole agricultural set-up.

They make no mention of the fact that potato farmers themselves have cut their acreage 43 percent. They make no mention of the fact that potato farmers have only the protection of a 60 percent of parity price support instead of the 90 percent that prevailed during the war years. They make no mention of the fact that, through their own efforts, potato farmers this year—1949—have reduced the cost of their program to less than $50,000,000, or less than one-fifth of last year's cost.

Instead, they go right ahead bragging about running up-to-date "news publications" and load them down with 3-year-old pictures, which completely distort the truth as it pertains to the current program.

I always watch for that old picture showing the potatoes being "burned up." They always run that one, and I sort of look forward to it just as I do to the little box that tells how many shopping days before Christmas.

As a matter of fact, no potatoes have ever been burned anywhere at any time by the Department of Agriculture as part of its official potato program.

That potato-burning picture—and they have just that one that I look forward to seeing—came about in this fashion:

Before it stopped its dumping program back in 1947 the Department had 2,000 bushels of potatoes in a pile down in Alabama. The fire started when an overzealous employee poured kerosene over them, not to burn the potatoes, but to ward off the tuber moth, to keep it from infesting the potatoes, multiplying itself, and spreading itself over the area.

That's where the "burning potatoes" picture came from. These are the facts on that one.

All of this information is readily available from official files to anyone who wants to make an accurate statement in regard to potatoes. These are the unslanted, unbiased, and unadorned facts in the case for anybody looking for the truth about the program.

They are available to all who daily help paint the distorted picture of the potato program.

The potato farmer can excuse the ignorant and prod the lazy, but he has no way to combat the cunning ones who deliberately attack his farm program with malicious intent.

AS TO MARKETING QUOTAS

Farmers have evidenced, over a period of years, both their willingness and their ability to cooperate in Government farm programs—but every successful farm program has been preceded by an intensive educational campaign whereby farmers were personally told what the Government expected of them.

Some of these educational campaigns have been carried on over a period of several years.

In the case of potatoes, we have had experience with the adoption of marketing agreements. We know that in some of the potato-growing areas where marketing agreements are today working most successfully, that sponsors of those agreements worked from 2 to 4 years to get them accepted by producers. That was our experience in Maine.

Just to explain marketing quotas properly would require a great deal of time. I do not believe they should be suddenly thrown at potato farmers. I think they should have some warning in the form of an educational program.

In some areas where marketing quotas have been in effect over a period of years for a regional crop, such as tobacco, most farmers probably already have the general background on a program of this type so that they could visualize how it would operate on potatoes.

On the other hand, potatoes are one of the few crops grown commercially in every State in the Union. In many of these areas, farmers have had no previous experience with marketing quotas and a proposal to apply them to potatoes would mean many months of educating them.

I understand a proposal for marketing quotas is contained, along with production payments and other measures, in a special Potato Act, which the Department of Agriculture has drafted and turned over to the chairman of the Senate Agriculture Committee.

Therefore, I would suggest that any action on marketing quotas for potatoes be considered in this specific potato bill and not made a part of the over-all farm legislation.

This will provide a fair opportunity for potato farmers and their representatives to be heard on marketing quotas.

I do not believe it would be fair to potato farmers to be suddenly forced under marketing quotas without any opportunity of being heard—especially when we realize that the success of such a program, should one go into effect, will depend to a major degree upon the understanding, support, and cooperation of the farmers themselves.

AS TO THE COST OF THE POTATO PRICE SUPPORT PROGRAM

The cost figures quoted in the newspaper and used by Secretary Brannan are all out-of-date. These outmoded and misleading figures have been repeatedly given out by the Secretary of Agriculture in an effort to sell the Congress and the public on his already discredited Brannan plan.

The Secretary has access to the up-to-date figures on the cost of the program because they are compiled by and are a matter of public record in his own Department of Agriculture. But, so far, Secretary Brannan has made himself conspicuous by his complete failure to use the cost of the program in 1949.

No one is attempting to defend the old figures the Secretary insists on using. Potato growers certainly did not expect the 1948 program to cost the $225,000,000 that it did. Regardless of cost, potato growers complied with that program and it was through no fault of theirs that the cost was excessive.

However, it was potato growers themselves who first recognized the necessity for reducing the cost of their program, and this they have done to a remarkable degree on the current 1949 crop.

Government support on the 1949 crop is now running at approximately $44,000,000, which is less than one-fifth (only 18 percent) of the cost of last year's program.

This cost is far below any of the estimates the Secretary of Agriculture has made for 1949, but in all of the Brannan speeches and interviews he has consistently failed to publicly recognize what the growers are doing.

I imagine the Secretary himself is a little too surprised to believe the figures from his own Department of Agriculture. I am sure we all recall that the Secretary's estimates on the cost of the potato program for 1949 have run as high as $150,000,000.

As a matter of fact, Secretary Brannan himself estimated that the Government would save money by adopting the Brannan plan for potatoes this year as he figured the Brannan plan for potatoes would cost only about $180,000,000.

Now, potato growers themselves have confounded the Secretary of Agriculture by operating a program which this year will cost only about one-half of what he had previously estimated the Brannan plan would cost.

The Secretary of Agriculture is, of course, free to operate on his own outdated and misleading figures, but I am sure the United States Senate wants to give full recognition to the up-to-the-minute figures, which show conclusively that the potato program is currently operating at a cost of only $44,000,000—less than one-fifth of last year, and less than one-half of Mr. Brannan's estimate under his own private farm program.

AS TO THE BRANNAN PLAN

The Secretary of Agriculture describes his so-called Brannan farm plan in a very engaging fashion. He makes it sound as simple as two and two equal four.

The Secretary tells consumers he would let farm prices drop as low as they could possibly go in the market place so they would have cheap food.

Then the Secretary tells farmers not to worry about those low Brannan plan prices, that he is going to send them a nice fat Government check to make up the difference between that low market price and what he thinks they ought to get.

It all sounds very simple, but the people are not quite as naive as the Secretary of Agriculture thinks they are. They know full well that their taxes would have to pay for the tremendous cost of the Brannan plan.

In addition, administration of the Brannan plan would require the keeping of far more records than the wartime Office of Price Administration and the War Production Board put together.

It would mean that every time a farmer sold a bushel of potatoes, or anything else under the Brannan plan, that he would have to keep a complete record of each and every transaction in order to prove to the Secretary of Agriculture what prices he had gotten for his products in the market place.

Then, Secretary Brannan, just as the wartime agencies did, would have to have an army of inspectors, checkers, auditors, statisticians, and finally comptometer operators to add up, divide, and subtract and mail out checks to the 6,000,000 farmers, some of whom would be selling some commodity every hour of every day.

No responsible farm group anywhere is giving any support to the Brannan plan.

Personally, I am glad the Secretary of Agriculture has made his proposal so utterly fantastic that we can all see through it.

Potato farmers believe you will be interested in some up-to-date figures on the 1949 price-support program, which the National Potato Council has compiled. The Council represents most of the commercial production of Irish potatoes in the United States.

Potato farmers themselves have taken the lead in making the sharp reductions necessary to adjust to the postwar period.

Potato farmers have voluntarily reduced their acreage approximately 43 percent since 1943. (See table No. 1.) Of this sharp voluntary decrease in acreage, 36.5 percent came in the 5 years 1944–48, in spite of the fact that during this period potatoes were supported at 90 percent of parity.

TABLE No 1.—*Potatoes: Planted acreage and decreases since 1943*

	Acreage planted, 1,000 acres	Decrease in acreage from 1943, 1,000 acres	Percent of decrease
1943	3,354.7		
1944	2,884.7	470.0	14
1945	2,765.7	589.0	17.5
1946	2,644.6	710.1	21
1947	2,135.5	1,219.2	36
1948	2,127.3	1,227.4	36.5
1949	1,915.3	1,439.7	42.9

Potato farmers, as a group, have complied virtually 100 percent with the United States Department of Agriculture's acreage goal program by not planting even the total allotted acreage in any of the years 1944 through 1949. (See table No. 2.)

TABLE No. 2.—*Potatoes: Goal acres and planted acres, 1943–49*

Year	Goal, 1,000 acres	Planted, 1,000 acres	Over or under planted	Percent over or under planted
1943	3,260.1	3,354.7	+94.6	+3
1944	3,480.5	2,884.7	−595.8	−17
1945	3,137.4	2,765.7	−371.7	−12
1946	2,771.4	2,644.6	−126.8	−4.5
1947	2,517.0	2,135.5	−381.5	−15
1948	2,352.4	2,127.3	−225.1	−10
1949	1,938.3	1,915.3	−23.0	−3.2

Increased per acre yields have offset, to a considerable degree, the 43-percent reduction in acreage since 1943, but, to a great extent, this has been due to the exceptionally good crop years that this country has enjoyed since 1940. Most authorities do not expect these good years to last forever.

As a result of complying with the Department's acreage goal program, plus the fact that the support price has been cut to 60 percent, we are producing this 1949 season a crop estimated to be the smallest since 1941. The September Crop Report estimated that the 1949 potato crop would amount to 363,061,000 bushels, which is 82,789,000 less than last year, a reduction of approximately 20 percent.

This decrease in production is due primarily to the smallest potato acreage in 70 years. In spite of unfavorable weather in some States, the indicated national per acre yield of 191 bushels would be second only to the record yield of 212 bushels harvested in 1948.

Potato growers themselves, as far back as May 1948, recommended that changes be made in the potato price-support program.

Following these recommendations, the Secretary of Agriculture reduced the rate of the support for potatoes from 90 to 60 percent of parity, and potato producers have accepted and are supporting this very sharp reduction in the support price.

Potato farmers voluntarily made these drastic adjustments because they believed that, in the case of their commodity, decreased acreage, a lowered support price, acreage allotments, marketing agreements, and a "one price" system that results in consumers getting better grades, would return potato production to its proper place in the postwar agricultural economy. Potato farmers regard the support price at 60 percent of parity as the equivalent of insurance on the cost of production and insurance to the consumer of an adequate supply of potatoes at reasonable prices.

Under this program which growers themselves are carrying out, the cost in 1949, with price support at 60 percent, is now running sharply below the cost of 1948.

There has been so much talk about the cost of the 1948 program that the facts on 1949 have been completely overshadowed.

For example, figures from the Department of Agriculture show that as of September 10, 1949, the Government's purchases of Irish potatoes under the 60-percent support program totaled only 6,760,000 bushels, at a cost to the Government of $7,950,000, as compared with purchases on the same date in 1948 of 28,420,000 bushels, at a cost to the Government of $44,300,000.

If this same relationship continues throughout the harvesting season, which is now in progress, the cost of the program for 1949 will approximate only $44,000,000, or less than one-fifth (18 percent) of last year's $225.000,000 when the support price was at 90 percent.

Even though the harvesting season is still under way, there is already ample evidence that the reduction of the price support from 90 to 60 percent of parity has automatically removed the important factor which has contributed most to a surplus of potatoes, an unusually favorable price support.

A support level at only 60 percent of parity, in most States, lowers the price of potatoes under support approximately one-third. Noncomplying growers should have little interest in taking the risk of growing a costly crop like potatoes with such low support.

The Council points out that in only three of the years since 1930 have potatoes been below 60 percent of parity (see table No. 3), and these 3 years, with other low-price years, were disastrous to potato farmers.

TABLE NO. 3

	USBAE average farm price received by farmers per bushel	United States parity price per bushel	USBAE average farm price received by farmers per hundredweight	United States parity price per hundredweight	Percent price received by farmers is of parity United States figures
1930	$0.91	$0.94	$1.51	$1.57	97
1931	.46	.81	.76	1.35	57
1932	.38	.72	.63	1.20	53
1933	.82	.83	1.37	1.38	99
1934	.45	.88	.75	1.47	51
1935	.59	.85	.98	1.41	69
1936	1.14	.91	1.90	1.51	125
1937	.53	.88	.88	1.47	60
1938	.56	.84	.92	1.40	67
1939	.70	.85	1.17	1.41	82
1940	.54	.87	.90	1.45	62
1941	.81	1.02	1.35	1.70	79
1942	1.17	1.13	1.95	1.88	104
1943	1.31	1.21	2.18	2.01	108
1944	1.50	1.24	2.50	2.07	120
1945	1.43	1.31	2.38	2.18	109
1946	1.24	1.36	2.07	2.27	91
1947	1.62	1.67	2.70	2.78	97
1948	1.54	1.83	2.57	3.05	84

Percentage of parity received: 1930–34 average, 71.4 percent; 1935–39 average, 80.5 percent; 1940–44 average, 94.6 percent; average, 19 years, 1930–48, 84.9 percent; highest 5-year average, 1942–46, 106.4 percent.

Potato farmers have gone a long way in adjusting their production in line with demand. They have cut their acreage 43 percent. They have taken a reduction from 90 to 60 percent in their support price. They are on a one-price system that brings consumers the best quality. Through their own efforts, they have brought about a reduction in cost so sharp that the 1949 program will cost only one-fifth of last year's. The growers have asked for marketing agreements which would be binding on the noncomplying grower.

This program is in operation for the first time on the 1949 crop. So far it has demonstrated that it at least deserves a fair trial. If, after a fair trial, this program does not work to the benefit of the consumer, the Government and the grower, potato farmers will again take the lead in recommending any changes that are necessary.

Therefore, potato farmers respectfully urge that the current program, with mandatory price support at from 60 to 90 percent, acreage allotments, and marketing agreements, be continued, in the belief that even greater results will be forthcoming next year.

[From the Christian Science Monitor of July 30, 1949]

PEAS FROM POTATOLAND—SPUDS MOVE OVER IN AROOSTOOK COUNTY, MAINE, FOR DEEP-FREEZE VEGETABLE

(By Robert R. Mullen)

In a profitable upset of an old New England tradition, peas are now being grown in Aroostook County, Maine. The growing of anything except spuds in Aroostook is almost spectacular news, because the big county jutting into Canada in the northeastern corner of the United States has been for half a century a principal source for the Nation's spuds. Farmers in Aroostook were potatomen, period.

Yet today Aroostook is demonstrating that there is hope for farmers in something other than Government subsidies, and that prices by economics instead of by politics can be a constructive thing. For private enterprise, at both the big city and the small farmer levels, is cooperating in Aroostook to prove that bright ideas still pay off.

The Birds Eye frosted-food division of giant General Foods has made Aroostook one of its main sources for peas. Some 6,000 acres are planted this year; next year's target is above 10,000 acres, and a $1,000,000 freezing plant is already in operation. Where this will end apparently only depends on the margins of United States appetites for frozen peas.

The story of peas in Aroostook actually begins back in the mid-1930's. It was then that the burgeoning frozen-food business, getting its bearings, discovered that peas were the foundation upon which the business had to be built. Peas were the big staple, accounting for as much as 40 percent of the total volume of the frozen-food industry.

Not only is a superior type of pea required for freezing; it is prudent business to have several alternative sources so as to be prepared against a crop failure in any one area. Moreover, peas in the usual growing areas all came along at one time, jamming harvesting and processing.

Obviously desired was a pea that would mature late, after the rush was over, and which, because of its lateness, would not have to be kept in storage so long. Like most big United States corporations, General Foods is strong on research. So, the problem was turned over to the research division.

Experts pored over the soil and climate data of various parts of the country and finally came up with the notion that Aroostook offered unusual possibilities. Its soil was irrigated by gradual thawing of subsoil moisture during much of the pea-growing season; moreover, Aroostook was so far north its pea-harvesting time was bound to be later than in the more southerly pea areas.

This paper work looked good, so in 1937 the company sent agents into Aroostook to contract for 600 acres of various varieties of peas, the company furnishing the seed. At the same time an abandoned trolley barn was leased in Houlton, where freezing machinery was installed.

These pilot tests indicated they were on the right track, so the acreage was increased to 1,000 in 1938 and doubled in 1939, when, for the first time, they ran into serious trouble. They discovered that much of the Aroostook soil was too acid for peas.

For years the farmers had been told that spuds thrived best in acid soil and that high acidity prevented scale. But peas require a sweeter soil. In some of the newly added acreage the peas turned a light yellow and did not bear.

Here, indeed, was a dilemma. Just try and get Maine farmers to change. It was enough to give even America's largest food concern pause. It was solved, however, in rather simple fashion. First, the State agricultural agents were shown that a little liming did not hurt potatoes. Then the company let the State agents convince the individual farmers.

A rather clever way of liming was worked out, too. The seeds were rolled in lime so that when dropped into the soil they looked like tiny snowballs. This lime took care of acidity in the immediate vicinity of the pea roots and most of it was absorbed by the plant. But experience has shown that far from spoiling the soil for potatoes, yields have increased about 10 percent on soil used the year previously for peas.

By the time of Pearl Harbor Birds Eye had 2,500 acres in peas, and that level was held during the war. But Aroostook peas were winning favor and when the war ended it was decided to expand, making Aroostook the largest single source for frozen peas. As soon as materials were available a big new freezing plant was rushed to completion at Caribou, and this is the first big year.

Pea acreage is now up to the capacity of this plant. Before contracts can be made for added acreage it must be enlarged. This delay is a disappointment to many farmers because peas have now won a healthy regard from Aroostook farmers.

This is partly because potatoes have become the problem child of the agricultural support program. The last few years have been pretty lush, especially since it was the United States official policy to encourage large potato crops as insurance against failure of other crops and the consequent possible effects on our export of relief foods.

But Government support prices came a cropper in Aroostook this past year. The same 90-percent parity was paid, of course, to farmers living nearer the big consuming markets, so even if their production costs were higher they could save on transportation. The result was that Aroostook very largely lost out, and the Government ended up by having to buy about 60 percent of the Aroostook crop.

Aroostook farmers put large checks in the banks, but at the same time they realized from the hue and cry in Congress that those days would not come again. The actual amount of guaranteed prices for 1949 is not known at this writing, but a 23-percent cut in Aroostook potato acreage has already been ordered, if farmers are to qualify for support this year.

That, combined with the stark fact that per capita potato consumption has fallen from 190 pounds to 120 pounds in the last 25 years, is enough to make any potato farmer think about peas.

Given a good yield, and given quality qualifying for bonus prices, a farmer will average about $100 an acre from his peas. No wonder peas take on an increasingly larger fiscal attraction to farmers as potato prospects wobble.

But no farmer could live on peas alone. For it has been company policy to spread contracts for small acreage, rather than concentrate on a few farms. They didn't want

anybody to get badly hurt should the pea crop fail or the whole idea fizzle. Moreover, because of the need to freeze very soon after harvesting, contracts are placed as near as possible to the plant.

Most contracts are for from 10 to 15 acres. That means, all going well, as it has so far, that the individual farmer will have a cash pea crop worth between $1,000 and $1,500, which is a pleasant thing to anticipate in a year of agricultural uncertainties.

How far this can be expanded, and how many more farmers can be awarded contracts depends, obviously, not only on Birds Eye, but also upon whether other outside packers will wish to obtain peas there, or whether local Aroostook talent will undertake the growing and freezing of peas. These are, of course, wide open possibilities under the free-enterprise system.

But, apart from that, peas are showing the wisdom of diversification. At the present time, experiments are going forward at the State experimental station in Presque Isle with such things as strawberries, broccoli, and cauliflower. The effort is to find things which will benefit from the special Aroostook conditions.

One idea is that several items can be developed as late crops, ready to be rushed to the big eastern markets when the crop from the southern and northern tier States has gone by. Anyway, it is one more indication that things are stirring up Aroostook way.

THE MOTION PICTURE—TORCH OF FREEDOM

Mr. DOWNEY. Mr. President, the American motion picture is today one of the most powerful instruments for freedom and democracy throughout the entire world. Because the motion picture industry maintains its production headquarters in my State, I am keenly conscious at all times of its great accomplishments.

I have prepared a statement which tells of the great service the motion picture is performing for our country as an American institution. While I had intended to read this statement I have decided now not to impose on the time of the Senate in the closing hours of the session, but instead I ask that it be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE MOTION PICTURE—TORCH OF FREEDOM—STATEMENT BY SENATOR DOWNEY

Mr. President, in Chicago, recently, occurred one of the most unusual and one of the most significant meetings in the history of all American industry. It was a joint conference of motion picture industry organizations. Around the same table were assembled the representatives of producers, distributors, exhibitors, the talent guilds, the crafts, and the trade press. There was no element in the industry which was not represented.

It was the first meeting of its kind within the motion picture industry, and Eric Johnston, president of the Motion Picture Associan of America, expressed himself as believing it to be epochal in the whole broad field of American industry.

At the outset of the conference, Mr. Johnston said:

"Perhaps the manufacturers, wholesalers, retailers, and talents and crafts in other industries have had similar meetings. But if they have, I never heard of it. Maybe our industry is once again the first to pioneer with a new idea."

I would assume Mr. Johnston to be entirely correct. In his 4-year term as president of the Chamber of Commerce of the United States, it is quite certain he would have heard about it if any other industry had ever called together every segment within it.

I draw the attention of the Senate to that Chicago conference for a number of reasons. Not the least of them is the simple fact that it so well manifested the democratic process in America. Here was a manifestation that in American industry today each component part, big and small, is interdependent; though their interests in particular may be widely diverse, the broad interest of the whole field involved is of mutual concern.

And there, in Chicago, was a manifestation that American industry senses and willingly—and most eagerly—wants to live up to its responsibility today to the community of America and to the community of the world whose leadership this country has inherited.

That industry conference in Chicago adopted a declaration which may be accurately defined as a reaffirmation of faith. I want to include the text of that declaration in my remarks, for it is a most remarkable document in many ways. The language itself is stirring.

The text of the declaration is as follows:

"The all-industry conference of the motion-picture industry reaffirms its faith in and responsibility to the American people. It pledges itself to the production and exhibition of films that will entertain and instruct—that will show the humanities and ways of our Nation and will, without fear, bring light to the dark corners of our society.

"It will continue to use the laws of God and the laws of man as its yardstick to determine whether or not a subject is suitable for filming. It will continue to deplore any effort to forbid it or the American people freedom of choice on the screens of this Nation.

"It will continue its self-regulation to make certain that honesty may be achieved without offense. It will, without stint, bend its best effort to laughter and thought, putting no man above another, though he be white or black, Christian or Jew.

"It will resist, together with all thinking men, any regulation that makes it a slave to a minority; it will cooperate with all men who believe in human decency.

"It is the servant of a hundred and fifty million; it will be no tribune for the few as against the many. The screen belongs to the free people of the world; we shall guard it well in their name.

"Producer, exhibitor, technician, distributor, writer, actor, director—above all else, in this we believe."

I believe those few brief paragraphs constitute one of the loftiest documents of our times. I find myself rereading it, and each time with new appreciation. Through those resounding words, we are reminded with fresh vigor of all those things which we in America hold most dear—our freedom under God, freedom of the individual, freedom of choice, freedom of speech.

That declaration symbolizes the spirit of one of our greatest industries, a young industry, an ever-growing industry. It is a powerful industry, but an industry with a heart and one with a soul. That declaration symbolizes the spirit of the men and women who make our motion pictures, who distributes them and who exhibit them.

It puts into words those things which they themselves believe with constancy and with devotion. That declaration is the most convincing evidence to me that they have accepted to the fullest measure—as individuals—and as a group—their separate and their combined responsibility to the society of America and to the society of mankind.

We in America and the people of the world can have faith in men and women who themselves have such deep faith. The motion picture has been often described as the most powerful instrument of communication ever developed, and there is no better definition. I rejoice that its stewardship is lodged in such worthy hands and is guided and advanced by such understanding and broad-thinking minds.

We in California have taken a singular and I believe a pardonable pride in the fact that the motion-picture industry maintains its production headquarters in our State. Our pride is neither bumptious nor arrogant. It is tempered by our realization that the motion picture is indeed the property of the free peoples of the world and not ours alone. I am not speaking about the motion-picture industry, therefore, as a home industry peculiar to my home State. It is yours as well as mine. Wherever a theater is located—in the metropolitan loops, in the suburban villages, in the crossroads country towns in America and around the globe, there, in point of fact, is the home and heart and center of the motion-picture industry.

So I speak today of the American motion picture as an American institution. Never before did all of us in America have more reason to be proud of its accomplishments. The responsibility this industry has accepted so forthrightly is a staggering one. It transcends the wildest flight of imagination which might have swept over one of its founding fathers in its first stages of development.

The American motion picture has become the torch of freedom throughout the world. Our films go everywhere; they travel by ship and plane, by truck and cart, by train and pack horse. They are known and beloved in the desert and the jungle countries; they show at the Equator and in the frozen areas of the polar lands.

They are known to all men, regardless of language, habitat, religion, culture, background or customs. They are universal as nothing else man-made is universal.

Wherever they go they carry the American story in sight and sound. Wherever they unwind there is some small portion of America transplanted across the seas, brought home to men to whom America might otherwise be a distant, dreamed of, and almost doubted fairy tale.

We as a people are spending many millions for the Voice of America, attempting to beam by radio the message of America's purposes, its ambitions, its intentions and some understanding of our ways of life and our ways of thought. I am heartily in accord with this magnificent effort. But here, Mr. President, is a private American industry carrying the American message to areas beyond the reach of our radio, our press, our publications—beyond the reach of anything except the motion picture.

Here is a private American industry which links all men who believe in democracy; which reminds men whose democracy has been stolen that it still lives and flourishes in other lands and that there is still cause for hope.

Through government, Mr. President, we could not possibly accomplish what the American motion-picture industry, on its own, is doing. Perhaps the greatest strength of the American motion picture is the absence of studied conscious propaganda in our films.

And it is that absence of propaganda which makes them so beloved everywhere. The files are full of amazing stories of American films abroad. They tell of dictator governments exhorting their people to stay away from American pictures—and they tell of how the people line up for blocks at the box offices where American pictures show.

The American motion picture is little loved by dictators and by those who hate freedoms for others. For while it does not preach, the American motion picture literally breathes the spirit of freedom and democracy, and people sense it.

The files tell of a dictator government which tried to lure people into a theater showing a propaganda film of its own choosing with free tickets and free transportation. But the film unwound to almost empty seats. There wasn't standing room in the theater across the street where an American picture was on exhibition.

It is costing the American motion-picture industry millions of dollars to maintain a world-wide circulation of films today. The industry is direfully beset by tremendous difficulties. Stringencies in foreign exchange, restrictive quota laws, trade barriers of a wide variety are forcing the American motion-picture industry into vast sacrifices. But it persists, and it will persist, in the role it has so sturdily and staunchly adopted.

I believe I state only a simple truth when I say that I doubt if any other private institution in all our history ever made such sacrifices for the good of our country and for the cause of democracy and freedom everywhere.

Mr. President, I have talked largely of the motion picture as a torch of freedom around the world. I want to conclude by suggesting that this great art of the twentieth century is also making amazing contributions to education and to culture; that it is making them every day and will continue to make them.

The purpose of the motion picture is to entertain, nothing more, but just as it carries the byproducts of democracy and freedom abroad, so too, it carries the byproducts of education and culture.

It has brought a new and vastly more extensive appreciation of the finest in music to uncounted millions who otherwise would have no chance of its acquaintance. In scores of pictures made today, we are regaled by complete and original symphonies by way of background music, for Hollywood has enlisted the talents of the great masters of music.

It has re-created the lives of the artists of the past, and in so doing it has introduced their works to the masses.

The evidence of its power to arouse new appreciation of great music is not hard to find. The effect of motion pictures on the sale of phonograph records is proof in point—and that effect has been phenomenal. It is not unusual for a record of a song played on the screen to sell thereafter in the hundreds of thousands.

The motion-picture industry has harnessed science to a great creative art and has thereby given the priceless gift of music to the many millions.

Its contribution to history is completely obvious. History is among the richest fields for Hollywood story material, and no part is richer or more often used than the history of our own past.

Through the film we relive the American Revolution; we hear again the voice of Patrick Henry; we witness the opening of the West. The personalities of long-gone leaders of America are re-created for us and we gain new understanding of their gallant efforts and their courageous accomplishments.

I am confident that we today know a thousand times more about our own history and the history of the world because of the motion picture. History comes alive on the screen.

Its contribution to literature is even more emphatically evident. For the classics of the ages and the great stories of our time are constantly being retold in screen form.

It gives flesh and blood to the beloved characters of classic and modern writing. It recreates literature, and in increasing measure it is creating its own literature. Superbly talented writers are finding it a medium best suited to their genius and their craftsmanship.

As in the case of music, whenever the screen reproduces the story of a classic or a best seller of the day, there is a run on the libraries and the bookstores for copies of the book. Regular editions take a spurt in sales. Reprints are snatched up.

We are a reading people today far more than we ever were before because we have been so largely lured to that cultural pursuit and that splendid habit by the motion picture. Book publishers who might once have looked on the screen as an upstart competitor now consider it a firm ally. For, from Shakespeare to Steinbeck, the screen enhances the popularity of books.

Mr. President, I have here one of the most striking tributes to the motion picture I have ever seen. I wish I had written it. But it was written anonymously. It is one of those striking bits of writing which are the product only, I believe, of a moment of high inspiration. It is obviously written by someone of deep insight as well as by one who, at the time, was in the grip of inspiration.

It is a short, but significant appraisal of the motion picture as well as a tribute. I should like to hope that everyone could read it, for in a very large sense it is a tribute to the whole American system which has so richly provided for us.

In closing my remarks, Mr. President, I would like to read to you this short, poetic essay, entitled simply "I Am a Movie Fan," and reading as follows:

"I AM A MOVIE FAN

"I have traveled everywhere. Samarkand and the Barbary Coast. On the camel trails of the Sahara and through the Khyber Pass. I have followed the seaways and the airways to the familiar places and to the strange ports of call all around the world. I am a twentieth century Marco Polo.

"I am a movie fan.

"I saw the Battle of Hastings, and I was there when King John agreed to the Magna Charta. I was present when the redoubts were stormed at Yorktown and 'the world turned upside down.' I saw the Constitutional Convention, and I have walked with Lincoln in the shadowed White House grounds. All the past is known to me through my own ears and my own eyes. I have lived forever.

"I am a movie fan.

"Ivanhoe, Micawber, and Yancy Cravatt are friends of mine. I heard the knight proclaim his challenge in the Lists of Templestowe; I walked the streets of Osage with the Oklahoma pioneer. All the great characters of literature have come alive for me, transmitted from the printed page to men of flesh and blood.

"I am a movie fan.

"I have heard and watched Chopin and Mozart and Johann Strauss compose their ageless melodies. All the best in music has been brought to my ears.

"I am a movie fan.

"I was with MacArthur on the battleship *Missouri*. I attended the sessions of the United Nations. I was at the Paris conference. I will be at the next Olympic games. I am informed of the world of today, for I am present on all great occasions and at all great events.

"I am a movie fan.

"Good fortune has brimmed my cup. No man before me was ever so richly endowed or more fortunate.

"I am a movie fan."

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

Mr. LUCAS. Mr. President, I should like to have the attention of all Senators to the request I am about to make. It is a very important one, and I want every Senator to understand thoroughly the parliamentary situation. As everyone knows, the Senate is still on the legislative day of September 3.

The VICE PRESIDENT. It seemed longer than that to the Chair.

Mr. LUCAS. We have been taking a recess from day to day, rather than having an adjournment each night. The Committee on the Judiciary this morning reported the House bill, H. R. 4567, to amend the Displaced Persons Act of 1948. Under the parliamentary situation, one objection to a unanimous-consent request is sufficient to prevent the report being filed. All I am going to do is to ask unanimous consent that the report may be filed, in order that we may save time. I have talked to a number of Senators on both sides of the aisle. I want them to know that Members on both the Republican and Democratic sides are sincere in bringing up the measure for disposition at this session. All I am trying to do is merely to speed up the passage of the proposed legislation.

If we could get unanimous consent to have the report filed, it would save the majority leader from making a motion to adjourn for 15 minutes so that there could be a morning hour when the report could be filed, and the bill would be ready for consideration tomorrow. Before I make that request, if there are any questions any Senators desire to ask, I shall be glad to endeavor to answer them.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LANGER. As I understand, if an objection is made the distinguished majority leader will make a motion to adjourn, and in 15 minutes we would be back where we are at this time?

Mr. LUCAS. The Senator is correct.

Mr. LANGER. And we would be considering the displaced-persons bill.

Mr. LUCAS. No; it would have to lie over another day before we could consider it.

Mr. LANGER. Mr. President, in view of the treatment accorded the chairman of the Judiciary Committee, the senior Senator from Nevada [Mr. MCCARRAN], and the distinguished Senator from Mississippi [Mr. EASTLAND], I am constrained to object.

Mr. LUCAS. Mr. President, I ask unanimous consent that the acting chairman of the Judiciary Committee, the distinguished Senator from West Virginia [Mr. KILGORE] be permitted to file the report of the Judiciary Committee on House bill 4567, a bill to amend the Displaced Persons Act of 1948.

The VICE PRESIDENT. Is there objection?

Mr. LANGER. I object.

Mr. LUCAS. Mr. President, I move——

Mr. WHERRY. Mr. President, will the Senator withhold his motion and yield to me?

Mr. LUCAS. I yield.

Mr. WHERRY. Will the distinguished majority leader tell the Senate now, while there is such good order, what the plan will be for tonight, in the event we convene after this adjournment?

Mr. LUCAS. What I hope to do is to have a sufficient number of Senators agree with me to adjourn for 15 minutes, and then have a morning hour, when this report can be filed. Under the rules, it would lie over for a day before the Senate could consider it. Following that, I have agreed with the distinguished Senator

from New Mexico [Mr. CHAVEZ] to take up the flood-control bill. He assures me that it will not take more than 2 hours, in his opinion, and that if it takes longer than that, he will be willing to have it laid aside. I have also discussed with the senior Senator from Ohio [Mr. TAFT] a bill in which we are all interested, and which should not take very long. If we can accomplish the passage of those two bills, we shall go into executive session and consider the executive calendar and probably dispose of Mr. Olds' nomination before the evening is over.

Mr. WHERRY. If there is to be a night session, does the majority leader intend now to set an hour for dinner, or will the Senate proceed right into the night session.

Mr. LUCAS. I think we shall have an hour for dinner.

Mr. WHERRY. At what time?

Mr. LUCAS. Around 7 o'clock. I want the Senator from Indiana [Mr. CAPEHART] to know that I am agreeing with him on a night session.

DISPOSITION OF CHART PREPARED BY DEPARTMENT OF AGRICULTURE

Mr. CAPEHART. I understand that.

Mr. President, I hold in my hand a chart which the able Senator from Oklahoma [Mr. THOMAS] had printed in the RECORD by unanimous consent. I want to say, first, that the able Senator from Oklahoma had absolutely nothing to do with the preparation of the chart. I find that the chart misrepresents the facts. It is a very deceptive chart, and I do not believe the Senate of the United States should have facts misrepresented to it by a department of Government.

I move that the chart be stricken from the RECORD and referred to the Department of Agriculture for a correction and a true statement of the facts.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. I do not see the Senator from Oklahoma on the floor at this time——

Mr. CAPEHART. I discussed the matter with the able Senator, and I am certain he has no objection to my motion. He had nothing to do with the preparation of the chart. He so stated when he placed it in the RECORD. The chart is so obviously incorrect that I feel that the true facts should be placed in the RECORD.

Mr. LUCAS. Mr. President, I do not know where the Senator from Indiana received his information with respect to this chart all of a sudden. It contains a great many figures.

Mr. CAPEHART. I talked for 10 minutes on the subject an hour ago.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. THYE. Mr. President, referring to one item in the chart, lambs and sheep, under the so-called Brannan proposal they represent $321,000,000. Under the Gore bill they are zero; under the Anderson bill they are zero, and under the so-called Aiken Act they are zero. Anyone endeavoring to study the chart to ascertain what it indicates and what message it endeavors to convey could not follow it, because it indicates that the whole agricultural economy with reference to sheep and lambs would drop out of existence under the Aiken Act, under the Anderson bill, and under the Gore bill, and would only appear in the agricultural economy under the Brannan program. Everyone knows that sheep and lambs are not going to disappear from the agricultural economy of the United States because of the failure of the Brannan plan to go into effect.

The VICE PRESIDENT. The chart referred to was placed in the RECORD by unanimous consent. There is no other business before the Senate except the motion of the Senator from Illinois, which is preferred. The Chair takes the view that the motion to strike from the RECORD is in order, if the Senator from Illinois yields for that purpose.

Mr. LUCAS. I yield for that purpose.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. THOMAS of Oklahoma. The data having been placed in the RECORD by unanimous consent, is it possible to get it out of the RECORD without unanimous consent?

The VICE PRESIDENT. The Chair is of the opinion that it can be stricken by a motion.

Mr. THOMAS of Oklahoma. If I may have the floor for a moment, I should like to say that when this matter came up we did not have very much information before the committee as to what the various bills would accomplish. There had been for some time some question as to what the Aiken bill would accomplish. It is not now in effect and will not become effective until the first of January, 1950. So that is an issue which is debatable. The bill which has just been passed, the so-called Anderson bill, was before the committee, and we did not know what it would accomplish if it became effective. The Gore bill has not been given much consideration on this side, so that we do not know very much about what it would accomplish if the Senate should pass it. So, in order to get some information as to what the Aiken bill would do if it became operative on January 1, to get information as to what the Gore bill would do, information as to what the Anderson bill would do, and information as to what the Brannan bill would do, we submitted a request to an economist in the Department of Agriculture. I placed in the RECORD the name of that economist. He has been in the Department for a long time. He is the only one I could find available to do the work at that time. I asked him to prepare a statement showing the effect of the bills upon the agricultural economy if either of them should become operative. He submitted to me a series of charts in response to my request. I shall be frank with the Senate and say that I do not know how to prepare a chart of that kind. It is an expert matter. It requires someone who is familiar with the various bills and can analyze them and prepare a chart of this character. I am perfectly willing for the Senate to order that the chart, consisting of four pages, be sent to the Department of Agriculture with the request that it be analyzed and a report thereon submitted for the benefit and information of the Senate. When we receive that information, with a formula under which the figures were arrived at, we can still have our own opinions.

The VICE PRESIDENT. Does the Senator from Oklahoma, under the circumstances, ask that the chart be eliminated from the RECORD with the request——

Mr. THOMAS of Oklahoma. No, Mr. President; I cannot do that.

Mr. CAPEHART. Mr. President, I made a motion that the chart be eliminated from the RECORD.

The VICE PRESIDENT. It can be done either by motion or by unanimous consent.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the chart be eliminated from the RECORD and that the Agricultural Department be directed to restudy the chart and to submit one to the Senate based upon what I believe the Department will agree are the facts.

The VICE PRESIDENT. Is there objection?

Mr. THOMAS of Oklahoma. I object to that request.

Mr. CAPEHART. Mr. President, I move that the chart be stricken from the RECORD.

The VICE PRESIDENT. The question is on the motion of the Senator from Indiana.

Mr. CAPEHART. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Kentucky [Mr. CHAPMAN] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Idaho [Mr. TAYLOR] is a member of the committee appointed to attend the funeral of the Honorable Bert H. Miller, late a Senator from Idaho, and is therefore necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mrs. SMITH] are detained on official committee business.

The result was announced—yeas 29, nays 43, as follows:

YEAS—29

Aiken	Hendrickson	Millikin
Baldwin	Hickenlooper	Mundt
Brewster	Ives	Saltonstall
Bridges	Jenner	Schoeppel
Cain	Kem	Taft
Capehart	Knowland	Thye
Donnell	Lodge	Wherry
Ecton	McCarthy	Wiley
Ferguson	Malone	Williams
Gurney	Martin	

NAYS—43

Anderson	Humphrey	Maybank
Chavez	Hunt	Morse
Connally	Johnson, Colo.	Murray
Cordon	Johnson, Tex.	Myers
Douglas	Johnston, S. C.	Neely
Downey	Kerr	O'Conor
Ellender	Kilgore	O'Mahoney
Fulbright	Leahy	Robertson
George	Long	Russell
Graham	Lucas	Thomas, Okla.
Green	McClellan	Thomas, Utah
Hayden	McFarland	Watkins
Hill	McKellar	Young
Hoey	McMahon	
Holland	Magnuson	

NOT VOTING—23

Bricker	Gillette	Sparkman
Butler	Kefauver	Stennis
Byrd	Langer	Taylor
Chapman	McCarran	Tobey
Dulles	Pepper	Tydings
Eastland	Reed	Vandenberg
Flanders	Smith, Maine	Withers
Frear	Smith, N. J.	

So Mr. CAPEHART's motion was rejected.

Mr. LUCAS. Mr. President, I move——

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. LUCAS. I yield for a question.

Mr. DONNELL. I wanted to ask the Senator, as a member of the Committee on Agriculture and Forestry, whether or not he recalls that some weeks ago in that committee the chairman of the committee inquired, in substance, how many of the members wanted to consider the Brannan plan this year as a long-range price-support plan, and that no member of the committee, unless possibly the chairman, voted in favor of considering the Brannan plan this year?

Mr. LUCAS. I cannot answer the question because it is very possible that the Senator from Illinois was not present at that meeting. I regret to say that I have not been able to attend, I presume, more than one-third of the meetings held by the Committee on Agriculture and Forestry this year, because of the responsibilities I have as majority leader. I cannot answer the question.

Mr. DONNELL. May I have unanimous consent to ask that question of the chairman of the committee?

Mr. LUCAS. If the Senator is not going to get into a long discussion over the matter.

Mr. DONNELL. I should merely like to ask that question.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri that he be permitted to ask the chairman of the committee the question?

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. Is there objection?

Mr. CHAVEZ. Yes; I object.

COMMUNISM IN FRANCE

Mr. LODGE. Mr. President, will the Senator from Illinois yield to me?

Mr. LUCAS. I yield.

Mr. LODGE. Mr. President, for the past 2 years Members of the Senate in conversation with me have raised the question of the strength of the Communist Party in France. They very rightly felt that France was the nucleus of western Europe and that with a strong France good results could be expected and that without a strong France success was practically impossible.

It always seemed to me that the belief of so many Senators that this subject was of great importance was well justified. Therefore, on my recent trip to Europe I made a special study of the extent of the power and influence of the Communist Party in France. I would like today to present my findings to the Senate on that subject, but I do not wish to inflict a lengthy speech on Senators in these closing hours, and I, therefore, ask unanimous consent that the statement I have prepared may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

When the German armies were driven from the major portion of French soil in the latter part of 1944, and French political life stirred anew after the torpors of occupation and the exasperations of exile, the French Communist Party, emerging with a fine resistance record and a tight-knit organization in a period of ideological and economic weakness and confusion, launched its drive for power. Like its affiliates in other European states, it appears from the start to have been guided by this Russian directive: to transform the country by nonrevolutionary means into a Soviet instrument or, failing this, to render it a weak and ineffective friend to the United States.

The Communist drive for power in France followed three main lines, which, if they are not always clearly distinguishable one from the other, form a convenient method of study, namely, politics, labor, and public opinion.

Communist power and influence in France have declined notably, though in different degrees, in all these three fields. It is not possible exactly to assess the degree to which American aid has contributed to this decline, nor to relate the timing of the major American efforts in the economic and political fields with corresponding losses in Communist strength. But in that part of today's world which lies beyond the Soviet orbit, history (and the logic thereof) are being fashioned in large part by the action or inaction of the Government and people of the United States.

I. DECLINE OF THE COMMUNIST PARTY IN THE POLITICAL LIFE OF FRANCE

The first national elections held after the liberation of France showed that one-quarter of the votes cast went to the Communist Party or its crypto-Communist affiliates. This percentage has been maintained on the whole since that time, rising to 28.6 percent in 1946, and declining to 23.5 percent in 1949. These figures taken by themselves do not indicate the degree in which the Communist Party has lost influence and power in French political life. This decline is very real.

The participation of the Communist Party in coalition French governments with parties stretching from the Socialist to right-of-center, and corresponding collaboration with bourgeois elements on the municipal or cantonal level, was normal operating procedure in the years following liberation. This standard Communist technique gave promise of being most fruitful in France, where the party enjoyed the great prestige growing out of the resistance where it was not generally suspected of being other than a patriotic group, where it enjoyed the controlling voice in the principal labor confederation, and where it received the votes of one-quarter of the electorate.

In 1946 at the peak of its power, the Communist Party received 28.6 percent of the popular vote in the national elections which sent 182 Communists or affiliates to the First National Assembly, representing 29.5 percent of the 621 deputies elected. The Communist hold on the life of the country was even greater, in view of their de facto control of French local politics in the principal large cities and larger towns either under their own name or in the disguise of front organizations with a resistance label. In the composition of the Government itself it enjoyed such powerful portfolios as the vice presidency of the Council and the Ministries of industrial production, armaments, labor, and war veterans. It is customary in French political life with its multiple party system and kaleidoscopic aspect of the division of portfolios, for ministries to be headed by a succession of Cabinet members belonging to different parties. While each Minister follows party policy insofar as he can, the administrative departments as a whole carry through year after year on a fairly even keel. To the Communist Party, however, the possession of a portfolio was the signal for what came to be known as colonization, where throughout the executive department concerned Communist militants were placed in key jobs or the advancement of fellow-travelers was stimulated. Not only was the policy of the whole executive department shaped toward Communist ends but every ounce of patronage was squeezed out and distributed on a national basis to add to the power and popularity of the Communist Party. For example, when the Communist militant, Marcel Paul, occupied the Ministry of National Production and held in his hands the power to give or withhold to this industry or that, this manufacturer or that, the machine tools, fuel, or raw materials necessary for its continued existence, I am advised that it was a common practice in France for arch-conservative industrialists to make huge contributions to the Communist Party chest in order to keep the wheels of their plants turning. Similarly in farming communities it was the Communist or fellow-traveling farmer whose application for a tractor received immediate consideration which placed him not only in a favored economic position but permitted him to plow his less fortunate neighbors' fields in return for their vote at the next election. The Communist Minister of Labor made effective use of the machinery available to him to favor the ascendancy of the Communist majority in the General Confederation of Labor, which dominates the labor field, and in French labor life generally. Communist veterans' organizations became instruments of the Government when Comintern-trained Casanova held the Ministry of War veterans and controlled the allocation of pensions and bonuses. The penetration of Communist physicians was favored when the party held the Ministry of Health, and great power was wielded by the veteran Comintern agent, Tillon, when he occupied the portfolio of reconstruction. In addition, fear of the expanding power of the Communist Party caused even non-Communist Government officials to avoid antagonizing the party. Examples can be multiplied but the above, taken together with a similar activity on the local and cantonal level, should suffice to indicate the immense power and degree of

penetration in various aspects of the national life which participation in coalition governments brought to the Communist Party, and which came to an end only a little over 2 years ago when, in May 1947, the Communists were excluded from the Government.

The reasons behind this exclusion were technical and obscure. The other coalition parties stiffened on a minor point, involving the rebellion in Madagascar, the Government fell and was reformed without Communist participation. It is certain that the Communists expected to return to the Government with increased powers within a few months. It was indeed a perilous prospect to exclude from power a party which controlled the most powerful labor federation and through it the theoretical power to paralyze the industrial life of the nation, and the Communists set about to create the conditions which would force their return. Throughout the summer of 1947 they laid the groundwork for the great political strikes that were to follow in the autumn, and many highly qualified observers gloomily predicted that they would succeed.

The summer of 1947, however, was marked by a juxtaposition of external and internal events which were to alter these predictions, consolidate the permanent departure of Communists from the Government and lead to their increased isolation in French political life. In June, General Marshall announced at Harvard the broad outlines of the plan which bears his name, and a month later the Soviet Government, drawing its reluctant satellites in its wake, refused to participate in the organization of European nations destined to benefit from United States economic aid. That same month saw the definite refusal of the French Socialist Party to accept fusion with the Communists, which was one of the principal aims of the latter in its drive for a monopoly of the French working classes. Finally, in the municipal elections of October the Communists lost the control of a third of the local governments (including those of the seven principal cities of France) which they had enjoyed since the liberation. The strike wave of November 1947 (as well as that of December 1948) was a failure and the non-Communists wing of the CGT split off and formed a separate national labor federation. France was well on the way to showing to itself and to the world that it could be governed without the Communists, even if it could not yet be governed against them.

From the liberation until the Communist exclusion from the Government in May 1947 France was largely governed by the three major left-wing parties: Communists, Socialists, and Popular Republicans, which formed a majority in the Chamber.[1] The departure of the Communists required the Socialists and the Popular Republicans to find a majority by searching rightward beyond the center to include a series of small parties whose support was necessary for a majority but whose political and economic tenets required careful compromises. No doubt the Communists counted on the instability of this majority (which was further accentuated later on by the creation of the dissident Gaullist group among deputies drawn from Government parties) to hasten their return to power. But the unscrupulous and demagogic tactics of the Communist deputies acting as the opposition tended so to isolate them in the Parliament that except for the Gaullist intergroup, non-Communist deputies preferred on critical issues to vote for a government of which they disapproved rather than to associate themselves in the negative vote with the Communists, whom they abhorred. Thus the Communists whose assent had previously been required for the most simple measure now found themselves not only excluded from the drafting of laws but in a position where their opposition actually tended to consolidate the Government majority. This has been particularly true in recent months where the Government has on several occasions been able to call for a "national vote" in the Assembly and where, as in the case of the Atlantic Pact debate, no negative votes were cast except those of the Communists and their small satellite fringe.

We have seen the great loss of Communist power which accompanied the removal of Communist ministers from the executive department, and the impotence and isolation in legislative matters which was a concomitant of their move to the opposition in Parliament. There remain, however, two questions which puzzle the average foreigner: Why do the Communist still occupy 182 seats (29.5 percent) in the National Assembly; and why do roughly one-quarter of the French electorate continue to vote Communist?

The answer to the first question is relatively simple. The present composition of the Assembly was established in the national elections of 1946, and the number of Communist deputies will remain the same until the next national elections, which are not scheduled until the fall of 1951 unless the Parliament (which seems less and less likely) dissolves itself in the meantime.

The answer to the second question is more complex and has its roots in the unresolved social conflicts and unsatisfactory class relationships which grew out of the industrial revolution. The French industrial workman, steeped in the Marxist dogma of class struggle, traditionally will not vote for a bourgeois party. The Communist Party, in its drive to monopolize all phases of the activities of the industrial proletariat, has shown great ingenuity, vitality, and dynamism in making itself out to be the sole political vehicle of the workingman. In this it has been assisted by the old-fashioned leadership of the French Socialist Party, which has tended more and more toward the incorporation of elements and doctrines which the workingman regards as bourgeois. The average French industrial workman therefore has felt that his only choice was voting Communist or not voting at all. Politically speaking, he felt that he had nowhere else to go. The rest of the large Communist vote is made up partly of agricultural laborers and the discontented or disinherited persons of all classes to whom the Communist Party has posed as the salvation of their woes. The heart of the Communist vote, however, comes from the industrial working class.

II. THE COMMUNIST PARTY AND LABOR

The Communist-controlled General Confederation of Labor (CGT) has been the principal instrument of Soviet Russia in its efforts to win power in France and, failing this, to prevent the reconstruction of the country.

During the period from 1947 onward, the CGT has been ruthlessly exploited as a transmission belt for Communist propaganda among workers against all measures for French (and European) reconstruction and defense. The Marshall plan and the Atlantic Pact have been the main targets of CGT propaganda. The CTG unions have been utilized for the organization of large-scale strikes intended to disrupt French economy, as in the fall of 1947 and 1948, and for thousands of less spectacular but effective local strikes that have checked production and recovery.

This major instrument of Soviet social warfare in France is still the strongest single labor organization in France. It is still capable of exploiting the resentment of low-wage workers and converting trade-union actions for wage increases and other social concessions into political movements intended to weaken the country and offset American aid.

On the other hand, the CGT has admittedly suffered enormous losses since the beginning of 1947, dropping from a membership of nearly 6,000,000 to a low point of about 2,300,000 in early 1948 and rising since then to perhaps 3,000,000. During the political (Communist) strikes of the fall of 1947, the bulk of the non-Communist leaders and forces in the CGT withdrew and a large percentage of those who seceded formed a new national labor organization, called CGT Force Ouvrière (FO).

In the large-scale strike movements of the fall of 1948, the CGT was forced by Soviet orders to continue strike action to the last possible moment, irrespective of the effect upon the participating unions. The result was that further heavy membership losses were suffered and the lower-rank Communist labor leadership who protested the last-ditch tactics employed were removed from trade-union office.

Since the beginning of 1949, the Communist CGT has succeeded in recovering some of its membership by resorting to the tactics of unity of action with competing non-Communist unions on the level of the local unions (individual plants). Communist local labor leaders are instructed to make every effort to organize joint meetings with non-Communist labor leaders in the same plant and to present joint demands upon employers for improvements in working conditions while avoiding political slogans that might antagonize non-Communist workers. The Communist objective is to develop joint actions of this character to the point where the Communist and non-Communist national unions (in various industries) will undertake united action in the fall, by strikes and other methods. Once a large-scale strike movement is under way, the Communists will endeavor to convert it into a political strike against the Government and against European cooperation.

Opposing the Communist program, the CGT Force Ouvrière (FO) effectively attacked the political strike of the fall of 1948 and denounced the unity-of-action tactics of the Communist CGT. FO membership has grown to about 1,000,000 and it represents the single most important labor force fighting to break the Communist hold upon French labor. Its influence is well in excess of its membership and is reaching into the unorganized workers of France, who outnumbered total membership in all unions.

The CFTC Labor Confederation, predominantly Catholic, numbers about 750,000. It is anti-Marxist and claims to have won over a substantial following from former CGT members during the past year.

Other important national labor organizations include the technicians (CGC) and the teachers. Many hundreds of autonomous labor organizations also exist in France.

The presence in Europe of American trade-union representatives has greatly stimulated the struggle of non-Communist labor organizations to regain control of the working class from the Communist Party. A major activator of anti-Communist labor movements in Europe has been the A. F. of L., acting through its European representative, Irving Brown. American labor representatives in the various ECA missions in Europe have been a useful contributing factor to the growing strength of labor resistance to Communist domination of trade-unions.

One of the most important defeats of the Communists in Europe has been the split-up of the WFTU in January 1949. The British, American, and non-Communist European trade-unions withdrew from the WFTU and are planning the organization of a new non-Communist International Federation of Trade Unions in November 1949.

In France the fight to destroy the Communist dominance over trade-unions, the working-class press, their political control

[1] Except for the all-Socialist government of Léon Blum, which by mutual consent ruled France for 6 weeks before the promulgation of the Fourth Republic.

of key working-class municipalities and industrial regions, such as the coal basin of the north, is being actively waged. Remarkable progress has already been made in this arduous task, but even greater and continuing efforts in the field of anti-Communist labor organization is planned and is necessary, based upon sound labor policies of government and industry.

III. THE COMMUNIST PARTY AND PUBLIC OPINION IN FRANCE SINCE THE WAR

The total strategy of the Communist Party in western Europe during the occupation, and at the time of and immediately following the liberation, included the planning and the execution of measures designed to achieve control of the public media of information in support of the party's long-term political and social objectives.

By a series of shrewd and often illegal moves under the guise of patriotism and of the punishment of collaborators, the Communist Party in France, floating on a tide of social confusion and thirst for renovation, obtained control overtly or indirectly of a considerable proportion of the French press, news agencies, and radio. Where it was not feasible to seize or acquire outright newspapers, newsprint, and printing presses, the party saw to it that its members and sympathizers were placed in strategically important positions, where they could operate most effectively to poison public opinion against all opposition to Communist policy, and to identify in the public mind all attempts to reconstruct the traditional French free democratic system with efforts of collaborationists to repair their influence.

Already in 1945 the Communist domination of the public media of information was resulting in the spread of systematic distortions, lies, slanders and accusations against the United States, to which we have long since become accustomed from Communist organs.

It is against this background that the resistance of French public opinion to this powerful attempt at total subversion must be assessed, and that subsequent progress toward emancipation from Communist control of the press, news sources, and radio must be measured.

It may be said that, today, Communist control of nonparty, or identifiable fellow-traveling organs, has been reduced to the point where it can no longer be said to exert anything like a determining influence on French political opinion.

The slow, often halting, but nonetheless constant progress of the French reaction to Moscow-inspired or dictated propaganda has resulted in the retrenchment of Communist propaganda behind its official fortresses. This does not mean that this propaganda, amply financed and playing on the weaknesses and susceptibilities of French emotions and traditional prejudices, has been disarmed; nor that it is incapable of moving, for short periods of time and on specific issues, wide and deep areas of French thought and opinion. But these short and much publicized successes do not possess that cumulative quality, that growing and dynamic appeal, which is the condition of successful political and social propaganda.

Even when the chord of the passionate desire for peace of the French people is made to vibrate by artificial and ruthless stimulation, its echoes transcend the origin of the vibration, and the French people, in overwhelming proportion, have shown that they have not been fooled. In spite of all the enticements and blandishments of Communist peace propaganda, the French people see today more clearly than at any other period since the war, that the Soviet Union threatens their security and that the French Communist Party is its tool.

For all its efforts, the Communist Party has been unable to prevent the emergence of heresy in France, just as, on a much larger plane, the Soviet Union has been powerless to prevent the emergence of the political heresy of Tito.

The traditional French revolutionary left, which was, after the liberation, submerged by the appeal and the dynamism of Communist propaganda, has, in recent times, shown signs of recovering its identity and vigor. It is no accident that the bitterest foe of the leading Communist newspaper, l'Humanite, is not the conservative Figaro, but rather the independent leftist Franc-Tireur, which not only survived, in October 1948, a violent internal upheaval precipitated by the Communist members of its staff, but by now has succeeded in outselling l'Humanite in the suburban industrial districts of Paris. Hardly a day passes without vitriolic articles against Frank-Tireur appearing in l'Humanite, and the inability of these diatribes to cripple Franc-Tireur is an encouraging indication of the reduced power of the Communist punch. The increase in the vigor and confidence of the French traditional left is itself an expression of the resurgence of French nationalistic feeling, at the expense of the ideological and theoretical appeal of world communism. These factors suggest, moreover, that the vitality and potential improvement of the French resistance to Communist encroachment have been unduly obscured by the continuous political, social, and economic problems which have faced French governments since the liberation, and still do today.

Reference has been made to l'Humanite, which may be said to provide us with a barometer of the political propaganda power of the Communist Party in France. An analysis of the fortunes and degree of pull of this paper in recent times is, therefore, not without interest.

The daily newspaper l'Humanite is the key publication of the Communist Party in France. It is in l'Humanite, which carries articles by the top French Communist chiefs as well as by crack party editorialists, that the Communist daily propaganda effort is concentrated, and it is this paper which sets the pace and tone for the provincial Communist press. The rise and decline of l'Humanite reflects and illustrates in certain respects the postwar fortune of the Communist Party in France.

In parallel with the heavy postwar swing to the left in France as illustrated by the spring elections of 1945, the daily circulation of l'Humanite steadily increased until it reached 526,000 in November 1945. It leveled off at that point, but throughout 1946 and 1947 l'Humanite's circulation averaged well above 400,000; in December 1947, following the fall strikes, it stood at 481,000. However, the figure dropped below 400,000 during the first half of 1948, and from July 1948, when it stood at 386,000, the circulation has steadily declined until in June 1949 it touched 252,000, the lowest point since the liberation.

It might be argued that the falling circulation of l'Humanite is merely a reflection of the trend of the press generally. It is true that the increased sales price of papers as well as the general rise in the cost of living have forced the French public into buying fewer newspapers, and the fate of l'Humanite has been that of many non-Communist papers in France. But let's look at the exceptions: Although only four Paris dailies (France-Soir, Parisien-Libere, Figaro, and Aurore) showed increasing circulations during the first 6 months of 1949, each of these is an anti-Communist paper which takes an objective and usually sympathetic attitude toward the United States and its policies. During this same 6-month period, l'Humanite, and its afternoon team mate, Ce Soir, suffered the heaviest losses in circulation registered by any paper in the Parisian press.

A striking example may be cited of the diminishing effectiveness with which l'Humanite exercises its influence on the French public. L'Humanite has long served as one of the principal instruments whereby the Communists announce and whip up public enthusiasm for the mass rallies and demonstrations for which they are so fond. The success it long enjoyed in this direction only serves to emphasize the dismal failure suffered when the recent attempt was made to stage a demonstration on the occasion of the visit of General Bradley and the United States Joint Chiefs of Staff to Paris.

Throughout their trip to Europe and before their arrival in Paris, the Joint Chiefs of Staff were the target of l'Humanite's impassioned attacks which pictured the trip as part of American war preparations. The public was offered such choice propaganda morsels as the assertion that, among other things, the JCS were in Europe to see to the resurrection of the Nazi army for such use as the "American imperialists" might care to make of it.

After running this and similar temper-teasers, l'Humanite on Wednesday, August 3, devoted a large part of its front page to calling on the people of Paris to express their desire for peace by assembling the next Friday afternoon for a demonstration on the Place de la Concorde before the American Embassy. Again on Thursday and Friday mornings, August 5 and 6, l'Humanite sounded the assembly by way of heavily headlined appeals. Other Communist and crypto-Communist papers joined in, and the publicity build-up reached such heights that the French authorities thought it necessary to have several thousand police on hand.

Compared with the effort expended and the results expected, the Communist demonstration was, in the words of the Socialist daily, Populaire, "such a complete failure that it surprised everybody." The Moderate, influential daily, Le Figaro, declared that "rarely have Communist orders been so little followed," while the Independent Rightist Aurore stated that "it would be necessary to go far back into the history of the Communist movement to find such a fiasco."

During the postwar period and until recently the Communist press had a clear field in disseminating the party line in the rural areas. Their instrument in this direction has been La Terre, a weekly whose 252,000 circulation places it near the top figure of the French weekly political press.

It was not until June 11 of this year that La Terre's supremacy in rural France was challenged; that date marked the appearance of La Terre Nouvelle, an agricultural weekly designed to combat Communist influence and to present French farmers with an objective, sympathetic viewpoint with regard to the policies of the French Third Force government, including the Marshall plan.

While it is too soon to predict the complete success of the new venture, the first reports on the circulation of La Terre Nouvelle are highly encouraging.

In the case of radio and the French Press Agency, both of which are under French Government control, the Communist game has been to beat a slow retreat, to yield where the pressure was too great, but to retire to prepared positions and infiltrate where possible. While the situation is still admittedly unsatisfactory with regard to the number of Communists or Communist sympathizers who are employed by the French Press Agency and the French Radio System, it is becoming increasingly harder for these guerrillas to affect, much less to control, the presentation and interpretation of current events in a sense favorable to the Soviet Union and the party.

It is also to be noted that communism is virtually non-existent in the French Army today. During the strikes of 1947 and 1948, when the French Army was called out, any communism would have revealed itself. The record shows that the conduct of the French Army was completely satisfactory.

In conclusion let me say that I have not tried to make any exaggerated statements. The evidence indicates that communism in France has been stopped, and is on the decline. Of course in my view it is not enough to develop effective tactics to stop communism. I think there must be constructive statesmanship which actually effects a permanent and fundamental change, solves the problems which harass suffering humanity and leaves something definite and vastly better than what it first found. I hope and believe that this statesmanship is evolving.

ADJOURNMENT

Mr. LUCAS. I move that the Senate adjourn until 3:25 p. m. today.

The motion was agreed to; and (at 3 o'clock and 14 minutes p. m.) the Senate adjourned until 3:25 p. m. today, Wednesday, October 12, 1949.

Legislative day of Wednesday, October 12, 1949

The Senate met at 3 o'clock and 25 minutes p. m., in accordance with the order previously entered.

The VICE PRESIDENT. In the absence of the Chaplain, the Chair asks the Senate to join him in a brief word of prayer.

Lord, in these days of uncertainty we ask for and thank Thee for the boon of Thy guidance and direction. Endow us with wisdom and light to see the path of our duty, and courage to keep our feet within it. Amen.

Without objection, the reading of the Journal will be dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

INCREASE IN RATES OF COMPENSATION OF CERTAIN EMPLOYEES OF DEPARTMENT OF MEDICINE AND SURGERY, VETERANS' ADMINISTRATION—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Post Office and Civil Service, as follows:

To the Congress of the United States:

I have today approved H. R. 6022, "to increase the rates of compensation of certain employees of the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes."

This legislation has been under consideration by the Congress concurrently with other legislation to revise the Classification Act of 1923. The revision of the Classification Act would establish new salary schedules for medical and nursing positions in other Government agencies which are comparable to the positions in the Veterans' Administration covered by H. R. 6022.

It is desirable to revise the existing salary schedules for these positions both in the Veterans' Administration and in other agencies. However, it now appears that the salaries to be provided for positions of this type under the revision of the Classification Act will be substantially lower, in some instances at least, than the salaries provided for comparable positions in the Veterans' Administration under H. R. 6022. It would be most unfortunate if the final action on these related pieces of legislation should result in any such discrepancies. Consequently, I recommend that the Congress, in completing its action on the revision of the Classification Act, make the rates contained in that legislation applicable to the positions covered by H. R. 6022, except for the position of Chief Medical Director of the Office of Medicine and Surgery of the Veterans' Administration. This course of action is concurred in by the Administrator of Veterans' Affairs and by the Civil Service Commission. I recommend its favorable consideration by the Congress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 4567. A bill to amend the Displaced Persons Act of 1948; without recommendation (Rept. No. 1163).

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 5674. A bill to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.; without amendment (Rept. No. 1164).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

H. R. 5305. A bill to increase the retired pay of certain members of the former Lighthouse Service; without amendment (Rept. No. 1165).

By Mr. WILEY, from the Committee on Foreign Relations:

S. J. Res. 135. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States; without amendment (Rept. No. 1166).

AMENDMENT OF DISPLACED PERSONS ACT—INDEFINITE POSTPONEMENT OF RESOLUTION

The VICE PRESIDENT. Without objection, Senate Resolution 160, to discharge the Committee on the Judiciary from the further consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which bill has just been reported, will be indefinitely postponed. The Chair hears no objection.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2674. A bill for the relief of Henry Reese;

S. 2675. A bill for the relief of Wei Yuan and S. T. Chang; and

S. 2676. A bill for the relief of Kimie Yamada Ina and her daughter, Ritsuko Ina; to the Committee on the Judiciary.

By Mr. LODGE:

S. 2677. A bill to provide for the relief of officers of the Naval Reserve who served as midshipmen at the United States Naval Academy prior to 1913; to the Committee on Armed Services.

By Mr. HUMPHREY:

S. 2678. A bill for the relief of Theresia Molnar; to the Committee on the Judiciary.

(Mr. DULLES introduced Senate bill 2679, for the relief of Alexander Czukor and certain other aliens, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

ELEMENTARY AND SECONDARY SCHOOL CONSTRUCTION—AMENDMENT

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 2317) to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes, which was ordered to lie on the table and to be printed.

WELCOME TO NEHRU—EDITORIAL FROM THE WASHINGTON POST

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Welcome to Nehru," published in the Washington Post of October 11, 1949, which appears in the Appendix.]

A TRIBUTE TO NEHRU—EDITORIAL FROM THE NEW YORK TIMES

[Mr. HUMPHREY asked and obtained consent to have printed in the RECORD an editorial entitled "A Welcome Visitor," published in the New York Times of October 11, 1949, which appears in the Appendix.]

SEPARATE BUT EQUAL—EDITORIAL FROM THE WASHINGTON POST

[Mr. HUMPHREY asked and obtained leave to have printed in the Appendix an editorial entitled "Separate But Equal," published in the Washington Post of October 11, 1949, which appears in the Appendix.]

DEPARTMENT OF NATURAL RESOURCES NECESSARY—ADDRESS BY HON. LESLIE A. MILLER

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD portions of an address on natural resources delivered by Hon. Leslie A. Miller at Wheeling, W. Va., October 10, 1949, which appears in the Appendix.]

SENATOR FERGUSON'S STATEMENT BEFORE THE INTERPARLIAMENTARY UNION CONFERENCE IN STOCKHOLM

Mr. FERGUSON. Mr. President, I have just received from Geneva a transcript of the statement which I made before the Interparliamentary Union Conference in Stockholm on September 8, at which time I was speaking as a delegate from the United States Senate and acting chairman of the United States delegation. I ask unanimous consent that

my remarks may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator HOMER FERGUSON (United States of America): I should explain at the beginning the reason for the absence of our delegation's chairman, Vice President of the United States ALBEN BARKLEY. He is unable to attend because the Senate of the United States is in session, and he is at present engaged in very important work both of a national and international nature. He may be called upon at any time to cast a deciding vote, which he has the power to do in the case of a tie in the United States Senate. He has taken a real place in this Interparliamentary Union because he, like other Americans, believes in the principles for which it stands, and I bring you his greetings.

We want also to voice our opinion as to the excellent report of the Secretary General to the people here assembled. I think in this general debate it may be well for us to take that report, take the facts from it, and ascertain if we can as members of Parliament do something about them, so that the next report will show progress, on the part of this Union, in world affairs.

I look upon this Interparliamentary Union, Mr. President, as being one of the great movements of the twentieth century. We are members elected by our people, and we are able to meet here and advocate things that are beneficial to the people as a world people. We have meetings of the executives of various nations, but I look on this group of delegates, who are in closest relation to the people in their respective electoral districts, as being, let us say, even more intimately representative of the people. The Parliaments of the world in their respective countries try to crystallize the ideals of the people in their laws. They believe that we should have governments which give law to the people. But we also as Members of Parliament—Members of Congress, as we are called in America—believe that governments should be based on the consent of the governed, and we are not unmindful as Members of Parliament of the fact that eternal vigilance is the price of liberty of the people.

We have in our respective parliaments grave questions demanding attention. First we have questions domestic to our own people. We have the question not only of the security of the individual, but of the right of the individual to think, to worship, to act, and to choose his occupation. Then we must not be unmindful of the fact that even when the people cry out for security we must not take away from them their liberties in order that we may promise them some security in the future. If there is one thing of which we as members of parliament must be careful it is that we carry out our promises to the people, that we do not make promises only for the purpose of election to our respective parliaments, but endeavor, having made the promise, to carry it out so that the people may ultimately benefit.

The same is true in the sphere of international problems. The line of demarcation between international and domestic cannot be strictly drawn. The one territory shades off into the other. What concerns your country as a whole also concerns your country in its world relationships. We as an organization want to try to accomplish peace. Peace is the great word. Our difficulty is that among the nations of the world we are unable to agree exactly as to what kind of peace we should have in the world. We agree that we should have peace, but we have difficulty in determining what that peace should be. There are some who believe in a peace secured by domination of a superior force, even by arms; but I believe that the American and other free peoples of the world believe that we should have a peace based on justice and that it must be universal. America at times has endeavored to stay out of war, believing that peace was divisible, and therefore that they could remain out. But they have discovered that peace is universal and indivisible and that they are part of the world and therefore must try to solve world problems.

I think that the world well knows that people cannot purchase peace with money; it must be obtained by the resolute will of the people through their representatives. We have solved many scientific problems. We can now fly from one country to another because we have solved the problem of taking an aeroplane heavier than air and flying through the skies. Many scientific problems have been solved by man, but what have we done to solve the economic and social problems? Let us take our position in the world today. Why have we been unable to solve the social problems? We who are members of these delegations should be social engineers, we should be social scientists, we should be trying to solve the problems and creating machinery that we can use to bring about peace. But in dealing with the minds and souls of men we are not as apt, not as successful as in framing laws or in solving physical and scientific problems. I hope that we shall give more time and attention as social engineers and social scientists to the solution of these great problems of peace and human relations the world over.

A parliament of one world is a great idea. Nothing could be better, if the people were equipped, back home, to accept a parliament of the world. But I ask you this today: Would your majorities and minorities care to accept laws made by this parliament of the world? If they are ready to accept them today then we are ready for a parliament of the world. But if the people back home in our respective nations will not accept them today then we must do more work back home before we can have a parliament of the world. We might, as the representatives of the people, here try to perfect the machinery that we have started in the United Nations, making that machinery work and help to solve the problems of peace in the world. We are in a way class A members of that organization. We have the right in the United Nations Organization to suggest legislation, and the full right of debate. There are problems there incapable of solution by the present machinery. The question of weapons has been shelved because they have found no solution. That is an example of one matter on which we as representatives of the people might work. Another important problem is freedom of information. We have been unable to draw up a compact in United Nations on the question of freedom of information. Why? Because there are still people who believe that the press, radio, and television should be controlled by the governments. That is a great problem on which we as representatives of the people should be working. Then there is the question of human rights, which we have started upon, but not yet solved. We must think of the people who do not have all the rights that we in America and you in your respective countries enjoy.

We have done a poor job on this question of peace. Let us look at the treaties we have made. My sources indicate that we have made some 8,000 treaties in past history. They were all to last forever, but the average duration of those treaties was only 2 years. A pretty poor showing. If the science of the world had following the same course we should not have been able to fly here, and we should not have the standard of living we have. I hope, therefore, that we shall do something about these great problems in the world.

My friends, there are those here today who feel that in the future we shall have to face the great problem of how to feed our people. Science will find ways of bringing the water down from the mountains onto the deserts that they may produce all the food that man requires. But will we, as the representatives of the people in government, be able to make a world that will be safe from aggression and insure to all the right to worship and to think and to choose? Will we be able to insure a real peace based on justice? We in America would like to leave with you this challenge, that we as representatives of the people take it upon ourselves from this day forward to attempt to do a better job back home and a better job when we come here, toward the solution of these great problems that are facing the people domestically at home and internationally the world over.

PROBLEMS OF SMALL BUSINESS

Mr. HUMPHREY. Mr. President, since I became a member of the United States Senate, I have become more and more aware of the plight of the American small-business man in his efforts to be recognized and to do business with the Federal Government. In an attempt to enlist assistance from the Military Establishment in this matter, on August 1, 1949, I wrote the following letter to the Honorable Louis A. Johnson, the Secretary of Defense:

AUGUST 1, 1949.

The Honorable LOUIS A. JOHNSON,
The Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: I am taking the liberty of writing directly to you concerning a very serious problem in the State of Minnesota, and I am sure in other States in the Midwest.

The problem I refer to is that of small business or small manufacturing firms obtaining and receiving a just and fair share of Government contracts. I, of course, refer in particular to contracts let by the National Military Establishment.

Every day of the week I receive letters, calls, and telegrams from businessmen in my State telling me that they find it literally impossible to share in the contracts which are being given out by our Government.

My concern over this problem goes deeper because of the passage of the unification bill. This bill, which by the way, I voted for and strongly supported, consolidates purchasing and procurement. I realize that the purpose of the bill is to eliminate waste and inefficiency and therefore was deserving of support.

However, with centralized purchasing and procurement there is always the danger that Government orders and contracts will go to the big bidders and to the big firms. In view of the tremendous sums of money which are being expended by the Federal Government, and in particular the National Military Establishment, a policy of purchasing from the large companies to the exclusion of the smaller firms, could have a serious effect upon our economy.

This administration has demonstrated its awareness of the problem of monopoly and the stranglehold that can come over our economy by big corporate business. The Democratic Party and this administration are dedicated to the advancement, development, and protection of small business. It appears to me that one way that this can be truly accomplished is through proper consideration of the small industrial firms in the letting of defense contracts.

This problem has perplexed me so long and I have had so much difficulty with it that I have been seriously contemplating bringing the entire matter before the Senate Committee on Expenditures in the Executive Departments. I am a member of this committee and as such feel an obligation to call for a complete and full investigation of pur-

chasing and procurement policies of Federal agencies. This, of course, does not apply to the National Military Establishment any more than to others. But with a budget the size of ours and with billions of dollars being expended for supplies, materials, and services, it is absolutely essential that the small-business community of America share directly in these purchases.

In order that I might have some definite information on the purchasing policies of the National Military Establishment, I wonder if it would be possible for someone in your organization to give me the following information:

1. The dollar amounts of contracts for purchases to contractors or industrial firms with the capitalization of $100,000,000 or more.

2. The dollar amounts of contracts for purchases to contractors or industrial firms with the capitalization of $50,000,000 to $100,000,000.

3. The dollar amounts of contracts for purchases to contractors or industrial firms with the capitalization of $1,000,000 to $50,000,000.

4. The dollar amounts of contracts for purchases to contractors or industrial firms with the capitalization of $500,000 to $1,000,000.

5. The dollar amounts of contracts for purchases to contractors or industrial firms with the capitalization of under $500,000.

If these categories are not suitable for classification of contracts and purchases; possibly you could give me some other form of purchase information that would indicate the share of purchases and contracts which is being awarded to that category of business that we commonly term "small business."

I should like also to have information as to the general location of the suppliers to the National Military Establishment. In other words, their locations as to the eastern, southern, central, western, or northern part of the United States.

I call your personal attention to these items because I know that I will receive satisfaction and prompt attention. I am looking forward to the opportunity of discussing with you in person this subject in detail. I wish to assure you of my fullest support and cooperation. I have some realization of the tremendous responsibilities and obligations of your office. I come to you as a friend and not as one seeking to bother you or to perplex you with unessential investigation or interrogation.

Sincerely yours,

HUBERT H. HUMPHREY.

On August 25, 1949, I introduced in the Senate the following amendment to H. R. 4146, the bill making appropriations for the military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950:

SEC. 634. (a) Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this act, and by making available or causing to be made available to purchasing and contracting agencies of the National Military Establishment information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this act.

(b) The Secretary shall appoint a special assistant to advise and assist him in carrying out the foregoing subsection (a). A report of all activities under this section shall be prepared and transmitted to the Congress as soon as practicable after June 30, 1950.

Mr. President, the Senate adopted my amendment by a unanimous vote.

Literally scores of communications have been received by me from small-business men in the State of Minnesota, asking specific questions as to the procedure to be followed to become eligible for Government contracts. Inasmuch as the Bureau of Federal Supply under the General Services Administration, and the Munitions Board are the major procurement agencies for the Federal Government, I requested answers to a series of questions from both of these agencies.

The following questions and answers were submitted to me by Mr. Clifton E. Mack, Director of the Bureau of Federal Supply:

BUREAU OF FEDERAL SUPPLY

Question. What is the Bureau of Federal Supply?

Answer. The Bureau, as a unit of the recently created General Services Administration, buys supplies, equipment, and materials used regularly by the executive agencies of the Government, including the military. It provides, therefore, a steady market for many types of businesses.

Question. Specifically, what types of things does the Bureau buy?

Answer. The Bureau regularly purchases over 3,000 different things which are in recurring use in Federal offices. These include such items as office equipment, supplies, cleaning materials, paints, foods of various types, carbon paper, fixtures, etc.

Additionally, the Bureau makes annual contracts, used by agencies throughout the Government, for over 40,000 different items. These range from fuel oil to precision instruments; from laboratory apparatus to chemicals, office furniture, machines, and equipment of all types.

Finally, the Bureau usually is engaged in purchasing for "special" programs authorized by the Congress. Currently, these include purchases of strategic and critical materials for the national stock pile, purchases on behalf of the Economic Cooperation Administration, and for the Chinese. Such purchases involve machines, tools, steel, lumber, raw materials, pharmaceuticals, and fabricated items of a wide variety.

Question. How can I find out exactly if the Bureau buys a product I make?

Answer. Simply by addressing a request to be put on the mailing list to Deputy Director, Purchase and Stores Branch, Room 7123, Bureau of Federal Supply, Seventh and D Streets SW., Washington 25, D. C.

Question. Then what happens?

Answer. By return mail you will receive a mailing-list questionnaire. This asks for information needed to establish the fact that you are regularly in your line of business. It also provides a list of all classes of items the Bureau buys. Fill it out completely; check the items you make or sell, and return the form as directed. Your application is then processed. If you are a qualified supplier, your name goes on the applicable mailing list. And when an invitation to bid is issued on an item you have indicated is in your field you automatically receive a chance to bid.

Question. Is all buying done on a sealed-bid basis?

Answer. With rare exceptions, specifically covered by law, all buying is on a competitive-bid basis. Every qualified supplier is enthusiastically invited to bid. All sealed bids are opened in public. (You can attend bid openings, of course.) The award goes to the lowest qualified bidder.

Question. What do you mean by "qualified" bidder?

Answer. A common sense definition suffices. It means a supplier regularly in the business and whose financial status and plant capacity are commensurate with the size of the order he is asking for.

Question. How about the small-business man? What are his chances?

Answer. Identical with anyone else's. If his plant and financial situation are sufficient to handle the order, and he submits the low bid, he gets the business.

Question. Suppose he feels he can bid on only part of an invitation?

Answer. He is free to bid on any part of an invitation—provided, of course, that is possible due to the nature of the item. The Bureau naturally will consider the interests of the Government in determining whether to make "split" awards.

Question. Does the prospective new supplier need a representative in Washington, or does he have to come to Washington?

Answer. Emphatically and unequivocally, no. The Bureau of Federal Supply has repeatedly stated that no representation is required in Washington, and no trips are necessary. The mailing list questionnaire is enough. The Bureau has never denied the rights of legitimate salesmen, and will be glad to see yours, so long as he is regularly a part of your organization. But no special representation is needed.

Question. Is all Bureau business done from Washington?

Answer. No. The attached list shows Supply Centers in the field. In addition to communicating with Washington, you are free to call on supply centers. The one nearest you will be glad to explain its operations and put you on its local lists. (You may acquire a list showing supply centers in the field by writing for the publication "How to Do Business With the Bureau of Federal Supply?"

Question. How do I get on mailing lists to sell to the Department of Defense?

Answer. Send particulars on your business to the Military Procurement Information Office, room 3-D-760, the Pentagon, Washington 25, D. C. That office invites you to write, wire, or call for procurement information.

Question. Are there any special tips or hints I should have in trying to sell to the Government?

Answer. None at all. The Government procurement agencies are as anxious to buy competitively from legitimate business as legitimate business is to sell. The whole philosophy of Federal buying is that healthy competition, with equal opportunity for all, is consistent with democratic principles and is most economical for the taxpayer.

Question. I've heard a lot about the terrific amount of red tape connected with selling to the Government and then in getting paid. What about this?

Answer. The organization of the procurement agencies of the Government is kept at the most understandable level possible—but it is to be remembered that Government buying is a vast business, to which many responsibilities are attached. Congress makes the laws. It says how the buying shall be done. The procurement agencies, first and foremost, stick strictly to those laws.

However, if you contact the agencies as outlined above, the red-tape rumor is dissipated because you do get invitations to bid, and if you are lowest qualified bidder, you do get business.

As for the payment procedure—again, the agencies handle taxpayer's money as directed by the Congress and with a scrupulous regard for the taxpayer's money. If you follow instructions exactly in submitting your bill,

the agency is glad to pay it rapidly, to take advantage of discounts.

Bureau of Federal Supply purchasing activities operate in a proverbial fish bowl. All necessary information on purchase transactions is available to anyone any time. The Bureau invites your questions, and solicits your desire to sell. The Bureau is interested in quality (adhering to its specifications) and in value (the best possible price). Those are the dominating factors in its determination as to where business goes.

MUNITIONS BOARD

Rear Adm. F. C. Denebrink, Director for Military Supply, submitted the following "Six steps for the businessman to follow when seeking to sell to the Department of Defense":

A. When procurement is the result of formal advertising and competitive bidding:

1. Find out which procurement offices of the technical services of the Army, bureaus of the Navy, and the Air Force purchase the products you manufacture or which you are interested in manufacturing. Army, Navy, and Air Force procurement guides listing purchased items and purchasing locations are available upon request. (From Department of Defense, Departments of the Army, Navy, and the Air Force.)

2. Follow notices of invitations to bid. Lists are obtainable on either a weekly or daily basis from privately published procurement information services. (Your local Chamber of Commerce, Trade Association or Public Library can furnish you with the list of publishers.)

3. Write appropriate procurement offices (as determined by step 1) requesting that you be placed on the bidders' lists to receive invitations to bid. Enclose catalogs, folders, or descriptive lists of your products. Also provide information on over-all set-up of subject concern, including financial statement, description of facilities, present number of employees, and other data which indicates your ability and capacity to produce. The more specific the information you send to the procurement offices, the more certain you can be of getting on all appropriate lists to receive invitations to bid.

4. Make certain that your company is considered by the Departments as a qualified bidder. The procurement offices will supply you with the official forms when necessary.

5. Enter bids on all invitations received, or notify the issuing offices that you are not in a position to bid. This will help to keep your name in the active files.

6. If you have any questions as to which procurement offices purchase your products, write, phone, or contact the Central Military Procurement Information Office, room 3D760, National Defense Building (Pentagon), Washington 25 D. C.; phone: REpublic 6700, Extension 75321.

The following pamphlets can be procured by writing to the Central Military Procurement Information Office, room 3D760, National Defense Building, Pentagon, Washington 25, D. C.:

A Guide for Selling to the United States Air Force.

Purchased Items and Purchasing Locations of the Department of the Army.

Purchased Items and Purchasing Locations of the Department of the Navy.

Index of Military Purchasing Offices.

Mr. President, I am sure that the information I have offered to the Senate today will be of aid to the thousands of small-business men throughout the country who desire to do business with our Government.

The VICE PRESIDENT. Morning business is concluded.

AID TO THE REPUBLIC OF KOREA

Mr. LUCAS. I move that the Senate proceed to the consideration of Senate bill 2319, a bill to provide aid to the Republic of Korea.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2319) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill.

ORDER OF BUSINESS

Mr. CHAVEZ. Mr. President, I should like to ask the Senator from Illinois a question. We are now considering a bill reported from the Committee on Foreign Relations. It is my understanding that that bill will possibly be disposed of in a short period. I ask the Senator from Illinois if after that bill is disposed of it is his purpose to take up House bill 5472, better known as the omnibus flood-control bill.

Mr. LUCAS. A moment ago I understood the Senator to say that he would like to take up that bill tomorrow. In the meantime I had agreed with the Senator from Ohio [Mr. TAFT] to take up Senate bill 2596, assuming that we complete consideration of the pending bill this afternoon. Senate bill 2596 is the bill relating to education and training of veterans under title II of the Servicemen's Readjustment Act. I do not believe there will be very much difficulty over that bill.

Mr. CHAVEZ. After the Senator gets through with the commitment which he has made with reference to the bill of the Senator from Ohio, could we not take up House bill 5472 tomorrow?

Mr. LUCAS. We shall try to get the Senator's bill out of the way either this afternoon or tomorrow.

Mr. WHERRY. Mr. President, I wish to ask a question of the majority leader. I do not wish in any way to make it appear that I am trying to extract a commitment from him; but several Senators would like to know definitely, if they can, whether it is the intention of the majority leader to have the Senate take up the executive calendar when the Senate reconvenes this evening, at whatever time that occurs, and then proceed to consider the Olds nomination, regardless of what the status of the legislative calendar may be.

Mr. LUCAS. The Senator from Nebraska correctly understands the situation.

Mr. WHERRY. So, after the recess is taken this evening, when the Senate reconvenes at a later hour in the evening, the Olds nomination will be taken up by the Senate, regardless of anything else; is that correct?

Mr. LUCAS. Yes.

Mr. WILEY. Mr. President, let me inquire if that means that there will be a night session this evening.

Mr. LUCAS. Yes; there will be a night session this evening.

Mr. WHERRY. I so understand. I thank the Senator from Illinois.

AID TO THE REPUBLIC OF KOREA

The Senate resumed the consideration of the bill (S. 2319) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea.

Mr. CONNALLY. Mr. President, I wish to say to Senators that if we can have full attention given to this bill, I do not believe its consideration will consume much of the time of the Senate, because the bill was very thoroughly considered by the Foreign Relations Committee, after exhaustive hearings, at which testimony was received from our representatives who have been in Korea. They completely satisfied the committee as to the desirability of the enactment of the bill, so much so that the bill has now been reported to the Senate.

So, Mr. President, I rise to urge the enactment of Senate bill 2319, a measure to provide economic assistance for the Republic of Korea. That is the recommendation of the Committee on Foreign Relations. Action on this matter is urgent because funds for Korean aid have expired, and without such funds south Korean recovery will be impaired and the interests of the United States and of world peace will be adversely affected. I may add at this point that within the last day or two there has been an appropriation of $30,000,000 for interim aid, but it does not remove the necessity for the enactment of this bill.

The bill before the Senate authorizes $150,000,000 to be used to supply Korea with essential relief and to help that country establish a sound economy. This bill is only an authorization bill; it is not an appropriation bill. After this bill is enacted, the appropriation will, of course, have to be dealt with by the Appropriations Committee. The proposed sum is made up of $125,000,000, requested by the President on July 12, and another $25,000,000, included on June 29 as a budget estimate for Korean requirements during July and August 1949. The bill directs the RFC to advance sums not in excess of $50,000,000, to be repaid out of appropriations hereafter made pursuant to the authorization. Chief responsibility for administering the aid program is placed in the Administrator for Economic Cooperation. That is Mr. Hoffman, who is Administrator of the Economic Cooperation Administration.

Finally, in order to hasten the development of marine production, which is an essential part of the Korean economy, the Administrator is authorized to make available to the Korean Republic not more than 10 vessels, each of 2,500 gross tons or less. The marine industry is of the highest importance to Korea, not alone for her own food requirements, but also for her exports. Marine production is one of Korea's chief industries.

The program thus contemplated is modeled upon the economic recovery program of western Europe, and has the same general objectives of bringing about

political stability through economic stability The situation, which this aid is designed to correct, is exceptional and acute. Senators will bear with me, I am sure, when I remind them of some of the important considerations in the case. At the Cairo Conference in 1943, and at the Potsdam Conference in 1945, Allied leaders promised Korea her independence. When the Japanese were defeated, an arbitrary line was drawn along the thirty-eighth parallel, for the purpose of accepting the surrender of the Japanese troops. The area north of that line was occupied by Soviet troops, the area to the south by United States troops. On August 15, 1948, a little more than a year ago, the Republic of Korea, after a free and democratic election, supervised and conducted under the auspices of the United Nations, became an independent state, after nearly half a century of Japanese rule.

The thirty-eighth parallel frontier was intended to be only temporary. It was generally recognized as having no basis for existence except in momentary expediency Yet today that parallel splits Korea into two parts, and for all purposes is the boundary between the communistically controlled north Korea and the democratically created Republic of South Korea. It divides the economic entity of Korea into two truncated sections in a completely unnatural way. This temporary and entirely artificial boundary line still remains because of Russian intransigeance during 2 years of fruitless efforts by the United States to bring about Korean unification.

When it became apparent that the United States and the Soviet Government could not find a mutually agreeable formula for the unification of Korea, the matter was referred to the United Nations. It, too, failed to achieve unification, but nevertheless conducted an election in South Korea on May 10, 1948, in which the overwhelming majority of the people voted to establish a democratic Republic of Korea in their part of the country.

From 1945 to the present time the United States has maintained relief in South Korea in order to prevent disease and unrest. Funds allocated to the Army for government and relief in occupied areas have been used for this purpose. On January 1 of this year the Army transferred all economic aid for Korea to ECA. The last appropriation for this purpose expired on July 1 of this year. I modify that statement by saying that within the last 2 or 3 days a deficiency appropriation of $30,000,000 was made on that account.

It is against this background that we must evaluate the President's request for $150,000,000 for the fiscal year 1949–50 to provide minimum aid for the Republic of Korea to permit it to continue its progress to economic recovery.

As already indicated, the United States has from the beginning favored a united independent Korea, and we have given our wholehearted support to the United Nations in its efforts to achieve unification. In many quarters, the Republic of Korea, containing two-thirds of the population of the country, is looked upon as the creation of the United States. What the United States does or fails to do in Korea has a greater importance for our foreign policy and our position abroad than may at first be apparent. With China being overrun by Communist forces, the Republic of Korea is not only one of the few bastions left in the Far East, but the success of our program in that Republic is being carefully watched by all far-eastern people. We can neither withdraw nor diminish our constructive efforts in Korea without the danger of having such action construed as the abandonment of our friends in India, the Philippines, and elsewhere in the Far East.

In the light of these considerations, section 2 of the bill quite properly states that—

> It is hereby declared to be the policy of the people of the United States to continue, on terms consonant with the independence of the Republic of Korea and the security of the United States, to assist the people of Korea in their endeavors to establish a sound economy, to support the growth of individual liberty, free institutions, genuine independence, and representative government in Korea, to strengthen the ties of friendship between the American and Korean peoples and to help to achieve the basic objectives of the Charter of the United Nations.

In a very real sense the Republic of Korea is a front-line station in the cold war.

It should be clearly stated at this point that the pending bill covers economic recovery only. It has nothing to do with military aid, which is the subject of other legislation. Fifty years of Japanese rule and exploitation left the Korean economy completely dependent upon Japan. Korea, or Chosen as it was called, was an economic colony of Japan, exploited for its natural resources. The ownership and direction of economic enterprises were vested in the Japanese. Now, with the departure of the Japanese, the Koreans must be trained in the administration and development of their own economy. Plants that ran through the war years without repair must be rehabilitated. Agricultural land that was farmed at the rate of two crops a year without fertilization must be restored to productivity, and new production must be achieved in order to make southern Korea as nearly self-sustaining as possible.

It is important to the Senate to know that rarely has such a carefully worked-out program been presented to your Committee on Foreign Relations. The committee was impressed with its completeness and its practical character. Realistically it concentrates efforts in the eight following areas:

First, increased coal and electric power production;

Second, expanded agricultural production with the primary objective of producing export surpluses of cereals;

Third, expanded fisheries in order to maximize exportable supply of marine products;

Fourth, production of tungsten, graphite, and other strategic mineral resources important to the United States stock-piling program;

Fifth, improved transportation and communication facilities;

Sixth, expansion of the textile industry with the goal of increasing the production of cotton textiles for domestic use and silks for export;

Seventh, training of Korean technicians and specialists; and

Eighth, conversion of Japanese-built war factories to peacetime purposes.

I should like to state that Dr. Johnson, who was in charge of the American program in Korea, came before the committee and, in a magnificent presentation of the question, extending over 2 or 3 days, he explained in great detail and to the entire satisfaction of the committee the measures which he has put into effect and which he expects to put into effect under the appropriation.

Of course, during the war, Korea was under the complete domination of Japan, and its factories were converted to the production of war supplies.

A break-down showing how the requested $150,000,000 will be used to achieve these goals is given on pages 8 and 9 of the committee report which is before the Senate. I commend the report to Senators who want to become acquainted with all the details of the situation in Korea. The report is exhaustive and touches upon all phases and aspects of the subject. It is the opinion of your committee that the sum requested is reasonable, and that any curtailment in funds will have an immediate and direct effect upon South Korea's recovery program.

In reporting the committee's recommendation that the Senate pass the committee's bill, may I call attention to a few final considerations? The whole Korean problem is related to our security interests in the Far East, and the economic recovery of southern Korea is of great significance to the United States. The strengthening of free institutions and independence in the nations of the Far East is not only imperative to world peace and international decency but to the security and well-being of the United States. In full candor we must recognize that no course of action which this country might pursue in South Korea is absolutely guaranteed to succeed, but the committee believes that United States aid to Korea is dictated by circumstances. To withdraw aid now would be tantamount to abandoning one of our far eastern friends, with resultant deterioration of our relations with the Philippines, Japan, India, and other southeast Asian countries.

It is the opinion of the Committee on Foreign Relations that the wise course of action to follow with respect to Korea is to pass the bill. The problem of Korea is no longer one of relief, but of economic recovery which should be achieved in the near future. With our assistance, the South Koreans will be able to retain their free elections, continue their economic progress, and preserve the freedom and dignity of the individual so dear and fundamental to democratic people everywhere.

Mr. President, at this time, when there is so much turmoil in the Far East, particularly in China, and when the matter of the Japanese Treaty is being brought to our attention for consideration, it is

of the utmost importance, according to the theory of the Committee on Foreign Relations, that Korea, which is one of our strong friends, shall be in an advantageous position with relation to Japan, with which Korea has been associated for 40 years, particularly considering the proximity of Korea to China, and the fact that North Korea is dominated by the Soviet Union. Any adverse action, any failure to act in behalf of Korea, would no doubt be construed as a lack of interest in Korea and in the democratic process. It is of the highest importance that we maintain Korea, in order that the example of free democratic government which the United States has sponsored may be held up to the other countries in the Far East, in Asia and its environs, in order that they, too, may adopt similar policies and theories, and may move forward. So, Mr. President, I ask that the Senate pass the pending bill.

Mr. KNOWLAND. Mr. President, I rise at this time in support of the speech just made by the able chairman of the Foreign Relations Committee of the Senate. I do not happen to be a member of that committee. I served as a member of the Armed Services Committee when that committee and the Foreign Relations Committee held joint hearings on the arms implementation bill. I think, as Members of the Senate know, I have been as much concerned as has any other Member of the Senate regarding conditions in the Far East and have raised the question on the floor a number of times. I most heartily agree with everything the able Senator from Texas has said relative to the importance of this bill.

I think the Government of South Korea, which is recognized by the Government of the United States and which was organized as a result of United Nations action, is entitled to have our support. If the United States, at this critical juncture in the Far East, should abandon its position in South Korea, I think it would have a tremendously adverse effect in Japan and in the Philippines, and I think it would compound some of the mistakes which I, at least, feel have been made in China.

I happen to know a number of persons with whom I served in the Army, who have seen service in Korea. Some of them are now there in civilian status. Without exception, in the communications which they have addressed to me, they have said that the progress the Koreans have made has been very great under most trying difficulties. As the Senate probably knows, when we divided Korea at the 38th parallel, unfortunately most of the power plants were located in the Soviet-dominated area. That has resulted in considerable restriction in the industrial life of South Korea. Those problems are being worked out. Great progress has been made in the rehabilitation of industries there. The Koreans have made tremendous progress in agriculture. They have held free elections, and, unlike the area in northern Korea, the United Nations observers at all times have been free to move in and about in the area of the Government of Korea and to note the developments. The press representatives of this and other nations are also there.

According to agreements we removed our own troops except the mission which we have there. The United Nations Commission had an opportunity to observe that. The United Nations Commission has never been allowed to go into the Communist-dominated area in north Korea.

For those reasons, Mr. President, I join with the able Senator from Texas in urging the prompt enactment of this bill.

Mr. LODGE. Mr. President, it is my recollection that all the minority members of the Foreign Relations Committee supported this bill. I also recall that the ranking minority member, the distinguished senior Senator from Michigan [Mr. VANDENBERG] was very strongly in favor of it.

Of course, it is no pleasure to me and it is no pleasure to any Senator to support legislation under which we expend large sums of money abroad. I, for one, would never vote to expend one nickel abroad unless I thought that to do so would be in the direct, immediate, and vital interest of every single citizen of the United States. As a matter of charity, as a matter of hand-out, I would not vote for anything.

Mr. President, I supported this proposal in the committee and I voted against amendments to reduce the amount, because I thought it would be more expensive for us not to do it than it would be to do it, and that what we would lose in standing, prestige, influence, and in our ability to keep the peace would be far greater than the outlay which we hereby make in dollars.

This is a program which I think is very well studied. Mr. Johnson, as I recall his name, who was the expert on Korea who appeared before our committee, was as lucid, intelligent, and farsighted a witness as I have heard in a long time. If there is anything that can improve the situation in Korea, I think this is it. We are in that country. If we were not there, it would be a very different matter. Our good faith is involved. Our conduct and our behavior with regard to Korea will be watched by the millions of people in the Far East who, as the Senate well knows, constitute more than half of the population of the earth.

This is an important matter, and I believe this bill should be enacted into law.

Mr. KEM. Mr. President, I suggest the absence of a quorum.

Mr. CONNALLY. Mr. President, will the Senator withhold his suggestion and permit a yea-and-nay vote on the bill, which would serve the same purpose?

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. KEM. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Georgia [Mr. GEORGE], and the Senator from North Carolina [Mr. HOEY] are absent on official business.

The Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official committee business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], the Senator from Mississippi [Mr. STENNIS], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Idaho [Mr. TAYLOR] is a member of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and is necessarily absent.

If present and voting, the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Rhode Island [Mr. LEAHY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "yea."

The Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from Maine [Mrs. SMITH] is detained on official committee business. If present and voting, the Senator from Maine would vote "yea."

The Senator from Vermont [Mr. AIKEN], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Delaware [Mr. WILLIAMS] are detained on official committee business. If present and voting, the Senator from Vermont [Mr. AIKEN] would vote "yea."

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business. If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "yea."

The Senator from New York [Mr. DULLES] who is absent by leave of the Senate is paired with the Senator from

Washington [Mr. CAIN] who is detained on official business. If present and voting, the Senator from New York would vote "yea" and the Senator from Washington would vote "nay."

The result was announced—yeas 48, nays 13, as follows:

YEAS—48

Anderson	Hickenlooper	Maybank
Baldwin	Hill	Millikin
Brewster	Holland	Morse
Chapman	Humphrey	Mundt
Chavez	Ives	Murray
Connally	Johnson, Tex.	Myers
Cordon	Kerr	Neely
Donnell	Kilgore	O'Conor
Douglas	Knowland	Saltonstall
Ellender	Lodge	Taft
Ferguson	Lucas	Thomas, Okla.
Graham	McFarland	Thomas, Utah
Green	McKellar	Thye
Gurney	McMahon	Watkins
Hayden	Magnuson	Wherry
Hendrickson	Malone	Wiley

NAYS—13

Capehart	Johnston, S. C.	Martin
Fulbright	Kem	Russell
Hunt	Langer	Young
Jenner	Long	
Johnson, Colo.	McClellan	

NOT VOTING—34

Aiken	George	Smith, Maine
Bricker	Gillette	Smith, N. J.
Bridges	Hoey	Sparkman
Butler	Kefauver	Stennis
Byrd	Leahy	Taylor
Cain	McCarran	Tobey
Downey	McCarthy	Tydings
Dulles	O'Mahoney	Vandenberg
Eastland	Pepper	Williams
Ecton	Reed	Withers
Flanders	Robertson	
Frear	Schoeppel	

So the bill (S. 2319) was passed, as follows:

Be it enacted, etc., That this act may be cited as the "Korea Aid Act of 1949."

SEC. 2. It is hereby declared to be the policy of the people of the United States to continue, on terms consonant with the independence of the Republic of Korea and the security of the United States, to assist the people of Korea in their endeavors to establish a sound economy, to support the growth of individual liberty, free institutions, genuine independence, and representative government in Korea, to strengthen the ties of friendship between the American and Korean peoples, and to help to achieve the basic objectives of the Charter of the United Nations.

SEC. 3. The Administrator for Economic Cooperation is hereby authorized to furnish assistance to the Republic of Korea in conformity with—

(a) the provisions of this act;

(b) the provisions of the Economic Cooperation Act of 1948, as amended, wherever such provisions are applicable and not inconsistent with the intent and purposes of this act; and

(c) the agreement on aid between the United States of America and the Republic of Korea signed December 10, 1948, or any supplementary or succeeding agreement which shall not substantially alter the basic obligations of either party.

SEC. 4. (a) Notwithstanding the provisions of any other law, the Administrator is authorized to make available to the Republic of Korea merchant vessels of tonnage not in excess of 2,500 gross tons each, in a number not to exceed 10 at any one time, with a stipulation that such vessels shall be operated only in east Asian waters and must be returned forthwith upon demand of the Administrator and in any event not later than June 30, 1951.

(b) Any agency of the United States Government owning or operating any such vessel is authorized to make such vessel available to the Administrator for the purposes of this section upon his application, notwithstanding the provisions of any other law and without reimbursement by the Administrator, and title to any such vessel so supplied shall remain in the United States Government.

SEC. 5. (a) In order to carry out the provisions of this act, there is hereby authorized to be appropriated to the President for the fiscal year ending June 30, 1950, not to exceed $150,000,000.

(b) Notwithstanding the provisions of any other law, until such time as an appropriation shall be made pursuant to subsection (a) of this section, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $50,000,000 to carry out the provisions of this act, in such manner, at such times, and in such amounts as the Administrator shall request, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder, from funds made available for the purposes of this act.

MESSAGE FROM NATIONAL ASSEMBLY OF THE REPUBLIC OF KOREA

The VICE PRESIDENT. The Chair lays before the Senate and asks the Secretary to read a message received by him from the National Assembly of the Republic of Korea.

The legislative clerk read as follows:

SEOUL, *October 10, 1949.*

The PRESIDENT OF THE SENATE,
Washington, D. C.:

The National Assembly of the Korean Republic on Saturday October 8 unanimously adopted a resolution embodying the following message. We have received with gratitude news of the passage of the $30,000,000 temporary ECA aid for our Republic and hopefully await passage of the remaining $120,000,000 aid in the near future. We also wish to express our heartfelt thanks for the passage of the $27,000,000 military-aid appropriation for Korea, the Philippines, and Iran.

SHINICKY,
Chairman, National Assembly,
Republic of Korea.

COMMUNIST ACTIVITIES IN GERMANY AND CHINA

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD, at this point, as a part of my remarks, an article which appeared in the New York Times this morning relative to the setting up of the east German Communist satellite country, and I call the attention of the Members of the Senate to the next to the last paragraph which reads as follows:

Painted likenesses of Premier Stalin, Herr Pieck, and Mao Tze-tung, Chinese Communist leader, were borne by the marchers.

Although the picture itself cannot appear in the RECORD, Senators might want to keep the article in their files for later use. There is shown in connection with the article a picture of the Communist parade in Berlin, in connection with the setting up of the Communist government, and the largest figures there seen are of Joseph Stalin and of Mao Tze-tung, the Chinese Communist leader.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THOUSANDS CHEER NEW GERMAN STATE—THRONGS FROM EASTERN AREAS TAKE PART IN DEMONSTRATION — BERLINERS SPURN EVENT

(By Kathleen McLaughlin)

BERLIN, October 11.—Goose-stepping policemen battalions of youth in a torchlight parade, floodlights, and fireworks featured the strongest upsurge of German nationalism since the Hitler era today as the population of the Soviet zone and the eastern sector of Berlin acclaimed Wilhelm Pieck's election as president of the new eastern state.

The police estimated 250,000 had thronged August Bebel Platz and the adjacent area on Unter den Linden by truck and train.

Participants from all parts of Soviet-occupied territory poured into Berlin. The blue flags, scarves, skirts, and shorts of the Soviet-sponsored Free German Youth predominated the scene.

Throughout a brilliant October day, however, a mere handful of spectators could be glimpsed in the vicinity of the former Air Ministry Building—now the headquarters of the German Economic Commission of the eastern zone—in which the formalities of the organization of the new government took place.

CITIZENRY SPURNS EVENT

Cordons of eastern sector policemen, both men and women, had been thrown around the building for a radius of about six blocks, diverting all traffic. But they remained comparatively lonesome. The enthusiastic citizenry they were supposed to restrain just were not there.

Except for a small group of Free German Youth, who waited for hours to greet Herr Pieck, the streets were virtually empty of pedestrians. The windows of one of the Soviet sector luxury shops near the entrance of the former Air Ministry Building attracted more attention that the developments inside.

As twilight closed in, Herr Pieck emerged into the courtyard on the Wilhelmstrasse side and a spontaneous demonstration came to life.

The new president was greeted by Kurt Fischer, chief of the recently organized People's Police, who formerly reported to him that 6 officers and 120 men—lined up in three rows and armed with carbines—awaited him as a guard of honor.

PIECK GREETED BY YOUTH

Soberly, Herr Pieck stepped forward to review the guard, then drove away amid the shouts of greeting from the patient little group of youngsters who had kept their extended vigil.

With his retinue, he swooped past a struggling group of window shoppers on Liepzigerstrasse and turned right to August Bebel Platz, on which the multitude was converging.

As President Pieck vanished from sight, a crisp order was given to the honor guard by an officer. The triple line of men wheeled and broke into a goose step for a few paces before lapsing into a normal marching pace as it left the courtyard.

Unter den Linden was solidly packed with legions of youngsters from well into their twenties down to tots five and six, even the smallest grasping smoking torches and moving toward the reviewing stand. Older spectators pushing in the same direction filled the sidewalks and the street.

Painted likenesses of Premier Stalin, Herr Pieck, and Mao Tze-tung, Chinese Communist leader, were borne by the marchers.

Huge red banners with such slogans as "Long live the German democracy," "For German unity and freedom," and "Long live the national front of democratic Germany," also were carried.

Mr. KNOWLAND. Mr. President, I also wish to read into the RECORD an official transcript of the radio broadcast from the Chinese Communist New China News Agency, which came in English Morse to North America on October 10, 1949, at 10:35 a. m. This is the official text:

PEKING, October 7.—Chairman Mao Tse-tung sent the following telegram yesterday in reply to the message of greetings from William Foster and Eugene Dennis, leaders of the Communist Party of the United States of America:

"Dear Comrade Foster, Comrade Dennis, and all comrades of the national committee of the Communist Party of the United States, thank you very much for your warm greetings on the founding of the People's Republic of China. Please convey my thanks to all members of the Communist Party of the United States and to all people in America who love peace and justice and who harbor good will toward the Chinese people.

"What you said is true: the victory of the Chinese people is a victory over imperialism, first of all over American imperialism. This victory is part of the outcome of the general struggle waged by the working class and progressive mankind in the world against the world imperialist camp. American Communists and all sincere democratic elements are fighting shoulder to shoulder with the Chinese people in this struggle."

Listen to this, Members of the Senate:

"American Communists occupy a particularly glorious position in their heroic fight to assist the just cause of the Chinese people and to oppose the reactionary imperialist policy of the United States toward China. Although the American reactionary Government is savagely persecuting the Communist Party of the United States and American progressive forces, and is trying 11 leaders of the Communist Party of the United States: Comrade Eugene Dennis, John Williamson, Henry Winston, Jacob A. Stachel, Benjamin Davis, Earl Winter, Robert G. Thompson, John Gates, Charles A. Doyle, Gilbert Green, and Gus Hall, facts have, however, shown that it is the Communist Party of the United States and American progressive forces who are in the right, that it is their Chinese friend who has won victory, and that it is the present imperialist Government of the United States which has violated justice and has met with decisive defeat.

"This fact cannot but encourage all democratic forces in the world which are temporarily in the oppressed position and cannot but educate the peoples throughout the world who are still temporarily under the rule and deception of the reactionaries.

"Long live the friendship between the Chinese and American people.

"MAO TSE-TUNG.

"OCTOBER 6, 1949."

Mr. President, I merely want to point out in conclusion that this is the Communist government in North China which has sent greetings to the 11 persons who are on trial under charges preferred by the Government of the United States. It is indicative, I believe, that throughout the world Communists are moving with a concerted plan to do everything they can to assist their friends, and I once again say that it is most unfortunate that apparently we are unwilling at times to assist some of our own.

WE MUST MAKE UP OUR MINDS ABOUT CHINA AND ASIA

Mr. MALONE. Mr. President, will the Senator from California yield for a question?

Mr. KNOWLAND. I do not have the floor now.

Mr. MALONE. Has anyone obtained the floor?

The VICE PRESIDENT. The Senator from Nevada has it now.

Mr. MALONE. I ask permission to ask the Senator from California a question.

The VICE PRESIDENT. Without objection, it is so ordered, if it is agreeable to the Senator from California.

BRITAIN-UNITED STATES RECOGNITION OF COMMUNIST CHINA

Mr. MALONE. Is it the judgment of the Senator from California that there is a tacit understanding between the British Government and the American Government at this time that there will be a recognition in the fairly near future of the Communist government of China?

Mr. KNOWLAND. I would say to the Senator from Nevada that I have no documentary evidence which I could present that would indicate that this Government is at the moment and imminently planning to recognize the Communist government in north China. I do think there are many indications that the British Government is seriously considering the idea of giving recognition in the not too distant future to the Communist government in China.

Respecting this matter, it has been the position of some of us who have supported the administration in its foreign policy in Europe, that it was not consistent to lock the front door in western Europe and keep 240,000,000 western Europeans from going behind the iron curtain while we were unconcerned, or as a matter of fact, perhaps have been giving encouragement to 450,000,000 Chinese in going in the same direction.

The best testimony I have seen—from men of the caliber of General MacArthur, Admiral Badger, General Wedemeyer, General Chennault, and others—has been that if all of China goes Communist it will be most difficult to prevent southwest Asia from going Communist. I have grave doubt whether ultimately we could prevent India from going the same way if all of China should go into the Soviet orbit.

Mr. MALONE. Does the distinguished Senator from California understand that according to newspaper reports Communist Chinese troops are only a very short distance from Canton, China? I think the distinguished Senator from California understands, as does the junior Senator from Nevada, that this is the same Russia, north of China, as is east of Europe, which area we are supporting.

Mr. KNOWLAND. I will say to the Senator from Nevada that I have no doubt that all the Communist forces throughout the world are tied together in a master plan. It makes very little difference whether they be Czechoslovakian Communists, Polish Communists, or Communists from Soviet Russia or China. I think they are all working toward the overthrow of what we like to think of as a free world of free men.

Mr. MALONE. Or agrarian Communists. Does the Senator have any doubt that Canton can now be taken by the Chinese Communists almost at their option?

Mr. KNOWLAND. I should say that from present indications it is not at all unlikely that in the next few days Canton will fall; but I do not believe that that necessarily means that the Nationalist Government of China or the non-Communist forces in China will be liquidated by that action. I think there are sufficient non-Communist forces and sufficient people in the non-Communist areas of China—some 150,000,000 of them still in the south and western area of the country—so that they can hold out for a considerable period of time, particularly if they get any type of aid or encouragement from people who should be their friends.

AMERICAN SHIPS HAULED SUPPLIES TO COMMUNIST CHINA

Mr. MALONE. Are the press reports in error when they mention American ships which have recently hauled supplies into Communist China?

Mr. KNOWLAND. The Senator is correct. American ships have attempted to run the blockade. I have evidence which I presented for the RECORD some time ago, that several American tankers which were chartered from the Maritime Commission had taken oil from ports in Rumania to Chinese Communist ports. That has recently been confirmed by another article which I read in New York on Monday. It told about a group of American seafaring men, labor-union members, who were so disgusted with the traffic in oil and other products with the Communist area of China that they asked to be relieved from signing on for further voyages.

BRITISH TRADING WITH COMMUNIST CHINA

Mr. MALONE. Is not the evidence almost as conclusive that the British are now shipping material of all kinds into Hong Kong, and even trading with the Communists at this time, awaiting recognition to increase the trading with Chinese Communists through Hong Kong, as it is that Europe is trading with Russia and the countries behind the iron curtain?

Mr. KNOWLAND. I think the record is conclusive that there is quite a considerable British business group in Hong Kong and other sections of China whose members have been violently opposed to the blockade by the Nationalist Government of China of the ports of that country, and who have been trying to get the British Government to furnish warships to run the blockade. I will say to the Senator from Nevada that it is rather a sad commentary, because some of the same people are the ones who have been critical of the Nationalist Government because they have not won victories on the land. Yet Admiral Badger came before our joint committee and stated that the one place where the Nationalist Government and the non-Communist forces of China had been outstandingly successful was in relation to the blockade. As the Senator from Nevada knows, over

the years the British have maintained that so long as a blockade was effective it was legal in international law. And yet now, because the Government of China has been able at least to cut down the ability of the Communist forces to get supplies which could be used against the legal Government of the country, certain British business interests are trying to do everything in their power to make that blockade unsuccessful.

SECRETARY MARSHALL STOPPED AID TO CHINA IN 1946

Mr. MALONE. Is there not all the evidence in the world that neither our Government nor the British Government have raised their hands to stop the Communists, from the time that Secretary of State Marshall visited north China in 1946?

Mr. KNOWLAND. I will not go quite so far as the able Senator from Nevada, but I will say that there was a very noticeable drop in interest on the part of this Government, to the extent that we levied embargoes. Except for the action taken by the Congress, more or less over the protest of the State Department, from that time on very little aid, either material or moral, was given to the legal Government of China.

So far as the British Government is concerned, it is the judgment of the junior Senator from California that the British are taking a major calculated risk. On the one hand, they hope to stop the spread of communism in Europe. I supported the military arms implementation bill to safeguard western Europe from communism. At the same time, by their actions, they are apparently preparing to give aid and encouragement to the same Communist forces which are now in a position to overrun a good deal of Asia.

As I pointed out on the floor of the Senate yesterday, I think the British Government is making a great mistake. It is doing something which will not win friends and influence people, either in the Senate or in this country. At the very same time we are attempting to assist them so that we may have a free world of free men, they are apparently preparing to give material aid to the Chinese Communist forces in China in their effort to overrun all of China and perhaps ultimately all of Asia.

MISTAKES AT YALTA LOST CHINA

Mr. MALONE. I thoroughly agree with the junior Senator from California; but is it not a fact that most outstanding judges of military affairs said then in a quiet way, and have said since in a more emphatic way, that when this Government gave control of Manchuria to Russia at Yalta without the knowledge of the Chinese leaders, who were forced to accept it later, and gave the Russians Berlin, without any means of transportation in or out of the place, those two things would go down in history as the two major mistakes of the century? Does the distinguished Senator from California have any doubt that the Communists could control all of China in a reasonable time after they took control of Manchuria and we stopped our assistance to China in 1946?

Mr. KNOWLAND. I agree with the Senator only up to this point: I believe that the Yalta agreement, in trading off something which did not belong to us, but belonged to China, without the knowledge or consent of the Chinese Government, was an indefensible act, both in international law and in good morals. I believe that by that action we made certain that the Communist forces would not only control Manchuria, because the Russians were given actual control of the Manchurian Railroad as well as the port of Dairen; but in addition it made almost inevitable the Communist domination of north China. I do not agree that the Yalta agreement alone necessarily meant the Communist overrunning of all of China; but we contributed to that by pulling the rug out from under the legal government of China, embargoing the shipment of arms to them at the time the Soviet Government was supplying to the Chinese Communists arms captured from the Kwantung Japanese Government, which were estimated by our military authorities to be sufficient to equip 1,000,000 men for 10 years. At the very same time we were levying an embargo upon the legal government of China, which was an ally of ours, a historic friend since the Hay doctrine in 1899, a fellow member of the United Nations, and one of the Big Five. While we were pulling the rug out from under them the Soviet Union was taking care of its friends.

Mr. MALONE. I thank the junior Senator from California.

Mr. JENNER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

IF CHINA LOST, KOREA A LOST CAUSE

Mr. JENNER. I should like to ask the Senator a question, in view of the discussion of the Far East problem. The Senate has just passed the authorization bill for an additional $150,000,000 for Korea. Is it not a fact that Korea is now completely surrounded by the Communists?

Mr. MALONE. Yes. However, I voted for the bill a few moments ago for the reason that I still have hope that the administration shall make up its mind about Asia—that is, whether or not the integrity of that area is important to our ultimate safety.

Let me say that I visited China and inspected many areas of that country. I was in Peiping late in 1948 when the Communists were only 8 miles out of the city. I visited General Fu at his camp and had an opportunity to take a good look at that part of the country. We took a plane and went north over the great wall of China and over a part of Manchuria and the areas where the fighting had been taking place.

I am still trying to persuade the Senate to make a decision as to whether the integrity of China and Asia is important to us. It was my opinion at that time, and is now, that we should make up our minds regarding what is important to us in Asia. If Asia is important to us, we should go into Asia. If Asia is not important to us, we should get out. I am considering only the ultimate safety of the United States of America, including the economic and physiological factors.

Mr. JENNER. Mr. President, will the Senator yield further?

Mr. MALONE. I yield.

Mr. JENNER. I believe that at about the time when Korean aid was proposed by the Senator from Texas the Senator attended a luncheon, along with several other distinguished Members of this body, and I think I was present. The luncheon was given in honor of General Chennault. Did not General Chennault at that time, when $150,000,000 was proposed as aid for Korea, say in substance that Korea stands as a small spot now completely isolated by communism, and that if the Americans are silly enough to keep pouring millions of dollars into Korea eventually we shall make Korea so attractive that the Communists will move into Korea some week end and take over that country?

MUST MAKE UP OUR MINDS WHAT IS IMPORTANT TO US

Mr. MALONE. I think the Senator is entirely correct.

I think the authorization bill we have just passed is entirely useless, unless we make up our minds regarding what we will do in Asia.

My own opinion is that China and all of Asia is very important to our safety and future economic welfare.

Our trade future is in the Americas and in the Orient, including China, India, the South Seas, and in the Far East—it is not in old Europe.

Let me say that when I was in China I rode one of General Chennault's freight planes into Canton from Shanghai and had a long visit with him at that time. He then said substantially the same thing—that if he had a reasonable amount of equipment—planes, and so forth—and were allowed to regain a part of his old organization, the Flying Tigers, he could furnish the difference in fighting strength to stop the Communists at the Yangtze River.

I say again, as I did at that time, that we must make up our minds regarding the area in Asia which is important to us. If the integrity of the Government of China is important to the ultimate safety of the United States, we should proceed accordingly. As I have said, when I talked to General Chennault himself, as well as to other military leaders in that area, he said that if given only a moderate amount of money with which to purchase equipment, and if given the right to recruit his old military organization, he thought the Communists could be stopped, even at that late date.

NAME THE AREAS WHOSE INTEGRITY IS IMPORTANT TO US

But I simply point out again, in conclusion, that we have done in Europe the same thing we have done in Asia, namely, failed to make up our minds about what is important to us. We have never named the nations or identified the areas whose integrity is important to our ultimate safety and then proceeded in any way that could reasonably be expected to be successful in respect to holding those areas.

EDUCATION OR TRAINING OF VETERANS UNDER TITLE II OF SERVICEMEN'S READJUSTMENT ACT

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2596, calendar number 1168, relating to education or training of veterans under title II of the Servicemen's Readjustment Act.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 2596) relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 356, 78th Cong., June 22, 1944), which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause, and to insert:

That paragraph 9 of part VIII of Veterans Regulation No. 1 (a), as amended, is amended by adding at the end thereof the following: *"Provided,* That the Administrator is not authorized to promulgate any regulation or instruction which denies or is designed to deny to any eligible person, or limit any eligible person in, his right to select such course or courses as he may desire, during the full period of his entitlement or any remaining part thereof, in any approved educational or training institution or institutions, whether such courses are full time, part time, or correspondence courses: *Provided further*—

"A. That the Administrator shall disapprove a course in any institution which has been in operation for a period of less than 1 year immediately prior to the date of enrollment in such course unless such enrollment was prior to August 24, 1949, but this shall not require or permit the disapproval of any course in (a) any public school or other tax-supported school, or (b) any branch within the same county or within a radius of 25 miles of a parent institution which parent institution has been in operation for a period of more than 1 year, or any course given by an institution which has been in operation for a period of more than 1 year which does not completely depart from the whole character of the instruction previously given by such institution. Upon the certification of any State approval agency that a new institution is essential to meet the requirements of veterans in such State, the Administrator in his discretion may approve such an institution notwithstanding the provisions of this paragraph;

"B. That in accordance with the provisions of paragraph 3 (a) of this part, the Administrator may, for reasons satisfactory to him, disapprove a change of course of instruction and may discontinue any course of education or training if he finds that according to the regularly prescribed standards of the institution the conduct or progress of such person is unsatisfactory;

"C. That the Administrator may require consultation by the veteran in case he has discontinued any course of education or training before completing the same, or in any case in which the veteran after completing a course of education or training decides to take another course in an entirely different general field, but after such consultation the Administrator shall have no right to refuse approval to a different course or an additional course in the same or any other field, except as limited by paragraph D below;

"D. That the Administrator shall refuse approval to any course elected or commenced by a veteran on or subsequent to July 1, 1948, which is avocational or recreational in character. The following courses shall be presumed to be avocational or recreational in character: Dancing courses; photography courses; glider courses; bartending courses; personality-development courses; entertainment courses; music courses—instrumental and vocal; public-speaking courses; and courses in sports and athletics such as horseback riding, swimming, fishing, skiing, golf, baseball, tennis, bowling, and sports officiating (except applied music, physical education, or public-speaking courses which are offered by institutions of higher learning for credit as an integral part of a course leading to an educational objective); but no such course shall be considered to be avocational or recreational in character if the veteran submits complete justification that such course will contribute to bona fide use in the veteran's present or contemplated business or occupation; and the Administrator may find any other course to be avocational or recreational in character, but no such other course shall be considered avocational or recreational in character when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood. Notwithstanding the foregoing provisions of this paragraph, education or training for the purpose of teaching a veteran to fly or related aviation courses in connection with his present or contemplated business or occupation shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons has been furnished by a physically qualified veteran stating that such education or training will be useful to him in connection with earning a livelihood."

SEC. 2. Paragraph 11 of part VIII of Veterans Regulation No. 1 (a), as amended, is amended by adding at the end thereof a new subparagraph (d) as follows:

"(d) As used in this part, the term 'customary cost of tuition' or 'customary charges' or 'customary tuition charges' shall mean that charge which an educational or training institution requires a nonveteran enrollee similarly circumstanced to pay as and for tuition for a course, except that the institution (other than a nonprofit institution of higher learning) is not regarded as having a 'customary cost of tuition' for the course or courses in question in the following circumstances:

"(A) Where the majority of the enrollment of the educational and training institution in the course in question consists of veterans in training under Public Laws 16 and 346, Seventy-eighth Congress, as amended; and

"(B) One of the following conditions prevails:

"1. The institution has been established subsequent to June 22, 1944.

"2. The institution, although established prior to June 22, 1944, has not been in continuous operation since that date.

"3. The institution, although established prior to June 22, 1944, has subsequently increased its total tuition charges for the course to all students more than 25 percent.

"4. The course (or a course of substantially the same length and character) was not provided for nonveteran students by the institution prior to June 22, 1944.

"For any course of education or training for which the educational or training institution involved has no customary cost of tuition, a fair and reasonable rate of payment for tuition, fees, or other charges for such course shall be determined by the Administrator. In any case in which one or more contracts providing a rate or rates of tuition have been executed for two successive years, the rate established by the most recent contract shall be considered to be the customary cost of tuition notwithstanding the definition of 'customary cost of tuition' as hereinafter set forth. For the purpose of the preceding sentence 'contract' shall include contracts under Public Law 16 (78th Cong., Mar. 24, 1943), Public Law 346 (78th Cong., June 22, 1944), and any other agreement in writing on the basis of which tuition payments have been made from the Treasury of the United States. If the Administrator finds that any institution has no customary cost of tuition, he shall forthwith fix and pay or cause to be paid a fair and reasonable rate of payment for tuition, fees, and other charges for the courses offered by such institution. Any educational or training institution which is dissatisfied with a determination of a rate of payment for tuition, fees, or other charges under the foregoing provisions of this paragraph, or with any other action of the Administrator under the amendments made by the Veterans' Education and Training Amendments of 1949, shall be entitled, upon application therefor, to a review of such determination or action (including the determination with respect to whether there is a customary cost of tuition) by a board to be known as the 'Veterans' Education Appeals Board' consisting of three members, appointed by the President. Members of the Board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the Board, together with necessary travel and subsistence expenses. The Administrator of Veterans' Affairs shall provide for the Board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions. Such Board shall be subject, in respect to hearings, appeals, and all other actions and qualifications, to the provisions of sections 5 to 11, inclusive, of the Administrative Procedure Act, approved June 11, 1946, as amended. The decision of such board with respect to all matters shall constitute the final administrative determination. In no event shall the Board fix a rate of payment in excess of the maximum amount allowable under the Servicemen's Readjustment Act, as amended.

"Any institution having a 'customary cost of tuition' established under this part may revise and improve an existing course (or establish a new related course) of substantially the same length and character subject to the same customary cost of tuition: *Provided,* That nothing in the foregoing amendments shall be construed to affect adversely any legal rights which have accrued prior to the date of enactment of the Veterans' Education and Training Amendments of 1949, or to affect payments to educational or training institutions under contracts in effect on such date."

SEC. 3. The third proviso in paragraph 5 of part VIII of Veterans Regulation No. 1 (a), as amended, is amended to read as follows: *"And provided further,* That any institution may apply to the Administrator for an adjustment of tuition and the Administrator, if he finds that the customary tuition charges are inadequate compensation for furnishing education or training to eligible veterans, shall provide for the payment of such fair and reasonable compensation as will not exceed the estimated cost of teaching personnel, supplies for instruction, library and laboratory services, and other services necessary to the furnishing of such education or training; and shall in like manner readjust such payments from time to time on the basis of costs for the current school quarter or semester or the preceding school quarter or semester, at the election of the institution."

SEC. 4. Paragraph 5 of part VIII of Veterans Regulation No. 1 (a), as amended, is further amended by inserting before the period at the end thereof a colon and the

following: *"And provided further,* That for the purpose of applying the governing statutes and applicable regulations of the Veterans' Administration respecting the payment of tuition and other charges, in the case of nonprofit institutions, any institution shall be regarded as a nonprofit institution if it is exempt from taxation under paragraph (6), section 101, of the Internal Revenue Code, whether it was certified as such by the Bureau of Internal Revenue before or subsequent to June 22, 1944."

SEC. 5. Paragraph 6 of part VIII of Veterans Regulation No. 1 (a), as amended, is amended by adding before the period at the end thereof a colon and the following: *"Provided further,* That the Administrator in defining full- and part-time training for the purpose of determining subsistence allowance and tuition payments shall apply a semester-hour suit of measure if the veteran is pursuing a course of study in an approved institution in preparation for practice of the legal profession, and the appropriate agency of the State wherein the institution is located officially approves or recognizes the course of study as a preparation for practice of that profession."

SEC. 6. The third sentence of section 3 of Public Law No. 16, Seventy-eighth Congress, as amended, is hereby amended by adding before the period at the end thereof a comma and the following: "(4) rendering necessary services in ascertaining the qualifications of proprietary institutions for furnishing education and training under the provisions of part VIII of such regulation and in the supervision of such institutions."

SEC. 7. The matter beginning with the first proviso in the item "Readjustment benefits" under the caption "Veterans' Administration" in the Independent Offices Appropriation Act, 1950, approved August 24, 1949, is hereby repealed, effective August 24, 1949.

SEC. 8. This act may be cited as the "Veterans' Education and Training Amendments of 1949."

Mr. TAFT. Mr. President, this bill, which has been reported by the distinguished Senator from Florida [Mr. PEPPER], who is not in the Chamber at the present moment, is designed to deal with the problem of education and training for veterans. As part of the appropriation bill, Public Law 266, Eighty-first Congress, a measure was adopted to deal with this problem. Veterans from all parts of the country raised strenuous objections after the Veterans' Administration had issued certain regulations which I do not think were justified by that appropriation bill.

This bill (S. 2596) was then introduced and carefully considered by the Committee on Labor and Public Welfare; which rewrote and approved the bill. The bill as reported has the approval of every member of the Committee on Labor and Public Welfare, as well as that of the distinguished senior Senator from Illinois [Mr. LUCAS] and a number of other Senators who are interested in this subject. The names of the various sponsors are, of course, printed on the bill.

Generally speaking, the bill simply limits the power of the Administrator, so that, although he has power to prevent the use of Federal funds on behalf of veterans for purely avocational courses, he will not have power completely to screen the request of every veteran who wishes to take a course. We have tried to protect the Veterans' Administration against having an undue number of schools used in that connection. Under the bill, no new schools can be begun for that purpose. But we provide that new courses of the same kind as those now given may be started, without being barred—which the Veterans' Administration is trying to do.

The bill also provides that any educational or training institution dissatisfied with the rate of payment determined by the Administrator for its courses shall be entitled, upon application therefor, to a review of that determination or any other action by a board set up within the Veterans' Administration, the board to consist of three members, to be appointed by the President. I do not think it is necessary to go into the details, unless Senators are interested in having that done.

The PRESIDING OFFICER. The committee amendment is open to amendment.

Mr. TAFT. Mr. President, to the committee amendment I submit a technical amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 13, in line 5, after the word "receive", it is proposed to insert a comma and the words "out of appropriations available for administrative expenses of the Veterans' Administration."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MARTIN. Mr. President, will the Senator from Ohio yield for a question?

Mr. TAFT. Certainly.

Mr. MARTIN. On page 9, in line 8, under the definition of what courses will be considered avocational or recreational in character, photography courses are listed. I wonder whether there would be objection to including the words "except professional photography courses."

Mr. TAFT. This provision simply follows the present regulation of the Veterans' Administration. The Senator from Pennsylvania will note that in line 18 it is specifically provided that—

> No such course shall be considered to be avocational or recreational in character if the veteran submits complete justification that such course will contribute to bona fide use in the veteran's present or contemplated business or occupation.

Under that provision, the Veterans' Administration has approved the school in Pennsylvania which I think the Senator has in mind; and any veteran who really intends to become a photographer, as an occupation, will have no difficulty whatever under this provision.

The only result of the provision is to make the course presumably avocational until the veteran shows that it really is his intention to make a business of it, because so many veterans have merely taken photography courses in order to get the allowance.

Let me point out that the following language appears in the report:

> It has come to the attention of the committee that some photography schools or courses, for example, offer professional training and placement in professional positions. It clearly is not the intent of this provision that such professional courses be disapproved by the Administrator.

So the matter is taken care of in that way.

Mr. President, I should dislike very much to begin to modify the provision as to the different courses which in the experience of the Veterans' Administration are likely to be avocational in the case of a great many veterans. This provision discourages veterans from applying simply in order, really, to obtain allowances for subsistence.

Mr. MARTIN. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. MARTIN. In view of what is stated in the report of the committee, is it the understanding of the Senator from Ohio that where courses, professional in character, are provided which would fit the veteran for newspaper photography and things of that kind, such courses would be included under the bill?

Mr. TAFT. They would be approved by the Veterans' Administration as a matter of course, if the veteran has a bona fide intention of becoming a photographer.

Mr. MARTIN. With that explanation, I have no further questions.

The PRESIDING OFFICER. The bill is in the form of a substitute amendment.

Mr. LANGER. Mr. President, I wish to associate myself with the sponsors of the bill. I want to state that so far as I know every veterans' organization in North Dakota has recommended passage of the bill without change.

Mr. LUCAS. Mr. President, I desire to talk briefly about the bill, because of its importance to certain schools in my State.

I have joined with members of the Senate Committee on Labor and Public Welfare in sponsoring the bill, S. 2596, as I firmly believe that the well-earned benefits granted to veterans under the GI bill must not be trodden upon either through shortsighted administrative rules or otherwise.

I should like to explain briefly a provision of the bill which is of particular interest to me, since I recommended its inclusion by the committee. I refer to section 5, on page 15, which reads in part as follows:

> The Administrator in defining full- and part-time training for the purpose of determining subsistence allowance and tuition payments shall apply a semester-hour unit of measure if the veteran is pursuing a course of study in an approved institution in preparation for practice of the legal profession, and the appropriate agency of the State wherein the institution is located officially approves or recognizes the course of study as a preparation for practice of that profession.

For a clear understanding of the purpose and effect of the provision it is necessary that I briefly review the circumstances making it necessary.

There are in many large cities law schools of long standing that train lawyers in evening classes. Every practicing lawyer knows that these schools are necessary, that without them thousands of ambitious young people could

never study for the legal profession. Such schools, located in every large city throughout the United States, have produced many distinguished lawyers. A good portion of them are approved by the highest courts of the States in which they are located as institutions qualified to teach law and to train men and women for the legal profession. It so happens, however, that a good many of the schools are not accredited by the American Bar Association, possibly for the reason that their libraries do not contain a minimum number of volumes. This, incidentally, is true in regard to a law school in Illinois. Yet the students of that particular law school have the use of a county library, which far exceeds the requirements set up by the American Bar Association.

To my way of thinking, it is simply absurd and ridiculous to declare that the students at this particular school are unable to obtain full benefits under the GI bill of rights which were intended when Congress passed the bill some time ago.

Some of the night law schools, which are fully recognized by the highest State courts, are not accredited by the American Bar Association because they do not have the minimum number of full-time professors, when the very fact that they are night schools makes it unnecessary that they have a large number of full-time professors.

The Veterans' Administration, in deciding what is full-time and what is part-time training, for the purpose of determining the level of subsistence allowances and tuition payments, has laid down the rule that any law school which is accredited by the American Bar Association will be considered as having a full-time course, if it provides 12 semester hours of study. This, of course, means that it is a full-time course, if students attend classes 12 hours each week.

The Administrator has also laid down the rule that, in the case of any law school not accredited by the American Bar Association, a full-time course must require attendance 25 hours a week.

Let us see how impractical and unfair such regulations are. Night law schools generally provide 9 hours of classroom work each week. If the school is accredited by the American Bar Association, the students will receive three-quarters of their subsistence and tuition payments. Students in attendance 9 hours a week in a law school which is not accredited by the American Bar Association, although it is approved by the highest court in the State, will receive nine twenty-fifths, or approximately one-third, subsistence and tuition.

The regulations cannot be justified. First of all, they completely ignore the practical facts. It is physically impossible for any law school to operate on a 25-hour week. Law cannot be studied in such extensive quantities. The leading law schools in the United States consider 12 hours a week as a full daytime course. What is happening is simply that the Veterans' Administration is placing law schools, which are not recognized by the American Bar Association although fully accredited by State authorities, on an identical basis with trade schools. This cannot be justified.

These regulations are contrary to the intent of Congress. Paragraph 4 of part 8 of title II of the GI bill provides:

> The Administrator shall secure from the appropriate agency of each State a list of educational and training institutions—which are qualified and equipped to furnish education or training—which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part.

Let me point out that this provision does not give the Administrator authority to again pass on schools which have been recommended by the appropriate State agency. The provision expressly states that these schools, and other schools which the Administrator might recommend, shall be deemed qualified and approved. The Administrator, in placing an additional criterion upon law schools which have been recommended by the State, and which under the law are approved institutions, is ignoring the intent of Congress. Of course, that is nothing unusual for some of the executive agencies of the Government, if I must say so, even though I am majority leader of the Democratic Party at the present time.

His actions cannot be justified on the grounds that such authority has been given him by the provisions of the law allowing the Administrator to determine the meaning of full- or part-time training. It is an elementary fact that the several provisions of a statute are to be interpreted consistent one with another. It is entirely improper to interpret one section in such a way that the whole intent and purpose of another section is defeated.

I think there is considerable ground for the view that the Administrator is making an improper delegation of authority, if we assume he has the authority to begin with, in permitting an unofficial body, such as the American Bar Association, to determine the future operation of the laws of the United States. If the regulations of the Veterans' Administration are permitted to continue, the American Bar Association could determine the level of subsistence and tuition payments that are to be paid to any law school under this public law. The American Bar Association apparently has taken the place of the designated State bodies, in dealing with approvals of this kind.

The principle that neither Congress nor an executive agency can delegate the law-making power to an unofficial organization is well established in the decisions of our highest courts.

My interest in this matter arises from the difficulties that two very fine night law schools in the State of Illinois have had under these regulations. These schools are the Lincoln College of Law in Springfield, Ill., and the John Marshall Law School in Chicago. I know many distinguished lawyers who received their legal training at these institutions.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. LUCAS. I am delighted to yield.

Mr. MILLIKIN. I wonder if I correctly understand the point which is being made. Let us assume that there is a night law school in Chicago from which a man can graduate. Having graduated from that school can he take his examinations and become a lawyer in Illinois?

Mr. LUCAS. That is correct.

Mr. MILLIKIN. The Veterans' Administration assumes to say that such a school does not meet its requirements. Is that correct?

Mr. LUCAS. The Veterans' Administration has said that the Lincoln College of Law, in Springfield, Ill., and the John Marshall Law School, in Chicago, do not meet the requirements of the American Bar Association and, therefore, are ineligible to receive full benefits under the GI bill of rights, although, as the distinguished Senator said a moment ago, students have been attending these schools for years, have graduated, have taken their bar examinations, and have been accepted by the supreme court of the State as having the necessary qualifications and background to practice law in Illinois. I personally know a great number of fine, excellent, brilliant lawyers who are now engaged in the practice of law in Illinois and who are graduates of those two night schools.

Mr. MILLIKIN. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. MILLIKIN. I, too, know splendid lawyers in Colorado who are night-school graduates. The fact of the matter is that many night law schools have the benefit of excellent and inspiring teachers who are active practitioners during the daytime, and, who, because they love teaching, teach in those schools at night and make a great success of it.

Mr. LUCAS. I agree wholeheartedly with my distinguished friend from Colorado. It was to my advantage when I graduated from law school to have had exactly what the Senator has spoken of, not only the advantage of the textbook system but also the advantage of active practitioners in the city of Bloomington, Ill., who had a large legal practice and had offices in the city of Bloomington, and came early in the morning and late in the evening to teach the students studying law. As a result of the experience of those practitioners who were engaged in the practice of law every day, I am satisfied that I obtained a better knowledge of the law and the application of evidence to the law than I would have had if I had taken a straight course under instructors who did nothing but teach law.

Mr. MILLIKIN. Mr. President, will the Senator yield for another question?

Mr. LUCAS. I yield.

Mr. MILLIKIN. The gentlemen who come from those schools and who are admitted to practice in Illinois do not suffer any discrimination in Illinois because of that fact, do they?

Mr. LUCAS. None whatever.

Mr. MILLIKIN. They have the same standing as have other lawyers who have

graduated from other schools and have received permission to practice there.

Mr. LUCAS. That is correct.

Mr. MILLIKIN. By virtue of that fact, and on proper certification, they can practice before the Supreme Court and, I assume, before all Federal courts.

Mr. LUCAS. The Senator is correct.

Mr. MILLIKIN. Yet, because the standards of the American Bar Association—I am not disparaging them at all—have not been met, this additional hurdle is placed in the way of young men who want to study law at night schools.

Mr. LUCAS. The Senator is correct. Some of the regulations have been applied only recently. Some of the students have been obtaining the benefits of the GI bill of rights in some of the schools throughout the country. In the middle of the course students have discovered that the regulation has been put into effect by the Veterans' Administration.

Mr. MILLIKIN. Mr. President, will the Senator yield for another observation?

Mr. LUCAS. I yield.

Mr. MILLIKIN. I listened with interest to the distinguished Senator's discussion of perhaps a lack of a sufficiently elaborate law library. I think it is an excellent goal of a law school to work for a thoroughly equipped law library. But if students cannot find the books they want in the school's library, they can be found in some courthouse library or in some lawyer's office. The lack of a thoroughly equipped law library is an inconvenience but it does not prevent a purposeful student from becoming a good lawyer.

Mr. LUCAS. I agree with the Senator. Of course, in the case of which the Senator speaks, the libraries in the county are far superior to anything the American Bar Association recommended as necessary, and the students had the right to go into the county library for study purposes.

Mr. MILLIKIN. If I may make one more observation, I think it is very rarely that a lawyer's office has a fully equipped library in the sense of meeting the requirements of the American Bar Association. I think that in most towns the lawyers borrow books from each other, or they go to the courthouse library. If they live in the capital of the State they can go to the capital library. It is a little inconvenient, but all of life is not spoon-fed.

Mr. LUCAS. The Senator is again correct, from my viewpoint. I know that in Illinois, in the days when I practiced there, when lawyers were engaged in a controversy over a very difficult question, they would get into their automobiles and go to the State library in Springfield, where the supreme court is located, and they would spend perhaps a week looking up their particular problem which they could not find in their own books. If the size of the library were the test there would be very few lawyers, especially in country towns, who would practice very much law.

Mr. MILLIKIN. I think it is a very commendable thing for the Veterans' Administration to try to keep a veteran from being swindled by phony schools, and I am in hearty accord with their effort to curb that sort of business, but it seems to me there should be enough leeway in their regulations so that schools of the type about which the Senator is speaking would not be closed to ambitious students.

Mr. LUCAS. The Senator knows very well that this bill was considered by the Finance Committee and we were all definitely opposed to chiseling outfits operating, primarily through trade schools, that might establish a fly-by-night organization with a view of trying to obtain students through their propaganda. I am as bitterly opposed to that type of organization as is the Senator from Colorado, but I am speaking primarily of two law schools which exist in Illinois, and there must be many others throughout the United States which are in a similar position.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Pennsylvania.

Mr. MARTIN. The question which I want to ask the Senator he may have answered already, because I was called to the telephone. How long have these schools been in existence?

Mr. LUCAS. The Senator has asked a question concerning a matter about which I was intending to advise the Senate. The schools are the Lincoln College of Law, in Springfield, Ill., and the John Marshall Law School in Chicago, Ill. I know many distinguished lawyers who have received their legal training at those institutions. The Lincoln College of Law has been training lawyers for 35 years, and many of the leading lawyers of the Illinois bar have attended this school. The Veterans' Administration, under these regulations, have placed both of these fine schools on a 25-clock-hour basis unmindful of the fact that they are recognized by the Supreme Court of the State of Illinois.

The bill requires, in the case of law schools approved or recognized by the appropriate agencies of the State as an acceptable institution for preparation for the bar, that the Veterans' Administration measure full time or part time in terms of semester hours and not in terms of clock hours.

I believe this provision is necessary, out of fairness to thousands of veteran law students. I believe it is necessary as a means of assuring that the laws of Congress shall be carried out.

The other provisions of this bill are equally vital. Its passage will guarantee to the veterans that they shall receive the benefits which they have so well earned and which the people intend that they shall have.

I do not have the facts as to how long the John Marshall Law School has been in existence. Perhaps my distinguished colleague the junior Senator from Illinois, can give us the information.

Mr. DOUGLAS. I know it has been in existence for at least 30 years, and probably for 40.

Mr. LUCAS. I do not know the exact time when the John Marshall Law School came into existence, but I do know that it was in existence in 1915, when the senior Senator from Illinois graduated from the Illinois Wesleyan Law School, because I remember that our fraternity had a chapter in the John Marshall Law School in Chicago, Ill.

Mr. MARTIN. Mr. President, all I wanted to get into the RECORD was that it was not one of these schools organized merely for the purpose of taking advantage of the law. The Senator's answer is very complete.

Mr. LUCAS. I would be very skeptical about any law school that might mulct the Veterans' Administration through some fraud.

Mr. GEORGE. Mr. President, I wish to identify myself with the statement made by the majority leader, and to make an additional observation. In an experience of a long number of years in active practice of the law and on reviewing courts in my State, I had occasion to observe that the students who had the advantage of instruction by a faculty engaged in the active daily practice of law in all the courts left their school work with a much fuller knowledge of the practical side of the law. They were much better qualified to begin the practice of law immediately.

I wish also to identify myself with another provision incorporated in the bill on page 7, subsection (a), which is the substance of a bill introduced by the junior and senior Senators from the State of Georgia. It does not require that a school that is in existence for less than 1 year shall be placed on the eligible list by the Administrator, but it does leave it within the sound discretion of the Administrator, where that school is a public school that is supported by the taxes of the State, which is a sufficient guaranty. In Georgia I am sure there will be no abuse under this section.

Mr. President, I should like to say that I am very happy that this bill has been brought before the Senate, because it does correct many rather arbitrary regulations promulgated by the Administrator, no doubt with the very best of purposes but in many instances they work very great injustice.

I should like to make the observation also that this particular amendment which went into an appropriation bill would probably not have come out of the Committee on Finance, in which the GI bill of rights, which provided for educational opportunities to the GI's, was fully considered. But under the Reorganization Act jurisdiction over this subject was vested in the Committee on Labor and Public Welfare, and, without any criticism whatever of that committee, I do not hesitate to express my own belief that this particular amendment, which was incorporated, as I have just said, in an appropriation bill, would not have been permitted to pass the Senate with the approval of the Finance Committee, which did have pretty thorough knowledge of the whole veterans' training program.

Mr. MILLIKIN. Mr. President, will the Senator from Georgia yield for a question?

Mr. GEORGE. I yield to the Senator from Colorado.

Mr. MILLIKIN. Is not the memory of the junior Senator from Colorado correct when he recalls that we spent a great deal of time on this subject, and that we were very anxious that the maximum of control, so far as the selection of eligible schools was concerned, should be left in the States, for many obvious reasons?

Mr. GEORGE. The Senator is quite right. We devoted several days to the study of this bill, and particularly to the study of the educational sections of the bill.

Mr. MILLIKIN. We did not want to set a rigid Washington standard for governing this subject all over the country. Therefore we put the primary responsibility in the proper State agencies to determine which schools were and which were not accredited for the purpose of the bill.

Mr. GEORGE. That was one of the main purposes of the Committee on Finance. That subject not only engaged the attention of the committee but it engaged the attention of the conferees on the bill for quite some time. That particular thought was one that was uppermost in the minds of the committee.

Another thing, Mr. President, as I understand, under this bill, or by amendment, the funds appropriated to the Veterans' Administration may now be used for necessary inspection service of the schools. That is a most commendable provision in the bill.

Mr. LUCAS. Mr. President, I wish to make just one more observation on the bill. I happened to be in Springfield last Sunday, and at a public gathering four veterans who are attending the law school in Springfield came to me almost with tears in their eyes to thank me for what we had done in the amendment dealing with this school. It was rather pathetic to see these boys in the position in which they found themselves after having attended this law school for some time.

Mr. President, this is one of the most meritorious and worthy bills with which I have ever been privileged to associate myself. I know the character and qualifications of the men who are attempting to get a legal education by attending night school. Most of the boys are doing odd jobs here and there in the daytime, having a pretty difficult time. The man who can go through night school and finish his course, as a general rule, will make a good citizen and a good lawyer, and be a credit to his community, his State, and his Nation.

Mr. HUMPHREY. Mr. President, just a few remarks in reference to the bill, as a member of the Senate Committee on Labor and Public Welfare, and as a member of the veterans' subcommittee. I might point out that the distinguished senior Senator from Florida [Mr. PEPPER], who handled the bill in the committee, and so diligently applied himself to preparing the bill for reporting, has been unavoidably detained on public business, and deeply regrets that he cannot be here today to handle the bill on the floor of the Senate. I ask that at the conclusion of my remarks a statement by the distinguished Senator from Florida be incorporated in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(Mr. PEPPER'S statement appears in the RECORD at the conclusion of Mr. HUMPHREY'S speech.)

Mr. HUMPHREY. Mr. President, as a member of the Committee on Labor and Public Welfare I came into the hearings on the bill as one who was a sympathizer with the attitude of the Veterans' Administration. I recall distinctly the day of the opening of the hearings, on the proposal that is before the Senate. After having listened to the testimony, and to the interpretation of the regulations issued by the Veterans' Administration, and after listening to the officials of the Administration explain the meaning of the regulations, it became perfectly obvious to every member of the committee that there was desperate need for basic legislation to again reestablish the rights of the veterans in reference to the GI bill of rights and the educational benefits under that program, and at the same time to place definite limitations upon the regulatory power of the Veterans' Administration and its officials.

I do not think we should condemn the Veterans' Administration as such. I think that agency has done a creditable job, in view of the tremendous responsibility it has had to undertake since the end of World War II. However, as the distinguished majority leader pointed out, in case after case there was action which bordered upon the arbitrary, or at least, one might call it, in more moderate terms, harsh and unfair. For example, a school which established a new course would not be eligible to receive students in that new course under the interpretation of instruction 1 (a) which was issued some time in September 1949. More than that, if a veteran wished to change his course, even though he still had a period of what is called entitlement for veterans' benefits in the educational field, that veteran had to prove to the Veterans' Administration why he wanted to change his course. In other words, he was on trial.

I now summarize the need for the legislation on this basis. The Veterans' Administration was of the opinion that with the proviso in the independent offices appropriation bill pertaining to avocational and recreational courses, that in any school established since June 1944, the burden of proof rested upon the school and the student to prove that the student was not in the school just for a good time or for recreation. More than that, the burden of proof rested on the veteran if he wanted to change a course. In other words, he had to prove to some regional or area officer of the Veterans' Administration that he was not just engaged in a program of recreation or avocation. The bill we have before us clarifies again the status of the veteran and his relationship to the Veterans' Administration and the school.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Minnesota yield to the Senator from Illinois?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it not true that during the period in which the Veterans' Administration would be reviewing the case of the veteran, the veteran would be deprived of all subsistence payments?

Mr. HUMPHREY. That is correct. The veteran would be denied subsistence payments, and, of course, his tuition payments. Periods of months elapsed during which the veteran was uncertain whether his course would be approved, during which the school was uncertain whether it ought to accept the student, and large established universities in this country which were taking in veterans who wanted to change their courses of study were in a complete quandary as to what their rights were.

So what the bill does is to list certain courses which on their face are avocational and recreational. If the veteran wishes to take one of those courses he has to prove that he is doing it for the purpose of vocation and of employment. However, if he takes any other course, the burden of proof rests upon the Veterans' Administration to prove that it would be recreational or avocational. I believe that was the intent of the Finance Committee. I believe it was the intent of the original act that the veteran was to be given the benefit of the doubt insofar as his educational program was concerned.

Mr. President, I wish to read into the CONGRESSIONAL RECORD the following from the report of the committee:

> Section 1: Amends paragraph 9 of part VIII of Veterans Regulation No. 1 (a), as amended, by providing, as a matter of basic policy, that the Administrator of Veterans' Affairs is not authorized to promulgate any regulation or instruction which denies or is designed to deny to any eligible person, or limit any eligible person in, his right to select such course or courses as he may desire, during the full period of his entitlement or any remaining part thereof, in any approved educational or training institution or institutions, whether such courses are full-time, part-time, or correspondence courses.

In other words, the bill, if enacted into law, will definitely prescribe certain regulations as to the amount of authority the Veterans' Administration has in promulgating regulations. Somebody might say "Why should we do this?" I will tell the Senate why. A conference report on an appropriation bill came to to the floor of the Senate, and the Senate disagreed with certain language in the report. Thereafter the Senate Committee on Labor and Public Welfare held hearings in order to write the kind of language that would protect not only the veteran but the school and the Government. That language was carefully written. It was discussed with the Veterans' Administration. A proviso was placed in the appropriation bill which we thought, in view of the hearings, in view of the constant conversation and talk we had had on the subject, would clarify this situation once and for all. But, Mr. President, despite the language, despite the

hearings, despite the time devoted to this matter, and despite the complete understanding we had, the Veterans' Administration in instruction 1 (a) simply ignored what we had done and ignored the whole background and the legislative intent of the proviso which we incorporated.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. Let me state the situation so far as the Veterans' Administration is concerned. We know that we must have someone to administer the laws. The legislation, however, is passed for the benefit of the veteran. Then what happened? The interpretation of the law is made by the Veterans' Administration, and that Administration is not interested in the veteran whatsoever. Therein lies the difficulty. That Administration is interested in the Veterans' Administration and tries to make the regulation fit the Veterans' Administration instead of carrying out the purpose Congress had in mind for the veterans.

Mr. HUMPHREY. That is correct.

Mr. CHAVEZ. In other words, though legislation is passed for the benefit of the veteran, the difficulty is that the Veterans' Administration has gotten to the point where it has become a Government bureau pure and simple, and instead of administering the law as it would fit into the picture for the benefit of the veteran, as it was intended by Congress, the Veterans' Administration administers it in such a way as to fit in with the ideas of the Veterans' Administration. I have always contended, and I contend now, that in administering the law our difficulty has been, whether we like it or not, whether the intentions of the Veterans' Administration are good or otherwise, that there is no one present who represents the veteran. We always have someone present who represents the Veterans' Administration. I am glad this legislation has been presented for enactment.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. The Senator from Minnesota has spoken of the fact that ruling 1 (a) of the Veterans' Administration ran counter to the express will of Congress and the clause which was attached to the appropriations bill the latter part of August. May I ask if it is not a fact that the Veterans' Administration itself participated in the phrasing of the language which went into that amendment?

Mr. HUMPHREY. It did indeed. I think the Senator from Illinois will recall that during the hearings on the bill when we asked the Veterans' Administration, "Where did you get the advice and the counsel to promulgate this new rule which relates to great universities and trade schools and everybody?" we were told, "We went to the solicitor in the Veterans' Administration." So we had the situation of the solicitor in the Veterans' Administration advising the Veterans' Administration in the way the Veterans' Administration wanted to be advised. I recall that the Senator from Illinois made some caustic comments about it at that time.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. Yes.

Mr. DOUGLAS. Is not one of the great difficulties with our whole system of administration the fact that the various Government departments, instead of going to the Attorney General to obtain a legal opinion, have set up their own legal departments, with solicitors and lawyers in them, named by the heads of the departments, and then they ask their subordinates as to what they can do, and in nearly every case they receive opinions in support of what they contend to be their powers.

Mr. HUMPHREY. Yes.

Mr. CHAVEZ. Mr. President, will the Senator again indulge me?

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. For many years I have had experience in that particular regard with the Veterans' Administration. That is why I contend there should be someone within the Veterans' Bureau, but independent of the Veterans' Bureau, who would represent the veterans, because when one asks the Bureau a question, and the Bureau wants to have that question interpreted, to whom does it go? It goes to someone connected with the Veterans' Administration. The Veterans' Administration is not interested whatsoever in the law Congress has passed for the benefit of the veterans, or in the veteran himself, but it is interested in the question: Would it please the Veterans' Administration? I think that is completely wrong.

I have had some experience in connection with the particular matter the Senator is now discussing. While I was home in New Mexico in September, more than 6,000 veterans in New Mexico were going to different universities, and were subject to the interpretation the Solicitor of the Veterans' Administration placed on the law Congress passed. Under his ruling they were not permitted to attend. Luckily, we were able, with what I might say was some browbeating, to get them back into school. Such a situation, however, should not continue to exist, whether it be in Minnesota or New Mexico or any other State.

The law should be interpreted the way it was intended by Congress. As the Senator from Illinois [Mr. DOUGLAS] has so well pointed out, the reason the Veterans' Administration acts in the way it does is that the interpretation of the law comes from within the Administration. The law is interpreted by those who are working for the Veterans' Administration, and not by those who are interested in interpreting the law for the benefit of the ones whom Congress intended to benefit.

Mr. HUMPHREY. Mr. President, I do not think we need to belabor this point. I believe that at some point during the discussion I overheard the Chair say, "Why do we not get to a vote on this measure?" I agree with the Chair.

(Mr. PEPPER's statement, which was ordered printed in the RECORD on the request of Mr. HUMPHREY, is as follows:)

STATEMENT BY SENATOR PEPPER

Mr. President, in 1944 the Congress passed one of the most historic pieces of legislation in the field of education to help our veterans readjust themselves to civilian life. Under that act of Congress over 6,000,000 veterans have had some form of education or training. In April of this year there were 2,500,000 veterans altogether taking their training. A little over a million were in colleges and universities, about 800,000 in other schools, 320,000 taking on-the-job training on farms and nearly half a million were being trained on-the-job in industry.

I am not going to take up the time of the Senate with a detailed description of the history behind S. 2596. This is thoroughly stated in the report of the Senate Committee on Labor and Public Welfare on this bill but I should like to emphasize the major purposes of the bill: First, to safeguard the rights and entitlement conferred upon veterans by the basic law passed in 1944. Second, to make clear the policy and practice to be followed by Veterans' Administration in dealing with educational institutions participating in the program and, third, to clarify and strengthen authority of the Administrator to cope with abuses which have developed as a result of 5 years of experience under the act.

Now this legislation approved by Senate Committee on Labor and Public Welfare now pending before the Senate provides for several different things:

1. The Administrator of Veterans' Affairs is not authorized to promulgate any regulation or instruction which would deny to any eligible veteran or limit him in his right to select such courses as he may desire after he has been determined to be eligible to take a course.

2. The Administrator must disapprove a course in any institution which has been in operation for a period of less than 1 year prior to the date of enrollment by a veteran to such course, except where the enrollment was prior to August 24, 1949, which is the date that Congress approved the veterans' appropriation with a somewhat similar limitation in it. This provision does not apply to a course in a public school or other tax-supported school, branches of schools over 1 year old in the same county or within a radius of 25 miles of the parent school, or a course by a school over 1 year old which does not depart wholly from the character of instruction given by such school.

3. The 1-year provision above would not apply if, upon the certification of a State approving agency that a new institution is essential to meet the requirements of veterans in a State, the Administrator approves the school. In many areas in my State, the local public school jurisdictions have been unable to provide adequate training for veterans in various trades and occupations. The State approving agency in Florida has recognized that courses of instruction in these fields are absolutely necessary. Yet, because of the 1-year provision which was provided in Public Law 266, it was impossible for a new school to start such a course, even though there was a great need for training veterans, and such training would certainly help these veterans to readjust themselves more adequately to civilian life. I know that with careful selection and consideration of these new schools by the State approving agency and by the Administrator we will be able to contribute further to raising the skills of our veterans and thereby contributing to their increased incomes and standards of living.

4. At the same time the bill provides that the Administrator may require vocational consultation by the veteran in case he has discontinued training before completion of the course, or if a veteran, after completing a course, decides to take an entirely different course, such consultation may also be required. But the Administrator cannot refuse approval to a different course or an additional course, except courses which are avocational or recreational in character.

5. The Administrator must refuse approval to any course elected or commenced by a veteran on or subsequent to July 1, 1948, which is avocational or recreational in character. The date July 1 is the date in a somewhat similar provision in the independent offices bill for fiscal year 1950. Now that means that such courses as dancing, bartending, entertainment courses, and the like, are considered to be avocational or recreational in character. I think that is perfectly proper. Unless we do this, the underlying spirit of the education and training provisions of the GI bill of rights for all practical purposes would be lost sight of. Now even in these cases we do not shut out the veteran altogether, because we give him an opportunity to show that such course will contribute to bona fide use in his present or contemplated business or occupation. If he can make such showing, he can take these courses. Furthermore, some of these courses offer professional training and placement in professional positions. It clearly is not the intent of this provision that such professional courses be disapproved by the Administrator.

6. The bill would also empower the Administrator to find any other course to be avocational or recreational in character. This is also a desirable provision to enable the Administrator to cope with any other abuses that may arise in connection with courses that might be avocational or recreational in character. However, again we give a veteran an opportunity to show that such course is not avocational or recreational in character when a certificate in the form of an affidavit supported by corroborating affidavits by two competent disinterested persons has been furnished by a physically qualified veteran, stating that such education or training will be useful to him in connection with earning a livelihood.

7. The bill continues the flight training provisions in Public Law 266. Such training shall not, in the absence of substantial evidence to the contrary, be considered avocational or recreational in character when the affidavits of a similar kind referred to above can be furnished by the veteran.

8. The bill further provides for the determination of the customary cost of tuition and reestablishes the Veterans' Education Appeals Board set up under Public Law 266 to hear and determine cases of schools dissatisfied with a determination of a rate of payment for tuition, fees, or other charges of the Administrator except that the Board would now be appointed by the President instead of by the Administrator. Furthermore, the bill sets forth the compensation of the three members of the Board at a rate of $50 for each day of work together with travel and subsistence expenses. Moreover, the scope of the Board has been expanded to include authority for hearing and determining cases of dissatisfaction with any other action of the Administrator under the bill. It is clearly the intent of this appeal provision that all educational and training institutions, including institutions of higher learning shall be entitled to a review of a determination or action of the Administrator under the bill.

9. The bill would also amend the present law to provide that any nonprofit educational or training institution, including institutions of higher learning, can apply to the Administrator for an adjustment of tuition if he finds that the customary tuition charges are inadequate compensation for furnishing education or training to eligible veterans, the Administrator shall provide for the payment of such fair and reasonable compensation as will not exceed the estimated cost of teaching personnel, supplies for instruction, library and laboratory services, and other services necessary to the furnishing of such education or training. The institution can elect the basis of costs either for the current school quarter or semester or the preceding school quarter or semester.

Recently, the Veterans' Administration required institutions of higher learning to justify their charges for tuition on the basis of a prescribed formula. This formula is quite restrictive and does not provide for the payment of fair and reasonable compensation to the universities and colleges. Take the case of the University of Florida. Its budget is prepared for a 2-year period and the budgetary process requires its original preparation and review almost a year in advance of its effective date. The tuition charges that have been in effect for several years for veterans were used last July and August when its budget was prepared and the contracts with professors and instructors entered into.

The revised Veterans' Administration regulation requires the Florida State institutions of higher learning, the University of Florida, at Gainesville, Florida State University, at Tallahassee, and the Florida Agricultural and Mechanical College, at Tallahassee, to submit cost data because each institution has experienced an increase in nonresident tuition fees in excess of 25 percent since 1944. The regulations further require that the institutions use cost data not for the current semester but for the last preceding semester, even though the payments to be made by the Veterans' Administration are for instructional costs for the current semester. These requirements fail to recognize increases in instructional staff that have become necessary to meet the academic goals of the institutions. They also fail to recognize increases in salaries in the budgets for the current academic year which were made in July and August 1949. These increases are necessary to provide living wages to the instructional staff and to enable the institutions to retain and secure the highest type of personnel.

The provision in the bill is much more realistic than the present regulations because it enables the institution to have the option of selecting a base designed to meet the problem. It so happens that the use of cost data relating to the current semester of the University of Florida rather than a previous period is more factual and realistic. The bulk of veterans in our Florida institutions of higher learning are moving up into the more specialized fields of education and the cost of providing adequate instructional staff in these fields far exceed those costs when the same group entered the lower classes. The costs of providing a credit hour of instruction is higher this year due to the smaller classes, and the increased amount of individual attention given each student. Furthermore, it is believed that the cost per student is more likely to increase in the next few years, with declining enrollments due to completion by veterans of their education and the fact that veterans are now moving into the upper and more specialized divisions of the colleges and universities. This means a great deal to the University of Florida, Florida State University and the Florida A. and M. College. They will save over $750,000 for the current year by permitting the schools to elect the basis for compensation for tuition to veterans on the basis of the current semester or the immediate previous semester.

I might point out that the University of Florida is twelfth in the Nation in the number of veterans getting benefits under Public Laws 16 and 346. It is sixteenth in the Nation in the amount of general income received from tuition and other fees under these laws. These figures would indicate that the University of Florida is not receiving income in proportion to the number of veterans attending this institution.

10. The bill also requires the Veterans Administrator to take into the account not only the estimated cost of teaching personnel, supplies for instructions but also library and laboratory services and other services necessary to the furnishing of education and training to veterans by nonprofit institutions in making payment of fair and reasonable compensation under this section. The present formula for determining costs under Veterans Administration regulations does not recognize the cost of providing, for example, adequate library facilities, which I am sure the Senate will agree are an important part in the instruction process. The cost of administration, stenographic and clerical assistance for instructional units, janitorial and custodial services, heat, light, power and the maintenance and depreciation of buildings and equipment necessary for the furnishing of such educational training far exceed the allowance provided by the formula now in effect in the Veterans' Administration regulations. Our bill would rectify the situation to enable the institutions to obtain a fair and reasonable adjustment of tuition charges which are realistic and compatible with the current requirements of the institutions to furnish education and training under the act as amended.

11. The bill would also amend the present law by providing that, for the purposes of applying the law and regulations respecting the payment of tuition and other charges, in the case of nonprofit institutions, any institution exempted under paragraph (6), section 101 of the Internal Revenue Code, irrespective of the fact that it was certified on or before or after June 22, 1944, when the original bill became law shall be a nonprofit institution. It is the intent of this provision to correct an arbitrary and discriminatory provision of the present regulations which requires that an institution in order to be considered nonprofit must have been certified on or before June 22, 1944.

12. The bill further provides that the Administrator in defining full- and part-time training in determining subsistence allowance and tuition payments shall apply a semester-hour credit unit, or the equivalent school-term unit where the length of the term and the hour credit is on a different basis, if the veteran is pursuing a course of study in an approved institution in preparation for the legal profession and is recognized as such by an appropriate State agency.

13. The bill also would authorize the Administrator to reimburse State and local agencies for reasonable expenses incurred by them in ascertaining the qualifications of proprietary institutions for furnishing education and training under the GI bill of rights and in the continuing supervision of these institutions. Such authority has already been provided in connection with supervising on-the-job training. This authority has proved to be very effective in enabling State approving agencies to cope with abuses under that program. The new authority granted under this bill now before us should place a powerful administrative weapon in the hands of these State agencies and the Administrator of Veterans' Affairs to deal with abuses by proprietary schools under the program.

Mr. President, as chairman of the Subcommittee on Veterans' Affairs of the Senate Committee on Labor and Public Welfare, I

heard the evidence presented by the representatives of the Veterans' Administration and the schools and veterans' organizations. Our subcommittee and the full committee has laboriously worked on the difficult and troublesome subject matter of the bill before us now. The Veterans' Administration expressed the thought that in order to prevent grave abuses under the GI bill of rights, the Congress should act. Representatives of private schools and veterans and institutions urged us to correct actions of the Veterans' Administration which they considered arbitrary, discriminatory or without foundation of law. Our committee, as it has said in its report on this bill, recommends enactment of the bill, but clearly recognizes that it does not represent the final word on the subject. I hope we can pass this bill before this session ends; but when we come back next year, we will study the matter further in conjunction with specific legislative proposals which the Administrator of Veterans' Affairs may deem necessary to prevent and eliminate abuses under the program and to secure to every veteran the right he ought to enjoy to take any course he wishes to take which will enable him to make the best readjustment possible to the American civilian way of life.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The bill (S. 2596) was ordered to be engrossed for a third reading, read the third time, and passed.

RAILROAD FACILITIES BETWEEN UNITED STATES AND ALASKA

Mr. LUCAS. Mr. President, there is on the calendar House bill 2186, which has been unanimously reported from the Committee on Foreign Relations and has passed the House. I move that the Senate proceed to the consideration of House bill 2186.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2186) providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska.

Mr. LUCAS. Mr. President, I believe this is a bill upon which there cannot be much controversy.

Mr. CHAVEZ. Mr. President, is this bill being taken up by unanimous consent?

The PRESIDING OFFICER. No. It is on motion. The question is on agreeing to the motion of the Senator from Illinois to proceed with the consideration of House bill 2186.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MAGNUSON rose.

Mr. CHAVEZ. Mr. President, I suggest the absence of a quorum.

Mr. LUCAS. Mr. President, who has the floor?

Mr. MAGNUSON. I believe I have the floor, Mr. President.

Mr. RUSSELL. No, Mr. President, with all deference. No Senator can hold the floor while a vote is being had.

The PRESIDING OFFICER. The Senator from Georgia is exactly correct.

Mr. LUCAS. Mr. President, who was recognized?

The PRESIDING OFFICER. The Chair had recognized the Senator from Illinois to make a motion to proceed to the consideration of the bill. The question then was on that motion. The Chair put the motion, and the motion was agreed to. No other Senator had been recognized by the Chair. If the Senator from New Mexico insists——

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. I should like to have this point straightened out. I maintain that the Chair did not recognize any Senator. I maintain that the Senator from New Mexico [Mr. CHAVEZ] raised the question of a quorum without being recognized. That is the point of order which I wish to raise now. I do not think the Chair has recognized any Senator yet. I do not think the Chair has recognized the Senator from Illinois, even though he is speaking.

The PRESIDING OFFICER. The Chair believes that the Senator from Illinois is exactly correct. The Chair had not recognized any Senator. The Chair had put the question on the motion of the Senator from Illinois.

Mr. LUCAS. That is correct.

The PRESIDING OFFICER. Then, as the Senator from Illinois well knows, under the rule any Senator has the right to suggest the absence of a quorum.

Mr. LUCAS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Can any Member of the Senate suggest the absence of a quorum without first being recognized by the Chair? That is the point I make.

Mr. CHAVEZ. Mr. President——

Mr. LUCAS. Just a moment. I submit that the Chair did not recognize the Senator from New Mexico. I am now only arguing the point of order. It is perfectly all right for the Chair to recognize the Senator from New Mexico if he so desires; but the point I am making is this: Frequently a Senator rises and suggests the absence of a quorum. I maintain that a Senator who suggests the absence of a quorum without first obtaining recognition from the Chair is out of order; and if a point of order is made against it, no quorum call can be had.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. The Parliamentarian advises the Chair that the long-time practice has been that if no Senator has been recognized, and therefore if no Senator has the floor, any Senator may rise and suggest the absence of a quorum.

Mr. LUCAS. Without being recognized?

The PRESIDING OFFICER. In effect he is recognized when he makes the point of no quorum.

Mr. CHAVEZ. Mr. President, the Senator from Illinois says that he has been talking out of order. I ask, in my own right, recognition to suggest the absence of a quorum.

Mr. LUCAS. I am only trying——

The PRESIDING OFFICER. The Chair invites the attention of the Senator from Illinois to rule V, on page 7, which reads as follows:

If, at any time during the daily sessions of the Senate, a question shall be raised by any Senator as to the presence of a quorum, the Presiding Officer shall forthwith direct the Secretary to call the roll and shall announce the result, and these proceedings shall be without debate.

As the Parliamentarian advises the Chair, and as the Chair himself has long understood the rule, when no Senator has been recognized, and, therefore, when no Senator holds the floor, "at any time," to use the exact language of the rule, any Senator may rise and say, "Mr. President, I suggest the absence of a quorum." The Chair is constrained by the rule to direct the Secretary to call the roll.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Is a unanimous-consent request in order temporarily to withdraw the bill from consideration so that I may converse with the Senator from New Mexico regarding the quorum call, and so that he may ask unanimous consent to withdraw it?

Mr. CHAVEZ. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from New Mexico insists on the regular order. The regular order is to call the roll for a quorum.

Mr. CHAVEZ. That is correct.

The PRESIDING OFFICER. The Chair will have to enforce the rule.

Mr. LUCAS. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for a moment?

Mr. CHAVEZ. Certainly.

Mr. LUCAS. I moved to take this bill up with the understanding from the Senator from Washington that there there would be no opposition to the bill. If there is to be any controversy I should like to withdraw the bill from consideration.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAGNUSON. I told the Senator from Illinois that I knew of no opposition. I do not think the Senator from New Mexico is familiar with the bill. If he were I am sure he would not object.

Mr. CHAVEZ. Mr. President——

Mr. MAGNUSON. Just a moment.

Mr. CHAVEZ. Will the Senator from Illinois yield to me?

Mr. LUCAS. I yield.

Mr. CHAVEZ. Of course, the Senator from Washington did not know of any opposition. But I ask him whether he had inquired from a single Senator as to whether or not there was opposition.

Mr. MAGNUSON. The bill was unanimously approved by the Committee on Foreign Relations. It passed the House unanimously. It is a bill which involves

very little. If the Senator were familiar with the bill, I am sure that he would not object. He might be one objector, but I am sure that most Senators who understand the bill are for it. The Foreign Relations Committee considered the bill very carefully.

Mr. CHAVEZ. That is just it. The Senator from New Mexico does not know a thing about the bill, so he does not wish to vote on any matter about which he knows nothing. Hence he objects.

Mr. MAGNUSON. This is not a unanimous-consent request. The bill was taken up on motion.

Mr. CHAVEZ. I know it was, but I am asking for the regular order.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. I ask unanimous consent that the bill be withdrawn from consideration, and that the request for a quorum call be withdrawn.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ST. LOUIS RIVER BRIDGE, DULUTH, MINN.

Mr. LUCAS. Mr. President, I now ask the Senate to proceed to the consideration of Calendar No. 1126, which is a small bill which has been reported favorably from the Committee on Public Works.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2002) to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

The PRESIDING OFFICER. The Chair advises the Senator from Illinois that there is a House bill on the same subject. Does the Senator wish to proceed with the Senate bill?

Mr. HUMPHREY. Mr. President, the House bill is identical with the Senate bill, and there will be no difficulty whatever in conference.

The PRESIDING OFFICER. The Senator does not desire to have the bill go to conference, does he?

Mr. HUMPHREY. No; but there will be no difficulty if either bill is taken up. One would be just as good as the other. I understand that the House bill was passed yesterday.

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of House bill 5956.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5956) to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

Mr. WHERRY. Mr. President, is this Calendar No. 1126?

The PRESIDING OFFICER. Calendar No. 1126 is the Senate bill.

Mr. WHERRY. And the motion is to substitute the House bill?

The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois to proceed to the consideration of the House bill, which is identical with the Senate bill.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HUMPHREY. Mr. President, the senior Senator from Minnesota [Mr. THYE] asked at the conclusion of yesterday's deliberations on the floor of the Senate that the majority leader arrange to take up S. 2002. The senior Senator from Minnesota is now engaged in conference. I talked with him prior to his going to the conference, and suggested that if we could find time today we could possibly bring this bill up. I appreciate the friendly assistance of the majority leader in permitting me to bring this bill on the floor for consideration.

So far as the bill is concerned, it merely authorizes a means of financing a bridge between Superior, Wis., and Duluth, Minn. The basic legislation on this subject, which was enacted in 1939, I believe, has expired. All this bill would do would be to renew the authority. There is no obligation on the part of the Federal Government. The bill will merely permit the charging of tolls on travel over the bridge between the two cities. The bill was approved unanimously by the Public Works Committee. The situation is simply that because of the navigable waters, the Federal Government must enact legislation on this subject.

Mr. WHERRY. Mr. President, I am not averse to having the bill considered at this time; but if we are to take up various legislative proposals, I believe there should be a quorum call. Earlier today I agreed to a unanimous-consent request, and later we got into some difficulty because of it. Many bills are described as being just little ones and as not amounting to a great deal; but after they are passed, Senators frequently ask why they were not notified.

Mr. LUCAS. Mr. President, if any question subsequently develops, we shall reconsider the bill.

Mr. WHERRY. Then I shall not object. I know that the senior Senator from Minnesota [Mr. THYE] is very much interested in the bill. Of course, I should like to have him here at this time.

Mr. HUMPHREY. Mr. President, I wish to say that the senior Senator from Minnesota talked with me extensively about this measure. What I propose now is in his behalf and my own. Senate bill 2002 is his bill. We have worked together on this matter, as we have with the Senator from Wisconsin [Mr. MCCARTHY].

The bill means a great deal to the two cities involved. Very frankly, the transportation between those cities will be seriously jeopardized unless something is done immediately to help in that situation.

Mr. WHERRY. Does the bill require an appropriation?

Mr. HUMPHREY. It does not require any appropriation whatsoever. Enactment of the bill is merely required because of a legal interpretation regarding the agreement between the city of Duluth and the city of Superior. The agreement merely relates to the financing necessary in order to construct a new bridge or to acquire the present one.

Mr. MCCARTHY. Mr. President, I think the RECORD should show that this bill has been submitted to all governmental departments concerned, and there is no objection by them to the passage of the bill.

Mr. HENDRICKSON. Mr. President, let me point out that in the CONGRESSIONAL RECORD for yesterday, at page 14235, it appears that, in connection with a discussion of this bill, the senior Senator from Minnesota [Mr. THYE] said at that time:

> This bill will cost the Federal Government no money. The bill will simply authorize the two cities to levy a toll to obtain revenue with which to pay the expenses of the bridge. There will be no Federal expenditure. The House passed the bill this afternoon. In fact, if the Senate would consider the bill at once, we could dispose of it in the next minute.

Mr. HUMPHREY. Mr. President, that is correct. The Senior Senator from Minnesota really has put a great deal of work on this measure.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5956) was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2002 is indefinitely postponed.

Mr. WHERRY. Mr. President, I notice that the Senate bill was reported with amendments. Does the House bill as printed include the amendments?

Mr. HUMPHREY. Yes; the same amendments.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Joseph F. Farley, Commandant of the United States Coast Guard, to be an admiral on the Coast Guard retired list, effective upon his retirement on January 1, 1950, pursuant to the provisions of law;

Rear Adm. Merlin O'Neill to be Commandant with the rank of vice admiral in

the United States Coast Guard, for a term of 4 years, in place of Admiral Joseph F. Farley who will retire upon the expiration of his term on December 31, 1949; and

Louis W. Perkins to be a rear admiral in the United States Coast Guard.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

NOMINATION OF LELAND OLDS

The legislative clerk read the nomination of Leland Olds, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1954.

Mr. LUCAS. Mr. President, I ask unanimous consent that the nomination of Mr. Olds be passed over temporarily, because after we act on some of the other nominations, it is contemplated that the Senate will take a short recess. Following the recess, it is proposed that we then take up the nomination of Mr. Olds.

Mr. WHERRY. Mr. President, if the Senator will yield, let me say that it seems to me this is a good time to have announcement made regarding the time when the nomination of Mr. Olds will be taken up, so that all Senators may be informed as to that.

Mr. LUCAS. We shall take a recess until 7:30 this evening.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. Without objection, the nomination will be temporarily passed over.

The clerk will state the next nomination on the calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

Mr. AIKEN. Mr. President, this is a reappointment for Mr. Manahan. He has been one of our most efficient collectors of customs; he has done his work well. I wish to give him credit for it, here and now.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DISPLACED PERSONS COMMISSION

The legislative clerk read the nomination of Ugo Carusi, of Vermont, to be a member of the Displaced Persons Commission for a term ending June 30, 1951.

Mr. AIKEN. Mr. President, Mr. Carusi is another one of my constituents. He is the best man in the country for this job, and I wish to give him credit for it.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. O'CONOR. Mr. President, I wish to echo the sentiments just expressed by the Senator from Vermont; and I do so with regard to all the nominations to the Displaced Persons Commission. They have met with uniform and universal approval.

Mr. LUCAS. Mr. President, I am very happy to know that the Judiciary Committee has finally reported the nominations of these very fine and able men, so that we may consider the nominations. I had begun to wonder whether the nominations would be bottled up in the committee. I desire to congratulate the members of the Judiciary Committee for reporting the nominations, so that they are now on the Executive Calendar.

Mr. O'CONOR. Mr. President, let me say that the report of the committee was unanimous; upon consideration by the committee of the nominations, the President's appointment to the Displaced Persons Commission were found to be universally acceptable.

Mr. LUCAS. I thank the Senator for his statement.

The PRESIDING OFFICER. The next nomination will be stated.

The legislative clerk read the nomination of Edward M. O'Connor, of New York, to be a member of the Displaced Persons Commission for a term ending June 30, 1951.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harry N. Rosenfield, of New York, to be a member of the Displaced Persons Commission for a term ending June 30, 1951.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

JUDGES OF UNITED STATES CIRCUIT COURT OF APPEALS

The legislative clerk read the nomination of Walter C. Lindley, of Illinois, to be judge of the United States Circuit Court of Appeals for the Seventh Circuit.

Mr. LUCAS. Mr. President, in regard to the nomination of Hon. Walter C. Lindley, of Illinois, to take the place of Judge Sherman Minton, who has been elevated to the Supreme Court of the United States, let me say that I am quite sure that all Members of the Senate on the Republican side of the aisle will be happy and gratified to know that the President has appointed a Republican to the Seventh Circuit Court of Appeals, upon the recommendation of my distinguished colleague, the junior Senator from Illinois [Mr. DOUGLAS] and myself. I wish to say that I have known Walter Lindley for the past 20 years. He was appointed to the district court by the late Warren Harding, when he was President of the United States. During all the years since that time Mr. Lindley has performed remarkable service as a judge in meting out equity and justice to those who have come before his court.

I am extremely happy to know that President Truman has decided to appoint Judge Lindley, a Republican, to the bench of the circuit court of appeals. I may say—and I say it with a considerable amount of feeling regarding the judiciary—I know that when the Republicans have been in power, as a general rule Republicans have been appointed to the bench; when the Democrats have been in power Democrats have been appointed to the bench; but a little better balanced judiciary would not hurt anything, in the opinion of the Senator from Illinois.

Mr. WHERRY. Mr. President, I appreciate the remarks of the distinguished majority leader. He said Mr. Lindley was appointed in the first place to one of the judgeships by the late President Harding. So at least President Harding is credited with doing one good thing during his service as President of the United States.

Furthermore, I wish to say that I certainly appreciate that this nomination of a Republican has been suggested by our Democratic colleagues.

I agree with the distinguished majority leader that there should be a completely even balance in the judiciary. I do not know whether that point has been emphasized at this time because the nominee now under consideration is a Republican. I wish to say that I remember a time when the University of Nebraska football team met the University of Pittsburgh football team. The coach of the Nebraska team said, "We have been defeated so many times. If we could only defeat Pittsburgh once, it would be wonderful." Unfortunately, his team did not defeat the Pittsburgh team on that occasion, but lost by one point. But he said, "If we do not win, I will exclaim, as did Elijah of old, 'Lord, let me lie down and die.'"

So, Mr. President, I appreciate very much that at long last a Republican—and in this case, a Republican of such distinction—has been nominated to the bench, and that his nomination has been approved by the two Senators from Illinois, to whom we are deeply appreciative in this connection.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. I should like to ask the distinguished majority leader whether he believes that so broad-minded a policy should also apply to the United States district court for the southern district of New York.

Mr. LUCAS. I must say that I know nothing about the situation in the southern district of New York.

Mr. IVES. Of course I do.

Mr. LUCAS. Apparently the Senator from New York does. It would seem that he has been suffering a little because of some of the appointments which have been made to the bench there.

Mr. IVES. The appointments which have been made have been one-sided.

Mr. LUCAS. The policy has been one-sided; but if Senators will examine the records of the days when the Republicans were in power, at a time when the Democrats were suffering during those long, long years, Senators will disvover that the Republicans followed a similar course.

Mr. IVES. That was not the case in respect to the court to which I am referring.

Mr. LUCAS. I do not know about that court.

Mr. IVES. It is the court I am talking about.

Mr. LUCAS. I am referring to the courts out my way. But on the whole, the record has been about the same, so far as appointments are concerned. As I said a moment ago, I really believe there could well be a little more even balance as between Republicans and Democrats on the courts.

Mr. IVES. Does the distinguished Senator from Illinois recommend it?

Mr. LUCAS. I do not have anything to do with the question at all. I do not make the nominations. The President of the United States sends them to the Senate. But the Senator may draw his own conclusions as the result of what my colleague and I did in the recommendation of a Republican to be a judge of the circuit court of appeals, from Danville, Ill. It so happens, I think, a Republican member of the circuit court of appeals passed away some time ago. I am very sincere in the belief that certainly there ought to be one member of the opposite party on the circuit court of appeals.

Mr. IVES. How about the district court?

Mr. LUCAS. I might occasionally go that far with the Senator. I do not at this time want to get into a debate of that kind.

Mr. IVES. The Senator from New York would like to enlist the distinguished Senator from Illinois in the cause.

Mr. LUCAS. I shall be very glad to go along with the Senator from New York, although I am sure I shall be of little help to him.

The PRESIDING OFFICER. Without objection, the nomination of Mr. Lindley is confirmed. The clerk will state the next nomination.

The legislative clerk read the nomination of John C. Pickett to be judge of the United States Circuit Court of Appeals, Tenth Circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The legislative clerk read the nomination of Casper Platt to be United States district judge for the eastern district of Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ben C. Connally to be United States district judge for the southern district of Texas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McKELLAR subsequently said:

Mr. President, I notice on the list of executive appointments just confirmed the name of Ben C. Connally, about whom I wish to say a word of two.

Mr. President, Mr. Ben C. Connally has been appointed a judge of the United States District Court for the Southern District of Texas. I do not know Mr. Connally well, but his father, Senator TOM CONNALLY, and I have been most intimate friends for thirty-odd years. We lived together in the same apartment for a number of years. As we all know, no finer man ever lived than TOM CONNALLY. He is one of the ablest and most distinguished men in this body, and now holds one of the most honored positions as chairman of the Foreign Relations Committee. Like his father, the son is a grand man. He takes after his father in ability and in his many other fine qualities. He is about 37 or 38 years old, splendidly educated, a lawyer of great ability, a man of judicial temperament, and of outstanding character. He will make a great and an honest and just judge.

I want to thank the President of the United States for making the appointment. I know it is for the best interest of the southern district of Texas, and I know Mr. Connally will make a splendid judge.

I congratulate the new judge, and I also congratulate his distinguished father on the high honor which has come to his son. I take great pleasure in thanking the Senate for his unanimous confirmation.

Mr. CONNALLY subsequently said: Mr. President, I am informed that a few minutes ago the Senate confirmed the nomination of my son as district judge. I was not present and did not participate in the vote on the question, nor did I participate in any hearing before the Judiciary Committee with reference to the nomination.

The legislative clerk read the nomination of James V. Allred to be United States district judge for the southern district of Texas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. O'CONOR. Mr. President, may I, as a matter of record, note the fact that in the approval of the judges I certainly thank the Members of the Senate. The nominations were not passed over perfunctorily by the committee, but were given the utmost study as to the legal attainments of the men, their judicial experience and temperaments, and it was found universally that they were acceptable.

Mr. WHERRY. Mr. President, I want to commend the Senator from Maryland for his observation. I think it is a tribute to the members of the committee that they see to it, when judges are nominated, that there is a complete and exhaustive examination into their records. After all, the judiciary is the last bulwark standing between the other two branches of the Government and the people. I deeply appreciate the statement made by the Senator from Maryland. I heartily commend the practice on the part of the committee of which the Senator speaks.

Mr. O'CONOR. Mr. President, if I may make a final observation, it is that the members of the Judiciary Committee, of both parties, from both sides of the aisle, take such matters as among the most serious to which they can be assigned. They have gone into them very exhaustively with the view to having confirmed only judges who are eminently qualified.

UNITED STATES ATTORNEYS

The PRESIDING OFFICER. The clerk will proceed with the executive calendar.

The legislative clerk read the nomination of Joseph A. McNamara, to be United States attorney for the district of Vermont.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Timothy T. Cronin, to be United States attorney for the eastern district of Wisconsin.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles H. Cashin, to be United States attorney for the western district of Wisconsin.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The legislative clerk read the nomination of Herbert I. Hinds, to be United States marshal for the eastern district of Oklahoma.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. LUCAS. I ask that the President be immediately notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified immediately.

APPROPRIATIONS FOR MILITARY ESTABLISHMENT—CONFERENCE REPORT

Mr. THOMAS of Oklahoma. Mr. President, as in legislative session I submit a conference report on House bill 4146, making appropriations for the Military Establishment, and so forth, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 10, 11, 14, 15, 16, 19, 20, 24, 26, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 43, 44, 45, 46, 48, 52, 57, 58, 59, 64, 65, 67, 68, 70, 72, 80, 83, 90, and 92.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 9, 21, 22, 23, 42, 50, 53, 54, 56, 60, 61, 63, 66, 69, 75, 78, 79, 82, 85, 86, 88, and 89, and agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$80,000,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$124,675"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,635,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amend-

ment insert "$4,400,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,336,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,070,000"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert "634"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 7, 12, 13, 17, 18, 25, 27, 51, 55, 62, 71, 73, 74, 76, 77, 81, 84, 87, 91, 93, 94, 95, 96, 97, 99, and 100.

ELMER THOMAS,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOSEPH C. O'MAHONEY,
CHAN GURNEY,
STYLES BRIDGES,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. DONNELL. Mr. President, while he is on his feet, will the Senator from Oklahoma be kind enough at this time to yield for a question? I want to state in advance that the question I wish to ask and for which I wish the Senator to yield does not relate to the conference report, and I would not want the Senator to yield unless he understood that in advance. Will the Senator yield for a question on another topic?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. I respectfully request the answer of the Senator to this question, whether at some time during the past few weeks, or certainly during this year, there was presented to the Senate Committee on Agriculture and Forestry the question in substance of how many of that committee wanted to consider the Brannan plan this year as a long-range price support plan, and whether it is correct that in response to the inquiry made by the chairman of the committee no one voted in favor of the proposition suggested, with the possible exception of the chairman of the committee? I should like to ask the Senator whether that is a correct statement of fact.

Mr. THOMAS of Oklahoma. Mr. President, so far as I know, when that event transpired, I would not say there was not some discussion of the Brannan plan, and I would not say I tried to find out from the committee whether anyone wanted to have any hearings on the plan. The Senator may be correct in that, but there was no motion made, and no vote recorded.

Mr. DONNELL. Mr. President, will the Senator yield for one further inquiry?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Does the Senator recall whether the sentiment of the committee was tested, if not by a formal vote, at least by an inquiry to the general effect I have recited, and whether the result of the inquiry was substantially as I have stated?

Mr. THOMAS of Oklahoma. The facts are substantially as follows: The bill was introduced and was referred to a subcommittee. The subcommittee has not yet made a report on the bill. There has been discussion in the committee with respect to the merits of the Brannan plan, but no hearings were held upon it to speak of, no report was made, so there could be no conclusion reached.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Was there, according to the best recollection of the Senator, an inquiry of the general effect which I have recited, made to the members of the committee, and in response to it, did any Senator, unless possibly the chairman of the committee, approve the general idea of the consideration of the Brannan plan this year as a long-range price-support plan?

Mr. THOMAS of Oklahoma. The question submitted indicates that I approved the Brannan plan.

Mr. DONNELL. I do not know whether the Senator did approve it.

Mr. THOMAS of Oklahoma. I did not know enough about the Brannan plan to justify a vote either for or against it; and that is my position at this moment.

Mr. DONNELL. Can the Senator tell us whether he has reason to believe that a question presented to the members of the Senate Committee on Agriculture and Forestry brought to his attention the fact that any member of the committee voted in favor or expressed himself in favor of considering the Brannan plan this year as a long-range price-support plan?

Mr. THOMAS of Oklahoma. The record is clear in my committee that there are only three members of the committee who even favored a strict all-out 90 percent support price. Those three are the Senator from South Carolina [Mr. JOHNSTON], the Senator from North Dakota [Mr. YOUNG], and myself. The other members have expressed themselves at different times as being opposed to it and as favoring a so-called flexible program. If that statement is not correct, the Senators can correct me.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. The records of the Committee on Agriculture and Forestry will speak for themselves, as will the votes upon different measures from time to time. There was never a roll-call vote taken, so far as the Senator from Illinois knows, on the Brannan plan. It has been discussed pro and con, here and there, and everywhere.

Mr. THOMAS of Oklahoma. I am sure of that.

Mr. LUCAS. So am I. But so far as what the Senator from Missouri is trying to get from the Senator from Oklahoma is concerned, as I understand, there was never a vote taken directly upon whether we should take up the Brannan plan and vote on it or whether we should accept it or anything else.

Mr. THOMAS of Oklahoma. The statement of the Senator is correct. Quite naturally 6 months after the bill was introduced, on the 31st of May, the Brannan bill has been discussed informally and suggestions have been made, back and forth, but we never had information upon which we could base a conclusion.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Did the Senator ask of the Senate Committee on Agriculture and Forestry its opinion and its pleasure with respect to whether the Brannan plan should be considered this year as a long-range price-support plan?

Mr. THOMAS of Oklahoma. When the subcommittee was appointed, it was appointed for the specific purpose of considering the Brannan bill which was introduced by me. It was so stated, and the bill was referred to a subcommittee.

Mr. DONNELL. Was there a question asked by the Senator from Oklahoma or by any other member of the committee to the general effect of eliciting information as to whether the committee itself favored the Brannan plan this year as a long-range price-support plan?

Mr. THOMAS of Oklahoma. I have no such recollection.

Mr. DONNELL. Mr. President, I understood there was no record vote, and I wanted to ask what type of discussion or inquiry had been had.

Mr. THOMAS of Oklahoma. It was wholly informal, if it took place at all.

Mr. DONNELL. I thank the Senator.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate agree to the conference report.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. Is the Senator going to make an explanation of the points in disagreement?

Mr. THOMAS of Oklahoma. From this time on I shall.

Mr. WHERRY. I do not object. I wanted to be sure that the Senator would bring out the two salient points on which there was disagreement.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4146, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 10, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 3, 12, 17, 18, 25, 27, 51, 55, 62, 71, 76, and 84 to the bill (H. R. 4146) entitled "An act making appropriations for the

National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment as follows: In lieu of the sum stated in said amendment insert "$47,000,000."

That the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert: ": *Provided further*, That, notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any food products owned and stored by such Corporation which the Secretary determines to be of satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas."

That the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment as follows: In lieu of the language stricken by said amendment insert:

"The act of June 30, 1949 (Public Law 154), as amended, making temporary appropriations for the fiscal year 1950 shall not be construed to have in any manner suspended the operation of the act of July 2, 1945 (Public Law 120, 79th Cong.) authorizing military personnel to occupy certain Government housing facilities on a rental basis without loss of rental or quarters allowance."

That the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

"SEC. 622. (a) All negotiated contracts for procurement in excess of $1,000 entered into during the fiscal year 1950 by or on behalf of the Department of Defense (including the Department of the Army, Department of the Navy, and Department of the Air Force), and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the Act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948."

That the House recede from its disagreement to the amendment of the Senate numbered 93 and concur therein with an amendment as follows: In line 1 of said amendment strike out "SEC. 630" and insert "SEC. 629", and in the last proviso of said amendment strike out "in time of war or national emergency."

That the House recede from its disagreement to the amendment of the Senate numbered 94 and concur therein with an amendment as follows: In line 1 of said amendment strike out "SEC. 631" and insert "SEC. 630."

That the House recede from its disagreement to the amendment of the Senate numbered 95 and concur therein with an amendment as follows: In line 1 of said amendment strike out "SEC. 632" and insert "SEC. 631."

That the House recede from its disagreement to the amendment of the Senate numbered 96 and concur therein with an amendment as follows: In line 1 of said amendment strike out "SEC. 633" and insert "SEC. 632."

That the House recede from its disagreement to the amendment of the Senate numbered 97 and concur therein with an amendment as follows: In line 1 of said amendment strike out "SEC. 634" and insert "SEC. 633."

That the House recede from its disagreement to the amendment of the Senate numbered 100 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"SEC. 702. The amounts to be obligated or expended from certain appropriation items contained in titles II, III, IV, and V of this act shall not exceed the following:

"Department of the Army

"Pay of the Army	$1,440,778,178
Welfare of enlisted men	6,566,688
Subsistence of the Army	242,372,534
Regular supplies of the Army	109,254,420
Clothing and equipage	175,097,252
Incidental expenses of the Army	99,586,215
Transportation Corps: Transportation service	305,602,009
Signal Corps: Signal Service of the Army	197,062,137
Medical Department: Medical and Hospital Department	65,048,856
Engineer Service	116,702,830
Barracks and quarters	184,976,037
Military construction	85,177,044
Training and operation	3,814,243
Maintenance and operation, U. S. Military Academy	5,964,533
Salaries:	
Secretary of the Army	3,141,639
Chief of Staff	7,450,965
Judge Advocate General	579,426
Chief of Finance	1,455,399
Quartermaster General	6,808,340
Chief of Transportation	2,935,930
Chief Signal Officer	2,471,176
Provost Marshal General	134,852
Chief of Engineers	3,789,316
Chief of Ordnance	4,040,904
Chief of Chemical Corps	750,000
Contingent expenses, Department of the Army	8,949,500

"Department of the Navy

"Miscellaneous expenses	$4,283,000
Salaries, Office of the Secretary	4,321,000
Research	42,697,000
Pay and allowances	1,039,871,000
Transportation and recruiting	31,804,000
General expenses	2,040,000
Naval Reserve	126,117,000
Naval Academy	5,130,000
Naval Home	390,000
Construction of ships	156,996,000
IRNV-Construction and machinery	37,787,000
Ordnance and ordnance stores	219,000,000
Ordnance for new construction	62,128,000
IRNV-Armor, armament, and munition	69,379,000
"Maintenance, Bureau of Supplies and Accounts	$207,331,000
Fuel	58,654,000
Salaries, Bureau of Supplies and Accounts	4,676,000
Medical department	38,686,000
Maintenance, Bureau of Yards and Docks	151,282,000
Public Works	51,876,000
Salaries, Bureau of Yards and Docks	2,257,600
Aviation	511,604,000
Pay, Marine Corps	185,818,000
General expenses, Marine Corps	121,182,000
Salaries, Headquarters, Marine Corps	2,475,000

"Department of the Air Force

"Special procurement	$125,797,000
Maintenance and operations	1,143,858,000
Air Force Reserve	77,630,000
Air Reserve Officers' Training Corps	11,677,000
Air National Guard	114,690,000
Salaries and expenses, administration	57,242,000

"The Secretary of Defense is authorized and directed to determine and certify to the Committees on Appropriations of the Senate and the House of Representatives, on or before January 1, 1950, from any appropriation provided in this act which he finds may be reduced without prejudice to the national security, any amount which may be reduced, stating the reason for such reduction."

That the House insist upon its disagreement to the amendments of the Senate numbered 73, 74, 77, 81, and 99, to said bill.

Mr. THOMAS of Oklahoma. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 7, 13, 87, 91, 93, 94, 95, 96, and 97.

The motion was agreed to.

Mr. THOMAS of Oklahoma. I move that the Senate further insist upon its amendments Nos. 73, 74, 77, 81, and 99, and that the Senate disagree to the amendment of the House to the amendment of the Senate numbered 100 and insist upon its amendment, that the Senate ask for a further conference with the House on the several amendments in disagreement, and that the Chair appoint the same conferees.

Mr. President, just a word in explanation. As to the two amendments which are still in disagreement, the Congress has already appropriated $835,000,000 with which to acquire strategic and critical materials through the Munitions Board. The Senate has ordered a rescission. The Senate, of course, insists upon its amendment, and the House has disagreed to that amendment, so that the amendment is still before the two Houses for further adjustment.

The second part of the disagreement is with respect to the number of air groups in the Air Force. The present law provides for 48, as I understand. The House provided for sufficient funds to increase that number to 58. When the bill came to the Senate, the Senate committee recommended that the Senate not agree to the increase in the number of air groups from 48 to 58, and we voted to provide money for development of 48 air groups. The amount of money involved is approximately $741,000,000. The House insists that the Senate agree

to the increase in the air groups from 48 to 58 and that the necessary amount of money be appropriated. These amendments cover the different items in the bill making up the sum of $741,000,000.

My motion was that the Senate insist upon its amendment with respect to stock piling, and its amendment with respect to providing money for increasing the Air Force from 48 to 58 groups, involving an expenditure of $741,000,000. I advise the Senate that I am informed, unofficially, that there is a committee of this body consisting of representatives of both parties. I think there is no secret as to the membership. The committee is headed by the Majority Leader [Mr. LUCAS], and members are the Senator from Tennessee [Mr. MCKELLAR], Chairman of the Committee on Appropriations, the Minority Leader [Mr. WHERRY], and the former Chairman of the Armed Services Committee [Mr. GURNEY]. They conferred with the President, and I was with them. While I am not permitted to quote what he said, I will give the Senate my understanding of the conference. My understanding is that we are entitled to recommend that it would be all right to rescind our action with respect to the stock piling, and it would be all right if, in conference, we agreed with the House contention as to the authorization of $275,000,000 to acquire further strategic and critical materials, but the other item, with respect to increasing the Air Force from 48 to 58 units, involving $741,000,000, was not to be agreed to.

I am not at liberty to say that if the money is appropriated in the last analysis the money will not be used, but I am safe in saying, from my standpoint, that I do not think the money should be used. I think it should be impounded, and I leave the impression that if the money is appropriated it may not be used.

Mr. WHERRY. Mr. President, in view of the statement by the distinguished Senator from Oklahoma, I should like to make one remark. I understood him to say that he was permitted to make the statement that the Senate might recede on the stock-piling amendment, and that the House would recede on the $741,000,000 item. I want the RECORD to show that as the minority leader I went with the delegation to hear what the President had to say. I appreciated very much the President's observations. In fact, it was a recital of what he had already said publicly. But I for one, as a member of the Conference Committee, am not bound by what the President said, and I intend to use my own judgment as a member of the legislative branch as to what I think I should do in the conference as we meet tomorrow.

I did appreciate the observations of the President of the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. RUSSELL, Mr. O'MAHONEY, Mr. TYDINGS, Mr. GURNEY, Mr. BRIDGES, Mr. WHERRY, and Mr. CORDON conferees on the part of the Senate at the further conference.

NOMINATION OF SHERMAN MINTON TO BE ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Mr. MORSE. Mr. President, on the evening of October 4, I made a motion that the nomination of Judge Sherman Minton be recommitted to the Committee on the Judiciary with instructions that the committee call the judge before it for examination by the members of the committee as to his qualifications. On that occasion the Senator from Oregon had not been fully informed as to all that had taken place before the Committee on the Judiciary until he arrived on the floor of the Senate that night. As he said during the course of his remarks, he was speaking from recollection in regard to his understanding as to what the procedures had been in the past concerning the calling of nominees to the Supreme Court before the Committee on the Judiciary.

On page 14106 of the daily RECORD of October 4 the junior Senator from Oregon stated:

> In my study of the American judiciary I recall the hearings held in connection with the nomination of the great Charles Evans Hughes. He was called before the committee. No improper questions were asked him.

Before I conclude my remarks, Mr. President, I shall ask unanimous consent to strike from the permanent RECORD of the Senate this particular reference to Charles Evans Hughes, for the reason that following that evening a question was raised as to whether or not Charles Evans Hughes in fact did appear before the Committee on the Judiciary, and the Senator from Oregon, who always tries to be exceedingly particular about statements of fact, went to work on the question of whether or not he had in fact been called before the committee, and to date the researches of the Senator from Oregon have not brought forth any evidence that Justice Hughes in fact was called before the committee. However, in explanation of a possible factual error the Senator from Oregon may have made in reference to Charles Evans Hughes, I wish to state to the Senate the basis for the statement I made on the night of October 4. I also desire to hasten to add that there still is the probability that further research will disclose that Justice Hughes in fact did appear before the Committee on the Judiciary, because of the surrounding facts and circumstances which existed at the time of his nomination. We are at work, both through the Department of Justice and in the Congressional Library, in an effort to find the records of the Committee on the Judiciary for that particular period of time.

Mr. President, I am sure it is not news to the Senate that records of the executive hearings of our committees are not in easily accessible form, and I believe that for historical purposes all our committees in the Senate would do well if they kept the record of their executive sessions in much more accessible form than is the present practice.

To explain to the Senate the basis for the observation I made with reference to Justice Hughes, I wish to make a statement I have prepared with reference to his nomination.

My recollection of the Hughes hearing is based upon a long conversation I had with former Senator James Watson, of Indiana, who was Republican majority leader at the time of the Hughes nomination for Chief Justice of the Supreme Court. I recall that I traveled from Washington to Indianapolis, Ind., with Senator Watson several years ago and he told me an interesting story about his participation in the handling of the nomination of Hughes in the Senate.

Senator Watson explained to me that he was opposed to the nomination of Hughes and went to the White House and told President Hoover so. However, he said he also told President Hoover that as majority leader he would do his best to secure the confirmation of Hughes although he expected opposition from Borah, Walsh, and La Follette.

Watson then went on to tell me there was considerable opposition to Hughes within the Judiciary Committee and that he finally asked Hughes to attend a meeting of the Judiciary Committee one morning in order to discuss some of the objections which were being raised to his nomination, particularly by Walsh and La Follette.

I remember Watson telling me very definitely that Hughes did attend the meeting of the committee and following the meeting came back to Watson's office for a further discussion of the objections which were being raised to his nomination. Senator Watson told me that although he personally thought Hughes' nomination was a mistake on the part of President Hoover he, nevertheless, carried out his duties as majority leader and was successful in securing the confirmation of the nomination when it reached the floor of the Senate for debate and voting. In fact, the yea-and-nay vote on the nomination, as I recall, was 52 to 26.

Because I did not know that I was going to discuss the Minton nomination until I reached the floor of the Senate on the evening of October 4 I did not have an opportunity to check the official records of the Judiciary Committee and find what they show in regard to the Hughes nomination and the nominations of other men to the Supreme Court insofar as personal appearances of the nominees before the committee are concerned.

However, I shall be very much surprised if personal appearances before the Judiciary Committee by nominees to the Supreme Court have been as few as were stated in the debate on October 4. Even if it is true that only a very small number of nominees to the Supreme Court have appeared before the committee it would not in any way alter my argument that the Senate of the United States should make very clear why it does not accept the position taken by Judge Minton in his letter to the Judiciary Committee that there would be a violation of the so-called proprieties by calling a nominee to the Supreme Court before the Judiciary Committee for an examination into his qualifications.

I feel that the Committee on the Judiciary should keep itself free to determine each one of these nominations on

its merits. Whenever a member of the Committee on the Judiciary, or for that matter a Member of the Senate, wishes to have a nominee called before the Committee on the Judiciary for the purpose of directing certain questions to the nominee which the Senator believes bear upon his qualifications, then by all means the nominee should be called before the committee.

The policy of calling a nominee before the Committee on the Judiciary is one of the safeguards the people of this country have within the check and balance system of our Constitution. When the facts seem to warrant it the personal appearance of a nominee before the Committee on the Judiciary is an important check upon the President of the United States under the advice and consent clause of the Constitution.

I say this as one who voted for the confirmation of the nomination of Justice Minton because I think his record on the Federal bench has been a good one and he has demonstrated that he possesses the judicial temperament and qualifications which entitled him to a confirmation of his nomination. However, there are Senators in this body who disagree with me, such as the Senator from Michigan [Mr. FERGUSON] and the Senator from Missouri [Mr. DONNELL]. They requested the privilege of asking Judge Minton some questions about his qualifications and I think the Committee on the Judiciary should have granted their request and thereby made very clear, not only to Judge Minton but to future nominees to the Supreme Court that there is no basis for the contention that any of the proprieties are violated when a nominee is asked to appear before the Committee on the Judiciary to answer such questions as the members of the committee or any other Senators deem to be appropriate.

Rather such a procedure is an essential check and safeguard in the interest of the people of our country and in accordance with our system of democratic processes. Such a procedure puts any President of the United States on notice that his nominations had better be good, and free of all semblance of purely political and arbitrary motivations, because the elected representatives of the people in the Senate of the United States under the advice and consent clause of the Constitution reserve to themselves the right to call the nominee before the appropriate committee of the Senate for a personal and direct examination into his qualifications.

I wish to assure the Senate that I shall continue my research in regard to the history of Hughes' nomination in order to determine with finality as to whether or not he was in fact called before an executive meeting of the Committee on the Judiciary in accordance with the detailed statement to that effect which Senator Watson of Indiana gave me, as I have heretofore related.

Mr. President, I ask unanimous consent to strike from my speech of October 4, as it appears on page 14106 of the daily RECORD the first three sentences in the third paragraph of the first column of page 14106, pertaining to the Hughes nomination, until such time as I know for a certainty whether or not Mr. Hughes was in fact called before the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I also ask unanimous consent to strike from my speech of October 4, 1949, as it appears in the daily RECORD, on page 14107, in the next to the last paragraph of the second column the language beginning "I wish to assure the Senator from West Virginia" and ending with the words "in that case."

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MYERS. In executive session, I move that the Senate stand in recess until 7:30 o'clock p. m. today.

The motion was agreed to; and (at 6 o'clock and 14 minutes p. m.) the Senate took a recess until 7: 30 o'clock p. m. today, Wednesday, October 12, 1949.

EVENING SESSION

At the expiration of the recess, the Senate in executive session, reassembled, and was called to order by the President pro tempore.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Magnuson
Baldwin	Hoey	Malone
Brewster	Holland	Martin
Bridges	Humphrey	Maybank
Byrd	Hunt	Millikin
Cain	Ives	Morse
Capehart	Jenner	Mundt
Chapman	Johnson, Colo.	Myers
Connally	Johnson, Tex.	Neely
Cordon	Johnston, S. C.	O'Conor
Donnell	Kem	Robertson
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Dulles	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ellender	Leahy	Stennis
Ferguson	Lodge	Thomas, Okla.
Fulbright	Long	Thye
George	Lucas	Watkins
Graham	McCarthy	Wherry
Green	McClellan	Wiley
Gurney	McFarland	Williams
Hayden	McKellar	Young
Hendrickson	McMahon	

The PRESIDENT pro tempore. A quorum is present.

TRANSSONIC AND SUPERSONIC WIND-TUNNEL FACILITIES AND AIR-ENGINEERING DEVELOPMENT CENTER

As in legislative session,

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, which were, on page 2, line 2, after "institutions" insert "within the continental limits of the United States"; on page 2, lines 15 and 16, strike out "not to exceed thirteen"; on page 2, line 16, after "tunnels" insert "of a size, design, and character adequate for the efficient conduct of experimental work in support of long-range fundamental research"; on page 2, line 17, after "institutions" insert "within the continental United States"; on page 2, line 20, strike out "$4,440,000" and insert "$10,000,000"; on page 2, line 21, after "discretion," insert "upon approval by the Committee on Armed Services of both Houses of the Congress"; on page 2, strike out line 25, and on page 3 strike out lines 1 to 7, inclusive, and insert:

SEC. 103. (a) The committee is hereby authorized to expand the facilities at its existing laboratories by the construction of additional supersonic wind tunnels, including buildings, equipment, and accessory construction, and by the acquisition of land and installation of utilities as follows:

(1) Ames Aeronautical Laboratory, Moffett Field, Calif.:	
One 2-foot by 2-foot supersonic wind tunnel	$6,402,000
One 4-foot by 4-foot supersonic wind tunnel	20,317,000
Total, exclusive of utility installations	26,719,000
(2) Langley Aeronautical Laboratory, Langley Air Force Base, Va.:	
One 2-foot by 2-foot supersonic wind tunnel	6,402,000
One 4-foot by 4-foot supersonic wind tunnel	20,317,000
Acquisition of not to exceed 500 acres of land	40,000
Total, exclusive of utility installations	26,759,000
(3) Utility installations at various laboratories at a cost not to exceed	6,522,000

(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed $60,000,000: *Provided*, That the approximate cost of each wind tunnel or other item of expense set forth in subsection (a) of this section may, in the discretion of the committee, be varied upward 5 percent, but the total cost of work authorized by this section shall not exceed the sum herein specified.

(c) The facilities authorized by this section shall be operated and staffed by the committee but shall be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. Such tests shall be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time shall be made in accordance with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs."

On page 3, strike out lines 14 to 17, inclusive, and insert:

SEC. 105. The committee shall submit semiannual written reports to the Congress covering the selection of institutions and contracts entered into pursuant to section 102 of this title together with other pertinent information relative to the committee's activities and accomplishments thereunder.

On page 4, lines 22 and 23, strike out "$150,000,000" and insert "$100,000,000."

Mr. JOHNSON of Texas. Mr. President, as in legislative session, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. RUSSELL, Mr. JOHNSON of Texas, Mr. HUNT, Mr. GURNEY, and Mr. KNOWLAND conferees on the part of the Senate.

NOMINATION OF LELAND OLDS

The PRESIDENT pro tempore. The nomination which was passed over will be stated.

The legislative clerk read the nomination of Leland Olds to be a member of the Federal Power Commission.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Leland Olds to be a member of the Federal Power Commission?

Mr. JOHNSON of Colorado. Mr. President, the Committee on Interstate and Foreign Commerce has had to handle an unusual number of controversial nominations this year. Some of them have required extensive hearings. Our most difficult nomination was that of Mr. Leland Olds, who was named by the President for a third term on the Federal Power Commission.

It was my privilege as committee chairman to name a seven-member subcommittee, with the Senator from Texas [Mr. JOHNSON] as chairman, and with the Senator from Arizona [Mr. MCFARLAND], the Senator from Maryland [Mr. O'CONOR], the Senator from Kansas [Mr. REED], the Senator from Indiana [Mr. CAPEHART], the Senator from Ohio [Mr. BRICKER], and the Senator from Colorado [Mr. JOHNSON] as members.

Three of these men were on this committee when the Senate confirmed Mr. Olds in 1944, and I was a member when Mr. Olds was confirmed in 1939. No hearings were held in 1939. In 1944, a subcommittee, under Senator Wagner of New York, chairman, and Senators Tunnell, Moore, Hawkes, and I served as members, and after 3 days of hearings reported Mr. Olds nomination favorably by a divided vote of 3 to 2. Representatives from the utility regulatory bodies of Arkansas, Georgia, Virginia, Wisconsin, and Montana appeared in person, and other State commissions wrote letters in opposition, charging among other things that Mr. Olds was attempting to usurp the functions of the State commissions in order to make himself the power czar of the Nation. When the nomination was brought up on the Senate floor for confirmation, Senator Moore made reference to some radical statements that Mr. Olds had made some years back, but the hour was late, there were few Senators on the floor, and since these statements had not been explored by the subcommittee, small interest was attached to them by the few Senators who heard them. However, in the present hearings, to the credit of the subcommittee, they were explored and, for the first time, brought to the attention of the Senate and the country.

I want to pay tribute to this subcommittee, and especially to the chairman, the Senator from Texas [Mr. JOHNSON] for the objective job they performed with respect to the nomination of Mr. Olds.

A more searching, and at the same time a more equitable, hearing has never been held by any committee of Congress. Mr. Olds was treated with great consideration and courtesy, and every witness for and against him was given a full and free opportunity to testify as he or she desired. The chairman was very patient and he went far out of his way to be helpful to all witnesses, to the end that the record be made the very way they wanted to make it. Mr. Olds was given every encouragement to make a good showing. The Senator from Texas even went so far as to try to put words in his mouth which would help him. Never did he browbeat or take the slightest advantage of any witness. He was intent upon one thing, and that was to get the facts and get them straight.

It is not my purpose to try to influence any Senator in reaching a conclusion on this nomination which has caused so much trouble. The effort of the committee has been to assemble the facts and print them so that each Senator might make up his own mind. I hope every Senator has read the full hearing.

The testimony discloses that Mr. Olds was industrial editor of the Federated Press from 1922 to 1929 during which time he wrote five short articles a week. The Federated Press served several member publications, among them being the Daily Worker.

The managing editor of the Federated Press was Carl Haeseler, a notorious member of the Communist Party, who had served time in the Federal prisons of Leavenworth and Alcatraz. The executive board included such active Communists as John W. Edelman, Earl Browder, and William Z. Foster. Its Washington representative was Laurence Todd, who held the dual positions of representing Tass Agency, the official press organization of the Soviet Union and the Federated Press.

The American Labor Yearbook, 1923–24, has this to say about the Federated Press Service:

> The report of the special committee appointed by Gompers by authority of the 1922 convention to investigate the news and editorial policy of the Federated Press was adopted by the 1923 convention.

It closes with these significant words:

> The Federated Press lends itself continuously to the spreading of doctrines, subversive of the best interests of the American working people as expressed in the bona fide trade-union movement.

Charles Garland, a young college radical, who had inherited a sizable fortune, set up a fund in 1922 dedicated to the advancement of communistic front organizations in America.

Leland Olds personally, the Federated Press, the Daily Worker, the New Masses, and other leftist periodicals received substantial financial support from the Garland fund.

When I ran through the articles written for the Federated Press by Leland Olds, it made me heartsick, but I could understand why the Garland fund supported him financially.

How a man in the prime of life—35 to 40 years of age—reared in a splendid Christian home, educated in America's best schools, could make the violent charges he has made about the basic institutions of this democracy is hard to understand; and when we realize that he served for a time in the ministry of one of our great churches, it really is perplexing. As a feature writer on the Federated Press he stooped to the vilest kind of rabble-rousing. He stirred up class hatred. He arrayed labor against management. He condemned capitalism and the capitalistic system bitterly and uncompromisingly. He paid tribute to Lenin, the Soviet Union, and even spoke kindly of humanity's enemy No. 2, Benito Mussolini.

Olds contends that he has no communistic sympathies, but no Communist could speak more bitterly about this democracy or with more venom than he spoke. No Communist ever condemned "American dollar imperialism" with more fervor or more hatred. No Communist could follow the party line with more precision than did the written expressions of Leland Olds. Persistently and adroitly he sowed the seeds of revolution in this country.

The chairman of the subcommittee went far out of his way to get him either to repudiate or to reiterate or to modify his vile statements, but he would not do so. He was slippery and evasive. He hedged and quibbled, but he was not repentant. When he was pinned down to his sharing the speakers' platform in Chicago with Earl Browder, he came forth with the old stall that he could not remember.

He admitted that many of his statements were radical and were made to shock labor and to arouse it. But he took nothing back, and he argued that he had been misunderstood or that conditions had changed. Asked if he would say these same things today, he said he would say them differently.

Everybody agrees that what the world needs most is more jobs.

Industrial statisticians tell us that on the average it requires a little more than $8,000 of capital to create one job.

Mr. President, there are 60,000,000 jobs in this country today. I hope there will be more. But we should realize that each one of those 60,000,000 jobs involves an investment of $8,000. Someone had to save that amount. In other words, it took $480,000,000,000 to create those 60,000,000 jobs.

The man who earns, scrimps, and saves $8,000 and invests it in industry thereby creates a job. He is entitled to a pat on the back, but Mr. Olds only villifies him as an exploiter of humanity and an enemy to be despised. It is my considered view that Mr. Olds has not changed his offensive views regarding capital one iota, and that today, as when he was 40 years of age, he believes capital should be confiscated and the profit system destroyed. A man having this kind of a warped mind is so far out of step with America that he is not qualified to sit in the seat of judgment and regulate our great utility industries.

The Congress enacted the Federal Power Act in 1935 to supersede the old Federal Water Power Act of 1920, and that was a great step forward. The Natural Gas Act of 1938, regulating the transportation of natural gas in interstate commerce, was a wise and constructive act. Congress deserves hearty commendation for all of this legislation. From time to time we will and should add to our statutory code of power regulations. It is suggested that unless Mr. Olds is confirmed utility power regulation will suffer a staggering blow. That charge and that suspicion are false. If the nomination of Mr. Olds is rejected by the Senate, it must not be construed

by any one, and more particularly by the regulated utilities, that Congress is letting the bars down with respect to power regulation. Nothing could be further from the intent of Congress.

Mr. Olds and power regulation are not synonymous. To the contrary, I am convinced that it will prove a wholesome thing for the people and in the interests of good power regulation not to return Mr. Olds to office. He is exceedingly egotistical, and has gotten the false idea that he is indispensable. In my opinion, the people will have more honest regulation and more honest leadership in regulation when he is retired to private life.

He takes personal credit for everything the Federal Power Commission has ever accomplished since it was created. To hear him handing himself bouquets one would think that power regulation was originated by him. He claims he has saved the consumers a quarter of a billion dollars. The Congress, by the enactment of the Federal Power Act and the Natural Gas Act, have saved this money for the consumers, not Mr. Olds. As a matter of fact, few pipe-line companies transporting natural gas in interstate commerce under Mr. Olds are saving the consumers the amount that could be and should be saved.

The Canadian River Gas Co. and its subsidiary, the Colorado Interstate Gas Co., transport gas from the Texas Panhandle and Hugoton, Kans., to Colorado and Wyoming.

In 1947 the Canadian River Gas Co. made net profits after taxes and depreciation of 26.3 percent; in 1948, 18 percent; and in 1949, nearly 19 percent, to be exact, 18.9 percent. The Canadian River Gas Co. is almost exclusively under the regulation of the Federal Power Commission. It has one little service that is intrastate, and as such it does not come under the regulation of the Federal Power Commission, but the larger part of its operation is under the Federal Power regulation.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. AIKEN. Will the Senator tell us what those profits amount to in dollars and cents?

Mr. JOHNSON of Colorado. I shall put the table in the RECORD.

Mr. AIKEN. About what does it come to in dollars and cents?

Mr. JOHNSON of Colorado. For the year 1948 the Canadian River Gas Co. made a profit of $1,667,849. In 1949 they made $1,932,388. I do not have the 1947 figure.

Mr. AIKEN. Does the Senator think that was an unreasonable profit?

Mr. JOHNSON of Colorado. Oh, yes; indeed I do. Twenty-six percent I think is an unreasonable profit.

Mr. AIKEN. Was Mr. Olds responsible for it?

Mr. JOHNSON of Colorado. He claims he is the man who is doing everything down there. I do not know. I am merely giving this as some of the evidence. If the Senator does not want to think he is responsible for it, that is all right. I know what the Congress did.

Mr. AIKEN. I am merely asking for information.

Mr. JOHNSON of Colorado. I am trying to give the Senator information, and I am going to put this table showing the gas pipe-line profits in the RECORD. The listing in the table is limited to companies having sales for resale amounting to, first, 50 percent or more of total sales, or, second, more than 5,000,000 M cubic feet. I am going to put the table in the RECORD so that the Senator may look at it.

The Natural Gas Act of 1938 required the Federal Power Commission to fix a reasonable rate of return on the pipeline company, based on original cost of its gas reserves, less depreciation, plus working capital. That is the direction of Congress to the Federal Power Commission. That is in the law. That is what they are supposed to do.

Accordingly this Commission fixed 6½ percent as the reasonable rate of profit for the Canadian River Gas Co., but instead of 6½ percent in 1947, it paid 26.3 percent; in 1948, 18 percent; and in 1949, 18.9 percent. The consumers, for whom Mr. Olds' heart fairly bleeds, to hear him testify, are supposed to benefit because of the limitation of profits to 6½ percent. Mr. Olds might have difficulty convincing the gas consumers in Denver and Cheyenne that he is saving them any money—26 percent and 18 percent and 19 percent to the pipe-line company after depreciation and taxes might appear rather large to Colorado and Wyoming gas consumers.

Mr. President, I ask unanimous consent that this table of profits for the fiscal year 1948 and the fiscal year 1949 be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Natural-gas companies—Classes A and B—Gas utility operating income and rate of return, 12 months ending June 30, 1948–49

[Listing limited to companies having sales for resale amounting to (1) 50 percent or more of total sales, (2) more than 5,000,000 M cubic feet]

Company	Gas utility operating income			
	12 months ending June 30, 1948		12 months ending June 30, 1949	
	Amount	Rate of return [1]	Amount	Rate of return [1]
Allegany Gas Co.	$157,644	6.6	$59,946	2.6
Arkansas-Louisiana Gas Co.	3,374,537	7.8	3,488,007	7.7
Atlantic Seaboard Corp.	632,815	7.9	632,416	5.5
Godfrey L. Cabot, Inc.	(328,328)	(6.0)	1,259,067	21.8
Canadian River Gas Co.	1,667,849	18.0	1,932,388	18.9
Central Kentucky Natural Gas Co.	578,571	7.7	673,476	6.8
Chicago District Pipeline Co.	255,665	9.8	239,140	6.9
Cities Service Gas Co.	6,272,357	8.1	7,883,043	8.7
Colorado Interstate Gas Co.	1,474,207	6.9	1,944,024	7.3
Consolidated Gas Utilities Corp.	1,596,318	[2]	1,751,959	10.4
El Paso Gas Transportation Corp.	43,957	40.3	36,928	35.8
El Paso Natural Gas Co.	5,375,963	7.4	7,077,778	6.1
Home Gas Co.	29,223	1.3	(90,140)	(1.9)
Hope Natural Gas Co.	3,375,603	5.3	2,285,706	3.3
Hope Producing Co.	$126,735	14.0	$168,434	14.2
Independent Natural Gas Co.	(41,528)	(3.9)	53,400	4.1
Interstate Natural Gas Co., Inc.	1,772,908	14.9	1,988,427	16.1
Kansas-Nebraska Natural Gas Co., Inc.	990,776	7.6	1,258,612	7.9
Kentucky-West Virginia Gas Co.	948,283	8.4	852,252	7.2
The Manufacturers Light & Heat Co.	3,867,804	8.6	4,165,523	7.8
Michigan Gas Storage Co.	434,877	4.8	515,416	3.9
Mississippi River Fuel Corp.	2,016,767	9.5	2,867,494	10.3
Natural Gas Pipeline Co. of America	3,816,943	7.2	4,085,813	6.2
New York State Natural Gas Corp.	787,879	7.7	778,650	5.7
Northern Natural Gas Co.	5,498,261	8.8	6,348,590	8.4
The Ohio Fuel Gas Co.	5,653,952	6.6	7,097,702	7.3
Panhandle Eastern Pipe Line Co.	8,761,137	8.2	9,381,808	8.1
Penn-York Natural Gas Corp.	72,917	8.7	36,663	4.1
Pittsburgh & West Virginia Gas Co.	506,646	5.6	878,022	9.7
South Penn Natural Gas Co.	1,391,804	17.6	857,822	15.5
Southern Natural Gas Co.	3,398,787	7.7	4,710,590	8.6
Southern Union Gas Co.	1,363,579	10.0	1,538,207	9.5
The Sylvania Corp.	(79,007)	(5.0)	(71,520)	(5.2)
Tennessee Gas Transmission Co.	6,325,490	5.5	10,616,147	6.5
Texas Eastern Transmission Corp.	5,974,430	[2]	10,480,383	6.0
Texoma Natural Gas Co.	1,397,699	7.1	1,465,470	6.9
United Fuel Gas Co.	4,532,297	7.2	2,072,877	3.0
United Gas Pipe Line Co.	10,781,838	8.1	9,844,151	7.5
United Natural Gas Co.	2,367,015	10.9	1,928,842	8.0
Virginia Gas Transmission Corp.	358,213	6.8	319,346	5.4

[1] Based on estimated average rate base for period.
[2] Not available.

Mr. AIKEN. Mr. President, will the Senator yield for another question?

Mr. JOHNSON of Colorado. First I want to say that for the year ending June 30, 1949, one company, the El Paso Gas Transportation Corp., had profits of 35.8 percent. Another, the Interstate Natural Gas Co., Inc., had profits of 16.1 percent. Godfrey L. Cabot, Inc., had profits of 21.8 percent. I have put the table in the RECORD so that Senators may read the figures.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from Vermont.

Mr. AIKEN. I was wondering if the States where the gas was sold at prices which resulted in such enormous profits had public service commissions or any regulatory commissions governing the retail price of gas.

Mr. JOHNSON of Colorado. The public service commissions in the States have authority after the gas reaches them. I am talking about the gas in the pipe lines and before it reaches them, the gas in the interstate pipe lines, from the field, brought to the wholesale stations, where it is turned over to the cities for distribution. The Federal Power Commission has no authority over that operation.

Mr. AIKEN. This profit is earned by large charges, excessive charges, to the distributor, and the public service commission would have control only over the price which the distributor charges. Is that correct?

Mr. JOHNSON of Colorado. That is correct. The public service commission has authority only over the distribution of the gas.

Mr. AIKEN. If the distributor has to pay an excessive price, then the public service commission has no control over that, does it?

Mr. JOHNSON of Colorado. It has no control over the price of the gas as it is brought to the distributor. If the gas is delivered to them at a cheap price, they can pass the advantage on to the consumer, but these pipe-line companies do not pass it on to the consumer when they make an exorbitant profit.

Mr. President, Mr. Olds has not done and is not doing a good job for the people, in spite of all his bragging and boasting. A better-balanced man, free from narrow prejudices, would do much better. I hope the President nominates that kind of a man to replace him on the Federal Power Commission. Personally, I regard Leland Olds as a warped, tyrannical, mischievous, egotistical chameleon, whose predominant color is pink. A careful study of Mr. Olds and the hearings has convinced me of this.

But I do not want nor do I expect that my conclusions will influence any Senator's reasoning or his vote. The report is here for each Senator to examine. Peruse it, please, and may each Senator come up with his own answer.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. McFARLAND. I ask the Senator if it is not true that 34 witnesses testified at the recent hearings held on the Olds nomination.

Mr. JOHNSON of Colorado. I believe the number was 34; yes.

Mr. McFARLAND. I join the distinguished chairman of the Interstate and Foreign Commerce Committee in his commendation of the junior Senator from Texas [Mr. JOHNSON] over the fair manner in which he conducted the hearings as chairman of the subcommittee. The hearings were most thorough. Everyone who appeared as a witness was given a full opportunity to express his views respecting the nomination of Mr. Olds.

Now going back to the hearings held in 1944. The Senator from Colorado was a member of the Committee on Interstate Commerce, as it was called at that time, was he not?

Mr. JOHNSON of Colorado. Yes; and I was a member of the subcommittee which then held the hearings on the nomination of Mr. Olds.

Mr. McFARLAND. Was there any difference between the thoroughness with which the Olds nomination was investigated in 1944 and the manner in which the Olds nomination was investigated in the recent hearings? How do they compare?

Mr. JOHNSON of Colorado. I appreciate what the Senator said about the chairman of the subcommittee which held the hearings on the Olds nomination this year. He did a fine job. I am sure that everyone who appeared before the subcommittee agrees with that statement. I am sure the press agrees that it was a splendid job. Now when it comes to making comparisons——

Mr. McFARLAND. I want to know particularly——

Mr. JOHNSON of Colorado. Wait a minute. I want to answer the Senator. In 1944 the chairman of the Interstate Commerce Committee, as it was then called, appointed Senator Robert Wagner to be chairman of the subcommittee. Senator Wagner was ill and could not serve. So our beloved colleague from Delaware, former Senator Tunnell, served as chairman of the subcommittee in place of Senator Wagner. I think Senator Tunnell was just as fair as he could be. Naturally, Senator Tunnell did not go out and dig up any evidence. That was not his job. But everyone who appeared before the subcommittee was given an opportunity to testify, and I have nothing but the highest of praise for the way Senator Tunnell conducted the hearings. He did a very good piece of work also.

Mr. McFARLAND. I believe the Senator from Colorado misunderstood my question. I asked him if there was any difference between the fairness with which the hearings were conducted on the two occasions. They were conducted fairly in 1944, as they were also in the recent hearings. The point I wanted to make was that the hearings in 1944 were conducted during the time we were engaged in war, and while we were allied with Russia. At that time we did not go into matters in the thorough manner we went into them in the hearings held this year. We could not do so in 1944 because of the limited time at our disposal, because our attention was directed toward winning the war, and for the further reason that it would not have been proper to have gone into the philosophy of Mr. Olds at a time when Russia was our ally with as much thoroughness as we did in the recent hearings. I ask the Senator if he agrees with my statement in that regard.

Mr. JOHNSON of Colorado. Yes, of course, I agree with what the Senator says respecting the war and all that. But very much to my surprise, and I think to the surprise of the few Senators who were on the floor at the time the question of the confirmation of the nomination was before us, and when we voted on it on the floor of the Senate, the then Senator from Oklahoma, Mr. Moore, made a speech in which he referred to many of the things which the committee explored fully this year. They were quite shocking. There were very few Senators on the floor at that time, however. I know that the Senator from Vermont [Mr. AIKEN] rose on the floor and, as I recall, wanted to know if any of that information was in the record. He asked, "Is it in the record? I have read the record. I have looked through it and I cannot find anything with respect to the Federated Press or these other matters." Senator Moore said, "They are not in the record. They are in the files of the committee."

So I think the Senator's deduction is correct that by reason of the fact that Russia was then our ally, perhaps at that time the charges were not taken as seriously as they should have been. I know I was surprised over what Senator Moore said on the floor of the Senate. I was a member of the subcommittee at that time and was one of the members of the subcommittee who voted for a favorable report on the nomination of Mr. Olds. I was one of the three members of the subcommittee who did so.

Mr. McFARLAND. As an example of the difference between the testimony which was submitted on the two occasions, is it not a fact that at the hearings in 1944, four of the writings of Mr. Olds were introduced, compared with 54 writings which were introduced in the 1949 hearing? I am informed that that is the correct number.

Mr. JOHNSON of Colorado. I do not know as to that.

Mr. McFARLAND. That is the information which has been given to me by those who have checked the matter.

I should like to ask the Senator another question. Is it not a fact that during the recent hearings on the nomination of Mr. Olds evidence was introduced both in regard to his former philosophy and in regard to the record he has made as Federal Power Commissioner.

Mr. JOHNSON of Colorado. Yes. That was explored.

Mr. McFARLAND. And witnesses testified in detail, for and against Mr. Olds, and gave their opinions of his record.

Mr. JOHNSON of Colorado. That is correct.

Mr. McFARLAND. And upon that record, after careful consideration by the subcommittee, after it had gone over the whole record and listened to 34 witnesses, some of whom were for him and some of whom were against him, it was the unanimous opinion and decision of the 7 members of the subcommittee that his nomination should not be confirmed?

Mr. JOHNSON of Colorado. That is correct. I thank the Senator for his interruptions.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. ELLENDER. I wonder if the Senator could tell us if in the conduct of Mr. Olds' work since 1944 he has done anything to change the Senator's mind.

Mr. JOHNSON of Colorado. No; he has not done anything to change my mind.

Mr. ELLENDER. In other words, what has his conduct been since 1944?

Mr. JOHNSON of Colorado. He has not made many speeches. He has not done so much writing. He has been a

Federal Power Commissioner, and I suppose he has been diligent in his work. I do not charge him with not being diligent. I suppose he worked as a member of the Commission. There is a great deal of work to be done there. I cannot say as to that. I do not know anything about it. I have always heard that he was very diligent. But my point is that a man who is so prejudiced against capital ought not to be placed in charge of a utility.

Mr. ELLENDER. Did the Senator know what Mr. Olds' views on capitalism were in 1944?

Mr. JOHNSON of Colorado. No, I did not know his views in 1944. Mr. Olds was asked some questions about his previous writings, and what he was driving at and so forth, and he replied that he did not think he was driving at anything; that he was simply writing; that he did not have any objective; that he had no purpose in writing. He was not advocating anything; he was simply writing. That was his testimony given before us in 1944.

In 1944 representatives from many of the State utility commissions appeared in opposition to the confirmation of Mr. Olds' nomination. I think five or six of them appeared in person. There were many letters from other commissioners. They were charging Mr. Olds with usurping their powers, reaching out and trying to take their powers away from them. I heard their testimony. I asked many of them questions, but I was not too much impressed with their plea. I did not take too seriously the conflict between the State commissions and the Federal Power Commission.

The 1944 testimony will show that I made some observations with respect to the granting of a license in the State of Tennessee, of which I was very critical. Another company had applied for a license and was denied a license without a hearing, and it was given to an organization which had neither gas nor a pipe line. Nevertheless, the license was given to that company, and I criticized the Commission at the time for doing so. But I did not take the charges which were made against Mr. Olds seriously enough in 1944 to vote against him.

Mr. ELLENDER. Did those same interests appear at the hearings conducted by the Senator from Texas?

Mr. JOHNSON of Colorado. Some of them did. There were some complaints from State commissions, but that was not the burning question at this hearing.

Mr. ELLENDER. Is there anything in the record to show what Mr. Olds did to destroy capitalism?

Mr. JOHNSON of Colorado. I do not know how that would be shown.

Mr. ELLENDER. The Senator says that he made statements to that effect.

Mr. JOHNSON of Colorado. That is correct; and that is what he believes.

Mr. ELLENDER. What did he do that would tend to show that he attempted to destroy capitalism?

Mr. JOHNSON of Colorado. I have not charged him with attempting to destroy capitalism, aside from his writings. I have charged that he has a great hatred for capitalism. He despises it. He despised it when he was 40 years old, and I think he still despises it. He holds it in utter contempt.

Mr. ELLENDER. The Senator states, then, that when the hearings were held in 1944, the writings of Mr. Olds were not presented to the committee?

Mr. JOHNSON of Colorado. That is correct.

Mr. ELLENDER. The Senator learned about them at the hearings recently conducted.

Mr. JOHNSON of Colorado. No. I learned about them on the floor of the Senate in 1944, for the first time, when Senator Moore made a speech in regard to Mr. Olds.

Mr. ELLENDER. In spite of that, the Senator voted for the confirmation of his nomination?

Mr. JOHNSON of Colorado. Senator Moore wanted a yea-and-nay vote. The Senator knows the procedure in the Senate. Along about quitting time, when we get to the Executive Calendar, about half a dozen Senators are in the Chamber. Senator Moore made a speech. Very few Senators were present to listen to him. He wanted a yea-and-nay vote, and former Senator BARKLEY suggested that because of the lateness of the hour he did not want to have a quorum call. So there was no yea-and-nay vote. The Senate simply accepted the report of the committee, and Mr. Olds' nomination was confirmed.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Leland Olds to be a member of the Federal Power Commission?

Mr. MORSE. Mr. President, I propose to speak very briefly in support of the nomination of Mr. Olds. If I were to select a text for this little sermon I think I would select St. Luke 15: 7:

> I say unto you, that likewise joy shall be in heaven over one sinner that repenteth, more than over ninety and nine just persons, which need no repentance.

By way of introduction to my remarks I wish to call attention to two editorials from the two metropolitan newspapers of the largest city in my State, Portland. The first is an editorial of October 11, 1949, from the Portland Oregonian, entitled "Opposition to Leland Olds," and the second is from the Oregon Daily Journal for October 8, 1949.

As to the editorial in the Portland Oregonian, I should like to make these comments: I think there is one error in that editorial, which may be ascribed, I believe, to misrepresentations concerning Leland Olds' position, misrepresentations which have been spread in the record by his opponents in the oil and gas industry. The editorial states in part:

> Their immediate antagonism is based upon his position that the Federal Power Commission has and will exercise the authority to regulate production as well as distribution of natural gas.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OPPOSITION TO LELAND OLDS

Unanimous opposition of a Commerce Subcommittee of the Senate to reappointment of Leland Olds to the Federal Power Commission has been attributed in some dispatches from Washington as being based on articles he wrote for a labor press association in 1922 criticizing the private-enterprise system. But the same matter was brought up against him when he was appointed for a second term in 1944, and disregarded by the Senate.

Representative LYLE, of Texas, was a principal witness against Mr. Olds on the present occasion. Behind Mr. LYLE is Senator ROBERT S. KERR, of Oklahoma, and both speak for Southwestern oil and gas interests. They may not like Mr. Olds' political views, nor his record of survival in Government service as one of the oldest New Dealers, but their immediate antagonism is based on his position that the Federal Power Commission has and will exercise the authority to regulate production, as well as distribution, of natural gas.

Alined with the natural-gas spokesmen of the Southwest are some electric utility interests. Mr. Olds has been a champion of a Columbia Valley Authority, among others, for many years, and has spoken to that effect in the Northwest.

Mr. MORSE. As I understand, neither Mr. Olds nor any other member of the Commission proposes to regulate the production of gas. He does propose that the Commission shall exercise such regulatory power as Congress directs; and Congress has not authorized the Commission to regulate gas production. Congress has authorized the Commission to regulate the sale of natural gas in interstate commerce, and the Supreme Court has so construed the Natural Gas Act.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a footnote dealing with the cases in point bearing out that statement.

There being no objection, the footnote was ordered to be printed in the RECORD, as follows:

> Interstate Natural Gas Company, Inc., *v.* Federal Power Commission (156 F. (2d) 949). Also, Interstate Natural Gas Company, Inc., *v.* Federal Power Commission (331 U. S. 682); Peoples Natural Gas Co. *v.* Federal Power Commission (127 F. (2d) 153; certiorari denied, 317 U. S. 700).

Mr. MORSE. Mr. Olds and at least two of his fellow Commissioners propose that this authority be exercised in the manner necessary to carry out the declared intent of the congressional enactment. This, I may add, is part of the basis of the opposition which has arisen to his confirmation for a third term on the Commission.

The oil and gas interests have tried unsuccessfully to have the law amended so that the Commission cannot regulate their sales of gas to interstate pipe lines. They know that they cannot get such legislation enacted, so I believe that they are now engaged in a last-ditch effort to accomplish the same result by opposing the reappointment of a Commissioner who refuses to interpret the act and circumscribe his powers and obligations to

the public in accordance with the purposes of those interests.

The editorial in the Oregon Daily Journal reads as follows:

LELAND OLDS AND THE RECORD

Senatorial opponents of Leland Olds' confirmation for a third term on the Federal Power Commission have had to dust off some pretty old stuff in their efforts to make a case against him. They go back to the twenties when Olds was labor editor of the Federated Press and did some writing about the welfare state. They even go back to his college days at Amherst when he and his roommate, Ordway Tead, now president of the board of higher education in New York City, and Calvin Collidge and Dwight Morrow and Harlan Stone were reading Karl Marx and Henry George's stuff. They seem to think that was pretty bad.

Somehow we can't get too excited about all this. What concerns us and what should concern the United States Senate is whether or not Leland Olds has been a good Federal Power Commissioner, whether or not he has done a faithful job of reading the intent of the Congress into the Federal statutes regulating private utilities, whether or not he has been judicious and fair in passing upon the rate structures and cost allocations of the Bonneville Power Administration, and whether or not he has served honorably and well on the Federal Interagency River Basin Committee. The record seems to indicate that he has.

Actually, while Olds believes in public power as a yardstick and in situations that make it disadvantageous for private enterprise, he has actually been one of the most consistent friends of private utility operation in the Government service. His rate decisions have demonstrated his belief that the public use of power shoots up as rates go down and that distributors prosper accordingly. That's an old theory, by Pacific Northwest standards, and one now accepted by both private and public power operators.

Olds also believes in voluntary cooperation rather than in compulsory cooperation. He believes in regulation of utilities rather than in Government monopoly of utilities. That, too, is sound doctrine.

For another thing, Olds found while working for the New York Power Authority that the threat of public competition was as effective as State regulation in speeding adoption of modern rate structures. That, too, has been demonstrated in the Pacific Northwest which has the most advantageous power rates, public and private, of any region.

As for Karl Marx, Olds told a Senate subcommittee: "I rejected the approach of Karl Marx because I felt that the road to harmony must recognize spiritual values and because I felt that ambition for power was an unwholesome influence in human affairs. I still believe that."

We'll accept that. We'll accept the Olds record. We think the United States Senate should also.

Mr. President, in my opinion that is a very able analysis of what I regard as the primary issue before the Senate tonight. I think the primary question is, What has been the record of Mr. Olds during the 2 terms he has served on the Federal Power Commission? So far as I can determine from the record and so far as I can determine from the treatment and reception his decisions have received in litigation, it has been a good record. That seems to be the consensus of opinion of a great many lawyers who have practiced before him. For example, I hold in my hand a letter from a very prominent New Yorker—and a prominent member of my party, incidentally—Roderick Stephens. He says:

NEW YORK, N. Y., *October 11, 1949.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: Unless you possess valid reasons to believe that the economic views held by Mr. Leland Olds 20 and more years ago are still held by him, I urge you to vote for his confirmation.

My own experiences and those of my associate, Mr. Hugh Holohan, have been so uniformly satisfactory during the period of the year and a half in which we had occasion to follow the FPC handling of applications for natural-gas transmission lines that I feel you should be informed of the fact.

We found Mr. Olds extremely intelligent, well-informed, reasonable, and fair-minded. This may sound as though Mr. Olds shared our viewpoint, which, however, was not usually the case.

In my experience, Mr. Olds rates as one of the best public servants with whom I have been in contact over many years. I consider that he has exercised his functions in the public interest and has scrupulously kept within the reasonable interpretation of the provisions of the act under which the Federal Power Commission was created.

With personal regards, I am,

Sincerely yours,

RODERICK STEPHENS.

Mr. MORSE. Mr. President, in other words, that letter comes from a man who appeared before Mr. Olds in his official capacity, and usually did not prevail, as he says in his letter. Nevertheless, he urges confirmation of the nomination of Mr. Olds, on the ground that he believes Mr. Olds is a qualified public servant.

I have selected only a few samples of the communications I have received from my State in support of this nomination, and I ask unanimous consent to have them printed at this point in the RECORD, including the statement sent to me by the Cooperative League, of which Jerry Voorhis is executive secretary. His statement does not appear in the testimony at the committee hearings; so I desire to have it printed at this point in the RECORD, as a part of my remarks, because I think it is a very well-balanced and cogent statement.

There being no objection, the letters, statement, and telegram were ordered to be printed in the RECORD, as follows:

THE COOPERATIVE LEAGUE OF THE
UNITED STATES OF AMERICA,
Washington, D. C., October 7, 1949.

Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: We believe you will be interested in the attached statement from Jerry Voorhis, our executive secretary, on the Leland Olds case.

This was too late to include in the hearings but we feel the appointment is vital and hope you will give this your careful consideration.

Sincerely,

WALLACE J. CAMPBELL.

STATEMENT OF JERRY VOORHIS, EXECUTIVE SECRETARY OF THE COOPERATIVE LEAGUE, TO SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. Chairman and gentlemen of the committee, this is a statement to urge confirmation of Leland Olds' reappointment as a member of the Federal Power Commission.

It is difficult to conceive why there should be opposition to Mr. Olds' appointment. He has served long and faithfully as a member of the Commission. Not a charge can be made that he has failed in any way in his duty. He has faithfully enforced the laws, enacted by Congress under which the Federal Power Commission operates and whose enforcement is in the Commission's hands. Every person who knows him will testify to his integrity, his patriotism, and his devotion to duty. As the conservative Kansas City Times said on September 9 last, "We have heard of no case that could be made against Olds except vigorous action under the present law which was written by Congress."

The Times further said: "Human memory and gratitude are short, but a few persons in this area have reason to remember Leland Olds. He is the strong man of the Federal Power Commission who stepped into the 15-year-old battle for lower gas rates in this area and won." Then the Kansas City paper points out that as a result of Mr. Olds' efforts the consumers of that area received refunds of past overcharges for natural gas of $24,000,000 and are currently being saved about $4,500,000 a year. And "after all this saving," says the Times, "the pipe-line company has continued to make a good income by utility standards."

I am glad the Times chose this story of one of the reasons why Mr. Olds should be reappointed, because it is an excellent example of the way in which a conscientious Government official can represent the public interest and be fair to all concerned. Mr. Olds' record as a Commissioner has shown that low cost to the consumer can be balanced against reasonable profit for the producer. Mr. Olds has demonstrated the effectiveness of the laws passed by Congress designed to help make the power resources of this country available to all the people and to all industry. It is because he has represented the best interests not only of farmers, householders, and businesses up and down Main Street, but of the manufacturers, transportation companies, and other producers that he should be continued in the office for which his experience, his wide knowledge, and his proven ability qualify him.

On the basis of his record as a member of the Federal Power Commission—on the basis of job performance, if you will—this nomination should be approved. This record is perfectly clear. It has appeared in the annual reports of the Commission and in its decisions. Regularly each year, Mr. Olds has appeared before congressional committees to answer any questions as to policy or procedure which may have arisen and to explain how the laws were being carried out by action of the Commission. Briefly, this 10-year record has shown that low-cost rate regulation can be accomplished on a sound basis. The rate-making principle, upheld by Supreme Court decisions, has made it possible for State as well as Federal commissions to assure to consumers lower electric and gas rates.

Mr. Olds has also demonstrated his broad knowledge of the development and integration of power in terms of supply. His interest in low costs to the consumer has extended beyond the matter of rate regulation as he sees the importance of Federal river-basin programs in furnishing low-cost hydroelectric power and aiding in its distribution—especially through rural electric cooperative systems. Thousands of farm homes have been lighted, and hundreds of thousands of the tasks of farm men and women throughout the country have been simplified in this way. The people of Arkansas, Oklahoma and Texas, for example, are

aware that they have benefited from his cooperation with the Southwestern Power Administration and the Rural Electrification Administration cooperatives in that region. Among other reasons, Mr. Olds should continue to serve the American people on the Federal Power Commission because he understands how valley authorities can furnish consumers throughout the country with lower electric rates.

Mr. Olds should be continued in office because of his emphasis on proper cost accounting and the establishment of true cost standards in the power industries. The resulting savings to consumers are estimated to run into the hundreds of millions of dollars. His stand on the right of the FPC to fix a fair rate for natural gas is of special importance because the use of this gas has grown tremendously in recent years. By the most recent count of the Commission there were 4,755 towns and cities supplying natural gas to 34,577,392 consumers, and since that date some 250 communities have begun to use natural gas. From these figures we can conclude that around 40,000,000 American consumers will be vitally interested in what happens to the man who championed their right to low-cost fuel for their plants, their furnaces and their kitchens.

Like most people in public life, Mr. Olds has done considerable writing—some of it a quarter of a century ago. Some of the things he wrote then I could not agree with and I doubt if Mr. Olds could. But I only ask the committee to find one man of long service in public life whose thinking has not been changed and refined through the experience of the years.

I believe every fair-minded man who is aware of his record must agree with the five principles for future policy development which Mr. Olds outlined before this committee on September 27, 1949. In his own words, they are as follows:

1. Protection of the consumer and investor interest in the economical and efficient integration of public-utility systems on a regional basis;

2. Continued encouragement of the extension of rural electric lines and of new standards for farm use of electricity;

3. Continuing survey of generation, transmission and distribution of electricity, as well as of resources and requirements, as a basis for planning by public and private agencies of ample power supply in peace and war;

4. Recognition in such planning of the importance of conserving energy resources subject to depletion;

5. Development of all economically available water power in connection with river basin conservation programs and the marketing of such power so as to assure low resale rates and wider and better use of electricity.

Mr. Olds has demonstrated the effectiveness of the great principle that the power resources of the country should be available to all the people at the lowest practicable cost. He has helped make the Federal Power Act and the Natural Gas Act work for the public. He has conscientiously implemented the safeguards established by law to protect the consumer. He has demonstrated his devotion to the prudent investment theory, to proper cost accounting, and to the other elements of real and effective regulation. In the words of the St. Louis Post Dispatch, "Mr. Olds' offense is his unbroken record of zeal in the protection of the public."

The foregoing statement which I ask to have included in the committee record, is my own statement and has not been cleared with the board of directors of the Cooperative League. I am confident, however, that what I have said would meet with the approval of most of, if not all of, the members of our board.

NEWBERG, OREG.,
October 8, 1949.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR MR. MORSE: At the last Newberg Farmers Union local meeting October 8, 1949, the local voted by unanimous vote a motion favoring the appointment of Mr. Leland Olds as a member of the Federal Power Commission. It is our opinion Mr. Olds has given satisfactory service during the two terms he has served. Therefore we urge you to use your influence in securing Senate approval of his appointment.

Very truly yours,

HARRY CRATER,
President, Newberg Farmers Union Local, Newberg, Oreg.

PORTLAND, OREG.,
October 5, 1949.

The Honorable WAYNE MORSE.

DEAR SIR: Ar. writing to urge you to vote for the reappointment of Leland B. Olds to the Federal Power Commission as he has done a good service to protect the public against the narrow interests of special groups and is a good honest man.

Yours truly,

ALBERT O. RISTOD.

EUGENE, OREG.,
October 11, 1949.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Oregon co-ops are much in favor of confirmation of Leland Olds. We feel he has been very fair with all parties concerned. In most all cases his judgment has been sound. Will appreciate your support on confirmation.

C. R. BELKNAP.

Mr. MORSE. Mr. President, I desire the RECORD to be perfectly clear that I hold no brief for the views Mr. Olds expressed in his writings a considerable number of years ago, because I do not accept the political philosophy of those views. However, I am satisfied in my own mind that Mr. Olds has in fact repented, and does not today entertain those views. Therefore, I am inclined to take the position that we should judge him on the basis of his record as Commissioner. I submit that the record is a good one.

Perhaps, I am also motivated somewhat by weighing rather carefully the conditions which existed in the United States and the facts and circumstances surrounding the Olds statements on which my good friend the Senator from Colorado [Mr. JOHNSON] has placed so much emphasis in his recommendation that the nomination be rejected. A great many young men have gone through my class rooms, over the years, Mr. President, and I have noticed that many brilliant young men, with strong intellectual curiosities, with a tendency to ask, "Why is this so", "Why should this particular practice exist in our Government?", are the type of young men who in their college days and in the years immediately after college have been those who were known on the campuses as the young radicals. The interesting thing about most of them, not all of them, is that they season with maturity; and a great many of those who were radicals in their younger days, with maturity become rather sound liberals, as contrasted with leftists. I have seen that happen so many times that I am inclined to give the benefit of all doubts to Mr. Olds on the score that he has followed that pattern.

I recall that when I was a student at the University of Wisconsin, there was on the campus a so-called liberal club known as the La Follette Club. It was too liberal for me; I refused to belong to it, because in my judgment the general tone of the membership of that club and the views they expressed could not be reconciled with what I have so frequently called the tenets of constitutional liberalism. I remember that one of the leaders of that club, who was a very good personal friend of mine, simply could not understand what he considered to be my conservatism, just as I could not understand his leftism. Today he is general counsel for one of the great private utilities of America. Usually when he comes to Washington we have dinner together; and I thoroughly enjoy ribbing him, as we say, about the very radical views he held in his college days. I am sure he would appreciate it if my memory were not so good in regard to some of the specific positions he took back in the early twenties. They were so similar to the views Mr. Olds expressed in some of his radical writings that I am inclined to think Mr. Olds is merely another example of the oft-repeated pattern of young men who think they can reform the world, or at least our own country, by adopting philosophical principles which cannot be reconciled with the constitutional theories of our form of government.

Perhaps it is because of a sympathy for the underdog or perhaps it is because I believe that, in connection with a given matter, men should be judged on their proved qualifications, that I am not very much moved by the strong opposition which has arisen in the Senate to Mr. Olds because of his radical writings. I do not approve of those writings, but neither do I approve of taking the position that a man who, during two terms as Commissioner in the Federal Power Commission has proved he is a very able Commissioner, at this late date, as the Portland (Oreg.) Journal says in its editorial, should not receive the votes of Senators, to be confirmed for a third term, because of some indiscretions in writings of which he was guilty a considerable number of years ago.

The next point I want to make deals with what I think is really fundamental in this whole confirmation fight. I think I should also say that I know I am trying a case tonight, so to speak, in which the verdict is going to go against me. But this is not the last forum. It will be the last forum, I think, so far as the continuation of Mr. Olds on the Federal Power Commission is concerned, but even though I know I am going to be defeated in this trial, I am at least going to make my contribution to what I think is fair play due Mr. Olds.

I think the position he has taken in regard to the regulation of natural gas is a sound one and in the public interest, and I believe his record in support

of that position merits his confirmation tonight; which I am sure he is not going to get.

American history, particularly in the period since 1872, proves that the decision to put our utilities under public oversight and control has been irrevocably made. In one utility industry after another and at times of course in the distressingly slow progress a considerable measure of public control has already been established as to water, telephone, steam railroads, electricity, street railways, and manufactured gas. The Congress several years ago passed an act providing for the regulation of the natural-gas industry in interstate commerce, and the act has received the full sanction of the Supreme Court. Now the people who own the natural gas industry do not like this legislation and are seeking to have it changed. But at the same time this industry is moving heaven and earth to get Mr. Olds off the Commission charged with enforcing this act because he has taken the Natural Gas Act seriously. His every official act in this field has been based on a conviction that the Congress meant exactly what the act said.

The history of the development of regulation in this country is replete with examples of where a given industry has gone through a period of alleged regulation or near regulation or quasi regulation; that is, a type of regulation in which all of the factors have been left unregulated or undetermined as entirely to vitiate the whole effort toward effective control. In certain instances it has actually occurred that the leaders of a given utility industry, sensing that the public interest in, and the public demand for, regulation merited some recognition, tried to beat the public to it and have come forward themselves with a plan seeming to provide genuine and reasonably complete regulation. After a disastrous trial run of the legislation a long-suffering public then discovered that what was advertised as the recognition on the part of the owners of a legitimate public interest, and claim, turns out to be a sham and a fraud. It promptly proved to be no regulation at all. Inadequate regulation, in fact, on certain occasions has turned out to be actually worse as far as the protection of the public interests goes, than no regulation at all.

This is the fallacious type of regulation which the oil and gas industry of Texas and other southwest points would like to put over on the rest of the Nation. Of course, the owners of this gas, much of it recovered in the first instance from oil wells, must find a market for their product somewhere, and this market lies in States to the north, east, and west of the States where the gas originates. Hence there must be interstate transmission lines originating in the Texas-Oklahoma area, and from there radiating out to the various consuming centers, for the most part population centers as well.

Everybody, including the gas-oil crowd, agrees that from the moment the gas enters the interstate transmission lines it should be regulated. But, as Congress recognized when, in answer to public opinion, it formed the Natural Gas Act, to start control at the entrance of the pipe line is like locking the barn door after the horse has been stolen. To make regulatory controls effective it is necessary to go all the way back to where the expenditures begin, to the prospecting and drilling, and to where a lot of other costs are incurred in obtaining the gas—costs just as real, though perhaps not as spectacular, as those incurred in moving the gas to market in transmission pipes. At the far end, the user of this product wants to know the whole cost which the purveyor has incurred in obtaining and marketing the product—not a part of it. The householder who uses the gas in a range, or the big-city dweller who pays for natural gas as a factor in his gas bill, or the industrialist who consumes great quantities in some process requiring delicate heat controls, all these want the Federal Power Commission to tell them or their State regulatory commissions the whole story—not a part of it.

But the natural-gas industry resents the inclusion in the regulatory process of any or all the expenses incurred before the gas enters the transmission line. They do not say in so many words, "We want the regulation of natural gas to be a fraud on the public," but they do say, "We want to run our own affairs in the field. It is no business of the public or of the public bodies set up to protect the public interests what we pay for gas wholesale or what we have or have not invested in the business." This is the same old story heard every time the public has decided to really regulate any industry, fraught with great public interest and at the same time one where competition is humanly impossible. The owners of these industries, trying to avoid regulation which really regulates, rarely say that they plan to take advantage of the public—no; they usually assume the attitude that any regulation interferes with the free-enterprise system.

However, in these present discussions of the Natural Gas Act and the proposals for its amendment, the spokesmen for the gas industry which is trying to avoid regulation throughout the area, between the gas in the ground and the entrance to the interstate transmission line, have freely acknowledged that if the requested changes in the Natural Gas Act are made, or if the Federal Power Commission fails to include field costs in its regulatory decisions, prices will surely go up. The small consumer has an interest in that fact, a very important economic interest, and the industrialist has an interest in that fact, a very important economic interest. In fact, when the leading spokesman for the industry was confronted at a Senate committee hearing with the statement that if the changes sought by the industry were to be made, prices at the transmission line entrance would go up, he replied, "It will be admitted."

In the long years during which American policies and practices bearing on utility regulation have been developed, the interests to be regulated have adopted a great variety of schemes to avoid effective regulation—some of these illicit and defeatist techniques have gradually become frozen in legal enactments and so have required years of mounting public education and opposition for their elimination. The background of all these efforts to block the public desires and interests has been to keep mysterious or misleading the costs incurred, or alleged to have been incurred, in some part of the process by which the product is fitted for its market and transferred thereto. For many years, for instance, those attempting to regulate almost any utility with the purpose of bringing about fair rates were frustrated by a theory of valuation called reproduction cost new, by which all sorts of imaginary items of value were read into the total on which the rates charged were expected to yield a fair return. This system of valuation has now been obsoleted by the Supreme Court in favor of a rate base which measures the sums prudently invested in the enterprise. It is no longer necessary for lawyers and engineers to sit up nights thinking out imaginary elements of value by which to boost the rate base and the corresponding rates. The Supreme Court will not tolerate today any such nonsense. So handicapped in mystifying and confusing the actual honest-to-goodness expenses incurred in bringing their gas to the interstate pipe line, these gas people frankly advocate removing from public view and consideration everything that happens before the gas enters interstate transmission. The modern art of buying and selling a closely held product, and this repeated over and over again, makes it possible to produce at the pipe or line entrance a price or cost which has little or no relation to that which was necessarily and prudently expended in performing a public service of very great importance. The way out is too easy to stand public gaze for any length of time. The Federal Power Commission, it must be remembered, is charged with the responsibility of authorizing or failure to authorize, the creation of new pipe lines which, in their building, as well as in the provision of facilities for the uses of the gas, impose large expenditures on the people. How can such fateful decisions be rendered without reasonably accurate promotion and cost data from the field?

It has repeatedly been said in the course of the hearings on the Olds nomination, and in the discussions of amendments to the Natural Gas Act which preceded it, that requiring the type of effective regulation which under the act the Federal Power Commission must necessarily enforce, constitutes by some strange reasoning an attack on the free-enterprise system. As a matter of fact just the opposite is the fact. Reasonable but thorough regulation of public utilities is a bulwark to the free-enterprise system. It is our only hope of avoiding exploitation of the free-enterprise system. The electric industry which, among all the utilities, has not consistently opposed regulation and tried in myriad ways to make regulation ineffective, is the one American utility industry which has shown, and continues to show, the greatest disposition to pass from free

enterprise, ownership, and operation, to public ownership and operation.

But it is also interesting to note, Mr. President, in the case of the electric utilities, that a very workable cooperative program is being developed between the private utilities in the public ownership districts. An excellent example of that is to be found in the Pacific Northwest. I think it is perfectly obvious that the end result will be a cooperative program whereby private utilities can exist and prosper side by side with public utilities in public-utility districts where the people themselves have decided that as a matter of policy they prefer to be served by a public-utility district rather than by a private utility. The private utilities are cooperating in the development of sound Government programs and reasonable regulations applicable to both public and private utility districts.

The American people certainly see no virtue in the public ownership of the electric industry as such. But the American people do insist on electric rates determined after a full understanding of the financial structure on which they are based. Those of us who believe in the free-enterprise system may well have these facts in mind, when it comes to exempting the natural gas industry from any part of the regulatory process set up by Congress and validated by the Supreme Court.

In closing, Mr. President, just a word as to what I think should be said in answer to the question, What kind of a man is Leland Olds? In order to determine this, let us lay aside for the moment the opinions of the oil-gas people who just do not want him anywhere around because he believes in real regulation as called for by the Natural Gas Act, nor will he accept any watered-down substitute which would permit these people to manipulate prices to their heart's content and thus make a fraud of regulation. In one way, of course, this is no indictment of their people. They cannot be sent to jail for holding these views. As a matter of fact, it is always hard luck when people who like speculation, which they invariably interpret as making "big money," get into a utility business and have to abide by the order of courts and commissions, so we just accept it that there is a wide difference in conduct appropriate to a horse race and that required by law in operating a commission-controlled public utility. Just because the Texas-Oklahoma oil-gas contingents, not wanting open and above-board regulation of their industry therefore oppose this confirmation, it must not be assumed that businessmen generally who have appeared before the FPC during the 10 years when Olds has been a member are opposed to him. In fact, the record shows just the opposite. He is credited with many careful and sound assets to businessmen in carrying out their plans and always in accord with the laws obtaining in each individual case. However, a casual examination of the nearly 40 lines required in Who's Who to describe the doings and career of this 59-year-old, suggests several significant things. He has never been without a useful job, many of them highly important and full of dignity. None of these jobs are the kind that pay inflated salaries. It must have been an interest in the public that attracted him to this kind of work and kept him away from the marts of trade where fortunes and near fortunes are made.

I think one of the sad things, Mr. President, about the pending vote which will deny confirmation, I am sure, of Mr. Olds' nomination, is that it is just such action as this that will discourage, in my judgment, other men, devoted to the public interest, from running the risks of entering Government service.

The mere making of money never seems to have interested him. No, it must be true, as stated by the city solicitor of the city of Pittsburgh in her testimony before that subcommittee of the Interstate and Foreign Commerce Committee of the Senate, in hearings on his nomination, "Mr. Olds is like a city street—'dedicated to the public service.'" Another striking fact is that from 1929 on Mr. Olds served in one post after another, quite directly under the observation of Franklin Roosevelt; first when he was Governor of New York and later when President. In 1936 Mr. Roosevelt sent him to Europe to study cooperatives and he was, especially in its later stages, F. D. R.'s principal dependence in the matter of the negotiating and drafting of the St. Lawrence Seaway Agreement with Canada. Mrs. Roosevelt has given testimony to the good work Mr. Olds did in 1929–31, a tough period for most city dwellers, though acting as an economic consultant to the Community Councils of the City of New York.

Finally, I should point out to my colleagues in the Senate that perhaps the most serious present-day weakness of regulation is the lack of experience and ability on the part of the average Commissioner. This bears just as heavily on the businessman, who, wishing to operate under the law, seeks to make a success of his enterprise, as it does on the proponents of the public interest, mainly concerned that rates should not be excessive. The fact of the matter is that it usually requires a long period of training to make a really competent utility commissioner. Men like Eshleman, of California, and Maltbie, of New York, are few and far between. Olds has made a very great impression on the utility world by his contribution to the effective conduct of the Federal Power Commission. In the light of natural ability, experience, integrity and sound common sense it would be difficult indeed to fill his place.

It is held by some that in his writings, especially in the late twenties, Mr. Olds erred in suggesting that our prized American free-enterprise system could here and there be refurbished with profit to us all, including the free-enterprisers. It seems almost a duty to remind especially the younger Members of the Senate that the greatly beloved then senior Senator from Virginia, Carter H. Glass, criticized repeatedly before this body the widespread speculative spree of our American free-enterprise system. Senator Glass in these discussions did not deal in generalities. He pointed a highly critical finger at one Charles E. Mitchell, the then president, it will be remembered, of the National City Bank in the city of New York. Nor should one overlook the fact that about this time President Hoover asked this body to investigate the "bear" raids on Wall Street, an inquiry which was broadened out later in President Roosevelt's administration to the revealing investigation under Ferdinand Pecora. In view of all the changes and reforms which have since been brought about, it is difficult to picture the situation which led Mr. Olds and scores of people in high places to criticize some of the abuses of big business as practiced in the golden twenties. Even the Methodist Church issued ringing denunciations in its declaration on certain abuses of capitalism. Why should these leaders not have expressed themselves in strong language, when one company in the "flush" days moved its capital up $500,000,000 over one night, only to have to reduce its capital by a like amount after the crash came? Although this company had millions of shares out in the hands of the public after the break in prices, its board of directors of over 20 men were canvassed and found to be the owners collectively of less than 2,000 shares. They had all gotten out when the going was good.

There is no doubt about the fact that Olds' criticism of the abuses of capitalism were entirely too extreme. They showed a lack of good judgment and a bitterness which I do not propose to defend. However, the views he expressed were frequently heard in the late twenties and eary thirties. Many of our people had grown bitter and resentful over the exploitation and selfishness of those leaders of business who had sold short the free-enterprise system by their business practices which were chiefly responsible for the speculative boom that produced the depression bust of 1929. Those were the days when riots were threatened in the Farm Belt when attempts were made to foreclose on mortgages. Those were the days when bread lines muttered about breaking into grocery stores and much concern was felt in many parts of our country about maintaining law and order in the face of threats of direct action.

Fortunately, calm, clear thinking came to prevail as the Government proceeded to use the resources of Government to feed the hungry, create public works jobs, declare mortgage moratoriums, and pass legislation saving the banks, and checking the abuses which gave rise to the depression. As our people came to recognize that our constitutional system of government and capitalistic economy could be made to work in the interest of all of our people and assure the promotion of the general welfare many of the radical utterances of the time such as those of Olds were seen in their true perspective. Also, many of those who in a spirit of bitterness expressed such extreme views as those of Olds modified their views and became staunch supporters of our capitalistic system and democratic processes. They became defenders of the view that if capitalism is to work successfully for the welfare of all of our people its abuses must be regulated and checked by sound

legislation such as the Natural Gas Act. I think Olds has proved by his record on the FPC that he has discarded his radical views of 20 years ago.

Therefore, Mr. President, I close this speech in favor of the confirmation of his nomination by saying that I believe, on the basis of his record in his position, the primary test of his competency and qualification for this appointment, Leland Olds is entitled to the confirmation of the Senate of the United States.

Mr. IVES obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New York yield?

Mr. IVES. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I wonder if we might be able to get a unanimous-consent agreement to vote at 10:30 o'clock tonight.

Mr. IVES. That is perfectly agreeable to the Senator from New York.

Mr. JOHNSON of Texas. I ask unanimous consent that a vote be taken at 10:30 o'clock p. m.

Mr. DOUGLAS. A parliamentary inquiry. What was the hour stated by the Senator from Texas?

Mr. JOHNSON of Texas. I asked that we vote at 10:30 o'clock p. m.

Mr. DOUGLAS. How would the time be apportioned?

Mr. JOHNSON of Texas. I suggest it be divided equally between the proponents and opponents of the nomination.

Mr. MORSE. Mr. President, I have no objection to the unanimous-consent agreement, but I do object to its being entered into without a quorum being called, and, therefore, I suggest the absence of a quorum.

Mr. IVES. Mr. President, I yield for the quorum call, if that will bring about a unanimous-consent agreement. I am as anxious to have this matter closed up as anyone else can be.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Magnuson
Baldwin	Hoey	Malone
Brewster	Holland	Martin
Bridges	Humphrey	Maybank
Byrd	Hunt	Millikin
Cain	Ives	Morse
Capehart	Jenner	Mundt
Chapman	Johnson, Colo.	Myers
Connally	Johnson, Tex.	Neely
Cordon	Johnston, S. C.	O'Conor
Donnell	Kem	Robertson
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Dulles	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ellender	Leahy	Stennis
Ferguson	Lodge	Thomas, Okla.
Fulbright	Long	Thye
George	Lucas	Watkins
Graham	McCarthy	Wherry
Green	McClellan	Wiley
Gurney	McFarland	Williams
Hayden	McKellar	Young
Hendrickson	McMahon	

The PRESIDENT pro tempore. A quorum is present.

Mr. IVES. Mr. President, the Senator from New York yields to the Senator from Illinois for the purpose of obtaining a unanimous-consent agreement for a vote.

Mr. LUCAS. Mr. President, is it satisfactory to my colleague that we vote at 10:30 o'clock?

Mr. DOUGLAS. There are three or four of us who would like to present the case for Mr. Olds. I have added up the time which we will need, and I think we would need at least an hour and a half, but we want to give an equal amount of time to the other side, so I would suggest that the vote be taken at 12:15 o'clock a. m.

Mr. IVES. That is all right.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate vote on the nomination of Leland Olds at 12:15 o'clock tomorrow morning.

The PRESIDENT pro tempore. Is there objection?

Mr. DONNELL. I object.

Mr. LUCAS. Mr. President, I ask unanimous consent that we vote on the nomination of Mr. Olds at 1 o'clock p. m. tomorrow.

The PRESIDENT pro tempore. Is there objection?

Mr. IVES. I think the Senator from Missouri may have something to say.

Mr. DONNELL. Mr. President, I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the original request?

Mr. LUCAS. Mr. President, I renew my unanimous-consent request that the Senate vote on the nomination of Mr. Olds at 12:15 o'clock tomorrow morning.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBERTSON. Mr. President, reserving the right to object, and I shall not object, I want to say that I had hoped to have the pleasure of voting on the nomination, but I will be away tomorrow——

Mr. IVES. The vote is proposed to be taken this night.

Mr. ROBERTSON. I have no objection to that.

The PRESIDENT pro tempore. Without objection, the unanimous-consent request is agreed to, and the Senate will vote on the nomination at 12:15 o'clock a. m.

Mr. LUCAS. Mr. President, I forgot to make the further unanimous-consent request that the time between now and the time of voting on the nomination be equally divided between those favoring and those opposing the nomination, the time to be controlled by the Senator from Texas [Mr. JOHNSON] and the Senator from Illinois [Mr. DOUGLAS].

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I inquire how much time does the Senator from New York want?

Mr. IVES. About 10 minutes.

Mr. President, for a Member of the Senate to oppose a Presidential nominee to high office who comes from his own State is an action not to be taken lightly. During the nearly 3 years that I have been a Member of the Senate and until this very date, I have not opposed the appointment or the confirmation of a nomination of anyone named or nominated by President Truman for office in his administration who has come from the State of New York.

This acquiescence on my part has been due to the fact that, realizing the Senate's share of responsibility in matters of confirmation, I recognize also the primary right of the Executive to appoint and to nominate, and furthermore, that the Executive is primarily responsible for his appointments. Although I have not always wholly approved those from New York State who have been named by the President to high appointive office, until now I have not felt that in any instance there were sound or sufficient grounds for my outright opposition. Indeed, a number of these appointees have been personal friends of mine whom I hold in highest esteem, and I have been very glad to give to them my unqualified support. Still others not of my acquaintance, whose record and prestige have entitled them to favorable consideration, have earned the support which I have gladly accorded them. Never have I permitted politics or partisan consideration to influence my action regarding Presidential appointments.

In the case of the present nomination of Mr. Leland S. Olds to succeed himself as a member of the Federal Power Commission, however, I am obliged, in all conscience, to oppose his confirmation. My opposition is due in no way to any personal antagonism or hostility to Mr. Olds. Neither is my opposition occasioned by criticism of any shortcoming which may appear in his record as a member of the Federal Power Commission.

I oppose Mr. Olds for the very simple reason that I have no faith in him as an exponent of democratic government in a free society. His past record has revealed him to possess a personal political and economic philosophy which is utterly hostile to democratic government in a free society.

The transcript of the committee hearings contains tragic evidence of an American who himself has no faith in the great fundamental principles of freedom which have been and are inherent in the political, economic, and social structure of America. It is not necessary for me here to review this evidence or even to quote from it. Already the hearings and the presentation made previously tonight by the distinguished Senator from Colorado [Mr. JOHNSON] opposing Mr. Olds are familiar to Members of the Senate. Anything which I might add in the way of citation or reference would be superfluous.

Any American who has denounced capitalism as decadent and the sanctity of private property as something to be discarded—and those are his words—and who has urged labor to seek to share in the new apportionment of authority through other than constitutional processes and who, when questioned on this expression of his philosophy refuses to repudiate it or disavow it, is not only unsuited to hold public office in America, but, holding such office, is a menace to America and to the free institutions of America.

Mr. President, here and now, in referring to the Biblical quotation employed by the distinguished Senator from Oregon who preceded me, I would remark it seems to me that in this particular instance we have one sinner who has not repented.

Any American who would view the Fourth of July as a day set apart by the world's greatest exploiters to glorify their rise to power and who, when queried concerning this implied denunciation of his country, refuses to repudiate it, is unfit for public office.

And yet, as I have read the transcript of the hearings, and as I have listened to the presentation of the case against Mr. Olds, these are the inevitable conclusions which I am forced to reach regarding him.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. JOHNSON of Texas. I should like to observe that this "very young man" the Senator from Oregon talked about in his speech, who was doing this writing, was just a mere lad of 40 at the time he was writing the articles referred to.

Mr. IVES. That condition dawned on the Senator from New York at the time it was brought to the attention of the Senate. I assumed he might be somewhere in his twenties, but in checking the record I found he was at least a decade older.

Urging "the elimination of competitive private capitalism," he has condemned it "as just another myth preached in the interest of a small class seeking to retain power and privilege"; and, mind you, Mr. President, he does not repudiate or deny that these are true expressions of his present-day philosophy. I have searched the hearings, and I cannot find any outright repudiation anywhere in the hearings, or any denial along those lines.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. JOHNSON of Texas. I should like to refer the Senator to page 291 of the hearings. I read in part:

Senator JOHNSON. Mr. Olds, do you repudiate those writings?

Mr. OLDS. No, sir; I do not.

Senator JOHNSON. Do you reiterate them; do you reassert them?

Mr. OLDS. I am going to discuss those writings in terms of Mr. LYLE's presentation and tell you exactly what those writings mean.

Senator JOHNSON. We are going to be able to judge what they mean. We will be glad to have your viewpoint upon what they mean, but the question I want to ask you: Do you still feel as you did when you wrote those letters?

Mr. OLDS. No. I have indicated that the change in the circumstances in this country and the change in my thinking that has gone along with it, would lead me to write some of those articles in a somewhat different way today.

The net result being that he would slant them differently today.

Mr. IVES. That is the impression the Senator from New York gained from reading that part of the evidence.

Clearly opposed to private property and to the profit motive, he comes before us today for endorsement and confirmation for a position of high importance and great responsibility in the Government of our Nation.

I know there are some who insist that Mr. Olds' personal philosophy has undergone a metamorphosis since the 1920's, but the committee hearing would not appear to show that such a change in his attitude has occurred.

I know there are those who will try to excuse him by pointing out that he is only one of a Commission of five and that he would be thereby prevented from official action harmful to the country. I know there are others who will insist that he has performed his task as a member of this Commission without, perhaps, a clear indication that his beliefs are as he admits them to be. I know there are still others who will insist that he has been maligned and that the opposition to him is political, inspired largely by the power and utility interests.

In this latter connection, let me point out that I have not received one word in writing or in conversation, either for or against Mr. Olds, from any private power or utility source.

At the same time, let me declare, as strongly as possible, that I am not among those who feel that Mr. Olds' beliefs or philosophy should be overlooked because he may be capable of performing satisfactorily the task to which he has been and would be again assigned. I would not thus disregard the dubious nature of Mr. Olds' apparent personal inclinations.

As I indicated at the beginning of my remarks, I am constrained with great reluctance to oppose the nomination of Mr. Olds who come from my own State. And I would not oppose him if the circumstances were not so grave.

At this particular time—above all others—in the history of our country, when unquestioned loyalty, not only to our country but also to the lofty principles for which it stands, is of transcendant importance as a first qualification to be met by every public servant, I can take no other course than to oppose the confirmation of the nomination of Mr. Olds.

Mr. DOUGLAS. Mr. President, I yield 30 minutes to the Senator from North Dakota [Mr. LANGER].

Mr. LANGER. Mr. President, I have listened with surprise to the speech of the distinguished Senator from New York [Mr. IVES]. It is a strange paradox that the very Senators who voted to send billions of dollars to England where industry after industry has been nationalized, where utilities have been nationalized, where the banks have been nationalized, where coal has been nationalized, and steel is now being nationalized, are quoting and objecting to writings of 15, 20, 25, and 30 years ago. How strange it is to hear my distinguished friend from New York, who has been one of the leaders in the fight to send billions of dollars to England, which has a socialized form of government, which has wiped out private property, which the Senator from New York is so anxious tonight to protect, objecting to the confirmation of this nomination. Those billions of dollars have been taken away from the taxpayers of the United States. Senators who are now objecting to the confirmation of this nomination have been busy increasing income taxes upon the workingmen and the farmers in order to carry out socialistic experiments in England.

Mr. President, at least I have been consistent. I have not voted to send a single dollar over to England. Frankly, I cannot understand the position of Senators who voted to send billions of dollars over there. They suddenly rise tonight and say that they are opposed to the confirmation of Mr. Olds' nomination.

I am not doubting the word of my distinguished colleague [Mr. IVES] when he says that no representatives of private utilities came to see him. They came to see me. I have telegrams in my office from the leading power companies in the Northwest asking me to oppose the nomination of Mr. Olds. This is one of the few times during the 9 years I have been a Member of the Senate that representatives of any of the so-called big interests have been to see me. One of them, a lawyer in Washington, frankly stated that he was retained by the power interests. He came to talk to me and try to get me to change my vote. He said, "At least, Senator, if you cannot change your vote, will you not pair with a distinguished Senator who is over in Europe today?"

Mr. President, I realize that I am speaking for a hopeless cause tonight. It makes no difference what I say here. It will not change any votes. But I want the American people to know that the very Senators who have voted to send billions of dollars across the water, the very Senators who talk about economy, are opposing this nomination. There is great talk about economy when we try to give some poor devil working for the Government, some veteran with a wife and children, receiving $2,300 or $2,400 a year, an increase of $100. Senators object and say, "He will get along all right on $2,350 or $2,400 a year."

At the outset, I wish to say that I do not approve at all of the many writings of Mr. Olds. I agree with the Senator from Oregon [Mr. MORSE] that it is not a question of agreeing or disagreeing with a single thing Mr. Leland Olds has ever said. I am interested in his record. What has he done as a member of this Commission?

I have never met Mr. Olds. I would not know him if he were to walk into this room now. But I did acquaint myself with the record which this man has made, and it is a good record. It is the record of a man whom the public utilities could not control. It is the record of a man who has been honest, and who has been fighting in behalf of the common people of the country. It is a record which is approved all over the United States by farmers and men in the small cities who compose the REA cooperatives. I have received telegrams from various cooperatives in my State asking me to support the nomination.

During the extensive hearings which were held not one iota of information was brought out which reflected on the record of this man as a public-power commissioner. I challenge Senators to read the record from the first page to the last. They will not find a single word reflecting on his record. On the contrary, the hearings seem to indicate that he has honestly and effectively carried out the purposes of the Federal Power Act

in regard to the regulation of electric power rates, the evaluation of what should constitute a fair share of profit for the utilities, and what policies should be pursued in order that our natural resources may be conserved in the national interest.

The hearings developed the fact that Leland Olds has directly and indirectly squeezed more than $1,000,000,000 of water out of utility stocks. That is his record, and I want the people of the United States to know about it.

Further, he has introduced, so far as possible, into regulation practice the concept of rates based upon the number of dollars actually invested, rather than upon what the market will bear. It is my understanding that under Olds' administration, 6½ percent on money invested is considered a fair amount of return.

It seems to me that amount of return certainly is not too low. If anything, it is too high. Remember that little element of risk enters into utility investments. Utilities are, of course, natural monopolies, and cannot be put out of business by competitive concerns. Investments in utilities are among the safest in the world. Yet, Mr. Olds has allowed a 6½ percent return in such cases. So it cannot correctly be said that Mr. Olds has threatened free enterprise. Utility investments have not been threatened, under his administration, by unreasonable regulations which discriminate against the investor.

On the other hand, Mr. Olds has, according to information developed during the hearing, which all Senators can read, brought about hundreds of millions of dollars of savings to consumers of electric power. Through 1948, the cumulative reduction in electric-power rates amounted to about $269,000,000. All these facts and many more were developed at the hearings.

But, Mr. President, it is not my purpose to recite at length to Members of the Senate facts which were brought out in hearings before the House Committee on Interstate and Foreign Commerce, in the Eightieth Congress, on House bills 2972 and 2973, and before the Senate Committee on Interstate and Foreign Commerce, in the Eighty-first Congress, on Senate bill 1498. Senators may obtain these printed hearings and may read for themselves. What I want to dwell on today is something that happened on the floor of the Senate in 1944.

I have gone back 5 years and have reviewed the Olds' controversy as debated on the Senate floor in 1944. I realize that many Senators who still are Members of this body were Members of the Senate in 1944. Yet they seem to have forgotten the fight that was made against Olds during that year. This is not a new fight; it is an old one.

I am particularly anxious to review in some detail the 1944 fight, the record of which may be found on pages 7686–7700 of the CONGRESSIONAL RECORD for September 12, 1944, because the recent charges that were made against Mr. Olds were first made by former Senator Moore in 1944. All of it, every single bit of evidence introduced by Representative LYLE purporting to show that Mr. Olds had Communist convictions and tendencies, was presented on the floor of this body on September 12, 1944. However, every charge that Mr. Olds was a Communist was answered and disproved. Senator after Senator rose to his feet and declared that they had confidence in Mr. Olds, that he was a good American, and that his record has been excellent.

Consequently, I was a little surprised to read in the press the other day after the very same charges were made all over again, that members of the subcommittee of the Interstate and Foreign Commerce Committee were shocked beyond words. Apparently these Senators do not have good memories. It is because of their short memories that I am taking the floor today to review the 1944 debate.

In that debate, as in the Lyle revelations, it was brought out that more than 25 years ago Leland Olds wrote some radical articles for the Federated Press, which turned over its articles to 75 or 80 papers. Now it appears that the Daily Worker printed these articles at a time when William Z. Foster and other notorious Communists were running it. I wish to make it plain that I do not agree with any of those articles. No Member of the Senate has been more maligned than I have by the Daily Worker, which twice in its editorials called me the most dangerous Member of the Senate.

Senator Moore of Oklahoma said:

> Mr. Foster was one of Mr. Olds' bosses during the many years he served the Federated Press.

Senator Moore also attacked the record of Mr. Olds during the time when he was Federal Power Commissioner, by introducing several statements of State utility commissioners who claimed that Mr. Olds was infringing on States' rights in regard to utility regulation.

The Communist charges were not taken seriously by the Senators on the floor on September 12, 1944. Senator Tunnell of Delaware said and I quote now from page 7692 of the CONGRESSIONAL RECORD for that date:

> I do not think anyone believed that Mr. Olds was a Communist. I do not think the Senator from Oklahoma believes that Mr. Olds is a Communist. I do not think anyone believed that.

Other Senators also indicated that there was no proof whatsoever that Leland Olds was a Communist. The Senator from Vermont [Mr. AIKEN] said, and I quote from page 7692 of the RECORD:

> If there were charges made against Mr. Olds as to his Communist affiliations as a boy, if he had any, apparently the committee did not consider them serious enough to put them in the report which was submitted to the Senate.

And here is an exchange between the Senator from Alabama [Mr. HILL] and Senator Tunnell:

> Mr. HILL. In other words, he has a record now of 6 years of service, and that record, of course, is available to the Senate of the United States, for Members of the Senate to determine whether they will give their advice and consent that Mr. Olds continue to carry on a service which has already extended over a period of 6 years.
>
> Mr. TUNNELL. That is correct. I thank the Senator.
>
> Mr. HILL. It would seem to me that any statements he had made some years before would be rather immaterial, incompetent, and irrelevant.

During all that debate on the question of confirmation of the nomination of Leland Olds, no Senator rose to affirm and repeat the charge of Senator Moore that Mr. Olds had communistic tendencies. Apparently, even Senator Moore himself, after his charges had been refuted, did not repeat them. Moreover, we have the testimony on that score at the recent hearings, where Mr. Olds was asked the direct question, "Are you a Communist?" He replied "No."

Other statements which Senator Moore made indicate that he was not so much against Mr. Olds because he thought some of his articles had been printed by the Daily Worker and that Mr. Olds had believed in so-called European ideologies, but that he had been associated with the New Deal and with so-called New Deal ideas. Senator Moore also implied in his remarks that there was something undemocratic in being interested in cooperatives. He called attention to the fact that Leland Olds had gone to Europe on a mission for President Roosevelt in 1936 to study the European cooperative movement. He also indicated that there was something subversive in working for the National Resources Planning Board, and pointed out that that particular New Deal agency had been denied funds by Congress. The implication of that remark is that anyone associated with an agency for which Congress denies funds must be subversive. Senator Moore also made much of the fact that Mr. Olds was a member of the New York State Power Authority and that Mr. Olds had admitted, in testimony before a congressional committee, that the New York Power Authority was created for the purpose of studying and developing public-owned hydroelectric power plants on the St. Lawrence River—a terrible crime, in the eyes of the former Senator from Oklahoma.

All these activities, Senator Moore implied, made Leland Olds, if not a Communist, a Communist sympathizer. I quote from the CONGRESSIONAL RECORD of September 12, 1944, from a statement Senator Moore made on the Senate floor:

> In 1939, Mr. Olds came to the Federal Power Commission fresh from the background of long associations with communistic thought and idealism; he came with the zeal and fire of a crusader; he came with that same inspiration and determination that characterizes the zealots of radicalism, and which has so permeated the New Deal administration that it has been the subject of condemnation of Members of Congress from both major political parties.

After Senator Moore had tried to smear Leland Olds by saying that he was imbued with New Deal radicalism, he attacked Leland Olds because he had once belonged to the American Labor Party and had made a keynote speech to the American Labor Party Convention in 1938. Incidentally, this last charge concerning Labor Party affiliations was dug up and dusted off again a few weeks

ago at the hearings before a subcommittee of the Senate Interstate and Foreign Commerce Committee headed by the distinguished Senator from Texas. Nothing new, of course, was brought out in these latest so-called exposures. The same old speech which Senator Moore quoted from in 1944 was quoted from at the recent hearings.

A great deal of emphasis was put on the fact that Olds belonged to the New York Labor Party in the thirties. It was claimed that he deserted the Democratic Party of President Roosevelt and went over to the American Labor Party. But I am sure that Senators who are familiar with the situation in New York State during those years will realize that Leland Olds' so-called switch to the American Labor Party was not a switch at all but that he had worked with some of the Democrats in New York in carrying on these Labor Party activities, because the New York State Democratic machine was at that time working against President Roosevelt in order to bring about his defeat. As Olds said in 1938:

> The Labor Party was born because the President could not count on the machinery of his own party to support his effort.

It should be emphasized that Leland Olds has never been a party man, although he has supported the Democratic Party for many years. He has always advocated that the activities of party leaders must conform to the principles which are stated in party platforms. I wonder how some of my Republican friends like that. When, for years, they had a chance to carry out the principles of the Republican Party, they evidently forgot their promises, and made no effort to carry them out. At least Mr. Olds believes in carrying out the promises made in the platform upon which the candidates run.

For that reason, from time to time, he has pointed out that certain political parties were falling far short of carrying out the principles that they were pledged to support.

However, in discussing alternative parties to support there is not one iota of evidence that Leland Olds ever recommended support of the Communist Party. That is not true. I quote from the exchange of remarks of Senator Stewart and Mr. Olds which was entered in the RECORD of September 12, 1944, and which was taken from a congressional document:

> Senator STEWART. You believe in communism?
>
> Mr. OLDS. No, sir.
>
> Senator STEWART. When you made that statement that Senator Moore referred to, that the safety of this country could not be maintained by either the Democratic or the Republican Party, I believe, did you mean that the Communist Party probably could save the country?
>
> Mr. OLDS. No, sir; I did not say that. As I tried to say a few minutes ago, my whole search—and I have never been a member or really a member of any party.
>
> Senator STEWART. You were, I thought you said, a member of the American Labor Party.
>
> Mr. OLDS. Yes; I was. What I mean is, I have never been a party man through the whole range of from the left to the right, as it is called.

That is the statement, I may say, of an honest man, an honest public servant.

Another charge that was made against Leland Olds in 1944 was that he sought to extend Federal power into jurisdictions which properly belong to the States. These charges, I believe, have been made against Olds at least half a dozen times over a period of 6 or 8 years. At various hearings a number of State commissioners have been trotted out who evidently had a grudge against Olds or disagreed with him or his interpretations of the law which authorizes the regulation of public power and related matters. These charges, the record indicates, also failed to hold water. Actually, the courts which adjudicated cases initiated by the Federal Power Commission have agreed with Olds. This, of course, did not stop certain members of the State utility commissions from coming down to Washington and asserting that the Supreme Court was wrong in agreeing with Olds.

As a matter of fact, the record seems to indicate that most State utility commissions have no complaint against the way Olds has administered the law. On the contrary, they say they have had excellent cooperation from the FPC and that Olds in particular has expedited their work and made regulation by both State and Federal agencies more efficient. During the 1944 debate Senator Tunnell introduced into the record statements from members of State regulatory commissions from Illinois, Arkansas, Oklahoma, California, New Mexico, Minnesota, Pennsylvania, Washington, D. C., and Missouri, out to my great State of North Dakota, all of which expressed appreciation and satisfaction with the work of Leland Olds as a member of the Federal Power Commission.

Regarding the charge that he has attempted to encroach on state jurisdictions, as a matter of fact, he has been very conservative in applying Federal regulation in areas where there was any doubt that Federal jurisdiction has extended that far. A great hue and cry has been made in the last year or two because it is contended that Olds sought to extend Federal jurisdiction to sales of natural gas destined for interstate commerce. Actually, Olds has been very slow and apparently reluctant to regulate the sales of natural gas at gathering points even though the natural gas was definitely earmarked for interstate commerce. It was not until the Interstate-Louisiana case came along in 1947 and after the FPC had conducted exhaustive investigation of the natural-gas industry that Olds decided that sales of natural gas destined for interstate commerce should be regulated. Surely, Olds should not be penalized for agreeing with the Supreme Court. Furthermore, there is no reason to believe that if the Congress decided by legislation that natural gas should be exempt that Olds will act contrary to the wishes of Congress.

In conclusion, Mr. President, I would like to point out that the case against Leland Olds simply does not stand up. Most of the people opposed to him apparently have direct and indirect interests in the oil and gas industry. The case against Leland Olds smells strongly of oil.

All the credible disinterested testimony indicates that Olds should be confirmed. In my opinion, failure to confirm Leland Olds will be a blot on the record of the Senate and a confession that Members of this body have responded to a campaign initiated and carried on by certain vested interests who have an ax to grind. It will also be an indication that Members of this body have not completely analyzed these 25-year-old charges which are now dug up and dusted off again in the attempt to discredit an honest, sincere, and capable public servant who has given the best years of his life in attempting to bring about an equitable regulation of public-utility rates in the interest of the common people, in the interest of the average man, in the interest of the good citizens of the United States of America.

Mr. President, I had prepared some additional remarks, but in view of the fact that my time is limited, I ask unanimous consent that they be printed in the RECORD.

There being no objection, Mr. LANGER'S additional remarks were ordered to be printed in the RECORD, as follows:

> This attempt by greedy special interests to ax Leland Olds, and thereby to intimidate all other officials aggressively serving the public, is an integral part of a scheme of evasion and sabotage of public control that the utility industries have been carrying on for half a century.
>
> All through that period, as unimpeachable records amply demonstrate, the utilities have pursued one or another of these aims, and sometimes all of them together—
>
> First, to wheedle or extort from the Congress valuable privileges, such as priceless water-power sites, without subjecting themselves to public control.
>
> Second, where that failed, to acquiesce in or even to invite a lax form of regulation, or pretended regulation, that would permit them to go on doing pretty much as they pleased.
>
> Third, to keep the administration of regulatory laws in the hands of utility stooges or other "safe" men, either covertly chosen by the utility leaders or approved by them.
>
> To succeed in this last aim, as the utilities do fairly often, they must, of course, block the appointment of officials they deem "unacceptable." They must, in effect, exercise a veto over these "unacceptable" candidates, thus opening the way for appointments more to their liking, as they are trying to do today in the case of Leland Olds.
>
> Historically, this pattern of evasion and sabotage is as plain as the "charges" against Mr. Olds are transparent and flimsy.
>
> A mere glance through the records will demonstrate this pattern.
>
> Fifty years ago, even 40 years ago, the water-power interests of the country were wangling hydroelectric sites from the Congress without either compensation to the public for the privileges bestowed or the attachment of conditions protecting the public interest.
>
> That was too good—for the utilities—to last. Objections began to be heard, in Congress and from the White House. Along in 1909, for example, President Theodore Roosevelt cracked down on the grant of a water-power site on the James River, in Missouri, which Congress had voted. Vetoing the bill, Roosevelt said:

"The bill gives to the grantee a valuable privilege, which by its very nature is monopolistic, and does not contain the conditions, essential to protect the public interest. * * * The people of the country are threatened by a monopoly far more powerful, because of far closer touch with their domestic and industrial life, than anything known to our experience. * * *

"To give away, without conditions, this, one of the greatest of our resources, would be an act of folly."

Not long after that the Congress began to struggle, seriously, with legislation intended to safeguard the national interest in water power. Progress was agonizingly slow. The utilities, when they became convinced that they could no longer gain public privileges without accepting some measure of regulation, devoted years of effort to making and keeping that regulation innocuous.

Eleven years elapsed, after this James River grant veto, before Congress enacted the Federal Water Power Act of 1920. Then another decade passed before there was even a serious attempt to establish regulation worthy of the name.

Prior to that time, that is between 1920 and 1930, the Nation had, on paper, a commission empowered to safeguard the Nation's interest in water-power sites through recapture clauses, and to participate in the regulation of security sales and in rate-making. Actually almost nothing was done. That was established beyond question by Senate investigations around 1930. Administration of the act had been entrusted to an ex officio part-time Commission with an improvised tiny staff that found itself just about impotent.

When this borrowed office force did make any effort to protect the property of the people, or even to make Congress aware that the property of the people was endangered, the utilities quickly put a stop to that. A classic example occurred in 1928, when the Power Commission sent to Congress evidence pointing to the existence of many millions of dollars of inflation in hydroelectric companies.

The Congress was not even permitted to see that report. The Niagara Falls Power Co., one of those whose finances were dissected in it, induced the Commisison to withdraw it from a House committee almost immediately after the submittal and to delete from it the examples of inflation. The facts about this were dug out by a Senate committee 2 years later. ("Investigation of Federal Regulation of Power," Senate Interstate Commerce Committee hearings, 1930, pp. 77, 275–276, 282.)

Meanwhile the Congress, kept in ignorance of this vital suppressed information, voted down a bill to staff the Commission with auditors and lawyers who might have halted this carnival of stock watering that did so much to bring on the stock-market crash of 1929.

A year later another effort in the Power Commission staff to set up real instead of mere paper regulation was choked off. Commission orders opening the way to regulation of security issues of licensee companies were sidetracked in the Commission, their effective date indefinitely postponed.

All this time the utilities were deluding the public into the belief that their securities were in fact regulated. They were, as President Roosevelt said a little later, peddling "billions of dollars of securities which the public have been falsely led into believing were properly supervised by the Government itself."

And these securities were, in very large part, "watered" stocks where they were not completely worthless stocks. The Federal Trade Commission in its investigation of utilities subsequently disclosed a total of "water," or "write-ups" of asset values behind these securities, amounting to at least $1,500,000,000.

That was part of the speculative madness that gripped the country in the late 1920's, leading up to the stock market crash of 1929 and to history's greatest depression. Much of this reckless, ruinous inflation could have been averted, it is clear now, had there been in the Federal Power Commission at that time the regulation which the utilities talked about but never permitted to become effective.

When any man dared to try to make that regulation really effective the utilities, then as today, "pinned the red label" on him. Their tactics were epitomized by President Franklin Roosevelt when he asked the people of this country to "judge me by the enemies I have made. Judge me by the selfish purpose of the utility leaders who have talked of radicalism while they were selling watered stock to the people and using our schools to deceive the coming generation."

The story does not end there. It seems never to end. Not long after the incipient regulation of utility security issues was blocked in the Power Commission two members of that Commission's staff did succeed in exposing to the Congress the lack of effective regulation there, and the facts about inflation. These men, as not a few Members of this body will recall, were the Commission's then chief accountant, William V. King, and its solicitor, Charles A. Russell. It may also be recalled that their reward for this public service was, not a vote of thanks from their Government, but summary dismissal.

That time the United States Senate really did become aroused and militant, as it needs to be all the time in these utility matters. The Senate sought to oust three Commissioners for dismissing these public-spirited men. Though it failed in that, the Senate did succeed after a time in helping to bring about real, instead of "phony," regulation in the Federal Power Commission. But that sort of regulation can be maintained only if the Congress is eternally vigilant, and especially if the Senate helps to put into that Commission, and to keep there, fearless men who will serve the people with single-minded devotion.

Where we so often slip up in this is in allowing the utilities to fool us by faking a Red label for these men and forcing them out of office, getting rid of them. That is what we are threatened with now, in this attempt to cut short the career of a man who, through two terms of office, has proved over and over again that he is one of the most effective champions the Congress and the people have in the Federal Power Commission.

In the eyes of the utility and holding-company managements, Mr. Olds is dangerous, as Mr. King and Mr. Russell, and later Mr. Lilienthal in the Tennessee Valley Authority, were dangerous. That is to say, such men get in the way of the utilities every now and then, as the utilities wage their war of attrition against public regulation. These men sometimes interfere with the utility managements' schemes of empire building, their never-ceasing attempts to exact unconscionable tolls and profits from the utility consumers of the Nation.

Of course, such men are dangerous, in this sense. If they were not, the Congress might as well give up trying to protect the public interest in the Nation's priceless resources of water power and of natural gas.

What the utilities really want is "phony" regulation, the sort that lulls the Congress and the people into a sense of false security but never really becomes effective. Heed what the Federal Trade Commission has said of the motivation of that mammoth campaign of propaganda the utilities carried on for so many years—and with no more than differences in form and method are repeating today.

The ultimate objective, said the Trade Commission, was "creating a halo around all their practices, including financing." But specifically the Commission notes that:

"In the campaign there inhered persistent efforts to prevent effective, or any, regulation of utilites for the protection of the public, either of the consumers as to service and rates, or of the investor as to character and basis of securites issued."

Well, one may object, all that was some years ago, and maybe everything is different now. But evidence of such a change seems to be totally lacking. On the contrary, the same pattern, more or less, appears right down through the years.

The Trade Commission's disclosures relate, chiefly, to conditions in the 1920's and the early thirties. Now come down to 1935 and the Holding Company Act. That brought the first really menacing threat—from the utilities' standpoint—of thoroughgoing regulation. And that threat was met by thousands of fake telegrams of protest, poured in upon Members of the Senate and the House, by the outlay of millions for propaganda, and by the use of a powerful "back-home lobby" that came very close to talking the Congress out of imposing the holding-company regulation that we have today.

The next phase, after that, was the era of injunctions, in the late thirties. The utilities, shifting ground of necessity, spawned scores of lawsuits to block the execution of the Holding Company Act and to tie TVA hand and foot.

That sort of hog-tying and hamstringing of necessary Government action we forget all too quickly. Let us remind ourselves how these utility tactics appeared to many men in the United States Senate, and in the House, too, at the time they were employed. In 1936, 28 Senators and 81 Representatives, in a public manifesto, pointed out how the utilities were "brazenly utilizing the very machinery of the courts—legal procedures set up to insure exact justice among men—as instruments in their private warfare to postpone and frustrate either effective regulation or public ownership, undertaken in response to public demand for low rates.

"We refer not to legitimate suits testing valid legal questions, but to the endless number of abortive injunctions instigated for the sole purpose of delaying execution of the public will, after that will has been formally expressed through the processes of constitutional government, and often after contests have been decided against them in the highest courts.

"They (the suits) drain public treasuries, exhaust public patience, and paralyze the machinery of the Government." (Pyramids of Power, p. 30.)

That, as I say, was the next phase, after the whittling down and hamstringing of regulation and the utility onslaught upon the Holding Company Act. It discloses no change of aim, of objective, on the part of the utilities. They were maneuvering then, as they had maneuvered since the turn of the century and are still maneuvering today, to exhaust public patience, and paralyze the machinery of government.

In other words, they have been doing all through the years exactly what they seek to do today, attempting a legal assassination of Leland Olds because he is an honest and a faithful public official.

Nowadays injunctions are out, pretty largely. The utilities reached the end of their rope, in that direction. Now, and through the last few years, their lobbying and their war of attrition are concentrated in large part at two points—the Congress and the Federal Power Commission.

They are still working tirelessly, 24 hours a day, to get legislation more favorable to their often sinister purposes. At the same time they are sapping away at the foundations of regulation. Especially these utilities keep maneuvering and manipulating to get public defenders out of public office, and to replace them with men they find acceptable.

They must not be allowed to get away with that this time by blocking the reappointment of Leland Olds. For the Senate to permit that to happen would be a tragic miscarriage of justice. It would also set back the cause of public regulation many years, perhaps irrecoverably.

This vicious trick of labeling as a Red any man who gets in the way of monopolistic greed is a very old trick indeed. Probably no one could trace it clear back to its beginnings. But at least a part of its history is a matter of record, and that record is significant. What it shows is that back in the early 1920's the head propagandist of Samuel Insull's mammoth empire of utilities looked around for an easy, sure-fire formula that could be used to discredit a candidate for the United States Senate, frowned upon by the utility interests.

A bright young subordinate of this Insull propagandist came up with this inspired suggestion: "My idea would be not to try logic or reason, but to try to pin the Bolshevik idea on my opponent." This was embraced by Insull's henchmen with all the enthusiasm with which, a little later, they were to sell hundreds of millions of dollars of worthless stock to investors.

Insull's propaganda bureau wrapped up the formula into a neat speech, titled "Pinning the Red Label," and circulated 19,000 copies of it to everyone who might be persuaded to engage in this vicious and indiscriminate smearing of people who might disagree with Insull and his fellow-rulers—in those days—of electric power and gas. That story is told, by chapter and verse, in the Federal Trade Commission's report on utility propaganda, on page 268.

Other utility men grabbed up the idea, and they have been using it ever since. Today their victim is Leland Olds.

Tomorrow, if the utility people get away with it now, that smear may be directed at any other official who gets in the way of the power and gas utilities. Or it might very well be aimed at any Member of this body who may be deemed guilty of the crime of putting public interest above private interest.

Does that statement seem extravagant, an exaggeration? Well, just remember that, as the Federal Trade Commission established, the public utilities of the great State of Illinois once circulated a superpatriot black list pinning the red label on the United Society of Christian Endeavor, the American Farm Bureau Federation, the National Women's Christian Temperance Union, the Central Conference of American Rabbis, the American Federation of Teachers, and the Religious Society of Friends. All of these were stigmatized—quite falsely, of course—as opposed to our form of government. (Pyramids of Power, p. 145.)

Mr. McFARLAND. Mr. President, the junior Senator from New York asked that 10 minutes be yielded to him, and at the request of the junior Senator from Texas [Mr. JOHNSON], I yield him that much time.

The PRESIDENT pro tempore. The junior Senator from New York is recognized for 10 minutes.

Mr. DULLES. Mr. President, I was in Buffalo this afternoon, and I have interrupted the political campaign upon which I was engaged in order to return here to vote against confirmation of Mr. Leland Olds for a third term as a member of the Federal Power Commission.

Mr. Olds is a resident of my State, and as such I was consulted last August regarding his qualifications. At that time I said I felt unable to approve the confirmation of his nomination. Since that time the Senate Committee on Interstate and Foreign Commerce has carefully gone into the question of Mr. Olds' qualifications. He personally appeared and testified at length before a subcommittee. As a result, the subcommittee, which heard him at length, voted 7 to 0 against the confirmation of his nomination. That vote of 7 to 0 included the votes of four members of the Democratic Party. The matter was then considered by the full committee, and the full committee concurred in the subcommittee's conclusion by a vote of 10 to 2. The 10 adverse votes included the majority of the Democratic members of the committee.

Mr. President, in these matters it seems to me that the personal impression which is given by a witness is entitled to the greatest weight. One can read the record—and I have read most of the record, and it is not very savory reading—but the written record is never so revealing as is the personal appearance of the person who testifies, the personal impression he gives as to his character. The mere words which one utters, if they are merely taken down stenographically and read, often fail to give a true impression. That is why, under our system, we attach the greatest importance to the verdict of the jury which actually hears the witness. Testimony by deposition or written testimony is never so effective or so persuasive.

The members of the subcommittee who actually heard Mr. Olds testify were unanimous in the conclusion that his nomination should not be confirmed. It now seems that the only reason advanced for the confirmation of his nomination is that he was nominated by the President and that the President feels that Democratic Senators, as a matter of party discipline, should subordinate their own judgment to the President's will. That, Mr. President, seems to me to be a concept so dangerous that it even overrides the question of whether Mr. Olds personally is qualified for the position for which he has been nominated. It seems to me to be a concept which, if pressed, alone calls for rejection.

I have already made my position in the matter clear. Last Saturday, in a telegram which I sent to Mr. Lehman, who is running, as Democratic candidate, against me for a further term in the Senate, I said:

> It has always been my view that in such matters Senators had a duty to exercise their own independent judgment. I think it is important that the voters of this State—
>
> The State of New York—
>
> should know whether you agree with the President's philosophy or with the view which I hold as above expressed.

I have received no reply to that telegram. So the people of the State of New York are ignorant as to whether my opponent shares the view that on matters of confirmation Senators ought, as a matter of party discipline, to take orders from the President, or whether they should exercise an independent judgment based upon the testimony, the appearance, and conduct of would-be appointees to Federal positions.

On that matter I want there to be no doubt whatsoever as to where I stand. Primarily, on that account, I have, at considerable inconvenience, returned tonight in order to make this statement on the floor of the Senate. For those reasons I am opposed to the confirmation of the nomination of Mr. Leland Olds.

Mr. DOUGLAS. Mr. President, I think the proponents' side has taken somewhere between 15 or 20 minutes, so I would suggest that the next move is for the managers of the opposition to proceed.

Mr. JOHNSON of Texas. Mr. President, the junior Senator from Maryland expects to address himself to the subject. He is not present at this time. We do not have any other speaker available at the moment. I understand there are several speakers on the other side.

Mr. DOUGLAS. Mr. President, I shall be glad to yield 30 minutes to the junior Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, in the time allotted to me I should like to bring to the attention of the distinguished Senators, not alone my own remarks, but the comments and commentaries of some of the distinguished journalists of this country in reference to the confirmation of the nomination of Mr. Leland Olds. I think it would be safe to say, generally speaking, that a man who has possessed at least the alleged views that Mr. Olds is supposed to possess would not be one who would elicit the laudatory comment which seems to come from the most worthy and most constructive areas of the press of America. With some justifiable midwestern pride, I lead off by mentioning an editorial which appeared in the Daily Republic, published in the fine, prosperous city of Mitchell, S. Dak. This editorial was published on Wednesday, October 5, 1949, and it is entitled "Action on Olds Is Unpalatable Dish." I should like to take the opportunity of reading a few excerpts from that editorial. The editor starts out in this manner:

> Take the nomination of Leland Olds for a third 5-year term as a member of the Federal Power Commission. Add the undying enmity and opposition of the powerful private-utility lobby and let it simmer for 4 months. Slowly stir the prejudices of reactionary Congressmen while carefully removing all consideration of the public welfare. Season liberally with a Red smear, and you get a unanimous recommendation by the Senate Commerce Subcommittee that the nomination be rejected.

I may say in deference to my colleagues that I do not agree with all of the words of the editor from Mitchell, S. Dak., but I thought it well to bring the editorial to the attention of the Senate, because it would be indicated by the name of the newspaper that the writer is not exactly a raving radical, but is considered to be a very reputable, responsible citizen in his area of the country.

There is one other paragraph of the editorial which I think it might be well to read:

At least some of the Senators seemed to believe that this was ample proof that Olds is forever an untouchable.

The editor refers to the Red label which has been somewhat attached to Mr. Olds:

However, if this is proof of his being a Communist, or having communistic sympathies, the Senators might also, as suggested by Lowell Mellett, look on page 59 of Elizabeth Dilling's book, "The Roosevelt Red Record and Its Background," where they will discover a photograph showing Senator ROBERT TAFT sharing the same platform with Browder at a meeting of the American Youth Congress.

If we are going to carry the doctrine of association to this extreme limit I am afraid many Senators will have very red faces.

The editor goes on as follows:

There is no better argument for the reappointment of Olds than the interests of those seeking his rejection. If the Senate is as loyal to its trust as Olds has been to his during the 10 years he has served on the Federal Power Commission, it will ignore the recommendation of its subcommittee and confirm his reappointment.

I want it specifically understood that the words I have read are not those of the junior Senator from Minnesota, but are the words of a distinguished editor of a fine newspaper in the State of South Dakota.

Now let me refer to an Iowa newspaper, the Des Moines Register and Tribune. I wonder if the Iowa Senators are with us tonight. I have here a copy of the greatest newspaper in the State of Iowa, a Republican newspaper, and in our section of the country it is known as a moderately conservative, enlightened type of press. This editorial was published on Thursday, October 6, 1949, and is entitled "Let's Talk About the Record." As I have said, it is from the Des Moines Register and Tribune, which has a daily circulation of 361,164, and a Sunday circulation of 515,631, and it goes into every county in Iowa. This is what the editorial says:

We hold no particular brief for Leland Olds, who has been nominated by President Truman for a third 5-year term on the Federal Power Commission. But we think it is sad that the man's competency in 1949 is being judged by several cockeyed and half-baked statements and writings of twenty-odd years ago.

Who among us has not said or written things a quarter century ago that we would qualify or retract today?

It is not part of the American democratic system of fair play to condemn a man for what he has said in some dim past. Senator VANDENBERG, for example, is not condemned for the isolationist speeches he made as recently as the late thirties.

Mr. President, it is not the junior Senator from Minnesota who is saying these things. It is the Des Moines Register and Tribune. I quote further from the editorial:

The opponents of Mr. Olds have not, to our knowledge, found fault openly with what he has done as a Government official during the last 10 years. And from all his actions and statements in this last decade, there is much evidence that he has outgrown the rash and intemperate statements he made back in the twenties.

A famous businessman once said he had no use for any young man who was not a convinced Socialist while he was in college nor for anyone who remained a Socialist after several years' experience in the real world.

It happens that Mr. Olds believes the present law concerning FPC control over gas rates should not be changed. This apparently is the principal reason why his appointment has been opposed and why the Senate Commerce Subcommittee turned him down.

But if the Senators believe the law is wrong, it is up to them to change it—not to vent their anger on an official who disagrees with them nor to dig up a youthful past with which to damn him. He should be judged for a position on the FPC by his record on that body. If it is bad, why do they not cite the evidence?

Mr. President, I shall not read all these editorials, but I have photostatic copies here of several.

The Louisville Courier-Journal, published by none other than Mark Ethridge, Barry Bingham being the editor, one of the greatest newspapers of the country, the publisher being one of the great statesmen of the Nation, contains an editorial entitled "Who's on the Defensive in Leland Olds' Case?" The editor says:

The case of Leland Olds is one to cause alarm—but not the alarm stirred up by Mr. Fulton Lewis, Jr., the radio voice of special interests, or by certain Senators on a Commerce Subcommittee.

The real alarm is that these people have been able to make patriotism appear to be disloyalty, and to make protest against wrong seem an act of revolution.

Leland Olds has been a member of the Federal Power Commission since 1939. Before that his record of public service goes back to 1917, when he made economic studies for the Council of National Defense. He has, of course, not worked exclusively for the Federal Government since then.

Then he proceeds to point out:

It is perfectly true that Mr. Olds wrote the Federated Press articles which Texas Representative JOHN E. LYLE regards with such horror, which Mr. Lewis cites as evidence of subversion, and which moved Senator CLYDE M. REED, of Kansas, to declare that Olds is "a full-fledged, first-class Communist." Olds says he wrote them. It is true, too, that the articles questioned the propriety of some of the private-enterprise practices of the period when they were written, and suggested that if these practices weren't stopped capitalism and private enterprise might not have long to last.

Mr. President, I do not wish to ask consent to have all these editorials incorporated in the RECORD; there is no sense filling up the RECORD with volumes of material, but submit that the Courier-Journal, of Louisville, is an accredited, well-recognized, wholesome, enlightened newspaper, and the editor is well recognized as one of the top journalists and one of the finest minds in America.

Now let me go a little further with these editorials. I come to the Milwaukee Journal, a fine newspaper in the great State of Wisconsin. The lead editorial in the issue of October 4, 1949, is entitled "Confirm Leland Olds." It goes right on with the same arguments. This is what it has to say:

Olds has matured. He is a liberal, but certainly not a radical. He has had almost 20 years of utility regulation experience, eight of them as a member of the New York State power authority and 10 as a Federal power commissioner. As a Federal power commissioner, he has, in the words of Thomas C. Buchanan, a fellow commissioner, been "a watchdog of the public welfare, which to some people makes him a dangerous radical." He has aroused the indignation of utility interests by his constant insistence on wringing water out of utility accounts and keeping down utility rates.

Olds' current crime is that he opposes bills, such as the Moore-Rizley measure, which have attempted to remove independent producers of natural gas from Federal Power Commission control. That would take about three-quarters of the industry out from under any effective rate control and send natural gas rates skyrocketing.

The editorial continues:

Natural gas, and natural gas alone, is the point at issue in Representative LYLE'S outrageous attack on Olds' nomination. Communism and all the other charges are pure smear tactics. Attacks like this on able public servants are major reasons for the reluctance of good men to take Government posts of responsibility.

Mr. President, again I say, lest anyone misunderstand me, these are not my statements, even though I concur in their philosophy. These are the pointed words of the leading editorial writers in America, representing the public point of view of the press of America.

The lead editorial in the Kansas City Times for September 9, 1949, is entitled "Punishing Public Service."

The New York Times is not exactly a small newspaper, not exactly a harbinger of revolution, not exactly one that predicts some new era which should come in by violence, but a newspaper dedicated to the defense of the cultural and political institutions of the country. The New York Times for October 8, 1949, in a lead editorial entitled "The Olds Nomination," said:

Around the renomination of Leland Olds to serve a third term as member of the Federal Power Commission there swirls a double-barreled controversy. It threatens to eclipse the really pertinent question: Do Mr. Olds' present views and his record as Commissioner for the past decade warrant his reappointment?

The editorial proceeds to point out, in criticism of the President of the United States and some of the tactics he used recently, the following:

On the other hand, we think the tack President Truman has taken toward those Democratic Senators who sincerely oppose the Olds nomination is unfortunate. While the President certainly has every right to fight for his nominee, the Senate, too, has the constitutional duty of approving or disapproving the nomination. To place confirmation of this appointment on mere grounds of party loyalty, and to imply that any Democratic Senator who opposes it is ipso facto a traitor to his party, hardly does justice to the qualifications of the appointee. Mr. Olds should be considered on his merits, neither on the false issue of communism nor on the foolish one of party discipline.

Mr. President, a leading labor newspaper, well known for its responsibility,

has been cited on the floor of the Senate. It is called Labor, a national weekly newspaper published in Washington, D. C. The editor is Mr. Edward Keating. The title of the leading editorial in Labor for October 8, 1949, is:

Power and Gas Trusts Asking Senate To Crucify Olds—Purpose of "Red Smear" Is To Terrorize Other Conscientious Public Officials.

Without burdening the Senate with a full reading of the editorial, I merely point out what the editor of this great newspaper has to say, and it is the greatest labor newspaper in America. Its record has been defended on the floor of the Senate by many a distinguished Senator. This is what it has to say:

Even some conservative daily newspapers objected to hitting below the belt when an attempt was made to hang the Red label on Olds, by saying he once wrote for the Daily Worker, the Communist paper.

Olds explained that, years ago, he wrote articles for the Federated Press, which sold its news service to labor papers. The Daily Worker bought that service, and Olds had no choice as to where his articles appeared.

Next, Olds' opponents tried to paint him Red by recalling that he has advocated public ownership of electric power.

That kind of argument would make Communists out of both T. R. and F. D. Roosevelt, Woodrow Wilson, the late Senator Norris, and many other great Americans who believed in and worked for public-ownership programs.

Olds' principal opponents were spokesmen for the big oil companies and their natural-gas subsidiaries. They want to force Olds out of the FPC because he has opposed a bill which would largely free the gas concerns from any kind of regulation, Federal or State, enabling them to raise their rates to consumers by many millions of dollars a year.

In short, the electric-power and gas interests wish to control the Federal Power Commission, which is supposed to regulate them. They are afraid of Leland Olds because they can't control him. That's the best reason in the world why he should be confirmed.

Again, Mr. President, I would hesitate to make these charges, because surely they are strong charges, but I repeat, this is a cross section of editorial comment in this country. The Senate of the United States is being watched by the New York Times, by the Louisville Courier Journal, by the Des Moines Register and Tribune—and by the way, those are not Democratic publications, they are not Fair Deal mouthpieces. They have opposed a great deal of the legislation for which some of us here fight. Those who speak with the voices of editorial opinion are tonight watching what happens on the floor of the Senate. The people are watching this vote.

I may cite another editorial, published in the Muskegon (Mich.) Chronicle of September 23, 1949, entitled "Gas Users Concerned."

I also call attention to an editorial entitled "FPC Appointment," published in the El Paso (Tex.) Herald-Post of October 4, 1949.

I also call attention to a feature article by Lowell Mellett on the Olds nomination, published in the Washington Star of October 4, 1949.

Then I refer to an editorial entitled "CIO, Administration Gear For Fight To Confirm Olds," published in the CIO News of October 10. Oh, I know someone will say, "Of course, the CIO News would be for Leland Olds," but, Mr. President, so is the New York Times.

The League Reporter, published by Labor's League for Political Education, carries an editorial favorable to Mr. Olds. One might expect them to be for the reappointment of Mr. Olds—but I remind Senators, so is the Des Moines Register and Tribune in favor of his reappointment.

The Machinist, published weekly by the International Association of Machinists on September 29, 1949, carried a lead editorial entitled "Knife Out for Lee Olds: He Fought To Keep Your Gas, Light Bills Down."

In the Washington Daily News of October 4, there is an article by Mrs. Eleanor Roosevelt. It is wonderful these days—we can quote Mrs. Eleanor Roosevelt now. There has been sufficient praise heaped upon her so that her voice is one of respectable authority. Mrs. Roosevelt has this to say:

When the special interests today find that they cannot quite carry their point against some public servant on the actual facts of a case, they are prone to fall back on the accusation that at some time in the individual's career he had a tie with communism.

Mrs. Roosevelt went on to point out in her article that—

None of these organizations or people believes him to be communistic in his thinking. This is, of course, implied by his opponents because articles he had once written were distributed by a news service to newspapers including the Daily Worker. In addition, the horrible fact has been brought out that he once spoke on the same platform with Earl Browder.

Mrs. Roosevelt had this further to say:

I don't know what that proves, because Lowell Mellet found a picture of Earl Browder taken with four other men with whom he shared a platform. This is in Elizabeth Dilling's book, The Roosevelt Red Record and Its Background." Among these four men is the Senator from Ohio, Mr. TAFT.

Can't our Senators and Representatives see through this opposition and recognize honest public servants? Must they swallow such an obvious red-herring allegation or communism?

By and large, the people of the United States are not so gullible. They want the kind of public servant that Leland Olds has proved himself to be in the Federal Power Commission. I hope they will speak out now when he needs their backing—in no uncertain terms.

I invite the attention of Senators to a lead editorial in the October 1949 issue of United Automobile Worker.

The Washington Post, one of the fine newspapers of this great city of Washington, published a lead editorial entitled "Sham Battle," on October 7, 1949. This is what it says:

Mr. Olds' disrespect for the oil and natural gas lobbies, therefore, has nothing to do with the case. And President Truman was just wasting so much ink and paper when he wrote to Senator EDWIN C. JOHNSON pointing out that "Mr. Olds is a nationally recognized champion of effective utility regulation," that "he has already served two full terms as a member of the Federal Power Commission," that "he has labored diligently in the service of all the people and has earnestly sought to protect the public against the narrow interests of special groups." If the President could only show that Mr. Olds now sets off firecrackers fervently whenever Independence Day rolls round, he might get somewhere.

One can only hope that when Mr. Olds' name comes before the Senate as a whole, that body will prove more profound and less chauvinistic, more interested in substance and less in symbols. It would be a good idea to make the fight over Mr. Olds' confirmation something more than a sham battle.

I also call the attention of the Senate to a commentary by Marquis Childs, one of the distinguished columnists, under the heading "Washington Calling." That article sets forth Mr. Childs' views.

I also have in my hand an editorial entitled "A Record Versus Old Writings," published in the Kansas City Star of October 6, 1949.

The St. Louis Star Times of October 3, 1949, carries an editorial entitled "Onslaught Against Olds."

The News and Observer of Raleigh, N. C., under date of October 3, 1949, has an editorial entitled "Do Lobbies Rule?" Jonathan Daniels is the editor and publisher of that great newspaper. The former editor and publisher was Josephus Daniels. Without commenting upon the substance and subject matter of the editorial, I think the title indicates clearly what they may be.

Again, I refer to an editorial entitled "Lobby Target," published in the Washington Post of September 29, 1949.

I also refer to an editorial entitled "Radical Pasts," published in the Washington Post of September 30, 1949.

I also have in my hand an editorial entitled "Leland Olds and St. Louis," published in the St. Louis Post-Dispatch of October 7, 1949.

I refer to an article by Thomas L. Stokes entitled "Public Servant On Trial," published in the Washington Evening Star of September 28, 1949.

I have brought these editorials to the attention of the Senate to prove that those of us tonight who are defending Mr. Olds are not doing it alone, but that we have some good company. I believe that in a few moments we will find out that our company is extremely good in the public interest, and that the company of those who are out to stop the confirmation of Mr. Olds are not in the public interest.

Let us take a look at the witnesses who appeared before the Senate committee hearings on the nomination of Mr. Olds. Following are the witnesses who testified for Mr. Olds. The first witness I have on my list is James C. Bonbright, professor of finance, graduate school of business, Columbia University, former chairman, New York Power Authority.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. The Mr. Bonbright referred to is related to the family of Bonbrights who have large public-utility connections, is he not?

Mr. HUMPHREY. I am not familiar with his relationship, I may say to the Senator from Illinois.

Mr. DOUGLAS. I am informed that he is a member of the Bonbright family which is one of the largest owners of private utilities.

Mr. HUMPHREY. The following witnesses appeared and testified in favor of Mr. Olds:

Ordway Tead, editor of social and economic books for Harper & Bros., and chairman of the board of higher education of the city of New York.

John C. Beukema, secretary-manager, the Greater Muskegon Chamber of Commerce, Muskegon, Mich.

Adolf A. Berle, Jr., of New York, former Assistant Secretary of State.

Harry J. Strong, secretary and manager, First Iowa Hydroelectric Cooperative.

William J. Houston, representing American Federation of Government Employees.

J. T. Sanders, representing the National Grange.

Anne X. Alpern, city solicitor, Pittsburgh, Pa., past president National Institute of Municipal Law Officers.

David M. Proctor, city counselor, representing Kansas City, Mo.

Clyde T. Ellis, executive manager, National Rural Electric Cooperative Association.

William A. Roberts, former people's counsel, District of Columbia.

George S. Reed, lawyer, of Lowville, N. Y., trustee, Power Authority of State of New York.

Donald Montgomery, representing Congress of Industrial Organizations.

Charles M. LaFollette, national director, Americans for Democratic Action.

Morris Llewellyn Cooke, consulting engineer in management, Philadelphia; leader in conservation of resources movement.

Carlton L. Nau, general manager, American Public Power Association.

Angus McDonald, assistant legislative secretary, National Farmers Union.

Claude L. Draper, Commissioner, FPC.

Thomas C. Buchanan, Commissioner, FPC.

Those are only a few who appeared and testified in behalf of Mr. Olds.

Letters and statements urging confirmation of the nomination were placed in the RECORD. But before I proceed further, let me point out that there are a few persons back in my home State of Minnesota who have manifested an interest in this appointment. I should like at this time to bring them to the attention of the Senate. I have a telegram from Bruce J. Broady, corporation counsel of the city of St. Paul, Minn., a city of 400,000 people. It reads as follows:

ST. PAUL, MINN., *July 7, 1949.*

Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Leland Olds has been nominated for another term as a member of the Federal Power Commission. In my experience with the Commission I have found him eminently fair, conscientious, and well qualified, and I believe his confirmation will be in the public interest. I respectfully request your favorable consideration.

BRUCE J. BROADY,
Corporation Counsel, St. Paul, Minn.

We go on a little further and we find a telegram from my own community, from the international representative of the United Automobile Workers, Mr. E. J. Murnane. The telegram reads as follows:

ST. PAUL, MINN., *October 10, 1949.*

HUBERT H. HUMPHREY,
Senate Office Building:

The Congress of Industrial Organizations in Minnesota request you support President Truman's fight to win Senate confirmation of Leland Olds to the Federal Power Commission. Damnation of this Commission by huge corporations will mean billions of dollars in increased gas and electric rates.

E. J. MURNANE,
International Representative, United Automobile Workers, CIO.

I have before me telegrams and messages from various other individuals, which I ask to have incorporated in the RECORD, rather than take the time of the Senate to read them.

There being no objection, the telegrams and messages were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *October 10, 1949.*

Senator HUBERT H. HUMPHREY:

The Congress of Industrial Organizations in Minnesota request you support President Truman's fight to win Senate confirmation of Leland Olds to the Federal Power Commission. Damnation of this Commission by huge corporation will mean billions of dollars in increased gas and electric rates.

JOSEPH KRETCHE.

ST. PAUL, MINN., *October 5, 1949.*

Senator HUMPHREY,
Washington, D. C.:

I trust you will vote for confirmation of Mr. Olds for Power Comm'ssion.

CHRISTOPHER EASTON.

WHITE BEAR LAKE, MINN.

WASHINGTON, D. C., *October 6, 1949.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Urge you vote for Leland Olds to Federal Power Commission.

JAMES G. PATTON,
President, National Farmers Union.

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., October 6, 1949.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: The unquestioned ability which Leland Olds has devoted to the service of the American people throughout his 10 years on the Federal Power Commission is manifestly the reason why the oil and gas industry and the private power lobby oppose his reappointment. Because he has so convincingly proven his determination and capacity to protect the public interest, these industries now seek to besmirch his character, to impugn his loyalty, and to becloud the issue.

The issue is oil. If the oil industry succeeds in removing Olds from the Power Commission, it will have gained a major victory in its campaign to escape Federal regulation of the price it charges for natural gas. The stakes are enormous. Through increased prices of gas at least $8,000,000,000 will be added to the value of oil companies' known gas reserves. Consumers will pay hundreds of millions of dollars a year in higher gas bills.

If the Senate desires to achieve this result, it can do so by enacting a law to that effect, providing it has a two-thirds majority to override the President's veto. But it should not try to accomplish the same purpose through indirection by voting this able and honest public servant out of office.

More than 25 years ago the story of a great struggle between corporate power and the public interest was written in oil. The question before the Senate today is written in oil. In those days of cynical misrule an investigating committee of the Senate lifted the lid on Teapot Dome and sent the malefactors to jail. The vote of the Senate on Leland Olds will determine whether oil will again stain the public record.

Shall monopolistic oil companies be given license to fix the prices which the public must pay for natural gas?

Shall the home owners of this country have their gas bills raised again and again because their Government has been made incompetent to protect them?

The President said: "We cannot allow great corporations to dominate the Commissions which have been created to regulate them."

These are the real issues on which you will vote when the confirmation of Leland Olds is before you.

I urge your support of his confirmation.

Sincerely yours,

PHILIP MURRAY.

FARGO, N. DAK., *October 3, 1949.*

Senator HUMPHREY, of Minnesota,
Senate Office Building:

May I call to your attention the following resolution adopted unanimously on this date:

"Be it resolved, That the rural electric systems of North Dakota and South Dakota and Minnesota, assembled in meeting in Fargo, N. Dak., on this date of October 3, 1949, do hereby urge the confirmation of the appointment of Leland Olds to the Federal Power Commission, and urge that the Senators from this area approve the appointment of Mr. Olds."

HARRY EDMUNDS, *Chairman.*

GROUP HEALTH MUTUAL, INC.,
St. Paul, Minn., October 6, 1949.

HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I have been more than a casual observer of this question of public power—in fact, I have made somewhat of a study of it from the standpoint of the national pressures that have been centered around its development.

I am not unaware of the crop of bills that have been fathered, both in the Eightieth Congress and in the Eighty-first Congress, the intent of which is to circumscribe the development of public power, the transmission of public power from high dams and reclamation dams to municipal and cooperative facilities of distribution and otherwise to curb the instrumentalities of cheap power to farm and factory.

I, therefore, feel from the point of view of the REA and other cooperatives who serve agricultural people that it is extremely important that Minnesota present a solid vote on the favorable confirmation of Mr. Leland B. Olds' renomination to the Federal Power Commission. I would deeply appreciate your doing everything possible to effect this confirmation.

Kind personal regards.

Cordially yours,

FRANK PASKEWITZ.

RESOLUTION OF CAPITOL CITY LODGE, NO. 459, INTERNATIONAL ASSOCIATION OF MACHINISTS, ST. PAUL, MINN., OCTOBER 6, 1949

Whereas Mr. Leland Olds has been a member of the Federal Power Commission since 1939, when he was first appointed by the late President Roosevelt; and

Whereas Leland Olds has campaigned consistently against exorbitant electric and gas rates since he has been a member of the Federal Power Commission; and

Whereas through his activities the Power Commission forced the utility companies to

squeeze $1,400,000,000 water out of utility company accounts, thus lowering the capitalization on which utility rates are based; and

Whereas during Olds' tenure the Supreme Court established precedents fixing actual net investment and not theoretical replacement cost as a base for determining electric rates; and

Whereas during Olds' tenure the Power Commission has established cooperative working arrangements under the law to enable State and city utility commissions to borrow competent Federal experts to handle utility requests for rate increases; and

Whereas, in addition, Olds has openly announced himself in favor of river-basin development on a Tennessee Valley Authority pattern that is currently opposing the Kerr bill to exempt producers of natural gas from any Federal rate regulation; and

Whereas by the vigorous action Olds has taken to enforce utility regulations incurred in Kansas City in 1943 when Olds threw the authority of the Power Commission into a midwestern gas-rate fight, as a result gas users throughout the Cities Service system in western Missouri and Kansas received refunds adding up to $24,000,000; and

Whereas they are still receiving the benefit of that rate reduction to the tune of more than $4,500,000 a year, after all this saving for the public the pipe-line company has continued to make good income by utility standards; and

Whereas the electric and gas lobbies are endeavoring to block Olds' appointment by rigging the subcommittee of Senators who will make the recommendation to the Senate; and

Whereas whether or not Leland Olds is confirmed by the Senate will determine the size of many monthly light and gas bills that every family will be paying for years to come: Therefore be it

Resolved, That Capitol City Lodge, No. 459, of the International Association of Machinists, St. Paul, Minn., in meeting assembled this 6th day of October 1949, go on record strongly favoring the reappointment of Leland Olds to Federal Power Commission, and be it further

Resolved, That we respectfully request United States Senators THYE and HUMPHREY to actively campaign among their associates in the Senate for confirmation of the reappointment of Leland Olds as a member of the Federal Power Commission.

Respectfully submitted.

A. G. PETERSON,
Recording Secretary.

DULUTH, MINN., *October 11, 1949.*
Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

The Railroad Brotherhoods of Minnesota request you supply Mr. Olds to the Federal Power Commission.

FRANK H. WILSON, *Chairman.*

ST. PAUL, MINN., *October 10, 1949.*
Senator HUBERT H. HUMPHREY,
Senate Office Building:

The Congress of Industrial Organizations in Minnesota request you support President Truman's fight to win Senate confirmation of Leland Olds to the Federal Power Commission. Domination of this Commission by huge corporations will mean billions of dollars in increased gas and electric rates.

FULLERTON FULTON,
CIO Regional Director,
901 Commerce Building.

Mr. HUMPHREY. Finally, I have a communication from the Minnesota Association of Cooperatives, which reads as follows:

ST. PAUL, MINN., *October 10, 1949.*
Senator HUBERT HUMPHREY,
Senate Office Building:

Careful study has convinced us that the appointment of Leland Olds to the Federal Power Commission ought to be confirmed by the Senate. We understand there are powerful groups opposed to his appointment. We urge your support of the Olds confirmation, men of his conviction, to safeguard the interests of rural people in REA power development.

MINNESOTA ASSOCIATION OF COOPERATIVES,
HARRY J. PETERSON.

Mr. President, the Minnesota Association of Cooperatives represents quite a few people in my State. The Minnesota Association of Cooperatives represents more than 500,000 cooperators, and more than 1,200 cooperative organizations. Those people are interested in the confirmation of Mr. Olds' nomination.

I mentioned some of those who were interested in his confirmation. I think we might also point out a few who sent in letters. Their names are all in the RECORD. Some of them are noteworthy.

There is Jonathan Daniels, of Raleigh, N. C.; Mayor Joseph M. Darst, of St. Louis; George S. Ballif, district attorney, Fourth Judicial District, Provo, Utah; Norman B. Gray, attorney general of the State of Wyoming; E. J. Stoneman, chairman of the power committee of the National Rural Electric Cooperative Association, Washington, D. C.; W. W. Nichols, chairman of the New Mexico Public Service Commission, public utility division, Santa Fe, N. Mex.; International Association of Machinists, A. J. Hayes, international president; Raymond J. Kelly, city counselor of the city of Detroit; and others.

Who is fighting for Olds? The people. There are more people in the city of Detroit represented by Mr. Kelly than all the opponents of Mr. Olds can muster in all their testimony. Mr. Kelly represents many people. He spoke for the city of Detroit, a city with a population of approximately 1,000,000.

I also point out that Hon. Chester Bowles, Governor of Connecticut, must speak for a few people. He spoke in behalf of Mr. Olds, as did W. P. Kennedy, president of the Brotherhood of Railroad Trainmen, Cleveland, Ohio. He speaks for quite a few people.

There were others. I submit the entire list and ask that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LETTERS AND STATEMENTS URGING CONFIRMATION PLACED IN RECORD

Harold R. Moskovit, State president, Affiliated Young Democrats, New York State.

Jonathan Daniels, Raleigh, N. C.

Mayor Joseph M. Darst, of St. Louis.

Robert J. Lewis, manager, cooperative department, Wisconsin Electric Cooperatives.

Hugh W. Abbett, chairman of the Public Service Commission of Indiana.

George S. Ballif, district attorney, Fourth Judicial District, Provo, Utah.

Donald Hacking, commissioner of the department of business regulation, Salt Lake City.

Gordon Persons, president of the Alabama Public Service Commission.

Norman B. Gray, attorney general, State of Wyoming, Cheyenne.

E. J. Stoneman, chairman of the power committee of the National Rural Electric Cooperative Association, Washington, D. C.

W. W. Nichols, chairman of the New Mexico Public Service Commission, public utility division, Santa Fe, N. Mex.

International Association of Machinists, signed by A. J. Hayes, international president.

Letter from Albert J. Feigen, president, Lodge No. 421, AFGE and resolution by officers and members of Federal Power Commission Lodge No. 421, American Federation of Government Employees (AFL).

Raymond J. Kelly, city counselor of Detroit.

Maurice W. Konkel and H. Vance Austin, comanagers of the State Association of REA Cooperatives.

A. A. Couch, president, Iowa State Federation of Labor.

Clyde T. Ellis, executive manager, National Rural Electric Cooperative Association.

Julius H. Barnes, 19 Rector Street, New York 6, N. Y.

L. S. Buckmaster, general president, United Rubber, Cork Linoleum and Plastic Workers of America, United Rubber Workers Building, Akron, Ohio.

Hon. DENNIS CHAVEZ, United States Senator from the State of New Mexico.

Thomas B. Fitzhugh, Fitzhugh & Cockrill, attorneys at law, Pyramid Building, Little Rock, Ark.

Gus Norwood, executive secretary, Northwest Public Power Association, Inc., Vancouver, Wash.

Frank A. Stewart, managing director, Washington Public Utility Commissioners' Association, Seattle, Wash.

Gilbert F. White, Haverford College, Haverford, Pa.

Hon. Chester Bowles, Governor of Connecticut, Hartford, Conn.

John Wight, vice president and manager, Mondakota Gas Co., Interstate Natural Gas Co., Billings, Mont., Texas, and California.

Fidele Guenzi, president, Highline Electric Association, Sterling, Colo.

W. P. Kennedy, president, Brotherhood of Railroad Trainmen, Cleveland, Ohio.

David W. Robinson, Robinson & Robinson, Columbia, S. C.

Harvey R. Solberg, president, Rocky Mountain Farmers Union, Denver, Colo.

Myron M. Sutley, president, San Luis Valley Rural Electric Cooperative, Inc., Center, Colo.

J. E. Smith, Virginia REA Association, Durham, N. C.

C. S. Hooper, Jr., manager, Southside Electric Co-op.

Robert Whitehead, attorney for Virginia REA Co-ops, Lovingston, Va.

Mr. HUMPHREY. Who were those who were opposing the confirmation of Mr. Olds' nomination? That record is one which I think surely should bear some scrutiny. After all, sometimes we can judge the merits of a man not only by what he may say about himself and what the printed word may say about him, but also by those who are for him or against him. Witnesses appeared before the subcommittee of the Committee on Interstate and Foreign Commerce in opposition to Mr. Olds. Who are they? First of all, the majority of them represent the owners of natural-gas reserves and producers, or they are offi-

cials of institutions in the States which have a definite interest in the oil reserves.

Witnesses appearing before the subcommittee of the Committee on Interstate and Foreign Commerce in opposition to the confirmation of the nomination of Mr. Olds include the following:

THE WITNESSES APPEARING BEFORE THE SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE IN OPPOSITION TO OLDS—WHO THEY ARE AND WHO THEY REPRESENT

OWNERS OF NATURAL GAS RESERVES AND PRODUCERS

1. W. H. Echols, petroleum engineer of Carthage, Tex., representing the Panola County Royalty Owners Association, the Whelan Field Land & Royalty Owners Association, and the Lincoln Parish Land & Royalty Owners Association.

2. Lawrence R. Hagy, of Amarillo, Tex. A partner of Hagy, Harrigton & Marsh, gas producers. Now producing gas at rate of 22,000,000,000 cubic feet a year.

3. James A. Upham, of Mount Vernon, Ohio, president, Ohio Oil & Gas Association. Natural gas producers.

4. Guy I. Warren, Corpus Christi, Tex., president, Texas Independent Producers & Royalty Owners Association.

5. William N. Bonner, Houston, Tex., lawyer, representing oil and gas interests. For years has been a member of the country's four major oil and gas associations and a director of two of them.

6. Hayden W. Head, Corpus Christi, Tex., lawyer, representing Southern Minerals Corp., an independent producer of oil and gas, operating in south and west Texas.

7. Russell B. Brown, general counsel, Independent Petroleum Association of America.

OFFICIALS OF OIL STATE UNIVERSITIES

1. George S. Benson, president, Harding College, Searcy, Ark.

2. Rupert N. Richardson, president, Hardin-Simmons University, Abilene, Tex. Said university which he is associated with could not have survived save for gifts from the oil and gas industry.

3. Leon G. Holden, professor, University of Texas.

Some years ago it was said that Hardin-Simmons University received substantial gifts from oil companies.

The PRESIDENT pro tempore. The time of the Senator from Minnesota has expired.

Mr. DOUGLAS. Mr. President, I yield 5 minutes more to the Senator from Minnesota.

Mr. HUMPHREY. Continuing with the list of witnesses appearing before the subcommittee in opposition to the nomination:

REPRESENTATIVES OF FEDERAL OR LOCAL GOVERNMENTS AND STATE ORGANIZATIONS

1. Congressman JOHN E. LYLE, Fourteenth District, Texas.

2. Congressman JOHN E. MILES, Congressman at large, New Mexico.

3. Sherman White, lawyer of Pampa, Tex., located in the Panhandle oil and gas district. Representing County Judges and Commissioners Association, which consists of one county judge and four commissioners elected in each county of Texas.

4. O. C. Bailey, chairman, Arkansas Oil and Gas Commission, El Dorado, Ark.

5. Raymond L. Dillard, representing East Texas Chamber of Commerce, Mexia, Tex.

Where are the people represented among those witnesses? These witnesses represent, in the main, private business interests. I do not deny them the right to fight for their special interests. God bless them. I do not deny them the right to be opposed to Mr. Olds. But I say that the argument which has been made against Mr. Olds is not on the basis of his record. His record is one of great honor. His record during World War II on the Federal Power Commission in mobilizing the power reserves of the country, and his record before he was on the Power Commission, is a record of great public service. I say that not a single Member of the Senate or the House can point out that Mr. Olds' record, in terms of public service for the State of New York and for the Government of the United States in peace and in war, has not been one of the highest merit.

The argument against Mr. Olds is that he has some kind of fishy background. Let me make my statement in reference to that background.

Today there are men and women teaching in universities who only a few years ago were avowed Communists. Some of those teaching today in the greatest religious universities of the country have confessed their sins to Almighty God. They have said that they disavowed communism; yet they were Communists for 25 years or more. They did all the deviltry that any man could do. But they confessed their sins, and were given chairs in universities. Does anyone say that they are not worthy of respect? They lecture all over America, and they are paid large fees to tell about how the Communists operate. All the good people gather around and say, "Here is a Communist who has repented." He is given a fine salary at a great university. That is true not only of one university, but of many.

Let me say, so that no one may misunderstand my remarks that I am happy that they see the error of their way. When some of the great priests or ministers can bring a man who has been a Communist or who has been irreligious to a recognition of divine providence and to a state of humility before God, it is a great service. But no one penalizes that man the rest of his life because at one time he was a Communist. The important thing is, Did he really repudiate communism and his sins, and, as they say in spiritual terms, Did he accept the Lord? Did he renounce his sins and join with the faithful? If he did, more power to him.

What about Mr. Olds? There is not one iota of evidence that he was ever a Communist. In fact, he is a devoted American. There is evidence that he had the courage in the 1920's to stand up and say that he did not like the plundering of the stock market. He had the courage to say that he did not like the way the American enterprise system was refusing to recognize human rights.

In the 1920's the American enterprise system should have been criticized, and anyone who conclusively criticized it should have a crown of diamonds. If there is any room in heaven for a politician, the politician who will be in heaven is the one who had the courage to stand up and condemn the exploiters of child labor and of adult labor, the exploiters of the widows who put their money into phony stocks

If Mr. Olds had the courage to stand up in the 1920's and say that he did not like that kind of rotten business practice, God bless him. Those who should be on trial tonight are those who sat serenely and did not raise a finger of protest when millions of people were robbed, families were broken, homes were destroyed, and businesses were bankrupted. All they did was to talk about some kind of business confidence, and prosperity around the corner, and split up the loot. If there is any divine justice those men will fry, and Mr. Olds will have a crown.

Yes; he spoke out. As the editors have said—good substantial, enlightened editors—we need a few men who will speak out. He had his name in the Daily Worker, but I submit that some Senators had their names in the Daily Worker in the 1940's when the war was on. Senators had their speeches quoted in the Daily Worker during the years of the war. They did not exactly say they wanted it that way, but they got their names in the Daily Worker whether they wanted it or not.

Mr. Olds is an avowed anti-Communist; he is a Christian; he is a moral man. He is a liberal, not a radical. He believes in the profit system. He has been loyal to the Government; he has been loyal to his conscience; he has been loyal to the people; and he has been loyal to his convictions.

If the Senate is going to crucify a man because of his loyalty, if the Senate is going to drive that man down into the dirt, and deny him a chance to render public service, because of his faith in his God, his country, and himself, then I say the Senate of the United States has "gone off the deep end" in behalf of what I call political double talk and pressure from pressure groups.

The PRESIDENT pro tempore. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 15 minutes to the Senator from Indiana [Mr. CAPEHART].

The PRESIDENT pro tempore. The Senator from Indiana is recognized for 15 minutes.

Mr. CAPEHART. Mr. President, I am not certain that I shall take 15 minutes, but I wish to speak for a few minutes on this subject.

First, I desire to congratulate the chairman of the subcommittee, the able Senator from Texas [Mr. JOHNSON], for the fine way he conducted the hearings. I sat through most of the hearings. I listened to what Mr. Olds had to say and to what others had to say.

Mr. President, I am not going to vote to put a crown on the head of any person who wrote such things as it is admitted Mr. Olds wrote, and then refused, before the committee, to repent, as the able Senator from Minnesota said he might have done. However, he did not repent. He evaded every direct question. I wish I had time to point out all his evasions. I am not going to vote

to put a crown of glory on the head of a man who, when he was thirty-odd-years old—not when he was a mere school boy or a college student—urged comrades to enroll in Communist training courses. But he did do that.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. JOHNSON of Texas. I wish to point out, in connection with that point, that when Mr. Olds returned to the witness stand on Monday, he denied that he had written that article or had any knowledge of it. He admitted the other 53 articles; but in regard to the one just mentioned, he said the byline attributed to him by the editor of the Federated Press was an error.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield, provided the time the Senator uses is not charged to my time.

Mr. DOUGLAS. I merely wish to thank the very able Senator from Texas for his thorough sportsmanship in that connection.

Mr. CAPEHART. Mr. President, let me say of the able chairman of the subcommittee that he was fair all during the hearings. In fact, at times one would have thought the Senator from Texas was the attorney for Mr. Olds.

Mr. President, I am not going to vote for confirmation of the nomination of a man who claimed educational institutions are subservient to money princes; hailed the decay of the church; advocated elimination of private property and nationalization of railroads, public utilities, and coal; called the Fourth of July as the day set apart by the world's greatest exploiters to glorify their rise to power—and he did not deny that he said these things; revealed fundamental opposition to private enterprise system; denounced private enterprise system; exulted over decay of capitalist system; urged downfall of American system; predicts passing of capitalism; hailed fatal illness of profit system; predicted dire consequences unless profit system is superseded; foresees elimination of competitive private capitalism; looks forward to planned economic order; expresses contempt for major political parties; asserted that political democracy based on geographical representation is played out; contended that confusion of thinking arises when social revolution is conceived as an extension of democracy; extols the virtues of the Russian system as against conditions in the United States; commended Lenin for knowing what would take the place of political partyism; enthused that in Russia the labor movement leads the world in building a workers' republic; urged, in conformity with Marxian doctrine, the establishment of a new world unity of workers; laments the failure of American labor to join with Russian unions; praised the Russian system as the coming world order; preached class war; and echoes the Communist doctrines of class struggle as proclaimed by Karl Marx.

Let me read from just one of Mr. Olds' writings. It appears on page 69 of the hearings. The article is entitled "Rest for the Rich." I shall not read all the article; Senators have copies of the hearings before them. I shall read the last paragraph. In the article Mr. Olds is describing a New Hampshire house which was offered for sale:

> What would it be in Russia? Once upon a time under the Czar, it would have been what it is in America today, the country estate of some member of the ruling oligarchy. But not under the workers' republic. Today it would be a workers' rest home. All the sports, all the beauty, all the health—but enjoyed by the workers and their families on their annual vacations or when recouping after illness or break-down.

When Mr. Olds wrote that on September 1, 1927, I believe he was 39 years of age.

Are Senators going to vote to put a crown on the head of a man who wrote such articles as that?

A few moments ago the able Senator from Minnesota said they were fishy articles. What is fishy about them, Mr. President?

Had Mr. Olds, in reply to direct questions which I and other Senators asked him, said, "Yes, I wrote all that, and I believed it at the time, but I do not believe it today. I am opposed to it. I made a mistake. I am sorry I did. I do not feel that way about it now," I could forgive him. But, Mr. President, he never once apologized or repented for those writings. In answering our questions, he always answered in an indirect way.

For example, on page 291 of the hearings—and this portion of the hearings has been previously referred to—let us see what Mr. Olds said. At that point the following occurred:

> Senator JOHNSON. Mr. Olds, do you repudiate those writings?
>
> Mr. OLDS. No, sir; I do not.
>
> Senator JOHNSON. Do you reiterate them; do you reassert them?
>
> Mr. OLDS. I am going to discuss those writings in terms of Mr. Lyle's presentation and tell you exactly what those writings mean.
>
> Senator JOHNSON. We are going to be able to judge what they mean. We will be glad to have your viewpoint upon what they mean, but the question I want to ask you: Do you still feel as you did when you wrote those letters?
>
> Mr. OLDS. No. I have indicated that the change in the circumstances in this country and the change in my thinking that has gone along with it, would lead me to write some of those articles in a somewhat different way today.

What does he mean by "a somewhat different way today"?

Mr. DOUGLAS. Mr. President, will the Senator yield, in my time?

Mr. CAPEHART. Yes; provided the time required is charged to the time of the Senator from Illinois, and not to my time.

Mr. DOUGLAS. I did not quite understand the Senator in his quotation of Mr. Olds' reply, when the Senator referred to page 291 of the hearings. In my copy of the hearings, it appears that when the Senator from Texas asked Mr. Olds, "Do you still feel as you did when you wrote those letters," Mr. Olds replied:

> No. I have indicated that the change in the circumstances in this country and the change in my thinking that has gone along with it—

Did I understand the Senator from Indiana——

Mr. CAPEHART. Mr. President, the Senator should read the remainder of that reply by Mr. Olds, which reads as follows:

> would lead me to write some of those articles in a somewhat different way today.

Mr. DOUGLAS. That is right.

Mr. CAPEHART. He did not say, "I am sorry; I repudiate them. I am against that today. I made a mistake, and I know I made a mistake. I do not believe in the philosophy that I expounded in all those writings." He said, "No"; and then he said that today he would write them in a somewhat different vein.

Mr. President, in what kind of vein would he write them today? He was not frank; he was not honest. He did not ask for forgiveness for errors or mistakes he had made, and ask to be forgiven, as the able Senator from Minnesota said that every man who does ask for forgiveness should be forgiven in the Christian spirit. No, Mr. President, Mr. Olds evaded every direct question.

Had he answered the questions frankly and honestly, I might have voted to report the nomination favorably. But he refused to answer the question honestly and frankly.

Mr. DOUGLAS. The Senator from Indiana is aware, is he, that the next question asked by the Senator from Texas [Mr. JOHNSON] was:

> But there has been a change in your thinking since those articles were written?

And Mr. Olds replied:

> There has been a change in my thinking.

Mr. BREWSTER. The Senator should read the next question and answer.

Mr. CAPEHART. I shall read it. After Mr. Olds said, "There has been a change in my thinking," the following occurred:

> Senator JOHNSON. Then you do repudiate certain things you said then?
>
> Mr. OLDS. I do not repudiate them as said at that time in terms of my relationship to that period in which I was writing.

In those days the man was writing articles which were widely read, and which were helping to promote communism and socialism and world confusion. There can be no question about that. I do not know how many readers he had, but I understand there were literally tens and tens of thousands, perhaps millions. At that time he was stirring up hatred in this Nation; he was promoting socialism; he was praising the Russian system; he was praising communism. I want to call attention to pages 122 and 123 of the hearings. This is what he said in respect to the subject. In his letter of October 27, 1927, he wrote:

> Attempts of the capitalist press to make it appear that the British trade-union movement has followed Premier Baldwin's lead in breaking with the Soviet Union are designed to discredit the Russian movement in the eyes of American workers.

Think of it—"to discredit the Russian system in the eyes of American workers."

If millions and millions of people read that, they certainly were influenced, because the average American is led to believe that what he reads, in the newspapers and elsewhere, is true.

No, I am not going to vote to put a crown on the man's head, because I do not think he deserves it. I do not think when we are fighting communism and socialism throughout the world we should confirm the nomination of a man who entertained the philosophy this man entertained only 20 years ago, and who subsequently was not frank and honest enough to repudiate his beliefs of that earlier time.

Mr. DOUGLAS. Mr. President, may I inquire the respective amounts of time remaining to the proponents and opponents?

The PRESIDENT pro tempore. The Senator from Illinois has 27 minutes remaining, the Senator from Texas, 66 minutes.

Mr. JOHNSON of Texas. Mr. President, if the Senator will put on his next speaker, I will have one to follow him.

Mr. DOUGLAS. I yield 8 minutes to the Senator from Vermont.

The PRESIDENT pro tempore. The Senator from Vermont is recognized for 8 minutes.

Mr. AIKEN. Mr. President, it appears that we have met here tonight to put the final touches on the career of a public servant who so far as I know has performed his duties in the last 10 years in accordance with the law as laid down by the Congress. I realize that Mr. Olds is not going to be confirmed by this body; I think there is no doubt about it. I want to say, though, that he is well known and well liked by a great many people in my State. He was raised not far from the borders of Vermont, over the line in Massachusetts. He has been a frequent visitor to our State, speaking to different groups, generally at farm meetings. I have a telegram from the Vermont State Farm Bureau, which has a membership of 10,000 farm families, probably the largest single organization in the State, stating that the directors and officers of the Vermont State Farm Bureau support Mr. Olds and asks for his approval by the Senate. I have some resolutions and telegrams from some of the labor organizations of the State and a few individuals. I have about 30 or 40 letters and telegrams from people who express opposition to Mr. Olds—practically all of them stirred up by the radio talk of Mr. Fulton Lewis, Jr., the other night. I have a list of those. I find most of these same ones also opposed the TVA steam plant. They opposed Federal aid to education. They opposed the so-called tax exemption for farm cooperatives. They opposed Mr. Lilienthal's nomination, and they opposed the nomination of Mr. John Carson. Mr. Olds has been a very ardent supporter of the St. Lawrence seaway, which has been very much in the minds of the people of the northeastern part of the United States and which I, too, strongly endorse. I am sure that his support of the St. Lawrence seaway had earned him some of the undying enmity which certain utility interests have for him. I believe they think that if they can dispose of him they can then get a majority of the Federal Power Commission in opposition to the seaway and thus have a powerful lever with which to prevent its ever being accomplished except upon their terms.

Mr. Olds has also been a keen student of farm cooperatives and an ardent supporter of them. Farm cooperatives have enabled millions of people living in rural America to enjoy healthier and happier lives; yet they have bitter enemies, too.

There are those who hope to see Mr. Olds destroyed so completely that he will never again be able to go out and preach the gospel of farm cooperatives. I have heard a good many rumors connected with Mr. Olds' nomination. I have heard some rumors that do not sound very well. In fact, not very long ago I heard the rumor that, as soon as Mr. Olds' defeat was assured, President Truman would send to the Senate the nomination of a representative of Electric Bond & Share Co. to fill a vacancy on the Security & Exchange Commission. I simply cannot believe this rumor, and if it is true, then I shall certainly be shocked beyond all measure. I cannot think the President would lend himself to a deal of this kind. We must not let positions on the SEC or Federal Power Commission be filled by those whom these agencies are supposed to regulate.

But when we are determining whether to reapprove a person who has been in public office, I think we should judge him by his work as a public official during the time he has been in office. I do not think any of us would like to be judged entirely by what we did or said or wrote 20 or 30 years ago. It is apparent that Mr. Olds was indiscreet in some of his writings in the twenties, but if it is thought that what he wrote in the twenties was indiscreet, one should see some of the material which was printed by our own armed services in regard to Russia and the Russian system of government during the late war. It would be worth while to look up some of those pamphlets. They would make the writings of the accused Mr. Olds, I might say, seem rather mild. The articles he wrote, if I am correctly informed, were in the hands of the utility companies of this country years ago. Why have they just seen fit to use them at this time? They were used a little bit, 5 years ago, but not generally, until the present time.

I, for one, have no particular regret at Mr. Olds' leaving Government service. I think probably his usefulness as a public servant is about done. He should be much happier in other work. When an attack on the character of a man such as has been directed at him is indulged in, it just about destroys the usefulness of a public servant. It is things like this that make it so hard to get good men and women into public life.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. AIKEN. I will yield to no one.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. AIKEN. Mr. President, is my time up?

Mr. DOUGLAS. Mr. President, I am very glad to yield two more minutes to the Senator from Vermont.

Mr. AIKEN. I thank the Senator. I will take those minutes.

I do not think Mr. Olds is going to be hurt by those who would crucify him, but I think a great many other folk are going to be. I think the effects of what is being done here tonight will echo down far through the years ahead of us, and will continue to plague those who accuse him much longer than the echoes from Teapot Dome were heard.

Certain public utilities of the country are out to destroy a man for performing his duty. I do not know of anything worse than that. I do not know of anything more detrimental to good government. I do not know of anything to make it more difficult to get men and women to perform the duties of public office. These interests who are devoting every effort toward destroying a man, in so doing are doing the most to bring about the very thing they fear the most. Mr. Olds is not going to bring about public ownership of the utilities in this country. If it is brought about, it will be brought about by those who fear it and by the tactics which they employ.

Mr. CAPEHART. Mr. President, will the Senator yield me 1 minute?

Mr. JOHNSON of Colorado. Mr. President, I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, inasmuch as the able Senator from Vermont would not yield to me——

Mr. AIKEN. I had no time.

Mr. CAPEHART. I appreciate that, but the Senator's tone of voice was not very becoming to a United States Senator, if I may say so.

Mr. President, what I wanted to ask the able Senator from Vermont was this question: When he says we are crucifying Mr. Olds, there is not a single thing I have said, or that any other Senator has said against Mr. Olds, that was not in the record; and Mr. Olds made the record. The whole argument against Mr. Olds is based on his own writings. There is no information in the record whatsoever except the writings of Mr. Olds. No one brought in any information or testified to anything else. The whole basis of my opposition to Mr. Olds is his own writings. He wrote the articles; I did not write them, and no other member of the committee wrote them.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. AIKEN. I did not say the Senate was crucifying Mr. Olds. I said certain public-utility interests of the country are intending to crucify Mr. Olds.

Mr. CAPEHART. The utility companies did not write these articles.

Mr. AIKEN. I have not heard anyone say that Mr. Olds has not performed his duties properly during the 10 years he has been a commissioner. I heard the Senator from Colorado [Mr. JOHNSON] say he was arrogant and "felt his oats" and thought he was king, and things like

that. I heard nothing said to indicate that he had rendered unfair decisions or had been unfair to the utility interests whose business he was supposed to regulate.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Maryland [Mr. O'CONOR].

Mr. O'CONOR. Mr. President, in the few minutes which have been allotted to me I desire to note several reasons upon which I must base my refusal to vote for the confirmation of the nomination of Leland Olds.

After my study of the entire record, including his interrogation by the members of the Committee on Interstate and Foreign Commerce, I cannot bring myself to believe that he is the proper choice for this governmental agency.

I repeat what has been said before, that throughout the consideration of the matter by the subcommittee under the able chairmanship of the junior Senator from Texas [Mr. JOHNSON] there was accorded to all witnesses every opportunity to express themselves in full regarding the matter, as is indicated by the 300-page record which is before the Senate.

As a result of our review of his statements and opinions, and giving effect to all his past record, I believe him to be unstable and temperamentally unsuited for the post. Anyone in a position to exercise the appointing authority must give consideration to those facts. I would not appoint him to the office, and, having reached that conclusion, I cannot and will not advise and consent to confirmation of his nomination. The fact remains that time and again, long after he reached maturity, he derided our American institutions; he held up to scorn and ridicule the basic principles which our people consider sacred. He openly and blatantly espoused ideologies not only foreign to American ideals, but completely destructive of them. He admits that his prolific writings were radical. He contends that he would not at this time employ such destructive phrases. But the fact remains that his many writings were directed to that class of readers whose un-American activities could have been furthered by such encouragement.

I heard the very able Senator from Vermont [Mr. AIKEN] say that our failure to confirm the nomination of Mr. Olds might prevent other persons from entering American public life. I hope the action of the Senate will deter such persons, because I do not care to give approval to a nomination which might encourage other persons so inclined in the future to indulge in such writings and utterances and expect the United States Senate to approve them at a later date.

Even today State officials and other leading citizens in various parts of the country have lost confidence in Mr. Olds. If time permitted, which it does not, I should like very much to read a recent decision of the Supreme Court of the United States rendered on June 20 of this year, which goes in great detail into the care with which Congress has legislated in this field, differentiating between State and Federal administrations.

If time permitted, which it does not, I should like to read the statements of State officials who came before the committee and indicated that they did not have confidence in Mr. Olds, and whose testimony indicated that he has completely lost their confidence and that desirable friendly, cooperative relationship between State and Federal commissions cannot be had, so far as he is concerned.

As a result of all this, Mr. President, it is apparent to me that he would find it increasingly difficult to secure cooperation from State commissions and State agencies which is so necessary at this time.

Mr. President, there must be many loyal, capable, experienced persons in America who are just as qualified technically to take the post of Federal Power Commissioner as is Mr. Olds, and who, if appointed, would not assume office with his handicaps.

For all these reasons, Mr. President, and upon consideration of the entire record in this important matter, I cannot do other than oppose and vote against the confirmation of the nomination of Mr. Olds.

Mr. DOUGLAS. Mr. President, I yield 8 minutes to the Senator from West Virginia [Mr. NEELY].

Mr. NEELY. Mr. President, as the hart panted after the water brooks in the days of the Psalmist, so after the severest Washington summer in the memory of the living and after more than 40 of the most contentious, trying, lawmaking weeks that ever vexed the Capital of the Nation, a multitude of weary legislators pant for the final adjournment of the first session of the Eighty-first Congress. During the lengthy days of June, the sultry days of July, and the scorching days of August, our cherished adjournment hope lingered like the last lonely leaf on a lonesome weeping willow tree. It lingered even after the autumnal—

> Melancholy days are come, the saddest of the year.
> Of wailing winds, and naked woods, and meadows brown and sear.

But early in October that hope succumbed to the cold embrace of rigor mortis and we sadly and solemnly consigned it to what we believed to be the sleep that knows no waking, to the casket from which there is no rescue, and to the sepulcher from which there is no resurrection.

Detention, disappointment, and despair laid their heavy hands upon us, and we impetuously but erroneously decided that these three sorrowful sisters, in their malicious conspiracy to deprive us of a much-needed vacation, had obtained the assistance of certain highly esteemed, illustrious officials who have praiseworthy purposes, sleepless eyes, and tireless brains but no apparent scintilla of mercy, semblance of sympathy, or shadow of desire for a respite from the prostrating curse of labor which descended upon the human race as a punishment for the original sin of our revered, remote ancestors, Adam and Eve. It appeared that our compassionless leaders had, with the antique austerity of Grecian stoics, joined the heartless sisters in ordaining that this session of the Congress should, like Tennyson's brook, go on and on forever. But, happily, all our distressing suspicions have finally been dispelled and all our erroneous deductions have at last been banished to the limbo of never more. And—

> Now is the winter of our discontent
> Made glorious summer by this sun of York,
> And all the clouds that loured upon our house
> In the deep bosom of the ocean buried.

In this case, the "sun of York" is the distinguished majority leader, the senior Senator from Illinois [Mr. LUCAS], who has proclaimed the glad tidings that by the end of another week this session will be no more than a fading memory or a dissolving dream.

In the circumstances, it is imperative, that between now and the reconvening of the Congress on the 3d day of next January, Senators, who wish to continue to live and move and have their being, promptly repair to places of refuge, relaxation, and rehabilitation, far from the "madding crowd's ignoble strife," where there is no invading terror by night and no flying arrow by day; where no "pestilence walketh in darkness" and no "destruction wasteth at noonday."

For the only Shangri-la that will fully satisfy all the requirements of the case and completely gratify all the desires of the heart, the officers, the Members, and the attachés of the Senate, the House, and the press galleries are, all and singular, cordially invited to come to West Virginia, where they may see, among countless other alluring things, the many miracles of modern manufacture and the manifold attractions of Mother Nature at her best, and share the delights of hospitality that is as lavish as the sunshine and as constant as the northern star.

West Virginia's 26 State parks, and primeval forests without number, afford an inexhaustible wealth of exquisite beauty and instructive entertainment for all who love wild life in endless variety and dissimilar natural scenery as enrapturing as the aurora borealis and as sublime as the far-off Milky Way.

West Virginia is the chemical and bituminous-coal producing center of the Western Hemisphere. It has the largest ax factory, the largest shovel factory, and the largest pottery on earth.

The first battle of the Revolutionary War was fought at Point Pleasant, West Virginia; the first land battle of the Civil War was fought at Philippi; the last battle of the Revolutionary War was fought at Fort Henry—within the bounds of the present city of Wheeling.

Harpers Ferry, which Thomas Jefferson described as the most beautiful view in the world, was the scene of the famous John Brown raid.

On Blennerhassett Island, near Parkersburg, Aaron Burr planned his most daring and romantic adventure. At White Sulphur Springs is one of the world's most famous health and pleasure resorts.

The wonders of the Midland Trail through the New River Canyon are as fascinating as the chasms of the Columbia or the Colorado. Blackwater Falls, in Tucker County, are as captivating as the Multnomah Falls in Oregon or the Bridalveil in the Yosemite Valley. Scenic rocks in Pendleton County are as picturesque as anything to be seen in the Himalayas, the Andes, or the Alps.

Preston County, West Virginia, is the buckwheat capital of the globe, and every renowned epicure on earth, when addressing himself, either in thought or action, to the pleasure of the matchless delicacy—buckwheat cakes saturated with maple sirup—faces Preston County as faithfully as the Mohammedan faces Mecca when he prays.

The apples of perfection which are produced in profusion in the eastern panhandle of West Virginia are as famous as the golden apples of Hesperides which, were given as a wedding present, to Juno, the mistress of the heavens and the queen of the gods.

The far-famed healing waters of Berkeley Springs in Morgan County have never been surpassed in efficacy except by that water of the River Jordan in which, after divine activation through the prophet Elisha, the afflicted Naaman washed away his leprosy forever.

These are but a few of West Virginia's innumerable, unsurpassable attractions. In West Virginia one can see more in a day with two eyes than Argus, in his ancient kingdom, saw with a hundred eyes in a lifetime. The traveler can see more that is marvelous upon a single visit to one of West Virginia's modern chemical plants than the immortal Christopher Columbus saw on all the daring voyages he ever made.

West Virginia is the famous, fair, and happy land—

Where ferns are stenciled by the sun
On couches of green moss;
Where timid mole and rabbit shun
The paths our footsteps cross—
There silence walks, to the rich croon
Of waters talking low,
Bewitched by shadows of a moon
Whiter than cherry-snow!

There beauty is a constant guest,
And peace a certain thing;
While sorrow in the aching breast
Leaves on a flicker's wing!
There, when the bird of darkness flies
Above the star-filled streams,
Man leans and sees with opened eyes
The pebbles of his dreams!

Statesmen preeminent, whatever else you "hit or miss," you must not "miss" West Virginia—the State of States, in which, every day in the year Yankee Doodle says good morning to Dixie, and the East and the West kiss each other good night; the enchanted place in which—

The warm night's misty gloom
Is rare with rich perfume
That lures thy lazy longings where the lush magnolias bloom,
While the night bird's eerie song
Soothes thy sleep the whole night long
With subtle ghosts of melodies where fairy fancies throng.

Dearly beloved Members of the Senate, when you are in West Virginia, if in addition to being ceaselessly tranquil and constantly happy,

You would learn the road to Laughtertown,
O ye who have lost the way,
If ye would have young hearts though your hair be gray,
Go learn from a little child each day.
Go serve his wants and play his play,
And catch the lilt of his laughter gay,
And follow his dancing feet as they stray;
For he knows the road to Laughtertown,
O ye who have lost the way!

God grant that all with gray or thinning hair may find this joyous way and follow it straight to the judgment day.

[Applause.]

Mr. JOHNSON of Texas. Mr. President, as the Members of the Senate know, I served as chairman of the subcommittee which held hearings on the nomination of Mr. Leland Olds to the Federal Power Commission.

This is one of several highly controversial nominations considered this year by your Committee on Interstate and Foreign Commerce. The committee has considered carefully each nomination in its turn, giving both proponents and opponents an opportunity for a full hearing. This was done in the case of Mr. Buchanan's nomination to the Federal Power Commission, Mr. Webster's nomination to the Federal Communications Commission, and Mr. Carson's nomination to the Federal Trade Commission. The committee is still considering the nomination of Mr. Friend to the Bureau of Locomotive Inspection.

In the midst of these controversial nominations, all of which have occupied much of the committee's time, Mr. Olds' case was considered in its proper order and I believe it was considered thoroughly, fully, and fairly. For more than 20 hours, my subcommittee listened to and questioned 34 witnesses for and against Mr. Olds. The nominee himself asked for 3 hours; his request was granted. He consumed more than 4 hours. Later, he requested an additional hour and a half to reply to the testimony against him, and the committee heard him for a second time for more than 2 hours. Every person who sought a hearing received a hearing. I believe Senators will find the record is complete.

On the basis of that record the subcommittee acted. The roll was called. Seven members, four Democrats and three Republicans, agreed unanimously, 7 to 0, that Leland Olds was not a proper man for the Federal Power Commission.

When the matter was considered by the full committee the members voted again, 10 to 2, against giving their advice and consent to this nomination. I am sure that the two votes favorable to Mr. Olds resulted partially because the two members had not sat on the subcommittee through the deliberations of that committee for more than 4 days.

While the subcommittee vote was 7 to 0 and the full committee vote was 10 to 2, there was no desire on the part of any committee member to hold this nomination in committee. That could have been done, of course. It was our desire, however, that this nomination be presented to the full membership of the Senate, so that all Members who wish to embrace the nominee and his record may do so.

If it is the sentiment of the Senate that the 7 members of the subcommittee and the 10 members of the full committee should be overridden, then it is altogether proper and fair that the Senate be given the opportunity to do so.

I am confident, personally, that when the roll is called here the vote will reflect only the personal convictions of each Member.

Under similar circumstances 20 years ago, a great Senator from Nebraska, Senator George Norris, found himself opposed to a nomination submitted by a President of his own party. I commend to the Senate now this thought expressed then by Senator Norris:

My theory is—

Said Senator Norris—

that every man who occupies a public office, particularly such a one as we occupy here, in every vote he casts, in every official act he performs, ought to be guided solely and only and exclusively by his own conscientious convictions as to what is right and what is wrong.

If ever the "advice and consent" of the Senate is derived from lesser standards, then the submission of nominations to the Senate becomes an empty ritual, without meaning and without purpose; the Senate's role in consideration of Executive nominations will cease to be a matter of "advice and consent," as provided by the Constitution, and become a mere formality of "accept and agree."

In considering this nomination thoroughly, as this and all other nominations should be considered, the subcommittee found two distinct foundations for decision: one is the record of Leland Olds, the other is the myth of Leland Olds.

The myth of Leland Olds is a clever, appealing fiction, which is not supported by the record. It is a myth which the man himself has labored skillfully and tirelessly through 10 years in public office to impress upon the public mind, storing it up against the day when his record might be called to account.

This myth—behind which the record lies almost unnoticed and unknown—is the myth of Leland Olds, the knight in shining armor, doing tireless battle with the dragons of "special privilege."

It is the myth of a humble, helpless man, naive in the ways of political life, standing bare-headed and empty-handed before some sinister political power.

It is the myth of an indispensable man, from whom all salvation flows.

This myth, Mr. President, is not true. I want the Senate to vote on the record and not on the myth.

Mr. President, the Members of the Senate and the public within the past week have heard by word of mouth, or read in the daily press, or heard read in editorials on the Senate floor, insistent

stories that Mr. Olds is being opposed by the monopoly-seeking power lobby.

If I may deviate just a moment, I will say I hope the vote tonight for once and all will show to every man nominated for high office that he has to do something besides jump on the power lobby in order to deserve confirmation.

This is a convenient and expedient accusation, designed solely to obscure the record. During the hearings on this nomination not a single representative of power interests appeared to oppose Mr. Olds; the only representative of any utility who did appear came to testify in behalf of Mr. Olds.

Hundreds of telegrams and letters have come to my office the past few days opposing Mr. Olds' confirmation; not one has been signed by a representative of the electric utilities.

To the best of my knowledge, the power lobby has not been seen in the corridors of the Capitol or in the Senate Office Building working against this confirmation.

Through eight elections, in 12 years of public life, I have been opposed by the power and gas lobby of my State and of the congressional district I represented. I know their methods, I know their manner, and I know I have not seen their handiwork here. If the power lobby is now seeking to kill off Mr. Olds, I can only conclude that they are trying to kill him with kindness.

If Senators want to confine their judgment to the record, I ask them to consider the forces which have been at work in behalf of Mr. Olds. Without calling names, Mr. President, I hope Members of the Senate will consider the representatives of industries which have business before the Federal Power Commission who have been seeking votes for Leland Olds.

Senators could not have escaped them. Senators may know of the former Senator who now represents a corporation with considerable business before the Federal Power Commission, who has been talking to his former colleagues in behalf of Leland Olds.

Mr. President, I need not tell the Members of the Senate the facts of Washington life.

Is it not self-evident that for favors granted, for services rendered, these "dragons of special privilege"—which Leland Olds supposedly combats three times daily and twice on Sundays—are now log-rolling in the oldest of Washington tradition, seeking for Leland Olds what both he and they so desperately need?

Is this a humble, helpless, naive man who can rally to his defense the most ruthless pressure campaign this Senate has seen in many a day?

I ask Senators: To whom is this man indispensable? For the answer, I hope Senators will look about, outside the Senate, to see who is working most diligently for Leland Olds' confirmation.

Mr. President, I would not attempt to prescribe for the Senate or for individual Members any standard by which to judge a nominee. I have no intention of doing so now. But I do want to call to mind here the words of a former distinguished Senator from Alabama, Hugo Black, who now sits on the Supreme Court. Mr. Black took the floor of the Senate to speak against a nominee to the Interstate Commerce Commission. He said then:

> If you want to obey the spirit and letter of the law, if you want to see that men who go on great bodies of this type shall be unprejudiced and unbiased, then I claim you cannot confirm this man.
>
> It would be the same if he came from an environment of open hostility to the railroads. It would not be fair to appoint him; it would be just as unjust. But here we have a man in an environment where we know, and no man can honestly deny that he knows, that environment creates the trend of thought and develops the bent of mind.

The significance of those words applies here, Mr. President.

If we examine the record of Leland Olds in 1949—or the record in 1939, or the record in 1929—we find that he was without practical experience, but not without bias, not without prejudice.

If bias is a qualification, then Leland Olds is qualified. If a life-long prejudice and hostility against the industries he now regulates is a true qualification, then Leland Olds is qualified.

Leland Olds' record is an uninterrupted tale of bias, prejudice, and hostility, directed against the industry over which he seeks now to assume the powers of life and death. Never once in his long career has Leland Olds experienced, first-hand, the industries' side of the regulatory picture. From his early life through his mature years of 30 and 40, on down to the present, Leland Olds has been an advocate, a zealot. It cannot be said truthfully that impartiality and a judicial temperament were part of Leland Olds' particular qualifications for the position he now seeks.

Even today, before the subcommittee which considered this nomination, not one of the witnesses testifying for Leland Olds advanced the argument that he was a judicial-minded man. As I remember, not one of the Senators speaking in his behalf wanted him because he was a judicial-minded man, but they wanted him because he was an advocate of the things which they advocate. Over and over again, as we read the testimony, we find Leland Olds' friends arguing that he should be confirmed because his bias is known, his prejudice is dependable, his advocacy is a sure thing.

Twenty years ago Leland Olds arose from the desk where he had, as a writer, been a tireless foe of privately owned utilities and sat down at the bar of regulatory agencies to dispense his brand of justice to these same foes.

Since that time either in the State of New York or in Washington, D. C., Leland Olds has been plying his trade, continuing his advocacy.

Here in the Senate, and in Congress, it is our responsibility to establish the standards of justice through the laws we enact. If we entrust the administration of these laws to men who offer no qualification but bias and prejudice, we nullify the purpose and the effect of our existence as a lawmaking body.

That is why my subcommittee said in a letter to the chairman of the full committee on October 4, 1949:

OCTOBER 4, 1949.

HON. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

DEAR CHAIRMAN JOHNSON: The seven-man subcommittee appointed by you to consider the nomination of Leland Olds, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1954, reports adversely thereon and recommends, by unanimous vote of the subcommittee, all seven members voting, that the nomination be not confirmed.

This recommendation is based on the facts developed as a result of an exhaustive and thorough study of the nominee's qualifications. Extensive and complete public hearings, lasting 4 days, were held. Everyone who desired to testify orally or to submit written statements, letters, or telegrams was given that opportunity. The record includes among other things, letters from the two Senators from New York (the nominee's home State) disapproving the nomination.

The evidence presented to your subcommittee clearly demonstrates that the nominee does not possess the requisite qualifications for the important public office of Federal Power Commissioner.

Sincerely yours,

LYNDON B. JOHNSON,
Chairman.
EDWIN C. JOHNSON.
CLYDE M. REED.
HOMER E. CAPEHART.
HERBERT R. O'CONOR.
JOHN W. BRICKER.
ERNEST W. MCFARLAND.

During the hearings on Mr. Olds' nomination, one of the witnesses testifying in Mr. Olds' behalf said that if Leland Olds were not confirmed:

> Much, if not all, of the progress which the Federal Power Commission has achieved will be lost. The utilities will write their own ticket. We shall be thrown back to the buccaneering practices of the 1920's—extortion of consumers by the utility companies and rape of the utility companies by stock-jobbing manipulators.

Mr. President, this is the myth of the indispensable man—the myth that this Nation cannot safely dispense with the services of Leland Olds.

I point out to the Senate that within the span of Mr. Olds' 10 years on the Federal Power Commission, no major legislative change has been made in the statutes regulating the utilities of the land. Whatever strength, whatever effectiveness the Federal Power Commission now has, is rooted in the law—the laws enacted by this Congress. I sincerely believe that our body of regulatory law is indispensable to the well-being of our domestic economy.

The law enacted by Congress is the indispensable ingredient; the man is merely a passing incident.

From what source has this myth arisen? I will tell the Senate what the record shows.

During the hearings on his nomination, Mr. Olds stated bluntly his belief that the Federal Power Commission

would not be as active an agency if he were not a member.

I asked Mr. Olds:

It is your definite opinion that the two minority Commissioners will not carry on an active regulation policy in your absence?

This was Mr. Olds' answer:

Not as active a regulation policy as if the majority of the Commission, when I was last on the Commission, controlled the policy of the Commission.

This, indeed, is a strange position.

Here is a man declaring publicly and proudly that his colleagues on the Commission are virtually unworthy of the public confidence; declaring that he, and he alone, is capable and willing to defend the public interest.

Shall the Senate, by its vote, concur in this philosophy? Shall the Senate, by its vote, fall unaware into Leland Olds' clever trap and vote "no confidence" in those members of the Commission whom Mr. Olds attacks? If we do, we shall truly establish Leland Olds alone as the Federal Power Commission.

Mr. Olds' attack—his willing criticism of his colleagues—comes with bad grace from a man who enjoys the support he is now receiving. There are four other members of the Power Commission now serving. All four of these men—Nelson Lee Smith, Claude Draper, Harrington Wimberly, and Tom Buchanan—are appointees of President Truman.

Of all the men involved, only Mr. Leland Olds has not served a term as an appointee of President Truman.

I say that when he expresses doubt concerning the integrity, the purpose, and the effectiveness of any of these men he attacks the President, also. Are we—and are the people—to place more confidence in Mr. Olds than in the man who nominated him? Personally, I cannot and will not.

Furthermore, Mr. Olds has not confined his attacks—his snide and petty smears—to his colleagues on the Commission. Last May, before another subcommittee of the Senate, Mr. Olds attacked the integrity and the honesty of the Federal Power Commission staff. He said then:

Moreover, the special staff assigned to the natural-gas investigation apparently fell victim of the continuous argument of the industry and prepared a report on section 1 (b) of the act which strongly reflected the industry viewpoint.

This is a serious charge for a man to make against his own staff.

I ask, Senators, How long do they think the operations of any commission staff could continue to be objective and useful if the staff members know their reports must concur with a commissioner's own view or else they will be denounced publicly as corrupted victims of an industry's argument?

I do not know how familiar Senators may be with the Federal Power Commission as it is today. But I imagine Senators have heard, as I have, the vile, snide, and unsupported whispers which are told against those members of the Commission who have disagreed with Mr. Olds. If Senators call the Commission offices, seeking information, they find men afraid to speak freely on the telephone. Senators find it virtually impossible to secure from that agency nonpolitical statistics and objective information which should be a matter of public record.

I am not so naive as to think that this attack has been without purpose and without a wellspring of slander to feed it and keep it alive, because it is now all too evident that this campaign was planned for this day, planned for the day when it would be necessary to save Leland Olds by picturing him as the "last best hope of the public," a paragon of honesty, virtue, and courage, single-handedly saving the President's four other appointees to the Commission from the selfish interests.

This insidious campaign may have served Mr. Olds well, but it has not served the country well. The self-serving, self-seeking office politics of an empire-builder has crippled and weakened a vital arm of the taxpayers' government. That is too high a price to pay for any talents which Mr. Olds may possess.

The seven members of your subcommittee who studied this record closely agreed unanimously, seven to nothing, that the public interests would not be served by returning Leland Olds to the Power Commission for another term of unbridled chaos, back-alley fighting, vicious gossip.

I am talking of Leland Olds as he is today—in 1949. I am talking of the record. I am talking of what the gentleman has done and is doing in this year 1949.

For the past few days, Mr. Olds' partisans have been attempting to turn the attention of the Senators away from the record—away from the present—by whispering that all the reasons for the committee's opposition to his renomination have been considered and rejected by the Senate on two past occasions, once in 1939, when Mr. Olds was first nominated, and again, in 1944, when he was renominated.

This is sheer fiction, another part of the myth created to defend and protect Mr. Olds.

Thus far this evening, I have not discussed or repeated a single thing which was or which could have been brought out before the Senate prior to this year. I have been talking about the Leland Olds of 1949. I think Senators should know the truth about Mr. Olds' previous confirmations by this Senate.

This man came into the Federal Government without scrutiny by the Senate in 1939. No hearings were held. The floor discussion consumes only a few lines in the RECORD. In that discussion, Senator White, of Maine, said:

Mr. President, as a member of the Interstate Commerce Committee, yesterday afternoon I acquiesced in the favorable report of this nomination. This afternoon I was requested by an organization in the State of New York to ask that consideration of the nomination go over. The Senator from New York [Mr. Wagner] and the Senator from Indiana [Mr. Minton] have both called my attention to the fact that the term of the present member of the Commission expires this day, and that if action on the nomination should be delayed, a vacancy would be created in the Commission. I am not willing to contribute to the creation of a vacancy by asking for any delay in this matter.

Without objection, the nomination was confirmed by the Senate, unanimously. That, to my mind, constitutes no thorough examination of the nominee's record. The only objection which was even hinted was not stated and was not explored.

In 1944, hearings were held. Objections to his confirmation then centered, primarily, around his interference with various State projects and some disputes with pipe-line companies. Some of his past record was touched upon, but was not explored. When the nomination came up for decision on the floor, it was confirmed without a record vote.

It is very clever of Mr. Olds' partisans to attempt to bind Members of this Senate by events which never occurred. Is Mr. Olds to secure an exemption now from an honest, thorough scrutiny of his record, merely because twice before he has escaped scrutiny, and because twice before he has been confirmed? The Senate has, in the past, confirmed Henry Wallace for high office. Would he be confirmed today? I think not.

I would call attention to the fact that three members of the present Interstate and Foreign Commerce Committee were members of that committee in 1944, and, on the basis of the record at that time, they consented to Mr. Olds' nomination. This year, on the basis of this year's record, those three members voted against confirmation. In 1944 the subcommittee voted 3 to 2 in favor of confirmation; in 1949 the subcommittee, which went into the full record thoroughly, voted 7 to 0 against confirmation. Those seven votes were, properly, cast on the record as it exists today, in 1949.

I have pointed out to the Senate what Leland Olds has done during his tenure on the Federal Power Commission. I have told the Senate of his brazen attempt to control the Commission by undermining and discrediting the President's appointees. I have told the Senate of the methods he employed to force the Commission staff into a goose-step march under the whip of his deliberate public abuse. I have told the Senate of the techniques by which an attempt has been made to blackmail Congress into accepting his appointment through the simple device of charging all who oppose Leland Olds with being tools of "special interests"—many of which are actually supporting his nomination, and he knows it.

Obviously, a man who has gone to such lengths to immobilize all actual or potentional opposition must have something in mind. But what is it?

I shall not speculate on the future. I shall not guess what Leland Olds might do in the future if he is now sanctioned again by the Senate. I shall present the evidence from the record, Mr. President, for Mr. Olds has written the record himself.

Mr. Olds came before my subcommittee with a 3-hour statement covering his life from high-school days to the present,

he mentioned many things he had done and said. But, for reasons best known to him, he failed in his prepared statement to mention his curious conduct in the administration of the Natural Gas Act. Without a review of that conduct, Mr. Olds' record is totally inadequate.

Mr. Olds has conveniently and deliberately sought to create the impression that the whole controversy is a simple question of the attempts of certain oil and gas interests to thwart enforcement of proper Government regulation. That is a false impression, deliberately created. The stake here is not the will of the gas interests; the stake is the will of the Congress. By his actions, by his methods, by his unprincipled expediency, Mr. Olds has forfeited whatever claim he may have had on the confidence of Congress.

Some of Mr. Olds' friends have, in fact, advanced the surprising argument that if Mr. Olds' nomination is not confirmed the way will be opened to a multimillion-dollar "steal"—that is their word, not mine—by the gas interests. They deal in Amos and Andy figures. One got it to $10,000,000,000 yesterday afternoon; we are told that such tremendous amounts will be stolen by "the selfish interests" under the nose of the President's four other appointees to the Commission unless Mr. Olds is there to watch them. Mr. President, such an argument is no argument at all so long as Harry Truman sits in the White House.

I have confidence, if Mr. Olds does not, that the President can find a Democrat of virtue, courage, wisdom, and competence to fill Mr. Olds' position. I do not believe for a moment that my President will nominate in Mr. Olds' place a corrupt, sold-out, tongue-tied hack.

But I do sincerely believe that the President can, and will, find a man who has sufficient capacity and sufficient integrity to accomplish the purposes of the law, without attempting to write laws of his own. That is what Leland Olds has attempted, and has accomplished, in his administration of the regulatory laws entrusted to the Federal Power Commission.

In 1938, Congress enacted the Natural Gas Act, before it ever heard of Mr. Leland Olds. Yes, strange though it may seem, Congress had some sense of duty, some wisdom in regulatory matters, even before Mr. Olds came to Washington. This law was intended to provide effective regulation of the interstate transportation of natural gas, that is, the pipe lines.

Congress could have exercised its power to the fullest and could have extended regulation to cover the producer and to cover the distributor. That could have been done; but it was not done. Why? First, there was no demand, no necessity, for Federal regulation of the entire industry. Second, such regulation would have constituted, plainly and simply, nationalization of an industry, which Mr. Olds has advocated and which some of my colleagues have advocated, but in which recommendation I do not join. In no instance yet has Congress found it necessary, in the public interest, to nationalize the entire operations of an industry.

The act itself specifically, clearly, and definitely exempts production and distribution. In committee hearings, in testimony by Federal Power Commission lawyers, in statements on the floor of the House and Senate by sponsors of the act, this exemption is repeated time and time again.

Mr. Olds became a member of the Commission 1 year after the act was passed. For 9 years, he interpreted the law precisely as it was written, precisely as it had been administered. There was no quarrel, no dispute.

Finally, when some question was raised, Mr. Olds along with two other members of the commission—members he now attacks and criticizes—issued an administrative order assuring the industry and the public that the law meant what it said; that there would be no change in commission policy. Mr. Olds and his fellow commissioners even sent to the Eightieth Congress a bill, which they said was "noncontroversial" and was "in accord with" the President's program—to settle the confusion. But the bill was not acted upon in the Eightieth Congress.

So, this year, when substantially the same bill was introduced again, Mr. Olds emerged and came before Congress to attack the bill and attack its sponsors, and to attack almost any Senator who is willing to listen to him. Men who had tried to stand where Mr. Olds had stood last year, found this man vilifying them, calling them puppets and tools of industry. Leland Olds did not explain his reversal of position by admitting a simple change of mind; he insisted that the law now means something entirely different, something opposed to the clear intent of Congress and the interpretation of the courts. He declared flatly that Congress should make no change of any sort in the law.

Using his characteristic techniques—the methods he used on his fellow commissioners, on his staff, and tried to use on the Senator from Texas, and now on the Senate—Mr. Olds put Congress in this position: If Congress did not act, then the law would become the decree of Leland Olds; if Congress did act, the Congress would be branded as a tool of selfish interests.

The issue then became: Leland Olds versus Congress. Either way, Leland Olds stood to win.

Mr. President, if you will study the record, I believe you will see clearly through the thin veil of glib talk which Mr. Olds has drawn across his open defiance of Congress.

What, specifically, has Mr. Olds sought to do in his effort to write and administer laws of his own? Mr. Olds has sought to destroy the delicate balance between responsible public regulation and outright public ownership. This man has advocated the assumption of complete Federal control of independent natural-gas producers. He has not asked Congress to authorize that control, because he knows that Congress would not grant such a far-reaching change in our utility regulation philosophy. No, "I am the law" Olds has suddenly, after 9½ years, announced that he has that authority. The act says he does not; the legislative history says he does not; his own words say he does not; the courts say he does not. But now he says he does have such authority, and he defies you and he defies the world to say he does not.

His staff told him he did not have such power; he marched forward this time to smear them in a public hearing before the Senate as "victims of industry." His colleagues told him he did not; he smeared them with whispers as "tools of industry."

Mr. Olds frequently defends his position by reciting certain dicta from a Supreme Court decision. There has been no Supreme Court decision on this point, Mr. President, because Mr. Olds, while speaking boldly and nobly, has not dared invoke this authority he says he has, and therefore no test has come. But there is one Supreme Court opinion Mr. Olds does not quote, an opinion handed down on June 20, 1949, the last decision day of the Court, about the section of the Natural Gas Act which Mr. Olds uses to base his claim to new and sweeping powers. Let me read a few lines:

> To accept these arguments springing from power to allow interstate service, fix rates, and control abandonment would establish wide control by the Federal Power Commission over the production and gathering of gas. It would invite expansion of power into other phases of the forbidden area. It would be an assumption of powers specifically denied the Commission by the words of the act as explained in the report and on the floor of both Houses of Congress. The legislative history of this act is replete with evidence of the care taken by Congress to keep the power over the production and gathering of gas within the States.

Then the Court adds, almost as though it were speaking directly to Leland Olds:

> Failure to use such an important power for so long a time indicates to us that the Commission did not believe the power existed. In the light of that history we should not by extravagant, even if abstractly possible, mode of interpretation push powers granted over transportation and rates so as to include production.

That is the plain language of the Court; the language Mr. Olds avoids mentioning today. By an "extravagant * * * mode of interpretation" he would push his powers to include production. That is what he wanted to do; that is what he intends to do when the Congress adjourns.

No, Mr. President, I do not intend to argue here whether there should be Federal control of production. That can and should be settled as a legislative matter; but Leland Olds does not want it settled by legislation; he wants it settled on his own terms, in his own way, by this vote on his confirmation. Leland Olds has issued his order; he wants this vote to vindicate either his judgment, if he is confirmed, or his self-announced virtue, if he is not confirmed.

I ask the Senate to remember that never in the history of Congress, has there been a word of debate to decide what manner of regulation should be

invoked over producers of the commodity of natural gas. Leland Olds is willing to venture forth without a syllable of intent from Congress to guide him; his form of regulation would be entirely his own creation. What form would the Olds' one-man law take? Let me read you the man's own words:

> We are not talking in regulation about what the commodity is worth. We are talking about regulation, as nearly as possible, on a cost basis.

Yes, Mr. President, Leland Olds has no interest in the value of a commodity, no interest in what it is worth. Even in instances of nationalization, as I understand such theories, owners are paid what their property is worth. Even in condemnation cases, value—not cost—is allowed those deprived of their property. I know no better description of the ultimate result of Leland Olds' self-made law than the ugly word confiscation.

Mr. President, whenever one man undertakes to make law himself with no sanction or mandate other than his own conceit, the result will always be the destruction of carefully conceived protections or private rights and freedoms. The Senate and the House are here to prevent this inevitable result of man-made law. Our Nation is represented here geographically so that resources and conditions peculiar to certain regions will not be abused and destroyed by the caprice of any one man's bias and prejudice and limited knowledge and ignorance.

I know of no Member in this Chamber who wants to abolish effective and alert Federal regulation in the utility field. But I know of no Member here, either, who would now cast his vote in favor of the far-reaching change in our fundamental regulatory law which Leland Olds proposes. If Senators wish to sanction this change in the law of the land, Leland Olds, by his conduct, now affords them the opportunity to do so by voting for his confirmation tonight.

Because of his bias, because of prejudice, and by his design Mr. Olds has departed from the law. Henceforward, his actions will have no roots in the will of the people, as expressed through their legislative representatives. The policies he now proposes are policies without sanction from Congress or from the people. These policies are a national concern, for Leland Olds has chosen to aim his attack at a fundamental tenet of the American system: the delicate line that distinguishes properly regulated private ownership from totally regulated public ownership. If there is to be a change in this tenet, it is a change for the Congress to decide, not a change for Leland Olds to make arbitrarily and underhandedly as an agent of Congress.

What Mr. Olds has done with this law, he can, in time, do with other laws. His confirmation now is all that stands between him and a clear-cut mandate to readjust the laws of the land to meet his philosophies. His Commission staff is intimidated by his public denunciations; his fellow Commissioners have been discredited and abused; his congressional opponents have been or are being attacked by artful smears; he commands a tireless political clan stretching from State to State, loosing abuse upon any man who fails to acquiesce in the whims of Leland Olds. His 10 years on the Commisision have not been wasted. In his own way, through his own devices, Leland Olds has built for the day when he could force a test of his strength. The day of that test has come.

This, Mr. President, is not an occasion in which a powerful Senate holds sway over a helpless, mild public servant; this is clearly an occasion when the Senate must determine whether it shall retain its right to help make the laws of the land or whether that privilege shall be forfeited to Leland Olds.

I have spoken, thus far, only of Leland Olds as he is in 1949; I have spoken from the record, the record of his 10 busy years on the Federal Power Commission. What I have presented is in itself sufficient reason, I believe, for every Senator to hesitate before embracing this man, and giving to him the sanction he seeks to operate beyond and above the law, the Congress, and the people.

If there still be doubts in Senators' minds, then I invite them to look back through the years and observe this man as he has moved and worked throughout his life.

Mr. Olds and Mr. Olds' partisans have, cleverly and wisely for their purpose, sought to obscure portions of his record by crying loudly about irrelevancy. I would not want any Senator to vote feeling that the last 10 years of this record had been taken out of context; I prefer that every Member know the long, full continuity of Mr. Olds' career, in 1939, in 1929, as well as in 1949.

To my colleagues on this side of the aisle, I invite attention to Leland Olds' record as a Democrat. Much has been made of his importance to the Democratic Party. It is an importance and affection he has never reciprocated.

In 1924, Leland Olds left the Democratic Party, if he was ever a member, to vote for Senator Bob La Follette.

In 1928, Leland Olds left the Democratic Party, if he was ever a member, to vote for Herbert Hoover.

Let me read to the Senate Leland Olds' own words written about the Democratic Party and the Democratic Party candidate, Al Smith, in 1928:

> A vote for Smith and the Democratic Party in the present campaign means a vote for the continued confusion of the electorate on the basic issue. The liberal press of the country appears to have been misled by Smith's catch phrases. Capitalist strategy has again been too much for those would-be progressives.
>
> Hoover stands preeminently as the leader of progressive capitalism. Comparison of his speeches with those of Al Smith reveals this. Hoover has a keen understanding of capitalist evolution, that is noticeably lacking in Smith.
>
> With the same progressive purpose labor can vote for either Hoover or Thomas, but not for Smith. Hoover represents the trend from the anarchy of competing private capitalists to a planned economic order with a responsible capitalist government integrated on a national scale. Thomas represents the trend apparent in the new program of the British Labor Party toward gradual control by the workers of this recently coordinated industrial order through progressive nationalization to its fundamental activities. * * * The election must mark the beginning of the end of the Democrats if it is to be a forward step for the workers.

Yes, Mr. President, Mr. Olds recommends a vote for Hoover and the planned economic order or Norman Thomas and progressive nationalization, but he says, do not vote for Al Smith and the Democratic Party—the party from which he now exacts such a high order of support and loyalty.

In 1938, Leland Olds left the Democratic Party to become active in the American Labor Party, the party which has produced for us the Marcantonios and others today.

Here he found a forum—at the crest of the wave—to command an audience. In that year, the American Labor Party called upon Leland Olds as keynote speaker for its convention. Let me read to the Senate an excerpt from Mr. Olds' keynote address:

> The Labor Party is the response to the political awakening that is shaking the foundations of old political machines, which, while giving lip service to their problems, to the needs of the people, were in reality willing tools of the financial power that ruled America and made its democracy a sham.

That was the line of Mr. Olds then, less than 1 year before he was nominated as a Democrat to the Federal Power Commission. I now invite attention to this: On June 22, 1939, Leland Olds' nomination to the Power Commission was approved by the Senate. On September 18, 1939, Mr. Olds resigned from the American Labor Party. Why? Let me read the explanation in Mr. Olds' own words from a letter he addressed to Mr. William Barlo, in Nyack, N. Y.:

> DEAR BILL: Owing to my change in residence as well as occupation, I feel that I should resign as chairman of the Rockland County branch of the American Labor Party.

Yes; Leland Olds' occupation changed, and his political affiliations changed, too. But there is no indication that his philosophy changed, then, or now. Is that irrelevant to a proper understanding of the character and methods of the man?

In 1948 Leland Olds' political record is particularly interesting, in view of subsequent history. What happened? Good Democrat Leland Olds forgot to vote.

I rather suspect that he thought Mr. Dewey would be down here, and he would tell Mr. Dewey that his Commission was a nonpartisan commission, and he had been a Republican but simply had not voted, and so forth. Here is what the record shows:

I asked Mr. Olds:

> You sent for your ballot but did not vote it?

Mr. Olds replied:

> I asked for it down here at headquarters and they said it was too late. I was very busy and let the time slip by.

I repeated:

> You did not vote in 1948?

Mr. Olds replied:

> That is correct.

Mr. President, I shall draw no conclusions; I shall not express the thought which struck me when Mr. Olds made this reply. But it occurs to me that a Democratic Commissioner, who was anticipating reappointment from a Democratic President in 1949, must have been indeed busy to have been unaware that there might be a need for his vote. It occurs to me that a man in his position who failed to vote is not my idea of a good citizen.

If "disloyalty" to Leland Olds is a political sin, then I must plead guilty; but I will now or at any time match my loyalty to my party—the Democratic Party—against his. I do know this: In my State, loyalty to the party, in 1928, in 1938, and in 1948, was not considered irrelevant by the electorate.

As Members of the Senate are aware, there was presented to the subcommittee a considerable collection of writings from Mr. Olds' pen in the period of the late twenties. The text of these writings has also been dismissed by Mr. Olds' partisans as irrelvant. If those writings were part of my record, I should fervently wish that I might dismiss them so easily. I should wish that I could convince whatever electorate I might submit them to, that, in reality, the writings revealed nothing of my nature, nothing of my purpose.

To some Senators the man revealed in these writings may not be disturbing; some may find no hesitancy in associating their endorsement with the man revealed in these words.

Perhaps they will consider these words the words of a judicious, open-minded man:

> Here is certainly a breach which may widen until the sanctity of private property in the capitalist sense follows the divine right of kings into discard. Inevitable changes in the economic organizations of society are exposing it as just another myth preached in the interest of a small class seeking to retain power and privilege.

Let me repeat the words of Justice Black:

> If you want to obey the spirit and letter of the law, if you want to see that men who go on great bodies of this type shall be unprejudiced and unbiased, then I claim you cannot confirm this man.

Perhaps Senators will consider these words the words of a man interested in retaining proper regulation of privately owned basic resources in preference to public ownership:

> The opposition of the United Mine Workers to competitive wages can only be made effective through the elimination of competitive private capitalism—

He does not say "reform it" or "improve it"; he says "eliminate it"—

> The miners have two alternatives: to develop along with the rest of organized labor political power sufficient to put over nationalization, or to seek control by the workers themselves under a worker government.

Again I recall the words of Justice Black, who said:

> It would be the same if he came from an environment of open hostility * * * to the industries he must regulate * * * it would not be fair to appoint him; it would be just as unjust.

Perhaps Senators will consider these words, the words of a man interested in retaining the profit system:

> But as the development of the continent approaches its limit the problem of unemployment and profitless industry will grow more ominous, the public projects will be increasingly nonessential, and a system of doles will be devised to sustain at pauper level those workers rendered permanently unnecessary unless the profit system is superseded.

I could go on. I do not wish to belabor the Senate with repetition of these articles which I hope Senators have read in full in the RECORD.

I do wish to invite attention to what Mr. Olds said of these writings, on page 291 of the hearings:

> Senator JOHNSON. Mr. Olds, do you repudiate these writings?
>
> Mr. OLDS. No, sir; I do not.
>
> Senator JOHNSON. Do you reiterate them; do you reassert them?
>
> Mr. OLDS. I am going to discuss these writings in terms of Mr. LYLE'S presentation and tell you exactly what these writings mean.
>
> Senator JOHNSON. We are going to be able to judge what they mean. We will be glad to have your viewpoint upon what they mean, but the question I want to ask you, Do you still feel as you did when you wrote these letters?
>
> Mr. OLDS. No. I have indicated that the change in the circumstances in this country and the change in my thinking that has gone along with it would lead me to write some of these articles in a somewhat different way today.

I shall not read further; the record is before the Senate. Mr. Olds spoke for an hour and a half explaining these writings. He did not repudiate these writings; he would merely give the phrases a new slant. If the thoughts in these writings were not still part of my thinking today, I believe that I could have dismissed them in a sentence—in half a minute.

I do not charge that Mr. Olds is a Communist. No member of the subcommittee made any such accusation. I realize that the line he followed, the phrases he used, the causes he espoused, resemble the party line today; but the Communist tie is not the tie that binds Leland Olds' writings of the 1920's to his doctrines of the 1940's.

It is the unmistakably clear purpose, the unmistakably clear prejudices revealed in these writings—whatever their philosophy and kinship—which rise up to haunt the record the man has made as a member of the Federal Power Commission.

Leland Olds had something in mind when he began to build his political empire across the Nation; he had something in mind when he began to smear and besmirch all those who disagreed with him; he had something in mind when he chose to force a show-down with the Senate over his power to write laws of his own; he had something in mind when he chose to disregard the clear language of the Natural Gas Act and plot a course toward confiscation and public ownership.

How else can we understand the present and decide wisely for the future if we do not first know the past?

Leland Olds was not, as some would have us believe, a mere youth when he wrote these articles. The record shows that he was 39 when his writings stopped. Shall a kid of 40 be immune to scrutiny for what he believed and wrote at that age?

Leland Olds was not, as some would have us believe, merely writing for a respected labor news service when he wrote for the Federated Press. In its 1922 convention, the American Federation of Labor adopted a resolution or report about the Federated Press saying:

> Federated Press lends itself continuously to the spreading of doctrines, subversive to the best interests of the American working people as expressed in the bona fide trade-union movement.

Leland Olds was not taking the only course open then to an American labor liberal. There were Americans of liberal views who expressed their thoughts and maintained their purpose without choosing—as did Leland Olds—to travel with those who proposed the Marxian answer. His choice was not dictated by necessity; the company he chose, he chose of his own free will.

He spoke from the same platforms with Earl Browder. He accepted subsidy from the so-called Garland Fund, a fund created and expended to keep alive Marxist organs and Marxist groups. The managing editor of Federated Press, under whom Leland Olds worked as industrial editor, was Carl Haessler, a notorious leader of party-line organizations who sat out World War I in Alcatraz as a seditionist.

By the way: He was sent to Leavenworth, and was so dangerous that he was sent to Alcatraz. When he came out he joined up with Leland Olds.

Leland Olds knew who his friends were and for what they stood.

Why did these writings stop in 1929? Because Leland Olds, the advocate—Leland Olds, the man with a purpose—found a new, more effective forum. He left his desk and went into Government service where his views and his philosophy could be expressed in action, not in words. There he has been ever since. From 1929 to 1949, discretion has stilled Leland Olds' pen; his purpose and his methods have found sanctuary in the legalistic prose of commission opinions—prose which affects many more men than the Federated Press ever affected, but prose which is read by only mere handfuls of men.

That, Mr. President, is the complete story of Leland Olds—in 1949, in 1939, in 1929. That is Mr. Olds as he is, as he was; the prologue to the future which he now seeks. Once more, let me repeat the words of Justice Black:

> Here we have a man in an environment where we know, and no man can honestly deny that he knows, that environment creates the trend of thought and develops the bent of mind.

There can be no question about the environment, the trend of thought, the bent of mind of Leland Olds. In the twenties he scoffed at private property as just another myth; in the thirties he said our democracy had been made a sham; in the forties he has intimidated his staff, discredited his fellow Commissioners, fostered a smear on Congress,

and taken the law into his own hands to substitute irresponsible confiscation for responsible regulation.

It seems to me that the issue is clear-cut: Shall Congress write the law, or shall Leland Olds write the law? Shall we have a commissioner or a commissar?

I leave the answer to the Senate, for each Member to decide in his own way, by his own standards.

I realize there are those who say that this is a party issue. There are those who believe that men who examine the record and not merely the recommendations, are not good party men. Men may believe that; some men apparently do. They may be right, but if they are right, then I am wrong.

The lash of a party line can be painful, but as for myself, I know that the lash is not so painful as the sting of a conscience which is ignored. Some men may be willing to consider loyalty a greater virtue than integrity; I do not.

I do not relish disagreeing with my President and being unable to comply with the request of the chairman of my party, but I can find no comfort in failing to do what I know, in my own mind, is right.

The subcommittee of which I was chairman examined the record thoroughly. The members of that committee voted unanimously, 7 to 0, against giving consent to this nomination.

I hope that every person who reads this RECORD through the years, when he looks at that roll call, will remember that every Senator who voted did so in the full knowledge that the seven Senators selected to hear the evidence did hear it, and recommended unanimously against confirmation.

The members of the full committee voted 10 to 2 against giving consent to this nomination. But it was the desire of the committee that each Member of the Senate have an opportunity to grant or deny consent to the nomination. the majority leader had made that request of us, and we were glad to comply.

So tonight the opportunity is before the Members of the Senate, and the full record of more than 300 pages, is before the Senate.

The judgment of the subcommittee, the judgment of the full committee, was to deny confirmation, and now it is up to the judgment of the Members of the Senate.

Mr. DOUGLAS. Mr. President, I think that in company with all the Senators I was deeply surprised and shocked by the statements which Mr. Olds made during the twenties. I should like to state that if Mr. Olds were now to hold the opinions which he then expressed, the Senate, in my judgment, should not confirm him. I think the evidence is quite clear, however, that he does not now hold those opinions, and, in my judgment, the decision which we should make should be based upon the record of the 10 years of his service on the Federal Power Commission.

Mr. Olds stated before the committee that he had changed his views. He stated that he was not at the present time and never had been a Communist, that in his opinion the very theory of Russian communism represented the negation of democracy. I think he made his present position clear and I have never heard that challenged. I am somewhat amused at the contradictory statements that in 1928 he held Communist views and yet voted for Hoover for President.

What has been Mr. Olds' 10-year record on the Commission? I submit that he has done three extremely important and useful things. In the first place, he followed up the decisions of the Supreme Court which made prudent investment the main standard for the valuation of public utilities. He has followed that prudent investment test, and by applying it has eliminated approximately $1,250,000,000 of water from the capital accounts of the utility companies of the country. Incidentally, this has greatly simplified all of public-utility accounting since it has removed the necessity for continuously recomputing reproduction cost as price levels shift.

Secondly, as a result of the rulings of the Commission, electricity and gas rates have been reduced at the rate of $45,000,000 a year, so that to date the total savings to the consumers have been approximately $250,000,000.

In the third place, he took office in 1939, at the time when there was a great power shortage in comparison with the war needs which were quickly coming upon us. Not everyone was aware of that power shortage. There were many who said there was not a power shortage, and those who will examine the record will find that Mr. Olds was largely responsible for pushing through the program of expanded power development, and it was that expanded power development which in large part made it possible for us to develop the energy which won the war.

So far as I know, no charge has been made that Mr. Olds has put either Communists or fellow travelers on the staff of the Federal Power Commission. I have tried to check privately on this matter, and while of course no evidence is conclusive, so far as I can find out, informed observers say that such a charge could not be substantiated.

The utilities have done well during the 10 years Mr. Olds has been Chairman of the Commission. Yesterday the Senator from Montana [Mr. MURRAY] put into the RECORD a statement of the earnings of the oil and gas companies which sold large volumes of gas to interstate pipe lines during the last 3 years. Those earnings were very striking. In these 3 years, as I remember, they earned roughly 69 percent upon their book value. The electrical utility companies have also done well in these 10 years.

Mr. CAPEHART. Mr. President, will the Senator yield for one short question?

Mr. DOUGLAS. I have only a limited time.

Mr. CAPEHART. Are there not four other members on the Commission?

Mr. DOUGLAS. Yes.

Mr. CAPEHART. I thank the Senator.

Mr. DOUGLAS. The utilities have done well, and the public has been protected. I think much greater confidence has been given to the American system of regulation, and it seems to me that on that basis Mr. Olds has been a good public servant.

Mr. President, anyone who takes up the job of regulating the private utilities lets himself in for a lot of trouble. If he goes along and gives opinions which the private utilities like, he is certain of a stable future. No attacks will be made on him in the press. If he is reappointed, he will in all probability be confirmed. Even if he does pass out from the Commission, there is always a safe job waiting for him in the employ of some private company. He is taken care of and his future is assured.

If, on the other hand, he tries to defend the public interest, he can be certain that attacks will be leveled against him. I do not wish to reflect on the motives of any of the Senators who are opposing Mr. Olds' confirmation. I believe them to be sincere men. I merely wish to point out that one has an extremely hard road if he tries to protect the public interest, because he will then have thrown against him all the pressure possible; his entire private record will be looked into, and anything improper he may have done or said will be dragged out into the light of day. I ask Senators to remember that as they pass judgment.

Reference has been made to the gas case. It has been said that the Commission under Mr. Olds' influence has exceeded its constitutional powers in trying to regulate the price at which gas is sold to the pipe-line companies, and that this is an arbitrary act on their part. I call the attention of the Senate to the case of *Interstate Gas Co.* v. *Power Commission* (331 U. S., 682 at p. 692), in which the court held that these sales of natural gas to the pipe-line companies were matters for national regulation. Mr. Olds in handing down the opinions which he has, was certainly acting within the confines of the statute and of this decision of the Supreme Court as given in 1947. Let me quote from that decision:

> It cannot be doubted that their regulation is predominately a matter of national as contrasted with local concern. * * * Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers of the gas including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed.

I am frank to say that some Senators have taken unnecessary abuse for the part which they have played in sponsoring the bill to exempt these sales from regulation. I think the matter is a debatable issue. It is one upon which equally honest men may differ. Very frankly I think it is an issue which should be settled by Congress, and I hope very much that we may debate the so-called Kerr bill on the floor of the Senate, and that we may reach a decision upon it. I have not wanted that bill to pass without debate, and so when it has come up on the call of the calendar I have offered objections to it. But similarly I do not want to see it smothered without debate. I want to see that question threshed out on the floor of the Senate and the decision made by the Senators,

because I believe it is sufficiently important for us to pass upon.

But I do not see why Mr. Olds should be punished for trying to carry into effect a statute passed by Congress as interpreted by a ruling of the Supreme Court. We should settle this issue ourselves rather than punish a man who in other respects, so far as his public record is concerned, has shown that he has given good service to the United States.

Mr. President, I have a personal feeling about this appointment, because it so happens that Mr. Olds' father was a dearly beloved friend of mine and was almost like a second father to me. Mr. Olds' father was George D. Olds, who for nearly 50 years was professor of mathematics, dean, and president of Amherst College. For about 3 or 4 years I alternated between the University of Chicago and Amherst College, and I got to know Mr. Olds very well. I lived in his home. He befriended me. I got to know him very intimately. I can say this, that no more honorable man ever lived than George Olds. He taught generations of Amherst students to be not only good mathematicians but to be true and noble men. The Amherst students adored him, and I used to meet many of them, young and old, at Mr. Olds' home.

The PRESIDENT pro tempore. The time of the Senator from Illinois has expired.

The Senator from Texas [Mr. JOHNSON] has two more minutes.

Mr. JOHNSON of Texas. Mr. President, I yield my time to the Senator from Illinois.

Mr. DOUGLAS. I thank the Senator from Texas.

Among those students who adored President Olds were Calvin Coolidge, Harlan Stone, and Dwight Morrow—two of these were certainly very great men, and one of them was at least a man with good intentions. Now knowing that family as I do, knowing the father as I did, knowing the background in which Leland Olds grew up, I feel that a boy growing up in that noble environment, while he may have made mistakes at times, fundamentally was trying to serve the United States and in the crucial matters of life can be trusted. And on the basis of his 10 years' of service on the Commission, his nomination should be confirmed.

The PRESIDENT pro tempore. The hour of 12:15 a. m. having arrived, under the unanimous consent agreement the vote on the confirmation of the nomination of Leland Olds will be taken.

The question is, Will the Senate advise and consent to the nomination of Leland Olds, of New York, to be a member of the Federal Power Commission.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. AIKEN (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. TAFT], who was obliged to leave the Senate Chamber a little while ago. If he were present he would vote "nay," and if I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. HAYDEN (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. He is absent because of a death in his family. If he were present he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. HUNT (when his name was called). On this vote I have a pair with my colleague, the senior Senator from Wyoming [Mr. O'MAHONEY]. If he were present he would vote "yea." If I were permitted to vote I would vote "nay." Therefore I withhold my vote.

Mr. STENNIS (when his name was called). On this vote I have a pair with the senior Senator from New Mexico [Mr. CHAVEZ], who, if present, would vote "yea." If I were permitted to vote I would vote "nay." Under the circumstances I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Alabama [Mr. HILL] is absent on official business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are members of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and are therefore necessarily absent.

The Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Iowa [Mr. GILLETTE] is paired on this vote with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Iowa would vote "yea," and the Senator from Vermont would vote "nay."

The Senator from Tennessee [Mr. KEFAUVER] is paired on this vote with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Ohio would vote "nay."

The Senator from Montana [Mr. MURRAY] is paired on this vote with the Senator from Nebraska [Mr. BUTLER]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Nebraska would vote "nay."

The Senator from Florida [Mr. PEPPER] is paired on this vote with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Florida would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Idaho [Mr. TAYLOR] is paired on this vote with the Senator from Kansas [Mr. REED]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Kansas would vote "nay."

The Senator from Utah [Mr. THOMAS] is paired on this vote with the Senator from New Jersey [Mr. SMITH]. If present and voting, the Senator from Utah would vote "yea," and the Senator from New Jersey would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] who is absent on official business with leave of the Senate is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from Tennessee would vote "yea."

The Senator from New Jersey [Mr. SMITH] who is absent on official business with leave of the Senate is paired with the Senator from Utah [Mr. THOMAS]. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Utah would vote "yea."

The Senator from New Hampshire [Mr. TOBEY] who is necessarily absent is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Florida would vote "yea."

The Senator from Nebraska [Mr. BUTLER] who is absent on official business with leave of the Senate is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from Montana would vote "yea."

The Senator from Vermont [Mr. FLANDERS] who is absent on official business will leave of the Senate is paired with the Senator from Iowa [Mr. GILLETTE]. If present and voting, the Senator from Vermont would vote "nay" and the Senator from Iowa would vote "yea."

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] is necessarily absent and his pair has been previously announced by the Senator from Vermont [Mr. AIKEN].

The Senator from Kansas [Mr. REED] who is absent by leave of the Senate is paired with the Senator from Idaho [Mr. TAYLOR]. If present and voting, the Senator from Kansas would vote "nay," and the Senator from Idaho would vote "yea."

The result was announced—yeas 15, nays 53, as follows:

YEAS—15

Anderson	Green	McMahon
Douglas	Humphrey	Magnuson
Downey	Kilgore	Morse
Ellender	Langer	Myers
Graham	Lucas	Neely

NAYS—53

Baldwin	Hoey	Martin
Brewster	Holland	Maybank
Bridges	Ives	Millikin
Byrd	Jenner	Mundt
Cain	Johnson, Colo.	O'Conor
Capehart	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Russell
Connally	Kem	Saltonstall
Cordon	Kerr	Schoeppel
Donnell	Knowland	Smith, Maine
Dulles	Leahy	Thomas, Okla.
Ecton	Lodge	Thye
Ferguson	Long	Watkins
Fulbright	McCarthy	Wherry
George	McClellan	Wiley
Gurney	McFarland	Williams
Hendrickson	McKellar	Young
Hickenlooper	Malone	

NOT VOTING—27

Aiken	Hill	Sparkman
Bricker	Hunt	Stennis
Butler	Kefauver	Taft
Chavez	McCarran	Taylor
Eastland	Murray	Thomas, Utah
Flanders	O'Mahoney	Tobey
Frear	Pepper	Tydings
Gillette	Reed	Vandenberg
Hayden	Smith, N. J.	Withers

So the Senate refused to advise and consent to the nomination of Leland Olds, of New York, to be Federal Power Commissioner.

ADDITIONAL BILL INTRODUCED

Mr. DULLES, as in legislative session, and by unanimous consent, introduced a bill (S. 2679) for the relief of Alexander Czukor and certain other aliens, which was read twice by its title, and referred to the Committee on the Judiciary.

LEAVE OF ABSENCE

Mr. McCLELLAN and Mr. STENNIS asked and obtained consent to be absent for the remainder of the session, on official business.

CHRISTOPHER COLUMBUS

Mr. LUCAS. Mr. President, I have a brief statement on Christopher Columbus which I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LUCAS ON CHRISTOPHER COLUMBUS

Mr. President, we mark today as one of the most important dates in the history of the world—the day when a great Catholic mariner from Genoa, Italy, discovered America.

Out of that immortal voyage of Christopher Columbus, and the exploration of those who followed him, came the development of the new world and a new chapter in the creative history of mankind.

Through the discovery of Columbus, America and Italy have been linked by many ties. Columbus was only the first of millions of intrepid Italians who came to America and contributed their great gifts of ingenuity, initiative, and energy to the rise of the United States as a world power.

Today we are helping the brave people of Italy to recover from the devastating effects of a war which was forced upon them by a dictator who arbitrarily seized power from the Italian people.

Italy has been one of the most active participants in the Marshall plan, and every observer has reported that the Italian people have made the most remarkable strides in recent years, the most astonishing resurgence and reconstruction of any nation in Europe.

The administrators of the Economic Cooperation Administration are in general agreement that the Italian Government is using Marshall plan funds to excellent advantage. The Italian Government is guided by a Christian Prime Minister, who has a high concept of statesmanship, and the Italian people have overwhelmingly rejected the Communists who deceived and betrayed them.

In many ways, Italy is the key to the future of Europe. Italy has the oldest civilization of any nation on the Continent. It is the seat of one of the great churches of the world. It also is the place where the ideas of democracy and the ideas of totalitarian communism are in direct and ceaseless combat.

Mr. President, I believe that Columbus Day is a fitting time to salute the people of Italy, who have endured great suffering with great fortitude, who have helped to guard the gates of civilization against the Red tides, and who are helping to build a peaceful and prosperous Europe.

ADJOURNMENT

Mr. LUCAS. Mr. President, as in legislative session, I move that the Senate adjourn until 12 o'clock noon today.

The motion was agreed to; and (at 12 o'clock and 24 minutes a. m., on Thursday, October 13, 1949) the Senate adjourned until 12 o'clock meridian the same day.

NOMINATIONS

Executive nominations received by the Senate October 12 (legislative day of September 3), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Mrs. Eugenie Anderson, of Minnesota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

POST OFFICE DEPARTMENT

Vincent C. Burke, of Kentucky, to be Deputy Postmaster General. (New position authorized in sec. 2 of Reorganization Plan No. 3 of 1949.)

SECURITIES AND EXCHANGE COMMISSION

Edward T. McCormick, of Arizona, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952, vice Edmond M. Hanrahan.

Donald C. Cook, of Michigan, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1954.

IN THE COAST GUARD

Rear Adm. Merlin O'Neill to be Commandant, with the rank of vice admiral, in the United States Coast Guard, for a term of 4 years, in place of Admiral Joseph F. Farley who will retire upon the expiration of his term on December 31, 1949.

The following-named officer to be a rear admiral in the United States Coast Guard:

Louis W. Perkins

CONFIRMATIONS

Executive nominations confirmed by the Senate October 12 (legislative day of September 3), 1949:

COLLECTOR OF CUSTOMS

James E. Manahan to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

DISPLACED PERSONS COMMISSION

TO BE MEMBERS OF THE DISPLACED PERSONS COMMISSION, FOR A TERM ENDING JUNE 30, 1951

Ugo Carusi
Edward M. O'Connor
Harry N. Rosenfield

JUDGES OF UNITED STATES CIRCUIT COURT OF APPEALS

Walter C. Lindley to be judge of the United States Court of Appeals for the Seventh Circuit.

John C. Pickett to be judge of the United States Court of Appeals for the Tenth Circuit. (New position.)

UNITED STATES DISTRICT JUDGES

Casper Platt to be United States district judge for the eastern district of Illinois.

Ben C. Connally to be United States district judge for the southern district of Texas. (New position.)

Hon. James V. Allred to be United States district judge for the southern district of Texas. (New position.)

UNITED STATES ATTORNEYS

Joseph A. McNamara to be United States attorney for the district of Vermont.

Timothy T. Cronin to be United States attorney for the eastern district of Wisconsin.

Charles H. Cashin to be United States attorney for the western district of Wisconsin.

UNITED STATES MARSHAL

Herbert I. Hinds to be United States marshal for the eastern district of Oklahoma.

REJECTION

Executive nomination rejected by the Senate October 12, 1949:

FEDERAL POWER COMMISSION

Leland Olds to be a member of the Federal Power Commission for the term expiring June 22, 1954.

SENATE

THURSDAY, OCTOBER 13, 1949

The Senate met at 12 o'clock meridian.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in the heat and burden of the days that drain our strength and demand our best, at noontide we would find the springs by the wayside that flow from the eternal silence of the Most High. For, as the hart panteth after the water brooks, so thirsteth our souls after Thee, O God. May we not miss the wells of living water whose elixir alone can refresh and restore our bodies and spirits from physical exhaustion and from spiritual impoverishment.

Save us from the numbness of routine and from all bitterness of heart. Override the errors of our faulty judgments. Through the sincere expression of differing appraisals may the final wisdom that charts the Nation's course in these perilous days be higher than our own. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, October 12, 1949, was dispensed with.

LEAVE OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. CHAVEZ was excused from attendance on the Senate for the remainder of the session, because of official business.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Connally	Fulbright
Anderson	Cordon	George
Baldwin	Donnell	Graham
Brewster	Douglas	Green
Bridges	Downey	Gurney
Byrd	Eastland	Hayden
Cain	Ecton	Hickenlooper
Capehart	Ellender	Hill
Chapman	Ferguson	Hoey

Holland	Long	O'Conor
Humphrey	Lucas	O'Mahoney
Hunt	McCarthy	Pepper
Ives	McFarland	Russell
Jenner	McKellar	Saltonstall
Johnson, Colo.	McMahon	Schoeppel
Johnson, Tex.	Magnuson	Smith, Maine
Johnston, S. C.	Malone	Thomas, Okla.
Kem	Martin	Thomas, Utah
Kerr	Maybank	Thye
Kilgore	Millikin	Watkins
Knowland	Morse	Wherry
Langer	Mundt	Wiley
Leahy	Myers	Williams
Lodge	Neely	Young

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Tennessee [Mr. KEFAUVER] and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are members of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and are therefore necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. HENDRICKSON], the Senator from Ohio [Mr. TAFT], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, is the Senate in the morning hour?

The VICE PRESIDENT. Yes. The order of business is the presentation of petitions and memorials.

Mr. WHERRY. Will there be a call of the calendar?

The VICE PRESIDENT. Not necessarily.

Mr. WHERRY. I wonder if the majority leader would like to state whether there will be another call of the calendar for the consideration of bills to which there is no objection, sometime between now and the end of the session.

Mr. LUCAS. The Senator is correct.

HOUSING RESOLUTIONS OF CONVENTION OF AMERICAN FEDERATION OF LABOR

Mr. DOUGLAS. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD for the information of Senators, housing resolutions just approved by the Sixty-eighth Convention of the American Federation of Labor, in St. Paul, Minn.

There being no objection, the resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

HOUSING RESOLUTIONS CARRIED UNANIMOUSLY BY SIXTY-EIGHTH CONVENTION OF THE AMERICAN FEDERATION OF LABOR, ST. PAUL, MINN., OCTOBER 3, 1949

SPARKMAN-SPENCE HOUSING BILL

Whereas housing continues to be one of the most critical problems facing the American people; and

Whereas the woefully inadequate record of the private building industry still leaves us with an accumulated shortage of at least 10,000,000 homes and with a minimum requirement of 15,000,000 homes to be built within the next 10 years; and

Whereas 10,000,000 families in the United States are still living under overcrowded and substandard housing conditions; and

Whereas the Housing Act of 1949, which makes possible for the first time construction of adequate homes for low-income families, still leaves 40 percent of American families with incomes of $2,000 to $3,750, the so-called moderate-income families, largely untouched by any housing legislation; and

Whereas these families, which include most workers and their families, have incomes too high to be eligible for public housing and too low to be able to afford the houses now being built by private builders; and

Whereas there was introduced in the Eighty-first Congress a middle-income housing bill specifically designed to meet the housing needs of moderate-income families; and

Whereas because the middle-income housing bill has come up for consideration so late in the session, this cooperative-housing part of the bill has been withdrawn and introduced as a separate bill; and

Whereas this bill will provide long-term direct loans at a low interest rate—entirely without subsidy—to cooperative-housing groups and other nonprofit housing projects organized by and for union members, veterans, and other moderate-income families; and

Whereas this program would bring the cost of housing down to about $50–$60 a month, an amount which moderate-income families can afford: Therefore be it

Resolved, That the American Federation of Labor in convention assembled at St. Paul, Minn., go on record as calling upon the Congress to enact at the earliest possible moment the cooperative-housing bill for moderate-income families which would make it possible for thousands of average American families to secure decent housing for family living, and would thereby round out a truly comprehensive housing program to meet the needs of every group in America.

URGE IMMEDIATE ACTION BY HOUSING AUTHORITIES

Whereas the benefits of slum clearance and public housing have become obvious to the members of the A. F. of L. unions, many of whom have directly benefited from past activities of the Federal and local housing authorities; and

Whereas the increased population of the State has added to the problem of limited housing; and

Whereas many of the present housing authorities of California cities and counties have indicated their opposition to further public housing or slum clearance in this State; and

Whereas said housing authorities have failed to submit requests for Federal-aid loans as provided by the recent Federal housing law, thereby deliberately depriving California workers and citizens of their right to decent housing and slum clearance; and

Whereas requests for aid become void within 90 days from the date that application blanks are received from the Government by the local housing authorities: Therefore be it

Resolved, That the Sixty-eighth Convention of the American Federation of Labor go on record urging the housing authorities of all cities and counties in California and elsewhere in the Nation to take immediate necessary action to secure loans allotted by Federal law to obtain the housing units so urgently needed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 627. A bill for the relief of Southern Fireproofing Co., of Cincinnati, Ohio; with an amendment (Rept. No. 1168); and

H. J. Res. 238. Joint resolution to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; without amendment (Rept. No. 1167).

By Mr. WILEY, from the Committee on the Judiciary:

S. 1739. A bill to amend section 4934 of the Revised Statutes (U. S. C., title 35, sec. 78), as amended, to permit public libraries of the United States to acquire back copies of United States letters patent, and for other purposes; without amendment (Rept. No. 1170);

S. 2328. A bill to increase the number of examiners in chief in the Patent Office, and for other purposes; with amendments (Rept. No. 1172); and

S. 2433. A bill to increase the fee for appeal to the Board of Appeals in the Patent Office; without amendment (Rept. No. 1171).

By Mr. RUSSELL, from the Committee on Armed Services:

H. R. 3155. A bill to amend Public Law 885, Eightieth Congress, chapter 813, second session; without amendment (Rept. No. 1173).

INVESTIGATION OF ATOMIC ENERGY COMMISSION—REPORT OF JOINT COMMITTEE ON ATOMIC ENERGY

Mr. McMAHON. Mr. President, from the Joint Committee on Atomic Energy, I submit, pursuant to law, a report of an investigation into the United States Atomic Energy Commission, and I ask that it be printed.

The VICE PRESIDENT. The report will be received and printed.

PRINTING OF MANUSCRIPT ENTITLED "A DECADE OF AMERICAN FOREIGN POLICY: BASIC DOCUMENTS, 1941–49"

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Concurrent Resolution 60, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Con. Res. 60), submitted by Mr. CONNALLY on August 2, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–49," prepared at the request of the Senate Foreign Relations Committee by the staff of the Committee and the Department of State, be printed as a Senate document, and that

1,000 additional copies shall be printed for the use of the Committee on Foreign Relations of the Senate.

FUNERAL EXPENSES OF FORMER SENATOR MILLER, OF IDAHO

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 183 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 183) submitted by Mr. TAYLOR on October 11, 1949, and referred to the Committee on Rules and Administration was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. BERT H. MILLER, late a Senator from the State of Idaho, on vouchers to be approved by the Committee on Rules and Administration.

EMMA SHEWELL

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 181 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 181) submitted by Mr. HENDRICKSON on October 6. 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Emma Shewell, widow of Robert M. Shewell, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 176 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 176) submitted by Mr. O'MAHONEY on September 29, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Committee on Interior and Insular Affairs hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON BANKING AND CURRENCY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 175, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 175), submitted by Mr. MAYBANK on September 28, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Committee on Banking and Currency hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 179, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 179), submitted by Mr. JOHNSTON of South Carolina, on October 5, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $3,000 (in addition to amounts heretofore made available for such purposes), shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

HEARINGS BEFORE COMMITTEE ON POST OFFICE AND CIVIL SERVICE—INCREASE IN LIMIT OF EXPENDITURES

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 167, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 167), submitted by Mr. JOHNSTON of South Carolina, on September 14, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Committee on Post Office and Civil Service hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

ADDITIONAL FUNDS FOR USE OF COMMITTEE ON JUDICIARY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 177 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 177) reported by Mr. KILGORE, from the Committee on the Judiciary, on October 3, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Committee on the Judiciary hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

Mr. WHERRY. Mr. President, I did not entirely understand for which committee the additional funds are to be provided.

Mr. HAYDEN. For the Judiciary Committee.

Mr. WHERRY. For the entire committee?

Mr. HAYDEN. Yes.

Mr. WHERRY. I have no objection.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 185, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 185), submitted by Mr. MCKELLAR on October 11, 1949, and referred to the Committee on Rules and Administration, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amounts, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946, and Senate Resolution No. 126, agreed to June 22, 1949.

INVESTIGATION OF NATIONAL HEALTH PROBLEMS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 184, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, does the resolution relate to a special committee?

Mr. HAYDEN. It relates to the Committee on Labor and Public Welfare. The Senator from Utah [Mr. THOMAS] explained it to us yesterday. The investigation will be conducted by a subcommittee of the Committee on Labor and Public Welfare, on which the Senator from Ohio [Mr. TAFT] and other members of the full committee will serve.

Mr. WHERRY. What is the amount involved?

Mr. HAYDEN. Ten thousand dollars.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 184) submitted by Mr. MURRAY on October 11, 1949, and referred to

the Committee on Labor and Public Welfare, was considered and agreed to, as follows:

Resolved, That the Senate Committee on Labor and Public Welfare is hereby authorized and directed through the Subcommittee on Health of the said committee to—

(a) Continue its study of the health problems of the Nation and of legislative proposals relating thereto which have been referred to the said subcommittee, which study shall be primarily concerned with ascertaining the full extent and nature of existing national health problems and the action, if any, which the Federal Government should take in relation to said problems;

(b) Consult, in the course of such study, with Federal agencies administering health and related programs, with such other legislative committees of the Senate as are concerned with related matters, and with such other agencies, organizations, or persons as the subcommittee may desire to consult;

(c) Report to the Senate not later than March 15, 1950, the results of the study, together with such proposed legislation, if any, and such other recommendations as the subcommittee may deem desirable.

SEC. 2. (a) The Senate Committee on Labor and Public Welfare, through the said Subcommittee on Health, is authorized to sit and act at such times and in such places during the sessions, recesses, and adjourned periods of the Eighty-first Congress, to employ such consultants, clerical, and other assistance; to procure such printing and binding; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; and to make such expenditures within the limits below set forth as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The expenses incurred under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF INFESTATIONS BY EUROPEAN CORN BORER

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without additional amendment, Senate Resolution 158, submitted on August 22, 1949, by the Senator from Iowa [Mr. HICKENLOOPER], for himself and the Senator from Minnesota [Mr. THYE]. I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution, which had been reported previously from the Committee on Agriculture and Forestry with an amendment, on page 1, to strike out all after the resolving clause, and insert:

That the Commitee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make, in affected areas and such other places as it deems fit, a full and complete study and investigation of current infestations by the European corn borer. The committee shall report to the Senate the results of such study and investigation, together with its recommendations, at the earliest practicable date.

SEC. 2. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eighty-first Congress to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendment was agreed to.

The resolution as amended was agreed to.

INVESTIGATION OF MEANS OF STIMULATING EXPORTS OF SURPLUS AGRICULTURAL COMMODITIES

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, with an amendment, Senate Resolution 173, submitted on September 21, 1949, by the Senator from New Mexico [Mr. ANDERSON]. I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. I take it that this resolution, as well as the other resolutions which have been considered just now, relate to investigations by standing committees of the Senate; and I assume that if any of the resolutions call for the creation of special committees, attention will be directed to that fact.

Mr. HAYDEN. Yes. No special committees are created by any of these resolutions. The resolutions relate to investigations by regular committees or subcommittees thereof.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Adminstration with an amendment, in line 9, after the word "expend", to insert "from the contingent fund of the Senate upon vouchers approved by the Chairman of the committee", so as to make the resolution read:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, be authorized and directed to investigate ways and means of stimulating the exports of surplus agricultural commodities and to submit recommendations for appropriate legislation to the Eighty-first Congress.

For the purpose of the inevstigation the Committee is authorized to employ a staff of competent assistants and to expend from the contingent fund of the Senate upon vouchers approved by the Chairman of the committee a sum not in excess of $25,000.

The amendment was agreed to.

The resolution as amended was agreed to.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

Ernest W. Gibson, of Vermont, to be United States district judge for the district of Vermont, vice James P. Leamy, deceased.

By Mr. MAGNUSON, from the Committee on the Judiciary:

Harry C. Westover, of California, to be United States district judge for the southern district of California, to fill a new position; and

James M. Carter, of California, to be United States district judge for the southern district of California, to fill a new position.

By Mr. RUSSELL, from the Committee on Armed Services:

Donald I. Abbott, and sundry other persons for appointment in the Regular Army of the United States;

Harold C. Stuart, of Oklahoma, to be Assistant Secretary of the Air Force;

Stuart McCall Abrams, and sundry other officers for promotion in the United States Air Force;

Vice Adm. Harold B. Sallada, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral;

Billie J. Cartwright, and sundry other persons for appointment or promotion in the Navy; and

Harry M. Alker, and sundry other officers of the Naval Reserve on active duty, for permanent appointment in the Navy.

By Mr. LODGE, from the Committee on Foreign Relations:

Executive F, Eighty-first Congress, first session, a protocol prolonging, for 1 year after August 31, 1948, the international agreement regarding the regulation of production and marketing of sugar, signed at London on May 6, 1937 (EX. Rept. No. 13).

Mr. WHERRY. Mr. President, on behalf of the Senator from Mississippi [Mr. EASTLAND] and myself, I send to the desk a resolution and ask that it be read.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. I should like to know the nature of the resolution, and whether or not it is proper at this time to have a resolution read in the morning hour.

The VICE PRESIDENT. If it is a simple resolution it would come under the next heading. It is not now in order. The present order of business is the introduction of bills and joint resolutions.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOUGLAS:

S. 2680. A bill for the relief of Mali Sobel and Igo Sobel; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. LODGE):

S. 2681. A bill to authorize the attendance of the United States Marine Band at a celebration commemorating the one hundred and seventy-fifth anniversary of the Battle of Lexington, to be held at Lexington, Mass., April 16 through 19, inclusive, 1950; to the Committee on Armed Services.

By Mr. DONNELL:

S. 2682. A bill for the relief of Naum Ionescu and his wife; to the Committee on the Judiciary.

By Mr. IVES:

S. 2683. A bill for the relief of Philareti (Filareti) J. Siotkas; to the Committee on the Judiciary.

By Mr. MYERS:

S. 2684. A bill for the relief of Constantinos George Georgiades; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2685. A bill to extend for a period of 5 years the education and training provisions of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Labor and Public Welfare.

By Mr. GURNEY:

S. 2686. A bill to provide for the conveyance to and administration by the State of South Dakota of submarginal lands in such State which were acquired by the Secretary of Agriculture under title III of the Bankhead-Jones Farm Tenant Act; to the Committee on Agriculture and Forestry.

S. 2687. A bill to provide for the rehabilitation of the Sioux Tribes of Indians of North and South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

S. 2688. A bill to make inapplicable to future actions and proceedings section 200 (1) and (2) of the Soldiers' and Sailors' Civil Relief Act of 1940, relating to default judgments; to the Committee on Armed Services.

S. 2689. A bill to provide for the issuance of paid-up Government life insurance policies to holders or former holders of 5-year level premium Government life insurance policies; and

S. 2690. A bill to amend section 251 (a) (3) of the Internal Revenue Code so as to exempt from taxation certain income earned by employees at naval and air bases leased from Great Britain pursuant to the agreement of March 27, 1941; to the Committee on Finance.

S. 2691. A bill authorizing the Secretary of State to make grants or loans to needy widows of Foreign Service officers who died prior to the effective date of the Foreign Service Act of 1946; to the Committee on Foreign Relations.

S. 2692. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize donations of certain surplus property for public health purposes; to the Committee on Expenditures in the Executive Departments.

(Mr. DOUGLAS (for himself and Mr. FLANDERS) introduced Senate bill 2693, to authorize the Administrator of General Services to furnish steam to the lessees of the Belasco Theater, which was referred to the Committee on Public Works, and appears under a separate heading.)

AMENDMENT OF DISPLACED PERSONS ACT—AMENDMENTS

Mr. IVES and Mr. O'CONOR each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were ordered to lie on the table and to be printed.

The VICE PRESIDENT. If there be no further bills or joint resolutions, the next order of business is concurrent and other resolutions.

DISMANTLING OF MANUFACTURING ESTABLISHMENTS IN WESTERN GERMANY

Mr. WHERRY. Mr. President, I send to the desk the resolution to which I previously referred and ask that it be read.

Mr. LUCAS. Mr. President, the Senator from Nebraska has sent to the desk a resolution and asked that it be read. I should like to know what the parliamentary situation is under those circumstances.

The VICE PRESIDENT. The submission of a resolution would include its reading if desired.

Mr. WHERRY. I shall ask unanimous consent for the present consideration of the resolution after it has been read. That is my privilege, is it not?

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 187) was read, as follows:

Whereas there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements for the prevention of rearmament of Germany; and

Whereas the economic and spiritual recovery of western Germany under a republican form of government is necessary in the interest of the industrial and agricultural recovery of all Europe; and

Whereas handicapping western Germany by the excessive dismantling of its industries and depriving it of the tools and establishments necessary for productivity is reflected in an additional tax burden upon the people of the United States for the support of German people deprived of their means of livelihood: Therefore be it

Resolved, That it is the sense of the Senate that the President should cause to be convened at the earliest convenient time, preferably before the beginning of the second session of the Eighty-first Congress, a conference among representatives of the United States of America, the United Kingdom, and France to review in the light of the declarations in this resolution the entire policy of dismantling German industrial establishments; and it is the further sense of the Senate that, pending completion of such conference and the official announcement of its findings, the President should request the Governments of the United Kingdom and France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal of industrial establishments in the zones of Germany presently occupied by the United States of America, the United Kingdom, and France.

Mr. CONNALLY. Mr. President, what is the pending question? Is it on the adoption of the resolution?

The VICE PRESIDENT. The resolution having been read, the Senator from Nebraska indicated that he would ask for its present consideration. If objection is made, it must lie over.

Mr. CONNALLY. Mr. President, I dislike to object, but I cannot agree to the consideration of the resolution at this time. I think it ought to go to the committee. I do not believe we can properly consider it unless we communicate in some way with the authorities in Germany, General McCloy and others. I think the State Department should be consulted, and the President's views should be obtained. I cannot agree to act hastily on such an important and many-angled proposal.

Mr. WHERRY. Mr. President, I now ask unanimous consent for the present consideration of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. CONNALLY. I object.

Mr. WHERRY. If the distinguished Senator will withhold his objection, I should like to make a brief observation, in view of what the Senator from Texas has said.

Mr. CONNALLY. Certainly.

Mr. WHERRY. This is not a new resolution. Its provisions have been discussed many times. It is almost identical with the provisions of the ECA Act. It directs the Administrator to make a survey of the dismantling of German plants.

Recently a group of 44 Senators sent to the State Department practically the same request. The distinguished Secretary has been out of the country, I understand, and only this morning, or yesterday, the reply came back that when he returned he would give the request his consideration.

All this resolution does is to ask the President to consider this question now, prior to the time when the next session convenes. If there is to be anything done that will be of particular help, I know the distinguished Senator from Texas will agree with me that it should be done immediately. If we wait until January, the dismantling will have been accomplished, and there will be no further use, to my way of thinking, in further considering the resolution.

The subject is in the hands of the President. It seems to me that no one could object to the way in which he might handle it. The resolution merely states that it is the sense of the Senate that we ask the President to make this review and make any changes that can be made, and report to the Congress in time so that we can consider what should be done, if, in his judgment, there is anything that could be done that has not already been done.

Mr. CONNALLY. Does the Senator's resolution discriminate as between various types of plants?

Mr. WHERRY. No. It calls for a review of the entire dismantling program.

Mr. CONNALLY. Under the terms of the resolution no further dismantling would be done, regardless of the character of the plants.

Mr. WHERRY. No. If the distinguished Senator will remember the reading of the resolution, it calls upon the President to make a review. It is up to the President. I thought the proper place to send the request was to the State Department. I sent it to the State Department. There has been no action upon it. Congress is about to adjourn. I beseech the Senator from Texas to withdraw his objection. There is nothing in the resolution that is mandatory. Under it the President would do what he himself chooses to do; But I think it is a gesture the Senate could make and should make to accomplish something in regard to the review of the dismantling program.

Mr. CONNALLY. Mr. President, I assure the Senator that the President is giving this matter attention. Mr. McCloy is giving it attention. I cannot see any helpful purpose to be served by the Senate in trying in such a half-hammered way to influence the decision.

Mr. WHERRY. Mr. President, did I correctly understand that the Senator is still objecting?

Mr. CONNALLY. Yes; I shall have to object.

The VICE PRESIDENT. Objection is heard. The resolution will go over.

Mr. WHERRY. Mr. President, I ask unanimous consent that the resolution be printed and lie on the table, but not be referred to a committee at this time.

The VICE PRESIDENT. That will be done. The resolution will go over, under the rule.

Mr. WHERRY. I realize that; but I should like to have it not referred to a committee, if that is possible.

The VICE PRESIDENT. It is not referred unless the Senator wishes to have it referred. It goes over automatically, on the objection of any Senator.

THE MARCH TO SOCIALISM—ADDRESS BY SENATOR BYRD

[Mr. BYRD asked and obtained leave to have printed in the RECORD a speech on the subject of socialism, delivered by him before the National Wholesale Druggists Association, at Atlantic City, N. J., on October 12, 1949, which appears in the Appendix.]

THE ROMAN ROAD TO RUIN—ADDRESS BY GEORGE E. STRINGFELLOW

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address entitled "The Roman Road To Ruin," by George E. Stringfellow, vice president of Thomas A. Edison, Inc., before the State Convention of the United Daughters of the Confederacy, at Charlottesville, Va., October 4, 1949; which appears in the Appendix.]

ADDRESS BY SENATOR MARTIN TO PENNSYLVANIA SUNDAY SCHOOL CONVENTION

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address prepared by him and read by Dr. Raymond Kistler at the Eighty-seventh Annual Pennsylvania Sunday School Convention at Johnstown, Pa., on October 12, 1949, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him on the St. Lawrence seaway, which appears in the Appendix.]

GUARANTY OF INVESTMENTS—LETTER FROM HERBERT E. GASTON

[Mr. IVES asked and obtained leave to have printed in the RECORD a letter from Herbert E. Gaston, Chairman of the Export-Import Bank of Washington, to the editor of the Washington Post, published in the issue of October 13, 1949, which appears in the Appendix.]

FUNDAMENTALS OF MANAGEMENT PROBLEMS—ADDRESS BY ERIC PETERSON

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an address entitled "On What Fundamentals Basic to Future Management Problems Can We Agree?", delivered by Eric Peterson, general secretary-treasurer of the International Association of Machinists, at the thirty-first annual meeting of the Illinois State Chamber of Commerce, which appears in the Appendix.]

SEVENTY-FIFTH BIRTHDAY OF FORMER PRESIDENT HOOVER—ARTICLE BY JULIUS KLEIN

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article by Julius Klein, in appreciation of the services of Herbert Clark Hoover, former President of of the United States, on the occasion of his seventy-fifth birthday, which appears in the Appendix.]

COMMITTEE SERVICE

On motion of Mr. MYERS, and by unanimous consent, it was—

Ordered, That the Senator from Florida, Mr. PEPPER, be assigned to service on the Committee on the District of Columbia, to fill the vacancy caused by the death of the Senator from Idaho, Mr. Miller.

The VICE PRESIDENT. Morning business is concluded.

ARRANGEMENT OF SEATS ON THE FLOOR

Mr. LUCAS. Mr. President, a distinguished Member on the other side of the aisle recently called my attention to the manner in which the chairs are moved around on the floor. I requested the Sergeant at Arms to arrange the chairs in their proper places, and to try to keep them there at least while the Prime Minister of India was here making an address. Senators will notice this morning that it looks as though we have order, for a moment, in the Senate, with each Senator in his proper place. I thank the distinguished Senator from South Dakota, who called my attention to the matter.

LEAVE OF ABSENCE

Mr. MUNDT. Mr. President, I ask permission to be absent from the Senate for the remainder of this week and Monday and Tuesday of next week if—perish the thought—the Senate is then still in session.

The VICE PRESIDENT. Without objection, leave is granted.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of House bill 4567, Calendar 1177, the amendment of the Displaced Persons Act.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois, which is not debatable.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which had been reported from the Committee on the Judiciary without recommendation.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, as everyone knows, the Prime Minister of India, Mr. Nehru, will be here in a few minutes. It is my understanding that he is speaking in the Hall of the House of Representatives at 1:15 p. m., and will be in the Senate Chamber at 12:45.

So I presume that in about 5 minutes we should take a recess.

Mr. WHERRY. Mr. President, let me inquire about the situation. After the Senate reconvenes, now that the displaced-persons bill is the unfinished business, is it the intention of the majority leader to have the Senate proceed with the displaced-persons bill or with some other measure?

Mr. LUCAS. There is on the calendar, Senate bill 2?83, Calendar No. 1134, a bill to give effect to the international wheat agreement signed by the United States and other countries. We hope to temporarily lay aside the displaced-persons bill and take up that bill.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. GURNEY. May I ask about the situation regarding the public-works bill and what place it has on the schedule?

Mr. LUCAS. It is my understanding that the public-works bill will not be considered at this session. The Senator from New Mexico [Mr. CHAVEZ] called me this morning and said that in view of the fact that he was going away and that he was having some difficulty in attempting to get the controversy ironed out between, I think, the two Senators from Washington and other Senators regarding an amendment which they had to the bill, he thought perhaps it would be best to let the bill go over until January.

He further informed me that he doubted very much, after talking to Representative WHITTINGTON, of Mississippi, who would be chairman of the House conferees, that they could agree upon a conference report upon the bill at this time.

Mr. GURNEY. Mr. President, I can see that there are difficulties, in view of the fact that we are trying to adjourn soon. It would have been fine if those differences could have been resolved, if Senators could have seen their way clear to do so. But I cannot see that any particular damage will be done in case we do let the bill go over until January.

Mr. LUCAS. I assured the Senator from New Mexico and I assure the Senate as a whole that when we return in January, that bill will be one of the first to be taken up.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. CAIN. Do I correctly understand that the majority leader has said that the chairman of the Committee on Public Works, the Senator from New Mexico [Mr. CHAVEZ], has recommended that action on the so-called omnibus river and harbor bill be deferred until the early part of the next session?

Mr. LUCAS. That is the request of the Senator from New Mexico, who is chairman of the committee.

VISIT OF PRIME MINISTER NEHRU OF INDIA TO THE SENATE

The VICE PRESIDENT. Before the recess is taken, the Chair wishes to appoint a committee to escort Prime Minister Nehru into the Senate Chamber when he appears to address the Senate a few moments from now. The Chair appoints the Senator from Illinois [Mr. LUCAS], the Senator from Texas [Mr. CONNALLY], the Senator from Nebraska [Mr. WHERRY], and the Senator from Wisconsin [Mr. WILEY] as the committee.

The VICE PRESIDENT subsequently said: The Chair is advised that the Senator from Wisconsin [Mr. WILEY] will be unable to serve on the committee. The Chair therefore appoints in his place the Senator from Iowa [Mr. HICKENLOOPER].

Mr. LUCAS. I move that the Senate stand in recess until after the address of the Prime Minister is concluded, subject to the call of the Chair.

The motion was agreed to; and (at 12 o'clock and 40 minutes p. m.) the Senate took a recess, subject to the call of the Chair.

The Senate being in recess, at 12 o'clock and 52 minutes p. m.,

The Honorable Pandit Jawaharlal Nehru, Prime Minister of India, escorted by the committee appointed by the Vice President, consisting of Mr. LUCAS, Mr. CONNALLY, Mr. WHERRY, and Mr. HICK-

ENLOOPER, entered the Senate Chamber, accompanied by the Honorable Vijaya Lakshmi Pandit, Ambassador of India, Sir Chintaman Deshmukh, Sir Girja Shankar Bajpai, and Mr. B. R. Sen.

The Prime Minister of India, having been escorted to a place on the rostrum beside the Vice President, and the distinguished visitors accompanying him having been escorted to places assigned to them—

The VICE PRESIDENT. Members of the Senate, we are greatly honored by the visit and the presence of a distinguished statesman, lawyer, and scholar of India. We have been familiar with his life, his career, and his services in behalf of his people, for many years. He early became a follower of the immortal Gandhi. He has suffered the hardships of imprisonment which so often accompany the life of men who have devoted themselves to liberty, freedom, and the welfare of their people. He is now the Prime Minister of India, a position which he has reached through merit, service, and distinction in many fields. He is now among us in America as a vistor on a good-will tour. We are honored by his presence and we are happy to honor him in return. We feel and hope that his sojourn among us will bring about a greater understanding between the American and the Indian peoples, and that both nations will benefit by our association with and our knowledge of him and the problems confronting his country. We hope his journey in America will be happy and fruitful.

It gives me great pleasure, therefore, to present the Honorable Pandit Jawaharlal Nehru, Prime Minister of India.

[Applause, Senators rising.]

ADDRESS BY THE PRIME MINISTER OF INDIA

Prime Minister NEHRU. Mr. President and Members of the Senate, I am deeply grateful to you for your warm words of welcome.

I deem it a high honor and privilege to be given this opportunity of addressing this honorable Senate, and I must express to you, sir, my gratitude for it. For this Senate represents in a large measure this great Republic which is playing such a vital part in the destinies of mankind today. I have come to this country to learn something of your great achievements. I have come also to convey the greetings of my people, and in the hope that my visit may help to create a greater understanding between our respective peoples, and those strong and sometimes invisible links, stronger even than physical links, that bind countries together. The President referred the day before yesterday, in language of significance, to my visit as a voyage of discovery of America. The United States of America are not an unknown country even in far-off India and many of us have grown up in admiration for the ideals and objectives which have made this country great. Yet, though we may know the history and something of the culture of our respective countries, what is required is a true understanding and appreciation of each other, even where we differ. Out of that understanding grows fruitful cooperation in the pursuit of common ideals. What the world today perhaps lacks most is understanding and appreciation of each other among nations and peoples. I have come here, therefore, on a voyage of discovery of the mind and heart of America and to place before you our own mind and heart. Thus we may promote that understanding and cooperation which, I feel sure, both our countries earnestly desire. Already I have received a welcome here the generous warmth of which has created a deep impression on my mind and indeed somewhat overwhelmed me.

During the last 2 days that I have been in Washington, I have paid visits to the memorials of the great builders of this Nation. I have done so not for the sake of mere formality, but because they have long been enshrined in my heart and their example had inspired me as it had inspired innumerable countrymen of mine. These memorials are the real temples to which each generation must pay tribute and, in doing so, must catch something of the fire that burnt in the hearts of those who were the torch bearers of freedom not only for this country, but for the world; for those who are truly great have a message that cannot be confined within a particular country but is for all the world.

In India there came a man in our generation who inspired us to great endeavor, ever reminding us that thought and action should never be divorced from moral principle, that the true path of man is truth and peace. Under his guidance we labored for the freedom of our country, with ill-will to none, and achieved that freedom. We called him reverently and affectionately the father of our nation. Yet he was too great for the circumscribed borders of any one country, and the message he gave may well help us in considering the wider problems of the world.

The United States of America have struggled to freedom and unparalleled prosperity during the past century and a half and today they are a great and powerful Nation. They have an amazing record of growth in material well-being and scientific and technological advance. They could not have done so unless they had not been anchored in the great principals laid down in the early days of their history, for material progress cannot go far or last long unless it has its foundations in moral principles and high ideals.

Those principles and ideals are enshrined in your Declaration of Independence which lays down as a self-evident truth that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. It may interest you to know that in drafting the Constitution of the Republic of India we have been greatly influenced by your own Constitution. The preamble of our constitution states that—

> We, the people of India, having solemnly resolved to constitute India into a Sovereign Democratic Republic and to secure to all its citizens:
>
> Justice, social, economic and political;
>
> Liberty of thought, expression, belief, faith and worship;
>
> Equality of status and of opportunity; and to promote among them all
>
> Fraternity assuring the dignity of the individual and the unity of the Nation;
>
> In our Constituent Assembly do hereby adopt, enact and give to ourselves this Constitution.

You will recognize in these words that I have quoted an echo of the great voices of the founders of your Republic. You will see that though India may speak to you with a voice that you may not immediately recognize or that may perhaps appear somewhat alien to you, yet in that voice there is a strong resemblance to what you have often heard before.

Yet it is true that India's voice is somewhat different; it is not the voice of the old world of Europe but of the older world of Asia. It is the voice of an ancient civilization, distinctive, vital, which at the same time has renewed itself and learnt much from you and the other countries of the West. It is, therefore, both old and new. It has its roots deep in the past, but it also has the dynamic urges of today.

But however the voices of India and the United States may appear to differ, there is much in common between them. Like you we have achieved our freedom through a revolution, though our methods were different from yours. Like you, we shall be a republic based on the federal principle, which is an outstanding contribution of the founders of this great Republic. In a vast country like India, as in this great Republic of the United States, it becomes necessary to have a delicate balance between central control and state autonomy. We have placed in the forefront of our Constitution those fundamental human rights to which all men who love liberty, equality, and progress aspire—the freedom of the individual, the equality of men and the rule of law. We enter therefore the community of free nations with the roots of democracy deeply embedded in our institutions as well as in the thoughts of our people.

We have achieved political freedom but our revolution is not yet complete and is still in progress, for political freedom without the assurance to the right to live and to pursue happiness, which economic progress alone can bring, can never satisfy a people. Therefore our immediate task is to raise the living standards of our people, to remove all that comes in the way of the economic growth of the nation. We have tackled the major problem of India, as it is today the major problem of Asia, the agrarian problem. Much that was feudal in our system of land tenure is being changed so that the fruits of cultivation should go to the tiller of the soil and he should be secure in the possession of the land that he cultivates. In a country of which agriculture is still the principal industry, this reform is essential not only to the well-being and contentment of the individual but also to the stability of society. One of the main causes of social instability in many parts of the world, and more especially in Asia, is agrarian discontent due to the continuance of systems of land tenure which are completely out of place in the modern world. Another, and this is also true

of the greater part of Asia and Africa, is the low standard of living of the masses.

India is industrially more developed than many less fortunate countries, and is reckoned as the seventh or eighth among the world's industrial nations. But this arithmetical distinction cannot conceal the poverty of the great majority of our people. To remove this poverty by greater production, more equitable distribution, better education and better health is the paramount problem and the most pressing task before us and we are determined to accomplish it. We realize that self-help is the first condition of success for a nation no less for an individual. We are conscious that ours must be the primary effort, and we shall seek succour from none to escape from any part of our own responsibility. But though our economic potential is great, its conversion into finished wealth will need much mechanical and technological aid. We shall therefore gladly welcome such aid and cooperation on terms which are of mutual benefit. We believe that this may well help in the larger solution of the problems that confront the world. But we do not seek any material advantage in exchange for any part of our hard-won freedom.

The objectives of our foreign policy are the preservation of world peace and the enlargement of human freedom. Two tragic wars have demonstrated the futility of warfare. Victory without the will to peace achieves no lasting result, and victor and vanquished alike suffer from past wounds, deep and grievous, and a common fear of the future. May I venture to say that this is not an incorrect description of the world of today. It is not flattering either to man's reason or to our common humanity. Must this unhappy state persist and the power of science and wealth continue to be harnessed to the service of destruction? Every nation, great or small, has to answer this question, and the greater a nation the greater is its responsibility to find and to work for the right answer.

India may be new to world politics and her military strength insignificant by comparison with that of the giants of our epoch. But India is old in thought and experience and has traveled through trackless centuries in the adventure of life. Throughout her long history she has stood for peace, and every prayer that an Indian raises ends with an invocation to peace. It was out of this ancient and yet young India that arose Mahatma Gandhi, and he taught us a technique of action which was peaceful and yet it was effective and yielded results which led us not only to freedom but to friendship with those with whom we were till yesterday in conflict. How far can that principle be applied to wider spheres of action? I do not know. For circumstances differ and the means to prevent evil have to be shaped and set to the nature of the evil. Yet I have no doubt that the basic approach which lay behind that technique of action was the right approach in human affairs and the only approach that ultimately solves a problem satisfactorily. We have to achieve freedom and to defend it. We have to meet aggression and to resist it and the force employed must be adequate to the purpose. But even when preparing to resist aggression, the ultimate objective, the objective of peace and reconciliation, must never be lost sight of, and heart and mind must be attuned to this supreme aim, and not swayed or clouded by hatred or fear.

This is the basis and the goal of our foreign policy. We are neither blind to reality nor do we propose to acquiesce in any challenge to man's freedom, from whatever quarter it may come. Where freedom is menaced, or justice threatened, or where aggression takes place, we cannot be and shall not be neutral. What we plead for and endeavor to practice in our own imperfect way is a binding faith in peace and an unfailing endeavor of thought and action to insure it. The great democracy of the United States of America will, I feel sure, understand and appreciate our approach to life's problems, because it could not have any other aim or a different ideal. Friendship and cooperation between our two countries are, therefore, natural. I stand here to offer both in the pursuit of justice, liberty, and peace.

The VICE PRESIDENT. Mr. Prime Minister, may I express our great pleasure and our great honor at having you here as our guest, as well as our great appreciation of the profound message which you have given to us today.

May God bless you and your country.

Mr. NEHRU. Thank you. [Applause.]

Following his address, the Prime Minister of India and the distinguished visitors accompanying him were escorted from the Chamber.

At 1 o'clock and 13 minutes p. m., the Senate reassembled, when it was called to order by the Presiding Officer (Mr. HOLLAND in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 1637. An act for the relief of Mrs. Dora Fruman; and

H. R. 4414. An act for the relief of Dora M. Barton.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code.

The message further announced that the House insisted upon its amendment to the Senate amendment No. 100, and further insisted upon its disagreement to Senate amendments Nos. 73, 74, 77, 81, and 99 to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes; agreed to the further conference asked by the Senate, and that Mr. MAHON, Mr. SHEPPARD, Mr. SIKES, Mr. CANNON, Mr. ENGEL of Michigan, and Mr. PLUMLEY, were appointed managers on the part of the House at the further conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. PACE, Mr. POAGE, Mr. GRANT, Mr. HOPE, Mr. AUGUST H. ANDRESEN, and Mr. MURRAY of Wisconsin were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes;

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 160. An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended; and

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CAIN. Do I correctly understand that the pending business is consideration of House bill 4567?

The PRESIDING OFFICER. That is correct.

Mr. CAIN. Mr. President, the junior Senator from Washington feels a real sense of satisfaction and is deeply privileged to have a chance this afternoon to speak, not alone by any means in his own name, but in the name of the senior Senator from Nevada [Mr. MCCARRAN], the chairman of the Committee on the Judiciary, in vigorous opposition to House bill

4567 which was reported to the Senate yesterday.

Mr. President, it has not often happened, at least during the several short years I have been privileged to be a Member of the Senate, that any Senator has spoken for another Senator, but on this occasion, when the chairman of the Committee on the Judiciary is not within four or five thousand miles of this Chamber, and has been precluded from speaking for himself, it gives to me the rich sense of satisfaction to which I refer to speak in his name.

Mr. President, at the outset I think that one thing is very clear, namely, that the bill now before the Senate should be recommitted to the Committee on the Judiciary. I have reason to believe that a motion to recommit H. R. 4567 will be offered either today or some time later in the week. I hope the motion will prevail. I have a score of reasons for hoping the motion to recommit will prevail, not the least of which, and perhaps the foremost of which, is that action should not be taken on this proposed legislation until the chairman of the Committee on the Judiciary in person is present to sink with his ship or swim. I think the Senate of the United States is entitled to the advice and observation that will surely come to us from the chairman of the Committee on the Judiciary, before the Senate seeks to take action on the subject which has to do with displaced persons.

REGULATION AND IMPROVEMENT OF CIVIL SERVICE—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Will the Senator from Washington yield to me long enough to permit me to present a conference report and ask for its adoption?

Mr. CAIN. I shall be pleased to do so.

The PRESIDING OFFICER. Without objection, the Senator from Washington is permitted to yield without losing the floor.

Mr. JOHNSTON of South Carolina. Mr. President, I submit a conference report on House bill 3826, to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the Senate insert the following: "shall be accompanied by a certificate of an officer, with his official seal attached, of the county and State of which the applicant claims to be a citizen, that such applicant was, at the time of making such application, a legal or voting resident of said State, and had been such resident for a period of not less than one year next preceding, or a statement under oath setting forth his or her legal voting residence for one year next preceding the time of making such application, and such statement shall be accompanied by letters from three reputable citizens of the State in which residence is claimed, corroborating such statement"; and the Senate agree to the same.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
ZALES N. ECTON,
Managers on the Part of the Senate.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

Mr. LANGER. Mr. President, I ask which bill is involved. Is it the executive pay bill?

Mr. JOHNSTON of South Carolina. No, it is a House bill having to do with the civil service, which was amended by the Senate. The Senator from Montana [Mr. ECTON], the Senator from Minnesota [Mr. HUMPHREY], and I were appointed conferees on the part of the Senate. The report is agreed to by all the conferees. In conference we ironed out all our differences. There is no opposition to the report. The amendment is of a clarifying nature. It provides that an applicant shall state to the Civil Service Commission the State from which he comes.

Mr. LANGER. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

INCREASE OF COMPENSATION OF CERTAIN EXECUTIVE OFFICERS—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Washington yield to me?

Mr. CAIN. I shall be pleased to do so.

Mr. JOHNSTON of South Carolina. I should like to submit a privileged matter. I wish to submit a conference report on House bill 1689, an act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies. The House has already adopted the report. The bill is known as the executive pay bill.

Mr. CAIN. Mr. President, reserving the right to object——

Mr. MYERS. Mr. President, I was about to ask unanimous consent that the Senator from Washington may yield for the purpose of presentation of the report, without losing his right to the floor by doing so.

The PRESIDING OFFICER. Is there objection to the request that the Senator from Washington may yield to the Senator from South Carolina for the purpose of the presentation of a conference report, without losing his rights to the floor by doing so?

Mr. CAIN. Mr. President, reserving the right to object, might I say to the Senator from South Carolina that several Senators to my knowledge have an interest in the conference report and would like to be permitted to ask some questions about it. I wonder if the matter could be passed over for a short period.

Mr. JOHNSTON of South Carolina. I suggest that consideration of the report be passed over for the time being. However, I want to submit the report and let the Senate know about it. I shall call it up for consideration later this afternoon. I wish to submit the report.

The PRESIDING OFFICER. Is there objection to that being done without the Senator from Washington losing any of his rights to the floor? The Chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, I submit the report.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair may say before the Senator from Washington resumes, that he is advised by the Parliamentarian, and was also advised by the Vice President, who was obliged to leave to join our recent guest and the group accompanying him in order to be present when pictures are taken, that it was the intention of the majority leader to ask unanimous consent to have the unfinished business temporarily laid aside and to have considered some short matters. It might be that the Senator from Washington would not care to proceed with his long address until the other matters are disposed of. The Chair merely informs the Senator that that was the plan of the majority leader. Of course, the Senator from Washington has the floor and may proceed if he wishes. The Chair simply wanted to advise him what the plan was.

Mr. CAIN. Mr. President, I shall be guided by the advice of the present occupant of the chair. Whatever may be the wish of the Chair I shall be guided by it in an effort to expedite action on the several matters of business which it is proposed to bring before the Senate.

IMPLEMENTATION OF INTERNATIONAL WHEAT AGREEMENT

Mr. JOHNSTON of South Carolina. I wish to say with respect to the International Wheat Agreement——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from South Carolina if unanimous consent can be obtained that he may do so without losing any of his rights to the floor?

Mr. CAIN. Mr. President, I shall be glad to yield to the Senator from South Carolina, with the understanding that I shall not lose any rights I may have to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Washington yields to the Senator from South Carolina with the understanding that the Senator from Washington will not lose any rights which he may have to the floor.

Mr. JOHNSTON of South Carolina. Mr. President, the International Wheat Agreement needs implementation. A bill to this end has been reported from the Committee on Agriculture and Forestry.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. Has a request been made to consider the bill?

Mr. CAPEHART. Permission has not been given to take up the bill.

The PRESIDING OFFICER. The Chair would like to state the situation as he understands it. The Senator from Washington [Mr. CAIN] has the floor. He has yielded, under a unanimous-consent agreement, that he will not lose his right to the floor, for the consideration of certain incidental matters. No action has been taken upon the question of whether or not the Senate will consider the measure referred to by the Senator from South Carolina.

Mr. WHERRY. I wonder if the distinguished Senator from South Carolina will withhold his request until later. A number of Senators who would like to be present are at lunch. I think before this bill is taken up there should be a quorum call. Perhaps in an hour or so, if the Senator wishes to renew his request at that time, more Senators will be in the Chamber, and their rights will be protected.

Mr. CAIN. Mr. President, if the Senator will permit me to make a suggestion, if the matters now in charge of the Senator from South Carolina are not likely to take very much time, in view of the fact that the unfinished business involves a serious and large question, the sooner we can dispose of the other matters the better.

Mr. CAPEHART. I do not think we ought to take up the bill to implement the International Wheat Agreement without a quorum call.

Mr. WHERRY. Mr. President, if the Senator from Washington would yield for a quorum call, I would not be averse to going along with the suggestion.

Mr. CAIN. Mr. President, I am glad to yield for the purpose of a quorum call, to dispose of the other matters, so that we may devote our entire attention to the pending business.

Mr. WHERRY. I suggest the absence of a quorum if the Senator will yield for that purpose.

Mr. CAIN. Mr. President, I ask unanimous consent that I may yield for that purpose with the understanding stated.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that he be permitted to yield for the purpose of a quorum call without losing any of his rights. Is there objection? The Chair hears none. The Senator from Nebraska suggests the absence of a quorum. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ecton	Ives
Anderson	Ellender	Jenner
Baldwin	Ferguson	Johnson, Colo.
Brewster	Fulbright	Johnson, Tex.
Bridges	George	Johnston, S. C.
Byrd	Graham	Kem
Cain	Green	Kerr
Capehart	Gurney	Kilgore
Chapman	Hayden	Knowland
Connally	Hickenlooper	Langer
Cordon	Hill	Leahy
Donnell	Hoey	Lodge
Douglas	Holland	Long
Downey	Humphrey	Lucas
Eastland	Hunt	McCarthy
McFarland	Mundt	Smith, Maine
McKellar	Myers	Thomas, Okla.
McMahon	Neely	Thomas, Utah
Magnuson	O'Conor	Thye
Malone	O'Mahoney	Watkins
Martin	Pepper	Wherry
Maybank	Russell	Wiley
Millikin	Saltonstall	Williams
Morse	Schoeppel	Young

The PRESIDING OFFICER. A quorum is present.

Mr. LUCAS. Mr. President, the Senator from South Carolina [Mr. JOHNSTON] has reported from the Committee on Agriculture and Forestry Senate bill 2383, which is a bill to give effect to the International Wheat Agreement signed by the United States and other countries. I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 2383.

The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection to the present consideration of the bill?

Mr. CAPEHART. I have no objection.

There being no objection, the Senate proceeded to consider the bill (S. 2383) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. JOHNSTON of South Carolina. Mr. President, this is the bill to give effect to the International Wheat Agreement which was signed by the United States and other countries. As the majority leader just stated, the bill will implement that agreement. In the agreement the United States has agreed to furnish 168,000,000 bushels of wheat at the world price. It is estimated at the present time that in order to carry out the agreement, into which we have already entered, it will be necessary for this measure to be enacted.

The legislative history of the ECA appropriations for the current fiscal year shows clearly that such appropriations were reduced $60,000,000 in the expectation that the ECA would not pay the subsidy involved in the shipment of wheat and wheat flour to the ECA countries which are signatories to the International Wheat Agreement. They were under the impression, and were also led to believe by the committee that the Commodity Credit Corporation appropriation would be used to pay that difference.

So this bill was introduced by the chairman of the Committee on Agriculture and Forestry, and was considered by a subcommittee of that committee. The subcommittee reported the bill unanimously. Subsequently the full committee reported the bill unanimously. We were under the impression—and rightly so, I think—that inasmuch as the United States had already entered into the agreement——

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CAPEHART. Was that agreement entered into under a law passed or a treaty adopted by the United States?

Mr. JOHNSTON of South Carolina. It was a treaty, as I understand.

Mr. CAPEHART. And has it been favorably acted upon by the Senate?

Mr. JOHNSTON of South Carolina. That is my understanding.

Mr. CAPEHART. What amount of funds is involved?

Mr. JOHNSTON of South Carolina. Sixty million dollars.

Mr. CAPEHART. And is the question whether that money will be paid by the ECA or by the Commodity Credit Corporation?

Mr. JOHNSTON of South Carolina. Yes.

Mr. CAPEHART. The bill directs that the money be paid by which branch of the Government?

Mr. JOHNSTON of South Carolina. By the Commodity Credit Corporation.

Mr. CAPEHART. Rather than by the ECA?

Mr. JOHNSTON of South Carolina. Yes; rather than by the ECA.

Mr. CAPEHART. Is it the Senator's opinion that the Senate is morally obligated to pass this bill?

Mr. JOHNSTON of South Carolina. Yes, because when the matter was previously before the Appropriations Committee, that was the understanding which was had then.

Mr. CAPEHART. No new legislation, no new philosophy, and no new matters are involved or introduced as a result of the enactment of this bill. Is that correct?

Mr. JOHNSTON of South Carolina. That is my understanding.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SCHOEPPEL. Will enactment of this bill require an additional appropriation of $60,000,000?

Mr. JOHNSTON of South Carolina. My understanding is that the Commodity Credit Corporation already has the necessary funds, but it wishes the authorization to be made, in order that it may go forward with this matter.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WILLIAMS. In effect, what the Senator from Kansas is saying is true, namely, that although an additional appropriation will not be required now, yet the expenditure will be an additional one. Is not that correct?

Mr. JOHNSTON of South Carolina. Oh, yes; when the Commodity Credit Corporation runs out of money, it will come to the Congress for additional funds; that is true.

Mr. President, if there are other questions in regard to the bill, I shall be glad to answer them. If not, I hope action will be taken at once on the amendments and on the bill.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was, on page 3, line 1, after "57 Stat.", to strike out "586" and insert "566".

The amendment was agreed to.

The next amendment was, on page 3, in line 5, after the word "thereunder", to insert "on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat flour financed by the Economic Cooperation Administration on or after August 1, 1949, and up to and including June 30, 1950, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts. Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat flour. There are hereby authorized to be appropriated such sums as may be necesssary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it."

The amendment was agreed to.

The next amendment was, on page 5, line 7, after the words "equal to", to strike out "three times".

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. WILLIAMS. Mr. President, if I understand the matter correctly, this measure applies only to the amount of wheat authorized under the International Wheat Agreement. Is that correct?

Mr. JOHNSTON of South Carolina. Yes; only to the amount of wheat authorized under the International Wheat Agreement, which is 168,000,000 bushels.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2383) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act shall be known as the "International Wheat Agreement Act of 1949."

SEC. 2. The President is hereby authorized, acting through the Commodity Credit Corporation, to make available or cause to be made available, notwithstanding the provisions of any other law, such quantities of wheat and wheat flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement of 1949 signed by Australia, Canada, France, the United States, and Uruguay, and certain wheat importing countries (hereinafter called "International Wheat Agreement"). Nothing herein shall be construed to preclude the Secretary of Agriculture in carrying out programs to encourage the exportation of agricultural commodities and products thereof pursuant to section 32 of Public Law 320, Seventy-fourth Congress, as amended, from utilizing funds available for such programs in such manner as, either separately or jointly with the Commodity Credit Corporation, to exercise the rights, obtain the benefits, and fulfill all or any part of the obligations of the United States under the International Wheat Agreement or to preclude the Commodity Credit Corporation in otherwise carrying out wheat and wheat flour export programs as authorized by law. Nothing contained herein shall limit the duty of the Commodity Credit Corporation to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in making available or causing to be made available wheat and wheat flour hereunder. The pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the act of July 16, 1943 (57 Stat. 566), shall not be applicable to domestic wheat and wheat flour supplied to countries which are parties to the International Wheat Agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat flour financed by the Economic Cooperation Administration on or after August 1, 1949, and up to and including June 30, 1950, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts. Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat flour. There are hereby authorized to be appropriated such sums as may be necessary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it.

SEC. 3. (a) The President is hereby further authorized to take such other action, including prohibiting or restricting the importation or exportation of wheat or wheat flour and to issue such rules or regulations which shall have the force and effect of law, as may be necessary in his judgment in the implementation of the International Wheat Agreement.

(b) All persons exporting or importing wheat or wheat flour or selling wheat or wheat flour for export shall report to the President such information as he may from time to time require and keep such records as he finds to be necessary to enable him to carry out the purposes of this act. Such information shall be reported and such records shall be kept in accordance with such regulations as the President may prescribe. For the purposes of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the President is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of any such person.

(c) Any person failing to make any report or keep any record as required by or pursuant to this section 3, or making any false report or record or knowingly violating any rule or regulation of the President issued pursuant to this section 3 shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $1,000 for each violation.

(d) Any person who knowingly exports wheat or wheat flour from the United States, or who knowingly imports wheat or wheat flour into the United States for consumption therein, in excess of the quantity of wheat or wheat flour permitted to be exported or imported, as the case may be, under regulations issued by the President shall forfeit to the United States a sum equal to the market value, at the time of the commission of any such act, of the quantity of wheat or wheat flour by which any such exportation or importation exceeds the authorized amount which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

(e) The several district courts of the United States are hereby vested with jurisdiction specifically to enforce, and to prevent and restrain any persons from violating, the provisions of this act or of any rule or regulation made or issued pursuant to this act. The remedies, fines, and forfeitures provided for in this act shall be in addition to, and not exclusive of, any of the remedies, fines, and forfeitures under existing law.

(f) Any power, authority, or discretion conferred on the President by this act may be exercised through such department, agency, or officer of the Government as the President may direct, and shall be exercised in conformity with such rules or regulations as he may prescribe.

(g) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including the necessary expenses and contributions of the United States in connection with the administration of the International Wheat Agreement.

(h) Funds appropriated under authority of this act may be used for the purchase or hire of passenger motor vehicles, for printing and binding, for rent and personal services in the District of Columbia and elsewhere without regard to the limitation contained in section 607 (g) of the Federal Employees Pay Act of 1945, as amended, and for the employment of experts or consultants or organization thereof, on a temporary basis, by contract or otherwise, without regard to the Classification Act, at rates not in excess of $50 per diem.

(i) The functions exercised under authority of this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of sections 3 and 10 thereof.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. EASTLAND. Mr. President, I suggest the absence of a quorum.

Mr. CAPEHART. Mr. President, I ask the Senator to withhold his suggestion of the absence of a quorum, because a quorum call was had only 10 minutes ago.

The able Senator from Washington has the floor now, by unanimous consent; and he is here.

Mr. EASTLAND. I withdraw the suggestion.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. CAIN. Mr. President, just before the conference report was presented by the Senator from South Carolina, I had suggested that I thought perhaps later today or tomorrow a motion to recommit the bill would be made on the floor of the Senate. I suggested that from my point of view there were a number of reasons why this proposed legislation should be recommitted, the first of which is that our absent Member and friend, the distinguished senior Senator from Nevada [Mr. MCCARRAN], chairman of the Judiciary Committee, should be on the floor of the Senate to sink or swim with any proposed legislation which has been reported by his committee.

The American people may very well agree with whatever action is taken on this or any other subject by the Senate; but the American people have a right to expect one thing which they will not get unless this bill is recommitted and reconsidered. The American people have a right to expect that the Senate knows what it is doing when it takes action. I shall attempt to prove that unless we are willing to maintain the Senate in session for the next several weeks, a majority of the Members of the Senate will have little knowledge of what they have approved if they shall approve or pass House bill 4567 as it was reported yesterday by the Judiciary Committee. If the motion to recommit fails, the junior Senator from Washington will be one among a number of Senators who will offer a number of amendments to House bill 4567.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I am pleased to yield.

Mr. CAPEHART. Who would gain or who would lose by a postponement of action upon the pending bill, say, to the middle of January? Would there be any effect upon the existing displaced-persons legislation? Who would lose, or who would gain, by a postponement? The Senator is, I understand, on the Judiciary Committee, and is familiar with the facts.

Mr. CAIN. It so happens that the Senator from Washington is not on the Judiciary Committee, and he began by saying he was speaking for himself, and hoped to speak for the Senator from Nevada [Mr. MCCARRAN].

Mr. CAPEHART. Will the Senator tell us who he thinks might gain or who might lose if action by the Senate were delayed to a specific time in January?

Mr. CAIN. I think the junior Senator from Washington is competent and qualified to answer the Senator's question. If action on House bill 4567 were delayed until the next session, no one anywhere, any place, would be hurt, injured, or would suffer in any way as a result.

My answer to the Senator from Indiana is based in part on the undeniable fact that the Displaced Persons Act of 1948, I understand, does not expire until June 30, 1950, 9 months from now. The facts appear to be that we are not presently admitting into this country under the provisions and under the authority of the 1948 act as many displaced persons, or admitting them as rapidly as the legislation authorizes. I must say, because I believe it to be so, that the only conceivable or possible reason for insisting on action at this session is a political one. There is no economic reason, there is no legal reason, there is no reason of any kind, character, or description, from my point of view, except a political one.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I am glad to yield.

Mr. CAPEHART. If the pending bill were passed, let us say, within the next few days, and signed by the President, would more people be admitted during the next 90 days than would be admitted under the existing law?

Mr. CAIN. So far as I am able to determine, not a single additional person would be brought into this country under the conditions stated by the senior Senator from Indiana.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. HICKENLOOPER. Does the pending bill contain a provision extending the time or the deadline after which people are considered displaced persons? In other words, there is a limit on it now. If the pending bill is passed, will it move the time further forward, permitting the entry of a large number of people who could not now enter this country under the original legislation?

Mr. CAIN. There is a cut-off date in the 1948 act, which provides that any person who entered a displaced-persons camp prior to, I think it was, December 27, 1945, some 7 months after the end of the war in Europe, shall be defined as a displaced person.

Mr. HICKENLOOPER. Does the Senator not mean they shall not be so defined?

Mr. CAIN. No; if they entered the camps prior to that date they are eligible.

Mr. HICKENLOOPER. Oh, prior; yes.

Mr. CAIN. Prior to December 27, 1945. If they entered the camps prior to that date, they shall be entitled to the privileges and opportunities afforded by the 1948 act. The proposal which the Judiciary Committee is recommending to the Senate for action at the present time is that the cut-off date of December 27, 1945, shall be moved up to January 1, 1949, a difference of about 4 years, during which, for a variety of reasons, some persons through their own initiative and many other persons through encouragement and stimulation, have entered displaced-persons camps abroad in order that, rather than come to America through normal immigration channels, they may seek entry themselves by being defined as displaced persons, 3 and 4 years after the fighting war in Europe was concluded, thus discriminating against those who would come into this country in the normal way.

Mr. President, I have suggested, and very seriously so, that the American people have a right to expect us to know what we are doing, when we do it. The Senate, historically and by custom, has looked to advice from standing committees on the action which the Senate should finally take. Senators will be interested in what they are being advised to do by the Judiciary Committee of the Senate with reference to House bill 4567.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. CAPEHART. Did the Judiciary Committee report the bill favorably, or unfavorably, or how did the committee report it?

Mr. CAIN. I want now, in furtherance of the thought I was just expressing, and as a concrete answer to the Senator's question, to read the report, which contains the advice and the guidance from the Judiciary Committee of the Senate on which we, the Senate of the United States, are expected to take action within the next day or two. I think, I may say to my friend the Senator from Indiana, I have never before read into the RECORD in its entirety a report from any committee of the Senate accompanying a bill, but because of the importance and the largeness and the scope of the pending bill and the curiosity and the real interest therein, I think, even though it would keep the Senate in session for several weeks, I ought in literal fashion to read every word contained in the committee report on the subject of the legislation which we are being asked to approve.

I hold in my hand a single sheet of paper, at the head of which we find, in the usual form, the following:

> Calendar No. 1177, Eighty-first Congress first session, Senate, Report No. 1163; amending the Displaced Persons Act of 1948; October 12, 1949, ordered to be printed. Mr. KILGORE, from the Committee on the Judiciary, submitted the following report (to accompany H. R. 4567).

From here on, I wish the Senator from Indiana would listen very carefully, because I am reading the report, upon the basis of which he is to make up his mind as to whether he should vote favorably on the pending bill:

> The Committee on the Judiciary, to whom was referred the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, report the bill to the Senate without recommendation.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I am happy to yield.

Mr. CAPEHART. Is that all there is in the report?

Mr. CAIN. The Senator from Indiana must be informed that that is all there is in the report. I should like to hand it to the Senator, and I should like to think that every American citizen will become conscious of the fact that it is on this meaningless series of words that we are expected to take action in the closing days of this session on one of the most highly controversial and important questions before the American public today.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. CAIN. I am pleased to yield.

Mr. EASTLAND. Does the Senator know that $150,000 has been spent in an investigation of the displaced-persons problem, that the subcommittee, which has 16 bills on the subject, is still conducting the investigation, that the bill was taken from the subcommittee, and that those who took it would not even recommend to the Senate the passage of the pending bill?

Mr. CAIN. I am thoroughly aware of that experience, which I think justifies my determined opposition to the bill as reported, and my deep-seated hope that it will be recommitted to the committee from which it came, in order that the Senate may be given an adequate report and appropriate recommendations concerning the bill.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. CAIN. I shall be pleased to yield.

Mr. MUNDT. That is certainly a very curious and unusual committee report. In approximately 11 years of service in Congress I think I have never read or

heard of one like it. There must be some reason for such an unusual performance. I wonder to what the junior Senator from Washington attributes bringing before us a bill with a one-sentence noncommittal statement of that kind.

Mr. CAIN. My only conclusion—and I have no remote desire to be disrespectful to anyone—is that there are Senators who think such legislation is popular in the public mind and that it will be of political benefit, by the way, to both political parties, if this bill is passed at this time, without having given to it the consideration to which the American people are certainly entitled. I can explain the motive in no other conceivable way.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. CAPEHART. Does the Senator understand that there were hearings held by the Judiciary Committee and that there are printed hearings?

Mr. CAIN. The Senator from Washington is not informed as to whether the Senate committee has published its hearings.

Mr. CAPEHART. I have just been informed that the hearings held by the Senate Judiciary Committee have not as yet been printed.

Mr. CAIN. That is the reason why some of us are determined to do our best to provide for the Senate information which the Judiciary Committee, for reasons best known to itself, has not offered to us. In the first place, the Senator from Washington has established the fact that there is no report from the Judiciary Committee. The Senator from Indiana has established the fact that there are no printed hearings through which every Senator could further his interest in the subject.

Mr. President, I think it extremely important to recite the facts concerning how this bill actually reached the floor, as I think I know the facts to be. I have gone to some considerable trouble in trying to determine what the steps were. I have pursued this subject not only because of my interest in the proposed legislation, but because of my thought and my fear that if such action can be accomplished by one committee of the Senate, it likewise follows that comparable actions can be consummated by other committees of the Senate; and if the legislation which results from such conduct as appears to have been pursued within the Judiciary Committee is ill-considered or inadequate, we move in the direction of breaking down a valuable part of our legislative process.

On August 19 of this year a motion was made in the Senate Committee on the Judiciary to discharge the five-man subcommittee which had been working on displaced-persons legislation from further consideration of House bill 4567. After what I am told was a thorough discussion of the work of the immigration subcommittee and a presentation of the complicated and controversial issues on which the subcommittee was working, there were only two votes cast for the motion on August 19.

On August 24 of this year the senior Senator from Illinois [Mr. LUCAS], together with 15 other Senators, submitted Senate Resolution 160 to discharge the Committee on the Judiciary from the further consideration of House bill 4567 to amend the Displaced Persons Act of 1948.

Thereafter the chairman of the Senate Committee on the Judiciary, with the unanimous approval of the Senate, left for a trip to Europe to study and to gather his own factual information on certain phases of the displaced-persons problem. I was present on the afternoon, as I recall, when the senior Senator from Nevada [Mr. MCCARRAN] asked leave of the Senate in order that he might go abroad to further his studies so that he might return to this country and give the Senate more adequate information on which to act. Not a single voice in opposition was raised to the Senator's request for leave of the Senate. He went to Europe, I suppose, feeling that he had behind him the encouragement of the United States Senate, which was only desirous of finally adopting the very best possible type of legislation.

Only a few days ago the chairman of the Senate Committee on the Judiciary cabled a message, which was read to the Senate, to the effect that he had discovered a serious situation to exist with reference to fraud and false practices, and, pursuant to his request, the Senate again unanimously approved further leave of absence in order for him to continue his investigation in Europe.

Partly for the reason, Mr. President, that it will not take much time, partly because the subject is important, and partly because I, for one, think that citizens other than Members of the Senate ought to have the full story, I shall read again the cable which the Senator from Nevada [Mr. MCCARRAN] sent to the Senate, and I ask every Senator to consider his observations in the matter:

I have conferred with officials of the Displaced Persons Commission, the United States Consular Service, the Immigration and Naturalization Service, the International Refugee Organization and voluntary agencies, the Lutheran World Federation, the National Catholic Welfare Conference, and the American Joint Distribution Committee. My studies and investigation have included all major areas of Germany having displaced persons. Authentic information discloses to me fraud in essential documents, misrepresentation, maladministration, and violation of law.

All of the officials agreed that the program under the present act when completed will have taken care of the persons actually displaced by the recent war, except for a so-called hard core which covers a group of applicants who are disqualified under the immigration laws because of disease or criminality or because they are persons likely to become a public charge. My investigation indicates the need of tightening the existing law with respect to the security of the United States, as well as the need for more thorough examination of displaced persons applications. Material already developed requires further study and full disclosure of the administration of the present act before intelligent action can be taken on pending legislation. I give you a personal assurance that I am bending every effort to complete my investigation so that I may report at the earliest possible moment.

Mr. President, I should like for a moment to reflect on what I think the Senator has told us in both these paragraphs.

The Senator from Nevada, who is chairman of the Committee on the Judiciary, and who has been charged by the Senate with leadership in this question of displaced persons, has told us from Europe that he went to Europe and has conferred with all the authorities who have anything to do with the problem of displaced persons overseas. Is there a single Senator among us who has had any experience that is comparable to that?

I might suggest to the Senator from Indiana [Mr. CAPEHART], who sits before me, that he probably has had no opportunity to discuss this large problem with the Displaced Persons Commission, with the Consular Service, with the Immigration and Naturalization Service, with the International Refugee Organization, with the Lutheran World Federation, the National Catholic Welfare Conference, or the American Joint Distribution Committee. There is only one Member of the United States Senate of whom I know who has had an adequate opportunity to confer in the field with those who concern themselves with the problem of displaced persons. That individual is a man who is not here. It is the senior Senator from Nevada [Mr. MCCARRAN]. But from where he is doing his work abroad, in the name and in the interest of the United States Senate, he has cabled us to say that every responsible person with whom he has talked in Europe is of the opinion that, with certain hard core exceptions, by the expiration date of the law of 1948 all the displaced persons who were actually displaced and harmed by the last war will have been cared for. That is the considered advice of a man to whom I, for one, and I hope every other Senator, looks for advice and recommendations concerning the pending bills. He has said, "I am getting information which you will need in the Senate before you come to any decision or take any action." He is asking in a very reasonable way, on the basis of the experience he has gained abroad, for us to wait until he comes home.

Yet before us we have, as I have read, one sentence which constitutes a report from the Committee on the Judiciary, in which the committee, if I understand the English language, simply says to the Senate of the United States, at least by inference, "The committee is so confused within itself, the committee is so in doubt about what should be done, the committee does not know what should be done, so the committee passes out a displaced-persons bill to the Senate of the United States and says every Senator is a free agent, that it must be construed to be a piece of catch-as-catch-can legislation. We of the Committee on the Judiciary are not in a position to give the Senate of the United States any advice." Yet the Senator from Nevada, who has the advice to give us, is some three or five thousand miles away.

The Senator from Nevada proceeds in his cable with these words, which, again,

support my own opposition, which, it goes without saying, has probably just begun. He says:

You Senators—

Meaning every one of us—

may rest assured that there is no immediate need for additional legislation—

Who is saying that? It is the chairman of one of the great standing committees of the United States Senate, the senior Senator from Nevada. He continues:

and that intelligent and prudent action can be taken before the expiration of the existing law.

The Senator from Nevada is saying, among other things, "If the Senate wants to take action and change or amend the Displaced Persons Act of 1948, there will be, in the name of common sense and reason and fact, sufficient time in the next session to make the changes."

The Senator from Nevada in the cablegram he sent, as I recall, to the Senator from Maryland [Mr. O'CONOR], continued:

I respectfully request you to obtain unanimous consent for extension of my permission to be absent from the Senate for another 3 weeks, as I must confer with International Refugee Organization officials in Geneva, Switzerland, and will investigate the displaced persons situation in Austria and Italy. If we pass the House version of the DP bill as it is now before the Judiciary Committee, it would be a serious mistake.

Mr. President, apparently that is not merely the feeling of the senior Senator from Nevada, because he adds that it would be a serious mistake to pass the bill which the committee reported yesterday as being the expression of the Displaced Persons Commission and of officials of the consular service and the Immigration and Naturalization Service of the United States.

The Senator from Nevada said further:

I cannot get back in time and conclude my investigation because it covers such a wide field.

That is the end of the cablegram of the Senator from Nevada.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAIN. I yield to the Senator from Missouri.

Mr. DONNELL. I do not know whether the Senator has referred to his own personal observations in Europe in October and November 1947. Has the Senator mentioned that subject?

Mr. CAIN. I have not, but that was my intention, merely to indicate some justification for my taking the time of the Senate this afternoon.

Mr. DONNELL. I desired to ask the Senator whether or not he was in Europe because of his interest in this subject, not because he was on any committee that obligated him to be there, but whether or not he went to Europe in October 1947 and visited numerous displaced-persons camps. If he did, I should like to have him tell the Senate, if he will, whether or not he thinks it is necessary, in order to obtain a reasonably clear understanding of conditions in those camps, to make personal visits and spend time for that purpose, as the Senator from Nevada is doing.

Mr. CAIN. I feel that it is imperatively important to the resulting good character of any displaced-persons legislation to have the facts from which such legislation will be designed come from personal observations and experiences and studies conducted by responsible Members of this body in the field where the displaced-persons camps are located and the problem itself is most acute.

Mr. DONNELL. Does the Senator consider that in making that investigation it is of the utmost importance to visit the consular services of the United States, some of the displaced-persons camps, the International Refugee Organization, and various groups of persons who have been visited by the senior Senator from Nevada, and whom he expects to visit, according to the message which was presented to the Senate by the Senator from Maryland in behalf of the Senator from Nevada a few days ago?

Mr. CAIN. To me it seems obviously important that visits be made to every agency abroad which has to do or has had in recent years any personal part to play in the management and supervision of the displaced-persons problem which we seek to solve through the pending legislation.

Mr. DONNELL. Does the Senator make that statement, in part, at any rate, as a result of his own personal observations in Europe in 1947?

Mr. CAIN. I make the observation for that reason, I may say to the Senator from Missouri, and further because—and this is a personal reflection only to prove the point, but I think it is totally safe to say it—the junior Senator from Washington knew more about the displaced-persons problem with respect to Europe prior to the close of the war, and for some months after the war, than probably all other Senators put together.

Mr. DONNELL. Mr. President——

Mr. CAIN. Will the Senator permit me to follow this thought, because it may have a bearing on the problem we are considering?

It happened that the troops with which I served during the war, since they were air-borne troops, moved more rapidly than most ground units. It was for that very logical reason that we uncovered more displaced persons camps, or slave labor camps, call them what you will, and managed and supervised more of those establishments after the war, than any other unit of the Army. I can only guess, but I think that through my command, or, to put it another way, in pursuance of my own job in the Army, I was probably personally responsible for processing at least 500,000 displaced persons, men, women, and children. I have seen them suffer and I have seen them die, and because of my experience, I have a greater sympathy for a real displaced person than have most other Senators, who necessarily are speaking in vacuum about this problem. I make that comment only to show, Mr. President, that my sympathy is toward a proper solving of this problem. But I say that unless the Senator from Nevada is to be completely repudiated publicly by the Senate of the United States as being not qualified to understand what he sees, unless we are willing to say that there is no value to having the chairman of the Committee on the Judiciary visit with organizations and groups charged with the management of and provision for displaced persons overseas, unless we conclude that we can properly write legislation on a subject about which most of us here know very little, in a vacuum—in this instance called the Senate of the United States—it is absolutely impossible, or ought to be, for us to take action on the committee bill, unaccompanied as it is by other than a one-sentence meaningless report, until the senior Senator from Nevada, the chairman of the standing Committee on the Judiciary, returns to this country.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. CAIN. I yield.

Mr. DONNELL. I ask the Senator whether or not I am correct in the statement which I made, in substance, a few minutes ago in framing one of my questions, that the Senator from Washington, who is addressing the Senate this afternoon on this subject, showed his interest in the displaced persons problem by going to Europe in October of 1947, by accompanying the members of the Subcommittee of the Senate Committee on the Judiciary who were there, and that the Senator from Washington did so without any official obligation so to do whatsoever, other than the obligation of his own conscience and his own interest in the displaced persons problem?

Mr. CAIN. In answer to the Senator's question and observation, the facts as I remember them are these: In 1947, knowing that the Committee on the Judiciary of the Senate, of which I was not a member, was concerning itself with the displaced persons problem, and being advised that a subcommittee headed by the then Senator from West Virginia, Mr. Revercomb, was going to Europe, I asked if he would mind if in a perfectly unofficial and informal way I associated myself with his committee, the net result of which was that he agreed that I might do so. I went to Europe, and spent some 3 weeks, as I recall, in his company, in that of the Senator from Missouri [Mr. DONNELL] and in that of the then Senator from Rhode Island and now the Attorney General of the United States, Mr. Howard McGrath.

Again, and in answer to the question of the Senator from Missouri, I went because I think the question of how best to handle displaced persons is important not only to the Europeans involved but to America, and I went happily—and I say this with no boastful offering one way or another—at my own expense, and in pursuance of my own interest in a very important controversy.

Mr. DONNELL. In other words, the Senator went of his own volition, at his own expense, and without any official obligation as a member of the Committee on the Judiciary or as a member of any other committee of the United States Senate?

Mr. CAIN. I was not a member of the subcommittee of the Committee on the Judiciary which was then overseas, nor

did I go in any other Senate committee capacity. I went because Mr. Revercomb permitted me to go in order that I might pursue the subject which is now pending before the Senate.

Mr. President, a few minutes ago, and just before I began to read the cablegram from the Senator from Nevada, I was reciting, as I understand them to be, the progressive steps which actually resulted in the pending bill being reported to the Senate yesterday and placed on the calendar. I want to continue that discussion because every Senator should think about it, and every Senator in thinking about it should wonder how he would feel in the future if the very same steps were imposed upon him and against his considered will.

A few days ago all of us who knew him were shocked at the untimely passing of the Senator from Idaho, Mr. Miller. We were grieved to learn shortly thereafter of a death in the immediate family of the senior Senator from Mississippi [Mr. EASTLAND]. Both Senators were strongly opposed to discharging the Immigration Subcommittee of the Committee on the Judiciary which had been conscientiously laboring on many controversial issues and aspects connected with the displaced persons problem. The death in the immediate family of the senior Senator from Mississippi necessitated his absence from the Senate for 2 or 3 days.

Within a few days of the death of the Senator from Idaho, Mr. Miller, and while the senior Senator from Mississippi was absent, and while the chairman of the Senate Committee on the Judiciary was in Europe, thousands of miles away, investigating certain issues connected with the displaced persons problem, the bill, H. R. 4567, to amend the Displaced Persons Act of 1948, was torn from the five-man Immigration Subcommittee and was brought before the full committee for action.

I wonder how many Senators have had their responsibilities and capacities as members of subcommittees of standing committees of the Senate taken away from them. If they have not had that experience, since they now know that such an experience has recently been visited upon a subcommittee of the Committee on the Judiciary, I wonder whether or not most Senators would like to be subjected to a similar experience in the future?

In the meantime, Mr. President, both the senior Senator from Mississippi, and the Chairman of the Committee on the Judiciary urged the committee first to hear the facts then available respecting the displaced persons problem and the issues presented by H. R. 4567.

When the subcommittee of the Committee on the Judiciary was summarily dismissed from further consideration of its responsibilities—though I was not there—I suppose its members, because of a feeling of sincerity respecting this subject, said to other members of the full committee, "If you are going to discharge us without permitting us to make a recommendation to the full committee, will not the full committee please take enough time to consider what are the facts incident to the problem?" Indeed, the senior Senator from Missouri [Mr. DONNELL], as I understand, when attempting to explain certain of the provisions of H. R. 4567, was allowed less than than one-half hour, 30 short minutes, to do so, and the bill was hastily sent to the Senate, where it is now before us without recommendation.

Mr. President, I cannot for many minutes at a time keep my eyes off this monumental report, because I know that every Senator among us is going to look to this report for material and facts from which he can make a logical, reasonable decision. I read the report again, and I think those who are concerned ought to put it on the radio and in every newspaper in America.

Mr. DONNELL. Does the Senator think it wise at this time to encumber the RECORD with such a lengthy and voluminous report as this?

Mr. CAIN. I do not think I can answer that question, because the average person or the average Senator, when he reads the report, will not understand it for what it actually is. He will think that the report is somewhere else. It will never occur to him that there is no report.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. CAIN. I yield.

Mr. DONNELL. Does the Senator regard the time granted for the discussion of this bill on the day it was reported from the committee as being adequate, that time having been set forth in the following excerpt from the minutes of the executive meeting of October 12, 1949, of the Senate Committee on the Judiciary:

> Senator FERGUSON moved that the committee vote at 10:50 a. m. on his motion to withdraw H. R. 4567 from the standing Subcommittee on Immigration and Naturalization. Senator DONNELL asked that the record show that at 10:38 a. m. Senator FERGUSON's motion to vote at 10:50 a. m. was put to a vote, which allowed him only the intervening time in which to speak on the motion to withdraw the bill from the subcommittee.

Before the Senator answers the question, I think in fairness I should state that owing to the difference in time between various clocks, there were probably 3 or 4 minutes in addition to the 12 minutes allowed. Does the Senator regard that as adequate time for consideration of the bill by the full committee?

Mr. CAIN. I am constrained to think that if Senators still possess, in this tenth month of the year 1949, a relative sense of humor, when they thoroughly understand what the Senator has just said, and when they take sufficient time to read the RECORD tomorrow and discover for themselves what from my point of view is the inadequate way in which the proposed legislation was prepared and brought to the Senate, they ought to be inclined to say, "Someone has made a serious mistake in asking us to spend any time on this important subject, which we have no intention of spending at this session of the Congress."

Perhaps a better answer to the observation of the Senator from Missouri is this: In a little while, and without much comment, I wish for the sake of the record, in order that the people may begin to understand this problem, to offer the expense accounts of what is known as the Citizens Committee on Displaced Persons, covering approximately the past 2½ years.

Mr. DONNELL. Mr. President, will the Senator yield for a moment before he comes to that point? With the Senator's permission and with the understanding that he shall not lose his place on the floor, I should like to make a very brief statement of only a few sentences.

Mr. CAIN. Will the Senator permit me to complete my answer to his question? Then I shall be glad to yield to him.

Mr. DONNELL. If the Senator has no objection, I should like to have him bear this fact in mind before he completes his answer.

Mr. CAIN. If the Senator considers it important, I am pleased to yield.

Mr. DONNELL. I do regard it as of importance.

I should say that, in addition to the time granted by the action which I have just read from the excerpt from the minutes, on the evening before the meeting of October 12 there was the opportunity for all members of the Senate Judiciary Committee who might desire so to do to be present at a meeting in room 424, Senate Office Building, at which there was an extended statement, for probably 2½ hours or thereabouts, by Mr. Arens, the head of the staff, on the general subject of displaced persons, the Celler bill, and other incidental matters, at which meeting there were present, as I recall, the Senator from Maryland [Mr. O'CONOR], the Senator from North Carolina [Mr. GRAHAM], part of the time the Senator from North Dakota [Mr. LANGER], and part of the time the Senator from Tennessee [Mr. KEFAUVER]. I think the Senator from Indiana [Mr. JENNER] was present all the time. I believe I was there all the time. Those were the only Senators who were present that evening. There was not a quorum of the committee present, as will be observed. I should like to have the Senator in possession of that information before he answers the question.

Mr. KILGORE. Mr. President, will the Senator yield for a query?

Mr. CAIN. If the Senator will permit me to complete my answer to the Senator from Missouri, most certainly I shall yield.

Mr. KILGORE. I should like to propound an inquiry to the Senator from Misssouri.

Mr. CAIN. In the course of a prepared statement I use the following sentence:

> During the last 2 years the Citizens' Committee on Displaced Persons has expended close to $900,000 on behalf of legislation which would enlarge and extend the scope of the Displaced Persons Act of 1948.

My answer to the Senator from Missouri is simply this: Whatever the reasons for it may have been, there has been expended in a little more than 2 years about $900,000, a large part of which, to my knowledge, has been used to influence this legislation. There was need for the Judiciary Committee, of which the Senator from Missouri is a member, to

spend countless hours in further consideration of the need for legislation and the type of legislation which was to be brought to the floor of the Senate. To my mind it is absolutely inconceivable—and this is still in furtherance of an answer to the Senator's question—that a report of one sentence, without a recommendation, should have been brought to the floor as representing any possible concept of adequate legislation.

Mr. KILGORE. Mr. President——

Mr. DONNELL. Mr. President, will the Senator indulge me a moment?

Mr. CAIN. I yield to the Senator from Missouri.

Mr. DONNELL. I should like to have the Senator from Washington, if he desires to answer further the question which I have propounded, to know also that on the evening before the meeting of October 12, in addition to Mr. Arens, there was present Mr. Tom Davis, also a member of the staff. I think in justice both to members of the committee who were present and to Mr. Davis, that fact should be mentioned. He cooperated in furnishing us information.

Mr. CAIN. I am grateful for the information which the Senator from Missouri is developing.

Mr. AIKEN rose.

Mr. KILGORE. Mr. President——

Mr. CAIN. Permit me first to accommodate the Senator from Vermont, who is in a hurry, and then I shall immediately yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. Is the Senator from Washington on limited time?

The PRESIDING OFFICER. He is not.

Mr. KILGORE. I rather resent the implication in the RECORD that I am trying to encroach upon his time as a speaker. There is no such thing as a time limitation except by unanimous consent. The implication is in the RECORD that I am trying to encroach upon the Senator's time. I am merely trying to ask him a question and to ask the Senator from Missouri a question. I ask the Senator from Washington to yield for that purpose.

Mr. CAIN. I have said to the Senator from West Virginia that I seek first to accommodate a Senator who made a request for me to yield prior to the time the Senator from West Virginia came into the Chamber. I shall yield to the Senator from Vermont. When he has finished, if the Senator from West Virginia wishes to ask a question, he can ask one question, or as many questions as he has in mind.

I yield to the Senator from Vermont.

Mr. KILGORE. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. I realize that the Senator from Washington has the floor. I withdraw all idea of questioning a man who is so unreasonable of temperament.

Mr. CAIN. Mr. President, I wish to restate a certain point. I shall probably wish to do so a number of times during the course of this debate, because it takes so little time, and it helps Senators who do not read all of any day's RECORD to glance at practically any portion of today's RECORD and find out what the report of the committee was.

Mr. KILGORE. Mr. President, may I ask a question of the Senator from Washington?

Mr. CAIN. May I ask the Senator from West Virginia if I understood him correctly several minutes ago when he suggested that he did not care to ask the present speaker a question?

Mr. KILGORE. Except one question which I should like to ask the Senator from Washington.

Mr. CAIN. I should like to straighten out the situation by saying that the Senator from West Virginia may ask any question at any time.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from West Virginia for a question?

Mr. CAIN. I yield.

Mr. KILGORE. I want to ask if the Senator from Washington has himself read all the record about which he is speaking, including the record of 1947, up to the present time? That is my question.

Mr. CAIN. I think the answer, in a very general way, is "Yes."

Mr. President, I have never had the honor of serving on a committee which considered displaced-persons legislation officially. I did, however, take a personal interest in the displaced-persons problem during the considerations of the legislation by the Eightieth Congress. I associated myself with a group of Senators who made a trip abroad in the fall of 1947 and who, together with a staff, made a thorough investigation of the displaced-persons issues, visited numerous displaced-persons camps, and heard the testimony of many displaced persons and government officials throughout Europe. During the war, I was intimately associated with the problem as an officer of the United States Army. I saw the many thousands—tens of thousands, hundreds of thousands—who were caught in the crush of the armies and who became a burden to the occupying forces after the conflict. Many of these unfortunate people perished before aid could be rendered. Many millions were transported back to their native lands, thankful to the allied armies for their liberation. The thousands who remained for the most part found it impossible to return to their native lands because of fear of the governments then in control. Many thousands of others remained in allied jurisdictions because they did not care to face the hardships that awaited them should they return to their former homes. Among these unfortunate people were the real displaced persons. Those who were, in fact, displaced by the war and remained in the occupied territories at the end of the conflict are the real war-displaced persons who were actually dislocated and hurt by enemy action. When we have done a job sufficiently large to take care of those who were hurt in the war, there will be adequate opportunity and ample time to take care of those who entered displaced-persons camps months and years after the war, included among whom are many persons—as any reasonable observer must testify—whose only excuse for entering a displaced-persons camp was that they might find an illegitimate way to enter the United States as a fictitious displaced person, whereas if they tried to enter the United States through legitimate immigration channels, they would not be able to do so, and we would not let them come in, for decades.

It is small wonder that I feel as strongly as I do about the word "discrimination," about which we have heard so much loose talk, and about the real displaced persons. If the Senate were to pass the proposed legislation as it is now pending, the Senate would be guilty of discrimination against thousands of Europeans who have a right to look forward to entering the United States through legitimate channels, but will be precluded from doing so, if this proposed legislation is enacted, because of the insistance in this measure to make displaced persons out of persons who are not deserving of that designation and treatment as such, and should not have any type of assistance from the Government of the United States.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield for a question.

Mr. KILGORE. I am very sincere in this matter. I should like to have the Senator from Washington point out the specific provisions of the measure which would preclude admission into the United States of persons who should come to the United States. I should like to have pointed out to us the specific provisions of the bill which would have that effect.

Mr. CAIN. I know the Senator would like to have that done. I have looked to his committee's report for an explanation of what the bill includes. I thought that if I had been misinformed, I could correct my understanding by means of referring to the report of the Judiciary Committee. For the benefit of the acting chairman, as I understand him to be, of the Judiciary Committee, I shall read his own report, which has been the primary reason for my speaking—probably at length—today:

> The Committee on the Judiciary, to whom was referred the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, report the bill to the Senate without recommendation.

I cannot get any help from that report, Mr. President.

The Senator from Washington will answer the question submitted by the Senator from West Virginia, of course. The Displaced Persons Act of 1948 contains a cut-off date of December 27, 1945, I believe.

Mr. DONNELL. It is December 22.

Mr. CAIN. I thank the Senator from Missouri.

The bill as reported by the committee includes provision for a cut-off date of January 1, 1949. Unless every member of the Judiciary Committee can guarantee that every displaced person who was in a displaced-persons camp prior to De-

cember 22, 1945, has been taken care of, common sense and simple logic and reason tell us that if this bill is passed, displaced persons who have entered such camps in the year 1949 will come into this country, to the exclusion and to the prohibition of the rights of those who were really displaced persons by virtue of enemy action.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from West Virginia?

Mr. CAIN. The Senator from West Virginia has not yet stated why he wishes me to yield.

Mr. KILGORE. I wish to have the Senator yield to me so that I may ask a question.

Mr. CAIN. Certainly.

Mr. KILGORE. First, I wish to state to the Senator from Washington that I am not trying to take the floor from him, as a result of any question I ask. I do not expect to take advantage of any technicality.

My question is this: Are those the two principal reasons why the Senator from Washington is opposing the passage of this bill, or are there other reasons?

Mr. CAIN. There are scores of reasons.

Mr. KILGORE. Will the Senator from Washington please delineate those reasons?

Mr. CAIN. Indeed I will. I think the Senator from West Virginia should be apprised of the fact that the reasons for my opposition and for the opposition of other Senators will take a considerable period of time to present.

For example, I do not know when the senior Senator from Nevada [Mr. McCARRAN], the chairman of the Judiciary Committee, is expected home; but if he can be expected in the next week or two, speaking only for myself, I should think the subject before us is deserving of continuing consideration until his return.

Mr. KILGORE. Mr. President, let me say to the Senator from Washington, without in any way attempting to jeopardize his position on the floor, that the last news as to that matter came to us when we received the message that the Senator from Nevada was requesting a three weeks' extension of leave. I do not know when he will return.

I should like to ask a further question of the Senator from Washington.

Mr. CAIN. Certainly.

Mr. KILGORE. The Senator from Washington has been active in banking circles and he knows how boards of directors of corporations operate. In the opinion of the Senator from Washington, is it absolutely necessary that the chairman of a board of directors be present, before the board agrees in regard to some matter?

Mr. CAIN. The Senator from West Virginia is a man of wide experience. He has had business experience, as have I. Our generations are approximately the same. I must say—and I know the Senator from West Virginia will agree with me—that if the chairman of any board of directors ever received the treatment, following a request similar to the one which was submitted by the chairman of the Judiciary Committee, just one of two things would happen: Either the board of directors would have sufficient votes to fire the chairman in his absence, or the chairman would resign.

The example I have used indicates that obviously it is important that the chairman of the board of directors be present when the policy for his company—or in the present case, the policy for this Nation—is being designed and decided upon. If the chairman of the board of directors of any corporation is somewhere else, by leave of his colleagues, and if he is willing to be absent when action is taken, and he authorizes the board to act in his absence, that is one thing. But we are not faced with that set of circumstances. We are faced with a situation in which the chairman of the board, so to speak, has, over his own official signature, said, "Members of my board, I have reason to advise you not to take action in my absence." Yet every possible move has been made to make certain that action is taken in the absence of the chairman.

Mr. KILGORE. Mr. President, this matter has become personal. I have had a little corporate experience as a lawyer, not as a banker, I may say, or as a real-estate operator; but I have had some experience.

Mr. CAIN. What has the Senator's experience been? The Senator has referred to banking and real-estate interests. If we are about to take a considerable amount of time——

Mr. KILGORE. I referred to experience with corporations.

Mr. CAIN. Are those not corporations?

Mr. KILGORE. Yes.

Mr. CAIN. Is it fair to say the Senator has done a reasonably good job of it, in this instance?

Mr. KILGORE. I may say the situation comes to this, that the board of directors of a corporation decides something is to be done. The board certainly need not wait until the chairman of the board returns, or subject themselves to criticism by people who say in a general way they know the whole thing, when, as a matter of actual fact, the hearings of the subcommittee have not been printed; only 1 member of the group of 25 has worked on the matter, and that only part time, according to the statements of Mr. Arens.

Mr. CAIN. When may we expect the report?

Mr. KILGORE. The Senator received the report, without recommendation, from the Judiciary Committee.

Mr. CAIN. But the hearings?

Mr. KILGORE. Wait a minute.

Mr. CAIN. The Senator will pardon me.

Mr. KILGORE. I dislike the criticism of members of the Judiciary Committee. I could criticize actions of various other committees, and in a very vitriolic way, but, owing to my normal courtesy to other people who have two legs, two arms, two eyes, and a mouth, I do not do it. Mr. President, I resent the vitriolic criticism by a Member of this body who is in no position to criticize, not knowing whereof he speaks, except, as he says, in a general way—which probably came from the columns of the newspaper.

Mr. CAIN. Mr. President, the Senator from West Virginia and I obviously have no desire to quarrel with each other.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. CAIN. I yield for a question.

Mr. KILGORE. I never quarrel with anyone. As I have stated in the past, I do not criticize any other Senator or any committee.

Mr. DONNELL. Mr. President, I ask for the regular order.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. If the Senator will refrain a minute, the Chair will recognize the Senator from Missouri.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DONNELL. Is the Senator from West Virginia entitled to make an address, or is he entitled merely to ask a question of the Senator from Washington? I have requested the regular order, which I believe involves the asking of questions, unless there is unanimous consent to yield for another purpose.

The PRESIDING OFFICER. The regular order is that the Senator from Washington may yield for a question only.

Mr. KILGORE. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. Senators all know that the literal interpretation of the rule is frequently violated in the Senate, without prejudice to the rights of the Senator having the floor. Does the Senator from Washington yield to the Senator from West Virginia?

Mr. KILGORE. No, Mr. President, I am raising the point of order that, as I interpret the statements of the Senator from Washington, they have cast reflection on certain Members of the United States Senate, as members of the Judiciary Committee. I make the point of order.

The PRESIDING OFFICER. The Chair will state that unless the Senator from Washington yields for the purpose, no point of order may be made.

Mr. CAIN. The Senator from Washington will not yield for that purpose at this time. The Senator from Washington would like to say he agrees that he is criticizing strongly the action which resulted in the pending bill being reported to the Senate floor yesterday.

Mr. KILGORE. Mr. President, I rise to a point of order.

Mr. CAIN. Mr. President, I do not yield.

The PRESIDING OFFICER. The Senator from Washington declines to yield for a point of order.

Mr. KILGORE. I do not think it is essential that the Senator yield, when I rise to a point of order. The point I make is that the Senator from Washington is making personal criticism, reflecting upon the integrity of members of the Judiciary Committee. This was brought out by his last remarks, which have caused me to make the point of order.

The PRESIDING OFFICER. The Senator from Washington does not yield for the purpose of permitting the Senator from West Virginia to make a point of order.

Mr. CAIN. No. I thank the Presiding Officer.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. CAIN. What I want to make clear is that there certainly must be a distinction, as I feel there is, between a Senator directing criticism to action of which he does not approve, and a personal reflection by an individual Senator upon the individual members of a committee. There is no intention on my part to do the latter.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAIN. I merely want to be certain the matter is straightened out.

Mr. MORSE. I shall protect the Senator's rights.

Mr. CAIN. I am pleased to yield.

Mr. MORSE. I have requested the Senator to yield, because I know he wants to be perfectly fair. The Chair has made a ruling, to which the Senator from Oregon wants to refer so that no precedent will be established. I make no comment on the exchange between the Senator from Washington and the Senator from West Virginia, because I did not even hear the exchange. But it is my understanding of the rules of the Senate that there is one point that can always be raised at any time, and that is the point of order that a Senator is out of order, when it is alleged that he is casting a reflection upon the character, reputation, or integrity of another Senator. Any other rule would make it impossible for the Senate to protect itself. If I understand the ruling of my good friend, the senior Senator from Washington [Mr. MAGNUSON], who is presiding, it is that when such a point of order is raised, unless the Senator who has the floor yields for the purpose, it cannot be raised. I think the Presiding Officer is in error on that ruling.

The PRESIDING OFFICER. The Chair will state to the Senator from Washington that, while the rule is that the Senator on the floor need not yield for a point of order, of course, if a point of order is raised regarding the statements of any Senator on the floor touching the motives or personal integrity of a fellow Member of the Senate, the matter is covered in the standing rules of the Senate, page 24, rule XIX, section 4, reading as follows:

> If any Senator, in speaking or otherwise, transgress the rules of the Senate, the Presiding Officer shall, or any other Senator may, call him to order; and when a Senator shall be called to order he shall sit down, and not proceed without leave of the Senate, which, if granted, shall be upon motion that he be allowed to proceed in order, which motion shall be determined without debate.

Section 2, which complements section 4, reads as follows:

> No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

It is the Chair's understanding——

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. Let the Chair finish. It is the Chair's understanding of the point of order raised by the Senator from West Virginia that it does not relate to section 2, but that the point of order was made as to the statements of the junior Senator from Washington regarding the actions of the committee, not of its individual members.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. KILGORE. As I interpret the statements of the Senator from Washington, they were attacks upon the integrity of members of the Judiciary Committee. Naturally, they are Members of the United States Senate. I did not think I had to spell that out. I raised the point of order.

Mr. MILLIKIN. Mr. President, I move that the Senator from Washington be allowed to proceed in order.

The PRESIDING OFFICER. The Senator from Washington has not been called to order. The Senator from West Virginia is making a parliamentary inquiry.

Mr. KILGORE. Mr. President, my parliamentary inquiry is this: Is it the idea of the Chair that the Senator from Washington must name the Members upon whom he casts aspersions, whom he charges with lack of integrity and with various other things which he has done in his speech?

The PRESIDING OFFICER. The Chair will answer the inquiry of the Senator from West Virginia. It is the opinion of the Chair that a violation of paragraph 2 of rule XIX would have to be specific as to a Senator. The Chair will again read the rule:

> No Senator in debate shall, directly or indirectly, by any form of words, impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

It was the understanding of the Chair that the point of order raised by the Senator from West Virginia was to the effect that the junior Senator from Washington was impugning the motives of members of the committee without naming them specifically or without referring to a specific Senator.

Mr. KILGORE. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Washington has the floor. If he wishes to yield for the purpose of a quorum call he may do so.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CAIN. Mr. President, I should rather not, for the reason that I should like to have the Senator from West Virginia continue to establish whatever sort of point it is which he may have in mind. It is a bit confusing up to this time. I think the sooner the matter is resolved, the better.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is it necessary that the Senator from Washington should yield in order to have a quorum call?

The PRESIDING OFFICER. Yes. The Senator having the floor must yield for that purpose.

Mr. CAIN. Mr. President, I should like to say to my friend the Senator from Illinois that if there is a good reason for yielding for the purpose of a quorum call, I shall be pleased to yield; but my own inclination is to provide the Senator from West Virginia with as much time as he needs to continue his parliamentary research.

Mr. KILGORE. Mr. President, is it necessary that the Senator from Washington name the Senator from West Virginia, the Senator from Washington [Mr. MAGNUSON], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Tennessee [Mr. KEFAUVER], in order that he may personally insult us, or can we be insulted en bloc—quietly take him out and lick him—or must we be personally insulted?

The PRESIDING OFFICER. The Parliamentarian advises the Chair that before there could be any violation of the rule the Senator must refer in a more specific degree to a Senator or to a group of Senators than is contained in the statements which the Senator from West Virginia imputes to the junior Senator from Washington. Paragraph 1 of rule XIX reads as follows:

> No Senator shall interrupt another Senator in debate without his consent, and to obtain such consent he shall first address the Presiding Officer—

And so forth.

Mr. KILGORE. Mr. President, at all times I have addressed the Presiding Officer.

The PRESIDING OFFICER. Yes; the Senator from West Virginia has done so.

Mr. KILGORE. I have been courteous. I merely addressed a parliamentary inquiry. Although I believe that if there were a quorum present I could probably appeal from the ruling of the Chair, and while I do not think it is necessary to name any Senator, I insist that the Senator get his speech out of the way.

Mr. DOUGLAS. Mr. President, I wonder if the Senator from Washington would be kind enough to yield for a quorum call so that there may be a larger group to hear his statement?

Mr. CAIN. The Senator from Washington would be pleased to do that, provided his right to the floor shall be protected.

Mr. MORSE. Mr. President, will the Senator yield for a moment so that I may endeavor to clear up the matter?

Mr. CAIN. The junior Senator from Washington would like only an understanding, if he is entitled to it, with the present occupant of the Chair that his

rights will be protected in furtherance of permitting other Senators to satisfy their present curiosity.

Mr. MORSE. With the understanding that my inquiry will in no way prejudice the rights of the Senator from Washington to the floor.

Mr. KILGORE. I object.

Mr. CAIN. I understand that the Senator from West Virginia has just objected to the request of the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. CAIN. Mr. President, I think there is a very great difference between criticizing the judgment of either an individual or a group of individuals and casting reflections on their integrity or their motives——

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question?

Mr. CAIN. If the Senator will permit me to make one further observation. I want it clearly understood, and I hope absent Senators may read it in the CONGRESSIONAL RECORD, that the junior Senator from Washington thinks he is on the soundest possible ground in criticizing the judgment and the action which resulted in a major question of public policy being presented to the floor of the United States Senate without, from his point of view, adequate documentation and adequate facts. The only information we have had in connection with this problem is a one-sentence report which says that the committee has reported to the Senate a bill without recommendation. The only way in which interested individual Senators can find out what the committee had in mind and what were the reasons the committee felt justified reporting the bill to the Senate is to explore the subject on the floor of the Senate, if it takes weeks. The very Senators from whom we seek advice, information, and counsel are members, individually and collectively, of the Committee on the Judiciary of the United States Senate, headed by its acting chairman, the distinguished senior Senator from West Virginia [Mr. KILGORE].

I shall now be most pleased to yield to the Senator from Iowa.

Mr. HICKENLOOPER. I should merely like to have the Senator's view on this question. Under a strained construction of the rule just read by the Presiding Officer, does not the Senator from Washington think that if Senators were so minded they might very easily have raised a question last evening with reference to disparaging remarks questioning the motives of Senators who voted against the confirmation of the nomination of Mr. Olds? There were remarks made bombastically on the floor implying that Senators who voted against the confirmation of the nomination were being controlled by oil or gas interests. I might say, in furtherence of the question, that that is probably legitimate debate. It is probably offensive in some ways, but it is still within the bounds of legitimate debate. I am wondering if the Senator does not feel that, under a strained construction of the rule, such remarks could be charged as imputing improper motives to a Senator.

Mr. CAIN. I am inclined to think the Senator's observation is a logical one, but I have no desire to respond to it. All the junior Senator from Washington seeks and wants to do is to keep his eye on the main objective, which is the desirability, or the lack of it, of taking action on the bill which the Committee on the Judiciary reported to the Senate yesterday. I have already said, as I hope to restate a thousand times, it would not be in the best interest of the Nation for the Senate to take action at this time, and it would be badly advised to do so.

I did not take personal exception to the comments just made by the Senator from West Virginia, for two reasons, first, because I think on reflection he will know that he did not mean them; and, secondly, as I have every intention of proving, if it is humanly possible to do so, that the Senator from West Virginia has reported to the Senate other than an adequate displaced persons instrument. I seek at no time to take exception to his motives, or to question any aspect of his conduct.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. MORSE. I think the Senator's last statement, as to the Senator's motives, is an absolutely accurate one, and that is the interpretation I made of the Senator's motives. I put this in the form of a question, but I say to the Senator from Iowa that I think the debate on the confirmation last night was well within the rule, on both sides.

Mr. HICKENLOOPER. Mr. President, I think I clearly said that I thought the debate last night was within the bounds of propriety, with Senators discussing such matters as were before the Senate.

Mr. MORSE. I agree with the Senator.

Mr. CAIN. Before my two friends go further, may I suggest to the Senator from Iowa, who was probably not present during the early part of the colloquy between the Senator from West Virginia and myself, that up to this time the discussion has not begun to compare in intensity with what I sat through last night. I have every reason and expectation that it will be, and will exceed the one of last night, but, as of the moment, it has been relatively a quiet discussion, and if we were using the debate last night as a standard, we could all agree that both the Senator from West Virginia and I could go much further than either of us has gone before any reasonable question could be raised as to our conduct.

Mr. HICKENLOOPER. I want the Senator to realize that I do not consider that the debate last night should be considered a measure or standard, but it was within the bounds of the rule.

Mr. CAIN. I understand the Senator. I was merely referring to that to illustrate how relatively harmless I thought the exchanges thus far this afternoon had been.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. MORSE. I preface the question by saying that I know the Senator from Washington is as anxious as is the Senator from Oregon to have the RECORD perfectly clear this afternoon as to the meaning of rule XIX, so that no unfortunate precedent will be established by the Chair in respect to a rule of the Senate.

Mr. CAIN. The Senator from Washington is not well advised as to the meaning of the rule in question, and would be very grateful for any light the Senator from Oregon could throw on it.

Mr. MORSE. Is it the Senator's understanding that the final statement made by the senior Senator from Washington [Mr. MAGNUSON], now presiding, in ruling upon the point of order that was raised in respect to rule XIX, was to the effect that when any Member of the Senate believes that a speaker on the floor of the Senate violates rule XIX, he is privileged to interrupt the speaker to raise the point that the speaker is out of order, and thereupon the Chair of course is at liberty to rule, the speaker being required to take his seat until the Chair rules, or the Senate on motion acts to permit him to proceed in order. Is that the understanding of the Senator from Washington?

Mr. CAIN. My vague previous understanding of rule XIX was as the Senator from Oregon has just stated his to be. I take it to be a fact that my senior colleague was merely giving an interpretation which had been given to him by the Parliamentarian, and only as a lay person in this particular connection, I should like to think that we could establish the fact that any Senator would have a right at any time to state that in his opinion another Senator was out of order, so that the Chair could rule on the propriety of his observations.

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER (Mr. KERR in the chair). Does the junior Senator from Washington yield to his colleague?

Mr. CAIN. I yield.

Mr. MAGNUSON. The Senator from West Virginia did not call the Senator from Washington to order. He merely made a point of order, and no Senator can be interrupted, under the rules of the Senate, for the purpose of another Senator making a point of order. If he did, he might lose the floor without his consent.

If my colleague will yield further, I want him to understand that I am not leaving the chair under fire. I must go to a Merchant Marine Committee meeting. I have left the chair in the capable hands of the junior Senator from Oklahoma [Mr. KERR].

Mr. CAIN. The latter statement happens to be a fact, but I had not been aware of the fact that my colleague was under fire. I take it to be a very pleasant afternoon.

Mr. MAGNUSON. It is sometimes better to have the same Senator presiding who is familiar with what has gone on in the debate which has been in progress.

Mr. CAIN. I appreciate the indulgence and the courtesy which my colleague extended to me during the time he was in the chair.

Mr. President, to go back just a few short sentences, I wish primarily to establish the depth of my conviction about the problem confronting us. During the war, as an officer of the United States Army, I was intimately associated, as probably no other person in this body was, with the problem of displaced persons. I saw many thousands who were caught in the clash of the allied and enemy armies, and who became burdens to the occupying forces after the conflict. Many of those unfortunate people perished before aid could be rendered.

Mr. President, if I may digress for a moment, I remember, that in the latter part of the war in the north of Germany we uncovered a slave-labor camp which carried the name of Belsen. Probably other Senators have heard of it. It was from such camps that the first occupants of displaced-persons camps came. They were made up of unfortunate and miserable human beings of every walk of life, good, bad, and indifferent, rich and poor and middle class, who actually suffered as a result of enemy action. They were not in the north of Germany through any wish of their own. They were in Belsen, for example, as others were in Dachau and elsewhere, because they had absolutely no choice in the matter.

I have said that I and other soldiers had seen a good many of these people perish before help could come to them from the Allies. The difficulty was not that help was not available to them when they perished. It was that they had suffered so long they were no longer capable of accepting assistance. The average American has a very big heart, and likes to help other people, and before we found out how actually to handle displaced persons—and when I say displaced persons I refer to those who actually were hurt by enemy action—we did the very worst thing possible, in the name of humanity and out of our desire to be of service. When we saw someone starving, with his ribs sticking out, we gave him food, which killed him, because his stomach could no longer take care of food.

It was generally for those who survived those slave labor camps that there were built the displaced persons camps overseas which American dollars and willingness to help have maintained through recent years.

I think it is not proper, and certainly there is not time, to reflect at length on displaced persons as individuals, but I gained a very high regard for a great number of those with whom I came into close contact, beginning in the early part of 1944, when the Allied Armies went into Germany, and for about 5 or 6 months after the war. Included among those who were the first in our displaced persons camps, we found the finest that Europe had to offer. We likewise found the worst. But we found a character of human being on the average who would be a real credit to this country or to any of the many other countries to which many displaced persons have gone since the war in Europe ended in May 1944.

I have always had the utmost sympathy for these unfortunate refugees in Europe and elsewhere, Mr. President. I supported legislation in the Eightieth Congress which culminated in the Displaced Persons Act of 1948. I stated on the floor of the Senate in the course of the debate on that legislation that I was in favor of any relief which could be rendered the war displaced persons and which would be in conformity with our established immigration policy and the immigration statutes in effect. I still maintain that position. I am strongly opposed, however, to any legislation which enlarges the scope of the displaced persons category, to the extent that it constitutes a break-down, as I see it, of our immigration barriers, as the bill, H. R. 4567, to my mind most certainly does.

Mr. President, the fact is that the proponents of this legislation have seized, and quite naturally, upon an issue which is fraught with human interest and public misunderstanding, the result of which will be to accomplish for a particular group of Europeans who are barred by our immigration laws, access into the United States in short order, when, if they were forced to await the normal procedures of the immigration laws they could probably never accomplish entry within their lifetimes.

The Displaced Persons Act of 1948, as it is now administered, has already caused to be admitted thousands of persons who displaced themselves and who were not the real sufferers in the war. Under the various proposed amendments the numbers of such persons would be multiplied by tens of thousands.

I feel as keenly as I could feel anything that if any group of substantial men in this country said that every single person who was actually displaced or injured or harmed as the result of enemy action should be admitted to this country and to other countries which are sharing the problem, then I would be disposed to listen to the presentation of the arguments of those who now want to say that a displaced person shall be defined as one who enters a displaced persons camp 4 years after the war has been concluded.

Mr. President, I fear that a good many of my colleagues in the Senate—and they will have to speak for themselves of course, because on the basis of this one-sentence report not one among my colleagues can say whether I am wrong or right—I fear that many of my colleagues in the Senate have accepted that kind of fiction and the propaganda which has been disseminated in the press and over the radio throughout the country by an organization which constitutes, as they have a right to constitute themselves, one of the strongest lobby groups ever to operate in the National Capital.

Occasionally I read in the newspaper of moves which are under foot to investigate American lobbyists. I do not know that I have ever heard our present-day administration ask, for example, that this particular lobby be investigated. I think all of them ought to be examined. Good lobbies are of considerable benefit to the thinking of the Congress because they provide us individually and collectively with information and facts, but bad lobbies are as bad as any other institution which is bad.

During the last 2 years the Citizens' Committee on Displaced Persons has expended close to $900,000 on behalf of legislation which would enlarge and extend the scope of the Displaced Persons Act of 1948. The record of expenditures as recorded under the Lobbying Act embraces all the high-pressure methods including a staff of expert writers, broadcasters, and lecturers. The activities of this organization and others have literally permeated the air and the press with heart-rending appeals for this great humanitarian project. At the same time, they adroitly avoid any reference to the immigration policy of this country or the situation with respect to unemployment, lack of housing, and ability of the country to assimilate many thousands of Europeans in these critical times.

Mr. President, many American citizens have come to my office, as they come to the offices of all other Senators, and on many an occasion they talk about the displaced persons situation. They are generally energetic and enthusiastic and hopeful that Congress will enact some more legislation. Then I ask them several simple questions: "Have you ever heard of the Citizens' Committee on Displaced Persons? Do you contribute to it? Does it contribute to you? How much money do you think it uses in encouraging you to suggest to me that we ought to move rapidly with reference to legislation?"

The net result of all the conversations is that I am pretty much convinced that the average American does not have the slightest idea that the Citizens' Committee on Displaced Persons is well financed, has a good deal of money, and has done its very best to influence legislation. I do not think there is anything wrong in its attempt to secure the sort of legislation it wants, but I think in all fairness that if they do not provide, as they have not done, all the facts in the case, it falls to the lot of Members of the House and of the Senate to explore and to obtain the facts and the information which the average American needs, but has not had. I shall spend a little time on facts for which I have not been responsible in any particular. Most of the information to which I shall refer has come from statements which were officially filed with the Clerk of the House of Representatives, as is required under the lobbying laws.

When someone approaches the average American citizen and says, "We want to define a displaced person as one who did not get around to entering a camp until 4 years after the war was over," I want the average American to start asking that person questions, to determine what the interest of the advocate is in this legislation.

During the past 2¾ years the Citizens' Committee on Displaced Persons has received more than $875,000 in contributions, and has expended more than $874,000. I wonder how many Senators, let alone how many lay persons, are aware of what appear to be the facts. If they

are not facts, I hope someone will correct me.

Of the amount expended in 2¾ years on the subject of displaced persons, more than $326,000 was for salaries of employees. When charming people visit with us as Senators in the Halls of the Congress and we like them, and they say, "This is a humanitarian question," we agree with them that it is. I suppose we seldom stop to say, "Wait a minute. Perhaps whoever is talking to me is talking not because he understands the problem, but because he is being paid for it." That is all right, too, so long as we know it. I did not know that $326,000 had been spent on salaries for personnel of this committee in 2¾ years.

More than $154,000 has been paid as expenses for such employees. More than $39,000 was spent on telephone, telegrams, and cablegrams. It is a big business. Therefore we ought to approach it in a big way. We ought to have, from a committee which has jurisdiction over the problem, a report which gives us some substance, on the basis of which we can reach reasonable decisions.

More than $109,000 has been spent in 2¾ years for stationery, supplies, mimeograph service, and printing. More than $5,000—which is not very much money—was paid for furniture, fixtures, and equipment. The Committee on Displaced Persons does not have extravagant offices, because one cannot buy very much furniture and fixtures for $5,000. Apparently it is an action committee.

Items totaling $18,000 were spent for literary services. That means, I suppose, among other things, preparation of speeches, a good many of which have probably been heard on the floor of some legislative body.

More than $5,500 has been spent for traveling expenses of persons who were not regularly employed by the Citizens Committee on Displaced Persons. I do not know whether that item should be thought of as being unduly large or unduly small, but it means that $5,500 has been used to transport back and forth across the country persons who had no official connection, on the surface, with the Citizens Committee on Displaced persons.

More than $76,000 has been spent in 2½ years for publicity services. More than $32,000 was paid to attorneys as fees and expenses. Nearly $67,000 was spent for postage. Insurance and rent amounted to more than $22,000. Nearly $75,000 was spent for other miscellaneous items, including interest and principal on a bank loan.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. DONNELL. Has the Senator yet stated from what source this information as to expenditures has been obtained?

Mr. CAIN. I have, and I should like to restate it. In the report for the quarter ending June 30, 1947, of the Citizens Committee on Displaced Persons, as filed with the Clerk of the House of Representatives under the Lobbying Act, 70 persons were listed as being employed during that period; and the summary of figures which the Senator from Washington has just offered to the Senate has come from the files of the Clerk of the House of Representatives.

Apparently every lobby—and this is proper—is required to file its statements of expenditures, contributions, income, and so forth, on a quarterly basis with either the Clerk of the House of Representatives or the Secretary of the Senate, but not necessarily with both. It will require a little time—but not too much time—for me, by way of example, to offer and speak to the first quarter's reports, containing figures from January 1 to March 31, 1948. I would encourage other Senators who are interested in what I shall offer for the RECORD from this quarter's report to go to the sources from which these figures have been gathered and pursue their interest further.

My only concern is to make it very clear to Americans generally that we are dealing with a big problem and with big business. We ought to become more curious than we are about the interests of a good many different kinds of people in this legislation.

I previously stated—and I think I am undeniably right—that we are not presently admitting displaced persons into the country as rapidly as the law of 1948 permits us to do. The law of 1948 does not expire until June 30, 1950. For these reasons, and in the absence of any conclusions from the committee having jurisdiction, it seems to me that it would be the wiser course of action to defer further consideration until the next session.

The Citizens' Committee on Displaced Persons, on the basis of such statements as I shall now offer, is working tirelessly to enlarge the opportunities, benefits, and provisions of legislation on the subject of displaced persons. I find it very difficult to understand why. Each quarter the Citizens' Committee on Displaced Persons has presumably filed three schedules. The first schedule for the quarter in question, the first quarter of 1948, shows contributions of $500 or more from groups or from individuals. This is a public statement.

Schedule No. 2, which I find reasonably interesting carries miscellaneous expenses.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. CAIN. I yield.

Mr. DONNELL. Does the Senator propose to inform us as to the list of persons or other entities who are contributors, as disclosed by the first schedule to which he refers?

Mr. CAIN. By way of a concrete example I wish to disclose such information as is contained in the first quarter's report. There have been a number of quarters since the Citizens' Committeee on Displaced Persons was established. I have no desire to encumber the RECORD, but in running through these reports I can establish, in general, how much money is involved, and where it comes from.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. DONNELL. Am I correct, therefore, in understanding that the Senator from Washington intends to tell us what the schedule which he is now examining shows in respect to who were the contributors, during the quarter to which he has referred, of sums of money in excess of $500?

Mr. CAIN. I do, indeed.

I have now made reference to two schedules of this quarterly report. The third schedule covers the pay-roll and travel expenses of the personnel employed by the committee during the quarter to which I have referred. Schedule No. 1 carries at its top the normal heading "Citizens Committee on Displaced Persons, January 1 to March 31, 1948. Schedule No. 1: Contributions, $500 or more."

The schedule does not show how much more than $500 any individual person or group of people gave, but it sets as a minimum that no contribution included in the list is less than $500. I shall read this rapidly into the record, without comment by me:

CITIZENS COMMITTEE ON DISPLACED PERSONS, JANUARY 1 TO MARCH 31, 1948

SCHEDULE NO. 1. CONTRIBUTIONS OF $500 OR MORE

Mayer Family, 31 Union Square West, New York, N. Y.

Lessing J. Rosenwald, Jenkintown, Pa.

Adele R. Levy, 300 Park Avenue, New York, N. Y.

Edith G. Rosenwald, Jenkintown, Pa.

Edgar B. Stern, 2110 American Bank Building, New Orleans, La.

David M. Levy, 136 East Fifty-seventh Street, New York, N. Y.

Mr. and Mrs. Albert Lasker, Chrysler Building, New York, N. Y.

Marion R. Ascoli, 23 Gramercy Park South, New York, N. Y.

John J. Raskob, 350 Fifth Avenue, New York, N. Y.

Edith R. Stern, 11 Garden Lane, New Orleans, La.

Carl M. Loeb, 500 Fifth Avenue, New York, N. Y.

Marshall Field, 250 Park Avenue, New York, N. Y.

Frances and John L. Loeb Foundation, 61 Broadway, New York, N. Y.

John D. Rockefeller, Jr., 30 Rockefeller Plaza, New York, N. Y.

Henry F. Cabell, 1107 Feiling Building, Portland, Oreg.

B'nai B'rith, 1003 K Street, NW., Washington, D. C.

Herbert H. Lehman, 41 East Fifty-seventh Street, New York, N. Y.

Chase National Bank, 18 Pine Street, New York, N. Y. (loan individually guaranteed).

Mr. President, I recall that the able Senator from North Dakota [Mr. LANGER] a day or two ago submitted a resolution calling for an investigation of the entire displaced-persons lobby. I should like to think that the investigation will be encouraged and approved by the Senate, because a good many things are said about this particular lobby, although, from my point of view, the truth about it is not known to any of us. If there are any bad motives on the part of any of the persons connected with the lobby or regarding the way in which the money is being spent, we should know about that; and if they are doing a good, constructive, American job, that should be recognized and acknowledged, in order that all persons may be aware of it.

I now have before me schedule 2. It will not take me very long to present it, and it will give the Senate some conception of what a rather large business the displaced-persons profession appears to be. I shall read this schedule as rapidly as I can. It lists the expenses incurred by the Citizens Committee on Displaced Persons during the first quarter of 1948:

SCHEDULE NO. 2. EXPENSES

Academy Multigraphing Co., 7 E. 15 St., N. Y. C., stenography, mimeographing, printing $8.93
Academy Photo Offset, Inc., 15 E. 22 St., N. Y. C., stenography, mimeographing, printing 1,750.00

Advertising is necessary, of course.

Academy Press, 112 4th Ave., N. Y. C., stenography, mimeographing, printing $242.76
Addressing Machine and Equipment Co., 29 E. 22 St., N. Y. C., stationery and supplies 9.40
Rudy Adler, care Local 802, 570 Lexington Ave., N. Y. C., publicity service and expenses 54.00
John J. Allen, 2234 21 St., Astoria, N. Y., cleaning, maintenance, repairs 50.00
American Trade Press Clipping Bureau, 15 E. 26 St., N. Y. C., books, newspapers, magazines 84.00
Edwin R. Armstrong, 237 Madison Ave., N. Y. C.:
Literary services:
Jan. 7 ..... 75.00
Jan. 27 ..... 75.00
Jan. 30 ..... 42.50
Feb. 25 ..... 75.00
Mar. 9 ..... 42.00
Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies 49.25
Barney Beck, 15 Elliott Pl., Bronx, N. Y.:
Publicity service:
Jan. 9 ..... 66.00
Jan. 22 ..... 36.00
Frank Behrens, 412 E. 84 St., N. Y. C., publicity service, Mar. 31 ..... 29.70
Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service 156.76
William Benjamin, 215 4th Ave., N. Y. C., rentals 2.92
Rebecca Bestimt, 1710 Rhode Island Ave., Washington, D. C., petty cash expenses 447.03
Bluestone Photoprint Co., 173 Madison Ave., N. Y. C., stenography, mimeography, printing 2.30
Brentano, 586 5th Ave., N. Y. C., books, newspapers, magazines 14.24
Broadway Chair Rental Co., 5701 Broadway, N. Y. C., rentals 12.75
Maurice Brown, care of Local 802, 570 Lexington Ave., N. Y. C.:
Publicity service:
Feb. 27 ..... 36.00
Mar. 31 ..... 54.00
Business Equipment Corp., 153 Federal St., Boston, Mass., furniture 163.50
The Capital News Co., 1121 5 St. NW., Washington, D. C., books, newspapers, magazines 3.90
Capitol Office Supply Co., 1129 Vermont Ave. NW., Washington, D. C., furniture and supplies 60.65
Central Typewriter & Adding Machine Co., 2019 14 St. NW., Washington, D. C., rentals 37.50
Chase National Bank, 18 Pine St., N. Y. C., interest, bank charges 978.78
Chesapeake & Potomac Telephone Co., 723 13 St. NW., Washington, D. C., telephone, telegraph 2,575.06

That was for the first quarter.

Christian Century, 407 S. Dearborn St., Chicago, Ill., books, newspapers, magazines $1.00
Cinemart Inc., 101 Park Ave., N. Y. C., publicity service and expenses 50.24
Cleary, Gottlieb, Friendly & Cox, 52 Wall St., N. Y. C., legal fees and expenses 159.22
Steve Cochran, 120 Central Park South, N. Y. C., publicity service and expenses 10.55
Collector of Internal Revenue, 110 E. 45 St., N. Y. C., pay-roll taxes 669.40
Commerce Clearing House, Inc., Chicago, Ill., books, newspapers, and magazines 1.00
Common Council for American Unity, 20 W. 40 St., N. Y. C.:
Stationery and supplies 49.60
Stenography, mimeographing, and printing 99.84
Composing Room, Inc., 130 W. 46 St., N. Y. C., stenography, mimeographing, and printing 134.53
James Connolly, care of Chamber of Commerce, Dickinson, N. Dak., literary expenses 50.50
Consolidated Edison Co. of N. Y., Box 138, Station D., N. Y. C., light, heat, power 171.49
Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines 309.28
Courtesy Associates, Washington 5, D. C., telephone, telegraph 10.41
Crystal Copy Corp., 15 W. 24 St., N. Y. C., stationery, supplies 8.70
A. B. Dick Co., 1021 15 St. NW., Washington, D. C., stationery, supplies 8.34
Susan Douglas, 155 E. 52 St., N. Y. C., publicity services 31.70
Nancy Douglass, 470 Park Ave., N. Y. C., publicity services 35.60
Thomas J. Downs, 1625 K St., NW., Washington, D. C.:
Counsel fees, Jan. 2 ..... 1,500.00
Expenses, Jan. 15 ..... 37.40
Counsel fees, Feb. 13 ..... 1,500.00
Expenses, Feb. 27 ..... 144.75
Counsel fees, Mar. 12 ..... 1,500.00
Expenses, Mar. 16 ..... 10.34

I think some Senators have heard of him.

Eric Dressler, 130 W. 44 St., N. Y. C.:
Publicity services:
Jan. 13 ..... $10.55
Mar. 31 ..... 61.20
Do 29.70
Robert Dryden, 177 Woodland Ave., New Rochelle, N. Y., publicity services, Feb. 27 ..... 39.60
Rhinehart Elster, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services, Feb. 27 ..... 36.00
Carl Emory, care of Gissinhoff, 565 5th Ave., N. Y. C., publicity services, Feb. 27 ..... 31.70
Empire Broadcasting Corp., 480 Lexington Ave., N. Y. C., publicity services and expenses 1,422.35
Ever-Ready Stenographic Service, 1745 K St. NW., Washington, D. C., stenography, mimeography, and printing 133.05
Joe Feigley Association, 1731 K St. NW., Washington, D. C., stationery, supplies 58.25
Muriel Ferris, 726 Jackson Pl., Washington, D. C., travel expense 45.55
Jerome S. Finston, 313 E. 13th St., N. Y. C., stenography, mimeography, and printing 1,058.25
Joseph Fischer, 188 W. 4 St., N. Y. C., Stenography, mimeography, and printing 765.40
Forecast Productions, Inc., 1860 Broadway, N. Y. C., publicity services $1,000.00
John Gart, 340 W. 57 St., N. Y. C., publicity services 54.00
Will Geer, New City, N. Y., publicity services 39.60
Noel B. Gerson, 470 Park Ave., N. Y. C.:
Literary services:
Jan. 7 ..... 125.00
Jan. 22 ..... 125.00
Feb. 6 ..... 125.00
Feb. 25 ..... 125.00
Mar. 9 ..... 125.00
Mar. 23 ..... 50.00
Mar. 29 ..... 100.00
Gile Letter Service, 514 2d Ave. S., Minneapolis, Minn., stenography, mimeographing, printing 167.97
Gimbel Bros., 32d St. and Broadway, N. Y. C., furniture and equipment 7.14
E. B. Glabe, 3624 Edmund Blvd., Minneapolis, Minn., traveling expenses 1,146.07
Glayston Printing Co., 321 W. Court Ave., Des Moines, stenography, mimeographing, printing 49.16
Joseph Godson, traveling expenses 60.18
Mike Golgar Co., Inc., 18 E. 41 St., N. Y. C., publicity services 5,742.00
Teddy Gompers care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 54.00
Gramercy Stationery Co., 284 Madison Ave., N. Y. C., furniture and equipment 16.02
Graphic Syndicate, Inc., 8 W. 40 St., N. Y. C., stenography, mimeographing, printing 17.50
Doug Hawkins, WOR, 1440 Broadway, N. Y. C., publicity services 25.00
Hendrickson Publishing Co., Inc, 26 Court St., Brooklyn, N. Y., books, newspapers, magazines 7.50
Mary Jane Higbe, 33 East End Ave., N. Y. C., publicity services 35.60
Holden Printing Co., 424 So. 6 St., Minneapolis, Minn., stationery, supplies, mimeographing 403.50
Hooven Letters, Inc., 352 4th Ave., N. Y. C., stenography, mimeographing, printing 1,149.35
Hotel Cleveland, Cleveland, Ohio, local expenses 75.00
Intl. Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals 45.00
Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., furniture and equipment 19.50
Edwin Jerome, 405 E. 54 St., N. Y. C., publicity services 39.60
Raymond E. Johnson, 70 Marcourt Dr., Chappaqua, N. Y., publicity services 39.60
Ben Kagan, 7312 35th Ave., Jackson Heights, N. Y.:
Literary services:
February 18 ..... 125.00
March 23 ..... 200.00
March 31 ..... 35.00
Thomas B. Keehn, 1751 N St. NW., Washington, D. C., travel and local expense 64.65
Charles Kelly, Pittsburgh, Pa., traveling expenses 21.45
Murray Kellnes, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 54.00
Leo Kruczek, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 36.00
LaSalle Letter Co., 5 Liberty Place, N. Y. C., stenography, mimeographing, printing 85.30

William T. Lazar, 360 E. 55th St., N. Y. C.:
Publicity services:
January 5 $37.80
January 9 7.90
January 13 10.55
January 22 37.60
February 27 31.70
March 31 64.60
March 31 34.70

Malcolm R. Leete, 42 Mt. Vernon St., Boston, petty cash expenses 27.06

Bernard Lenrow, 239 Van Nostrand Ave., Englewood, N. J., publicity services 39.60

Abby Lewis, 123 W. 13 St., N. Y. C.:
Publicity services:
January 13 10.55
March 31 56.70

Sammy Liner, care of Local 802, 570 Lexington Ave., N. Y. C.:
Publicity services:
February 27 36.00
March 31 54.00

Warren G. Magnuson, U. S. Senate, Washington, D. C., traveling expense 238.54

Manhattan Letter Co., 45 Astor Place, N. Y. C., stenography, mimeographing, printing 4,027.54

Manhattan Storage & Trans. Co., 639 New York Ave. NW, Washington, D. C. miscellaneous rentals 22.36

Peter Martin, 10 John St., Spring Valley, N. Y. literary services 100.00

Massachusetts Broadcasting Corp., 485 Boylston St., Boston, publicity service and expenses 20.00

Mecca Film Labs. Inc., 630 9th Ave., N. Y. C., publicity service and expenses 5.95

Meco Press, 4 E. 45 St., N. Y. C., stationery, supplies 2,419.37

Charles A. Michie, 1424 Rhode Island Ave., Washington, D. C., literary service and expenses 839.30

Robert Milner, 311 Lexington Ave., N. Y. C., books, newspapers, magazines 40.05

Arnold Moss, 30 Beekman Place, N. Y. C., publicity services 39.60

Muzak Corporation, 151 W. 45 St. N. Y. C., publicity and supplies 459.54

Myron McCormick, 150 E. 72 St., N. Y. C., publicity services 41.60

McGregor & Werner Inc., 1640 Connecticut Ave., Washington, D. C., stationery, supplies 5.80

Scott McKay, 115 W. 11 St. N. Y. C., publicity services 56.70

May McKinsey, 39 E. 36 St., N. Y. C., petty cash expenses 948.24

Samuel Narcus, 92 Washington St., Boston, stationery, supplies 24.12

National Broadcasting Co. Inc., 30 Rockefeller Place, N. Y. C., publicity service and expenses 300.95

New England Tele. & Tele. Co., 6 Bowdoin Square, Boston, Mass., telephone, telegraph 147.19

New England Watch & Ward Soc., 41 Mt. Vernon St., Boston, rent 100.00

N. Y. S. Unemployment Ins. Fund, Albany, N. Y., pay-roll taxes 376.38

New York Telephone Co., Box 222, Sta. O, N. Y. C., telephone, telegraph 2,711.58

New York Times, Times Square, N. Y. C., publicity service and expenses 19.60

Harold L. Oram, Inc., 8 W. 40 St., N. Y. C.:
Publicity services:
Jan. 9 3,500.00
Jan. 15 1,000.00
Feb. 25 1,000.00
Expenses:
Mar. 3 1,086.74
Mar. 12 1,823.34
Publicity services, Mar. 15 1,000.00

Theodore Osborn, 290 W. 4 St., N. Y. C., publicity services $56.70

Frank Papp, 50 Rockefeller Plaza, N. Y. C., publicity services 75.00

Parker House, Boston, Mass., local expenses 56.13

Par-X Letter Service, 35 W. 19 St., N. Y. C, stenography, mimeographing, printing 38.67

Peerless Towel Supply Co., Inc., 372 Gold St., Brooklyn, N. Y., cleaning, etc., repairs 13.61

Permacam Co., 1 Bond St., N. Y. C., stationery, supplies 44.92

Pierpont Estates Inc., 36 W. 44 St., N. Y. C., rent 1,800.00

Pine Hill Crystal Spring Water Co., 132d St. and Brook Ave., N. Y. C., water 34.44

Pitney Bowes, Inc., Walnut and Pacific St., Stamford, rentals, supplies 59.99

Ella Joan Polinsky, 2102, Ocean Ave., Brooklyn, N. Y., research services 465.00

Postmaster, New York, New York, N. Y., postage 1,000.00

Public Printer, House of Representatives, Washington, D. C., books, newspapers, magazines 208.92

Public Service Letter and Printing Co., 655 Sixth Ave., N. Y. C., mimeographing, printing, postage 7,528,16

Radio Daily, 1501 Broadway, N. Y. C., books, newspapers, magazines 10.00

Remington Rand Inc., 465 Washington St., Buffalo, N. Y., miscellaneous rentals 79.44

Rialto Mimeograph and Typewriter Service Bureau, 1501 Broadway, N. Y. C., stenography, mimeographing, printing 2,003.94

Dr. Leland Rex Robinson, 76 Beaver St., N. Y. C., travel and local expense 130.98

Anthony Ross, 506 E. 89 St., N. Y. C., publicity services 29.70

Mr. and Mrs. Ryan, traveling expense 2.00

Stefan Schnabel, R. F. D. 1, S. Norwalk, Conn., publicity services 56.70

Ann Shepherd, 36 W. 84 St., N. Y. C., publicity services 56.70

James Sheldon 144 W. 86 St., N. Y. C.:
Publicity services:
Jan. 5 75.00
Jan. 9 100.00
Jan. 29 75.00
Feb. 27 75.00
Mar. 31 175.00
Expenses Mar. 31 5.00

Mario Siletti, 114 Christopher St., N. Y. C., publicity services 66.00

Siskind Hardware, 516 Third Ave., N. Y. C., cleaning, maintenance, repairs 20.62

Guy Sorel, 33 East End Ave., N. Y. C.:
Publicity services:
Jan. 13 10.55
Jan. 22 35.60

South Dakota Council of Churches, 364 3 St., Huron, S. Dak., stenography, mimeographing, printing 23.70

State Director of Social Security, Pierre, S. Dak., postage, telephone 11.70

State Publishing Co., Pierre, S. Dak., stationery, supplies 162.50

Stokes Coal Co., Inc., 5th Ave. & 142 St., N. Y. C., light, heat, power 547.98

Amzie Strickland, 412 E. 84 St., N. Y. C., publicity services 29.70

Karl Swenson, Irvington-on-Hudson, N. Y., publicity services 39.60

Henry Sylvern, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 63.00

Tru-Print Photo Offset Co., Inc., 142 E. 32 St., N. Y. C., stenography, mimeographing, printing $1,519.44

U. S. Recording Co., 1121 Vermont Ave, NW., Washington, D. C., freight 1.09

James Van Dyk, 374 Park St., Montclair, N. J.:
Publicity services:
Jan. 22 35.60
Feb. 27 31.70

J. T. Want Organization Inc., 122 5th Ave., N. Y. C., stenography, mimeographing, printing 112.58

Robert Warren, care of N. B. C., 30 Rockefeller Plaza, N. Y. C., publicity services 31.70

Washington Unemployment Ins. Fund, Washington, D. C., pay-roll taxes 24.72

The Washington Post, Washington D. C., books, newspapers, magazines 4.50

Watson Elevator Co. Inc., 407 W. 36 St., N. Y. C., cleaning, maintenance, repairs 45.00

Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegraph, cables 964.22

White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning, maintenance, repairs 87.00

Wholesale Typewriter Co., 155 6th Ave., N. Y. C., miscellaneous rentals 159.64

Hubert Wilke II, 32 Portland Pl., Yonkers, N. Y., traveling expenses 40.33

Mrs. Elinore L. Wolfe, 1710 Rhode Island Ave., Washington, D. C., rent 900.00

Jack Zayde, care of Local 802, 570 Lexington Ave.:
Publicity services:
February 27 36.00
March 31 54.00
Jan. 13 31.50

I. Zir, care Local 802, 680 Fort Washington Ave., N. Y. C.:
Publicity services:
Feb. 27 72.00
March 31 108.00

Total 71,260.69

That amount covers maintenance and operation expenses incurred by the Citizens' Committee on Displaced Persons from January 1 to March 31, 1948.

It is not for me, and I make no such inference, to say that it is not proper for any association to spend as much money as it needs to spend for whatever purposes it may have in mind, but I certainly take it to be a fact that the average American citizen who is interested in the question of displaced persons may not be shocked, but will be interested and very much surprised to find how this committee has operated in a financial way in recent years.

Mr. EASTLAND. Mr. President, will the Senator yield in order that I may suggest the absence of a quorum, with the understanding that the Senator's right to the floor shall not be prejudiced? The Senator is making a very able speech, and I think there should be more Senators present to hear it.

Mr. CAIN. Mr. President, if my rights shall not be jeopardized, and if it is the wish of the Senator from Mississippi, I shall be most pleased to yield for that purpose.

Mr. EASTLAND. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the Senator

from Washington shall not lose the floor and that his speech shall not be counted as two speeches.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Without objection, it is so ordered.

The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Magnuson
Anderson	Hill	Malone
Baldwin	Hoey	Martin
Brewster	Holland	Maybank
Bridges	Humphrey	Millikin
Byrd	Hunt	Morse
Cain	Ives	Mundt
Capehart	Jenner	Myers
Chapman	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Conor
Cordon	Johnston, S. C.	O'Mahoney
Donnell	Kem	Pepper
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Eastland	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Ellender	Leahy	Thomas, Okla.
Ferguson	Lodge	Thomas, Utah
Fulbright	Long	Thye
George	Lucas	Watkins
Graham	McCarthy	Wherry
Green	McFarland	Wiley
Gurney	McKellar	Young
Hayden	McMahon	

The PRESIDING OFFICER (Mr. NEELY in the chair). A quorum is present.

REMOVAL OF CERTAIN INEQUITIES AND HARDSHIPS IN THE TAX LAWS—CONFERENCE REPORT

Mr. GEORGE. Mr. President, will the Senator from Washington yield to me to present a conference report?

Mr. CAIN. If it is permissible to yield while reserving my rights to the floor, I shall be glad to do so.

Mr. GEORGE. Mr. President, I ask unanimous consent that the distinguished Senator from Washington be permitted to yield to me without losing his rights to the floor, so I may present a conference report and make a statement concerning the report.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Georgia? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, I submit a conference report on House bill 5268, to amend certain provisions of the Internal Revenue Code, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read.

(For conference report, see House proceedings of Thursday, October 13, 1949, pp. 14443–14446.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. GEORGE. Mr. President, I desire to make a very brief statement regarding the report before moving its adoption.

This bill, when it went to conference, contained 12 Senate amendments. Senate amendments 1 to 5 were agreed to by the House conferees, without change. Senate amendments Nos. 6 and 7, relating to the Church and Spiegel cases under the estate-tax law, were agreed to by the House conferees, with amendments. These are the two important amendments in the bill, and I will discuss them later.

Senate amendment No. 8, providing percentage depletion in the case of certain clays and minerals, was objected to by the House conferees and by the Treasury. In this list, there were two minerals which had been added by the Senate Finance Committee, that is, perlite and diatomaceous earth. Evidence presented to the Finance Committee showed particularly that perlite and diatomaceous earth were in competition with other clays and minerals now getting the benefit of a 15-percent allowance. We were forced to recede on the entire depletion amendment with the understanding that the whole subject of percentage depletion will be considered early next year after full study and hearings.

Senate amendment No. 9, raising the limit from $100 to $200 on the value of articles, for personal use, which can be brought into the country free of duty, by a resident of the United States returning from abroad, was agreed to by the House conferees.

The Senate conferees receded on amendment No. 10 which was offered to provide relief in the case of a corporation which underwent a reorganization to provide funds for the payment of certain annuities under a testamentary trust. I was advised by the Treasury that the particular situation for which the amendment was designed could be taken care of administratively without need for legislation.

That was the amendment offered by the distinguished senior Senator from Indiana [Mr. CAPEHART]. That situation has been cleared up and therefore it is unnecessary to retain the amendment in the bill.

The Senate also receded on amendment No. 11, which provides that where a corporation transfers part of its assets to a new corporation in exchange for the stock, the distribution of the stock in the new company to the old stockholders, without surrender of their old stock, could be made without tax consequences. The House conferees desired to give further study to this matter in connection with the reorganization provisions of the Internal Revenue Code. The Senate, therefore, receded on this amendment.

Senate amendment No. 12, providing an exemption from the additional estate tax for certain members of the armed forces killed in action or who died in the service from wounds, was agreed to by the House conferees. Members of the Senate will recall that in the Revenue Act of 1926 a comparatively low estate tax was imposed. Later on, in 1932, I believe, a very much higher tax was imposed. This simply relieves from the additional high tax the estates of members of the armed forces who were killed in action or who died as the result of wounds received in action. The amendment was offered by the distinguished Senator from Minnesota [Mr. THYE]. That amendment, as it was agreed to by the Senate, was accepted.

I shall now discuss Senate amendments Nos. 6 and 7 relating to the Church and Spiegel decisions. The Senate will recall that Senate amendment No. 6 was designed to overcome the effect of the Church decision decided by the Supreme Court in January of this year. What the Treasury could not induce the Congress to do 18 years ago by legislation, was accomplished by the Church decision. That decision held that where the grantor of an irrevocable trust reserved to himself the income from the trust for his life, the entire trust corpus was required to be included in his estate. While it is true that as a result of legislation passed by the Congress in 1931, such trusts were included in the estate of the grantor, that legislation was not retroactive and applied only to trusts created after the date of the 1931 legislation. The Church decision not only ignored the fact that Congress did not make the 1931 legislation retroactive but also overruled a unanimous prior decision of the Court, May against Heiner, rendered 18 years ago. Such illustrious jurists as Holmes, Hughes, Brandeis, and Stone joined in making the decision in May against Heiner unanimous. Mr. Justice Reed, in his dissenting opinion in the Church case, stated that the majority opinion upset property arrangements "that should not now be upset summarily with no stronger reasons for doing so than that former courts and the Congress did not interpret the legislation in the same way as this Court now does." The inequities caused by the Church decision became so apparent that the Senate amendment was adopted to correct the situation. This amendment provided that these old pre-1931 trusts, as well as certain trusts created after 1931 but prior to the enactment of the Revenue Act of 1932, should not be included in the gross estate of a donor by reason of the fact that he had reserved to himself a life income in the property. Thus, the effect of the Senate amendment was to overrule the Church decision and restore the law in effect prior to that decision. The Treasury was strongly opposed to the Senate amendment and the Senate conferees had to work out a compromise with the House conferees on this matter. Under the compromise, a decedent dying prior to January 1, 1950, and after February 10, 1939, the date of the enactment of the Internal Revenue Code, with a life income in one of these old trusts is not required to include in his gross estate for Federal estate-tax purposes the value of the trust property because of his life interest therein. In this respect, the conference agreement is similar to the Senate amendment. However, while the Senate amendment applied this rule with respect to all the holders of these old trusts, the conference agreement adopts a different rule for decedents dying after December 31, 1949. Under the conference agreement, the grantor of one of these old trusts dying after December 31, 1949, is required to give up his life interest in the income from such trusts during the year 1949 or 1950 in order that the trusts may be free of gift and estate-tax liability. If he dies after 1949 without giving up his life interest prior to death, the trust property is required to be included in his gross estate for

estate-tax purposes. If he gives away such life interest after 1950, he is required to pay a gift tax at the time such interest was given up and also runs some risk that the trust property may be included in his gross estate under the contemplation-of-death clause. Hardship cases may develop where the life income from the trust is the only thing the grantor has left on which to live. It is hoped that in such cases the grantor will be able to work out a satisfactory arrangement with his heirs, donees, or assigns to mitigate this hardship. I prefer the Senate amendment which completely exempts these old trusts from the estate tax even though the decedent dies in the future. However, a compromise became necessary to reach an agreement. Undoubtedly, this compromise is much better than the existing situation caused by the Church decision.

Senate amendment No. 8 was designed to overcome the effect of the Spiegel decision, decided by the Supreme Court on the same day as the Church decision. In the Spiegel case, a reverter worth $70 to the settlor just prior to his death was held sufficient to require the inclusion in his gross estate of an entire trust worth more than $1,000,000. The chances that Spiegel would get back the trust property were extremely remote as he had to survive his three children and three grandchildren, all living at his death, in order to get the property. Mr. Justice Frankfurter in his dissent well puts the effect of the Court's decision as follows:

> Thus, under the Court's decision tax liability may be incurred by the discovery of a gossamer thread of possession or enjoyment, which has no value. Nevertheless the entire trust corpus is included in the gross estate and taxed as if the settlor really had possession or enjoyment of the property. Such a result not only creates unanticipated hardship for taxpayers; it is also an unrealistic interpretation of section 811 (c) of the Internal Revenue Code.

The Senate amendment, by requiring only the value of the possibility of reverter, instead of the trust property, to be included in the settlor's estate, eliminated this inequity. Thus, in the Spiegel case the grantor, instead of having to include $1,000,000 in his estate due to the possibility of reverter, would be required to include only $70, the value of the possibility of reverter. This Senate amendment was also vigorously opposed by the Treasury and a compromise was worked out with the House conferees. Under the compromise, one rule is applied to transfers made prior to October 8, 1949—the date on which the conferees finally agreed—and another rule to transfers on or after such date.

With respect to transfers before October 8, 1949, the entire value of the trust property is included in the gross estate if the decedent has retained expressly a possibility of reverter which has a value immediately before the decedent's death of more than 5 percent of the value of the trust property. If the possibility of reverter arose by operation of law or if the express reverter was worth 5 percent or less of the value of the trust property, neither the value of the trust property nor the value of the reverter is required to be included in the gross estate for estate-tax purposes.

In the case of transfers after October 7, 1949, the conference agreement applies a different rule. Under the conference agreement, transfers after October 7, 1949, are, in general, included in the gross estate of the settlor to the extent of the value of transferred interests if the beneficiaries must survive the settlor in order to come into enjoyment and possession of the property. This rule goes much farther than existing law. It overrules the principle announced by the Supreme Court in *Reinecke* v. *Northern Trust Company* (278 U. S. 339). This case holds that trust property is not includible in the estate of the settlor unless the settlor retained a right or interest in the property at the time of his death. In the Reinecke case, the settlor had retained no such right or interest in the property and, therefore, the trust property was not includible in his gross estate. Under the conference agreement, trust property is required to be included in the estate of a settlor if the benficiaries must survive the settlor in order to get the property, even though the settlor retained no interest of any sort in the property after creation of the trust. I am not in sympathy with the conference agreement in overruling the Reinecke case. It seems to me that an irrevocable trust set up by the grantor, in which he retains no interest, should not be included in his gross estate merely because his death, instead of the death of some other person, fixes the time when the beneficiaries can come into possession and enjoyment of the property. Such a trust seems to me to be entirely different from a will. A will may be changed at any time during life while in the case of such a trust the rights of the beneficiaries are fixed at the time the inter vivos gift is made, without the settlor retaining any rights to change them. The Reinecke decision was written by Mr. Justice Stone, who at the time was Chief Justice. As the Supreme Court said in the Reinecke decision:

> One may freely give his property to another by absolute gift without subjecting himself or his estate to a tax, but we are asked to say that this statute means that he may not make a gift inter vivos, equally absolute and complete, without subjecting it to a tax if the gift takes the form of a life estate in one with remainder over to another at or after the donor's death.

The Senate conferees reluctantly agreed to the overruling of the principle of the Reinecke case in order to reach an agreement. However, since the new rule in the conference agreement is only applicable in the case of future transfers, it is believed that grantors will have an adequate opportunity to protect themselves in the drawing up of trust instruments.

While the compromise agreement on amendments Nos. 7 and 8, in my opinion, is not as satisfactory as the Senate amendments, I hope that the Senate will approve the conference report since it goes a long way toward relieving a situation which has become intolerable due to the Church and Spiegel decisions of the Supreme Court.

Therefore, Mr. President, I move the adoption of the conference report.

Mr. DONNELL. Mr. President, I observe that the conference report, as has been stated by the distinguished Senator from Georgia, amendment No. 8 relates to percentage depletion; and in the printed explanation it is stated that as to that amendment, the Senate recedes. At that point in the explanation the following appears:

> The conferees agreed to eliminate this amendment with the understanding that the entire matter of percentage depletion will be considered early next year after full study and hearings.

I wish to inquire of the Senator from Georgia whether in his judgment such a "full study and hearings" will be conducted solely by the House committee or whether they will be conducted by the Senate Committee on Finance, or possibly by joint consideration.

Mr. GEORGE. By both, but it was agreeable to the House conferees that it also be undertaken by the House committee; and of course the Senate committee will undertake the same study.

I should like to point out that the amendment originally included only two minerals, perlite and diatomaceous earth. As to those two particular minerals, we had certain evidence which indicated that they were entitled to percentage depletion allowance because they were in direct competition with other materials or minerals which had been given the percentage depletion allowance. All the others were placed on the floor.

It may be said in all frankness that many of the metals and minerals, or at least some of them, included in the amendment do not require discovery effort. They are plain and obvious, and they simply have to be mined or extracted from the deposits. As to certain other of these materials, we had no real evidence as to whether other competing minerals and metals had been given a percentage depletion allowance.

However, the Senate conferees receded on this amendment on the distinct understanding that a full study would be made by the committees early next year of the whole question of percentage depletion; and of course we would include in that study each of the minerals and metals which are covered by this amendment.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. GEORGE. I yield.

Mr. DONNELL. I understand by the Senator's use of the words "the committees," he refers to the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate; is that correct?

Mr. GEORGE. Exactly.

Mr. DONNELL. May I inquire whether by the words "early next year," as used in the conference report in referring to the period when the entire matter will be considered, after full study and hearings, it is reasonable to assume that a period of time within the first 3 months of 1950 is meant.

Mr. GEORGE. I should think so. Inasmuch as the House has gotten out of

its way the amendment to the Social Security Act, and sent it to us last week, the House will be able to begin tax studies early next year. Although the prospect of tax reform, in the sense in which I like to use the term, is somewhat remote, in view of the heavy deficit now being incurred by the Government, yet I think it will be quite possible to trade the administration out of some tax rates and out of certain taxes, because the administration is going to need to get more money, and in getting more money I think certain of these inequitable taxes should be removed.

Mr. DONNELL. I thank the Senator.

I have no objection to the report, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. GEORGE. I thank the Senator from Washington for permitting the report to be considered at this time.

Mr. CAIN. The Senator from Georgia is most welcome.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The PRESIDING OFFICER. The Senator from Washington [Mr. CAIN] has the floor.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. Provided my rights to the floor are protected.

Mr. MALONE. Mr. President, I had intended earlier in the day to present a few remarks. If the Senator from Washington can yield at this time to me for that purpose, without losing the floor, I should like to present the remarks.

Mr. LUCAS. Mr. President, I shall not object; but I say now that before long I shall begin to object to anything which would interrupt the consideration of the displaced persons bill, which we wish to dispose of promptly.

I should like to ask the Senator from Nevada how long it will take him to present the matter to which he has referred.

Mr. MALONE. I think it might take 20 minutes.

Mr. LUCAS. If it does not take more than 20 minutes, that will be satisfactory, I believe.

Mr. MALONE. I would not want to specify definitely that it will take exactly 20 minutes or exactly 21 minutes. If the parliamentary situation has become that technical, perhaps I should postpone presenting this matter until next week.

Mr. LUCAS. Mr. President, I do not see why the Senator from Nevada has to take the time of the Senator from Washington to present the matter at this time. The Senator from Washington has been on his feet for several hours, debating the displaced persons bill. However, in the midst of that debate, the Senator from Nevada wishes to make a speech on another subject. I think I shall have to object.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Washington can yield only for a question.

Mr. CAIN. Mr. President, I ask unanimous consent that I be permitted to yield without jeopardizing my right to the floor, in order that the Senator from Nevada and the Senator from Illinois may straighten out the matter involved in their discussion.

Mr. MALONE. I appreciate that. I have to be absent from the floor tomorrow.

The PRESIDING OFFICER. The Senator from Washington can yield only for a question, and the statement just made by the Senator from Nevada is not a question. The Senator from Washington will lose the floor if he yields for any purpose other than to permit a question to be asked of him.

Mr. MALONE. Mr. President, I am asking permission to ask the Senator from Illinois——

Mr. CAIN. Mr. President, I had requested unanimous consent that the Senator from Nevada be permitted to make an observation to or ask a question of the distinguished majority leader. I did not know that the Presiding Officer had determined whether there was objection to my request for unanimous consent for that purpose.

The PRESIDING OFFICER. Announcement was made that there was objection. The Senator from Illinois has objected.

The Senator from Washington has the floor.

Mr. LUCAS. Mr. President, I did not object to the other unanimous-consent request.

Mr. CAIN. That was my understanding. I thought the Senator from Illinois had not objected to the unanimous-consent request I made.

Mr. President, I should like to ask unanimous consent that the Senator from Nevada [Mr. MALONE] be permitted to continue, for a brief period, his prevailing conversation with the distinguished majority leader, without jeopardizing my rights to the floor.

Mr. MAGNUSON. Mr. President, I rise to a point of personal privilege.

Mr. DONNELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. I have no objection to the recognition by the Chair of the senior Senator from Washington [Mr. MAGNUSON]; but, in fairness to the junior Senator from Washington, I think that should be done with the distinct understanding and unanimous-consent agreement that his right to the floor will not be jeopardized by yielding for that purpose.

The PRESIDING OFFICER. The senior Senator from Washington [Mr. MAGNUSON] cannot take the floor, even to present a matter of personal privilege, unless he is yielded to by the Senator who has the floor; and in that case, the Senator who has the floor loses the floor.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. A few moments ago the junior Senator from Washington [Mr. CAIN] in the course of his speech mentioned my name. I merely wish to rise to a point of personal privilege, in order that I may speak in regard to that reference.

The PRESIDING OFFICER. What the senior Senator from Washington has just stated is not a parliamentary inquiry.

Mr. MAGNUSON. Mr. President, I wish to propound the following parliamentary inquiry to which my other remarks were merely preliminary: Would it be in order to request unanimous consent that I may take the floor at this time to speak in regard to the matter to which I have referred without jeopardizing the right of the junior Senator from Washington to the floor?

The PRESIDING OFFICER. Does the junior Senator from Washington yield for that purpose?

Mr. CAIN. Mr. President, I should like to be of any assistance I can in providing my senior colleague with an opportunity to make whatever comments he may see fit to make, provided only that I do not lose my right to the floor, for a continuance of this debate.

Mr. DONNELL. Mr. President, I ask unanimous consent that the junior Senator from Washington be permitted to yield to the distinguished senior Senator from Washington for the purpose indicated, and without jeopardizing the position of the junior Senator from Washington on the floor.

The PRESIDING OFFICER. Is there objection to the request?

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. FERGUSON. If the senior Senator from Washington rises to a question of personal privilege, does the junior Senator from Washington lose the floor, as a matter of parliamentary procedure?

The PRESIDING OFFICER. The senior Senator from Washington cannot take the junior Senator off the floor, for the purpose stated, except by unanimous consent.

Mr. FERGUSON. That is true, even for a matter of personal privilege, is it?

The PRESIDING OFFICER. The senior Senator from Washington cannot proceed except by unanimous consent. If there is no objection to the request of the Senator from Missouri, he may proceed.

Mr. LUCAS. Mr. President, will the Senator yield to me to make a unanimous consent request?

Mr. DONNELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. There is already pending a unanimous consent request.

The PRESIDING OFFICER. The Senator will restate it.

Mr. DONNELL. My request was, Mr. President, that the junior Senator from Washington be permitted to yield to the senior Senator from Washington, for the purpose of the senior Senator making such statement as he deems proper, with the understanding that the junior Senator from Washington, by so yielding, does not in any way jeopardize his rights

upon the floor, and, I think I should add, without it being considered the conclusion of the first speech and thus putting him upon the basis of a second speech.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. MALONE. Mr. President, I understand now that the first——

The PRESIDING OFFICER. The Senator cannot prevent the putting of the question in that manner. Does the Senator object?

Mr. MALONE. I do object.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. MALONE. Let us then follow the procedure that was started a while ago.

The PRESIDING OFFICER. The Senator is out of order. The Senator from Washington has the floor.

Mr. MALONE. Mr. President, will the Senator from Washington yield to the Senator from Nevada?

Mr. CAIN. The junior Senator from Washington will yield for a question, provided his right to the floor is not jeopardized.

Mr. LUCAS. Mr. President, I object to the condition included in the last statement by the Senator. He cannot yield for a question, provided his right to the floor is not jeopardized. He may yield for a question, not for a speech.

Mr. CAIN. Mr. President, I should be pleased to yield to the Senator from Nevada for a question.

Mr. MALONE. Then, Mr. President, I ask unanimous consent for permission to continue the questioning with the senior Senator from Illinois, for the purpose originally stated.

The PRESIDING OFFICER. The Senator from Washington did not yield for that purpose. The Senator from Washington has yielded to the Senator from Nevada for a question. The Senator from Nevada is out of order. It is not a question at all.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. MAGNUSON. Do I correctly understand that unless I can obtain unanimous consent, I cannot take the floor on a question of personal privilege?

The PRESIDING OFFICER. The Senator is correct.

Mr. CAIN. Mr. President, the junior Senator from Washington asks unanimous consent that his colleague, the senior Senator from Washington, be permitted to rise to a point of personal privilege, without taking the junior Senator from Washington off the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the senior Senator from Washington may proceed.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DONNELL. I assume the intention of the distinguished junior Senator from Washington was to yield, with the understanding it would not in any sense jeopardize his position on the floor—in other words, that it would not count as a new speech.

The PRESIDING OFFICER. The request was that he might be permitted to yield, without jeopardizing his rights.

Mr. CAIN. That was a part of my unanimous-consent request.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. LUCAS. We are certain of that, now, are we?

The PRESIDING OFFICER. The Chair thinks so.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DONNELL. Is the Senator from Illinois certain of it? [Laughter.]

The PRESIDING OFFICER. The senior Senator from Washington may proceed.

Mr. MAGNUSON. Mr. President, I am very reluctant to take up the time of the Senate on this matter, but I feel that in justice to myself and to my own conscience and to my own integrity, I should do so. My colleague, in his speech a few minutes ago—I did not hear all of it——

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. CAIN. May I ask whether my senior colleague was actually on the floor at the time the junior Senator mentioned the name of WARREN G. MAGNUSON?

Mr. MAGNUSON. I answer my colleague that I was in the cloakroom at the time, and I could not hear very distinctly, but I inquired, and the name was mentioned. As I said, I am reluctant to take the time of the Senate on this matter. It seems unfortunate that the Senate's time in these closing days should be taken up with such matters as this, but as I said, I feel in the interest of my own conscience and my own integrity that I should do so.

The junior Senator from Washington, in his speech on the pending bill, was reading certain items I believe from the expense account of the Citizens Committee on Displaced Persons, an organization of which I know very little, but which I suppose is dedicated to the purposes of aiding displaced persons and of supporting such legislation as may be of assistance to displaced persons. Other than that, I have no knowledge of it. But in reading the figures, the name of WARREN G. MAGNUSON was listed in connection with an expenditure of $238.54. At the time the junior Senator mentioned it, or when the senior Senator became conscious of the fact that it had been mentioned, the senior Senator did not recall what the item could be for, or what it was about. My first thought was that if any citizens' committee—and many have been formed for similar purposes—had listed such an item, it was probably an item of expense for printing. Frequently Senators deliver speeches, or submit reports which organizations, formed for various purposes, like to distribute, and when we do not have funds with which to pay for the printing, we allow them the privilege, we pay the Public Printer, and they reimburse us. I am sure all Senators have had that experience.

I checked with my office staff. They recalled to my mind the matter which was mentioned in the Senator's remarks. I hope to obtain other facts, and I am going to ask permission to place them in the RECORD, but it will require perhaps a little more time, today. Substantially the facts with reference to the listing of the expenditure by the committee are these: I had been at Phoenix, Ariz., to make a Jefferson-Jackson Day speech for the National Committee, and I had just returned. On my return I was in touch with the National Democratic Committee regarding the meeting in Arizona, and as I recall, while I was on the telephone at that time, the National Democratic Committee asked me whether I would go to New Orleans to make a speech. I think I recall replying that I had just returned from delivering a speech, and that I did not like to go as far as New Orleans. It was explained to me that some other Senator who was to make the speech could not make it. When asked whether I would make the speech, I asked, "What is it about?" or words to that effect. The reply was "The mayor of New Orleans has communicated with us, advising us that the Citizens' Committee in New Orleans, and other citizens interested in the Palestinian and displaced persons, and other matters, were proposing a panel or symposium, to be held at Tulane University, and they want a speaker on these matters."

It was also stated there would be other speakers. I said, "Well, I will think about it." The next morning a letter came from the mayor of New Orleans, who, I believe, was named Morrison. I do not have the letter with me, but I will get it for the RECORD. He urged me to make the speech. I replied, "I will be glad to. How will I get there and back?" He said, "Your expenses will be paid by those conducting the panel, as well as the expenses of the other speakers." I went to New Orleans and participated in the symposium. One of the other speakers was Barry Bingham, the publisher of the Louisville Courier-Journal, well known to many Senators. The chairman of the panel was Ralph Nicholson, the former publisher of the New Orleans Item. There was another speaker, who was president of a small southern college or university. The speech was made, the panel was held, and discussions were held not only on displaced persons problems, but on other related problems, such as the Palestine issue.

Upon my return I contacted the mayor of New Orleans regarding my expenses, which were apparently listed—my files are complete on it—amounting to $238.54, for which the Citizens' Committee on Displaced Persons reimbursed me.

I thank the Senator from Washington for the privilege of being able to make this statement. If the Senator will yield further, under the same request, I should like to say that I am sorry I am not able to make the record as complete as I should like to make it. I would have to go back into my files, which I shall do. I would have to call the publisher of the Louisville Courier-Journal; I would have

to call the mayor of New Orleans, and I would have to call Tulane University, in order to get all the facts. Had I been extended the courtesy of knowing that my name was to be mentioned, I would have had the complete facts based upon my own conscience and integrity, and the integrity of the United States Senate.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CAIN. Mr. President, do I not have the floor, having yielded only for the purpose of my colleague's making an observation?

The PRESIDING OFFICER. An interruption will not invalidate the Senator's right to the floor.

Mr. LUCAS. As I understand, this is the first time the senior Senator from Washington knew anything about the expense account; that is, when it was read this afternoon by the junior Senator from Washington.

Mr. MAGNUSON. No. The check was received by my office and deposited as payment of my expenses for attending the panel.

Mr. LUCAS. But no one discussed with the Senator what was to be done with the item, so far as the speech now being made by the junior Senator from Washington is concerned.

Mr. MAGNUSON. No. This is the first I have heard of it. Just prior to that some newspaperman said that something was going to be said regarding some dire situation in which some Senator was involved in connection with the Citizens' Committee on Displaced Persons, which I think has a laudable purpose. That was the first I heard about it. I should have liked, the minute I heard my name mentioned, to be prepared to stand up and justify my conduct in connection with anything that might be said which in any way cast any imputation upon my integrity or that of any United States Senator, but I did not have that opportunity.

Mr. MYERS. Mr. President, will the Senator yield on the same basis?

The PRESIDING OFFICER. The junior Senator from Washington has the floor.

Mr. CAIN. Mr. President, I shall assume the floor from this moment on with reference to this colloquy. It is no longer directed at my colleague's rising to a question of personal privilege. It is being engaged in by individual Senators unrelated to the matter which the senior Senator from Washington has seen fit to explain.

Mr. MAGNUSON. I thank the Senator.

Mr. CAIN. The Senator is very welcome.

Should the Senator from Pennsylvania wish to address a question to the junior Senator from Washington, I shall be very pleased to answer it.

Mr. MYERS. The Senator from Pennsylvania has said nothing up until this moment, and therefore he was not addressing any question to the senior Senator from Washington or the junior Senator from Washington. I should like to ask a question, however.

Mr. CAIN. I shall be pleased to yield.

Mr. MYERS. I understood the senior Senator from Washington to indicate that a newspaperman had advised him before his name was mentioned on the floor that something was going to be said about a Senator and the Citizens' Committee on Displaced Persons. I merely wanted to know whether the junior Senator from Washington knew why a newspaperman should make such a statement to the senior Senator from Washington.

Mr. CAIN. The junior Senator from Washington knew nothing of the desire of any member of the Fourth Estate to say I was going to mention the name of any colleague on the floor of the Senate this afternoon.

Mr. President, the junior Senator from Washington began earlier this afternoon to do his very level best to help provide the Senate with information regarding the displaced-persons problem which the Senate obviously has not previously had before it. The complete justification for a Senator who is not a member of the Judiciary Committee, but who has had some personal experience in the field of displaced persons, to speak to that subject is, as I have recited, not once but a great many times, this afternoon, indicated by the report which came to the Senate yesterday afternoon from the Committee on the Judiciary. The report consists of but one sentence, from which an uninformed Senator can gain no information of any kind and upon which both informed and uninformed Senators are expected to reach a rational decision. That sentence is as follows:

> The Committee on the Judiciary, to whom was referred the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, report the bill to the Senate without recommendation.

The junior Senator from Washington has used some figures this afternoon which I think have opened the eyes of some Senators and have aroused the curiosity and interest of other Senators, because a good many Senators have never heard of the Citizens' Committee on Displaced Persons, and a good many Senators, to my knowledge, for they have told me so, have had no idea whatsoever of the size of that organization or the way in which it is managed and financed. The figures which I have read constitute the documented, sworn-to schedules which have been filed with the Clerk of the House of Representatives in accordance with laws which have previously been passed by the Congress. The figures I have used constitute the first quarterly report in the year 1948, and include three schedules, two of which I have read and the third of which I expect to read in a moment.

The first schedule contains a list of contributors in the sum of $500 and more. The second schedule consists of miscellaneous operation and maintenance expense, and the third schedule which I shall read into the RECORD carries the names, the rate of pay, and the expense sums for the personnel of the Citizens' Committee on Displaced Persons in the first 3 months of this year.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. DONNELL. Does the Senator mean 1949 or 1948?

Mr. CAIN. I should have stated it more clearly. It is for the first quarter of 1948.

I read the second schedule as it is carried in the files of the House of Representatives. I read, for the most part, the names of the firms or individuals to whom an expense check was presumably given. Only in a few instances did I mention the address, because, among other reasons, I did not think it very important. In certain instances I indicated what the money was being spent for, because I wanted to invite the attention of the Senate to the fact that from my point of view, probably the committee—but it is the committee's business and not mine—has been using too many cents out of every contributed dollar to publicize the activities of the committee.

Then I read the amounts of the checks which were given to the same individuals and groups. Having no desire whatsoever even to discuss the subject of how or why or in what manner my colleague's name appeared upon this schedule, I shall not do so, except to say, so that people who read may understand, that when I got down to his name I read the name, and I read it quietly. I made no comment about it one way or another. I did not dramatize it and I did not emphasize it. I did not say what appears on the sheet for all to read if they desire, "Address, United States Senate, Washington, D. C." I did not read, for the RECORD speaks for itself, the cause for this item, "Traveling expense." That is none of my concern. I am not interested in that.

What I do remember saying was that there was no inference by this speaker of anything wrong with any expenses which have been paid to any person or groups of persons or associations by the Citizens Committee on Displaced Persons. What they have done they must be responsible for. What they have done they must be accountable for. I have no reason to question a single, solitary item which is carried in these schedules, but I wanted to let my colleagues, and people who are interested, know that I am not talking about any small endeavor.

We are talking about an association of people who have grouped themselves together as a Citizens Committee on Displaced Persons, who are well-financed, who maintain proper sets of offices, I suppose, who spend large sums of money, and who collect large sums of money, the only purpose for which, if it is being done properly, is to encourage the admission into the United States of America of more so-called displaced persons than have previously been provided for by legislation which has been designed and approved by the Congress of the United States.

I think the RECORD should show, as being simply a matter of fact, that the address of the Citizens Committee on Displaced Persons is listed on the statements which they are required to file with the Clerk of the House of Representatives as 39 East Thirty-sixth Street, New York City, N. Y.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAIN. The Senator is pleased to yield.

Mr. DONNELL. I should like to have the Senator tell us whether or not in any of the documents he has observed from the House of Representatives, or the office of the Clerk thereof, there is a statement as to the purposes for which the Citizens Committee on Displaced Persons was formed or operates.

Mr. CAIN. I have not been able to discover any such statement as carried in the forms which have been filled out and filed with the Clerk of the House of Representatives. I think the references on the forms refer to the Lobbying Act, which was passed by the Congress some time ago.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. For a question I yield.

Mr. FERGUSON. The question is, Does the Senator from Washington know when this committee was formed?

Mr. CAIN. The junior Senator from Washington does not know, but there are two ways in which that can be determined. The first is that the junior Senator from Washington has had his curiosity immeasurably aroused by the statements covering the first quarter of 1948. Therefore, because of my own interest, I am going back into the files of the House of Representatives and of the Senate of the United States—because the Citizens Committee may have filed some here—to determine, if I can, when the committee was first established, how long it has been in operation, whether or not its first-quarter operations of 1948 were of a typical quarter, whether the amount involved was extremely large, or not so large as the amounts of some of the other quarters have been.

The second way in which it can be found out, I think, is for the Senate to give consideration to approving the resolution which was offered the other day, as I understand, by the senior Senator from North Dakota [Mr. LANGER], and ordered to be printed and lie on the table. The intent of that resolution is to examine thoroughly and exhaustively into the activity of all of the displaced-persons lobbies now or previously in operation in America.

Mr. FERGUSON. Mr. President, does the Senator know whether or not this committee was formed for any other purpose than lobbying, whether or not its sole purpose is that of lobbying, or whether it has any other functions in relation to the displaced persons?

Mr. CAIN. It is my understanding—and I may be incorrect—that the sole purpose of this committee is to bring into this country displaced persons, and, necessarily, to help them become established once they are in America. That is my conclusion of what its over-all function is.

Mr. FERGUSON. If money was collected for the purpose of reestablishing in this country displaced persons, that would not be lobbying.

Mr. CAIN. I think not.

Mr. FERGUSON. Does the Senator know whether or not this committee has branches or agencies in most of the States for the purpose of obtaining places to which displaced persons may be sent in the States, providing jobs for them with American citizens who would sponsor them, as required by the law, and supervising their coming here?

Mr. CAIN. If there are such committees—and let us assume that there are—there is no evidence of those committees to be gleaned from reading the statements to which I have been referring this afternoon, because there is not a single expense item charged against reestablishing or helping any displaced person, except to get them into the United States of America.

Mr. FERGUSON. After the examination which I presume he has made of each one of these expense items, would the Senator say that they were for the purpose of lobbying, that they were lobbying items? I take it the Senator has in mind that this money has been spent to influence Congress in its action on the pending bill, or some other bill.

Mr. CAIN. I may say to the Senator from Michigan that in part I am convinced that is so, because representatives of this committee have done exactly as they had a right to do; they have tried to influence me, as any other person believing in a piece of legislation has a perfect right to do. So I am satisfied that a considerable portion of the hundreds of thousands of dollars which have been collected from American citizens by this committee have been used premeditatedly—I do not say improperly—to influence legislation in the Congress. Anyone who desires to break-down the figures can only arrive at the conclusion, with reference to the inadequate number of figures I have submitted and the study I have given to the subject, that most of the several hundred thousand dollars which these figures cover was used purely for publicizing and promotional purposes, and had not anything to do with taking care of a first-class European displaced person coming to this country.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAIN. I will yield, provided the Senator from Michigan has concluded.

Mr. FERGUSON. I should like to ask one more question.

Mr. CAIN. I yield.

Mr. FERGUSON. Does the Senator know why the subcommittee of the Committee on the Judiciary, if it was known to them that the amount was spent for the purpose of lobbying, has not on its own motion made an investigation of this lobbying, or attempt to influence legislation?

Mr. CAIN. The Senator has given utterance to a very interesting question, and I can only answer properly a part of it. I am not prepared to say why the subcommittee has or has not looked into the question of a lobby, but I do know that the chairman of the Committee on the Judiciary—for this is a two-way street I am talking about—is presently in Europe, and has cabled that he has looked into and wants to provide the Senate with information concerning—though I have forgotten his exact words—what amounts to fraud and illegitimate activities. So I say again that I think we ought to wait until the Senator from Nevada returns so that he may explain to us what he has in mind, and when he does so I believe he will answer the questions of the Senator from Michigan.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. CAIN. Yes.

Mr. FERGUSON. Does the Senator know how large a subcommittee staff on immigration there is in the Senate Committee on the Judiciary, and how much money was appropriated and expended by the Committee on the Judiciary for the subcommittee or otherwise during the first 6 months of this year?

Mr. CAIN. I did know but I have forgotten. I understand a considerable amount of money was spent by a relatively small staff.

Mr. FERGUSON. A relatively small staff? Does the Senator know how many are on that staff?

Mr. CAIN. The junior Senator from Washington does not know.

Mr. FERGUSON. The Senator has no information then, as I understand, whether or not the subcommittee has made an investigation of this lobby?

Mr. CAIN. One of the questions I wanted answered by the report which was to accompany House bill 4567 was the one which has aroused the interest of the Senator from Michigan. My friend the Senator from Michigan is a member of that committee——

Mr. FERGUSON. Not of the subcommittee. I want to correct the Senator in that respect.

Mr. CAIN. But may I suggest to the Senator that he, as a member of that committee, certainly knows a great deal more about what the committee has been doing than any Member of this body who is not a member of the committee can glean from a one-sentence report which tells us nothing.

Mr. FERGUSON. But does the Senator realize that on August 24 of this year there was submitted to the Senate by 16 Senators the following resolution:

Resolved, That the Committee on the Judiciary is hereby discharged from the further consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

So that the committee could have made a much longer report than a one-sentence report.

Mr. CAIN. I am fully aware of that.

Mr. FERGUSON. Even though it was an adverse report.

Mr. CAIN. I am likewise conscious of the fact that shortly after that resolution was submitted to the Senate the very same Senate, without a single objector, said to the senior Senator from Nevada, the chairman of the Committee on the Judiciary, "You may, sir, go to Europe in pursuance of your express wish to search for and then provide the Senate with information sufficient to enable it to pass adequate legislation."

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. Yes.

Mr. FERGUSON. When the senior Senator from Nevada, the chairman of the committee, went to Europe there was pending, and there is yet in the Senate, Senate Resolution 160, which is the resolution which the Senator from Michigan read, and it had been indicated by the majority leader that the bill would be

voted upon during the present session. Is that not correct?

Mr. CAIN. I think the Senator is correct in assuming that at that time that was the majority leader's wish or expectation; but I think it right and proper to say that it is likewise the expectation of a number of other Senators who think the senior Senator from Nevada must be heard before action is taken on the bill, that there will be no action taken during the present session of the Senate. I am not qualified to say whether the majority leader's views will prevail or whether the views of those who, like myself, seek to delay action until a later time, will prevail.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. Yes; the Senator from Washington yields.

Mr. FERGUSON. The Senator from Washington objected, did he not, on day before yesterday to the Senate Committee on the Judiciary holding a meeting to work upon this very bill, on this very question, while the Senate was in session?

Mr. CAIN. That was not the reason the junior Senator from Washington objected. He objected——

Mr. FERGUSON. I will say, however, that it did stop the committee from actually working on the bill.

Mr. CAIN. Oh, yes. The Senator from Michigan asked a question. I should like to be permitted to answer. I objected the other day because of what I had been told, though perhaps I was misinformed. I was told that since there had been no chance to have a vote to report the bill, accompanied by this one-sentence report, to the floor of the Senate, an attempt would be made during the afternoon to accomplish exactly the very same purpose. From my own point of view I thought it was improper for the bill to be reported to the Senate because of the death of Senator Miller, of Idaho, for whom no replacement had been suggested, who himself was vehemently in opposition to reporting the bill, and in the absence of the senior Senator from Nevada, the chairman of the Committee on the Judiciary, 5,000 miles away in Europe, who did not wish the bill to be reported, and in the absence of the distinguished Senator from Mississippi [Mr. EASTLAND], who was absent, as we all knew, because of an unfortunate death in his family, who wanted to be present at the time the vote was taken. Those are the reasons.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. Yes.

Mr. FERGUSON. Did the Senator make inquiry from any member of the committee to ascertain that during the morning session prior to the convening of the Senate the committee was busily engaged in hearing a report from Mr. Arens, staff director of the Immigration and Naturalization Subcommittee, who had not completed his statement, and the meeting was adjourned until the afternoon so the report could be completed?

Mr. CAIN. I was thoroughly familiar with that, I will say to the Senator. I may further add that the Senator from Michigan and I had a conversation on the floor of the Senate after I objected, the substance of which—and I want to be certain that I am correct, because it did not last very long—was as follows: The Senator from Michigan was interested in having my objection withdrawn. The Senator from Washington simply said that if members of the committee said it was not their intention to vote on that controversial issue during he course of the afternoon the Senator from Washington had no interest in whether the committee met or not.

Mr. FERGUSON. The Senator did not withdraw his objection, and the committee could not meet until 7:30 or 8 o'clock that night.

Mr. CAIN. The junior Senator from Washington did not withdraw his objection, for the Senator from Michigan did not say that there would be no vote on the question during the afternoon.

Mr. FERGUSON. The Senator from Washington realizes that the Senator from Michigan would not be able to answer that question, because he would not know what would happen. The committee, rather than one member, would decide.

Mr. CAIN. I have not answered the Senator about that. The junior Senator from Washington—and we speak seriously because this is quite an important and deep-seated question—gave to the Senator from Michigan the opportunity, for the hour was early in the afternoon, to poll the members of his committee to see whether or not they were interested in devoting the afternoon to a discussion of the merits of the bill without any desire for voting action on the bill, and I never heard anything more about it.

Mr. FERGUSON. In other words, the Senator from Washington was going to determine the question as to when the Committee on the Judiciary could vote? Is that correct?

Mr. CAIN. That is a fair question. Under the circumstances, and because of the absence of Senators, members of the committee, who had evidenced publicly a desire to be present and had no opportunity to be present, the Senator from Washington may have improperly—but certainly without apology, for he thought it was the correct thing to do—said simply that if there was any conceivable way to keep this measure from being voted on and reported to the floor of the Senate, he was going to do just that.

Mr. FERGUSON. Will the Senator yield?

Mr. CAIN. Certainly.

Mr. FERGUSON. The Senator did find a conceivable way, and that was to object to the Committee on the Judiciary functioning while the Senate was in session?

Mr. CAIN. Yes. A Member of the Senate, I may say to the Senator from Michigan, a man whom I respect, must be guided by his conscience and by the best advice he obtains on the floor of the Senate. I sat on the floor several days prior to the time I objected. I listened to the reading of a serious cable, sent to us by a serious man, who had been granted authority to travel thousands of miles across the sea, and who in his message, among other things, said, "My visit has been fruitful. It has been productive. I have secured information which I know the Senate and the committee will want to consider, and therefore I deeply urge you not to take action on that bill."

If there were those who saw fit not to listen to that advice, they were quite within their rights. I as one individual Senator——

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. CAIN. I shall be glad to yield in a moment. I can only say how deeply I feel about it. A small group of Senators from the Banking and Currency Committee has left for Europe to study cooperative housing. Naturally I would have liked to go along. They left last Thursday night. It so happens that the junior Senator from Washington is still here; and the reason he is here, primarily, is that he firmly believes that the senior Senator from Nevada is right in his contention and is acting in the best interests of the American people. That is one Senator's individual judgment. This Senator will do anything and everything he can within the rules of the game to try to help convince the Senate that there is no good reason for acting on this legislation in such haste as has been suggested and recommended.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. EASTLAND. Did not the distinguished senior Senator from Nevada also say that the United States Consular Service and the United States Immigration and Naturalization Service in Europe thought it would be a mistake to pass the Celler bill, which is the pending business in the Senate?

Mr. CAIN. I will say to my friend from Mississippi that I do not have in my hand a copy of what the senior Senator from Nevada cabled the Senate about a week ago. I have in my hand something from which no person not a member of the Committee on the Judiciary can get any information or substance whatever.

On the one hand—and let us admit it, thought it is not a case of admitting it, for it is so—we are asked as a Congress to take action on a highly controversial, difficult, complicated question——

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. Not until I finish this thought, and then I shall yield immediately.

The committee report from the Committee on the Judiciary says, in effect, "The Senate is encouraged to do as it likes about displaced-persons legislation. We present you with a bill, but we are not going to suggest to you, in terms of normal procedures, whether the bill is good or bad, or whether it ought to be passed or rejected. We report it without recommendation, but because everyone seems to want to get a bill through the Congress we will give you what you want and let you write your own ticket."

A man has a right to be serious about this. I wish the senior Senator from

Nevada were here, with his mane of white hair, to fight for himself, as he could do so ably. Over his signature he has said that the Senate would be well advised not to take action on this legislation until he returns from a trip on which he was encouraged to go. Further, says the senior Senator from Nevada, "I have had an opportunity in person to confer with every single group of those who presently concern themselves with the supervision and management of this distressing problem overseas, and they all say that there is no need to take action at this session of Congress."

I am only a single individual, from one sovereign State. On the one hand, there is a recommendation from the committee which says, "Do as you like." On the other hand, I have listened to a strong recommendation from a man who is not here, but whose recommendation made so much good, common, unpolitical, hard-headed sense to me that I say that a Senator is quite within his rights—and I have no intention of relinquishing those rights—in trying to keep this matter open until the Senator from Nevada returns and is permitted to make his observations and recommendations. Then we can vote them up or down, and everyone will be satisfied.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. FERGUSON. The Senator appreciates that the report which has been filed is one sentence longer than it would have been if the Senate had discharged the committee.

Mr. CAIN. I am afraid I do not quite understand.

Mr. FERGUSON. The present report is one sentence.

Mr. CAIN. Yes.

Mr. FERGUSON. If the Senate had discharged the committee from further consideration of the bill there would not have been even a one-sentence report.

Mr. CAIN. It would have been a very bad thing in either event.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. If I may be permitted to add, I am a sturdy critic of the one-sentence report. I would likewise be a sturdy critic and opponent of any attempt to discharge the committee in the absence of its chairman who is away studying the problem facing the committee.

Mr. FERGUSON. I should like to ask the Senator whether or not any members of the committee have filed a minority report giving their views to the effect that the bill should not pass.

Mr. CAIN. I can only guess, without knowing, that the subcommittee, until it was discharged against its will, was so busy, as it ought to have been, in studying this proposed legislation that it had no time to write reports until it was ready to make positive recommendations.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. DONNELL. The Senator from Michigan inquired whether or not the report is just one sentence longer than it would have been if the committee had not acted. I ask the Senator if he derives from that one-sentence report any information whatsoever of any nature as to the opinion of the committee pro or con, or any information of any kind except that the committee is reporting the bill without recommendation. Is not that all that is in it?

Mr. CAIN. Without being disrespectful, I will say that there is nothing in the committee report. The commitee report merely says, "We as a group, for reasons which we consider to be valid, make up our collective minds that we do not know what to recommend. Therefore we recommend nothing. Therefore we aid and abet the passage in the dying hours of this session of Congress of legislation about which we have no opinion."

Mr. DONNELL. Therefore the one sentence to which the Senator from Michigan referred conveys no information of any value whatsoever to anyone. Is not that correct?

Mr. CAIN. If I were on the wrong side of the fence I should dislike very much being interrogated by my friend the Senator from Missouri. Before he got through he would get at the facts. So I shall attempt to answer again the last question he has posed, by rereading the report. It must be reread.

Mr. DONNELL. I wish the Senator would read it.

Mr. CAIN. Sometimes it is a help to keep rereading by way of repetition until the people understand what they are being sold, and what they are getting.

Mr. DONNELL. Read it so that the Senator from Michigan as well as the Senator from Missouri can hear it.

Mr. LUCAS. Mr. President, I demand the regular order. Otherwise, I shall claim the floor.

Mr. CAIN. I appreciate the courtesy of the majority leader. Certainly I shall endeavor to abide by the rules.

I am not so much concerned—and this is stated as a considered opinion, because it will establish our positions on one side of the question or the other—with what the Senator from Michigan thinks about the report, because he is a party to the report. That is his business, and not mine. But what I am saying is that I want Members of the Senate who are not members of that committee to understand the report. Even more important, because it affects them, I want the people everywhere to know what we are doing, in order that they may urge us to exercise a little patience, caution, and deliberation, from which everyone, it seems to me, will get a better run for his money.

Mr. DONNELL. Mr. President, will Senator yield for a further question?

Mr. CAIN. I yield for a question.

Mr. DONNELL. A little while ago a certain question was asked of the Senator with respect to the report of disbursements, as to whether anything in the report indicated that any of those disbursements were for lobbying purposes.

Mr. CAIN. I think that was the sense of the question.

Mr. DONNELL. I ask the distinguished Senator this question: Is not the only institution, individual, or corporation required to file such a report an institution, individual, or corporation, or other entity which, by filing such a report, admits that it is engaged in some type of what we roughly term "lobbying"?

Mr. CAIN. My understanding is that a firm, group, or individual can register as a lobbyist, even though he or it is not a lobbyist; but that every firm, person, or group which is a lobbyist is required to file the necessary forms and sign the necessary affidavits.

In that connection, in the first 3 months of 1948 the Citizens Committee on Displaced Persons filed a certified statement to the effect that its miscellaneous expenses amounted to $71,260.59. A study of that statement indicates that most of the money was spent for publicizing purposes, to influence, among other agencies—and there is nothing reprehensible about it—the Congress of the United States. But I keep recurring in my own mind to the other part of what I like to consider to be a portion of the Citizens Committee's function, namely, helping to relocate displaced persons and to take care of them. There is so little evidence that any of the money spent by the Citizens Committee in the first quarter of 1948 was used by the committee for that purpose, that I am distressed. A displaced person cannot be located on a farm by spending money for literary purposes. A European cannot be relocated in desirable work as a maid, for instance, by the spending of money for publicity purposes. Any of the things we wish to do for displaced persons who come to the United States cannot be done by means of spending funds for legal fees or for mimeographing or for the purchase of books or postage or for research, rentals, or stationery. I can only conclude that I hope there are other portions or parts of the Citizens Committee's activities which devote themselves to the essential aspects of this problem.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. DONNELL. Is the Senator from Washington able to identify anything in the list from which he has read which, in his opinion, relates to the settlement of displaced persons, as distinguished from publicity and other efforts of like character?

Mr. CAIN. I, myself, am not able to certify as to that, but I would not like that statement by me to be understood to mean that I am suggesting that there are not such items.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. CAIN. I yield.

Mr. DONNELL. The Senator from Washington understood, I hope, that I am not saying that there are not such items; but I ask the Senator now if he is able to identify any items which show that they were for settlement purposes.

Mr. CAIN. No; I am not able to identify any such items; and that impels me to say that there is reason for the consideration by the Senate of the Langer resolution, which was submitted a few days ago, and which relates to the consideration of this over-all problem.

Mr. President, when we talk about travel expense and the expenditure of

money by this Committee for travel expense, perhaps the fact is that that money has been spent to relocate displaced persons. Perhaps it has been. I do not know, but I shall explore the matter further, with the help of other Senators, perhaps.

Schedule No. 3, which covers the first quarter of 1948, was properly filed with the Clerk of the House of Representatives. It covers the number of persons who were employed in what I presume is the head office of the Citizens Committee, for the address of the Committee is listed as being 39 East Thirty-sixth Street, New York City. The list includes the names of some 40 persons who, I suppose, were working in that establishment. It states the amount of salary they were paid in the first 3 months of 1948 and also the amount of travel expense moneys, if any, which were provided for them as individuals.

Mr. President, when we contrast some of the travel expenses thus listed by the Citizens Committee with some of the salary items appearing on the list, I think we shall be curious. We shall not have a definite answer as to what is meant; but slowly and surely we shall start to obtain some information in that connection—information which is not included in the committee report, as my friend, the Senator from Missouri, will agree, but which we are endeavoring to develop on the floor of the Senate with the help of other Senators.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. DONNELL. I ask the Senator whether in Form A of the papers from which he has been reading this afternoon, a notation appears at the top—

To be filed quarterly with the Clerk of the House of Representatives only. Detailed statement to be filed, in duplicate, with the Clerk of the House of Representatives under the Lobbying Act (Public Law 601, 79th Cong.).

Mr. CAIN. That is correct.

Mr. DONNELL. I thank the Senator.

Mr. CAIN. Mr. President, it will not take very long to read this list. I wish to recite, merely for the benefit of the RECORD and for the information of people generally, the names, salaries, and travel expenses involved, as they appear on schedule 3.

I should like to point out that I personally have never heard, I think, of any of these persons, and I have never seen or met any of them anywhere.

The first name on the list is that of Charlotte E. Abbott, 327 East Fiftieth Street, New York City. Her salary for the first quarter was $1,155. That means that she was working at a rate of pay of approximately $4,500 a year. But the next item I find very interesting, and no doubt there is an obvious and a good and legitimate answer for it: In the first quarter, when she was paid $1,155 for salary, she received $1,529.77 for travel expense. Again, Mr. President, I say there is nothing wrong with that; but she received it and it indicates the scope of these activities. Perhaps she, whoever she may be, has spent most of her time on the road, in seeing how the displaced persons were being resettled.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CAIN. I am glad to yield.

Mr. DONNELL. Is the Senator from Washington reading now from one of the forms, the first page of which states that it refers to "Detailed statement to be filed, in duplicate, with the Clerk of the House of Representatives, under the Lobbying Act"?

Mr. CAIN. I am reading from such a form, as it pertains to the pay roll and travel expense of this particular lobby.

The second name on the list is that of Anita Altman, 862 East Seventeenth Street, Brooklyn, N. Y. She received $720 in salary for the first quarter of 1948, but no travel expense. So we can only assume that she stayed right there in New York.

The next name on the list is that of Edwin R. Armstrong, Hotel Duane, 237 Madison Avenue, New York City. In the first quarter of 1948 he received as salary $1,755; but his travel expense for that quarter was $9,367.93. Mr. President, I do not know about that; but I know that no single individual working in the interest of displaced persons, unless he is going to Mars, can spend $9,367.93 in 3 months for travel. Other Senators know as well as I do approximately what it costs to travel from here to Europe and back again by aircraft or from here to Seattle, Wash., or to Los Angeles or to Florida or to New Orleans and back again by aircraft. Try, if you will, Mr. President, to spend $9,367.93 for travel for yourself in 3 months' time. Of course there must be a good reason why the person whose name is listed on the return did so. Probably he had other persons with him, and probably all of them were working diligently, as they should have been, on the job of settling displaced persons. But we do not find in the return any statement to that effect. If the resolution submitted by the distinguished Senator from North Dakota [Mr. LANGER] is acted upon by the Senate, then Mr. Armstrong can be encouraged to speak for himself.

The fourth name on the list is that of Florence Bachrach, 1000 Grand Concourse, Bronx, N. Y. Her salary for 3 months was $995; her travel expense for 3 months was $1.

The next name is that of Lillian Baral, 9850 Sixty-seventh Avenue, Forest Hills, Long Island, N. Y.; quarterly salary, $1,500; travel expense, $58.58.

The next name is that of Violet G. Bemmels, 153 Foster Avenue, Valley Stream, Long Island, N. Y.; $1,260 for salary in the period of 3 months; $843.11 for travel expense.

Next we have the name of Mr. William S. Bernard, 68 West Fifty-eighth Street, New York City. His salary for the first quarter was $2,505. His travel expense for the same 3 months was $5,436.85.

Mr. President, this afternoon, during one of the periods when there was a short interim for the calling of a quorum, or for some other purpose, and after I had read the first several items in these schedules, I found several of my Senate associates coming to me and saying, "My goodness; we had not known that before." They did not say whether it was right or wrong; they merely said they had not known it before. They had not known there was any such institution which had been spending such sums of money. They did not say whether they thought the institution was spending it rightly or wrongly, but I dare say that, aside from Mr. Armstrong, very few persons have known that in the interest of influencing or developing legislation—which again is a matter of public and general interest—four persons have spent $17,177.66 for travel expense in 3 months' time. Personally, I should like to know more about that. I think the Senate is entitled to know more about it. It is one thing to be a conscientious supporter of displaced-persons legislation, but it is quite another to have, we might say, a commercial or purely ulterior motive for being on the pay roll of the Committee on Displaced Persons. I do not say that these persons have not done a good job, but I should like to have the opportunity to know, before we pass the legislation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. MAYBANK. Mr. President, will the Senator yield for a privileged matter?

The PRESIDING OFFICER. Does the Senator from Washington yield?

Mr. CAIN. If I am permitted to yield without prejudicing my rights to the floor, I yield.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes, which was, on page 4, after line 9, to insert:

SEC. 6. Section 24 of the Federal Reserve Act, as amended, is hereby amended—

(1) by striking out the second sentence thereof and inserting in lieu thereof the following: "A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold (1) under a lease for not less than 99 years which is renewable or (2) under a lease having a period of not less than 50 years to run from the date the loan is made or acquired by the national banking association, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association."; and——

Mr. MAYBANK. Mr. President, I ask that reading be discontinued at this point, until I make a short explanation. That part of the amendment refers to authority of national banks to make loans secured by mortgages insured under title VIII of the National Housing Act, as added by Public Law 201, Eighty-first Congress, the so-called military

housing bill. It was in H. R. 6070 passed by the House on August 25 and also was intended to be placed in Senate bill 2246, now on the Senate Calendar. It refers to the bill, S. 1184, introduced by the Senator from Nebraska [Mr. WHERRY]. That is exactly what it covers. I merely wanted to explain it to the acting minority leader, who I think requested the minority leader, the Senator from Nebraska [Mr. WHERRY] to be present.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DONNELL. I appreciate very greatly the courtesy of the Senator. I was disposed to suggest the absence of a quorum, and it may well be that I shall do so. I am not now saying whether I shall or not, but in view of the fact that the distinguished Senator informs me it is a matter in which the Senator from Nebraska [Mr. WHERRY] is interested——

Mr. MAYBANK. It is his amendment.

Mr. DONNELL. I think it advisable, before action is taken in respect to suggesting the absence of a quorum, to request that the Senator from Nebraska be present.

Mr. MAYBANK. I agree.

Mr. DONNELL. The Senator from South Carolina very courteously agrees with that suggestion.

Mr. MAYBANK. I thoroughly agree with the Senator from Missouri. I hope the Senator from Nebraska may be here. I may say I discussed the matter with the Senator from Ohio and with the ranking minority member of the committee, who is not in Washington at this time. He thought it a proper thing to do to accept the House amendments, which would allow national banks to lend money secured by mortgages insured under title VIII of the National Housing Act, as amended. The Senator from Nebraska proposed the amendment.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DONNELL. I would respectfully suggest that inasmuch as I have already sent for the Senator from Nebraska, it would be well to defer discussion of the amendment until his arrival.

Mr. MAYBANK. I wish only to ask the Senator one question, since the Senator from Washington has yielded without prejudice to his right to the floor. I ask that the clerk read the other amendment at this time, so it will be understood.

The PRESIDING OFFICER. The clerk will continue the reading of the amendment of the House of Representatives.

The legislative clerk read as follows:

(2) By striking out of the third sentence "titles II and VI" and inserting in lieu thereof the words "title II, title VI, or title VIII."

SEC. 7. Section 301 (a) of the National Housing Act, as amended, is hereby amended by striking out the proviso at the end of paragraph (1) (E) and inserting in lieu thereof the following: ": *Provided*, That this clause (2) shall not apply to (nor shall any terms therein include) any mortgage which is (i) guaranteed under section 501 of the Servicemen's Readjustment Act of 1944, as amended, and made for the construction or purchase of a family dwelling or dwellings in an original principal amount or amounts which does not exceed $10,000 per dwelling unit, or (ii) insured under section 803 of this act": *Provided*, That the amendment made by this section 7 with respect to mortgages guaranteed under section 501 of the Servicemen's Readjustment Act of 1944, as amended, shall apply only to such mortgages guaranteed after the date of enactment of this act.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DONNELL. May I understand from the distinguished Senator from South Carolina that action on any of these matters shall be deferred for a few minutes?

Mr. MAYBANK. I shall certainly wait until the arrival of the minority leader, as requested by the acting minority leader. I merely wanted to say I had discussed the matter with him, as with the acting minority leader.

Mr. WHERRY entered the Senate Chamber.

Mr. DONNELL. Mr. President, the Senator from Nebraska being present at this time, I should like to state that, in view of the fact that in one of the amendments included in the message from the House, as I am informed by the Senator from South Carolina the Senator from Nebraska is deeply interested, I thought it advisable that before announcing whether a quorum call was desired, we have the presence of the distinguished Senator from Nebraska.

Mr. WHERRY. I deeply appreciate the action of the acting minority leader, and I desire to say, if it is the amendment I think it is, it is quite acceptable.

Mr. MAYBANK. It is the amendment enabling national banks to lend money on the security of mortgages insured under title VIII of the National Housing Act, as amended.

Mr. WHERRY. Mr. President, if I may say a word, this amendment was prepared by me, to be submitted to the chairman of the Banking and Currency Committee. It is based on information we gathered when the military housing bill was considered and passed. The housing is erected on leased land. The amendment is needed in order that national banks may make loans on leased lands. That is all there is in the amendment. There are many private banking houses which, if extended the same privileges by the Federal Housing Authority, would like to take some of these loans.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. DONNELL. And, Mr. President, will the Senator from South Carolina likewise yield?

Mr. MAYBANK. The amendment about which I spoke to the Senator includes a grant of authority to the Federal National Mortgage Association to purchase all eligible mortgages guaranteed by the Federal Government under section 501 of the Servicemen's Readjustment Act of 1944, as amended, after the enactment of this resolution. At present this type of mortgage must be included in that part of the lending institution's portfolio of which FNMA can purchase only 50 percent.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. DONNELL. I am glad the Senator mentioned the second amendment. Because of the familiarity of the Senator from Nebraska with this whole subject matter, I would inquire of him whether at this time he feels it is desirable to have a quorum call?

Mr. WHERRY. No; I think it is unnecessary. I am satisfied every Senator would be in favor of it. I thank the Senator.

Mr. MAYBANK. I discussed it thoroughly with the Senator.

Mr. DONNELL. Mr. President, will the Senator wait just a minute? I want to assure him I had no doubt as to the accuracy and verity of the statement made by him, but I felt, in view of the great interest which the Senator from Nebraska had in the matter, he should be here.

Mr. MAYBANK. I greatly appreciate the courtesy of the distinguished acting minority leader. He is always cooperative, and the more cooperation we have, the better off we shall be.

Mr. DONNELL. I thank the Senator very much indeed.

Mr. WHERRY. I may say to the Senator from South Carolina I also want to thank the distinguished acting minority leader. When I left the floor to go to the Appropriations Committee, I stated to him that if this matter came up, I would deeply appreciate an opportunity to be here.

Mr. MAYBANK. Mr. President, I move that the Senate agree to the House amendment.

Mr. LONG. Mr. President, would the Senator have any objection to letting this lie over for 2 hours, in order that we may take a look at the House amendment, to see just what it does? Personally, I do not know just what it is, and I should like to have a chance to look at the amendment for a few minutes.

Mr. MAYBANK. Mr. President, I should appreciate it if the Senator from Louisiana would not make that request. Of course, if he insists upon it, we shall naturally have to accede to it. The distinguished Senator is a member of the Subcommittee on Housing and Rents of the Committee on Banking and Currency. Unfortunately we had a situation here a few days ago in which we were somewhat limited for time, and we passed a resolution to extend old title I and title VI of the National Housing Act, as amended. It went to the House. Shortly thereafter many of the members of the Banking and Currency Committee's Subcommittee on Housing and Rents left on an inspection tour, to find out about housing conditions in Europe, and they are over there now. As a matter of fact, they are in England now. When the joint resolution went to the House about a week ago, certain amendments were added by the House Committee on Banking and Currency. As passed by the House today there was only one amendment, covering two subjects, one of which the Senator from Louisiana is familiar with, namely, the so-called Wherry amendment, that permits national banks to lend money secured by

mortgages insured under title VIII of the National Housing Act, as amended. The other subject covered by the amendment merely permits the Federal National Mortgage Association, commonly called Fannie May, to purchase all eligible mortgages in lending institutions' portfolios guaranteed after the date of enactment of this resolution under section 501 of the Servicemen's Readjustment Act of 1944, as amended.

Mr. LONG. Why would national banks be unable to loan the money?

Mr. MAYBANK. Because it is against the law as it exists at present.

Mr. LONG. Is there no other way open under the Wherry bill?

Mr. MAYBANK. No; no national bank could loan any money on title VIII mortgages without this amendment.

Mr. LONG. Who would be able to loan money, under the Wherry bill, if the national banks could not loan it?

Mr. WHERRY. Mr. President, I did not go into all the details. All I know is that the Federal Housing Authority said there were several national banks which would like to make the loans, but some of the national banks stated that because there was leased land involved instead of land owned in fee simple, there was a question as to whether they were eligible to make the loan. The amendment is really an amendment to the Federal Reserve Act which permits a national bank, under the Federal Reserve System to make a loan on leased land.

Mr. MAYBANK. Mr. President, I will say to the distinguished Senator from Louisiana, who is so deeply interested in housing, that I am sorry he was not able to go along with the other Senators who are now in Europe on housing matters. If this amendment be adopted, it will mean much less cost to the Government and to the taxpayers in obtaining rental housing in the vicinity of military bases to house military personnel.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the House of Representatives to Senate Joint Resolution 134.

The amendment was agreed to.

Mr. MAYBANK. Mr. President, I ask unanimous consent that a brief summary which I have prepared may be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 134 as passed by the Senate on October 5 made provision for funds needed to carry on the existing mortgage insurance program of the Federal Housing Administration and the secondary market for purchase by the Federal National Mortgage Association of Government-insured or guaranteed mortgages. It also extended to January 1, 1951, from January 1, 1950, the date for removal of temporary war-housing projects in the absence of any further need at that time for their use as housing. Certain other administrative changes in FHA operations were made by the resolution.

The House action on Senate Joint Resolution 134 retained all these provisions and added an amendment which places two new sections in the resolution.

The new section 6 would empower national banks to invest in mortgages insured by the Federal Housing Administration under the provisions of title VIII added to the National Housing Act, as amended, by Public Law 211, Eighty-first Congress, approved August 8, 1949. This result would be accomplished by permitting such banks to make real-estate loans secured by first liens on long-term leases under regulations to be issued by the Comptroller of the Currency, and by making title VIII mortgage loans eligible as national bank loans. National bank loans on real estate must now be secured by a first lien on the real estate in fee simple. I understand that the Comptroller of the Currency and the Board of Governors of the Federal Reserve System approve this provision. It would make it possible for national banks to take an effective part in the effort to expedite construction of rental housing in the vicinity of military bases. National banks already have the power to make loans on the security of mortgages insured by the Federal Housing Administration under section 608 and title II of the National Housing Act, as amended, where the mortgage gives a first lien on real estate owned in fee simple by the mortgagor. Insurance coverage for mortgages insured under title VIII is more beneficial to the mortgagee than coverage for those insured under section 608 and title II.

The new section 7 would authorize the Federal National Mortgage Association to purchase from approved lending institutions all GI mortgages in a principal amount of not more than $10,000 per dwelling unit guaranteed by the Veterans' Administration after enactment of this resolution under section 501 of the Servicemen's Readjustment Act of 1944, as amended. Under that section Government guaranties are provided for 50 percent, but not over $4,000, of loans made to a World War II veteran for the construction, purchase, or repair of a home for his own occupancy. Under existing law FNMA can purchase only 50 percent of this type and most other eligible mortgages acquired for the portfolio of approved original lenders and insured or guaranteed after April 30, 1948. This amendment would make the secondary market more liberal for this type of loan and it is hoped, would encourage lenders to make more loans under the GI bill of rights than they do at present. This provision is part of a well-rounded plan contained in S. 2246 to amend the GI bill so as to make the home loan provisions fully effective. Another portion of that plan as set out in S. 2246 would grant power to the Veterans' Administration to make direct loans to eligible veterans who have good credit but are unable to obtain loans from private lenders at a rate of interest not over 4 percent per annum. Such a provision is desirable in the opinion of the Committee on Banking and Currency, but cannot be said to be noncontroversial. As I have said previously on this floor, consideration should be given as early as possible in the next session of Congress to the entire plan for amendment of the Servicemen's Readjustment Act of 1944, as amended, which is proposed by S. 2246. Meanwhile enactment of that portion of the plan proposed by this portion of the House amendment to Senate Joint Resolution 134 should be of some assistance to the veterans' home loan program.

Inclusion of section 803 of the National Housing Act, as amended, in this portion of the House amendment is merely a declaration of provisions of existing law enacted by Public Law 211, Eighty-first Congress, approved August 8, 1949, which created a 100 percent secondary market in FNMA for FHA insured mortgages on rental housing constructed near military installations under that act.

ESTABLISHMENT OF FOREIGN-TRADE ZONES—CONFERENCE REPORT

Mr. GEORGE. Mr. President, will the Senator from Washington yield so that I may bring up a conference report, if it does not prejudice his rights to the floor?

Mr. CAIN. With that understanding, I shall be glad to yield to the distinguished Senator from Georgia.

Mr. GEORGE. Mr. President, I submit a conference report on House bill 5332, to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5332) entitled "An act to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
Managers on the Part of the Senate.

R. L. DOUGHTON,
JERE COOPER,
HALE BOGGS,
Managers on the Part of the House.

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of the conference report.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. DONNELL. Mr. President, reserving the right to object, may I ask the Senator from Georgia to give us a brief explanation of the report?

Mr. GEORGE. Mr. President, it involves a bill relating to the Foreign Trade Act. There is no controversy regarding the original bill. The Senate added two amendments to the bill. One was to admit, free of any duty, Christmas trees. That amendment was offered by the distinguished Senator from Washington [Mr. CAIN] on behalf of the distinguished Senator from Connecticut [Mr. BALDWIN]. The House agreed to that amendment.

The second amendment was offered on the behalf of Senators interested in fur. The House disagreed to that amendment, and we were unable to secure any consent or acquiescence on the part of the House. So the Senate conferees, by majority vote, have receded from their second amendment. The State Department strongly opposed it, and the House conferees were adamant and would not consent to it. The report was agreed to by the majority members of the Senate conferees. The distinguished Senator from Colorado [Mr. MILLIKIN] declined to sign the conference report or to agree to it, and so did the distinguished Senator from Delaware [Mr. WILLIAMS]. Both of them insisted that the amendment should be agreed to, but we could not get an agreement to accept it.

Mr. DONNELL. Mr. President, reserving the right to object, do I correctly

understand that the Senate receded from the amendment relating to Christmas trees?

Mr. GEORGE. The House accepted that amendment, but rejected the amendment relating to furs. It related to regulations of the President to put into effect such remedial measures as might be recommended by the Tariff Commission. On that amendment the House did not recede.

Mr. DONNELL. The effect of the conference report which the two members declined to sign, namely, the Senator from Colorado and the Senator from Delaware, is that the fur amendment will not remain in the bill.

Mr. GEORGE. Exactly.

Mr. DONNELL. Mr. President, I appreciate the lateness of the hour, but in view of the interest in the fur amendment, I feel constrained to suggest the absence of a quorum, which I do.

The PRESIDING OFFICER. The Senator from Washington has not yielded for that purpose. If he does yield, he will lose the floor, unless it be by unanimous consent.

Mr. DONNELL. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the rights of the Senator from Washington being affected.

Mr. MYERS. Mr. President, I must object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I am sure the Senator from Missouri knows that I should like to be able to accede to his wish, but I think it would be better to return to the subject in hand. It will take some time to conclude.

I should like to continue reading from schedule 3 of the Committee on Displaced Persons, which covers the first quarter of 1948 and which was filed on the 9th day of April 1948.

EXTENSION OF CERTAIN TEMPORARY APPROPRIATIONS

Mr. McKELLAR. Mr. President, will the Senator yield in order that I may ask immediate consideration of House Joint Resolution 368?

Mr. CAIN. I shall be glad to yield to the Senator, provided my rights to the floor are not jeopardized.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the Senator from Washington may yield briefly and that his rights to the floor shall not be jeopardized thereby.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McKELLAR. Mr. President, the House passed a continuing resolution and sent it to the Senate, which I now report from the Committee on Appropriations with an amendment. The military-pay bill is still in conference. The conferees have not yet been able to agree, and the military employees will be without money on the 15th which will be the day after tomorrow, unless we protect them in some way.

The PRESIDING OFFICER. The clerk will read the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 368) further amending the act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. DONNELL. Mr. President, reserving the right to object, will the Senator be kind enough to explain the resolution?

Mr. McKELLAR. Mr. President, I ask the clerk to read the resolution. It is self-explanatory.

The legislative clerk read as follows:

Resolved, etc., That Public Law 154 (81st Cong.), making temporary appropriations for the fiscal year 1950, and for other purposes, as amended, is hereby further amended by striking out in section (c) thereof "October 1, 1949" and inserting in lieu thereof "January 16, 1950."

Mr. McKELLAR. Mr. President, I will say to the Senator from Missouri that the situation is that the House passed this joint resolution some time ago. It has been in the committee, and the committee considered it this afternoon. Its purpose is to enable certain employees of the Government to be paid, because of difficulty and delay in finally acting on a certain appropriation bill.

With the exception of some incidental ones which have arisen in the last day or two, all the appropriations have been passed except the military appropriation bill and in that there is a difference on only two items. Day after tomorrow employees of the Military Department will be entitled to their pay, and we will have to pass this continuing joint resolution in order that they may be paid.

The committee unanimously reported the joint resolution with an amendment extending the time to January 16, 1950, so that there will not be any further trouble about it.

Mr. DONNELL. I make no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 368) further amending the act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes, which had been reported from the Committee on Appropriations with an amendment in line 7, to strike out "October 10, 1949," and insert "January 16, 1950."

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist on its amendment, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I refer again, if I may, in the hope that I may conclude, to schedule No. 3. I wish to read the first name as being that of——

RETURN OF TREATIES TO THE PRESIDENT

Mr. CONNALLY. Mr. President, I ask the Senator from Washington to yield in order that I may report favorably from the Committee on Foreign Relations a resolution for which I desire to ask immediate consideration.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Texas?

Mr. CAIN. I yield, if thereby I do not lose the floor.

Mr. CONNALLY. I report the resolution and ask that it be read.

The PRESIDING OFFICER. The clerk will read the resolution for the information of the Senate.

The resolution (S. Res. 188) was read, as follows:

Resolved, That the Secretary of the Senate be, and is hereby, directed to return to the President of the United States, in accordance with his request, the following treaties:

Notes exchanged at Washington May 3, 1944, between the Governments of the United States of America and Canada amending in its application article V of the treaty signed on January 11, 1909, between the United States of America and His Britannic Majesty to permit an additional diversion of the waters of the Niagara River above the Falls (Ex. E, 78th Cong., 2d sess.).

Protocol signed in Ottawa on October 3, 1945, to be annexed to and to form a part of the extradition treaty between the United States of America and Canada, signed in Washington on April 29, 1942 (Ex. I, 79th Cong., 1st sess.).

Convention (No. 71) concerning seafarers' pensions, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Ex. W, 80th Cong., 1st sess.).

Convention (No. 72) concerning vacation holidays with pay for seafarers, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Ex. X, 80th Cong., 1st sess.).

Convention (No. 75) concerning crew accommodation on board ship, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Ex. BB, 80th Cong., 1st sess.).

Convention (No. 76) concerning wages, hours of work on board ship, and manning, adopted by the International Labor Conference at its twenty-eighth session, held at Seattle, June 6–29, 1946 (Ex. DD, 80th Cong., 1st sess.).

International wheat agreement, which was open for signature in Washington from March 6 until April 1, 1948 (Ex. F, 80th Cong., 2d sess.).

Mr. DONNELL. Mr. President, will not the Senator from Texas explain what the resolution is?

Mr. CONNALLY. Certainly.

Mr. DONNELL. Would the Senator be kind enough to tell me, first, whether or not the resolution comes before the Senate with the approval of the Committee on Foreign Relations?

Mr. CONNALLY. The Committee discussed it, but I do not think it ever made a formal report on the resolution. The President has requested the return of these treaties, and we are anxious to return them because they are out of date, and they are cluttering our calendar. There is no controversy about them. One was the wheat agreement. It was the one to which we did not adhere. We have made one since, and there is no use keeping the old one. That is simply an example of what I am referring to. The Senator from Wisconsin [Mr. WILEY] is in the Chamber, and he is familiar with the matter.

Mr. DONNELL. I take it from the Senator's statement that he sees no possible jeopardy to the United States from the return of the treaties.

Mr. CONNALLY. None whatever.

Mr. DONNELL. May I inquire if that is the opinion of the Senator from Wisconsin?

Mr. WILEY. It is.

Mr. CONNALLY. The committee voted that the resolution be reported.

Mr. DONNELL. Was the action unanimous?

Mr. CONNALLY. Yes.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. DONNELL. I have no objection.

There being no objection, the resolution was considered and agreed to.

SETTLEMENT WITH FINLAND—LEAVE TO FILE REPORT

Mr. WILEY. Mr. President, I should like to ask unanimous consent to file a report.

The PRESIDING OFFICER. Does the Senator from Washington yield?

Mr. CAIN. I yield if I may do so with the understanding that my right to the floor will not be jeopardized.

Mr. WILEY. Mr. President, I am assuming that there may be an adjournment, and recently I introduced a bill which related to a settlement with Finland. I am informed that the report on that bill will be ready shortly, but if Congress should be in adjournment, I ask that I may be privileged to file the report after the adjournment, and that it may be printed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FEDERAL COOPERATIVE FORESTRY PROGRAMS—CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may present a conference report, to which I understand there is no objection, and I desire to ask for the immediate consideration of the report.

Mr. CAIN. A parliamentary inquiry. If it could be so arranged ahead of time I would willingly yield to any Senator who legitimately had the right to ask it. If my rights are not jeopardized, I am glad indeed to yield whenever the request is made.

The PRESIDING OFFICER. The Chair may state that in yielding for purposes such as those recently presented the Senator will not lose his right.

Mr. ELLENDER. Mr. President, I submit a conference report on House bill 2296, to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate, and agree to the same.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
EDWARD J. THYE,
Managers on the Part of the Senate.

HAROLD D. COOLEY,
WALTER K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

Mr. DONNELL. Mr. President, will not the Senator from Louisiana explain what the report is?

Mr. ELLENDER. I am glad to be able to say that the House recedes from its disagreement to the amendments of the Senate, and the bill I am asking the Senate to consider is the same bill considered by the Senate on the Consent Calendar.

Mr. DONNELL. Is the conference report signed by all the Senate conferees?

Mr. ELLENDER. It is.

The PRESIDING OFFICER. Is there objection to the consideration of the report?

There being no objection the report was considered and agreed to.

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may file a short statement in explanation of the report.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

Mr. ELLENDER'S statement is as follows:

H. R. 2296—AMENDMENTS TO CLARKE-M'NARY ACT

The bill as agreed to in conference increases the amount authorized to be appropriated annually for Federal participation in the State-Federal forestry programs, as follows:

1. The forest fire protection program is increased from $9,000,000 to $20,000,000. The $20,000,000 authorization will be arrived at gradually, starting with $11,000,000 in 1950 and increasing by $2,000,000 annually until the $20,000,000 ceiling is reached in 1955.

2. The reforestation program is increased from $100,000 to $2,500,000. This $2,500,000 ceiling will be reached gradually, starting with $1,000,000 for 1950 and arriving at the $2,500,000 limit in 1953. The present law restricts participation in this program to farmers, while the pending bill will permit nonfarm woodland owners to participate.

3. The State-Federal forestry educational program is increased from $100,000 to $500,000 annually.

Section 4, which was stricken from the bill, would have provided an authorization of $1,500,000 for 1950 for Federal participation in a State-Federal program to provide technical on-the-ground services to forest owners and processors. The authorization would have increased gradually each year until a maximum of $6,000,000 annually was reached in 1953. At present a limited program of this nature is being undertaken chiefly under the Norris-Doxey Act. The conferees agreed to the Senate's action in eliminating this section.

Section 5, also stricken from the bill, would have repealed the provisions of the Norris-Doxey Act. The conferees agreed to the Senate action in eliminating this section, so that the Norris-Doxey Act will remain in effect. Thus, if the House and Senate approve the conference report, the net result will be to increase the authorizations for the State-Federal programs for forest fire protection, reforestation and forestry education, in the amounts I have just indicated, and to permit the forestry program authorized in the Norris-Doxey Act to continue undisturbed.

COMPENSATION OF CERTAIN GOVERNMENT OFFICIALS

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Washington yield in order that I may file a report and ask for its immediate consideration?

Mr. CAIN. I am pleased to yield.

Mr. JOHNSTON of South Carolina. I submit a conference report on H. R. 1689, which is known as the executive pay bill.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read.

(For conference report, see pp. 14439–14440 of the House proceedings of October 13, 1949.)

Mr. DONNELL. Mr. President, will the Senator be kind enough to give a brief explanation of what the report accomplishes?

Mr. JOHNSTON of South Carolina. Mr. President, I may say to the Senator from Missouri that in most instances the conferees have agreed to the Senate version of the bill. In the first place he will notice that all the Cabinet officers' salaries are made $22,500, and the salaries of Under Secretaries $17,500.

Mr. WHERRY. Before the Senator leaves that item, will he yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. The $22,500 figure is somewhat above the Senate figure, is it not?

Mr. JOHNSTON of South Carolina. Yes, some of the figures are above the Senate figures, but in about 85 percent of the cases the Senator will find that the conferees followed the Senate version of the bill.

Mr. WHERRY. Those who are to get the $17,500 were to receive, under the Senate bill, $15,000, were they not?

Mr. JOHNSTON of South Carolina. Most of them were drawing $14,000 or $15,000.

Mr. WHERRY. This gives the director of an agency some leeway over those who are under him. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. WHERRY. That is the reason for the difference?

Mr. JOHNSTON of South Carolina. That is the reason.

Mr. WHERRY. How much money is involved in the increase? I am more interested in the high brackets than in the others.

Mr. JOHNSTON of South Carolina. In the whole bill the increase as proposed by the conference report is about $81,000. I can go through the report and tell the Senator what the figures are.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. The reason I hate to see the conferees go above the figure of $15,000 is that that figure is higher than the salaries of Members of the Senate and House. It seems to me that that in itself is wrong. I know the conference committee did much work on this subject. But I have been in Washington for 7 years, and it is rather difficult for me to see why the salaries in the executive branch should be increased to a point where they are out of line with the salaries in the legislative branch. I am not complaining about the amount of my own salary. I am simply stating that the proposed increase seems to be out of line.

Mr. JOHNSTON of South Carolina. I think the Senate conferees as a whole probably felt the same way as the Senator does. But it has been worked out in the only way the conferees could bring back to the Senate a workable bill.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. May I ask the Senator whether I am correct in my understanding that the compensation agreed to in conference results in an increase over and above the compensation provided in the bill as it was passed by the Senate, in the following cases: Under Secretary, Department of State; Under Secretary, Department of the Treasury; Under Secretary, Department of the Interior; Under Secretary, Department of Agriculture; Under Secretary, Department of Commerce; Under Secretary, Department of Labor; Deputy Postmaster General, Post Office Department; Assistant to Attorney General, Department of Justice; Solicitor General, Department of Justice; Comptroller General of the United States? In all the cases I have just read there is an increase of $2,500 over and above the compensation as provided in the Senate bill. Is that correct?

Mr. JOHNSTON of South Carolina. Yes; and $2,500 below the compensation as passed in the House bill. The figure is between the amount provided by the House and the amount provided by the Senate.

Mr. DONNELL. And in order that we may have a record of the matter, I shall continue.

There is an increase of $2,500 a year over and above the compensation as provided by the Senate bill, in the following cases:

Director, Bureau of the Budget; Chairman, National Security Resources Board; Federal Security Administrator; Administrator of Veterans Affairs; Administrator of General Services .

Mr. JOHNSTON of South Carolina. The Housing and Home Finance Administrator under the present act is receiving $16,500. We did not legislate on that position in the Senate. The House provided $18,000, and the compensation agreed to in conference was $17,500.

Mr. DONNELL. So the conferees increased his salary from $16,500 to $17,500, which is $500 below the compensation as provided by the House bill.

Mr. JOHNSTON of South Carolina. Yes.

Mr. DONNELL. I assume that with respect to the members, Council of Economic Advisers, the conferees increased their salaries from $15,000 to $16,000, which is $1,500 below the figure in the bill as passed by the House.

Mr. JOHNSTON of South Carolina. They were already receiving $15,000, and we increased their salaries to $16,000.

Mr. DONNELL. Which is $1,500 below the figure contained in the House bill.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. DONNELL. In the following cases there is likewise shown an increase in the salaries provided in the bill as passed by the Senate: Chairman, Munitions Board, an increase of $1,000. Chairman, Research and Development Board, an increase of $1,000. Assistant Comptroller General of the United States, an increase of $2,000. Assistant Director, Bureau of the Budget, an increase of $2,000. Deputy Administrator, Veterans Affairs, an increase of $2,000.

Director, Central Intelligence, an increase of $1,000. Federal Mediation and Conciliation Director, an increase of $1,000. Director, FBI, an increase of $1,000.

Mr. WHERRY. Mr. President, may I suggest to the distinguished Senator from Missouri that I think the whole list should be placed in the RECORD.

Mr. DONNELL. I agree with the Senator from Nebraska.

Mr. President, I ask unanimous consent that the charts showing present salaries, compensation provided by the bill as passed by the House, compensation provided by the bill as passed by the Senate, and compensation agreed to in conference, be printed at this point in the RECORD, so Senators may have an opportunity to see for themselves what action has been taken in conference.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The document is as follows:

Position	H. R. 1689		Compensation as passed House	Compensation as passed Senate	Compensation agreed to in conference
	Number	Present salary			
(1)	(2)	(3)	(4)	(5)	(6)
Secretary, Department of State	1	$15,000.00	$25,000	$22,500	$22,500
Secretary, Department of Treasury	1	15,000.00	25,000	22,500	22,500
Attorney General, Department of Justice	1	15,000.00	25,000	22,500	22,500
Postmaster General, Post Office Department	1	15,000.00	25,000	22,500	22,500
Secretary, Department of Interior	1	15,000.00	25,000	22,500	22,500
Secretary, Department of Agriculture	1	15,000.00	25,000	22,500	22,500
Secretary, Department of Commerce	1	15,000.00	25,000	22,500	22,500
Secretary, Department of Labor	1	15,000.00	25,000	22,500	22,500
Secretary, Department of Defense	1	15,000.00	25,000	22,500	22,500
Deputy Secretary of Defense	1	14,500.00	[1] 20,500	20,000	20,000
Secretary, Department of the Army	1	14,000.00	[2] 20,000	18,000	18,000
Secretary, Department of the Navy	1	14,000.00	[2] 20,000	18,000	18,000
Secretary, Department of the Air Force	1	14,000.00	[2] 20,000	18,000	18,000
Assistant to President	1		(3)	(3)	(3)
Special Counsel to President	1		(3)	(3)	(3)
Secretaries to President	3		(3)	(3)	(3)
Administrative assistants to President	6		(3)	(3)	(3)
Executive secretary, National Security Council	1	$10,000.00	(3)	(3)	(3)
Under Secretary, Department of State	1	12,000.00	$20,000	$15,000	$17,500
Under Secretary, Department of Treasury	1	10,330.00	20,000	15,000	17,500
Under Secretary, Department of the Interior	1	10,330.00	20,000	15,000	17,500
Under Secretary, Department of Agriculture	1	10,330.00	20,000	15,000	17,500
Under Secretary, Department of Commerce	1	10,000.00	20,000	15,000	17,500
Under Secretary, Department of Labor	1	10,330.00	20,000	15,000	17,500
Deputy Postmaster General, Post Office Department	1	10,330.00	20,000	15,000	17,500
Assistant to Attorney General, Department of Justice	1	10,330.00	20,000	15,000	17,500
Solicitor General, Department of Justice	1	10,330.00	20,000	15,000	17,500
Comptroller General of United States	1	12,000.00	20,000	15,000	17,500
Director, Bureau of the Budget	1	10,000.00	20,000	15,000	17,500
Chairman, National Security Resources Board	1	14,000.00	20,000	15,000	17,500

[1] Compensation same as Under Secretaries of executive departments plus $500 by reason of sec. 301 (b) of National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

[2] Compensation same as Under Secretaries of executive departments by reason of sec. 301 (b) of National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

[3] Rates of compensation to be fixed by the President as follows: 2 not exceeding $20,000 annually; 3 not exceeding $18,000 annually; 7 not exceeding $15,000 annually; in bill as agreed to by conference.

Position	H. R. 1689		Compensation as passed House	Compensation as passed Senate	Compensation agreed to in conference
	Number	Present salary			
(1)	(2)	(3)	(4)	(5)	(6)
Federal Security Administrator	1	$12,000.00	$20,000	$15,000	$17,500
Administrator of Veterans' Affairs	1	12,000.00	20,000	15,000	17,500
Administrator of General Services	1		20,000	15,000	17,500
Housing and Home Finance Administrator	1	16,500.00	18,000		17,500
Members, Council of Economic Advisers	3	15,000.00	17,500		16,000
Chairman, Munitions Board	1	14,000.00	18,000	15,000	16,000
Chairman, Research and Development Board	1	14,000.00	18,000	15,000	16,000
Assistant Comptroller General of United States	1	10,330.00	18,000	14,000	16,000
Assistant Director, Bureau of the Budget	1	10,330.00	18,000	14,000	16,000
Deputy Administrator, Veterans' Affairs	1	10,330.00	18,000	14,000	16,000
Director, Central Intelligence	1	14,000.00	17,500	15,000	16,000
Federal Mediation and Conciliation Director	1	12,000.00	17,500	15,000	16,000
Director, FBI	1	14,000.00	17,500	15,000	16,000
Members, Board of Governors, Federal Reserve System	7	15,000.00	16,000		16,000
Board of Directors, Federal Deposit Insurance Corporation (including Comptroller of the Currency)	3	15,000.00	16,000		16,000
Assistant Federal Security Administrator	1	10,330.00	17,500	14,000	15,000
Director, Aeronautical Research of National Advisory Committee for Aeronautics	1	10,330.00	16,000	15,000	15,000
Members, Civil Aeronautics Board	1 4	12,000.00 11,500.00	16,000	5,000	15,000
Members, Federal Communications Commission	7	10,000.00	16,000	15,000	15,000
Members, Federal Power Commission	5	10,000.00	16,000	15,000	15,000
Members, Federal Trade Commission	5	10,000.00	16,000	15,000	15,000
Members, Interstate Commerce Commission	11	12,000.00	16,000	15,000	15,000
Members, National Labor Relations Board	5	12,000.00	16,000	15,000	15,000
Members, National Mediation Board	3	10,000.00	16,000	15,000	15,000
Members, Railroad Retirement Board	3	10,000.00	16,000	15,000	15,000
Members, Securities and Exchange Commission	5	10,000.00	16,000	15,000	15,000
Members, Board of Directors, TVA	3	10,000.00	16,000	15,000	15,000
Chairman, Civil Service Commission					16,000
Members, Civil Service Commission	3	10,000.00	16,000	15,000	15,000
Members, United States Tariff Commission	6	11,000.00	16,000	15,000	15,000
General counsel, National Labor Relations Board	1	12,000.00	16,000	15,000	15,000
Deputy Administrator, General Services	1		16,000	14,000	15,000
Archivist of the United States	1	10,000.00	15,000	14,000	15,000
Assistant Secretaries, Department of State	8	10,330.00	15,000	15,000	15,000
Deputy Under Secretaries, Department of State	2	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Treasury	2	10,330.00	15,000	15,000	15,000
Fiscal Assistant, Secretary of Treasury	1	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Interior	2	10,330.00	15,000	15,000	15,000
Assistant Secretary, Department of Agriculture	1	10,305.00	15,000	15,000	15,000
Assistant Secretaries, Department of Commerce	2	10,000.00	15,000	15,000	15,000
Assistant Secretaries, Department of Labor	3	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Defense [4]	3	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Army [4]	2	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Navy [4]	2	10,330.00	15,000	15,000	15,000
Assistant Secretaries, Department of Air Force [4]	2	10,330.00	15,000	15,000	15,000
Under Secretary, Department of Army [4]	1	10,330.00	15,000	15,000	15,000
Under Secretary, Department of Navy [4]	1	10,330.00	15,000	15,000	15,000
Under Secretary, Department of Air Force [4]	1	$10,330.00	$15,000	$15,000	$15,000
Assistant Attorneys General, Department of Justice	3 3 1	10,330.00 10,305.00 10,000.00	15,000	15,000	15,000
Assistant Postmasters General, Post Office Department	4	10,330.00	15,000	14,000	15,000
Assistant Solicitor General, United States	1	10,330.00	15,000	14,000	15,000
Counselor, Department of State	1	10,330.00	15,000	15,000	15,000
Philippine Alien Property Administrator	1	10,000.00	15,000	15,000	15,000
Chairman, Board of Directors, Export-Import Bank of Washington	1	15,000.00			16,000
Members, Board of Directors, Export-Import Bank of Washington	3	12,000.00	15,000	15,000	15,000
Chairman, Board of Directors, RFC	1	15,000.00			16,000
Members, Board of Directors, RFC	4	12,500.00	15,000	15,000	15,000
Chairman, United States Maritime Commission	1	12,000.00			16,000
Members, United States Maritime Commission	4	10,000.00	15,000	15,000	15,000
Administrator, Production and Marketing Administration	1	10,330.00	15,000	14,000	15,000
Commissioner of Internal Revenue	1	10,330.00	15,000	15,000	15,000
Commissioner of Public Roads	1	10,330.00	15,000	15,000	15,000
Commissioner, Immigration and Naturalization	1	10,330.00	15,000	14,000	15,000
Administrator, Civil Aeronautics	1	12,000.00	15,000	15,000	15,000
Administrator, Rural Electrification Administration	1	10,330.00	15,000	15,000	15,000
Governor, Alaska	1	10,330.00	15,000	15,000	15,000
Governor, Hawaii	1	10,330.00	15,000	15,000	15,000
Governor, Virgin Islands	1	10,330.00	15,000	15,000	15,000
Governor, Panama Canal	1	10,000.00	15,000	15,000	15,000
Chief of Staff, Joint Committee on Internal Revenue Taxation	1	10,330.00		15,000	15,000
Public Printer	1	10,330.00	17,500	15,000	15,000
Librarian of Congress	1	10,330.00	17,500	15,000	15,000
Architect of Capitol	1	10,330.00	16,000	15,000	15,000
Director, Administrative Office of United States Courts	1	10,330.00	15,000	15,000	15,000
Housing Expediter	1	12,000.00	15,000	14,000	14,000
Director, Bureau of Federal Supply	1	10,330.00	15,000	14,000	14,000
Director, Selective Service	1	12,000.00	15,000	14,000	14,000
Members, Displaced Persons Commission	3	10,000.00	15,000	14,000	14,000
Members, Indian Claims Commission	3	10,000.00	15,000	14,000	14,000
Members, War Claims Commission	3	12,000.00	15,000	14,000	14,000
Members, Philippine War Damage Commission	3	12,000.00	15,000	14,000	14,000
Associate Federal Mediation and Conciliation Director	1	10,330.00	15,000	14,000	14,000
Deputy Director Central Intelligence	1	10,000.00	15,000	14,000	14,000
Director, Bureau of Prisons	1	10,330.00	15,000	14,000	14,000
Commissioner of Public Buildings	1	10,330.00	15,000	14,000	14,000
Commissioner of Community Facilities	1	10,330.00	15,000	14,000	14,000
Commissioner of Social Security	1	10,330.00	15,000	14,000	14,000
Commissioner of Reclamation	1	10,330.00	15,000	14,000	14,000
Chief, Soil Conservation Service	1	10,330.00	15,000	14,000	14,000
Commissioner of Customs	1	10,330.00	15,000	14,000	14,000
Commissioner of Narcotics	1	10,330.00	15,000	14,000	14,000
Governor, Farm Credit Administration	1	10,000.00	15,000	14,000	14,000
Chief Forester, Forest Service	1	10,000.00	15,000	14,000	14,000
Administration, Farmers Home Administrator	1	10,000.00	15,000	14,000	14,000
Manager, Federal Crop Insurance Corporation	1	10,330.00	15,000	14,000	14,000
Associate Director, FBI	1	10,330.00		14,000	14,000
Commissioner, United States Court of Claims	13	9,707.00		14,000	14,000
Assistant Architect of Capitol	1	9,985.80	15,000	14,000	14,000
Chief Assistant, Librarian of Congress	1	10,330.00	15,000	14,000	14,000
Deputy Public Printer	1	10,330.00	15,000	14,000	14,000
Assistant Director, Administrative Office, United States Courts	1	9,707.00	10,000	14,000	12,500
Legislative Counsel, House and Senate	2	10,330.00	12,000	12,000	12,000

[4] Compensation same as Assistant Secretaries of executive departments by reason of sec. 302 of National Security Act of 1947, as amended by sec. 10 (b) of Public Law 216, 81st Cong.

Mr. JOHNSTON of South Carolina. The Senator from Missouri did not complete reading the list. For the information of the Senate, I wish to say that on succeeding pages Senators will find numerous instances in which the conferees made no change in the figures adopted by the Senate.

Mr. DONNELL. If I may supplement what the Senator from South Carolina has just said, there are quite a number of instances in which the compensation agreed to in conference is identical with that adopted in the Senate.

Mr. JOHNSTON of South Carolina. Yes; that is true.

Mr. DONNELL. And that, of course, appears in full in the table.

Mr. JOHNSTON of South Carolina. Yes.

Mr. WHERRY. Mr. President, I should like to ask a question, if the distinguished Senator from South Carolina will yield.

Mr. JOHNSTON of South Carolina. I yield.

Mr. WHERRY. What is the total cost of the Senate figures, what is the total cost of the House figures, and what will be the total cost of the figures agreed to in conference? I should like to know the totals in those three instances, so we will know what the cost of the Senate bill would be, what the cost of the House bill would be and, finally, what the cost will be if Congress adopts the report.

Mr. JOHNSTON of South Carolina. I shall be glad to place those figures in the RECORD.

Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with the conference report on the executive pay bill, the exact cost of the bill as passed by the House, the exact cost of the bill as passed by the Senate, and the exact cost of the bill as reported by the conferees.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

H. R. 1689—SUMMARY

	Number of positions	Present cost	Proposed cost	Net increase
H. R. 1689, as passed by the House	244	$2,782,802.20	$4,026,000	$1,243,197.20
Senate amendment	239	2,593,763.80	3,597,500	1,007,406.20
Conference	253	2,819,503.80	3,903,000	1,087,496.20

Mr. WHERRY. Several Senators have come to me and asked me numerous questions on this point. I wonder if the distinguished Senator from South Carolina will do the Senate the courtesy of withdrawing his request for consideration of the conference report at this time, and let the matter go over until tomorrow morning. The tables will be in the RECORD, and Senators will then be able to ascertain for themselves what the differences between the Senate, House, and conference committee figures are, and what the total amounts are.

Mr. JOHNSTON of South Carolina. So far as I am concerned, I shall not press the request for consideration of the report at this time.

Mr. WHERRY. Many Senators have asked and will ask questions on this subject, and the figures should be in the RECORD so they may read them tomorrow.

Mr. LONG. Mr. President, I should like to say just this much about the top pay bill: I hope we can consider it at the earliest possible moment. I personally did not sign the conference report because I had committed myself on the Senate floor that I would not favor any increase over and above the amount the Senate provided. The conference report does provide for some increases over the Senate figures. I do not believe them to be excessive. As I said, I was in favor of the original bill as reported by the subcommittee. I felt it was the will of the Senate that we should not increase these amounts, and I opposed any increases at all, although I will say that, in my opinion, none of the increases are of any considerable amount.

There is one increase which does exceed what some Senators wanted, particularly the amount of $17,500 for the Under Secretary of the Department of State and others included in that group. Seventeen thousand and five hundred dollars was the amount finally agreed upon in conference. We were strongly urged by many to go above that figure. I held out for no increase at all, but the Senate conferees finally felt that in order to reach some kind of an agreement we should split the difference between the Senate and the House bills, which resulted in the amount of $17,500 for the Under Secretaries. With the exception of those instances there were few increases; the increases for the most part amounted to $1,000, and the number of those affected is not great.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DONNELL. I realize that the word "great" is a relative word. I think there are quite a number of cases, as I have already read them, in which there are increases. I do not mean in any sense to contradict, or to question the sincerity of the Senator from Louisiana, but I think it is well, following the suggestion of the Senator from Nebraska, that the tables be printed in the RECORD, as has already been ordered, and that the report lie on the table until tomorrow. Then every Senator will have an opportunity to see for himself what the increases are.

The PRESIDING OFFICER. Without objection, the conference report will lie on the table.

FURNISHING OF STEAM FOR THE BELASCO THEATER

Mr. DOUGLAS. Mr. President, out of order I send to the desk a bill which I offer, and ask to have read. After that I shall make a brief statement about it, and ask that it be considered and passed.

Mr. MYERS. Mr. President, I ask unanimous consent that the Senator from Washington may yield to the Senator from Illinois for that purpose, without jeopardizing the right of the Senator from Washington to the floor.

Mr. CAIN. Mr. President, I thank the Senator from Pennsylvania for making that request. I simply want to be certain that my rights to the floor are not jeopardized.

The PRESIDING OFFICER. Without objection, the Senator from Washington may yield to the Senator from Illinois without losing his rights to the floor.

Mr. DOUGLAS. Mr. President, I ask that the bill be read, and then I shall make a statement concerning it, and then move that it be considered and passed.

The PRESIDING OFFICER. The bill will be received and read.

The bill (S. 2693) to authorize the Administrator of General Services to furnish steam to the lessees of the Belasco Theater, introduced by Mr. DOUGLAS (for himself and Mr. FLANDERS) was read, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized to furnish steam to the property known as the Belasco Theater in the District of Columbia for the use of the lessees of such property at such rates, not less than cost, as may be determined by the Administrator. As a condition to the furnishing of such steam, the lessees of such property shall execute assurances, satisfactory to the Administrator, to protect the United States from liability for any damage or injury which may result from the use of such steam by the lessees.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, I stated to the Senator from Illinois that I would have no objection to bringing the bill up for consideration. I trust that the Senator from Illinois will explain it so that all Senators who are interested will be able to query him on the subject matter of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOUGLAS. Mr. President, the American National Theater and Academy is one of the four organizations directly chartered by Congress, along with the Red Cross, the Daughters of the American Revolution, and one other organization. It is negotiating with the General Services Administration to rent the Belasco Theater, which is now being used for storage, in order that it may be used as a national theater instead.

The bill, which is jointly introduced by the Senator from Vermont [Mr. FLANDERS] and myself, would permit the Administrator of General Services to furnish steam directly to lessees of the Belasco Theater, just as steam is now furnished in the case of the Red Cross and the Daughters of the American Revolution. This plan would reduce the expense to the theater lessees because it would obviate the necessity of this organization installing a separate heating plant for the Belasco Theater. The steam would be purchased at such rates, not less than cost, as may be determined by the Administrator, and there would be no expense to the Government.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. Is not this a nonprofit organization?

Mr. DOUGLAS. It is a nonprofit organization.

Mr. SALTONSTALL. And it is an organization which is attempting to bring

back the legitimate theater to the city of Washington.

Mr. DOUGLAS. That is correct.

Mr. SALTONSTALL. With no profit to anyone?

Mr. DOUGLAS. That is correct?

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. EASTLAND. What is the name of the organization?

Mr. DOUGLAS. The American National Theater and Academy. Among those who are active in it are Miss Helen Hayes, Vinton Freedley, Sherman Ewing, C. Lawton Campbell, Rosamond Gilder, and a number of others.

Mr. EASTLAND. Does the Senator believe that the Government of the United States should furnish heat to any nonprofit organization in the District of Columbia?

Mr. DOUGLAS. No. But this organization happens to be chartered by Congress under an act passed by the Seventy-fourth Congress in 1935. It is one of the few organizations directly chartered and it is attempting to bring back the legitimate theater to Washington. This is the only national capital in the world which does not have a theater. All the bill does is to permit the lessees of the theater to buy steam for heat from the Government at cost.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. The members of this organization are all nationally known producers, are they not?

Mr. DOUGLAS. Many are—including Gilbert Miller, the famous New York producer; Theresa Helburn, one of the heads of the Theater Guild; Joseph Verner Reed, Mr. Freedley, and others. Leading figures in the acting field, in scenic design, in journalism, in playwrighting, in business, and other pursuits are on the board of directors. These include such persons as Brooks Atkinson, Moss Hart, Robert Edward Jones, Raymond Massey, Lee Simonson, George Somnes, and Blanche Yurka.

Mr. SALTONSTALL. They are coming down here in an effort to reestablish the legitimate theater in Washington.

Mr. DOUGLAS. The Senator is correct. They are willing to put in approximately half a million dollars for redecorating the Belasco Theater.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HICKENLOOPER. Do I correctly understand the Senator to say that this organization would have to pay for the heat?

Mr. DOUGLAS. The Senator is quite right.

Mr. HICKENLOOPER. What are the terms upon which it would pay?

Mr. DOUGLAS. It would negotiate a contract with the General Services Administration satisfactory to that agency of the Government. It would pay for the steam at not less than cost.

Mr. HICKENLOOPER. I think that would not be an acceptable yardstick for negotiating an arrangement, so far as I am concerned, unless it were definitely understood that the organization would pay the full cost of the heat to the Government.

Mr. DOUGLAS. I am sure that it is perfectly willing to pay the full cost, and the bill does not authorize the Administrator to sell the steam at less than cost.

Mr. HICKENLOOPER. I am sympathetic with the idea of reestablishing the legitimate theater.

Mr. DOUGLAS. We should make the legislative record clear that the General Services Administration would charge the full cost. The express provisions of the bill in my opinion are clear on this question. The point is that unless there is some such provision as this, it will be necessary for this group to install a separate heating plant, which would greatly increase the cost.

Mr. HICKENLOOPER. Was the bill introduced in the Senate only this afternoon?

Mr. DOUGLAS. That is correct.

Mr. HICKENLOOPER. Has the bill ever been considered by a committee of the Senate?

Mr. DOUGLAS. It has not.

Mr. HICKENLOOPER. Would the Senator consider postponing consideration of the bill until tomorrow, rather than insisting on action this evening?

Mr. DOUGLAS. Certainly; I shall be glad to let it go over.

Mr. HICKENLOOPER. It seems to me that it involves a rather important precedent. We may have other types of precedents, but this is a rather important question.

Mr. DOUGLAS. I shall be very glad to let the bill go over. It could be passed at this time only by unanimous consent.

Mr. EASTLAND. Mr. President, I am going to object. The bill should be referred to a committee.

The PRESIDING OFFICER. Objection is heard.

Does the Senator from Illinois wish his bill to lie on the table or to be referred to a committee?

Mr. DOUGLAS. In view of the objection from the Senator from Mississippi, I suggest that the bill be referred to the appropriate committee.

The PRESIDING OFFICER. Without objection, that will be done.

The bill (S. 2693) to authorize the Administrator of General Services to furnish steam to the lessees of the Belasco Theater, introduced by Mr. DOUGLAS (for himself and Mr. FLANDERS) was read twice by its title, and referred to the Committee on Public Works.

LEAVES OF ABSENCE

Mr. MAYBANK asked and obtained consent to be absent from the Senate for the remainder of the present session of Congress.

On request of Mr. HOEY, and by unanimous consent, Mr. GRAHAM was excused from attendance on the session of the Senate tomorrow, Friday, October 14, 1949.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, I wish now to complete reading schedule No. 3 as it was filed with the clerk of the House of Representatives by the Citizens Committee on Displaced Persons under date of April 9, 1948. This schedule covers the salaries and travel expenses of the personnel of the Citizens Committee on Displaced Persons for the first quarter of 1948.

Name and address	Salary	Travel expense
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	$982.20	$59.85
William R. Burke, 11734 Missouri Ave., Los Angeles, Calif.	1,380.00	1,205.97
Hugh E. Carstensen, 324 East 48th St., New York City	570.00	5.20
Anna H. Clark, 107 East 89th St., New York City	1,500.00	87.06
Thomas M. Cooley 2d, Waterford, Va.	3,000.00	441.56
Helen G. Crisses, 1200 College Ave., Bronx, N. Y.	465.00	----------
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	525.00	----------
Cecilia R. Davidson, 170 West 73d St., New York City	711.23	152.66
Eleanor T. Dudley, 52 Pickney St., Boston, Mass.	430.78	----------
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	502.50	660.37
Tadeusz N. Hudes, 112-15 72d Rd., Forest Hills, Long Island, N. Y.	1,875.00	827.23
Selma Edith Jerskey, 302 West 86th St., New York City	780.00	4.00

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. CAIN. I am pleased to yield for a question.

Mr. LUCAS. The Senator from Washington and I were discussing the bill some time ago, and some question was raised between us as to whether or not it might be possible to agree upon a definite time to vote upon the motion to recommit the bill. As I understand, the distinguished Senator ultimately will make such a motion, when he finishes his speech. I thought I would make inquiry of the able Senator now as to whether or not there was some arrangement upon which we might agree as to a time to vote on the motion.

Mr. CAIN. I will say to the distinguished majority leader that I am glad he has raised the question. It is the intention of the junior Senator from Washington to make a motion to recommit the bill to the committee. Speaking necessarily only for myself, I should like to think that we could agree on a time when the motion could be resolved by a vote.

Mr. WHERRY. Mr. President, will the Senator yield so that I may address a question to the majority leader?

Mr. CAIN. I am glad to yield. I think the Chair is desirous of protecting my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Washington may yield to the Senator from Nebraska for the purpose of addressing a question to the majority leader without losing his right to the floor.

Mr. WHERRY. Mr. President, I do not want to take the Senator from Washington from the floor. I should like to state to the majority leader that I am in total sympathy with the proposal which has been made. However, I must say that I could not agree at this time, because other Senators have asked me to object to any unanimous-consent agreement on anything until tomorrow. If this re-

quest is renewed tomorrow, and the Senator would then like to fix a time, I shall be glad to cooperate.

Mr. LUCAS. Mr. President, I agree with what the Senator from Nebraska has said. I was not attempting to make a unanimous-consent proposal, but I was simply attempting to lay a foundation tonight for the benefit of the procedure when we return tomorrow.

Mr. WHERRY. Yes.

Mr. LUCAS. I wished to ascertain whether the Senator from Washington, so far as he is concerned, perhaps would be agreeable tomorrow to entering into an agreement as to the time when the Senate may vote on the motion to recommit.

Mr. CAIN. I so expressed myself, and I should like to continue the discussion of this question with the majority leader and with other Senators.

Mr. LUCAS. I am very grateful to the Senator for the position he takes and for his cooperation.

Whenever the Senator from Washington finishes his remarks tonight, we shall take a recess until tomorrow morning. I assure the Senator that I shall stay here tonight as long as he wishes the Senate to remain in session.

Mr. CAIN. I appreciate the courtesy very much.

Mr. President, let me say that I have only a few more names which I wish to read from schedule 3, and then I wish to take not to exceed a few minutes to make a statement by way of summary, for today, at which time I shall be through for the afternoon.

Mr. President, I continue now to read from schedule 3:

Name and address	Salary (first quarter)	Travel expense
Anna B. Johnson, 509 West 142d St., New York City	$720.00	----------
Curtis E. Johnson, 4619A 36th St., South Fairlington, Va	1,875.00	$1,596.76
Helen L. Koss, 5320 Rock Creek Rd. NE., Washington, D. C	1,010.72	2.20
Lilja Lechow, 2728 Henry Hudson Pkway., Spuyten Duyvil, N. Y	579.25	----------
Malcolm R. Leete, 42 Mount Vernon St., Boston, Mass	1,155.00	294.36
Emily Lehan, 417 West 121st St., New York City	780.00	----------

Mr. THYE. Mr. President, will the Senator yield?

Mr. CAIN. I shall be pleased to yield.

Mr. THYE. I should like to ask the junior Senator from Washington whether he thinks we could arrive at a vote within the next 30 or 40 minutes, because I know the Senator made inquiry as to whether agreement could be reached as to the time when the vote would be taken. Therefore, I should like to ask the junior Senator from Washington whether he hopes this matter can be brought to a vote within the next 30 or 40 minutes or the next hour.

Mr. CAIN. The only answer I can give to that inquiry is that I could come to no such agreement, partly because there is much more on the subject which I should like to say, and partly because I have heard statements made by a number of Senators, who are not now on the floor, to the effect that they wished to speak on this subject before the motion to recommit the bill is acted upon.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. CAIN. Certainly.

Mr. THYE. I should like to make a brief comment. I believe there is nothing about which the people of Minnesota are more concerned, and about which they are more determined that Congress should do something, than the question of displaced persons. In my State Governor Youngdahl formed a citizens committee—

Mr. CAIN. Mr. President, let me interrupt my friend the Senator from Minnesota for just one purpose——

Mr. THYE. Yes.

Mr. CAIN. I have no desire to curtail the comments he presently is making, but I think I must inquire of the Chair whether I have a right to permit these observations to be made, rather than to have a question asked, in my time. This is a difficult question; but I could not take exception to attempts to deprive me of the floor if I yielded for a speech.

Mr. THYE. Mr. President, I ask unanimous consent that the junior Senator from Washington may be permitted to yield for this purpose, without losing his right to the floor. If that consent is given, and the Senator from Washington will permit me to continue to explain the matter and give information to the Senate, I should like to say that the Governor of Minnesota, Governor Youngdahl, more than 2 years ago formed a citizens committee; and all the church bodies throughout my entire State, including the Lutheran and all other Protestant denominations and the Catholics, have definitely worked diligently and wholeheartedly in their endeavors to bring about the location in the United States of displaced persons.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Minnesota? Of course, unless consent is given, if the Senator from Washington yields for any purpose other than a question, under the ruling previously stated he will lose the floor.

Is there objection? The Chair hears none.

Mr. THYE. Mr. President, I do not intend to make a speech. I simply wish to inform the Senate, and particularly the junior Senator from Washington, how the good people of Minnesota feel about the Displaced Persons Act and also how they feel about displaced persons in general.

I wish to say that before this session of the Eighty-first Congress adjourns, we must, in my humble opinion, do something about that problem. If we do not, we shall have failed to carry out all the responsibilities that are ours, at least the responsibility which I, as one Senator, feel.

For that reason, I am most anxious to know whether this debate or discussion or talk is going to go on for a long period of time at this late hour of the session, or whether we shall have an opportunity to vote on the matter in the very near future.

I thank the junior Senator from Washington for permitting me to express at least my own convictions on this matter. I know I am speaking for a great number of folks in the State of Minnesota when I say I know they are most anxious to see something done in regard to this problem.

Mr. CAIN. The Senator from Minnesota is most welcome. I am very pleased to yield for his observations, either now or at any time in the future.

I myself feel strongly that the Senator from Minnesota and the Senator from Washington are not very far apart. However, there is one difference. The Senator from Minnesota is suggesting—and I can understand that view—that the Eighty-first Congress should do something about the matter of displaced persons, and that we should do it now, regardless of whether we have sufficient information to be able to act properly on the problem. However, I maintain that in protecting the best interests of the people of Minnesota, for example, as well as those of the people of the State of Washington and those of the people of the other States of the Union, we in the Senate will be wise if we do not pass the pending bill until we have given more consideration to the basic problem. A reasonable amount of delay for that purpose will hurt no one, inasmuch as all Senators realize that the basic legislation on this subject will not expire until June 30, 1950.

If the pending bill is actually approved and signed by the President, it will, as I understand, be a very long time before we shall take into this country, under the provisions of the bill, a single displaced person, judging by the rate at which we are presently admitting displaced persons under the 1948 law. That is why I insist so strongly that we should not take action on the basis of a one-sentence committee report and in the absence of our very distinguished colleague the senior Senator from Nevada [Mr. McCARRAN], who says it would not be good judgment so to do.

Mr. President, I shall conclude in several minutes.

At this time I continue to read from the schedule to which I have been referring, and then I shall present several observations.

Name and address	Salary (first quarter)	Travel expense
Leo J. Margolin, 12 Norfolk Rd., Island Park, Nassau, N. Y	$3,000.00	$2,388.58
Mary Louise Mayger, 657 Francis St., Pelham Manor, N. Y	525.00	----------
Elizabeth L. McCarthy, 132 West 71st St., New York City	16.00	----------
May McKinsey, 111 East 26th St., New York City	1,117.35	93.08
Jessie D. Ortell, 18 Grammercy Park South, New York City	720.00	----------
Emil Rosenberg, 25 Charles St., New York City	1,875.00	1,257.44
Betty S. Rosenthal, 410 Nicholson St. NW., Washington, D. C	660.00	48.95
Eileen Rouse, 39 East 36th St., New York City	150.00	----------
William Rouse, 39 East 36th St., New York City	1,020.00	.50
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y	780.00	----------
Bert Lind Samalman, 155 West 20th St., New York City	780.00	.70
Anne M. Selby, 155 Colorado Blvd., Denver, Colo	1,200.00	1,734.55

Name and address	Salary (first quarter)	Travel expense
Helen A. Shuford, 2909 Olive Ave. NW., Washington, D.C.	$1,875.00	$3,180.85
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.	1,560.00	1,454.32
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	273.00	----------
Elizabeth S. Vanacore, 1176 Pelham Pkway., Bronx, N. Y.	450.00	----------
Sadie Winston, 101 Post Ave., New York City	780.00	----------
	45,513.03	32,734.33

Mr. President, the total salaries to satisfy the personnel requirements of the Citizens Committee on Displaced Persons for the first quarter of 1948 was $45,513. I do not know whether that is too much or too little, but I know it appears to be the fact. Travel expense for the same period, and for approximately half of those who were on the pay roll through the New York office, amounted to $32,734.33.

Mr. President, schedule No. 1, which listed contributions received by the Citizens Committee in the sum of $500 or more; schedule No. 2, which carried the miscellaneous maintenance and operation expenses; and schedule No. 3, which I have just read, and which consisted of the salary schedule and the travel expense schedule of the Committee on Displaced Persons, were properly filed as required by law in the office of the Clerk of the House of Representatives, on the 9th day of April 1948. The statement of filing was sworn by Mr. William S. Bernard, and was properly authenticated by a notary.

Mr. President, in summary, for this afternoon at least, I should like to say in a most simple way but as honestly and frankly as I can state it, that the junior Senator from Washington has been confronted with two recommendations. I think both recommendations are important, at least in the sense that we ought to study them and make up our minds what we want to do about them.

The first recommendation came from the Judiciary Committee, accompanying the bill which was reported to the Senate calendar yesterday. It simply says—and it has been stated a dozen times this afternoon:

> The Committee on the Judiciary, to whom was referred the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, report the bill to the Senate without recommendation.

Mr. President, I do not find it possible, nor do I want it to be so, to take that sort of recommendation, which, in itself, as it plainly says, is no recommendation at all. I turn my mind, my willingness, in the direction of a recommendation which came to the Senate several weeks ago, or perhaps less than that, from overseas. It was sent to us by the man who holds the chairmanship of the Senate Committee on the Judiciary, the senior Senator from Nevada [Mr. McCARRAN]. I take as a basic assumption the fact that the senior Senator from Nevada knows what he is trying to achieve, and sincerely seeks to serve the Senate of the United States and the people of America. From overseas, where the distinguished Senator has been employed now for several weeks, studying on the ground the difficult and delicate question of displaced persons, he has transmitted by cablegram a statement in which he says to the Senate of the United States:

> You Senators may rest assured that there is no immediate need for additional legislation, and that intelligent and prudent action can be taken before the expiration of the existing law.

In his cablegram to the distinguished junior Senator from Maryland [Mr. O'CONOR], the Senator from Nevada further stated:

> I respectfully request you to obtain unanimous consent for extension of my permission to be absent from the Senate for another 3 weeks, as I must confer with international refugee organization officials in Geneva, Switzerland, and will investigate the displaced-persons situation in Austria and Italy.

From his concluding passages, I take my directive, in this particular instance. The absent chairman of the Senate Committee on the Judiciary said:

> If we pass the House version of the DP bill as it is now before the Judiciary Committee it would be a serious mistake.

Who thinks first that it would be a serious mistake? I think the senior Senator from Nevada thinks it would be a mistake. But he mentions someone else who thinks so. If we pass the pending bill, or if we see fit not to recommit the bill to the Committee on the Judiciary, as a motion to do so will be made tomorrow, I beseech all Senators to recognize what we are doing, and in the face of what sort of argument we are carelessly flying. The Senator from Nevada says further:

> If we pass the House version of the DP bill as it is now before the Judiciary Committee it would be a serious mistake. That is the expression of the DP service here, and of officials of the consular service and the Immigration and Naturalization Service of the United States. I cannot get back in time and conclude my investigation, because it covers such a wide field.

Mr. President, the Senator from Nevada has told us in his own words that the persons with whom he has conferred, whose duty and responsibility it is presently to concern themselves with the management of the displaced-persons problem in Europe, have recommended to him that he recommend to the United States Senate that it would be a serious mistake for the pending legislation to be approved at this session of the Congress.

I take it that other Senators feel as deeply as does the junior Senator from Washington in support of what they consider to be the very reasonable recommendations of the senior Senator from Nevada, and those who feel that strongly will, as courteously, but as firmly as they can, do what they can to see that no action is taken before the chairman of the Judiciary Committee returns to this country to support the recommendations he has provided for the Senate which were supplied to him by American agents who are charged with the responsibility for what they are doing overseas in protecting the best interests of the American flag wherever it may fly.

EXECUTIVE SESSION

Mr. MYERS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. NEELY in the chair). If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED NATIONS

The Chief Clerk read the nomination of John C. Ross, of New York, to be deputy representative of the United States of America to the Security Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ernest A. Gross, of New York, to be deputy representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and deputy representative of the United States of America to the Security Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Jack K. McFall, of the District of Columbia, to be an Assistant Secretary of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIRECTOR OF FOREIGN MILITARY ASSISTANCE

The Chief Clerk read the nomination of James Bruce, of Maryland, to be Director of Foreign Military Assistance.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk read the nomination of Joseph F. Farley, Commandant of the United States Coast Guard, to be admiral on the Coast Guard retired list, effective upon his retirement on January 1, 1950.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Rear Adm. Merlin O'Neill, to be Commandant with the rank of vice admiral in the United States Coast Guard for the term of 4 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Louis W. Perkins, to be rear admiral.

The PRESIDING OFFICER. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified of all nominations confirmed this day.

RECESS

Mr. MYERS. Mr. President, as in legislative session, I move that the

Senate stand in recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Friday, October 14, 1949, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 13, 1949:

UNITED NATIONS

John C. Ross to be deputy representative of the United States of America to the Security Council of the United Nations.

Ernest A. Gross to be deputy representative of the United States of America to the United Nations with the rank and status of Ambassador Extraordinary and Plenipotentiary, and deputy representative of the United States of America to the Security Council of the United Nations.

DEPARTMENT OF STATE

Jack K. McFall to be an Assistant Secretary of State.

DIRECTOR OF FOREIGN MILITARY ASSISTANCE

James Bruce to be Director of Foreign Military Assistance.

UNITED STATES COAST GUARD

Joseph F. Farley, Commandant of the United States Coast Guard, to be admiral on the Coast Guard retired list, effective upon his retirement on January 1, 1950.

Rear Adm. Merlin O'Neill to be commandant, with the rank of vice admiral, in the United States Coast Guard for a term of 4 years.

Louis W. Perkins to be a rear admiral.

HOUSE OF REPRESENTATIVES

THURSDAY, OCTOBER 13, 1949

The House met at 12 o'clock noon.

Dr. Caradine R. Hooton, executive secretary, board of temperance, Methodist Church, Washington, D. C., offered the following prayer:

O God, our help in ages past, our hope for years to come, our shelter from the stormy blast, and our eternal home, we praise and adore Thy holy name that we belong to Thee, that Thou hast created us for Thy holy purposes, and that we, as believers, are privileged to obtain Thy power for their achievement. We thank Thee for this great democracy. We are grateful for the privilege of sharing its liberties and its joys and its glories with the peoples of the earth. We pray today that Thy blessings may attend these statesmen, these worthy men, well qualified for the duties for which they have been elected, that Thy will may be accomplished through them and through all of the enactments of this distinguished body. We offer a prayer of thanksgiving for him who is Thy servant, the Chaplain of this House, that strength may be his, and that the joy of achievement across the years may crown him with glories in these particular days. Wilt Thou bless each Member of this body whom he so dearly loves? Grant so to guide us this day that what we do shall be to the good and to the advantage of this Commonwealth we so much love. We pray that Thy spirit may guide him who is our visitor from afar. May unction and wisdom be his portion in guiding the great people whom he serves to the end that these nations may be one in friendly accord to work out a peace that shall bless all mankind. These favors we ask, with the pardon of our sins, in His name, who is our Saviour and Lord, even Jesus the Christ. Amen.

The Journal of the proceedings of Tuesday, October 11, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following date the President approved and signed bills of the House of the following titles:

On October 11, 1949:

H. R. 752. An act conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claim of Edward Gray, Sr.; Edward Gray, Jr.; Bertha Mae Gray; Bertha Patmon; and Lindsay Gardner, all of the city of Hamtramck, Wayne County, Mich.;

H. R. 2418. An act to promote effectual planning, development, maintenance, and coordination of wildlife, fish and game conservation and rehabilitation in the Eglin Field Reservation;

H. R. 4564. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claim of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; and

H. R. 5375. An act for the relief of Mrs. Hilda De Silva.

On October 12, 1949:

H. R. 2928. An act for the relief of Dr. Leon L. Konchegul; and

H. R. 6022. An act to increase the rates of compensation of certain employees of the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes.

H. R. 1458. An act for the relief of Joseph R. Gregory;

H. R. 3838. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 5007. An act to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes;

H. R. 5539. An act for the relief of Mrs. Claudia Weitlanner; and

H. R. 5851. An act for the relief of Mrs. Toshiko Keyser.

On October 13, 1949:

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; and

H. R. 5328. An act authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2319. An act to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea; and

S. 2596. An act relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944).

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5345. An act to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. ELLENDER, Mr. LUCAS, Mr. ANDERSON, Mr. AIKEN, Mr. YOUNG, and Mr. THYE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) entitled "An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 7, 13, 87, 91, 93, 94, 95, 96, and 97; that the Senate disagree to the amendment of the House to Senate amendment No. 100; that the Senate further insists upon its amendments Nos. 73, 74, 77, 81, 99, and 100 to the above-entitled bill, disagreed to by the House, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. RUSSELL, Mr. O'MAHONEY, Mr. TYDINGS, Mr. GURNEY, Mr. BRIDGES, Mr. WHERRY, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1267) entitled "An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center," requests a conference with

the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. JOHNSON of Texas, Mr. HUNT, Mr. GURNEY, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 50–10.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OCTOBER 12, 1949.

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority heretofore granted, the Clerk received today from the Secretary of the Senate the following message:

That the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 6008, entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes"; be it further resolved, that the Senate had agreed to the amendments of the House of Representatives to Senate amendments Nos. 9 and 26 to the above-entitled bill.

That the Senate had receded from its amendments to the bill H. R. 160, entitled "An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended."

That the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 86, entitled "An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf."

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had, on October 12, 1949, examined and found truly enrolled a bill of the House of the following title:

H. R. 6008. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on October 11, 1949, he did, on October 12, 1949, sign the following enrolled bill:

H. R. 6008. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

APPOINTMENT OF COMMITTEE

The SPEAKER. The Chair appoints as a committee to escort our distinguished guest into the Chamber the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Illinois [Mr. ARENDS], the gentleman from West Virginia [Mr. KEE], and the gentleman from New Jersey [Mr. EATON].

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

(Accordingly, at 12 o'clock and 8 minutes p. m., the House stood in recess subject to the call of the Chair.)

VISIT OF HIS EXCELLENCY PANDIT JAWAHARLAL NEHRU, PRIME MINISTER OF INDIA

At 12 o'clock and 15 minutes p. m., the Doorkeeper announced His Excellency Pandit Jawaharlal Nehru, Prime Minister of India.

His Excellency, Pandit Jawaharlal Nehru, escorted by the Committee of Representatives, entered the Hall of the House of Representatives, and took the seat reserved for him at the Speaker's right. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, I deem it a high honor and a great privilege to be able to present to you our distinguished guest, a man learned not only in the ways of the world, but also in the ways of democracy; a man who stands high in the estimation of the people of his great and his proud country.

I was reading this morning an account of an occasion when our guest spoke in Calcutta to 3,000,000 people; on another occasion he was speaking to 400,000 people and the loud speaker went out of order, yet they sat and tried to hear his speech of an hour in length.

We are glad to welcome you to America, sir, and especially to this House of Representatives where democracy really works. We are glad to receive you as the representative of the great democracy of India with its millions of people.

It is my high privilege to present to you His Excellency, the Prime Minister of India. [Applause, the Members rising.]

ADDRESS BY HIS EXCELLENCY, PANDIT JAWAHARLAL NEHRU, PRIME MINISTER OF INDIA

PANDIT NEHRU. I deem it a high honor and privilege to be given this opportunity of addressing this honorable House, and I must express to you, sir, my gratitude for it. For this House represents in a large measure this great Republic which is playing such a vital part in the destinies of mankind today. I have come to this country to learn something of your great achievements. I have come also to convey the greetings of my people, and in the hope that my visit may help to create a greater understanding between our respective peoples and those strong and sometimes invisible links, stronger even than physical links, that bind countries together. [Applause.] The President referred the day before yesterday, in language of significance, to my visit as a voyage of discovery of America. The United States of America are not an unknown country even in far-off India and many of us have grown up in admiration for the ideals and objectives which have made this country great. Yet, though we may know the history and something of the culture of our respective countries, what is required is a true understanding and appreciation of each other, even where we differ. Out of that understanding grows fruitful cooperation in the pursuit of common ideals. What the world today perhaps lacks most is understanding and appreciation of each other among nations and peoples. I have come here, therefore, on a voyage of discovery of the mind and heart of America and to place before you our own mind and heart. Thus we may promote that understanding and cooperation which, I feel sure, both our countries earnestly desire. Already I have received a welcome here the generous warmth of which has created a deep impression on my mind and indeed somewhat overwhelmed me.

During the last 2 days that I have been in Washington, I have paid visits to the memorials of the great builders of this Nation. I have done so not for the sake of mere formality, but because they have long been enshrined in my heart and their example had inspired me as it had inspired innumerable countrymen of mine. These memorials are the real temples to which each generation must pay tribute and, in doing so, must catch something of the fire that burnt in the hearts of those who were the torch bearers of freedom not only for this country, but for the world; for those who are truly great have a message that cannot be confined within a particular country but is for all the world.

In India there came a man in our own generation who inspired us to great endeavor, ever reminding us that thought and action should never be divorced from moral principle, that the true path of man is truth and peace. Under his guidance we labored for the freedom of our country, with ill will to none, and achieved that freedom. We called him, reverently and affectionately, the father of our nation. Yet he was too great for the circumscribed borders of any one country, and the message he gave may well help us in considering the wider problems of the world.

The United States of America have struggled to freedom and unparallelled prosperity during the past century and a half and today they are a great and powerful Nation. They have an amazing record of growth in material well-being and scientific and technological advance. They could not have done so unless they had not been anchored in the great principles laid down in the early days of their history, for material progress cannot go far or last long unless it has its foundations in moral principles and high ideals.

Those principles and ideals are enshrined in your Declaration of Independence which lays down as a self-evident truth that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. It may interest you to know that in drafting the constitution of the Republic of India we have been greatly influenced by your own Constitution. The preamble of our constitution states that—

We, the people of India, having solemnly resolved to constitute India into a sovereign democratic republic and to secure to all its citizens:

Justice—social, economic, and political;

Liberty of thought, expression, belief, faith, and worship;

Equality of status and of opportunity; and to promote among them all

Fraternity assuring the dignity of the individual and the unity of the nations;

In our constituent assembly do hereby adopt, enact, and give to ourselves this constitution.

[Applause.]

You will recognize in these words that I have quoted an echo of the great voices of the founders of your Republic. You will see that, though India may speak to you with a voice that you may not immediately recognize or that may perhaps appear somewhat alien to you, yet in that voice there is a strong resemblance to what you have often heard before.

Yet it is true that India's voice is somewhat different; it is not the voice of the Old World of Europe but of the older world of Asia. It is the voice of an ancient civilization, distinctive, vital, which at the same time has renewed itself and learned much from you and the other countries of the West. It is, therefore, both old and new. It has its roots deep in the past, but it also has the dynamic urges of today.

But however the voices of India and the United States may appear to differ, there is much in common between them. Like you, we have achieved our freedom through a revolution, though our methods were different from yours. Like you, we shall be a republic based on the federal principle, which is an outstanding contribution of the founders of this great Republic. In a vast country like India, as in this great Republic of the United States, it becomes necessary to have a delicate balance between central control and state autonomy. We have placed in the forefront of our constitution those fundamental human rights to which all men who love liberty, equality, and progress aspire—the freedom of the individual, the equality of men, and the rule of law. We enter, therefore, the community of free nations with the roots of democracy deeply embedded in our institutions, as well as in the thoughts of our people.

We have achieved political freedom but our revolution is not yet complete and is still in progress, for political freedom without the assurance to the right to live and to pursue happiness, which economic progress alone can bring, can never satisfy a people. Therefore our immediate task is to raise the living standards of our people, to remove all that comes in the way of the economic growth of the Nation. We have tackled the major problem of India, as it is today the major problem of Asia, the agrarian problem. Much that was feudal in our system of land tenure is being changed so that the fruits of cultivation should go to the tiller of the soil and he should be secure in the possession of the land that he cultivates. In a country of which agriculture is still the principal industry, this reform is essential not only to the well-being and contentment of the individual but also to the stability of society. One of the main causes of social instability in many parts of the world, and more especially in Asia, is agrarian discontent due to the continuance of systems of land tenure which are completely out of place in the modern world. Another, and this is also true of the greater part of Asia and Africa, is the low standard of living of the masses.

India is industrially more developed than many less fortunate countries, and is reckoned as the seventh or eighth among the world's industrial nations. But this arithmetical distinction cannot conceal the poverty of the great majority of our people. To remove this poverty by greater production, more equitable distribution, better education and better health is the paramount problem and the most pressing task before us and we are determined to accomplish it. We realize that self-help is the first condition of success for a nation no less for an individual. We are conscious that ours must be the primary effort, and we shall seek succor from none to escape from any part of our own responsibility. But though our economic potential is great, its conversion into finished wealth will need much mechanical and technological aid. We shall therefore gladly welcome aid and cooperation on terms which are of mutual benefit. We believe that this may well help in the larger solution of the problems that confront the world. But we do not seek any material advantage in exchange for any part of our hard-won freedom.

The objectives of our foreign policy are the preservation of world peace and the enlargement of human freedom. Two tragic wars have demonstrated the futility of warfare. Victory, without the will to peace, achieves no lasting result and victor and vanquished alike suffer from past wounds, deep and grievous, and a common fear of the future. May I venture to say that this is not an incorrect description of the world of today. It is not flattering either to man's reason or to our common humanity. Must this unhappy state persist and the power of science and wealth continue to be harnessed to the service of destruction? Every nation, great or small, has to answer this question, and the greater a nation, the greater is its responsibility to find and to work for the right answer.

India may be new to world politics, and her military strength insignificant by comparison with that of the giants of our epoch. But India is old in thought and experience and has traveled through trackless centuries in the adventure of life. Throughout her long history she has stood for peace and every prayer that an Indian raises ends with an invocation to peace. It was out of this ancient and yet young India that arose Mahatma Gandhi and he taught us a technique of action which was peaceful and yet it was effective and yielded results which led us not only to freedom but to friendship with those with whom we were till yesterday in conflict. How far can that principle be applied to wider spheres of action? I do not know. For circumstances differ and the means to prevent evil have to be shaped and set to the nature of the evil. Yet I have no doubt that the basic approach which lay behind that technique of action was the right approach in human affairs and the only approach that ultimately solves a problem satisfactorily. We have to achieve freedom and to defend it. We have to meet aggression and to resist it and the force employed must be adequate to the purpose. But even when preparing to resist aggression, the ultimate objective, the objective of peace and reconciliation, must never be lost sight of, and heart and mind must be attuned to this supreme aim, and not swayed or clouded by hatred or fear.

This is the basis and the goal of our foreign policy. We are neither blind to reality nor do we propose to acquiesce in any challenge to man's freedom, from whatever quarter it may come. [Applause.] Where freedom is menaced, or justice threatened, or where aggression takes place, we cannot be and shall not be neutral. What we plead for, and endeavor to practice in our own imperfect way, is a binding faith in peace, and an unfailing endeavor of thought and action to insure it. The great democracy of the United States of America will, I feel sure, understand and appreciate our approach to life's problems because it could not have any other aim or a different ideal. Friendship and cooperation between our two countries are, therefore, natural. I stand here to offer both in the pursuit of justice, liberty and peace. [Applause, the Members rising.]

At 12 o'clock and 37 minutes p. m., the Prime Minister of India and his party retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 o'clock and 55 minutes p. m.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OCTOBER 12, 1949.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives, received in the office of the Clerk on October 12, 1949.

Very truly yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

MRS. SARAH E. THOMPSON—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 369)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 4563, a bill for the relief of Mrs. Sarah E. Thompson.

The bill, in effect, is a legislative directive that the Bureau of Employees' Compensation shall, in administering the death benefit claim of Mrs. Sarah E. Thompson, consider the death of her son, William Harvey Thompson, to have resulted from an injury sustained in the performance of his duty as a prohibition agent of the Bureau of Internal Revenue.

The committee reports and the Government records reveal that Mr. Thompson, a Federal prohibition agent, died on August 3, 1927, from gunshot wounds inflicted by a police patrolman of the city

of Tacoma, State of Washington. In due course, Mrs. Sarah E. Thompson, mother of the deceased, filed a claim for death benefits under the provisions of the Federal Employees' Compensation Act. The United States Employees' Compensation Commission denied her claim, concluding on the basis of available evidence that, when injured, Mr. Thompson was not engaged in the performance of official duty. The evidence then before the Commission included reports of Agent Thompson's superior officers to the effect that his presence in Tacoma was without their knowledge or authority and was, in fact, directly contrary to previous official instructions given him. The committee reports, however, indicate that recently these same former superior officers and colleagues have testified that, in their opinion, Mr. Thompson was shot while engaged in the duty of collecting evidence in violation of the prohibition laws. The Judiciary Committees of the Congress, in favorably considering the present proposal, presumably were persuaded to do so by these seeming repudiations of former testimony. I am informed, though, that this new evidence has not been submitted to the Bureau of Employees' Compensation.

In essence, this bill would substitute a legislative review and finding in a single case for the normal and ordinary process of adjudication and review established under the Federal Employees' Compensation Act. This measure would thus not only be discriminatory as between this claimant and others by affording special legislative relief but also would be unsound in principle from the point of view of the administrative process.

Moreover, the findings of the former United States Employees' Compensation Commission upon the claim of Mrs. Thompson, as indicated, were arrived at after review of all the evidence submitted and after careful investigation. If Mrs. Thompson believes that the finding was erroneous, either on the basis of the evidence already available to the Commission or in the light of any new evidence which she may now be able to submit, she may, under section 37 of the Compensation Act, request a review of the former Commission's decision by the Director of the Bureau of Employees' Compensation and, should her request be denied or should the decision be the same upon such review, she would be entitled to appeal to the Employees' Compensation Appeals Board which is a quasi-judicial tribunal established in the Federal Security Agency pursuant to section 3 of Reorganization Plan No. 2 of 1946.

While I have full appreciation of Mrs. Thompson's interest in this case, at the same time I cannot permit my feelings to becloud the foregoing principles which I believe are of paramount consideration.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and without objection the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

PROCEEDINGS DURING RECESS OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that preceding the reading of the last veto message of the President the proceedings that took place during the recess be inserted in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OCTOBER 12, 1949.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives, received in the office of the Clerk on October 12, 1949.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

MRS. ZELMA INEZ CHEEK—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 371)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H. R. 3252, a bill "to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek."

The bill would confer jurisdiction upon the United States Court of Claims to "hear, determine, and render judgment upon the claim of Mrs. Zelma Inez Cheek, of Falls Church, Va., for injuries and disabilities allegedly sustained by her while serving as an employee at the Saint Elizabeths Hospital, Washington, D. C., during 1940 and 1941." The bill further provides that such jurisdiction would be conferred upon condition that suit be filed within 1 year after enactment of this measure, and that the United States "shall be entitled to the benefit of all exemption and all limitation of liability and all defenses accorded by law to private parties."

The history of this case appears in detail in the committee reports and in the documents reprinted therewith. It appears from that history that Mrs. Cheek's claim under the Federal Employees' Compensation Act for compensation for the disability caused by her tubercular condition was rejected by the former United States Compensation Commission upon the merits, on the basis of its finding that her condition was not proximately caused by her employment at Saint Elizabeths Hospital.

The committee reports recite conflicting evidence on the question whether Mrs. Cheek's condition was in fact caused or aggravated by her employment, and upon that basis the reports conclude that jurisdiction "to consider this claim" should be conferred upon the Court of Claims. This bill does not provide for judicial review of the administrative decision, but even if it did, it still would be discriminatory in singling out this claimant's case for special judicial review while other persons in the same category have resort only to the administrative remedies.

The bill, moreover, would appear to discriminate substantively, and not merely procedurally, as between this claimant and others. If the Court of Claims, in considering this case, should feel free to apply the measure of damages generally applicable in actions brought by employees for injury in the performance of their duties, the bill could result in a measure of recovery greater than that provided by the Compensation Act. And it is not even clear under the bill whether, in order to authorize judgment for the claimant, the disability must have been proximately caused or aggravated by the employment, as would have to be proved under the Compensation Act. The Federal Tort Claims Act is not made applicable by this bill and thus its defenses do not seem applicable. The measure provides only the vague standard that the United States shall be entitled to the benefits "of exemption and of limitations of liability and of defenses accorded by law to private parties."

If Mrs. Cheek believes, either on the basis of the evidence which was before the former United States Employees' Compensation Commission or upon any additional evidence which she may be able to present, that the decision of the former Commission was erroneous, she is entitled under section 37 of the Federal Employees' Compensation Act to request a review of that decision by the Director of the Bureau of Employees' Compensation of the Federal Security Agency. Furthermore, if her request should be denied or if the former decision should be adhered to upon such review, she would be entitled to appeal to the Employees' Compensation Appeals Board, a quasi-judicial tribunal established in the Federal Security Agency pursuant to Reorganization Plan No. 2 of 1946.

In view of all the circumstances, I, therefore, feel constrained to withhold my approval from this bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and without objection the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House which was read:

OCTOBER 12, 1949.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives,

received in the office of the Clerk on October 12, 1949.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

LOUISE PETERS LEWIS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 370)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, enrolled bill (H. R. 683) for the relief of Louise Peters Lewis.

The measure directs the Secretary of the Treasury to pay Mrs. Lewis the sum of $10,000 "out of any funds or property of the Government of Germany or of nationals of Germany in the possession or under the control of the Government of the United States or which may hereafter come into the possession or under the control of the United States."

It is understood that the claim of Mrs. Lewis is predicated upon losses allegedly sustained by her as a consequence of the depreciation in value, during and following World War I, of certain German securities which had come into her possession prior to the outbreak of that war. It appears from records of the former Mixed Claims Commission, United States and Germany, established pursuant to the agreement of August 10, 1922, between the United States and Germany to adjudicate claims of nationals of the United States against Germany, that Mrs. Lewis' claim was presented to that Commission and was dismissed by it on November 8, 1926. It also appears that upon the filing of further evidence with the Commission the claim was considered on its merits by the Commission which, on January 10, 1930, dismissed a motion requesting that the 1926 order of dismissal be vacated. Article VI of the agreement establishing the Commission provides that the decisions of the Commission "shall be accepted as final and binding upon the two Governments."

Aside from the fact that the tribunal authorized to determine judicially claims of this character dismissed the claim of Mrs. Lewis, and the further fact that by international agreement the United States committed itself to accept the tribunal's decision as final and binding, I am unaware of the existence of any considerations which would warrant the conclusion that the tribunal's decision was erroneous, or that Germany incurred any liability toward the claimant, under accepted principles of international law, as a consequence of depreciation in the value of securities and currencies of that country.

Furthermore, payment of this claim out of the funds derived from the vesting of property of the Government of Germany or of the nationals of Germany during World War I and World War II would have very unjust results. If Mrs. Lewis were paid out of World War I funds, the priority of payment thereby given her would likely prevent payment to an American citizen with an unpaid award arising out of World War I, since those funds are not believed to be sufficient to pay all the unsettled claims from that war. This would be inconsistent with Public Law 375, Eightieth Congress, approved August 6, 1947, which directs that the funds be first used for the payment of unpaid balances due on awards to American citizens by the Mixed Claims Commission. If she were paid out of World War II funds, she would be preferred to American citizens who suffered extreme physical deprivation during the war and to certain religious organizations as well as to all other American citizens with claims arising out of World War II, contrary to Public Law 896, Eightieth Congress, approved July 3, 1948. It is, moreover, doubtful whether the funds will be sufficient to satisfy all the World War II claims. The facts in this case do not justify such preference and priority.

Finally, my approval of this bill would establish an undesirable and far-reaching precedent for other unsuccessful claimants to obtain similar priority.

In view of all the foregoing circumstances, I am constrained to withhold my approval of the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

OCTOBER 12, 1949.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives, received in the office of the Clerk on October 12, 1949.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

FISH RESTORATION AND MANAGEMENT PROJECTS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 372)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1746, an act to provide that the United States shall aid the States in fish restoration and management projects, and for other purposes.

This bill provides in effect for an annual continuing appropriation of all revenues derived from the tax imposed by section 3406 of the Internal Revenue Code on fishing rods, creels, reels and artificial lures, baits, and flies for the fiscal year ending June 30, 1947, and each fiscal year thereafter. The revenues thus designated would, in effect, be apportioned among the States and Territories for the promotion of approved fish restoration and management projects, and expended in accordance with policies of coordination prescribed by the Secretary of the Interior.

Under the bill the tax on fishing articles would be used exclusively for the promotion of recreational fishing. On the other hand, purchasers of numerous other articles of sporting equipment subject to tax under section 3406 would be taxed for the general support of Government functions.

It is believed that the earmarking of Federal tax revenues, as provided in the bill, constitutes undesirable tax and fiscal policy. The earmarking of tax collections amounts to preferential treatment of certain taxpayers and tends to weaken effective budgetary control of expenditures. Fishing equipment is but one of thousands of articles subject to Federal excise tax, the revenues from which are now deposited in the general funds of the United States and available for general governmental purposes. If the revenue from the sale of fishing equipment is to be diverted to the particular benefit of those who have paid the tax, similar demands can be made on behalf of other industries and activities affected by the tax. The Government's need for unrestricted funds does not permit such diversion of tax revenues.

The bill would provide a permanent indefinite appropriation contrary to the policy of Congress incorporated in the Permanent Appropriation Repeal Act, 1934, approved June 26, 1934. Whether or not the amount thus devoted to the program would be sufficient at the present time, fluctuations in revenues or changes in the needs of the program may make the earmarked appropriation either inadequate, in which case the program will fail of its intended purpose, or excessive, resulting in waste of Government funds. Prudent expenditure policy would indicate that the amount of funds to be expended should be subject to continuous budgetary and legislative appraisal.

The bill also has serious administrative deficiencies. The funds appropriated thereunder include not only the tax revenues to be collected subsequent to enactment of the act, but also an amount equivalent to such tax revenues for fiscal years ending in 1947, 1948, and 1949. Inasmuch, however, as manufacturers now report only the total amount of tax on sporting goods under section 3406 without any break-down showing the amount of tax due with respect to fishing equipment, it is impossible to ascertain the amount of tax collected on the items named in the bill for any particular period up to the present time.

Conceding the desirability of Federal and State cooperation in the development of fish-restoration projects, it is believed that whatever funds are required to achieve such purposes should be provided by annual appropriation, rather than by the arbitrary method prescribed in this bill.

I have noted that H. R. 1746 follows the undesirable precedent created by the act of September 2, 1937 (16 U. S. C. 669–669j) which earmarked taxes on firearms, shells, and cartridges for wildlife restoration purposes. The present bill,

however, is more objectionable than its predecessor in several respects. Unlike the 1937 act, it is retroactive in application. Moreover, the 1937 act earmarked revenues from a single taxing provision, whereas the present bill applies to only one among many items covered by the same taxing provision. Its enactment, therefore, would give particular impetus to the extension of the same unsound principle to other items in the same tax category, notably other types of sporting goods.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. THOMPSON. Mr. Speaker, I move that the bill and message be referred to the Committee on Merchant Marine and Fisheries and ordered to be printed.

The motion was agreed to.

VETERANS' ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 368)

The SPEAKER laid before the House the following message from the President of the United States, which was read, referred to the Committee on Post Office and Civil Service, and ordered to be printed:

To the Congress of the United States:

I have today approved H. R. 6022, to increase the rates of compensation of certain employees of the Department of Medicine and Surgery of the Veterans' Administration, and for other purposes. This legislation has been under consideration by the Congress concurrently with other legislation to revise the Classification Act of 1923. The revision of the Classification Act would establish new salary schedules for medical and nursing positions in other Government agencies which are comparable to the positions in the Veterans' Administration covered by H. R. 6022.

It is desirable to revise the existing salary schedules for these positions both in the Veterans' Administration and in other agencies. However, it now appears that the salaries to be provided for positions of this type under the revision of the Classification Act will be substantially lower, in some instances at least, than the salaries provided for comparable positions in the Veterans' Administration under H. R. 6022. It would be most unfortunate if the final action on these related pieces of legislation should result in any such discrepancies. Consequently, I recommend that the Congress, in completing its action on the revision of the Classification Act, make the rates contained in that legislation applicable to the positions covered by H. R. 6022, except for the position of Chief Medical Director of the Office of Medicine and Surgery of the Veterans' Administration. This course of action is concurred in by the Administrator of Veterans' Affairs and by the Civil Service Commission. I recommend its favorable consideration by the Congress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 12, 1949.*

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment, for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, insist upon House disagreement to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAHON, SHEPPARD, SIKES, CANNON, ENGEL of Michigan, and PLUMLEY.

AGRICULTURAL ACT OF 1949

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COOLEY, PACE, POAGE, GRANT, HOPE, AUGUST H. ANDRESEN, and MURRAY of Wisconsin.

COMMITTEE ON THE JUDICIARY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Con. Res. 128), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of the hearings, held before said committee, on the resolutions entitled "Proposing an amendment to the Constitution of the United States providing for the election of President and Vice President."

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

T. J. KENNAMER

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I submit a privileged resolution (H. Res. 394), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective October 1, 1949, there shall be paid out of the contingent fund of the House until otherwise provided by law, additional compensation at the basic salary rate of $1,200 per annum to T. J. Kennamer, a minority employee.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INVESTIGATION OF LOBBYING ACTIVITIES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration I submit a privileged resolution (H. Res. 379), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of the investigation and study to be conducted by the Select Committee on Lobbying Activities, created by House Resolution 298, not to exceed $40,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes today and tomorrow, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

DORA M. BARTON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4414) for the relief of Dora M. Barton, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "$15,000" and insert "$11,861.66."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

DORA FRUMAN

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1637) for the relief of Mrs. Dora Fruman, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out "$15,000" and insert "$25,000."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order to call up the conference report on

the second supplemental appropriation bill at any time between now and adjournment.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. CHURCH. Mr. Speaker, reserving the right to object, I want to know whether the gentleman from New York [Mr. TABER] has been consulted.

Mr. CANNON. Mr. Speaker, the gentleman from New York [Mr. TABER] and the gentleman from Massachusetts [Mr. WIGGLESWORTH], the two ranking minority members of the committee, have been consulted and the request meets with their approval.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HENDERSON AGAINST INTERSTATE COMMERCE COMMISSION

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, Members of the House, particularly those of the legal profession, will be especially interested in a case now pending before the United States Supreme Court entitled "Henderson Against Interstate Commerce Commission and Others," docketed as No. 25.

From a cursory reading of the pleadings, it readily appears that an intentional attempt is being made to bypass the Congress of the United States and have a judge-made law. It seems that there are those who have no hesitancy in deliberately violating the specific constitutional provisions establishing the three distinct branches of our Government.

No possible barrier to segregation in interstate travel can be found in our Constitution. Repeatedly the courts have held that separate but equal facilities in travel are all that may be required. The purpose of the pending case is to seek a judicial determination to the effect that only the same facilities will fully meet the issue. Surely the Court will never adopt the extreme views now sought to be established as the law of the land. Let it be remembered that the Congress itself, the only lawmaking agency in the Government, has consistently refused to adopt the radical, unreasonable view taken in the incident case.

Should this new doctrine on segregation be allowed, it might well follow that all efforts to preserve any separation of the races, including marriage, shall be thwarted. Surely those who continue to harangue, harass, and divide us know not what they do.

ANNOUNCEMENT

Mr. MCGREGOR. Mr. Speaker, the gentleman from Ohio [Mr. SMITH], who has been absent because of illness, requested me to inform the Speaker that had he been present October 5, 1949, when the House passed H. R. 6000, entitled "Social Security Amendments of 1949," he would have voted against passage.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in the RECORD and include a statement made by him at the public hearing before the Committee on Foreign Affairs today.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and to include a speech by Mayor O'Dwyer, of New York.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD in two instances; in one to include editorials on the death of Mr. Parker, and in the other instance to include a speech made by Under Secretary of the Treasury at Syracuse, N. Y., before the New York Tax Association.

Mr. THOMAS of Texas asked and was given permission to extend his remarks in the RECORD and include a letter by William States Jacobs.

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix of the CONGRESSIONAL RECORD concerning H. H. 5965 which provides for adding 16,000 beds to the Veterans' Administration program for construction of veterans' hospitals and expressing the hope that the bill will pass when it reaches the floor of the House of Representatives.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD (at the request of Mr. CARNAHAN) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include a statement, together with a letter.

Mr. ASPINALL asked and was given permission to extend his remarks in the RECORD relative to H. R. 64.

Mr. WAGNER asked and was given permission to extend his remarks in the Appendix.

Mr. KIRWAN (at the request of Mr. EBERHARTER) was given permission to extend his remarks in the RECORD and include an article by Columnist McLamore.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the permanent RECORD as of October 11, in tribute to General Pulaski.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FURCOLO asked and was given permission to extend his remarks in the RECORD.

Mr. TAURIELLO (at the request of Mr. GORSKI of New York) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. THOMPSON asked and was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter, notwithstanding that in one instance the cost will be $328.

Mr. BLAND (at the request of Mr. THOMPSON) asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. CARROLL asked and was given permission to extend his remarks in the RECORD and include a report from western Democrats assembled at San Francisco.

Mr. MCMILLAN of South Carolina asked and was given permission to extend his remarks in the RECORD and include a statement by the gentleman from Alabama [Mr. HOBBS] before the District of Columbia Committee.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include a news release.

Mr. POWELL asked and was given permission to extend his remarks in the RECORD in four instances; in one to include an article from the Pittsburgh Courier, in the second instance a resolution from the National Baptist Convention, in a third instance a resolution from the National Alliance of Postal Employees, and in the fourth instance a resolution from the National Alliance of Postal Employees of New York City.

Mr. HELLER (at the request of Mr. DOLLINGER) was given permission to extend his remarks in the RECORD.

Mr. LYNCH asked and was given permission to extend his remarks in the RECORD.

COMMITTEE ON WAYS AND MEANS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on the bill H. R. 5486.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. HEDRICK asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article written by Mr. Soterious Nicholson, entitled "American Policy in Greece Justified."

Mr. ROONEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article from the New York Journal American of yesterday.

Mr. SMITH of Ohio (at the request of Mr. MCGREGOR) was given permission to extend his remarks in the Appendix of the RECORD.

ELECTRIC UTILITIES IN THE WEST

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, on last March 29 I pointed out to the Members here that a strange mating has come about in the Pacific Northwest—a mating of political forces and money forces—a teaming-up, of all things, between the starry-eyed adherents of socialistic theory and a gang of Wall Street promoters, for the political advancement of the first

of these strange bedfellows, and the financial benefit of the second.

I pointed out to this House what the inevitable consequence of that mating, of that combination, would be—in loading the people of that fine region with a huge burden of unnecessary debt, incurred for the purchase of properties at swollen inflation prices, prices made possible by the clever device of robbing the Federal Treasury of tax revenues that amount to millions of dollars every year.

I pointed out then that this device would snatch away from the users of electricity the electric-rate benefits that should come to them and, by the capitalization of tax savings, hand those benefits over to the Wall Street owners of the common stocks of the electric companies that are being socialized.

I want to raise this question again today, and to keep it before you. For whose benefit did Congress appropriate the millions upon millions of dollars that made possible the construction of huge hydroelectric projects in the Northwest, and the construction of transmission lines to carry that power over long distances to where it was most needed? For whose benefit, I ask? Unless I am greatly mistaken it was our intention to benefit the people. Is there a Member of this House who will rise to deny it? Is there a Member who will contend that what the Congress was trying to do was to benefit the interests of Wall Street, and the interests of the financial promoters and go-betweens who do Wall Street's bidding? Certainly not. And yet that, gentlemen, is exactly the way our well-intentioned purposes are working out.

Little attention seemed to be paid to what I said last March 29. Perhaps it was because I was only telling you then what was going to happen—telling you what seemed to me to be the inevitable consequences of that combination I have mentioned.

I do not rise today to tell you what is going to happen. I rise to tell you what has happened.

During the recent recess of Congress, I learned that out in the great State of Washington the Snohomish County public utilities district issued and sold $19,500,000 of tax-free revenue bonds for the purpose of taking over the electric-distribution properties of the Puget Sound Power & Light Co. in that county. Of this total, approximately $16,565,000 was used for direct purchase of the distribution facilities. This did not include any generating facilities. The engineering and financing costs of issuing these bonds was estimated at $950,000 of which slightly more than $844,000 was discount on the bonds for the bankers who handled the deal. At the time I released my statement to the press, I was wrong in the fee of Guy C. "Flash" Myers, the promoter of the deal. I stated that at that time his take would be $180,000. It was, I have recently been informed, $190,000. My statement to the press has been criticized by Mr. Frank McLaughlin, president of the Puget Sound Power & Light Co., and to some extent by the Bonneville Power Administration officials. However, none of these criticisms have disputed the figures I used in my statement.

Sale of the Puget Sound property at greatly inflated valuation again demonstrates, as I said in my March 29 speech on the floor of the House, that certain Wall Street financiers and "Flash" Myers are teaming with the proponents of federalized power in an attempt to control the entire Northwest under dictates of the Bonneville Power Administration. That charge has been made by me, in fact. It still stands. It cannot be challenged successfully. This certainly is a matter in which taxpayers of all other districts should be vitally interested. Surely, many supporters of public power must now realize it will be a long time, if ever, before electric rates are lowered in Snohomish County because of the exorbitant prices being paid for these distribution properties. The local taxpayers certainly will suffer from the loss of this tax source as will the local taxing districts. Every taxpayer in the United States is going to suffer from the loss of the Federal taxes that in the past were paid by Puget Sound Power & Light Co. while it was privately owned, tax paying, and a going concern.

At the time I released a short statement on this transaction last month, I had much more information than I could reasonably include in that statement. So I am taking this opportunity to present the facts to the Members of Congress who, in the last analysis, are responsible for what is going on in the Northwest today. The reason the Snohomish County Public Utility District could buy these properties from Puget Sound Power & Light at a figure well over twice original cost of the properties to the company, is largely that Bonneville Power Administration went to the Snohomish County Public Utilities District long before the deal was made and guaranteed to provide power at a very low subsidized rate. This rate was made possible by the investment of tax money in the large hydroelectric plants built by the Government in the Northwest, including the high-voltage transmission lines to the various centers of the Northwest. I always have supported development of our great river projects. Our resources should be used to the very best advantage. Water should be saved. Soil should be preserved for the benefit of the coming generations. But, I am sure that we are doing ourselves a great injustice when we permit our tax money to be used to run private enterprise out of business by unfair competition. I believe that is unsound and unfair, regardless of whether the business happens to be the electric-power business or the grocery business. If we tolerate such a course, we are doing our children and their children an unforgivable injustice.

Bonneville insists that it is not attempting to run the private power companies out of business in that area. I refer you to my speech on the floor of the House on last March 29 for the answer to this claim. The thing that happens is that promoters such as "Flash" Myers are able to get the Wall Street promoters to sell tax-free revenue bonds which are used to purchase these properties from the privately owned utilities for a price far in excess of the reasonable market value of these properties. Will someone please produce a bona fide offer for this property by a private taxpaying concern in an amount which anywhere near approaches these figures? But under this scheme; first, the promoter has the tax-free revenue bond to offer, second, he has the exemption from Federal income taxes and the 3-percent Federal energy tax on sales. And besides that, he has a very large freedom from local taxes, in addition to the right of the public utility district to levy each year a tax of 2 mills on the total assessed valuation of all property within the area of the public utility district.

I have some supporting statements of my views before me which I believe will be of interest to you. The New York Times, on September 11, quotes the president of the Puget Co. to the effect that gross earnings in the area taken over by the Snohomish public utility district amounted to 12 percent of their gross revenue. Records show that the Puget Power Co.'s Federal tax bill for 1948 was over $2,300,000. Twelve percent of that would be approximately $280,000. This is a direct loss to all Federal taxpayers. If the Snohomish principle is applied to the rest of the Puget property, it would mean a total loss of Puget's $2,300,000 annual Federal tax bill.

I have before me also a copy of a prospectus issued for potential investors by John Nuveen & Co., one of the bankers who handled the Snohomish public utility district bonds. It makes some rather illuminating statements. I quote:

> By law, the (public utility) district may levy an annual ad valorem tax of 2 mills, $2 per $1,000 of assessed valuation, against all taxable property in Snohomish County ($50,834,414 1948 assessed valuation) for operating purposes. The district's tax levy for 1948 amounted to $101,669.

On page 4 of this prospectus there is another pertinent statement:

> The district expects to continue in force the present electric rates now charged by the company.

On page 6 of this prospectus is another statement that is at quite some variance to the statement generally made by the Federal power proponents in that area. Again, I quote:

> The district will acquire all of the company's applicable city, county, and State franchises and permits pertaining to the operation and location of the properties to be acquired. It is exempt by law from the payment of Federal income taxes on its earnings and from the payment of the Federal electric-energy tax on its revenues from the sale of electric energy as well as State and local ad valorem property taxes upon its real and personal properties, tangible and intangible. The district will, however, be subject to certain local franchise and business taxes and will pay to the State occupational and privilege taxes totaling less than 6 percent of gross retail revenues, and the State unemployment compensation tax.

Applying Puget's average tax figure of about 18½ percent to the $3,400,000 of gross revenue in Snohomish County indicates that that company is paying

about $630,000 annually in local, State, and Federal taxes. According to the Nuveen prospectus, the PUD will pay only about $200,000 in taxes of all kinds. Snohomish PUD would, however, be entitled to levy a tax of 2 mills on the assessed valuation, which would amount to $100,000. They did levy such a tax last year.

Deducting this $100,000 levy from the $200,000 tax bill estimated in the Nuveen prospectus, the PUD would actually be paying out net only $100,000 in taxes of all kinds compared with the $630,000 which has been paid by the privately owned utility. This means a total loss of taxes of more than half a million dollars on this one deal alone.

Mind you, this is just 1 county of 39 in the State of Washington; 1 State of the 48.

Back in 1945, I was interested in this same subject of tax loss. Looking over another prospectus used at that time, I see a Myers proposal of $135,000,000 for all of the Puget properties, by the Skagit County public utility district. "Flash" Myers had a purchase price of $6,530,000 set up at that time for the Snohomish property. This was for distribution facilities only. It did not include generating facilities. Certainly the small amount of construction since 1945 does not justify a price two and a half times as great. That is the $16,500,000 for which it was sold a few weeks ago.

This whole method of operation is one which is alarming the sincere proponents of public power about the Guy Myers-Wall Street domination and promotion tactics.

Looking at the record some more, I wish to quote from an article in the Seattle Post-Intelligencer, quoting the views of the State land commissioner at the time the $135,000,000 deal was being pushed back in 1945. Mr. Otto A. Case, two-term State treasurer and for years president of the Seattle City Council, said, and I concur in his opinion, that he feared if the deal were consummated it would be "a millstone around the people's neck for 50 years." Mr. Case urged that the public should be permitted to have an accurate and impartial appraisal of the company's holdings.

I might say that the Snohomish County public utility district commissioners retained three engineers to make an appraisal, and I will tell you what happened to that appraisal.

The Everett (Wash.) Herald of September 1, 1949, discussed this aspect of the transaction and the fact that the price paid for the Snohomish properties was exorbitant. It seems that on the question of acquisition of the Puget properties the public utility district commissioners were split 2 to 1. On September 1 the minority member issued the following statement regarding his opposition to the project:

I am making this statement to the people of Snohomish County to explain my reasons for voting against the purchase of the Puget Sound Power & Light Co. properties by the Snohomish County public utility district No. 1.

In June of this year the public utility district commissioners agreed to buy the Puget Sound Power & Light Co.'s distribution system in this county and on Camano Island for $16,000,000 plus improvements to the time of taking over for approximately $16,565,000. I voted against that proposal because two of the three engineers employed to advise the commission said the price was too high and that it was not in the best interests of the people of Snohomish County to pay the excessive price.

To quote the engineers:

"The company placed a value of $6,117,000 on these properties in 1942 and additions and improvements made since then and the rising materials and labor costs do not account for this large increase in price."

Now, the same two commissioners voting for, and my vote being against, have passed a resolution whereby Snohomish County public utility district No. 1 issued $19,500,000 in bonds to take over the distribution of electricity in this district. The original date for taking over the properties was set at November 1. Now the deal has been made as of September 1. The reasons for this hurry, I do not know, but do know that, without my knowledge, the other two commissioners were flown to Chicago and signed the necessary bonds last Saturday and Sunday.

That is pretty strong evidence of the rush act which "Flash" Myers and the Wall Street crowd used to put this across, flying the two commissioners to Chicago to sign those bonds. Their activities in the State of Washington in the past have aroused resentment, according to another article from the Post-Intelligencer which I have before me. It appeared in 1947, when the legislature finally came to realize that Myers was the man who was master-minding the promotion. As one State representative observed:

This is unbusinesslike and unhealthy, to say the least. I can recall no other situation in the State of Washington involving the public interest in a major undertaking in which the same negotiator (Mr. Myers) has appeared for all parties concerned. Certainly no one with a sound business sense can defend such procedure.

This same newspaper exposed the fact that Myers was brain-trusting the lobbying activity against bills calling for competitive bidding on public-utility-district bond issues. Myers represented the PUD's as the buyer, Puget power as the seller, and the investment banking group that wanted to handle the bond issue. In his last capacity—as representative of the investment houses—he naturally would be opposed to competitive bidding. The Post-Intelligencer article contained one paragraph which I would like to read to you which is illuminating in the extreme. This paragraph states:

Besides the commission of more than $1,000,000 he is to receive directly from PUD revenues, if the purchase-price plan is successful, Myers, it is generally believed, might be in line for another large commission as a finder's fee from the investment banking syndicate, whose profits from the bond issue are estimated at from six to eight million dollars.

It is a mighty lucrative set-up, for Mr. Myers, is it not?

I have one other quotation that I would like to cite. Certain officers of the State grange in Washington, as I stated in my speech of March 29, have promoted Federal power in that State for many years. However, their members do not all agree with them. I am informed that many members strongly disagree with the "Flash" Myers promotion schemes. The Washington Grange News of October 1 carried a letter from one such member. It reads as follows:

EDITOR, GRANGE NEWS:

The original goal of public power went glimmering in Snohomish County with the decision of the commissioners to purchase, outright, the properties of Puget Sound Power & Light Co.

Whoever counseled the commissioners to acquire this distribution system by outright purchase at the ridiculous figure of $19,500,000 in face of an estimated valuation of $8,500,000 had motives other than the original goal of public power—low cost electricity to the people.

It is regrettable, but it must be recognized that the public power movement is cleverly being taken away from its grassroots origin by willful men who set up phony public power front organizations for their own selfish gain.

As a granger and public power supporter, I regret the Snohomish County incident. Certainly it will be a long, long time before the people of Snohomish County realize the original goal of public power—lower rates. (Charles E. Bale, Vancouver.)

Yes, it certainly will be a long, long time before the people of Snohomish County get lower rates. The prospectus from which I have quoted is positive evidence of that. Certainly "Flash" Myers with his fee of $190,000 for that deal, and the bankers associated with him with their $840,000 discount on the bonds, were and are more interested in those fees than they were or are in the success of the public power movement.

According to statements in the public press, H. L. Aller, president of American Power & Light Co. and his pal "Flash" are nervously trying to negotiate a deal to turn Washington Water Power and Pacific Power & Light Co. over to public powers by the Myers route. In just the last few days, American—the parent company—has obtained an order permitting distribution of stocks of most of its subsidiaries directly to its stockholders. But not so with the Washington and Pacific companies which, with Puget, are the only privately owned electric utilities in the State of Washington.

Mr. Aller is keeping the parent company alive for the purpose of holding onto those two companies until such a deal can be consummated. The order recently handed down by the SEC indicated that even this great regulatory body is putting its shoulder to the wheel so that "Flash" Myers can get another of his substantial fees and Mr. Aller's company will be allowed to dip into the pockets of the Federal taxpayers.

If this scheme is successful, under it and through tax exemption, it would be possible to capitalize with tax exemption in the form of a much higher price than Mr. Aller could get in the open market for his interest in these properties.

It is also well known that Mr. McLaughlin, president of Puget, and his side-kick Myers are negotiating for sale of the balance of the Puget properties to public ownership.

If these deals are accomplished, there will not be a private electric utility left in the State of Washington. But the people of the State—if they permit the unconscionably high prices paid for the Snohomish properties—will not get lower rates for many years and they will

long remember the names of McLaughlin, Aller, and Myers for the ride on which this trio is taking them.

The rate payers must continue to live in Washington, with a barrier in the bond agreement against rate reductions, and pay out the bonds which the PUD commissioners seem willing to issue in almost any amount in payment for these electric properties.

I have said before, and I repeat today, that the Congress of the United States should bring these men before them and have them tell, under oath, how these deals are rigged in secrecy and with such harmful effect on the public interest.

To me, when a deal like that in Snohomish is advanced 60 days and two commissioners are flown to Chicago to sign the bonds, it would indicate considerable anxiety on the part of the seller of the property and the buyer of the bonds to close the transaction before it could be exposed in the daylight. Further evidence of this is apparent in the fact that the people of Snohomish County had scheduled a mass meeting for September 15 to discuss this question. No doubt that is the reason for consummating the sale on September 1 instead of November 1. It was a typical flash deal.

Let me summarize briefly the facts that I have presented, and then I will close.

What is done from then on about these sordid facts will be in the hands of the State legislature and the Congress.

I have shown you how this same financial promoter, "Flash" Myers, acting in his triple capacity as representative of the seller, buyer, and the bond houses, jacked up the price of these Snohomish County properties from the $6,500,000 value shown in his 1945 prospectus to the sixteen and one-half million for which they were sold a few weeks ago.

I have shown you how this deal was hurriedly pulled on September 1, well in advance of the date for which it was scheduled, in complete disregard of the decision by two of the three engineers the county itself hired, of the decision that the price was too high, and in order that the sorry details of the transaction would not be exposed to the light of day in the public meeting called to consider the proposal.

I have shown you how such deals are made possible through the help of Government agencies, such as the Securities and Exchange Commission, and by the clever scheme of capitalizing tax savings at the expense of the Federal Treasury and at the expense of every taxing body.

It was SEC that permitted Howard Aller of American Power & Light to distribute the shares of his other subsidiaries, but to keep control of two companies that are operating in the State of Washington, where he has such a golden chance to unload them on the public at prices far beyond their real value.

I have explained how these prices can be jacked up and inflated as they are by the device of capitalizing Federal tax exemptions, both on income and energy sales, by the use of tax-free revenue bonds, by a large measure of freedom from local taxes, and by the power which this public utility district has and has exercised to levy taxes on all property within its area.

I have shown you that the people who live in this Snohomish public utility district are not the ones who are going to benefit by the tactics I have reviewed. In view of all the savings in taxes, it might be expected that the users of electricity in Snohomish County would get some good from it. But no, the Commission boldly announces that it is going to maintain the present rates.

With one hand the benefits of low-cost power have been offered to the people out there; with the other hand these benefits have been snatched away from them to pour profits into the pockets of the financial promoters and the Wall Street owners of the common stocks of these corporations. It is the latter groups who are the beneficiaries, and that is something that was never the intention of the Congress.

It is for that reason I believe the Congress, as I urged on March 29, should investigate promptly and thoroughly the way these deals have been rigged. Because other similar but greater deals are now in the making.

EXTENSION OF REMARKS

Mr. VAN ZANDT (at the request of Mr. DAGUE) was given permission to extend his remarks in the Appendix of the RECORD and include certain excerpts.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD in three separate instances, in one to include a newspaper article and in another under the title "Detroit, the Back Door for Communists," to include three short excerpts from the three Detroit papers.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. PATTERSON asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. REES asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a resolution adopted by the Abraham Lincoln Club of Wichita.

LEGISLATION TO CARRY OUT RECOMMENDATIONS OF THE HOOVER COMMISSION WITH RESPECT TO THE POST OFFICE DEPARTMENT

Mr. REES. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was on objection.

Mr. REES. Mr. Speaker, I have today introduced a bill to carry out the recommendations of the Hoover Commission with respect to the Post Office Department. The bill, if enacted into law, would modernize the financial operation and controls within the Post Office Department. This measure is recommended by the Comptroller General of the United States. His views, incidentally, are highly regarded by the Members of Congress. These recommendations would amend the provisions of the Government Corporation Control Act of 1945 with respect to business management, budgeting, accounting, and auditing as applied to the Post Office Department.

In recommending this bill, the Comptroller General points out that it will retain legislative control of public funds which is one of the important checks and balances in our Federal system. At the same time it calls for "a strong program of improvement in the fiscal operations in the service by a modern and informative method of budgeting, auditing and reporting; adapting the most appropriate features of both the Government Corporation Control Act and the Budgeting and Accounting Act."

It will facilitate the work of the Post Office Department by, first, transferring to the Department the administrative accounting functions which up to this time have been done by the General Accounting Office, and making the Department responsible for developing and maintaining a modern accounting system adapted to its needs; second, setting up in the Department the office of Controller, to develop, supervise, and coordinate the accounting, budgetary, and related fiscal processes; third, making postal receipts immediately available for use within the budgetary limitation approved by Congress; and fourth, removing certain restrictions on expenditures, without, in contrast to the other bills, a blanket repeal of the rules and safeguards that Congress has carefully developed for the protection of the public moneys.

The administration has recommended legislation which purports to carry out the same recommendations of the Hoover Commission with respect to budgeting, accounting, and auditing of the postal service. In this, as in so many other measures, the Hoover Commission report is used as a cloak to disguise measures the departments and agencies want and to aid them in dispensing with any legislative controls or other checks and balances.

Up to the present time, the Post Office Department has been a very closely regulated agency, possibly too much so. However, this should be no excuse for completely dispensing with the controls of Congress for this important governmental agency and voiding all of the laws relating to the functioning of this Department. In my judgment, all legislation coming from the executive departments intending to carry out the Hoover Commission report recommendations should be carefully analyzed to determine whether they are actually the best solution to the recommendations of this report.

For example, in the measure recommended by the Post Office Department, the Department is placed under the Government Corporation Control Act of 1945. While it is a Government business, it is primarily a service organization, and differs in many respects from a Government corporation. The Hoover Com-

mission report recognizes this and specifically states:

We do not recommend that the Post Office Department be incorporated under that law—

The Government Corporation Control Act—

as we consider that to be unnecessary.

The departments and agencies have long resisted legislative controls of their operation. They prefer to handle things entirely their own way without responsiveness to the public. Although, in some instances, legislative controls may have created inefficiency, that is no reason to dispense entirely with legislative controls, particularly in such a large enterprise involving the annual expenditure of approximately $2,000,000,000.

The adoption of this legislation would, in my judgment, bring about more efficiency in the postal service and would save millions of dollars for the taxpayers of this country.

EXTENSION OF REMARKS

Mr. McCULLOCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Miami Daily News.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD.

Mr. HAND asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include editorial comment.

Mr. WOODRUFF (at the request of Mr. BYRNES of Wisconsin) was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and to include extraneous material.

Mr. JAVITS asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and include certain extraneous newspaper material.

VILLAGE-DELIVERY SERVICE IN SECOND-CLASS POST OFFICES

Mr. MURRAY of Tennessee submitted a conference report and statement on the bill (S. 1479) to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes.

APPORTIONMENT OF CIVIL-SERVICE APPOINTMENTS

Mr. MURRAY of Tennessee submitted a conference report and statement on the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

COLUMBIA INSTITUTION FOR THE DEAF OFFICERS AND EMPLOYEES BROUGHT UNDER CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1389)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 2.

TOM MURRAY,
HOMER THORNBERRY,
EDWARD H. REES,
Managers on the Part of the House.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
WILLIAM LANGER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 86) to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment amends section 4 (e) of the Civil Service Retirement Act, approved May 29, 1930, as amended, so as to provide that for the purposes of computing retirement benefits of employees of the Columbia Institution for the Deaf under such act the basic salary, pay, or compensation of such employees shall include only that portion of the compensation which is paid from Federal funds. The Senate recedes.

Amendment No. 2: This is a clerical amendment necessitated by the adoption of Senate amendment numbered 1. The Senate recedes.

TOM MURRAY,
HOMER THORNBERRY,
EDWARD H. REES,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

INCREASING RATES OF COMPENSATION OF THE HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS AND INDEPENDENT AGENCIES

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. No. 1411)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the rate of basic compensation of the head of each executive department and of the Secretary of Defense shall be $22,500 per annum; the rate of basic compensation of the Deputy Secretary of Defense shall be $20,000 per annum; and the rate of basic compensation of the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall be, respectively, $18,000 per annum.

"SEC. 2. (a) Section 105 of title 3 of the United States Code is amended to read as follows:

"'COMPENSATION OF SECRETARIES AND EXECUTIVE, ADMINISTRATIVE, AND STAFF ASSISTANTS TO PRESIDENT

"'§ 105. The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, and of five other secretaries or other immediate staff assistants in the White House Office as follows: Two at rates not exceeding $20,000 per annum, three at rates not exceeding $18,000 per annum, and seven at rates not exceeding $15,000 per annum.'

"(b) The first sentence of section 106 of title 3 of the United States Code is amended to read as follows: 'The President is authorized to appoint not to exceed six administrative assistants and to fix their compensation in accordance with section 105 of this title.'

"SEC. 3. The rate of basic compensation of each Under Secretary of an executive department, the Deputy Postmaster General, the Assistant to the Attorney General, the Solicitor General of the United States, the Comptroller General of the United States, the Director of the Bureau of the Budget, the Chairman of the National Security Resources Board, the Federal Security Administrator, the Administrator of Veterans' Affairs, the Administrator of General Services, and the Housing and Home Finance Administrator shall be $17,500 per annum.

"SEC. 4. The rate of basic compensation of the Chairman of the Munitions Board, the Chairman of the Research and Development Board, the Assistant Comptroller General of the United States, the Assistant Director of the Bureau of the Budget, the Deputy Administrator of Veterans' Affairs, the Director of Central Intelligence, the Federal Mediation and Conciliation Director, the Director of the Federal Bureau of Investigation, the Chairman of the Civil Service Commission, the Chairman of the Board of Directors of the Export-Import Bank of Washington, the Chairman of the Board of Directors of the Reconstruction Finance Corporation, the Chairman of the United States Maritime Commission, members of the Council of Economic Advisers, members of the Board of

Governors of the Federal Reserve System, and members of the Board of Directors of the Federal Deposit Insurance Corporation (including the Comptroller of the Currency) shall be $16,000 per annum.

"SEC. 5. (a) The rate of basic compensation of the Assistant Federal Security Administrator, the Director of Aeronautical Research of the National Advisory Committee for Aeronautics, members of the Civil Aeronautics Board, members of the Federal Communications Commission, members of the Federal Power Commission, members of the Federal Trade Commission, members of the Interstate Commerce Commission, members of the National Labor Relations Board, members of the National Mediation Board, members of the Railroad Retirement Board, members of the Securities and Exchange Commission, members of the Board of Directors of the Tennessee Valley Authority, members (other than the Chairman) of the Civil Service Commission, members of the United States Tariff Commission, the General Counsel of the National Labor Relations Board, the Deputy Administrator of General Services, the Archivist of the United States, each Assistant Secretary of an executive department (including the Fiscal Assistant Secretary of the Treasury and the Deputy Under Secretaries of State), each Assistant Attorney General, each Assistant Postmaster General, the Assistant Solicitor General of the United States, the Counselor of the Department of State, the Philippine Alien Property Administrator, members (other than the Chairman) of the Board of Directors of the Export-Import Bank of Washington (members, other than the Chairman) of the Board of Directors of the Reconstruction Finance Corporation, members (other than the Chairman) of the United States Maritime Commission, the Administrator of the Production and Marketing Administration, the Commissioner of Internal Revenue, the Commissioner of Public Roads, the Commissioner of Immigration and Naturalization, the Administrator of Civil Aeronautics, the Administrator of the Rural Electrification Administration, the Governors of Alaska, Hawaii, the Virgin Islands, and the Panama Canal, the Chief of Staff of the Joint Committee on Internal Revenue Taxation, the Public Printer, the Librarian of Congress, and the Architect of the Capitol shall be $15,000 per annum.

"(b) The first sentence of section 603 of title 28 of the United States Code (relating to the salary of the Director of the Administrative Office of the United States Courts) is amended to read as follows:

"'The Director shall receive a salary of $15,000 a year.'

"SEC. 6. (a) The rate of basic compensation of the Housing Expediter, the Director of the Bureau of Federal Supply, the Director of Selective Service, members of the Displaced Persons Commission, members of the Indian Claims Commission, members of the War Claims Commission, members of the Philippine War Damage Commission, the Associate Federal Mediation and Conciliation Director, the Deputy Director of Central Intelligence, the Director of the Bureau of Prisons, the Commissioner of Public Buildings, the Commissioner of Community Facilities, the Commissioner for Social Security, the Commissioner of Reclamation, the Chief of the Soil Conservation Service, the Commissioner of Customs, the Commissioner of Narcotics, the Governor of the Farm Credit Administration, the Chief Forester of the Forest Service, the Administrator of the Farmers Home Administration, the Manager of the Federal Crop Insurance Corporation, the Associate Director of the Federal Bureau of Investigation, the Commissioners of the United States Court of Claims, the Assistant Architect of the Capitol, the Chief Assistant Librarian of Congress, and the Deputy Public Printer shall be $14,000 per annum.

"(b) The second sentence of section 603 of title 28 of the United States Code (relating to the compensation of the Assistant Director of the Administrative Office of the United States Courts) is amended to read as follows: 'The Assistant Director shall receive a salary of $12,500 a year.'

"(c) The rate of compensation of the Legislative Counsel of the House of Representatives and of the Legislative Counsel of the Senate shall be $12,000 per annum.

"(d) The second sentence of section 30 of the Act of May 24, 1924, as amended (U. S. C., title 5, sec. 152a), relating to the appointment and compensation of the Legal Adviser of the Department of State, is amended to read as follows: 'The legal adviser shall be appointed by the President, by and with the advice and consent of the Senate'."

"SEC. 7. The applicable appropriation for the fiscal year ending June 30, 1950, shall be available for payment of compensation at the rate established for any position by or pursuant to this Act unless it is specifically provided that such appropriation shall not be available for such purpose.

"SEC. 8. The head of each department or independent agency in the executive branch of the Government, having personnel subject to the provisions of this Act, is authorized and directed to absorb the increased costs during the fiscal year 1950 resulting from the enactment of this Act within any unobligated or unexpended balances in appropriations available to such department or independent agency. This section shall not apply to any agency with respect to which the Director of the Bureau of the Budget shall certify that absorption of such increased costs would impair the proper performance of its functions.

"SEC. 9. This Act shall take effect on the first day of the first pay period which begins after the date of enactment of this Act."

And the Senate agree to the same.

TOM MURRAY,
JAMES H. MORRISON,
GEORGE P. MILLER,
EDWARD H. REES,
KATHARINE ST. GEORGE,
Managers on the Part of the House.

OLIN D. JOHNSTON,
RUSSELL B. LONG,
HUBERT H. HUMPHREY,
EDWARD J. THYE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The differences between the House bill and the substitute agreed to in conference are noted in the following statement:

The table shows the positions included, the present rate of compensation for each position, and the rate of compensaton prescribed for each position in the House bill, the Senate amendment, and the conference substitute. An examination of columns (6) and (8) of the table will disclose the difference in the rate of compensation with respect to any position between the House bill and the conference substitute.

H. R. 1689

Position	Number	Present salary	Section as passed House	Section as passed Senate	Compensation as passed House	Compensation as passed Senate	Compensation agreed to in conference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Secretary, Department of State	1	$15,000.00	1	1	$25,000	$22,500	$22,500
Secretary, Department of Defense	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Treasury	1	15,000.00	1	1	25,000	22,500	22,500
Attorney General, Department of Justice	1	15,000.00	1	1	25,000	22,500	22,500
Postmaster General, Post Office Department	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of the Interior	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Agriculture	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Commerce	1	15,000.00	1	1	25,000	22,500	22,500
Secretary, Department of Labor	1	15,000.00	1	1	25,000	22,500	22,500
Deputy Secretary of Defense	1	14,500.00	2 (a)	1	[1] 20,500	20,000	20,000
Secretary, Department of the Army	1	14,000.00	2 (a)	1	[2] 20,000	18,000	18,000
Secretary, Department of the Navy	1	14,000.00	2 (a)	1	[2] 20,000	18,000	18,000
Secretary, Department of Air Force	1	14,000.00	2 (a)	1	[2] 20,000	18,000	18,000
Under Secretary, Department of State	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Treasury	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the Attorney General, Department of Justice	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Solicitor General of United States	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Deputy Postmaster General, Post Office Department	1						17,500
Under Secretary, Department of the Interior	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Agriculture	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Commerce	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Under Secretary, Department of Labor	1	10,330.00	2 (a)	3 (a)	20,000	15,000	17,500

[1] Compensation same as Under Secretaries of executive departments plus $500 by reason of sec. 301 (b) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

[2] Compensation same as Under Secretaries of executive departments by reason of sec. 301 (b) of the National Security Act of 1947, as amended by sec. 10 (a) of Public Law 216, 81st Cong.

H. R. 1689—Continued

Position	Number	Present salary	Section as passed House	Section as passed Senate	Compensation as passed House	Compensation as passed Senate	Compensation agreed to in conference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Comptroller General of United States	1	$12,000.00	2 (a)	3 (a)	$20,000	$15,000	$17,500
Director, Bureau of the Budget	1	10,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Chairman, National Security Resources Board	1	14,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Federal Security Administrator	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator of Veterans' Affairs	1	12,000.00	2 (a)	3 (a)	20,000	15,000	17,500
Administrator for Economic Cooperation	1	20,000.00	2 (a)		20,000		
Administrator of General Services	1		2 (a)	3 (a)	20,000	15,000	17,500
Assistant to the President	1		2 (b)	2 (a)	[3]	[3]	[3]
Special counsel to the President	1		2 (b)	2 (a)	[3]	[3]	[3]
Secretaries to the President	3		2 (b)	2 (a)	[3]	[3]	[3]
Administrative assistants to the President	6		2 (b)	2 (a)	[3]	[3]	[3]
Executive Secretary, National Security Council	1	10,000.00	2 (b)	2 (a)	[3]	[3]	[3]
Chief of staff, Joint Committee on Internal Revenue Taxation	1	10,330.00		2 (c)		15,000	15,000
Housing and Home Finance Administrator	1	16,500.00	3 (a)		18,000		17,500
Chairman, Atomic Energy Commission	1	17,500.00	3 (a)		18,000		
Chairman, Munitions Board	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Chairman, Research and Development Board	1	14,000.00	3 (a)	3 (a)	18,000	15,000	16,000
Deputy Administrator for Economic Cooperation	1	17,500.00	3 (a)		18,000		
Assistant Comptroller General of United States	1	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Assistant Director, Bureau of the Budget	11	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Deputy Administrator for Veterans' Affairs	1	10,330.00	3 (a)	4 (a)	18,000	14,000	16,000
Director, Administrative Office of United States Courts	1	10,330.00	3 (b)	3 (b)	15,000	15,000	15,000
Public Printer	1	10,330.00	3 (c)	3 (a)	17,500	15,000	15,000
Librarian of Congress	1	10,330.00	3 (c)	3 (a)	17,500	15,000	15,000
Members of Council of Economic Advisers	3	15,000	3 (c)		17,500		16,000
Director, Central Intelligence	1	14,000	3 (c)	3 (a)	17,500	15,000	16,000
Federal Mediation and Conciliation Director	1	12,000	3 (c)	3 (a)	17,500	15,000	16,000
Assistant Federal Security Administrator	1	10,330	3 (c)	4 (a)	17,500	14,000	15,000
Director, FBI	1	14,000	3 (c)	3 (a)	17,500	15,000	16,000
Member, Board of Governors of the Federal Reserve System	7	15,000	4		16,000		16,000
Director of Aeronautical Research of the National Advisory Committee for Aeronautics	1	10,330	4	3 (a)	16,000	15,000	15,000
Members, Civil Aeronautics Board	1	12,000.00	4	3 (a)	16,000	15,000	15,000
	4	11,500.00					
Members, Federal Communications Commission	7	10,000.00	4	3 (a)	16,000	15,000	15,000
Board of Directors of Federal Deposit Insurance Corporation (including Comptroller of the Currency).	3	15,000.00	4		16,000		16,000
Members, Federal Power Commission	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Federal Trade Commission	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Interstate Commerce Commission	11	12,000.00	4	3 (a)	16,000	15,000	15,000
Members, National Labor Relations Board	5	12,000.00	4	3 (a)	16,000	15,000	15,000
Members, National Mediation Board	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Railroad Retirement Board	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Securities and Exchange Commission	5	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, Board of Directors of TVA	3	10,000.00	4	3 (a)	16,000	15,000	15,000
Chairman, Civil Service Commission	1	10,000.00	4	3 (a)	16,000	15,000	16,000
Members (other than chairman) of Civil Service Commission	2	10,000.00	4	3 (a)	16,000	15,000	15,000
Members, U. S. Tariff Commission	6	11,000.00	4	3 (a)	16,000	15,000	15,000
Members (other than chairman) of Atomic Energy Commission	4	15,000.00	4		16,000		
General counsel, National Labor Relations Board	1	12,000.00	4	3 (a)	16,000	15,000	15,000
Architect of Capitol	1	10,330.00	4	3 (a)	16,000	15,000	15,000
Deputy Administrator of General Services	1		4	4 (a)	16,000	14,000	15,000
Housing Expediter	1	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Director, Bureau of Federal Supply	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Director of Selective Service	1	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Archivist of the United States	1	10,000.00	5 (a)	4 (a)	15,000	14,000	15,000
Assistant Architect of Capitol	1	9,985.80	5 (a)	4 (a)	15,000	14,000	14,000
Member, Displaced Persons Commission	3	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, Indian Claims Commission	3	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, War Claims Commission	3	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Members, Philippine War Damage Commission	3	12,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Assistant Secretaries, Department of State (including Deputy Under Secretaries)	10	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of the Treasury	2	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Fiscal Assistant, Secretary of Treasury	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Attorneys General, Department of Justice	3	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
	3	10,305.00					
	1	10,000.00					
Assistant Postmasters General, Post Office Department [4]	4	10,330.00	5 (a)	4 (a)	15,000	14,000	15,000
Assistant Secretaries, Department of the Interior	2	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretary, Department of Agriculture	1	10,305.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of Commerce	2	10,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of Labor	3	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of Defense [5]	3	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Under Secretary, Department of the Army [5]	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Under Secretary, Department of the Navy [5]	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Under Secretary, Department of the Air Force [5]	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of the Army [5]	2	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of the Navy [5]	2	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Secretaries, Department of the Air Force [5]	2	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Solicitor General, United States	1	10,330.00	5 (a)	4 (a)	15,000	14,000	15,000
Counselor, Department of State	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Associate Federal Mediation and Conciliation Director	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Deputy Director of Central Intelligence	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Philippine Alien Property Administrator	1	10,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Chief Assistant Librarian of Congress	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Deputy Public Printer	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Chairman, Board of Directors of Export-Import Bank of Washington	1	15,000.00	4	3 (a)	16,000	15,000	16,000
Members (other than Chairman) of Board of Directors of Export-Import Bank of Washington.	3	12,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Chairman, Board of Directors of RFC	1	15,000.00	4	3 (a)	16,000	15,000	16,000
Members (other than Chairman) of Board of Directors of RFC	4	12,500.00	5 (a)	3 (a)	15,000	15,000	15,000
Chairman, U. S. Maritime Commission	1	12,000.00	4	3 (a)	16,000	15,000	16,000
Members (other than Chairman) of U. S. Maritime Commission	4	10,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Administrator, Production and Marketing Administration	1	10,330.00	5 (a)	4 (a)	15,000	14,000	15,000
Commissioner of Internal Revenue	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Director, Bureau of Prisons	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Public Roads	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000

[3] Rates of compensation to be fixed by the President as follows: In the House bill—2 not exceeding $20,000; 3 not exceeding $18,000; 7 not exceeding $16,000. In the Senate amendment—2 not exceeding $20,000; 3 not exceeding $18,000; 7 not exceeding $15,000; 2 legislative assistants not exceeding $12,500. In the conference agreement—2 not exceeding $20,000; 3 not exceeding $18,000; 7 not exceeding $15,000.

[4] In the House bill the compensation of the First Assistant Postmaster General was fixed at $20,000; in the Senate amendment, at $15,000.

[5] Compensation same as Assistant Secretaries of executive departments by reason of sec. 302 of the National Security Act of 1947, as amended by sec. 10 (b) of Public Law 216, 81st Cong.

H. R. 1689—Continued

Position	Number	Present salary	Section as passed House	Section as passed Senate	Compensation as passed House	Compensation as passed Senate	Compensation agreed to in conference
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Commissioner of Public Buildings	1	$10,330.00	5 (a)	4 (a)	$15,000	$14,000	$14,000
Commissioner of Community Facilities	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Immigration and Naturalization	1	10,330.00	5 (a)	4 (a)	15,000	14,000	15,000
Administrator of Civil Aeronautics	1	12,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Administrator, Rural Electrification Administration	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Commissioner for Social Security	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Reclamation	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Chief, Soil Conservation Service	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Customs	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Commissioner of Narcotics	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Governor Farm Credit Administration	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Chief Forester of Forest Service	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Administrator, Farmers Home Administration	1	10,000.00	5 (a)	4 (a)	15,000	14,000	14,000
Manager, Federal Crop Insurance Corporation	1	10,330.00	5 (a)	4 (a)	15,000	14,000	14,000
Associate Director of FBI	1	10,330.00	----------	4 (a)	----------	14,000	14,000
Special assistants to Secretary of Defense	3	----------	5 (a)	----------	15,000	----------	----------
Commissioners, U. S. Court of Claims	13	9,707.00	----------	4 (a)	----------	14,000	14,000
Governor of Alaska	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Hawaii	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Virgin Islands	1	10,330.00	5 (a)	3 (a)	15,000	15,000	15,000
Governor of Panama Canal	1	10,000.00	5 (a)	3 (a)	15,000	15,000	15,000
Assistant Director, Administrative Office of United States Courts	1	9,707.00	5 (b)	4 (b)	10,000	14,000	12,500
Legislative counsel, House of Representatives and Senate	2	[6] 12,000.00	5 (c)	4 (c)	12,000	12,000	12,000

[6] As long as positions are held by present incumbents.

Section 5 (a) of the House bill contained a provision which kept the compensation of the position of Legal Adviser of the Department of State at the rate of $10,330 per annum. Section 30 of the act of May 24, 1924, as amended, provides that the rate of compensation for the Legal Adviser be the same as the rate provided for Assistant Secretaries of State. Since the Senate amendment omitted the provision of the House bill with respect to the Legal Adviser, the compensation for such position under the Senate amendment was increased to $15,000, the rate provided for Assistant Secretaries of State. Section 6 (d) of the conference substitute amends the act of May 24, 1924, the effect of such amendment being to provide that the position of Legal Adviser shall be subject to, and the compensation for such position shall be fixed under, the Classification Act of 1923 or any subsequent classification law.

Section 6 of the House bill authorized the President to fix the compensation of the chairman or other head of a board or commission at the rate of $18,000 per annum if such chairman or other head receives the same rate of basic compensation under the bill as the other members of such board or commission and has important duties or responsibilities not imposed upon the other members. The conference substitute omits this provision of the House bill.

Section 8 of the Senate amendment authorizes and directs the head of each department or independent agency in the executive branch of the Government to absorb, within any unobligated or unexpended balances in appropriations available to such department or agency, the increased costs to such department or agency, during the fiscal year 1950, which would result from the enactment of the bill. This provision is retained in section 8 of the conference substitute. The conference substitute adds a sentence, not contained in the Senate amendment, which exempts any agency from absorbing such increased costs if the Director of the Bureau of the Budget certifies that the absorption of such costs by such agency would seriously impair its functions.

TOM MURRAY,
JAMES H. MORRISON,
GEORGE P. MILLER,
EDWARD H. REES,
KATHARINE ST. GEORGE,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is a conference report on the bill (H. R. 1689) to increase the compensation of certain executive employees of our Government.

After this legislation was aproved by this body, it went to the other body which amended the bill H. R. 1689. As a result of disagreement between the two bodies the bill was sent to conference. All of the managers on the part of the House have agreed to the conference report as submitted, which is a compromise between the versions of the bill as passed by the House and as amended by the Senate.

There are 253 positions included in this bill. The House bill provided for a salary of $25,000 for each Member of the Cabinet. The Senate amendment reduced that amount to $22,500 and the conference report approves the Senate figure of $22,500 which is the top salary in this bill.

The salary of Under Secretaries was fixed at $20,000 in the House bill. The Senate made the salaries $17,500 and the House has agreed to the Senate amendment.

The House fixed the salaries of members of independent boards, agencies, and commissions at $17,500. The Senate amended this to $16,000, to which the conferees have agreed, with one or two exceptions listed in the report.

The salaries of all assistant secretaries in our various departments and agencies were fixed at $15,000. The lowest salary in this bill is $14,000, which salary bracket contains the positions of bureau heads in other than independent agencies. They are bureau heads within certain agencies or departments.

The total cost of the bill as agreed upon under the conference report will be $1,083,000. The conference report reduces the cost of the bill as passed by the House by $159,701.

Mr. Speaker, the merits of this legislation were fully presented to the House when the bill was considered. The managers on the part of the House believe that this conference report is fair and just. While it makes certain concessions, at the same time it gives an adequate increase to certain executives of our Government. I trust there will be no opposition to the conference report.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, as the distinguished chairman of our committee has explained, this is a conference report on the so-called top flight pay bill that passed the House 3 weeks ago, and approved in somewhat different form by the other body. It is the legislation over which the President has been anxious. It increases the salaries of approximately 250 positions; nearly all are filled by appointment by the President. A few, but not most of them, require confirmation by the Senate.

This report is a compromise between the House measure and the one approved by the other body. You will observe the salaries indicated are, in many instances, lower than those in the House bill. In fact, they are more nearly in line with a compromise I tried to secure when the bill was considered here. The other body did add several positions not in the House bill. I did not think this was necessary.

The bill, as passed by the other body, included a provision that would require the President to submit each year, in addition to his regular budget, an additional budget, or balanced budget. In other words, a budget containing all items he deemed necessary that would come within the income of the Treasury. I thought the provision had merit and sound reasoning. The President objected to this provision of the legislation. He opposed it so strenuously that he followed the unusual procedure of calling the conferees of both Houses to the White House, before they had opportunity to consider the measures, so he could tell the conferees he wanted that particular provision removed from the legislation.

This procedure, on the part of the President, was, to say the least, unusual. I can, of course, understand the deep interest of the President in securing higher salaries for his appointees.

The President has insisted that he must have more money in order that he may have qualified men to hold important positions in Government. I agree there are many men in Government serv-

ice who are highly trained and especially qualified, and who are not what are known as political appointees, and who are entitled to more pay than they now receive. On the other hand, Mr. Speaker, there are far too many who are put in positions in high places because of political contributions and political influence, and not because of their outstanding qualifications for their jobs. A few of this latter group have been called to the attention of the Congress in recent months.

It is my sincere hope we may have better and more competent people in service in Government by reason of the enactment of this legislation.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. I am just wondering whether or not these increases are being requested by any of the selfish interests to whom the President frequently makes reference.

Mr. REES. We have not had before our committee or otherwise any so-called selfish interests to which the gentleman refers. In fact, I hardly know who the so-called selfish interests are. I am inclined to think the terms is a sort of straw man. In any event it is not very well defined. If you really want to know about interest in this legislation, ask almost anyone on the majority side, and several on the minority side, about the lobbying that has been going on concerning this legislation. Ask about the phone calls they have received from high places, and about individuals from downtown who have been up here calling on Members of this House concerning this legislation. This does not apply to nearly all who are affected by this legislation. But you would be surprised how many have interested themselves in this measure.

Mr. Speaker, employment in Government service is a high privilege. It is different from other employment. These positions call for men and women of the highest degree of patriotism and integrity. Not one should be appointed to any of these positions whose loyalty or qualifications are questioned. We are fortunate, in this great country, to have plenty of men and women of the highest caliber of integrity and ability who are willing to serve their country in these places. There is no good reason why our country should not have the best.

Mr. MURRAY of Tennessee. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PRICING PRACTICES

Mr. CELLER submitted a conference report and statement on the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

INTERNAL REVENUE CODE AMENDMENTS

Mr. LYNCH. Mr. Speaker, I call up the conference report on the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1412)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 10, and 11.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 5, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 7. Transfers Taking Effect at Death.

"(a) Section 811 (c) of the Internal Revenue Code (relating to transfers in contemplation of or taking effect at death) is hereby amended to read as follows:

"'(c) Transfers in contemplation of, or taking effect at, death:

"'(1) General rule: To the extent of any interest therein of which the decedent has at any time made a transfer (except in case of a bona fide sale for an adequate and full consideration in money or money's worth) by trust or otherwise—

"'(A) in contemplation of his death. Any transfer of a material part of his property in the nature of a final disposition, or distribution thereof, made by the decedent within two years prior to his death without such consideration, shall, unless shown to the contrary, be deemed to have been made in contemplation of death within the meaning of this subchapter; or

"'(B) under which he has retained for his life or for any period not ascertainable without reference to his death or for any period which does not in fact end before his death (i) the possession or enjoyment of, or the right to the income from, the property, or (ii) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom; or

"'(C) intended to take effect in possession or enjoyment at or after his death.

"'(2) Transfers taking effect at death—transfers prior to October 8, 1949: An interest in property of which the decedent made a transfer, on or before October 7, 1949, intended to take effect in possession or enjoyment at or after his death shall not be included in his gross estate under paragraph (1) (C) of this subsection unless the decedent has retained a reversionary interest in the property, arising by the express terms of the instrument of transfer and not by operation of law, and the value of such reversionary interest immediately before the death of the decedent exceeds 5 per centum of the value of such property. For the purposes of this paragraph, the term "reversionary interest" includes a possibility that property transferred by the decedent (A) may return to him or his estate, or (B) may be subject to a power of disposition by him, but such term does not include a possibility that the income alone from such property may return to him or become subject to a power of disposition by him. The value of a reversionary interest immediately before the death of the decedent shall be determined (without regard to the fact of the decedent's death) by usual methods of valuation, including the use of tables of mortality and actuarial principles, pursuant to regulations prescribed by the Commissioner with the approval of the Secretary. In determining the value of a possibility that property may be subject to a power of disposition by the decedent, such possibility shall be valued as if it were a possibility that such property may return to the decedent or his estate.

"'(3) Transfers taking effect at death—transfers after October 7, 1949: An interest in property transferred by the decedent after October 7, 1949, shall be included in his gross estate under paragraph (1) (C) of this subsection (whether or not the decedent retained any right or interest in the property transferred) if and only if—

"'(A) possession or enjoyment of the property can, through ownership of such interest, be obtained only by surviving the decedent; or

"'(B) under alternative contingencies provided by the terms of the transfer, possession or enjoyment of the property can, through ownership of such interest, be obtained only by surviving the earlier to occur of (i) the decedent's death or (ii) some other event; and such other event did not in fact occur during the decedent's life.

Notwithstanding the foregoing sentence, an interest so transferred shall not be included in the decedent's gross estate under paragraph (1) (C) of this subsection if possession or enjoyment of the property could have been obtained by any beneficiary during the decedent's life through the exercise of a power of appointment (as defined in section 811 (f) (2)) which in fact was exercisable immediately prior to the decedent's death.'

"(b) The amendment made by subsection (a) shall be applicable with respect to estates of decedents dying after February 10, 1939. The provisions of section 811 (c) of the Internal Revenue Code, as amended by subsection (a), shall (except as otherwise specifically provided in such section or in the following sentence) apply to transfers made on, before, or after February 26, 1926. The provisions of section 811 (c) (1) (B) of such code shall not, in the case of a decedent dying prior to January 1, 1950, apply to—

"(1) a transfer made prior to March 4, 1931; or

"(2) a transfer made after March 3, 1931, and prior to June 7, 1932, unless the property transferred would have been includible in the decedent's gross estate by reason of the amendatory language of the joint resolution of March 3, 1931 (46 Stat. 1516).

No interest shall be allowed or paid on any overpayment resulting from the application of subsection (a) with respect to any payment made prior to the date of the enactment of this Act.

"(c) If refund or credit of any overpayment resulting from the application of subsections (a) and (b) is prevented on the date of the enactment of this Act, or within one year from such date, by the operation of any law or rule of law (other than section 3760 of the Internal Revenue Code, relating to closing agreements, and other than section 3761 of such code, relating to compromises), refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed within one year from the date of the enactment of this Act. This subsection shall not apply with respect to a transfer of property in case the decedent retained for his life or for any period not ascertainable without reference to his death or

for any period which did not in fact end before his death (1) the possession or enjoyment of, or the right to the income from, the property, or (2) the right, either alone or in conjunction with any person, to designate the persons who should possess or enjoy the property or the income therefrom."

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 8. Tax Free Release of Certain Life Estates.

"In the case of a transfer of property made prior to June 7, 1932, under which the grantor retained (1) the possession or enjoyment of, or the right to the income from, the property, or (2) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom, then an assignment by the grantor of such possession, enjoyment, or right to income, or a relinquishment by him of such right of designation, shall, if made in 1949 or 1950, not be deemed a transfer of property for the purposes of chapter 4 of the Internal Revenue Code, and shall, if made prior to 1951, not be deemed to have been made in contemplation of death within the meaning of chapter 3 of such code. The foregoing provisions shall not apply—

"(A) if the transfer was made after March 3, 1931, and prior to June 7, 1932, and if the property transferred would have been includible in the grantor's gross estate upon his death by reason of the amendatory language of the joint resolution of March 3, 1931 (45 Stat. 1516); or

"(B) if the property transferred would have been includible in the grantor's gross estate under section 811 (d) of the Internal Revenue Code had he died on October 7, 1949."

And the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9 and agree to the same with an amendment as follows:

On page 6, line 19, of the Senate engrossed amendments strike out "SEC. 10" and insert "SEC. 9"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

On page 9, line 2, of the Senate engrossed amendments strike out "13" and insert "10"; and the Senate agree to the same.

R. L. DOUGHTON,
JERE COOPER,
WILBUR D. MILLS,
A. SIDNEY CAMP,
WALT A. LYNCH,
ROY O. WOODRUFF,
RICHARD M. SIMPSON,
N. M. MASON,
HAL HOLMES,
Managers on the Part of the House.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
ED C. JOHNSON,
SCOTT W. LUCAS,
E. D. MILLIKIN,
ROBERT TAFT,
HUGH BUTLER,
JOHN J. WILLIAMS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5268) to amend certain provisions of the Internal Revenue Code, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill amended section 165 of the Internal Revenue Code to provide that contributions made by an employer to a trust to be applied by the trustee for the purchase of annuity contracts for the benefit of an employee shall not be included, under certain conditions, in the income of the employee in the year in which the contribution is made, even though the trust is not qualified under section 165 (a). The Senate amendment extends the application of this provision of the House bill to cases where the employer purchased an annuity contract and transferred it to the trustee. The House bill limited the application of the amendment to section 165 to contributions made pursuant to a written agreement entered into prior to October 21, 1942. The Senate amendment further limits the application of the provision by providing that the term "employee" shall include only a person who was in the employ of the employer, and was covered by the written agreement, prior to October 21, 1942. The House recedes.

Amendments Nos. 2 and 3: The House bill provided, with respect to certain reciprocal trusts, for the relinquishment free of gift tax of any power over the property in trust or over the income therefrom, if the relinquishment is made on or before December 31, 1950. The House provision was not to apply if at the time of the transfer in trust a law was in effect imposing a gift tax unless (1) a gift tax was paid or (2) a gift tax return was made but no gift tax was paid because of deductions and exclusions. The Senate amendments limit the application of the House bill to cases where the original transfer in trust was made at a time when a law was in effect imposing a gift tax and a gift tax was paid with respect to the transfer. The House recedes.

Amendment No. 4: This is a clerical amendment and the House recedes.

Amendment No. 5: The House bill provided, in connection with its provisions for relinquishment free of gift tax of a power over a reciprocal trust, that the relinquishment of the power shall be deemed not to have been made in contemplation of death for the purposes of the estate tax. This provision in the House bill was applicable with respect to decedents dying after December 31, 1939. The Senate amendment makes the provision applicable to decedents dying after February 10, 1939, the date of the enactment of the Internal Revenue Code. The House recedes.

Amendments Nos. 6 and 7: These Senate amendments, for which there are no corresponding provisions in the House bill, amend section 811 (c) of the Internal Revenue Code to change the estate-tax treatment of transfers of property during life which are intended to take effect in possession or enjoyment at or after the transferor's death. Amendment No. 6 provides that property so transferred before June 7, 1932, shall not be included in the transferor's gross estate for estate-tax purposes by reason of the fact that he retained a life estate or similar rights in the income from the property unless the transfer was made after March 3, 1931, and before June 7, 1932, and is includible in his gross estate by reason of the amendatory language of the joint resolution of March 3, 1931 (46 Stat. 1516). Amendment No. 7 provides that property so transferred shall not be included in the transferor's gross estate, by reason of the fact that he retained a reversionary interest in the property, except to the extent of the value of such reversionary interest immediately before his death. Both amendments apply only to estates of decedents dying after February 10, 1939, the date of enactment of the Internal Revenue Code. In certain cases affected only by amendment No. 7, a 1-year period is provided for filing claims for refunds which would otherwise be barred. The House recedes with amendments.

The conference amendments make two changes in the Senate amendments relating to transfers of property made before March 4, 1931, in which the decedent reserved a life estate or other income interest. Under the Senate amendments, such transfers are not, by reason of such reservation, includible in the decedent's gross estate. Under the conference amendments, such transfers are excluded from the decedent's gross estate only if his death occurs before January 1, 1950. If the transferor dies after December 31, 1949, the property will be includible, under the conference amendments, in his gross estate under subparagraph (B) of section 811 (c) (1) of the code; but such a transferor is given certain tax-free privileges if he disposes of his income interest prior to 1951. Specifically, the conference amendments provide that persons who made such transfers prior to March 4, 1931, may assign or relinquish their income interests during 1949 and 1950 free of gift tax, and also provide that such assignments or relinquishments shall, if made at any time prior to 1951, not be deemed to have been made in contemplation of death. This privilege of tax-free assignment or relinquishment is available without regard to whether the transferor also has a reversionary interest in the property, but is not available where the transferor had on October 7, 1949, a power over the transferred property, and not over the income interest only, which would require the inclusion of the property under section 811 (d) of the code. In the case of reciprocal trusts which were created each in consideration of the other, these tax-free privileges are available to a life tenant of a trust which he constructively created. The tax immunities provided by these conference amendments also apply to a transfer made after March 3, 1931, and before June 7, 1932, with reservation by the transferor of an income interest which would not render the transferred property includible in his gross estate by reason of the amendatory language in the joint resolution of March 3, 1931.

The Senate amendments provide that if property transferred by the decedent would be includible in his gross estate only by reason of the retention by him of a reversionary interest in the property, the amount to be included shall not exceed the value of such interest immediately before his death. While the Senate amendments apply to transfers whenever made, the conference amendments provide one rule for transfers made prior to October 8, 1949, and a different rule for subsequent transfers.

With respect to the transfer before October 8, 1949, of an interest intended to take effect in possession or enjoyment at or after the decedent's death, the conference amendments retain the present rule that the entire value of the interest is included in the decedent's gross estate, but restricts the application of such rule to cases in which the decedent expressly retained a reversionary interest having a value immediately before the decedent's death in excess of five percent of the value of the transferred property. Where the reversionary interest has a value of not more than 5 percent of the value of the transferred property, or where it arises by operation of law (regardless of its value), it will not cause the property to be included in the decedent's gross estate to any extent.

The term "reversionary interest" includes a possibility, whether vested or contingent, that transferred property may return to the decedent or his estate or that transferred property may become subject to a power of disposition by the decedent. The term does not, however, include rights to income only, such as the right to receive the income from a trust after the death of another person.

In determining whether the value of the reversionary interest exceeds 5 percent, it is to be compared with the entire value of the transferred property, including interests which are not dependent upon survivorship of the decedent. Thus if A transferred property in trust with the income payable to B for B's life with remainder to X unless B predeceases A, in which event the property shall return to A, and A dies during B's life, the value of A's reversionary interest immediately before his death shall be compared with the entire value of the trust corpus, without deduction of the value of B's outstanding life estate. A reversionary interest which, for example, exists in only one-half of the corpus of a trust shall be computed as a percentage of the value of such one-half. The value is to be computed as of the moment immediately prior to the decedent's death without regard to whether his executor elects to have the gross estate valued as provided under section 811 (j) of the code. A possibility that the decedent may be able to dispose of property under certain conditions shall be deemed to be as valuable as a right to the return of the property to him under those conditions.

The decedent's reversionary interest is to be valued by recognized valuation principles, pursuant to regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, and, of course, without regard to the fact of the decedent's death. The value shall be ascertained as though the decedent were, immediately before his death, making a gift of the property and retaining the reversionary interest. The rule of *Robinette* v. *Helvering* (318 U. S. 184), under which a reversionary interest not having an ascertainable value under recognized valuation principles is considered to have a value of zero, is to apply. Thus, if a reversionary interest consisting of a right enforceable in equity to compel a trustee to apply trust corpus for the support and maintenance of the grantor would be considered to have a value of zero for gift tax purposes were it being retained under a transfer by gift, it is to be similarly valued for the purpose of the conference amendments.

The amendments last described apply only where possession or enjoyment of the transferred interest cannot be obtained except by beneficiaries who must survive the decedent. The existing rule that a transfer of a property interest is not intended to take effect in possession or enjoyment at or after the decedent's death unless the beneficiaries must survive the decedent to obtain possession or enjoyment is not disturbed.

The following examples illustrate the application of the conference amendments to transfers made prior to October 8, 1949:

Example (1): The decedent, prior to October 8, 1949, transferred property in trust, giving the income therefrom to his son for life and the remainder to his son's surviving issue. It was further provided that if no issue survived the son, the property was to revert to the decedent or his estate. In this case, neither the son nor his issue need survive the decedent in order to obtain possession or enjoyment of the property. Therefore, the transfer is not taxable to any extent under section 811 (c) as amended in conference (nor under the existing rule), the value of the reversionary interest being immaterial for this purpose.

Example (2): The decedent, prior to October 8, 1949, transferred property in trust to accumulate the income during his life, and at his death to pay the principal and accumulated income to his son if living; if not, to the decedent or his estate. In this case the son cannot obtain possession or enjoyment of the property unless he survives the decedent. Under the conference amendments the entire value of the transferred property is, therefore, includible in the decedent's gross estate if the value of his reversionary interest immediately before his death exceeds 5 percent of the value of the trust property.

Example (3): The decedent in 1929 transferred property in trust reserving to himself the income for his life, with the remainder to those five named grandchildren who survive him. The trust instrument specifically provided that if none of the grandchildren survives him, the property is to return to him. The decedent died in 1948 survived by the five grandchildren. Under the conference amendments the transferred property is not includible (under section 811 (c) (1) (B)) in the decedent's gross estate by reason of his life estate since he died prior to 1950. Nor is the property includible (under section 811 (c) (1) (C)) by reason of his reversionary interest since its value immediately before his death was less than 5 percent of the value of the trust property.

Under the conference amendments, the test of whether possession or enjoyment must await the transferor's death will also apply to transfers made after October 7, 1949. The taxability of such transfers is, however, not dependent upon the retention by the transferor of an interest in the property, thus rendering inapplicable the contrary rule enunciated by the Supreme Court in *Reinecke* v. *Northern Trust Co.* (278 U. S. 339) that the property must pass from the possession or control of the transferor at his death.

A twofold rule applies to transfers made after October 7, 1949, for the purpose of determining whether the transfer is intended to take effect in possession or enjoyment at or after the decedent's death. The first of these rules is that an interest in property transferred by the decedent is includible in his gross estate if possession or enjoyment of the property can, through ownership of such interest, be obtained only by surviving the decedent. Where separate interests are transferred to each of several beneficiaries the above rule is to be separately applied to each interest. Thus, if beneficiary A receives an interest which enables him to obtain possession or enjoyment of the property without surviving the decedent and beneficiary B obtains an interest which enables him to obtain possession or enjoyment of the property only by surviving the decedent, it is only the transfer of the interest to beneficiary B which is intended to take effect in possession or enjoyment at or after the decedent's death. Likewise, if the transferor gives his son the immediate right to receive the income from the property until 5 years after the transferor's death, and the right to the corpus upon the expiration of such term, it is only the transfer of the latter interest which is intended to take effect in possession or enjoyment at or after the transferor's death.

The second rule is that an interest in property transferred by the decedent after October 7, 1949, shall be included in his gross estate if, under alternative contingencies provided by the terms of the transfer, possession or enjoyment of the property can, through ownership of such interest, be obtained only by surviving the earlier to occur of (1) the decedent's death or (2) some other event; and such other event did not in fact occur during the decedent's life. This rule, like the first rule, is to be applied in the light of the circumstances existing immediately prior to the decedent's death. The expression "some other event" is intended to include the expiration of a term of years or the happening or failure to happen of a certain or uncertain event (including the possible exercise of a power which is not a taxable power of appointment as defined in section 811 (f) (2) of the code).

Neither of the above rules, however, draws into the decedent's gross estate an interest in property transferred by him if possession or enjoyment of the property was obtainable during the decedent's life through the exercise of a power of appointment as defined in section 811 (f) (2) of the code and such power was in fact exercisable immediately prior to the decedent's death.

The following examples illustrate the application of the conference amendments to transfers made after October 7, 1949:

Example (1): The decedent, after October 7, 1949, transferred property in trust, providing for an estate for life in his daughter, and a remainder to the children of the daughter. No part of the property is includible. The daughter can possess and enjoy the property through ownership of the life estate without surviving the decedent. The same is true of the daughter's children with respect to their remainder interest.

Example (2): The decedent, after October 7, 1949, transferred property in trust, to pay the income to his wife during her life, and at her death to pay the corpus to the decedent if living, and if not, to his children. The decedent was survived by his wife. The transferred property, less the outstanding life estate in the wife, is includible in the decedent's gross estate since the children cannot obtain possession or enjoyment of the property, through ownership of their interest, except by surviving the decedent.

Example (3): The decedent, after October 7, 1949, transferred property in trust to accumulate the income during his life and at his death to distribute the principal and accumulated income to his son or the son's estate. While the decedent has retained no right or interest in the property, the transfer is taxable since possession or enjoyment of the property cannot be obtained except by surviving the decedent.

Example (4): The decedent, after October 7, 1949, transferred property in trust providing for payment of the income to his wife until her death, at which time the son would receive the corpus. If the son predeceased the wife the corpus was to revert to the decedent if living at his wife's death; and if the decedent was not then living, it was to pass to X or X's estate. The decedent was survived by his wife, his son, and X. Neither the interest transferred to the wife nor to the son is includible in the decedent's gross estate since each could, through ownership of his interest, obtain possession or enjoyment of the property even though the decedent was living. The interest transferred to X, however, is includible under section 811 (c) (3) (A) (to the extent of the value of X's interest immediately after the decedent's death) since X's possession or enjoyment of the property, if it materializes, could be obtained only by surviving the decedent. Section 811 (c) (3) (B) has no application to this example.

Example (5): The decedent, after October 7, 1949, transferred property in trust, to accumulate the income until his son reached the age of 30, or until the decedent's prior death. Upon the first to occur of these events the son was to receive the corpus. The decedent's death in fact occurred before his son attained the age of 30. The transfer is taxable under section 811 (c) (3) (B) since the son could obtain possession or enjoyment only by surviving the earlier to occur of the decedent's death or the son's attaining age 30, and since the decedent's death in fact occurred first.

Example (6): The decedent, after October 7, 1949, transferred property in trust providing for accumulation of the income during his life, and at his death to pay the entire fund to his children or their issue. His wife was given the unrestricted power to alter, amend, or revoke the trust. The wife survived the decedent and did not in fact exercise her power during the decedent's life. Under the last sentence of section 811 (c) (3) the transfer is not taxable since possession or enjoyment of the property was obtainable during the decedent's life through

the exercise of the wife's power, which was a power of appointment as defined in section 811 (f) (2) of the code, and was in fact exercisable immediately prior to the decedent's death.

In order to effectuate the changes made by the conference amendments such amendments subdivide section 811 (c) of the code into three paragraphs. Paragraph (1) merely states the existing general rule that transferred property is includible in the decedent's gross estate if made (A) in contemplation of death, (B) with reservation of an income interest, or (C) if intended to take effect in possession or enjoyment at or after his death. Paragraph (2) provides a limiting requirement (the 5 percent rule explained above) in the case of transfers intended to take effect in possession or enjoyment at or after the decedent's death if made before October 8, 1949. Paragraph (3) contains the rules, heretofore explained, under which a transfer shall be considered to be intended to take effect in possession or enjoyment at or after the decedent's death if made after October 7, 1949.

Paragraph (1) (B) of section 811 (c), as thus subdivided, contains the amendatory language enacted into the estate tax law by section 803 (a) of the Revenue Act of 1932, relating to transfers in which an income interest is retained. Prior to *Commissioner* v. *Church* (335 U. S. 632) the Supreme Court had held in the case of *Hassett* v. *Welch* (303 U. S. 303) that such amendatory 1932 language did not apply to transfers made prior to its enactment. However, the Church decision held that this same type of transfer was taxable without regard to the time of the transfer under the intended to take effect in possession or enjoyment clause. For the sake of clarity, the conference amendments make applicable the amendatory language of the 1932 act to transfers whenever made in cases of decedents dying after 1949, thus retaining the result of the Church decision for the future. At the same time the conference amendments also provide certain relief against hardship as already explained.

The income interests described by section 811 (c) (1) (B) and by similar language elsewhere in the conference amendments include reserved rights to the income from transferred property and rights to possess or enjoy non-income-producing property. Such interests also include a reserved power to designate the persons who shall, during the decedent's life or during any lesser period described in section 811 (c) (1) (B), receive the income from transferred property or who shall, during any such period, possess or enjoy non-income-producing property. Such interests do not, however, include powers over the transferred property itself not affecting the enjoyment of the income during the decedent's life. The expression "not ascertainable without reference to his death" as used in section 811 (c) (1) (B) and elsewhere in the conference amendments includes the right to receive the income from transferred property after the death of another person who in fact survived the transferor; but in such a case the amount to be included under section 811 (c) (1) (B) in the transferor's gross estate does not include the value of the outstanding income interest in such other person.

The conference amendments, in conformity with the Senate amendments, do not apply to decedents who died on or before February 10, 1939. No interest shall be allowed or paid on any overpayment resulting from the enactment of the conference amendments with respect to any payment made prior to the date of such enactment.

The conference amendments, like the Senate amendments, provide a rule for cases in which the refund or credit of an overpayment resulting from the enactment of the amendments is prevented on the date of such enactment, or within one year from such date, by the operation of any law or rule of law (including a judicial determination, but not including section 3760 or 3761 of the code). The refund of credit is, nevertheless, to be made or allowed if it results from the application of the amendments to a transfer of property in which the decedent did not retain any income interest described in section 811 (c) (1) (B), if claim therefor is filed within one year from the date of the enactment of the bill. However, a refund or credit which is so prevented may not be allowed if it results from the application of the amendments to a transfer of property in which the decedent retained any such income interest.

Amendment No. 8: The Senate amendment added a new section to the House bill amending section 114 (b) of the code to provide percentage depletion at the rate of 15 percent in the case of perlite, diatomaceous earth, tripoli, granite, marble, borax mines and deposits, sand, gravel, stone, calcium and magnesium carbonates, and all other nonmetallic clays and minerals. The conferees agreed to eliminate this amendment with the understanding that the entire matter of percentage depletion will be considered early next year after full study and hearings. The Senate recedes.

Amendment No. 9: The Senate amendment added a new section to the House bill amending paragraph 1798 of the Tariff Act of 1930 which now provides that $100 in value of articles may be brought into this country free of duty by a resident of the United States returning from abroad if such articles are for personal use and other restrictive conditions are met. The Senate amendment increases to $200 the existing exemption of $100. The House recedes with a change in section number.

Amendment No. 10: The Senate amendment added a new section to the bill to provide that if stock in a corporation was exchanged after March 11, 1941, and prior to July 1, 1945, by a testamentary trust for stock and other securities in such corporation in pursuance of a recapitalization under State law of that corporation, and if the stock and securities so received by the trust are surrendered prior to January 1, 1950, to the corporation solely in exchange for stock identical in character and amount with that previously held by the trust, no gain, profit, income, loss or deduction from such exchange or reexchange shall be recognized, for income-tax purposes, to the corporation or the trust. The Senate recedes.

Amendment No. 11: The Senate amendment added a new section to the House bill to provide that where a new corporation is formed, pursuant to a plan of reorganization, by using part of the assets of an existing corporation, and the stock of the new corporation is distributed to the stockholders of the existing corporation without surrender of the stock in the existing corporation, no tax effect is recognized with respect to the stockholder as a result of the reorganization. The Senate recedes.

Amendment No. 12: The Senate amendment added a new section to the House bill amending subchapter B of chapter 3 of the Internal Revenue Code to provide that the additional estate tax imposed by section 935 does not apply in the case of a citizen or resident dying between December 6, 1941, and January 1, 1947, while in military service of the United States or any of the United Nations, if the decedent was killed in action or died as the result of injuries or of disease "suffered in line of duty by reason of a hazard to which he was subjected as an incident of military or naval service." No interest is to be paid on any refund resulting from the amendment. The amendment further provides that if the making of a refund resulting from the amendment is barred on the date of the enactment of the bill, or within 1 year from such date, by the operation of any law or rule of law (including a judicial determination but not including sec. 3761 of the code) the refund shall, nevertheless, be made if claim therefor is filed within 1 year from the date of the enactment of the bill. The House recedes with a change in section number.

R. L. DOUGHTON,
JERE COOPER,
WILBUR D. MILLS,
A. SIDNEY CAMP,
WALT A. LYNCH,
ROY O. WOODRUFF,
RICHARD M. SIMPSON,
N. M. MASON,
HAL HOLMES,
Managers on the Part of the House.

Mr. LYNCH. Mr. Speaker, I wish to call up the conference report on H. R. 5268, relating to amendments to the Internal Revenue Code and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Senate bill added 12 amendments to the House bill. Of this total, the House receded on seven but three of these seven were technical amendments made necessary by the other amendments. Of the remaining five amendments, the House receded with amendments on two and the Senate receded on the other three.

The Senate made no change in the first four sections of the House bill. The fifth section of the bill excludes from the current income of employees certain contributions made by employers to trusteed annuity plans established in 1942 and earlier years. The House bill granted relief only where the trustee had purchased the annuity for the employer. Senate amendment No. 1 extended the relief to cases where the employer himself purchased the annuity contract and then transferred it to the trust. The Senate amendment also further limited the application of the provision by providing that the term employee for this purpose shall include only a person who was in the employ of the employer and was covered by a written agreement prior to the Revenue Act of 1942.

Since your conferees were of the opinion that no sound distinction could be made between the case where the trustee purchased the annuity contract and the case where the employer purchased the annuity contract and later transferred it to the trustee, the House conferees receded from their disagreement to this Senate amendment.

Section 6 of the House bill permitted holders of powers in certain reciprocal trusts to release such powers in such trusts without being subject to estate or gift tax. Senate amendments Nos. 2 and 3 further limited the relief under this section to cases where a gift tax was paid at the time the transfer in trust was made. The House conferees receded on these amendments and also upon amendments 4 and 5 which were made necessary to carry out the purposes of amendments Nos. 2 and 3.

Amendment No. 6 added a new section to overcome the effect of the decision of the Supreme Court in the Church case. That decision was rendered by the Supreme Court on January 17, 1949, and overruled a prior decision rendered 18 years before, holding that where a

grantor set up a trust reserving to himself a life estate, it was not includible in his gross estate for estate tax purposes.

Congress has already provided that such trusts are subject to the estate tax if created after March 3, 1931, but did not make them taxable if created prior to that date. The Church decision made all of these trusts taxable even though they were created prior to March 3, 1931. The Senate amendment has the effect of overruling the Church decision and returning to the status of the law as it existed prior to that decision. Thus the Senate amendment continued the complete exemption of these old trusts created prior to March 3, 1931, regardless of the date when the decedent died. This Senate amendment was vigorously opposed by the Treasury, and the conferees were able to work out a satisfactory compromise which provides substantial relief in hardship cases. Under the compromise, if a decedent dies before January 1, 1950, holding a life estate in one of these old trusts, the trust is not required to be reported by him for estate tax purposes by reason of the life estate he retained. This same rule is applied to certain trusts which were created between March 3, 1931, and the date of the Revenue Act of 1932 which were first made taxable by the provisions of the 1932 act. On the other hand, a living grantor of one of these old trusts is given until the end of 1951 to dispose of his life estate in such trust without gift or estate tax consequences. If he does not dispose of his interest prior to that date, the conference amendments do not grant him any relief from the effects of the Church decision.

When the Treasury Department recently changed its regulations to conform to the Church decision, it was provided that it should not apply to estates of persons who died before it was decided. In summary, the conference amendment broadens this relief to cover estates of persons who die before 1950 and also permits persons still living to give up their pre-1931 life estates before 1951 free of gift and estate tax. The principle of the Church decision is, however, retained for the future.

The Senate, by amendment No. 7, added another section to the bill designed to relieve hardships arising from the effect of the Spiegel decision, decided by the Supreme Court on January 17, 1949. Under the Senate amendment, where property transferred by a decedent is includible in his gross estate only by reason of the retention by him of a reversionary interest in the property, the amount to be reported by estate-tax purposes cannot exceed the value of such reversionary interest immediately before his death. This Senate amendment was much more liberal than the existing law as interpretsd by the Supreme Court, which required the entire property subject to such reverter to be reported for estate-tax purposes. The Senate amendment was vigorously opposed by the Treasury and a satisfactory compromise was agreed to by the House conferees. Under the compromise, if the transfer of the property in which the decedent retained a reverter occurred prior to October 8, 1949, and the possibility of reverter arose only by operation of law or if such reverter, although expressly provided for in the trust instrument, was extremely remote and had very little value, the decedent is not required to include the value of the property subject to such reverter or the value of the reverter, in his gross estate, even though he dies in the future. To accomplish this, the conference agreement provides that if the value of the reverter does not exceed 5 percent of the property transferred, neither the value of the property nor the value of the reverter is required to be reported for estate-tax purposes. If the express reverter is worth more than 5 percent of the value of the property, the entire property subject to such reverter is to be reported for estate-tax purposes. With respect to future transfers, that is, transfers made after October 7, 1949, the conference agreement, in general, requires the entire property transferred to be included in the gross estate if it were not possible for the beneficiaries to obtain possession of the property except by surviving the grantor.

In summary, Senate amendment No. 7 would have provided that a transfer of property to a trust under which possession or enjoyment of the property is postponed until the grantor's death shall not be subject to estate tax upon his death except to the extent of his reversionary interest in the property. The conference amendment substituted for this provision two major changes. First, with respect to transfers made in the past, relief from estate tax is provided in case the reversionary interest is of relatively small value. Second, with respect to future transfers, the 1929 decision in Reinecke against Northern Trust Co. is reversed. Future transfers will, therefore, be taxable if possession or enjoyment of the property is postponed until the grantor's death without regard to whether he has a reversionary interest. The principle of the Spiegel case is continued on a broader and sounder basis for the future.

The Senate also added an amendment, No. 8, granting percentage depletion to certain nonmetallic clays and minerals. This amendment was eliminated in conference with the understanding that the entire matter of percentage depletion would be considered early next year after full study and hearings.

Senate amendment No. 9 was accepted by your conferees. This amendment increases from $100 to $200 the exemption under the Tariff Act of 1930, as amended, available to a returning resident for personal use. Prices of articles have so increased since this provision was adopted that it is believed that $200 is now more in line with the $100 figure adopted when this provision was originally passed.

The Senate receded on amendment No. 10. This amendment related to a particular situation and, because of the present status of the case, it was believed it could be handled administratively.

Senate amendment No. 11, dealing with distribution of stock on reorganizations was not agreed to by the House conferees and the Senate receded on this amendment. It was thought that this amendment requires further study in connection with its effect upon the tax-free reorganization provisions of the Internal Revenue Code.

Senate amendment No. 12 was accepted by your conferees without change. This amendment exempts from the additional estate tax the estates of citizens or residents of the United States who died as the result of active service in the armed forces of the United States or any of the other United Nations during World War II. The exemption is restricted to cases where the decedents were killed in action or died as the result of wounds, disease, or injury incurred in line of duty as the result of hazard incident to such service. The exemption is restricted to the additional estate tax to avoid interference with the inheritance and estate tax laws of the States. This provision is identical to one passed by the House last year. Moreover, there is precedent for this type of relief in action taken with respect to World War I.

In conclusion, I hope the committee will read the statement on the part of the managers attached to the report. This is a very complicated bill, and a very full and comprehensive statement on the part of the managers has been prepared.

The conference report is a unanimous one by the conferees.

If there are any questions, I shall be glad to answer them before I move the previous question.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. BYRNES of Wisconsin. Mr. Speaker, I think this is a splendid conference report and the conferees did a fine job on a most difficult matter. There is a question, however, which I would like to have made clear for the record. It is my understanding that provision is made by the bill to take care of the decision in the so-called Spiegel case relating to reverters and that in connection with that provision is made whereby cases that have been decided under that case can be reopened. Is that correct?

Mr. LYNCH. Yes.

Mr. BYRNES of Wisconsin. But that in the case of the Church decision relating to life estates, no provision is made to reopen those cases barred by res adjudicata or by the statue of limitations; is that correct?

Mr. LYNCH. That is correct. The reason for that—I assume the gentleman would like to know the reason for it?

Mr. BYRNES of Wisconsin. Yes.

Mr. LYNCH. The reason for that disparity in one case as compared to the other is that the question of reopening these cases coming under the Church decision was not contained in the original legislation as introduced in the other body and therefore it was not in conference.

Mr. BYRNES of Wisconsin. In other words, so far as taking care of that situation is concerned, the conferees' hands were really tied and they could not take action.

Mr. LYNCH. That is quite correct.

Mr. BYRNES of Wisconsin. I thank the gentleman.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. LYNCH. I yield.

Mr. HARRIS. In other words, those cases affected by the Church case would not be opened up if the statute of limitations barred them.

Mr. LYNCH. That is right.

Mr. HARRIS. But if the statute of limitations has not run, then by application for a refund it would be repaid?

Mr. LYNCH. That is correct.

Mr. HARRIS. In connection with the Spiegel case, I recognize that the committee has tried to do an exceptionally fine job to clarify the procedure and the situation which exists. Can the gentleman explain a little further with reference to the actuarial processes in determining whether or not a refund would be permitted?

Mr. LYNCH. If the gentleman means the actuarial processes, we have provided in this report by our recomendation that where the reverter is 5 percent or less of the value of the trust, it is considered to be too small to bother about the tax.

On the other hand, if the reverter is in excess of 5 percent, it will be included.

Mr. HARRIS. Is that 5 percent of the value of the trust determined on an actuarial basis of those who are participating in the trust?

Mr. LYNCH. Let me read part of the report to the gentleman. On page 7 of the report the following language is found:

> The decedent's reversionary interest is to be valued by recognized valuation principles, pursuant to regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, and, of course, without regard to the fact of the decedent's death. The value shall be ascertained as though the decedent were, immediately before his death, making a gift of the property and retaining the reversionary interest.

I think that probably answers the gentleman's question.

Mr. HARRIS. I thank the gentleman very much.

Mr. LYNCH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA LEGISLATION

The SPEAKER pro tempore (Mr. COOPER). This is District of Columbia day. The gentleman from South Carolina [Mr. MCMILLAN] is recognized.

COMMON-TRUST FUNDS

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the bill (H. R. 2571) concerning the common-trust funds and to make uniform the law with reference thereto, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. MCMILLAN]?

Mr. GROSS. Reserving the right to object, is this the municipal judge bill?

Mr. McMILLAN of South Carolina. No; it is not.

Mr. GROSS. I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina [Mr. MCMILLAN]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

SECTION 1. Establishment of common-trust fund: Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of section 11 (k) of the Federal Reserve Act, as amended (12 U. S. C. 248 (k)), pertaining to the collective investment of trust funds by national banks, establish common-trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common-trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of cofiduciaries, the bank or trust company procures the consent of its cofiduciaries to such investment.

SEC. 2. Court accountings: Unless ordered by a court of competent jurisdiction the bank or trust company operating such common-trust funds is not required to render a court accounting with regard to such common-trust funds; but it may, by application to the United States District Court for the District of Columbia, secure approval of such accounting on such conditions as the court may establish.

SEC. 3. Uniformity of interpretation: This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those States which enact the Uniform Common-Trust Fund Act.

SEC. 4. Short title: This act may be cited as the "Uniform Common-Trust Fund Act."

SEC. 5. Severability: If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SEC. 6. Repeal: All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

SEC. 7. Time of taking effect: This act shall take effect July 1, 1949, and shall apply to fiduciary relationships then in existence or thereafter established.

With the following committee amendments:

Page 2, line 8, at the end of the line insert the word "written."

Page 3, line 9, strike out "July" and insert "September."

The committee amendments were agreed to.

Mr. KENNEDY. Mr. Speaker, I offer a committee amendment, which is on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KENNEDY: On page 2, line 10, insert a new section, as follows:

"SEC. 2. Taxability of common trust funds:

"(a) A common trust fund, as herein defined, shall not be subject to any tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, as amended, and for the purpose of said act shall not be deemed to be a corporation.

"(b) The net income of a common trust fund shall be computed in the same manner and on the same basis as in the case of an individual. Each participant in a common trust fund shall include, in computing its net income its proportionate share of the net income of such fund, whether or not distributed to it, and the amount so included in the net income of a participant shall be taxable to such participant, or its beneficiaries, in the manner and to the extent provided in title IX of the District of Columbia Income and Franchise Tax Act of 1947, as amended, as if any amount not distributed to the participant during its taxable year actually had been so distributed.

"(c) No gain or loss shall be realized by a common trust fund upon the admission or withdrawal of a participant, or upon the admission or withdrawal of any interest of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by such participant.

"(d) Every bank or trust company maintaining a common trust fund shall make a return under oath for the taxable year of such fund.

"(e) If the taxable year of a common trust fund is different from that of a participant therein, the proportionate share of the net income of such fund to be included in computing the net income of such participant for its taxable year shall be based upon the net income of such fund for its taxable year ending within the taxable year of such participant."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Permit the Chair to invite attention to the fact that there appears to be a similar Senate bill. Does the gentleman desire to call up the Senate bill and substitute the House bill for it?

Mr. McMILLAN of South Carolina. We desire to keep our own bill.

AMENDING ALCOHOLIC BEVERAGE CONTROL ACT OF DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the bill (H. R. 5912) to amend the District of Columbia Alcoholic Beverage Control Act to restrict the sale on credit of beverages, except beer and light wines, not consumed on the premises where sold, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the District of Columbia Alcoholic Beverage Control Act is hereby amended so as to provide the following additional section:

"SEC. 35a. Notwithstanding the provisions of section 35 of this act, any holder of a class C license may apply to the Board for a special permit authorizing such licensee to sell on credit and the Board may, in its discretion, and upon such terms and conditions as it may prescribe, issue such a special permit.

"The annual fee for such special permit which shall run concurrently with the annual term of the license shall be $250.

"When application for such special permit is made after the commencement of the li-

cense year, the fee therefor shall be prorated, except that in no case shall it be for less than one-half year."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF ADDITIONAL JUDGES TO THE MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, prescribing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes; and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. YOUNG. Mr. Speaker, reserving the right to object, I desire 3 minutes to speak on this bill and I desire to offer an amendment to the bill. May I do that?

Mr. McMILLAN of South Carolina. The gentleman may move to strike out the last word.

Mr. GROSS. Mr. Speaker, reserving the right to object, is it not true that a resolution was passed by the House on yesterday calling for an investigation of law enforcement in the District of Columbia?

Mr. McMILLAN of South Carolina. That is correct.

Mr. GROSS. Why not hold up consideration of this bill until the investigation has been had?

Mr. McMILLAN of South Carolina. We have had this bill under consideration for 6 months, and as a result of our hearings, we find they need these additional judges.

Mr GROSS. Mr. Speaker, I object.

Mr. McMILLAN of South Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, prescribing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes; and pending that I ask unanimous consent that general debate continue not to exceed 30 minutes, the time to be equally divided between myself and the gentleman from California [Mr. ALLEN].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. McMILLAN of South Carolina. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the Judiciary Subcommittee of the Committee on the District of Columbia held hearings for approximately 6 months on this proposed legislation. It was found beyond doubt that we have a shortage of judges for the municipal court in the District of Columbia. The number of judges for that court has not been increased since the population of the District was around 350,000. At the present time the population is approximately 1,000,000.

The cases on the docket down there are approximately 18 months behind schedule. I recently had a case called to my attention by a marine officer here in the District of Columbia who had his car torn to pieces about 18 months ago. His case was called for trial only 2 months ago.

I am certain that every Member of this House does not care to have that kind of judicial service in the District of Columbia. I am certain, too, that if every Member had the opportunity to read the hearings on this bill he would conclude that additional judges are needed very badly at the present time.

I regret very much that objection has been raised to this bill, but, of course, it is the prerogative of any Member to object to a bill if he so desires. As I stated previously, I hope the opponents of this bill will read the hearings thoroughly and try to agree with us.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN of South Carolina. I yield to the gentleman from Ohio.

Mr. YOUNG. May I preface my statement by saying I am not an opponent of this bill. I realize, as the gentleman does, the need for increased judges in this jurisdiction. But, according to the hearings, the President of the Board of Commissioners sent this bill up here and there is a provision that only practicing lawyers in the District of Columbia for the last 5 years are eligible.

Mr. McMILLAN of South Carolina. I have an amendment which I will offer to take care of that situation.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. ALLEN of California. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. CRAWFORD].

EDUCATIONAL REQUIREMENTS

Mr. CRAWFORD. Mr. Chairman, on July 13 of this year I addressed the House on the subject of educational requirements for our professions. On that occasion I pointed out that the requirements are becoming so stiff that only the wealthy can afford such careers as law and medicine and that we are freezing out of these fields thousands of young men and women, talented and ambitious, who simply cannot spend the years necessary in studying liberal arts courses that have no connection with the professions. For the life of me, I could never see the connection between the Punic Wars and the fibula and tibia bones, but under our system of education the physician must have been exposed not only to the Punic Wars but also to the wanderings of Aeneas and the battles of Caesar.

Since making my address on this subject I have learned of some startling and shocking developments and it is about them that I want to report to the House today. We are pressed for time now that the session is drawing to a close but I shall develop this whole subject in great detail when we reconvene in January.

Some Members of the House are not aware of the fact that in official Government circles there is an underhanded and studied effort to smear, ridicule, and even outlaw all schools that do not specialize in the liberal arts. For example, the notion exists in official circles that graduates of such universities as Yale, Harvard, and Princeton are educated men while the alumni of other schools not offering the liberal arts are out and out boobs. They do not say that openly but in this country quite fortunately we judge a man by what he does and not by what he says.

Of course those of us whom have made our own way in life, attending any type of school that would equip us for the economic struggle that faces all of us, realize that you don't have to go to a liberal arts school to get an education. There are plenty of nonliberal arts schools and colleges in this country that enable a man to acquire the knowledge and skills for good citizenship and a fair standard of living.

I have in mind the higher type of universities that specialize in training men and women for the business world. Now mind you this type of university makes nc bones about the fact that it does not offer courses in the liberal arts. It merely tells the student applicant that the school, all things being equal, will help him acquire the fundamental principles of the business and financial world.

I have in mind, for example, Benjamin Franklin University, of Washington, D. C. This school has been in existence almost 50 years. It has a current enrollment of 1,850 students. It accepts students with a high school education and in the 2-year day course, or 3-year evening course, stresses the subjects of business law, cost accounting, and the intricacies of investment trusts.

Benjamin Franklin University is authorized by the District of Columbia Board of Education to grant the degrees of bachelor of commercial science and master of commercial science.

Now we get to the crux of this whole matter. Benjamin Franklin University is not an accredited university. It is not recognized by Yale, or Harvard, although it teaches virtually the same subjects as the undergraduate school of the Harvard Business School. Obviously, it does not offer Harvard's liberal arts courses and for that reason it is not accredited by the self-appointed accrediting agencies that have no standing in law.

At this point I should like to point out to my colleagues that there are many other schools of the type of Benjamin Franklin that are in the same scholastic boat. They, too, are receiving the same

outrageous treatment by Government officials. For instance, there is the Bentley School of Accountancy and Finance, in Boston, Mass. There is the Robert Morris School of Accountancy in Pittsburgh, Pa. In the same group you have the Gibson Institute in Philadelphia. In Rochester, N. Y., we find the Rochester Business Institute and in Oklahoma there is the Oklahoma School of Business at Tulsa.

These are all fine schools affording poor young men and women the opportunity to obtain a part-time education in the subjects that will enable them to make a living.

The Office of Education takes the same dim view of these schools as Yale and Harvard. It is the old story. All liberal arts schools are good and all nonliberal arts schools are socially, bad out-and-out rackets, engineered for private gain. That is the official attitude toward these schools and if you do not believe that statement just follow me a second and see how the Federal Government treats these schools.

First you have the outrageous treatment given the GI students who attend these schools. If a GI takes a business course at Harvard he gets full subsistence. If he attends any of the schools I have mentioned here he gets only one-half the subsistence. Imagine such treatment of veterans in a free country and in a democracy that brags to the world of its fairness. The GI students can obtain full subsistence in these schools provided he spends twice as much time on the school premises as the student taking the same courses at Harvard.

Now comes the Bureau of Immigration and Naturalization which is under the Department of Justice with a regulation that says that foreign students coming to the United States for an education may go to Yale or Harvard but they cannot attend Benjamin Franklin University. It is another step in this conspiracy to belittle schools of this type.

After next January I hope to introduce a resolution calling for a thorough investigation of all of these abuses. I assume that my bill will be referred to my colleague [Mr. LESINSKI], chairman of the House Committee on Education and Labor. I have reason to believe that the chairman will give my bill a sympathetic hearing. He himself is a self-made man and his sympathies are with the thousands of men and women who attend these schools.

Mr. McMILLAN of South Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, it happens that I am an attorney with more than 30 years' active practice. It also happens that since 1941 I have been, and I am at the present time an active member of the bar association of the District of Columbia. To make my views clear in a further connection, I assert here that I shall never be an applicant for appointment as municipal judge of the District of Columbia, nor would I consider under any circumstances the acceptance of such appointment.

But there will be offered here as a committee amendment, as I understand, Senate 333 as a substitute. Under that bill, if adopted, there will be 13 judges in the District of Columbia, and not more than two of those judges may be a nonresident person who has been a member of the bar of the highest court in the State in which he shall have been domiciled. In other words, Members of Congress who are attorneys, would only be eligible for two of these appointments. But if back home in our districts—say in Cleveland, Ohio, where I have practiced law for many years—we have some young men who cannot make a living in the private practice of law. They come down to the District of Columbia, and they secure for themselves a job in a department here, say, they become bureaucrats down here for 5 years or hold some minor job in a legal capacity down here, they will be eligible under this bill for any one of these newly created judgeships. But a man who is a Member of Congress and is a capable lawyer or a man who has a distinguished record back in his home town as a lawyer and who would make a good judge in the District of Columbia, and who would have the backing of his Congressman, he would not be eligible.

Therefore, Mr. Chairman, at the proper time I am going to offer an amendment striking out that part of this bill which provides that not more than two persons of the 13 municipal court judges of the District of Columbia may be nonresidents. I am going to offer an amendment, since they are adding three additional judges by this bill, changing the figure "2" to "4" so that 4 of the 13 municipal judges of the District of Columbia, if my amendment is adopted, may be nonresident lawyers. I think they are entitled to the same consideration as is some man from our districts who cannot make a living practicing law and who, therefore, comes down here and gets himself a job.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. McMILLAN of South Carolina. Mr. Chairman, I yield 6 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, the committee on the District of Columbia considered this legislation rather carefully before it was presented to the House; in fact, we went into the record and the activity of the municipal court of the District of Columbia, the volume of business affecting business people, the citizens of the District of Columbia and the surrounding territory, very thoroughly. I think it is a revelation, if you would get a copy of the committee report and turn to the table and see the actual number of cases the 10 judges of the municipal court of the District of Columbia had to consider during the years 1946, 1947, 1948. It is remarkable how the business that goes before those courts has tremendously increased, and that within itself is ample justification of the action taken by the committee in reporting this bill increasing the number of municipal judges of the District to 13 instead of the present 10.

Mr. Chairman, I was on the committee at the time the Municipal Court Act was adjusted, in 1942, and we gave the District of Columbia 10 judges to which the people here might go and adjudicate their differences. I am very happy over that act. I believe it was a worthy, justifiable action for the Congress to take in order to serve the people of the District of Columbia. Circumstances have brought about this request for an increase in the number of judgeships, and I really do not believe there is anyone who would seriously contend that they should not be given this additional number of judges.

May I say to my good friend from Iowa, Mr. Gross, that the number of criminal cases certainly is important. I believe he will find that in 1946 and 1947 there were more than 46,000 cases disposed in the criminal division alone. In the civil division, to which the resolution adopted by the House the other day does not apply, there were more than 78,000 cases adjudicated by the 10 members of the present municipal court.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. GROSS. Does not the gentleman think it would be an excellent idea to await the result of this investigation to find out whether we actually need these judges?

Mr. HARRIS. If we accept the theory that the thousands and thousands of cases now before the municipal court, where they are 18 months behind, that those cases involving individuals should just continue to wait there forever without any adjudication, then the gentleman's theory would be correct, but I think we all acknowledge that whenever a case, however large or small it may be, goes before the courts, within a reasonable time the parties should have some decision.

Let me answer my friend from Ohio. When the Municipal Act was passed a few years ago, we did provide for two members of that court to be nonresidents. We propose to offer a committee amendment to this bill that all three of these judges that are to be appointed may reside not only within the District but within the surrounding area—the metropolitan area of the District of Columbia, Virginia, and Maryland. As the gentleman indicated a moment ago, if they are active members of the District bar and have had 5 years of practice of law, whether within or without the Government, then they would be eligible for consideration for appointment to these three positions that are being made available. So we are not only giving you four, we are giving you a total of five, by an amendment we propose to offer later to correct that situation.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Ohio.

Mr. YOUNG. These new judges must be domiciled within this area?

Mr. HARRIS. Within the metropolitan area of Washington.

Mr. YOUNG. If they are not residents, they must have for 5 years been employed in some Government capacity here?

Mr. HARRIS. It is a very rare occasion where you will find someone out in

Cleveland, Ohio, or in Little Rock, Ark., way out in the interior, who would be in active practice of law here in the District.

Mr. YOUNG. But under the committee's proposal, and under the amendment that will be offered later, a Congressman or a former Congressman or a Senator or a former Senator would not be eligible?

Mr. HARRIS. A former Congressman or Senator who is engaged in the practice of law would be eligible.

Mr. YOUNG. He would have to practice for 5 years in the District of Columbia?

Mr. HARRIS. Yes.

Mr. YOUNG. And lose his domicile in the State to be eligible?

Mr. HARRIS. Not necessarily that.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Under the amendment the commitee proposes to offer, an attorney in the city of Baltimore, for instance, might be an outstanding man but he would not be eligible to appointment to a judgeship in the District of Columbia.

Mr. HARRIS. Unless he was practicing in the District of Columbia and was a member of the bar.

I would like to say also that a man who practices law here in the District of Columbia is perhaps not eligible for an appointment to a position in the municipal court in Baltimore or Cleveland. After all, there is a degree of local concern involved here. Furthermore, we have done our best to work this out in conformity with the best practices engaged in the municipal court procedure here. We have tried to do it with the Senate committee in order that we can give them this bill, which is so vitally needed, before the Congress adjourns.

Mr. EBERHARTER. The thing that concerns me is that you are offering an inducement, in a way, to Members of this body and Members of the other body to become actively engaged in the practice of law here.

Mr. HARRIS. I have not heard any Member, either here or in the Senate, indicate whatsoever that they were interested in becoming a member of the municipal court of the District of Columbia.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the number of judges authorized by the act approved April 1, 1942 (56 Stat. 190, D. C. Code, title II, sec. 752), is hereby increased from 10 to 13. Appointments and reappointments in the case of the additional judges authorized by this act shall be for a term of 10 years each.

SEC. 2. Section 2 and section 6 of said act of April 1, 1942, are amended by striking out the words "Further, all appointees shall have been actively engaged in the practice of law in the District of Columbia for a period of at least 5 years immediately prior to their appointment" and substituting in lieu thereof the following: "Further, all appointees shall have been actively engaged in the private practice of law in the District of Columbia, for a period of at least five consecutive years immediately prior to their appointment, and shall have, during such period, maintained an office in said District for such purpose and devoted the major portion of their time and derived the principal portion of their occupational income from such private practice of law."

With the following committee amendment:

Page 1, line 4, strike out "II" and insert "11."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 4, after the colon, strike out the remainder of the line and all of lines 5 through 12 and insert: " 'Further, except in the case of a judge of one of the courts of the District of Columbia, all appointees shall have been actively engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their appointment, and shall have, during such period, maintained an office therein for such purpose and devoted the major portion of their time and derived the principal portion of their occupational income from such private practice of law, or have been actively engaged for such period in the practice of law as United States Attorney for the District of Columbia or as Corporation Counsel for the District of Columbia or as an assistant to one of said officers, or have been actively engaged for such period in a combination of such practices of the law.' "

Mr. YOUNG. Mr. Chairman, I offer an amendment to the committee amendment.

Mr. HARRIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. Mr. Chairman, did the Clerk read the amendment as it would amend section 2 and section 3, or did he read only section 3?

The CHAIRMAN. The Clerk read the amendment which appears on page 2 of the bill.

Mr. McMILLAN of South Carolina. Mr. Chairman, I withdraw the amendment and ask unanimous consent to substitute the bill S. 333 as an amendment to the House bill.

The CHAIRMAN. The gentleman withdraws the amendment?

Mr. McMILLAN of South Carolina. Yes.

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry. Just what is the parliamentary situation at the moment?

The CHAIRMAN. A committee amendment is pending, to which the gentleman from Ohio [Mr. YOUNG] has offered an amendment.

Mr. BROWN of Ohio. Then the motion to substitute the Senate bill has been withdrawn?

The CHAIRMAN. That cannot be done in Committee of the Whole.

The Clerk will again report the committee amendment.

The Clerk again reported the committee amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Ohio [Mr. YOUNG].

Mr. HARRIS. Mr. Chairman, as I understand, the gentleman from Ohio desires to offer an amendment to the committee amendment.

The CHAIRMAN. Yes.

Mr. HARRIS. I wonder if the gentleman would yield to me to offer a substitute amendment for the committee amendment, and then he could offer his amendment to the substitute.

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Arkansas to offer a substitute for the committee amendment?

Mr. YOUNG. Yes, I yield for that purpose.

Mr. HARRIS. Mr. Chairman, I offer a substitute amendment for the committee amendment.

The CHAIRMAN. The Clerk will report the substitute.

The Clerk read as follows:

Substitute amendment offered by Mr. HARRIS: On page 1, line 8, strike out section 2 through line 25 on page 2 and insert in lieu thereof the following:

"SEC. 2. Section 2 and the fourth paragraph of section 6 of such act of April 1, 1942, are hereby amended by striking out 'bona fide resident of the District of Columbia and maintaining an actual place of abode therein' and inserting in lieu thereof 'bona fide resident of the area consisting of the District of Columbia, Montgomery and Prince Georges Counties, Md., Arlington and Fairfax Counties, Va., and the city of Alexandria, Va., and maintaining an actual place of abode in such area.'

"SEC. 3. Section 2 of such act of April 1, 1942, is hereby amended by striking out 'further, all appointees shall have been actively engaged in the practice of the law in the District of Columbia for a period of at least 5 years immediately prior to their appointment' and in lieu thereof insert the following: 'Further, all appointees shall have been members of the bar of the District of Columbia for a period of at least 5 years, and shall have been actively engaged in the private practice of the law in the District of Columbia for a period of at least five consecutive years immediately prior to their appointment, or shall have been employed as an attorney in the District of Columbia in the Government of the United States or in the government of the District of Columbia for a period of at least five consecutive years immediately prior to their appointment.' "

The CHAIRMAN. The gentleman from Arkansas is recognized for 5 minutes in support of his amendment.

Mr. HARRIS. Mr. Chairman, I yield to the gentleman from Ohio [Mr. YOUNG] to offer his amendment, if he so desires.

Mr. YOUNG. I offer an amendment to the substitute.

The Clerk read as follows:

Mr. YOUNG moves to amend the substitute offered by Mr. HARRIS by adding at the end thereof the following: "and that of the 13 judges herein authorized to constitute the judicial appointees of the said court, nor more than 4 persons (other than persons serving as members thereon on the date of enactment of this proviso) may be appointed and serve as judges of the said municipal court at any one time having either of the following qualifications: (1) A nonresident person who has been a member of the bar of the highest court in the State in which he shall have been domiciled for a period of at least 5 years and who is a member of the bar of the District of Columbia, or (2) a member of the bar of the District of Columbia for at least 5 years who shall have been employed as an attorney in the District of Columbia in the Government of the United States or in the government of the District of Columbia; and in either of said alternatives a person appointed under

this clause shall not be subject to the requirements of the preceding clauses (a) and (b) hereof."

The CHAIRMAN. The gentleman from Ohio [Mr. YOUNG] is recognized for 5 minutes.

Mr. YOUNG. Mr. Chairman, it now appears quite evident to all of us that the proposal before the committee at this time should be recommitted to the Committee on the District of Columbia for further study.

The fact is that the proposal to which I have offered this amendment is the brain child of John Russell Young and of the District of Columbia Bar Association, of which I am a member.

Very briefly, the amendment that I have offered will permit that of the 13 judges of the municipal court of the District of Columbia, four instead of only two as is provided by the Senate bill may be nonresidents of the District of Columbia. This is the Nation's Capital. It is not comparable at all to say that it would be unfair to have a resident of the District of Columbia, the municipal judge in Baltimore, Cleveland, Pittsburgh, or elsewhere, and for this reason my amendment is unfair; but it is eminently fair and it is common sense that of the 13 judges of the municipal court of the District of Columbia at least four may be nonresidents, provided that they have been admitted to the practice of law in the highest court of their State.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield.

Mr. HUBER. Why should it be necessary for them to be members of the bar association? Is not that just a lawyer's union?

Mr. YOUNG. That is a lawyer's union.

Mr. HUBER. Why is that necessary?

Mr. YOUNG. It seems to me it should not be necessary, but I am willing to make that concession if there is a condition that before a man may be eligible for appointment he must be a member of the District Bar Association or some such bar association. I do say, however, that it is absolutely unfair to come in with this proposal where a young man from one of our districts may come down here and secure some minor job in the District of Columbia, and then be eligible for a judicial appointment paying about $12,000 per annum. But a former Congressman who may be a very eminent lawyer back home and who has the respect and confidence of his fellow townsmen, as is evidenced by his election to Congress, is not eligible. He goes back to practice law. But some man in his district who has trouble making a living in the private practice of law, gets himself a little job down here in the Department of Justice as a clerk, or something, and hangs around here for 5 years doing very little, then he is eligible. You and I, however, Members of Congress, are barred from recommending any eminent lawyer from our district, or a judge who rather than having a salary of $5,000 as perchance he receives in his district, would prefer to come down here and be a judge of the municipal court of the District of Columbia. So all my amendment does is to permit 4 of these 13 to come within that category. I think it is a very reasonable amendment and I hope it will be adopted.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Iowa.

Mr. GROSS. What are the salaries of these municipal judges?

Mr. YOUNG. Ten thousand dollars.

Mr. GROSS. Is it not true that it may be entirely possible that the backlog of cases now before the municipal court over here can be due just as much to failure on the part of attorneys to prepare their cases and dispose of the cases as it is to the lack of judges?

Mr. YOUNG. I cannot agree with that. It may be a failure on the part of the judges to do a full day's work as they should every day in the year and take only a 2 weeks' vacation as long as there are numerous old lawsuits pending. But the judges, you know, like to quit work in June and start again in September. Over a long experience as a lawyer I have found that lawyers as a class are very hard-working men. I have observed many judges who are not industrious. I assert if the judges of the municipal court of the District of Columbia were hard working and applied themselves to their judicial work five full days each week and took 2 weeks' vacation each year we, in Congress, would not be asked to increase the number of judges from 10 to 13.

Mr. HARRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I recognize that there has always been a question when you start talking about residential requirements and eligibility when appointments are to be determined. I am not for any closed corporation on the question of appointments. We have tried to work out language here that we believed would be fair and equitable and do justice to the people involved.

We accepted first the recommendation made by the District Bar Association. But after going into the matter further we decided that they wanted the matter pretty much within their own closed organization. Consequently it was broadened even more so than the original act. Then we provided that certain other people who met the requirements and qualifications could come within the consideration for appointment. After going into the thing a little bit further with the Attorney General's office and discussing it with the committee on the other side of the Capitol we determined it should be broadened even further. That is what we have done by the amendment that we bring in here as a substitute amendment for the committee amendment whereby the area includes the metropolitan area of the District of Columbia composed of the various counties surrounding it. We provided that the people who reside in those areas would be eligible if they were practicing law in the District of Columbia and were also a member of the District of Columbia Bar. We intentionally broadened it to cover those people because so many people who earn their living here in the District reside outside of the District of Columbia in the metropolitan area.

We believe that the agreement that has been reached here between the two committees involved, one here and the other over in the Senate, is sound and that it would be going a little too far afield to broaden this whereby appointments could be made from San Francisco, Cleveland, New York, or anywhere within the United States. This is a matter in which the municipal government is involved and not the lawyers who live in Cleveland, Ohio.

I submit to you in all fairness that this problem is one that belongs to the local people here and those who reside in this area. That is what the committee tried to do.

I can understand thoroughly that the gentleman from Ohio might want to recommend someone from his district. Perhaps I should like to recommend someone from my district. But that has been considered by the chairman of the committee on the other side of the Capitol, who probably might like to recommend someone from the State of South Carolina. After going into all the angles we decided it would not be the best thing for the District; consequently, we broadened it to cover the metropolitan area and not go out into the interior of the United States.

I trust the membership of the House will vote down the amendment offered by the gentleman from Ohio and agree to the substitute. Let us get this bill enacted before the Congress adjourns because if we have to go to conference to work out any differences, I am fearful we cannot pass the bill during this session of the Congress.

Mr. ALLEN of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it was the desire of our committee to furnish to the people of the District of Columbia and the people who live in the surrounding area a good municipal-court service, and for that reason it seemed logical to choose the men who should serve as judges from those people who have experience in the law that prevails in the area as well as in practice before those courts. Accordingly I trust that the committee will vote down the amendment offered by the gentleman from Ohio and will support the committee.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am a member of the Committee on the District of Columbia and participated in the hearings which led to the reporting of the House bill.

There are two misapprehensions here in the debate. One is a statement made by the gentleman from Ohio [Mr. HUBER], concurred in by the gentleman from Ohio [Mr. YOUNG], to the effect that to be eligible for these jobs one had to be a member of the Bar Association of the District of Columbia, which is not true. You just have to be a lawyer, licensed to practice in Washington, and that is all it is. You do not have to be a member of any bar association, District or elsewhere. That is one element.

Now, it was stated here by the gentleman from Ohio that these judges prob-

ably did not do any work. Well, I have been a judge myself. Nobody ever kept any time clock on me, and I have never known any other judges who kept a time clock except this particular lot of municipal judges. At the hearing the chief judge of these municipal judges came before the committee and actually brought a time sheet showing that he kept time on these municipal judges; how much time they put in, and how little vacation they had. These judges really do work, and the proof of it was there, as well as the documentary evidence, before the Committee on the District of Columbia, when this bill was considered. So, do not get into your minds that the municipal judges are loafing on the job, because that is just not correct.

I oppose the amendment offered by the gentleman from Ohio, to the amendment, for several reasons. The first reason is that what the Committee on the District of Columbia is trying to do is to give these people here as good government as we can and to see that it is efficient. There have been 10 municipal judges since 1942. In that time the population of the District of Columbia has increased tremendously, as you all know. So, we have a real emergency here in the matter of disposing of the small classes of cases in which the great mass of the people is involved. The evidence before our committee was that if you brought a suit for a small sum, like $100, it would be 2½ years before you could get a trial of the case. Now, that just ought not to be, and it ought to be corrected. For that reason we do have an emergency, and the only way that emergency can be solved at this session of the Congress is to adopt the Senate bill which has already been reported by the Senate committee. So the amendment offered by the gentleman from Arkansas merely inserts in the House bill the Senate bill as reported by the Senate committee. If we act on that bill today, it will go to the Senate and nothing will have to be done except to have the Senate merely act on their own bill which they have already reported. In that way we can give relief to these people at this session of Congress. If we amend it in some other way, we will have to go back to the Committee on the District of Columbia, and probably have a conference, and you will not get any judges. I take it that all of us here are interested more in giving justice and seeing that this situation is corrected than we are in some little patronage about who shall be eligible to appointment to one of these judgeships.

Mr. Chairman, I hope the House will go along with the Committee on the District of Columbia, because we have studied it and taken the evidence and we do know what we are talking about.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Ohio.

Mr. YOUNG. The gentleman from South Carolina offered and withdrew the Senate bill (S. 333) as an amendment. That bill which was offered here by the gentleman's committee provides that the judge must have either of the following qualifications:

(1) A nonresident person who has been a member of the bar of the highest court of the State in which he shall have been domiciled for a period of at least five years and who is a member of the bar of the District of Columbia, or (2) a member of the bar of the District of Columbia for at least 5 years who shall have been employed as an attorney in the District of Columbia in the Government of the United States—

And so forth. I am talking now about the Senate bill which was offered as a substitute and was then withdrawn, S. 333, on page 3 thereof. I simply read this to show the gentleman that the reference is in that bill that it is a prerequisite that the appointee must be a member of the Bar Association of the District of Columbia.

Mr. SMITH of Virginia. No, it does not say "the bar association." That is where the gentleman is wrong. The gentleman is a lawyer and must recognize the well-known distinction between a member of the bar, which means that you are just a lawyer practicing law, and a member of a bar association. The word "association" does not appear in this bill or any other bill.

Mr. YOUNG. That is right.

Mr. SMITH of Virginia. He would merely have to be a practicing lawyer in the District of Columbia.

Mr. YOUNG. He must be a member of the bar.

Mr. SMITH of Virginia. But not a member of the bar association.

Mr. YOUNG. That is what I object to; he must be a member of the bar even though he is a nonresident.

Mr. SMITH of Virginia. The reason for that is that a local member of the local bar would know better how to handle cases in the District of Columbia than somebody who had practiced in some foreign jurisdiction and did not know anything about the procedure.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman from Ohio referred to the bill that was introduced by the Senator from South Carolina, S. 333. I call attention to the fact that the language he referred to was stricken out altogether by the Senate committee when it was reported.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. YOUNG] to the substitute offered by the gentleman from Arkansas [Mr. HARRIS].

Mr. YOUNG. Mr. Chairman, I ask unanimous consent that my amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk again read the Young amendment.

The question was taken; and on a division (demanded by Mr. YOUNG) there were—ayes 8, noes 27.

So the amendment to the substitute was rejected.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Arkansas [Mr. HARRIS] to the committee amendment.

The substitute to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1370) authorizing the appointment of three additional judges of the municipal court for the District of Columbia, prescribing the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes, had directed him to report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GROSS. Yes, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill H. R. 1370 to the District Committee for further study.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. GROSS) there were ayes 7, noes 49.

Mr. YOUNG. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 30, nays 286, not voting 116, as follows:

[Roll No. 228]

YEAS—30

Andersen, H. Carl	Byrnes, Wis.	Cunningham
Burdick	Case, S. Dak.	Curtis
	Crawford	Davis, Wis.

Fernandez	McGregor	Scrivner
Ford	Mack, Wash.	Smith, Kans.
Golden	Marshall	Smith, Wis.
Gross	Meyer	Velde
Huber	Rees	Wagner
Jensen	Rich	Withrow
Lemke	Scott,	Young
McCulloch	Hugh D., Jr.	

NAYS—286

Abbitt	Gamble	Moulder
Abernethy	Gathings	Murdock
Addonizio	Gavin	Murray, Tenn.
Albert	Gillette	Nelson
Allen, Calif.	Gilmer	Nicholson
Allen, Ill.	Goodwin	Noland
Allen, La.	Gore	Norrell
Andrews	Gorski, N. Y.	Norton
Arends	Graham	O'Brien, Ill.
Aspinall	Granahan	O'Brien, Mich.
Auchincloss	Grant	O'Hara, Ill.
Barden	Hagen	O'Hara, Minn.
Barrett, Pa.	Hale	O'Konski
Bates, Ky.	Hall,	O'Neill
Bates, Mass.	Leonard W.	O'Sullivan
Battle	Halleck	O'Toole
Beall	Hand	Passman
Beckworth	Hardy	Patman
Bennett, Fla.	Hare	Patterson
Bennett, Mich.	Harris	Pickett
Biemiller	Harrison	Plumley
Bishop	Hart	Poage
Blackney	Havenner	Polk
Boggs, Del.	Hays, Ark.	Potter
Boggs, La.	Hedrick	Powell
Bolling	Herlong	Preston
Bolton, Md	Herter	Price
Bosone	Heselton	Priest
Boykin	Hinshaw	Quinn
Bramblett	Hobbs	Rabaut
Breen	Hoeven	Rains
Brehm	Holifield	Ramsay
Brooks	Holmes	Rankin
Brown, Ga.	Horan	Redden
Brown, Ohio	Howell	Rhodes
Bryson	Hull	Riehlman
Buchanan	Irving	Rivers
Buckley, Ill.	Jackson, Calif.	Rodino
Burke	Jackson, Wash.	Rogers, Fla.
Burleson	Jacobs	Rooney
Burnside	James	Roosevelt
Burton	Javits	Sabath
Camp	Jenison	Sadowski
Canfield	Johnson	St. George
Carlyle	Jonas	Sasscer
Carnahan	Jones, Ala.	Saylor
Carroll	Jones, Mo.	Scott, Hardie
Cavalcante	Jones, N. C.	Scudder
Celler	Karst	Secrest
Chelf	Karsten	Sheppard
Chesney	Kean	Sikes
Christopher	Kearns	Simpson, Ill.
Chudoff	Keefe	Simpson, Pa.
Church	Kelley	Sims
Clemente	Kennedy	Smith, Va.
Clevenger	Kerr	Spence
Cole, Kans.	Kilday	Staggers
Colmer	King	Steed
Combs	Kirwan	Stefan
Cooley	Klein	Stigler
Cooper	Kruse	Stockman
Corbett	Lane	Sullivan
Cotton	Lanham	Sutton
Cox	Latham	Taber
Crook	LeCompte	Tackett
Dague	LeFevre	Talle
Davis, Ga.	Lesinski	Teague
Davis, Tenn.	Lichtenwalter	Thompson
Dawson	Lind	Tollefson
Deane	Linehan	Towe
Delaney	Lodge	Trimble
Denton	Lovre	Van Zandt
D'Ewart	Lyle	Wadsworth
Dingell	Lynch	Walsh
Dollinger	McCarthy	Weichel
Dolliver	McConnell	Welch
Dondero	McDonough	Werdel
Doughton	McGrath	Wheeler
Douglas	McGuire	Whitaker
Doyle	McMillan, S. C.	White, Calif.
Durham	McMillen, Ill.	Whitten
Eberharter	Madden	Whittington
Elliott	Magee	Wickersham
Engel, Mich.	Mahon	Wier
Engle, Calif.	Marsalis	Wigglesworth
Evins	Martin, Iowa	Williams
Fallon	Merrow	Willis
Feighan	Michener	Wilson, Ind.
Fenton	Miles	Wilson, Okla.
Fisher	Miller, Calif.	Wilson, Tex.
Fogarty	Miller, Md.	Winstead
Forand	Mills	Wolcott
Frazier	Mitchell	Wood
Fugate	Monroney	Woodruff
Fulton	Morris	Yates
Furcolo	Morrison	

NOT VOTING—116

Anderson, Calif.	Hall,	Pace
Andresen,	Edwin Arthur	Patten
August H.	Harden	Perkins
Angell	Harvey	Peterson
Bailey	Hays, Ohio	Pfeifer,
Baring	Hébert	Joseph L.
Barrett, Wyo.	Heffernan	Pfeiffer,
Bentsen	Heller	William L.
Bland	Hill	Philbin
Blatnik	Hoffman, Ill.	Phillips, Calif.
Bolton, Ohio	Hoffman, Mich.	Phillips, Tenn.
Bonner	Hope	Poulson
Buckley, N. Y.	Jenkins	Reed, Ill.
Bulwinkle	Jennings	Reed, N. Y.
Byrne, N. Y.	Judd	Regan
Cannon	Kearney	Ribicoff
Case, N. J.	Keating	Richards
Chatham	Kee	Rogers, Mass.
Chiperfield	Keogh	Sadlak
Cole, N. Y.	Kilburn	Sanborn
Coudert	Kunkel	Shafer
Crosser	Larcade	Short
Davenport	Lucas	Smathers
Davies, N. Y.	McCormack	Smith, Ohio
DeGraffenried	McKinnon	Stanley
Donohue	McSweeney	Tauriello
Eaton	Mack, Ill.	Taylor
Ellsworth	Macy	Thomas, N. J.
Elston	Mansfield	Thomas, Tex.
Fellows	Marcantonio	Thornberry
Flood	Martin, Mass.	Underwood
Garmatz	Mason	Vinson
Gary	Miller, Nebr.	Vorys
Gordon	Morgan	Vursell
Gorski, Ill.	Morton	Walter
Gossett	Multer	White, Idaho
Granger	Murphy	Wolverton
Green	Murray, Wis.	Woodhouse
Gregory	Nixon	Worley
Gwinn	Norblad	Zablocki

So the motion to recommit was rejected.

The Clerk announced the following pairs:

General pairs until further notice.

Mr. Gordon with Mr. Case of New Jersey.
Mr. Hébert with Mr. Macy.
Mr. Gorski of Illinois with Mr. Short.
Mr. Zablocki with Mr. Martin of Massachusetts.
Mr. Garmatz with Mr. Coudert.
Mr. Stanley with Mr. Gwinn.
Mr. Ribicoff with Mr. Hill.
Mr. McSweeney with Mr. Jenkins.
Mr. Mack of Illinois with Mr. Kearney.
Mr. Gary with Mr. Wolverton.
Mr. Donohue with Mr. Taylor.
Mr. McKinnon with Mr. Miller of Nebraska.
Mr. Bonner with Mr. Kunkel.
Mr. Regan with Mr. Norblad.
Mr. Green with Mr. Eaton.
Mr. Patten with Mrs. Harden.
Mr. Larcade with Mr. Hoffman of Michigan.
Mr. Perkins with Mr. Judd.
Mr. Richards with Mr. Vursell.
Mr. Gregory with Mr. Shafer.
Mr. Mansfield with Mr. Sadlak.
Mr. Philbin with Mr. Reed of New York.
Mr. Davenport with Mr. Morton.
Mr. Morgan with Mrs. Bolton of Ohio.
Mr. Davies of New York with Mr. Smith of Ohio.
Mr. Murphy with Mr. Vorys.
Mr. Tauriello with Mr. Reed of Illinois.
Mr. Smathers with Mr. Hoffman of Illinois.
Mr. Thornberry with Mr. Hope.
Mr. Lucas with Mr. Elston.
Mr. Byrne of New York with Mr. Barrett of Wyoming.
Mr. Walter with Mr. Kilburn.
Mr. Blatnik with Mr. Keating.
Mr. Gossett with Mr. Nixon.
Mr. Baring with Mr. Phillips of Tennessee.
Mr. Vinson with Mr. Sanborn.
Mr. Bentsen with Mrs. Rogers of Massachusetts.
Mr. Heller with Mr. Phillips of California.
Mr. Worley with Mr. Chiperfield.
Mr. Bailey with Mr. Angell.
Mr. Multer with Mr. Mason.
Mr. Pace with Mr. Jennings.
Mrs. Woodhouse with Mr. Fellows.
Mr. Underwood with Mr. Poulson.
Mr. Thomas of Texas with Mr. Anderson of California.
Mr. Flood with Mr. August H. Andresen.
Mr. Chatham with Mr. Harvey.
Mr. deGraffenried with Mr. Edwin Arthur Hall.

Mr. BURDICK changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

Mr. McMILLAN of South Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McMILLAN of South Carolina: Amend the title so as to read: "A bill to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes."

The amendment was agreed to.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States; and

H. R. 5268. An act to amend certain provisions of the Internal Revenue Code.

AMENDING THE NATIONAL HOUSING ACT

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 390, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the resolution shall be considered as having been read for amendment. No amendment shall be in order to said joint resolution except amendments offered by the direction of the Committee on Banking and Currency, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, this resolution would make in order the consideration of Senate Joint Resolution 134, to amend the National Housing Act. Actually, it extends and enlarges certain noncontroversial provisions in this act.

I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, as has been explained by the gentleman from Texas [Mr. LYLE] House Resolution 390 does make in order the consideration of Senate Joint Resolution 134 under a closed rule, waiving all points of order, 1 hour of general debate, on what we consider to be a noncontroversial but emergency matter. The rule was reported by unanimous vote from the Committee on Rules.

I now yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, this is the end of the session, and it is too easy to put a matter like this through with too little consideration.

Although there is little doubt about the fact that the rule will pass and the resolution will be passed, I think it would be a disservice to the people of the country who are looking to the Members of this Congress for help on housing, not to call attention to the fact that practically nothing is being done for housing for the moderate-income families in this bill; little is being done for veterans' housing in this bill; and the whole theory of the bill which the House passed in August to make some real contribution to housing is going completely down the drain; what is being done in substance is to effect pro forma extension for 5 months of the FHA-insured mortage loans, which we have become accustomed to as an important base for private housing construction. Even FHA mortgage-insurance extension should be at least for a year to serve even that purpose alone.

This whole idea of shunting off the housing issue, letting it go over, doing little about it, and coming back next year to debate in the House, pass a bill, and then again see little done in the other body, except another extension of FHA, is the augury of this bill.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MONRONEY. I agree with the gentleman. It is a great disappointment to the Members of the House to learn that the good bill which passed this House last August has been laid aside in the other body and this extension has been brought in.

I would like to call attention to one good provision in the bill, that is the Federal National Mortgage Association, under which GI home loans can be supported 100 percent instead of 50 percent.

Mr. JAVITS. In continuing to get far less than enough done on housing, we are faced with a closed rule under which the House could not amend the bill even if it wanted to. Housing legislation for moderate-income groups and veterans is made a fiasco by this resolution.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. JAVITS] has expired.

Mr. BROWN of Ohio. Mr. Speaker, I would just like to comment that the House is not responsible for the action that has been taken by some other legislative body, but unless this resolution is adopted, as brought here under this rule, great damage will be done to the people of this Nation. Therefore, the Rules Committee has brought this rule out in order to meet the emergency situation in the best way the House possibly can do at this moment.

I have no further requests for time, Mr. Speaker.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 121, noes 3.

Mr. JAVITS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 290, nays 34, not voting 108, as follows:

[Roll No. 229]

YEAS—290

Abbitt	Chudoff	Hale
Abernethy	Church	Hall,
Addonizio	Clemente	Leonard W.
Albert	Clevenger	Hardy
Allen, Calif.	Cole, Kans.	Hare
Allen, Ill.	Colmer	Harris
Allen, La.	Combs	Harrison
Andersen,	Cooley	Hart
H. Carl	Cooper	Havenner
Anderson, Calif.	Cox	Hays, Ark.
Andresen,	Crawford	Hedrick
August H.	Crook	Herlong
Andrews	Curtis	Herter
Arends	Dague	Hobbs
Aspinall	Davis, Ga.	Hoeven
Auchincloss	Davis, Tenn.	Holifield
Bailey	Davis, Wis.	Holmes
Barrett, Pa.	Dawson	Hope
Bates, Ky.	Delaney	Horan
Bates, Mass.	Denton	Howell
Battle	D'Ewart	Huber
Beall	Dingell	Hull
Beckworth	Dollinger	Irving
Bennett, Fla.	Dolliver	Jackson, Wash.
Biemiller	Dondero	Jacobs
Blackney	Doughton	Jensen
Bland	Doyle	Johnson
Boggs, Del.	Durham	Jones, Ala.
Boggs, La.	Eberharter	Jones, Mo.
Bolling	Elliott	Jones, N. C.
Bolton, Md.	Evins	Karst
Bolton, Ohio	Fallon	Karsten
Bosone	Feighan	Kearns
Bramblett	Fenton	Kee
Breen	Fernandez	Keefe
Brooks	Fisher	Kelley
Brown, Ga.	Fogarty	Kennedy
Brown, Ohio	Forand	Kerr
Bryson	Frazier	Kilday
Buchanan	Fugate	King
Buckley, Ill.	Furcolo	Kirwan
Burdick	Gamble	Klein
Burke	Gathings	Kruse
Burleson	Gavin	Lane
Burnside	Gillette	Lanham
Burton	Gilmer	LeCompte
Camp	Golden	LeFevre
Carlyle	Goodwin	Lemke
Carnahan	Gordon	Lesinski
Carroll	Gore	Lind
Case, S. Dak.	Gorski, N. Y.	Linehan
Cavalcante	Gossett	Lodge
Celler	Graham	Lyle
Chelf	Granahan	Lynch
Chesney	Granger	McCarthy
Chiperfield	Grant	McConnell
Christopher	Gross	McCormack
McCulloch	Peterson	Stigler
McDonough	Pfeifer,	Stockman
McGrath	Joseph L.	Sullivan
McGuire	Pickett	Sutton
McMillan, S. C.	Poage	Taber
McMillen, Ill.	Polk	Tackett
Mack, Wash.	Powell	Talle
Madden	Preston	Teague
Magee	Price	Thomas, Tex.
Mahon	Priest	Thompson
Marsalis	Rabaut	Tollefson
Marshall	Ramsay	Towe
Martin, Iowa	Rankin	Trimble
Merrow	Redden	Van Zandt
Meyer	Rees	Velde
Michener	Rhodes	Vorys
Miles	Riehlman	Wadsworth
Miller, Calif.	Rivers	Wagner
Miller, Md.	Rodino	Walsh
Miller, Nebr.	Rogers, Fla.	Weichel
Mills	Rooney	Welch
Mitchell	Roosevelt	Wheeler
Monroney	Sabath	Whitaker
Morris	Sadowski	Whitten
Morrison	Sasscer	Whittington
Moulder	Scott, Hardie	Wickersham
Murdock	Scott,	Wier
Murray, Tenn.	Hugh D., Jr.	Wigglesworth
Nicholson	Scrivner	Williams
Noland	Secrest	Willis
Norrell	Sheppard	Wilson, Ind.
Norton	Sikes	Wilson, Okla.
O'Brien, Ill.	Simpson, Ill.	Wilson, Tex.
O'Brien, Mich.	Simpson, Pa.	Winstead
O'Hara, Ill.	Sims	Withrow
O'Neill	Smith, Kans.	Wolcott
O'Sullivan	Smith, Va.	Wood
O'Toole	Smith, Wis.	Yates
Pace	Spence	Young
Passman	Staggers	Zablocki
Patman	Steed	
Patterson	Stefan	

NAYS—34

Bishop	Halleck	Murray, Wis.
Brehm	Hand	Nelson
Byrnes, Wis.	Heselton	O'Hara, Minn.
Canfield	Hill	O'Konski
Corbett	Javits	Potter
Cotton	Jenison	Rich
Cunningham	Jonas	Saylor
Douglas	Judd	Scudder
Engel, Mich.	Kean	Vursell
Ford	Lichtenwalter	Werdel
Fulton	Lovre	
Hagen	McGregor	

NOT VOTING—108

Angell	Harden	Pfeiffer,
Barden	Harvey	William L.
Baring	Hays, Ohio	Philbin
Barrett, Wyo.	Hébert	Phillips, Calif.
Bennett, Mich.	Heffernan	Phillips, Tenn.
Bentsen	Heller	Plumley
Blatnik	Hinshaw	Poulson
Bonner	Hoffman, Ill.	Quinn
Boykin	Hoffman, Mich.	Rains
Buckley, N. Y.	Jackson, Calif.	Reed, Ill.
Bulwinkle	James	Reed, N. Y.
Byrne, N. Y.	Jenkins	Regan
Cannon	Jennings	Ribicoff
Case, N. J.	Kearney	Richards
Chatham	Keating	Rogers, Mass.
Cole, N. Y.	Keogh	Sadlak
Coudert	Kilburn	St. George
Crosser	Kunkel	Sanborn
Davenport	Larcade	Shafer
Davies, N. Y.	Latham	Short
Deane	Lucas	Smathers
DeGraffenried	McKinnon	Smith, Ohio
Donohue	McSweeney	Stanley
Eaton	Mack, Ill.	Tauriello
Ellsworth	Macy	Taylor
Elston	Mansfield	Thomas, N. J.
Engle, Calif.	Marcantonio	Thornberry
Fellows	Martin, Mass.	Underwood
Flood	Mason	Vinson
Garmatz	Morgan	Walter
Gary	Morton	White, Calif.
Gorski, Ill.	Multer	White, Idaho
Green	Murphy	Wolverton
Gregory	Nixon	Woodhouse
Gwinn	Norblad	Woodruff
Hall,	Patten	Worley
Edwin Arthur	Perkins	

So the resolution was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Rains with Mrs. St. George.

Mr. Ribicoff with Mr. Short.

Mr. Green with Mr. Keating.
Mr. Quinn with Mr. Latham.
Mr. Gregory with Mr. Nixon.
Mr. Lucas with Mr. William L. Pfeiffer.
Mr. Regan with Mr. Reed of Illinois.
Mr. Mansfield with Mr. Plumley.
Mr. Morgan with Mr. Hoffman of Michigan.
Mr. Richards with Mr. Woodruff.
Mr. Heller with Mr. Sanborn.
Mr. Multer with Mr. Norblad.
Mr. Deane with Mr. Kunkel.
Mr. Murphy with Mr. Kilburn.
Mr. Engel of California with Mr. Mason.
Mr. White of California with Mr. Phillips of California.
Mr. Underwood with Mr. Phillips of Tennessee.
Mr. Walter with Mr. Jennings.
Mr. Philbin with Mr. Hoffman of Illinois.
Mr. Worley with Mr. Poulson.
Mr. Hébert with Mr. Wolverton.
Mr. Perkins with Mr. Taylor.
Mr. Larcade with Mr. Jackson of California.
Mr. Patten with Mr. Martin of Massachusetts.
Mr. Byrne of New York with Mr. Angell.
Mr. Hays of Ohio with Mr. Case of New Jersey.
Mr. Keogh with Mr. Eaton.
Mr. Smathers with Mr. Gwinn.
Mr. Baring with Mr. Hinshaw.
Mr. McKinnon with Mr. Shafer.
Mr. Tauriello with Mr. Bennett of Michigan.
Mr. Bentsen with Mr. Macy.
Mr. Vinson with Mr. Morton.
Mr. Davenport with Mr. Cole of New York.
Mr. McSweeney with Mr. Barrett of Wyoming.
Mr. Thornberry with Mr. Ellsworth.
Mr. Bonner with Mr. Elston.
Mrs. Woodhouse with Mrs. Harden.
Mr. Donohue with Mr. Harvey.
Mr. Flood with Mr. James.
Mr. Blatnik with Mrs. Rogers of Massachusetts.
Mr. Mack of Illinois with Mr. Reed of New York.
Mr. Garmatz with Mr. Smith of Ohio.
Mr. Heffernan with Mr. Jenkins.
Mr. Gary with Mr. Fellows.
Mr. Gorski of Illinois with Mr. Coudert.
Mr. Stanley with Mr. Thomas of New Jersey.

Mr. CANFIELD, Mr. ENGEL of Michigan, Mr. COTTON, Mr. WERDEL, Mr. BISHOP, Mr. BYRNES of Wisconsin, Mr. FULTON, and Mr. BREHM changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

EXTENSION OF REMARKS

Mr. BOYKIN (at the request of Mr. BATTLE) was given permission to extend his remarks in the RECORD and include a newspaper article.

AMENDING THE NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of Senate joint resolution (S. J. Res. 134) to amend the National Housing Act, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 134, with Mr. HARRIS in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Kentucky [Mr. SPENCE] is recognized for 30 minutes, and the gentleman from Michigan [Mr. WOLCOTT] will be recognized for 30 minutes.

Mr. SPENCE. Mr. Chairman, I yield myself 7 minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. SPENCE. Mr. Chairman, the question submitted to the House in this joint resolution has been decided heretofore. The House has passed everything that is in the joint resolution that is now submitted to you and very much more in regard to housing when it passed H. R. 6070 on August 25 of this year.

The home-building program is absolutely based upon the continuation of title I, title II, and title VI of the FHA. Unless this joint resolution is passed title I and title VI of the FHA will expire on the first of November; and it is essential to pass this joint resolution if we intend to continue the stimulation which we are trying to give to the housing program.

Under the comprehensive bill which passed the House a few months ago, title I was continued until July 1, 1952, and title VI was continued until the 30th of June of next year. We sent that bill to the Senate. The Senate did not act upon the bill; they merely passed a continuing resolution which continued title I and title VI to the first of March next year; increased the insurance authorization of title I by $250,000,000, title II by $750,000,000, and title VI by $500,000,000, and increased the amount which the Federal National Mortgage Association might use for the purchase of mortgages as a secondary market by a billion dollars.

We have introduced some committee amendments, and I am informed reliably that if the House adopts the amendments that will be proposed by the committee, the Senate will accept them. We find that under the Military Rental Housing Act no provision was made for the national banks to purchase the securities or to grant the loans on the same basis as other FHA mortgages. The Chase National Bank had committed itself to furnish most of the interim and permanent financing for a great project at Fort Knox, but now finds because of a clear inadvertence, an oversight, that it cannot comply with its commitments.

The committee amendment will make it possible for the national banks to also participate in the military rental housing program.

We have also provided in the committee amendment that 100 percent of the portfolios of GI home loans under section 501 shall be eligible for purchase by the Federal National Mortgage Association instead of 50 percent of those loans as is now provided.

We have also provided that there shall be $25,000,000 used for the purpose of stimulating the sale and erection of prefabs. Not a dollar of that money can be used as a direct loan to any of the manufacturing corporations. In the bill passed by the House a few months ago it was provided that $75,000,000 could be used for that purpose. The Senate Committee in its reported bill reduced this amount to $25,000,000 and we have made our bill conform to the Senate bill, as reported. I am informed if the amendment is adopted the Senate will accept it without conference.

Mr. Chairman, may I say that this is one of the most important measures that has been submitted to the House and unless you act upon it you may see a slump in the building industry and in the erection of homes that our citizens need so much at this time.

We have asked for a closed rule. I never requested a closed rule since I have been chairman of this committee. We have asked for a closed rule because time is of the essence and it is essential that we send to the Senate a bill that it will accept immediately before adjournment.

We consulted members of the Senate committee about these amendments. We now propose them to the House and we know if the House adopts them the bill will not go to conference. We knew if we had an open rule amendments might be introduced that would seriously jeopardize the joint resolution and the building program. That is our justification for asking for a closed rule.

I hope this joint resolution will be passed by an overwhelming vote and I am confident that you will be gratified by the results.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, I agree in part with the gentleman from New York who spoke upon the rule a moment ago. I agree that a political football has been made of these housing bills. Titles I, II, and VI of the FHA are not controversial. They are practically agreed upon by all of the Members of this House. Time and again in the Committee on Banking and Currency I suggested, and other members of the committee have suggested, that these titles be passed and that they be extended to such time as Congress deems advisable. But, time and again we have been refused, because upon each of these titles has been placed some controversial measure in order to gain votes for the disputed sections. Now, it is to a part of this bill that I want to speak, which I deem extremely controversial. I call it a bill to aid Lustron.

One of the committee amendments which has been attached to this resolution is an amendment which permits the RFC to continue its loans either to Lustron, or to the Lustron Mortgage Co. or to others who are dealing with Lustron. In that connection I want to point out a little history of this corporation.

In June 1937, the RFC made a loan to the Lustron Corp. of Ohio, a manufacturing concern which manufactures prefabricated houses. This loan was for $15,000,000. Since that time a total of $37,500,000 has been loaned to this corporation. The loan was not granted until first the President of the United States told the RFC that they should make the loan. President Truman, after a great deal of controversy had arisen concerning whether the RFC should make the loan, through John Steelman, the administrative assistant at the White House, advised the RFC that the loan should be made. So, it was first made.

A man by the name of Strandlund is president of the corporation and he now owns the controlling interest in the stock. The testimony before the Committee on Banking and Currency was to the effect that Mr. Strandlund invested a cash sum of $1,000 for the controlling interest in this huge corporation.

Further testimony has been in order for the corporation to break even in the mass production of prefabricated houses it was necessary that they produce a total of 700 houses a month. In January 1948, Mr. Strandlund testified before the Senate committee that by June of 1948 they would reach the production of 700 houses. In August of this year the same statement was made before our committee that the production of 700 houses would be reached by October 1949. In October 1949, Lustron will produce less than 100 houses.

In addition to that, Lustron is losing over $1,000,000 a month, and the RFC is footing the loss. Remember, we are now entering into what is known as the off-season in the housing construction industry. There are over $3,000,000 worth of Lustron houses now standing idle in the warehouses of Lustron, awaiting for somebody to purchase them.

My first objection to the Lustron loan is that the RFC did not have authority to make any loans of this sort. I want to point out to you the law which the Reconstruction Finance Corporation contended authorized them to make the Lustron loans. The section of the RFC Act is section 5–D (2) which provides that the RFC may "make loans to and purchase obligations of any business enterprise including, when requested by the Secretary of Commerce, the capital stock thereof for any purposes deemed by the Corporation to be advantageous for national defense."

The RFC said that is the authority for the original Lustron loan. The later loans, according to RFC, were by authority of the Housing Act of 1948.

I call your attention to the Housing Act of 1948. Section 102 provides that in order to aid housing production, the Reconstruction Finance Corporation is authorized to make loans and purchase the obligations of any business enterprise for the purpose of providing financial assistence for the production of prefabricated houses.

Then I call your attention to the Reconstruction Finance Corporation Act, in connection with the authority to make business loans. The Reconstruction Finance Corporation Act provides that they may make loans to business institutions, but that all securities and obligations acquired in connection with the loans made under these paragraphs of this section shall be "of such sound value and so secured as reasonably to assure the retirement or repayment."

Referring to the hearings on page 416 of the House Committee on Banking and Currency on the housing amendments of 1949, Mr. Dyas, of the Reconstruction Finance Corporation, stated that these loans were made to the Lustron Corp. merely as a pilot operation, as an experiment. I said then, "As far as the Reconstruction Finance Corporation is concerned we must consider this purely an experiment in housing? If it works it is good, but if it does not work it is just an experiment to be written off?" He answered, "Yes."

The point I make is that the Reconstruction Finance Corporation may make loans if they make them reasonably expecting that the loans will be paid, but this was an experiment which they entered into and have been assisting without any authority whatsoever.

The bill which was originally introduced in the House provided for loans to be made to prefabricated manufacturers, but the amendment which is before the House today provides that the Reconstruction Finance Corporation may make loans to business enterprises to assist in the sale and distribution of prefabricated houses. The distinguished chairman of our committee, for whom we all have the greatest respect, said that this amendment will not permit money to be loaned directly to the Lustron Corp.

I point out to you on page 6 of the joint resolution, beginning in line 6, that the Reconstruction Finance Corporation is authoritzed to make loans directly to any business enterprise. What business enterprise is Lustron? Maybe it is purely an experiment. Maybe it is not a business enterprise or a financial institution, to "finance the purchase and erection of houses for such site improvement." I say it is, and that this does give Lustron $25,000,000 additional or such part thereof as it may need.

Now, can Lustron succeed?

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The gentleman is of the opinion that this loan is confined only to the Lustron Corp. Will he explain why?

Mr. COLE of Kansas. It would apply almost alone to the Lustron Corp. as practically the only company which would qualify under the act. The qualification provided in the amendment is that it is for the purpose of aiding the distribution, erection, and marketing of prefabricated houses manufactured under the provisions of the statute we have heretofore passed. The Lustron Corp. is the only important corporation which is using that particular method of financing. There are some other small prefabricated-home builders that are using it, but all the prefabricated manufacturers have appeared before our committee and testified that they were opposed to this. They do not want this provision because they say it creates a monopoly on the part of Lustron. I think that is exactly what is occurring.

What does this amendment do? If you are interested in building small houses for middle-income groups, let me point out to you that originally they talked about building Lustron houses for $7,800. The present Lustron house will cost you today between $12,000 and $13,000. The Federal Housing Administration does not approve more than $8,500 upon a Lustron house. The average house built in America today has been built under these high prices for $10,000. The average house built under FHA authorization has been built at $8,500.

Other builders are building houses at less cost than Lustron. The Levitt people are building houses for $8,000, houses that are almost as good as the Lustron house.

Lustron is not manufacturing a house which is just brought out to your lot and set down. Lustron is manufacturing building materials.

They manufacture 4,000 individual pieces of building material. Those 4,000 pieces of material are placed upon a truck. That truck has been built especially to take those 4,000 pieces of material to your lot. But strange though it may seem that truck does not haul all of the pieces which are necessary to build a Lustron house. So the rest of the pieces must be sent in at another time.

Can Lustron succeed? The question is not whether or not it is a good house or whether it can be produced. The question is whether or not the people of America will buy it. It is a question of distribution. So the Government enters into a huge project by pouring out millions of dollars in order to produce housing. They have forgotten it is necessary not only to produce a house, but you must be able to sell it. I say that neither Lustron nor the RFC have any plan now by which they can sell houses. Under the provisions of this particular amendment they expect to solve the problem by loaning money to the Lustron Mortgage Co. and other mortgage companies. Then permit 100-percent loans to be made on the houses. Thus they would allow somebody to set up a small company and buy a thousand houses without a dollar invested, but receive an excellent profit from these homes. Of course they may be able to do that. They may be able to bail it out with Government money. And someone will get rich, without risking a cent.

If Lustron does succeed, what will happen? It is my judgment if Lustron succeeds in selling 1,000 to 2,000 prefabricated houses a month, the Government will have set up by Government money and Government aid, a complete private monopoly. This monopoly owned and operated by people who have $1,000 invested in it, and yes, you might thus achieve mass production of prefab houses.

The people who are attempting to compete with Lustron, those people who have had private financing and who have attempted to do the job through private enterprise will be completely wiped out.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. SPENCE. I am wondering how the RFC could directly aid the Lustron Corp. when it is provided that the money used shall be for the distribution, marketing, and erection of these houses. Of course that loan is contemplated to aid the dealers who may buy from many of these corporations. The Lustron Corp. is not the only corporation that is making prefabricated homes. I have a list of 12 corporations engaged entirely in a construction of prefabricated houses.

Mr. COLE of Kansas. Mr. Chairman, the Lustron Corp. has already set up what is known as the Lustron Mortgage Co. Anyone could set up such a company. Those companies may then borrow 100 percent of the value of the houses from RFC. They certainly will aid Lustron and drive private enterprise to the wall.

If the project fails—in other words, if it cannot continue, what will happen? I said if it succeeds it will create a private monopoly and take private enterprise out of the prefabricated business. If it fails, what will happen? Then the RFC will be able to put Lustron in bankruptcy, and receivership, then continue to pour millions of dollars into the project in order to bail it out. Then we will have another monopoly. This time not a private monopoly owned by private people, but Government monopoly owned by the Government, manufacturing houses by the Government, driving private enterprise to the wall.

Can Lustron succeed? The question is not whether or not it is a good house or whether it can be produced. The question is whether or not the people of America will buy it. It is a question of distribution. So the Government enters into a huge project by pouring out millions of dollars in order to produce housing. They have forgotten it is necessary not only to produce a house, but you must be able to sell it.

I say that neither Lustron nor the RFC have any plan now by which they can sell houses.

Under the provision of this particular amendment they expect to solve the problem by loaning money to the Lustron Mortgage Co. and other mortgage companies, then permit 100-percent loans to be made on the houses. Thus they would allow somebody to set up a small company and buy a thousand houses without a dollar invested but receive an excellent profit from these houses. Of course they may be able to do that. They may be able to bail it out with Government money. And someone will get rich without risking a cent.

If Lustron does succeed, what will happen? It is my judgment if Lustron succeeds in selling 1,000 to 2,000 prefab houses a month the Government will have set up by Government money and Government aid a complete private monopoly, this monopoly owned and operated by people who have $1,000 invested in it.

The people who are attempting to compete with Lustron, those people who have had private financing and who have attempted to do the job through private enterprise will be completely wiped out.

If the project fails what will happen? Then the RFC will be able to put Lustron in bankruptcy, and receivership. Then continue to pour millions of dollars into this project in order to bail it out. Then we will have another monopoly. This time not a private monopoly owned by private people, but Government monopoly owned by the Government, manufacturing houses by the Government, driving private enterprise to the wall.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. SPENCE. I understand that the Reconstruction Finance Corporation has in their hands at this time the resignation of four of the seven directors of the Lustron Corp. They tell me in the next 2 days they will have in their hands the resignations of three other directors. If they would reorganize their company, not as a Government corporation, but as a private enterprise, they will put in other directors who they think have more capacity and will work better in conformity with the desires of the company and they will be entirely reorganized as a private enterprise. I think the Government ought to have a chance to do that under the circumstances.

Mr. COLE of Kansas. I thank the gentleman very much. I think that is a very interesting comment. I have been expecting it. I have been driving at this, and other Members have been, because we have felt that not only has the Lustron Corp. been mismanaged, but it has been mismanaged, I might say, with the advice and consent of the RFC. The RFC has known what has been going on out there. The RFC knows that they have today 600 trailers and 200 tractors to pull those trailers. All of those trailers have been drawing exorbitant rental during that time; guaranteed mileage, but the trailers are for the most part idle.

Mr. Chairman, it is easy to say that they have reorganized it. Of course, we expected the reorganization. That is to offset the opposition to this particular amendment. They had to reorganize. They will have to reorganize not only once but probably a number of times.

Can anybody dispute what will happen if you allow, by Government money, a corporation to enter into all this sort of fields? One of two things will happen. Either a private monopoly, which will drive out of business private business, or a Government monopoly, which will do the same thing.

So I say we have shown today that the Lustron Corp., in the first place, never received a loan authorized by law from the RFC. Second, that the management of the Lustron Corp. has been such that their promises in the past have never materialized, and that there is no possibility of the promises materializing in the future. I do not believe that the Government can select enough competent people who can enter into this business and make it successful. I would like to know by what political intrigues these new people were brought into the corporation under the new reorganization, because I am sure that in the past some of the boys who operated the Lustron Corp. entered it through political intrigue.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. KEEFE. As I read this language, it says for the purpose of aiding distribution, erection, and marketing of prefabricated houses manufactured with financial assistance under section 102 of this act.

Mr. COLE of Kansas. That is right. Only those.

Mr. KEEFE. Am I correct in the assumption that that presupposes that this aid is going to a company which has heretofore received assistance under section 102, and has already on hand, already manufactured, prefabricated houses which they have not been able to sell and distribute; that this $25,000,000 is definitely for one purpose and one purpose alone, and that is to provide assistance in getting the houses that are already manufactured out onto lots and for sale, so they will qualify for mortgages? Is that correct?

Mr. COLE of Kansas. That is correct, in my judgment.

Mr. KEEFE. Under those circumstances, does that not make this loan apply almost strictly to the Lustron Corp.?

Mr. COLE of Kansas. That is right. Almost strictly. The Prefabricated Home Manufacturers Institute of America has gone on record absolutely as opposing this or any such loans. In other words, the people who are attempting to do a job in private business do not see any possibility in this except that they will be driven with their backs to the wall.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. JENSEN. Is it not a fact that the Wyatt housing program was a complete flop?

Mr. COLE of Kansas. Absolutely.

Mr. JENSEN. And is it not also a fact that after the Wyatt housing program was thrown out of existence by the Congress, private enterprise went forward and built houses faster than they had in any two previous years to that time?

Mr. COLE of Kansas. That is true.

Mr. JENSEN. And also is it not a fact that this program that has been set up here by Congress, this housing bill, will bring about such confusion as has already been proved; and, as the gentleman has just said, would we not have less houses built than we would if we had no Federal housing program?

Mr. COLE of Kansas. I do not think there is any question about it.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. COLE] has again expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, it is absolutely essential that the House pass the continuation of titles I, II, and VI in this housing legislation. I believe there will be no question about that part of the bill.

There are two amendments over which there will be absolutely no disagreement; namely, the making of the military housing title of FHA as eligible for bank portfolios as are the other titles of FHA; and there is another amendment that makes the 501 GI loans, that is, the housing, of $10,000 or less, privately built and bought by GI's, eligible for 100 percent support by the Federal National Mortgage Association.

Unfortunately, the comprehensive private industry housing bill that this House worked so long and so hard on and finally passed by an overwhelming majority vote did not reach final passage in the other body.

So it is necessary, if this housing boom that this year is creating almost 1,000,000 privately constructed homes in this country—built largely for home ownership—is to continue, that we pass this legislation.

I cannot agree with my colleague, the gentleman from Kansas, that we should strike out the so-called amendment on interim financing for prefabricated housing.

In the first place, if it were the purpose of this amendment to try further to bail out the Lustron Housing Co., the RFC has all the authority of law today to lend them an additional $2,000,000 or $5,000,000 or whatever amount was necessary under existing law.

This amendment merely tries to provide that prefabricated house manufacturers who have been aided under section 102 of the Housing Act, which we passed to aid prefabricated housing manufacturers, will be able to dispose of the houses from the back door of the plant, and sell them to an agent on interim financing until the agent can erect them on a site some place, and then secure the long-range financing available to the purchaser under FHA or under the GI housing plan.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. In just a moment I will yield.

There is a gap in there between the time the prefabricated home is finished, when the work is done at the factory, and when it can be sold to the ultimate consumer placed on a lot somewhere in the outskirts of some community.

This is a similar type of interim financing we have for the builders who build on-the-site construction or who build by mass-production methods. We have this interim financing for them, but if we fail to pass this section of this amendment then we are denying the prefabricated people the same help financially—interim financing—that we give to private contractors.

I now yield to my colleague from Wisconsin.

Mr. KEEFE. Am I correct in my assumption, as the gentleman has so well said, that under existing law the RFC is authorized to make loans to Lustron in its judgment purusant to the terms of existing law for the manufacture of prefabricated houses?

Mr. MONRONEY. That is right.

Mr. KEEFE. And they have made such loans under section 102, as the gentleman has said.

Mr. MONRONEY. The gentleman is correct.

Mr. KEEFE. Am I correct in the assumption that this is designed to permit loans to some other agency, perhaps a distributor, perhaps a subsidiary, perhaps some other corporation that will take these houses already built by Lustron, that are finished, and put them on the land where they can be used and become available for mortgage financing? Is that what this is for?

Mr. MONRONEY. The gentleman is correct. It is for the purpose that Lustron or any other manufacturer of prefabricated housing can receive help under section 102.

Mr. KEEFE. One other question, if the gentleman will permit, in order to clarify this. Is it true that this $25,000,000 is not intended to be used for the purpose of aiding Lustron in the manufacture of more houses, but to aid Lustron incidentally, or any other prefabricated outfit, in moving the product that is manufactured under loans already made or which can be made under existing law?

Mr. MONRONEY. The gentleman is absolutely correct. The purpose is to aid the distribution and the erection on sites of houses that have been completed at the factory by companies that have received help through section 102.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. KEEFE. Is it not a fact that the Lustron Corp. has received some $35,500,000, as I understand it, in direct loans from the RFC?

Mr. MONRONEY. That is the testimony before the committee.

Mr. KEEFE. And they have several hundred already made that they have not been able to sell?

Mr. MONRONEY. Three hundred, as I understand it.

Mr. KEEFE. Many of them already loaded on trucks ready to be moved out if they can get rid of them?

Mr. MONRONEY. If they can find interim financing to handle them from the back door of the factory until the houses are erected on a site and are eligible for long-range financing under FHA.

Mr. KEEFE. Is it not true that this $25,000,000 while in terms is generally applicable to any prefab is designed fundamentally to take care of Lustron and to enable them to move these houses that they have not been able to move and to sell?

Mr. MONRONEY. I disagree with the gentleman in the exclusive feature of this provision limiting it to Lustron. I have the names of 10 companies that have been aided by section 102 in the construction and manufacture of prefabricated houses.

Mr. KEEFE. The reason I ask that question is because the statement was made that many other prefab companies were represented in your hearings on this bill and stated that they were opposed to this provision.

Mr. MONRONEY. I may be wrong, but I do not recall before our committee when we considered this in the long-range housing bill, which the House passed and which the gentlemen on your side of the aisle did not question at that time, that there was objection, when $75,000,000 was put into the bill for this very same purpose. This is taken verbatim from the bill that the House has already passed, but it has been reduced from $75,000,000 to $25,000,000.

Mr. KEEFE. The gentleman cannot be unaware of the tremendous amount of publicity this matter has received in the press of the country, over the radio and every place else. Why can we not have the cards laid on the table? If this is a proposal to take off the hands of Lustron, or to make it possible to take off the hands of Lustron, these hundreds of houses that they have built with RFC money and which they have not been able to sell, why not let the people of the country know and let the Congress know whether or not that is the truth? That is what I am trying to develop.

Mr. MONRONEY. What the committee is saying and what we admit is that any company that has been helped by section 102 will come under this, and if I had the time I could read the names of those who are eligible. There are 10 companies engaging in prefabrication that are eligible under this act.

Mr. KEEFE. Any other company besides Lustron that has made application for funds of this character?

Mr. MONRONEY. I do not know whether Lustron has made application for funds of this character or not. I presume with 300 houses on hand that they have not been able to move into the trade, and erected for people to live in, they would like to see this interim financing.

As a matter of fact, Lustron is the biggest experiment and the biggest producer of prefabricated houses there is in existence today. Whether that loan is good or bad I cannot say, but there is at least $35,000,000 of Government-loan money in that plant. You have 300 houses sitting there ready for delivery. I believe those houses can be sold if they are erected. At any rate, 300 houses should not be allowed to sit there and not produce any revenue. They should have a chance to reach the trade. So the only way to do is to try and see that the product is sold through this means of interim financing.

Bear in mind that in prefabricated house construction the inventory for materials and for machinery runs into tremendous sums of money. These 300 houses that the gentleman from Kansas said are sitting there at about $8,000 each, represent an investment of around $2,400,000.

They cannot reach the market on account of lack of some type of financing which we are freely giving to the conventional builders all over the country under other housing plans.

I believe the gentleman from Wisconsin would like to see these houses used, erected and sold, and placed under long-term FHA mortgages, would he not?

Mr. KEEFE. Did the hearings before the gentleman's committee indicate whether or not the public itself had rejected this Lustron house so that there was not public acceptance, therefore that is the reason they are laying there? What is the fact about that?

Mr. MONRONEY. If the gentleman is going on that theory, then he is completely wrong.

Mr. KEEFE. I am seeking information, that is all; trying to be fair about it.

Mr. MONRONEY. No dealer can possibly pay cash for all of the houses he can sell and erect, and you have to have some intermediate type of financing after the house drops off the assembly line until it becomes erected on a site, and open for a long-term housing mortgage.

It is intermediate financing that you are seeking to obtain in this way. Unless there is some way of getting that intermediate financing, in the kind of amount that is necessary, then you are going to

kill off the prefabricated-housing business and you are certainly not going to make available to the purchaser the chance to buy a prefabricated house.

The distributor cannot afford to put the money on the line, cash, c. o. d., and wait several months until he can get the money on the long-term loan available when the erection is completed.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Kentucky.

Mr. SPENCE. Is it not a fact, that on August 25 this House adopted this identical provision with $75,000,000 inserted instead of $25,000,000?

Mr. MONRONEY. The gentleman is correct, and not one question was raised in the debate on the floor, as I recall, regarding the advisability of this amendment. I do not believe one question was raised in the Committee on Banking and Currency during all of the long weeks that we were hearing this long-range housing bill. And, it is strange to me that at this late hour some one member of the committee finds that we are doing something fast here in Congress to help some people which manufacture prefabricated housing.

The gentleman knows that $35,000,000 already has been loaned. Now, are you going to try and provide interim financing necessary to find a market for that product? Lustron alone has 300 of these houses which are already completed, according to his own statement. Do we want to allow them to sit there and rust and not find out, at least, whether there is a chance to salvage a portion of this investment under the reorganization of the company, such as the distinguished chairman has already mentioned?

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Is it not true that the gentleman from Ohio [Mr. SMITH], who is now sick, brought up this question of Lustron when we were holding hearings on the bill last spring?

Mr. MONRONEY. I remember the hearings on Lustron, but I do not think it was in connection with the long-range housing bill. I think it was a separate hearing, as I recall. But I do know that after the hearings that we had on Lustron, and this provision was placed in the bill, that it was reported practically unanimously by the committee, and no question was ever raised about it.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. No part of this $25,000,000 can be given to this corporation to manufacture more houses.

Mr. MONRONEY. That is correct.

Mr. BROWN of Georgia. It is only good business to use part of this money to send it to the consumer so that the RFC can get their money back.

Mr. MONRONEY. If you cannot sell the product that has been manufactured with this loan, then you certainly will not have any chance to get your money back. If you want to prevent the selling of the product, then go along with the gentleman from Kansas and probably write off the whole $35,000,000 loan, because if the product cannot reach the consumer then it does not do them any good.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not a fact that this is, first, for the purpose of intermediate financing, and that the only way the expenditure will be recaptured will be by placing long-term financing on the product?

Mr. MONRONEY. As soon as these prefabricated houses are moved onto a permanent site, then there will be available long-range loans either under the FHA or the GI bill.

Mr. HOLIFIELD. That liquidates part of the money out of the $25,000,000 to make that possible.

Mr. MONRONEY. It liquidates it entirely, because the mortgage will cover the entire cost of the house.

Mr. KEEFE. Mr. Chairman, if the gentleman will yield, what fact was there before the committee that would indicate that you need for that purpose $25,000,000?

Mr. MONRONEY. The evidence before the committee, based on the amount of prefabricated housing that we thought probably was demanded, was for $75,000,000. The Members on the gentleman's side of the aisle and the Members on my side of the aisle reported a bill with $75,000,000 in it.

Mr. KEEFE. You obviously made quite a mistake in that regard, because when it got over to the other body they reduced the amount to $25,000,000.

Mr. MONRONEY. No, I beg the gentleman's pardon. That bill never came up.

Mr. KEEFE. They took it out altogether.

Mr. MONRONEY. I regret the gentleman is in error on this part of the housing legislation.

Mr. KEEFE. I am asking the gentleman who knows it all, and am trying to get information to which I am entitled.

Mr. MONRONEY. I am trying to tell the gentleman the Senate never took up the long-range private housing bill for final passage, but merely provided for a temporary extension of FHA titles I, II, and VI. The bill that we passed is still resting over in the Senate without ever having been taken up, so there has been no action by the Senate on either their bill or ours involving this matter of $75,000,000 for this interim financing.

Mr. KEEFE. This is an amendment to the Senate continuing resolution which your committee is offering?

Mr. MONRONEY. It is simply a continuation of titles I, II, and VI. I think the gentleman would like to improve on them a little bit. I believe he is in favor of the extension of the 100 percent mortgage for GI's.

Mr. KEEFE. I am. I am in favor of it all except this.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr MONRONEY. I yield to the gentleman from Kentucky.

Mr. SPENCE. Are not the decisions of this House to be like excursion tickets on a railroad, good for this date and this date only? We have just decided this question, and have decided it in favor of $75,000,000, by an overwhelming vote, and the bill passed without a word, and now objection is made in the same provision to the inclusion of $25,000,000.

Mr. MONRONEY. The gentleman remembers that when we had this bill up with $75,000,000 in it there were two or three sections of the bill that received objections from the Republican members of the committee. This is not one of those objected to. All the matter that was objected to, that was in disagreement, is presently out of the bill. Everything that is in this bill was never challenged by any member of either party. This bill was fully discussed in the committee and has come out for final passage.

Mr. KEEFE. Where is the evidence before the gentleman's committee that $25,000,000 is needed for this purpose, or any other sum?

Mr. MONRONEY. In housing financing, both conventional and prefabricated, you run into staggering figures of financing.

Mr. KEEFE. I guess that is true.

Mr. MONRONEY. Does the gentleman know that we have extended financing aid through the GI housing program and through the FHA housing program in the amount of $18,000,000,000?

Mr. KEEFE. But the gentleman does not answer my question.

Mr. MONRONEY. That was all for conventional housing. But here is a loan of $25,000,000 for interim financing of prefabs, one-half of 1 percent of what has been extended to conventional housing, and the gentleman is raising a question about it.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think the answer to why there was seemingly no problem on August 25 in respect to these Lustron houses where there appears to be controversy now is that because of the information which we have received since then we are not in the same condition of simple-mindedness now as we were then.

It is very obvious that if it is necessary to reorganize Lustron after something like $34,000,000 has been put in by the Government to start this concern, if it is necessary for the Reconstruction Finance Corporation to advance the money by which a mortgage association may be created to market these houses, even though these houses qualify for FHA insurance, from factory to seller, I believe surely there should be an investigation of this whole issue. The gentleman from Kansas [Mr. COLE] has introduced a resolution, which has been referred to the Committee on Rules, to investigate this whole question of Lustron financing by the Federal Government.

Before the House adjourns it should authorize the committee provided for by this resolution to thoroughly investigate these Lustron activities. In the meantime until these facts which are known have been laid before the RFC, because I

am not so sure they have been acquainted with all of them, and laid before this committee, the House should not authorize the appropriation of one more cent for this business. We are told it smells bad. I do not know whether it does or not. It should be investigated. Here are the potentials of this situation. Lustron has been financed by Federal moneys. In other words, Lustron has gotten its capital from the RFC. A mortgage corporation can be set up under this language which could not be set up under the RFC Act. Therein lies the primary and the fundamental difference between existing authority and the authority under this act. The gentleman from Oklahoma is not altogether correct when he says they have the authority to do now, as I understood him, what this will give them, because if they do have the authority then they do not need this legislation to begin with. But they do need this legislation to set up a mortgage company to finance the construction indirectly and the movement of these houses to cities.

The second chapter of Government financing through RFC is the financing of the mortgage associations.

The third chapter is this: We are providing in this bill another billion dollars for what we affectionately call Fanny May, the Federal National Mortgage Association, FNMA. After the Government has financed and furnished the capital for the creation of a mortgage finance corporation to buy the paper incident to the movement of these Lustron homes, then that mortgage corporation can turn around and sell the paper without recourse for 100 cents on the dollar to Fanny May and the sponsors of this, the directors or the managers or distributors or promoters do not have necessarily a red cent of their own money invested in the project. From the very beginning until the time that the house is fully paid for, it is being financed by the Federal Government. Therein lies the primary, the fundamental reason why we should know before we go any further whether, as a matter of policy, this Government is going to finance the creation of these Lustron homes, the distribution of them, and the final payment.

Mr. Chairman, I have but 1 minute remaining and I want to make this statement and challenge any opposition to it: I know of three builders in the United States today who are anticipating getting in on this loot and it is going to be loot if they can get in on it. They will not have a red cent involved. Yet they are going to become the incorporators and the officers of this mortgage loan corporation which is going to benefit these three individuals to the sum which equals in the aggregate the profit on these homes.

Now you can do that if you want to, but I think the sensible thing to do is to find out what this is all about before we go any further.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I have no further requests for time.

The resolution is as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking out of the first sentence of section 2 (a) "November 1, 1949" and inserting in lieu thereof "March 1, 1950," and by striking out of the last sentence of section 2 (a) "$200,000,000" and inserting in lieu thereof "$225,000,000";

(2) by striking out of the proviso in section 203 (a) "$5,500,000,000" and inserting in lieu thereof "$6,000,000,000," and by striking out "$6,000,000,000" and inserting in lieu thereof "$6,750,000,000";

(3) by striking out of the first sentence of section 302 "$1,500,000,000" and inserting in lieu thereof "$2,500,000,000";

(4) by striking out of the first proviso in section 603 (a) "$5,750,000,000" and inserting in lieu thereof "$6,150,000,000," by striking out of said proviso "$6,150,000,000" and inserting in lieu thereof "$6,650,000,000," and by striking out of the second proviso in section 603 (a) "October 31, 1949" in each place where it appears therein and inserting in lieu thereof "March 1, 1950."

SEC. 2. Said act, as amended, is hereby further amended by striking out the period at the end of the fourth sentence of section 1 thereof and inserting a colon and the following: *"Provided,* That, notwithstanding any other provisions of law except provisions of law hereafter enacted expressly in limitation hereof, all expenses of the Federal Housing Administration in connection with the examination and insurance of loans or investments under any title of this act, all properly capitalized expenditures, and other necessary expenses not attributable to general overhead in accordance with generally accepted accounting principles shall be considered nonadministrative and payable from funds made available by this act, except that, unless made pursuant to specific authorization by the Congress therefor, expenditures made in any fiscal year pursuant to this proviso, other than the payment of insurance claims and other than expenditures (including services on a contract or fee basis, but not including other personal services), in connection with the acquisition, protection, completion, operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of this act, shall not exceed 35 percent of the income received by the Federal Housing Administration from premiums and fees during the preceding fiscal year."

SEC. 3. Said act, as amended, is hereby further amended by adding the following new section after section 514:

"SEC. 515. At any time prior to final endorsement for insurance, the Commissioner, in his discretion, may amend, extend, or increase the amount of any commitment, provided the mortgage, as finally endorsed for insurance is eligible for insurance under the provisions of this act, and the rules and regulations thereunder, in effect at the time the original commitment to insure was issued."

SEC. 4. Section 4 (c) of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking out "$2,500,000,000" and inserting in lieu thereof "$3,500,000,000."

SEC. 5. Section 313 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is hereby amended by striking out "January 1, 1950" and inserting in lieu thereof "January 1, 1951."

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 4, line 10, insert:

"SEC. 6. Section 24 of the Federal Reserve Act, as amended, is hereby amended—

"(1) by striking out the second sentence thereof and inserting in lieu thereof the following: 'A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument upon real estate, which shall constitute a first lien on real estate in fee simple or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold (1) under a lease for not less than 99 years which is renewable or (2) under a lease having a period of not less than 50 years to run from the date the loan is made or acquired by the national banking association, and any national banking association may purchase any obligation so secured when the entire amount of such obligation is sold to the association.'; and

"(2) by striking out of the third sentence 'titles II and VI' and inserting in lieu thereof the words 'title II, title VI, or title VIII.'

"SEC. 7. Section 301 (a) of the National Housing Act, as amended, is hereby amended by striking out the proviso at the end of paragraph (1) (E) and inserting in lieu thereof the following: ': *Provided,* That this clause (2) shall not apply to (nor shall any terms therein include) any mortgage which is (i) guaranteed under section 501 of the Servicemen's Readjustment Act of 1944, as amended, and made for the construction or purchase of a family dwelling or dwellings in an original principal amount or amounts which does not exceed $10,000 per dwelling unit, or (ii) insured under section 803 of this act': *Provided,* That the amendment made by this section 7 with respect to mortgages guaranteed under section 501 of the Servicemen's Readjustment Act of 1944, as amended, shall apply only to such mortgages guaranteed after the date of enactment of this act.

"SEC. 8. The Housing Act of 1948 is hereby amended by inserting before section 103 thereof the following new section:

" 'SEC. 102a. For the purpose of aiding the distribution, erection, and marketing of prefabricated houses manufactured with financial assistance under section 102 of this act, and to overcome the delays which arise when permanent financing must otherwise be arranged in advance of the distribution, erection, and marketing of such houses, the Reconstruction Finance Corporation is authorized to make loans directly to any business enterprise or financial institution to finance the purchase and erection of such houses or for site improvements or other financing connected therewith, which loans may be made under such terms and conditions and with such maturities as the Corporation may determine: *Provided,* That no financial assistance shall be extended under this section unless it is not otherwise available on reasonable terms: *And provided further,* That the total amount of loans, including commitments, under this section shall not exceed $25,000,000 outstanding at any one time.' "

The CHAIRMAN. The question is on agreeing to the committee amendment.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the committee amendment and for the purpose of propounding a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WOLCOTT. As I understand the situation, the committee amendment is in three parts, which comprise sections 6, 7, and 8 of the committee amendment. There are three subjects involved—one in section 6, one in section 7, and the Lustron loan is contained in section 8.

As I understand from statements which have been made, there is little or no opposition to what I may describe as sections 6 and 7. The controversy is in respect to section 8. Is it in order for me,

or any other Member, to request or demand a division of the question, so that we can vote on sections 6 and 7, two-thirds of the amendment, and I hope adopt them, and then have a separate vote on section 8 of the amendment, which I hope will be defeated?

The CHAIRMAN. The gentleman is correct. The division would be in order.

Mr. WOLCOTT. If there is no further debate on the amendment, Mr. Chairman, then I demand or request a division of the amendment.

The CHAIRMAN. Permit the Chair to see if he understands the request of the gentleman. The Chair understands that the request is made that sections 6 and 7 be voted on together, and that a separate vote be had on section 8 of the committee amendment.

Mr. WOLCOTT. The Chair is correct.

The CHAIRMAN. The Chair will put the question on the portion of the amendment comprised of sections 6 and 7.

The question was taken; and that portion of the amendment was agreed to.

The CHAIRMAN. The question now occurs on the portion of the amendment contained in section 8.

Mr. VURSELL. Mr. Chairman, a parliamentary inquiry. Will we have an opportunity to further debate this last portion of the amendment?

The CHAIRMAN. There is no further debate permitted under the rule.

The question is on that portion of the amendment contained in section 8.

The question was taken; and on a division (demanded by Mr. COLE of Kansas) there were—ayes 52, noes 51.

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. WOLCOTT and Mr. SPENCE.

The Committee again divided; and the tellers reported that there were—yeas 64, noes 72.

So that portion of the committee amendment contained in section 8 was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration Senate Joint Resolution 134 to amend the National Housing Act, as amended, and for other purposes, pursuant to House Resolution 390, he reported the joint resolution back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the quotation marks at the end of line 20, page 5, be eliminated.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL WHEAT AGREEMENT ACT OF 1949

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, so that we will get the parliamentary situation before us, the request, as I understand it, is for the immediate consideration of H. R. 6305 to supplement the International Wheat Agreement Act. If there is no objection to the immediate consideration of the bill, then is there any provision under the general rules of the House which would apply to debate and division of time?

The SPEAKER. The House would be sitting as in the Committee of the Whole and the bill would be read under the 5-minute rule.

Mr. WOLCOTT. Mr. Speaker, should not the gentleman from Kentucky ask that it be considered in the House as in the Committee of the Whole?

The SPEAKER. That would be automatic.

Mr. WOLCOTT. Pending the original request?

The SPEAKER. It would be automatic and anyone could speak for 5 minutes.

Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act shall be known as the "International Wheat Agreement Act of 1949."

SEC. 2. The President is hereby authorized, acting through the Commodity Credit Corporation, to make available or cause to be made available, notwithstanding the provisions of any other law, such quantities of wheat and wheat-flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement of 1949 signed by Australia, Canada, France, the United States, and Uruguay, and certain wheat-importing countries (hereinafter called "International Wheat Agreement"). Nothing herein shall be construed to preclude the Secretary of Agriculture, in carrying out programs to encourage the exportation of agricultural commodities and products thereof pursuant to section 32 of Public Law 320, Seventy-fourth Congress, as amended, from utilizing funds available for such programs in such manner as, either separately or jointly with the Commodity Credit Corporation, to exercise the rights, obtain the benefits, and fulfill all or any part of the obligations of the United States under the International Wheat Agreement or to preclude the Commodity Credit Corporation in otherwise carrying out wheat and wheat-flour export programs as authorized by law. Nothing contained herein shall limit the duty of the Commodity Credit Corporation to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in making available or causing to be made available wheat and wheat-flour hereunder. The pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the act of July 16, 1943 (57 Stat. 566), shall not be applicable to domestic wheat and wheat-flour supplied to countries which are parties to the International Wheat Agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949. Where prices in excess of the International Wheat Agreement price have been paid for such wheat and wheat-flour financed by the Economic Cooperation Administration on or after August 1, 1949, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts.

SEC. 3. (a) The President is hereby further authorized to take such other action, including prohibiting or restricting the importation or exportation of wheat or wheat-flour and to issue such rules or regulations which shall have the force and effect of law, as may be necessary in his judgment in the implementation of the International Wheat Agreement.

(b) All persons exporting or importing wheat or wheat-flour or selling wheat or wheat-flour for export shall report to the President such information as he may from time to time require and keep such records as he finds to be necessary to enable him to carry out the purpose of this act. Such information shall be reported and such records shall be kept in accordance with such regulations as the President may prescribe. For the purposes of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the President is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of any such person.

(c) Any person failing to make any report or keep any record as required by or pursuant to this section 3, or making any false report or record or knowingly violating any rule or regulation of the President issued pursuant to this section 3 shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $1,000 for each violation.

(d) Any person who knowingly exports wheat or wheat-flour from the United States, or who knowingly imports wheat or wheat-flour into the United States for consumption therein, in excess of the quantity of wheat or wheat-flour permitted to be exported or imported, as the case may be, under regulations issued by the President shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of any such act, of the quantity of wheat or wheat-flour by which any such exportation or importation exceeds the authorized amount which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

(e) The district courts of the United States and the District Court of the United States for the District of Columbia shall have jurisdiction of violations of this act or the rules and regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by this act or the rules and regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this act or rules and regulations thereunder, or to enjoin any violation of such act or rules and regulations, may be brought in any such district wherein the

defendant is found or is a resident or transacts business. The remedies, fines, and forfeitures provided for in this act shall be in addition to, and not exclusive of, any of the remedies, fines, and forfeitures under existing law.

(f) Any power, authority, or discretion conferred on the President by this act may be exercised through such department, agency, or officer of the Government as the President may direct, and shall be exercised in conformity with such rules or regulations as he may prescribe.

(g) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including the necessary expenses and contributions of the United States in connection with the administration of the International Wheat Agreement.

(h) Funds appropriated under authority of this act may be used for the purchase or hire of passenger motor vehicles, for printing and binding, for rent and personal services in the District of Columbia and elsewhere without regard to the limitation contained in section 607 (g) of the Federal Employees Pay Act of 1945, as amended, and for the employment of experts or consultants or organization thereof, on a temporary basis, by contract or otherwise, without regard to the Classification Act, at rates not in excess of $50 per diem.

(i) The functions exercised under authority of this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of sections 3 and 10 thereof.

(j) The term "person" as used in this section shall include the singular and the plural and any individual, partnership, corporation, association, or any other organized group of persons.

With the following committee amendments:

Page 3, line 12 after the period, insert "There are hereby authorized to be appropriated such sums as may be necessary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it."

The committee amendment was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, line 14, after the word "relevant", insert "to transactions eligible for recording under the International Wheat Agreement."

The committee amendment was agreed to.

Mr. CASE of South Dakota. Mr. Speaker, I move to strike out the last word.

The only reason that I am taking this time is that I would like to have somebody explain just what this bill does. From the way things are proceeding here I am not sure that there is going to be any explanation given. May I ask the chairman of the committee, or the ranking minority member, whether this bill goes to the problem of determining who shall pay the loss or sustain the loss in case wheat is made available under the International Wheat Agreement at a price less than that which the Commodity Credit Corporation paid for it?

Mr. SPENCE. The purpose of the bill is to implement the treaty in which 42 nations, I believe, have taken part. The loss that will be sustained will be sustained by the Commodity Credit Corporation which is the instrumentality to carry out the provisions of the treaty. The Commodity Credit Corporation loss will be taken care of by appropriations. The bill has the approval of the National Grange, the American Farm Bureau Federation, and the National Farmers Union.

Mr. CASE of South Dakota. The bill in general may have their approval, but have those organizations stated that they want to see the Commodity Credit Corporation take over ECA's loss?

Mr. SPENCE. They specifically testified that they thought that was the instrumentality that should be used to take care of carrying out the agreement, and that any loss sustained by it should be made up by appropriations.

Mr. CASE of South Dakota. "Appropriations" is a mild term for Mr. Taxpayer. Under the agreement, at what price is the wheat to be furnished?

Mr. SPENCE. The wheat is to be sold by the producing countries. The United States has agreed to sell 168,000,000 bushels. Canada, I believe, participates to the extent of 203,000,000 bushels. France, I think, has agreed to contribute 3,000,000 bushels, Uruguay 1,800,000, and Australia 80,000,000 bushels.

Mr. CASE of South Dakota. But at what price is the wheat to be sold?

Mr. SPENCE. The price is to be not greater than $1.80 per bushel.

Mr. CASE of South Dakota. One dollar and eighty cents is the selling price?

Mr. SPENCE. Yes.

Mr. CASE of South Dakota. What does the Commodity Credit Corporation pay for the wheat?

Mr. SPENCE. Well, they pay the market price.

Mr. CASE of South Dakota. And what is the average price at which the Commodity Credit Corporation is acquiring this wheat?

Mr. SPENCE. I do not know. It is about $2.10 or $2.12, around there.

Mr. CASE of South Dakota. In other words, there will be a loss, an average loss, of about 32 cents a bushel.

Mr. SPENCE. This is not a matter of first impression, that is, of first consideration by the Congress. These nations have met and have entered into the wheat agreement treaty. The faith and credit of the Nation and the national honor are involved. We have to carry it out.

Mr. CASE of South Dakota. I want to get some direct answers to my questions. As I understand from the gentleman's answers, the Commodity Credit Corporation will sustain the loss. It will sell the wheat at $1.80 and it is buying it at an average of about $2.12. That is a loss of 32 cents a bushel. The question I now want to ask is, Has the committee given consideration to letting this loss be sustained by the funds provided for the Economic Cooperation Administration instead of by the Commodity Credit Corporation?

Mr. SPENCE. The loss will be sustained by the Commodity Credit Corporation initially. They will be reimbursed by appropriations. The farmers' organizations are perfectly willing that this be done. It will involve no weakening of the Commodity Credit Corporation or their financial strength.

Mr. CASE of South Dakota. That is tantamount to saying that if the Commodity Credit Corporation sustains a loss we will ask the taxpayers to make up the difference of 32 cents for 168,000,000 bushels after we have already provided the ECA with funds for that purpose. It is also equal to increasing the ECA appropriation by that amount of money. It seems to me the proper thing to do is to let the price fall on the ECA funds if the wheat is going to ECA countries. Did the committee consider arranging this so that the ECA funds would sustain the loss rather than the Commodity Credit Corporation? I do not like to have the Commodity Credit Corporation made to look so bad.

Mr. MURRAY of Wisconsin. Mr. Speaker, I rise in opposition to the pro forma amendment, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, just in order to get this situation straightened out, may I say to my distinguished colleague from South Dakota that in one way this should not be brought into the ECA question at all. This international wheat agreement is something that has been in the works for several years. If it does have an export subsidy of 32 cents a bushel, there is nothing new about that. For many years before the war we were paying an export subsidy up to 30 cents a bushel on wheat, and it was not confined to 168,000,000 bushels, either.

As I understand the purpose of the international wheat agreement, which has the unanimous support of all the farm organizations as well as of most business organizations, it is to try to use the 168,000,000 bushels of wheat as an instrument to keep the wheat farmers of the world from trying to commit economic suicide. In other words, by agreement there will not be a dog-eat-dog situation, and they will have this allocation of the amount to be furnished by the various countries—Australia, Canada, the United States, and other countries.

Under our support program we support wheat at around $2 a bushel, but if you will follow the international wheat agreement through, you will see that the price that goes to the world pool is going to be less as the years go along. If the parity price and the support program stay where they are today, it may require additional amounts from the United States Treasury to keep the wheat agreement in effect.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. CASE of South Dakota. Of course I am not opposed to carrying out the plan of the international wheat agreement, nor am I opposed to selling wheat that is in excess of domestic needs

at a price lower than the support price in the United States, but it is just a question in my mind whether we should let the Commodity Credit Corporation take the jolt here or whether to the extent that this wheat goes to ECA countries the cost of the subsidy should be charged to the ECA funds.

Mr. MURRAY of Wisconsin. I thank the gentleman from South Dakota. I imagine the support for this legislation comes partly from the fact that though we need only six or seven hundred million bushels of wheat in the United States, in dollars and cents a billion and a quarter or a billion and a half dollars worth of wheat, yet, it being the staff of life, you cannot cut the slice of bread too thin. We must as a protection always have an ample supply of wheat in our country. The international wheat agreement, and the subsidized export of this 168,000,000 bushels of wheat, is a plausible means of meeting this situation. In other words, the international wheat agreement if satisfactorily carried out (1) is a means of orderly marketing of the world's wheat supply, and (2) it can be an established method of disposing of domestic surplus wheat, and (3) it is a step toward world distribution of surplus agricultural products to the countries of the world that have a deficiency of food and of wheat in this instance.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. TABER. In effect this language is just increasing the ECA appropriation by fifty-three or fifty-four million dollars. That is about the size of it, is that not right? And maybe $55,000,000.

Mr. MURRAY of Wisconsin. I grant that, for this year, if you wish to take that premise. But really the international wheat agreement has nothing to do with the ECA. It is a world set-up independent of the ECA and the loss to the Treasury of the United States may be more than it is at the present time because, if you look up the rates, you will see that prices are going down as the years pass. I think it will ultimately be $1.10 a bushel.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Mr. Speaker, the bill was not read for amendment. The Speaker asked the Clerk to read the committee amendments. As nearly as I can tell, because I am not too sure by reason of the confusion, the first committee amendment was agreed to. That occurred in section 2, on page 3. We are now operating under the committee amendment to section 3, on page 4.

The SPEAKER. That is correct.

Mr. CASE of South Dakota. That being correct, will it be in order when the consideration of the committee amendments has been completed to offer a motion to strike out any language in section 2 appearing on page 3?

The SPEAKER. Yes; unless it is to strike out committee amendments which have been adopted.

Mr. CASE of South Dakota. Not to strike out a committee amendment which has already been adopted, but to strike out the language appearing in the main bill.

The SPEAKER. The bill is being read under the 5-minute rule, and any legitimate amendment permissible during the consideration of a bill under the 5-minute rule would be proper. The bill is open to amendment. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE:

On page 3, line 7, strike out "price" and insert in lieu thereof "prices."

Page 3, line 12, after the period, insert the following new sentence: "Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat flour."

The amendments were agreed to.

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 3, line 6, strike out the sentence beginning "Where prices in * * *" and ending on line 12.

Mr. CASE of South Dakota. Mr. Speaker, I do not know how many Members have a copy of the bill before them. But this is the sentence which I am seeking to strike out. It is on page 3 and reads as follows:

Where prices in excess of the International Wheat Agreement price have been paid for such wheat and wheat flour financed by the Economic Cooperation Administration on or after August 1, 1949, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts.

In other words, the language in this bill proposes retroactively to charge the Commodity Credit Corporation for purchases of wheat or wheat flour made by ECA and paid for at a price in excess of the international wheat agreement. I do not know of any reason why the bill should be retroactive.

If we are going to say that in the future if ECA should have to buy wheat at a price in excess of the price in the international wheat agreement, and we want to saddle that cost onto the Commodity Credit Corporation, that is one thing; but why should this bill be retroactive and say that where ECA already has bought wheat and paid for it at a price in excess of the international wheat agreement price, that the Secretary of Agriculture or the Commodity Credit Corporation is authorized to reimburse ECA for such excess amounts of purchases already made? We provided the money for ECA; we gave it to the ECA countries. This clearly adds to the gift for no apparent reason. That is why I am offering this amendment to strike out that sentence. I do not see any reason for it.

Mr. SPENCE. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I understand that the appropriation for ECA was reduced by $60,000,000 because of the fact that some of the wheat would move at the international wheat agreement price. It seems to me that there is no occasion for this amendment. I ask that the amendment be voted down.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. MONRONEY. Is it not a fact also that if the Congress had gotten around to considering this international wheat agreement at the time we had hoped to consider it, there would not be a claim on ECA funds, and it is simply because the Congress was unable to reach this that this excess amount had to be paid by ECA, which would not have been paid if we had passed the international wheat agreement?

Mr. SPENCE. That is true, and the fact that we have not passed implementing legislation for the international wheat agreement has had a very bad effect on the international wheat market. Many of these nations have refused to purchase at all because they were waiting for the treaty price to go into effect. It is essential, it seems to me, to pass this bill as is, to carry out the solemn treaty we have made with 41 nations, some of whom have agreed to produce wheat and sell it at a certain price, others having agreed to buy it at that price. It seems to me that to promisicuously offer amendments which we have not had an opportunity to consider might nullify the effect of the whole thing, and might affect our national honor and credit.

Mr. MONRONEY. Is it not also a fact that, with the exception of one vote in the committee, this bill was recommended for passage?

Mr. SPENCE. That is my recollection.

Mr. MONRONEY. Practically unanimous.

Mr. SPENCE. Practically unanimous, as it should have been. We are carrying out an international agreement, and it cannot be amended on the floor without consideration. You do not know what effect it will have. It might affect or nullify some of the agreements we have already made with the nations upon whom we relied to carry out this agreement.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. CASE of South Dakota. Has the gentleman considered that all this does is to say that this will not be retroactive as far as reimbursing ECA is concerned?

Mr. SPENCE. ECA has not received any advantage by this appropriation. Their appropriation was reduced by $60,000,000 because it could, under the provisions of this bill, buy some of this wheat at less than the market price.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. TABER. The drop in the market on wheat was away beyond that figure when you come to consider this bill. The cut was not nearly large enough.

The SPEAKER. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we have a situation here where an amendment is offered by my

good friend from South Dakota [Mr. CASE], who is not a member of this committee. He has a perfect right to offer it. It was suddenly conceived, but we have a perfect right to consider it, and he has a perfect right to offer it. No member of the committee from which this bill is reported has offered such an amendment.

Here is a bill reported out unanimously, or with the affirmative vote of all members of the Committee but one; an amendment is offered from the floor by a Member of the House not a member of the committee, something he has a perfect right to do. But we have a perfect right to consider the fact that this committee went into it very thoroughly, considered this aspect, and that all the Members on both sides, Republicans and Democrats, with the exception of one, voted for the bill. The gentleman from Kentucky has given a very complete explanation as to why the provision is in the bill and as to why the amendment offered by my friend from South Dakota should not be adopted. I hope that with this overwhelming evidence against the amendment that it will not be adopted.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARSHALL. If the amendment offered by the gentleman from South Dakota were in the bill it would lessen the amount of ECA funds that could be used to purchase American wheat to put into European countries, would it not?

Mr. McCORMACK. Certainly; and it has an economic repercussion upon the American farmer and upon the American economy. But here is the committee reporting the bill out. No member of the committee has offered the amendment; my friend who is not a member of the committee offered it. On the one side we have an unexpected amendment offered from the floor, on the other, the almost complete agreement of the Committee on Banking and Currency. I think that the explanation of the distinguished gentleman from Kentucky [Mr. SPENCE] should convince us that the amendment offered by the gentleman from South Dakota should not be adopted.

The SPEAKER. The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division demanded by the gentleman from South Dakota [Mr. CASE] there were—ayes 43, noes 75.

So the amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

By unanimous consent, House Resolution 391 was laid upon the table.

FOREIGN TRADE ZONE BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the bill H. R. 5322, the foreign trade zone bill, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT (H. REPT. NO. 1437)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5332) entitled "An act to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 2.

That the House recede from its disagreement to the amendment, of the Senate numbered 1 and agree to the same.

R. L. DOUGHTON,
JERE COOPER,
HALE BOGGS,
Managers on the Part of the House.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5332) entitled "An act to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones", submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The Senate amendment added a new section to the bill amending paragraph 1803 of the Tariff Act of 1930 to provide for the importation free of duty of evergreen Christmas trees. The amendment would be effective as to articles entered for consumption or withdrawn from warehouse for consumption on or after the first day of the first month which begins more than ten days after the date of enactment of the act. The House recedes.

Amendment No. 2: The Senate amendment added a new section to the bill amending paragraph 1519 of the Tariff Act of 1930, as amended, to require the President to promulgate regulations on the importation of furs and fur articles to the extent determined necessary by the Tariff Commission to prevent serious injury to the domestic fur-producing industry. Such a requirement would appear to duplicate to a large extent existing procedures which have been established to protect domestic industries against possible serious injury as a result of increased imports resulting from concessions made in trade agreements. The Senate recedes.

R. L. DOUGHTON,
JERE COOPER,
HALE BOGGS,
Managers on the Part of the House.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6316) to amend the National Housing Act as amended.

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. SPENCE. Mr. Speaker, this is a bill which I think has been passed three times by the House. It does but one thing: It reduces the premiums paid by the savings and loan associations to the Federal Savings and Loan Insurance Corporation from one-eighth of 1 percent to one-twelfth of 1 percent. It makes it conform to the insurance premiums paid by banks to the Federal Deposit Insurance Corporation. The savings and loan associations are engaged entirely in making loans for the construction and purchase of homes. I think the security they obtain is the best in the world. The average man will sacrifice everything he has before he will let go of his home.

Mr. TABER. This is a unanimous report of the committee?

Mr. SPENCE. It is a unanimous report of the committee. The gentleman from Michigan [Mr. WOLCOTT] will tell the gentleman that he is also deeply interested in this matter. I hope the bill will be passed, which will give these organizations that have done such a useful service the relief to which they are richly entitled and to which their shareholders are entitled.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 404 of the National Housing Act, as amended (U. S. C., 1946 edition, title 12, sec. 1727 (a)), is amended by striking out "one-eighth" where it appears therein and inserting in lieu thereof "one-twelfth."

SEC. 2. Subsection (b) of section 404 of the National Housing Act, as amended, is repealed and stricken out.

SEC. 3. Subsection (c) of section 404 of the National Housing Act, as amended (U. S. C., 1946 edition, title 12, sec. 1727 (c)), is redesignated subsection (b) and amended to read as follows:

"(b) If an insured institution has paid a premium at a rate in excess of one-twelfth of 1 percent of the total amount of the accounts of its insured members and its creditor obligations for any period of time after June 30, 1949, it shall receive a credit upon its future premiums in an amount equal to the excess premium so paid for the period beyond such date."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO FEDERAL CREDIT UNION ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6185) to amend the Federal Credit Union Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. SPENCE. Mr. Speaker, this bill merely enlarges the powers of Federal credit unions which are organizations for the benefit of workers in various industries, incorporated to invest their funds and to lend those funds to their members. The credit unions now have authority to make character loans up to $300. This bill increases that authority for them to make such loans to their members up to $400. It also extends the amortization period from 2 years to 3 years.

The credit unions have asked for this legislation. The bill was introduced by

the gentleman from Texas [Mr. PATMAN], and was reported unanimously by the committee. In my opinion, it is a very meritorious bill in that it will stimulate these savings and thrift organizations which have performed a very useful purpose.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That paragraph (5) of section 7 of the Federal Credit Union Act (12 U. S. C., secs. 1751–1772) is hereby amended by striking out in the first sentence thereof "2 years" and inserting in lieu thereof "3 years."

SEC. 2. The fourth sentence of subsection (d) of section 11 of the Federal Credit Union Act is amended by striking out "$300" wherever it appears in such sentence and inserting in lieu thereof "$400."

SEC. 3. Section 12 of the Federal Credit Union Act is hereby amended to read as follows:

"SEC. 12. Reserves: All entrance fees and fines provided by the bylaws and 20 percent of the net earnings of each year, before the declaration of any dividend, shall be set aside as a regular reserve against losses on bad loans and such other losses as may be specified in the bylaws in accordance with regulations prescribed under this act: *Provided, however,* That when the regular reserve thus established shall equal 10 percent of the total amount of members' shareholdings, no further transfer of net earnings to such regular reserve shall be required except that such amounts not in excess of 20 percent of the net earnings as may be needed to maintain this 10-percent ratio shall be transferred. In addition to such regular reserve, special reserves to protect the interests of shareholders shall be established when required (a) by regulation, or (b) in any special case, when found by the director to be necessary for that purpose."

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Page 2, line 14, strike out the word "shareholders" and insert in lieu thereof the word "members."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITTINGTON asked and was given permission to extend his remarks in the RECORD and include a quotation from Gen. Hugh Johnson.

CERTAIN IMPROVEMENTS RELATING TO THE CAPITOL POWER PLANT

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 395, Rept. No. 1436), which was referred to the House calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6281) to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMITTEE ON BANKING AND CURRENCY

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 331 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Banking and Currency, acting as a whole or by duly authorized subcommittee or subcommittees, appointed by the chairman of said committee, is authorized to conduct full and complete studies and investigations and make inquiries with respect to any matter or matters in the field of housing coming within the jurisdiction of such committee, including, but not limited to—

(1) any housing or housing facilities under the jurisdiction of the Housing and Home Finance Administrator; and

(2) any and all methods of planning, organizing, operating, and financing the construction, purchase, or rental of housing including cooperative or mutual ownership housing organizations,

and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

Mr. LYLE. Mr. Speaker, this resolution is similar to those passed for some 6, 7, or 8 other major committees of the House. So, far as I know there is no opposition to the resolution.

I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.], and ask unanimous consent that he be permitted to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, the misgivings which some of us had as to the original service integration plan was due in part to concern lest a strong-minded Secretary of Defense, given too much power, might use it unwisely. Secretary Johnson in demanding that his side be heard before the Armed Services Committee tips us off to the unfortunate character of his thinking. The Secretary of Defense should have no side in certain matters; he should be utterly impartial. Certainly he should avoid addiction to one-weapon mentality or Maginot thinking.

In the event of a future war, perhaps precipitated by the mistakes of the statesmen of the last conflict, the Navy will have to get them there and bring them back. It will have to keep the sea lanes open. If, as stated before the Armed Services Committee, a Louis Johnson-truncated Navy by 1951 could not, even by the deployment of all available forces, meet an emergency in the Mediterranean, the smallest of the great seas, this is a high price to pay for one man's prejudices, ambition, or simple misinformation, as the case may be.

Certainly the advancement of one man's star toward the Presidency, a laudable ambition on the Secretary's part if pursued within proper limits, is nevertheless of somewhat less importance than is the development of a well-balanced plan for the Nation's defense. By all means let us have the benefit of a thorough airing of defense needs on the part of all three services. If we do not yet have an integrated workable plan for our defense we had better know it now and correct it in the open rather than permit the further suppression of interservice differences behind Pentagon doors. It is better to light a candle than to curse the darkness.

Mr. ALLEN of Illinois. Mr. Speaker, I have no objection to the resolution and no requests for time.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL DEFENSE

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center with House amendments thereto, insist on the House amendments, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. DURHAM, SASSCER, FISHER, SHORT, and ARENDS.

EXTENSION OF REMARKS

Mr. HILL asked and was given permission to extend his remarks in the RECORD in two instances, and to include newspaper articles.

EXTENSION OF REMARKS

Mr. PATTERSON and Mr. BURKE asked and were given permission to extend their remarks in the RECORD.

Mr. VELDE asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. RABAUT asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include an address.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD in two instances and include in one an article.

PROGRAM FOR REMAINDER OF THIS WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time in order to inquire of the majority leader the program for tomorrow.

Mr. McCORMACK. Tomorrow there will be some conference reports, which of course are always in order. I am informed that there is a conference report on a bill from the Committee on Veterans' Affairs, also one on the foreign trade zone bill from the Committee on Ways and Means. Further, I understand the conference report on the basing-point bill has been filed.

In addition, there is to be considered the final supplemental appropriation bill, also a bill from the Committee on Agriculture, which was on the program for today. I am informed that a rule has been reported out on a bill relating to the repair of the power plant at the Capitol. These conference reports and the bills I have referred to will be considered during the next day or two.

Mr. HALLECK. I wonder if the gentleman can inform us with regard to the situation in respect to the conference report on the minimum-wage legislation. My understanding is that that is substantially in agreement. If it is, I am wondering if we could not dispose of that expeditiously to the end that if the other body should just happen to get busy and get through, possibly we could look forward to an early adjournment.

Mr. McCORMACK. We were all hopeful last week that we could adjourn this Saturday. The best information I have as of today is that the Senate will not be able to complete its business until sometime next week, Wednesday or Thursday. I hesitate to make a prediction when it relates to the other body because they have difficulties over there in making any definite statement as to adjournment. However, we are ready, and we could rush our business to adjourn any time the Senate expresses its will. About the only bills of consequence yet to be considered that I know of are the farm bill, now in conference, and the displaced-persons bill. The other matters could be taken care of very rapidly.

The latest information I have as of today about the possibility of adjournment is that it will be Wednesday or Thursday of next week. I then asked if there was any change if they would let me know, because if that is so, it is our probable intention to adjourn over from Friday to Monday. However, if we can adjourn Saturday, then of course we would sit Saturday. So it is vitally important to the House to know whether or not the Senate can dispose of its business between now and Saturday. If that should happen, and I hope it does, although I doubt it, of course the conference report on the minimum-wage bill would come up in that time. Otherwise, if we go into next week, the best information I have, and it is based on a talk I had with the chairman of the committee within the last 20 minutes, is that it will come up next Tuesday.

Mr. HALLECK. I am glad that the gentleman has made that statement.

Mr. McCORMACK. I am trying to give my friend and the House every bit of information that I have.

Mr. HALLECK. I assure the gentleman that what he has said is helpful to all of us. I understand we will need to determine about Saturday on tomorrow. There seems to be universal hope here that we can adjourn very shortly. My only suggestion would be that we keep moving along with the things that are here for action so that if the other body is ready to adjourn we will not be holding up the parade.

Mr. McCORMACK. The House has been very kind and has been very cooperative. No one need make any observation about the cooperation of the House. If the other body can dispose of its program between now and Saturday, and I hope they can, then the House definitely will cooperate in the completion of its business. The House has been very cooperative. Both the leadership and the membership on both sides have been very cooperative. As Majority Leader I welcome this opportunity to express that sentiment and feeling that I have and to express my gratitude for that cooperation.

Mr. HALLECK. Did I understand the gentleman to say that if the conference report on the minimum-wage bill is not disposed of Saturday it is expected to dispose of it not later than Tuesday of next week?

Mr. McCORMACK. Yes.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. WHITTINGTON. As I understood the distinguished Majority Leader, the rule which was just reported out by the Committee on Rules providing for the consideration of the power-plant bill reported unanimously by the Committee on Public Works will be taken up tomorrow, or the following day, according to when it may be reached on the legislative program.

Mr. McCORMACK. I put it on the program, I might say to my good friend, the gentleman from Mississippi, and if we can reach it tomorrow, all right; but it will be disposed of.

Mr. WHITTINGTON. That is if it can be reached, and if not it will be taken up the next day or the day following, is that correct?

Mr. McCORMACK. That is right.

Mr. WHITTINGTON. In other words it will be taken up. I think it ought to go to the other body.

The SPEAKER. The time of the gentleman from Indiana [Mr. HALLECK] has expired.

The SPEAKER. Under previous order of the House, the gentlewoman from Ohio [Mrs. BOLTON] is recognized for 30 minutes.

THE BRITISH ISLES AND WESTERN EUROPE

Mrs. BOLTON of Ohio. Mr. Speaker, I want to thank you for your recognition of me and the courtesy you have extended in order that I might address the House at this important hour with respect to my recent trip to the British Isles and western Europe.

Inasmuch as we are shortly to adjourn sine die, and because of the impossibility of having formal report of my visit printed and made available to all Members, I am taking this opportunity of making a brief, concise, and short statement as to my observations and findings in the several countries visited as a member of the Committee on Foreign Affairs of this House. And I wish so to report, Mr. Speaker, as to the over-all economic, financial, political, and social conditions as they presented themselves to me generally in western Europe.

I am happy to say that the trip, though it found me busily engaged practically every waking hour of the day, was made as agreeable as possible by the splendid cooperation which was afforded me by our State Department in general and by our Foreign Service in particular.

All pertinent current records, statistics, and reports—agricultural, industrial, trade, commercial, political, social, and financial—as compiled by our various attachés and consuls were cheerfully placed at my disposal for inspection and study. Interviews were arranged which enabled me to complete in 2 weeks less than the time I allotted practically all of the itinerary which I had discussed briefly with the very able chairman of the Committee on Foreign Affairs prior to my leaving.

Mr. Speaker, it is unnecessary to remind you or my colleagues that we here in the House were so much further ahead in our legislative program than was the body at the other end of the Capitol, that on August 26, by and pursuant to House Resolution 345 this body went into recess, and so remained in recess up until about September 27. It was during that time that I made my investigation.

As of that day in August the North Atlantic Pact as well as the bill for military aid to Europe (H. R. 5895) was still the subject of Senate debate. The final work on the appropriation for ECA funds likewise had not been completed by the upper body.

Our own Secretary of the Treasury, the Honorable John Snyder, had himself returned from his financial conversations in Europe, while Britain's Sir Stafford Cripps and Ernest Bevin, Chancelor of the Exchequer and Foreign Minister, respectively, had not yet arrived in the United States for the continuation of their monetary conversations and conferences.

The British pound had not yet been devalued.

American dollar credit and dollar reserves were shrinking by the hour in every pound sterling area throughout the world.

One can readily see, therefore, why it was that upon that day when I arrived in London, England, Downing Street, as well as Threadneedle, were in high jitters, approaching panic, with respect to the all-time future of the British pound sterling and financial structure.

Mr. Speaker, may I say that in the time allotted for the purpose of rendering this report, there is a veritable arsenal of data and fact with respect to studies which I have made and to which I can—at this time—but sketchily refer.

Let me preface my remarks by making a statement that I not alone discussed the foreign as well as the home-front affairs in the countries visited—but that I discussed them with some of the highest and most accredited officials of those countries. Additionally thereto I talked individually to many persons, including bankers, businessmen, agricultural leaders, leaders of organized labor, members of both the Conservative as well as the Socialist Parties—and certain of their representatives in the British Parliament.

I talked also with some of the distinguished men as well as women leaders of the Socialist Party, housewives, workers, and I did so not alone in their factories and other industries but I sat down and broke bread with them in their homes.

While in France, I had conferences with both Premier Queuille and Mr. Moch, then Secretary of Interior, and others concerned with mining, manufacturing, processing—the imports and the exports of goods—as well as diversified farmers and cattlemen.

I was particularly gratified by the good report I received on my extended visit of the splendid work of the organized labor leaders—among them our own Mr. Irving Brown, foreign representative of the A. F. of L., as well as Mr. Elmer Cope, of the CIO, who comes from Cleveland in my own Twenty-second Congressional District of Ohio.

The thing that I most regret is that due to the extended absence of Mr. Winston Churchill, whose health had compelled him to take a holiday, I was unable to again see and talk to him on this trip while in England.

I did, however, talk with several distinguished members of his party and learned at first hand the attitudes of Conservatives of the enlightened minority who are opposed to the Labor or so-called Socialist government now in control of government in England.

My several extended conferences with Ambassador Lewis Douglas, one of which was at his hospital bedside, were, indeed, altogether informative.

While my colleagues will understand that much which passed between him and me, as well as between myself and others, cannot be quoted, I want one and all to know that when I returned home I said to myself, Thank God America is not in the condition of want, of fear, or living in the realm of uncertainty which characterizes the existence not alone of the nations that live behind the iron curtain, but of every nation which lies between that iron curtain and the deep blue of the Atlantic Ocean.

Mr. Speaker, above all else, all that I learned on this visit has convinced me that the deplorable conditions of life in England today are not just the result of the Socialist government now in power. As never before, I am convinced that the Socialist government is not the sole cause but rather that it is the effect of an economic trend which has been engulfing England for these last 50 years. It is a condition that was precipitated upon her violently and suddenly through the loss of her colonies, of the revenues that she had derived therefrom, the loss of moral succor and support which had long sustained her during all the years of her great colonial empire.

The England of a short decade ago—the England, let us say, of 1940—no longer exists.

Gone is the great financial support annually derived from the 175,000,000 of pounds that she hitherto received from the interest paid on her foreign investments.

Gone are the more than 20,000,000 of pounds sterling, the profits taken from the shipping which she long controlled on all the seven seas.

Gone is the income historically enjoyed from the export of cheaply produced coal—millions of tons of which were annually burned in the ships' boilers that powered the engines and turbines and drove the craft in which the British hauled the cargoes of the world.

Gone too are the 7,000,000 pounds she received for her films as well as a further 16,000,000 pounds she received from overseas expenditures of other nationals.

Gone are the 72,000,000 pounds that annually flowed into the coffers and the British banking houses through their great insurance business: fire, maritime, and all the profits from other types of risks which she had long insured, even before the affluent days enjoyed under the leadership of the renowned Prime Minister Disraeli, who, after he made Victoria Empress of India, became the first Earl of Beaconsfield.

How significant of England's loss of its almost priceless colony of India was the arrival in our own country, only yesterday, of Jawáharlal Nehru, Prime Minister of the newly formed Republic of India.

Mr. Speaker, what nation other than our own could survive the terrific impact of a decreased income equivalent to the sum of one billion four hundred and fifty million ($1,450,000,000) American dollars—and suffer that loss while emerging from the inevitable results of a devastating world-wide war.

Every increase of fear the British people have felt since the army of Hitler made its invasion of Poland, has seen an increase in the population of that tight little isle. Each and every crop year has seen the people of England and of Great Britain become more and still more dependent upon the importation of foodstuffs and raw materials, needful and necessary to their existence.

It is altogether unfortunate that the postwar period, and with the value of the pound sterling decreasing, saw tremendous increases in the rates of wages paid England's workers, and all this, while the per capita production of England as measured in terms of pounds or dollars, was on the decrease.

With increased cost of production and with decreased income to the people, with the demands of her people for increased standards of life, she is today not unlike a family in our own country which had lost a great percentage of its income through idleness or illness or which, unable to balance the family budget, had persisted in living at the same rate as before the decrease took place.

All of these adverse factors can only spell want, privation, and suffering. They are apparent on every hand.

Mr. Speaker, I lack the gift of tongue to explain to you and my colleagues of this House the innate privation that these people are suffering today.

It is inconceivable to an American, who walks into a food shop free to buy as he can and wills, and there sees its shelves groaning and its cases bursting with an almost endless variety of meats and other foods—canned, bottled, frozen, and otherwise—to think that many of these foods are still under ration in Britain today and that British housewives must still queue up as during the war, and with a ration book procure their daily allowance of food.

I still see these long lines of weary women, waiting with unbelievable patience to buy a small piece of meat, a few rolls, the few eggs they are allowed with their ration points, counting their bits of money for the extra unrationed foods that must eke out the family menus.

It is hard for any American to understand that fewer American movies—flickies and cinemas as they call them—and less tobacco have a real bearing on the actual amounts of available food, but they all take dollars to buy, and a large part of the British motion pictures and tobacco have long been imported from the United States.

Britain, with its 50,000,000 souls, today is not unlike a family that has not enough income to pay for fuel, housing, food, clothing, electric light, travel, and amusement on the old scale and still survive.

Now if they, the British people, send $10,000 or $100,000 or $1,000,000 annually to the United States for the purchase or rental of moving-picture films, they have just that much less money to send out of England to buy leather for shoes, wheat for flour, wool for clothing, and cotton for the thousand and one uses to which that great American staple is put.

Also, if they buy beer, then there is that much less money with which to buy bread.

If they buy tobacco there is just that much less money with which to buy tea.

So by Government control the sale of these luxury items, which must be bought from other oversea nations like the United States itself, are cut to the bone, their tea is bitter and the bread or biscuit on their table, carried from across the seas, are in short supply.

Mr. Speaker, I went far out on the countryside of England. It was sunset when I entered the home and shared a humble repast with a good English fam-

ily who to all intents and purposes had no more to do with influencing the well-being of their Government than had the few chickens or even the flowers that grew in their little garden.

They had on their table a small piece of meat, some potatoes, bread, some oleo and tea. These they wanted me to share with them, and I shared.

During the course of that humble meal I heard the head of that home, my host, say: "This is a piece of meat the like of which my father would have thrown out of the window, rather than tender it to a guest, or eat it himself."

The sum of all constructive conversations, observations, and findings revolves about the question as to just what further United States Government aid we can longer extend to the country that was England.

If American private capital is to be induced to bridge the gap, immediately comes the question, How wide is the gap? How long is the haul? What are the chances for the British Government properly to manage the private debt they might incur, both as to interest and to curtailment?

Mr. Speaker, those questions bring forth still another: What venture capital would today make investment in an industry, with unbalanced wage scales, in a country where that industry is liable to be taken over at any moment, either through nationalization by its own Government, or else by possible economic conquest by a foreign power—likely communistic at best?

Personally, I feel that the fiscal policies pursued by the Socialist Government of England are now pointing down a highway that will totally discourage American investors from lending their private funds.

I see no solution for the people of England, even in a long-term program, short of greater productivity per capita of both goods and services, attended by a radical change in the policy on the part of their Exchequer.

High costs are going to abound in England for a long time to come. Personal incentive is gone. The way out is indicated by hard work, and more work, so as to reduce costs, lower taxes, increase the incentive to produce, and every last Britisher will have to approach his present problem with ever-increasing vigor until they are "over the hill."

The maladministration of their old-age pensions, of their socialized medicine, unemployment compensation, and other welfare programs, in my opinion, has largely decreased the personal incentive to work, to produce, and to save.

Changes must be effected along those lines.

England today is faced with a problem either of working harder in England in order to export more products, or else she must export her peoples to other countries, for there is not enough raw food and other products available to give them the standard of living commensurate with their conceptions of modern civilized development.

To sum it all up, the way out for England and every other country in the world as well is work, work, and more work.

From an intelligent, earnest young Socialist, leader of his party, I indeed received a severe shock. Our discussion was apropos the British economic problems. He declared boldly that "American money must continue to come to England." Whereupon I said to him, "Do you realize what you have said? That you, a Socialist citizen of a Socialist country, expect to receive continuing support from us, a capitalist country?" Continuing, I told him, "If you expect that financial action from us in America, certainly we Americans are going to expect something in return of your people and of your government."

How different was the viewpoint of the distinguished Dowager Marchioness of Reading, head of the Women's Volunteer Services, one of the most active leaders both during and since the war. She had under her 2,000,000 British women—all over 50—who did everything from evacuating children to feeding the aged, chauffeuring government people, industrial workers, and all other types of labor that would release all able-bodied manpower for the defense of the homeland.

Today there are slightly more than 900,000 of these women of the volunteer services remaining, and I was privileged to talk to many of them. They are of real Anglo-Saxon stock—realistic, hard-working, and consecrated to service. Many of them are women, as Lady Reading stated, "of ancient lineage," who, after 55 years of age, have had to learn to cook, living in enormous old homesteads without help, taking in war orphans to raise. "Not that it hurts these English women," she continued, "to do the drudgeries of life, but England needs their brain today as much, if not more, than it does their ceaseless physical efforts."

Mr. Speaker, to a statement that I made to one group telling that the American people were not particularly enthusiastic about further bolstering England's socialistic government with American taxpayers' dollars, came the argument that the American dollars were not bolstering their Socialist government; that the American dollars which we are sending them are not being used to pay for the welfare services rendered by the government. "For that purpose we are using British pounds," they said. Whereupon I retorted, "But if you did not have the American dollars to spend for your indispensables, could your pounds be put to use in developing or perfecting your social-welfare and nationalization programs?"

That question still remained unanswered when I crossed the Channel to France.

When I arrived at our Embassy in Paris I was warmly greeted by our Ambassador, Mr. David Bruce. Here again I enjoyed the full cooperation, not alone of our regular consular service of the Embassy but of the officers of the ECA as well, of whom Mr. Milton Katz, deputy United States special representative, is an important figure. In Mr. Katz I found an active, dynamic, splendid, and sincere worker in the field of international understanding.

Mr. Speaker, I want to take this opportunity to say that the work being done by our representatives in Paris is something in which we in this House can be justifiably proud.

Ambassador Bruce in my behalf had arranged an interview for me with the French Premier, Henri Queuille. I had a long intimate and informative conversation with this distinguished, quiet gentleman in his own native tongue, without the necessity for an interpreter. I found him to be a man possessed of a great sense of coordination and human understanding, knowing the special needs of the European as well as of the French people.

One of the most singular achievements on the Continent today is the manner in which Premier Queuille, almost single-handedly, has held together the Government of France for this past year. Open-minded, honest, he holds no prejudices, and without sacrificing a single iota of principle has had the happy faculty of yielding opinions to his fellows and sustaining harmonious action.

At the conclusion of our talk I asked him quite bluntly, "Speaking, Mr. Premier, as a Member of the Congress of the United States, what is it that you would like to have me say to our people back home? What message can I take to them that will be helpful to you in solving the tremendous problems which lie ahead in France? What would you say to me?"

A serious look came into his face. His eyes met mine as he spoke these words: "Madame, you have given me an opportunity of which I must avail myself in behalf of France. We in France must feel secure. We must not again suffer complete submersion to another power. We cannot live through another war. We must have assurance that America is with us."

"Madame," he asked, "why do you have bilateral business with England? Why do your people rush now to Spain? Immediately we must be suspicious for to our thought Franco is not a friend of democracy."

Realizing that he more than likely was confused by the pronouncements by Americans not connected with the Department of State, I replied by saying, "Yes, Mr. Premier, we must sometimes seem to be doing just those things, but in truth we in America are very much behind Europe and to the best of our ability. Some of our people contend even beyond the extent of our resources."

Mr. Speaker, having talked with Mr. Queuille and canvassed public opinions from every segment of French life, I feel quite free to tell my colleagues that much of the internal troubles of France are now fairly well in hand. That is especially true insofar as communism is concerned. Though, of course, the Communists will try to make use of this change of government for their own ends.

The conditions with respect to internal fiscal policy in France, as contrasted with those I found in England, were sharply marked. The French people are particularly disturbed over the British move in devaluing the currency, which took place during my visit. Unlike the young Socialist leader in England the

French feel, as do most Europeans, that those who were in attendance at the Council of Europe should have themselves deliberated upon such a vital matter as fiscal policy, so basically of interest to all the nations of western Europe.

There is an undercurrent of feeling that perhaps America was showing far too much concern for Great Britain, and in a larger or smaller measure, was leaving the Continent of Europe more or less to shift for itself.

Someone once stated that if a nation emerges from war and its crops are good, that much of the human distress and property losses are quickly forgotten, that man goes back to the field to rebuild all that has been destroyed. Contrary to that, if the crop of that year is bad, there is wide distress in any land following war.

Mr. Speaker, the European crops have long been in short supply in post-war years. With the exception of wheat and corn they are particularly so this year in France. Potatoes, about which we hear so much of the great surplus on hand in the United States, as well as the beets are in very short supply throughout Europe today because of the terrible drought. The potato is a very vital part of the people's food and the beet serves not alone for human food but for cattle feed as well. In all recorded history Europe was never visited by such a drought as this year occurred.

All were very much disturbed by the crop conditions, but in a subsequent conversation I received word from the Prime Minister that the beet growers had assured him that they believed considerable of the beet and other root crops could be salvaged.

Then came the holocaust of terrible forest fires that engulfed and destroyed thousands of square miles of historic forests around Bordeaux. They salvaged and sold all possible lumber, rushing it out of the territory at any price. In the course of the fires, and up until the time I left France, some 10 or 15 people had been arrested and imprisoned as incendiaries.

Mr. Moch, Secretary of the Interior, who is now talked about as the successor to Premier Henri Queuille, I found to be a man of strong character who has had both the will and the determination to attack the Communist segment, to abate their activities and put them out of business.

Mr. Speaker, no report of mine would be complete if I did not report back to my colleagues my findings as to the marvelous work that is being done throughout the entire western European area—England, France, Germany, Italy and other countries—by highly accredited and eminently distinguished American leaders of organized labor.

Prominent among them are Mr. Sam Berger, Labor Attaché of the Embassy in London; Boris Shishkin head of labor division—ECA in Paris; Mr. Irving Brown of the A. F. of L.; and Mr. Elmer Cope of the CIO who, as I have said before, is from my home town of Cleveland.

It was largely through the work of these stalwart American leaders of organized labor that Italy was saved from the grasp of the Communists, and on every hand the immensely popular arch enemy of communism, Mr. Irving Brown, is acknowledged to be the driving force and the moving spirit of organized labor on the Continent.

I was indeed happy to learn of the aims, as well as of money that the several great labor organizations of America have sent abroad to their representatives for combating the international Communist organizations of European labor unions. Again and again the names of Irving Brown, of Boris Shishkin, of Phil Murray and Bill Green, of Sam Berger, were mentioned for the splendid work they are doing in their respective fields.

The second session of the International Anti-Communist Labor Organization—not to be confused with the several meetings in Europe this summer of the International Labor Organization—under the auspices of the United Nations—is shortly to be held in London this November. I do so sincerely hope that our two great American national labor unions will together put their shoulders to the wheel and carry on the good work they are doing as of this hour on the European Continent.

From the floor of this House I would urge that such men as William Green, Phil Murray, George Meany, Dave Dubinsky, James Carey, and George Harrison be in attendance at that meeting. I can conceive of nothing that would be more inspiring to the other nations than to have these recognized American leaders of organized labor sitting together at the conference table of that great labor conclave in London.

Motoring through the countryside of France I visited some of the little out-of-the-way places in order that I might talk with that stalwart peasant type that we call the French farmer. The evidence of the late war was on every hand. American military signs reading "Off Bounds to Military Personnel" still stand. You will find them in a window or on a gate, or fastened to a wall going into a town, carefully treasured and protected.

Simple monuments stand at crossroads—a rough-hewn eagle together with the names of French and American soldiers who died for the allied cause in that area.

One is vividly impressed as he rolls through little towns and comes suddenly upon a street named: Avenue États Unis.

I heard on many sides that the French people know little if anything about Marshall-plan aid, and that they are sitting back with folded hands waiting for us in America to do everything. I found that was not the fact, I found them working.

I think I might be justified in saying that the average industrial worker—or for that matter the farmer—has no specific knowledge of the huge quantities of material that have been shipped from our country to them under ECA.

One particularly well-informed manufacturer who produces radio equipment urged upon me to do all possible to have printed in French—perhaps in a box on the front page of a newspaper—a short résumé of just what was shipped month by month, adding these up as each month passed, to the end that no Frenchman would fail to know and in the future be aware of the vast quantities of material flowing out of these United States to the democratic peoples of the world abroad.

Candor compels me to say that the whole program of counterpart funds is so complicated that one cannot in justice blame either the peasant or small-business man for having little real conception of the part which our Government has played in supplying him with farm machinery.

Upon the arrival of farm machinery in France he buys it with francs, and he finds it very costly.

Then he learns that the United States is sending it over to France and becomes vexed over the high prices charged him—perhaps in discouragement on days when he is particularly downhearted over the drought.

On the other hand, there are many—and I would say a great many—who, without understanding in detail what is being done in behalf of themselves and their countrymen, inherently feel a deep sense of gratitude to the American people.

In my drive through the farm lands of France I saw nobody sitting with folded hands.

The French farmer is hard-working. He is a man who loves the land, and who is having a very desperate time endeavoring to get the extra help which the cultivation of his crops requires, because there are so many Frenchmen who now work for the Government, or who are drawing unemployment pay.

Like all French taxes, farm taxes are high; in fact so high that he has little available with which to employ necessary labor.

Mr. Speaker, I did find a great difference in the governmental administration of France since my visit of 2 years ago. Of all my experiences, that was the most heartening I had on this trip.

There was an uplift. It was due primarily to the fact that France had gone for a whole year without a single change of government and for that reason alone they are now beginning to feel secure.

The one thing they want of our country and from the American people—far more than they do our American dollars much as they may need them—is the certainty that we will stand by them in case of invasion and that we will help them in their own preparations to stand firm.

Mr. Speaker, I know of no one single thing that our Government has done that will contribute more to this sense of peace and security in western Europe since the shooting war ended than the North Atlantic Pact, and the military assistance that was this very week assured them.

When we in America do something in haste, when we—either our Government or Americans sojourning abroad—are guilty of something which is tactless or inept, it shakes the Frenchman to the very foundation of his soul.

As of this year they are deeply troubled by the fact that we are talking and making conversation with England and Canada, apart from those on the Continent of Europe. They were hurt beyond belief by the sudden English devaluation of the pound. They had assumed that

the five nations who had been signatory to the statute for the Council of Europe and participated in its sessions, would sit down together in an attempt to solve the complicated currency problems of that vast area.

It is unquestionably true that much in the future will depend upon the use that will be made of the pound devaluation by all of the countries in the sterling area. Misused, it could easily become a spiral to unbelievable inflation that would engulf all of the known world, ourselves included. Used wisely and with sagacity, it may well become the first step in a new world-wide economic recovery.

Mr. Speaker, the clock tells me that I have more than exceeded the time allotted me, without touching upon a most important work looking to the peace and security not only of the United States, but also of the free nations of the world by way of the instrumentality of the Council of Europe which was recently created at Strasbourg.

With your indulgence, Mr. Speaker, and the kind indulgence of my colleagues, I now ask unanimous consent that I may revise and extend my remarks, and include therein my report of the activities of that all-important European assembly.

I do this with the hope of making it possible for my colleagues, through the CONGRESSIONAL RECORD, to inform themselves about the dramatic and far-reaching meeting at Strasbourg.

COUNCIL OF EUROPE

Mr. Speaker, on every side one hears expression of the necessity for the countries of Europe to unite. Mr. Paul D. Hoffman, Administrator of ECA, Secretary Harriman, roving ECA ambassador, and others are loud in their insistence that unless there be economic unity neither the OEEC nor ECA can bring about the rehabilitation of Europe.

Anyone who has spent, not days but weeks, in France, for instance, as I have recently done, could not fail to recognize this necessity. No one having the opportunities that were mine to talk with responsible people—both French and American—could fail to realize that the people of Europe know their need in perhaps more realistic fashion than we do or can. And the people of Europe have taken the first step, not just for economic unity, but looking toward a European authority with limited functions but real powers. That step was taken at Strasbourg, where 101 parliamentarians sat down together with the purpose of reversing European history.

The idea was formulated in May 1949, took shape in July, and began to function in August. The odds for success are still not certain, but certainly no one thought so much could be accomplished. Paul Henri Spaak, the Belgian statesman who is the first elected president of the European Assembly, is quoted as saying that while he had come to Strasbourg convinced of the necessity of a United States of Europe, he was leaving with the certitude that such a union was possible.

Newspapers abroad gave it very little if any build-up beforehand, but suddenly they woke up to the fact that something big was apt to happen in that quaint Alsatian town. Yet with but one or two exceptions, our papers here gave it little space. There was so little of the sensational.

We do not hear much about it, perhaps, but in every French village the little local politicians seem to have an inner compulsion to talk about the new Council of Europe and its possibilities. And in Rome—and probably in the other countries as well—few speakers miss an opportunity to discuss it. Something has been started that cannot be stopped. It has welled up from below and flows and flows.

No, it was not sensational in one interpretation of the terms perhaps, but deeply moving to all thoughtful people—for Strasbourg was the result of an upsurge in the hearts of the people of Europe, one that Herbert Morrison, Deputy Prime Minister of Britain, man of the people and so keenly aware of atmosphere, recognized for what it was, knowing that what is so born cannot be smothered nor pigeon-holed nor brushed aside.

One hundred and one delegates from 12 countries met together in that old university hall, arranging themselves in alphabetical rather than political order. In an amazingly short time they settle down to work, not just as delegates, but as an assembly with a corporate spirit and a real sense of discipline. Incredible as it may seem, in the 18 days of debate only three speeches exceeded the 20-minute limitation.

The shadow of the Kremlin was there, but it was not talked about, although M. Reynaud spoke of the federation that was growing up in the east under the aegis of Russia. Perhaps it was this shadow making itself felt when the discussion of empty seats was referred to a committee.

There was rather general feeling that the absence of those who would have exploited the rules to prevent action was most helpful, but that once rules of procedure were final and the machinery oiled, it would be well to have Communists there practicing honestly democratic procedures.

It could so easily have failed at the very first meeting, this international conference that took on all the semblance of a parliament, but it did not; it was a definite success. No spectacular action was taken, no pretentious cure-all measures were considered. But as an educational experience for the delegates, and for many Europeans, it did a remarkable job. Considering the many difficulties involved, no one could consider the results less than reasonably successful, a definite first step to a united Europe.

What was actually done at Strasbourg? There was developed incredibly soon the corporate spirit of a parliament—accepting and abiding by the provisional rules in spite of certain dissatisfaction with them, with amazing evidence of the determination to accomplish.

There emerged a European approach in spite of the continuing evidence of the force of nationalism on important issues. But the Assembly worked as a machine and gave evidence of the substitution of European lines of division as differentiated from national.

Constantly reminded by the alphabetical seating arrangement that they were there as individuals, they were drawn into thinking as Europeans. This European spirit was evidenced in the choice of the six standing committees, in the dimming of traditional lines in the failure to form hard and fast blocs. For instance, the Scandinavians had family conclaves but did not vote in a bloc. The Italians stood together relative to the need of assumption of responsibility for the Italian manpower problem, but they did not team up with any one group. The Socialists and Christian Democrats failed in an effort to form an international organization. Mr. Spaak called the new line of division, especially as it related to the vote on human rights, "good and less good Europeans." The British Labor group was the most disciplined at the beginning, but they later split three ways. Even in the sharp clash between British Laborites and Conservatives in the British delegation, on certain aspects of the European approach, each appeared to be trying to prove itself the better European.

All these happenings would justify the contention that the Strasbourg meeting has been an excellent propaganda weapon for the idea of a united Europe.

It was perhaps to be expected that there would be little if any concrete results from this first meeting. In the field of human rights, action was taken. The Court of Human Rights as envisioned is a conscious and important step in attempting to create a direct link between the European man in the street and a European authority beyond that of his national government.

There was a disappointing lack of political courage shown on several occasions such as the prevention of the discussion of Germany, the success of some of the medium-sized powers in defeating the removal of all nationalism by increasing their representation and the determined attitude of certain other delegates who wanted no action contrary to that of their own governments.

But there has been no report of any delegate having left Strasbourg less enthusiastic over the possibilities than when he came, and many who came with hesitation left with conviction.

The actual structure under the Statute of the Council of Europe is as follows:

First. Committee of Ministers: Acting as representatives of national governments, not as a government, pass upon all recommendations of the Consultative Assembly, must ratify unanimously and then must refer actions back to their separate governments.

Second. Consultative Assembly: Has advisory powers only.

Third. The Secretariat.

The actual results were far-reaching, some in fact, some in implication. In this latter category one might well put the amendment inspired by Mr. R. W. G. Mackay, the lone British Laborite who favors a European federation, and submitted by M. Andre Philip, French Socialist.

As passed overwhelmingly by the Assembly, this amendment reads:

The aim and goal of the Council of Europe is the creation of a European political authority with limited functions but real power.

In the field of human rights the Assembly voted to recommend to the Council of Ministers the drafting of a convention to provide a collective guaranty of human rights. This guaranty would be enforced by a European committee for human rights and a court of justice—both to be appointed by the Council of Europe. The 10 rights to be guaranteed are:

First. Security of person;

Second. Exemption from slavery and servitude;

Third. Freedom from arbitrary arrest, detention, and exile;

Fourth. Freedom from arbitrary interference in private and family life, home, and correspondence;

Fifth. Freedom of thought, conscience, and religion;

Sixth. Freedom of opinion and expression;

Seventh. Freedom of assembly;

Eighth. Freedom of association;

Ninth. Freedom to unite in trade-union; and

Tenth. The right to marry and found a family.

Any individual in a country which belongs to the Council of Europe could, after all other means of redress within a state have been tried, petition the human rights commission if he felt he had been a victim of a violation of the convention by a member state. It would then be up to the commission to investigate the case, to attempt conciliation, and, if that failed, it could pass the case on to the European court.

These human rights are fundamentally the same as those contained in the United Nations Declaration of Human Rights, which has no enforcement machinery—while the Permanent Court of International Justice at The Hague has jurisdiction only over disputes between nations. In simple terms, the innovation proposed by the European Assembly is that an individual can plead against a nation if one of his basic rights has been violated.

The Assembly voted to ask the Council of Ministers for definite changes in the statute by amending it in four ways:

First. The Assembly should have the right to approve the admission of new members.

Second. It should have the right to approve its own agenda.

Third. The Secretary-General should be made responsible to the Assembly, as well as to the Council of Ministers, and there should be a Deputy Secretary-General for the Assembly, as well as for the Council of Ministers.

Fourth. The system of substitutes should be abolished, this system being characteristic of an international conference rather than of a parliament, and the Assembly wants to be a parliament.

Perhaps the most far reaching in potential importance were two other decisions taken on the general recommendation of the General Affairs Committee. The first was that this committee should by April 30 make a detailed and objective study of the proposals to achieve a closer political unity between the member states, including federal as well as other proposals for the future political development of Europe. In taking this decision the Assembly declared itself convinced that the problems of common interest to the states of Europe cannot be solved within the framework of the present European structure.

The second decision was the creation of a standing committee of the Assembly, to be headed by M. Spaak, and to include the four vice presidents and 23 other members. It would coordinate the work of other committees, act as a channel of communication between the Assembly and the Council of Ministers, and in general assure the continuity of the Assembly's sessions. This is important because the statute provides that the Assembly should meet only once a year, for no longer than a month, and it was obvious that it could achieve little in such short and infrequent sessions.

The federalist group headed by Mr. Churchill, Conservative, and Mr. Mackay, Laborite, hope that the spade work for actual European union can and will be done by these committees. They might well draw up a blueprint for a European authority to be submitted to the Assembly next spring, debated there and passed on to the Council of Ministers. The limited fields in which such an authority would have real power would presumably be mainly economic.

Efforts made during this meeting to bring the OEEC under the Council of Europe were defeated. Should some such action be taken, there might be a question of whether a parliamentary committee should assume executive powers.

This suggests future possibilities and an eventual government of a federal Europe. Should this be brought about, the present Consultative Assembly would presumably be its legislative branch, while the executive branch would develop out of the present Council of Ministers.

The Assembly laid the foundations of what may well become a European judiciary when it voted to provide a collective guaranty of human rights. So we can already see the possible framework of a government of Europe.

These exceedingly hopeful actions taken as a result of a deep sense of need on the part of the people can be brushed aside either by a single member of the Council of Ministers or by the final decisions of the separate governments to whom these ministers must recommend action. That this may not happen should be our greatest hope—and theirs—for a government of Europe could act with far greater power than any nation of that Continent.

Any study of this truly amazing Strasbourg meeting cannot but remind an American of the years following our Revolution, when our Thirteen States searched for a formula that would give them both freedom and union. They differed in various ways, it is true, but they spoke one language, they dreamed one dream for the marvelously rich land they had made their own. They had had a common army. They had a common need to trade freely amongst themselves and to protect their common interests in the foreign field. But there were 13 States, with 13 governments. Union was not easy to attain.

Unlike our Colonies, these 12 countries—nations, if you will—do not have a common language nor common traditions. Rather do they have a long history of rivalries, of intrigue, of wars, of mutual suspicions, and deep hatreds. Their language barriers are as difficult to surmount as their tariff walls.

Nineteen hundred and forty-nine has seen nothing more dramatic than this meeting at Strasbourg where 101 delegates to an international conference from 12 free and independent nations met and in one short month took on the nature and the atmosphere of a parliament. Some who came with honest suspicion left with an intense desire to cooperate and to marry their countries and so bring forth freedom. These 101 parliamentarians had set themselves the task of reversing history, of finding ways to adjust their dissimilarities that they may unite for the strengthening of all those fundamental similarities which spell growth, freedom, and peace. Surely this is something very new and different in a warring world.

The Council of Europe is an expression of the desire of a very great number of the people of Europe for freedom and unity which must and will be dealt with.

We Americans who worked for so many years to form a more perfect union need to be deeply aware that across the Atlantic other people with infinitely more complex problems than were ours have taken the first step toward unity in an effort to find a formula which will protect their individual freedoms and unite them for their development, their common protection and ultimate peace.

It is their direct business, it is ours only indirectly. But surely they will be strengthened if they know that Americans are standing with them in their efforts, and that Americans know as no others can that there is heavy weather ahead for their ship of state. The first step has been taken with amazing success. The second will not be so easy, for at the spring meeting facts will have to be more than recognized, they will have to be faced and acted upon. Then will come the all-too-often fatal moment when each country must put certain of her independent ideas into the common pot of interdependence, that the whole may live.

So let us watch with hope, yes, even with prayer—asking the Eternal Father of Mankind to spread the protecting wings of His Spirit over all who seek to maintain freedom among men.

Mr. Speaker, I insert as part of my remarks certain pertinent speeches and other material that there may be in the files of this session of the Eighty-first Congress a record of one of the most dramatic steps attempted by men in the face of heavy odds—an attempt whose fate may decide the fate of our civilization.

Mr. Speaker, in addition to this very brief and hasty summary, I have here a

very exhaustive study of the Council of Europe, and the meeting in Strasbourg which has set up the framework of what may become a government of a federal Europe. I am also including the statute of that organization, the speech at the beginning by Mr. Herriot, the speech by Mr. Paul Henri Spaak when he accepted the presidency to which he was elected by the 101 members of the Consultative Assembly. I have also a speech of Mr. Winston Churchill and Mr. Herbert Morrison. Then, if the State Department furnishes it, I will put into the permanent RECORD as a revision and extension of this RECORD the very marvelous final speech of Paul Henri Spaak in which he said that he had come to Strasbourg certain that there should be a federation of Europe, and he was leaving certain that it was possible.

Nothing that has happened in Europe or in the Western World in our day, really since our Constitutional Convention, is of such dramatic and exciting moment as that meeting in Strasbourg which, even though it has no power, has started the wheels rolling because the people of Europe demand it.

STATUTE OF THE COUNCIL OF EUROPE

(London, May 5, 1949)

The Governments of the Kingdom of Belgium, the Kingdom of Denmark, the French Republic, the Irish Republic, the Italian Republic, the Grand Duchy of Luxembourg, the Kingdom of the Netherlands, the Kingdom of Norway, the Kingdom of Sweden and the United Kingdom of Great Britain and Northern Ireland.

Convinced that the pursuit of peace based upon justice and international co-operation is vital for the preservation of human society and civilisation;

Reaffirming their devotion to the spiritual and moral values which are the common heritage of their peoples and the true source of individual freedom, political liberty and the rule of law, principles which form the basis of all genuine democracy;

Believing that, for the maintenance and further realisation of these ideals and in the interests of economic and social progress, there is need of a closer unity between all like-minded countries of Europe;

Considering that, to respond to this need and to the expressed aspirations of their peoples in this regard, it is necessary forthwith to create an organisation which will bring European States into closer association;

Have in consequence decided to set up a Council of Europe consisting of a Committee of representatives of Governments and of a Consultative Assembly, and have for this purpose adopted the following Statute:

CHAPTER I. AIM OF THE COUNCIL OF EUROPE

Article 1

(a) The aim of the Council of Europe is to achieve a greater unity between its Members for the purpose of safeguarding and realising the ideals and principles which are their common heritage and facilitating their economic and social progress.

(b) This aim shall be pursued through the organs of the Council by discussion of questions of common concern and by agreements and common action in economic, social, cultural, scientific, legal and administrative matters and in the maintenance and further realisation of human rights and fundamental freedoms.

(c) Participation in the Council of Europe shall not affect the collaboration of its Members in the work of the United Nations and of other international organisations or unions to which they are parties.

(d) Matters relating to National Defence do not fall within the scope of the Council of Europe.

CHAPTER II. MEMBERSHIP

Article 2

The Members of the Council of Europe are the Parties to this Statute.

Article 3

Every Member of the Council of Europe must accept the principles of the rule of law and of the enjoyment by all persons within its jurisdiction of human rights and fundamental freedoms, and collaborate sincerely and effectively in the realisation of the aim of the Council as specified in Chapter I.

Article 4

Any European State, which is deemed to be able and willing to fulfil the provisions of Article 3, may be invited to become a Member of the Council of Europe by the Committee of Ministers. Any State so invited shall become a Member on the deposit on its behalf with the Secretary-General of an instrument of accession to the present Statute.

Article 5

(a) In special circumstances, a European country, which is deemed to be able and willing to fulfil the provisions of Article 3, may be invited by the Committee of Ministers to become an Associate Member of the Council of Europe. Any country so invited shall become an Associate Member on the deposit on its behalf with the Secretary-General of an instrument accepting the present Statute. An Associate Member shall be entitled to be represented in the Consultative Assembly only.

(b) The expression "Member" in this Statute includes an Associate Member except when used in connexion with representation on the Committee of Ministers.

Article 6

Before issuing invitations under Articles 4 or 5 above, the Committee of Ministers shall determine the number of representatives on the Consultative Assembly to which the proposed Member shall be entitled and its proportionate financial contribution.

Article 7

Any Member of the Council of Europe may withdraw by formally notifying the Secretary-General of its intention to do so. Such withdrawal shall take effect at the end of the financial year in which it is notified, if the notification is given during the first nine months of that financial year. If the notification is given in the last three months of the financial year, it shall take effect at the end of the next financial year.

Article 8

Any Member of the Council of Europe, which has seriously violated Article 3, may be suspended from its rights of representation and requested by the Committee of Ministers to withdraw under Article 7. If such Member does not comply with this request, the Committee may decide that it has ceased to be a Member of the Council as from such date as the Committee may determine.

Article 9

The Committee of Ministers may suspend the right of representation on the Committee and on the Consultative Assembly of a Member, which has failed to fulfil its financial obligation, during such period as the obligation remains unfulfilled.

CHAPTER III. GENERAL

Article 10

The organs of the Council of Europe are:

(i) the Committee of Ministers;

(ii) the Consultative Assembly.

Both these organs shall be served by the Secretariat of the Council of Europe.

Article 11

The seat of the Council of Europe is at Strasbourg.

Article 12

The official languages of the Council of Europe are English and French. The rules of procedure of the Committee of Ministers and of the Consultative Assembly shall determine in what circumstances and under what conditions other languages may be used.

CHAPTER IV. COMMITTEE OF MINISTERS

Article 13

The Committee of Ministers is the organ which acts on behalf of the Council of Europe in accordance with Articles 15 and 16.

Article 14

Each Member shall be entitled to one representative on the Committee of Ministers and each representative shall be entitled to one vote. Representatives on the Committee shall be the Ministers for Foreign Affairs. When a Minister for Foreign Affairs is unable to be present or in other circumstances where it may be desirable, an alternate may be nominated to act for him, who shall, whenever possible, be a member of his Government.

Article 15

(a) On the recommendation of the Consultative Assembly or on its own initiative, the Committee of Ministers shall consider the action required to further the aim of the Council of Europe, including the conclusion of conventions or agreements and the adoption by Governments of a common policy with regard to particular matters. Its conclusions shall be communicated to Members by the Secretary-General.

(b) In appropriate cases, the conclusions of the Committee may take the form of recommendations to the Governments of Members, and the Committee may request the Governments of Members to inform it of the action taken by them with regard to such recommendations.

Article 16

The Committee of Ministers shall, subject to the provisions of Articles 24, 28, 30, 32, 33 and 35, relating to the powers of the Consultative Assembly, decide with binding effect all matters relating to the internal organisation and arrangements of the Council of Europe. For this purpose the Committee of Ministers shall adopt such financial and administrative regulations as may be necessary.

Article 17

The Committee of Ministers may set up advisory and technical committees or commissions for such specific purposes as it may deem desirable.

Article 18

The Committee of Ministers shall adopt its rules of procedure which shall determine amongst other things:

(i) the quorum;

(ii) the method of appointment and term of office of its President;

(iii) the procedure for the admission of items to its agenda, including the giving of notice of proposals for resolutions; and

(iv) the notifications required for the nomination of alternates under Article 14.

Article 19

At each session of the Consultative Assembly the Committee of Ministers shall furnish the Assembly with statements of its activities, accompanied by appropriate documentation.

Article 20

(a) Resolutions of the Committee of Ministers relating to the following important matters, namely:

(i) recommendations under article 15 (b);

(ii) questions under article 19;

(iii) questions under article 21 (a) (i) and (b);

(iv) questions under article 33;

(v) recommendations for the amendment of articles 1 (d), 7, 15, 20, and 22; and

(vi) any other question which the committee may, by a resolution passed under (d) below, decide should be subject to a unanimous vote on account of its importance

require the unanimous vote of the representatives casting a vote, and of a majority of the representatives entitled to sit on the committee.

(b) Questions arising under the rules of procedure or under the financial and administrative regulations may be decided by a simple majority vote of the representatives entitled to sit on the committee.

(c) Resolutions of the committee under Articles 4 and 5 require a two-thirds majority of all the representatives entitled to sit on the committee.

(d) All other resolutions of the committee, including the adoption of the Budget, of rules of procedure and of financial and administrative regulations, recommendations for the amendment of articles of this statute, other than those mentioned in paragraph (a) (v) above, and deciding in case of doubt which paragraph of this article applies, require a two-thirds majority of the representatives casting a vote and of a majority of the representatives entitled to sit on the committee.

Article 21

(a) Unless the committee decides otherwise, meetings of the Committee of Ministers shall be held—

(i) in private, and

(ii) at the seat of the council.

(b) The committee shall determine what information shall be published regarding the conclusions and discussions of a meeting held in private.

(c) The committee shall meet before and during the beginning of every session of the Consultative Assembly and at such other times as it may decide.

CHAPTER V. THE CONSULTATIVE ASSEMBLY

Article 22

The Consultative Assembly is the deliberative organ of the Council of Europe. It shall debate matters within its competence under this statute and present its conclusions, in the form of recommendations, to the Committee of Ministers.

Article 23

(a) The Consultative Assembly shall discuss, and may make recommendations upon, any matter within the aim and scope of the Council of Europe as defined in Chapter I, which (i) is referred to it by the Committee of Ministers with a request for its opinion, or (ii) has been approved by the Committee for inclusion in the Agenda of the Assembly on the proposal of the latter.

(b) In taking decisions under (a), the Committee shall have regard to the work of other European inter-governmental organisations to which some or all of the Members of the Council are parties.

(c) The President of the Assembly shall decide, in case of doubt, whether any question raised in the course of the Session is within the Agenda of the Assembly approved under (a) above.

Article 24

The Consultative Assembly may, with due regard to the provisions of Article 38 (d), establish committees or commissions to consider and report to it on any matter which falls within its competence under Article 23, to examine and prepare questions on its agenda and to advise on all matters of procedure.

Article 25

(a) The Consultative Assembly shall consist of representatives of each Member appointed in such a manner as the Government of that Member shall decide. Each representative must be a national of the Member whom he represents, but shall not at the same time be a member of the Committee of Ministers.

(b) No representative shall be deprived of his position as such during a session of the Assembly without the agreement of the Assembly.

(c) Each representative may have a substitute who may, in the absence of the representative, sit, speak and vote in his place. The provisions of paragraph (a) above apply to the appointment of substitutes.

Article 26

The following States, on becoming Members, shall be entitled to the number of representatives given below:

Belgium	6
Denmark	4
France	18
Irish Republic	4
Italy	18
Luxembourg	3
Netherlands	6
Norway	4
Sweden	6
United Kingdom	18

Article 27

The conditions under which the Committee of Ministers collectively may be represented in the debates of the Consultative Assembly, or individual representatives on the Committee may address the Assembly, shall be determined by such rules of procedure on this subject as may be drawn up by the Committee after consultation with the Assembly.

Article 28

(a) The Consultative Assembly shall adopt its rules of procedure and shall elect from its members its President, who shall remain in office until the next ordinary session.

(b) The President shall control the proceedings but shall not take part in the debate or vote. The substitute of the representative who is President may sit, speak and vote in his place.

(c) The rules of procedure shall determine inter alia:

(i) the quorum;

(ii) the manner of the election and terms of office of the President and other officers;

(iii) the manner in which the agenda shall be drawn up and be communicated to representatives; and

(iv) the time and manner in which the names of representatives and their substitutes shall be notified.

Article 29

Subject to the provisions of Article 30, all resolutions of the Consultative Assembly, including resolutions:

(i) embodying recommendations to the Committee of Ministers;

(ii) proposing to the Committee matters for discussion in the Assembly;

(iii) establishing committees or commissions;

(iv) determining the date of commencement of its sessions;

(v) Determining what majority is required for resolutions in cases not covered by (i) to (iv) above or determining cases of doubt as to what majority is required,

shall require a two-thirds majority of the representatives casting a vote.

Article 30

On matters relating to its internal procedure, which includes the election of officers, the nomination of persons to serve on committees and commissions and the adoption of rules of procedure, resolutions of the Consultative Assembly shall be carried by such majorities as the Assembly may determine in accordance with Article 29 (v).

Article 31

Debates on proposals to be made to the Committee of Ministers that a matter should be placed on the Agenda of the Consultative Assembly shall be confined to an indication of the proposed subject-matter and the reasons for and against its inclusion in the Agenda.

Article 32

The Consultative Assembly shall meet in ordinary session once a year, the date and duration of which shall be determined by the Assembly so as to avoid as far as possible overlapping with parliamentary sessions of Members and with sessions of the General Assembly of the United Nations. In no circumstances shall the duration of an ordinary session exceed one month unless both the Assembly and the Committee of Ministers concur.

Article 33

Ordinary sessions of the Consultative Assembly shall be held at the seat of the Council unless both the Assembly and the Committee of Ministers concur that it should be held elsewhere.

Article 34

The Committee of Ministers may convoke an extraordinary session of the Consultative Assembly at such time and place as the Committee with the concurrence of the President of the Assembly shall decide.

Article 35

Unless the Consultative Assembly decides otherwise, its debates shall be conducted in public.

CHAPTER VI. THE SECRETARIAT

Article 36

(a) The Secretariat shall consist of a Secretary-General, a Deputy Secretary-General and such other staff as may be required.

(b) The Secretary-General and Deputy Secretary-General shall be appointed by the Consultative Assembly on the recommendation of the Committee of Ministers.

(c) The remaining staff of the Secretariat shall be appointed by the Secretary-General, in accordance with the administrative regulations.

(d) No member of the Secretariat shall hold any salaried office from any Government or be a member of the Consultative Assembly or of any national legislature or engage in any occupation incompatible with his duties.

(e) Every member of the staff of the Secretariat shall make a solemn declaration affirming that his duty is to the Council of Europe and that he will perform his duties conscientiously, uninfluenced by any national considerations, and that he will not seek or receive instructions in connection with the performance of his duties from any Government or any authority external to the Council and will refrain from any action which might reflect on his position as an international official responsible only to the Council. In the case of the Secretary-General and the Deputy Secretary-General this declaration shall be made before the Committee, and in the case of all other members of the staff, before the Secretary-General.

(f) Every Member shall respect the exclusively international character of the responsibilities of the Secretary-General and the staff of the Secretariat and not seek to influence them in the discharge of their responsibilities.

Article 37

(a) The Secretariat shall be located at the seat of the Council.

(b) The Secretary-General is responsible to the Committee of Ministers for the work of the Secretariat. Amongst other things, he shall, subject to Article 38 (d), provide such secretarial and other assistance as the Consultative Assembly may require.

CHAPTER VII. FINANCE

Article 38

(a) Each Member shall bear the expenses of its own representation in the Committee of Ministers and in the Consultative Assembly.

(b) The expenses of the Secretariat and all other common expenses shall be shared between all Members in such proportions as shall be determined by the Committee on the basis of the population of Members.

The contributions of an Associate Member shall be determined by the Committee.

(c) In accordance with the financial regulations, the budget of the Council shall be submitted annually by the Secretary-General for adoption by the Committee.

(d) The Secretary-General shall refer to the Committee requests from the Assembly which involve expenditure exceeding the amount already allocated in the Budget for the Assembly and its activities.

Article 39

The Secretary-General shall each year notify the Government of each Member of the amount of its contribution and each member shall pay to the Secretary-General the amount of its contribution, which shall be deemed to be due on the date of its notification, not later than 6 months after that date.

CHAPTER VIII. PRIVILEGES AND IMMUNITIES

Article 40

(a) The Council of Europe, representatives of Members and the Secretariat shall enjoy in the territories of its Members such privileges and immunities as are reasonably necessary for the fulfilment of their functions. These immunities shall include immunity for all representatives in the Consultative Assembly from arrest and all legal proceedings in the territories of all Members, in respect of words spoken and votes cast in the debates of the Assembly or its committees or commissions.

(b) The Members undertake as soon as possible to enter into an agreement for the purpose of fulfilling the provisions of paragraph (a) above. For this purpose the Committee of Ministers shall recommend to the Governments of Members the acceptance of an Agreement defining the privileges and immunities to be granted in the territories of all Members. In addition a special Agreement shall be concluded with the Government of the French Republic defining the privileges and immunities which the Council shall enjoy at its seat.

CHAPTER IX. AMENDMENTS

Article 41

(a) Proposals for the amendment of this Statute may be made in the Committee of Ministers or, in the conditions provided for in Article 23, in the Consultative Assembly.

(b) The Committee shall recommend and cause to be embodied in a Protocol those amendments which it considers to be desirable.

(c) An amending Protocol shall come into force when it has been signed and ratified on behalf of two-thirds of the Members.

(d) Notwithstanding the provisions of the preceding paragraphs of this Article, amendments to Articles 23-35, 38 and 39 which have been approved by the Committee and by the Assembly, shall come into force on the date of the certificate of the Secretary-General, transmitted to the Governments of Members, certifying that they have been so approved. This paragraph shall not operate until the conclusion of the second ordinary session of the Assembly.

CHAPTER X. FINAL PROVISIONS

Article 42

(a) This Statute shall be ratified. Ratifications shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland.

(b) The present Statute shall come into force as soon as seven instruments of ratification have been deposited. The Government of the United Kingdom shall transmit to all signatory Governments a certificate declaring that the Statute has entered into force, and giving the names of the Members of the Council of Europe on that date.

(c) Thereafter each other signatory shall become a party to this Statute as from the date of the deposit of its instrument of ratification.

In witness whereof the undersigned, being duly authorised thereto, have signed the present Statute.

Done at London, this 5th day of May, 1949, in English and French, both texts being equally authentic, in a single copy which shall remain deposited in the archives of the Government of the United Kingdom which shall transmit certified copies to the other signatory Governments.

For the Government of the Kingdom of Belgium:

P. H. SPAAK.
OBERT DE THIEUSIES.

For the Government of the Kingdom of Denmark:

GUSTAV RASMUSSEN.
REVENTLOW.

For the Government of the French Republic:

ROBERT SCHUMAN.
R. MASSIGLI.

For the Government of the Irish Republic:

SEAN MACBRIDE.
JOHN W. DULANTY.

For the Government of the Italian Republic:

SFORZA.
GALLARATI SCOTTI.

For the Government of the Grand Duchy of Luxembourg:

JOS. BECH.
A. J. CLASEN.

For the Government of the Kingdom of the Netherlands:

D. U. STIKKER.
E. MICHIELS VAN VERDUYNEN.

[Translation]

[Source: Record of the opening session of the Consultative Assembly of the Council of Europe, August 10, 1949]

OPENING ADDRESS OF PRESIDENT EDOUARD HERRIOT, PROVISIONAL PRESIDENT OF THE ASSEMBLY

Under the terms of paragraph 3 of the arrangement concluded on May 5, 1949 by the signatories of the statute of the Council of Europe, the Preparatory Committee created by this arrangement was directed to "designate the Provisional President of the opening session of the Assembly until the latter elects its President, it being understood that the Provisional President may in no case be a member of the Assembly during its first session." I was informed that at its meeting of July 12 the Preparatory Committee was good enough to designate me unanimously for this high office. My first imperative and pleasant duty is to thank the ten governments that joined in conferring this honor on me, perhaps desiring in this way to reward an old French parliamentarian who, despite the cruel disappointments of events, has not stopped working toward the rapprochement of peoples, as evidenced by the draft protocol submitted in 1925 to the League of Nations. At that time and afterward I had the honor of being the confidant of Aristide Briand, whose noble figure cannot fail to be invoked at this moment. He was the first to set forth the idea of a rapprochement similar to this one and, although this detail has hardly the value of an historical curiosity, the European Federation had two meetings in Geneva.

Under the aegis of that great name I bid you a heartfelt welcome, my dear colleagues, and through you send my greetings to your countries. It is an error, I feel, to think that international rapprochement must stem from a reduction of the idea of nationalism. These lofty sentiments complement rather than contradict each other. The best citizen is the one who first of all is deeply attached to his family and it is because he will feel a deep devotion to his own country that he will have a sincere respect for the genius of other countries as nature and history have formed it. Of this richness of soul which conciliates rather than opposes, you, my dear colleagues, have the best example here among you. You will therefore permit me to pay our common tribute to the one to whom every free being is indebted, my illustrious friend, Mr. Winston Churchill, who has shown to what point human energy can extend, for in tragic hours he bore on his shoulders the whole weight of a world to be saved. His thought originated the movement that has brought us together. Your statute entrusts to you the mandate of giving form and expression to the aspirations of the nations of Europe and of providing the governments with the means of being constantly in touch with European public opinion. It is not at all a question of organizing or preparing a military alliance; it is solely a question of safeguarding and promoting the ideals which are the common heritage of the member countries. We are not declaring war on anyone; whatever may be asserted, our assembly is not making an aggressive thrust at anyone. "All doors," said Foreign Minister Schuman, "open eastward to all those who today refrain from being with us." We wish simply to band together to defend the two greatest acquisitions of human civilization, liberty and law. Liberty, for which so many men have given their lives and which means that in any collective organization the individual retains the autonomy of his conscience, his political and moral personality. Law, which by accepted rules limits each one's privileges in the interests of all.

It cannot be said that this is a chimerical undertaking. As early as the end of the eighteenth century, under the influence of several Englishmen, Italians, and Frenchmen, a strong current of liberalism traversed all the countries of Europe. Voltaire, in his philosophical dialogues and conversations, jestingly upholds the need of what he calls helping one another. "Suppose," he says, "that two old cardinals meet under a plum tree while fasting and dying of hunger; they will help each other to climb the tree and gather the fruit." Sovereigns who are most inclined to despotism—a Catherine II, a Joseph II—Welcome the reforms prompted by this renewal. The revolution of 1848 provoked a great enthusiasm for fraternity. But [now] more than ever, the rapprochement of Europe seems to us an urgent matter.

The logic of facts, as much as a moral duty, makes such rapprochement, my dear colleagues, imperative for us. This truth has been stated many times already, but it is one that must be repeated to make it penetrate the public conscience: The problem which you will have to consider is, for Europe, a problem of life or death. As early as 1920, Albert Demangeon, a professor at the Sorbonne, showed in his book on the Déclin de l'Europe (decline of Europe), the shifting of the world center of gravity, by reason of armed conflicts, of the creation of new routes, the formation of new capital, the generalization of the industrial regime. The world has evolved to a terrible extent. The two world wars, by the tremendous sacrifices which they cost Europe in men and money, suddenly accentuated this shifting of values. The Europe which used to consume raw materials in order to re-export them in the form of manufactured goods now finds itself encircled by young nations which have adapted themselves to the industrial life, which restrict their purchases, put to us the

question of cost price, and make it necessary for us to change our status. In his Regards sur le Monde Actuel (Survey of the world today), Paul Valéry blames our continent for having been unable to arrange the rest of the world for European purposes, for having been able to create for itself a past only, for having lost itself in petty local quarrels and bickerings. "The wretched Europeans," he says, "have preferred playing at Armagnacs and Burgundians to assuming throughout the earth the great role which the Romans were able to assume and keep for centuries in the world of their time. * * * Europe will be punished for its policy; it will be deprived of wines and beer and cordials * * * and other things * * *." This prophecy dates from 1917. Europe, according to Valéry, had developed its freedom of spirit to the limit, created a capital of very powerful laws and procedures, but its policy remained empirical and summary. Let us realize clearly that, by reason of the Marshall plan, we are now living under an artificial regime, in a state of provisional well-being. Truly startling figures have been quoted. They are expressed in dollars that are not exactly comparable, for, since 1938, the United States has undergone a devaluation in consequence of the serious economic crisis of 1929, and a considerable increase in commodity prices as a result of the war. These figures are nevertheless interesting because they indicate the disequilibrium of trade.

European sales to the United States for the years 1926–30 averaged $1,200,000,000; in 1938, they amounted to $600,000,000; and in 1948, to $1,100,000,000. European purchases in the United States for the same period represent $2,200,000,000, $1,300,000,000, and, for 1948, $4,800,000,000. Before the war Europe was able to make up the trade deficit through resources other than its exports to the United States. She can no longer do so today.

Remedies for this situation must be sought with the greatest urgency.

It has been said—and with truth—that the recent experiments that have been tried to correlate the economies of different countries have scarecely been encouraging. Various explanations of their failure have been given. In my opinion, the true reason for these disappointments is that the problem has been considered within the framework of present institutions, under the influence of their divergencies. Aristide Briand said this forcefully in his address to the League of Nations on September 5, 1929. "It is only by taking cognizance of the problem themselves and contemplating it from the political standpoint that the governments will be able to solve it. If they should leave it on the technical level, they would see all the private interests rise up, join together, and oppose it. There would be no general solution." To surmount and reduce so many difficulties requires a political body, a political will, political action. That is the reason for and the purpose of your meeting.

The meeting thus offers historical interest of the highest importance. It is for you to succeed, by a general effort in a field where so many partial efforts have failed.

Your program presents many aspects: social, intellectual, juridical, and administrative. Since it is essential that the masses of the people take an interest in your work, you will doubtless wish to reserve a substantial part of it for social questions, for all those that affect the improvement of labor conditions. It is for you to say whether you intend to start a discussion of the aims of your meeting. Many fundamental problems will be presented to you for discussion: the organization of great European work projects, the reorganization of trade, or, in the intellectual field, the question of the equivalence of university diplomas, which is of serious concern to our youth, who have been so greatly harmed by the war. But it is you yourselves who must decide on the order and the character of your work. I must stop and not encroach on what will be the work of your bureau.

It is my duty, however, to broach a matter of extreme delicacy.

With regard to Germany it is best to give our honest opinion. Mr. Bevin recently approached this problem in the House of Commons with his customary wisdom. As regards this grave subject, we are torn between two sentiments. On the one hand, we are well aware of Germany's immense contribution to science, letters, art, and to all forms of progress. She gave the world Emmanuel Kant and his Project for Perpetual Peace; Kant, defender of the rights of man, who penned that admirable sentence: "Politics should bend the knee to morality." Goethe furnishes an example of an intelligence that crosses and dominates frontiers. To the very thunder of the cannon at Jena Hegel taught us that the mind, science, civilization must triumph over the misfortunes of the world, over its prejudices, and the humiliating servitude of the past. To celebrate the brotherhood of man Beethoven composed a brilliant work, the emotional force of which has not been spent. If Germany were faithful to these high examples, with what zest we should work with her in organizing a liberal Europe.

But we, representing and to a certain extent being responsible for many human lives, are greatly distressed to see certain ideologies reappear, ideologies based on the cult of force, on the right of the mailed fist, which have several times instigated, to an extent hitherto unknown, massacres, tortures, executions, deportations, the horror of the gas chambers, and have created large numbers of victims for whom many European families mourn. It will thus be incumbent upon Germany herself to answer a question that presents us with a problem far more moral than political.

And now, my dear colleagues, you are going to begin your work. You will first have to organize. The Council and the Assembly of Europe must be a continuing creation. From this moment you know that you will function on an individual basis, without any pressure, which is in conformity with the concept of liberty and law. All creation, even the creation of a child, involves a risk; all creation is an act of faith. The European Assembly will be what you wish to make it. It has the honor to meet in Strasbourg, in the country which gave birth to the Marseillaise, in the beloved city of the faithful heart whose body has been so often tortured but who has never permitted the violation of her soul, on the banks of the Rhine, "that river which remembers," as Barrès said. We used to come here, in secret, to exchange with our friends, in whispers, encouragement and hope. What is our pride to see today, freely met, this illustrious Assembly to which the fate of Europe is committed. It will, my dear colleagues, be the greatest honor of my life to have presided over you for 1 day. I hope that I have made you feel the fervor of my tribute to you personally and, through you, to your countries. On leaving you, I shall remain with you in thought, confident that you will work with all your courage to do your part in attaining the highest ideal that has ever been proposed to all convictions, to all beliefs: "Peace on earth to men of good will."

[Translation]

WITH MR. SPAAK AS PRESIDENT

THE PRESIDENT'S SPEECH

The PRESIDENT (Interpretation). Gentlemen, we have now come to the end of our work. Be assured, I shall not now make all the speeches I had hoped to make during this Assembly. I will be brief and I will try not to go beyond the 5-minute time limit I have so frequently imposed upon my colleagues.

First of all, allow me to thank the people of Strasbourg who have received us with so much kindness and have done everything they possibly could to make our sojourn agreeable. Allow me to associate in these thanks all the authorities, civil, religious, and military; the prefect, the major, the bishop, the general commanding the station troops, all of whom have treated us so well.

Allow me also to thank the students of the university, to whom we are indebted for allowing us to hold in this place this historical meeting.

Also allow me to thank very sincerely and personally the General Secretariat, the Secretary-General to the translators, right down to the most humble typist. They have all helped us in this enormous work, and I am sure that their contribution has helped in the greatest manner to give us satisfaction.

Allow me also to thank M. Van Zeeland, who was kind enough to assist at our last two sittings, and whose presence here is truly symbolic, for it so clearly indicates that the fears that the Assembly would come into opposition with the Committee of Ministers were groundless. We have understood that the Council of Europe can work well and give results only if there is collaboration between its two organs. The presence of M. Van Zeeland shows very clearly that things are going well.

Finally, gentlemen, allow me to thank you all, in particular the chairmen and rapporteurs of our various committees, who during these last few weeks have done work which has frequently been most arduous. Allow me also to extend these thanks to all the representatives to this Assembly, who by their good will, courtesy, and discipline have permitted this very first session to be a success.

Gentleman, we shall very shortly part, and a few amongst us will possibly go away with some regrets. A few will possibly have disappointments. Personally, I shall leave here extremely satisfied and very confident. When we come to strike a balance of this month's work, I think that in our very innermost conscience we shall be able to say that we have succeeded. We have participated in an event which I am convinced will be an event of capital importance in the history of Europe.

Please remember, gentlemen, that we have worked in very difficult conditions. Without being able to prepare our work, we succeeded with great speed, which has astonished and attracted the admiration of so many people. We have been able to organize our work. The technical success of this Assembly has also been important.

We have managed to succeed, not in forming a congress or an academy but in turning this Assembly of ours into the first European Parliament.

There are those who think that Europe will not be built in a day, that European unity will be the result of long effort. We have succeeded in demonstrating in this Assembly that there is a vast majority who share the ideals which we have and who now understand the urgent necessity for the organization of Europe.

We have laid the foundations of this organization. We have done nothing revolutionary, we have done nothing very spectacular. This may possibly be considered a gap, but we have worked steadily and reasonably, and really represented the average of opinion of our peoples. I am convinced that we are giving our Ministers the opportunity to continue in their work, to collaborate with us and we with them.

We have confirmed this idea of the political unity of Europe, but we have also once again succeeded in creating and putting fine ac-

cents, great and most sincere accents, on this old European civilization which we so wish to defend. We say now, in the formula, which is almost consecrated, that this European civilization is the Christian civilization and the humanist civilization. All that is left to us now is to affirm this formula not as a mechanical thing, but to make the necessary effort to reconcile it in an harmonious synthesis which will be absolutely all-embracing, particularly when we are up against difficulties.

We again affirm our respect for man; our will to protect his dignity; our will to create a real political democracy; our will, our wish, for truth and social justice and our common will—is it necessary to say?—that Europe will be a great element for peace in the world.

This Assembly of ours came up against economic and monetary problems. This is the great obstacle; this is the great difficulty which we must overcome in order to create this united Europe. Allow me to tell you, gentlemen, that on this subject we have spoken with effect.

The debate on economic questions was the most interesting that it is possible to imagine. The only criticism I will allow myself to make is that possibly in this debate we may have lacked a little daring, but we have clearly indicated what we are suffering from. Possibly, we acted rather timidly, but I think that our wishes are wise and reasonable. But this small disappointment does not in the least detract from my satisfaction, my joy, and my emotion.

Knowing far better than we did before—although I thought I knew it very well before—that a United States of Europe is a necessity, I shall leave Strasbourg with the certainty that this United States of Europe is now a possibility.

We have been told, gentlemen, that we need a Mirabeau. That is possible. One might also say a Washington. That would also be a good thing. But, gentlemen, I hope for a Danton, and I hope that someone who will understand you and follow you will say, parodying Danton's celebrated words: *"De l'audace, encore de l'audace, toujours de l'audace, et l'Europe est sauvee."*

CHURCHILL'S SPEECH AT STRASBOURG

STRASBOURG, Wednesday.—Mr. Winston Churchill made clear to the European Assembly this evening that he did not advocate a surrender of national sovereignty at this stage in the interest of furthering European unity. In his speech he declared:

"We are engaged in the process of creating a European unit in the World Organization of United Nations.

"I hope we shall become one of several continental units who will form the pillars of the world instrument for maintaining security and be the best guaranty of maintaining peace.

"I hope that in due course these continental units will be represented in the World Organization collectively rather than by individual states, and that we shall be able to settle a great mass of our own problems among ourselves in Europe before they are brought to the World Council.

"We are not in any way a rival of the World Organization. We are a subordinate but essential element in its ultimate structure.

"The progress of our first meeting has so far been encouraging. Our relations with the Committee of Ministers show desire on both sides to reach a working harmony.

"That should not be difficult if we recognize clearly what our respective functions are.

"We are a deliberative assembly, and we must have full freedom of discussion on all questions, except defense, which has its special reasons.

"We must assert our right to this freedom and we must have our own parliamentary officers to assist us in our debates.

"I trust that the necessary amendments to the statute will be made by the Committee of Ministers on these points as a result of this first session.

"But while I feel we should insist upon a full debate and choice of subjects, we do not possess executive power, and at this stage in our development we could not possibly claim it.

"Our foundation by selection by the governments of the day from the various parliaments is not such as to give us authority at this stage to take decisions.

"We claim, however, to make proposals but it is not for us to make decisions which require executive authority.

"We may discuss European problems and try to bring about a sense of unity.

"We must feel our way forward and by our good sense build up an increasing strength and reputation.

"But we must not attempt on our present electoral basis to challenge the powers that belong to the duly constituted national Parliaments founded on direct suffrage.

"Such a course is premature and would be detrimental to our long-term interests.

"We should, however, do our utmost to secure that these national Parliaments examine and let us know their views as to any recommendations on European problems which we may make.

"I am not myself committed to a Federal or any other particular solution at this stage.

"We must thoroughly explore all the various possibilities, and a committee working coolly and without haste should, in a few months, be able to show the practical steps that would be most helpful.

"I am in accord with what Mr. Morrison has said upon this subject. I share his view.

"We should be wise to see what are the recommendations of our committee, which I hope will sit permanently and not be broken up by our departure.

"We may just as well see what a girl looks like before we marry her.

"It is to our advantage to have the opportunity of making a detailed examination of these problems.

"And there is the question of human rights, which is the second subject set down upon our agenda.

"We attach great importance to this and are glad that the obstacles to its discussion by the Assembly have now been removed by the Committee of Ministers.

"A European Assembly forbidden to discuss human rights would indeed have been a ludicrous proposition to make to the world."

EMPTY SEATS

"Again, I should like to see a report of a committee on this subject before we put forward our proposals to the Committee of Ministers.

"There is an urgency about this because, once the foundation of human rights is agreed on the lines of the decisions of UNO, but in a much shorter form, we hope that a European court may be set up, before which cases of the violation of those rights, in our own body of 12 nations, may be brought to the judgment of the civilized world.

"Such a court would have no sanctions and would depend for the enforcement of their judgments on the individual decisions of the States now banded together in the Council of Europe.

"They would have subscribed beforehand to the process, and there is no doubt that a great body of public opinion in all these countries would press for their acting in accordance with their freely given decisions.

"I now come to the question of empty seats.

"Ten ancient capitals of Europe are behind the iron curtain. A large part of this continent is held in bondage.

"They have escaped from nazism only to fall into the other extreme of communism.

"It is like making a long journey to leave the North Pole and finding as a result you have awakened up at the South Pole and around you are only ice and snow and bitter, piercing winds.

"We should certainly make provision for some association with representatives of those countries who are deprived of ordinary democratic freedom but who will surely regain it in the march of time.

"This is a matter which should be carefully considered by the Assembly, and I agree with all those who have spoken in favor of setting aside some seats in the Assembly to prove our intention that the Assembly shall some day represent all Europe.

"I now come to the greatest and most important of all the questions that are before us."

GERMANY NEEDED

"A united Europe cannot live without the help and strength of Germany.

"This has always been foreseen by the European movement, to whose exertions our presence here is due.

"At The Hague, where we resolved upon the formation of this Assembly, a German delegation was present and was welcomed by all, especially by the representatives of France.

"One of the most practical reasons for pressing forward the creation of a European Assembly was that it provided an effective means, and possibly the only means, of associating a democratic and free Germany with the western democracies.

"It is early to judge the results of the German election, but so far as we can as yet appreciate the results, many of us may have felt encouraged.

"We cannot part here at the end of this month on the basis that we do nothing more to bring Germany into our circle until a year has passed. That year is too precious to lose.

"It might not be a year but the year. If lost, it might be lost forever.

"On the other hand I am assured that it is physically impossible for any German government that many emerge to be represented here before we separate.

"I need scarcely say I should be very glad if a way could be found.

"If, however, this cannot be found, then we must draw the attention of the committee of ministers to article 34 and ask for an assurance before we separate that they will convoke an extraordinary session of the consultative assembly at the earliest suitable date.

"If we could be told that we should meet again for an extraordinary session, under this article, in December or January, I personally should be content to leave the matter in the hands of the committee of ministers, and even to forego our claim for a debate upon the subject at this juncture."

SOLID ACHIEVEMENT

"And I would ask that we should receive an assurance that an extraordinary session will be convened, and that our President will himself confer with the Council of Ministers upon this subject.

"When we meet in the extraordinary session, if one is granted in December or January, it is my hope that we shall find ourselves already joined by a German delegation, similar to that of those of other member states.

"But if this cannot be done, then will be the time for us to debate the issue in full freedom.

"I earnestly hope that an agreement on these lines may be reached and that we may be informed of it as soon as possible.

"It is an event which would certainly crown our first session with a solid and memorable achievement, and one which would have only a highly beneficial result upon the cause of world peace and of European security.

"I hope we shall not put our trust in formulas or in machinery. There are plenty

of formulas or slogans, as Mr. Morrison calls them.

"In spite of all the misfortunes that have occurred there is still plenty of machinery in the political field.

"It is by the spirit that we shall establish our forces. It is by the growth and gathering of united sentiment of Europeanism, vocal here, listened to all over the world, that we shall succeed in taking not executive decisions, but in taking a leading part, an effective part, in the revival of the greatest of continents which has now fallen into the worst of miseries."

MORRISON'S SPEECH AT STRASBOURG

STRASBOURG, Wednesday.—The following is the text of the statement made today before the European Consultative Assembly by Mr. Herbert Morrison, Lord President of the Council and Deputy Prime Minister of Britain:

"There are three questions to answer: (a) Why do we want European unity? (b) How can we best achieve it? (c) What part should be played by the consultative assembly?

"Why do we want European unity? This is by far the easiest of the questions, and many orators have already given the answer.

"We all need greater unity in Europe because we share the same major economic and political problems, and because we can only solve them together.

"The main economic problems arise from the need to adjust ourselves to a pattern of world trade which has disadvantage of Europe.

"The main political problem is to achieve security against totalitarian encroachments.

"No proposals for European unity can be realistic unless they pass the test of relevance to these urgent issues.

"It was in knowledge of these facts that the Foreign Ministers of the western democracies—and here may I say that we should regard them not as antagonists but as friends and associates in a historic adventure in cooperation—decided to call this great assembly into being, in order to obtain its views on some of the urgent issues that confront free Europe at the present time."

EUROPEAN UNITY

"How can we best achieve European unity?

"Here we come to some obvious difficulties. As a result of centuries of existence as separate nations, European countries have developed diverse traditions, ways of thought, institutions, and interests. This very diversity contributes to the richness of European civilization, but it faces us also with problems.

"Unity of action between such diverse peoples can only be achieved by painstaking efforts to adjust national differences.

"This means that progress toward greater unity must be based on consent. That is an essential point. It is the only democratic method. There can be no question of coercing free peoples and democratic parliaments into schemes to which they are opposed. But equally there is nothing to prevent any government from persuading its parliament and its people to accept proposals of whose validity it is convinced.

"This, therefore, is not the same thing as saying that all peoples must insist on full national sovereignty. Quite the contrary.

"Substantial steps have already been taken in the limitation of national freedom of action—formally through treaties, for example, OEEC and the Brussels Treaty; informally by practical cooperation on specific issues.

"But such limitations on national freedom are accepted only where there is convincing evidence of practical advantage through collective action."

EMPTY DEMAGOGY

"And in a democracy, it is for government and parliament to judge where the interest of the people lies, and the progress toward greater European cooperation which has already taken place has been based on the willing action of responsible governments sustained by responsible parliaments.

"That is fundamental to democracy. There is something else which is no less fundamental. If an opposition party believes that the government are wrong, if, for example, it should hold that the government's approach to problems of European unity is too cautious, it should present its alternative proposals to the electorate, and make no secret of them.

"If it is not prepared to do this, then criticism of its government's behavior here or anywhere else is empty demagogy.

"Let us then take as our starting point two propositions.

"First, national diversity is a reality which cannot be cast on one side as a tiresome but irrelevant obstacle to the realization of favorite theories.

"Secondly, progress can only come about if it is based on the free consent of the democratic peoples. This is the essential first stage.

"I believe that if we start from these assumptions we shall be building on solid foundations, and if there are any in this Assembly who do not agree with this approach it is, I suggest, for them to show what alternatives there are consistent with democratic principles and practice.

"What can the Consultative Assembly do? There are gathered in this Assembly a most carefully chosen group of men and women from the parliaments of Europe. Some of the best brains from the whole Continent, people with long experience of parliamentary institutions, of government, and of the ups and downs of public affairs.

"We have a great opportunity for good or ill. If we rise to it, as I am sure we will, our advice should be of great value to the governments who have called us into being as an Assembly.

"All of us in this Assembly, I am sure, share the objective of a greater and better Europe, prosperous, peaceful, harmonious, and working together for its own good and the good of mankind. We are all of us conscious of the millions of ordinary men and women who will be the gainers if we succeed and the sufferers if we fail.

"We are aware of the need to protect ourselves against the spread of totalitarianism from wherever it may come. That is one of our purposes. But if it were all we were here for, it would not be enough. This Assembly was not established solely for defensive objects. Our approach must be constructive and creative."

BETTER EUROPE

"We must keep the vision of a new and better Europe always before us as our guide and our inspiration.

"We must be honest with ourselves and our peoples. And when I say honest, one thing that I mean is that we should not say in Strasbourg anything by which we would not be prepared to stand or fall before our respective electorates.

"What are some of the things which, as experienced and practical parliamentarians we must keep in our minds?

"Firstly, I suggest, we must try to strike the right balance between what may at times seem to be conflicting interests—the collective well-being of Europe and the separate interests of the member countries.

"We shall get nowhere if we expect of the national electorates excessive and quite unreasonable sacrifices which they ought not to be asked to make.

"In whatever we do we must pay full regard to the interests of the individual member countries, and, I would add, as far as Britain is concerned, to the ties which link us with the Commonwealth of Nations, and to the responsibilities which we share with Belgium, France, and the Netherlands for the welfare of peoples of other continents, notably the great continent of Africa.

"Secondly, we must be sure that in all that we do, we base ourselves on the facts and the realities.

"That is why I have put my name to the motion handed in by the Labor Party representatives for the United Kingdom, inviting the assembly to agree that there should be a full and objective study of proposals for a closer political union in Europe, and that the problem should be referred to a commission for a report as soon as possible.

"Broadly there are two alternative approaches to this problem: The functional and what I may call, the federalist or institutional.

"The approach up to date has been functional in character, and let us not underestimate the remarkable advances which have been made.

"But I would not be dogmatic. I do not say that the functional approach is necessarily the solution for all time, nor that some collective European authority may not in due course develop with specific powers to decide certain matters direct."

COMMON GOAL

"New ideas do not frighten me: I just want to know with some precision what they are.

"We need the facts, honestly sought for and impartially set out. Europe needs the facts. When we have them, let the argument proceed, and I for one am prepared to reserve my final judgment until then.

"As an old parliamentarian, I already have the sense of a developing parliamentary spirit in this new institution. I believe that it will grow, and grow rapidly. I hope to see a little more of the cut and thrust of debate. We have great advantages in the high quality of the representatives from all the member countries, and the unity which is provided by the common ideals which we share.

"If, as I think we can, we cooperate in a genuinely united effort to realize our common goal, if we proceed by methods which will command the support and not the antagonism of the individual governments and parliaments, then this historic venture in European cooperation and planning will succeed.

"Very often in public affairs we have to choose between constructive evolution on the one hand, and emotional and reckless jumps to we know not where, on the other.

"For myself I believe that constructive evolution—which need not and ought not to lack boldness—is the quickest and surest means of progress."

GENERAL AFFAIRS COMMITTEE

PLAN FOR THE DETAILED AND OBJECTIVE STUDY OF THE PROPOSALS TO ACHIEVE CLOSER POLITICAL UNITY BETWEEN THE MEMBER STATES

(Submitted by the Rapporteur)

1. *Committee's Two Tasks*

The Committee has two tasks. The first is to examine certain questions set out in the resolution; the second is to formulate precise and definite proposals in respect of the matters referred to it. No precise and definite proposals can be formulated until the first task has been completed. The examination of the matters referred to it is therefore the first work of the Committee.

2. *Examination*

The Committee is charged with an examination of the different matters referred to in the resolution which amounts to a consideration of two questions:

(a) the functional approach to closer political union,

(b) the federal approach to closer political union, the examination to be made from several points of view, namely:

(i) the general position of member states considered as a whole,

(ii) the present situation with regard to intergovernmental organizations,

(iii) the modifications in the structure of member states which any such proposals would involve,

(iv) the implications for each member state of any such proposal.

3. *Basic Papers*

It is suggested that two basic or fundamental papers should be prepared simultaneously. One of these should deal with the functional approach and the other with the federal approach; the rapporteur to arrange for the two papers to be prepared either by persons who are members of the Committee or persons who are not; the papers to be prepared on the basis of a directive issued to the writers by the President and the rapporteur so that each writer works under the same instructions. The directive should set out the points in the previous paragraph and should contain a copy of the resolution. These papers could be prepared at once and be ready for circulation by October 31, 1949, in English and French.

4. *The Circulation of Papers*

The two papers should be circulated to the following groups set out hereafter. The persons to whom they go should be asked to write their observations on the papers and send them to the secretary of the Committee. They should also be asked to be willing to come before the Committee and give oral evidence in support of their observations and to answer questions. In this way the Committee will have an opportunity of making a very thorough investigation from a large number of people. The persons to whom the papers should be sent are as follows:

(a) The members of the Committee.

(b) The Committee of Ministers or the governments of the member states.

(c) ECE (Economic Commission for Europe). Here again it would be a matter for the Executive or the Secretary of the Commission, Mr. Gunnar Myrdal, but it should be referred also to Mr. Nicolas Kaldor and Mr. H. B. Larry, and such other members of the ECE as they consider appropriate.

(d) OEEC (Organization for European Economic Cooperation), particularly the members of the Executive Committee, namely M. Herve Alphand (France), M. Attilio Cattani (Italy), M. H. M. Hirschfeld (Netherlands), Sir Edmund Hall-Patch (Great Britain), M. Dag Hammarskjöld (Sweden), M. Gerard Beuer (Switzerland), M. Burhan Zihni Sanus (Turkey), M. A. H. Tandy (Secretary), and M. Robert Marjolin (Secretary-General).

(e) Any other person who could contribute to the discussion, drawn from any of the member states, whose names are sent in by any member of the Committee to the Secretary-General before September 30, 1949.

5. *First Meeting of the Committee*

If the papers are circulated in the week following October 31 and replies are received by the middle of November, the first meeting of the Committee could take place at the end of November. The Committee should determine now the date and place of meeting so that members of the Committee can keep the days for the meeting. Any member of the Committee on receiving the observations from the different people should intimate to the secretary which persons he would like to give oral evidence. Perhaps the rapporteur, after getting the observations, could prepare for the members of the Committee a memorandum covering the main features of the observations so that when the Committee meets they would direct their attention to a number of issues which have arisen out of the two papers and the observations. The meeting at the end of November might take 4 or 5 days, but sufficient time should be allowed for the fullest discussion by the members of the Committee on the papers and the observations. The Committee should then break up.

6. *The Second Meeting of the Committee*

It may be that the Committee will require a second meeting in January to complete its examination. In other words the members may like to think over what has happened at the first meeting and to go through the documents again. This would do no harm. The date could be fixed now for some time in January and a final decision as to whether the meeting is to take place could be made when the Committee meets for the first time at the end of November.

7. *Recommendations*

This plan is not going to go into the recommendations to be made by the Committee at this stage. These cannot be considered until the examination has taken place, but the sort of matters which have to be considered are as follows:

(a) the political changes required to implement the agreed economic requirements for European reconstruction.

(b) the decision as to whether the present Council of Europe is a suitable instrument.

(c) If it is, what changes are necessary in its constitution to extend the functions and powers either of the Committee of Ministers or of the Assembly.

(d) if it is not, what other instrument should be recommended.

These are broad general indications of the matters and they should be borne in mind by the members of the Committee when considering the basic papers and the observations made on them.

8. *Third and Fourth Meetings*

Assuming that there are meetings in November and January for the purpose of examining the proposals, two further meetings will be necessary to draft the recommendations. It is suggested that after the second meeting the rapporteur should prepare draft recommendations for circulation to members of the Committee. These could be considered at a meeting in March and redrawn in the light of the discussion and circulated to members of the Committee. The fourth and final meeting of the Committee could take place in April at which the report prepared by the rapporteur would be approved.

9. *Timetable*

The preceding paragraphs suggest the following timetable.

Date of Meeting and Transaction of Business

First meeting—November 30. To review the papers and observations on them and hear oral evidence.

Second meeting—January 15. Further review of papers and oral evidence.

Third meeting—March 1. To consider proposals formulated by the rapporteur.

Fourth meeting—April 5. Proposals approved and report completed.

10. *Investigations*

The Committee may consider it advisable to ask for papers on certain specific problems from people in other countries. For example, Europe has a lot to learn from the States Grants Commission in Australia, the Loan Council in Australia, the Department of Agriculture and its cooperation with the States in America, the work of the Central Government in Canada and the Tennessee Valley Authority. There are other institutions as well which can contribute ideas to the solution of some of Europe's problems. The Secretary could obtain from the appropriate authorities information on matters of this kind for circulation to members of the Committee. At the same time there are a number of reports already in existence which throw light on the two questions which the Committee has to examine. These reports and other documents could be obtained by the Secretary and circulated to members of the Committee.

11. *Action*

It is proposed that the Committee approve this plan, that the rapporteur be authorized to arrange for the two basic papers to be written and that the time and place of the four meetings of the Committee be fixed, and that the Secretary-General make available to the rapporteur such staff as is necessary for the working of the Committee.

CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE—ORDINARY SESSION 1949

COMMITTEE FOR GENERAL AFFAIRS

(Report presented by M. Guy Mollet on behalf of the Committee)

I. *Proposal Regarding the Committee for Political Affairs*

The Assembly:

Convinced that the problems of common interest to the states of Europe in the spheres mentioned in article 1, paragraph (b), of the statute cannot be solved within the framework of the present European structure.

Desiring that a detailed and objective study be made of the proposals to achieve a closer political unity between the member states.

Decides: That its Committee for General Affairs should be charged with examining:

(a) the general position of the member states of the Council of Europe considered as a whole;

(b) the present situation with regard to existing intergovernmental organizations;

(c) the different proposals for extended collaboration in the political, economic, social, and cultural fields;

(d) the modifications in the political and constitutional structure of the member states which such a collaboration would entail;

(e) federal as well as other proposals for the future political development of Europe; and

(f) the effects on each member state of any such measures as these proposals imply.

The Committee shall formulate precise and definite proposals in respect of the matters referred to it and shall make definite recommendations concerning the modifications in the political structure of the member states, which it considers desirable with a view to a closer unity between them.

The Committee shall have the power to appoint subcommittees, to obtain the assistance of experts and to hear witnesses.

The Committee will send its report to the President of the Assembly by April 30 at the latest. This report will be transmitted by the President to the Committee of Ministers and to every representative in the Consultative Assembly.

The Assembly now expresses the wish that this report shall be placed on the agenda of the 1950 session, and that the Committee of Ministers will propose to the members of the Council of Europe that the recommendations then adopted by the Assembly shall be immediately discussed by the respective Parliaments.

II. *Proposals Regarding the Permanent Committee of the Assembly*

The Committee proposes:

"That a permanent Committee, consisting of the President, the 4 Vice Presidents, and 23 members of the Assembly who shall include, ex officio, the 6 Chairmen of committees, shall immediately be constituted by

a resolution of the Assembly in pursuance of a recommendation by the Bureau.

The aforesaid permanent Committee will be convened by the President of the Assembly whenever he considers it necessary, and not less than four times a year.

Its duties will be:

To coordinate the different resolutions of the Assembly and the reports or recommendations produced by the various committees.

To consider the steps to be taken to prepare the work of the Assembly for the following session.

The President of the Assembly, acting on behalf of the said permanent Committee, will consult with the Committee of Ministers as to the advisability of convening an extraordinary session, and also in regard to any matter arising out of the agenda of the previous session.

Lastly, between the sessions of the Consultative Assembly, the Committee will, in general, take any measures that appear calculated to facilitate or expedite the work of the Assembly."

The Committee next agreed unanimously to propose that in constituting the Permanent Committee of the Assembly composed as above (23 members, who shall include, ex officio, the chairmen of committees, besides the Bureau). The Rules of Procedure laid down in Article 37 in regard to Committees of 23 members should be applied.

EXTENSION OF REMARKS

Mr. FISHER asked and was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore (Mr. TRIMBLE). Under previous order of the House the gentleman from New York [Mr. JAVITS] is recognized for 20 minutes.

THE EIGHTY-FIRST CONGRESS, FIRST SESSION—FINAL REPORT — RECORD AND FORECAST

Mr. JAVITS. Mr. Speaker, the Eighty-first Congress now reaches the halfway mark, and it is time to appraise what it has done and what its work portends for the future. The people have won public housing, a higher minimum wage, expansion and improvement of the social-security system, Government reorganization and a continuance of the bipartisan foreign policy for the maintenance of peace and security with special emphasis on the economic rehabilitation of the western democracies. Other major legislation on civil rights, health, labor-management relations, housing, and technical assistance to underdeveloped areas, have not been acted on and await action in the next session.

The news of an atomic explosion in the Soviet Union has stimulated all Americans to question the direction of our foreign policy. In the approval of appropriaticns for the European recovery program and of a program of military aid to the Atlantic Pact nations Congress showed that it believes in the American policy of support by self-help and mutual cooperation for the democracies, and that their security is our security. Congress saw no reason as yet for undertaking a drastic change in our foreign policy.

I have worked hard to insure that our policies shall seek justice at home and a better standard of well-being for our people, while we lent the great weight of our prestige and resources to the struggle for peace and freedom abroad.

RENT CONTROL

In my last report on this Congress I described in detail the provisions of Federal rent control which expires June 30, 1950. At that time the legislation had just been passed. We now have had some experience with it and find that the formula—which I opposed putting into law—under which landlords have a right to seek rent increases is not working properly. Rent increases are being granted on the basis of a particular landlord's claims that he is not earning a fair net-operating income, and for other reasons in amounts which appear to tenants unreasonable considering what they are getting for their money. This formula is onerous enough but its effects are worsened by the failure or inability of the authorities to adequately enforce the new feature of the rent-control law sponsored by me which requires for the first time a sworn certification by the landlord that he is maintaining all services to tenants before he may apply for a rent adjustment. If landlords were rigorously compelled to give tenants the services in painting and decoration, refrigerator repairs, garbage collection, elevator and similar services, the operation of the fair net-operating-income formula might not be found so onerous. I am therefore making every effort to bring about strict enforcement of this new Javits amendment by the Office of the Housing Expediter.

Under present conditions it would be much better for tenants if we returned to the original OPA basis in effect during the war years, of granting rent increases only in the event of actual hardship. Unless there is a correction of the present situation this may well be necessary.

In order to protect the people of our district against the new problems raised by the Federal rent-control law of 1949 the facilities of my Congressional Rent Clinic were expanded and branches are now operating throughout the district. A corps of lawyers is working in these clinics on a voluntary basis rendering excellent service to all the people of our district, and have already helped more than 6,000 residents of tne district with their rent problems. These lawyers function under the direction of Hyman W. Sobell, Esq., chairman of the clinic. A schedule is available upon application to my office regarding the location of these clinics, the hours of operation, and the lawyers in charge.

HOUSING

A great victory for housing was scored in the first session of the Eighty-first Congress in that 810,000 federally assisted, low-rent housing units to be built within 6 years—public housing—and a $1,500,000,000 slum-clearance program were approved. The people of our district have a right to be proud of the leadership which, with their support, I have been able to furnish in this fight. In order to pass the bill, the votes of 23 Republican legislators were absolutely essential and these were marshalled as a result of the activity in housing which I have engaged in in the Congress since I first came here in January 1947.

Action has been taken also in the Congress to liberalize mortgage guaranties for veterans and other citizens renting or buying private housing under FHA and to extend this program to March 31, 1950. However, a great omission in the whole housing program has been the failure to take action for the benefit of families in the moderate income brackets who are caught in the squeeze of being ineligible for public housing—which indeed they do not seek—and being unable to buy or rent private housing within their means. Over 30 percent of all American families fall in this category, some 15,000,000 of a total of 40,000,000 families in the country.

Together with nine other colleagues I have sponsored and fought for a measure to make available $3,000,000,000 in direct, very low interest loans for the construction of housing for families in the moderate-income bracket. This would make possible the construction of not less than 400,000 of such units in a space of 6 years or less. With this impetus we could finally attain a balanced housing program for all elements in the community needing Government aid and reach our construction goal of 1,500,000 new home units per year which is essential if we are to lick the housing shortage in our time. This proposal for direct Government loans has obtained a great deal of support in the Congress and I look forward to the prospects of action in the next session.

MINIMUM WAGE AND EMPLOYMENT

A great step forward was taken by the increase of the minimum wage in this session from 40 cents to 75 cents per hour. An effort, however, was made in the House of Representatives to restrict coverage of the law, the most important item of restriction being to exclude workers unless they were indispensable—finally compromised to read "directly essential"—to interstate commerce. This was estimated to exclude 750,000 from the over 22,601,000—1947 estimate—at present under the minimum-wage coverage. Other specialized categories of workers were also excluded. I fought against these restrictions and sought to exclude them from the law but without success. Much has been achieved in the amended bill by raising the minimum wage, yet certain exclusions are unfair and the fight against them should continue. The least we can do for Americans, considering the magnitude of our production and national income, is to give them a concrete floor of $30 per week for a 40-hour week; no American should be asked to live on less, no matter where located, under present costs of living.

One of the grave defaults of this session of Congress has been the failure to take up FEPC legislation granting equality of job opportunity without discrimination on account of race, color, creed, or national origin which has operated so successfully in New York and is long overdue nationally. I testified before the committee of the House considering this legislation in its support, and it has now been reported favorably to the House. Yet no action has been taken. Americans who believe in our constitutional

democracy must fight vigorously for such legislation in the next session. We suffer at home and abroad from the absence of it and give Communist forces thereby a powerful propaganda weapon with which to try to destroy our society.

In this respect I propose that the legislation be taken out of partisan considerations and made a bipartisan issue, as indeed it must be if it is to be passed so that liberals and progressives of both major parties may combine to win this struggle for freedom of job opportunity to the limit of their abilities for all people regardless of color, national origin, or religious faith.

The heated controversy over the Taft-Hartley law will now be transferred to the second session. I have made my opposition to this legislation clear many times; and restate that my fundamental objective is to see that collective bargaining by employers and employees remains and is conducted fairly and with the least interference save for the right of the Government to cope with national emergencies due to labor conflict in the interests of the Nation as a whole and without coercion.

PUERTO RICO

This Territory has special employment problems with which a considerable number of our citizens in the district are directly concerned. Citizens who have moved from Puerto Rico to New York City need assistance in getting settled so that they may have every opportunity to make the great contribution of which they are capable to our community.

Also, residents of Puerto Rico should not be subjected to substandard economic conditions, and for that purpose Federal aid for economic betterment, education, and other assistance to Puerto Rico is necessary. I am engaged in helping with the solution of these questions.

HEALTH AND EDUCATION

Two critically important fields of social-welfare action were not touched in this session—legislation accepting the national responsibility for the people's health and providing Federal aid to education. These are very likely to come up in the next session.

I have expressed myself before as being in favor of the acceptance by the Government of the national responsibility for the people's health. The President's health plan, offered in the form of a compulsory pay-roll tax—like social security—estimated at 3 percent per year, has encountered great opposition, especially on the part of the medical profession. As our country enjoys a high quality of medical service today, considering the standard of medical care in other countries, it shall be my aim to keep the quality high while increasing the quantity to provide adequate medical facilities for many of our citizens now deprived of them because of cost or because of their location in rural areas; while, at the same time, to seek to retain freedom of choice of a doctor for our people and not mislead them with glittering promises of immediate large-scale services which cannot be performed because of shortages of doctors, nurses, dentists, hospitals, and facilities. It is gratifying to report that by action of the House of Representatives the Federal hospital-construction program shows promise of being doubled from $75,000,000 per year to $150,000,000 per year.

Federal aid to education has had no action due to the issue of whether the Barden bill should be passed which prevents States from using any of the Federal aid for any services—even health services—except for public schools. I have expressed myself as being opposed to such a restriction. The Supreme Court has ruled that there should be an equality of service like bus service for all schools. In view of the very large number of children who attend other schools—that number in New York City, for instance, being almost 400,000 out of an aggregate elementary-school population of 1,300,000—our States should retain this flexibility in the use of Federal funds the same as they have it in the use of their own funds for school purposes. I shall be guided by these principles in fighting for Federal aid to education.

SOCIAL SECURITY AND TAXATION

A great victory was gained by working people in the passage by the House of the broadened social-security bill. The retirement benefits were extended to some millions of the self-employed other than professional people, to employees of State and local governments and of nonprofit organizations on a voluntary basis—in the one case by action of the State and in the other by action of the employees themselves—to domestic servants who have reasonably steady jobs, to agricultural processing workers and to certain other employees including those in the Virgin Islands, and, if requested by the insular legislature, in Puerto Rico. Another important extension of the law was to make it apply to salesmen who by a law passed in the Eightieth Congress had been excluded—a law, incidentally, which I voted against. Benefits were also increased ranging from a 50-percent increase for the highest pension groups to 150 percent for the lowest pension groups and increasing the minimum benefit from $10 to $25 and the maximum from $85 to $150 per month. Also, and very important, the amount which a beneficiary could earn and still not be deprived of his social-security payments was increased from $14.99 to $50 per month.

These changes were not all which could be desired, but they go a long way toward answering the legitimate complaints of our citizens who had spent their best working years in the service of our whole community—every working person serves in this way.

In the coming session I shall seek action on my bill exempting from Federal income taxes the pensions of Federal, State, and city employees up to $2,000 per year and also disability pensions.

Also, while we are on the direct subject of taxes, I have made great efforts to relieve all of us of the wartime luxury taxes on such things as fur coats costing not more than a reasonably priced cloth coat, baby oil, inexpensive cosmetics, popular-priced handbags, etc. I propose to continue this fight as such taxes should be eliminated from the cost of living of moderate-income families.

The efficient operation of Government makes for the economic utilization of the funds authorized by the Congress. To this end I did my utmost to see that the recommendations of the Hoover Commission on Reorganization of the Federal departments were given full weight. To effectuate these savings Congress passed basic authority to the President and some progress has been made on unifying the armed services, also some departments, such as the Civil Service Commission, the Labor Department, and the Post Office Department have been reorganized.

POST OFFICE AND CIVIL SERVICE

The last weeks of this session were characterized by a struggle to get an improved wage for postal and other civil-service employees. I joined in this effort by testifying before the appropriate committees, acting through discharge petitions to bring the necessary legislation up for consideration on the floor of the House of Representatives and by personal efforts with other Members. It was finally possible to make a beginning of reform in two ways: One, by the enactment of legislation increasing the salaries of postal employees by an average of $141 per year, and, two, by making some other reforms to eliminate inequities in pay schedules and conditions of employment. It was also possible to pass the Reclassification Act resulting in a general increase for civil-service employees of about $120 per year. These developments were very gratifying to me.

SMALL BUSINESS

One of the important contests engaged in in this session was the effort to retain the vitality and position of small business while giving to large business legitimate relief from a decision of the Supreme Court seriously hampering its operations in respect of the right to charge delivered prices. This result was accomplished by carefully limiting the effect of the remedial legislation and the development of a suitable formula to protect small business, in which I actively participated in the House. The legislation will not come up in the Senate until January 1950. Every citizen and certainly every small-business man should take an interest in this legislation so important to the proper position of small business which is the backbone of our economy.

VETERANS

The problems of our veterans have continued to be one of my foremost concerns. The continued rising cost of living was much felt among our disabled veterans of both wars, their widows and children. In an effort to alleviate this hardship I supported and worked for legislation granting a long-needed increase of these pensions commensurate with the added cost of living of the past years.

As a result of the interpretation of certain provisions in an appropriation bill the Veterans' Administration issued regulations seriously curtailing the educational benefits for veterans under the GI bill of rights. As a result of vigorous protests, many of these restrictions have been lifted. In addition, I have joined

with others of my colleagues in introducing legislation which would assure to all veterans the educational benefits originally intended for them and I will continue to do my utmost to see that these GI rights are not infringed upon by arbitrary administrative decision or by oversights in the law.

CIVIL RIGHTS

In an effort to strengthen and buttress our American democracy I have fought hard this session on several fronts for the safeguarding of fundamental civil rights. In the spring of the year I protested vigorously and with some effect the segregation of Negroes practiced in Washington. Much still needs to be done on this score until the blight of discrimination is totally eliminated from our Nation's Capital. I shall remain vigilant in this regard.

At present I am working with the West Side Committee on Civil Rights making a survey in part of our community in this field. From this survey we hope to evolve an effective and strong program to meet local conditions and to gain facts for use in the fight for national legislation.

The House passed an anti-poll-tax bill which is now before the Senate Judiciary Committee. This Senate committee has approved an antilynching bill but that measure has not yet come up for a vote in the House. Only by continued work among the people and in the Congress can these civil-rights bills be enacted into law.

The struggle for antilynching, anti-poll-tax and FEPC legislation continues in the Congress. It is an important battle from which there must be no retreat and no wavering until all our citizens, without exception due to race, color, creed, or national origin, enjoy all the rights and freedoms which are their birthrights as American citizens.

FOOD PRICES

One of the vitally important problems we faced in this session was the enactment of a bill renewing the support for prices of farm products. I vigorously opposed up to the last days of the session the inflexible 90 percent of parity guaranty to farmers, on the ground that this bore unfairly on the living costs of city consumers, a large proportion of which was for food, while it operated in favor of farmers who were enjoying almost four times their aggregate prewar income, I believe in the need in the interests of our national economic stability for a concrete floor under farm prices, but these supports should be flexible and not rigid in order to meet the needs of farmers without unduly penalizing city dwellers.

ECONOMIC SECURITY

Aside from social security, unemployment insurance and other types of protection, our people are critically interested in the stable operation of our private economic system to avoid the shattering impact of depressions. I have introduced legislation seeking to give our economic system stability by bringing about better coordination between Government and business through self-help and mutual cooperation supported by law. I consider this one of the most urgent tasks before us and shall work on it diligently in the next session.

TOTALITARIAN MOVEMENTS

I have continued to protest against the danger of the resurgence of Nazi activity in the management of German industry and of German economic and social life. I shall continue this protest, bringing before the Congress as I have in the past significant evidences of it. I am convinced that one of the grave dangers that we face is of a resurgence of militant nationalism in Germany and the danger that we may find the Germans a Soviet ally for a renewed effort at world aggression. I shall do everything possible to see that we insist on compliance with the occupation statute which is the overriding law over all west German governments and that we continue even if it takes some years the supervision of Germany to guard against a resurgence of militant nationalism.

The people of our district may recall my fight with respect to the Bollingen poetry award to Ezra Pound under the sponsorship of the Library of Congress resulting in the abandonment of this practice by the Library. I fought this procedure because I did not believe that an agency of our Government should lend itself to rewarding a person charged with treason against the United States in World War II.

DISPLACED PERSONS

The new displaced-persons bill for which I fought passed the House of Representatives on June 2. This measure liberalizes the definition of displaced persons, requires nondiscrimination in their selection, increases the DP's eligible for admission to the United States to 337,000 over a 3-year period, includes 5,000 war orphans and 4,000 anti-Communist European DP's stranded in China—points for which I have long worked—and improves the situation of immigrants already here who have no place to return to. At present this measure is bottlenecked in the Senate and we must continue in January our vigorous efforts to get it passed there.

FOREIGN POLICY

The maintenance of peace and security in the world continues to dominate our work in the Congress. As a member of the Committee on Foreign Affairs of the House of Representatives our district has had a great opportunity through me to contribute to our bipartisan foreign policy.

THE ATLANTIC PACT AND EUROPEAN MILITARY AID

It was necessary to support the morale of the democracies of western Europe by giving them some means for defense of their own national integrity. It is not proposed to divert western Europe from its efforts at economic rehabilitation and recovery to military preparedness. On the contrary, by this program the peoples of western Europe are to be encouraged to proceed with their economic recovery with a sense of freedom, security, and national self-respect. That is the purpose which I have sought and which I will continue to endeavor to seek by this program.

FOREIGN ECONOMIC RECOVERY

It is now recognized that the European recovery program for which appropriations were made in this session for the fiscal year ending June 30, 1950, is but one part of a great effort of American foreign policy to enable our sister free nations and peoples to stand on their own feet as effective producers and to get and maintain a decent standard of living through their own efforts. The ERP was the first necessary step in the rehabilitation of these democracies.

We are now engaged in trying to launch the next effort which must be initiated while the ERP remains in effect and gradually take over from it: First, the opening of the world to trade among the nations. In this respect, the renewal of the reciprocal trade agreements program in this session which I supported and for which I fought is most important. In the next session I shall do all I can to bring about membership of the United States in the International Trade Organization.

Second, I have also worked hard to bring about a merger of the International Bank for Reconstruction and Development and the International Monetary Fund to make some $4,000,000,000 more available than is available today for supporting world economic recovery without requiring additional appropriations by the United States.

Finally, there is the point 4 program, for which legislation is now before us, which seeks to make available American technical skill in the effort to develop underdeveloped countries, the principal efforts in the first instance to be directed toward agriculture, health, and education. Exports of our skill cost us little and can replace hundreds of millions in expenditure for assistance and recovery. Skill is the best export we have and I propose to support actively this program as the principal means for helping to attain a higher standard of living among the free peoples and therefore greater and more secure prosperity for us.

CHINA AND THE FAR EAST

This area has presented one of the gravest losses to democracy this year. It is now more essential than ever that the forces of democracy be strengthened in the whole area of Asia outside of China so that democracy may have new sources of strength with which to try to win back China to democracy. This can best be done by effectively helping to raise the standards of living of the peoples of India, Burma, the Philippines, Indonesia, and of the other Asiatic peoples outside of China and giving them a firm devotion to democracy because of its ability to greatly improve their own conditions. The same result can by these means be attained in those areas of China still free of Communist occupation. The will to resist either Communist aggression or Communist encroachment can be assured in this way. I have, therefore, advocated a program of far eastern economic cooperation as the most constructive policy we can pursue in that area at this time. The visit of the great statesman, Pandit Nehru, Prime Minister of India, has dramatized the practicability of this ap-

proach for us. India can truly be the cornerstone of this structure for peace and improvement in Asia.

THE NEAR EAST

The establishment of peace and security in the new State of Israel continues to be of direct concern in the interest and security of the United States. It is now clear that to bring peace to this area a program of economic recovery and development is the best means for binding the people of Israel and of the Arab States together in their common interest. I have supported, and shall continue to support, the efforts of the United Nations in this regard, and to urge similar efforts on the part of the United States. I have opposed, and shall continue to oppose, any effort to charge Israel with an undue proportion of the responsibility for the Arab refugee problem which was brought on by the invasion of Israel by the Arab armies.

It has been my constant care to see that the holy places in Palestine, including Jerusalem, are fully safeguarded under international control and that access to them by all pilgrims be free and open, but this does not require the United Nations to undertake a radical and hazardous experiment in the municipal administration of Jerusalem by separating the new city from Israel, which could well jeopardize the cessation of hostilities in the Near East.

THE UNITED NATIONS

The strengthening of the United Nations to develop it into a world federation under law and with power to keep the peace gains renewed impetus from the announcement that the Soviet Union probably has the atom bomb. I have supported, and will continue to support, the movement toward encouraging world federation pending in the House of Representatives and am one of the authors of the resolution for that purpose. The terrible destructiveness of the atom bomb makes the surest means of attaining the United Nations goal of international peace and security an effective world federation and this should be the fundamental aim of our foreign policy.

It continues to be a cause for regret that Eire is not yet admitted into the United Nations and that even yet this prevents a plebiscite from being taken of all Ireland under United Nations auspices for the purpose of bringing about its unification.

NATIONAL DEFENSE

The development respecting the atomic bomb in the Soviet Union and the controversy over the usefulness of the B–36 bomber have brought our national defense policies to the fore. While continuing firm in the conviction that national security through our Military Establishment is only one element in our foreign policy and that economic development and cultural interchange are needed to make this policy one of peace, it is yet essential to see that both in size and in effectiveness our Military Establishment is adequate to our needs. I am being guided by two principles in my action here—first, that our Military Establishment shall be consistent with modern requirements of security in the atomic age which has completely changed the whole concept of defense; second, that we shall continue to have effective civilian control of our National Military Establishment.

CONCLUSION

Our problems continue to be highly complex and vast in their implications. Yet fundamental principles can be adhered to and remain an effective guide to action. Our constitutional institutions continue to show vigor and the flexibility and adaptability to deal with the challenges which face us as they arise. Our people retain the faith in our Republic and the independence of action so essential to lead us on the road of freedom and justice. They give every evidence of being fully able to make changes as changes are required. Under these circumstances, I am convinced that our Nation is equal to its great responsibilities and opportunities.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Florida [Mr. HERLONG] is recognized for 30 minutes.

THE HENDERSON CASE

Mr. HERLONG. Mr. Speaker, seldom during this first session of the Eighty-first Congress have I risen to give voice to my feelings on matters of the public interest. Rather, I have felt that I could accomplish more and contribute just as much by listening and learning from those who have become grizzled and gray through years of experience and whose wisdom I recognize and respect. The action of the Department of Justice, representing the United States as codefendant in the Henderson case, in not only declining to defend the case but actively participating in an attempt to reverse the judgment of a specially constituted district court in and for the District of Maryland, however, prompts me to add my voice to those of my distinguished colleagues who feel that such action is beyond the realm of precedent or reason. I have carefully read the brief filed by the Solicitor General, Mr. Perlman, on behalf of the United States, and as a Member of Congress I cannot but resent the attempt of the Justice Department to ask the highest court in our land to usurp legislative functions and write new law to take the place of the regularly enacted legislation of this Congress. This Congress has repeatedly, during this session, expressed itself on the question of segregation. One of the more notable intances was when an attempt was made to eliminate segregation in the housing bill. This proposal was overwhelmingly defeated. Other such attempts during this session have also been defeated.

I could discuss at great length the practical and humane arguments in favor of segregation in the Southland, and feel confident that with a fair opportunity to present evidence to people whose minds are not closed through fear of loss of political support, I could show the impracticability of handling this problem in the South at this time in a manner different than it is now handled. I could show through the testimony of many hundreds of Negroes themselves that they not only do not desire, but bitterly resent this interference by outsiders who have nothing but misinformation and outright misrepresentation and no personal knowledge whatsoever of the true conditions existing in the Southland. I could tell you in detail how professional troublemakers come into the South, and on the pretext of securing information and writing eye-witness news stories, so grossly distort the real facts as to make them unrecognizable when they appear in print.

As an example of how these people operate and attempt to poison the minds of the people in the North against the South, there was a case in my home county recently in which three Negro boys were convicted of raping a young bride. An attempt was made in some of the northern papers to give the wrong impression of what actually happened by reporting that the defendants were convicted by an all-white jury. These subsidized specialists in scuttling the South did not say in their story that the prosecution on behalf of the State of Florida in that case went far beyond the requirements of the law in insuring to the defendants a fair trial. They did not say that there were Negroes on the jury panel in the same proportion as there were Negro registered voters, and most of them are registered votes and vote in that county; they did not say that when the name of a Negro juror was drawn he would be excused by the defense—not the prosecution but the defense—on a peremptory challenge on some frivolous ground, so that they would be able to say after the case was over that it was tried by an all-white jury; they did not say in the story that the State attorney excused, on peremptory challenges, several good white jurors in an attempt to get to Negro jurors, and found whenever he did get to them that the defense did not want them to serve.

After the trial was over and the three defendants were convicted, the jury recommended mercy for one of the defendants and he was sentenced to life imprisonment. The other two received no such recommendation. Even though the prosecution had tried all the cases together, the defense then claimed that the two who were convicted without recommendation of mercy did not receive a fair trial. But they agreed that the one who received a recommendation of mercy did receive a fair trial; these stories have not said that after the trial one of these defendants asked to talk with the officers and in a voluntary statement, which was recorded, stated, in effect, that he was more than pleased with the outcome of the case, that all of them were guilty, that he had told a false story at the trial because the defense attorneys had told him that his only chance of getting off would be to lie about the true facts; as a matter of fact, a greater effort was made on the part of the defense attorneys to inject a discrimination issue into the trial than there was to actually defend the case.

This practice of distorting the facts has been going on for years. This is not

the first time that it has happened. But the people in the South have just listened and ignored them, choosing to consider the source from which they came. But when the Solicitor General's office injects itself in an effort to give strength and dignity to this type of activity, then it is no longer a trivial matter. It is time to let the people everywhere know the true facts.

But as important as the segregation question is, this Henderson case strikes even deeper than that. Here is the result of an attempt, inspired and prompted by these same talented triflers with the truth, to persuade the Solicitor General's office to endorse the transfer of the legislative functions of the Congress over to the courts. The Congress has repeatedly spoken to the contrary. In the brief of the Solicitor General's Department they admit that even precedent in the courts is against their position, but they urge that the precedent, the decision in the case of Plessy against Ferguson, has been determined erroneously and that the doctrine of that case should now be reexamined and overruled. As you know, the customary procedure is that Congress enacts legislation. If it is not clear or there is any question about the intent of Congress, it goes to the courts for interpretation. If the interpretation follows the true intent of the Congress it remains the law of the land until changed by the Congress. If the interpretation goes afield from the intent of the Congress, further clarifying legislation is presented so that the real intent of the Congress is the law. Several times during this session we have been asked to vote on measures designed to correct a decision of the Supreme Court in order to insure that the true intent of Congress is actually the law. This precedent, which they desire now to have overruled, was decided in 1895. Since that time many Congresses have met and adjourned. It seems to me that if the Supreme Court had erroneously interpreted the intent of Congress, there has been ample opportunity in these 54 years to clearly set out the real intent by statutory law. The reason it has not been done is simply because the decision was correct, the opinion of the Solicitor General to the contrary notwithstanding.

I hope this Congress will jealously guard its policy-making prerogative. Our legislative authority should not be usurped.

The SPEAKER pro tempore (Mr. TRIMBLE). Under the previous order of the House, the gentleman from Mississippi [Mr. WILLIAMS] is recognized for 30 minutes.

SEGREGATION

Mr. WILLIAMS. Mr. Speaker, I shall not use all of my time. I merely wish to add my thoughts to the remarks of the distinguished gentleman from Florida, who preceded me. To do justice to the subject would take hours.

Mr. Speaker, I have always understood that our Government was composed of three branches, with certain specific powers delegated to each by the Constitution. It has been my belief that the duty of the legislative branch was to enact and repeal laws, and the duty of the judicial branch to review and pass upon the constitutionality of legislation enacted by the legislative branch.

This belief, apparently, is not held by the Justice Department. For it is today asking the Supreme Court to assume legislative powers and authority not granted to it under the Constitution.

The Justice Department, in the so-called Henderson case, is asking the Supreme Court to legislate judicially that which the House and the Senate have consistently refused to act upon.

The Justice Department has asked the Supreme Court to set aside its age-old, tried and true, "separate but equal" theory in regard to racial segregation in favor of complete abolition of segregation.

I have always understood it to be the duty of the Justice Department to defend the orders of the Interstate Commerce Commission—the defendant in this case—as well as to represent other agencies of Government in matters of litigation.

In complete disregard of its duties, the Justice Department has organized its legal facilities in a fight against a companion agency in the Government, rather than defend it. They seem to have contracted the same "minority" disease that has swept the world ever since Russian communism became a world philosophy, and Russia became a world power. The Justice Department has completely surrendered to the Communists, the radicals, the fellow travelers, the pinks, and the punks.

Who are those who stand behind the Justice Department in this suit? Are they the great mass of the American people? Or are they blocs of selfish interest groups intent upon forcing their will upon the American people, whether they like it or not?

Briefs have been filed in this case on the side of the appellant by the CIO—which hopes to use the Negro as a club with which to whip the American people into submission; the National Association for the Advancement of Colored People—a radical organization which for years has directed its activities toward stirring up racial strife in the North as well as the South; the AVC—an off-brand pink and Communist-flavored alleged veterans' organization which has caused nothing but trouble since it was organized; and the National Lawyers' Guild—another Red outfit.

There is no demand from the Negroes of the South for this kind of ruling—that is evident. Yet we know that these Communist organizations always point to the southern Negro as the one who is suffering from segregation. There is no doubt about the part that politics is playing in this suit, and I hope that the Court will not allow itself to be degraded to the level on which the Justice Department seeks to place it. There is no demand from the American Bar Association for the outlawing of segregation; there is no demand from the bona fide, reputable veterans' organizations for such a ruling. There is no demand from Congress—it has had the opportunity for years to outlaw segregation legally and constitutionally. There is no demand in the Constitution of the United States for the abolition of segregation.

The Justice Department knows this—they also cannot be blind to the disastrous effects upon our Nation that would occur from the abolition of segregation. Yet they are willing to barter the peace, good will, and welfare of our people for the miserable political advantage which might accrue from their action.

Listen to this, taken from the brief of the Justice Department in this case:

> What we seek is not justice under law as it is.
>
> What we seek is justice to which law, in its making, should conform.

Where is the authority of the Supreme Court to interpret the law—not on the basis of what it is, or what is intended to be—but rather to draw from the law what is not in it, and make it conform to what they think should be in it?

The present law on the subject of segregation can be changed under the Constitution only by Congress, or the people. The Supreme Court cannot make laws, or change laws—the Justice Department should know that.

A reading of the brief filed by the Justice Department in this case will show that the authorities cited therein are not legal authorities, but are from propaganda leaflets, lay commercial publications—and, particularly Russian and Communist books and periodicals. The kind of brief filed by the Justice Department in this case would insult the intelligence of any backwoods justice of the peace. The Supreme Court should resent this assault upon their integrity, ability, and intelligence.

Here are a few, but typical, of the authorities cited by the Justice Department in support of their fantastic contentions:

First. Native Son, a fictional novel by Richard Wright, a Chicago Negro.

Second. Caste and Class in a Southern Town—another lay article, making a prejudiced, biased attack upon the decent and God-fearing people of the South.

Third. The Negro Ghetto, by Weaver, enough said.

Fourth. Negroes in Brazil, by Pearson.

Fifth. Can the Negro Hold His Job?—from a bulletin of the NAACP, one of the uninvited meddling participants in this case.

Sixth. The Bolshevik.

Seventh. Nationalism—Tool of Imperialist Reaction, written in Russia by a Communist writer named Frantsov.

Eighth. The Soviet Representative to the United Nations, who is cited many times throughout the brief.

Ninth. The Literary Gazette, an official publication of the Union of Soviet Socialist Republics.

Tenth. An American Dilemma, by Myrdal, and so forth and so on.

In filing this brief, the Justice Department has sunk to the lowest levels in history. They are being cajoled into a violation of their oaths by monstrous groups intent upon destroying our democratic form of government, our people and our Nation.

The Constitution of the United States very carefully avoided any reference to

segregation. In the fourteenth amendment, giving the Negroes equal rights with whites, there is no mention of segregation, and it cannot be inferred that it was intended that segregation should be abolished. We know that granting equal facilities and equal opportunities to Negroes is right and necessary in order to meet the requirements of democracy. But must we amalgamate our people in order to meet those needs? To allow such a thing to happen would be to betray our country and its glorious history. We cannot allow these power seekers to mongrelize our people through a forced amalgamation of the races. To do that would bring on national suicide, as it did for Greece, for Rome, for Egypt, and for all of the other great empires of the past.

Why was mention of segregation not made in the Constitution? Listen to the words of Thomas Jefferson:

> Nothing is more certainly written in the book of fate than that these people—

Meaning the Negroes—

> are to be free; or is it less certain that the two races, equally free, cannot live in the same government.

Perhaps Jefferson went further along those lines than we should go today. But he did reflect the thinking of the writers of our Constitution, who recognized the incontrovertible fact that a mongrel America cannot live in peace; nor can a mongrel America hold the respect of the world.

Abraham Lincoln, champion of the Negro, admitted—and I quote:

> A separation of the races is the only perfect preventive of amalgamation; but as an immediate separation is impossible, then the next best thing is to keep them apart where they are not already together.

Segregation is admittedly the only solution to the Negro problem, if such a problem exists. This Congress can pass laws from now until doomsday, and the Supreme Court can render limitless decisions outlawing segregation, and attempting to force upon both white and black an integral society. But until such time as people of both races are willing to intermingle socially, these laws and decrees could and would be of no value whatsoever. On the other hand, they could result only in bloodshed and strife.

Do the Negroes want to intermingle socially with the whites? Certainly not in my section of the country. If they did, then, of course, there would be no Harlem in New York, and no South Side in Chicago. Joe Louis would not be opening his exclusive colored restaurant in Detroit next week.

It was a Negro—the greatest of them all—who uttered the philosophy which has been followed by our courts, our Congress, and our people down through the years. The words of Booker T. Washington will live as long as civilization itself:

> In all things which are purely social, we can be as separate as the fingers; yet one as the hand in all things essential to mutual progress.

Segregation has obtained in this country for so long a time that it has become an established tradition or institution. It has been approved, not only by the people who established it, but by the courts and the Congress. Suddenly, the highest tribunal in the land is called upon to sweep away the bulwark existing in our social and political orbit. They are being asked to deny to our people the fundamental constitutional right of a continuation of this established, approved, and successful practice.

America has grown great and all powerful under our time-honored social and political system. There is a reason for this: The people have an inherent right to shape their own respective destinies. The architects of our dual system of constitutional government purposefully retained in the people themselves, through their duly elected representatives, the right to legislate laws, repeal laws, and inaugurate policies for the general welfare of all the people. Nowhere can that right and authority be found except in the legislative—and not the judicial—branch of our Government.

The philosophy and practice of segregation had its origin in the teachings of the Apostle Paul, in his ministry to the Jews, Greeks, Gentiles, Romans, and all peoples everywhere. His doctrine is found recorded in the seventeenth chapter of Acts, twenty-sixth verse:

> And hath made of one blood all nations of men for to dwell on all the face of the earth, *and hath determined the times before appointed, and the bounds of their habitation.*

I am confident that the Supreme Court will promptly affirm the decision of the lower court. To do otherwise, would be to encroach upon the rights granted to Congress under the Constitution of the United States.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

THE ADMINISTRATION HAS FAILED IN ITS DUTY TO PROTECT THE INDEPENDENT OIL PRODUCERS OF THIS COUNTRY

Mr. REES. Mr. Speaker, I have requested permission for time to address the House for the purpose of calling attention to the necessity of immediate action to protect the domestic oil industry of this country from the destructive influence of large oil companies operating outside the United States.

On July 20 I addressed the House on the plight of the oil-producing industry in this country and called attention then to the great injury to our economy and threat to our national security by reason of the ever-increasing volumes of imported oil. At that time I stated that unless affirmative action were taken administratively to afford relief from excessive imports, I would press for legislative action.

On the following day I introduced H. R. 5724, now before the House. This measure, if enacted into law, would provide relief by establishing a limitation on petroleum imports.

Developments since July clearly indicate that the administration does not expect to take any action and that the solution of the problem must come from Congress. Just a few days ago Mr. Willard L. Thorp, Assistant Secretary of State, advised that the State Department does not regard the high level of current imports as a serious problem. He says that any restrictions on imports are unnecessary and would be unwise and detrimental to the interests of the petroleum industry of this country. The State Department reaches this conclusion despite the fact its recognizes that imports of oil are expected to continue to increase above all-time high rates during the months to come.

Even more alarming than the attitude of the State Department is information recently released by the Economic Cooperation Administration. I have before me a copy of the New York Times of Sunday, October 9, that contains an article by J. H. Carmichael. Here is what he says:

> The most ambitious expansion program in the history of the oil industry is contemplated by the end of 1952 by American, British, and Dutch oil companies in areas outside North America and eastern Europe. According to figures submitted to the Economic Cooperation Administration, these companies plan expenditures in that period of two to three billion dollars. Their tentative plans call for a 65-percent expansion of facilities.

According to Mr. Carmichael, American, British, and Dutch oil companies contemplate increasing crude oil production to 4,892,000 barrels daily by 1953, exclusive of any increase in Canada, Mexico, or the United States. This would be an increase of nearly 2,000,000 barrels daily over 1948. This information is confirmed by a release, dated September 29, 1949, issued by the Economic Cooperation Administration.

There is currently a widespread excess of petroleum producing capacity which has already caused the producers of oil in the United States to curtail their production by nearly 1,000,000 barrels a day.

This program of increased production of oil outside North America, coupled with the obvious increasing production in Canada, makes clear the growing threat to the domestic industry.

In addition to the expected expansion in production facilities the ECA program also provides for a large expansion in foreign refinery facilities, which by 1953 will be in operation and providing additional oil products seeking world market outlets.

A study of the ECA program, including both production and refining, indicates that by 1953, if present plans are carried out, there will be a potential world surplus of oil between 1,000,000 and 2,000,000 barrels a day which might be seeking entry into the United States.

The official announcement from ECA points out the fact that funds of the American taxpayers are already being pledged to the expansion program of large individual oil companies operating on a world-wide basis. Tentatively, the amounts involved may not be startling, but this may be only the beginning in this activity. The announcement says:

> Installations of three French and two British oil refineries will be expanded under industrial recovery projects approved by the

Economic Cooperation Administration, it was announced today in Washington, Paris, and London.

In looking into the details of this statement by ECA, I find they have agreed to finance, by use of the taxpayers' money of the people of the United States, British, Dutch, and American companies in the following amounts:

For the three French refineries, $4,127,500 out of ECA funds; $1,850,000 of which goes to the Shell Group; $850,000 to Socony Vacuum Oil Co.; $1,427,500 to the Standard Oil Co. of New Jersey. For the British projects, ECA is to advance $17,293,000, of which $10,433,000 goes to the Shell Refining & Marketing Co., and $7,250,000 for the Anglo-Iranian Oil Co.

Mr. Speaker, the Congress was aroused by the economic difficulties of many of the European countries following the recent war, and, under the impulse to provide relief for suffering Europe, vast amounts of money have been appropriated for distribution through ECA. I wonder if the American taxpayer then was conscious of the course that this activity would take. I have taken the trouble to look up some of the companies for which ECA assistance is provided.

I find that the Standard Oil Co. of New Jersey is the largest manufacturing company in the country, with reported assets of more than $3,500,000,000, compared to General Motors with slightly less than $3,000,000,000, and United States Steel with about $2,500,000,000 in assets.

I find that the Socony Vacuum Oil Co. has reported assets of nearly one and one-half billion dollars and that the Shell Union Oil Corp., the United States subsidiary of the Shell group, has assets totaling almost $650,000,000. The Anglo-Iranian Oil Co. is more than 50 percent owned by the British Government, with a substantial interest held by the Shell group, and holds the oil concession in the country of Iran, together with interests in other producing areas of the world.

These four companies are among the seven large oil companies operating jointly in many areas of the world which own in the neighborhood of 90 percent of all foreign oil reserves, excluding Russia. I wish to pose the question of the advisability of using the American taxpayers' money for such purposes.

Mr. Speaker, it will be remembered that the findings of the Senate special committee investigating the national defense program revealed that it was through the efforts of some of the large companies that the United States was induced to extend lend-lease to Saudi Arabia, despite the fact that lend-lease was to provide assistance to the democracies of the world in their difficult struggle during the war.

It is also observed that administrative agencies of our Government proposed to build and pay for a pipe line out of public funds and then turn the pipe line over to corporations for their operation. It should be noted, also, that the operations of these companies were domiciled outside of this country and their profits were not subjected to the tax authorities of the United States.

Going back to the article by Mr. Carmichael, appearing in the New York Times, he makes the alarming statement that the domestic oil industry cannot expect any aid from Washington in the direction of providing relief from the invasion of oil into the American markets, and I quote, "until the domestic industry shows signs of physical deterioration." This attitude is confirmed by a communication from Assistant Secretary of State Thorp in which it is argued that the domestic oil industry is not suffering because there has been an increased demand for oil in the United States and that the domestic producers should look to this increased demand for their relief. The fact is that imports have increased by 25 percent as compared with last year, while the domestic oil industry has had to make way for these imports by reducing its own production. Yet the State Department insists the domestic industry has suffered no ill from the invasion of these markets.

Mr. Speaker, I call this to the attention of the Congress because it must now be obvious that the oil-producing industry of this country can have very little hope or encouragement from the administration in Washington. If the domestic oil industry is to be preserved, it must be through the efforts of the legislative branch of our Government.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

BIG-BUSINESS PROFITS GO UP—SMALL-BUSINESS PROFITS GO DOWN

Mr. PATMAN. Mr. Speaker, big business in the United States is making money hand over fist. Little business is being squeezed. I think every Member of Congress knows this from what his constituents tell him, but until recently there were no facts and figures to prove what all of us knew. Big business has denied that it had any special privilege or any special advantage. When cases were produced to show what was happening to small business, the public-relations counsel of a large enterprise would hunt around until he found some little-business man who was doing well and would offer this exceptional example as evidence that the lions and the lambs are all brothers together. We are seeing an instance of this kind of propaganda in the newspaper campaign that A & P is staging in its effort to discredit the antitrust suit against them. That company has managed to find two or three of its competitors who are willing to say that it has not tried to drive them out of business, nor seriously hurt their chance to compete. Now it is advertising that these two or three favorable opinions all over the country as though they represented the point of view of the independent grocers of America.

CARDS STACKED AGAINST SMALL BUSINESS

The cold fact is that the cards are stacked against small business. Big business, most of the time, makes large profits. Small business, most of the time, makes small profits. The profits of big business are getting larger; the profits of small business are getting smaller. In the postwar boom, when most goods were scarce, this process was obscured by the fact that there was an insatiable market for everyone's goods. For the time being, the small business of this country did well. Its profits rose to levels as high or higher than those of the business giants, but when this exceptional period of scarcity came to an end big business was scarcely affected, while the little concerns started down a long, greased slide away from prosperity.

Until 1947 the United States had no reliable figures that would compare the profits of large and small enterprises. Since that time the Federal Trade Commission has published statistics every 3 months that show the profits of different sized manufacturing enterprises. These figures are available on request in what is called the Quarterly Industrial Financial Report Series. The Commission has summarized them in a chart that appears at the beginning of each report. I have had a large copy of that chart made, to which I invite your attention.

FIVE GROUPS ACCORDING TO SIZE

On this chart all manufacturing corporations are classified into five groups according to the size of their total assets. The largest group consists of about 113 corporations, each of which has assets of more than $100,000,000. The next largest group includes corporations with assets of more than $5,000,000 but less than $100,000,000. The third group contains corporations with assets of more than $1,000,000 and less than $5,000,000. In the fourth group are corporations with assets of more than one-fourth million dollars and less than $1,000,000. And in the fifth group are corporations with assets of less than one-fourth million dollars. At the beginning of this chart in the first quarter of 1947, the highest rate of profit was that for corporations in the middle group with assets from $1,000,000 to $5,000,000. The group with assets between one-fourth of a million and $1,000,000 came second; that with assets from $5,000,000 to $100,000,000, third; the smallest group with assets below one-fourth million dollars, fourth; and the big corporations with assets of more than $100,000,000 stood lowest. In all five groups, profits on the stockholders' equity, after taxes, were running higher than 12 percent a year. The highest rate of profit was above 23 percent. These figures reflect the conditions of scarcity under which small enterprises were just as likely to do well as large enterprises. There was no systematic relationship between the size of the concern and its ability to make profits.

SMALLEST CONCERNS TAKE PROFIT NOSE DIVE

But during the 2¼ years that followed the whole picture changed. After a brief rise during 1947, the profits of the smallest corporations took a nose dive, recovered in 1948, and took another nose dive, made another brief recovery, and dropped again in the second quarter of 1949. These concerns, which were making more than 16 percent profit on the

average at the beginning of 1947, were barely averaging 5 percent 2¼ years later. The next largest group of corporations, with assets of from one-fourth million dollars to $1,000,000, suffered a similar drop, which, though less spectacular, was steadier. From more than 20 percent in the first quarter of 1947, they had fallen to about 7 percent in the second quarter of 1949. The middle group, with assets of from $1,000,000 to $5,000,000, fell in about the same way from more than 23 percent in 1947 to about 9 percent in 1949. The next largest group, with assets of more than $5,000,000 and less than $100,000,000, did much better than the smaller groups. Its profits declined, but only from 19 percent to 10 percent. Meanwhile, the largest corporations, those with more than $100,000,000, did not suffer at all, but actually gained. They started the period with profits of more than 13 percent, increased their profits to about 18 percent, and ended the period with about the same rate of profit with which they began it.

Notice that by the second quarter of 1949 these corporations had sorted themselves out so that the level of their profits was a direct reflection of their relative size. The biggest corporations had the largest profits. The smallest corporations had the smallest profits. The three middle groups fell in between in the order of size from the largest to the smallest.

Because this chart shows the fluctuations from quarter to quarter, it does not bring out clearly the direction in which profits moved through the whole period. Therefore, I asked the Federal Trade Commission to give me another chart that would show the trend in the profits of different-sized corporations without showing the fluctuations about the trend. These charts were prepared under the direction of Dr. Corbin Edwards and Mr. Roger Barnes, economists of FTC. This second chart is just like a road map. When you drive across country, you find a curve to the right and a curve to the left, but on the road map the road's direction is shown by a relatively straight line that ignores most of these curves. That is what has been done on the second chart. This chart shows clearly what has been happening to American manufacturing. The three smallest groups of manufacturing corporations, with assets of less than $5,000,000, entered 1947 with high rates of profits. Among these three classes, the largest had the highest rate, and the next largest the next highest rate. For all three classes, the movement has been downward at just about the same rate. Relative to each other, they stand where they did before. But relative to larger manufacturing corporations they have suffered a severe decline.

The second largest group of corporations, those with assets from $5,000,000 to $100,000,000, began the period in an intermediate position. Their profits trended downward, but much more gently than those of the smaller companies, and they ended the period in substantially better condition.

LARGEST CONCERNS HAVE PROFIT ORGY

The largest companies, with assets of more than $100,000,000, moved in a way that had no relation to what was happening to the rest of American business. To the business community as a whole, this was a time of recession and difficulty. To these favored few giants, it was a time of increasing prosperity. The trend of their profits was actually upward and by last summer they were making far more than any other group of corporations.

The spokesmen for big business encourage the idea that if big business is prosperous the country is prosperous. For years they have made statistics available that make it easier for the American people to absorb this idea. The National City Bank, for example, has long published figures on the profits of our largest corporations. With no other figures readily available, the business press has found it easy to assume that when these companies go up the economy is going up and when these companies go down the economy is going down. This chart shows how little foundation there is for any such belief. When big business goes up, it may very well be that little business is going down. Indeed, the chances are that this is true, because the big companies often make their profits at the small companies' expense.

SAME INFORMATION FOR MINING AND DISTRIBUTION

In a few lines, these charts show why there is a small business problem in America. They show why that problem is becoming more acute. We need this kind of information, not only about manufacturing as a whole, but also about each separate manufacturing industry. We need it not only for manufacturing but also for mining and for distribution.

Most of all, we need to take action to change these trends.

LIST OF LARGE CORPORATIONS WITH ASSETS OF $100,000,000 OR OVER AS OF DECEMBER 31, 1946

Food and beverages: American Sugar Refining, Armour, Borden Co., Campbell Soup Co., Coca-Cola Co., Corn Products Refining, Seagram's Distillers Corp., General Foods, General Mills, H. J. Heinz Co., National Biscuit, National Dairy Products, National Distillers Products, Schenley Distillers, Standard Brands, Swift & Co., Hiram Walker, Gooderham & Worts, Wilson & Co.

Tobacco manufactures: American Tobacco, Liggett & Myers, P. Lorillard, Philip Morris, Reynolds Tobacco.

Textile mill products: American Woolen, Celanese Corp.

Lumber and wood products: Weyerhaeuser Timber Co.

Paper and related products: Crown Zellerbach, International Paper, St. Regis Paper.

Chemicals and allied products: Allied Chemical, American Cyanamid, American Viscose, Dow Chemical, Du Pont, Monsanto Chemical, Procter & Gamble, Publicker Industries, Union Carbide & Carbon, Lever Bros. Co.

Products of petroleum: Atlantic Refining, Cities Service Oil Co., Continental Oil, Gulf Oil, Ohio Oil, Phillips Petroleum, Pure Oil, Richfield Oil, Shell Union Oil, Sinclair Oil, Skelly Oil, Socony Vacuum, Standard Oil of California, Standard Oil of Indiana, Standard Oil of New Jersey, Standard Oil of Ohio, Sun Oil, Texas Co., Tide Water Associated Oil, Union Oil.

Rubber products: Firestone Rubber, B. F. Goodrich, Goodyear Tire & Rubber, United States Rubber.

Stone, clay, and glass: Owens Illinois, Pittsburgh Plate Glass.

Primary nonferrous metal industries: Aluminum Co. of America, American Smelting & Refining, Anaconda Copper, International Nickel, Kennecott Copper, National Lead, Phelps-Dodge, Reynolds Metals.

Primary iron and steel industries: American Rolling Mills, Bethlehem Steel, Crucible Steel, Inland Steel, Jones & Laughlin Steel, National Steel, Republic Steel, United States Steel, Wheeling Steel, Youngstown Sheet & Tube.

Fabricated metal products: American Can, American Radiator & Standard Sanitary, Continental Can, Crane Co.

Machinery: Allis-Chalmers, Caterpillar Tractor, Deere & Co., International Business Machines, International Harvester, Singer Manufacturing, United Shoe Machinery.

Electrical machinery, equipment, and supplies: General Electric, Radio Corp., Westinghouse Electric & Manufacturing.

Transportation equipment, except autos: American Car & Foundry, Baldwin Locomotive, Bendix Aviation, Curtiss-Wright, Douglas Aircraft, General American Transport, Lockheed Aircraft, Glen L. Martin, Pullman, Inc., United Aircraft.

Motor vehicles and parts: Borg-Warner, Chrysler, Ford Motor Co., Nash Kelvinator, General Motors.

Photographic equipment: Eastman Kodak.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORTON (at the request of Mr. ANDERSON of California), for October 13 to October 16, 1949, on account of the death of his father.

To Mr. HINSHAW, until adjournment, on account of official business.

To Mrs. ROGERS of Massachusetts (at the request of Mr. ARENDS), indefinitely, on account of illness in the family.

To Mr. HOFFMAN of Michigan (at the request of Mr. WOODRUFF), on account of serious illness in the family.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule, referred as follows:

S. 2596. An act relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Veterans' Affairs.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following

titles, which were thereupon signed by the Speaker:

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 160. An act to amend section 801 of the Federal Food, Drug and Cosmetic Act, as amended; and

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes.

ADJOURNMENT

Mr. O'SULLIVAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 37 minutes p. m.), the House adjourned until tomorrow, Friday, October 14, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

985. A communication from the President of the United States, transmitting an estimate of appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $733,241.42, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 366); to the Committee on Appropriations and ordered to be printed.

986. A communication from the President of the United States, transmitting a supplemental estimate for the fiscal year 1950 in the amount of $2,500,000 for the Department of the Interior (H. Doc. No. 365); to the Committee on Appropriations and ordered to be printed.

987. A letter from the Under Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month ended August 31, 1949 (pursuant to Public Law 8, 80th Cong.); to the Committee on Agriculture.

988. A letter from the Secretary of the Army transmitting a letter from the Chief of Engineers, United States Army, dated July 27, 1948, submitting a report, together with accompanying papers and illustrations, on preliminary examinations and surveys of Sacramento-San Joaquin River Basin streams, California, for flood control and allied purposes listed in the report. This investigation was authorized by the Flood Control Acts of June 22, 1936, and June 28, 1938 (H. Doc. No. 367); to the Committee on Public Works and ordered to be printed, with two illustrations.

989. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

990. A letter from the Acting Attorney General, transmitting a copy of the order of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to one Miklos Joseph Szucs, subject of such order; to the Committee on the Judiciary.

991. A letter from the Acting Attorney General, transmitting the cases of Salvador Orozco and Teresa Fuentes or Orozco, file Nos. A-6961074 and A-6961063 CR 23819, and requesting that they be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

992. A letter from the Acting Attorney General, transmitting the case of Santos De La Cruz-Celestino, file No. A-1376490 CR 23444, and requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 128. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution with respect to election of President and Vice President"; without amendment (Rept. No. 1417). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 394. Resolution providing an increase in salary for an employee of the House of Representatives; without amendment (Rept. No. 1418). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 379. Resolution authorizing the expenses of the investigation and study to be conducted by the Select Committee on Lobbying Activities; without amendment (Rept. No. 1419). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. S. 1479. An act to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes; without amendment (Rept. No. 1420). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 3826. A bill to amend the act of January 16, 1883, entitled "An act to regulate and improve the civil service of the United States"; without amendment (Rept. No. 1421). Ordered to be printed.

Mr. CELLER: Committee of conference. S. 1008. An act to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices; without amendment (Rept. No. 1422). Ordered to be printed.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Fourth intermediate report on the operations of the Maritime Commission with particular reference to allowances for national defense features and construction-differential subsidies; without amendment (Rept. No. 1423). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes; without amendment (Rept. No. 1424). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.; without amendment (Rept. No. 1425). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. House Joint Resolution 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.; without amendment (Rept. No. 1426). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEAN: Committee on Ways and Means. H. R. 2585. A bill to amend the Tariff Act of 1930 to provide for exemption from duty of certain metallic impurities in tin ores and concentrates when such impurities are not recovered; without amendment (Rept. No. 1427). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 6212. A bill to amend section 5 of the Federal Firearms Act; without amendment (Rept. No. 1428). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. H. R. 6109. A bill granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes; with an amendment (Rept. No. 1429). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 6213. A bill to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics; without amendment (Rept. No. 1430). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERLONG: Committee on Post Office and Civil Service. S. 1232. An act to increase the equipment maintenance allowance payable to rural carriers; with an amendment (Rept. No. 1432). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYNCH: Committee on Ways and Means. H. R. 6073. A bill to amend section 501 (b) (6) of the Internal Revenue Code; without amendment (Rept. No. 1434). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Joint Committee on Atomic Energy. Report on investigation into the United States Atomic Energy Commission; without amendment (Rept. No. 1435). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 395. Resolution for consideration of H. R. 6281, a bill to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; without amendment (Rept. No. 1436). Referred to the House Calendar.

Mr. DOUGHTON: Committee of conference. H. R. 5332. A bill to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones; without amendment (Rept. No. 1437). Ordered to be printed.

Mr. EBERHARTER: Committee on Ways and Means. H. R. 5486. A bill to amend certain provisions of the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on distilled spirits, modify loss allowances for distilled spirits, for the transfer and redistillation of spirits, and for other purposes; without amendment (Rept. No. 1438). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.; without amendment (Rept. No. 1431). Referred to the Committee of the Whole House.

Mr. KILDAY: Committee on Armed Services. H. R. 5361. A bill for the relief of Charles G. McCormack, Captain, Medical Corps, United States Navy; with an amendment (Rept. No. 1433). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 6388. A bill to provide that certain Territorial cost-of-living allowances shall be considered basic compensation for the purpose of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 6389. A bill to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes; to the Committee on the Judiciary.

H. R. 6390. A bill to amend titles 18 and 28, United States Code, with respect to the time of reporting to Congress rules of procedure adopted by the Supreme Court for criminal, civil, and admiralty cases and the time of their taking effect; to the Committee on the Judiciary.

By Mr. CLEMENTE:

H. R. 6391. A bill to provide for a new Federal building in Richmond Hill, Long Island, N. Y.; to the Committee on Public Works.

By Mr. HUBER:

H. R. 6392. A bill to amend the National Housing Act, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. LYNCH:

H. R. 6393. A bill to raise revenue, to stabilize employment through the encouragement of risk capital and the repeal of certain wartime excise-tax rates, and for other purposes; to the Committee on Ways and Means.

By Mr. NIXON:

H. R. 6394. A bill to provide for the acquisition of a site and for the construction of a suitable building thereon for the use and accommodation of the United States post office at Rivera, Calif.; to the Committee on Public Works.

By Mr. REES:

H. R. 6395. A bill to improve financial control and audit of the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. ROGERS of Massachusetts:

H. R. 6396. A bill to authorize restoration of a remarried widow to the rolls upon termination of her remarried status; to the Committee on Veterans' Affairs.

By Mr. SCUDDER:

H. R. 6397. A bill to provide for the construction, extension, improvement, and equipment of school buildings, and other necessary equipment, in Covelo, Calif.; to the Committee on Public Lands.

By Mr. CASE of South Dakota:

H. R. 6398. A bill to indemnify the Indians of Pine Ridge Reservation, S. Dak., for certain rights and lands taken from them by the War Department for an aerial gunnery range in time of war; to the Committee on Public Lands.

By Mr. FLOOD:

H. R. 6399. A bill to amend section 602 (z) of the National Service Life Insurance Act of 1940, as amended, to authorize cancellation of conversion of insurance under certain circumstances; to the Committee on Veterans' Affairs.

By Mr. RABAUT:

H. R. 6400. A bill to provide for the naturalization of former citizens of the United States who lost United States citizenship by voting in a political election in Italy after October 12, 1943, and before the enactment of this act; to the Committee on the Judiciary.

By Mr. TEAGUE:

H. R. 6401. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Veterans' Affairs.

By Mr. THOMAS of Texas:

H. R. 6402. A bill to impose a duty of 2 cents per pound on patna rice imported for use in the manufacture of canned soups; to the Committee on Ways and Means.

By Mr. WADSWORTH:

H. R. 6403. A bill to regulate the height, exterior design, and construction of private and semipublic buildings in the Georgetown area of the National Capital; to the Committee on the District of Columbia.

By Mr. WHITE of California:

H. R. 6404. A bill to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. CASE of South Dakota:

H. R. 6405. A bill to provide for the rehabilitation of the Sioux Tribes of Indians of North and South Dakota, and for other purposes; to the Committee on Public Lands.

By Mr. ENGLE of California:

H. R. 6406. A bill providing procedure for claimants of mining claims in the United States obtaining credit for assessment work performed during the year ending July 1, 1949, under the provisions of Public Law 107, Eighty-first Congress; to the Committee on Public Lands.

By Mr. CASE of South Dakota:

H. R. 6407. A bill to create or establish a memorial to Chief Sitting Bull; to the Committee on Public Lands.

By Mr. PATTERSON:

H. R. 6408. A bill to make awards of death compensation and death pension payable by the Veterans' Administration effective as of the date of death of the veteran; to the Committee on Veterans' Affairs.

By Mr. ANDERSON of California:

H. J. Res. 374. Joint resolution to provide that the first Navy supercarrier shall be named the *James V. Forrestal;* to the Committee on Armed Services.

By Mr. GORSKI of New York:

H. Con. Res. 144. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

H. Con. Res. 145. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. DAVIS of Georgia:

H. Res. 396. Resolution providing for expenses of conducting an investigation by the Committee on the District of Columbia pursuant to House Resolution 340, Eighty-first Congress; to the Committee on House Administration.

By Mr. WEICHEL:

H. Res. 397. Resolution to investigate the so-called marine insurance of the Maritime Commission and War Shipping Administration; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 6409. A bill for the relief of Mrs. Grace A. Olson; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 6410. A bill for the relief of Joseph A. Brady; to the Committee on the Judiciary.

H. R. 6411. A bill for the relief of James J. Shannon; to the Committee on the Judiciary.

By Mr. HELLER:

H. R. 6412. A bill for the relief of George and Irene Panoras and their daughter, Maria Panoras; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 6413. A bill for the relief of First Lt. James F. Kirklighter; to the Committee on Armed Services.

By Mr. HINSHAW:

H. R. 6414. A bill for the relief of Mrs. Chikako Mary Ohori Hori; to the Committee on the Judiciary.

H. R. 6415. A bill for the relief of Julien Musafia; to the Committee on the Judiciary.

By Mr. KIRWAN:

H. R. 6416. A bill for the relief of Paul E. Rocke; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 6417. A bill for the relief of Mrs. Frieda Gray (formerly Miss Frieda Putman); to the Committee on the Judiciary.

By Mr. O'TOOLE:

H. R. 6418. A bill for the relief of Miguel Teixeira Dosres; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 6419. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Trent Trust Co., Ltd., a corporation of the Territory of Hawaii, and Cooke Trust Co., Ltd., a corporation of the Territory of Hawaii, as receiver for said Trent Trust Co., Ltd.; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 6420. A bill for the relief of Deodato Da Costa; to the Committee on the Judiciary.

H. R. 6421. A bill for the relief of Concettina Di Francescantonio; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 6422. A bill for the relief of Aaron, Shifra, and Ahud Sternberg; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 6423. A bill for the relief of Lonie Rosette Adler; to the Committee on the Judiciary.

H. R. 6424. A bill for the relief of Abraham Robles, Mrs. Jeannette Heertje Robles, and Helene Dora Robles; to the Committee on the Judiciary.

H. R. 6425. A bill for the relief of Dr. Janos Kemeny and Gertrude Kemeny; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 6426. A bill for the relief of Jan Kiel Perelmutter; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1536. By Mr. MILLER of Maryland: Petition of members of Salem Methodist Men's

Bible Class, Pocomoke City, Md., urging agricultural rehabilitation of residents of the island of Vieques, P. R.; to the Committee on Armed Services.

1537. By Mr. HART: Petition of Workmen's Benefit Fund, district of Hudson County, N. J., Union City, N. J., urging Congress either to lower the retirement age in the social-security law or to act to protect older workers against unfair and unjust discrimination because of age; to the Committee on Ways and Means.

SENATE

FRIDAY, OCTOBER 14, 1949

(Legislative day of Thursday, October 13, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, to Thee we lift our hearts in prayer, bringing nothing but our need and the adoration of our contrite spirits. From Thy hands we have received the gift of life, the blessings of home and of friendship, and the sacrament of beauty. In the fullness of Thy mercy Thou hast given us work to do and the strength wherewith to do it.

Cleanse our hearts that Thou mayest work in us and through us the coming of Thy kingdom. In the vast difficulties confronting the makers of peace in these days so full of tension, restore and strengthen and sustain our souls and lead us in the paths of righteousness: For Thy name's sake. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, October 13, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On October 11, 1949:

S. 934. An act to provide for the detention, care, and treatment of persons of unsound mind in certain Federal reservations in Virginia and Maryland;

S. 2372. An act to amend the Atomic Energy Act of 1946; and

S. J. Res. 53. Joint resolution to provide for the reforestation and revegetation of the forest and range lands of the national forests, and for other purposes.

On October 13, 1949:

S. 1834. An act for the relief of the widow of Robert V. Holland; and

S. 2116. An act to provide for the advance planning of non-Federal public works.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had insisted upon its amendments to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DURHAM, Mr. SASSCER, Mr. FISHER, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 3571. An act concerning common-trust funds and to make uniform the law with reference thereto;

H. R. 5912. An act to amend the District of Columbia Alcoholic Beverage Control Act to restrict the sale on credit of beverages, except beer and light wines, not consumed on the premises where sold;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6305. An act to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; and

H. R. 6316. An act to amend the National Housing Act, as amended.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 128) authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution with respect to election of President and Vice President," in which it requested the concurrence of the Senate.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. NEELY, and by unanimous consent, the Committee on the District of Columbia was authorized to meet this afternoon during the session of the Senate.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and that the call be dispensed with for the time being. I have a speech prepared by the Senator from Nevada [Mr. MCCARRAN], which I wish to read into the RECORD. I should like to do so now, without going ahead with the roll call at the present time, and let the quorum call come afterward if a quorum call is desired.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Colorado. I thank the Chair. I have to go downtown at 12:30, and this will be very helpful to me.

The VICE PRESIDENT. The Senator may proceed.

Mr. JOHNSON of Colorado. Mr. President, the Senator from Nevada asked me to read this speech into the RECORD. I do not know what the speech contains. I have never read it. I have always had a great affection for the Senator from Nevada. He is unavoidably absent in Europe investigating matters with which his speech deals, and the question which is before the Senate at the present time. Entirely because of my affection for the Senator from Nevada I am reading this speech into the RECORD. I want it understood that I may disagree with the points which the Senator from Nevada makes. As a matter of fact, I may vote opposite to the recommendations which he makes. I do not feel that I am bound in any way by any position which the Senator from Nevada takes in this speech.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. EASTLAND. Would not the Senator let us have a quorum call, for the reason that the Senator from Nevada is very anxious to get all the facts before as many Senators as possible?

Mr. JOHNSON of Colorado. I must attend a conference with the Secretary of Defense at 12:30. It is very important to me that I finish reading this speech by 12:30. There are 26 pages, and I do not know that I can finish reading the entire speech before 12:30, but I shall try.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. I yield.

Mr. FERGUSON. Would the Senator agree to place the remainder of the speech in the RECORD, so that the Senate may have the benefit of the entire speech?

Mr. JOHNSON of Colorado. I may ask for an opportunity later to take the floor, when I return, and finish reading the speech to the Senate. The Senator from Nevada asked that I read the speech into the RECORD, and I promised to do so. I do not think I would be fulfilling my promise if I merely asked to have it placed in the RECORD.

This is an address prepared by the Senator from Nevada:

ADDRESS BY SENATOR M'CARRAN

There are pending before the immigration subcommittee of the Senate Committee on the Judiciary some 16 bills to amend the Displaced Persons Act of 1948. These bills present numerous complicated and controversial issues which have a direct effect not only on the problem of refugees and displaced persons but upon the domestic situation in the United States. The subcommittee has since the early part of this year held 19 different sessions. Some of these sessions were executive, in which the various issues on the many bills were considered. Most of these sessions were public hearings in which testimony was received on the various issues. The subcommittee has taken hundreds of pages of testimony. It has heard dozens of witnesses, and it has a number of hearings scheduled on important issues in the future.

I do not, of course, question in the slightest the sincerity or integrity of the distinguished Senators who seek to secure Senate approval of the so-called Celler bill to amend the Displaced Persons Act. If the facts were as they have been portrayed by certain pressure groups to which I shall subsequently allude, I could understand the basis for their action, but, Mr. President, I am confident that this action is prompted, not by the facts, but by fiction and propaganda. I am confident that if the sponsors of this bill knew the facts and were guided by the facts rather than by the fiction and propaganda which has been disseminated over the length and breadth of this land, they would not lend themselves to this action. I propose today to recite the unvarnished facts, and I shall document them with unassailable authoritative sources. In a word, Mr. President, these facts which I shall recite point to the inescapable conclusion that the relatively few remaining war displaced persons, virtually all of whom are being resettled or repatriated, are being used for the perpetration of a gigantic fraud for the purpose of effecting mass migration into the United States of certain select groups who would discriminate against others. The facts also compel the inescapable conclusion that aside from the relatively simply problem of the displaced persons in the occupied areas of Central Europe who were displaced as a direct result of the war, the entire problem of displaced persons is of staggering propositions and involves tens of millions of persons all over the world whose ranks are constantly being swelled. The ultimate objective is to tear down our immigration barriers to the end that this country will be inundated with a flood of aliens.

Mr. President, this action definitely presents a delicate situation when it is recalled that the present Displaced Persons Act was prepared only after months of intensive investigation and study including an on-the-ground investigation of the situation in Europe as it then existed. This action is especially delicate when it is recalled that a subcommittee of the Senate Committee on the Judiciary, together with a staff of experts, has over the course of the last 2 years been engaged in an intensive and comprehensive study and investigation of our entire immigration and naturalization system, and is now in the process of preparing a complete revision of our immigration and naturalization laws for submission during the early part of the next session of the Congress.

How curious it is, Mr. President, that within a few days after the House passed the bill (H. R. 4567), the House of Representatives also passed House Resolution 238, which provides for studies and investigations of the problem of displaced persons by the Committee of the House which reported out H. R. 4567. And at this very moment a committee of the House of Representatives is in Europe investigating the displaced persons problem. Let me read to you a few excerpts from House Resolution 238 which the House of Representatives passed a few days after it had passed the Celler bill (H. R. 4567).

"Whereas in the course of activities conducted in pursuance of section 136 of the Legislative Reorganization Act of 1946, and in the course of hearings held on legislation amending the Displaced Persons Act of 1948, it had been ascertained by the committee that the slowness of repatriation and resettlement of displaced persons, combined with the continuing influx of new refugees, tends to perpetuate this problem; and

"Whereas the presence of over 10,000,000 refugees and expellees in the western zones of occupation in Germany and Austria, and in Italy, in addition to the problem of displaced persons and the surplus of population in Italy, is resulting in continuous pressure upon the very foundations of the United States immigration system; and

"Whereas there is a considerable number of public and private legislation pending before the committee which tends to place upon the United States almost the entire burden of resettlement of this surplus population while the American taxpayer is already being called upon to bear the burden of the expenditures involved in the care, the maintenance, and the resettlement of these masses of migrant population."

I invite your attention especially, Mr. President, to the language of the House resolution regarding the continuous pressure upon the very foundations of the United States immigration system. I shall have more to say on this subsequently in my remarks, but permit me to comment in passing that there are today literally millions of people storming our portals for admission, and that the influx of aliens who are coming to the United States both legally and illegally is increasing at an alarming rate.

Let me here quote from an Associated Press dispatch on September 1 of this year which reports statements made to the press in England by my good friend Congressman FRANCIS WALTER, of Pennsylvania, who is chairman of the Immigration Subcommittee of the House of Representatives.

"Chairman WALTER (Democrat, Pennsylvania) told newsmen 'We feel we have only been guessing at numbers when debating the displaced persons laws. We felt our guesses might be wrong, so we're on our way to get more information. We want to be able to say with a greater degree on accuracy the number of displaced persons we should admit to the United States.'"

I heartily agree with this statement of Mr. WALTER, and I believe that every Senator who has been studying the facts as distinguished from the misleading propaganda will agree with this statement.

I want to point out here that the present displaced persons law does not expire until July 1, 1950. In conjunction with that fact, it is of utmost importance to bear in mind that the International Refugee Organization estimates that the total displaced persons camp population in the occupied areas of Europe on June 30, 1950, will be 172,000 and that about 160,000 of these persons will constitute a so-called hard core who will be denied resettlement opportunities because of physical, social, or economic handicaps.

It is to be noted in passing that these estimates will include not only displaced persons who were displaced during the war or shortly thereafter, but also a substantial number of persons who have been admitted into camps in the course of the several years since the war. It is further important to note that the International Refugee Organization is terminating its program on June 30, 1950, the date on which the present displaced persons law expires.

In view of other factual material which I shall subsequently present in my remarks today, I want to again emphasize that on June 30, 1950, the expiration date of the International Refugee Organization, it is estimated by the International Refugee Organization that there will only be approximately 11,000 persons in displaced persons camps in the occupied areas of Europe other than the so-called hard core of about 160,000 persons who will be denied resettlement opportunities because of physical, social, or economic handicaps, and the International Refugee Organization is even now arranging for the permanent care and maintenance of this so-called hard core.

If there is any doubt in the mind of any Senator concerning the authenticity of this statement, may I refer him to the International Refugee Organization news report No. 11, dated July 1949. I ask unanimous consent to have inserted at this point in my remarks a newspaper clipping of an Associated Press dispatch dated July 12, 1949, entitled "Germans To Care for Displaced Persons Remaining After July 1, 1950."

The VICE PRESIDENT. Is there objection?

There being no objection, the newspaper clipping was ordered to be printed in the RECORD, as follows:

GERMANS TO CARE FOR DP'S REMAINING AFTER JULY 1, 1950—ABOUT 129,000 WILL BE LEFT IN GERMAN CAMPS WHEN IRO IS DUE TO WIND UP ITS WORK

GENEVA, July 12.—All displaced persons remaining in Germany on July 1, 1950, are to be maintained by the German economy, William H. Tuck, retiring Director General of the International Refugee Organization, announced.

On that date some 172,000 refugees will still be in IRO-operated camps in Germany, Austria, and Italy, according to official estimates by the Organization.

Some three-quarters of this hard core of refugees will be left in German camps, Mr. Tuck disclosed. He said that under a recent agreement between the IRO and the occupation authorities in Germany, the German economy would be called on to maintain the hard core of refugees remaining after IRO operations cease on June 30, 1950.

Mr. Tuck said: "In Germany, where more than three-fourths of the refugees now live, we have begun discussions with the occupation authorities on plans for transferring permanent responsibility for the hard-core group to the local administration.

"Within the last few weeks, a conference between representatives of the occupying powers and the IRO at Baden-Baden achieved agreement on the division of responsibilities for this program.

"The occupation powers, as the sovereign authorities in their respective zones, acknowledged final responsibility for disposition of this group. IRO acknowledges responsibility for aiding them during the life of its mandate and to the extent permitted by its resources. Thereafter, provision of care would be the obligation of the local economy."

The hard-core group is composed of refugees who, "for physical, social, or economic reasons, will not be accepted for immigration by any government," Mr. Tuck said. They include chronically sick, aged, and handicapped persons, widows with minor children, extremely large families, many categories of professional and specialist workers, and persons of poor physique, poor repute, and even poor personal appearance.

Mr. Tuck declared: "A decision on the ultimate disposition of this group can no longer be delayed. Experience over the past 2 years has demonstrated that appeals for the purely humanitarian resolution—the absorption of this group through some sort of fair-share plan—are unlikely to obtain an effective response."

The Organization has been forced to face realistically the probability that most of the hard-core refugees must remain where they are, Mr. Tuck declared. Since the Organization is to be discontinued after June 30, 1950, plans are being made for placing the remaining refugees in local public-assistance programs.

"A word of caution was sounded at the Baden-Baden conference," Mr. Tuck said, "that German local officials may practice discrimination against refugees once they assume full authority.

"This consideration strengthens the general feeling that handing over the problem to German authorities is a solution which can only be accepted in the absence of a settlement of the problem through acceptance of a fair share of the hard-core group by countries of good will."

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

Although I shall subsequently in my remarks discuss the significance of this situation in conjunction with various related issues, may I say in passing that the so-called Celler bill, H. R. 4567, which I shall later discuss in detail, extends the operative effect of our present displaced persons law a year beyond the terminal date of the International Refugee Organization. This bill also would start us on the road of embracing tens of millions of displaced persons all over the world. At the same time, curiously enough, this bill would discriminate not only against the displaced persons, who were displaced as a direct result of World War II, but against other equally deserving groups.

Before undertaking to discuss the various issues which are under consideration, and which I shall deal with as objectively as possible, let us clear the air which has been surcharged by the terrific pressure of certain lobby groups that have recklessly and ruthlessly fought to impose their will not only on the committee but upon the Senate. These pressure groups with seemingly unlimited funds have perverted a great humanitarian issue to serve their own ends. It is to be regretted that many well-meaning persons and organizations have fallen for their catch phrases, the portrayals of barbed wire concentration camps and similar misrepresentations. I speak from personal experience because I have been portrayed as a hideous monster who is determined to starve the innocent and suffering. Typical of the misrepresentation are the portrayals of myself in various cartoons which show me brutalizing the war orphans. Of course, the fact is that under our present displaced-persons law, every single orphan in the war displaced persons category is embraced on a nonquota basis.

It is not merely coincidence that among those who are behind this drive to destroy our immigration barriers are persons who vigorously opposed our basic immigration act of 1924, which provided for numerical restrictions at a time when the flow of immigrants into the United States was running over a million a year. Indeed, Representative EMANUEL CELLER, the sponsor of H. R. 4567, was in the forefront of the fight against the Immigration Act of 1924, and then as now, he apparently saw racial and religious prejudice in the act of 1924, for he said, and I quote him from page 1329, of the CONGRESSIONAL RECORD for the Sixty-eighth Congress, as follows:

"It has occurred to many, other than myself, that barriers are thus lowered for Protestant Europe and set up against Catholic and Jewish Europe."

Just one of the lobby groups, the so-called citizens committee on displaced persons has registered with the Clerk of the House of Representatives under the Lobby Act, contributions received in excess of $875,000 and expenditures of more than $874,000, during the last 2¾ years. Let it be clearly understood that this money has not been spent for the relief of displaced persons, but solely for the purpose of influencing this legislation. Of this amount more than $326,000 was paid to salaried employees and an amount in excess of $154,000 was paid to such employees as expenses. Telephone, telegrams, and cablegrams amounted to more than $39,000; stationery, supplies, mimeograph service, and printing amounted to more than $109,000; furniture, fixtures, and equipment amounted to more than $5,000. Listed in these reports are items totaling more than $18,000 which were expended for literary services. More than $5,500 was paid out as traveling expenses to persons who were not regularly employed by the committee; more than $76,000 was spent for publicity; more than $32,000 was paid to attorneys as fees and expenses; postage amounted to nearly $6,700; insurance and rent amounted to more than $22,000, and more than $75,000 was paid for various other miscellaneous expenses.

In the report filed with the Clerk of the House of Representatives for the quarter ending June 30, 1947, there were listed the names of 70 persons who were employed on a salary basis.

The chairman of this organization is Earl G. Harrison, former Commissioner of Immigration and Naturalization, whose administration was notorious in laxity of the enforcement of the immigration laws. On April 17, 1943, the American Committee for the Protection of the Foreign-Born awarded Harrison their annual medal which was presented to him by Representative MARCANTONIO, who is generally recognized as being at least "very liberal." It is to be noted that since 1942, the House Un-American Activities Committee has repeatedly cited the American Committe for the Protection of the Foreign-Born as a Communist-front organization. The American Committee for the Protection of the Foreign-Born is now cited as a subversive organization by the Attorney General.

It is interesting to note, too, the pressure which has come even from the officials of the international-refugee organization itself, and may I observe that a high percentage of the officers and employees of the International Refugee Organization are former UNRRA employees, whose record need not again be aired in this Chamber. I have recently had sent to me a letter which was written to my correspondent on the letterhead of the International Refugee Organization, dated July 15, 1949, by an official of the organization, in which the following appears:

"If you wish to place any pressure anywhere which might facilitate the immigration of persons in whom you are interested, I would suggest that you and your friends put the pressure on Senator MCCARRAN whose committee is now holding up the act by refusing to bring it on the floor of the Senate."

Although like all the other Senators, I have received a number of form letters and resolutions, many of which have been inspired by these lobby groups, I am gratified to report that I have also received literally hundreds of letters from all over the United States—letters which to my way of thinking express the true sentiments of the American people on this issue. I have brought with me to the floor of the Senate a typical cross section of a few of these letters which I now ask unanimous consent to be inserted at this point in my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FIRST NATIONAL BANK OF NEVADA,
Reno, Nev., July 14, 1949.

Hon. P. A. MCCARRAN,
United States Senate Chambers,
Washington, D. C.

DEAR SENATOR: I cannot subscribe to the idea that our United States should be a dumping ground for the hundreds of thousands of people in Europe who would like to obtain refuge. Their position, of course, is unfortunate, but to open our doors only means the possibility for further increased unemployment of our own citizens, to say nothing of the possibility of the tinge of communism with which some of them may be infected.

I have been importuned to become a signer of the enclosed statement on displaced persons. I only hope that we do not foolishly throw down our bars beyond what may be reasonable immigration quotas.

We are certainly a nation of easy marks—we send billions to foreign nations for every conceivable reason. This in itself is not enough—we would bring people from Europe by the millions if there is not some proper reasoning and control on the part of our Congress. Let's keep America for Americans. We are a prolific nation, and can populate it as far as may be necessary.

Kind regards.

Sincerely yours,

BILL.

CHICAGO, *August 25, 1949.*

Hon. PAT MCCARRAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCARRAN: The morning paper states that a bipartisan group is going to take the DP bill out of your hands and bring it to the floor. The enclosed clipping from a Chicago paper last week is typical of many letters which have been published in the last year. However, the opposition to the bill is not organized while the pressure group in favor of the bill is not only well organized but very vocal. I recall on the farm that you could not tell, however, how many frogs there were in a pond by the amount of noise they made.

If the bill does come before the Senate, I trust you present your side of it through figures from the Immigration Bureau which will show the number and type of immigrants that have entered this country in the last 20 years. Personally, I am sure (as a Catholic) that my religion has not been discriminated against.

I am sure you will ably (and I hope successfully) defend your position. The best of luck to you.

Sincerely yours,

BUREN BOUNELL.

GLENDALE, BROOKLYN, N. Y., *July 22, 1949.*

Hon. PAT MCCARRAN,
Chairman, Senate Judiciary Committee,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: I am opposed to increasing the number of displaced persons to be permitted to enter our country, or to increasing the immigration quotas.

We are now in a recession and a depression, mild or severe, is going to strike us sooner or later. High school graduates are roaming the streets and loafing about, unable to get jobs. These youngsters want jobs, they want spending money, they don't like this additional competition from the displaced persons and other immigrants who are entering our country. Little wonder juvenile delinquency has become a national problem.

Young veterans getting married, unable to find suitable living quarters are compelled to live in cellar rooms or to double up with relatives—not a very encouraging way to start life. Displaced persons and other immigrants compete with our veterans for housing accommodations.

Let's stop this additional competition that is facing our young generation and our young veterans. Let us begin to do a little thinking for Americans first, not in the old isolationist sense, but with a thought to preserving our institutions. Our disgruntled and disappointed younger generation could turn into ripe material for extreme radical or Communist propaganda.

May I request your consideration of my views in dealing with legislation pertaining to displaced persons and relaxation of immigration quotas.

Respectfully yours,

LEO S. LAWSON.

WOMEN'S COMMUNITY GUILD,
CONGREGATIONAL CHURCH,
Mattapoisett, Mass., April 12, 1949.

Senator MCCARRAN,
Washington, D. C.

DEAR SIR: At the last meeting of the above club it was voted to write to you, recommending a favorable report by your committee on the McGrath-Neely and Celler bills. I do not believe that a woman there has ever read those bills. The motion was not unanimous, and many did not vote at all.

We are all naturally distressed at the sad plight of the DP's, but at the present moment there are more people unemployed in our business center of New Bedford than at the height of the depression.

Ironically, our speaker of the afternoon was the woman in charge of Indian missions for the Congregational Church, and it seems to me that our own people need our help.

Yours truly,
(Mrs. Raymond M. Stowell)
LOUISE C. STOWELL,
Secretary.

NEW YORK, N. Y., *July 29, 1949.*

Hon. PAT MCCARRAN,
Senator from Nevada.

MY DEAR SENATOR: Just a line to let you know that your great fight against more displaced persons admittance to this country is greatly appreciated by thousands of Americans in this city of New York. We all thank God that we have a man in Washington to help American interests. In a downtown garment factory here in New York, one owner advises his employees to write to every Congressman and Senator in Washington that opposed the bill admitting 200,000 more displaced persons into the country, and condemn them for their stand and attitude.

Please stick by your guns and believe me you will have the everlasting gratitude of millions (not hundreds) of Americans that depend upon you and other real American-thinking Senators to fight for them.

Thanks again.

Respectfully yours,
JOSEPH A. YANKAY.

DISTRICT COURT,
Minneapolis, Minn., July 18, 1949.

Hon. PAT MCCARRAN,
United States Senate,
Washington, D. C.

DEAR SENATOR: I have before me a newspaper item stating that a number of Minnesotans urge the passage of the displaced persons bill, and that the bill is in a subcommittee of the Senate Judiciary Committee headed by Senator MCCARRAN.

I hope that your subcommittee will hold the bill indefinitely. I can see no reason why with the present growth of unemployment in the United States we should let in 400,000 displaced persons from Europe to put other Americans out of work.

The petition has a number of prominent names on it who, I presume, have signed it without due consideration or knowledge of the facts.

There are other reasons apart from that of unemployment why the bill should not pass. The present trouble, not only in Europe but the entire world, is due to excessive population. The United States will possibly reach that situation in due time, but why accelerate the increase?

I think the Senate ought to know, and the public generally, why so much money is being spent to get this bill through. It is quite apparent that there is an active propaganda going on for the bill, and that considerable money is being spent. Will it do this country any good to have a large number of people from eastern Europe, with no knowledge of American institutions, and mostly imbued with socialistic ideas, brought into this country?

Very truly yours,
P. W. GUILFORD.

DIEDRICH ADVERTISING SERVICE,
Newark, N. J., July 12, 1949.

Hon. PAT MCCARRAN,
Chairman, Senate Judiciary Committee,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MCCARRAN: I have just finished reading a rather lengthy document written by Representative EMANUEL CELLER, chairman of the Committee on the Judiciary, House of Representatives, which appeared in the New York Herald Tribune, Monday, July 11, which attempts to condemn your statements concerning the admission of displaced persons as United States citizens and also attempts to set forth certain arguments in favor of letting them in.

Representative CELLER's arguments, if they ever were definite and verified, certainly are not in the material submitted to the Tribune. He takes the liberty of objecting to your comments individually by arguments that are neither substantiated in this article nor specific in character.

I want to go on record as being one of the New Jersey constitutents who will look with a good deal of apprehension on the promiscuous admission of displaced persons to United States citizenship. It is all very well for a nation to be hospitable, but it is quite another matter when that nation is being called upon to admit anybody and everybody merely on the assumption that they have been unable to find their native countries congenial and probably unwilling to exercise their efforts toward remedying conditions existing in those countries.

Mr. CELLER says, "The people of the United States want these displaced persons in their midst and have been asking for them at a rate which will very shortly exhaust the 205,000 now authorized for admission. The interesting fact is that the greatest demand for displaced persons comes from the areas in the country where some have already gone." That remark is written to imply that a preponderance of American people have expressed themselves in such a manner but it can also apply to requests made by no more than a dozen or a hundred active, agitating, biased, and personally interested friends, relatives, or naturalized aliens from the same districts.

In view of the fact that it is difficult to distinguish an acceptable citizen from a Communist, I certainly think that the governing body of the United States should see to it that the lid is clamped upon admission of any further people to American citizenship until the present conditions abroad are ameliorated.

It is alarmingly evident that the dictators in foreign countries achieved their prominences and their successes by calculated gestures toward militant, racial, or nationalistic groups. We already have more than enough of this class of citizenry in the United States, and each of these groups is perfectly eager to support any ambitious politician who will foster their own interests or alien contacts. Please do everything possible to kill this bill that Representative CELLER is attempting to put forth.

Yours very truly,
M. C. DIEDRICH.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

I am also gratified, Mr. President, by the resolution which was recently passed by the American Legion at the Philadelphia national convention on this subject, and I ask unanimous consent to insert at this point in my remarks a copy of Resolution No. 554, which was adopted at the recent Philadelphia convention of the American Legion.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 554 ADHERES TO EXISTING LAWS AND QUOTAS FOR IMMIGRATION AND DISPLACED PERSONS

Now, therefore, be it

Resolved, That the American Legion in national convention assembled in Philadelphia, Pa., August 29, 30, 31, and September 1, 1949, demand of our Government heads that they strictly adhere to the existing laws and quotas allowing immigration to the United States and particularly adhere to the laws now in force applying to displaced persons and rather than place any additional burden on the people of America by increasing the quotas of immigration; and be it further

Resolved, That we take steps to curtail as far as possible any further immigration to this country at the present time.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

The American Legion has through the years maintained legislative committees that have kept abreast of the immigration situation and the resolution of this great body has come unsolicited and only after a careful study of all the facts and a consideration of the best interests of the United States of America.

I also ask unanimous consent to have inserted at this point in my remarks a resolution approved at the meeting of the Grand Council of Virginia, Order Fraternal Americans affiliated with the Junior Order United American Mechanics of the United States of North America, at its annual meeting in Old Point Comfort, May 17, 1949, and a copy of a resolution which was unanimously adopted August 24, 1949, by the State council of Kentucky, Junior Order, United American Mechanics.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Resolution opposing the admission of additional "displaced persons" into the United States

(Approved at the meeting of the Grand Council of Virginia, Order Fraternal Americans affiliated with the Junior Order United American Mechanics of the United States of North America, at its annual meeting in Old Point Comfort, May 17, 1949)

Whereas the House Judiciary Committee on April 13, 1949, approved revised displaced persons legislation permitting immigration of displaced persons and refugees from Soviet dominated countries; and

Whereas this bill extends the Displaced Persons Act until July 1953; and

Whereas the said bill increases from 205,000 to 300,000 the number of refugees who may enter this country; and

Whereas in addition, the bill carries with it authorization for the President to admit an extra 100,000 if he finds other countries are not absorbing their share of displaced persons: Therefore be it

Resolved by the Grand Council, Order Fraternal Americans of Virginia, in annual session assembled, in Old Point Comfort, Va., on this 17th day of May 1949, That we are opposed to the admission of this large number

of displaced persons and particularly Russian refugees under any conditions; and be it further

Resolved, That the officers, members, and representatives of the Grand Council, Order Fraternal Americans, are of the firm opinion that the admission of 205,000 displaced persons is the full and fair share of the United States, as contained in the Disposed Persons Act of June 1948, and that we are opposed to any more being admitted as carried by the terms of this bill; and be it further

Resolved, That we are opposed to authorizing the President to admit an extra 100,000 displaced persons and refugees; and be it further

Resolved, That we insist upon the limitations as prescribed in the Displaced Persons Act of 1948 being not repealed. There should be a place of employment for each displaced person before they are admitted, a house for them to live in, and assurance that they are not displacing any American citizen in his employment, more particularly an American veteran who is entitled to first place. Another reason why we are opposed is because unemployment is growing and we do not need the services of these people; and be it further

Resolved, That the state secretary of this order in Virginia send a copy of these resolutions to the Senators and Congressmen elected from Virginia.

Approved by the Grand Council at Old Point Comfort, Va., May 17, 1949.

Attest:

CHARLES E. BABCOCK,
State Secretary.

Resolution on displaced persons bill

Be it resolved by the State Council of Kentucky, Junior Order United American Mechanics, That—

Whereas our country now has a large number of unemployed among its own citizens, with the prospect that such number may become still larger in the future; and

Whereas America was hewed out of the primeval forests for the sons and daughters of those who gave their blood for its survival;

Now, therefore, we go on record in opposition to the proposed increase from 205,000 to 339,000 of displaced persons to be admitted to our shores, where serious problems constantly face us among our own population; and we now commend Senator PAT MCCARRAN for his action in delaying this bill in the Judiciary Committee of the United States Senate and express the hope that final action may be unfavorable to passage of the bill either now or hereafter; and we further declare that copies of this resolution shall be forwarded to Senator MCCARRAN and to both Senators from Kentucky and to the Vice President of the United States of America.

Signed by the committee:

EUGENE SILER,
Williamsburg.
GEO. T. BECK,
Louisville.
J. HOWARD VOIGE,
Fort Thomas.
(And others).

Attest:

[SEAL] JULE APPEL,
State Secretary.

Adopted unanimously August 24, 1949.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

And now, Mr. President, may I indicate something of the scope of the problem of displaced persons? As late as 1939, 20 years after the conclusion of World War I, Judge Hansson, retiring president of the Nansen office for refugees, which was at that time combined with the office of the High Commissioner for Refugees of the League of Nations, stated that over 600,000 refugees were still under the care of his office.

Beginning at about that period, the ranks of refugees and displaced persons who were uprooted in the war chaos increased to staggering proportions. At the end of the war the Allied armies in central Europe became the guardians of approximately 8,000,000 persons who had been displaced during the war. Approximately 7,000,000 of these persons were repatriated to their native countries within a period of some few months after the cessation of hostilities, leaving about 1,000,000 persons who refused to return to their homelands. But this is only the beginning. This group constituted only one relatively small segment of the displaced persons group. In August 1945, in the Potsdam agreement to which our Government was a party, there was provided in article 12:

"The three Governments having considered the question in all its aspects, recognize that the transfer to Germany of the German populations or elements thereof remaining in Poland, Czechoslovakia, and Hungary will have to be undertaken."

Pursuant to this agreement, approximately 20,000,000 persons—men, women, and children—were forcibly expelled from the countries of eastern Europe where they had stood as a road block to the designs of the Soviets. Testimony before the subcommittee is to the effect that approximately 8,000,000 of these persons perished in the process of expulsion or died from starvation and exposure. With reference to this almost fantastic international outrage, Pope Pius XII pointed out that history's judgment on this unparalleled measure will be a harsh one. As of April of this year, there were, according to the testimony before the subcommittee, 8,000,000 of these persons in the three western zones of Germany and 4,000,000 in the Russian zone. I shall later discuss the problem of this group in further detail, but I am only at this point mentioning the existence of the problem.

Beginning some year or two after the cessation of hostilities, there was, and continues until the present day, Mr. President, a general migration from eastern Europe into the countries of the west of hundreds of thousands of persons who, because of various political, economic, and social reasons, have been, and are, leaving their homes. Embraced in this group have been hundreds of thousands of Jews who have joined in the mass migration from the eastern countries on a trek with Palestine as the ultimate destination. Until just recently these Jewish people could not reach their ultimate destination except by running the hazardous British blockade. Estimates of the relief agencies that have been operating in Europe are to the effect that there is a potential in this movement of persons from eastern Europe of several million.

There are today approximately 500,000 persons in Greece, of whom approximately 100,000 were displaced during the war by the Nazi military operations in 1940 and 1941, and about 400,000 have been displaced by Communist guerrilla warfare. Approximately 100,000 of the Greek displaced persons are in displaced-persons camps. There are 30,000 Greek orphans and approximately 270,000 children who are accompanied by only one parent.

Testimony before the subcommittee in the course of the last few days is to the effect that there are more than 1,000,000 Palestinian Arab refugees who have been uprooted from their homes as a result of the recent conflict in Palestine. Although the subcommittee has not yet begun its study of the displaced-persons situation in China, it is a certainty that there are at least hundreds of thousands, if not millions, of displaced persons in that area.

In addition, Mr. President, information which has come to the subcommittee is to the effect that there are approximately 10,000,000 displaced persons who were displaced in the course of the partition of India, and who, incidentally, are eligible under the provisions of the constitution of the International Refugee Organization. Indeed, Mr. President, the Chairman of the Displaced Persons Commission, in testifying before the subcommittee recently, stated that the aggregate number of displaced persons throughout the world would run up into 20,000,000.

Who is a displaced person within the purview of the constitution of the International Refugee Organization. The constitution of the International Refugee Organization embraces all persons in the world, (1) who are, or who may hereafter be, out of their country of nationality or former residence and who are unwilling to return because of fear of persecution, and (2) persons who fled from Germany or Austria because of Nazi persecution and have, under certain circumstances, returned, but have not been resettled. Notwithstanding this broad definition, there are several groups of persons who are displaced, but who are not embraced within the constitution of the International Refugee Organization. For example, the constitution expressly excludes all persons of German ethnic origin. The constitution of the International Refugee Organization also makes ineligible anyone who took up arms against any of the Allies, including communistic Russia, during the war, and under this provision, persons who fought the Soviet invasion of their homelands during the war are ineligible for care, maintenance, and immigration opportunities.

The approximately half million displaced persons in Greece are not eligible under the constitution of the International Refugee Organization because most of these persons are presently in their native land of Greece. Likewise, the one million Palestinian Arab refugees are ineligible under the constitution of the International Refugee Organization under recent administrative interpretations of the constitution.

And now, Mr. President, may we consider the statistics on the actual numbers of International Refugee Organization eligible displaced persons in central Europe. As of June 30, 1949, there were 626,700 displaced persons in Germany, Austria, and Italy who are International Refugee Organization eligibles. Of those, 383,100 are in camp and 243,600 are out of camp. It is important to note, because of subsequent remarks which I shall make, that less than 5,000 of the central European displaced persons who are outside of camp are dependent on the International Refugee Organization for care and maintenance.

Approximately 20,000 persons a month are registering for International Refugee Organization status, and approximately 8,000 a month are being accepted for care and maintenance. From April 1, 1948, through May 31, 1949, according to a press release of the International Refugee Organization dated July 23, 1949, 286,552 new applications were received by the International Refugee Organization.

Now, Mr. President, I invite the attention of the Senate to the first major issue which has been under consideration by the subcommittee: Namely, the number of displaced persons whom the United States has thus far received or whom we have thus far provided for by law. In undertaking to appraise this issue, it is necessary to bear in mind that, unlike most countries of the world, the United States operates under a quota system whereby approximately 154,000 quota immigrants may be received annually, for permanent residence into the United States, chiefly from European countries. In addition, immigrants are also received for permanent residence on a nonquota basis without numerical restriction. This group consists largely of immigrants from the Western Hemisphere and of relatives of citizens of the United States. In addition our laws provide for the

admission without numerical limitation of persons on a temporary basis.

During the war years, our Government established special administrative agencies which were charged with the responsibility of rescuing victims of enemy operation and special administrative processes were established to expedite their admission into the United States. Two such agencies were the President's Advisory Committee on Political Refugees which was created in July 1940, and the War Refugee Board which was established by Executive order of the President on January 22, 1944. Although our general immigration laws do not provide specific categories for refugees and displaced persons, reliable official and semiofficial estimates are available respecting the numbers of displaced persons who were admitted immediately prior to and during the war years.

Now with reference to the authenticity of the statistics which I shall submit with reference to the number of displaced persons who have been received into the United States, may I first quote from a publication entitled "Refugees in America," which was published in 1947, by Maurice Davie. Congressman CELLER testified before our subcommittee that he considered Mr. Davie to be a competent, capable, and eminent author. Beginning on page 26 of Mr. Davie's publication appears the following language with reference to the displaced persons who were admitted into the United States during the war years:

"If we now combine the estimates of both immigrant and nonimmigrant refugees, we may conclude that the United States has offered permanent refuge since 1933 to between 240,000 and 320,000 individuals and temporary refuge to between 200,000 and 300,000. The weight of evidence inclines toward the smaller and more refined of these estimates. It therefore seems reasonable to conclude: (1) That approximately 250,000 refugees had been admitted up to June 30, 1944, for permanent residence; (2) that approximately 200,000 refugees were admitted for temporary stay; and (3) that of the latter approximately 15,000 were still here at the close of the fiscal year 1944."

Even Earl G. Harrison, whom I have previously identified as the chairman of the Citizens' Committee on Displaced Persons, in an address on February 18, 1944, estimated the number of refugees actually admitted to the United States during the 10 years of the Nazi regime, 1934–43, to be somewhere between 200,000 and 300,000. Assistant Secretary of State Breckenridge Long estimated that we had authorized and issued some 580,000 visas for victims of persecution by the Hitler regime.

The Common Council for American Unity estimated that we received 279,649 refugee immigrants for the period 1934–43. The national refugee service estimated there had been, from January 1, 1933, to June 30, 1943, 270,919 refugee arrivals, including immigrants and nonimmigrants. Mr. Davie, whom I have previously quoted, further states that the Immigration and Naturalization Service has estimated the number of refugees admitted during the fiscal years ending June 30, 1934–43, to be 279,091 immigrants and 228,068 nonimmigrants.

And now let us consider the statistics of admissions into the United States of displaced persons during the period since the cessation of hostilities. A President's directive of December 22, 1945, set aside 90 percent of the nonpreference portion of the quotas of certain European countries for exclusive use of displaced persons then in Germany, Austria, and Italy. Pursuant to the Presidential directive, approximately 44,000 displaced persons were admitted into the United States for permanent residence for a period ending June 30, 1948.

The present Displaced Persons Act provides for the admission into the United States for permanent residence of 205,000 displaced persons over a 2-year period, beginning July 1, 1948, and ending June 30, 1950. The act also provides for the adjustment of status of a number, not to exceed 15,000 displaced persons, who have already been admitted into the United States on a temporary basis. Although the administrative procedures under the present law did not get set up until October 1948, approximately 90,000 displaced persons have thus far been admitted into the United States pursuant to the Displaced Persons Act. The rate of flow of displaced persons into the United States is now approximately 17,000 per month, or over 500 a day. The Displaced Persons Commission estimated recently that there were on file assurances, prescribed by the law as a prerequisite to admission, for 272,000 individuals. Right there, I may say that the Displaced Persons Commission has even validated assurances for displaced persons who were sponsored by other displaced persons who themselves had but recently been admitted into the United States. On July 29, 1949, Mr. Rosenfield, who is a member of the Displaced Persons Commission, testified before the subcommittee that there were at that time 7,096 displaced persons who had been processed abroad who were waiting at the port of embarkation for shipping space.

It is appropriate to observe at this point that after the displaced persons who have been admitted gain citizenship, certain of their relatives, under our general immigration law, are entitled to be admitted into the United States on a nonquota basis.

Now, Mr. President, in conjunction with the issue as to the numbers that this country can and should receive, it is important that we consider the over-all immigration problems of this Nation.

At the present time the total registered demand under our present quota law shows a backlog of over a million. The statistics reveal a tremendous increase in the influx both legally and illegally of people from all over the world. During the fiscal year 1948, over 170,000 aliens were admitted into the United States for permanent residence. In addition, approximately one-half million persons were admitted into the United States from overseas, presumably on a temporary basis; but we know that many of these persons will do everything possible to remain in the United States. Evidence of this is the ever-increasing number of private immigration bills which provide for the adjustment of status of illegal aliens and the rising tide of cases of suspension of deportation. Under the law in certain types of cases, the Attorney General is empowered to suspend deportation and recommend the adjustment of status of the aliens involved to that of permanent residence. Already during this session of the Congress the Senate has approved by concurrent resolution the adjustment of status of over 3,000 cases.

During the period from 1938 to 1948 the number of arrivals of United States citizens from abroad, who, of course, are admitted without numerical limit, exceeded the number of United States citizens departing by over 330,000. This net gain is exclusive of the net gain of citizens from Territories and possessions.

During the course of the period from 1938 through 1948 the statistics show a net gain into the United States of citizens from the Territories and possessions of approximately 237,000. It is reported that the arrivals from Puerto Rico alone are running at a rate of over a thousand a week, and that the net gain of Puerto Rican citizens who have been migrating to the United States in the last 8 years is approximately 116,000.

And now a word about illegal entries. On the Mexican border alone apprehensions during the past 6 months of the 1949 fiscal year were at a rate of 25,000 a month and 193,852 illegal entrants were apprehended on the Mexican border in 1948. On the Canadian border no record of entries is even made at the check points of the identity of persons who allege that they are Canadian citizens and who are admitted for periods presumably of less than 30 days. Reliable estimates by our immigration officials and consul officers indicate that substantial numbers of persons are getting through illegally on the Canadian border. Since the war approximately 175,000 to 200,000 European aliens have migrated to Canada. The opinion of experienced immigration officials is that many of these aliens are using Canada as a stepping-stone for ultimate admission into the United States.

During the fiscal year 1948, 4,353 seamen who had jumped ship were apprehended in the United States and it is estimated by the immigration officials that stowaways are arriving at a rate of approximately 100 a month. During the fiscal year 1948, 412 smugglers of aliens were apprehended but, of course, the number who were actually smuggled is unknown.

And now a word about the number of illegal aliens in the United States. The scope of the problem of illegal aliens is indicated by the fact that the number of forced departures from the United States for the last 5 years has exceeded the number of immigrants entering the country legally during that period.

Officials of the Immigration and Naturalization Service testified in the course of our investigation of the immigration and naturalization system that if the manpower were available there would be over 500,000 investigations of potential illegal aliens in the United States in the present fiscal year.

Typical of the comments of the Immigration and Naturalization Service officers respecting investigations of illegal aliens is the following:

"We have little or no what we might call free-lance investigations: That is, to go out and try to find aliens who are illegally in the country."

A former American consul of the Canadian border estimated the number of illegal aliens in the United States from three to five million. The Immigration and Naturalization Service officials estimate that there are approximately 50,000 Cubans illegally in the United States in the Miami, Fla., immigration district. The immigration and naturalization officials in the Los Angeles area estimate that there are approximately 50,000 illegal aliens in the general vicinity of Los Angeles and that they are unable to keep control of them due to the lack of manpower.

And now, Mr. President, I shall discuss another issue which is being studied by the subcommittee, namely, the administration and operation of the present displaced-persons program. As a prelude to the consideration of this issue, may I say that the present law contains provisions which were prompted by a situation which was found to exist with reference to false and fraudulent documents in our previous program of admission of displaced persons. May I quote the testimony of an American consular officer which was taken in Europe by the Senate Immigration Subcommittee which was investigating problems of displaced persons in 1947:

"We now have a newly formed investigation section which we have had to set up and set up during my absence, but we saw it coming before I went on leave, because of the great number of false documents which are being presented in connection with applying for visas.

"I asked a man in my section yesterday about what percentage of applications for visas presented false documents and I was greatly alarmed to hear about 40 percent, which necessitated checking all of these documents to the best of our ability.

"Question. Has any evidence been developed which would cause you to believe that these relief agencies have been participating directly or indirectly in this false-document procedure?

"Answer. We are very suspicious.

"Question. What is the basis of your suspicions as against which agencies?

"Answer. The basis of suspicion of one of them I have noted here is that some of the agents have brought in the documents themselves, and even when pointed out to them that these documents were fraudulent, they say, 'Don't blame the man. He is so anxious to get into the United States.'

"Question. I understand from what the consul general said this morning, approximately 40 percent of the applications are fraudulent.

"Answer. We are detecting 40 percent now.

"Question. Now detecting 40 percent?

"Answer. Yes, sir.

"Question. In other words you are finding 40 percent to be fraudulent?

"Answer. Yes, sir.

"Question. How would that run in the other areas of Germany?

"Answer. About the same.

"Question. Are they aware of this situation?

"Answer. Yes, sir; the other consulates are aware of the situation.

"Question. Is there any organized program under the auspices of the State Department to combat this?

"Answer. It is being requested.

"Question. Forty-percent detection. Is this detection which is manifest on the face of the document?

"Answer. No, sir. Forty percent is based upon checking the official records behind it which the certificate is made upon. It breaks down into the fraudulent on the face of it and the ones that are O. K. on the face but the background is fraudulent."

Has this situation improved? On the basis of fragmentary information which the subcommittee has thus far secured, the situation appears to have grown worse. I have in my office a letter which I received a short time ago from one of the representatives of our Displaced Persons Commission, who is assigned to Europe, but who asked for obvious reasons that his identity be kept confidential. In this letter he cites in detail the fraudulent practices which are being perpetrated by applicants for admission into the United States as displaced persons. He states that on the basis of his experience 60 percent of certain categories of displaced persons who are presently being admitted into the United States have been admitted on false or fraudulent papers.

At this point I ask unanimous consent to insert as part of my remarks a letter dated August 18, 1949, which gives a further indication of this situation.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *August 18, 1949.*

Hon. PAT MCCARRAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Since you are being pressured on the displaced person's bill I thought you might be interested to hear what I learned during a recent trip to Germany.

I had occasion there to talk with United States officials working exclusively on clearance of visa applications of DP's. Off the record these people told me that they despaired about some of the people who were coming over here, but that their hands were tied. Allegedly DP's are being investigated. Actually these investigators receive a request for investigation which they are asked to complete within 2 weeks. In some cases they do not even allow them two weeks, but orders come from headquarters to clear the report promptly. The result is that these United States officials are fully aware that persons are being cleared without sufficient investigation. On the other hand if a German applies for a visa his application is dragged along for months while an alleged investigation for security reasons is being conducted. No one telephones in those cases to have the actions speeded up.

Obviously many of the DP's are lying about their origin and have forged papers, but if our investigators are limited to no more than 2 weeks to investigate the applications one can easily see why many Communists and others can slip through.

On the plane returning from Germany last week one of my fellow passengers was an employee of the IRO. She was a typical "bleeding heart." She admitted that she hated the Germans, but immediately accused me of being antiliberal and anti-Semitic because I remarked that the screening of the DP's is not thorough, and we are getting many undesirables.

If you will order an investigation of the procedure by which DP's are processed I am sure you will find plenty of interesting information.

Very truly yours,

GEORGE C. DIX.

Mr. JOHNSON of Colorado. I continue the reading:

It is appropriate for me to comment in passing here, Mr. President, that the Celler bill (H. R. 4567) provides for the admission into the United States of some 15,000 displaced persons from behind the iron curtain who have not yet been displaced but may be displaced in the future.

I have been informally advised by an official of our principal intelligence agency which is operating abroad that this provision would constitute a dangerous threat to the security of the United States and would constitute another loophole for the infiltration of Communist agencies. Let me here remind the Senate that on July 15, 1949, the then Attorney General presented to the subcommittee of the Senate Committee on the Judiciary an analysis of 4,984 of the more militant members of the Communist Party, United States of America, as of 1947.

He stated that 4,555 (91.4 percent) of the total "were of foreign stock or were married to persons of foreign stock"; 3,903 (78.4 percent) "were of foreign stock"; 647 (13 percent) "were married to persons of foreign stock"; and in 429 (8.6 percent) cases "were the subject and his parents, and if married the spouse and the spouse's parents, all born in the United States."

The subcommittee of the Senate Committee on the Judiciary which has been investigating our immigration and naturalization systems has found, as I have previously reported to the Senate, from extensive and conclusive evidence, that Communist agents are gaining admission into the United States at an alarming rate. This situation constitutes a direct threat to the security of this country and we are even now endeavoring to prepare legislation which would stem the tide of Communist infiltration.

How is our present program working aside from the speed with which displaced persons are being brought into the United States?

The present law contains provisions requiring as a prerequisite to eligibility that there be job and housing assurances without displacing other persons from such jobs or housing.

I have already alluded to the fact that the Displaced Persons Commission has received assurances for 272,000 people. Let me at this point read an excerpt from the testimony before the subcommittee of the chairman of the Displaced Persons Commission which is pertinent to the issue.

"Question. What investigation is made by the Commission or by any agency of the Government of the United States with reference to a particular applicant to ascertain whether or not there is a specified job or a specified house available without displacing some other person from that job or from that house.

"Mr. CARUSI. None."

Is there any wonder, in view of this startling fact, that notwithstanding the critical housing shortage in the United States and our almost 4,000,000 unemployed, displaced persons are currently flowing into the United States at the rate of about 17,000 a month? These persons are, of course, in addition to the ever-increasing flow under our regular immigration system.

I ask unanimous consent to have inserted at this point in my remarks a newspaper clipping dated May 31, 1949, from the Washington Evening Star and a newspaper clipping dated June 13, 1949, from the St. Louis Post Dispatch.

The PRESIDING OFFICER. Is there objection?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D. C.) Evening Star of May 31, 1949]

FREDERICK PAPER SAYS DP'S HAVE FAILED AS FARM LABOR IN AREA

FREDERICK, MD., May 31.—Farmers of this rich agricultural area have not had much luck with displaced Europeans sent here to help them with their crops, the Frederick News said today.

The News said it was told by officials in charge of the displaced persons program for Maryland that there are only three immigrant families left on Frederick County farms. Twenty percent of the DP's sent to Carroll and Frederick Counties have pulled up stakes.

"The program was doomed from the outset because screening of the individuals in Europe failed to single out those with farm experience," the newspaper said.

UNABLE TO FORCE FARM DOMICILE

Among those who have come—and left—were a veterinarian, a medical student, beauticians, carpenters, and numerous white-collar workers.

The paper reported it was told:

Some families desert farms to go to live with relatives in other parts of the country.

There is no way to force DP's to stay on farms and they cannot be deported unless they become public charges within 5 years.

ACCURATE FIGURES UNAVAILABLE

Farmers still want to sponsor them, but only if they are assured that they are thoroughly screened for practical farm experience before leaving Europe.

The medical student was transferred to Baltimore, where he has obtained a position and is preparing to finish his work leading up to his doctorate.

The News said it could not obtain accurate figures on the total number of DP families sent to the area.

[From the St. Louis Post-Dispatch of June 13, 1949]

DP'S QUIT SUGAR-FARM JOBS, SEEK GLAMOUR IN NORTH—HOLLYWOOD GAVE THEM DIFFERENT IDEA OF UNITED STATES LIFE, AUTHORITIES SAY

NEW ORLEANS, LA., June 13.—Almost half of the European displaced persons who took jobs on Louisiana sugar farms are believed to be heading north for better opportunities and more glamor, authorities said yesterday.

The DP's, they explained, have decided that life in the deep South doesn't come

up to what Hollywood movies led them to expect of the United States.

DP's who signed up as farmers found themselves far from the bright lights, handsome men, and easy money of moviedom.

Authorities agreed on that conclusion in explaining why as many as 40 percent of those settled on farms in the Sugar Belt have disappeared.

The Right Reverend Monsignor William Castel, head of a Catholic organization which sponsored most of the estimated 300 arrivals, said many of them "were definitely not fitted for farm work or for conditions in Louisiana."

"The biggest trouble," he said, "is the Hollywood idea of America as a land of easy riches and good times. Most Europeans have this impression, and our own officers and men overseas have fostered it by the lavish way they've thrown money around."

The 40-percent estimate, with a prediction that 20 percent more would leave the fields, came from a Federal official who has inspected the area. He also believed in the false-propaganda idea.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

I have received, Mr. President, numerous letters from our own American citizens who are being displaced from jobs and housing by displaced persons. Typical of the letters which I have received on this subject is a letter dated June 6, 1949, and a letter dated July 17, 1949, each of which I now ask unanimous consent to be inserted at this point in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TELFORD, PA., *June 6, 1949.*

Senator PAT MCCARRAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR MCCARRAN: I am not quite certain as to the proper style of addressing you, or the best way of explaining my reason for writing. If the letter is poorly constructed, or in some way deficient, please understand that I do not wish to be rude; it is merely my lack of familiarity with this sort of thing.

I am writing to you, rather than the Senator from Pennsylvania, because I believe you are closer to the subject, and might be more sympathetic than Senator MYERS to the facts I have to bring out. Would you be so kind and thoughtful, if you are not interested in this important (to us) matter, to call it to the attention of the proper persons?

I had previously never greatly concerned myself with the subject of immigration, one way or the other, in that I was never directly affected—in fact I'm still not. I read in the press, heard in numerous political speeches from various shades of opinion that the seemingly countless swarms of immigrants were definitely not to in any way deprive any American citizen of either home or job, directly or otherwise.

I never believed it, of course; we citizens (and yourself too, I suppose) are fed so much bilge from so many sources that some of us are highly skeptical and cynical.

But the following situation, in my view, is so excessively and tragically unjust that I do not see how that any of us can feel decent while such things exist, in fact, seem to be increasing. It's only one case—the people concerned are humble, and yet it seems rather important because it is so typical of the way things are done today.

I have a brother-in-law who, because he is poorly educated, and was always a farmer anyway, has been a so-called tenant farmer all of his working life. He has had five children in the last 7 years, one of which died in infancy. The remaining four range in age between 6 and 1 years.

This man, since mid-1945, has been employed as a tenant farmer on the farm of a Mr. Reynolds, of near Franklinville, N. Y. He has worked 7 days a week, often in excess of 12 hours a day, rarely less, with about one Sunday off per month. No holidays, paid vacations, or anything like that, of course.

In return he has gotten a house rent free, a certain amount of free milk, etc., and $125 a month. (Believe this was increased recently.)

Now we are not here concerned as to whether he got a good deal, or not. He worked thus for 4 years, presumably was reasonably satisfied, and in turn, Mr. Reynolds was well satisfied with his work and had no complaint about it, or anything else.

About 2 weeks ago my brother-in-law, a Kenneth Hirt, discovered from idle gossip in the country store that he was being displaced shortly. That was the first he knew of it; he returned to the farm and inquired, and found it to be true. He asked the reason, whether his work had been unsatisfactory, and was assured it hadn't been.

The reason that this American citizen, the father of four children is being driven from both home and job is that this Reynolds chap has made arrangements for Mr. Hirt's job and home to be occupied shortly by a family of immigrants soon to arrive. From Germany, incidentally, as we understand it. I do not, of course, know the exact financial arrangements involved between Reynolds and the immigrant family, though as close as I can ascertain, he stands to save perhaps $100 a month by the change. At any rate he will save substantially; while Hirt, who knows no other means of livelihood, and is poorly capable of doing any other sort of work, is completely destituted and deprived of everything. It can reasonably be assumed that he will suffer severely; quite possibly selling his furniture, even perhaps to breaking up his family life, at least temporarily. This, admittedly, has not yet occurred, because he is still employed until his successor can take over. However, one thing is certain; whatever does finally happen, Hirt will take a terrific beating in every way.

And why? Because he is an American, with a slightly higher standard of living than the foreign family that will displace him by working for virtually nothing.

It would be somewhat less tragic if he were losing either home or job; but to be thus suddenly and ruthlessly deprived of both is an uncommonly cheap proposition, even to benefit the all-important immigrant. The point would seem to be that if it can happen to him it can equally well to almost any of us, in various walks of life.

If you agree with me that this is a monstrous perversion of common decency to a good American, I shall be pleased to provide any and all further details you wish to have.

Sincerely,

KENNETH ROTH.

R. W. OCHSNER GARAGE,
Hermann, Mo., July 11, 1949.

Senator MCCARRAN,
Washington, D. C.

DEAR SENATOR: I just noticed the enclosed cartoon in the St. Louis Post-Disptach. The sign is wrong. It should read: "Displaced persons keep them out."

If you are alone in this picket line I'll be with you.

Here is a little true story of a so-called displaced family: They got to our little town, about 3,000 population (Hermann, Mo.), about 9 months ago. The Catholic Church sponsored the deal and I know they were sincere and wanted to do the right thing. They made up a purse of money, collected clothing, furniture, eats, and what-not. Housing is scarce in this town, same as many other towns. They finally found a very good farmhouse about a mile from our town. The women went out, cleaned it out, put in furniture—everything ready to move in, even eats and canned goods in the basement. The family consisted of a man and his wife, three daughters ages from 14 to 18. The father wasn't too fit to do hard work, so they got him a job in a creamery to do odd jobs. The girls got employment in the shoe and pencil factory. Since they had no rent to pay and had a little money which was collected for them, they started living high. They did not wear the clothing that was given them—they bought the best. They did not like their new home too much, did not get along in the factory too well, so after a stay of about 6 months in Hermann, Mo., they left for New York where I suppose the grass is greener.

So let's have this spirit toward our own people in the good old United States of America. There are plenty of poor families that were born in this country who would appreciate such help.

Senator, I am with you 100 percent and so are millions of others.

Help those people, but leave them across the pond.

Respectfully,

R. W. OCHSNER
(Veteran of World War I and two sons in World War II).

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

In a memorandum dated March 4, 1949, from the Chairman of the Displaced Persons Commission to the House Judiciary Committee the following appears:

"In fact, it is only by the most strenuous activity on the part of the Commission's very limited staff, and by a liberality of interpretation justified by the basic intention of the law that the Commission has been able to accomplish as much as it has."

The subcommittee has been concerned not only with the liberality of interpretation of the law but the testimony before the subcommittee shows conclusively that the rules and regulations of the Displaced Persons Commission have in certain instances been in direct violation of the law. And may I note in passing that one of the bills which is currently pending before the subcommittee which was prepared by the Displaced Persons Commission and which was identified by the Chairman of the Displaced Persons Commission as the Displaced Persons Commission bill, would eliminate from the law those provisions which require assurances of jobs and housing without displacing our own citizens.

I now ask unanimous consent to have included at this point in my remarks a newspaper clipping dated May 16, 1949, from the New York Times entitled "DP Search Yields Undeclared Gems"; a newspaper clipping from the New York Journal-American dated June 11, 1949, entitled "Seize Gems Smuggled to United States by DP's"; and a newspaper clipping from the Washington Evening Star dated August 15, 1949, entitled "Former Slovak Official Held as Red Suspect After Arrival in United States."

The PRESIDING OFFICER. Is there objection?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 16, 1949]

DP SEARCH YIELDS UNDECLARED GEMS—THOUSANDS OF DOLLARS' WORTH OF VALUABLES ARE SEIZED BY BOSTON CUSTOMS MEN

BOSTON, May 15.—Customs inspectors today searched the baggage of 829 displaced persons arriving from Bremerhaven, Germany, aboard the United States Army transport *General Leroy Eltinge* and seized undeclared jewelry, silverware, and merchandise valued by the officials at thousands of dollars. The inspectors declined to set a specific figure.

In addition, the staff of 80 inspectors removed large stocks of declared items pending payment of duty.

The surprise inch-by-inch search was staged, customs officials said, as the result of the discovery of approximately $10,000 in undeclared items aboard the transport *Marine Jumper*, which docked here May 5. Previously only routine checks were conducted. An Army spokesman here from New York said that smaller amounts had been uncovered in DP ships arriving in that port.

Deputy Collector William Griffin, who led the group of customs agents, inspectors, and members of the port patrol, said that "thousands of dollars in jewelry and watches were found on one woman passenger." She was searched by a woman guard when her actions aroused suspicions.

NO ARRESTS PLANNED

The jewelry on the woman included diamonds, pearls, and rings. Her name was withheld. No arrests were made or contemplated, Mr. Griffin said, and all offenders were allowed to continue on their way.

The seized merchandise included cameras, porcelains, and linens. The baggage of one family, inspectors said, contained a "veritable dry-goods store," in undeclared sheets, pillow cases and table cloths. Valuable silver was wrapped in the linen.

Displaced persons are permitted to bring personal effects, household goods, and articles that have been in use for more than a year.

In the case of declared merchandise liable for duty, customs officials said most of the confusion was attributable to misinformation given the refugees by relatives in this country.

An Army spokesman said that "the wires are hot" between the United States and Bremerhaven in an effort to make clear to displaced persons awaiting shipment just how much they can bring in free of duty.

GOODS UNDER GUARD

The declared goods seized were placed on Commonwealth pier under guard and later moved to customs appraisers' stores. They will be retained until such time as the owners are able to pay the duty and redeem their possessions.

The woman who had the jewelry concealed on her first insisted that the gems were family heirlooms, but customs inspectors said she subsequently admitted that this was untrue. One of the rings confiscated had a large diamond surrounded by four smaller ones.

The *General Eltinge* was the twelfth vessel to dock at Boston with displaced persons and the first to undergo such a rigid examination. Its passengers brought to 8,089 the number of DP's to be processed through this port. Another ship, the *General Robert L. Howze*, is scheduled to arrive Tuesday morning and undergo an equally thoroughgoing search.

The *General Eltinge* brought the largest group of children yet to arrive here on a single ship—221.

[From the New York Journal-American of June 11, 1949]

SEIZE GEMS SMUGGLED TO UNITED STATES BY DP'S

BOSTON, June 11.—Jewels and other smuggled items valued at "many thousands" of dollars are being held by customs agents after being seized from 829 refugees arriving here from Europe.

More than 80 customs inspectors searched the luggage of the displaced persons when they docked aboard the Army transport *General Leroy Eltinge*.

No arrests were made and the DP's were allowed to proceed to their destinations throughout the Nation.

[From the Washington Evening Star of August 15, 1949]

FORMER SLOVAK OFFICIAL HELD AS RED SUSPECT AFTER ARRIVAL IN UNITED STATES

NEW YORK, August 15.—A former high-ranking Slovakian official, seized as he arrived in this country as a displaced person, was detained at Ellis Island today as a suspected Communist.

The ex-official, Gen. Mikulas Ferjencik, 44, was taken into custody yesterday along with his wife, Milada, 32.

Inspector Edward Ferro of the Immigration and Naturalization Service said the couple would be held at Ellis Island pending further investigation.

The general and his wife were among 822 passengers listed as displaced persons who arrived from Bremerhaven Germany, on the Army transport *General Heintzelman*.

FORMER SLOVAK MINISTER

Among positions which Ferjencik has held were Slovak Minister of the Interior and Minister of Defense.

He remained in Czechoslovakia after the Communists completed their seizure of power. But in July 1948 he escaped over the border with another Czech general, Antonin Hasal, and both men contacted American Army authorities in the western zone of Germany.

At that time Hasal said that if war broke out elements of the Czech Army would "certainly try to operate with the west."

When the Ferjenciks were escorted by armed guards from the ship to Ellis Island, the immigration inspector said, "The general is being held as a suspected Communist," and declined further comment.

Newsmen were not permitted to talk with the general, but he was heard to say "some good will come of all this."

The general and his wife came to this country as individuals and were not sponsored by any organization as displaced persons.

PICKETS GATHER ON PIER

Before the seizure of the general and his wife, 20 pickets had gathered outside the pier and paraded with placards, which read:

"Americans, deport bloody General Ferjencik, chief of the NKVD" (Soviet secret police, now called the MVD), and "Americans, do not admit General Ferjencik, who crashed down Slovak, anti-Red underground."

The pickets said they were members of the American Slovak League and the American Friends of Slovak Freedom.

Lowell E. Jones, honorary president of the American Friends of Slovak Freedom, said that General Ferjencik joined the Communist uprising in Slovakia—then a partially independent state—and went to Moscow for Communist training.

Ferjencik, while serving as Slovak Minister of the Interior, held a nonparty status but he supported Communist Premier Klement Gottwald, now President, in reforming the Slovakian Government.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

And may I say right here that so far as I have been able to ascertain not a single displaced person has been returned to Europe from the United States for any reason whatsoever.

Now, Mr. President, I come to the consideration of another issue over which the subcommittee has spent many hours of study and deliberation, namely, aside from the question of numbers, what groups among the tens of millions of displaced persons should be embraced in our displaced persons program? In considering this controversial issue may I first invite attention to what has always appeared to me to be one of the principle objectives of any displaced persons program, namely, to reduce the populations of the displaced persons camps. The present displaced persons law, Mr. President, provides a priority for those displaced persons who are located in displaced persons camps and centers.

How has this provision of the law been administered? Under the rules and regulations of the Displaced Persons Commission this priority for persons in displaced persons camps has meant virtually nothing because although less than a fraction of 1 percent of the displaced persons who are dependent upon the International Refugee Organization for care and maintenance are outside of camps, 12 percent of the displaced persons who have thus far been brought into the United States under the present law have come in from outside the camps.

Right there may I emphasize that the Celler bill (H. R. 4567) would remove from the present law the priority to displaced persons who are in camps and centers. Let it again be remembered, as I have previously pointed out, that the International Refugee Organization estimates that on June 30, 1950, the expiration date of our present law, there will only remain in the displaced persons camps, other than the so-called hard core, approximately 11,000 persons who would normally be considered eligible for immigration opportunities.

Moreover, Mr. President, the present law was designed to afford maximum relief to those displaced persons who were displaced within a period of some several months after the war, and who could not return to their homelands. Accordingly, the present law provides a cut-off date for eligibility as of December 22, 1945, which is some 7 months after the cessation of hostilities. The Celler bill (H. R. 4567) would advance this cut-off date until January 1, 1949, with a net effect that we would be diluting the war displaced persons with substantial numbers who, because of various social and economic reasons, have been arriving in the occupied areas during the course of these several years since the end of the war.

Right here may I read from an article dated January 26, 1947, which appeared in a New York paper:

"Army headquarters meanwhile is warily watching the actions of approximately 40,000 Polish Jews now temporarily located along the Polish-Czech frontier. While this group probably will not migrate in the severe winter months, it is known here that the Russian, Polish, and Czech Governments facilitate the movement of Polish Jews from east to west. This strategy is based on the belief that the more of the Jews who become the responsibility of the western powers, the more embarrassed the western powers will become in view of the tense Palestine situation."

It is to be noted, too, that the Celler bill would permit anyone who left the occupied areas to voluntarily return at any time and gain eligibility for immigration to the United States. In addition to that, for the next five fiscal years the Celler bill (H. R. 4567) would set aside 50 percent of the nonpreference portion of certain quotas for the exclusive use of displaced persons who have since 1939 and until January 1, 1949, gained admission into other countries of the world. In addition, the Celler bill (H. R. 4567) would provide for the admission of some 18,000 displaced persons who presently reside in the British Isles and some 4,000 displaced persons who are presently in Shanghai, China, or in the Philippine Islands. When questioned respecting the latter two provisions of his bill, Congressman CELLER testified that these provisions came as a result of log-rolling.

Right there, Mr. President, may I state my firm conviction that if our displaced-

persons program is to be designed to embrace persons other than the war-displaced persons then it behooves us to give thorough consideration to each of the other groups of displaced persons throughout the world. Congressman CELLER recently, before our subcommittee, vigorously asserted that our subcommittee should not even hold hearings respecting the 1,000,000 Arabs who were displaced in the Palestine war. Congressman CELLER has vigorously opposed any consideration for any displaced person of German ethnic origin. The present law provides that 50 percent of the quotas of Germany and Austria shall be available exclusively for 2 years to this group. This provision was designed to give at least a token measure of relief to this group which had been so ruthlessly and inhumanly treated. With reference to this provision of the law, Congressman CELLER testified before the subcommittee of the House Committee on the Judiciary:

"As I have indicated before, on this floor of the House, I firmly oppose this provision in its entirety."

May I say in passing that although under the provision of the present law, which I have just referred to, 13,000 visas should have been made available during the last fiscal year to displaced persons of German ethnic origin. As of June 1949, only 336 visas have been issued to persons of this group.

Thus it is that while pretending to remedy alleged discriminations in the present displaced persons law, the Celler bill is actually replete with discriminations; that while the Celler bill would write new definitions of dispaced persons beyond the scope of the constitution of the International Refugee Organization, this bill would not embrace as a displaced person a single Greek displaced person, a single displaced person of German blood, a single displaced person of Arab extraction, or displaced persons of other equally deserving groups.

Now, Mr. President, let us consider some of the other provisions of the present law which are alleged to be discriminatory and which the Celler bill would strike from the statutes. The present law provides a 30-percent priority to displaced persons who are agriculturists and their families.

The chairman of the Displaced Persons Commission on March 25, 1949, testified before our subcommittee that 25 to 26 percent of the heads of the families in the displaced-persons group are agriculturists and that displaced persons average 2.2 persons per family. According to a bulletin of the International Refugee Organization dated January 1949, 25.1 percent of the employable men in the displaced-persons category were of the agricultural occupation.

It will thus be seen, Mr. President, that over 50 percent of the displaced persons fall within the agriculturalist priority of the present law. Why was this priority placed in the present law? There are two very cogent reasons. The first was to meet the demand for agriculturists in the United States and the second was to assure a general distribution of the displaced persons throughout the United States, because we knew that the housing shortage was twice as acute in the metropolitan areas as in the rural areas. We knew also that a disproportionate percentage of the displaced persons, as well as other aliens who were being admitted into the United States, had been congesting in the large cities.

According to the report of the Displaced Persons Commission dated February 1, 1949, 70 percent of the displaced persons who had then been admitted went to large cities of population of over 100,000. Twenty percent had gone to other urban areas and only 10 percent to rural areas. Congressman CELLER, when recently testifying before the subcommittee, on the basis of later statistics, stated that 55 percent of the displaced persons have settled in large cities having a population of 100,000 or over.

And now may I speak just a word respecting another provision of the present law which has been unjustly attacked as discriminatory. The present law provides a priority of 40 percent to those displaced persons whose homelands have been annexed by the Communists. The reason for this priority is obvious to anyone who has studied the facts and that reason is that although many of the other displaced persons in the occupied areas could return to their former habitual residences, virtually all of the displaced persons whose homelands have been annexed by the Communists could return only at the peril of their lives. On this issue may I quote the testimony before our subcommittee of the chairman of the Displaced Persons Commission:

"Question. What percentage of displaced persons who are potentially eligible under the act are from the Baltic States and/or east of the Curzon line in Poland?

"Answer. I do not have those figures too freshly in my mind.

"Question. What is the approximate figure?

"Answer. Approximately it runs just about the 40 percent that the law contemplates. In other words, if they are eligible, we just about get them in."

It is important to note that although the law provides only a 40-percent priority to displaced persons whose homelands have been annexed, the Department of State reports it had as of August 31, 1949, issued 50.7 percent, or 45,367 of the 89,527 quota visas under the act to persons from de facto annexed areas.

And now, Mr. President, I come to an issue which I reluctantly discuss and do so only because it has been injected into the discussion of displaced-persons legislation by those who lend themselves to the lowest form of demagoguery in order to obtain their objectives. This issue is the false charge of religious discrimination. I know that as I present the facts on this issue I shall in certain quarters be subjected to the charge that I am anti-Semitic and anti-Catholic. On the latter score, permit me to merely say this, that I was born a Catholic, I am a Catholic, and I shall die a Catholic, and two of my daughters, my own flesh and blood, have dedicated their lives to the service of the Catholic Church. Permit me also to profess that through many years of service in this body I have not knowingly harbored an iota of prejudice against any man or group because of race, religion, or creed. Permit me, too, to say that as a member of the committee which drafted the present Displaced Persons Act I sat in session after session of the deliberations of that committee and not once was there voiced a single sentiment nor was there evident a single design upon which a charge of religious discrimination could be justly founded.

Permit me first of all to comment respecting the charge that the present law discriminates against members of the religious denomination to which I adhere, namely, against Catholics.

As Senators know, I am reading the speech of the senior Senator from Nevada [Mr. MCCARRAN]. I continue the reading:

I now ask unanimous consent to have inserted at this point in my remarks a press release from the Catholic Review dated Friday, July 23, 1948, entitled "Monsignor Swanstrom makes a statement concerning displaced persons," a press release from the West Virginia Register, which is the official Catholic newspaper of the diocese of Wheeling, W. Va., and a press release dated July 22, 1948, from the Los Angeles Herald entitled "Catholic cleric says Displaced Persons Act is just."

The PRESIDING OFFICER. Is there objection?

There being no objection, the press releases were ordered to be printed in the RECORD, as follows:

[From the Catholic Review of July 23, 1948]

MONSIGNOR SWANSTROM MAKES STATEMENT CONCERNING DP'S

Msgr. Edward E. Swanstrom, chairman of the National Catholic Resettlement Council, has said that the statements in the public press to the effect that Catholics have denounced congressional legislation permitting the entrance of 205,000 displaced persons into this country are critically untrue. He has stated further that "the displaced-persons legislation is not discriminatory as far as Catholics are concerned."

He said that "no leading Catholic authority or any official representative of NCRC ever has spoken of the measure as being anti-Catholic despite reports in the public press."

The monsignor pointed out that more than 90 percent of the Lithuanians and 40 percent of the Latvians eligible for entry under the law are Catholics and that most of the Poles who will come from the territory east of the Curzon line are Catholics. At least 55 percent of the displaced persons to be brought to this country under the legislation are Catholics.

In his acceptance speech of the presidential nomination at the National Democratic Convention, President Truman referred to the DP legislation as anti-Catholic. The President said: "I shall ask for a displaced-person bill in place of the anti-Semitic, anti-Catholic bill that the Eightieth Congress passed."

[From the West Virginia Register]

BUFFALO PRELATE ASSERTS FEAR OF DP'S IS UNFAIR

NEW YORK.—Between 57 and 60 percent of the displaced persons confined in German, Austrian, and Italian camps who are eligible to emigrate to the United States are Catholics, said Msgr. Eugene Loftus, director of Catholic charities in Buffalo, N. Y., who arrived here after a 6-week tour of DP camps throughout Europe.

Although President Truman called the displaced-persons bill "flagrantly discriminatory, against Catholics and Jews, the monsignor said he did not think the measure discriminates against Catholics.

"We should have no fear about bringing these people to America," he asserted. "A great percentage of those I talked with are skilled farmers, mechanics, and small tradesmen. They are absolutely opposed to communistic regimes."

Monsignor Loftus was appointed by the National Catholic Welfare Conference as a member of a committee to survey the DP situation in Europe.

[From the Los Angeles Herald-Express of July 22, 1948]

REFUGEES—CATHOLIC CLERIC SAYS DP ACT IS JUST

The recently passed law to permit over 200,000 displaced Europeans entry into the United States "justly gives first consideration to those homeless for the longer time," Msgr. Thomas J. O'Dwyer, Los Angeles archdiocesan resettlement director, declared today.

No claims that it discriminates against Catholics have been made by any official representatives of the War Relief Services, the National Resettlement Council, he said, adding:

"It is only just that first consideration should be given to those people who have been homeless for the longer time. The

Balts, Poles and Ukrainians east of the Curzon line were the first victims of the Nazi and Communist aggression."

Monsignor O'Dwyer said Catholics ought not to complain about the law, and expressed the hope that those in the Los Angeles archdiocese would prove generous in securing homes and jobs for the suffering Europeans.

President Truman and some others have claimed that the act, passed by the last Congress, was discriminatory.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

And now let us look at the statistics. As of July 31, 1949, 44 percent of the visas which had been issued to displaced persons, pursuant to the present law, were to persons of the Catholic faith; 29 percent were to persons of the Jewish faith; 27 percent were to persons of the Protestant and the orthodox faith combined.

As of July 29, 1949, 50 percent of the displaced persons who had been admitted into the United States, pursuant to the present displaced persons law, were of the Catholic faith; 29 percent were of the Jewish faith; 21 percent were of the Protestant and the orthodox faith combined.

And now I ask unanimous consent to insert at this point as a part of my remarks an excerpt from a letter dated August 6, 1948, which was written by Mr. Abram Orlow and Jack Wasserman, then president and national legislative representative, respectively, of the Association of Immigration and Nationality Lawyers, New York, N. Y. Mr. Orlow is an outstanding leader in Jewish organizations in that city.

The PRESIDING OFFICER. Is there objection?

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

We are also grateful for your efforts in enacting into legislation a provision for the solution of the problem of a great number of displaced persons in the United States under section 4 of the Displaced Persons Act, known as Public Law 774, of the Eightieth Congress; and for the legislation permitting the grant of citizenship to many honorably discharged servicemen of the United States armed forces who were otherwise subject to deportation.

These measures could not have been possible without your sympathetic understanding of the problem and the thing which is very irksome is that the general public has not the slightest idea of the importance of these laws and how much you contributed toward their enactment.

The association will be eternally grateful to you. We recognize that you have well and fully appreciated the inhumanities which would have resulted had these measures not been passed.

May we therefore be privileged to record this gratitude to you and your colleagues for making this adjustment possible for the benefit of those who have so bitterly suffered from the recent holocaust.

Mr. JOHNSON of Colorado. Mr. President, I continue the reading:

And now, Mr. President, may we consider in additional detail the charge of discrimination against persons of the Jewish faith. I have previously alluded to the number of displaced persons who were admitted into the United States during the war years. Up to the end of 1943 the Immigration and Naturalization Service recorded arrivals of peoples of the Jewish faith as an identifiable class. Of the hundreds of thousands of displaced persons who were admitted into the United States during the war years, it is stated in the publication Refugees in America, which I have previously cited, that approximately four-fifths were of the Jewish faith. According to the Jewish Year Book, from 1937 to 1943, inclusive, by yearly average, more than 60 percent of all immigrants into this country were persons of the Jewish faith.

On November 8, 1943, Earl G. Harrison, then Commissioner of Immigration and Naturalization, whom I have previously identified as chairman of the Citizens Commitee on Displaced Persons, issued an insruction to the effect that Jews shall no longer be classified as such in the immigration records. With reference to the number of Jewish displaced persons who were admitted into the United States from 1933 to 1943, I again quote from the publication, Refugees in America, as follows:

"Taking the immigration statistics of Hebrews as a measurement of the number of Jews, we find that during the fiscal years ended June 30, 1933 to 1943, a total of 168,128 Jewish immigrants were admitted on permanent visas from all countries. They constituted 33.6 percent of the total immigration (499,998) during that period. The great majority of them, 160,718, were born in Europe and comprised 44.9 percent of all European immigrants (357,261) admitted during those years. In addition 43,944 Jews, exlusive of Government officials and returning residents, were admitted on temporary visas from all countries, constituting 4.4 percent of all such admissions."

According to a report by the Service Affairs Division of the Headquarters Eurcpean Command dated October 1, 1947, there were 10,000 to 15,000 Jewish camp survivors of various nationalities found in Germany at the end of the war. According to Rabbi Phillip S. Bernstein, who was quoted by Assistant Secretary of State Hildring before the House Committee on the Judiciary in July 1947, at the close of the European War there were about 30,000 Jews still alive in the concentration camps.

Under the President's directive of December 22, 1945, which as I have previously indicated, set aside 90 percent of certain quotas for exclusive use of displaced persons, 23,594 of the visas which were issued were to persons of the Jewish faith; 5,924 were to persons of the Catholic faith; and 3,906 were to persons of the Protestant faith.

As I have previously pointed out, we have thus far under the present law, which authorizes the admission of 205,000 displaced persons into the United States, admitted a little over 64,000, of whom 29 percent, or aproximately 20,000, were persons of the Jewish faith, and our program under the present law is, of course, only about a third completed.

The Chairman of the Displaced Persons Commission testified before our subcommittee that all of the Jews will be out of the displaced-persons camps by August of next year. This includes, of course, not just the relatively few Jews remaining in the occupied areas at the end of the war, but the many thousands who have entered the occupied areas in the years since the war.

May I therefore, Mr. President, finally lay to rest the irresponsible charge of religious discrimination.

I could continue, Mr. President, with detailed discussion of other issues which are under consideration by the subcommittee, but I have today undertaken to discuss only the chief issues, each of which poses difficult problems.

My purpose in addressing the Senate today has not been to announce preconceived decisions on these issues, nor to burden the RECORD with more than a fragment of the factual material which has thus far been accumulated by the subcommittee.

I know full well the pressure to which each and every Member of this body has been subjected. I do not know whether or not my recitation of the facts will change a single vote, nor do I know how more than a few Senators who have expressed themselves to me on this issue will vote.

Let it be remembered that every Senator on the immigration subcommittee of the Senate Committee on the Judiciary has taken the same oath of office which has been taken by every Senator who ever served in this distinguished body. The Senate has the power to foreclose further hearings and further study on issues concerning which a coequal branch of the Congress has sent an investigating committee to Europe. The Senate has the power to pass one of the 19 bills on a controversial and complicated subject.

Yes, Mr. President, the Senate can follow a course dictated by a powerful, well-organized, determined lobby which by this bill brings sharply into focus the question as to where the sovereignty of this Nation rests. I do not know, Mr. President, what the outcome of the vote on this issue will be. It would be easy for me to side-step this issue. It would be easy for me to stand mute. I cannnot do so. No man in or out of this body would relish the vilification and attack to which I have been subjected, but if I must choose as I have chosen between the vilification and attack and yielding to that which I know is wrong, that which I know is detrimental to the best interests of the Nation which I have tried faithfully to serve, then I welcome the vilification and attack.

The hour, Mr. President, calls for statesmanship. The hour calls for decision and judgment premised not on the expediency of the moment; not at the bidding of those who threaten us with reprisals or who would cajole us with mock praise; but the hour calls for decision and judgment based on the best interests of the Nation which we are pledged to serve.

The action which we are asked to take is masked behind the great humanitarian Christian precepts, the pursuit of which has made this Nation the envy of the world. That these great precepts could be so perverted makes this proposed action the more deplorable.

No, Mr. President, I do not know what the outcome will be of this proposed action, but I shall be satisfied to know that I have discharged my duty as chairman of a great committee of the Senate in laying before this body the facts. I shall be satisfied in knowing that I have done my best after months of painstaking study and deliberation on issues with the consideration of which I was entrusted.

I cannot and will not pressure the other Members of this body. I can only recite the facts. I can only point the way as I am given to see it. May our decision fully measure up to the trust which the people of this Nation have vested in our hands.

Mr. President, I am very proud to read into the RECORD this statement from the very able and distinguished chairman of the Judiciary Committee. I am proud that he selected me to read his speech. I do not necessarily subscribe to his viewpoints, but I am personally anxious, and I know that other Members of this body are anxious, to have his viewpoint, because he has given great study to the question.

FINANCING OF MISSOURI RIVER BRIDGE AT BROWNVILLE, NEBR.

During the delivery of the speech prepared by Mr. MCCARRAN and read by Mr. JOHNSON of Colorado,

Mr. KEM. Mr. President, will the Senator from Colorado yield for a unanimous-consent request?

Mr. JOHNSON of Colorado. I yield.

Mr. KEM. I ask unanimous consent that the Senate consider, out of order, House bill 5674, which has been passed unanimously by the House of Representatives and has been unanimously reported to the Senate by the Committee on Public Works. The bill is more or less a formal matter. The purpose of the bill is to extend for 30 years certain bridge bonds issued for building a bridge across the Missouri River.

The VICE PRESIDENT. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5674), Calendar No. 1176, to extend the time for the collection of tolls to amortize the costs, including reasonable interest and finance cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.

The VICE PRESIDENT. Is there objection to the request for the present consideration of the bill?

Mr. LUCAS. Mr. President, reserving the right to object——

Mr. KEM. Mr. President, let me say that this is purely a formal matter. The bill has been passed unanimously by the House and has been reported unanimously by the Senate committee.

Mr. MORSE. Mr. President, I have no objection to the bill. I have objection to the procedure now proposed to be followed. If we are going to begin in the Senate to interrupt speakers, in order that individual Senators may bring up their pet bills, out of order, at a time when only four or five Members of the Senate are on the floor, I think we do violence to the proper procedure. Therefore, I shall object to requests for the consideration of such bills, except during the call of the calendar.

Mr. KEM. Mr. President, I thank the Senator from Colorado for his courtesy.

The VICE PRESIDENT. Objection is heard.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson;

S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes;

S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes; and

S. 2226. An act relating to the compensation of certain employees of the Panama Canal.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

The message further announced that the House had concurred in the amendment of the Senate to the joint resolution (H. J. Res. 368) further amending an act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a joint resolution (H. J. Res. 373) relating to the sale of certain shipyard facilities at Orange, Tex., in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 5268. An act to amend certain provisions of the Internal Revenue Code; and

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIEN

A letter from the Acting Attorney General, transmitting, pursuant to law, a copy of the order of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to one Miklos Joseph Szucs, together with a detailed statement of the facts and pertinent provisions of law and the granting of such status (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Two letters from the Acting Attorney General, withdrawing the names of Santos De La Cruz-Celestino, and the names of Salvador Orozco and Teresa Fuentes or Orozco, from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitting to the Senate on May 1, 1949, and June 1, 1949, respectively; to the Committee on the Judiciary.

REPORT ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES AND MEXICO

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of August 1949 (with accompanying papers); to the Committee on Agriculture and Forestry.

PROGRESS REPORT OF WAR ASSETS ADMINISTRATION

A letter from the Liquidator of the War Assets Administration, transmitting, pursuant to law, the final quarterly progress report of that Administration for the period ended June 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITION AND MEMORIAL

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 3

"Concurrent resolution requesting the Senate of the United States of America to pass H. R. 4686 authorizing the issuance of certain public-improvement bonds by the Territory of Hawaii, and setting forth the desirability and urgency of such action for the improvement of the Territory of Hawaii and the relief of unemployment within the Territory of Hawaii

"Whereas the Twenty-fifth Legislature of the Territory of Hawaii at its regular session of 1949 enacted into law Act 401 relating to public improvements and the financing thereof and providing for the issuance of general-obligation bonds of the Territory of Hawaii in the aggregate amount of $14,820,750; and

"Whereas under the present limitations of the Hawaiian Organic Act, the bonds provided for by said Act 401 cannot be issued without the authorization of the Congress of the United States, and this restriction is recognized and contained in said Act 401 itself; and

"Whereas H. R. 4686 was introduced into the House of Representatives of the United States for the specific purpose of authorizing the issuance of the bonds provided for in said Act 401, and said H. R. 4686 passed the said House of Representatives and was transmitted to the Senate of the United States of America and there referred to the Senate Committee on Interior and Insular Affairs where the said H. R. 4686 is now and has been for some time pending; and

"Whereas the improvements provided for in said Act 401 are all of great importance to the Territory of Hawaii, covering schools, hospitals, government buildings, and various other items which have been made necessary by the rapid increase in the population of the Territory of Hawaii since 1939 and also by the cessation of such public works during the period of active hostilities in World War II; and

"Whereas the present and immediate commencement of the program of public works provided for in said Act 401 has become a matter of great urgency in view of the alarming increase in unemployment in the Territory of Hawaii: Now, therefore, be it

"*Resolved by the House of Representatives of the Twenty-fifth Legislature of the Territory of Hawaii in special session assembled (the Senate concurring)*, That the Senate of the United States of America be and it is hereby respectfully requested to pass H. R. 4686, entitled: "A bill to authorize the issuance of certain public-improvement bonds of the Territory of Hawaii and to confirm and ratify Act 401 of the Session Laws of 1949 of the Territory of Hawaii, relating to issuance of public-improvement bonds"; and be it further

"*Resolved*, That the Senate of the United States of America be and it is hereby respectfully advised that the passage of said H. R. 4686 is desirable, necessary, urgent, immediate, and essential to the welfare of the Territory of Hawaii, both from the point of view of the physical improvements which will be provided under the authority thereof and of the work which will be provided in connection with such public improvements to alleviate unemployment in the Territory of Hawaii; and be it further

"*Resolved*, That duly certified copies of this concurrent resolution be forwarded to the President of the Senate of the United States

of America, the chairman of the Committee on Interior and Insular Affairs of the Senate of the United States of America, and the Delegate to Congress from Hawaii."

By Mr. O'CONOR (for Mr. TYDINGS):

A memorial of sundry citizens of the city of Baltimore, Md., remonstrating against the enactment of House bill 6000, providing compulsory health insurance; to the Committee on Labor and Public Welfare.

CURTAILMENT OF GOVERNMENT EXPANSION—RESOLUTION OF KIWANIS CLUBS OF THIRTY-FIRST CAPITAL DISTRICT CONVENTION

Mr. BYRD. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Kiwanis Clubs of the Thirty-first Capital District Convention, held in Richmond, Va., on October 8, relating to governmental expansion and securing economy and sound financing by Federal, State, and local governments.

There being no objection, the resolution was referred to the Committee on Expenditures in the Executive Departments and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE KIWANIS CLUBS OF THE THIRTY-FIRST CAPITAL DISTRICT CONVENTION IN RICHMOND, VA., ON OCTOBER 8, 1949

Whereas increased Federal, State, and local spending is consuming our savings and continued deficit spending in peacetime will ultimately result in bankruptcy for our Nation; and

Whereas an alarmingly large proportion of our entire population is now employed by Federal, State, and local government; and

Whereas continued governmental expansion threatens our personal freedom and our cherished system of constitutional government; and

Whereas it is today apparent to all liberty-loving Americans that, in the words of Thomas Jefferson, "to preserve our independence * * * we must make a choice between economy and liberty or profusion and servitude": Now, therefore, be it

Resolved by this convention of the Capital District of Kiwanis International, assembled at Richmond, Va., this 8th day of October 1949, That Kiwanis International be requested to inaugurate and actively to promote, in cooperation with its district organizations, a Nation-wide campaign on behalf of all the people for curtailing governmental expansion and for securing economy and sound financing by Federal, State, and local Government.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—RESOLUTION OF AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE, ST. PAUL, MINN.

Mr. CAPEHART. Mr. President, I have before me a copy of a resolution adopted October 6, 1949, at a meeting of the America's Wage Earners' Protective Conference in St. Paul, Minn.

This resolution deals with the threat to American jobs created by the adoption by this Congress of a reciprocal trade treaty act which is devoid of the peril-point protection sponsored by the Republican Members of the Senate.

This resolution expresses the opinion of the workers of America toward the threatened competition with cheap-labor foreign products at a time when our economy requires a high national income.

I believe the Members of the Senate and every citizen of this Nation will find the contents of this resolution to be thought-provoking. I ask unanimous consent that it be appropriately referred and printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

ECA IMPORT PROGRAM AND THE TARIFF—RESOLUTION ADOPTED IN MEETING OF AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE, ST. PAUL, MINN., OCTOBER 6, 1949

Whereas the national debt in the United States is in excess of $250,000,000,000 requiring $5,000,000,000 in payment of annual interest thereon;

Whereas benefit payments and other assistance to veterans require annual appropriations of approximately five additional billion dollars, with little probability of reduction in the near future grants to foreign governments for rehabilitation and recovery call for still another five or six billion dollars per year, and national defense appropriations demand some $15,000,000,000 annually; while the costs of the civil government, including price support of agricultural products and higher pay of public employees, consume an additional fund of twelve to fifteen billion dollars;

Whereas the annual national budget thus exceeds $40,000,000,000, a great part of which is fixed and recurrent in character, thus offering scant hope of material reduction;

Whereas a national income of more than $200,000,000,000 per year is necessary to sustain a budget of this magnitude without an increase in Federal taxation which already absorbs approximately 20 percent of national income;

Whereas such a level of national income can be sustained only by a combination of (1) high wages, (2) a high level of employment, (3) a high degree of production, and (4) a high level of prices;

Whereas the dollar shortages of numerous foreign countries, caused in great degree by the financing of two world wars, has created a demand for a much greater volume of imports by the United States as a means of restoring trade balances and has led recently to a devaluation of foreign currencies as a step toward that goal;

Whereas the high plateau upon which the economy of the United States now rests makes it highly vulnerable to the deflationary and undermining effects of imports if these can be offered in our markets at prices below those offered by our own producers;

Whereas the condition of shortages which prevailed during the postwar period in this country has disappeared in nearly all lines of goods and commodities, and given way to the threat of surpluses, thus marking the shift from a seller's to a buyer's market;

Whereas a moderate decline in the general price level may be desirable but a marked decline or a return to the prewar price level would be disastrous;

Whereas the competitive effects of imports, priced, after payment of duty, below the level at which our own products can profitably be sold in our home market, are to depress wages and curtail employment in a buyer's market as distinguished from a seller's market: Therefore be it

Resolved, That America's Wage Earners' Protective Conference, a nonprofit organization, composed exclusively of national and international unions affiliated with the American Federation of Labor, with sympathetic understanding and appreciation of the economic difficulty that confronts foreign countries as well as the United States in their efforts to restore trade balances and to overcome the problem of dollar shortages abroad, memorialize the President and the Congress of the United States, setting forth the great economic peril to the Nation that inheres in the present policy of selectively exposing American producers, through theoretically considered tariff reductions, to low-wage competition from abroad; be it further

Resolved, That we regard it to be wholly unnecessary and in fact destructive of the avowed purpose of promoting imports to reduce import duties to a point that creates pressure on wages and prices in this country; and that the objective of increased trade can best be met by setting tariff rates at a level that will insure fair and not destructive competition; that the deflationary pressures generated by unfair foreign competition cannot be localized nor readily arrested through present escape provisions in trade agreements, and that, therefore, the idea of promoting the general interest at the expense of a few industries, to be sacrificed in behalf of a general policy, is both false and dangerous; finally be it

Resolved, That since of necessity our Nation is committed as a requisite of meeting its internal and external obligations and commitments for some years to come, to a high national income and high prices as compared with prewar years, we consider the claims of consumers to buy imported goods at low prices to be invalid if such low prices destroy wage earnings and profits and thus reduce the national income and the sources of internal revenue; that this is the crux of the problem, and that the present method of reducing duties, through executive negotiation, without authoritative guidance from an impartial fact-finding agency, is inexpert, irresponsive to the needs of domestic producers, and inadequate to the intricate requirements of the problem.

The implications of a greatly expanded import program are so far-reaching in their possible impact upon the present vulnerable economy of the United States, that any such program should be launched only under the guidance of the most responsible, practical, and competent officials and should not be left solely in the hands of employees of executive agencies who are far removed from the field of production and who regard our producers simply as selfish interests.

O. R. STRACKBEIN,
Executive Secretary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

H. R. 6303. A bill to authorize certain construction at military and naval installations, and for other purposes; with amendments (Rept. No. 1174).

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, October 14, 1949, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes; and

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The VICE PRESIDENT laid before the Senate a report for the period July 25

through September 25, 1949, from the chairman of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

OCTOBER 7, 1949.

SENATE INVESTIGATIONS SUBCOMMITTEE OF THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July 25 through September 25, 1949, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual and address	Name and address of department or organization by whom paid	Annual rate of compensation
Frederick M. Coughlin, Falkland Apartments, Silver Spring, Md.	Civil Aeronautics Board, Commerce Department.	$6,235.20

CLYDE R. HOEY,
Chairman.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 2694. A bill for the relief of Harry L. Cashia; to the Committee on the Judiciary.

By Mr. CAIN (for Mr. MCCARRAN):

S. 2695. A bill for the relief of Stella Jean Stathopoulou; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 2696. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Trent Trust Co., Ltd., a corporation of the Territory of Hawaii, and Cooke Trust Co., Ltd., a corporation of the Territory of Hawaii, as receiver for said Trent Trust Co., Ltd.; to the Committee on the Judiciary.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 2697. A bill to make retroactive the increased Federal participation in the cost of construction of hospitals; to the Committee on Labor and Public Welfare.

By Mr. BALDWIN:

S. 2698. A bill for the relief of Nicholas Halasz, to the Committee on the Judiciary.

By Mr. GREEN:

S. 2699. A bill for the relief of Panagiotis D. Panteleakis; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2700. A bill for the relief of Leslie Fullard-Leo and Ellen Fullard-Leo; to the Committee on the Judiciary.

By Mr. MAGNUSON (for Mr. TAYLOR):

S. 2701. A bill to authorize the construction, operation, and maintenance by the Secretary of the Interior of certain reclamation projects in the State of Idaho; to the Committee on Interior and Insular Affairs.

By Mr. PEPPER:

S. 2702. A bill for the relief of Louis E. Gabel; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2703. A bill for the relief of Leif Ostern; to the Committee on the Judiciary.

(Mr. MORSE introduced Senate bill 2704, for the relief of Habibollah Farahnik, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. MORSE also introduced Senate bill 2705, for the relief of Endre Ungar, Ernest Szekely, Suzanna Gyarmati, Sandoz Chemical Works, National Securities Corp., Ltd., which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. HOEY:

S. 2706. A bill for the relief of Ho Hong; to the Committee on the Judiciary.

By Mr. LODGE:

S. J. Res. 136. Joint resolution requesting the President to issue a proclamation designating the anniversary of the sinking of the U. S. S. *Dorchester* as Dorchester Day, and for other purposes; to the Committee on the Judiciary.

HABIBOLLAH FARAHNIK

Mr. MORSE. Mr. President, I ask unanimous consent to introduce for appropriate reference, a bill for the relief of Habibollah Farahnik, and I request that the bill, together with a memorandum of explanation be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred, and printed in the RECORD, together with the memorandum. The Chair hears no objection.

The bill (S. 2704) for the relief of Habibollah Farahnik, introduced by Mr. MORSE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That Habibollah Farahnik, who entered the United States on October 27, 1945, under section 4 (e) of the Immigration Act of 1924, shall be accorded the same status, under the immigration laws of the United States, as a treaty trader, and so long as he shall engage in trade in accordance with such status, he shall be permitted to remain in the United States.

The memorandum presented by Mr. MORSE is as follows:

MEMORANDUM RE HABIBOLLAH FARAHNIK

Mr. Habibollah Farahnik entered the United States from Iran on October 27, 1945 as a student, under section 4 (e) of the Immigration Act of 1924, and studied at a New York preparatory school, Hunter College, and the business school at New York University. He has maintained a good scholastic record despite his initial language difficulties.

Mr. Farahnik, after learning business methods, established contacts with his home country, in order to undertake import-export trade between Iran and the United States. He desires to complete his studies by attending the graduate school of business at New York University, but in order to do so he must support himself. Unfortunately, no treaty exists between Iran and the United States, under which he can become a treaty trader and therefore be authorized to carry on commercial transactions while in the United States, although his activities would have the effect of encouraging trade between the two countries. Under the circumstances, unless special consideration can be accorded Mr. Farahnik, his engaging in trade during his period of study would be in violation of his student's status in the United States.

In view of the fact that this man desires to complete his studies in the United States and engage in trade between Iran and this country, it is believed that his case does merit special consideration.

ENDRE UNGAR ET AL.

Mr. MORSE. Mr. President, I ask unanimous consent to introduce for appropriate reference, a bill for the relief of Endre Ungar, Ernest Szekely, Suzanne Gyarmati, Sandoz Chemical Works, National Securities Corp., Ltd., and I request that the bill, together with a brief, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred, and printed in the RECORD, together with the brief. The Chair hears no objection.

The bill (S. 2705) for the relief of Endre Ungar, Ernest Szekely, Suzanne Gyarmati, Sandoz Chemical Works, National Securities Corp., Ltd., introduced by Mr. MORSE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the President, or such officer or agency as he may designate, may return the property and interests vested in or transferred to the Office of Alien Property under vesting orders 16, 68, 94, 141, 920, 1188, 1645, 2041, 2582, 2758, 2982, and 3339, in the name of Chinoin Chemical and Pharmaceutical Works Co., Ltd., to Endre Ungar, Ernest Szekely, Suzanne Gyarmati, Sandoz Chemical Works, and National Securities Corp., stockholders in Chinoin Chemical & Pharmaceutical Works Co., Ltd., in the proportion which the stock interests of each in that corporation bore, on December 7, 1941, to the total holdings of all the parties named above: *Provided*, That the President or such officer or agency shall determine that said persons are not persons ineligible to receive the return of property under section 32 of the Trading With the Enemy Act, as amended.

The brief presented by Mr. MORSE is as follows:

BRIEF

The Chinoin Chemical & Pharmaceutical Co., Ltd., was formed in Budapest, Hungary, in 1910, as the Alka Chemical & Pharmaceutical Factory, by Dr. Emil Wolf and Dr. George Kerszty, for the production of fine chemicals and pharmaceuticals. In 1912 the center of operations was moved to Ujpest, Hungary, and the company was given its present name. During the 30-year period following its founding, its history was one of successful expansion in the face of formidable competition from the powerful German industry, not alone on the basis of commercial rivalry, but also in the form of political influence, surreptitious efforts to acquire control of the firm through purchase of its stock, discrimination in the supplying of machinery, intermediates and raw materials, and finally culminating in the German industrial boycott of 1942, whereby all raw materials from that source were cut off. This development could have been predicted, since Chinoin's emergence as a supplier of pharmaceuticals and fine chemicals inevitably thwarted the southeastward expansion of the growing German interests. At the peak of its activities, Chinoin employed a total of about 2,000 persons in its plants at Ujpest, as well as some 500 others in foreign posts.

Chiefly responsible for this achievement were one of the company's cofounders, Dr. Wolf, and Dr. Endre Ungar, who joined the organization in 1918. Both were chemical engineers, both acutely aware of the difficulties involved in opposing the German cartels and, more especially, of the necessity of preserving the company from German influence through stock ownership. This latter was a difficult feat, in view of the

great need for capital for the expanding activities of the firm, a need most easily satisfied by the issuance of new shares in the company. However, by judicious placing of these issues, control was retained in friendly hands, with important blocks of stock being held by Swiss and British interests.

Thus, at the time of the United States' entry into World War II, Chinoin was an antagonist of many years' standing of German interests. For these reasons it was only normal that the firm's conduct during the war period should continue to be one of opposition at every point to the realization of German aims. Because of its precarious situation at this time, these measures perforce were of a clandestine nature. In the first place, it adhered to a policy of refusing to convert any of its facilities to the manufacture of war goods proper. And, though by now the German Government would gladly have taken Chinoin's entire output, so great were the demands of her military services, deliveries were restricted to the peacetime level—a mere trickle. The company was strengthened in this position by Hungarian Government support, motivated by a growing fear of the constantly increasing mark balance, with its harmful effect on the national economy.

Its aid to the allied cause, however, was not confined to negative measures. During the occupation of the Balkans by the British Army, huge consignments of medicines were dispatched to these forces, by way of Istanbul, when the need for them was desperate because of the blockading tactics of the Italian and German air and submarine forces. Through the same channels considerable quantities of hormones and vitamins were later supplied the British during the period of extreme food shortage there. The Yugoslav partisan forces were furnished, gratuitously, with necessary drugs, which were smuggled to them across the border. Shipments in excess of the Bulgarian need were sent to that country, whence they found their way to the people of Greece, suffering under the Nazi occupation. Through the Swiss Red Cross, supplies of such precious commodities as sulfanilamide and sulfathiazol (of which Chinoin was the original manufacturer) reached plundered Poland and Belgium. While these measures did not constitute a great sacrifice on the part of Chinoin, their value in terms of the alleviation of suffering can scarcely be overestimated.

The success of such tactics is attested by the speedy seizure of the company's principal officers, Dr. Ungar and Dr. Wolf, when Hungary was taken over by the Nazis in March 1944. Within 2 days of the occupation of the plant, both were placed under arrest and imprisoned, and subsequently deported to Germany and sentenced to death. They escaped this fate only by the timely arrival at the camp where they awaited execution of a Swiss Red Cross mission. By the time this unit had departed, discipline had deteriorated to the point that the normal grisly business of the camp was suspended, due to the imminence of the final German disaster, and these men were spared.

The foregoing will indicate the position of Chinoin itself during the war period. As to the personalities connected with it, their stories merely echo this resistance to nazism.

Dr. Ungar, managing director and a major stockholder of Chinoin, was the activating force in the camouflaging of ownership of the foreign shares of the company to prevent their falling into the hands of the Germans when the country was occupied. Thus one of the chief charges against him in the "trial," which can better be described as an administrative measure, wherein he was entenced to death, was that of implication in the disappearance of the foreign shares of Chinoin. Prior to the German occupation of Hungary, Dr. Ungar was the source of much aid to Polish, French, Yugoslav, and English refugees in their flight from the advancing Nazi forces, through furnishing these persons with money, hiding places, and sources of escape. Some were even employed at the factory. During the entire period between the beginning of the rise of the Third Reich and Dr. Ungar's seizure, nominally as a hostage, both he and Dr. Wolf were subjected to extreme and unremitting pressure to cause them to surrender their interests in Chinoin, which would have amounted to handing over control of the company. They successfully withstood this pressure. Dr. Ungar also acted as a source of intelligence to the British authorities, keeping in contact with them through the British Consulate in Budapest until its closing, and later through British representatives in Istanbul, Turkey, and Basel, Switzerland. After his miraculous escape and subsequent liberation by the Allies, Dr. Ungar returned to Hungary to find that his wife and her parents had been taken into custody by the Germans, because of the fact that Dr. Ungar was considered to be a danger to Germany and extremely pro-Anglo-American-minded," and that all had perished in German concentration camps during the early part of 1945. Dr. Ungar's danger and difficulties, and those of his family, were increased by reason of his part-Jewish extraction. Dr. Ungar has now become a resident and a citizen of Mexico, where he continues his efforts on behalf of the company. Since the overthrow of Ferenc Nagy's government, which he supported as the only liberal party in the country, his return to Hungary would be hazardous.

The story of Dr. Wolf, cofounder, general manager, chief technician, and large shareholder of Chinoin, is largely that of Dr. Ungar. He was active in the aid of refugees from nazism; he was seized and imprisoned at the same time as Dr. Ungar; both were marked for death for the same crimes and both miraculously escaped under the same circumstances, as related above. Also of Jewish origin, Dr. Wolf found on his return to Budapest that his daughter had fled the country because of fear for her safety, while his wife had been spared any prosecution by reason of her Aryan origin. Dr. Wolf took up his efforts to revive Chinoin, but suddenly died in Belgium in 1947. His interests in the company are now represented by his daughter, Mrs. Susanne Gyarmati, who is at present a resident of Paris.

Ernest Szekely, cousin of Dr. Wolf and the holder of 15,025 shares of Chinoin stock, prior to the war was the managing partner of a wholesale chemical and pharmaceutical outlet in Paris, which marketed the products of Chinoin in France. Although an Austrian citizen, Szekely surrendered his passport to the French authorities when the Germans invaded that country in 1933, and was given the status of "ex-Austrian." When fighting commenced in France he was interned but released shortly thereafter as a friend of France. Though he applied for service with the Foreign Legion, before being accepted he decided to join the Foreign Pioneer Corps, and served with that body until the French surrender. Although he managed to remain in hiding for some time after the fall of France, he was discovered and sent to a forced-labor camp. In 1941 he escaped to Cannes, where he joined a group of Franco-British resistance workers. By the following autumn his position had become precarious, and he was ordered to Britain, where he arrived after having escaped to Gibraltar in a fishing vessel. In London Szekely was assigned to the French service staff of the British Broadcasting Co, where he was in charge of news bulletins to be broadcast in French. Upon the liberation of Paris he was sent there as chief of the foreign relations department of the foreign service of the French broadcasting system, where he remained to the end of the war By spreading false rumors of his divorce from his wife, his family was spared prosecution at the Nazis' hands Mr Szekely has become a French citizen since the war's end

One other incident in the relationship between Chinoin personnel and the Nazis merits mention: In October 1944, when German industry was feeling the pinch of shrinking manpower, a considerable body of leading Chinoin chemists, engineers, and other select employees was taken to Germany for the purpose of aiding the German war effort. Because of their refusal to cooperate, all perished before the liberation.

The total holdings of Chinoin consist of approximately 144,800 bearer shares. Of this total, the above-mentioned persons hold slightly more than 50 percent, distributed as follows: Dr. Ungar, 29,822 shares; Dr. Wolf's heirs, 27,857 shares; and Ernest Szekely, 15,025 shares. Further sizable blocks are held as follows: Sandoz Chemical Works (a large and well-known Swiss chemical manufacturing concern, located at Basel), 18,420 shares; National Securities Corp., Ltd. (a British investment house, which controls these shares for the accounts of various investors, to which any dividends are paid for distribution, and as to whose individual identities Chinoin has no knowledge), 5,500 shares. The director of National Securities is Mr. Sefton Turner, of London, who is also a director of Chinoin; Hungaria Chemical Works (a Budapest manufacturing firm, controlled by various local interests), 22,000 shares. Small holdings of several Chinoin officers presently in Hungary account for 3,000 shares more. This represents a total of 121,624 shares. It is not possible to account for the remaining twenty-odd-thousand shares, since the stock is listed on the stock exchange in Budapest, where it is regularly the subject of trade. In 1943 this stock had a real value of approximately $25 per share, and a nominal value of 10 pengos per share.

From this tabulation it will be seen that 96,624 shares are in the hands of neutrals, allies or friendly hands, roughly two-thirds.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "INVESTIGATION INTO THE UNITED STATES ATOMIC ENERGY COMMISSION"

Mr. McMAHON submitted the following concurrent resolution (S. Con. Res. 67), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Atomic Energy be authorized to have printed for its use 50,000 copies of Senate Report 1169, entitled "Report on Investigation into the United States Atomic Energy Commission," and which was introduced in the Senate on October 13, 1949.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolution were severally read twice by their titles, and referred, or ordered to be placed on the calendar, as indicated:

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes; and

H. R. 6185. An act to amend the Federal Credit Union Act; ordered to be placed on the calendar.

H. R. 5912. An act to amend the District of Columbia Alcoholic Beverage Control Act to restrict the sale on credit of beverages, except beer and light wines, not consumed on

the premises where sold; to the Committee on the District of Columbia.

H. R. 6316. An act to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.; to the Committee on Expenditures in the Executive Departments.

CITATION AND PRESENTATION OF SCROLL TO SENATOR MAGNUSON FOR SERVICE TO AMERICAN SEAMEN

[Mr. MYERS asked and obtained leave to have printed in the RECORD a citation accompanying the presentation of a scroll to Senator MAGNUSON at the seventh national convention of the National Maritime Union, for his service to American seamen, which appears in the Appendix.]

PLEA TO THE PRESIDENT TO APPLY TAFT-HARTLEY LAW TO NATION-WIDE STRIKES

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him urging that the Taft-Hartley law be applied in the present Nation-wide strikes, which appears in the Appendix.]

DISMANTLING INDUSTRIES IN GERMANY—ARTICLE BY LARRY RUE

[Mr. KEM asked and obtained leave to have printed in the RECORD an article regarding dismantling of industries in Germany, written by Larry Rue, and published in the Kansas City Times of October 12, 1949, which appears in the Appendix.]

IN DEFENSE OF AMERICA—ARTICLE BY WALTER WINCHELL

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article entitled "In Defense of America," written by Walter Winchell, and published in Coronet magazine for October 1949, which appears in the Appendix.]

THE WHITE MAN'S FUTURE IN THE ORIENT—ARTICLE BY ARTHUR KROCK

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "The White Man's Future in the Orient," written by Arthur Krock and published in the New York Times of October 13, 1949, which appears in the Appendix.]

SKEPTICISM MARKS REACTION TO BRANNAN PLAN—ARTICLE BY GEORGE R. HARVEY

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Skepticism Marks Reaction to Brannan Plan," written by George R. Harvey, and published in the Hoosier Farm magazine, which appears in the Appendix.]

THE POTATO INDUSTRY IN MAINE

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD a statement of fact relative to the potato industry in Maine, prepared by various agencies in Maine, which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. THYE asked and obtained consent to be absent from the Senate tomorrow, if the Senate shall be in session, and on Monday.

Mr. MARTIN asked and obtained leave to be absent from the sessions of the Senate tomorrow and on Monday next.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. BALDWIN obtained the floor.

Mr. DONNELL. Mr. President, will the Senator from Connecticut yield in order that I may suggest the absence of a quorum, without his losing the floor by so yielding?

Mr. BALDWIN. I am glad to yield for that purpose.

Mr. DONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	McCarthy
Baldwin	Ives	McKellar
Brewster	Jenner	Myers
Cain	Johnson, Colo.	Neely
Chapman	Johnson, Tex.	Russell
Connally	Johnston, S. C.	Saltonstall
Donnell	Kerr	Schoeppel
Eastland	Kilgore	Smith, Maine
Ellender	Langer	Taft
George	Lodge	Thye
Green	Long	Wherry
Hayden	Lucas	Wiley

The PRESIDING OFFICER. A quorum is not present.

The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. ECTON, Mr. FERGUSON, Mr. FULBRIGHT, Mr. KEM, Mr. KNOWLAND, Mr. MALONE, Mr. MORSE, Mr. THOMAS of Oklahoma, and Mr. YOUNG answered to their names when called.

The PRESIDENT pro tempore. A quorum is not present.

Mr. LUCAS. Mr. President——

The PRESIDENT pro tempore. The Senator from Illinois.

Mr. BALDWIN. Mr. President, I have the floor. I am glad to yield.

The PRESIDENT pro tempore. A quorum is not present.

Mr. LUCAS. Mr. President, I understand an honest quorum is desired. I, therefore, move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

Mr. DONNELL. Mr. President——

The PRESIDENT pro tempore. The motion is not debatable.

Mr. DONNELL. I was not going to debate it. I was going to inquire what the Senator from Illinois meant by "an honest quorum."

Mr. LUCAS. It means a quorum according to law—49 Senators, as the Senator from Georgia suggests.

The PRESIDENT pro tempore. Debate is not in order. The motion having been agreed to, the Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BRIDGES, Mr. CAPEHART, Mr. CORDON, Mr. DOUGLAS, Mr. DOWNEY, Mr. GURNEY, Mr. HENDRICKSON, Mr. HICKENLOOPER, Mr. HILL, Mr. HOEY, Mr. HOLLAND, Mr. HUNT, Mr. LEAHY, Mr. MAGNUSON, Mr. MARTIN, Mr. MCFARLAND, Mr. MCMAHON, Mr. MILLIKIN, Mr. O'CONOR, Mr. O'MAHONEY, Mr. PEPPER, Mr. THOMAS of Utah, and Mr. WATKINS entered the Chamber and answered to their names.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] and the Senator from North Carolina [Mr. GRAHAM] are absent by leave of the Senate.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are members of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and are therefore necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from Delaware [Mr. WILLIAMS] is absent on official business.

The PRESIDENT pro tempore. A quorum is present.

Mr. BALDWIN. Mr. President——

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

ESTABLISHMENT OF FOREIGN TRADE ZONES—CONFERENCE REPORT

Mr. GEORGE. Mr. President, I presented yesterday a conference report on House bill 5332. The matter was discussed on the floor, and the report was printed in the RECORD. At that time the distinguished Senator from Missouri [Mr. DONNELL], who was acting as minority leader, asked that a quorum be called. It was late in the evening, and there was objection to the request. A quorum now having been developed, I ask the Chair to lay before the Senate the conference report on House bill 5332.

Mr. DONNELL. Mr. President, reserving the right to object, I may say to the Senator that I have just been advised that the Senator from Wisconsin [Mr. MCCARTHY] desires to be present when the conference report is discussed. I am wondering if the Senator would be willing to wait a few minutes so that the Senator from Wisconsin can reach the floor.

Mr. GEORGE. I shall, of course, be glad to wait; but this is a conference report which has to be acted on first in the Senate, and it will then go to the House. Time is passing rapidly. I should like to get action on the report as soon as possible, but I shall withdraw my request for immediate consideration of the conference report, under the statement made by the Senator from Missouri.

Mr. DONNELL. I appreciate the courtesy of the Senator. I am informed that the Senator from Wisconsin was in his office a moment ago and will be here very shortly.

ADDITIONAL COPIES OF CERTAIN HEARINGS OF HOUSE JUDICIARY COMMITTEE

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. HAYDEN. Mr. President, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 128, providing for the printing of additional copies of certain hearings.

The PRESIDENT pro tempore. Without objection, the clerk will read the concurrent resolution.

The legislative clerk read the concurrent resolution (H. Con. Res. 128), as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of the hearings, held before said committee, on the resolutions entitled "Proposing an Amendment to the Constitution of the United States Providing for the Election of President and Vice President."

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

IMPLEMENTATION OF INTERNATIONAL WHEAT AGREEMENT

Mr. THOMAS of Oklahoma. Mr. President, the House of Representatives has passed House bill 6305 to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. THOMAS of Oklahoma. Mr. President, the Senate has passed Senate bill 2383, and that bill has been sent to the House. The House has passed House bill 6305. In order to get the matter into conference and bring about an adjustment, I move that all after the enacting clause in the House bill be stricken and that there be inserted in lieu thereof the text of the Senate bill as passed by this body yesterday.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to.

The PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist on its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. GILLETTE, Mr. YOUNG, and Mr. HICKENLOOPER conferees on the part of the Senate.

FINANCING OF MISSOURI RIVER BRIDGE AT BROWNVILLE, NEBR.

Mr. KEM. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Missouri.

Mr. KEM. Mr. President, I ask unanimous consent that the Senate take up for consideration Calendar No. 1176, House bill 5674, an act to extend the time for the collection of tolls to amortize the costs, including reasonable interest and finance cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.

The PRESIDENT pro tempore. Is there objection?

Mr. DONNELL. Mr. President, may I ask the Senator to state briefly the purpose of the bill?

Mr. KEM. Mr. President, under the law providing for the construction of this bridge it was provided that the cost should be amortized over a period of 20 years and that the tolls should be assessed accordingly. The tolls are insufficient to pay the service on the bonds on that basis, so the bonds are to be refunded and the period over which the bridge is to be paid for has been extended from 20 years to 30 years.

This bill has been passed unanimously by the House of Representatives. It was recommended by the Department of the Army, by the General Services, by the Budget Bureau, and unanimously approved and reported by the Senate Public Works Committee.

Mr. DONNELL. I thank the Senator.

Mr. MORSE. Mr. President, I should like to ask the acting majority leader if it is the intention of the leadership to have the calendar called before we adjourn.

Mr. MYERS. Mr. President, it is our purpose to have the calendar called before the adjournment.

Mr. MORSE. I do not like to object, because my friend, the Senator from Missouri is involved, but I do not like to have bills taken from the calendar out of order. I think we should all take our chances on the calendar, and I am going to object to the consideration of this bill or to any bill being taken off the calendar until it is called.

The PRESIDENT pro tempore. Objection is heard.

Mr. KEM. Mr. President, the Senator from Oregon objected earlier in the day to the consideration of the bill on the ground that he did not think it should be taken up except when there was a quorum called. A quorum call has now been had, and I understood his objection had been overcome.

Mr. MORSE. After my objection this morning I discussed this matter with several other Senators, and in view of the fact that I have taken the lead in the matter of protecting the calendar and having all bills considered in their order, I said I would continue to object to any bill being taken up out of order, and I am going to do so from now until we adjourn, as a matter of policy.

The PRESIDENT pro tempore. Does the Senator object to the consideration of the bill?

Mr. MORSE. I object.

The PRESIDENT pro tempore. Objection is heard.

COMPENSATION OF CERTAIN GOVERNMENT OFFICIALS

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Yesterday there was submitted the conference report on H. R. 1639, a bill relating to the salaries of certain Government officials. After being considered for a while it was laid aside temporarily. It is the report of a free conference, and I ask that it be considered immediately.

The PRESIDENT pro tempore. Is there objection?

Mr. DONNELL. Mr. President, I ask the distinguished Senator if he will be kind enough to give us a statement of the net effect of the tabulated figures shown on pages 14423 and 14424 of the RECORD. I may say to the Senator that I have noted the summary on page 14425, but I assume he will start with that and indicate perhaps in a little more detail just what the bill provides.

Mr. JOHNSTON of South Carolina. Mr. President, I am glad to furnish the Senator from Missouri the information he desires.

He will find, if he will look at the table on page 14425 of the RECORD of yesterday, that the amount to be appropriated under the conference report is $80,090 more than was carried in the bill as it passed the Senate. It is $155,701 less than was carried in the bill as it was passed by the House of Representatives.

I should also like to call to the Senator's attention the fact that the bill carries the salaries for 15 Under Secretaries, which accounts for $37,500 of the increase. He will also find that the conference report cares for 14 positions which were not included in the bill as it passed the Senate, which accounts for about one-third of the increase.

Mr. DONNELL. I thank the Senator for this amplification of the tabulation in the RECORD.

The PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the report was considered and agreed to.

Mr. LONG. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Louisiana.

Mr. LONG. In the RECORD of yesterday at page 14425, it is shown that I stated that I had not signed the conference report on the executive pay bill. This was incorrect. I had for some time considered not signing the conference report, because I had opposed vigorously any increase above the amounts in the bill as it was passed by this body. However, after conferring with other Senators, they indicated they thought it would be all right to go ahead, and I did sign the conference report with the raises therein indicated.

ESTABLISHMENT OF FOREIGN TRADE ZONES—CONFERENCE REPORT

Mr. GEORGE. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Georgia.

Mr. GEORGE. I see that the Senator from Wisconsin is now on the floor of the Senate, and I should like to call up again the conference report on the bill (H. R. 5332) to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones.

The PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

Mr. McCARTHY. Mr. President, is this the conference report on the bill to which the Senate attached the fur amendment?

Mr. GEORGE. It is.

Mr. McCARTHY. I shall be forced to object to the consideration of the conference report. I understand the conferees refused to accept the Senate provision, and that two of the conferees refused to sign the report.

Mr. GEORGE. That is true. The minority members of the conference committee declined to sign the report, but the majority of the Senate and House conferees signed the report.

Mr. McCARTHY. I shall be forced to object. I assume the Senator will move to bring it up.

Mr. GEORGE. No; the Senator from Georgia will not move to bring it up again, because I have acted in the utmost good faith, and made every effort to get an agreement on the fur amendment. It cannot be agreed to, and there is no need of giving it further consideration. So the Senator from Georgia will decline to move to bring it up again.

Mr. LONG. Mr. President, I did not object to the fur amendment, which is totally irrelevant to the purpose of the bill, because I was assured there was no objection, and that it would be accepted at the White House. I now understand that those assurances were not correct, and that by my failure to object to this amendment I sacrificed my right to assist in the passage of a measure which would have been exceedingly beneficial to my State. I hope I may have opportunity later to move to bring this matter up, because it is one which will benefit many portions of the country, and will do little or no harm to any section.

It is unfortunate that this fur amendment could not be agreed to. When it was offered in connection with the reciprocal trade bill, I voted for the amendment. However, it is completely irrelevant to the purposes of the bill we have under consideration, and since it cannot be agreed to, I believe that the conference report should be agreed to.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Wisconsin.

Mr. McCARTHY. Am I correct in stating that during the conferees' attempt to get together—and I think the conferees did make a very sincere attempt to get together—all the conferees were subject to almost unlimited lobbying and pressure from the State Department, that a Mr. Brown from the State Department just hung right outside the door and inside the room during the time the conferees were working, during all the time they were working on the measure?

Mr. LONG. That may be correct, I do not know whether it is or not, but the Senator from Wisconsin assured the junior Senator from Louisiana that the State Department had no objection to this amendment, that the FBI would like to see it go into effect, that the Central Intelligence Agency thought it would be a good idea, and that the White House would have no objection. I do not think those assurances were correct at the time they were given, and they certainly are not effective today.

Mr. McCARTHY. I have no pipe line to the State Department, and I do not want any. I have never had any idea as to what the State Department would do toward this bill. I have known that the State Department has been lobbying against it, and I think there is the most vicious antifarmer lobby in the State Department conceivable. They have been very effectively lobbying against a vast segment of agriculture. In my State fur farming is an important industry.

We know that this amendment will injure no one except, No. 1, the Russians. The furs come from Russia. No. 2, it will curtail the activities of Amtorg. Amtorg is the official Russian trade organization or commission in New York. The Senator from Louisiana will recall that during the Coplon case it was also developed that Amtorg had been indulging and engaging in espionage activities. They were purchasing in this Nation things for which they could not obtain import licenses, such as Geiger counters. They are paying for them with the money they received from the sale of furs.

As I say, the only individuals who can be injured, No. 1, are those in Russia who are raising fur-bearing animals. There is the question of favoring them over the American fur farmers. There has been complete dumping by the Russians. The Russian Government apparently does not care how much money it loses on furs. They use the money obtained from the sale of furs as a source of revenue for Amtorg to carry on their espionage activities. If I told the Senator from Louisiana anything as to what the FBI or the Atomic Energy Commission had to say about this matter, it was told the Senator in the strictest confidence. I have never told the Senator anything as to what the State Department felt about this matter. I know now and I have known all along that the State Department has no interest in our farmers. The State Department does not give a tinker's dam whether or not the approximately 5,000 fur farmers in my State who have been depending upon furs exclusively for a living, go broke. They do not care about the twenty or thirty thousand farmers in other States who depend upon the raising of fur-bearing animals as a part of their source of income.

I have never told the Senator from Louisiana—I am sure he is honestly mistaken, but someone else may have told him—how the State Department felt about the matter. I did tell the Senator some things as to how certain members of the staff of the Atomic Energy Commission felt about it. I know the Senator did not realize at the time that what I said was told him in strictest confidence. I shall be glad to have the Senator check on this statement.

Mr. LONG. Mr. President, I am sure that if anything of a confidential nature, as it relates to State Department secrets, has been revealed on the floor of the Senate, it has not been revealed by the Senator from Louisiana. I voted for the fur amendment when it came up for consideration in connection with a proper and relevant bill, namely, the reciprocal trade agreements bill. I voted with the Senator from Wisconsin on that amendment. I supported his amendment for the reason that the adoption of such an amendment would not only benefit Wisconsin but would benefit Louisiana, and I think it would benefit the Nation generally.

The fur-farming industry of the State of Louisiana exceeds that of the State of Wisconsin, world without end. Louisiana is the greatest trapping State in the entire Union, and one of the greatest fur-producing areas in the entire world. Nevertheless, we have here a bill to which the amendment of the Senator from Wisconsin is totally irrelevant. The amendment was offered to the bill in an effort to put it through as a rider, with the assurance there would be no objection to the amendment. When the amendment was strenuously objected to, and it appeared there was no possibility of agreeing to it, contrary to the assurance I had been given, a different situation presented itself. And I so stated to the Senator. It is not a matter of record. It is something that is known only to the Senator from Wisconsin and to myself.

I ask that this conference report may be considered. It would not harm anyone. I do not believe the Senator from Wisconsin has any objection to the bill to which he offered his amendment, aside from the fact he would like to have his fur amendment included. I see no reason why a bill of this nature, which would be of considerable benefit, and would harm no one, should be defeated merely because the State Department and the White House and various Government agencies are unwilling to go along with the Senator's fur amendment. I would be willing to go along with the

fur amendment, but there are many who would not.

Mr. McCARTHY. Mr. President, I think the Senator from Louisiana did a very good job in his attempt to protect the fur farmer. The Senator gave me his support at the time we tried to attach this amendment as a rider to the reciprocal trade agreements bill. The Senator voted with us, and I think he should go along with us in the interest of the fur trappers of his State. I hope the Senator from Louisiana will not misunderstand anything I have said as being a personal criticism of him. I think the reason the Senator from Louisiana finally voted to reject the Senate amendment was because he was honestly convinced the President would veto the bill unless the amendment was rejected. So I certainly do not question the motives of the Senator from Louisiana. But I think the Senator will agree with me that when the Senate, in its final action, unanimously voted that a certain segment of our agriculture should be protected, it is nothing short of vicious for the State Department to have five or six lobbyists here contacting members of the committee inside and outside the conference room. While we can stand the advice and counsel of any department, I do not believe this body should be subjected to its pressure and its lobbying.

I should like to say another word. The Senator will realize that there is involved in this question something entirely aside from the question of protecting our fur farmers. I should like to read one paragraph to the Senator and ask him if he remembers the occurrence. I read from page 12879 of the CONGRESSIONAL RECORD of September 15:

ATOM TOOLS SHIPPED TO REDS, FBI REVEALS—DEVICES SNEAKED OUT BY AMTORG'S AGENTS

An FBI report offered as evidence in the espionage trial of Judith Coplon revealed yesterday that atomic research instruments were shipped to Russia in 1947 without United States export clearance.

The instruments were manufactured for Amtorg—

Amtorg, it will be understood, is the marketing agency for the Russian furs—

by the Cyclotron Specialties Co., and were shipped on August 21, 1947. Customs officials halted another shipment on September 2, 1947, as it was being loaded abroad the steamship *Murmansk*. A third shipment later was intercepted at Claremont, N. J.

Then, as the Senator will recall, I assume, during that trial when the FBI records were revealed upon the order of the judge, it developed that Amtorg was the source of funds for all Russian espionage.

There is one other question I should like to ask the Senator from Louisiana. Is he aware of the fact that the Russians are selling their furs in this country without any consideration at all as to the cost of production in Russia—so much so, in fact, that other nations, Denmark, for example, which sells furs to the United States, as a market, cannot compete with this kind of competition, which ignores all cost whatsoever. I am sure this statement may interest the Senator from Louisiana: As of today in Denmark if one purchases a fur on the open market for $30 and ships it to the United States, the Danish Government refunds to the shipper one-third of the cost of the fur. In other words, there is an export subsidy. So the result of the Russian dumping of furs is that other nations, which normally could have an honest market in this country and engage in a type of competition which we could stand, must invoke export subsidies in order to meet this unusual Russian competition.

Mr. President, I shall not take any more of the Senator's time, but if he will go over the record he will find that Canada also has had to go to unusual lengths in order to meet this unfair competition.

I think it would be a great mistake for the Senate now to succumb to the anti-farmer lobbying of the State Department.

The PRESIDING OFFICER (Mr. HOEY in the chair). There is nothing before the Senate. The report has been put over. The Senator from Connecticut [Mr. BALDWIN] has the floor.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. MAGNUSON. Mr. President, yesterday my colleague [Mr. CAIN] made a statement regarding a meeting in New Orleans on the problem of displaced persons. In answer to that, I told the Senate that I did not have time to get all the facts I should like to present to the Senate, but I think the record would be much clearer on this matter if at this time I placed in the RECORD the names of the sponsors of that meeting. I have gone into my files and have found the names of the sponsors of the meeting.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. Let me finish, and then I shall be glad to yield.

The meeting was held under the auspices of the New Orleans Foreign Policy Association, Loyola University, and Tulane University. It was sponsored by those two institutions and the New Orleans Foreign Policy Association. Other sponsors were the Archdiocesan Council of Catholic Women, the New Orleans Council of Church Women; the New Orleans Council of Jewish Women; the New Orleans Council, Women's Action Committee for Lasting Peace; and the New Orleans League of Women Voters. The New Orleans Committee on Displaced Persons sponsored the symposium which was held at Tulane University, at Dixon Hall, Newcomb campus. The speakers were mentioned yesterday. I ask unanimous consent to have printed in the RECORD the list of the honorary committee.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Honorary committee: Mrs. George E. Allen, Mrs. Preston J. Arnoult, Rev. Henry C. Bezou, Mrs. Edwin H. Blum, Mr. Lionel J. Bourgeois, Mrs. Moise Cahn, Mrs. William J. Cousins, Mrs. Guy J. D'Antonio, Mrs. Nina Preot Davis, Mrs. Alfonso del Marmol, Mr. Chas. Payne Fenner, Jr., Mrs. George S. Frank, Mrs. Nat Friedler, Mrs. Joseph E. Friend, Mr. Clayton Fritchey, President Rufus C. Harris, Mrs. Anynaud F. Hebert, Mrs. Irwin Isaacson, Mr. John Hall Jacobs, Mr. E. S. Kalin, Rev. John S. Land, Miss Edna V. Langhoff, Mrs. Monte Lauter, Rabbi Emil W. Leipziger, Mr. E. S. Lotspeich, Mrs. Harold Kay Marshall, Mr. Harold E. Meade, Dr. Joseph C. Menendez, Mr. Ben C. Moise, the Honorable Mayor deLesseps S. Morrison, Mr. Ralph Nicholson, Mr. A. B. Paterson, Mr. Steve Quarles, Miss Mary Raymond, Mrs. Robert G. Robinson, Most Rev. Joseph Francis Rummel, S. T. D., Mr. George Schneider, Mr. Paul Schuler, Mrs. Arthur C. Seavey, Rev. Thomas J. Shields, S. J., Mr. Edgar B. Stern, Miss Eva Steuernagel, Mrs. Rodney Toups, Rev. Canon W. S. Turner, Miss Elsie Mary Vuilliet, Mrs. Gustaf R. Westfeldt, Jr., Mrs. C. B. Stanton Wharton, Dean Logan Wilson.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CAIN. May I ask if the Senator would permit the reporter to read aloud the first couple of sentences in the statement he has just made? I wish to be certain that I understand it.

Mr. MAGNUSON. I think I know what the Senator has in mind. I stated that a meeting had been mentioned. I should have said that in our colloquy on this subject I mentioned it.

Mr. CAIN. What the Senator is suggesting is that any reference to the city of New Orleans and the meeting just discussed was made by him.

Mr. MAGNUSON. The Senator is correct.

Mr. CAIN. I wanted to be certain. I thank the Senator.

Mr. MYERS. Mr. President, on behalf of the senior and junior Senators from Illinois [Mr. LUCAS and Mr. DOUGLAS], the senior Senator from North Dakota [Mr. LANGER], the senior Senator from Wisconsin [Mr. WILEY], the junior Senator from Maryland [Mr. O'CONOR], and myself, I submit an amendment to the pending bill which we propose as an immediate and necessary step toward an ultimate constructive solution to the so-called German ethnic expellee question.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

Mr. MYERS. Several weeks ago when I announced to the Senate that I intended to propose such an amendment, I had printed in the RECORD a copy of a statement explaining the amendment. I shall repeat a few paragraphs from that statement at this time. I may say that while the amendment is on the desk, I will, of course, welcome any Senators who desire to join us in the amendment. They are at liberty to add their names to the amendment while it is on the desk.

Mr. President, the Displaced Persons Act, passed by the Eightieth Congress in 1948, was used as the vehicle for amending part of our existing immigration law to provide that one-half of the German and Austrian immigration quotas should be devoted to admitting into the United States political exiles of German blood from eastern Europe. The combined German and Austrian quotas available to expellees under last year's amendment totaled somewhat more than 13,000 persons annually, and after a year's experience under that law, we are forced to conclude that the hastily drawn amendment has failed almost completely to

achieve the purpose for which it was designed.

Instead of issuing a thousand or so visas a month to expellees, as the law provided, less than 700 expellees have reached America thus far in 1949—a fact which in itself affords convincing proof that the law has been unworkable.

We propose in our amendment, then, to make this annual quota of 13,000 persons a workable quota which will, in fact, admit that number of people. In submitting our amendment at this time, we wish to invite discussion and comment prior to calling up Senate Resolution 160 to discharge the Committee on the Judiciary from further consideration of H. R. 4567, the amendments to the Displaced Persons Act passed by the House of Representatives earlier this session.

Our amendment to give us a workable immigration quota for expellees is aimed at carrying forward in somewhat more express detail an intent set forth in H. R. 4567 at the time it passed in the House. Section 9 of H. R. 4567 recognizes that the expellee proviso in last year's DP Act has proven unworkable.

Frankly, after a rather thorough investigation of the entire question, both the junior Senator from Illinois and I have reached the conclusion that the provision of the House bill does not go far enough to assure the effective use of the expellee quota.

Our amendment spells out in detail two additional and affirmative guaranties that the quota will be filled. First, that assurances of support for expellees to warrant that they will not become public charges once they have reached America can now be given by organizations instead of individuals alone, as is now the law. This is identical to the provision in the present DP law which permits organization assurances for DP's and has proven so successful in the operation of that program during the past year under a law which has been exceedingly difficult otherwise to administer.

Our second guaranty will establish a fund amounting to approximately $2,500,000 in the coming year with which to pay the costs of transportation for expellees from Germany or Austria to the United States. This provision, too, is comparable to that contained under the DP program whereby the International Refugee Organization is currently paying transportation costs for DP's.

Our amendment, in addition, makes several other refinements which we feel will aid in making the expellee quota effective. We are waiving, in the instance of expellees, the costs of head taxes and visas, and are providing that the administration of the expellee quota be transferred to the Displaced Persons Commission because it is our feeling that the question of the German ethnic exiles presents a problem much more closely associated with the duties of the commission than it is with the conventional operation of our immigration program. Certainly the expellees share with DP's the common problem of being people driven from their homelands and forced to make their way as best they can in an alien land.

In connection with the studies we have made in drafting our amendment we have made certain that we are not opening up a loophole through which may pour Nazis, Nazi sympathizers, Communists and fellow travelers, or any other breeders of hatred, discrimination, or oppression. The administration of the expellee quota will be governed by the same screening safeguards which today are in operation in filtering out these same groups who may have accumulated in the DP camps of Europe. The safeguards have been effective, and I cannot see any reason why the identical precautions will not work equally well in the operation of the expellee quota.

We feel strongly that the steps proposed in our amendment are essential if we are to carry out in any effective fashion the intent of the Congress last year in establishing a priority for expellees. As I have already said, our intent of last year has not been carried out, and acting now in the light of experience, we are suggesting what seems to us to be the necessary minimum to assure that expellees now eligible for admission to the United States shall in fact be permitted to get here.

This is, of course, no long-range solution to the expellee question. Much added study will be necessary, but our proposal today represents something on which we can take immediate action, and is, we feel completely compatible with the spirit and motives with which the American people have faced their responsibilities in dealing with the tremendous problems posed by millions of Europeans who have been displaced and driven into exile as a consequence of Fascist or Communist oppression.

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the RECORD a statement I have prepared on the pending bill, together with certain data relating to the subject.

There being no objection, the statement and data were ordered to be printed in the RECORD, as follows:

WHY THE DISPLACED-PERSONS LEGISLATION SHOULD BE PASSED—STATEMENT BY SENATOR WILEY

I should like to submit just a few comments on the displaced-persons legislation, H. R. 4567, now pending before the Senate.

First, let me say that I can appreciate the sincere and honest convictions on the part of Senators ranged on both sides of this controversial issue. On the one hand, we have Senators who indicate they are primarily concerned about unemployment here at home and the possible adverse effects of increased immigration, who are concerned also with fraudulent visas and the possible entry of subversive agents in the displaced-persons group.

SCREENING CAN WEED OUT SUBVERSIVES

On the other hand, we have Senators who, like myself, point out that (a) as regards the unemployment question, the total number of displaced persons (around 339,000) would not amount to a tiny fraction of 7 percent of the United States labor force and would consist of skilled technicians, in many instances, who could fill desperate labor shortages. These Senators in the second group also (b) feel that the question of fraud in visas can be met by the thorough screening and double-screening procedures which have been devised. Thus far none of the 95,000 displaced-persons immigrants has had to be returned to Europe because of subversive affiliation.

Regardless of other differences, I feel that none of us can disagree on the fact that America has always provided a haven to the oppressed, the persecuted from abroad, whom we have always gladly welcomed to our shores, provided they would make good, worthy, loyal citizens.

WORK IN EIGHTIETH CONGRESS ON STOPGAP BILL

As my colleagues are aware, I personally voted to discharge the Judiciary Subcommittee on Immigration from further consideration of this House bill. Much as we dislike the idea of discharge or "withdrawal" procedure, it was obvious that unless we took this unusual step, no humanitarian changes could be made in the present statute this year.

Thus, we would be failing to keep a promise which we made in the Eightieth Congress. What was that promise? It was this: Congress would enact temporary, stop-gap legislation. Once we had the opportunity to see this legislation in action, we would, based upon our experiences, make all revisions that appeared necessary. That was the basis on which I personally voted for the original law—a law which was necessarily a compromise because of its somewhat unique nature and because of the wide range of opinions as to its merits.

It did not take too many months to observe that certain features which had been written into the law (primarily through the action after many months of study by the Immigration Subcommittee of the Senate Judiciary Committee) were proving unworkable and a needless administrative obstacle. Thus, the rigid percentage preferences to the effect that 30 percent of the visas would have to be issued to farmers and 40 percent would have to be issued to persons from annexed areas (Latvia, Lithuania, Estonia)—these provisions which had been enacted in good faith were clearly serving to handicap the operations of the law.

IT IS CUSTOMARY TO RELY ON COMMITTEE JUDGMENT

Those of us who had not served on the subcommittee and who necessarily felt we had to abide to a considerable extent with its expert judgment saw quite soon that the law was not fulfilling America's intentions. We all know that with Congress normally considering around 10,000 bills and with Senators swamped by countless responsibilities it is quite customary, of course, to place heavy reliance on the group of men who are most familiar with a given problem in subcommittee and full committee. But it is even more obligatory on us to rectify inadequate legislation as soon as we observe it to be inadequate—subcommittee or full committee judgment notwithstanding.

LAW WAS NOT ANTI-CATHOLIC

We all recall that certain unfortunate charges were made concerning the law and its sponsors. I can understand the deep feelings which prompted the charges, the deep hunger to bring in kinfolk from the horrors of Europe.

As we all recall, however, Msgr. Edward A. Swanstrom of the National Catholic Welfare Conference effectively scotched the charge that the original law was intended to be anti-Catholic. He proved that very considerable numbers of Catholics were entering our land under its provisions. Nevertheless, Monsignor Swanstrom clearly indicated that the stopgap law was definitely inadequate in many essentials.

In the 1948 campaign the law came to be a political football—kicked around loosely for partisan purposes—which was a most unfortunate development. This issue should always have been kept out of politics. Humanity and humanitarianism should not be twisted to political ends.

But this is all water over the dam now. The big issue, as I have always pointed out, is not—

(a) Partisan feelings.

(b) Personal feelings.

The big issue is America's Christian responsibility to the DP's and to herself.

MY CONFERENCES WITH DISPLACED PERSONS OFFICIALS

Early in 1949, in order to rectify the original legislation, I initiated a series of conferences with representatives of the leading religious and civic organizations concerned—with the Citizens' Committee on Displaced Persons and other able groups. On the basis of these conferences in which there was almost complete unanimity of opinion on the part of all the interested groups, in February I was happy to introduce amendments in the form of Senate bills 1315, 1316, and 1317. These amendments were to be tacked on to Senate bill 311, known as the McGrath-Neely bill. On March 2, I sent a prepared statement to the House Judiciary Committee, endorsing S. 311 in effect with amendments. This statement is printed beginning on page 24 of the hearings.

MY AMENDMENTS WOULD LIBERALIZE LAW

The sum and substance of my amendments would be to further liberalize the law to an even greater extent than the House bill, H. R. 4567. Both my amendments and the House bill were designed to bring the crucial "cut-off" eligibility date up from December 1945 to January 1, 1949, thus making eligible some 175,000 persons previously ineligible.

My amendments, however, would have authorized a total admission of 400,000 displaced persons, whereas the House bill authorizes 339,000 displaced persons and the original law authorizes 205,000 displaced persons. I feel that the larger number would enable the displaced-persons problem to be entirely settled once and for all, thus ending the financial expense of maintaining IRO camps.

MORTGAGING OF QUOTAS IS OBJECTIONABLE

In all of my statements this year I have pointed out that one of the objectionable features of the House bill is that it mortgages future quotas, as does the original law. This operates most unfairly against Poland and other lands with small immigration quotas, for it in effect ties up their limited quotas for decades to come.

With other features of the House bill I was in almost complete accord, e. g., liberalizing the definition of orphans, permitting entry of veterans of the heroic Polish Army, facilitating the entry of other anti-Communists, and so forth.

EXPELLEES OF GERMAN ORIGIN

We now turn to the vital expellee question. From the outset, I stated that I was deeply concerned over proper administration of that feature of the law dealing with stricken, destitute expelled persons of German ethnic origin. Recently, I wrote to the State Department once again regarding the very poor progress made thus far in admitting expellees. Under the original law, it will be recalled, half the German quota was reserved each year for 2 years for the expellees, amounting to 13,200 persons per year. However, up to September 21, 1949, an insignificant total of only 1,719 quota numbers had been allocated to the expellees and only a fraction of those folks have actually entered our country. In other words, the expellee provision has definitely not been working out the way Congress intended.

Previously on the Senate floor I have called the attention of the Senate to the miserable conditions facing the expellees. Recently the La Crosse (Wis.) Register reported the able words of Monsignor Swanstrom who had just returned from a tour of relief installations in Europe. Monsignor Swanstrom stated that Germany obviously could not absorb the 12,000,000 expellees who were driven into the Reich from Poland, Czechoslovakia, and Hungary after the war:

"With its welfare set-up weakened, all social life in a chaos, its housing already 40 percent destroyed or damaged, Germany accepted a flood of 12,000,000 men, women, and children. They were destitute, carrying with them hardly more than the clothes on their backs. * * * This group hangs like a dead weight to impede the recovery of all western Europe."

Obviously, we cannot in this country absorb more than a token number of these expellees. But I feel that it is up to us to improve the administration of the expellee provisions in the interest of humanity and justice.

In other words, without in any way detracting from or interfering with administration of the regular displaced persons law, we should meet the challenge of these millions of expellees who unlike the displaced persons are not protected in any way by the International Refugee Organization, but who are solely helped through the limited aid that can be furnished by German welfare agencies and foreign relief groups.

WISCONSIN SUPPORTS DISPLACED PERSONS LAW

I have previously commented in the Senate on the almost unanimous support which revisions in the displaced persons law have received in my own State of Wisconsin. I have placed in the CONGRESSIONAL RECORD the grass-roots reactions of innumerable Wisconsin groups. I could add literally hundreds of other messages.

Next week, as a matter of fact, it will be my pleasure to confer with the leaders in the varied groups in Wisconsin which have been working so valiantly on this issue. Already more than 1,500 displaced persons have found homes in Wisconsin, since the first group arrived, less than 6 months ago.

The governor of my State had wisely appointed a committee on resettlement of displaced persons which, under the able chairmanship of Prof. George W. Hill, of the University of Wisconsin, department of rural sociology, has been doing a magnificent job in battling all obstacles to satisfy the yearning in Wisconsin to bring in these folks. Time and time again, I have taken up with the Displaced Persons Commission appeals of the Governor's committee for more expeditious admission of displaced persons, particularly to the farm areas of my State which are desperately short of labor, especially during the harvest season.

The individuals invited to the meeting on October 21 at Madison represent a splendid cross-section of Wisconsin and American opinion, a roster of outstanding civic-minded organizations, all of which support changes in the displaced persons law. Let me name but a few of them:

The National Catholic Welfare Conference.

The National Lutheran Council.

The American Polish Committee.

United Service for New Americans.

Church World Service.

The American Friends Service Committee, and so forth.

To that list could be added the League of Women Voters, and many other fine organizations. Last, but far from least, the overall organization which has been coordinating the effort—the Citizens Committee on Displaced Persons.

THE CITIZENS' COMMITTEE CAMPAIGN

Throughout the Nation the Citizens' Committee has spent some $900,000 on promoting DP legislation in the 3 years in which this issue has existed. Civic-minded Catholics, Protestants, and Jews have selflessly contributed funds to this cause and to their respective relief groups. That is their right—the right of free American citizens to fulfill the creed of their conscience. Let me point out, Mr. President, that almost all of the $900,000 collected has been used for purely educational purposes—bringing the facts to the American people. Around $150,000 has, according to open reports filed with the Senate and House, been used frankly for lobbying purposes. Lobbying, too, is an American right and privilege. The Citizens' Committee has nothing to hide. It has fulfilled the law. It has worked largely through volunteer services in Wisconsin and elsewhere for this humanitarian objective.

The United States Chamber of Commerce, the CIO, the A. F. of L. have all fought for the same goal. I have in my hands a statement by the Honorable Paul Griffith, former commander of the American Legion, now Assistant to the Secretary of Defense, who visited the DP camps and who joins with other leading Americans in backing necessary revisions to the present statute.

MESSAGE FROM A WISCONSIN PASTOR

Now, how does grass-roots America feel about this problem today?

I should like to read from one message which I received just last week from my State. This comes from a Lutheran pastor in a small community, who stated:

"Our congregation * * * sponsored a DP family of Latvians, who have been in our community since July 19 of this year. In these few months, they have made a very favorable impression upon all of us. We thought that you should know this, and we also felt it our duty to tell you. We have confidence in your ability to represent us.

"They settled in a house here. The house has been completely furnished. The mother has a new electric sewing machine and all the necessary equipment to follow her trade. She has a very tidy sum in the bank. Thanks to the community. But behind the action of the folks of the town is this fine, deserving family. The boys have made and will keep many friends. The same goes for the mother.

"Do you know, Mr. Senator, of any better place for 134,000 such people to be living than here in America? Do you know of any better way of our Congress telling the downtrodden peoples of the world that America is not only a haven for them but they can continue to look to her for light in their darkness?

"I believe you can be sure that the churches will continue to rejoice over this opportunity. Those 205,000 didn't all come over, but it is a slow job. These people have had to prove themselves first. If you, our Congressmen, will give us a little more time, we can place all 134,000 still looking to us for home and opportunity."

CONCLUSION

Now I conclude as I began. There are sincere and honest differences of opinion on this issue. In taking my stand for changes in the law, I have been not only thinking of these displaced persons and expellees but basically I have been thinking of the needs and desires of our own beloved land. These displaced persons, if they are thoroughly screened, can be a tremendous asset to America. Our admission of them can provide a magnificent model for the rest of the world. I hope, therefore, that we will promptly enact these necessary changes in the present statute.

I ask unanimous consent that there be printed following my statement a list of some of the outstanding Wisconsinites who have comprised the officers and membership of the Citizens' Committee on Displaced Persons and following that a list of the governors and groups which have endorsed this bill.

WISCONSIN CITIZENS COMMITTEE ON DISPLACED PERSONS

MILWAUKEE

Honorary chairman: Former Mayor John L. Bohn, city hall, Milwaukee.

Chairman: Dr. Martin Klotsche, president, State Teachers College, 3203 North Nowner Avenue.

Vice chairman: Dean Francis X. Swietlik, Marquette Law School.

Member: Charles Zadok, Gimbel Bros., Milwaukee.

Executive board members: Thad Wasielewski, former Congressman; Miss Margaret Conway, president, Milwaukee School Board; Judge Roland J. Steinle; Mrs. Erma Romanik.

NEENAH

Chairman: J. F. Gillingham, president, National Manufacturers Bank.

Member: S. F. Shattuck, Wisconsin businessman and president of Wisconsin Council of Churches.

OSHKOSH

Chairman: Harold Nichols.

Members: J. B. Cudlip, chamber of commerce; Simon Horowitz, Oshkosh National Bank.

PORT WASHINGTON

Honorary chairman: Mayor Charles Larson.

Chairman: Rev. Carlus Basinger, First Congregational Church.

Members: Rev. Father Peter Hildebrand, St. Marys rectory; Emil Biever, chamber of commerce; Douglas Bostwick, Wisconsin Chair Co., Port Washington, Wis.; Harold W. Hughes, Port Washington American Legion; Oscar Roshoff, Badger Raincoat Co.

SHEBOYGAN

Chairman: Attorney James J. Dillman.

Members: Mr. and Mrs. Lamont Richardson; Simon Deutsch, president, Electric Sprayitt Co.; Mr. Harold Shadd, insurance executive; Antone Steightz, Security National Bank; George Currie, Republican State Committee; Mrs. Herbert Kohler, wife of head of Kohler Co.

STEVENS POINT

Chairman: William C. Hanson, president, Central State Teachers College, Stevens Point, Wis..

Members: V. J. Bukolt, president, Lullaby Furniture Corp., Stevens Point; L. D. Culver, county superintendent of schools; Mayor B. W. Bagneau; Carl Rosholt, banker, Rosholt, Wis.; L. W. Shnitter, president, chamber of commerce.

WEST BEND

Chairman: Lester Shutt, president, West Bend Chamber of Commerce.

Members: Judge F. W. Bucklin; Robert Rolfs, president, Amity Leather Co.

BELOIT

Member: Ivan Stone, Beloit College.

EDGERTON

Mrs. Melvin Brehaug.

MARINETTE

Members: Harvey G. Higley, Judge Arnold Murphy.

APPLETON

Carl Bertram, superintendent, Appleton Vocational School, chairman.

Mrs. Abraham Sigman, president, League of Women Voters, vice chairman.

Mrs. Herbert Spiegel, League of Women Voters, executive secretary.

Members: John P. Mann, superintendent of schools; Mrs. Charles Hervey, president, Appleton Women's Club; Rev. Dascombe Forbush, First Congregational Church; Judge Gerald Jolin; Miss Keziah Manifold, president, Appleton Business and Professional Women's Club; Attorney Thomas Ryan, American Legion Head, and Army officer of World War II; State Senator Gordon A. Bubolz.

CALUMET COUNTY CITIZENS COMMITTEE

Chairman, William J. McHale, publisher, Chilton Times Journal, Chilton, Wis.

Members: Judge George M. Goggins; James Pieper, publisher, Shoppers News.

GREEN BAY

Chairman: George Burridge, president, Green Bay Chamber of Commerce.

Members: Dominic Olejniczak, mayor; Henry Caters, chairman, county board; John Torinus, Green Bay Press Gazette; August Voelker, mayor of De Pere; Charles Lawton, president, De Pere Rotary Club; Peter Chuiminatto, president, Kiwanis Club; Mrs. Martha Hollenbeck, president, Wisconsin Federation of Business and Professional Women's Club.

JAMESVILLE

Chairman: Ellis Jensen, president, Jamesville Sand & Gravel Co.

Members: Henry Traxler, city manager; Mrs. Harry C. Fox, prominent clubwoman; Walter Benning, well-known civic leader.

MADISON

Chairman: William H. Spohn, attorney and Republican county chairman.

Executive secretary: Mrs. William G. Rice, leading clubwoman.

Members: Mrs. A. T. Breyer, president, League of Women Voters; W. T. Evjue, editor, Madison Capital Times; Rodney Fusch, president, Junior Chamber of Commerce; Mrs. W. A. Hastings, past national president, Parents and Teachers Association of America; F. H. Karge, acting city manager, former mayor; James R. Law, city councilman; Peter C. Lynaugh; Roy L. Matson, editor, State Journal; Milo Swanton, secretary, Wisconsin Council of Agriculture; Mr. B. J. Arne Romnes, executive secretary, Wisconsin Welfare Council.

MANITOWOC

Mayor Herbert Schipper, cochairman, Manitowoc Citizens Committee.

MARSHFIELD

Chairman: William Uthmier, executive secretary, Marshfield Chamber of Commerce.

Members: Mrs. Robert W. Nesbet, Marshfield school board; Mr. James Seubert, Marshfield Veterans of Foreign Wars.

LAKE MILLS

Chairman: Herman A. Schmidt, State's Attorney, chairman, Lake Mills committee.

Members: Ralph Sewa:d, president, Lions Club of Lake Mills; Florence Neff, clubwoman, Lake Mills.

BELOIT

Dean Gustav E. Johnson, chairman, Beloit Citizens Committee, dean, Beloit College.

ORGANIZATIONS AND OFFICIALS SUPPORTING IMMEDIATE ENACTMENT OF H. R. 4567

The governors of 23 States and representative organizations from all walks of life in America and from all parts of the country are urging enactment of H. R. 4567 this session.

GOVERNORS

Alabama, James Fulton; Arkansas, Sidney McMath; Colorado, William Lee Knous; Illinois, A. E. Stevenson; Indiana, Henry Schricker; Kansas, Frank Carlson; Kentucky, Earl Clements; Louisiana, Earl K. Long; Maryland, William Preston Lane, Jr.; Michigan, Gene Mennen Williams; Minnesota, Luther W. Youngdahl; Montana, John W. Bonner; New Jersey, Alfred E. Driscoll; New York, Thomas E. Dewey; North Carolina, William Kerr Scott; Ohio, Frank J. Lausche; Oklahoma, Roy J. Turner; Oregon, Douglas McKay; Pennsylvania, James H. Duff; Rhode Island, John O. Tastore; Vermont, Ernest W. Gibson; Washington, Arthur B. Langlie; West Virginia, Okey L. Patteson.

The Governors of the following 28 States have appointed official State commissions or committees for the resettlement of displaced persons: California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Maryland, Minnesota, Michigan, Mississippi, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Virginia, Wisconsin, Wyoming.

Pending, according to notification from Governor: Arkansas and Louisiana.

ORGANIZATIONS

The following is a partial list:

Labor organizations: American Federation of Labor; Congress of Industrial Organizations; Amalgamated Clothing Workers of America, CIO; Brotherhood of Railway Clerks, A. F. of L.; International Longshoremen Association, A. F. of L.; International Printing Pressmen and Assistants Union of North America, A. F. of L.; National Maritime Union of America, CIO; National Women's Trade Union League.

Farm organizations: National Grange, American Farm Bureau Federation.

Chamber of Commerce: United States Chamber of Commerce.

Religious organizations: American Friends Service Committee, American Unitarian Association, Congregational Christian Churches Council for Social Action, Disciples of Christ International Convention, Federal Council of Churches of Christ in America, Friends Committee on National Legislation, Home Missions Council of North America, Knights of Columbus, Mennonite Central Committee, National Catholic Rural Life Conference, National Catholic Welfare Conference, National Lutheran Council, Northern Baptist Convention, Presbyterian Church of the United States of America, Presbyterian Church in the United States, Protestant Episcopal Church General Convention, Southern Baptist Convention, Synagogue Council of America, Unitarian Service Committee, World Alliance for International Friendship Through Churches, YMCA International Board.

Women's organizations: American Association of University Women, Catholic Daughters of America, Hadassah, League of Women Voters, National Council of Catholic Women, National Council of Jewish Women, National Federation of Business and Professional Women's Clubs, National Federation of Congregational Christian Women, United Council of Church Women, Women's American ORT, Women's Auxiliary of the Protestant Episcopal Church, Women's Division of the Methodist Church, Women's International League for Peace and Freedom (United States section), YWCA National Board.

Other organizations: American Federation of International Institutes, National Congress of Parents and Teachers Board of Managers, National Social Welfare Assembly: International Committee, Polish American Congress.

MALMEDY MASSACRE INVESTIGATION

Mr. BALDWIN. Mr. President——

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. BALDWIN. I yield.

Mr. WHERRY. My understanding is that the distinguished Senator from Connecticut wishes to preserve the continuity of his statement in the RECORD, and prefers to have any questions postponed until he has completed his statement.

Mr. BALDWIN. The Senator is correct. I shall be glad to answer any questions any Senator may desire to propound, and to remain here as long as necessary to do it. However, in the interest of continuity of my remarks in

the RECORD, I respectfully ask that questions be withheld until I complete my opening statement.

SCOPE OF INVESTIGATION

On March 29, 1949, a subcommittee of the Senate Armed Services Committee, consisting of the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. HUNT], and the junior Senator from Connecticut was appointed to consider Senate Resolution 42. This resolution was introduced for the purpose of securing consideration of certain charges which had been made concerning the conduct of the prosecution in the Malmedy atrocity case, and to effectuate a thorough study of the court procedures and post trial reviews of the case. It must be clearly understood that the function of this subcommittee is a legislative one only. It is not the function of this subcommittee, therefore, to retry the cases, to act as a board of appeals or reviewing authority, or to make any recommendations concerning the sentences. The subcommittee has, however, found it necessary to fully review the investigative and trial procedure in order to make its recommendations.

Yesterday the subcommittee submitted its full report in writing to the full Armed Services Committee of the Senate, and I understand that that committee has unanimously adopted the report. In my remarks it is my purpose to read from that report, because the report is, in turn, the unanimous report of the subcommittee itself. So I prefer to have the language with reference to some of the matters discussed here the language of the report rather than the language of the junior Senator from Connecticut alone.

The investigation automatically divided itself into specific phases; the first dealing with the charges of physical mistreatment and duress on the part of the War Crimes Investigation personnel, and the second covering those matters of law and legal procedure which should be examined in an effort to determine their propriety and the degree to which they might be improved to meet future requirements. We all pray that there will be no future requirements of this kind, but we live in a troubled, disturbed, and uncertain world.

As the investigation proceeded, a third phase evolved which has caused considerable concern and which deals with the motivation behind that current efforts to discredit American military government in general, and using the war crimes procedures in particular, as a part of that plan.

During the conduct of the investigations, the subcommittee and its staff held hearings extending over a period of several months. We began in April, as a matter of fact. We examined 108 witnesses, and independently, as well as through other agencies of the Government, conducted careful investigations into certain of the matters germane to the subject. It should be pointed out that witnesses representing every phase of this problem were heard, including persons who were imprisoned at Schwabisch Hall, which was the prison where the German SS troopers were taken for investigation, and their attorneys, members of the investigating team, members of the court who tried the cases, the reviewing officers who reviewed the record of trial—and there were several reviews, religious leaders, members of the administrative staff at the prison, and other interested parties. Every witness who was suggested to the subcommittee, or whom it discovered through its own efforts, was heard and was carefully examined by the members of the subcommittee, other interested Senators, and the subcommittee staff. All affidavits submitted to the committee have been translated and studied. It is felt, Mr. President, that the record is complete and adequate to support the findings and conclusions in this respect. As a matter of fact, the record may be 3,500 pages long, when fully printed.

An important part of the investigation was the conducting of a complete physical examination of many of those persons who claimed physical mistreatment, some of whom alleged they received permanent injuries of a nature capable of accurate determination at that time. As a matter of fact, physical examinations were conducted of all those who claimed mistreatment, who were still imprisoned at Landsberg prison; and as I recall, the number was 54. These examinations were conducted by a staff of outstanding doctors and dentists from the Public Health Service of the United States, who went to Landsberg, and spent from 10 days to 2 weeks there, doing this job, we submit, very thoroughly.

Advice and assistance were also requested from the American Bar Association and other groups with particular knowledge in the field of law and military courts and commissions.

WHAT WERE THE MALMEDY ATROCITIES?

In the minds of a great many persons, the Malmedy atrocities are limited to those connected with the Malmedy crossroads incident, which, in fact, is only a part of the basis of the charges preferred against the German SS troopers in this particular case. The atrocities with which the accused in the Malmedy case were charged were part of a series committed at several localities in Belgium, starting on December 16, 1944, the beginning of the Battle of the Bulge, and lasting until approximately January 13, 1945, when the German drive was stopped. They occurred, as I have said, during the so-called Battle of the Bulge, and were committed by the organization known as Combat Group Peiper, which was essentially the First SS Panzer Regiment, commanded by Col. Joachim Peiper. All the members of this combat team, and particularly those involved in the Malmedy trial, were members of the Waffen SS organization. The regiment had had a long and notorious military record on both the western and eastern fronts. On the eastern front, one of the battalions of the Combat Group Peiper, while commanded by Peiper, earned the nickname of Blow Torch Battalion, after burning two villages and killing all the inhabitants thereof. Peiper had at one time been an adjutant to Heinrich Himmler. The prisoners under investigation were for the most part hardened veterans. Let me say here that that is no reason why they should not receive justice, and the committee was well aware of that fact. We felt that regardless of the atrocities, regardless of who these men were in the eyes of the world, we wished to see to it that they received justice before an American military court.

Basically, the atrocities which were committed at 12 places throughout Belgium consisted, according to accounts of different witnesses, all of whom were in general agreement, of the killing of approximately 350 unarmed American prisoners of war, after they had surrendered, and 100 Belgian civilians. It was one of the few cases, Mr. President, where substantial numbers of Americans were murdered en masse. The location and approximate number of persons murdered at these various points are contained in the following table:

	Prisoners of war	Civilians
Honsfeld, Dec. 17, 1944	19	
Bullingen, Dec. 17, 1944	50	1
Crossroads, Dec. 17, 1944	86	
Lignenville, Dec. 17, 1944	58	
Stavelot, Dec. 18–21, 1944	8	93
Cheneux, Dec. 17–18, 1944	31	
La Gleize, Dec. 18, 1944	45	
Stoumont, Dec. 19, 1944	44	1
Wanne, Dec. 20–21, 1944		5
Lutrebois, Dec. 31, 1944		1
Trois Ponts, Dec. 18–20, 1944	11	10
Petit Thier, Jan. 10–13, 1945	1	

DEVELOPMENT OF PRETRIAL INVESTIGATION

Concurrently with the defeat of the Germans in the so-called Battle of the Bulge, investigations were started concerning the massacre of American prisoners of war. The news of that massacre, as all of us remember, shocked the sensibilities of all America and of all the world, too. This preliminary work resulted in a determination that the Malmedy massacre had in all probability been perpetrated by personnel of the Combat Team Peiper, who were scattered throughout prison camps, hospitals, and labor detachments in Germany, Austria, and the liberated countries; and some of them even were prisoners of war in the United States. Conditions in the prison camps, however, were such that after interrogation, those interrogated were able to rejoin their comrades in the compound; and all soon knew exactly what information the investigators desired. A large group of the prisoners were confined at Zuffenhousen at one time, and that situation became clear in connection with the evidence taken there. It became clear that the suspects could not be properly interrogated until facilities which would prevent them from communicating with each other before and during and after interrogation were made available. According to the evidence submitted to the committee, it was during this period that it became known that prior to the beginning of the Ardennes offensive, the SS troops were sworn to secrecy regarding any orders they had received concerning the conduct of the drive and the killing of prisoners of war. In accordance with the plan for further investigation of this case, all the members of the Combat Team

Peiper were transferred to the internment camp at Zuffenhausen. They were initially there housed in a single barracks, where it was still impossible to maintain any security of communication between the accused. During this time it was learned that Colonel Peiper had given instructions to blame the Malmedy massacre on a Major Poetchke, who had been killed in Austria during the last days of the war. These orders were carefully followed by those under investigation. Accordingly, further steps were deemed to be necessary; and those prisoners who were still suspects were evacuated to an interrogation center at Schwabisch Hall, where they were housed in an up-to-date German prison, but where during investigation they were kept in cells by themselves. Initially, Mr. President, over 400 of these prisoners were evacuated to Schwabisch Hall; and from time to time others were transferred to the prison, up to and including the latter part of March 1946. It was during this period of interrogation at Schwabisch Hall that the alleged mistreatment of prisoners took place.

FINDINGS AND CONCLUSIONS

For the purposes of this report, the matters under discussion are separated according to the three phases of the investigation set out above, i. e.: First, matters of duress which occurred during the pretrial investigation; second, trial and review procedures; and third, the manner in which current situation has developed and been agitated.

First, I wish to talk about the matters of duress during pretrial investigation.

During 1948 and 1949, charges which were made caused considerable publicity concerning the treatment of these SS prisoners at Schwabisch Hall. The prisoners were confined at Schwabisch Hall from December 1945 to April 1946, and the pretrial investigations occurred then. In April 1946, the pretrial investigations having been completed, the prisoners were removed to Dauchau. There, their trial began on May 16, and continued until July 16.

Shortly after the defense counsel began to work on the case at Dachau, they prepared a questionnaire for distribution to the accused; it contained, among other things, questions concerning any physical abuses or duress. The subcommittee made every effort to secure the original of these executed questionnaires, but apparently they were destroyed when the case was over. In other words, one of the first things the defense counsel did was to submit that questionnaire to all the prisoners. It included a list of questions which the prisoners were asked to answer. One of the questions dealt with the matter of physical treatment or mistreatment or duress. The committee felt it very unfortunate that we did not have those questionnaires. As a result of information furnished on those questionnaires and as a result of statements that had been made concerning duress, the defense counsel before trial, through their chief counsel, Col. Willis M. Everett, reported the matter to the Third Army judge advocate in charge of war crimes. Colonel Everett later conferred with the deputy theater judge advocate general for war crimes, who ordered an investigation to be conducted at once by Lt. Col. Edwin J. Carpenter, who testified before our subcommittee. During that investigation, which was completed before the trial, between 20 and 30 of the accused who made the most serious charges of duress were examined by Colonel Carpenter and his assistant, with the proper interpreters. According to Colonel Carpenter's testimony before the subcommittee, which was confirmed by independent testimony given by the interpreter used by him, at that time only four of that group stated that anyone had abused them physically.

Mind you, Mr. President, there were 74 of them at Dachau who were to stand trial, and only 4 of those complained at that time of physical abuse, according to the questionnaires. These 4 did not claim physical abuse in connection with securing confessions, but rather punchings and pushings by guards while being moved from one cell to another. However, during his investigation, considerable emphasis was placed on the use of so-called mock trials—which the report will discuss later—solitary confinement, and mention was made of the use of hoods, and insults. The investigating officer in this case, Colonel Carpenter, and the deputy theater judge advocate for war crimes, Col. Claude B. Mickelwaite, to whom these charges were made, stated to the subcommittee that they felt the seriousness of the matters reported by the defense counsel were not clearly established and therefore were not of particular import, but that the use of some of the tricks, and in particular the mock trials, had been established, and should be explained to the court at the start of the trial, so that it could weigh evidence introduced in the light of the accusations made by the accused with reference to the use of mock trials, tricks, and so forth. That was done.

At the time of the trial 9 of the 74 accused took the stand in their own behalf. Of this number, three alleged physical mistreatment. The court was thereby placed on notice of the charges of physical mistreatment made by those who took the stand in their own behalf, and apparently did not feel that it was of such importance as to require any further investigation or study. Some 16 months after conviction, practically every one of the accused began to submit affidavits repudiating their former confessions and alleging aggravated duress of all types. I may say the word "confession" has been used in this report, and in my remarks concerning it, to describe the documents secured from the prisoners. These were in fact, in large part, statements which described plans, dates, and events in which the signer took part or witnessed the acts and conduct of other accused persons. The affidavits were secured by German attorneys, particularly Dr. Eugen Leer, a defense counsel at the trial, who is the most active attorney in the case at the present time. The affidavits were later used by Col. W. M. Everett in his petition to the Supreme Court for a writ of habeus corpus in this case. In addition, affidavits to such matters were, in a few cases, submitted by others who were at Schwabisch Hall, but who were not defendants in the case. Many of the affidavits were so lurid in their claims as to shock even the most calloused reader. The subcommittee accordingly has gone to great lengths to attempt to establish the facts as they pertain to these matters.

Before proceeding with an item-by-item discussion of the types of duress alleged by various persons, it is necessary to describe in some detail the prison at Schwabisch Hall and its method of operation. The prison is located in the heart of a thriving and prosperous city of approximately 25,000 population. This prison, as your committee saw it and looked it over very carefully, is a fairly modern, up-to-date prison for civil prisoners. Since it is located at the foot of a hill, it is possible for persons living next to the prison, on the higher ground, to look down into the prison yard, and on quiet nights to hear sounds from within the prison enclosure.

The prison was taken over by the United States authorities primarily for use as an internment center for political prisoners. However, when it was decided to concentrate the Malmedy suspects at this point, a portion of the prison was set aside for the housing and interrogation of the men. They were separated completely from the political prisoners, with the exception of a few of the internees who performed routine prison duties. These few, from what they saw there, gained some knowledge of the handling of the Malmedy suspects, but were forbidden to speak to them.

The administration of Schwabisch Hall prison was under the control of the Seventh Army, and there was a detachment stationed at the prison for the purpose. The group was headed by a Capt. John T. Evans, who testified before the subcommittee and who described in detail the normal prison administration. His organization was responsible for the housing, guarding, feeding, clothing, medical care, well-being, and all other matters pertaining to the prisoners. The men who conducted the interrogation, however, were members of a war-crime investigating team sent to the prison from the War Crimes Branch, through Third Army headquarters. The investigating team had no responsibility other than to prepare the case for trial, and had no control over the administrative functions of the prison.

There was a considerable difference in the manner in which the Malmedy suspects and the political prisoners were handled. The medical care of the Malmedy prisoners was charged to an American medical detachment stationed at the prison, with necessary hospitalization being handled in nearby United States Army hospitals. According to the testimony given the subcommittee, all such medical matters were handled by American medical personnel, and only a few of the dental cases were treated by a German civilian dentist, who came into the prison periodically for the purpose of treating the internees. As to the manner of providing dental care, there is considerable variance in the testimony introduced before the subcommittee, and it will be discussed in detail later in

this report. The internees were cared for by German medical personnel who were interned in the prison or who were brought in from the outside.

The interrogation team, consisting of approximately 12 members, set up offices in one wing of the prison. They were primarily on the second floor, and in this same wing there were cells used for interrogation as well as for the administrative activities of the team. In addition there were five cells which in design and construction were different from the normal cells found throughout the prison. The subcommittee checked many of the prison cells. We spent considerable time going over the prison. The normal cells, without exception, were well lighted, adequate in size for two or more occupants, had flush toilets, and were on a central heating plan with radiators which apparently were working during the time the prison was occupied by the Malmedy suspects. The cells were of solid construction, with a solid door containing a small peephole through which the occupant could be seen and heard. A loud conversation or voice within a cell could be heard by occupants of other cells, and, of course, if a call came through the windows it could be heard pretty generally throughout the prison because the prison is not a particularly large one. The five cells referred to, which were located immediately adjacent to the cells used for interrogation, differed in that they had smaller windows, which were higher in the room and therefore did not give so much light. The cells were adequate, as far as size was concerned, for one or two occupants. They all had flush toilets. However, there was an interior iron grill immediately inside the main door which separated the prisoner from the door itself. Food could be, and according to testimony before the subcommittee, was passed to the prisoners through an aperture in the steel grille at the lower part of the grille, on the right-hand side as the cells were entered. It was in these five cells that prisoners were retained during certain phases of their interrogation. The cells have been labeled by various persons as death cells, dark cells, and solitary-confinement cells. From the standpoint of physical confinement, there is no evidence before the subcommittee to indicate that the cells were any worse than are to be found in any normal prison. However, there is much conflicting testimony as to their use. Members of the interrogation team, testifying before the subcommittee, stated that no one was confined in the cells for longer than 2 or 3 days at a time, during which they received normal treatment and rations. Other statements have been made to the effect that prisoners were kept in the special cells for weeks on end, and, some alleged, without food. Others said they were fed, but remained in the prison for long periods. In that connection, it should be pointed out that there are only five such cells, and that several hundred suspects were screened during a period of 4 months, and passed through the cells, presumably.

The bulk of the Malmedy suspects were housed in a cell block in a wing of the prison which was separated from the interrogation cells by a courtyard. Immediately adjacent to the wing, in which most of the Malmedy prisoners were housed, was a separate building which contained, on the second floor, a hospital dispensary used mainly for the political internees.

Mr. McCARTHY. Mr. President, will the Senator yield so that I may ask him for some information on this particular point?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Connecticut yield to the Senator from Wisconsin?

Mr. BALDWIN. I prefer not to yield, but I will yield at this time.

Mr. McCARTHY. I should like to ask the Senator this question: Without naming the men who were interrogators, we were told that prisoners were kept in what was called close confinement, and it was described as single confinement in a single cell. I am wondering what facilities there were for that purpose. An interrogator said they were all kept in close confinement until they signed their confessions, which would mean that it would take 75 or 80 solitary confinement cells. The prison contained only four or five such cells, according to the Senator. I wonder if the Senator will let us know where they were located, if he knows?

Mr. BALDWIN. There were some cells in connection with the administrative quarters maintained by the investigating team, but the main bulk of the prisoners were confined in a large cell block in which there is a great number of cells. I do not recall how many, but a very large number. That cell block was, I think, four stories high. It was a typical cell block. I should say it would hold more than 200 prisoners.

Mr. McCARTHY. Were there sufficient facilities to keep 75 or 80 men in solitary confinement?

Mr. BALDWIN. Yes; there were. Colonel Chambers reminds me that there were facilities for more than 500 prisoners in solitary confinement.

The ground floor contained the prison kitchen. Up until the time individuals under interrogation for the Malmedy crimes had completed their interrogation, they were moved through this courtyard and between other points with a black hood over their heads in order to insure security insofar as their knowing who else was under interrogation was concerned.

Mr. President, I desire now to discuss the mock trials—the report discusses them—because they constitute one of the major complaints made regarding the conduct of the interrogation.

The subcommittee found that, in not more than 12 cases of the several hundred suspects interrogated by the war crimes investigation team, mock trials were used in an effort to elicit confessions and to soften the suspects up for further interrogation. The evidence given concerning these trials is extremely conflicting, even among the persons who alleged they were subject to a mock trial. There is no question that mock trials were used. The members of the prosecution staff stated that the results obtained were very unsatisfactory and that they used this procedure, which they called the schnell procedure, on only the less intelligent and more impressionable suspects.

The subcommittee believes the general facts about the trials to be undisputed. There was a table within a room, which was covered with a black cloth and on which was a crucifix and two lighted candles. Behind this table would be placed two or three members of the war crimes investigation team, who, in the minds of the suspects, would be viewed as judges of the court. It was so intended. A prisoner would be brought in with his hood on, which was removed after he entered the room. Two members of the prosecution team, usually German-speaking members, would then begin to harangue the prisoner, one approaching the matter as though he were the prosecutor or hostile interrogator, and the other from the angle of a defense attorney or friendly interrogator. The subcommittee could find no evidence to support the position that the suspect was told, specifically in so many words, that anyone was his defense attorney. However, there is no question that the suspect quite logically believed that one of these persons was on his side, and may well have assumed that he was his defense counsel. The subcommittee does not believe that these mock trials were ever carried through to where a sentence was pronounced, nor was any evidence found of any physical brutality in connection with the mock trials themselves. In fact, one witness who was attacking the war crimes investigation team procedures testified that there was no brutality in connection with a mock trial at which he had served as a reporter. When these mock trials had reached a certain point they would be disbanded and the prisoner taken back to his cell, after which the person who had posed as his friend would attempt to persuade the suspect to give a statement.

The subcommittee feels that the use of the mock trials was a grave mistake. The fact that they were used has been exploited to such a degree by various persons that American authorities have unquestionably leaned over backward in reviewing any cases affected by mock trials. As a result, it appears that many sentences have been commuted that otherwise might not have been changed. It is interesting to note why such a procedure was started. Lieutenant Perl, one of the interrogaters, stated that the so-called mock trials were his suggestion, and had been patterned after German criminal procedure with which the suspects were familiar. Since he was a natural-born Austrian, and a continental lawyer, the procedures seemed proper to him. Because of the great attention paid to the mock trials by the Simpson Commission, and because Judge Van Roden publicized them so thoroughly, the subcommittee has made a comprehensive study of the pretrial procedure prevalent on the continent. The full report on this subject is a part of the subcommittee records.

It is a fact that in France, Germany, and Austria there is an established pretrial examination procedure in which an examining judge hears evidence from any and all persons concerned. Gener-

ally speaking, this procedure is only used in the most important criminal cases. During this pretrial investigation the evidence that is secured may be of the most circumstantial nature, but it is later admissible at the real trial for such probative value as the court desires to place upon it.

I may say here that such a procedure as that which was conducted is entirely foreign to American jurisprudence but it certainly was not foreign to trial procedure and jurisprudence on the continent.

The subcommittee is fully of the opinion that this was the basis for the use of the so-called mock trials, even though they differed in the window dressing and stage effects that the interrogation team used for their own purposes.

With reference to solitary confinement, the subcommittee feels that there is no doubt that many of the suspects in the Malmedy case were kept in separate cells for extended periods of time, but has no criticism or complaint of this normal practice. This is because it was necessary to keep the suspects separated until interrogation was completed. The preponderance of evidence showed beyond a reasonable doubt that such confinement was under the most favorable conditions the circumstances permitted, and that during this time the men were fed, were warm, and suffered no more inconvenience than one would normally expect to find in an ordinary civilian prison in the United States.

The next topic is short rations and bread and water. A claim was made that the prisoners did not receive water. There was very substantial testimony from different sources that they did receive water. A claim was made that prisoners were put on a diet of bread and water. At one time they were fed bread and water, but it was stated that the reason why they were put on bread and water was because of the fact that they had attempted to communicate with one another by marking their mess kits, the dishes which they used. There was a disputed claim as to whether the prisoners were put on bread and water until they could clean up the dishes and take the markings off, or whether it was done as a matter of pressure. In any event, it lasted a comparatively short time, and we discuss it very fully in our report.

The subcommittee is convinced that, with the exception of one occasion, the suspects in the Malmedy matter were fed three adequate meals a day. Some of the persons who were interrogated at Schwabisch Hall testified before the subcommittee, and on other occasions, that the food supply was adequate, which corroborates completely the statements of the administrative staff of the prison, including the American medical personnel, who were categoric in stating that the prisoners were well fed. The one exception was in late December 1945, during a period of time, which varies according to the testimony, from four meals, according to the American medical personnel, to 4 days, according to some of the suspects in the case, during which all the Malmedy suspects were placed on bread and water. It is an established fact that it was punishment placed on the group because of the efforts of some of the prisoners to communicate with others by marking the bottoms of their mess kits. It was also testified that it required some time to eradicate the markings from these utensils before they were put in use again. The American medical officer in charge stated that when he learned that they were on a bread and water diet, he went to the prison commander and the chief of the war crimes investigation team and told them that he would not permit bread and water punishment to be given unless properly reported. Accordingly it was stopped. The subcommittee was unable to ascertain accurately as to how many regular meals the prisoners missed. Varying testimony ranged from four meals to 4 days. However, the prisoners received adequate bread and water during this period which punishment is both legal and sometimes used within our own Navy and Marine Corps. Other than this, there appears to be no evidence that the prisoners were either starved or placed on short rations, and certainly it should not have affected the securing of evidence by the war crimes investigating team.

FAILURE TO SUPPLY DRINKING WATER

A quite frequent allegation made by the suspects was that they received no drinking water during the entire period of their incarceration, and were forced to drink from the toilets in their cells. The subcommittee does not feel that there is any foundation for this charge, or competent evidence to support it. This conclusion is arrived at first because of the direct testimony to the contrary by members of the American administrative staff, including the guards, the doctors, medical personnel, and the members of the war crimes investigating team. This evidence taken by itself might not be conclusive, but several of the suspects who were interrogated by the subcommittee testified that they received regular food, a change of underwear once a week, shaving equipment, and washing water every morning, but no drinking water. On cross-examination those who alleged they received no water gave conflicting answers, and admitted they received other liquids with their meals. One, who claimed he never received drinking water during his entire stay at Schwabisch Hall, had previously testified he had been on bread and water for 4 days. There was competent testimony that one of the duties of the guards was to bring water when called for by the prisoners, and not one was denied water when he asked for it. The subcommittee does not feel that such charges can be supported, because it is difficult to believe that a group of people who were admittedly supplying all of the necessities of life to the suspects would deliberately deprive them of drinking water.

USE OF HOODS

It is an undisputed fact that hoods were placed over the heads of the suspects when they were moved from their various cells and back and forth around the prison. Some few isolated charges have been made that the hoods were bloody and dirty. The subcommittee accepts without question the fact that the hoods were used, but in view of the previous difficulties incurred in this case when no security was used, and the necessity of keeping from one prisoner the knowledge of other suspects who also were being questioned, the subcommittee does not condemn the use of hoods. Members of the prison administrative staff, testifying before our subcommittee, stated that they personally had inspected the hoods; that they were not dirty, and they had never seen any evidence of blood on any of the hoods. However, the subcommittee recognized that it would be possible for hoods used for such purposes to become dirty, or, in the event of an accident, or through deliberate action of an individual, for them to have become bloody, without the responsible persons knowing of it. However, the weight of evidence shows to the contrary, and the subcommittee feels that the particular charge of hoods being bloody is unproven.

I might say that this report of the subcommittee will be supplied with footnotes so that the statements in the report will refer to places in the RECORD where there is ample testimony to support the statements made.

BEATINGS, KICKINGS, TORTURE, AND OTHER PHYSICAL BRUTALITY

Many of the accused in the Malmedy trial, as well as the so-called eye witnesses, have testified that they were beaten severely and sadistically, not only by guards moving them around the prison, but by the staff of the war crimes investigating team, for the purpose of securing confessions. By constant repetition, and the multiplicity of these charges, they have been accepted by some persons as fact. They have been published repeatedly in various forms. In attempting to arrive at the facts in this case, the subcommittee first of all studied the affidavits prepared by the accused some 16 months after conviction, in which the accused claimed beatings, torture, and other duress for the purpose of securing confessions. The subcommittee noted that an investigation was made of these charges before the trial, when the defense attorneys alleged duress to the war crimes authorities, and an investigation was ordered. That is already commented on in the previous part of this report.

Mr. McCARTHY. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield to the Senator from Wisconsin.

Mr. McCARTHY. I cannot stay until the Senator concludes, and therefore I wish to ask him a question.

I have gone through the report. I wonder whether the committee went into one thing which has disturbed me very greatly. As the Senator knows, I was on the bench for a time, and tried a number of cases. The very able Senator from Connecticut was a practicing lawyer for a long time, and is to go on the bench shortly, and for that reason I feel he should be competent to answer the question I wish to ask.

Forgetting for the time about the vast welter of disputed evidence as to whether or not the prisoners were tortured, the Senator will recall that during the investigation it developed that the court had a very unusual concept of what evidence was proper and what was improper.

I think this question is doubly important at this time in view of the action the British have taken in Italy. As the Senator knows, after consultation with the British authorities, in all the so-called war crimes cases in which it developed that unusual procedures or questionable tactics were used—and that covered practically all of them—amnesty was granted in Italy. For that reason I think it is doubly important that we make sure we are insisting on a high-grade brand of justice in our area.

Going over the record, I found that the court apparently did not have the slightest conception of what was proper examination and what was proper cross-examination. Let me read a question from the Dachau record:

How often would you say you were approximately interrogated at Schwabisch Hall?

This was a witness whose statement was being used——

Mr. BALDWIN. Was this Kramm?

Mr. McCARTHY. Yes, Kramm was the witness being questioned.

Mr. BALDWIN. Is the Senator reading from the report now?

Mr. McCARTHY. No, from a page in the record. This is a witness whose statement was being used to convict one of the defendants. This was the question:

How often would you say you were approximately interrogated at Schwabisch Hall?

PROSECUTION. I object.

Colonel ROSENFELD—

He was the legal member of the court.

Colonel ROSENFELD. Objection sustained.

Mr. STRONG—

He was one of the witnesses during the hearings, also an attorney of the accused. He said:

May I very respectfully point out to the court, with due deference, that this is cross-examination?

Colonel ROSENFELD. It is not cross-examination, because it is without the scope of the direct examination. The court has ruled. The objection is sustained.

Question. Isn't it a fact that you, during the time you were in Schwabisch Hall, signed a statement for prosecution, in question-and-answer form, consisting of approximately 20 pages?

Again let us keep in mind that this was not a defendant testifying, this was a prosecution witness.

PROSECUTION. I object again.

Colonel ROSENFELD—

Who was the law member of the court—

That is not cross-examination. It is the last time the court will notify you.

We find that this was the constant ruling. A witness would get on the stand, a witness who had been a co-defendant at one time. As the Senator will recall, there was some question as to what inducements were offered these witnesses to testify. He would tell a story on the stand, and when the defense attorney would try to find out what had been done, whether they threatened to ship him back to Russia——

Mr. BALDWIN. If the Senator will permit me right there, there was absolutely no evidence in this case that anyone ever said to any witness, "Unless you tell the truth we will ship you back to Russia." There was absolutely no testimony of that kind at any time. I wish the Senator would use an example within the testimony of the case. But I see what he means.

Mr. McCARTHY. The Senator recalls the colonel who testified, does he not?

Mr. BALDWIN. It was Dwinnell.

Mr. McCARTHY. The Senator will recall that Dwinnell informed the Senator and informed me, and it is all in the record, that they had reason to believe that these men who at one time were co-defendants and then were subsequently released from that status and became witnesses in the case using his words, "We had reason to believe they were being offered some unusual inducement." These men were in the compound, they were accused of serious war crimes. Then the day came when they were no longer defendants, they were prosecution witnesses.

Mr. BALDWIN. There is an important point of procedure involved there.

Mr. McCARTHY. Let me finish.

Mr. BALDWIN. What I say is this——

Mr. McCARTHY. Let me finish my question please.

Mr. BALDWIN. Let us stick to the facts. Let us stick to the evidence in the case.

Mr. McCARTHY. I wonder if the Senator is going to permit me to finish my question?

Mr. BALDWIN. Go ahead.

Mr. McCARTHY. We find men being tried for their lives, some of them sentenced to be hanged. We find witnesses who at one time were accused. They were weeded out. They were brought in as war criminals. Then at a certain stage of the proceedings we find they are prosecution witnesses. The defense wants to find out why that is. The defense wants to find out what they have been offered as an inducement; whether they were offered immunity; whether they were threatened. I assume the Senator and I will agree that it is a perfectly logical request for any defense counsel to make. Now we find that when the defense counsel attempts to question a prosecution witness as to the circumstances surrounding the giving of the statement, the Court, Colonel Rosenfeld, apparently the only man who claimed to know any law and, apparently as in the case of "necessity" he knew no law, consistently said, "You cannot question the credibility of a prosecution witness on cross-examination, because I did not question him about that on the direct examination."

With that condition existing—and assuming that many of these men were guilty—does the Senator believe it was possible for us to determine whether those who were convicted were guilty or innocent? In other words, does the Senator think they could conceivably have received an honest and fair trial?

Mr. BALDWIN. I will say to my distinguished friend from Wisconsin, I think that under the rule of procedure outlined in these trials these men had an honest and fair trial. There are certain aspects about it of which we are critical in the report, but I think that whatever inequities may have occurred in the trial of this case have been more than remedied by the many reviews which have been had.

Let me answer my friend's specific question.

Mr. McCARTHY. I wish the Senator would.

Mr. BALDWIN. In the report we deal with the specific case the Senator raised; the question of cross-examination of Kramm. We deal in the report with it at great length because the committee thought it was an important point of law in the procedure. Let me read from page 24 of the printed report on that point.

The witness Kramm testified on cross-examination—

He was a witness produced by the prosecution:

Question. In what period of time did you take part in that Russian campaign which you first mentioned?

PROSECUTION. I object.

Colonel ROSENFELD. Objection sustained. Not cross-examination.

Cross-examination of the witness:

Question. Now, how often would you say you were approximately interrogated at Schwabisch Hall?

That relates to the Senator's other question.

Mr. McCARTHY. There they were getting into the question.

Mr. BALDWIN. Will the Senator from Wisconsin let me answer his question?

Mr. McCARTHY. I was merely pointing out the Russian connection here which the Senator thought was not in the record. This was the man Kramm whom the defense counsel felt had been forced to testify under threats of being sent back to answer for some crime he was said to have committed in Russia, and the witness Kramm later repudiated all the testimony given at Dachau—testimony which in some cases was the sole evidence upon which death sentences were based.

Mr. BALDWIN. That was repudiated two or three times. He made a statement and then he repudiated it. Then he repudiated the statement he had last made. Then he repudiated the next statement he made. I think it was Kramm who repudiated his statement three times. I mean the repudiation of his first statement was contained in his second statement, and then later he repudiated the second statement by a third statement. As I recall it was the witness Kramm. But answering the Senator's question——

Mr. McCARTHY. May I give the Senator the facts on that point? Rosenfeld wanted to use Kramm in a subsequent trial, I believe, and I think Mr.

Chambers can tell the Senator if that is correct. As I recall the facts, Rosenfeld wanted to use Kramm in a subsequent trial, to use his testimony to convict other defendants. At that time Kramm made a public statement that he was all through with the whole sorry mess; that they could do what they liked to him; that he was not going to act as a phony witness for the prosecution, and be responsible for the deaths of innocent men.

Mr. BALDWIN. I think he did. But going back to the first point the Senator made—and we have gotten far afield from it——

Mr. McCARTHY. Yes.

Mr. BALDWIN. I read from the report:

> Now, how often would you say you were approximately interrogated at Schwabisch Hall ?
>
> PROSECUTION. I object.
>
> Colonel ROSENFELD. Objection sustained.
>
> Mr. STRONG. May I very respectfully point out to the court, with due deference, that this is cross-examination?
>
> Colonel ROSENFELD. It is not cross-examination, because it is without the scope of the direct examination. The court has ruled. The objection is sustained.
>
> Question. Kramm, isn't it a fact that you, during the time you were in Schwabisch Hall, signed a statement for prosecution, in question-and-answer form, consisting of approximately 20 pages?
>
> PROSECUTION. I object again.
>
> Colonel ROSENFELD. That is not cross-examination. It is the last time the court will notify you.
>
> DEFENSE COUNSEL. May it please the court, on behalf of the defense and in view of the fact that the witness will return to the witness stand at a later time during this trial, no further questions will be asked of the witness at this time, but we as defense counsel would like at this time an amplification of the court's ruling on the objection by the prosecution to our line of questions on cross-examination. Do we understand that in the future we will be limited to the line of questioning on direct examination of the witness, or will we be permitted to ask of the witness questions designed primarily to attack the credibility and veracity and bias of the witness?
>
> Colonel ROSENFELD. Both the prosecution and the defense will be permitted to cross-examine the witness other than the accused according to the rules and regulations of cross-examination. Where the credibility of the witness is to be attacked, the credibility will be attacked in the prescribed manner and the court will permit such attack.
>
> If the accused or any of the accused take the stand, cross-examination will be permitted in accordance with the rules of evidence whereby the accused may be cross-examined on any matter in connection with the case.

Then we go on and say in our report:

> Testimony given before the subcommittee indicates that the defense counsel made no effort to lay a foundation for the attack on the credibility of the witness or to attack the manner of interrogation at Schwabisch Hall, nor did they notify the court that this was the purpose of this line of questioning.

Mr. President, I depart from the record for a moment to say that I believe my friend, the Senator from Wisconsin, who is a good lawyer, knows that when a question of this particular kind was offered on cross-examination, defense counsel should have said in this case, "We desire to attack the credibility of the witness." The defense counsel did not say that. However, I will say to my distinguished friend that in our report we criticized the legal member of the court because he did not say to the defense counsel, "Now, defense counsel, do you desire to lay a foundation to question the credibility of the witness, or what is the purpose of your offer of this testimony?" Or something of that kind. But we do think, and the report so states, that the law member of this military court should have stepped in at that point, although he did apparently attempt to explain what the situation was, and have given these people a chance. It later developed, I may say, that we checked further into this Kramm matter, and, of course, my friend, the Senator from Wisconsin, is a good enough lawyer to know that when a hostile witness is on the stand in cross-examination it is a rather foolish thing to ask him a question unless the one who is interrogating him has a pretty good idea as to what the answer is going to be.

Later, in discussing this matter with counsel for the defense in this case, they stated quite frankly that the reason they did not proceed at that time was that they did not know what Kramm was going to say. Counsel went on to say before the court that they would call Kramm later as a witness. Apparently when they talked with Kramm later he stated that he would say nothing different than was in his affidavit, so they did not call him. So it seemed to the committee that while this procedure is subject to considerable criticism, in the long run that particular difficulty was obviated, or the injustice which might have been done was taken care of by what actually happened.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. McCARTHY. The only reason I am breaking in is that I shall have to leave before the Senator finishes his statement. I should like to get his thoughts on some things which I do not find covered too thoroughly in the record.

I am sure the Senator and I will agree wholeheartedly that it is basic that if a defendant is to have a fair trial, when there is a hostile witness, that is a witness who is testifying adversely to his case, the defendant's counsel has the right to cross-examine him in detail, to find out what, if any personal interest he has in the case, whether he is related to any of the parties, how well he knows them, and so forth, so that the court may properly evaluate his testimony, and so that counsel may move later to strike his testimony if it is worthless.

The Senator will recall that the testimony of Kramm was extremely damaging to a number of witnesses. Perhaps he was telling the absolute truth. We do not know. We know that he later repudiated the whole thing—testimony upon which men will hang.

Mr. BALDWIN. Let me interrupt the Senator——

Mr. McCARTHY. Please do not interrupt.

Mr. BALDWIN. When the Senator comes to that part of the report which deals with the examination made by General Clay in this case, he will find that any questionable testimony upon which the life or death of a man depended has been eliminated; and we so state in the report.

Mr. McCARTHY. Will the Senator do me a favor? When he yields to me, will he permit me to finish my question?

Mr. BALDWIN. Let me say to my distinguished friend that I am not going to let him incorporate misstatements of fact in this case, because sometimes, in his exuberance, he is a little reckless in statements which do not actually appear in the testimony. We are deciding this question on the basis of the testimony itself.

Mr. McCARTHY. I am not accusing the Senator of being exuberant or reckless with facts; but when he makes a mistake I am going to call his attention to it. The Senator said that when this case reached General Clay's headquarters any questionable evidence upon which the life or death of a man depended was eliminated.

Mr. BALDWIN. Mr. President——

Mr. McCARTHY. If the Senator will please refrain from interrupting until I get through, I will appreciate it.

I refer to the case of a young man who was sentenced to hang for a very gruesome, unprovoked murder of a Belgian woman in the little town of Bullingen, Belgium. He made a very detailed confession. All the confessions were detailed. He confessed that he went into the home and shot the woman through the forehead. He first asked her whether any American soldiers were present. I believe I could repeat the confession almost verbatim. She said no, there were not, that she and her husband were alone in the house. He said he then stepped back 2 or 3 meters and shot her through the forehead.

I wish the Senator would listen to me, if he will.

Her husband ran out before he could shoot him. Then he described how he and his friend leaned over the woman to make sure she was dead. He described how her brains were seeping out on the floor of the cottage.

On the basis of that confession—he had also confessed several other crimes which were committed in like manner—he was sentenced to hang.

The Senator will recall that before the Army board acted, an investigation was conducted. We know that investigators were sent to this little cross-roads hamlet of Bullingen. I call this to the Senator's attention in view of his statement that General Clay never let anything questionable get by his headquarters.

The investigators learned, first, that during the entire course of the war only one woman—a Mrs. Anton Johnson—had died in that town from other than the normal causes of death. They obtained a statement from Mrs. Johnson's husband, which was witnessed by the parish priest, to the effect that his wife was not shot by anyone, that she was running down the street, and a shell or grenade, or something else, exploded and killed her.

The investigators obtained an affidavit from the undertaker to the effect that there were no bullet wounds anywhere in the body of this woman, as well as an

affidavit from the registrar, or whatever the name of the officer is in that little hamlet, to the effect that she was the only woman in that village who had died from other than natural causes.

The Senator has stated that the Clay board disregarded evidence obtained in an unusual fashion. Bear in mind that this man had been sentenced to hang. He made the usual affidavit. He claimed that there had been a mock hanging, a mock trial, that he was kicked in the testicles, and so forth.

The Frankfurt board then made its recommendation. It said, in effect, that this confession could not possibly be true; that this woman's husband knew how she was killed; that the undertaker knew whether she had been shot through the head; that the parish priest had no reason to lie about it; and that in view of all the facts the confession was obviously false and should be set aside. Mr. Chambers can look up the Clay board's report. The Clay board did not review the evidence in the slightest respect in its disposal of the case, but merely said that this young man was old enough to know that it was wrong to shoot civilians, and therefore his conviction would not be disturbed.

With that case in mind, although the Senator from Connecticut says that the Senator from Wisconsin may be exuberant in relating the facts, does the Senator say that the Senator from Wisconsin does not have the right to suspect the competency of General Clay's board?

Mr. BALDWIN. Does the Senator remember the name of the accused?

Mr. McCARTHY. The Senator from Connecticut remembers the facts very well.

Mr. BALDWIN. I remember the facts very well, and I remember the fact that there was a dispute in that case as to where the shooting occurred, as to the name of the town. One witness said it was Bullingen and another witness said that it was some other town.

Mr. McCARTHY. There was no dispute in the Dachau trial. I believe the Senator will agree that the only dispute——

Mr. BALDWIN. That was the case in which Mr. Everett made a mistake in his petition.

Mr. McCARTHY. The Senator knows that the petition named the wrong town. In the evidence upon which this man was sentenced to die—the evidence reviewed by the Frankfort board and the evidence reviewed—if it was ever reviewed—by the Clay board—there was not one single word mentioned about any dispute as to the village. The only dispute as to the village was in connection with Mr. Everett's petition, inserting the wrong name of the town.

In view of the fact that the Army board said the confession was false, that it had investigated the case and found that the woman was not shot by this young man, and that therefore the confession should be set aside, and the fact that the Clay board never touched upon the evidence, but merely said that this young man was old enough to know that it was wrong to shoot civilians, and therefore he must die, what has the Senator to say?

Mr. BALDWIN. Before I answer the question, I must know the name of the accused. I am frank to say that I do not recall it out of 74. I remember the circumstances which the Senator relates. I recall the claims which were made as to what the testimony showed. On the other hand, there was a very substantial claim that the testimony was otherwise. I am willing to check up on this case. I may say that during the time the Senator from Wisconsin sat as a member of the subcommittee he discussed this case day after day after day. He talked about it a great deal. I am sorry that I do not recall the name of the accused, but I do not.

Mr. McCARTHY. Mr. President, will the Senator yield for a further question?

Mr. BALDWIN. On the other hand, there is the report of the Clay board. My recollection is that the accused in this particular case was sentenced to death and that his sentence was commuted to life imprisonment.

If the Senator does not remember the name of this man, I cannot answer his question. I do not recall the name of the accused. Perhaps I could find it by an examination of all these pages, but I do not recall the name. I cannot fully answer the Senator's question.

Mr. McCARTHY. Let me ask the Senator——

Mr. BALDWIN. There is often a great conflict of testimony even in criminal cases in the United States. Sometimes in the face of conflicting testimony, some of which may sound very positive and convincing, a man or woman is convicted of murder in the first degree. I have never heard of a murder case in my life, nor has my distinguished friend from Wisconsin ever heard of a murder case in his life, in which there was not great dispute in the testimony. Let me refer to page 764 of the record, and read from the testimony of Colonel Ellis:

In considering this case of Max Rieder—

That was the man's name—

the murder of this woman in Bullingen was not of primary importance. I think he was involved at the cross-roads, where there was substantial corroborative evidence. If all we had had against Max Rieder was the statement which proved to be uncorroborated when we went to trial, he certainly would not have been one of the defendants.

There were four dropped from the trial right on, I think, the opening day, because we had no corroborating evidence. Originally there were 78 and 4 of them were nolle prossed on the opening day of the trial. We had no corroborating evidence. If we had only this on Max Rieder he certainly would not have been a defendant.

The record shows that Max Rieder's sentence was reduced from death to 15 years, so that seems to me adequately to dispose of that case, because he was not convicted of the murder of this woman. He was convicted of participation in another part of the incident. When question was raised about that particular case, his sentence was commuted to 15 years.

Mr. McCARTHY. Mr. President, if the Senator will yield for a question, let me say, first, that the Senator is expressing great confidence in the Clay board, and believes that board examined these matters carefully. Let us forget, for the time being, whether the accused to whom I am referring now should live or die or should serve 15 years or 50 years in prison. But keep in mind the question of competency of the Clay board. In that case, the Clay board—the final reviewing board, which had to decide whether the man should live or die—completely disregarded what the Army board had said. The Army board found that that Belgian woman was not shot by the accused, and it dismissed that charge. If the Senator wishes to do some reading, I suggest that he read the Clay board's report when the Clay board ignored the unquestioned facts upon which the Frankfurt based its recommendation that the conviction be set aside and confirmed the conviction with the flippant statement that he was old enough to know that it is wrong to shoot civilians, does not that indicate that the Clay board, the final reviewing board, was incompetent beyond words?

Let me also call attention to a case which was testified to by Judge Van Roden, who was sent by Secretary Royall to investigate this matter. The Senator no doubt will recall that he investigated some very gruesome murders which occurred on Borkland Island.

Mr. BALDWIN. Mr. President, I am perfectly willing to answer questions about the investigation made by our subcommittee. We did not investigate anything except the Malmedy trials. When the Senator from Wisconsin inquires about other cases, and asks whether the investigators in those cases may have been lax, I simply say that we did not investigate any other matters.

Mr. McCARTHY. Mr. President, let me inquire whether the Senator regarded it as one of his functions to determine whether the Clay board, which finally decided whether these men should live or die, was competent. Did the Senator think it was his duty, as chairman of the subcommittee, to determine whether in his opinion, as a lawyer and as chairman of the committee, that board was incompetent or competent? Did the Senator consider that to be one of his functions?

Mr. BALDWIN. In answer, let me say that the committee and the chairman of the committee in this case were directed by a resolution which rather thoroughly describes the area and field of their investigations. I know nothing about the other case to which the Senator refers. We made no investigation of it. The only attempt the committee has made with reference to studying the conduct of the Army and its officers in this whole proceeding was in relation to the so-called Malmedy trials—which covers a rather broad field, I may say.

Mr. McCARTHY. I may say to the Senator that he and I have discussed on the floor of the Senate and in committee the various phases of the trial, having to do with the interrogations. I feel that we have exhausted that phase of the subject. I presently do not plan to go into that particular phase of the case. We discussed it at great length about a month ago on the floor of the Senate.

But I should like to know one thing in regard to the extent to which the committee went into another phase of the

case, namely, whether the committee determined who was on the reviewing board and what type of review was given by the board. I have the impression, based on the records in the various cases, that there was a reviewing board—the Clay board—which was incompetent beyond words.

Mr. BALDWIN. Mr. President, let me say, for the benefit of the RECORD, that that is what the Senator from Wisconsin says about it; that is his charge.

Mr. McCARTHY. That is correct. So I should like to know the extent to which the Senator has gone into that matter. Let me ask Mr. Chambers to permit the Senator to answer these questions without interrupting him. I am sure the Senator from Connecticut can discuss this matter without Mr. Chambers' advice.

In this connection let me cite another case—the case of a young man who was sentenced to death for the willful, deliberate, and cold-blooded murder of some 35 American prisoners of war.

The testimony was to the effect that this man was a machine-gunner in a German tank, but not the lead tank of the group of which it was a part. The American prisoners of war were not his prisoners. He was in his tank, going through a small town; I do not recall the name of the town. There was a line-up of American prisoners of war on the side of the road, either marching or standing still; I do not recall which. In that group there were some 25 or 35 American prisoners of war. The testimony was that this young man, without any orders by a superior officer, opened up with his machine gun and killed them. The testimony was that their bodies were piled up in front of a grocery store door, and lay there for a time.

He was sentenced to hang, of course. Before the Frankfurt board reviewed the case, someone sent out some Army personnel to make an investigation. I am sure that if I deviate from the facts, as I recite the details of this matter, Mr. Chambers will call it to the Senator's attention, as I wish he would, for he has the records before him.

The Army personnel who were assigned to investigate that matter said they could not find anyone in that Belgian village who knew anything about the killings. In the second place, the grocer, before whose store the bodies lay, said that he knew nothing whatsoever about the matter. The United States Army personnel who followed through the town immediately after the retreating Germans, testified that when they came into the town they did not find any of the 35 bodies, and did not find anyone in the town who knew anything about the shooting of any prisoners of war.

The Frankfurt board then said, in effect, "In view of the uncontradicted evidence that no American prisoners of war were shot in that town, we must assume that these confessions were obtained under duress, and were false." That was the conclusion of the board. The members of the board were unanimous in their opinion that there was no proof of guilt.

In that particular case the Clay board—and this disturbs me because it shows the general pattern—said, in effect: "Because of his youth"—as I recall, he was 23 years of age—"and because he may have shot these American prisoners of war because of the order of a superior officer, we will cut his sentence to 15 years."

The board completely ignored the uncontradicted fact that no United States prisoners of war had been shot in that town; but the board determined that, instead of being hanged, the accused should serve 15 years in prison.

In view of that type of case, I wonder, first, whether the committee made a thorough check of the personnel of the Clay board; and, if so, what the opinion of the committee is regarding its competency, based on all these cases; or if a check was not made of that matter by the committee, I wonder whether the committee will agree with me that such a check should be made by it.

Mr. BALDWIN. Mr. President, in answer to that rather lengthy question, let me say, in the first place, that there is no such thing as a Clay board, as such.

Mr. McCARTHY. I am speaking of the final reviewing board.

Mr. BALDWIN. Let me say that one of the parts of this investigation was a very thorough study of the review procedures used in those cases. In the second part of our report we go into a very detailed discussion of the law under which the court was constituted and of the law under which the cases were tried. We go into that matter sufficiently to indicate the general type of case and the composition of the court itself. A brigadier general served as its president, and the other members were colonels. Of course, their rank has no controlling effect, as all of us realize, for there are colonels who do not know their job, and perhaps there are generals, too. But in that particular case we went all through those trial procedures, and some of our recommendations are based upon them.

Let me say to the Senator that I think one of the most extraordinary things that happened in the reviews was that one of the defense counsel sat on one of the reviewing boards. He testified before our committee that when these cases came up, he was asked to sit on the reviewing board. Please understand that I am not being critical of him, for he was asked to sit on the board. He was asked by us, "Did you help the defense? Did you try to help these people?" He said that he did every day. That was, I thought, a most improper procedure. I think it answers the Senator's question, when I say that we examined the trial procedure at great length, and have made recommendations concerning it.

Mr. McCARTHY. Before I leave, I have one further question in regard to this very clear-cut case. In this case there is no claim made that the young man was being sentenced to death for anything other than the willful murder of about 25 or 35 American boys. Either he was guilty or he was innocent. Certainly if he were guilty it was one of the most atrocious war crimes committed, an unprovoked, deliberate mass murder. If he were innocent, then he should serve no time. I should like to get the Senator's thought on this—the picture we have gotten all through the case is that the reviewing board which, I think is called the Clay board—by that, I mean the final reviewing board——

Mr. BALDWIN. I think I know what the Senator means. It was the Judge Advocate General who made the final recommendations to Clay. But may I say to my distinguished friend, as our record discloses, in all the death cases, I think there is no question that General Clay himself took all the evidence in those cases and he himself made the final determination. I mean the death cases were decided on that high level.

Mr. McCARTHY. This was a death case.

Mr. BALDWIN. Does the Senator recall the name?

Mr. McCARTHY. No, but I am sure Mr. Chambers can find it. It is in the report I made to the Senate several weeks ago.

Mr. BALDWIN. Oh, the Senator is reading the questions from that report? I thought they sounded familiar.

Mr. McCARTHY. No, the name is not here. Mr. Chambers can find it, I am sure.

Mr. BALDWIN. Shall we look for it?

Mr. McCARTHY. I assume we are both aware of the facts, so the name is not overly important. It is a typical case, I believe. Let us take this one case. If one case is handled improperly, then we should question the handling of the other cases. We take this case of the young man who was sentenced to death. It is a death case. Therefore you say General Clay personally examined it. In this case the Army board says, "We have investigated. The alleged facts are completely false. Not a single American was murdered in that town." They say that therefore the conviction should be set aside. General Clay, however, signs the order confirming the conviction, but cuts down the sentence, because he says that "perhaps the young man was acting under the orders of a superior officer"—even though the record was absolutely clear that, not only was he not acting under the orders of a superior officer, but, if he killed these men, it was in violation of any order. We find an unusual attitude in this case, in which it is said, by the Frankfurt Review Board, "The evidence shows he was not guilty, that he could not be guilty; he should not be hanged; but we will give him 15 years." First, let me ask, will not the Senator agree with me that, on those facts, a great injustice was done in that particular case?

Mr. BALDWIN. I do not recall those facts. Let me rehearse certain facts and see whether my friend recalls them. There was one case in which Colonel Pieper and his medical officer, whose name escapes me now—I think it is Difenthal——

Mr. McCARTHY. No; Difenthal was not the medical officer.

Mr. BALDWIN. No; Difenthal was the battalion commander. The name is Sickel.

Mr. McCARTHY. That is correct.

Mr. BALDWIN. They are in the command post, and in comes this German enlisted man with an American soldier who had apparently escaped the first killings or being captured, and hid himself in the woods. He hid in the woods for a week without food and without heat. He finally decides the thing to do is to surrender himself, so he comes in and surrenders to the Germans, and this young fellow, an SS German trooper, whose name escapes me now, takes him into the command post. Does the Senator remember that?

In that particular instance, as I recall—and I would want to check this to make certain, because there are a good many of these cases— in that particular instance the testimony is that as the result of instructions given by Sickel to the young German SS trooper, they took the American boy out, marched him out a short distance, in his rags, and shot him from behind, because Sickel had given the order, "Bump him off!" In that particular case as I recall, although it was a cold-blooded shooting if ever there was one, I think the fellow was first convicted of murder in the first degree, which would involve being sentenced to be hanged; but I think the sentence was commuted on the basis that, right then and there, in the presence of his officers, there was not much he could do about it, because here was his colonel and commanding officer, practically urging him on, and here was Dr. Sickel. That is the case. The Senator knows that, even under our American judicial system, there is no such thing as exact justice. Theoretically, a man is either guilty of murder in the first degree or he is not. He may be guilty of murder in the second degree, he may be guilty of manslaughter; but he is guilty of a homicide in some degree. It is a little difficult in this case to say, "if you are going to disbelieve the evidence, you ought to let him go," I think it is a good point, but I think what the Army tried to do here, though I admit in a rather clumsy fashion—was to prevent the execution of anyone concerning whom there was any serious question about the testimony. There may have been failings on the part of the Army—and there were failings; this was not a first-class job in any sense of the word; we say so in our report, and we make recommendations to deal with it in the future. I think if anything the Army has leaned over backwards, in a rather clumsy fashion, to avoid injustice.

Of course, one is not tremendously impressed with that sort of system. I am bound to say that; but all three of the members of the committee were of the opinion, after examining the reviews that General Clay personally made of the cases, that he had done his level best to eliminate from the consideration of whether a man was guilty as charged, or whether he was innocent, any evidence concerning which there was any real question at all.

One of the things in this case that is somewhat revolting is that when Sickel was pressed he himself finally said: "Yes; it did happen; but the reason why I ordered the man to be shot was that he had a third- or fourth-degree frost bite"—I think he said he had a third- or fourth-degree frost bite. "He would not live anyway," he said, "and so we did it to put him out of his misery." There was a prison station, as I recall, on the floor right above the room where they were sitting.

Mr. McCARTHY. I agree with the Senator. The account of it was gruesome, sickening. It was the completely unwarranted murder of an American prisoner of war.

Mr. BALDWIN. That does not justify us in venting our spleen on those persons. What we tried to do was to arrive at substantial justice under all the circumstances.

Mr. McCARTHY. Let me make myself clear. I know that if all of the men who were sentenced to hang had been given a proper trial some of them should have been hanged long before this time. But the fact that there were some very gruesome crimes committed in that area does not justify this hit-or-miss procedure. The thing about which I am disturbed is, first, that the system we use over there fails to do the two things which a good judicial system must do, namely, it must convict the guilty and it must protect the innocent. This system certainly convicted any of the guilty who got into the clutches of the Army, but it did not protect the innocent. We can pick particular cases which my able friend apparently does not care to discuss——

Mr. BALDWIN. That is hardly a fair statement; is it?

Mr. McCARTHY. Then let us discuss the case of Rudolph Pletz.

Mr. BALDWIN. The name does not seem to be familiar to me. Does the Senator mean Mr. Fleps?

Mr. McCARTHY. There is no doubt in the mind of Mr. Chambers, who is sitting beside you to assist, as to the case which I am discussing. The first name is Rudolph, and the last name is Pletz. Let us discuss that case.

Mr. BALDWIN. I think there was a Mr. Plepps.

Mr. MILLIKIN. Mr. President, if the Senator will yield, I should like to say that I am very much interested in this matter, and I should like to have one case identified and understood between the two Senators, and then have a discussion of that case. I wonder whether we can have one case upon which both Senators agree, and then let us see how we come out on it.

Mr. BALDWIN. Let me say to my friend from Colorado that as my friend from Wisconsin describes these cases, in spite of the fact that I heard 108 witnesses and have read all the evidence and the affidavits connected with the matter, my friend often states circumstances which it is difficult for me to recognize.

Mr. McCARTHY. I shall make this very easy for the Senator to recognize. I shall give the Senator some facts which I am sure he will recognize. His very able counsel is sitting here beside him, and I should like him to get the report of the Frankfurt board and then get the final disposition of the case by General Clay. I shall recite the facts. A boy, Rudolph Pletz, was sentenced to die because he had deliberately murdered 25 or 35 American prisoners of war. There were the usual statements of men who had originally been selected as codefendants who had been accused of being war criminals but who had been released from defendant status and made witnesses.

If I may digress for a moment, there was an order existent at the time which said to the interrogators: "If, during the course of your interrogation, you find that one of these war criminals in the compound will be more valuable as a witness in convicting his codefendants, you may remove him from the status of a defendant and use him as a witness."

In other words, the instruction to the interrogators was that they could grant immunity to a codefendant who would be more valuable as a witness.

In this case there was the usual testimony of men who at one time had been codefendants, very clearly and unequivocally setting forth all the evidence upon which a man accused of killing 25 or 35 other men could be convicted. They described in detail how they saw the shots coming from the machine gun, how they saw men suddenly topple and fall. They described how the corpses lay in the street. Rosenfeld, who was the law member of the court, consistently ruled that under no circumstances could the credibility of a witness be questioned on cross-examination. In other words, if John Jones gets up and says——

Mr. BALDWIN. Mr. President, I must ask my friend to yield at that point. Colonel Rosenfeld made no such ruling as that. He made no ruling that under no circumstances could a witness be cross-examined on credibility. We have been all through that before. I tried to explain it at great length. It is in our report. The Senator can read it later. He found fault with the way the case had been conducted and thought that a judge should advise an attorney, who apparently might have been incompetent or excited or nervous and might not have known what was the right thing to do. But we went all through that and examined it very carefully. It is all in our report, and the Senator can study it there.

Mr. McCARTHY. In spite of the Senator's statement, I say, without qualification, that Colonel Rosenfeld adopted the position that one cannot cross-examine on matters affecting the credibility of the witness because—and listen to this—because he, on direct examination, did not try to impeach his own witness. That, Mr. President, is a ruling which in the mind of any man who knows even the simplest rules of evidence is ridiculous to the point of being ludicrous.

Mr. BALDWIN. Let me say that so far as the claims made are concerned, there is a full discussion in the report. The trial record speaks for itself, and I submit that it does not bear out what my distinguished friend from Wisconsin says about it. That is the only answer I can give to the question. I cannot answer questions that are based on things that are not in the record.

Mr. McCARTHY. Will the Senator let me finish my question? I invite the Senator's attention to the record in

which Mr. Strong, one of the defense attorneys, was attempting to question the credibility of a witness. Colonel Rosenfeld said, "It is not cross-examination, because it is without the scope of the direct examination." This involved an attempt to impeach the witness. The defense council attempted to go further and show that the witnesses were biased or that something had happened to them, but Colonel Rosenfeld said again: "That is not cross-examination, and this is the last time the court will notify you." In other words, he was saying, "We do not want you to try to question their credibility again."

The Army board took some pains to try to investigate the case. I hope the Senator from Connecticut will stay with me so that we can discuss the case. The Army board conducted an investigation. It found that no American prisoners had been killed in the town. It could not find any Belgian who knew anything about the matter. It then said to the Clay board, "It is untrue. There were no men shot in this street." The Frankfurt board interrogated men who had followed the German tanks immediately through the town. The board said it could find no evidence whatsoever. I cannot quote the language verbatim, but it was to this effect: "Under the circumstances, the evidence of the men who claimed they saw this alleged massacre is untrue, because no men died in that town. Therefore the conviction should be set aside."

Then the matter went to General Clay's board, the board in which the Senator from Connecticut seems to have so much confidence. What did the Clay board do? It did not review any of the facts. It said, "This young man was perhaps operating under the command or the duress of the senior officer." I believe they mentioned his age, and said, "Therefore we shall reduce his sentence to 15 years."

Now I ask the Senator if he will agree with me that in this case in which the facts are undisputed there was a very gross and grievious miscarriage of justice.

Mr. BALDWIN. I do not recognize the case from the description the Senator has given. It may have slipped my mind. We shall certainly look into it. I recall that time and again during the hearings the Senator discussed this matter, and I am frank to say that during the development of the testimony I do not recall anything that is much like it.

I would say very certainly, however, that I am convinced, and speaking for the other members of the subcommittee, I think I can speak for them, and incidentally, neither of them could be present today, because the Senator from Tennessee [Mr. KEFAUVER] is in Tennessee, and the Senator from Wyoming [Mr. HUNT] had to go to Wyoming to fulfill an engagement of long standing—we were convinced, after hearing all the witnesses, and going into the testimony that so far as the death cases were concerned, by the time they had gotten to General Clay and had been reviewed by him, they had been very carefully gone over. Any possibility of injustice seemed to me and the other members of the subcommittee extremely remote.

I am frank to say to the Senator that there were 74 of the cases which were tried, and I do not recall every one of them in detail. As a matter of fact, we did not act as a board of appeals, and did not attempt to. We had no authority to do any such thing. What we did was examine the procedures in the cases, and it should not influence the Secretary of the Army one whit or tittle what my opinion might be as to the innocence or guilt of the men. That has to be based on the findings of his own board, his own findings, and his own conscience. That is his business. I am convinced that the Army did the best it could.

Mr. McCARTHY. Mr. President, the Senator has said I have repeated the facts in the case a number of times, so the Senator knows what I have said the facts were. The Senator was on the floor when I recited these identical facts about 4 or 5 weeks ago. If the facts as I recited them are correct, then no man can help agreeing that the reviewing board is completely incompetent.

In view of the fact that he can go to the record and check the facts, in view of the fact that he tells me that he is aware that I have stated the facts at various times, does not the Senator feel that he has a duty to check into this case and see whether the Senator from Wisconsin is wrong, or whether the facts are as he stated them? If I am correct, then the Senator should make some mention of this in his report.

Let me ask the Senator another question. If my statement of the facts was correct, as the facts are set forth in the report which I gave the Senator 4 or 5 weeks ago, page 24, facts which are identical with what I recited today, will the Senator then agree that in at least this one case there was a very gross miscarriage of justice?

Mr. BALDWIN. If the facts are as the Senator says—and I am not accepting them as the Senator says they were, in any sense of the word—if the facts were as the Senator stated them, I think his conclusion would be correct. But I do not agree they are the facts.

Mr. McCARTHY. Will the Senator have his committee check the facts? His staff has all the facts. Will he then tell the Senate wherein I am wrong in the slightest degree in my recitation of the facts?

Mr. BALDWIN. Mr. President, our report has been filed with the Senate, it is complete, and our work is done. If it is subject to criticism, it is subject to criticism. If it is wrong, it is wrong. There it is. I think the Senator is asking something that is unusual.

If the Senator is convinced that an injustice has been done in one particular case, there is nothing to prevent him going to the Secretary of the Army, who has the final decision in the matter, and laying it before him. We cannot decide what should be done with these sentences. It is all up to the Secretary of the Army, as we say very plainly in our report.

Mr. McCARTHY. The only way we can determine whether the trials were properly conducted and the reviews were properly made or not is to take specific cases and find out how they were handled. The Senator has told me that if I am correct in the facts I have stated in this one case—and I have stated him the facts in a dozen cases like it—if in this one case the facts I have given him are correct, then there was a gross miscarriage of justice. He tells me that. I merely ask him to go a step further: To find out whether or not those facts are correct; and if they are, then I think he should so state to the Senate and in his report.

Mr. BALDWIN. This does not purport to be a report on the correctness or incorrectness of the decision in the trial in every single case. We have no authority to do anything of that kind, and we have not attempted to. Does the Senator stand for the proposition that if a jury renders a wrong verdict or a court makes a mistake in a criminal trial, thereafter the jury system or the judicial system is fundamentally wrong?

Mr. McCARTHY. I would say that if the system of justice in Europe was not resulting in the conviction of the guilty and the protection of the innocent, then it was fundamentally wrong, and, secondly, I say that each and every case must be examined on its merits. The life or death of one person may not seem to be important to the Senator from Connecticut, the freedom or liberty of one person may not seem so important to him, but it is to me. I very strongly feel that a conquering nation which has the power of life and death over a people must be very meticulous in protecting their liberties.

In connection with that——

Mr. BALDWIN. Is this a question?

Mr. McCARTHY. Yes; it is a question. The Senator asked me a question, and under the Senate rules, if he is to retain the floor, I must answer it by another, I assume.

I heard a very interesting story a few days ago which I wonder if the Senator has heard. A German went into a denazification court and said, "I want to plead guilty. I am a Nazi, and I want to be denazified." The court looked over his record and said, "You were here a year ago and said you were not a Nazi. Did you commit perjury then?" He said, "No; I did not." The court said, "How does it happen that you are a Nazi now and were not one a year ago?" "But, Your Honor," the man replied, "that was a year ago."

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. BALDWIN. I yield.

Mr. LANGER. As I understand, there were some 74 cases, and I am in somewhat the same state of mind in which the Senator from Colorado finds himself. Is there not one of these cases in which the Senator from Wisconsin and the Senator from Connecticut can agree on the facts, at least one case that is set before the Senate in which we can judge what actually took place in any of the cases.

Mr. BALDWIN. It is the function of the Senate committee to examine the procedures, to find out what was done, and to make recommendations, but in no sense of the word can we sit as an appeal board, and consequently this report does not deal with individual cases.

It is not the function of the report, except as the facts in an individual case might affect the conditions of the whole system.

Mr. MILLIKIN. Mr. President, my inquiry was not directed into an inquisition into the facts and the judgment in any case, but I wanted to ascertain what the procedures were, so that I might have some idea of what the case was about. I was not critical of the Senator from Connecticut, I was merely trying to find out what we were talking about.

Mr. BALDWIN. I understand, and I appreciate the remarks of the Senator from Colorado.

Mr. President, evidence was introduced before the subcommittee to show that only four of those alleging duress at that time claimed to have been beaten, and that those claimed the beatings had been administered by guards and not for the purpose of obtaining confessions. The subcommittee further noted that shortly thereafter when the accused were being tried, nine of the accused took the stand in their own behalf, and of these nine, three alleged physical beatings or mistreatment. The allegations do not appear to have impressed the court at that time. The subcommittee took note of the testimony submitted to it by the defense counsel and in particular the testimony of Lt. Col. John S. Dwinnell, the associate chief defense counsel, who stated that he had been primarily responsible for the decision that no more of the accused should take the stand in their own behalf. He stated that this decision was made because those who did testify were lying to save themselves to such an extent that they were prejudicing the cases of other defendants.

Our report, Mr. President, goes into great detail in the Kramm matter which has just been discussed on the floor of the Senate. I do not believe it is fair of me to take the time of the Senate to go into that matter again. We deal with it in two parts of our report. Nor do I wish at this time to go at great length into the situation as it pertains to Dr. Knorr, because we deal with that in great detail in our report.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. McCARTHY. I may say to the Senator from Connecticut that I am obliged to leave the floor because of a very important appointment. I assure the Senator I do not leave because of lack of interest in his report.

Mr. BALDWIN. I may say to my distinguished friend that I am sorry he has to leave. I have tried my best to answer his questions, and I hope he will feel assured personally that the subcommittee of the Senate of which he is a member did its very level best in a very arduous and extremely difficult and, I might say, a very unhappy kind of a task, to arrive at the facts.

Mr. McCARTHY. I will say that the Senator and I differ very greatly on this subject, but it is not the first time two Senators have differed.

Mr. BALDWIN. The Senator from Wisconsin a moment ago ended his statement with a story. May I be permitted to tell a story at this particular point? The Senator from Wisconsin sat with the subcommittee through a portion of its hearings, and then he withdrew. Since that time we have examined a great many witnesses and we have been to a great many places and we have learned a great many things about this case. I am therefore reminded of an old justice of the peace who was elected up in Moodus, Conn. The first case heard by him was a civil suit. The plaintiff went on the stand and testified, and his witnesses testified, and when the plaintiff and his witnesses got through and the plaintiff's lawyer said he rested the plaintiff's case, and when the defendant's attorney started to call the defendant, the justice of the peace said, "I don't want to hear any of his testimony. It is an outrageous thing which the defendant has done to this man. He cannot possibly explain it away. I do not want to hear his testimony." It was explained to the justice of the peace that in such a case he must hear all the testimony; that he must hear witnesses for both sides of the case. The justice was finally prevailed upon to hear the defendant and his witnesses, and after he had heard the defendant and his witnesses he turned to the plaintiff and said, "I think this is a most outrageous case. I fine you for contempt, I fine you for perjury, and I throw your case out of court."

Mr. McCARTHY. I urge the Senator from Connecticut to do one thing. I think this is a terribly important matter. I do not think what I shall ask the Senator to do would be unduly imposing on his time. His staff can handle it very easily. The only way we can tell whether we have a competent review board, that is the Clay board, is to consider several specific cases reviewed by that board. If we find that the board showed itself to be completely incompetent in two or three cases, then I think the report should say, "The review board is incompetent," and that there should be a review of all the cases. I am now speaking only of the cases in which the sentence was death. I wish the Senator would have that done. He apparently is not acquainted with the facts. The evidence was taken quite a while ago. I wonder if the Senator would direct his staff to make a complete report on the Rudolph Pletz case and the Max Rieder case, and if the members of the staff want to go a step further, take up the Borkum Island case.

Mr. BALDWIN. I do not think that case would come within the scope of our investigation.

Mr. McCARTHY. I think it would be important, only insofar as it would help the Senator to arrive at a conclusion as to whether the final reviewing board was competent or incompetent.

Mr. BALDWIN. I think we could take up the two cases, the Max Rieder case and the Rudolph Pletz case. I do not recall that name. There is a Fleps involved.

I think the subcommittee has outlined the facts. We have tried to go through the different appeal procedures. We did that very thoroughly with all the other procedures.

Mr. McCARTHY. I think the subcommittee may have gone into the matter generally, but if the subcommittee would study in detail the record of the Clay board in the two cases to which I have referred then they will report to the Senate that the Clay reviewing board was criminally incompetent.

Mr. BALDWIN. Mr. President, I wish to say a word about the affidavit of Dr. Knorr, because it was considered to be of great importance. Dr. Knorr was dead, but members of our staff, after diligent effort, and, I think, by extremely good work, located a young woman who had been Dr. Knorr's assistant. She appeared and testified at the hearing in Schwabisch Hall. One of the most striking things about her testimony was the fact—and she appeared to be a very sincere young woman—that Dr. Knorr, an old dentist, had kept records of the treatments he had given the Malmedy patients. While she testified that the records of the doctor's regular cases were kept for 10 years before they were destroyed, she said the records which were kept in the cases of the prisoners were disposed of—as she said, burned—at the end of the year.

An internee by the name of Dietrich Schnell prepared an affidavit on October 1, 1948, at the request of Mrs. Sepp Dietrich, the wife of General Dietrich, one of the accused in this case.

Without reading from the report in full, I ask unanimous consent to have printed in the RECORD at this point the report on this matter, beginning on page 13 of the manuscript.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

An internee prisoner by the name of Dietrich Schnell prepared an affidavit on October 1, 1948, at the request of Mrs. Sepp Dietrich, the wife of General Dietrich, one of the accused in this case. This affidavit indicated a meticulous and exact knowledge of everything that went on in Schwabisch Hall at the time the Malmedy prisoners were there. If the statements were true, they would raise a strong presumption that all the charges made in the various accusations were correct.

Dietrich Schnell is an extremely intelligent former Nazi paratrooper. Before the war he was a kriegsleader in the Nazi Party in the vicinity of Poppingen. A kriegsleader was one of the bulwarks of the Nazi Party, and within his area, which consisted of approximately 50,000 persons, Schnell literally had life-and-death authority over the people. Schnell was located by the staff of the subcommittee and interrogated at some length. A copy of that interrogation, which is contained in the subcommittee's record, indicates clearly that he had carefully memorized the most minute details of his affidavit, including details of conversations which had been held some 3 years earlier. He later was examined under oath by the subcommittee. On direct questioning, which went beyond the material in the original affidavit, he changed his story in substantial detail. The conflict in evidence was very noticeable because of the contrast with the exactness of his knowledge of all the matters in his original affidavit. The subcommittee took particular notice of the statements made in his affidavit concerning the suicide of one of the suspects named Freimuth. In his affidavit he gave considerable details of the Freimuth matter, including the words he used when he was alleged to have shouted from the window of

his cell to Schnell. When the prison was physically examined by the staff of the subcommittee, with Schnell along for the purpose of checking the various parts of his story, it was noted that the cell number given in his affidavit, and which was confirmed by other evidence, was an interior cell from which Freimuth could not have been seen by Schnell. This fact standing by itself casts doubt on the authenticity of Schnell's affidavit. When he later appeared before the subcommittee, he had grasped the significance of the situation and attempted to change the location of the cell and its number by verbal testimony.

His entire story indicated that it had been carefully prepared and rehearsed. Reduced to its essential detail and under examination, the only direct testimony that he gave to any beating by members of the war-crimes interrogation team was one instance which he claimed to have seen quite late at night from a window in the dispensary. He stated, on interrogation, that he saw Lieutenant Perl strike and then kick an accused being questioned. The room in which he claimed he saw this done was established to be the administrative office used by the war-crimes investigating team. It was denied by witnesses that this room was ever used for interrogation. Further, they testified that there was interrogation at night on only one occasion. That one interrogation was not conducted by Perl. When Schnell first gave this story on interrogation, he described meticulously how Perl had struck the prisoner with the back of his hand and then demonstrated the way he then kicked him. However, Schnell was taken to the prison and placed at the window in the dispensary where he could look into the room in which the alleged incidents were supposed to have taken place. By test it was determined that even a tall man could not be seen below the waist and that it would have been impossible for anyone to have seen a man kick another and describe it as Schnell had done on the preceding evening. He then qualified his earlier statement that he saw Perl kick the man and said he had merely seen a movement of his body which indicated that he was kicking a man, after which the suspect staggered back into the room. Schnell also alleged that he had seen the guards beat prisoners with clubs as they were being moved from point to point around the prison. This particular charge was made by others who submitted affidavits, but was denied by other witnesses. Schnell also volunteered the information that a set of gallows had been in the courtyard. Later examination of German guards, who had been present at the time the Malmedy prisoners were there, disclosed that no gallows had ever been in Schwabisch Hall. When confronted with their statement, Schnell qualified his statement by saying that the gallows had not been erected but had been on the ground and covered with canvas. This was at complete variance with his early story. One other very significant item in connection with Schnell's approach to this case transpired after interrogation by the subcommittee staff. He stated definitely that he had not been in touch with any German attorneys or lawyers in this case except, initially through Mrs. Dietrich, with a man by the name of Aschenaur. Through investigation the staff discovered that immediately after interrogation he called Dr. Eugene Leer, a German attorney, who has apparently been coordinating the activities of all these prisoners.

The subcommittee is convinced that Schnell, because of his Nazi affiliations, was a most interested witness. Because of the many discrepancies in relatively minor matters and because of the definite and substantial error in connection with the Freimuth suicide, the subcommittee feels it should give little credence to the testimony of Schnell. Moreover, it is clear that it was intended to fit into the pattern of well-prepared, well-organized testimony, aimed at substantiating the various allegations made concerning brutality.

Mr. BALDWIN. Mr. President, we cross-examined Dietrich Schnell. We found that he was a very prominent Nazi, and that there were several very important and significant discrepancies in his testimony.

There was heard another witness upon whose testimony many claims have been based, Mr. President, and we do not need to go into them here in detail, because the Senate is drawing near to the end of this session, and I know that my good friend, the Senator from North Dakota [Mr. LANGER] would like to obtain the floor. His name was Otto Eble, and he made the most extravagant claims about the evidence he had received.

Another witness by the name of Otto Eble was located through the counter-intelligence force in Europe in the French zone. Eble was the man who alleged that he had had burning matches placed under his fingernails and was the only one, as far as the subcommittee could discover, who alleged that phony priests had been used in securing confessions. On examination, the subcommittee developed the fact that Eble, who had signed his affidavit as Otto, was in fact named Friedrich Eble; that he had taken his brother's name of Otto and his rank and used them during the period of time he was under investigation. Furthermore, he has a record of four convictions on the charge of embezzlement, and on occasion, while an internee, escaped and lived for many weeks until discovered under the name of Erwina Sennhausen, an alleged Swiss citizen. On interrogation by French intelligence officers, his brother Otto, whose name had been used, stated that the truth was not in his brother Friedrich. While testifying before the subcommittee, he gave three separate and distinct stories as to why he used his brother's name and rank, and each of them was probably untrue. A physical examination was made of Eble to determine if there were any scars indicating burns under his fingernails, which he stated had become infected. No evidence was found to support his claim. The doctors who examined him stated that in their opinion the man was a pathological liar and was incapable of telling the truth. The committee examined the witness Eble at great length and found that he should be thoroughly discredited as a witness.

The obviously false charges made by this man Eble have been thoroughly publicized by Judge Edward L. Van Roden and others. They have spread as truth the false statements of this convicted criminal and liar, not only throughout our country but abroad. The results of such publicity have been so serious abroad as to warrant the special attention of the subcommittee. Furthermore, the subcommittee cannot but comment that those citizens of the United States who have accepted and published these allegations as truth, without attempting to secure verification of the facts, have done their country a great disservice.

In summary, the subcommittee considered the following evidence on the subject of physical brutality and mistreatment after translating and studying all the affidavits and statements submitted to it. First of all, it accepted as evidence the affidavits submitted by the Germans accused after conviction. It is recognized that these affidavits were self-seeking, and under examination most of them have not been corroborated by the medical evidence and other subcommittee investigations. Second, the subcommittee heard the testimony of persons who claimed to be eyewitnesses at Schwabisch Hall of these various matters, and their testimony has been analyzed in some detail earlier in the report. Third, the subcommittee heard the arguments made by defense attorneys, both American and German, which were not evidence in the normal sense, but expressed conclusions on the part of witnesses. Fourth, there were several witnesses, namely, Bailey, Tiel, and Sloane, who testified before the subcommittee, who in their testimony indicated that they had seen incidents which would appear to corroborate, in kind, the statements alleged by the convicted accused. On the other hand, the subcommittee heard the testimony of Lt. Col. Edwin J. Carpenter and his interpreter, Paul G. Guth, who made an investigation of these alleged physical mistreatments prior to the trial, and whose findings did not support to the slightest degree the claims of physical brutality made in later affidavits by the convicted accused. The subcommittee also heard testimony from the war crimes interrogation team personnel, which admittedly was from interested witnesses, but whose testimony was given forcefully and convincingly. Many of these individuals had requested to testify so that they could state their position under oath before the subcommittee. These individuals all testified, categorically, that none of these physical mistreatments or brutalities occurred.

The subcommitte also heard members of the administrative staff of the prison, who were responsible for the care and guarding of the prisoners. These witnesses had no self-interest in this matter, and testified strongly and definitely to the fact that there was no physical mistreatment of the prisoner. This testimony was particularly convincing, since it included the testimony of the doctors and medical enlisted personnel who were assigned to Schwabisch Hall for the purpose of caring for the suspects in this case. The subcommittee itself secured a medical staff, consisting of two doctors and a dentist of outstanding qualifications, from the Public Health Service of the United States. This medical staff independently examined all the Malmedy prisoners who are presently at Landsberg prison. In addition, they also examined Eble for evidence of physical abuse. They state, of those convicted prisoners at Landsberg, 11 claim that they were not physically mistreated at Schwabisch Hall, 34 allege they were physically mistreated at Schwabisch Hall but do not claim to have received injuries which

would leave evidence of a permanent nature, and 13 allege that they were physically mistreated and have injuries of a permanent nature. The medical staff pointed out that there was no question that the 11 prisoners were not subjected to physical mistreatment at Schwabisch Hall and that the second group of 34 prisoners had no physical evidence to support their claims of alleged physical mistreatment. Of the 13 who alleged physical mistreatment with permanent results, the medical evidence does not support, to any degree, the claim of these prisoners. They state that 3 had conditions which definitely were not due to physical mistreatment, and that the remaining 10 showed physical findings which might possibly have resulted from physical mistreatment, but none of these 10 showed evidence of the severe acts alleged by the prisoners.

All of the facts and evidence brought to the attention of the subcommittee through the above sources were analyzed and weighed carefully, and the subcommittee believes that there is little or no evidence to support a conclusion that there was physical mistreatment by members of the interrogation team in connection with their securing evidence in the Malmedy case. The preponderance of evidence is all to the contrary, and there are too many discrepancies which appear in the allegations made concerning such physical mistreatment. On the other hand, the subcommittee recognizes that in individual and isolated cases there may have been instances where individuals were slapped, shoved around, or possibly struck, but is convinced that if this did occur it was the irresponsible act of an individual in the heat of anger in a particular situation. Furthermore, it definitely was not a general or condoned practice. There is no substantial evidence to support the belief that any persons were affected, insofar as their convictions were concerned, by physical mistreatment of this kind, even if it might have occurred in isolated cases. The subcommittee is convinced that the confessions made by the prisoners, and the evidence submitted at the trial were not secured through physical mistreatment of the accused.

There was a claim made that in these mock trials certain persons postured as priests. Eble was the only one who testified to that effect, and I have heretofore commented upon Eble's testimony. I shall not take the time to read the section of the report dealing with persons who allegedly postured as priests. I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

POSTURING AS PRIESTS

The charge that members of the American interrogation team postured as priests for the purpose of securing confessions has been widespread throughout our country. This is primarily due to the speeches made by Judge Edward L. Van Roden and the publication of his remarks by the National Council for the Prevention of War, and other similar organizations. The sole source of the charge was, insofar as the subcommittee was able to determine, the witness Eble whose testimony was discussed in detail above. For the reasons previously stated, the subcommittee believes that absolutely no credence can be given to any statement made by Eble, who is a convicted criminal and a liar, and that there is no truth to this charge. It is considered most unfortunate that many prominent religious people have been misled by the use of the uncorroborated statements of this man, and apparently accept the allegation as being true. As will be noted throughout this report, many of the most flagrant charges which have been so widely publicized in this case can be attributed first to the affidavit prepared by Eble, second to the cloak of authority given to his statement through the media of the publications and speeches of Judge Van Roden, and third by the organized dissemination of this information both in our country and abroad by the National Council for the Prevention of War.

Mr. BALDWIN. Inadequate medical facilities were claimed, as we state on page 18 of the manuscript, in paragraph 8. That question was gone into thoroughly. In the opinion of the committee there were adequate medical facilities, and they were used, and these people received decent and good care.

I ask unanimous consent to have paragraph numbered 8 of the manuscript printed in the RECORD at this point, as part of my remarks.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

8. INADEQUATE MEDICAL FACILITIES

Many of the affidavits submitted by the persons interrogated at Schwabisch Hall alleged that they were denied medical attention for such ailments as they might have. There is no question that there was an American doctor and enlisted personnel stationed at Schwabisch Hall at all times while the Malmedy prisoners were there. These doctors testified before the subcommittee, as did their superior, Captain Evans. Their testimony was clear, professional, and convincing. It is clear that they had complete responsibility for the physical condition of the suspects and that they made every effort to meet their responsibilities. It was also noted that while some suspects allege they did not receive medical attention, many other affidavits make reference to treatment by medical officers, enlisted personnel, and trips to American medical facilities away from Schwabisch Hall. These latter statements made by some of the suspects corroborated the statements made by the American personnel. Therefore, it is the opinion of the subcommittee that there were adequate medical facilities available and in use for the Malmedy prisoners at Schwabisch Hall. In this connection, the affidavit of Dr. Knorr should again be examined. In this affidavit he claimed that he had treated 15 to 20 cases in which teeth had been knocked out and in one case a ruptured jaw. The dental member of the subcommittee's staff examined the teeth of all the accused who were convicted and who were confined at Landsberg Prison. He examined several cases in which teeth were alleged to have been knocked out. His report is contained in the subcommittee record and throws considerable doubt on the truth of the allegations. It should be noted that only one of this group claimed to have been treated by a German civilian dentist. The rest all stated they were treated by American dental personnel at various points. This tends to place doubt on the accuracy of the affidavit of Dr. Knorr.

Mr. BALDWIN. Claims were made as to threats against families of the accused. They were many such claims made in the affidavits, but they were vigorously denied by all the witnesses who testified, who were at the prison at the time—that is, the American personnel.

I ask unanimous consent to have this section of the manuscript, paragraph No. 9, printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraph 9 was ordered to be printed in the RECORD, as follows:

9. THREATS AGAINST FAMILIES OF THE ACCUSED, AND FRATERNIZATION WITH WIVES OF THE ACCUSED

Several of the affidavits in this case allege that members of the interrogation team threatened the prisoners by telling them that ration cards would be taken away from their families and other punitive measures would be taken against them if the suspects in question did not confess. The degree to which such threats were used is hard to establish, but the subcommittee believes that in some cases some of the interrogators did make threats of this kind. It is questionable as to the effect such statements would have on the type of individual under interrogation, but it is hard to believe that this by itself would make a man perjure himself to the point of making a false confession and bearing false witness against his comrades. Therefore, the subcommittee concludes that in some cases such threats might have been used but believes they were not general in character.

There were no charges made that members of the interrogation team fraternized with wives of the accused prior to the time of trial. However, it was developed by the Raymond board that subsequent to the trial, but before sentences were passed, two members of the interrogation team took several of the wives to the officers club where it was obvious they were drinking together. While this could have had no possible effect on the outcome of the trial, in the opinion of the subcommittee it showed a lack of good judgment on the part of the individuals concerned and should not be condoned. One of those involved, who was not an interrogator, but a clerk with the interrogation team, was sent back to the States as a result of this incident, and the other, testifying before the subcommittee stated that it was the only time that such a thing had occurred, and that he had been wrong. His attitude was such as to convince the subcommittee that all realized that a mistake had been made. There were no charges or evidence that any other members of the investigating team ever fraternized with the wives of the accused. The subcommittee assumes it is the sole incident and that it has been properly handled by the responsible authorities.

Mr. BALDWIN. Mr. President, there was one case of fraternization with the investigating personnel. One of the investigators, not an officer, but a civilian investigator, did go with some others to the officers club, in company with the wives of several of the accused, but this was after the evidence had ended, and after a decision had been rendered in the case, as I recall. At any rate, we have dealt with that question very fully in our report. I must say that this was a reprehensible thing to do. The man who did it willingly conceded it on the stand.

I ask unanimous consent to have printed in the RECORD at this point as a

part of my remarks paragraphs 10 and 11 in the manuscript.

There being no objection, paragraphs 10 and 11 were ordered to be printed in the RECORD, as follows:

10. USE OF STOOL PIGEONS

Many of the affidavits alleged that the interrogation team used stool pigeons for the purpose of securing evidence. This is freely admitted by the members of the interrogation team as a part of their normal practice, and the subcommittee finds no grounds for complaint for such activities. Traditionally the use of stool pigeons has been practiced by our American prosecuting authorities and is a recognized practice in criminal investigations.

11. TRICKS OF VARIOUS KINDS AND MENTAL DURESS

Practically all of the affidavits alleged that the prisoners had been tricked or mentally harassed to a point where they became confused and as a result signed false confessions. The subcommittee made a determined effort to find the nature of these various tricks. Apparently the members of the interrogation team gave considerable thought as to how they could break down the resistance, silence, and deception on the part of an individual in order to get him to talk. The pretended use of microphones; the pretense of having information from other accused implicating the suspect being interrogated; the plus and minus system, whereby members of the interrogation team would keep a score in front of the man, putting down a plus when he told the truth and a minus when he was thought to be lying, thereby leading him to believe that mathematically they were going to determine his guilt by the answers he gave; the identification of a particular mark on his body, and the confronting of individuals with other members of the organization who had turned state's evidence. All of these methods were used for the purpose of getting the prisoners to talk. There is no question that such methods were used. The subcommittee feels that they cannot condemn them since they represent the usual and accepted methods used in criminal investigations. It would seem that the bulk of the success of this interrogation stemmed from the ability to confuse and deceive a group of persons who had had an opportunity to prepare their stories in advance, and, who to a marked degree, were involved in a conspiracy to avoid the consequences of the acts in which they had participated. These prisoners with a few exceptions were hardened, experienced members of the SS who had been through many campaigns and were used to worse procedure.

Mr. BALDWIN. As to the claims of promise of acquittal, we deal with that question very fully in our report. We found that there was no departure from decent, proper standards in that regard.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks paragraph numbered 12 in the manuscript.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

12. PROMISE OF ACQUITTAL

It was charged that many of the statements were obtained through promising a man that he would go free if he told the truth and thereby implicated others. Considerable argument and discussion has already been had on this particular point, and the evidence submitted to the subcommittee is very conflicting. There is no question but that the interrogation team published instructions in the form of SOP No. 4, which in section 4 discussed this particular matter. There is no question but that section 4a specifically forbids that any promise of acquittal be made, but 4b appears to be a modification of the prohibition in the earlier section. All the members of the interrogation team who testified before the subcommittee stated that no one was promised that he would not be tried if he would turn state's evidence and implicate others. In fact, SOP No. 4 required that before anyone could make such a promise the officer in charge of the interrogation team had to approve such an agreement, and they categorically stated that this was never done. Therefore, it is the belief of the subcommittee that while SOP No. 4 would appear to indicate that such arrangements could have been made, it does not appear from the evidence before the subcommittee that any such promises were made. It is recognized that it is quite a common practice in criminal cases for State's attorneys in the United States to get a man to turn state's evidence upon the promise that if he tells the truth he would be recommended to the court for leniency. Here again the subcommittee finds it extremely difficult to assess blame because of the instructions issued by the interrogation team, particularly since it appears that these instructions were never put into operation. However, this is an area in which great care must always be exercised and there is no question that SOP No. 4 was ambiguous in its phraseology. The subcommittee believes that the final decision as to whether or not any immunity should be granted should be the decision of the court and not of those responsible for conducting the interrogation of suspects.

Mr. BALDWIN. With regard to alleged fake hangings, there was very little testimony on that subject. That claim was vigorously denied. I ask that that section of the report be printed in the RECORD at this point as a part of my remarks, without reading it.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

13. FAKE HANGINGS

Several of the persons who submitted affidavits in this case testified that they were either threatened with hanging or in fact did have a rope placed around their necks and were pulled up off their feet several times until they lost consciousness. One of those who made this claim was Eble, whose testimony has been thoroughly discredited and is completely unacceptable to this committee. Many witnesses were questioned as to whether any of them ever saw ropes or a rope being used in Schwabisch Hall. This has been denied by everyone with the exception of a witness who testified that prisoners were led around with a rope about their necks. All witnesses questioned on this point, with the exception of Eble, denied that such practices were ever followed. The subcommittee feels in the absence of competent evidence to support the allegations concerning hangings that, in fact, they never happened.

Mr. BALDWIN. Mr. President, I should like to discuss briefly the question of the trial and review procedures.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. BALDWIN. I yield.

Mr. DONNELL. With regard to the insertion in the RECORD of this matter, I assume the Senator recalls that under the uniform practice of the Senate matter which is not actually read is printed in small type. Does the Senator have that in mind?

Mr. BALDWIN. I should prefer not to have it in small type. I would rather read it.

Mr. DONNELL. So far as I can recall, the uniform practice, with possibly a very few exceptions—and in those instances perhaps they were regretted—the practice has been to refuse to permit matter which is not read to be printed in anything except small type. Perhaps the Parliamentarian could enlighten us on that point. I may be in error.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The Chair is informed that under the statute, and by reason of the regulations of the Joint Committee on Printing, any matter which is not read, is printed in small type. Upon further inquiry of the Parliamentarian, the Chair is informed that that rule cannot be waived.

Mr. DONNELL. In other words, anything which is not read must be printed in small type.

The PRESIDING OFFICER. The Senator is correct.

Mr. DONNELL. That is my understanding. I thought it was only fair to call the attention of the Senator to that fact, because I assume he would probably desire to have it printed in the regular type in which the oral proceedings appear.

Mr. BALDWIN. I think that applies to only two or three pages. I ask to have the matter referred to incorporated in the RECORD, even though it may be in small type, as quotations from our report, from which I have read much of this material. It will be in the RECORD, in any event. I do not think it makes too much difference what style of type is used, so long as it is in the RECORD.

I thank my friend from Missouri for calling that point to my attention, because I did not know it.

Mr. DONNELL. Mr. President, will the Senator yield again?

Mr. BALDWIN. I am glad to yield.

Mr. DONNELL. A moment ago I stated that since I have been a Member of the Senate—not so many years, of course—there may have been some exceptions to the rule to print in small type in the RECORD matters which are not actually read, but are submitted for the RECORD without reading. I am not sure that there have been exceptions. However, it seems to me there have been one or two cases when Members of the Senate have requested that certain matters, not actually read, be printed in the RECORD in large type; and I am quite sure that it was stated at that time that such matters could not be printed in the RECORD in large type, even though a strong desire to have that done might be expressed by the particular Senator concerned; and the ruling was made that if the words were not actually spoken, the remarks should be printed in the RECORD in small type.

MATTERS PERTAINING TO THE TRIAL AND REVIEW PROCEDURES

Mr. BALDWIN. Mr. President, the rules of procedure under which this case was tried were not those that are used by the Anglo-Saxon nations in regularly constituted military or civilian courts. In attempting to evaluate the manner

in which the court was conducted, the subcommittee soon found that it was impossible to do so until this point was clearly understood. For this reason, a brief history of the development of the war crimes procedures should be of interest.

In 1945, the London conference drew up a charter for international military tribunals to implement the decision to treat as war criminals individuals of the separate states who violated the so-called rules of war. The prosecution of war criminals is nothing new in the history of our country. After practically all of our wars, our own military courts have tried members of the enemy forces who were charged with the commission of war crimes. However, this war brought into being for the first time the concept of an international military court for the trial of war criminals.

Prior to the late war there was an unwritten international doctrine that heads of states were not responsible for acts committed by them in such capacity. The decision of the London conference which resulted in the London agreement, and the charter of the International Military Tribunal before which Goering and other major Nazi leaders were tried and convicted, represented the views and decisions of the major Allied Powers engaged in that war. Personal responsibility of heads of states and of individuals for offenses committed by them was recognized and set down as accepted principles of the laws of war. The International Military Tribunal for the Far East adopted these principles in the trials of the major Japanese war criminals. Both of these tribunals were composed of the representatives of several of the nations involved in the conflict in each area.

Mr. President, the rules of procedure adopted for the trials before the international military tribunals represented a compromise between the various legal procedures of the several Allied nations. They were a composite of Anglo-Saxon and continental codes of justice.

The subsequent proceedings against other major Nazi war criminals at Nuremberg were conducted before military tribunals authorized by the Allied Control Council for Germany—Control Council Law No. 10. They were appointed by the zone commander, United States zone, Germany, and were composed of American personnel, who for the most part were judges from various State courts of the United States. The rules under which these courts operated were the same as those under which the first Nuremberg tribunal operated, and such courts have been regarded as international in character.

In addition, the various nations, within their respective zones of occupation in Germany, and in other areas, established their own national military courts for the trial of lesser war criminals charged with violations of the laws of war. In the American zone these courts were called military government courts which under appropriate directives were created especially for the trial of war criminals. It appears that in general the rules of procedure under which these courts operated were an adaptation of the rules of procedure adopted for the Nuremberg trial. The court that tried the Malmedy case was of this type.

The Malmedy trials deal with violations of laws and customs of war long recognized as such; specifically, the murder of prisoners of war and noncombatant civilians. The Geneva—prisoner of war—convention of July 27, 1929, and the Annex to Hague Convention No. IV of October 18, 1907, sets out a positive duty to protect prisoners of war against acts of violence and prohibits the killing or wounding of an enemy who had laid down his arms and no longer had a means of defending himself.

In connection with procedure it is pertinent to quote from the Technical Manual for Legal Officers prepared by SHAEF. This was the basis for later rules of procedure which governed American military government courts. Section 14 of that manual reads as follows:

> Military law: The law of military government thus created should not be confused with the statutory law of the respective United Nations governing their armed forces.

Further, this manual also contains a guide to procedure in military government courts, and in paragraph 9, section 1, the following quote brings out one of the basic differences between the system employed in this case, and that normally followed by our civilian or military courts:

> 9. Evidence: Rule 12 does not incorporate the rules of evidence of British or American courts, or of courts martial. The only positive rules binding upon the military government courts are found in rule 12 (3), rule 17, and rule 10 (5). Hearsay evidence, including the statement of a witness not produced, is thus admissible, but if the matter is important and controverted, every effort should be made to obtain the presence of the witness, and an adjournment may be ordered for that purpose. The guiding principle is to admit only evidence that will aid in determining the truth.

The military government court at Dachau, which tried the Malmedy case, was operating under these rules of procedure.

COMPOSITION OF THE COURT

The accused in the Malmedy case were tried before a general military government court appointed by paragraph 24, Special Orders No. 90, headquarters, Third United States Army, dated April 9, 1945, which was subsequently corrected by paragraph 32 of Special Orders No. 117, headquarters, Third Army, dated May 10, 1946. The court apparently was composed of seasoned officers.

The following officers were members of the court: Brig. Gen. Josiah T. Dalbey; Col. Paul H. Weiland; Col. Lucien S. Berry; Col. James G. Watkins; Col. Wilfred H. Stewart; Col. Raymond C. Conder; Col. A. H. Rosenfeld, law member; Col. Robert R. Raymond, Jr.

TIME AND FACILITIES AVAILABLE TO THE DEFENSE

One of the complaints made by the defense counsel was that they were not given adequate time to prepare their case for defense. They pointed out that there were 74 accused in this case, and that the pretrial interrogation was completed about the middle of April, and on April 17 or 18 the accused were brought to Dachau where the trial was to be held. The trial began on May 16.

Col. Willis M. Everett, Jr., chief defense counsel, was appointed in the early part of April, but it was not until April 11 that the defense counsel were able to start assembling. When finally organized about April 20 the defense staff consisted of Col. Willis M. Everett, Jr., Lt. Col. John S. Dwinnell, Lt. Col. Granger G. Sutton, Capt. B. N. Narvid, Second Lt. Wilbert J. Wahler, Mr. Herbert J. Strong, Mr. Frank Walters; and the following German counsel: Drs. Max Rau, Heinrich M. Wieland, Otto Leiling, Franz J. Pfister, Eugen Leer, and Hans Hertkow. Of this group, the experience and capabilities of the defense counsel varied to a considerable degree, but Colonel Everett, Colonel Dwinnell, and, it was reported, Lieutenant Wahler had had considerable court experience. The German attorneys were lawyers of considerable experience but were not familiar with the manner in which American military courts functioned.

Testimony before the subcommittee shows that the initial group meeting was about April 20, and that all the time prior to that was considered by the defense counsel to be lost time, excepting that Colonel Everett, the chief defense counsel, and two others, were making administrative arrangements such as securing tables, desks, telephones, etc. This physical equipment was requisitioned from the Army, and there was no particular difficulty in getting delivery of all the necessary items. Testimony also indicated that it was not until approximately 2 weeks before the trial started that the defense counsel received the bulk of the pretrial statements made by the accused, and what was purported to be the bills of particulars on which the individuals and the entire group would be tried. Mr. President, let me say that was a rather unusual procedure. The defense insisted that since the affidavits, statements, and confessions, so-called, had been taken at Schwabisch Hall, the defense counsel should have copies of them. At first the prosecution was reluctant to supply those documents; but at least 2 weeks before the trial, they turned over to the defense counsel copies of the statements made at Schwabisch Hall, about which so much complaint is made. So the defense counsel had the advantage of having them.

The record discloses that there was a maximum of approximately 4 weeks for the defense to get ready before the trial started, which appears to be too short a time for the study and development of a proper defense, in a case of such major proportions, and in which there were 74 accused. It was further testified before the subcommittee that it was a very difficult proposition to secure the confidence of the accused, and of course there were language differences which made the defense problem more difficult.

It is recognized that the defense counsel did have some opportunity to continue with their preparations for the presentation of their case during the time that the prosecution was presenting its case, and that there was a recess of approximately 7 days, after the prosecution rested its case, before the defense had to commence. There is no record

that the defense requested further time for the purpose of further preparing their case. It is assumed that if such a request had been made and properly supported, it would have been granted. There is evidence that Colonel Everett discussed the matter with higher authorities, and that an administrative decision had been made that there would be no adjournment, but there is no record anywhere that a request was made to the court, which, in the final analysis, would be the group which should grant such a motion for postponement.

Notwithstanding these facts, Mr. President, the subcommittee is of the opinion that due to the limited time available, the defense was considerably handicapped in preparing its case for trial. The subcommittee does not believe that this seriously affected the outcome of the trial, but believes that, in the future, courts should assure themselves that a reasonably sufficient time has been allowed for this purpose.

Insofar as facilities are concerned, the preponderance of the evidence before the subcommittee indicates that the Army supplied everything that the defense needed, as rapidly as possible, and assisted them in this respect to the greatest possible extent.

TRIAL OF THE ACCUSED EN MASSE

One of the complaints made by the defense counsel in this matter was that the court did not allow a severance of the various defendants in this case. A motion of severance was filed with the court which was denied. The granting of such a motion was, of course, within the discretion of the court, and the subcommittee does not feel that it has the authority to serve as an appellate court to judge the ruling in this particular case. I should like to emphasize that point. The subcommittee did not in any sense act as an appellate court. Consequently, we are not prepared to say, nor should we try to do so, that in any individual case the verdict or judgment should be set aside or that any other change should be made as to it. We were concerned with the charges of physical abuse and the related matters.

The subcommittee feels that it is one of its responsibilities, however, to comment on matters which might be improved in the case of future trials of this kind. It is noted that on a review of this matter by the War Crimes Review Board, it was stated in conclusion that—

It does not appear that the denial of the motion resulted in an injustice to any of the accused to such a degree as would warrant a new trial.

When so many accused, of varying ranks, are being tried together on a single charge, there must be some conflict of interest between the superiors and the subordinates. On the other hand, it is recognized that the scarcity of officers, and the time elements that are involved in matters of this kind, made it extremely difficult to conduct large numbers of trials for separate defendants.

The subcommittee feels that this basic rule should govern cases of this kind. Where there is more than one defendant and it appears that their joint indictment and trial will result in a conflict of interest to the extent that an individual defendant or group of defendants will be so seriously prejudiced as to prevent a fair and just trial, they should be indicted and tried separately or appropriate severance granted.

THE KRAMM CASE

Mr. President, I have discussed at considerable length the Kramm case, having had a discussion of it, earlier today, with the Senator from Wisconsin [Mr. McCARTHY]. Therefore, instead of reading several paragraphs relative to that case, I ask unanimous consent that they may be printed at this point in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

The defense attorneys and the various petitions for review in this case have laid considerable stress on a ruling by the court in connection with the testimony of Kurt Kramm. This man was a prosecution witness. On cross-examination defense counsel attempted to raise the question of duress which had not been raised on direct examination. The law member of the court sustained the objection of the prosecution on the ground it was beyond the scope of the direct examination.

In order that this matter may be completely understood, the following quotations are made from the petition to the Supreme Court of the United States, filed by Col. Willis M. Everett in this case:

The witness, Kramm, testified on cross-examination:

"Question. In what period of time did you take part in that Russian campaign which you first mentioned?

"PROSECUTION. I object.

"Colonel ROSENFELD. Objection sustained. Not cross-examination" (record, p. 215).

Cross-examination of the witness:

"Question. Now, how often would you say you were approximately interrogated at Schwabisch Hall?

"PROSECUTION. I object.

"Colonel ROSENFELD. Objection sustained.

"Mr. STRONG. May I very respectfully point out to the court, with due deference, that this is cross-examination——

"Colonel ROSENFELD. It is not cross-examination, because it is without the scope of the direct examination. The court has ruled. The objection is sustained.

"Question. Kramm, isn't it a fact that you, during the time you were in Schwabisch Hall, signed a statement for prosecution, in question-and-answer form, consisting of approximately 20 pages?

"PROSECUTION. I object again.

"Colonel ROSENFELD. That is not cross-examination. It is the last time the court will notify you.

"DEFENSE COUNSEL. May it please the court, on behalf of the defense and in view of the fact that the witness will return to the witness stand at a later time during this trial, no further questions will be asked of the witness at this time, but we as defense counsel would like at this time an amplification of the court's ruling on the objection by the prosecution to our line of questions on cross-examination. Do we understand that in the future we will be limited to the line of questioning on direct examination of the witness, or will we be permitted to ask of the witness questions designed primarily to attack the credibility and veracity and bias of the witness?

"Colonel ROSENFELD. Both the prosecution and the defense will be permitted to cross-examine the witness other than the accused according to the rules and regulations of cross-examination. Where the credibility of the witness is to be attacked, the credibility will be attacked in the prescribed manner and the court will permit such attack.

"If the accused or any of the accused take the stand, cross-examination will be permitted in accordance with the rules of evidence whereby the accused may be cross-examined on any matter in connection with the case."

Testimony given before the subcommittee indicates that the defense counsel made no effort to lay a foundation for the attack on the credibility of the witness or to attack the manner of interrogation at Schwabisch Hall, nor did they notify the court that this was the purpose of this line of questioning. For this reason it appears that the ruling of the court was technically correct.

Although the subcommittee does not take the position that it has the authority to pass on the propriety of rulings made by the court, it appears that the defense counsel, either through lack of knowledge as to how such an attack should be made on the credibility of the witness, or for other reasons, did not exercise the proper diligence in pressing this point. The subcommittee feels that it is the duty of the law member of the court to make certain that legal technicalities do not prevent the court from hearing all pertinent testimony. Therefore the law member should have advised the defense counsel as to the proper procedure to use in laying a foundation for an attack on the credibility of the witness.

It is noted in the quoted matter above that defense counsel said that they did not desire to cross-examine further at that time because they expected that this witness would again be on the stand, and the inference was that they intended to call him as a defense witness, at which time they could have asked such questions on direct examination as they say fit. The subcommittee hesitates to draw an inference from the fact that Kramm was not called to the stand by the defense for the purpose of bringing out any matters of duress that might have affected his credibility as a witness for the prosecution.

FAILURE OF WITNESSES TO TAKE THE STAND IN THEIR OWN BEHALF

Mr. BALDWIN. One point which was developed during the course of the subcommittee's investigation which is believed to be of great importance in this case, is the failure of the defense to permit all the accused to take the stand in their own behalf.

First of all, through testimony introduced before the subcommittee by various persons, including the German defense counsel and Lieutenant Colonel Dwinnell, it appears that it took considerable persuasion and argument on the part of certain of the American defense counsel to persuade the accused not to take the stand. On the surface, that appears to be most unusual. It is the opinion of the subcommittee that it is an inherent right of an accused to take the stand in his own defense. Normally, defense counsel hesitates to persuade a client as to the propriety of his course in such a matter. He usually limits himself to a presentation of the various things that could happen, and leaves the decision strictly up to the defendant. In this case, Colonel Everett and Lieutenant Colonel Dwinnell decided it was best that the defendants not take the stand in their own behalf, and argued strongly with them until they convinced them it was the proper course of action.

Until the time of that argument, nine of the defendants had taken the stand in their own behalf. Lieutenant Colonel

Dwinnell, in testifying before the subcommittee, stated that these were lying so much that they were "like a bunch of drowning rats. They were turning on each other, and they were scared; and, like drowning men clutching at straws, they would say: 'No; I was not at the crossroads, I'm certain I was not, but so and so was there,' trying to get the ball over into his yard. So we called a halt. Now, how can we properly represent 74 accused that were getting so panicky that they were willingly saying things to perjure themselves?"

Colonel Everett states he could not support this statement because he did not know whether they were lying or not. He felt that, with the defendants turning on each other, the case of all was being weakened. Further, he believed that the prosecution expected this to happen. These facts led to his decision not to put any more of them on the stand.

Furthermore, Lieutenant Colonel Dwinnell said that in his opinion the prosecution had not established a prima facie case, and that he believed the court would not convict the defendants. He further stated that they requested an adjournment of 2 hours for the purpose of conferring with the accused, to convince them that they ought to quit, and finally they did. Lieutenant Colonel Dwinnell also testified there was considerable disagreement initially not only between members of the American counsel but also between the American and German counsel, and that it took considerable persuasion on his part to convince the group that they should no longer take the stand.

The subcommittee is unable to judge what testimony would have been introduced into the record, and what effect it would have had on the court, had each defendant testified in his own behalf. On the other hand, some 16 months after conviction, many of the accused made claims of physical mistreatment which they said caused them to execute their original confessions or statements. It would seem entirely likely that, had such statements been proved at the time of the trial to the satisfaction of the court and reviewing authorities, they might have served as the basis for a different decision in this case. Therefore, the subcommittee is of opinion that the defense counsel in this case either did not believe the stories of the defendants, of which they apparently had knowledge, concerning physical mistreatment, or that they erred grievously in not introducing such testimony into the record.

It is difficult for the subcommittee to reconcile the fact that this was not done, with the apparent acceptance and support now given by the various members of the defense counsel to the affidavits submitted some 16 months later by the defendants in this case. We deal with the question of the lack of information furnished defense attorneys. Each had a dossier, and, in the course of time, with very few exceptions, they were furnished with copies of the statements and affidavits obtained by the interrogators.

One complaint made before the subcommittee was to the effect that, because of the manner in which decisions are handed down in military courts, there is no detail to support or explain why a particular individual was convicted. Although it was represented to the subcommittee by Dr. Leer that copies of the trial proceedings were not available to defense attorneys, the subcommittee is of opinion that this was an exaggeration and that copies actually were furnished daily to certain defense counsel. On the other hand, the subcommittee agrees it is essential that the completed record of trial be made available to all defense counsel; which apparently was not done in this case.

The subcommittee was keenly interested in the various reviews and investigations that were made of the Malmedy case by the Army, and the apparent effort that was made to make certain that no accused suffered because of procedural or pretrial errors.

As in all war-crimes cases, the findings and sentences of the court had to be reviewed by the staff judge advocate. In this case the procedure provided for an initial review by the deputy theater judge advocate for war crimes. Thereafter, there was a review by a war-crimes board of review in the office of the theater judge advocate, which considered the recommendation of the earlier review. Both reviews were then considered by the theater judge advocate, who made recommendations to the commanding general of the theater, General Clay, who took final action on the cases.

Mr. President, there is a record of three reviews, before the case got to General Clay's desk.

In this connection, the subcommittee noted that initially the case was assigned for review to an attorney, a civilian employee, by the name of Maximilian Koessler, who testified before the subcommittee. The record shows this attorney had worked on the case for 5 months, and had reached a decision in only 15 of the 73 cases. The decisions he had reached differed in considerable degree from those finally approved by the commanding general, but in some cases Mr. Koessler's recommendations were more severe than those finally approved.

According to the testimony before our subcommittee, Mr. Koessler went into such detail in his reviews that it unduly delayed the completion of the consideration of the cases; and therefore, after 5 months, the review of the Malmedy case was reassigned to other lawyers in the office of the deputy theater judge advocate for war crimes. In due time the initial review was completed and the case was forwarded to the theater judge advocate for further study and transmission for final approval by the commanding general.

In order to assist the theater judge advocate in his decisions, he had created a second review board known as the War Crimes Board of Review. This group reviewed the cases in detail and made recommendations to the theater judge advocate. They differed, in a substantial number of cases, with the initial review, and, generally speaking, were considerably more lenient than the deputy judge advocate for war crimes.

The theater judge advocate then took the recommendations of the War Crimes Board of Review, along with the record of trial and the initial review, and made his recommendations to the commanding general. Some idea of the results of these various reviews can be gained when it is pointed out that while there were 43 death sentences adjudged by the court, only 12 were finally approved by General Clay. There were also reductions in sentences in 41 cases, including the original death sentences, and 13 outright disapprovals of sentence.

I may say, so far as 12 cases are concerned, as the result of a further review, which General Clay personally made himself, there are only 6 death cases now pending. And I may say again, so it will be crystal clear, we are not making any recommendations in the subcommittee report as to what we think should be done with the sentences; that is entirely up to the military. This was the military government court, and it is their decision. They can use the report, of course, for their own consideration, and for such influence as it may have on their further dealing with the entire matter. But we do not attempt to pass judgment as an appeal board or as an appellate court upon what has been done in each individual case. The subcommittee noted one procedure which it believes to be wrong, and which should not be permitted, although in this case the matter reacted to the benefit of the defendants. Lieutenant Colonel Dwinnell, who had been the associate chief counsel for the defense in the Malmedy matters, was assigned to the War Crimes Board of Review as an adviser to the group reviewing the Malmedy case. This meant that Lieutenant Colonel Dwinnell was in a position to and did influence the recommendations of the Review Board in favor of the defense. I may say in behalf of Colonel Dwinnell, who testified before us at great length, that he made upon me, at least, a very good impression as a lawyer who diligently tried to do his job. It was not his doing that he was put on the Review Board. He was assigned to a particular job, with full knowledge that he had been of defense counsel in the case. So I am not at all critical of Colonel Dwinnell.

On the witness stand, he stated in response to a question as to whether he argued any of his points before the Review Board as follows, "Every day—for the defense." It is believed to be highly improper that any person who has had any connection with the trials in any capacity whatsoever should be assigned to a position in which he could influence the reviews of the cases. This assignment of Lieutenant Colonel Dwinnell might account for the fact that the War Crimes Board of Review recommended a great many more disapprovals and a greater degree of leniency than was finally recommended by the theater judge advocate and approved by the commanding general of the theater.

Subsequent to the various reviews, which, in effect, were three and possibly four up to this point—five, if we include Mr. Koessler's—there have been two studies made by the Army of this case. On July 23, 1948, Secretary Royall created the Simpson commission, which was composed of Judge Gordon A. Simpson, of Texas, and Judge Edward L. Van

Roden, of Pennsylvania. To this commission was assigned the responsibility of making an analysis of all the unexecuted death sentences awarded by the Dachau courts, 139 in number; not in the Malmedy cases, but in all the cases. Of the 139 unexecuted death sentences, 12 were Malmedy cases.

The Simpson commission arrived in Europe on July 30, 1948, and submitted their report on September 14, 1948. Among other recommendations made by them was a recommendation that the 12 death sentences in the Malmedy case be commuted to life imprisonment. Testimony before our subcommittee adduced the fact that this recommendation was made because they believed that the pretrial investigations in the Malmedy case may not have been properly conducted, and they felt that no death sentence should be executed where such doubts existed.

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. WILEY in the chair). Does the Senator from Connecticut yield to the Senator from Missouri?

Mr. BALDWIN. I yield.

Mr. DONNELL. Did I correctly understand the Senator to state that the Simpson-Van Roden commission arrived at its destination on July 30, 1948?

Mr. BALDWIN. Yes; and it left on September 14. It was there a little over 6 weeks.

Mr. DONNELL. How many death-sentence cases did it review?

Mr. BALDWIN. One hundred and thirty-nine.

Mr. DONNELL. It reviewed 139 death-sentence cases in 6 weeks. That would be an average of practically 23 death-sentence cases every week. So if the commission worked 7 days a week it would review approximately 3 death-sentence cases each day.

Mr. BALDWIN. That is correct.

Mr. DONNELL. Could the Senator tell us the approximate number of pages of transcript involved in the cases in which death sentences were imposed, on the average?

Mr. BALDWIN. I do not recall offhand, but I will say to the Senator that there are a great many pages of record in the Malmedy case alone. The trial record contains more than 3,000 pages. I may say to the Senator, however, that no doubt the Simpson-Van Roden commission had the benefit of reviews which had previously been made. In other words, when a question came up in connection with one of the reviews it had the advantage of the work which had been done theretofore and could pick out the alleged error which was claimed. But I admit that they reviewed a great many death-sentence cases.

Mr. DONNELL. Does the Senator have any knowledge as to how much time each day the commission devoted to its work?

Mr. BALDWIN. No; I have not.

Mr. DONNELL. If the commission had devoted 12 hours a day for 6 weeks and had reviewed three death sentences, on the average, each day, it would be a review of one death sentence approximately every 4 hours.

Mr. BALDWIN. Yes.

Mr. DONNELL. Would the Senator think it would be fair to assume that the transcript of testimony and proceedings in each case would average as many as 400 or 500 pages?

Mr. BALDWIN. I should think so; yes.

Mr. DONNELL. And it might be more.

Mr. BALDWIN. Yes. Of course the defendants were tried together, so that when the trial was reviewed they had not only the testimony of A, but of B and C, and all the others.

Mr. DONNELL. How about the 139 cases to which reference has been made?

Mr. BALDWIN. I do not know about those at all. They were other war-crime cases that had nothing to do with Malmedy.

Mr. DONNELL. Mr. President, I certainly do not want to be critical of any commission, but I believe I am justified in at least raising the question as to whether it is humanly possible for a commission composed of two men——

Mr. BALDWIN. There were three men. There was also an Army officer on the commission.

Mr. DONNELL. Three men working every day, Sundays included, for 6 weeks. I say it is pretty difficult for me to see how they could do the best work on death sentences at the rate of one every 4 hours.

Mr. BALDWIN. I am in complete agreement with my friend. In our report we make certain recommendations about what should be done regarding these things in the future. It was far from an exact procedure. But let me remind my friend that so far as the Malmedy cases were concerned, the Simpson-Van Roden commission took all the difficulty out of it by recommending a commutation from death to life imprisonment in all 12 of the cases. They picked out the mock trial which was involved in only 12 cases, and took that procedure as the procedure which tainted all the judgments, and, consequently, said, "These 12 death sentences should be commuted to life imprisonment."

Mr. DONNELL. I will say to the Senator that I am very reluctant, without knowledge—and I do not have knowledge other than what I have heard of the Senator's address—to stand here and criticize a commission which went to Europe, but I could not help feeling at least a question as to how it is possible for a commission to work six straight weeks, every day in the week, and dispose, on the average, of one death sentence every 4 hours.

Mr. BALDWIN. I am in agreement with my friend. It is my own personal opinion that there are two things about this action: No. 1, much has to be done to improve the procedure; No. 2, as a result of the processes followed, I think, personally, that the Army has leaned over backward in an effort to prevent any injustice.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. LANGER. Does the Senator have any knowledge as to how large a staff these gentlemen had? I am referring to Simpson and Van Roden.

Mr. BALDWIN. No.

Mr. LANGER. There may have been 50 lawyers working on the cases and submitting material to the judges.

Mr. BALDWIN. I do not know that there were 50, but certainly, as I indicated in answer to my friend's question, apparently the material must have been prepared for them. It must have been pretty thoroughly gone over or they could not have begun to do what they did.

Mr. LANGER. It would be a physical impossibility for the judges to read the transcript themselves and dispose of the cases in that length of time.

Mr. BALDWIN. I should think it would be impossible.

Mr. LANGER. It is my understanding that there was a large staff which analyzed the cases for them.

Mr. BALDWIN. I do not know how the Simpson-Van Roden commission worked. I only know they submitted a report and made some recommendations which, in some instances, were followed by General Clay, and in some instances they were not.

Mr. DONNELL. Mr. President will the Senator further yield?

Mr. BALDWIN. I yield.

Mr. DONNELL. I understand, then, that the Senator does not know whether the Simpson-Van Roden commission did or did not have a considerable force of men on their staff.

Mr. BALDWIN. I assume they must have had. I shall discuss Van Roden a little later in my speech. Judge Simpson testified before us. I was favorably impressed with Judge Simpson. He is a man who has had experience in Texas as a trial judge and he appeared to be an able and intelligent lawyer.

Mr. DONNELL. I am not standing here criticizing, inferentially or in any other way, those gentlemen, but I reiterate the point that when two or three gentlemen go to Europe and investigate 139 death sentences, even though they had the assistance of a considerable body of helpers, it would seem to me that where human life is involved, the determination of the lives of 139 persons at the rate of one every 4 hours for 12 hours a day, 7 days a week, for 6 weeks, involves a very considerable task and at least raises a question in my mind to which I should have to have further answer before arriving at a conclusion as to whether the commission did what it should have done.

Mr. BALDWIN. I may say to my friend from Missouri that when this commission came back, one of the members were severely critical of the Army and severely critical of the investigators. He made some speeches which I think have had a very serious effect upon our whole situation in Germany. I want my friend from Missouri to know that we are not backing up the work of the Simpson-Van Roden commission. As a matter of fact, our position is quite to the contrary, as the Senator will see as I go on.

I think the result has been, as I said before, that we need to examine these procedures. We need to make a thorough study and be prepared with proper personnel and proper procedures to handle such matters.

Mr. DONNELL. Mr. President, again I say that I have not heard very much of the Senator's address this afternoon. Were the death sentences which were sustained by the Simpson-Van Roden commission actually put into effect?

Mr. BALDWIN. I do not know. I do not wish to venture an answer. The only agency who would know about that would be the Department of the Army.

Mr. DONNELL. Is any further investigation contemplated of the work of the Simpson-Van Roden commission?

Mr. BALDWIN. Not so far as I know. The Simpson-Van Roden commission did not go to Europe primarily to review the evidence in every case as an appeal board. What it went over to do was to investigate charges, so that its function was very much like the function of the subcommittee. It was not altogether an appeal board. The question it had primarily to consider in the Malmedy cases—I do not know about the others—was this, were the charges of physical abuse, tricks, and the like, such as to have an effect upon the judgment of the court, so that they did affect the administration of justice?

Mr. DONNELL. What was the purpose of the Simpson-Van Roden commission? The point I have in mind is this, was it merely to go to Europe to make an academic study of procedure so that it could come back and tell us whether the procedures were correct, or did it have power vested in it to make recommendations and findings so that somebody would act to determine whether or not these men should or should not be executed?

Mr. BALDWIN. It had the latter power. The Senator from Missouri was governor of his State, and he knows what happens when men go to the board of pardons. A man who has been convicted will come before the governor, and start telling a story, how the warden treated him badly, how he had been beaten by the guards and the police, how the State attorney's office took him and locked him up in a solitary cell and kept him without food. In many respects, that is what happened in these cases. Such charges were made. In the Malmedy cases, I may say, some of them were made before the men were actually tried. These charges were, however, made, and if I understand the function of the Simpson-Van Roden commission, it was to investigate these charges, and the effect they might have on the decision of the cases.

Mr. DONNELL. Then the Simpson-Van Roden commission's findings were accepted, to be used as a part of the facts in determining whether or not the convictions were or were not to be made effective?

Mr. BALDWIN. They were not the final determination. In the Malmedy cases they recommended that the 12 death sentences be commuted, and General Clay in the final analysis commuted only 6.

Mr. DONNELL. I was very much interested in what was done by General Clay, and I wanted to ask whether or not General Clay had a staff which actually did the review work, I understood the Senator to say he thought in some cases General Clay did it personally.

Mr. BALDWIN. I am of the opinion that in the death cases the material pertaining to the cases was laid before General Clay. The committee has examined each one of the findings in the 12 cases, and they give every appearance of being the result of personal review and examination of the general himself.

Mr. DONNELL. I am interested and pleased to know that. I think it is a very fine commentary on the conscientious work of the general himself.

Mr. GEORGE. Mr. President, will the Senator permit me to say that some considerable time before the distinguished Senator went to Europe Colonel Everett, who was well known to me, and who was the chief counsel for the Malmedy defendants, as I understood, appealed to me, and the matter was taken up with the Secretary of War and was taken up directly with General Clay. General Clay gave to Representative DAVIS, who resides in Atlanta, and who is the Representative of the Fifth Georgia District, and who knew Colonel Everett very well, assurance that he personally would examine the record in all the cases.

I do not now recall all the facts. I know that the facts which were brought to my attention were shocking, particularly the charges with respect to the mock trials to which these defendants had been subjected prior to their actual trials.

Through many months I was in rather close touch with this matter, and thought it of such serious importance that I gave it considerable attention, and because of my knowledge of Colonel Everett, my great respect for him, and my knowledge of his father, who preceded him at the bar of Georgia, and who was a lawyer of great distinction and high character, I felt that these matters should be looked into.

General Clay, as the distinguished Senator from Connecticut knows, is himself a Georgian. He gave assurance that he would go personally into all the records. I do not remember now how many were originally tried and how many received sentences of less than death in the trials, and how many sentences were actually commuted, so to speak, and how many other sentences were reduced, but I do know that General Clay gave personal assurance to me, and gave personal assurance, through the Department, to Representative DAVIS and myself, that he would not permit the execution of any one of these defendants until he had—consistent, of course, with the time available for that purpose—made every possible inquiry and had gone fully into the cases.

I visited the office of the Secretary of War on more than one occasion, in company with Representative DAVIS, of the Fifth Georgia Congressional District, and I very well recall that finally a habeas corpus petition was presented by Colonel Everett, on his own initiative, without fee or hope of fee, to the Supreme Court of the United States, for review of the cases. When that matter was presented, I took the case up with the Secretary of War directly. The matter was submitted to the Supreme Court, and thereafter we went back in a reexamination of the Malmedy trials, of course without any first-hand knowledge, and without any ability or capacity or warrant to give any assurance whatever except to this extent, that General Clay certainly from the beginning gave every possible assurance that he would go into the records and into the cases.

Subsequently I was advised that he had done so, and my recollection is—the distinguished Senator from Connecticut of course is familiar with the facts—that certainly on his recommendation sentences were reduced, and certain death penalties were reduced to life imprisonment or lesser punishment.

I thought I should make this statement, in view of the fact that this is a matter which greatly concerned me, because it seemed, on the report of the commission, and on charges which came to me long prior to the time of the appointment of the commission, that there had been a frightful miscarriage and maladministration of justice in the sense in which we in America appreciate it and understand it.

I know that General Clay, who was then the governor in charge in our zone in Germany, did concern himself directly, and both before and after his examination of the cases we received assurances that he personally had gone into the cases to the greatest extent possible consistent with the other obligations resting on him.

Mr. DONNELL. Mr. President, will the Senator from Connecticut yield to me so I may address an inquiry to the Senator from Georgia?

Mr. BALDWIN. I yield.

Mr. DONNELL. My inquiry is made purely for historical purposes for the RECORD. It is my understanding that General Clay's father was a distinguished member of the United States Senate. Am I correct in that understanding?

Mr. GEORGE. General Clay's father was for many years a distinguished Member of the Senate of the United States from my State. He died while a Member of the Senate. He was a distinguished lawyer, a man of very high character. I undertake to say that Gen. Lucius Clay is one of the finest type of men to be found in our military or in any phase of life in America.

Mr. DONNELL. Mr. President, I thought it might be appropriate at this point to have that fact placed in the RECORD, so the student who hereafter examines the records of these matters may have before him the fact that the General Clay whom we all so highly regard was the son of a distinguished Member of this very body in which we are this afternoon speaking.

Mr. GEORGE. That is quite true. At an earlier time I would have recalled many more of the facts of these cases than I do at this time, but I do recall the very helpful cooperation of Secretary Patterson, and later of Secretary Royall, and particularly the activities of General

Clay, and his repeated assurances of what he would undertake in these matters and his assurances of what he had done after his work had been concluded.

Mr. BALDWIN. I am very glad, Mr. President, that the distinguished Senator from Georgia could be present and speak about this matter, because it may be said—and the Malmedy cases are an example of it—that we are a people who indulge in considerable self-examination. We are always holding ourselves up, sometimes to ridicule, by our self-examination. Sometimes we are very critical of ourselves in a way that does not do us as a nation a great deal of good. Many harsh things have been said about the Army, harsh things which I think almost reach even General Clay himself, in connection with this whole matter. The junior Senator from Connecticut would say that in this case the Army, from General Clay down, has leaned over backward in an effort to see to it that no person who might possibly be innocent or concerning whose conviction some improper evidence might have been the telling factor, should have to pay the penalty with his life. For example, some ideas of the result of these various reviews can be gained when it is pointed out that while there were 43 death sentences adjudged by the court, only 12 were finally approved by General Clay. There were also reduction in sentences in 41 cases, including the original death sentences, and 13 outright disapprovals of sentences. Since the disapprovals we have previously mentioned, there have been 12 cases in which death sentences have been commuted.

I have never asked General Clay the question, but I am certain in my mind from my studies of the cases that in the cases where the death sentences were imposed General Clay himself took the testimony and examined it, and that he ruled out what he in his judgment—and I consider him a man of rare judgment and unimpeachable character—decided would in any way taint the verdicts. However, the final decision of such a matter is up to the Secretary of the Army.

This is what we say in the report about General Clay, and I read from page 34 of my manuscript:

> The subcommittee takes note of the fact that in addition to all of these reviews and investigation, General Clay himself instituted a study of, and personally studied and passed upon, the 12 death sentences in the Malmedy case. This in effect was another review of these 12 cases. As a result of this subsequent review by General Clay, 6 of the 12 were commuted to life imprisonment, and 6 of the death sentences were reconfirmed. No death sentence was confirmed if it resulted from, or was supported by, evidence obtained through the use of mock trials, or if it was based solely on the extrajudicial statements made by other defendants in the Malmedy case, which later were repudiated. Even in the six cases where the sentences were commuted, General Clay stated that he was certain of the guilt of the prisoners, but would not approve the death penalty unless the record was perfectly clear.

I might quote from one of General Clay's reports. The Senator from Georgia will be interested in this, knowing General Clay as he does.

> To my mind Christ—

Christ was one of the officers of the SS troops—

> To my mind, Christ was a principal in these murders. I believe as does the judge advocate that he was a leading participant. Circumstantially, there can be no doubt but that he was present and, as an officer, took no action to prevent the crime. Knowing this, it is difficult not to approve the death penalty for this cold-blooded killer. However, to do so would be to accept the evidence which may have resulted only from the improper administration of justice. Excluding this evidence in its entirety in as far as direct participation of Christ is concerned, there is no doubt that he was present, and circumstantially did nothing to prevent these murders. Thus, I have no hesitancy in approving a life sentence. It is with reluctance but with the firm air of fairly administered justice that I commute the death sentence to life imprisonment.

That shows how far General Clay went in dealing with death sentences. I may say further, Mr. President, that the subcommittee has been tremendously impressed by the efforts which have been put into these cases by the defense counsel themselves, of which Colonel Everett was the leader. He confronted an extremely difficult situation, but he worked untiringly and with extreme diligence, and he did what any lawyer would have done in undertaking the defense of one of his clients. He took affidavits from his clients, and used them as he thought they best could be used. Colonel Everett, Mr. Strong, and others representing the defendants have worked diligently and have done an excellent piece of hard work. We have in the record a deposition from Colonel Everett, and also a statement from him. We wanted to have Colonel Everett appear as a witness before our committee, but his health is such that he could not appear. We asked a staff member to visit him and ascertain his condition of health. He found it to be such as to forbid him to appear as a witness. Therefore we caused him as little bother and concern as we possibly could. He certainly tried to do his best in this case.

Mr. GEORGE. Mr. President, if the Senator will permit me, let me say that Colonel Everett is a man of very rare character, a man of very high character. He has done his work most diligently. In fact, I daresay he may have exhausted himself in the preparation of these cases and the trials. I know that he was as diligent as any man could have been. The thing that shocked him was the methods employed in obtaining evidence and in conducting the trials. He had no bitterness about the facts of the cases. He was perfectly willing to concede that judgments may have been correctly formed, but he was greatly shocked and outraged because of the application of the practices and methods which were employed, which to him were destructive of every American concept of justice in the trial of these cases. He not only went through the trial of the cases and the appeals, through Senators and Representatives, to the War Department, but he himself prepared and presented to the Supreme Court of the United States an application for a writ of habeas corpus to prevent executions until reviews could be had.

I do not know whether he finally followed this course, but at one time he advised me that he proposed to present to the International Court of Justice at The Hague a petition asking for stay of these sentences until further investigation could be had.

I do not mean to say that Colonel Everett would approve the final judgment in these matters, but I do know that he must have been convinced that the War Department, including Secretary Patterson, Secretary Royall, and the officials who undertook to assist him in presenting these matters, had given real consideration to his representations. I also know that he had great faith in General Clay's personal promise and statement that he himself would make a review of the cases before any executions were permitted.

Mr. BALDWIN. Let me say to the distinguished Senator from Georgia that, so far as the claimed abuses by the pretrial investigators were concerned, Colonel Everett was entitled, as defense counsel, to believe that they were true, and to take every advantage of them. Let me say, however, that the subcommittee has gone into those charges in very great detail and has made a finding in the report with respect to them. Aside from the affidavits of the German SS troopers, most of which were submitted after the trial and after their conviction, there is very little evidence to support the charges which were made. We have not only gone into the testimony of witnesses but we have gone at great length into the physical examination of the prisoners themselves, many of whom claimed that they had permanent injuries resulting from the treatment which they received at Schwabisch Hall. In several instances those claims were checked, and it was demonstrated by an entirely indepent medical team that they could not have been so.

As we say in the report, it is very probable that there were times when prisoners were treated roughly, and probably struck, pushed, or knocked down. There may have been other similar incidents. But the subcommittee was not able to believe, on the testimony it had before it, that the charges were substantiated. We examined all the interrogators, the administrative officers at the prison who were not connected with the interrogation team, medical men who were there to take care of the prisoners, and many other independent witnesses. The great preponderance of the evidence was tc the effect that while there may have been isolated cases of beatings, pushings, and that sort of thing, in general such practices were not condoned, and were not used as a method of obtaining confessions. Nevertheless, that being so, I say that in this case the Army, and General Clay in particular, has done everything it could do to remove any possibility that any evidence which may have been obtained in that way, or which it was

charged was obtained in that way, might play a determinative part in the final decisions in the death cases.

Let me say again that the subcommittee thought—and I myself think—that Colonel Everett, in his position, stirred up a great deal of talk; but as defense counsel he was perfectly within his rights. Indeed, it was his duty to do so. Nothing we say in this report is in any way critical of the man who I think did a very diligent, vigorous job in an effort to defend these people in an extremely difficult case.

It is interesting to note that Judge Simpson stated categorically to the subcommittee that in his opinion there had been no physical mistreatment of the accused in the Malmedy matters, but that the use of the mock trials and similar matters had influenced him in his decision.

However, Judge Van Roden, in testifying before our subcommittee, and in speeches and publications after having seen the same evidence and heard the same witnesses as Judge Simpson, violently attacked practically all phases of the pretrial examination. While he admitted in his testimony that he had no direct evidence of physical mistreatment he stated that he was convinced that many of the matters alleged by the accused, after conviction, were fact, and that he had made his recommendations accordingly.

An examination by the subcommittee of the list of witnesses interviewed by the Simpson commission shows clearly that not a single member of the pretrial investigation team or of the prosecution staff at the trial, was interviewed; nor did those individuals have an opportunity to submit affidavits concerning their activities in the Malmedy matter. It is noted, however, that defense counsel, both American and German, were heard; religious leaders, and many others who were interested witnesses and who were strongly advancing the theory that the evidence secured by the prosecution in this case had largely been secured through duress were also heard.

Judge Van Roden, on his return to the States, according to the evidence before the subcommittee, made a number of speeches and collaborated in articles in which he stated as a fact that the American interrogators tortured, beat, and abused the defendants until their confessions were secured. The statements made by Judge Van Roden were not supported by Judge Simpson, and in fact, the subcommittee is in possession of a letter written by Judge Simpson which reads as follows:

GENERAL AMERICAN OIL CO. OF TEXAS,
Dallas, Tex., March 29, 1949.

Lt. Col. BURTON F. ELLIS,
Assistant Army Judge Advocate, Headquarters Sixth Army, Presidio of of San Francisco, Calif.

DEAR COLONEL ELLIS: Yours of the 23d instant is acknowledged.

During the progress of this war-crimes investigation it was not practicable for us to have the benefit of your views for which I was very sorry.

I may say that Colonel Ellis was chief of the prosecution staff and in charge of the investigators, so he had no opportunity to testify.

However, we were able to get a right accurate picture of the situation.

I had a great deal of sympathy for Mr. Everett who appeared to me to be prompted only by a desire to represent his clients conscientiously and well. He may have been overzealous but I can forgive this in a lawyer when I think he is sincere. You might be interested to know I had information lately that Colonel Everett had a severe heart attack and is in a serious condition.

Judge Van Roden and I got to be very good friends, indeed, and I felt greatly disappointed when I read in newspapers and periodicals the very extreme statements he had been making, statements which were based upon allegations rather than proof. He was certainly not being helpful nor constructive in any sense and I repeat that in my opinion he does us all a disservice.

Sincerely yours,

GORDON SIMPSON.

That letter was written before our investigation began. Apparently there was an exchange of letters between Colonel Ellis and Judge Simpson.

The speeches made by Judge Van Roden were picked up by an organization called the National Council for the Prevention of War. Since that time, which was December 1948, this organization has through every medium possible, publicized these charges. This point will be discussed in some detail later. The subcommittee heard both Judge Van Roden and representatives of the National Council for the Prevention of War, and in fact had them on the stand at the same time. The only impression that could be arrived at, after listening to that discussion, was that there was so much conflict between their testimony that the subcommittee believes that it has secured the whole truth from neither of the witnesses.

It is the opinion of the subcommittee that the report of the Simpson commission, insofar as it pertained to the 12 Malmedy prisoners, was not complete in that no witnesses were heard or evidence received from the prosecution staff or those engaged in pretrial investigations. Since all the facts in the case were not considered before the conclusions were reached, the subcommittee does not see how the conclusions can be sound, especially since the Simpson report states in part:

The record of trial, however, sufficiently manifests the guilt of the accused to warrant the findings of guilty. We conclude that any injustice done the accused against whom death sentences have been approved will be adequately removed by commutation of the sentences to imprisonment for life. This we recommend.

So the Simpson-Van Roden commission found that those men were guilty, but felt that the claims and charges which had been made vitiated the judgments.

Insofar as Judge Van Roden's statements are concerned, the subcommittee has sought out the principal source of some of these statements. One of the witnesses, Eble, is a confirmed liar and criminal in whom the subcommittee places no credence whatsoever. Judge Van Roden has shown very poor judgment in publicizing such statements without corroborating the facts. Had the Simpson commission interviewed Eble, with his record of embezzlement and perjury before them, the subcommittee is certain that they would have decided his testimony could not be believed.

There is no question that the publication of these charges has caused considerable anxiety in the minds of some Americans who may have read them, because they are so completely foreign to the American principles of fair play. Far more serious, however, is the effect that the publication of these articles has had on our occupation forces in Germany. There, they have been accepted because of the cloak of authority given them by Judge Van Roden and various other prominent American officials who have accepted his statements and the releases of the National Council for the Prevention of War as fact, and in turn have publicized them through their own efforts.

Concurrently with the study of the Simpson commission, General Clay referred the Malmedy case to the Administration of Justice Review Board for its consideration. This Board was to study irregularities that arose in legal proceedings within the theater, and it made a careful and analytical study of charges of irregularities in the Malmedy case. It is believed that the facts introduced before this Board, which is hereinafter referred to as the Raymond board, were much more complete than those considered by the Simpson commission.

Colonel Raymond, who was the senior member of the Board, testified in detail before the subcommittee. He stated categorically, as did General Hargaugh, another Board member, that in his opinion there had been no physical mistreatment by the American interrogation team for the purpose of securing confessions. Rigorous examination failed to shake him in his position. However, they did find other items, such as the use of the mock trial, ruses, strategems, and so forth. This board made no recommendations on sentences.

The subcommittee takes note of the fact that in addition to all of these reviews and investigation, General Clay himself instituted a study of, and personally studied and passed upon, the 12 death sentences in the Malmedy case. This in effect was another review of these 12 cases. As a result of this subsequent review by General Clay, 6 of the 12 were commuted to life imprisonment, and 6 of the death sentences were confirmed. No death sentence was confirmed if it resulted from, or was supported by, evidence obtained through the use of mock trials, or if it was based solely on the extrajudicial statements made by other defendants in the Malmedy case, which later were repudiated. Even in the six cases where the sentences were commuted, General Clay stated that he was certain of the guilt of the prisoners, but would not approve the death penalty unless the record was perfectly clear. A typical statement on this point is quoted from the case of Friedrich Christ. General Clay states in pertinent part as follows:

To my mind, Christ was a principal in these murders. I believe, as does the judge

advocate, that he was a leading participant. Circumstantially, there can be no doubt but that he was present and, as an officer, took no action to prevent the crime. Knowing this, it is difficult not to approve the death penalty for this cold-blooded killer. However, to do so would be to accept the evidence which may have resulted only from the improper administration of justice. Excluding this evidence in its entirety insofar as direct participation of Christ is concerned, there is no doubt that he was present, and circumstantially did nothing to prevent these murders. Thus, I have no hesitancy in approving a life sentence. It is with reluctance but with the firm air of fairly administered justice that I commute the death sentence to life imprisonment.

The subcommittee is impressed by the thoroughness of General Clay's final review. As pointed out earlier, it believes that the use of the mock trials so prejudiced the thinking of all who reviewed this case that they resulted in otherwise guilty men escaping the death sentence or perhaps going entirely free. It is the considered opinion of the subcommittee that the Army in reaching its final conclusion in these cases ruled out any evidence secured by improper procedures during the pretrial interrogation, or as a result of procedural errors made by the court.

PERSONNEL

One of the matters which has disturbed the subcommittee considerably is the type of personnel which has frequently been employed on both investigative and legal phases of the war crimes program. It is recognized that after the end of the war almost everyone with sufficient points made a determined effort to get back home. This left the Military Establishment in Europe in a precarious position insofar as trained personnel for carrying on its military government activities was concerned. It was essential that German-speaking personnel be available, and it is perfectly natural that many who had command of the German language were called into investigative and legal work.

First of all, the subcommittee feels that the war-crimes cases would have been much better handled had the pretrial investigation been conducted by trained investigators with sufficient knowledge of the law to permit a development of the case along legal lines. It was found that many of the persons engaged in this work had had no prior criminal investigative experience whatsoever, and had been formerly grocery clerks, salesmen, or engaged in other unrelated trades or professions. It was also found that a suprisingly high percentage of these persons were recently naturalized American citizens. This subcommittee wants to make it clear that it is not condemning the efforts or the loyalty of any group of persons or individuals, but it does feel that it was unfortunate that more native-born, trained American citizens were not available to carry out this most important function. The natural resentment that exists within a conquered nation was aggravated by the fact that so many of the persons handling these matters were former citizens of that country.

With few exceptions, the experience of the lawyers in the practice of criminal cases both for the prosecution and for the defense appears to have been of only average caliber. Weekly schools were started to overcome some of the lack of trial experience on the part of many of the lawyers. In matters of such a serious nature as war crimes, the minimum requirements for lawyers for this branch of service, should be well above average. Again, the subcommittee does not wish to appear to be criticizing the efforts or the results of the individuals concerned, but in pointing toward the future, it recommends strongly that adequate planning be initiated to make certain that trained personnel will be available to carry out these duties in event of another war. Particularly it is felt that a well-established and well-organized reserve program, with commitments made in advance for service beyond the end of hostilities, should be immediately inaugurated and carried forward progressively through the years of peace.

MOTIVATION BEHIND THE CURRENT AGITATION CONCERNING WAR CRIMES IN GENERAL AND THE MALMEDY CASE IN PARTICULAR

During the early stages of its inquiry into this matter, the subcommittee became conscious of the unusual activity in this case of certain organizations and individuals. Admittedly the charges that had been made were serious in character and, if true, would convict American military personnel of grave errors of judgment and operation. However, due to the manner in which the allegations in this case were being handled, it was also clear that no matter what the facts were in the case, in the minds of a great many Americans and practically all Germans, the allegations were accepted as fact. This was certain to damage the American position in Germany.

The subcommittee fully understands that one of the underlying forces in this connection is found in the vigorous efforts of defense counsel to improve the position of their clients through every means possible. If this were the only factor, there would be little cause for comment from the subcommittee, particularly since the affidavits of the accused, in part, have been capable of being checked by the subcommittee. I repeat that the subcommittee is in no way critical of the efforts of defense counsel to do the best they could for their clients.

Representative leaders of both the Catholic and Protestant faiths in Germany, particularly those in Bavaria and around Stuttgart, have been interested in the trials of war criminals. The subcommittee endeavored to find and evaluate the reasons therefor. It appears to your subcommittee that the members of the clergy have been motivated by a sincere Christian endeavor to assist their parishioners during a time of uncertainty and trouble. Such interest is entirely understandable, and the subcommittee can see no reason for criticism of the clergy. It should be noted that their activities are not confined to the Malmedy case alone, but have been aimed at the entire scope of war crimes and the administration of prisons throughout Germany where war criminals are confined. Your subcommittee believes that there is a danger that these sincere Christian efforts of these well-intentioned clergy may be used by others to further causes which are foreign to the fundamental sentiment which motivated the clergy to interest themselves in such cases.

However, during the investigation other factors were developed in that connection, but for obvious reasons they cannot be explained in detail in the subcommittee report, since to do so might interfere with the later implementation of the subcommittee recommendations. Through competent testimony submitted to the subcommittee, it appeared that there are strong reasons to believe that groups within Germany are taking advantage of the understandable efforts of the church and the defense attorneys as well as in other ways to discredit the American occupation forces in general. One ready avenue of approach has been through the attacks on the war-crimes trials in general and the Malmedy case in particular. The subcommittee is convinced that an organized effort is being made to revive the nationalistic spirit in Germany through every means possible. There is evidence that at least a part of this effort is attempting to establish a close liaison with Communist Russia. These matters, of course, must be judged against the back drop of the current situation in Europe and their probable effect in the event of a war involving Russia and the United States. Everything done to weaken the prestige of the United States and our occupation policies will play an important part in any emergency.

Many of the convicted in the various war-crimes trials are former prominent Nazis, both civilian and military. In the Malmedy case alone there are three German generals, one an outstanding SS general, as well as officers of lesser rank who were excellent combat leaders. The desire of their former compatriots to have such persons released is undoubted. The implications are so serious that they cannot be disregarded by our country. In the event of the withdrawal of the American occupation forces, it is quite probable that efforts would be made to have a general amnesty program to release these former Nazis and SS officers. That in itself is a most important consideration; but in the event there is a larger plan to associate such individuals with the Communist forces of Europe, the problem is greatly aggravated. The subcommittee believes that such a situation presents dangerous possibilities. Whether the organization has proceeded beyond the wishful-thinking stage, and is making headway, is a matter for further study and investigation.

It is significant that many of the figures involved in this situation are in constant communication with individuals and organizations in the United States. In particular, one individual, who testified before the subcommittee, and who is reported to be a key man in this situation, stated that he had been in regular and frequent communication with the National Council for the Prevention of War in the United States. This was deemed to be extremely significant, because before going to Germany the subcommittee had noted that most of the extraordinary claims being made in this

case, and the systematic publication of material concerning it, was through this organization. Representatives of the organization testifying before the subcommittee confirmed this belief by admissions on the witness stand. I am saying, in effect, that the commendable efforts of the clergy and of the Council in this case are very possibly being used to further some purpose entirely foreign to what those persons are earnestly and sincerely trying to do.

The subcommittee, through outside investigation, has determined that the National Council for the Prevention of War and other organizations have maintained a constant correspondence with certain people in Germany and other persons interested in this case. Through these efforts, most of the allegations made in this case have become accepted as fact, and our prestige in Germany thereby adversely affected. The subcommittee is aware of the fact that the National Council for the Prevention of War is not on any of the so-called subversive lists that are maintained, but that it has been considered as an extreme pacifist organization for some time. Notwithstanding, the subcommittee is convinced that its activities in this matter, which go far beyond the Malmedy case, have been most damaging to the national interests of our country and to the cause of peace. The subcommittee feels strongly that proper investigation should be made to determine the real motivation in back of the activities of this organization and the influence it has had on many individuals within the United States who have accepted as fact the allegations publicized by it. Other organizations which have been similarly interested should also be studied. Since adequate investigational facilities are not availble to the Congress, it is believed that the proper agencies of the Government should pursue this matter until all the facts have been developed, and that such action should be taken as the facts would seem to warrant.

The subcommittee recommends, therefore, Mr. President, that—

First. The Secretary of Defense, through proper channels, request the United Nations to thoroughly study the problem of war crimes; that uniform rules of procedure be agreed upon for the trial of war criminals, as distinct from prisoners of war; and, as rapidly as possible, that such rules be made a part of the codes of justice of the various nations. It is believed that such rules should provide more civilian participation in war-crimes cases than present procedures allow. Pending decisions on this matter by the international agencies, necessary legislation should be introduced to remove any legal obstacles in the way of remedial procedural action by the United States.

Second. The State Department and the Department of Defense employ no civilians on military-government work who have not been American citizens for at least 10 years. Provisions should be made to waive such requirements in individual and specific cases, except for positions involving important questions of administrative or judicial policy.

Third. Military personnel engaged in war-crimes work should meet the same citizenship requirements.

Fourth. The Department of Defense should institute a reserve program leading to the creation of a pool of trained investigators and lawyers for war-crimes work who would be committed to serve beyond the cessation of hostilities. Since legislation on this point is required, it should be submitted promptly for the consideration of the Congress. Only through the availability of such trained personnel can procedural mistakes and mistakes of judgment be avoided.

Fifth. The Department of Defense or other appropriate agencies should carefully investigate the possibility of the existence of a plan to revive the German nationalistic spirit by discrediting the American military government. It should also determine if this is a part of a larger plan to bring parts of Germany into closer relationship with the Soviet Union.

The Department of Justice should determine whether or not activities are being carried on in this country which are of such a nature as to discredit and injure American prestige and our public interest in Germany, and recommend appropriate action either by legislation or under existing Federal statutes to remedy that situation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1689) to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies, and it was signed by the Vice President.

NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

The PRESIDENT pro tempore. The Chair appoints the Senator from West Virginia [Mr. NEELY] a member of the National Capital Sesquicentennial Commission, to fill the vacancy caused by the resignation from the Senate of Hon. J. Howard McGrath, of Rhode Island.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. DONNELL and Mr. FERGUSON addressed the Chair.

The PRESIDENT pro tempore. The Chair has agreed to recognize the Senator from Michigan.

Mr. DONNELL. Mr. President, will the Senator yield that I may suggest the absence of a quorum?

Mr. FERGUSON. If I may do so without losing the floor, I yield.

Mr. DONNELL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	Magnuson
Anderson	Hickenlooper	Malone
Baldwin	Hill	Martin
Brewster	Hoey	Millikin
Bridges	Holland	Morse
Byrd	Ives	Myers
Cain	Jenner	Neely
Capehart	Johnson, Colo.	O'Conor
Chapman	Johnson, Tex.	O'Mahoney
Connally	Johnston, S. C.	Pepper
Cordon	Kem	Russell
Donnell	Kerr	Saltonstall
Douglas	Kilgore	Schoeppel
Downey	Knowland	Smith, Maine
Eastland	Langer	Taft
Ecton	Leahy	Thomas, Okla.
Ellender	Lodge	Thomas, Utah
Ferguson	Long	Thye
Fulbright	Lucas	Watkins
George	McCarthy	Wherry
Green	McFarland	Wiley
Gurney	McKellar	Young
Hayden	McMahon	

The PRESIDENT pro tempore. A quorum is present.

Mr. FERGUSON. Mr. President, I wish to speak for a few minutes on the pending bill, House bill 4567, commonly known as the amendment to the Displaced Persons Act.

In the Eightieth Congress the Senator from Michigan introduced the bill which in considerably altered form ultimately became Public Law 774, Eightieth Congress, the Displaced Persons Act of 1948. The Senator from Michigan has been greatly interested in the displaced-persons problem from the time he introduced the bill until the present day.

During the Eightieth Congress the Senate Committee on the Judiciary held extended hearings, and, I may say, even debates in executive sessions, before the committee was successful in reporting the bill to the floor. After extensive floor debate it was passed, and went to conference. I happened to be one of the Senate conferees. The Senator from Michigan did not sign the conference report because he felt the bill did not go far enough, and it was not framed in the way he at least thought it should be framed in order to be a workable solution of the displaced-persons problem and to do what he felt the United States should do with respect to persons who were displaced from their homes and countries because of the war and its aftermath. At his first opportunity in

the present session, on January 5, 1949, in behalf of himself, the Senator from New Jersey [Mr. SMITH], the Senator from Oregon [Mr. MORSE], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New York [Mr. IVES], the Senator from Michigan introduced Senate bill 98, an amendment to the Displaced Persons Act of 1948.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD as a part of my remarks at this point.

There being no objection, the bill (S. 98) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the portion preceding the first proviso to section 3 (a) of the Displaced Persons Act of 1948 is amended to read as follows: "During the two fiscal years following the passage of this act (1) a number of special nonquota immigration visas not to exceed 202,000 may be issued to eligible displaced persons and (2) a number of special nonquota immigration visas not to exceed 3,000 may be issued to eligible displaced orphans."

SEC. 2. Subsection (b) of section 3 of such act is repealed.

SEC. 3. The last proviso to subsection (a) of section 4 of such act is repealed.

SEC. 4. The amendments made by this act shall be effective as of June 25, 1948.

Mr. FERGUSON. Mr. President, the Senator from Michigan, on behalf of himself, the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], the Senator from Oregon [Mr. MORSE], and the Senator from New York [Mr. IVES], on the same date introduced Senate bill 99, and subsequently, on June 28, 1949, the same Senators offered an amendment to that bill.

Mr. President, I ask unanimous consent that Senate bill 99 and the amendment offered to it may be printed in the RECORD at this point.

There being no objection, the bill (S. 99) and the amendment were ordered to be printed in the RECORD, as follows:

S. 99

Be it enacted etc., That the first proviso to section 3 (a) of the Displaced Persons Act of 1948 is amended to read as follows: "*Provided*, That visas issued pursuant to this act, shall, insofar as possible, be made available to each element or group among the displaced persons, as such elements or groups were segregated or designated for the purpose of being cared for by the International Refugee Organization as of January 1, 1948, in the proportion that the number of displaced persons in such element or group bears to the total number of displaced persons, it being the purpose of this provision to insure, insofar as possible, that no discrimination in favor of or against any such element or group among the eligible displaced persons shall occur:".

AMENDMENT TO S. 99

Strike out all after the enacting clause and in lieu thereof insert the following:

"That the first proviso to section 3 (a) of the Displaced Persons Act of 1948 is amended to read as follows: '*Provided*, That the selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons, and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons of all races, religions, and national origins. The extent to which the Commission has acomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act'."

Mr. FERGUSON. Mr. President, the Senator from Michigan, on behalf of himself and the Senators previously named, also introduced Senate bill 100 on January 5, 1949. These are all bills to amend the Displaced Persons Act. They would liberalize that act. They are minimum requirements to make it fair and workable. I ask unanimous consent, Mr. President, that Senate bill 100 may be printed in the RECORD at this point.

There being no objection, the bill (S. 100) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 2 (c) of the Displaced Persons Act of 1948 is amended by striking out "December 22, 1945" and inserting in lieu thereof "April 21, 1947."

Mr. FERGUSON. Mr. President, the bill was debated at great length last year and this year in the Senate Committee on the Judiciary. As Members of the Senate are well aware, the Senate Committee on the Judiciary is composed of lawyers, and, last year, as well as this year, they debated the problem with great spirit and at considerable length. There is no question about the great amount of time consumed in the hearings last year, and, as I understand, some 19 days were devoted to hearings this year.

I desire to say further that I know of no legislation in the Congress of the United States which has caused deeper feeling on the part of those who have certain convictions respecting the subject matter of the bill, and those who might have contrary convictions. The bill has created considerable feeling, but I have always considered that every member of the committee has acted in utmost good faith in respect to it.

So far as the Senator from Michigan is concerned he stresses a belief that the bill is important because it deals with human lives. The problem is a humanitarian one. It is moreover a problem of the peace. Persons who were displaced in Europe by reason of the war, whether they were anti-Nazi or anti-Communist, were displaced from their native countries. Many of them were imprisoned, many of them were held in slave-labor camps. They were compelled to work for a cause in which they did not believe.

Last year, as I said, much debate was had on the bill. Great difficulty was encountered in reporting any bill from the Committee on the Judiciary. As I said, bills providing for amendment of the act were introduced in the Senate on the 5th day of January of the present year.

The Senate has been very liberal with the Committee on the Judiciary by providing it with a staff which deals with the question of immigration, a question which in turn involves the problem of displaced persons. Last year and the year before the Senate of the United States authorized the expenditure of $50,000, so that the Eightieth Congress could have the services of a greater staff than the normal staff of the Committee on the Judiciary, to look into this problem. I thought the committee deserved such an increase in its staff membership. The question involved was one of peace. We were spending millions of dollars in trying to secure peace. I take it for granted that the provision Congress is making for increased armament is made in the interest of securing peace. Likewise any money expended for study of the displaced-persons problem is in the interest of securing peace.

As I said, the Senate provided an increase in the committee's staff. Members of the staff went to Europe and investigated the displaced-persons question. They went into the camps. Members of the committee also went. The Senator from Michigan in May 1945, when visiting Europe, was greatly touched and greatly impressed by what he saw and heard in the concentration camps which at that time contained many displaced persons. The Senator from Michigan has had first-hand contact with this subject, and has knowledge of many of the problems involved.

In August of this year the Senator from Michigan again visited one of the displaced-persons camps at Bremen, which contained persons who were ready to go over to the United States. Six thousand two hundred persons were in that camp. So the Senator from Michigan can truthfully say he has had direct contact with this question.

This year the Senate appropriated $135,000 for a study of the immigration question. As a matter of fact, the Committee on the Judiciary has had 26 employees on its pay roll over and above the normal number of experts employed by the committee, who could have looked into this question and made a study of it, as they were attached to the special subcommittee on immigration matters.

Mr. President, it has been said the committee has held hearings. That is true. It also has a staff as great, and if I am not mistaken, greater than the staff of any other committee of the Senate. If I am wrong in that statement I wish some Senator would correct me.

This question also has had considerable discussion on the floor during the present session. On June 23, when the Senator from Michigan offered an amendment to the bill, he was asked by the senior Senator from Ohio [Mr. TAFT] to yield. The senior Senator from Ohio made the following statement, as appears from page 8179 of the RECORD of June 23, 1949:

Mr. TAFT. I also should like to associate myself with the Senators who insist that some action be taken at this session on the displaced persons bill. I suggest to the Senator that it seems to me that in view of the position of the Democratic Party, as well as the position of the Republican Party, if the Judiciary Committee does not report this bill within a reasonable time, the duty should lie on the majority leader himself to move to discharge the committee from the further consideration of the bill. I wonder whether we can have some assurance that if reasonable action is not taken, that will be done. Under

his leadership the committee probably would be discharged from the further consideration of the bill. Without his leadership and approval that would be very difficult to do.

The Senator from Michigan replied:

Mr. FERGUSON. Mr. President, I concur in that statement, because I think when the matter has been before the committee and many facts concerning the situation are available, all we need now is the inclination to do this job. As a member of the Judiciary Committee, I would say now that I would be compelled in good faith to vote in favor of the adoption of a motion to discharge the committee.

The majority leader [Mr. LUCAS] said further along in the debate:

Mr. LUCAS. I can assure the able Senator from Ohio and other Senators who are vitally interested in the subject that it is a question which should be approached on a nonpartisan basis. I can assure them that we shall have some action upon the displaced persons bill, in one way or other, before the session ends.

So, Mr. President, the committee was well advised at that time that there were Senators, including the majority leader, who felt that this bill should be brought to the floor of the Senate prior to the closing day of the session. It has at least been rumored on Capitol Hill that the Congress will try to end this session on the 15th of October, which is tomorrow. That is a rumor, however.

What has happened in the meantime? The Senator from Michigan has consistently felt that this was a matter upon which the Judiciary Committee should act. The Senator from Michigan was naturally vitally interested, as a member of the committee, in the question of a possible discharge of the Committee on the Judiciary. Therefore he took the matter up with the Judiciary Committee itself. On the 19th day of August, almost 2 months ago, he made a motion in the committee to take the bill from the subcommittee so that it might be considered and studied by the full committee. It follows that every member of the Judiciary Committee was well aware of what was going on. The motion was lost in committee. On the floor of the Senate on the 24th day of August there was submitted a discharge resolution, sponsored by 16 Senators, as a recall, 8 from the majority and 8 from the minority. I ask unanimous consent that that resolution be printed in the RECORD at this point as a part of my remarks.

There being no objection, the resolution (S. Res. 160), was ordered to be printed in the RECORD, as follows:

Resolved, That the Committee on the Judiciary is hereby discharged from the further consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. FERGUSON. That was on the 24th of August. So the Judiciary Committee knew that at least 16 Senators wanted to have the bill brought to the floor of the Senate.

As I have stated, the committee has 26 employees. I still say, without reflecting on anyone, that if at that late date, the 24th of August, we had put forth the effort which the bill demanded—I realize that those who did not put forth the effort felt that the bill did not demand it, or they would have been assigned to consider the bill—a bill could have been written in the Judiciary Committee.

The name of the Senator from Michigan was on that resolution to discharge the Judiciary Committee from further consideration of the bill. Only last week the Senator from Michigan felt that the next order of business after the farm bill should be the discharge resolution. It was announced by the majority leader as the next order of business. The Senator from Michigan still felt it his duty to allow the Judiciary Committee to act to bring the bill to the floor of the Senate so that the Senate might act upon it.

I went into the history of discharge resolutions. I found that very few of them were ever voted. I found that on a considerable number of occasions, when such a resolution was submitted, the committee, before holding hearings upon it, had voted to report the measure to the Senate. Therefore the Senator from Michigan felt it his duty again to take the subject before the committee.

Accordingly, I again made a motion in the committee, on the 11th of October, to take the bill from the subcommittee, which was the first step. I advised the committee that I would then move to report the bill to the Senate, with or without recommendations.

That motion was adopted. From Mr. Richard Arens, who is the committee expert on the subject, we had heard considerable about the bill on the morning of the 11th. Then we recessed to come to the floor of the Senate. The committee had set a further hearing for 1:45 p. m., so that it might then hear a continuation of the report on the facts.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DONNELL. My purpose in requesting the Senator to yield at this time is this: Yesterday I pointed out to the Senate the fact that the minutes of the executive meeting of the Judiciary Committee on October 12 read as set forth at page 14401 of the RECORD.

I also pointed out, in the second column on that page, the fact that there was an evening gathering, to which all members of the Senate Judiciary Committee who might desire to be present were invited. They could have been present. Several were present, including the distinguished Senator from Michigan, who has been most diligent and industrious in this matter. He is greatly interested in it, and sincerely so.

At page 14416 of the RECORD the distinguished Senator from Michigan called attention to a fact which I had overlooked when I made my statement at page 14401. I quote from the statement of the Senator from Michigan on page 14416. He was interrogating the Senator from Washington [Mr. CAIN]:

Mr. FERGUSON. Did the Senator make inquiry from any member of the committee to ascertain that during the morning session prior to the convening of the Senate the committee was busily engaged in hearing a report from Mr. Arens, staff director of the Immigration and Naturalization Subcommittee, who had not completed his statement, and the meeting was adjourned until the afternoon so the report could be completed?

The Senator from Washington replied in part as follows:

I was thoroughly familiar with that, I will say to the Senator.

I ask the Senator from Michigan if he will be kind enough to permit me to read into the RECORD at this point a copy of the minutes of the morning meeting of the Committee on the Judiciary on Tuesday, October 11, 1949.

Mr. FERGUSON. I shall be glad to have the Senator do so.

Mr. DONNELL. With the permission of the Senator, if I am not trespassing too much upon his time, I wish to call attention to these facts, as set forth in the minutes:

The committee convened at 10:40 a. m. It recessed at 11:55 a. m. The meeting lasted for an hour and 15 minutes. I now read the minutes of that morning meeting of the Judiciary Committee on October 11:

MORNING MEETING OF SENATE JUDICIARY COMMITTEE ON TUESDAY, OCTOBER 11, 1949

Committee convened in Room 424, Senate Office Building at 10:40 a. m.

The following nominations were considered:

John C. Pickett, of Wyoming, to be judge of the United States Court of Appeals for the Tenth Circuit.

James V. Allred, of Texas, to be United States district judge for the southern district of Texas.

Ben C. Connally, of Texas, to be United States district judge for the southern district of Texas.

Walter C. Lindley, of Illinois, to be judge of the United States Court of Appeals for the Seventh Circuit.

Casper Platt, of Illinois, to be United States district judge for the eastern district of Illinois.

Harry C. Westover, of California, to be United States district judge for the southern district of California (over).

James M. Carter, of California, to be United States district judge for the southern district of California (over).

The subcommittee reported on the following to the full committee, which were discussed and approved:

Senate Concurrent Resolution 63, relating to the holding in 1950 of the Dr. Thomas Walker Bicentennial Historical Pageant.

Senate Resolution 106, to give recognition to the tercentenary observance of the Maryland act of religious tolerance passed in 1649.

The Subcommittee on Patents, Trade-Marks and Copyrights reported H. R. 5319, granting a renewal of patent relating to badge of the Holy Name Society.

In addition to the above mentioned judicial nominations the following nominations for United States marshal and United States attorneys were considered and approved:

Herbert I. Hinds, of Oklahoma, to be United States marshal for the eastern district of Oklahoma.

Joseph A. McNamara, of Vermont, to be United States attorney for the district of Vermont.

Charles H. Cashin, of Wisconsin, to be United States attorney for the western district of Wisconsin.

Timothy T. Cronin, of Wisconsin, to be United States attorney for the eastern district of Wisconsin.

House Concurrent Resolution 62, creating a joint committee on lobbying activities which was reported from the committee to the Senate on June 22, 1949, and is now pending on the Senate Calendar, was the subject of discussion.

A letter from the chairman (Senator PAT MCCARRAN) concerning the displaced-persons bill, was read to the committee by Senator O'CONOR.

Various motions and discussions of these motions were had during the course of the meeting. Upon request of Senator O'CONOR, Mr. Arens, staff director of the standing Subcommittee on Immigration and Naturalization, was granted permission to discuss displaced-persons legislation.

11:55 a. m., the committee recessed, to meet later during the day.

Present: Senator KILGORE, acting chairman; Senator MAGNUSON, Senator O'CONOR, Senator GRAHAM, Senator KEFAUVER, Senator WILEY, Senator LANGER, Senator FERGUSON, Senator DONNELL, Senator JENNER.

In the minutes I have just read, I judge that the notation "over," following several nominations, means that the nominations went over to some future time.

I also point out that although the minutes do not recite the fact that Mr. Arens discussed the displaced persons proposed legislation, after permission for him to do so had been granted, the fact is that in the committee he did discuss such proposed legislation at that time.

I thank the Senator for permitting me to present that matter.

Mr. FERGUSON. I appreciate the Senator's doing so.

Mr. President, although this measure has been referred to the Judiciary Committee, yet by no stretch of the imagination is it one which requires the attention of lawyers only. Being a lawyer, I would point out that at times it is difficult to get lawyers to agree, either as to the facts or as to the law involved in a particular matter. I remember that at one time when I was on the bench, there was difficulty in obtaining a jury, and it was desired to have the case tried immediately. Finally it was decided to use a jury of lawyers. The jury heard the case, and then retired to consider its decision. The jury remained out for a number of hours, and then was called to the court room, and the judge inquired if the jury had been able to agree upon a verdict. No member of the jury seemed to be able to speak for the jury at that point. Finally it developed that, after 5 hours of consideration, the jury had not been able to agree; but it further developed that the subject upon which the jury had failed to agree was not one of fact or of law, but was simply the matter of agreeing as to which member of the jury should serve as its foreman. [Laughter.] So it is not unusual for lawyers to engage in long debate.

The record will indicate that in the case of the pending measure, the debate in the committee began on the morning of October 11. At noon, the members of the committee came to the floor of the Senate, because the bell had rung; and the Senate session began. So, at 11:55 a. m., suggestion was made that the committee meeting adjourn until 1:45 p. m. But there was objection to our doing so when permission was asked of the Senate. It was said that if we met at that time we could not get the facts from the subcommittee.

So it was agreed that the meeting would be held at 7 o'clock that evening, after the Senate had adjourned. That meeting was held, and the committee remained in session until about 10:45 o'clock that evening.

The next morning the committee resumed its session at 10 o'clock. One of the members of the committee had to be absent from that meeting. It looked as if no vote would be taken at that time, and that the discharge resolution would come up on the floor of the Senate.

The Senator from Michigan then moved that the vote be taken at 10 minutes of eleven. That motion was carried by 7 members, as I recall, or a clear majority of the committee, there being only 12 Senators on the committee at that time. The vote actually was taken some time after 11 o'clock.

So this matter has been debated at length. I simply wished to bring out these facts, in order to show that there has not been a lack of debate on this subject.

It is true that the report is brief; it comprises only one sentence. But I say to the Senate that that report of one sentence is one sentence more than the Senate would have had if it had discharged the committee from the further consideration of the bill.

As I have said, feelings are very strong in this case.

Mr. MILLIKIN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Colorado?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. The Senator has stated that the debate on this measure began on October 11. Before the debate is finished, will someone tell us what was done under the law which is now in effect; will someone tell us what the defects of that law are; will someone tell us the progress which has been made under that law; will someone tell us what remains to be done under that law; will someone tell us the emergent need for a new law; and will someone tell us what is hoped to be obtained by the new law which is proposed? Will someone give us that information before the debate drags on for further days?

Mr. FERGUSON. I am sure that will be done.

Mr. MILLIKIN. Because we now have this matter in the Committee of the Whole, so to speak. Some of us are sitting here, hoping for that kind of a presentation.

Mr. FERGUSON. Yes. I wish to confine the debate as much as possible; but I felt that a motion would be made to recommit the bill, and I wished the Senate to understand what occurred in the committee.

Now we find the bill before us, on the floor of the Senate.

Mr. President, it is said there is no comprehensive report on the bill, but I think we have had a very able statement on the bill by the chairman of the subcommittee, who is also the chairman of the full committee, the Senator from Nevada [Mr. MCCARRAN]. His statement was read into the RECORD today by the senior Senator from Colorado [Mr. JOHNSON]. I think that statement clearly shows how the Chairman of the committee and the subcommittee feels about this measure.

I shall address myself now to what the bill will accomplish and why there is urgent need for its enactment.

First of all, Mr. President, the bill will increase from 205,000 to 339,000 the number of displaced persons who may be admitted into the United States. The statement is made that enactment of the bill is not necessary. The question is asked, "Why increase to 339,000 the number of displaced persons who may enter the United States, when on June 30, 1950, there will be only 11,000 resettleable displaced persons left. Mr. President, if that were a fact if there would be only 11,000 of them remaining in the displaced persons camps on June 30, 1950, then it would be entirely proper to ask why an increase should be made in the number permissible of admission to the United States.

But that point can be answered by the following, among other answers: A cablegram from the IRO Director General has been received by the State Department. All of us are familiar with the IRO, which has charge of the persons who have been displaced because of the recent war in Europe. On October 9, 1949, the IRO sent to the State Department a cablegram indicating that on June 30, 1950, there will be approximately 200,000 resettleable displaced persons, under the IRO, plus from 140,000 to 160,000 persons of limited resettlement possibilities, a great number of whom could be resettled. So, instead of having in the displaced persons camps on June 30, 1950, only 11,000 displaced persons. we learn now that there will be in the camps on that date 200,000 displaced persons, plus an additional number ranging between 140,000 and 160,000, all of whom could be resettled.

It is also said that millions of aliens are entering the United States illegally and fraudulently, and that therefore greater study is needed. The Senator from Michigan is informed it is true that aliens are coming into this country on false passports, but it is not true that they are coming in under the Displaced Persons Act.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. JENNER. On the figures the Senator has presented, there may be 200,000 resettleable displaced persons, in addition to the 140,000 to 160,000 limit with respect to the resettlement basis, as of June 30, 1949, under the existing law.

Mr. FERGUSON. I am going to cover that. Mr. President, these people are not coming in illegally, who are coming under the displaced persons legislation. They are being brought in. They are being screened as no other immigrants are being screened. They are being screened first by the IRO, then by the Central Intelligence; by FBI agents even in Europe, I am informed; by the Immigration Inspection Service, which has agents in Europe; by the consular service; and by the Displaced Persons Commission itself. These people are being screened by all those agencies. I take it

for granted there is no doubt of the fact that there are many people coming into this country illegally; but that does not apply to displaced persons. The fact that there are illegal entries has no relationship whatever to the displaced persons program; and the official figures concerning illegal and fraudulent entry do not even remotely approach a million people a year.

Mr. MILLIKIN. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Colorado?

Mr. FERGUSON. I yield gladly.

Mr. MILLIKIN. Are we obligated under any international agreement to admit a given percentage of displaced persons?

Mr. FERGUSON. We are not so obligated under any international agreement. I understand there is no agreement to take a particular number. The IRO, operating under the United Nations, has set up the program and is trying to get all the countries connected with the United Nations to take whatever their laws permit. There is no agreement that fixes any certain number.

Mr. MILLIKIN. Mr. President, will the Senator yield further?

Mr. FERGUSON. I am glad to yield.

Mr. MILLIKIN. The Senator from Michigan and other Senators have been working on the matter constantly, and therefore have intimate knowledge of a great many things in which other Senators are interested, but with which they have had no opportunity to familiarize themselves.

Mr. FERGUSON. I am glad to yield to the Senator.

Mr. MILLIKIN. What are displaced-persons camps, and what is the relation of those in the camps to those who are outside the camps? What is all that about?

Mr. FERGUSON. I shall try to give the Senator those figures now. I do not seem to have the exact figures, but I shall get them and insert them following the Senator's question. I want to give the Senator the exact figures. It is estimated that on June 30, 1949, there were 627,000 displaced persons in Germany, Austria, and Italy, of whom 302,000 are in the United States zone of Germany. On the same date there were 383,100 receiving care and maintenance in the western zones of Germany and Austria, and in Italy, that is to say, in camps. Of that number, 186,900 were in camps in the United States zone of Germany.

Mr. MILLIKIN. Mr. President, will the Senator yield further?

Mr. FERGUSON. I am glad to yield.

Mr. MILLIKIN. What is the function of the camp? What is its relation to those who are not in the camp? I should be glad to have the figures, but that is what I wanted to know.

Mr. FERGUSON. I shall be glad to seek to explain that part of it. So far as the camps are concerned, the situation is that the United States Government and IRO have taken certain Army camps in Germany, in each of the three zones, and in Italy. Many displaced persons have been housed in these camps. In some cities residences in certain sections are being used. For example, outside one of the Farben plants Germans have been removed from dwelling houses and displaced persons who are under the jurisdiction of the IRO have been placed in them. There is also another group of persons, who have never been admitted to camps but who are under the IRO classification and registered with the IRO as displaced persons, who are living in residences.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield.

Mr. MILLIKIN. Is there any degree of eligibility for coming into this country as a displaced person, according to whether one is in a displaced persons camp or in a house formerly occupied by Germans, or otherwise?

Mr. FERGUSON. The existing law I do not believe pins it down to the occupation of a house, but the amendments would change it so it would apply as well to those outside the camps as to those inside.

Mr. MILLIKIN. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. Under the existing law, what is the relationship, so far as living in a camp is concerned, or living in houses formerly occupied by Germans, or living elsewhere, to eligibility to enter this country?

Mr. JENNER. Mr. President, if the Senator will yield, I believe I can clarify that matter.

Mr. FERGUSON. I yield.

Mr. JENNER. Is it not a fact that there are only 32,000 displaced persons living outside the camps in all this area of which the Senator speaks, who are dependent upon IRO?

Mr. FERGUSON. I assume the figure to be correct. I do not have the exact figure. I have stated the number who are in camps and dependent on IRO and the gross number outside camps.

Mr. JENNER. Is it not also a fact there are only 11,000 persons in the displaced-persons camps, according to IRO figures, or will be in such camps, at the expiration of the existing law, June 30, 1950?

Mr. FERGUSON. No; I understand that is not correct. I have quoted a communication from the IRO director general concerning that. People are being put into the camps every week.

Mr. JENNER. These are IRO figures, I understand.

Mr. FERGUSON. That is what I am quoting.

Mr. JENNER. And they relate to the existing law. The Senator is not discussing the existing law. The Celler bill is intended to include those outside the camps. There are only 32,000 outside the camps who are dependent on IRO.

Mr. MILLIKIN. Mr. President, I am speaking solely of the present law. Does living in a camp have any relation to eligibility to enter this country?

Mr. FERGUSON. I am sure it gives priority.

Mr. MILLIKIN. And the pending bill would strike that down, is that correct?

Mr. FERGUSON. That is correct. It would allow admissions from outside the camps, while retaining preference for those in camps.

Mr. DONNELL rose.

Mr. FERGUSON. One of the reasons for including persons outside the camps is that now they cannot be given any priority. The law requires that 30 percent be farmers, that 40 percent be people from the Baltic States, or, let us say, people in countries that have been taken over by Russia, east of the Curzon line, in the Baltic countries. Those requirements make it necessary to include persons outside the camps.

Mr. JENNER. Mr. President, will the Senator yield——

Mr. FERGUSON. I yield.

Mr. JENNER. The 30-percent provision for farm labor was written into the present law, as I understand, on the theory that, in the first place, there was a housing shortage in this country, and, rather than to bring persons into our overcrowded metropolitan cities, they could be settled in rural areas, where the housing shortage was not so acute, and could be placed on farms.

Mr. FERGUSON. That is correct.

Mr. JENNER. The 40-percent provision applying to the Baltic countries covered displaced persons who could not return to their homes because, if they did, they would be shot. Of the persons in displaced-persons camps, 50 or 60 percent were farm labor, and yet there is only a 30 percent priority.

Mr. FERGUSON. The Senator says they could not return to their homes. They could do so, just as a Czech could who had fled from Czechoslovakia because communism came in. But if they should return they would be shot. I well remember talking only last month to a Yugoslav in a camp. He had been a captain in the Yugoslav Army. I asked him why he did not return. He understood what I said, and his most significant reply was to draw his hand across his throat, indicating that he would lose his head if he went back to Yugoslavia. That is the kind of person who could not come into the United States under the Displaced Persons Act after the date in 1945. His plight is exactly the same as the plight of every displaced person from the Baltic countries.

Mr. JENNER. At the end of the war there were approximately 8,000,000 displaced persons. Approximately 7,000,000 of them have already been resettled within 7 months after the war was concluded. So we started in with approximately 1,000,000 persons. With reference to the statement as to people wanting to break the immigration laws in order to gain admittance to this country, even today there are more than 25,000 persons a month asking to get into the camps, and it is 4 or 5 years after the war.

Mr. FERGUSON. There is no doubt about that. I take it for granted that if the Senator from Indiana and the Senator from Michigan were back of the iron curtain, and could flee from behind it and get into the American zone or British zone, we would do it tonight. If we got into that zone we would consider ourselves displaced persons and we would assume that we never could return to the place whence we came, for if we did we would go either to Siberia or to

our graves. Such a person is just as much a displaced person as if he were taken by the Nazis, so far as the peace of the world is concerned. Let us consider the German ethnics——

Mr. JENNER. They are not displaced persons.

Mr. FERGUSON. I desire to join in amending the bill so as to admit persons who were affected by the agreement at Potsdam. We agreed that Russia could take the German people who were in the zone acquired by Russia. In some cases their families had gone there a hundred years ago.

Mr. JENNER. Two hundred years ago, as to some of them.

Mr. FERGUSON. Yes. They were put under Russian control, and their furniture, their livestock, and their farms were confiscated.

Mr. JENNER. The pending bill, which was brought to the floor of the Senate without the committee being able to go ahead and complete its hearings and findings, does not take into consideration the German ethnics, who are the finest people in Germany. The Senator says they have been there for as long as 200 years. There are 12,000,000 of them, but under the Celler bill they are not considered as displaced persons.

Mr. FERGUSON. The bill grants 15 percent of the German quota until 1952 to the German ethnics.

Mr. JENNER. Of the nonpreference quota.

Mr. FERGUSON. Yes.

Mr. JENNER. The Senator does not know what that means, and neither do I, and no Member of the Senate can tell what it means.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DONNELL. It is a fact, is it not, that the Senator from Michigan believes it to be true that certainly no substantial number, if any, of the German ethnics are covered in the Celler bill? That is correct, is it not?

Mr. FERGUSON. An amendment will be necessary. I think there are approximately between 13,000 and 15,000——

Mr. DONNELL. I shall come to that later in presenting my views, and I shall not detain the Senator from Michigan further on that point. Obviously the fact is that in order that the German ethnics, that is to say, the persons who have been forced into Germany from the eastern countries, may have the benefits of the displaced persons bill, an amendment will be necessary.

Mr. FERGUSON. Yes, to take care of them in the way in which I feel they should be taken care of.

Mr. DONNELL. The bill which the Judiciary Committee reported to the Senate does not cover adequately the point which the Senator thinks should be covered.

Mr. FERGUSON. That is correct. The Senator from Illinois and the Senator from Pennsylvania have an amendment to take care of the situation, or at least improve it.

Mr. DONNELL. Mr. President, will the Senator yield for one further inquiry?

Mr. FERGUSON. I yield.

Mr. DONNELL. This relates to the questions of the Senator from Colorado [Mr. MILLIKIN] who, I think, is quite correct in wanting as much material and information as he can secure. Will the Senator from Michigan be so kind as to permit me to insert in the RECORD the language in the law which gives the priority to which the Senator refers? I read from section 7 of Public Law 774, the Displaced Persons Act of 1948:

> Within the preferences provided in section 6—

And I interpolate that that includes agricultural preference and other preferences—

> Within the preferences provided in section 6, priority in the issuance of visas shall be given first to eligible displaced persons who during World War II bore arms against the enemies of the United States and are unable or unwilling to return to the countries of which they are nationals because of persecution or fear of persecution on account of race, religion, or political opinions and, second, to eligible displaced persons who, on January 1, 1948, were located in displaced persons camps and centers, but in exceptional cases visas may be issued to those eligible displaced persons located outside of displaced persons camps and centers upon a showing, in accordance with the regulations of the Commission, of special circumstances which would justify such issuance.

Is that the provision to which the Senator from Michigan referred in his answer to the Senator from Colorado?

Mr. FERGUSON. That is correct, and I thank the Senator for making it a part of the RECORD.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MILLIKIN. Preliminary to my question I should like to say that I feel embarrassed in asking many of these questions. The reason why I ask them is because of the manner in which the bill comes before the Senate. That is one of the defects of making a Committee of the Whole out of the Senate, because every Senator has to educate himself from the beginning, and it is the function of committees to boil down their work into reports and otherwise to make explanations so the Senate as a whole shall not have to do that. That leads me to this question: Are we committing ourselves to the theory that we are obligated to take into this country all persons who escape from countries which are behind the iron curtain?

Mr. FERGUSON. I do not think we are committing ourselves to that obligation. We are committing ourselves to the obligation of including a certain number of those people in this bill. If we increase the number of 339,000 and use the terms of the Celler bill, I do not believe it commits the United States to any such program or that that is going to be the future policy at all.

Mr. MILLIKIN. If we admit into this Nation those who since the war have escaped from countries behind the iron curtain of their own volition, and we commence to let some of them in, how shall we distinguish between those whom we should let in and those whom we later will not let in?

Mr. FERGUSON. Merely the action of the Commission, and the wording of the bill, as to whether or not they come under the definition of displaced persons. It will not bring all of them in, that is sure.

Mr. MILLIKIN. People in this country are interested in bringing those displaced persons here. They have relatives, they have friends, and they have legitimate interest in bringing them here. But if we bring in 10,000 of a category of 100,000, how are we to escape ultimately bringing in the other 90,000, where the standard of judgment is the same?

Mr. FERGUSON. Merely that America apparently is not going to take all under the bill. The same condition existed last year when we fixed the figure at 205,000. We knew that would leave a considerable number of people in the camps, but we decided we would bring in 205,000. We are basing the figure now, let us say, on selfish considerations, on the number who could be brought into the United States at a time when we could get housing for them and get jobs for them without replacing American workers. That was the basis of the determination, rather than the number of people.

There are now some 15,000,000 German ethnics who have been displaced. In Pakistan there are millions of people—I do not have the exact figures—who are displaced. In China today, since the Communist have overrun the country, many of the people are being displaced. There are people in Shanghai, there are the White Russians who went into Shanghai, who have been displaced. There are people in the Philippines who are displaced. In fact, there are displaced persons all over the world, and we are not attempting to say that because we lay down a rule that we will take part we must take all.

Mr. MILLIKIN. Mr. President, I am in favor of liberal treatment of this subject. We are spending $20,000,000,000 a year in an attempt to mitigate and overcome the blunders of Potsdam, Tehran, and Yalta, which in part, have brought about the human problem, and I want to do all that is possible to mitigate those blunders. We will never be able entirely to mitigate and overcome the human problem; but I want a liberal policy followed, so far as the displaced persons are concerned. I should like, however, to know something about the distinction between the pending bill and the other bill, and why we should do what is here provided and not do something else. If we are not careful we will be setting precedents which will be causing us some embarrassment for a long time.

Mr. FERGUSON. Mr. President, the next point is that there is a complaint that of the 205,000 now eligible for admittance, under the law, most of them are going into the big cities and not into the rural areas. The law now requires that 30 percent of them be farmers, and it is said they are not going to the farms. There is that complaint.

I wish merely to say that the figures show that 26 percent of all the displaced persons who entered under the program

to August 31, 1949, went into communities with a population of 2,500 or less, but the percentage is much higher, since the records include only the first addresses of the people who come, which are often in larger communities, where they stop, merely for purposes of rerouting and going on to the farm or smaller community. The proportion of people going to the rural areas has been substantially increased as the program has developed.

The Celler bill would wipe out the 30 percent requirement. It would apply another rule, under which the farm groups would be given preference, but would not have to constitute a fixed 30 percent, as is the case now. At present 30 percent of the total number of displaced persons admitted to the United States must be farmers. Under the new law there is a preference, but not an absolute preference.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I assume that the preference to which the Senator alludes in the Celler bill, H. R. 4567, is as follows, quoting from page 12, line 4, and following:

> Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.

Am I correct?

Mr. DONNELL. That is correct. There is nothing there which says anything about what percentage must be farm workers, what percentage must be garment workers, what percentage must be other workers.

Mr. FERGUSON. That is correct.

Mr. DONNELL. So that it is possible, in full compliance with the portion of the Celler bill I have read, that 1 percent could be admitted who are farmers and 29 percent, or 50 percent, or whatever it may be, of garment workers, and there would be no violation whatsoever of this requirement.

Mr. FERGUSON. In my judgment, the Senator is correct, there would be no violation of the law because no absolute preference is given to the various groups.

Mr. DONNELL. As an entirety, without segregation of any one group.

Mr. FERGUSON. That is correct.

Mr. DONNELL. So that the effect of the Celler bill is to wipe out the 30-percent preference requirement as to agricultural workers.

Mr. FERGUSON. Yes. I thought I made that clear.

Mr. DONNELL. It substitutes no percentage whatever.

Mr. FERGUSON. That is correct.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WILEY. The purpose of that is to do away with the percentage basis, but it also lays down a pretty definite program, that a job in this country must be available for anybody before he is screened into the United States. Is not that correct?

Mr. FERGUSON. That is correct. That is the way it should function.

There is also raised, as it was here today, the question, What is the use of the displaced persons program since every time someone leaves another person is put in, and the camps are constantly being filled up? Let me state the facts.

On September 30, 1947, just after IRO began operations, 640,000 people were receiving care and maintenance in Germany, Austria, and Italy. One year later, on September 30, 1948, the number had dropped to 537,611. According to the latest available figures, at least as of June 30, 1949, though I think the Senator from New York has some even later figures than that, 383,100 people were receiving care and maintenance. So, while the camps are being repopulated to a certain extent we find that instead of 640,000 as there were, there are now 383,100.

The next question that is brought up is that the United States has taken more displaced persons than all other countries combined. The fact is that the United States has taken only 15 percent of the displaced persons resettled by June 30, 1949. Contrast this with the fact that we have put up about 35 percent of the money in this program. I believe we are furnishing now to IRO 35 percent of the money.

Mr. JENNER. Seventy-three million dollars.

Mr. FERGUSON. Seventy-three million dollars we are furnishing today to take care of the displaced persons in Europe. Two other countries have taken larger numbers. The first is Israel, which has just been established as a nation. She has given refuge to 123,000 displaced persons. England, which is having its own troubles both politically and economically, has welcomed 100,000 displaced persons, plus about 150,000 Poles who were in the army fighting against Hitler. So Britain has taken 100,000 plus 150,000 who were in the Anders Polish army.

Mr. JENNER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Michigan yield to the Senator from Indiana?

Mr. FERGUSON. I yield.

Mr. JENNER. I think it only fair to notify the Senate that in addition to the persons we have taken in under the Displaced Persons Act, we took in approximately 300,000 refugees from the same section of Europe from which the displaced persons are now coming. Those 300,000 are in addition to those who have come in under our present law?

Mr. FERGUSON. Yes. Before the Displaced Persons Act was passed the President issued a proclamation which admitted a certain number. Under it and prior to it I believe as many as 300,000 persons may have come in. The number may have exceeded that. I hope the Senate will forgive me for not having accurate figures before me at this time. But I trust the Senate will bear in mind that a great many of those persons, most of them I should say, came in under regular immigration quotas. Regular immigration, of course, was almost completely suspended during the war years.

Mr. KEM. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KEM. Did I understand the Senator from Michigan to say that Great Britain had taken 100,000 of these refugees.

Mr. FERGUSON. Yes.

Mr. KEM. Has she taken them into the British Isles?

Mr. FERGUSON. Yes; I understand that is where they have been taken, plus 150,000 from the Polish Army.

Mr. KEM. Is it not the Senator's understanding that the British Isles are unable to support the people who are already there, and that it is necessary to call on the people of the United States to expend some $1,000,000,000 a year to support the present residents of Great Britain?

Mr. FERGUSON. Yes, that is true. But the figures as I have given them are figures I have obtained from the IRO records.

Mr. KEM. Do not the refugees who are taken into Great Britain add to the burden of the people of the United States?

Mr. FERGUSON. If the Senator wants my opinion I will say that the men from the Polish Army who are in Great Britain, and the displaced persons who have been brought to Great Britain are, so far as actual production is concerned, probably producing in an equal amount or even in a greater amount than the British people themselves.

Mr. KEM. How can they be producers if the natural resources of the island are not sufficient to support the people who were already there when the others arrived? If they do produce, would they not displace other producers who were already there?

Mr. FERGUSON. If there are not enough jobs for those who were already there, and if a refugee takes a job, he does displace a British worker.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from West Virginia.

Mr. KILGORE. I think there should be a clarification of the figure of 300,000 which the Senator gave. I believe that figure is misleading. I have sent for Senate Report No. 476 dealing with the IRO, which shows, I believe, that the number of persons brought in under the Presidential directive was 44,000, not 300,000. However, I have sent for the report, which will give the actual figure.

Mr. FERGUSON. Mr. President, the Celler bill proposes to take 18,000 of the Polish soldiers out of England and bring them to the United States. At the present time some of the soldiers are in camps in England. Some of them are engaged in various trades and living normal lives as workers.

Mr. JENNER. Mr. President, I now have the figures. During the war we permitted about 300,000 refugees to come to America from Europe; under the Presidential directive an additional forty-some-odd-thousand were brought to

America, and up to date under the present law 90,000 displaced persons have come to America.

Mr. FERGUSON. So, before the present law was passed 340,000 displaced persons or refugees were brought to America.

Mr. JENNER. Yes; approximately.

Mr. FERGUSON. I want the RECORD to be correct in that respect, and I am glad the Senator has given us the figures. I think that answers the question.

I believe the figures I have given prove that other countries are taking more displaced persons, in proportion to their populations, than we have taken. It goes to show that we have certainly not done more than our share, nor as much as our full share.

The next point which has been made against the bill is that the Displaced Persons Commission has ignored the law which provides a priority for persons in camps. This is in answer to the question of the Senator from Colorado who wanted to know about the preference for persons in camps. The figures have been read into the RECORD. As of September 15, 1949, 88 percent of persons receiving visas under the law were issued visas under the in-camp priority. That figure does not represent the whole number, because under the very peculiar way in which the law is written there can be no priority for in-camp displaced persons unless there is a preference. Eighty-eight percent is a minimum figure. There may be others without preference who were also in-camp displaced persons.

Another very valid question is asked. The claim has been made that 40 percent of persons making application to come into this country under the displaced-persons law have used fraudulent documents. That would be a great fraud upon the United States. Even though the law says that a person must have been in the zone on December 22, 1945, there might be an incentive for a person to obtain a forged birth certificate or some other document showing that he was in the zone as of December 22, 1945. The Senator from Michigan would not condone any such action. He can see why a person would want to use a forged document, but that is no excuse. That is something which should be investigated.

I understand that Commissioner Rosenfield, a member of the Displaced Persons Commission, has testified that the charge is not true. I have also conferred with him on the subject, and he told me the charge was not true. I believe he used the words "phony figure" in connection with that claim. He said he had asked for but had not yet received any tangible proof upon which any such charges could be investigated. The Senator from Nevada [Mr. MCCARRAN], however, in his speech which was read on the floor today, quotes testimony of an immigration officer to that effect. The 40-percent figure is contradicted by what the Commission says are the known facts. Mr. Carusi, Chairman of the Displaced Persons Commission, informed the Senate committee that the actual figure is 1½ percent. The incidents referred to occurred under the normal immigration laws prior to the enactment of the displaced-persons law of 1948.

The objection is also made that in view of the fact that we have a falling economy in the United States we should not admit more displaced persons. The statement is made that our economy is not the same now as when the law providing for entry of 205,000 displaced persons was passed. I wish to say in that connection that the law which provided for the entry of 205,000 displaced persons has resulted in the adding to the labor force of the United States only 100,000 persons in the 2 years in which the law has been in effect. Therefore the displaced persons who have come to the United States represent less than one-fifth of 1 percent of our total labor force over a 2-year period. They are scattered throughout the 48 States. The largest number are going into the labor-shortage areas rather than into areas where there is a surplus of labor. I take it for granted that when the AFL and the CIO endorse the new program to bring in 339,000, they believe that it will not interfere with the labor market. I know that Mr. Murray and Mr. Green are interested in employment for their members, and full employment for the American people.

Mr. DONNELL. Mr. President, in connection with action by various organizations, is the Senator familiar with the action recently taken, on this subject, by the American Legion at its Philadelphia meeting?

Mr. FERGUSON. I am familiar with it.

Mr. DONNELL. Would the Senator have any objection to my reading into the RECORD a letter from the American Legion?

Mr. FERGUSON. I should be very glad to have the Senator do so.

Mr. DONNELL. The letter is from Mr. John Thomas Taylor, director of the national legislative commission of the American Legion. It is dated October 5, 1949, and reads as follows:

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMISSION,
Washington, D. C., October 5, 1949.

Hon. FORREST C. DONNELL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR DONNELL: A statement appearing in the CONGRESSIONAL RECORD of October 3 on page 13652 would indicate there is a possibility that Senate Resolution 160, a resolution to discharge the Committee on the Judiciary from further consideration of H. R. 4567, to amend the Displaced Persons Act of 1948, might be considered before adjournment.

The American Legion met in convention in Philadelphia, August 29 to September 1, 1949, and there were present 3,344 delegates and 3,344 alternates from every department of the American Legion (from every State and from five foreign departments). The subject of amending the Displaced Persons Act of 1948 was considered by a convention committee on immigration, composed of a delegate from every one of these departments, and the following resolution was adopted unanimously by the convention without one dissenting vote:

"Now, therefore, be it

"Resolved, That the American Legion in national convention assembled in Philadelphia, Pa., August 29, 30, 31, and September 1, 1949, demand of our Government heads that they strictly adhere to the existing laws and quotas allowing immigration to the United States and particularly adhere to the laws now in force applying to displaced persons and rather than place any additional burden on the people of America by increasing the quotas of immigration; and be it further

"Resolved, That we take steps to curtail as far as possible any further immigration to this country at the present time."

The hearings before the Senate Committee on the Judiciary are not concluded. The chairman of that committee, Senator MCCARRAN, and the chairman of the subcommittee of the House Committee on the Judiciary, Mr. WALTER, are both in Europe at the present moment investigating this entire matter. The question of amending our immigration laws is of the most vital importance to our country and we respectfully request that this subject matter be given the most careful and deliberate hearings, investigation, and consideration by the Judiciary Committee.

The American Legion desires to register its objection and its opposition to Senate Resolution 160, which is contrary to the historic and long-established parliamentary procedure of the Senate. In order that this legislation might receive its proper and careful consideration, we respectfully request your aid and support in opposition to Senate Resolution 160.

Respectfully yours,
JOHN THOMAS TAYLOR,
Director, National Legislative Commission.

Would the Senator from Michigan have any objection to the inclusion in the RECORD at this point of a letter from Omar B. Ketchum, director of the Veterans of Foreign Wars of the United States national legislative service?

Mr. FERGUSON. I should be very glad to have the Senator read it into the RECORD.

Mr. DONNELL. The letter is dated October 7, and reads as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
NATIONAL LEGISLATIVE SERVICE,
Washington, D. C., October 7, 1949.

Senator FORREST C. DONNELL,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: The fiftieth annual national convention of the Veterans of Foreign Wars of the United States, recently held in Miami, Fla., adopted Resolution No. 342, "opposing any change in the present immigration quota system, including admission of displaced persons."

In view of our position on immigration and displaced persons, and the highly controversial aspects of the subject, we urgently request that the Senate Judiciary Subcommittee on Immigration be permitted to continue its study and hearings on the question of displaced persons and not be discharged from further consideration of H. R. 4567.

Respectfully yours,
OMAR B. KETCHUM,
Director.

I thank the Senator.

Mr. FERGUSON. Mr. President, I think this would be a good place to put into the RECORD, the names of labor organizations, farm organizations, chambers of commerce, religious organizations, women's organizations, and other organizations which have endorsed the program and are interested in the resettlement of displaced persons. I ask unanimous consent to have the list of names printed in the RECORD at this point as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Labor organizations: American Federation of Labor; Congress of Industrial Organizations; Amalgamated Clothing Workers of America, CIO; Brotherhood of Railway Clerks, A. F. of L.; International Lonshoremen Association, A. F. of L.; International Printing Pressmen and Assistants Union of North America, A. F. of L.; National Maritime Union of America, CIO; National Women's Trade Union League.

Farm organizations: National Grange, American Farm Bureau Federation.

Chamber of commerce: United States Chamber of Commerce.

Religious organizations: American Friends Service Committee, American Unitarian Association, Congregational Christian Churches, Council for Social Action, Disciples of Christ International Convention, Federal Council of Churches of Christ in America, Friends Committee on National Legislation, Home Missions Council of North America, Knights of Columbus, Mennonite Central Committee, National Catholic Rural Life Conference, National Catholic Welfare Conference, National Lutheran Council, Northern Baptist Convention, Presbyterian Church of the U. S. A., Presbyterian Church in the United States, Protestant Episcopal Church General Convention, Southern Baptist Convention, Synagogue Council of America, Unitarian Service Committee, World Alliance for International Friendship Through Churches, YMCA International Board.

Women's organizations: American Association of University Women, Catholic Daughters of America, Hadassah, League of Women Voters, National Council of Catholic Women, National Council of Jewish Women, National Federation of Business and Professional Women's Clubs, National Federation of Congregational Christian Women, United Council of Church Women, Women's American ORT, Women's Auxiliary of the Protestant Episcopal Church, Women's Division of the Methodist Church, Women's International League for Peace and Freedom (U. S. Section), Y. W. C. A. National Board.

Other organizations: American Federation of International Institutes, National Congress of Parents and Teachers Board of Managers, National Social Welfare Assembly International Committee, Polish American Congress.

Mr. FERGUSON. Mr. President, this is a worthy cause. The committee has indicated that it would like to examine all the questions in relation to the German expellees, Greek refugees, Arab refugees, Pakistan refugees, and other refugees. That is fine, but the displaced persons in the camps and areas of Europe pose an immediate problem requiring expeditious solution, so far as the United Nations is concerned. The displaced-persons program of the United States is one of many programs instituted by various countries of the world to solve this particular problem. Displaced persons among the Greeks have a meritorious case, and I am sure the same can be said of the Arabs, the Pakistans, and the Chinese. Supporters of the liberalized displaced-persons program are sympathetic to congressional investigation and hearings on the entire subject, and I certainly share that view. However, that should not be used as a means of preventing the passage of a much needed liberalized Displaced Persons Act at this session. Such tactics would slow down the present program.

As I previously stated, the Morse-Myers-Douglas amendment to House bill 4567 would provide for the admission into this country of approximately 52,000 German ethnics and expellees over a 4-year period, with their transportation costs paid by the Government. I know that the Senator from North Dakota [Mr. LANGER] is interested in that figure. A subcommittee of the House Committee on the Judiciary which is studying the expellee problem in Germany and Austria will return soon with its recommendations, looking to a long-range solution of this problem.

The next question is the statement that more than 50 percent of the displaced persons in the camps today are farmers. This is in error. The fact is that according to the latest IRO occupational study, of September 13, 1948, only 22.3 percent are farmers.

The next question I wish to discuss is the question of the Displaced Persons Commission finishing the program ahead of time, in other words, bringing in 205,000 before the date set. The Displaced Persons Commission has stated publicly that it can give no assurance that it will be possible to meet the goal of 205,000 displaced persons by the terminal date of the statute, June 30, 1950. Apart from the requirement of the law, the operation is geared to move 205,000 persons by June 30, 1950. The IRO has provided ships. Various agencies have acquired the know-how with respect to the processing of cases of displaced persons; and all agencies, both public and private, as well as the Commission's staff, are working in an effort and with a determination to meet the goals set by the act. However, these general efforts and plans are likely to fail of their objective because of the unworkability of the entire pattern of restrictions, limitations, preferences, and priorities established by law.

We hear the claim that Communists are filtering into the country under the displaced persons program. I think the Senate knows my attitude toward Communists coming into this country, but I should like to say something about its relation to the displaced persons program.

The Displaced Persons Commission has implemented and reinforced section 13 of the act, the security provision, by establishing the policy that membership at any time in the Communist, Nazi, or Fascist Party automatically disqualifies a person seeking eligibility for admission into the United States under this act. It has added that superior caution should be observed in the screening process. In this connection strict protective screening processes must be used. I say to the Senate tonight that if the Senator from Nevada [Mr. MCCARRAN] has any evidence that there has been a breaking down in the processing, and that Communists, Nazis, or others are coming to this country in violation of any of the immigration laws, or of this particular law, those who are responsible for it should be called to account, even to the point of prosecution.

The immigration laws are made to be lived up to. The Senator from Michigan is anxious that all immigration laws regarding the entry of Communists or those who might be Communist spies should be strictly enforced. Those admitted should be carefully screened. But I see no reason for not acting on this bill until action can be taken against the Commission or anyone who may be responsible for any possible violation of the law. That is administrative procedure. Such things can happen under any law, and should be taken care of by an investigation by the Congress.

So I urge the Senator from Nevada to press for such an investigation. But as I find the facts, the committee now knows all about the other facts, aside from the question of administration. The question of administration should be thoroughly investigated, but the committee knows the facts in relation to the number, where the persons come from, what the conditions are in this country, and what we should do.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. DONNELL. A little while ago the Senator gave us figures in regard to the number of displaced persons who have been received into the British Isles.

Mr. FERGUSON. Yes.

Mr. DONNELL. Would the Senator be kind enough to state as of what date he was speaking? To what date do those figures relate? For example, the Senator used the figure of 100,000.

Mr. FERGUSON. I used the figure of 100,000, and the figure of 150,000. I take it the figures are up to date.

Mr. DONNELL. Would the Senator be kind enough to state the source of his authority for that statement?

Mr. FERGUSON. They are IRO figures.

Mr. DONNELL. Is the Senator certain that they are up to date?

Mr. FERGUSON. I take it that they are up to date. The figures are 150,000 from the Army, and 100,000 from other sources.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KILGORE. In order to have the figures corrected, I should like to read into the RECORD at this point a paragraph from Report No. 476, from the Committee on Expenditures in the Executive Departments, written with respect to the IRO, in June of this year.

I read subparagraph (c) on page 12:

> It is estimated that by June 30, 1949, approximately 72,500 displaced persons and refugees will have entered the United States for resettlement since December 1945. Of this number, approximately 44,000 entered pursuant to executive action within existing statutory authority. The balance, of approximately 38,000 will have been admitted under the Displaced Persons Act of 1948.

That is the official report of the committee, and I wished to submit it in connection with the figures the Senator from Indiana submitted, which are excessive.

Mr. FERGUSON. Mr. President, I have often cited the figures the Senator from Indiana used, and I think the records of the Judiciary Committee contain those figures. I am grateful for the

clarification on the number who were admitted as displaced persons under the President's directive.

As I was saying, Mr. President, I think we should have continuing investigations of the administration of this program. The Senator from Nevada has indicated that the House of Representatives, after passing House bill 4567, immediately adopted a resolution providing for the continuation of its investigation. That is true, and it was right. I submit that a continuing investigation of the displaced persons program's administration, and into related matters of immigration such as expellees, is a proper field of study for both House and Senate committees.

Mr. WALTER is in Germany now or is on his way back to the United States. He has been in Germany investigating these matters for the House of Representatives. I have not heard that on the strength of any of his findings he would oppose the enactment of this bill into law.

Mr. President, as indicated elsewhere, the consequences of any further delay are very serious and detrimental to the welfare of the United States. All the major facts of the essential problem are known. We must not permit action on this matter to be put off by continued studies which could simply go on and on, with the result that we would not pass on the particular questions involved in this bill.

Mr. President, this is a question of peace.

As was indicated by the able Senator from Indiana we are devoting $73,000,000 for displaced persons in Europe. We are devoting much of our energy, both internationally and domestically, to the building of the peace. But there can be no real peace until this human problem which is a product of the war and its aftermath is settled by those who believe they won the war. America undertook its responsibility with the Displaced Persons Act of 1948. It should carry out its responsibility in full share.

Mr. MORSE obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield, to permit me to propound a unanimous-consent request?

Mr. MORSE. I yield for that purpose, provided it is understood that I shall not lose the floor by so doing.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there unanimous consent that the Senator from Oregon may yield the floor for the purpose suggested, without losing his right to the floor? The Chair hears no objection.

Mr. MORSE. Then, Mr. President, I yield.

Mr. LUCAS. Mr. President, I may say that the distinguished minority leader, the Senator from Nebraska [Mr. WHERRY], who is not now on the floor, advised me that by 6:30 this evening we probably would be able to determine whether we could obtain a unanimous-consent agreement in regard to this matter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. The minority leader has been sent for.

Mr. TAFT. Mr. President, I have about a 5-minute statement which I wish to make, and I shall be glad to make it now, if the Senator wishes to have us wait a little while.

Mr. LUCAS. The Senator from Oregon has the floor.

Mr. MORSE. Mr. President, I shall yield to the Senator from Ohio, to permit him to make a short speech, provided it is understood that I do not thereby lose the floor.

Mr. LUCAS. Mr. President, I see the Senator from Nebraska entering the Chamber now.

Mr. MORSE. Very well.

Mr. LUCAS. Mr. President, I think all are present who are interested in trying to obtain unanimous-consent agreement on this subject.

The Senator from Oregon advised me today that before any unanimous-consent agreement is entered into, he wishes to have a quorum call had. He is here now, and under the circumstances, perhaps he might be willing to waive a quorum call.

Mr. MORSE. Mr. President, I could not do so, because then I would be waiving the rights of the Senators who are absent at this time; and I could not do that.

Mr. LUCAS. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Oregon has not yielded for that purpose.

Mr. LUCAS. Will the Senator from Oregon yield for that purpose?

Mr. MORSE. Mr. President, I have no assurance that it will be possible to obtain a quorum, and I must deliver the speech I am waiting to make. Perhaps I had better make the speech now, and then let the other matter develop.

Mr. LUCAS. Of course, there are a number of Senators, on both sides, who are very anxious to know whether unanimous consent for the purpose we have in mind will be obtained. In such case, the telephones will have to be used immediately, and every minute counts.

I am sure we can get a quorum, because many Senators are waiting for it.

Mr. MORSE. Mr. President, I am agreeable to that course, then—but again with the understanding that I do not thereby lose the floor.

The PRESIDING OFFICER. The Senator from Oregon requests unanimous consent that he may yield for the purpose indicated—namely, the calling of a quorum—without losing his right to the floor. Is there objection? The Chair hears none; and it is so ordered.

Mr. LUCAS. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chapman	Ellender
Anderson	Connally	Ferguson
Baldwin	Cordon	Fulbright
Brewster	Donnell	George
Bridges	Douglas	Green
Byrd	Downey	Gurney
Cain	Eastland	Hayden
Capehart	Ecton	Hendrickson
Hickenlooper	Lodge	O'Mahoney
Hill	Long	Pepper
Hoey	Lucas	Russell
Holland	McCarthy	Saltonstall
Ives	McFarland	Schoeppel
Jenner	McKellar	Smith, Maine
Johnson, Colo.	McMahon	Taft
Johnson, Tex.	Magnuson	Thomas, Okla.
Johnston, S. C.	Malone	Thomas, Utah
Kem	Martin	Watkins
Kerr	Millikin	Wherry
Kilgore	Morse	Wiley
Knowland	Myers	Williams
Langer	Neely	Young
Leahy	O'Conor	

The PRESIDING OFFICER. A quorum is present.

Mr. LUCAS. Mr. President, the Senator from Washington [Mr. CAIN] in his speech yesterday advised the Senate that at the proper time he intended to move to recommit the pending bill to the Committee on the Judiciary. In a discussion, off and on all day long, with the able minority leader and with other Senators on both sides of the aisle, we have been endeavoring to reach an agreement as to the time when we might advise the Senate we could vote upon the motion to recommit. I have understood that possibly we could get an agreement to vote at 4 o'clock tomorrow afternoon. Other Senators wanted to vote tonight. We could not do that. There were other Senators who preferred to vote on Monday. I should like to ask the Senator from Washington or the Senator from Nebraska what time is agreeable to them.

Mr. WHERRY. Mr. President, I have already conferred with the majority leader and I am entirely satisfied that a unanimous-consent agreement could be obtained to vote at any time between now and midnight, if it is desired to vote today. If not, it would be my best judgment that the majority leader should seek to obtain unanimous consent for a vote tomorrow. My judgment on the hour would be approximately 6 o'clock, provided the majority leader would have the Senate convene at 11 a. m., the reason being that it would give 3 hours on a side for further debate on the measure. I make the suggestion. I make it with the statement that I am not sure the unanimous-consent request would be agreed to, but my understanding is that, if it cannot be done at this time, the majority leader would move a recess until Monday, anyway, or attempt to get unanimous consent later, and then decide whether he would move a recess until Monday.

So I suggest to the distinguished majority leader, if a unanimous-consent request is made to vote at any time between now and midnight, with the time divided, I believe consent would be given. If not, then I suggest a unanimous-consent request be made for a vote tomorrow, about the hour of 5 or 6 o'clock, with the time divided as I have indicated.

Mr. CAIN. Mr. President, will the Senator yield for the purpose of a motion?

Mr. LUCAS. I yield.

Mr. CAIN. Mr. President, for myself and for the Senator from Mississippi [Mr. EASTLAND], I move that the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, be recommitted to the

Committee on the Judiciary with instructions to report the bill back to the Senate not later than January 25, 1950.

Mr. LUCAS. Mr. President, now that the motion to recommit is before the Senate, I ask unanimous consent that the Senate proceed tomorrow afternoon at 6 o'clock to vote upon the motion to recommit made by the distinguished Senator from Washington. The Senate could convene at 11 o'clock in the morning, the time to be equally divided between the Senator from Washington [Mr. CAIN] and the Senator from West Virginia [Mr. KILGORE].

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my friend from North Dakota.

Mr. LANGER. Mr. President, there is no objection on my part to voting any time today, between now and 10 or 11 o'clock tonight. But I object to voting tomorrow.

The PRESIDING OFFICER. Objection is heard.

Mr. WHERRY. Mr. President, reserving the right to object, is there any hour tomorrow that would be satisfactory?

Mr. LANGER. No time tomorrow will be satisfactory, because I am going to object to a vote tomorrow—any time tomorrow.

Mr. WHERRY. Mr. President, I am doing my level best merely to make suggestions. I hope the majority leader will consider making another request to vote tonight if he feels so inclined.

Mr. LUCAS. The Senator from Missouri told me he wants at least 2 hours to discuss the bill.

Mr. WHERRY. I understand he does.

Mr. LUCAS. The Senator from Nebraska has advised us it would take from 11 to 6 tomorrow; that is, 7 hours. So if we are going to vote tonight, we would under that arrangement have to vote at about 2 o'clock in the morning. Would it be satisfactory to the Senator from North Dakota to vote at 2 o'clock in the morning?

Mr. LANGER. It will be perfectly agreeable to me to vote at any time until midnight tonight. I am willing to waive my speech and not talk at all, in order to obtain a vote tonight.

Mr. LUCAS. I hope the Senator will not do that.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. The Senator from Illinois is quite correct in his understanding that I desired 2 hours. I think possibly I told him I did not know that I would take that much time. I am quite willing, if a vote can be had tonight, to change the figure to 1 hour.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. With that statement, and with the statement by the senior Senator from North Dakota, it seems to me that possibly a unanimous-consent agreement to vote even before 12 o'clock could be entered into tonight. I inquire whether the Senator would like to make such a request?

Mr. LUCAS. The difficulty is that four or five Senators are away. Of course, that is not my fault. We cannot keep Senators here if they want to leave. I thought, in fairness to the Senators who are away, they should have at least 1 day's notice to return. That is usually the practice, as a matter of fairness to Senators who are absent, making speeches, or who are at home on important business. I think a vote on Monday would be proper if we really want to do justice to all Senators who are absent. That is truly the fair and equitable arrangement to make. I should dislike it very much if I happened to be away, for instance, tonight, making a speech, and I could not get any definite assurance as to whether there would be a vote tonight or tomorrow. The minority leader could not advise me; and I know he has been trying before 6:30 this evening to see if we could get a unanimous-consent agreement of any kind. He says we cannot get one to vote at 4 o'clock tomorrow afternoon or at 6 o'clock tomorrow afternoon, but we can get one now if we agree to vote before midnight. Just what is back of that kind of a situation is a little more than I can understand, Mr. President. Why should a Senator say we can vote tonight at midnight, but we cannot vote tomorrow at 6 o'clock?

Mr. CAIN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAIN. I think I have a reasonable answer for the concern of the distinguished majority leader in regard to a number of Senators being absent. A number of Senators now present expect to be absent tomorrow. More than a quorum of the Senate is present and able to vote. Many of the Senators not now in the city of Washington were on the floor of the Senate yesterday afternoon when this bill became the unfinished business and when it was seriously being considered. There is a great disposition on the part of a good many of us to bring the matter to a conclusion one way or the other as rapidly as we can.

Mr. LUCAS. I appreciate the Senator's statement that he wants to bring it to a conclusion, but it is in direct conflict with his statement of yesterday when he started his speech. I think the RECORD of yesterday will definitely disclose that the Senator gave every indication that it would be a long time before we could reach a vote.

Mr. CAIN. I know the majority leader wishes to be fair.

Mr. LUCAS. Yes; I do.

Mr. CAIN. It is the hope of the junior Senator from Washington that the question concerning the recommital of the bill can be settled one way or the other as rapidly as possible. If the motion to recommit shall fail, there is an entirely different question, which is primarily the question to which the junior Senator from Washington was addressing himself yesterday.

Mr. LUCAS. I understand the position of the Senator.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. In regard to the limitation of time to 1 hour for myself, I do not think it is advisable that I should limit my time based upon an agreement to vote tonight. I desire to modify my statement by saying that if a unanimous-consent agreement should be entered into either tonight or tomorrow morning, I am quite willing to accept a limitation of 1 hour on my remarks, and I do now so state.

Mr. LUCAS. Mr. President, if we could agree to vote on Monday next at 6 o'clock we would not be in session tomorrow, and we would meet at 11 o'clock on Monday morning. With that understanding, we would be in the same position as we were a moment ago with respect to the unanimous-consent request to vote tomorrow.

I now make another unanimous-consent request, that the vote on the motion to recommit the bill to the Judiciary Committee be taken on Monday at 6 o'clock, the Senate to convene on Monday morning at 11, the time to be divided between the junior Senator from Washington [Mr. CAIN] and the Senator from West Virginia [Mr. KILGORE], with the understanding that if that be agreed to there will be no session tomorrow.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Does the observation which the distinguished majority leader made prior to making the unanimous-consent request mean that if the request now proposed is not agreed to, there will be a session tomorrow?

Mr. LUCAS. The Senator is correct.

Mr. WHERRY. So the Senate is to understand that if the unanimous-consent request is not agreed to there will be a session tomorrow.

Mr. LUCAS. That is correct.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KNOWLAND. Mr. President, reserving the right to object, I wonder if the able majority leader would be willing to change his request. I happen to be one who is going to vote as I think the majority leader is going to vote, namely, not to recommit the bill. But I wonder if we could not reach an agreement to vote at midnight tonight, which will be 5 hours from now, which would allow two and a half hours for the proponents and two and a half hours for the opponents. There is a quorum of the Senate present. Some Senators will undoubtedly be leaving each day the Senate remains in session, and some may be returning. I earnestly plead with the able majority leader to consider my suggestion. It seems to me, if it appears that we can get a unanimous-consent agreement to vote at 12 o'clock tonight, that would be the logical thing to do.

Mr. LUCAS. I appreciate the suggestion of the Senator.

The PRESIDING OFFICER. The Senator from Oregon yielded in order that the majority leader might propound a unanimous-consent request.

Mr. LUCAS. Mr. President, I have put such a request, for a vote on Monday.

Mr. LANGER. Mr. President, what is the request?

The PRESIDING OFFICER. The Chair will ask the Senator from Illinois to restate his request.

Mr. LUCAS. To vote on Monday at 6 o'clock, the Senate to convene at 11 o'clock a. m. on that day.

Mr. LANGER. Mr. President, I object.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon ask that he be granted unanimous consent to yield for that purpose?

Mr. MORSE. I make that request, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Senate vote at 12 o'clock midnight tonight on the motion of the Senator from Washington [Mr. CAIN] and the Senator from Mississippi [Mr. EASTLAND] to recommit the bill to the Judiciary Committee, and that the time be equally divided between those who are favorable to such motion and those who are opposed to such motion.

Mr. MYERS. Mr. President, reserving the right to object, when the Senate met yesterday an opponent of the bill, the Senator from Washington [Mr. CAIN], who offered the motion to recommit, took most of the time. He was interrupted quite frequently by consideration of conference reports, but no Senator spoke on the bill, as I recall, except the junior Senator from Washington. We were given to understand that it would be some time before there could be a vote. Many Members left for the day, thinking there would be no vote. Many Members inquired late this afternoon whether there would be a vote tonight, and from all indications it was understood there was an attempt to reach an agreement to vote either tomorrow or Monday. I certainly think an agreement to vote tonight would be most unfair to the Senators who left under the impression that there would not be a vote for several days and the Senators who left early this evening believing that if we reached a unanimous-consent agreement late this afternoon it would be to vote on Saturday or Monday. It would be indeed most unfair to them.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MYERS. In a moment. It is now 7 o'clock, Mr. President. That means that we would vote at 12 o'clock, 5 hours from this time. The proponents of the legislation would have but 2½ hours, the opponents would have 2½ hours plus yesterday, and I think it would be most unfair. I thought we were trying to get a unanimous-consent agreement to vote tomorrow or to vote Monday, and an agreement to vote tonight would be unfair to the Senators who left, certainly under the impression that there would be no vote tonight.

Why is it we can vote at midnight tonight and cannot vote at 6 o'clock tomorrow, or cannot vote on Monday? There must be some reason. Why is it that the opponents of this legislation are willing that we vote at 12 o'clock tonight, but refuse to let us vote at 6 o'clock tomorrow, or on Monday? It must be that noses have been counted, and they are rather certain and sure that there is a sufficient number of absentees tonight, Senators absent through no fault of their own, Senators who are absent because they believed definitely there would be no vote tonight. I think noses have been counted. I am willing to vote tomorrow, I am willing to vote Monday, so that every Senator can be given an opportunity to get back to the Senate. If they cannot get back, that is their fault. Therefore, Mr. President——

Mr. KNOWLAND. Mr. President——

Mr. MYERS. Before I object, I certainly will yield to the Senator from California.

I do not think it is fair, I do not think it is playing square with our colleagues in this body, to force a vote at midnight, without any notice being given to them, when we know they cannot get back in time.

Mr. KNOWLAND. Mr. President, if the Senator will yield before he makes his final decision in this matter, I think the position of the junior Senator from California has been very clear. In the first place, I am opposed to filibusters, whether they be Republican filibusters or Democratic filibusters. That has been my position since I became a Member of the Senate four and a half years ago. But I have been under the impression that Senators on the Democratic side of the aisle, along with those on the Republican side, wanted to wind up this session and make some decisions. Every one of the 96 Members of the Senate of the United States has been on notice for a long time that this session of Congress is coming to a conclusion. It is the obligation of every Member of the Senate to be in the Senate during the closing hours and the closing days of the session unless there are very strong reasons for his being away.

I do not believe it is a situation in which Senators have not had due notice of questions of importance coming up. We have had in the conference committees on appropriation bills vital measures which affect the national welfare and the national defense. There may be Senators who, because of illness in their families or because of other pressing matters, may be called home. I speak as one who is going to vote against the motion to recommit, because I believe the Senate should have an opportunity to express itself on the pending legislation. But I most earnestly plead with the responsible leadership on the other side of the aisle, when we have a chance to terminate this debate within 5 hours of this very time, not to obstruct the opportunity to get such an agreement.

Mr. MYERS. Mr. President, I appreciate the remarks of my good friend, the Senator from California, but certainly he should know there is no attempt to obstruct, certainly he should know there is a duty and an obligation resting on Senators to be here, but certainly he should also know that there are gentlemen's agreements between Members of the Senate, and certainly he should know that last night, when we concluded our session, no Senator anticipated a vote today. Certainly we knew a filibuster was on. We were told that a filibuster was on, and some Senators who went away at 6 o'clock asked me, "Do you think there will be a vote?" I understood the minority leader would be here at 6 o'clock with a——

Mr. WHERRY. Now, Mr. President——

Mr. MYERS. I do not yield. I understood the minority leader would be here at about 6:30 with an agreement, probably not one he could carry through, but a suggestion for an agreement to vote tomorrow or Monday, not tonight.

I do not think it was fair to our colleagues on either side of the aisle, who are deeply interested in this legislation, to let them leave Washington today under a wrong impression.

I would rather vote at 12 o'clock tonight, or on Monday, rather than tomorrow. I have a very important engagement tomorrow night, but I will cancel it in order to be here if we are to vote tomorrow. Personally it would be much better for me to have the vote tonight rather than tomorrow or Monday. But I think some of our colleagues should be protected, and there were several Senators on my side of the aisle who asked if there would be a vote tonight, and I never thought there would be a suggestion that we vote tonight. I can see that it must be for the reason, "Well, we have counted noses." I do not know why anyone should object to voting tomorrow at 6 o'clock, if he is willing to vote tonight at 12.

Mr. WHERRY. Mr. President, before the Senator makes his final objection——

Mr. MYERS. I am happy to yield.

Mr. WHERRY. I wish to make the RECORD clear. The minority leader did not agree to be in the Senate Chamber at 6:30 with a unanimous-consent agreement to vote at any particular hour or time.

Mr. MYERS. Of course.

Mr. WHERRY. I did agree to do my level best to get the parties interested to reach an agreement. I do not want the RECORD to show that I violated any trust in attempting to do that.

I will say that I worked conscientiously—and I had the complete cooperation of the majority leader—in attempting to work out a unanimous-consent agreement not only for tonight, but for tomorrow, and even for points beyond that, if the acting majority leader wants to know the truth. I have done my level best, and I had hopes there would be a successful outcome. In the beginning, all unanimous-consent requests are built upon hope. I did not get a chance to confer with the majority leader prior to the time I got to the floor. If I had, I would have been glad to convey to him my findings as to the sentiments toward getting together and reaching an agreement.

Any Senator has a right to object to unanimous-consent requests, but I humbly point out to the distinguished acting majority leader that there is no difference between the 5 hours now and the 5 hours tomorrow afternoon. If we recess tonight and have 5 hours tomorrow afternoon, it seems to me to make little difference between doing that and having 5 hours tonight. It might make a difference to some Senator who could be here tomorrow, but who is not here today. I suppose those who are interested in the

legislation have taken that into account. Let us be frank about it.

Let me tell the Senator further that if he does not accept this unanimous-consent agreement which can be obtained we will have to do the best we can with unanimous-consent agreements in the future. My judgment has always been—and I give it for what it is worth—that the time to get a unanimous-consent agreement is when it is possible to get it. We can get one tonight, and it will limit any further debate on this question. I should like to get a vote tonight, if we cannot get an agreement for it at any other time. If we cannot get it for tonight, the only sensible thing to do is to do exactly what the majority leader has already suggested, go ahead tomorrow with the session and try to work out a unanimous-consent agreement later.

Mr. MYERS. As for me, I shall never submit to a unanimous-consent agreement with a gun at my head, with the statement "You might as well take what you are given or take nothing." I shall never stand for that.

Much of the debate has been based on the fact that the Senator from Nevada is away. He should have an opportunity to express his views in person, gentlemen, and we therefore should continue the debate until the next session, in order that the Senator from Nevada may be here.

Mr. President, that is a logical argument. I can see and understand why many Senators agree with that argument. I have heard Senators say they might well be for the pending legislation, but they do not think it is fair and proper that we take it up at this time, when the chairman of the Committee on the Judiciary has asked that the Senate delay consideration until next year. I am asking merely that we delay consideration until tomorrow, not next year, but tomorrow, because several Senators are away; not one, but several, who really believed in their hearts, as did all the others of us, that there would be no vote before Saturday, or Monday or Tuesday.

I am pleading only that Senators accord to them the same courtesy they would accord to the Senator from Nevada, that they delay the vote until tomorrow, so that those who are absent can at least be notified that there will be a vote.

I certainly think we ought to be that fair, and I think the opponents of the legislation, particularly those who base their opposition on the fact that they believe the Senator from Nevada had not been fairly treated, certainly should not also attempt to give unfair treatment to other Members of the Senate who are absent for only 24 hours.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MYERS. I am happy to yield.

Mr. WHERRY. I hope the Senator from Pennsylvania did not interpret my remarks to mean that I was trying to hold a gun at his head.

Mr. MYERS. Not entirely, but when the Senator indicates, "You had better take this or we do not know what you will get"——

Mr. WHERRY. No, Mr. President, I said my experience in getting unanimous-consent agreements was to take them when we could get them.

So far as I am concerned, it makes little difference to me whether a vote is taken tonight, tomorrow, or next week. I want the distinguished Senator from Pennsylvania to be fair about this matter. I have worked conscientiously all day in an endeavor to try to secure an agreement. The majority leader has made the statement that we shall have a session tomorrow if we cannot secure an agreement to vote tonight. I will say now that I shall work just as faithfully tomorrow to try to secure a unanimous-consent agreement to vote. The Senator from Pennsylvania should not say that I have ever held a gun at any Senator's head. I certainly have not.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. MYERS. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. IVES. Mr. President, if unanimous consent can be secured that the Senator from Oregon [Mr. MORSE] can be given back his right to the floor, I wish to ask him to yield so I may make a statement.

Mr. MORSE. I assume that can be arranged, I will say to the Senator.

Mr. IVES. I think the real controversy, the real question here, is what may be the disposition of the bill on a vote to recommit. It seems to me that those who are against recommittal—and I assume there are many here tonight who are against recommittal in spite of the fact that there might not be such a majority—should be willing to take their chances under any and all conditions, knowing as we do that Senators should be present or available at all times at this stage of the session.

On the other hand, I can see the other side of the question, and that is that those who are in favor of recommittal should be just a little bit charitable. They have far less to lose individually and from the standpoint of their position than those who are opposed to recommittal. If the Senate should vote to recommit, those who are in favor of recommittal have won. There is no argument about that. That means the bill goes over for the session.

On the other hand, if the bill is not thus recommitted, those who are in favor of recommittal have not lost one thing. They stand, then, exactly as they stand tonight. For that reason, much as I appreciate the fact that all Senators should be present or available, and that we who are going to oppose recommittal have no legitimate excuse for trying to explain the absence of those who are absent or out of reach, I think there is a greater responsibility on those who favor recommittal because they stand to lose nothing whatever if the bill is not recommitted.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. TAFT. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. If the motion to recommit should fail, another motion to recommit could be made, could it not?

Mr. IVES. Always.

The PRESIDING OFFICER. Such a motion could be made after a reasonable length of time, or with different provisions or instructions in it.

Mr. MYERS. I renew my objection, Mr. President.

The PRESIDING OFFICER. Objection is heard. The Senator from Oregon has the floor.

Mr. MORSE. Mr. President——

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. There is a little confusion respecting——

Mr. LUCAS. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield for a parliamentary inquiry, with provision for protection of my rights to the floor.

Mr. WHERRY. Mr. President, I withdraw my parliamentary inquiry. I believe the majority leader will make the announcement concerning which I was about to make inquiry.

Mr. MORSE. I yield to the Senator from Illinois.

Mr. LUCAS. I was going to advise Senators that when the able Senator from Oregon finishes his address the Senate will then take a recess until 11 o'clock tomorrow. How long the Senate will be in session tomorrow I am unable to say, but I sincerely hope that all Senators will be present. I also express a fervent hope that we may be able tomorrow to arrange for some sort of a unanimous-consent agreement. Maybe when tomorrow comes we can secure unanimous consent to vote at midnight tomorrow night. Maybe that is the fateful hour for it. I make that announcement, and I thank the Senator from Oregon.

ORDER FOR RECESS

Subsequently, during the delivery of Mr. MORSE's speech, the following occurred:

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LUCAS. I ask unanimous consent that when the Senate concludes its business tonight it do so as in recess until tomorrow at 11 o'clock a. m.

The PRESIDING OFFICER. The request of the Senator from Illinois is that when the Senate concludes its business today it recesses until 11 o'clock tomorrow. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. LUCAS subsequently said: Mr. President, I should like to modify the request which I made a moment ago. I should like to have a reconsideration of the unanimous-consent agreement, and modify it so that the Senate will meet at 12 o'clock noon tomorrow instead of 11 o'clock a. m. One Senator came to me and asked that I have the agreement modified.

The PRESIDING OFFICER. The Senator from Illinois asks unanimous consent to modify his previous request for unanimous consent, already granted,

so as to call for a recess from this evening until 12 o'clock noon tomorrow instead of 11 o'clock a. m. Is there objection? None is heard, and the request is granted.

DISPLACED PERSONS LEGISLATION—COLUMBIA VALLEY AUTHORITY—ATTITUDE OF CIO

Mr. MORSE. I wish to assure my colleagues that what I have to say tonight can be read by them in the RECORD tomorrow, and if I were in their position under those circumstances I think I would go to dinner. I, however, feel compelled to speak for the RECORD tonight on the subject matter of my main remarks.

Mr. President, I now wish to say a very brief word in support of the displaced persons bill which is the business before the Senate. I have been a sponsor of that bill from the time of its original introduction in the Senate.

I have always taken the position that the persecution of minority people who have become the displaced persons can not be separated from the causes of World War II because I am satisfied that that persecution was one of the things that led to the formation of public opinion among freedom-loving peoples in this world that personal liberty and personal freedom could not exist in a world where totalitarian dictators followed the course of action that Hitler followed toward minority groups who later became the populations of our displaced persons camps.

Mr. President, there were other causes of World War II. If we can put a qualitative evaluation on causes, some of them might be considered of more primary importance, at least so far as the entrance of the United States into World War II is concerned. However, there is no doubt about the fact that the pages of history show that the American people were incensed and indignant over the persecution of minority groups in Germany, and recognized that if such persecution patterns continued to spread in the world, freedom itself would be jeopardized.

Then came the close of the war. There was a growing recognition that the persecution was not limited to German totalitarianism, that there was another totalitarianism abroad in the world which had just as little respect for the dignity of the individual, which entertained the same prejudices and exhibited the same bigotry toward certain minority groups as did Hitler's Germany. Thus we find thousands of people fleeing from the Russian zone, because they knew that to remain in the zone or to be returned to the Russian zone after having fled from it meant, as the Senator from Michigan [Mr. FERGUSON] pointed out this afternoon, either banishment to Siberia or the loss of their lives on the spot as they returned to their homes.

Mr. President, for a year we have been confronted with the problem of what to do with the minority groups who comprise the displaced-persons element in Europe. The American taxpayers also have been confronted with the financial obligation and liability of meeting most of the cost of maintaining them. I do not have the exact figures at tongue's point, but I am sure that I make an understatement when I state for the RECORD tonight that the cost of operating the displaced-persons camps in Europe during the latter part of the war and since has been paid for, at least to the extent of 80 percent of the cost, by the American taxpayer.

In the fall of 1946 I went to Europe. The then Secretary of War, Mr. Robert Patterson, asked me before I left for Europe if I would make an individual study and investigation of the displaced-persons camps, seek to secure the answers to certain questions which we discussed, look into certain problems which he mentioned, and then give him a confidential report on my return.

I made such an investigation. I had my discussion with the Secretary of War on my return. Among the various things I pointed out to him was the matter of cost to the American taxpayer, and also the disintegration, in my judgment, of the lives of the individuals who were being kept in displaced-persons camps. In fact, I looked upon it as a form of inhumanity, because for the most part they were kept in idleness. Their attitude was characterized by despair and hopelessness. Human beings cannot be kept over the years in such circumstances without a deleterious effect upon their lives.

So I said then—and I recall that I made a statement on the floor of the Senate at about that time—that I thought we should give further consideration to an earlier suggestion which I had made, that the freedom-loving countries of the world, allies belonging to the United Nations, ought to agree upon holding an international conference for the purpose of reaching an understanding and agreement for the distribution of displaced persons among countries willing to accept their fair share of such persons. I still think that is the way the problem should have been handled; but it has not been so handled. So far as a proposal for the establishment of an American policy is concerned, it is to be found in the displaced persons bill.

I too have received a great many communications from people not only in my State, but across the land, urging me to vote against the displaced-persons bill. Some of those communications demonstrate that the writers thereof are motivated by a deep prejudice against these displaced persons, and are vigorously opposed to the entrance into this country of any of them.

Mr. President, a great many American boys lost their lives in World War II over a set of causes and ideals. Among the causes was the persecution of displaced persons. It was made very clear that freedom could not exist in the world if human beings were to be persecuted and treated as these unfortunate human beings have been treated. So I say to the people of my country tonight that we are dealing here with a great moral obligation. So far as I am concerned, the question is whether or not this is a fair bill in respect to whether it asks the United States to take only a fair share of these people, on the basis of terms and conditions which are reasonable.

I think the answer to that question is in the affirmative. We can have differences of opinion as to whether or not, as individuals, we would modify the bill somewhat if we had full authority to write the law and press a button automatically passing the bill. But that is not the way legislation is passed in the Congress. So I am convinced that, taking the bill in its totality, it is a good, proper, and right bill. I think it is a bill which ought to be passed in the interest of making good on what I think is a great moral obligation on the part of my country.

So I intend to vote for the bill. I shall vote against the motion to recommit it, because I think this is an issue which has been threshed out over so many months that the people of the country are entitled to have their Congress make a decision on it before we adjourn this fall.

I close this part of my speech on the bill by saying that I shall vote for the bill, because so far as my conscience is concerned I think an affirmative vote by me is called for if I am to live up to what I think are the high standards and ideals of the American version of liberty—protecting the dignity of the individual and putting into practice Christian concepts of democracy. I wish to say that by the passage of this bill I think we shall give great reassurance to the peoples all over this world that we do practice our ideals. I am satisfied that propaganda devices have been used against us in many parts of the world beyond Europe—in Asia, in India, in Africa—to the effect that in connection with the displaced persons problem, once again America has a tendency to talk in terms of personal liberty and freedom and protecting the dignity of the individual, but frequently falls short of putting those ideals into practice. I wish to remove any basis for any such criticism of my country in connection with this issue, and I am satisfied that the passage of this bill will be an irrefutable answer to those who are seeking to spread that sort of propaganda against my country.

THE COLUMBIA VALLEY AUTHORITY

Mr. President, I turn now to an entirely different subject matter. I am sorry it is necessary to proceed to make a record on this subject; but in fairness to myself, to my many friends in the State of Oregon, and to my loyal political supporters in the State of Oregon, I think it is essential that I make this record tonight.

I have been advised that the State CIO labor organization in Oregon has just completed a State convention at Bend, Oreg. In a moment I shall read certain criticisms of me that were made on the floor of that convention. But before I read them, I wish to say that I have been advised this afternoon, by long-distance telephone, that a proposal to endorse my candidacy for reelection was blocked in that convention. I was told this afternoon by a CIO representative in Washington, D. C., that the blocking of that proposal to endorse my candidacy for reelection did not mean at all that I would not eventually be endorsed

by the CIO in my State; but that because certain criticisms had been made of my views on certain matters, it was decided best that any further consideration of my candidacy for reelection to the United States Senate should be postponed until I return to the State, when there would be an opportunity to discuss these matters with me.

I said to that Washington CIO representative, this afternoon, "Apparently you do not know me yet; but I wish to say to the CIO that my candidacy for reelection to the United States Senate is based on my record." So far as I am concerned, Mr. President, no labor or other organization is ever going to succeed in conditioning its endorsement of me on the basis of any proposal that its endorsement will be dependent on any possible commitment it might hope to get from me in regard to any future issue which might come before the Senate of the United States. I have never made a commitment to a labor organization, to an employer organization, or to any other political pressure group in this country, Mr. President; and I do not intend to start with the CIO in the State of Oregon.

I say from this floor, tonight, to the CIO officials in the State of Oregon, that their endorsement of me or their failure to endorse me will have to be entirely dependent upon the record I have made in the Senate, because it is on that record that I intend to stand for reelection. Any suggestion such as the one made to me this afternoon—namely, that this difficulty can possibly be ironed out as a result of discussions with me, back in Oregon, regarding where I will stand on certain issues in the future—is a proposal entirely unacceptable to me, because it is based upon an assumption that a discussion with me might lead to a commitment in order to obtain a labor endorsement.

Mr. President, there are other groups, besides labor, that would like to do political business that way, and there are in this country other groups that constantly attempt to do political business that way. There have been employer groups and business interests and groups or interests of professional people that have attempted to do political business with the Senator from Oregon that way, but they have never succeeded; and the CIO is not going to succeed on that basis with the junior Senator from Oregon.

In recent months, certain business interests and certain professional interests have expressed to me the opinion that I would not have any difficulty in the Republican primary in my State if I would make certain commitments in respect to certain proposed legislation that will come up in the future in the Senate of the United States. Mr. President, in my statements to those representatives of business and industry and the professions, I have been just as firm and unequivocal as I am tonight in serving notice on the CIO that I am not interested in any proposition they may make to me in seeking to obtain from me a pledge to vote for any issue, in return for any political endorsement. I would be ashamed of myself if I ever entered into any such commitment, and they should be ashamed of me if I did, and should be ashamed of themselves for suggesting it. Mr. President, we cannot keep democracy strong and secure and true to the principles of our constitutional form of government if we ever yield to that type of pressure politics.

There is nothing about this job or any job I can imagine that would cause me to sacrifice my honest independence of judgment, my determination to cast my vote and reach my decisions on the basis of what I think the merits and the facts are in connection with any issue. I made that very clear this afternoon in my conference with a certain CIO representative. Do you know what he said, Mr. President? "I completely agree with you, and I am at a complete loss to understand why anyone in an official capacity in the CIO in the State of Oregon does not know by now that you are going to vote in accordance with what you think is right, and that no pressure is going to change your position."

Mr. President, in regard to the CIO convention at Bend, Oreg., the other day, the press says—and I quote from the Eugene Register-Guard, of October 9:

> Oregon's Senator WAYNE MORSE * * * was named during the convention discussions of CIO political policies. Manley Wilson, of the IWA, said, "If we are for the CVA and MORSE is against it, then we cannot endorse him. The CVA was given almost a death blow in this State by MORSE's statement."

Mr. President, I am advised that at that time a considerable amount of discussion took place on the CVA issue—the Columbia Valley Authority issue—and that a considerable amount of negative criticism was directed toward me because I have announced that I will not vote for the pending CVA bill. I shall have something to say about the bill before I close my remarks. I understand further that the CIO went on record in favor of the pending CVA bill, and that because of their endorsement of the bill, and because of my public position in opposition to the pending bill, those supporting the CVA were successful in blocking a resolution endorsing me.

George Roberts—

The newspaper article goes on to say—

> George Roberts, western director of the CIO Political Action Committee, said the union locals should ask MORSE why he does some of the things he does. "We have got to have people who do not talk out of both sides of their mouth," Roberts asserted.

I am advised that it was discussions along the line of the last quotation that occupied a considerable amount of the attention of the delegates at this point in their program. Mr. President, my answer to Mr. Roberts is, we will let the record speak for itself. And when he and certain other CIO leaders in my State want to make the pending CVA bill the test of a man's liberalism, I will put my record for sound constitutional liberalism alongside the record of any Senator in the United States. I will let the workers in the CIO in Oregon, by their votes, make the decision as to whether I stand for sound constitutional liberalism.

There is a background to this, Mr. President. Some of the CIO officials in Oregon are active politicians within the Democratic Party in my State. In the last election, Mr. Manley Wilson was the Democratic candidate against my colleague, the senior Senator from Oregon [Mr. CORDON]. There are other CIO leaders in my State who apparently believe that because they are in Democratic politics they should try to use their influence within the CIO organization in my State to attempt to retire me from the Senate. But they are in for a rude awakening, Mr. President. The rank and file will see through their tactics, and will realize that these leaders are trying to lead the CIO workers themselves in my State into the same way of error, from the standpoint of the record of the time, that a segment of the CIO led thousands of voters in the State of Wisconsin in 1946. I say that, with no reflection upon the Senator from Wisconsin [Mr. MCCARTHY]. I say it, however, in order to call attention to a political fact, that in 1946 in the primary campaign in the State of Wisconsin, a segment of the CIO carried on the same sort of campaign that apparently certain leaders of the CIO in my State propose to carry on against me, and they retired from this body the then Senator from Wisconsin, Mr. Robert M. La Follette, who from 1945 to 1946 had cast the identical votes that I had cast on labor issues, in the then Committee on Education and Labor of the United States Senate.

In the fall of 1946, Mr. President, I spoke at the State convention of the CIO in my State, and I pointed out the great mistake that certain segments of organized labor make when they take a position that unless a man in public office votes 100 percent in accordance with what they think is right on all issues, then they must go out and oppose him in the next election. I said in that speech at the Multnomah Hotel in Portland, Oreg., "That is apparently the position your organization took in Wisconsin, and judging from your opposition to Mr. La Follette, and in view of the fact that I have voted exactly with him on the very issues to which your group in Wisconsin takes exception, I assume that I can look forward to your opposition." But I made clear in that speech in 1946 what they should expect from me. I told them then, as I have time and time again since, that I shall vote with labor when I think labor is right on an issue, and I shall vote against labor when I think labor is wrong; and that is exactly the record I have made in the Senate of the United States. That is what the people of Oregon sent me here to do, and I am satisfied, Mr. President, that because I have made that record, not only will a majority of the people of Oregon send me back to continue that record, but a majority of the rank and file of the CIO workers in my State will approve that record. I am satisfied the type of statement I have just read, emanating from certain CIO spokesmen in my State, does not represent the convictions and the political intentions of the rank and file of the workers in my State. The workers in my State, in the industries, in the shops, and in the fields know that the type of liberalism I stand for is a liberalism which seeks to make the capitalistic system work within the framework of our Con-

stitution for the benefit of the general welfare of our country; which means the best interests of all the people of our country. The workers of my State, the average men and women, know that they can always count on me to continue to fight for the tenets of constitutional liberalism as I have discussed them time and time again in respect to various issues on the floor of the Senate. I am satisfied that this type of attack on me in my State is not going to strike the type of political pay dirt that these spokesmen for the Democratic Party within the CIO hope and expect to strike.

Let us turn for a moment, Mr. President, to the CVA issue, which has apparently caused this group within the CIO to take the position that my opposition to the pending CVA bill does not entitle me to the political support of the rank and file members of the CIO. I shall discuss that bill in a little detail, because I want to say to the workers of Oregon, from this floor tonight, that in my judgment the pending CVA bill, known as Senate bill 1645, is not in the best interests of the workers or the farmers or the businessmen or the consumers generally of the State of Oregon. If anyone in my State has any question whatsoever as to where I stand on Senate bill 1645—and I do not see how any question can exist as to where I stand on it, in view of the statements I have already made and which I shall shortly introduce into the RECORD—then let us remove that doubt tonight. If that bill should come before the Senate tonight for a vote, I would vote against it unless it were first subjected to drastic revision and amendment.

Yes, Mr. President, it is true that in my State there are some groups of ultraconservatives who are going to oppose the junior Senator from Oregon, just as these spokesmen for the CIO express an intention to oppose him, because they do not like my position on the CVA issue, and because I will not pledge myself to vote against any CVA bill, irrespective of the kind, type, or description, that might in the future be introduced in the Senate of the United States. Of course I shall not make that commitment, Mr. President. I am going to judge these bills on their merits as they come before me. I am not going to let three little letters, CVA, or any other combination of the alphabet, Mr. President, develop in me an emotional prejudice such as both the extreme proponents and the extreme opponents of Senate bill 1645 have developed over the CVA issue. I shall face the fact, Mr. President, that we have, in connection with the development of these great projects essential to the development of the river resources of our country, a combination of Federal and State interest in the most efficient management and in realizing the greatest value out of the dollars we spend on those projects. It is essential, Mr. President, that there be legislation which will coordinate the administration of the projects in the interest of eliminating much of the duplication, overlapping, and waste which presently characterize the administration of Federal projects which have already been built or which are in the process of being built.

That can be done, Mr. President, without giving to three Presidential appointees, as Senate bill 1645 proposes, the broad and sweeping powers of administrative control over the very economic life of the Pacific Northwest. It can be done and it must be done by working out a common-sense program of coordination, by following certain principles which I shall enunciate before I finish this speech.

Mr. President, at this point I ask unanimous consent to insert in the RECORD a UP dispatch of September 23, written by Rosemarie Mullany, based upon an interview which she had with me on September 22 in respect to the CVA issue. This newspaper story, along with certain other releases which subsequently appeared in the press, apparently gave rise to the violent opposition to me at the State CIO convention. The story speaks for itself. I think it is a very accurate account of that interview, taking into account the fact that the reporter necessarily had to digest, shorten, and also interpret the statement which I made to her on that occasion.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORSE DENOUNCES PROPOSED CVA AS ADMINISTRATIVE STRAIT-JACKET

WASHINGTON, September 23.—Senator WAYNE MORSE of Oregon today denounced the proposed Columbia Valley Administration as an "administrative strait-jacket."

In a strongly worded statement opposing the CVA, MORSE further charged that the administration was trying "political blackmail" to insure enactment of its Northwest river authority program.

"I don't like the idea of the administration saying to us that the building of these projects is to be postponed until the administration plan for administering and controlling the projects is adopted," MORSE said.

BLACKMAIL CHARGED

"That looks to me like a form of political blackmail and the people in my section of the country—once they understand it—are not going to like it either."

He made his statement to reporters from a wheelchair Thursday. He left Bethesda naval hospital, where he has been recuperating from a fall, to vote on the arms aid bill.

MORSE said he believes Republicans espousing "constitutional liberalism" will find generous public backing. Such a program, he said, must include the checking of power concentration in the executive branch of Government. The tendency toward such concentration, he said, is well illustrated by the CVA proposal.

MORSE said any development program should be carried on by local people without "bureaucratic paternalism."

JOINT PROJECT URGED

As a first step toward Columbia River development, MORSE called for approval of the Army Engineer-Reclamation Bureau coordinated report.

"Let's get the projects built without delay and stop the administration's playing politics with the issue of how they shall be administered once they are built," he said.

"To insist upon any administrative strait-jacket, such as the CVA bill, by way of a commitment before the projects are to be completed is not a sound way to handle this program."

MORSE said he "had refused and will continue to refuse to indorse" the CVA bill. But, he added, he is certain many of its features necessarily will be included in any sound program to develop the Northwest. He did not detail them. He coupled his denunciation of the CVA with an appeal for approval of the Hoover Commission recommendations for reorganization of the Government.

Mr. MORSE. Mr. President, I ask that a telegram which I sent to the Portland Oregonian and to the Oregon Journal and subsequently sent in letter form to a large number of newspapers in my State, in respect to my position on the CVA, follow that newspaper article. I shall read that telegram, Mr. President, because I am going to enlarge upon it in certain remarks I shall subsequently make. In this telegram of September 23 I said:

Within next few days, as soon as I can get out of hospital I shall make speech on floor of Senate making perfectly clear my position on CVA issue as of now. I thought I made it perfectly clear in press interview I had yesterday in which I emphasized following points.

May I digress to say I think Miss Mullaney did make it perfectly clear how I received these telegrams from newspapers asking for an amplification of my views; and thus I said:

I thought I made it perfectly clear in press interview I had yesterday in which I emphasized following points: 1. I strongly favor early completion of projects called for in Magnuson bill, S. 2180. I believe that first things should come first and first thing that needs to be done is to build projects called for in S. 2180 upon which all are in agreement as to their need if we are to have adequate supply of cheap power, sound reclamation and soil conservation program, full flood control protection and maximum development of industrial expansion potentialities of Pacific Northwest. I said yesterday and repeat today that I think it is form of political blackmail for administration to sidetrack S. 2180 and completing of projects provided for therein until and unless it can have its way in passage of its proposed CVA bill.

2. I said yesterday as I have many times before that my final position on any CVA proposal will be determined after the hearings have been completed and the debate is well under way in Senate. I do not see how anyone could possibly say with any degree of intellectual honesty at all that no CVA law of any kind, type, or description should ever be passed by the Congress. As I pointed out in my press interview yesterday I think that in final analysis some features of various proposals of a CVA will probably be adopted in any piece of legislation that seeks to coordinate the various Federal and local agencies charged with responsibility of administering the river resources of Pacific Northwest.

However, I am satisfied that final bill will be a far cry from CVA bill now pending before Congress. The reason I say that is because I am satisfied that people of Pacific Northwest, once they come to understand full implications of that bill will recognize that it seeks to give too much administrative authority over economic life of Pacific Northwest to three men appointed by President who will be responsible to President and not to people of Pacific Northwest. This particular feature of proposed CVA law is bound to be opposed by constitutional liberals because it tend to place too much power in executive branch of our Government at expense of both congressional checks and local self-government checks and controls. We can coordinate the administration of our river resources developments without setting up Federal bureaucratic monopoly. I am just as much opposed to a Federal

bureaucratic monopoly as I am to a monopolistic control of our multiple-purpose dams by the private utilities of the Pacific Northwest. Thus in my interview yesterday I pointed out that we must avoid placing the economic livelihood of the people of the Pacific Northwest into any bureaucratic strait-jacket which would sacrifice the rights and interests of local self-government units. I feel that the administrative policy which we finally work out for administering these projects should be a cooperative one between the Federal and local government units, thus placing upon the people of the Pacific Northwest the primary responsibility of developing the economic policies and administration policies in accordance with their desires expressed through their own democratic processes. I recognize that the Federal Government has rights and prerogatives also in the development of these projects, but they are not of a nature which makes it wise in my judgment to give to three presidential appointees as great control over the economy in the Northwest as is contemplated by the pending CVA bill if I correctly understand implications of that bill.

3. I pointed out in my press conference yesterday that I am following exactly same course of action that I believe is consistent with policy of Charles McNary in respect to development of our Northwest multiple-purpose dams and other river projects. He constantly advocated importance of going forward with construction of the projects, leaving for the determination of the people themselves in the various localities and regions the questions pertaining to how the projects were to be administered once they were constructed. I agree that the Federal interest in those projects is such a considerable one that the Federal Government has definite rights connected with their administration which should not be ignored but in respect to those rights I think the Hoover Commission Report gives us a good starting point for working out an improved coordinated policy among the Federal agencies which have an interest in the projects. Thus I have been urging members of the Republican Party to give favorable consideration to the Hoover recommendations and also to try to work out a positive and constructive answer to the question:

What sort of a coordinated plan for administering the projects should be adopted once the projects are built?

As I have said before I refuse to let the letters CVA or any other combination of the alphabet throw me into an attitude of blind partisanship which I think has come to characterize the thinking of a great many people who are both for and against a so-called CVA. If the hearings on CVA show that there are some good features of any CVA proposal which should be adopted I shall never hesitate to include those features in any final plan which I shall support but I do not propose to swallow the line that liberalism requires the advocacy of the pending CVA bill. To the contrary I think some of the features of the pending CVA bill cannot be reconciled with constitutional liberalism because they jeopardize local self-government responsibility and capitalize the development of a bureaucratic monopoly over the economic life of our people. I do not favor substituting bureaucratic paternalism for the responsibilities of self-government on a State and local level. Lastly I hope I can make clear once again that I am not in favor of turning our multiple-purpose dams built with the taxpayers' money over to monopolistic control by the private utilities, that is why I have always voted, since I have been in the Senate, for Government construction of a backbone grid transmission line system and I have opposed giving private utilities power priority rights at bus bar. I believe that the private utilities are entitled to fair contracts from the Government for power from the dams after public-use priorities have been taken care of and I have said so many times. I personally believe the public-power developments and private-uitility developments can prosper side by side in the Pacific Northwest and I believe that the people of the various localities of the region should have the right to determine whether they want to be served by a public-power utility or a private-power utility. It is well known that I personally believe in encouraging public-power development because in the long run I think the people get more from their power dollars out of public-power development but my personal preference as a citizen has not and will not affect my actions as a Senator in seeing to it that fair treatment is accorded private enterprise in the utility field as well as in every other field. Regards.

And my name is signed to the telegram.

Mr. President, I submit that that telegram, to anyone who can read the English language, makes exceedingly clear the position I have taken in regard to the CVA issue. As is to be expected, extremists on both sides of the issue are not fully satisfied with that statement. The extreme CVA proponents in my State are opposed to me because I am opposed to the pending CVA bill, S. 1645, in its present form. In a moment I am going to tell the Senate some of my reasons for opposition to that bill, since here tonight I am making my record on the CVA issue, because it is this issue which certain leaders of the Democratic Party within the CIO wish to use as a basis for an attempt to turn the labor vote within the CIO against me in my State. Politically, I think they are going to fall just as flat as a pancake before they get through with this fight.

Mr. President, the Presiding Officer will recall that in the course of the telegram I made reference to Senate bill 2180, which is known as the Magnuson project bill. That is the bill which the Senator from Washington introduced covering, for the most part, the main projects proposed in the so-called Army Engineers and Bureau of Reclamation Report 308. We had extensive hearings on S. 2180 in the present session of Congress, Mr. President, at which the two Senators from Washington, Mr. MAGNUSON and Mr. CAIN, and the two Senators from Oregon, Mr. CORDON and myself, appeared and testified in favor of that bill.

Mr. President, there is no serious disagreement anywhere that I can find as to either the need for or the desirability of the projects called for in S. 2180. The Bureau of Reclamation says they are essential, the Army engineers say they are essential if we are going to have adequate reclamation, flood control, irrigation, and cheap power development in the Pacific Northwest. Private business interests of the Pacific Northwest are uniformly for the projects called for in S. 2180.

Incidentally, Mr. President, as Senators know, remarkable progress has been made by way of cooperation between the private utilities and the Government agencies having jurisdiction over these power development projects in our section of the country, starting with the so-called Tacoma agreement entered into a couple of years ago. Ever since that agreement there has been a remarkable improvement in the cooperative relationship between the private utilities and the Federal Government in respect to the development of power resources of the streams of our section of the country.

Private utilities know that private capital is not going to build these multiple-purpose dams. I have a great many friends among the leaders of the private utilities. I have many political enemies among them too, Mr. President, and even some of them who are my political enemies are my personal friends, but they do not like the latter part of the telegram in which I express, as they have known for years, my personal preference for the development of public power. I have insisted that they are entitled to fair treatment when it comes to signing contracts with the Federal Government for the supply of power necessary to serve their consumers.

In Oregon I live in the city of Eugene, which has one of the model public power utilities in this entire country. Perhaps my experience as a citizen of Eugene has influenced my personal preference for the development of public power districts. That has nothing to do with my obligation as a Senator in seeing to it that the legitimate rights of the private utilities, in their contracts with the Government, are protected, and that has been my record.

Of course some of these leaders among the private utilities are my political opponents. Not all of the leaders of the private utilities, however, are my political opponents, Mr. President, because I know for a certainty that in my campaign for reelection there will be some very prominent private utility men who, although they disagree with me in regard to private development, recognize as citizens that they want the type of representation I am giving the State when it comes to standing on the basis of an independence of judgment on these matters. Some of them have said to me, "Well, I disagree with you on this, but I would rather have you back there voting on what you believe the facts and sound public policy to be, and giving me your reasons for your vote, than to have you back there under any commitment to me as a representative of the private utilities that you will vote a certain way because the private utilities request you to vote that way."

Yes; we have many such fine citizens among all segments of our population, including labor, and these CIO spokesmen who seek to turn the CIO workers against me in this campaign will discover that an overwhelming majority of their rank and file likewise agree that they should not expect or attempt to require a Member of the Senate to vote in accordance with their dictates.

So I say, Mr. President, there is a uniformity of agreement among all groups in the Pacific Northwest that the projects called for by S. 2180 should proceed with construction as rapidly as possible. I have said before, and I will not take a long time to expound that view here tonight, that in my judgment the very security of our Nation depends upon the

fastest possible completion of the great power projects in this country, not only in the Pacific Northwest but everywhere in the country. That is why I will vote for a sound electric power project being constructed just as rapidly as possible anywhere in the United States if I am shown that it is to be economically and soundly constructed. Why? Because I happen to hold the view that the most important basic defense weapon we have is our electric-power resource. I have a feeling that Russia recognizes that too. Russia fully appreciates that in the atomic age in which we now live these great power resources give us the necessary electric energy, which makes it unwise for any nation, including Russia, to proceed with an aggressive course of action against the freedom and peace of the world.

I have been an ardent supporter of the development of these power projects, not only in my section of the country, but elsewhere. I have supported them in the Southwest and in the Southeast. One of the reasons I gave in my speech for the support of the St. Lawrence waterway was that I thought that bound up in it was not only the matter of transportation but the development of some much-needed power resources. My record has been consistent.

I would say to my critics tonight that a very high official in the Interior Department told me within the last 10 days, when he was joshing me a little bit about what looked like some Democratic opposition to me in my State, he being a very high Democratic spokesman—and I think I quote him practically verbatim—"Wayne, by the way, the Democrats out there are going to have a hard time finding any fault with the position you have taken on the development of the great power project of the Pacific Northwest." He referred, of course, specifically to the recent contest we had here on the floor of the Senate concerning the building of the transmission line from Hungry Horse Dam to Anaconda.

It is in no spirit of boasting, but only by way of a statement of fact that I say for the record tonight that on the opposite side of the aisle there are many Democratic Senators who have told me privately—and they said they would not hesitate to testify so publicly—that we won that Hungry Horse-Anaconda transmission line not alone because of the work those Democratic Senators did in the battle to secure its passage, but also because of the work the junior Senator from Oregon did in the fight to obtain the adoption of the amendment which provided for the Government building of that transmission line.

So when the critics seek to convince members of the CIO that because of the opposition of the Senator from Oregon to Senate bill 1645 he cannot be counted on the liberal side of the issue, calling for the maximum development of the great power resources of the Pacific Northwest, the record does not support them.

What happened in regard to Senate bill 2180? After extensive hearings and, so far as I could find out, practical unanimity of agreement that the projects were meritorious and that we ought to proceed with them, the administration took the position that Senate bill 2180 should be postponed in this session of Congress. When the administration took that position, I say to the workers of Oregon, the farmers of Oregon, and all the people of Oregon that I spoke with proper description when I said that it adopted a form of political blackmail to try to advance first the enactment of Senate bill 1645.

The Under Secretary of the Interior, Mr. C. Girard Davidson, an exceedingly able man, a man for whom I have a very deep fondness and friendship, spoke in the State of Oregon recently following the release of my telegram, which I have read into the RECORD here tonight. He said in effect that I did not know what I was talking about when I made the statement that the administration was guilty of a form of political blackmail in sidetracking Senate bill 2180. He said some other rather uncomplimentary things; but long ago I learned and accepted as true—and my experience has proven it over and over again to be true—that that type of personal debate never helps to prove a point. So I shall treat Mr. Davidson very kindly tonight, by simply replying to him as follows:

What I said in that telegram in respect to the administration sidetracking Senate bill 2180 is absolutely true. Members of this body who did not like the idea of Senate bill 2180 being sidetracked told me in personal conversations that the strategy was perfectly obvious. The strategy was to sidetrack the bill because they thought it would be easier to have the CVA bill, Senate bill 1645, passed if Senate bill 2180 were not passed first.

The letter which Mr. William E. Warne, Assistant Secretary of the Interior, sent to the distinguished Senator from New Mexico [Mr. CHAVEZ] on August 31, 1949, in which he said that the administration wished to have action on Senate bill 2180 postponed until it could be reviewed by the Bureau of the Budget and considered by the President of the United States does not say that the strategy behind the letter was to try to advance the cause of CVA. They are too smart politicians to make that mistake in a letter. But here in the Senate we do not have to be hit with the obvious to see the obvious. Here in the Senate our personal relations are such on both sides of the aisle that we do not hesitate to tell each other what the play is.

My answer to the Assistant Secretary of the Interior is that the description of the play in my telegram of September 23 was an accurate description, because Democratic friends of mine in the Senate who did not like the postponement of Senate bill 2180 any more than I did told me that they thought it was a great mistake to postpone Senate bill 2180 for the reasons supposedly given by the administration in Mr. Warne's letter, when it was perfectly obvious that behind the scenes and underneath it all was the strategy of trying to advance the earliest possible action on Senate bill 1645.

Mr. President, I ask unanimous consent to have Mr. William E. Warne's letter of August 31, 1949, addressed to the Senator from New Mexico [Mr. CHAVEZ], printed in the RECORD at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
August 31, 1949.

Hon. DENNIS CHAVEZ,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CHAVEZ: As I explained to you on the telephone, I have been asked to inform you and, through you, the Senate Committee on Public Works, that the President believes it would be a mistake to include the substance of S. 2180 in the river-and-harbor and flood-control bill at this time. He does not wish to indicate any lack of confidence in the Interior-Army consolidated report, but rather a strong feeling that the report itself and all who are interested in it would be benefited if the regular order were followed and time given for the executive review that is contemplated in the normal procedures.

Our Department can attest to the value that attaches to the review process and would regret action that would preclude the review. It is my belief, as well as that of the President, that action on the authorization legislation can be deferred until the next session of the Congress and this would give us time to complete the reviews.

I do not believe that this position is inconsistent with any action heretofore taken by Secretary Krug or other representatives of this Department in testimony before the committees. We feel that the coordinated comprehensive report is a good one and that development of the Northwest, as contemplated in the report, will be advantageous nationally. The problem is simply one of timing to permit completion of the reviews and to enable the President to express the combined judgment of the executive agencies after such reviews.

If your committee desires a formal statement, I shall be glad to present one. If your committee wishes to go ahead with the bill, I ask that the Interior Department be given the opportunity to present certain amendments that we feel would be appropriate in S. 2180. In the meantime, I trust that you will consider this communication simply an explanation of our telephone conversation and the basis for later and fuller discussion and formal presentation if you desire it.

Sincerely yours,

WILLIAM E. WARNE,
Assistant Secretary.

Mr. MORSE. I also ask to have printed in the RECORD at this point, as a part of my remarks, a letter dated October 12, 1949, signed by J. A. Krug, Secretary of the Interior, addressed to the Senator from Wyoming [Mr. O'MAHONEY], bearing on the same subject.

There being no objection, the letter was printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
Washington, D. C., October 12, 1949.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: You asked yesterday morning if the Department of the Interior favors legislation to authorize certain limited parts of the comprehensive plan for the Columbia Basin, something less than the whole plan, the authorization of which would have been accomplished by S. 2180. The portions of the plan to which you had reference were the authorization of the projects recommended in my report of May 2 as

the initial stage of development, plus the basin account.

As you indicated in your public hearing on this matter on October 10, the President had earlier expressed the view, in which this Department concurs, that review of the comprehensive plan, with its several proposed basic policy and legislative changes, should be deferred until it can be gone into in the usual manner by the Bureau of the Budget. As you know, the President also asked that if the Senate Public Works Committee, which was then considering both the Interior and the Army portions of the comprehensive proposal, still intended to act upon the matter, that this Department feel free to recommend any desirable amendments, and collaborate with the Secretary of the Army and the Bureau of the Budget in working out the matter.

In adopting its amendments to H. R. 5472 for the Columbia Basin items for the Army, the Senate Public Works Committee has moved ahead, even though not to the full extent originally contemplated by S. 2180, toward which the President directed his remarks. If the Congress were to proceed with authorization of the works by the Department of the Army without, at the same time, proceeding with the companion items in the Interior Department program, the development of the Pacific Northwest would advance in a state of complete unbalance. I am confident that the President would not wish that to occur. Evidence of his views on this is contained in his letters of September 16 to the Secretary of the Army and to me last year on this subject wherein he requested that we review and coordinate our respective reports to the end that the best over-all plan be available.

In view of the unbalance which would be created by authorization of the Army part of the job, as now provided for in H. R. 5472 and the suggestion that I feel free to recommend amendments under the contingency that the Congress contemplates going ahead, and in further view of the fact that the two items you mentioned are substantially less than the full comprehensive plan, I have no hesitation in recommending that, through appropriate action by your committee, as already agreed upon by you and Senator CHAVEZ, H. R. 5472 should be amended to include authorization of the projects in the initial stage in accordance with the agreement of April 11 between the two Departments under existing law and establishment of the basin account. Under the circumstances, less than that would not, in itself, be consistent with the President's instructions to me, or the public interest.

Sincerely yours,

J. A. KRUG,
Secretary of the Interior.

Mr. MORSE. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated August 30, 1949, addressed to the Secretary of the Interior and signed by the President of the United States, bearing on the same subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 30, 1949.

The Honorable, the SECRETARY OF THE INTERIOR.

DEAR MR. SECRETARY: I am advised that the Senate Committee on Public Works is considering adding the substance of S. 2180 to the River and Harbor and Flood Control bill. I believe that this would be a mistake and that action should be deferred until your report and that of the Corps of Engineers on the Columbia River Basin can be reviewed in the usual manner, with the resulting benefit that review entails.

The director of the Bureau of the Budget advises me that the committee has requested your views on the authorizing legislation. I ask you immediately to advise Senator CHAVEZ that it is your belief as well as my own that action on the authorizing legislation can be deferred until the next session of Congress and that you so recommend.

If the committee still insists on going ahead with the bill, you are, of course, free to recommend amendments which you consider essential. I ask, however, that you attempt to obtain the concurrence of Secretary Gray and the Chief of Engineers in any amendments in which the Corps of Engineers has an interest. The director of the Bureau of the Budget would be glad to work with you on this matter.

Sincerely yours,

HARRY S. TRUMAN.

Mr. MORSE. It will be noted that the first letters announcing the administration's proposal to postpone action on Senate bill 2180 were dated August 30 and August 31. The letter from Mr. Krug to the Senator from Wyoming [Mr. O'MAHONEY] was dated a considerable time later. If read in connection with the first letters, I think it is a very interesting epistle, because between the lines it indicates very clearly the recognition that the decision of the administration to postpone Senate bill 2180 had aroused considerable negative reaction on the Democratic side of the United States Senate.

We know what happened. We know that the Democratic forces got busy and attempted for a time to get through the Public Works Committee of the Senate not Senate bill 2180, but a public-works bill which would cover a good many of the projects, a bill, as my senior colleague [Mr. CORDON] pointed out in the conference we had yesterday morning, which had certain provisions in it with regard to the financing of the reclamation projects which in all likelihood, if put into effect, would not have an advantageous effect upon the electric-power projects themselves, and would require the people in certain sections of the Pacific Northwest to pay electric-power rates so high, in order to pay for reclamation projects in other States, as to place upon them a very unfair burden.

So, again, the four Senators from the farthest Pacific Northwest States—the States of Washington and Oregon—discussed that phase of the problem yesterday morning, and pointed out that, in fairness to the people of our States, we could not let that new proposal for a public works bill—which really was developed after the decision of the administration to sidetrack Senate bill 2180—go through unless there could be an agreement in the Senate to an amendment which would protect the people in the areas where the power dams would supply the electric power, from having to pay electric rates so high that the great industrial good we hope to obtain from those dams would be lost to us. I take that position, Mr. President, because, let me say, these great multiple-purpose dams in the Pacific northwest can supply us with cheap power if we do not impose upon them rates so high, for the payment of distant reclamation projects, that we discourage industry from coming into our section of the country. The great value of these dams, so far as industrialization is concerned—and I have always been perfectly frank to say this—is the low power rates which will flow from them because of the great quantity of power which can be produced by them, if we do not require power rates so high, in order to pay for other projects not connected with the power itself, that we discourage industry from coming into our section of the country.

There was agreement yesterday morning, among the four Senators from the States of Oregon and Washington that in view of the way things had developed in respect to these projects, it would be better to wait until January, when Congress reconvenes, in order to iron out the differences which have developed over the projects which were provided for in the last-modified public works bill which the Chavez and O'Mahoney committees proposed.

Mr. President, there was no such disagreement over Senate bill 2180; and in that connection I should like to call attention at this point to the CONGRESSIONAL RECORD for September 23, 1949, in which appears a statement, beginning at page 13230 and extending to page 13232, by the Senator from Washington [Mr. MAGNUSON]. In the course of that statement, he discussed the postponement of Senate bill 2180, and then cited an editorial entitled "The CVA Gamble," from the Oregon Journal. That is an editorial which in part criticizes the administration for the postponement of Senate bill 2180. Then the Senator from Washington made his own statement in regard to the problem, in part as follows:

> Disturbing reports are being circulated to the effect that delay in authorizing these projects is for the purpose of putting the proposed Columbia Valley Administration in first place; and on the other hand that authorization of the 308 report will hamper progress on the proposed CVA. Neither is true, in my opinion. The coordinated plan represents one question; the question of construction. The Columbia Valley Administration involves another question; the question of management.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as part of my remarks, so that it will be available for easy reference, the statement made by the Senator from Washington [Mr. MAGNUSON] as it appears in the CONGRESSIONAL RECORD for September 23, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COLUMBIA RIVER DEVELOPMENT

Mr. MAGNUSON. Mr. President, the Senate Public Works Committee now has under consideration a very important rivers and harbors bill, including very vital projects for authorization throughout the entire country. Before the committee is a proposal in the form of a bill—but it can be treated in the nature of an amendment—which includes a great number of projects in the Columbia Basin.

The people of the Pacific Northwest are vitally interested in all phases of Columbia River development. Anything affecting the development of that great river, its tributaries and related resources affects their lives and their fortunes.

On the Federal level, the Bureau of Reclamation, Corps of Engineers, Fish and Wildlife Service, Department of Agriculture and about 18 other agencies have resource responsibilities in the basin. These responsi-

bilities are shared in many ways with State and local government and private organizations.

For many years the Bureau of Reclamation and the Corps of Engineers have been operating in the basin. They have built great dams and irrigation projects. On April 11, this year, they signed an agreement which in effect set up spheres of jurisdiction over the river and its tributaries. In May and June, respectively, they completed and submitted coordinated reports to the Bureau of the Budget. This action was in conformity with Presidential instruction issued in July 1948. Local interests have been almost unanimous in approving this so-called accord between these two Departments as to the structures to be built on the great Columbia River and its tributaries.

The Public Works Committee now has before it several proposals which, if enacted, would authorize a part or all of the program embraced by the coordinated Bureau-Corps reports. One of these proposals is a bill S. 1595, introduced by the junior Senator from Washington. Another is S. 2180, sponsored by myself and other Senators. A third is what we might call a committee amendment to the rivers, harbors, and flood-control bill.

This amendment has been developed over the last 4 or 5 weeks through a series of conferences between my office, staff members of Public Works and Interior and Insular Affairs Committees, executive department members, and representatives of a number of private organizations from the Columbia Basin, as well as State and local officials. I am certain that other Senators from basin States have been consulted in this process.

This amendment is a modified version of bills before the committee. It proposes to authorize some 40 projects in the Columbia Basin—projects included in the so-called initial phase of the Bureau-Corps reports. In addition it establishes a Columbia Basin account. Appropriate construction costs, allocated for repayment from power revenues, would be charged to this account. Net power revenues would be credited. Any balances on the credit side would be available for assistance to irrigation projects subsequently approved by the Congress. Under this amendment existing flood-control, reclamation, and Bonneville laws would remain unchanged.

Since early July I have been working to achieve, at this session, authorization of the maximum number of projects possible, in the Columbia Basin. Many conflicting interests have come to light in the process, both in and out of Congress. I believe the amendment I have referred to resolves as many of those conflicts as can be resolved and still leave the basic blueprint for long-range Columbia Basin development. Such a blueprint is essential and will in no way jeopardize subsequent enactment of legislation creating a Columbia Valley Administration.

In order that our efforts on this great project may be a matter of record, I ask unanimous consent to have printed as a part of my remarks a letter addressed to the chairman of the Public Works Committee on July 8, signed by the junior Senator from Idaho [Mr. MILLER], the senior Senator from Idaho [Mr. TAYLOR], the junior Senator from Oregon [Mr. MORSE], the senior Senator from Oregon [Mr. CORDON], and myself; also a letter I sent to the subcommittee chairman on August 30; the draft of the amendment now under consideration by the Public Works Committee, which is substantially the same amendment transmitted with my August 30 letter, and an editorial from the Oregon Daily Journal of September 17, 1949, parts of which I agree with and parts of which I disagree with. Surely much of the confusion stems from a misunderstanding as to the purposes of the amendment.

Also I ask unanimous consent to have printed in the RECORD a statement which I issued today to the newspapers and the public in my area, in an effort not only to clear up what our efforts have been before the Public Works Committee now considering the matter, but to clear up any misunderstanding as to the intent and purposes of the proposals before the committee.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND,
FOREIGN COMMERCE,
July 8, 1949.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works, United States Senate.

DEAR SENATOR: Your statement of July 7 announced your intention of initiating hearings on July 12 of the omnibus rivers and harbors and flood-control bill, H. R. 5472, as reported by the House Public Works Committee on July 6.

There is one matter which appropriately could not be included in the House bill, but which has now progressed to the point where it can be considered by your committee. We refer to authorization of the so-called Bureau of Reclamation-Army engineers' coordinated plan for structures in the Columbia Basin and certain contiguous areas. Throughout these hearings your committee correctly differentiated between these proposals and CVA bills. The CVA proposal is primarily concerned with the administration or managerial phase of the problem; the reports of the two Departments place primary emphasis on structures required for the physical development of the area.

Secretary Krug, who spoke for the executive branch of the Government on CVA, recognized this differentiation in his testimony before your committee. He recommended that authorizations included in the two reports proceed promptly so that needed physical developments may not be delayed while the managerial question is under consideration and awaiting final action.

Testimony by State and Federal officials and by other prominent individuals before your committee and before the House Public Works Committee has been unanimous in support of prompt authorization of the Army and Interior plan. Witnesses have expressed this view freely regardless of their views on the management question.

Two bills now before the Senate are designed to accomplish the authorization of the Interior-Army integrated plan and agreement previously referred to—S. 2180, introduced by Senator MAGNUSON, and S. 1595 by Senator CAIN. We respectfully request that your committee give prompt and favorable consideration to adoption of appropriate amendment to H. R. 5472, which will carry out the identical purposes of these bills.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.
BERT MILLER,
United States Senator.
GLEN TAYLOR,
United States Senator.
WAYNE MORSE,
United States Senator.
GUY CORDON,
United States Senator.

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE
AND FOREIGN COMMERCE,
August 30, 1949.

Hon. SHERIDAN DOWNEY,
Chairman, Subcommittee on Rivers and Harbors, Committee on Public Works, United States Senate.

DEAR SENATOR: The rivers and harbors bill, as passed by the House, contains on page 24 a section authorizing construction of a dam at Albeni Falls. Attached is an amendment to that section which I would like the subcommittee to consider in the event you do not act favorably on the request contained in the second paragraph of this letter.

Some time ago other Northwest Senators and I addressed a letter to Senator CHAVEZ, urging that an appropriate amendment to the rivers and harbors bill be devised, authorizing projects included in exhibit F of the integrated corps report on the Columbia Basin. Earlier I introduced a bill, S. 2180, and Senator CAIN introduced S. 1595, aimed at accomplishing this objective.

Since introduction of S. 2180, numerous conferences have been held with organizations and individuals vitally interested in basin development. The consensus is that authorizing language along lines of the attached amendment would avoid some of the substantive questions involved in S. 2180 as originally drawn.

I, therefore, urge your subcommittee adopt the enclosed language as an amendment to the rivers and harbors bill. If any questions arise in this regard while the committee is marking up the bill, I will deeply appreciate an opportunity to appear before the subcommittee in an effort to reach a workable solution.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.

DRAFT OF AMENDMENT PROPOSED TO BE MADE TO H. R. 5472

SEC. —. (a) That for the purposes of improving navigation, controlling floods, and conserving and utilizing the waters of the Columbia River and its tributaries for the irrigation of arid and semiarid lands and the generation of hydroelectric power, and for incidental purposes, the physical plan for comprehensive development of the Columbia River Basin reflected in the report of May 2, 1949, by the Commissioner of Reclamation and in the report of June 28, 1949, by the Chief of Engineers entitled "Columbia River and Tributaries, Northwestern United States," all as coordinated by agreement of April 11, 1949, entered into by the Commissioner of Reclamation and the Secretary of the Interior, on the one hand, and the Chief of Engineers and the Secretary of the Army, on the other, is hereby approved and construction of the projects, works, and improvements comprehended within the initial stages therein recommended is hereby authorized to be prosecuted respectively by the Department of the Interior under the supervision and direction of the Secretary of the Interior and by the Chief of Engineers under the supervision and direction of the Secretary of the Army in accordance with the statement of the responsibilities of said agencies denominated exhibit F and attached to the Digest Agreement on Principles and Responsibilities, Columbia River Basin, enclosed with the letter of April 11, 1949, addressed to the President by the Commissioner of Reclamation, the Secretary of the Interior, the Chief of Engineers, and the Secretary of the Army.

(b) The Secretary of the Interior shall establish a Columbia Basin account which shall be credited with all net power revenues received from Federal power plants and transmission lines and facilities existing, herein and heretofore authorized, and upon authorization, from such plants, lines, and facilities as may be authorized hereafter by act of Congress, within the Pacific Northwest as that area is defined in paragraph 3 (2) of the recommendations contained in said report of May 2, 1949. Said account shall be charged with all reimbursable construction costs allocated to power and all other reimbursable construction costs assigned for return from power revenues in connection with all projects existing, herein, and heretofore authorized, and, upon authorization, such projects as may be authorized hereafter by act of Congress, within said Pacific

Northwest. The Secretary of the Interior shall report to the Congress annually on the status of said account, as of the close of each fiscal year beginning with the fiscal year 1951. Costs and revenues charged and credited to said account, together with estimated costs and revenues, shall be taken into account in fixing rates for the sale of power and energy from Federal projects in said Pacific Northwest. Said rates shall be sufficient to return within a reasonable period of years the costs stated in recommendations No. 8 (2) (a) and (b) in said report of May 2, 1949, taking into account the application of interest on the power investment to the return of nonpower costs: *Provided*, That said interest shall be at rates not less than those specified in existing applicable laws and not less than 2 percent per annum on any power investment for which existing laws do not specify a minimum rate. Otherwise, nothing in this section shall be construed as repealing, modifying, or affecting in any way the Federal reclamation laws, the act of August 20, 1937 (50 Stat. 731), as amended, the act of December 22, 1944 (58 Stat. 88), or the act of March 2, 1945 (59 Stat. 22), with respect to returns, the deposit of revenues, or the marketing and disposition of power and energy.

(c) Subject to this section and to his area-wide findings regarding the benefits, the allocations of constructions and maintenance costs and the repayments by water users, the Secretary of the Interior shall in the prosecution of his activities under this section be governed by the Federal reclamation laws. The Secretary of the Army in prosecuting his activities under this section shall be governed by the laws affecting the prosecution of works for the improvement of navigation and the control of floods.

(d) Projects not specifically herein authorized in the initial stages of the comprehensive plans shall be submitted to the Congress in conformity with the provisions of section 1 of the Flood Control Act of 1944.

(e) There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, for the partial accomplishment of the projects, works, and improvements herein authorized: to the Department of the Interior, $500,000,000; and to the Chief of Engineers, Department of the Army, $500,000,000.

(f) The use of waters, in connection with the operation and maintenance of Federal dams and other works in the Columbia River and its tributaries, shall be only such use as does not conflict with any beneficial consumptive use, present or future, in the States drained by said river and its tributaries of such waters for domestic, municipal, stock water, irrigation, mining, or industrial purposes.

(g) Nothing in this section shall be construed to apply to projects of the Bureau of Indian Affairs, or to supersede existing provisions of law relating to the protection and conservation of fish and wildlife.

[From the Oregon Daily Journal of September 17, 1949]

THE CVA GAMBLE

For months, administration representatives who favor a Columbia Valley Administration have delayed and obstructed the regular rivers and harbors appropriation bill and two companion measures (introduced by Senators MAGNUSON and CAIN, of Washington) authorizing the consolidated $3,000,000,000 program of the Army engineers and Bureau of Reclamation for the orderly development of the Columbia Basin.

These forces which have been working quietly behind the scenes have finally come out into the open. They have laid their cards on the table. They have publicly requested, through a letter to the Senate Public Works Committee by William E. Warne, Assistant Secretary of the Interior, that action on the coordinated program be sidetracked in favor of the administration's highly controversial CVA bill.

Warne says President Truman "believes it would be a mistake to include the substance of S. 2180 (the Magnuson version) in the rivers and harbors flood-control bill at this time." He asked for time to make an "executive review."

This is one of the most bizarre deals in the history of Washington politics. First of all, administration forces have delayed the $1,300,000,000 rivers and harbors bill in various ways for 2 months, while they tried to jockey pet bills, including CVA, through the Congress. Finally the House Public Works Committee reported it out in August, but the Rules Committee held it up 21 days, the limit, before it went to the floor of the House for overwhelming approval. Then it went to the Senate, where MAGNUSON and CAIN are seeking to attach their amendment which would give congressional approval to the consolidated river-development program to be carried out by existing agencies. One of its features is a Columbia Basin account to be expended at the direction of the Congress and into which power revenues for liquidation of various projects would be placed.

Meanwhile the Bureau of the Budget, apparently at the direction of the President, notified the Senate Public Works Committee that it had the consolidated development bill but asked the committee not to consider it at this time.

Apparently fearing that this bill would win Senate approval, and once approved, might work, thus obviating CVA, the President, through Warne, again took a hand, asking further time for executive review.

This is indeed a strange request. The President himself directed the Army engineers and the Bureau of Reclamation to consolidate the Army's 308 report for development of Columbia Basin with the Bureau's comprehensive program. This they did last April, the formal agreement being approved by the Secretary of the Army, the Secretary of the Interior, the Chief of the Bureau of Reclamation, and others at interest.

Furthermore, the Magnuson and Cain bills also have been consolidated and simplified and have the approval of reclamation and power interests.

One can only conclude that administration proponents of CVA which, incidentally, doesn't have a chance of approval at this session of the Congress, simply decided that the consolidated Army-Bureau program for development of the Columbia River (which they had previously approved) didn't fit into the CVA pattern. Hence their obstruction of both the rivers and harbors bill and the consolidated basin-development program which, incidentally, has the approval of both Senators CORDON and MORSE, of Oregon.

What this means, of course, is that the CVA clique in the administration and in the Congress is willing to delay and gamble with the orderly development of the entire Columbia Basin in their attempt to jam through their valley authority proposal. They are willing to gamble on the serious power shortage in the Pacific Northwest. They are willing to gamble on disastrous flood and to imperil reclamation projects.

This is politics at its worst.

STATEMENT BY SENATOR MAGNUSON ON PROJECTS IN THE COMPREHENSIVE COLUMBIA BASIN PLAN

In order to correct certain misunderstandings I want to make it clear that I am vigorously in favor of obtaining authorization for as many of the projects in the so-called coordinated plan for development of the Columbia Basin as it is possible to get.

This is in reference to the coordinated reports of the Bureau of Reclamation and the Corps of Engineers on development of the Columbia River Basin. I intend to make an appearance before the Senate Public Works Committee next week, and at that time I shall urge that every project which the committee deems it advisable to authorize be authorized.

Disturbing reports are being circulated to the effect that delay in authorizing these projects is for the purpose of putting the proposed Columbia Valley Administration in first place; and on the other hand that authorization of the 308 report will hamper progress on the proposed CVA. Neither is true, in my opinion. The coordinated plan represents one question; the question of construction. The Columbia Valley Administration involves another question; the question of management. I have introduced legislation calling for both. We intend to hold early hearings in the area concerned on the CVA proposals, at which time all the arguments can be heard.

As for the coordinated plan the Budget Bureau has had the reports before it since last July, and in my judgment, has had sufficient time to act upon them. The projects need authorization. I am conferring with Senator CHAVEZ, Senator CAIN, and other members of the committee, to that end.

Mr. MORSE. Mr. President, I completely agree with the Senator from Washington that the construction of these projects is one thing, and the management of them is something quite different. I wish to say to the workers in my State who are interested in the construction of these projects because of their benefits to employment, both during the construction period and after they are in operation—because of the new jobs these wealth-creating projects will provide—that those of us in the Senate of the United States who are fighting for the best interests of the workers in the Pacific Northwest are urging the fastest possible construction of the projects. We are the ones who are making the fight for the benefit of labor in the Pacific Northwest in connection with these projects.

I wish to pay a deserved tribute to the senior Senator from Washington [Mr. MAGNUSON] in connection with this fight, because I have sat with him through hearing after hearing; and, as the author of Senate bill 2180, he has done a magnificent job at this session of Congress in trying to push as rapidly as possible the consideration of the projects provided for in Senate bill 2180. It is also fair and proper that the junior Senator from Washington [Mr. CAIN] and the senior Senator from Oregon [Mr. CORDON] receive from me a deserved tribute here, tonight, in pointing out that they have backed up the Senator from Washington [Mr. MAGNUSON], as I have tried to back him up at all times, in trying to push through Senate bill 2180.

The fact that Senate bill 2180 was sidetracked is not due to any failure on the part of the Senator from Washington [Mr. MAGNUSON] to try to obtain consideration for it. That bill was sidetracked because of instructions and orders which came from the other end of Pennsylvania Avenue, not from within the Senate. Mr. President, I am satisfied that those instructions were given because the administration at the other end of Pennsylvania Avenue has not yet caught the significance of the statement made by the Senator from Washington [Mr. MAGNUSON], as it appears in the CONGRES-

SIONAL RECORD for September 23, of this year, when he pointed out that the construction of these projects is one thing, but their management is something entirely different.

In my telegram I referred to the position that a former very distinguished Senator from the State of Oregon, and at one time majority leader of my party in the Senate—the late Charles McNary—always took in respect to this problem. I think it is sound. He always took the position that the best way, as a Senator from Oregon in the Senate of the United States, to help the workers of Oregon and the farmers of Oregon, was to devote his energies to getting those projects built, and then leaving the question of management, the question of how they would be administered, and the question of whether certain persons in that section of the country would be served by public-power districts or by private utilities, to careful consideration after the projects had been completed. That is the position I have taken, and that is the position I am going to continue to take, Mr. President. In taking that position I wish to say to the workers of Oregon, in both the CIO and the A. F. of L., that I am following a course of action which will give them fuller employment sooner than if we sidetrack the construction of these projects, as was done in connection with Senate bill 2180, and go into a long-drawn-out controversy regarding how we are going to manage projects which have yet to be built. If there ever was a case of putting the cart before the horse, Mr. President, the administration is doing that when it takes the position that it should drive through on the CVA proposal, and then should proceed with the consideration of the construction of the projects, or—and I wish to be perfectly fair to the administration, Mr. President—a consideration of the full program of building the projects, as called for in the Army engineer and Bureau of Reclamation Report 308, the major of which projects are set out in Senate bill 2180.

Mr. President, I think the record is perfectly clear as to what is in the best interests of the workers of my State. Before my campaign is over, I think the workers of my State will realize that the record I have made here—and it has been a nonpartisan fight, Mr. President; in fact, it has been a matter of joining in bipartisan support in getting these projects built—has been one of work in behalf of the people of the Pacific Northwest, in which I have been joined by the Senators from Washington and by my colleague from Oregon, which has produced results much greater than the results which would have been produced if I had been diverted into a campaign involving the CVA. But let us take the CVA for a moment. I have in my hand, and I ask to have inserted in the RECORD, a very colorful article written by a distinguished citizen of my State, the Honorable Oswald West, former Democratic Governor of Oregon and an outstanding Democrat in the State, who in correspondence recently has told me he completely agrees with the position I have taken on the CVA issue. In the article he sets forth his views concerning the problem. The heading of the article is The CVA yap yaps. I ask unanimous consent to have it printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CVA YAP YAPS

(By Oswald West)

Without a knowledge of the past, it is difficult for one to comprehend the present, and impossible to judge and predict the future.

Fortunately for this State, the turn of the century produced a group of men and women with vision. They gave time and money to the study of our natural resources. They learned the value of developed water power and brought to public attention the vast potential power with which the Pacific Northwest was blessed.

They watched the rapid disappearance of our magnificent forests of merchantable timber, deplored the prevailing methods of wasteful cutting, and the great annual losses through forest fires.

Regardless of their political affiliations, they gave full support to the conservation policies of Theodore Roosevelt and Gifford Pinchot, and later to those of Woodrow Wilson and Franklin K. Lane.

Governor-Senator George E. Chamberlain and I were about the only public officials in the West who supported Pinchot in his fight for Federal control of water-power possibilities within, or partially within, Federal forests and other Government reservations. We were about the only western public officials who supported Secretary of Interior Lane in his fight to create the Federal Power Commission.

George E. Chamberlain was a man of vision. He had given much study to, and was quite familiar with, the natural resources of the Northwest. He wished to see their early development and use, but in the interest of the general public.

We were quite familiar with the potential water power along the Columbia and its tributaries and, while we had no desire to close the door to private development, we felt that there were undertakings of great magnitude (the Bonneville project for instance) that were beyond the purses of private concerns, and could with propriety be developed by the Federal Government, or the several States lying within the Columbia watershed. As to the latter plan, it was referred to in my 1911 message to the Oregon Legislature. I said:

"It has been suggested * * * that the interstate waters of a basin lying within the boundaries of several adjoining States might, as far as possible, be turned over to the joint control of these States. As an instance, the Columbia Basin is practically all within the boundaries of Oregon, Washington, and Idaho. The waters of that river and its tributaries could, undoubtedly, upon the passage of effective uniform water laws, approved by Congress, be safely turned over to the joint control of these States."

That proposal—a tri-State power development—died, however, with the passage of favorable legislation by Congress.

There is now before Congress a measure which would create a Columbia Valley Authority, with full power to take over control and develop the natural resources of the Columbia Basin—lying within the States of Oregon, Washington, Idaho, and Montana.

It would be a monumental undertaking; one which might prove of vast benefit to the people of the Pacific Northwest. On the other hand, it might result in a bureaucratic hamstringing of the governments of the four States concerned. Who knows? We do know, however, that we are entitled to time to give careful thought and study to the proposal before being asked to shout for or against it.

I have given due consideration to every written or spoken word dropped from either side of the question, but reserve the right to take my time in forming an opinion and declaring my findings as to the project. Although having never expressed an opinion on the subject, I recently took it upon myself to call attention to the fact that the constitutionality of the measure had never been discussed, and that the question was of sufficient importance to call for study and discussion by both sides. Immediately, I was listed, by 2-by-4 champions of the CVA, as being opposed to its creation.

I find in discussing the proposal with many of the "yaps yaps" (the local bureaucratic yes men and women) that they possess but little knowledge as to how it may affect the State; that they have given but little study to the measure or to the congressional discussions thereof. Many seem to have no fixed opinions of their own—being content to repeat the canned phrases dropped from the lips of the carpet-bagging bureaucrats, who hope and expect to land a life's job through being named as one of the CVA commissioners.

Some question one's party loyalty, and charge one if not all for the proposal, with being behind the times—in other words, with being a "has been."

"The one thing that's sure to annoy you,
As almost no other thing does:
Is to be described as a "has been"
By someone who "never was."

Mr. MORSE. Speaking about Democrats who agree with me on the position I have taken, Mr. President, I should point out that they are not limited to Democratic colleagues in the Senate of the United States. But for the sake of the RECORD let me say to the Democratic politicians within the CIO organization in my State, if they will take the time to check with Democratic Senators in the United States Senate they may be surprised to find that a large number of Democratic Senators in this body have come to me personally and told me they agree with the position I have taken on the CVA. Some of those Democratic Senators who are for the pending bill and whose names appear on it have told me they are perfectly aware of the fact that the pending CVA bill eventually will be revised before it is passed, because as they have said, and as we all know, we are going to work out this legislation by way of reasonable compromises. There are undoubtedly sections of the bill that need to be revised, and we shall have no objection to their revision. I betray no confidence when I say that the author of the bill himself, the Senator from Washington [Mr. MAGNUSON], told me only yesterday that of course he was for the bill, but he was perfectly aware of the fact that in all probability the bill will be subjected to some revision in the Senate before it is passed.

Not only are there Democratic Senators in the Senate, Mr. President, but there are high Democrats in the executive branch of the Government, I want to say to the Democratic politicians within the CIO in my State, who have told me they think the position I have taken in regard to development of river resources, in regard to transmission lines, in regard to dams, in regard to reclamation, flood control and irrigation, is an outstandingly fine record, and

that they do not hold any brief for, nor will they support, the position taken by those Democrats in the State of Oregon who are trying to make the CVA issue the test of my liberalism. In fact, one of the very high Democrats in the Department of the Interior, within the past 10 days, has told me, as did the Senator from Washington [Mr. MAGNUSON], that he is perfectly aware of the fact that the CVA bill, submitted in its present form, is going to be considerably revised before any legislation is passed. He also said—and I quote him now verbatim, "Doh't those Democrats in Oregon who are opposed to you on this matter realize that we are at least 3 years away from the passage of legislation in regard to the administration and management of these projects, and that, as you have pointed out, the first job is to get the projects built?

I am saying this, Mr. President, because I want to make clear that there are a great many Democrats interested in this issue who do not believe that politics ought to be played with the issue and who recognize that the best economic interests of the Pacific Northwest are not being served by the type of politics that some of the Democratic politicians in Oregon are trying to play with the CVA issue. These Democratic friends of mine in the Senate and in the administration recognize the importance, as do a great many of my Republican colleagues in the Senate, of the development of the river resources of the Pacific Northwest, to the economic stability of our entire country and to the prosperity of our entire Nation.

Mr. President, I have not, for months, picked up an article dealing with the problems of economic expansion in this country, and the importance of economic expansion to our prosperity, that has not somewhere in the article stressed the importance of the great industrial potentialities of the Pacific Northwest that will be developed by these projects. As far as I have been able to read, and I think I do a fair share of reading, there is unanimity of opinion among economists, industrial experts, and business leaders who are concerned about strengthening our private-enterprise system. I say there is a unanimity of opinion among them that we must expand this economy of ours if we are to keep it stable and if we are really going to meet the fiscal problems and obligations that confront us It cannot be done with a restricted economy. One of the great places for expansion is in the Pacific Northwest. Another place is in the section of the country from which the present Presiding Officer of the Senate comes—the South and the great West, where there are areas which are crying for industrial expansion, and if we will take the steps necessary to expand, we shall not need to worry about full employment in America. We already know the great population trend which is taking place in this country, and the great increases in population occurring in various parts of the South and the Pacific Northwest. In my State there is the largest percentage increase in population since 1940, a percentage increase of 49 percent, the greatest in the Nation. That population is crying for industrial expansion of the Pacific Northwest which will flow from the building of these great river-resource projects. Is it any wonder, Mr. President, that I spoke with some emphasis in my telegram regarding the administration's sidetracking Senate bill 2180? I know what these projects mean to the workers of my section of the country. I know the best service I can render those workers and all the people in Washington, Oregon, and all the other States in that section, is to do everything I can do to get those projects built. The administration is not going to tell me or subtlety suggest that getting them built might be eased a little bit, so far as speed is concerned, if its pet project, Senate bill 1645, governing the administration and management of those projects, is passed first.

I now turn my attention to the bill itself, but, first, I ask unanimous consent, since I have mentioned Senate bill 2180 so many times in the course of my remarks, to have the bill printed at this point in my speech.

There being no objection, the bill (S. 2180) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purposes of improving navigation, controlling floods, and conserving and utilizing the waters of the Columbia River and its tributaries for the irrigation of arid and semiarid lands and the generation of hydroelectric power, and for incidental purposes, the plan for the Columbia River Basin reflected in the report of May 2, 1949, by the Commissioner of Reclamation and in the report of June 28, 1949, by the Chief of Engineers entitled "Columbia River and Tributaries, Northwestern United States," and as coordinated by agreement of April 11, 1949, entered into by the Commissioner of Reclamation and the Secretary of the Interior, on the one hand, and the Chief of Engineers and the Secretary of the Army, on the other, is hereby approved and the initial stages therein recommended are hereby authorized to be prosecuted respectively by the Bureau of Reclamation under the supervision and direction of the Secretary of the Interior and by the Chief of Engineers under the supervision and direction of the Secretary of the Army in accordance with the statement of the responsibilities of said agencies denominated exhibit F and attached to the Digest Agreement on Principles and Responsibilities, Columbia River Basin, enclosed with the letter of April 11, 1949, addressed to the President by the Commissioner of Reclamation, the Secretary of the Interior, the Chief of Engineers, and the Secretary of the Army.

SEC. 2. The recommendations in the report dated May 2, 1949, addressed by the Commissioner of Reclamation to the Secretary of the Interior and the recommendations contained in the report of June 28, 1949, by the Chief of Engineers entitled "Columbia River and Tributaries, Northwestern United States," are hereby adopted and given the force and effect of law as if herein fully set forth. In prosecuting the work hereby authorized, the Commissioner of Reclamation and the Secretary of the Interior, the Chief of Engineers and the Secretary of the Army shall be governed thereby and by the said agreement of April 11, 1949. Except as is otherwise specified in said reports, the Bureau of Reclamation and the Secretary of the Interior shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), to which laws this act shall be deemed a supplement. Except as is otherwise specified in said reports, the Chief of Engineers and the Secretary of the Army shall be governed by the laws affecting the prosecution of works for the improvement of navigation and the control of floods.

SEC. 3. The initial stages hereby authorized for construction by the Bureau of Reclamation and the Chief of Engineers, respectively, are:

FOR THE BUREAU OF RECLAMATION

Mountain Home project, Idaho;
Cambridge Bench project, Idaho;
Council project, Idaho;
Mann Creek project, Idaho;
Hell's Canyon project, Idaho-Oregon;
Bitterroot Valley project (including the Woodside unit thereof), Montana;
North Side unit of the Missoula Valley project, Montana;
Crooked River project, Oregon;
Bully Creek extension of the Vale project, Oregon;
Canby project, Oregon;
West unit of The Dalles project, Oregon;
Upper Star Valley project, Wyoming; and
Modifications of Grand Coulee Dam, Wash., in the interest of flood control.

FOR THE CHIEF OF ENGINEERS

Hills Creek Dam, Middle Fork, Willamette River, Oreg.
Fall Creek Dam, Fall Creek Middle Fork of the Willamette, Oreg.
Dexter Dam, Middle Fork, Willamette River, Oreg.
Waldo Lake tunnel and regulating works, North Fork, Middle Fork, Willamette River Basin, Oreg.
Albeni Falls Dam, Pend Oreille River, Idaho.
Libby Dam. Kootenai River, Mont.
Cougar Dam, South Fork, McKenzie, Oreg.
Blue River Dam, Blue River, McKenzie River Basin, Oreg.
Gate Creek Dam, Gate Creek, McKenzie River Basin, Oreg.
Green Peter Dam, Middle Santiam River, Oreg.
Cascadia Dam, South Santiam River, Oreg.
Wiley Creek Dam, Wiley Creek, South Santiam River Basin, Oreg.
White Bridge Dam, Middle Santiam River, Oreg.
Willamette Falls fish ladder, Willamette River, Oreg.
Holley Dam, Calapooya River, Oreg.
John Day Dam, Columbia River, Wash. and Oreg.
Priest Rapids Dam, Columbia River, Wash.
The Dalles Dam, Columbia River, Wash. and Oreg.
Lewisville Dam, Little Luckiamute River, Oreg.
Tumtum Dam, Tumtum River, Marys River Basin, Oreg.
Snake River navigation channel, Snake River, Idaho and Wash.
Lower Columbia River levees and bank protection works, Columbia River, Wash. and Oreg. (modification of levees at 25 locations, 7 new levees, and bank protection at 66 locations).
Harbors at 21 locations, Oregon, Washington, and Idaho.
Hydrometeorological reporting network, Columbia River Basin.
Minor Willamette Basin extension (supplemental levees, overflow channel closures, channel improvements, bank-protection works, channel clearing and snagging and hydrologic reporting network), Oregon.
Minor Columbia Basin works (navigation improvements, lower levees, and local flood-control works), except the fishery plan, which is the responsibility of the Fish and Wildlife Service.
Previously recommended improvements, all as outlined and recommended in reports of the Chief of Engineers (Jackson Hole, Wyo.; Heppner Dam and downstream improvements, Oregon; Pendleton, Oreg.).
Umatilla Harbor, Oreg.; Columbia slough channel, Oregon; Westport slough channel

enlargement, Oregon; Baker Bay channel and mooring basin, Ilwaco, Wash.

An engineering laboratory.

Meridian Dam, Middle Fork, Willamette River (modification for power), Oregon.

Fern Ridge Dam, Long Tom River (modification), Oregon.

SEC. 4. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, for the partial accomplishment of the plans (a) to the Bureau of Reclamation, Department of the Interior, $500,000,000; and (b) to the Chief of Engineers, Department of the Army, $500,000,000.

Mr. MORSE. Mr. President, this is the bill which was introduced by the senior Senator from Washington [Mr. MAGNUSON]. This is the bill in support of which the junior Senator from Washington [Mr. CAIN], the Senator from Oregon [Mr. CORDON], and myself testified. This is the bill which, if passed, would hasten the building of the projects so essential to the industrial expansion of the Pacific Northwest and so essential to the flow of benefits from these projects.

I want the people of my State, who may subsequently read this speech, to have before them a list of the projects called for by Senate bill 2180, which projects were sidetracked when the administration asked that action be not taken on Senate bill 2180 in this session of the Congress.

Mr. President, the so-called CVA bill itself is Senate bill 1645. I have made just as clear as I can that if Senate bill 1645 were called up for a vote tonight, I would vote against it. I could not say honestly, Mr. President, that I am opposed to every provision of the bill, but I am opposed to enough of its provisions so that I cannot vote for it, and I want to mention just a few. I want to say, at the outset, that I have no objection to the statement of declaration of policy as set forth in section 2 of the bill, so long as that declaration of policy is limited to the interests of the Federal Government and the rights of the Federal Government in these projects and rivers. But, as one reads Senate bill 1645 he is quickly impressed by the fact that the Administration sponsoring the bill is overlooking the fact that the States and the local communities also have interests and rights in the rivers of the Pacific Northwest. This bill, so far as I am concerned, is primarily objectionable because it violates one of the tenets of constitutional liberalism for which I shall continue to fight so long as I am in American politics. That tenet is simply this, that our democracy can never be any stronger than representative government at the local community, county, and State level, and that whenever we take steps which tend to diminish or take away from our people at the local level the responsibility for active participation in determining governmental policies relating to their daily lives, we are undermining the very strength of democracy itself.

I say, Mr. President, that philosophically this bill violates that tenet of democracy. I want to take a moment to prove it. It will not take long, because after I am through with section 2, setting forth the statement of policy, I shall come to section 3, entitled "Creation of Administration." Section 3 provides:

To assist in carrying out the purposes of this act there is hereby created a body corporate with the name "Columbia Valley Administration" (referred to in this act as the "Administraion"). The Administration shall be an instrumentality of the United States under the general supervision of the President.

Mr. President, I shall always be willing to give to the President of the United States or to sanction vesting in the President of the United States such powers as are essential to make our constitutional form of government work and such powers as are consistent with the clear check-and-balance theories of the Constitution. But I reiterate tonight what I have said so many times, that I am opposed to vesting in the President of the United States any executive power that we do not need to vest in him in order to make our constitutional system of government work and in order to make our capitalistic system work for the benefit of all our people. I think that is fundamental as a matter of principle and of political philosophy, and it is around that principle of government that I frequently leave my good friends on the Democratic side of the Senate. In the last 18 years emergencies have arisen in this country which have, for emergency purposes, made it necessary to vest extraordinary powers in the President for the period of the emergency. But we have a tendency to forget that emergencies end, and we have gotten into the habit of thinking that every problem which needs to be solved ought to be solved on an emergency basis of giving the President of the United States more and more power. It is a dangerous trend for representative government in this country.

The reason why no one has ever been able to classify me accurately and properly as a New Dealer is because I have always taken the position that basic to the New Deal philosophy is the practice of unnecessarily vesting in the executive branch of the Government arbitrary power that leads to capricious practices damaging and threatening the liberties and the freedoms of our people.

Mr. President, that is what has happened in the last 18 years. That is why we now find ourselves in a situation in which the Congress of the United States does not in fact and reality exercise the control and protection over the interests of the American people it should exercise. We have to go back to the historical functions of the Congress. If we are properly to exercise our powers of checks and balances over the administrative branch of this Government, we must stop giving more and more broad and general powers to the executive department responsible primarily to the President of the United States.

"Oh," say the supporters of the CVA bill, "after all, Congress has a check. It has to confirm the three administrators, and, of course, the Committees on Appropriations have to approve the appropriation of the money."

The American people must be made to see through that, because that is just an alibi, that is just a rationalization, which the Democratic administration has tried to get the American people to accept in justification of placing these broad and sweeping powers in the executive branch of the Government.

Every Senator here tonight knows that after the confirmation of an official of the executive branch, we practically from that time on lose any effective check over him. He goes his way. So, when some of the spokesmen for this particular CVA bill tell the people of my State, "Congress has control over this, it has to confirm the administrators," that is no effective check from the standpoint of determining or checking on the policy which those administrators can develop once they are confirmed.

What about the Committees on Appropriations? To carry that theory to its logical conclusion, we would turn our Committee on Appropriations into a policy-making committee. One of our problems in this session of the Congress has been the difficulties which have arisen between the Senate as a whole and its own Committee on Appropriations, because we have felt that the Committee on Appropriations has been functioning as a policy-making committee, rather than an appropriating committee.

The people of the bureaus and departments of the Government know very well that no Committee on Appropriations of the Congress has the facilities, the staff, or the time, really to go into questions of policy whicl are involved in the administration of the various Government bureaus, departments, and administrative agencies such as the proposed CVA.

Mr. President, the fact is that under the proposed bill we have no effective check on the administrators of the CVA. Under that bill we do not have the checks we need if we are to prevent what I think is one of the dangers of the bill, namely, a bureaucratic paternalism, a bureaucratic monopolistic policy which I think is likely to flow from vesting in any three Presidential appointees the vast powers which I shall in a moment show are vested in these three men under S. 1645.

Thus, I have said, and repeat tonight, Mr. President, if we are to keep democracy strong in this country, we must insist that the procedures of our legislation provide that the people who are going to be directly affected by the policies of the Government have a voice in making the policies.

"Oh," say the proponents of CVA, "you cannot do that. You cannot take projects which are built by the Federal Government and let the people in the local communities, the counties and the States, have a voice in determining the policies which shall govern the administration of those projects."

I say that is nonsense, Mr. President, just plain nonsense. Of course, we can, and we should—and do not forget that the figures as they have been given to me show that 85 percent of the costs of these projects will be borne and paid for by the people served by the projects in the Pacific Northwest. Just let me tell my colleagues that, so far as the junior Senator from Oregon is concerned, if the people of my State who are going to be

among those served in the States of Oregon and Washington, for example, by these dams, have to pay 85 percent of the cost of the dams, I want them to have something to say about the policy which will flow from the administration and management of those dams. If they do not have it, then I say they are not being given an active participation in democratic processes as I know them under our form of government.

I start disagreeing with this bill in section 3, when it gives to the President of the United States the power there set out.

Let us take section 4, dealing with the Board of Directors. It provides:

BOARD OF DIRECTORS

SEC. 4. (a) The management of the Administration shall be vested in a board of three full-time Directors, who shall be appointed by the President, by and with the advice and consent of the Senate. The Chairman of the Board shall be designated by the President. At least two of the Directors shall be bona fide residents of the region at the time of appointment, and each Director shall maintain his residence in the region. The Board shall be responsible for policy, directive, and general supervisory functions. The Board shall appoint a chief executive officer who shall be responsible to the Board and shall perform such functions as the Board may determine.

Mr. President, I ask unanimous consent to have subsections (b), (c), (d), (e), and (f) of section 4 inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

(b) The terms of office of the Directors first taking office after the enactment of this act shall expire as designated by the President at the time of nomination, one at the end of the second year, one at the end of the fourth year, and one at the end of the sixth year after the date of enactment of this act. A successor to a Director shall be appointed in the same manner as the original directors and shall have a term expiring 6 years after the expiration date of the term for which his predecessor was appointed, except that a Director appointed to fill a vacancy in the Board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(c) Vacancies in the Board, so long as there be two Directors in office, shall not impair the powers of the Board to act, and two Directors shall constitute a quorum for the transaction of the business of the Board.

(d) Each Director shall be a citizen of the United States and shall receive a salary at the rate of $17,500 a year. When required by their official duties to be away from their official headquarters, Directors may be paid their actual traveling expenses and a per diem allowance not to exceed $10 in lieu of subsistence.

(e) All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act. No Director shall, during his continuance in office, be engaged in any other business, or have a financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling power to the public, or in any holding company or subsidiary company of a holding company as these terms are defined in the Public Utility Holding Company Act of 1935.

(f) In December of each year, the Board shall submit to the President for transmission to the Congress a report covering the activities of the Administration during the preceding fiscal year.

Mr. MORSE. Mr. President, there are no limitations on the power of the board of directors, no provision that there shall be any local representation with voting power in determining policy.

The States and counties have tremendous interest in the water, tremendous interest in the forests, in the wildlife, and in the land. They have tremendous interest in such important questions as to where the dams shall be built. Have they been given a voice in the determination of those questions of policy? Not at all. But the Administration is perfectly aware of the importance of this issue among the people of the Pacific Northwest, because there has been a strong opposition to S. 1645 in its present form by reason of the fact that it does not give to the local people of the Pacific Northwest a voting representation in the determination of policy.

What has been done by those who framed the bill? Well, I think they have put a sop in it. They have put in a section which they think may lull the people of my section of the country into a false sense of security regarding the question of a voting voice in the determination of the policies respecting these projects. That sop is section 5, which provides:

SEC. 5. The Administration shall seek the advice, assistance, and participation of the people of the region and their State and local governments and organizations, public and private, to the fullest practicable extent, in the formulation and execution of programs designed to carry out the purposes of this act. To this end, the Administration shall make arrangements for consultation and interchange of views with appropriate representatives of State and local governments, of the agricultural (including reclamation and irrigation), labor and business interests, and of the general public of the region. The Administration shall make arrangements for such consultation and interchange of views with respect to all phases of its activities and at all appropriate places throughout the region, and shall establish such advisory boards and councils (including at least boards or councils concerned with irrigation and reclamation, power, fishery resources, and navigation, as may be necessary or appropriate to achieve the objectives of this section. Any advisory board or council may submit for inclusion in the annual report of the Board its comments in summary form on those policies of the Administration with which it is concerned, and such comments shall be included in the annual report. For the periods during which they consult with the Administration away from their regular places of work, such representatives and members of such boards and councils may receive their actual traveling expenses and a per diem allowance not to exceed $10 in lieu of subsistence.

Not one word in that section vests in the people of the Pacific Northwest any voting representation in determining the policies of these projects. All that section does is to throw out the sop, "We will listen to you. We will let you file your advice in reports. Why, we will even set up some advisory boards and we will pay you a little expense money." But when they get all through with the advice, Mr. President, the three directors of CVA appointed by the President of the United States and responsible only to the President of the United States under this bill, can throw their reports in the waste paper baskets or at least into the files for the accumulation of dust.

I say that is not good enough, Mr. President, to satisfy the people of the Pacific Northwest, and I say I am convinced that once the people of my section of the country come to understand what, after all, is the empty gesture of section 5 they will not trade their rights to maintain some control over the natural resources of the Pacific Northwest for the privilege of consulting and advising with three Presidential appointees, appointed by the President of the United States, who, under this act, are given full authority, including the right to exercise an arbitrary authority if they deem fit, and when they do, there is nothing the people of my section of the country can do about it.

There are those who say, "After all the bill is modeled after the TVA." Well, Mr. President, I have never objected to the experimentation of the TVA in the Tennessee Valley. I want to say that the Tennessee Valley is not the Columbia Valley. I want to say it does not follow that because an experiment is being conducted in the Tennessee Valley it necessarily should be the common pattern for all the river valley developments in the country. I think every Member of the Senate, including the gentlemen from the South, will take judicial notice of the fact that there are vast differences among and between the cultures and the mores of our people in the different sections of the country. In the Pacific Northwest we are dealing with a population which as a whole does not have the same cultural background and economic background the people of the Tennessee Valley have—I mean to make no invidious comparison when I say that, but I am simply stating a sociological fact. It is true that our people do have differences of attitude, culture, and mores in the different parts of the country.

In my section of the country a high degree of individualism and frontier independence characterizes our people. There is a strong tendency to cling to these principles of local participation in the democratic processes about which I am talking tonight. Great numbers of them do not like the idea, and I am sure more of them will not like the idea once they come to understand that it is imbedded in this bill, of giving to three commissioners such sweeping bureaucratic control over the economic livelihood of the people of the Pacific Northwest.

Mr. President, if that were my only objection to the bill it would be reason enough, so far as I am concerned, for the position I have taken that I would not vote for the bill in its present form. I will not vote for any legislation affecting the administration and the management of these projects that does not provide within its terms a cooperative arrangement between the local governments and the Federal Government which gives to the people and the local governments a representation in actually determining policy.

I do not propose tonight to submit in detail my affirmative answer to this

problem. I am not one of these Republicans who constantly criticize everything the Administration does, but never come forward with a constructive program of their own in answer to the need which the particular issue has created. There is a need here that must be met, and the need is the need of efficient and economical administration of these projects which have already cost many millions of dollars and will cost many more millions of dollars before they are completed.

I feel that every Representative of the Pacific Northwest in Congress ought to insist upon the formulation and development of some affirmative answer to the question, "What are you going to do about eliminating the waste, overlapping, and inefficiency which already characterize the Federal agencies which are administering projects already built, and will undoubtedly continue in connection with the new projects if you do not enact some legislation which seeks to eliminate such waste and inefficiency?"

I am at work on an answer, and I shall propose it before my campaign is over. The problem is obviously a complex one, and the answers are not easy to work out. It is easy for me to stand here tonight and criticize this bill, but it is much more difficult—and how well I recognize it—for me to offer a substitute for this bill; but I am going to offer one. I shall say tonight only that it is going to be along the lines of a cooperative State and Federal corporation for administering these projects, which will give to the Federal Government and the State governments an active representative voice in determining policy.

Some of the lawyers who are such strong proponents of the CVA are already rendering curbstone opinions that that is not possible under our Constitution. I think it is, Mr. President; and I shall be perfectly willing, as the debate proceeds, to assume the burden of showing that under our Constitution it is possible to have a cooperative State and Federal corporation, governmental in nature, for the administration of these projects, which will give the citizens of the United States as a whole and the citizens of the communities directly affected by the projects a representative voice in the determination of policy. I say that some such final solution must be arrived at, because we certainly cannot justify the building of projects and then administering them as wastefully and inefficiently as the Hoover Commission reports have already pointed out is the case.

But the long-time solution, the solution to which the high Democratic official to whom I referred earlier in my remarks tonight referred, is some time off. That official told me the other day that it was at least 3 years away. It will require at least 3 years to get legislation in perfected form which will be approved by the Congress. In the meantime there are some first steps which we can and should take if we are to avoid giving to three men the sweeping powers which section 6 of this bill gives to the commissioners. Listen to this:

SEC. 6. (a) The Administration shall have succession in its corporate name; may adopt and use a corporate seal which shall be judicially noticed; may adopt, amend, and repeal bylaws; may sue and be sued in its corporate name without regard to the provisions of title 28, United States Code, section 507; and may settle and adjust claims held by it against other parties or persons and by other parties or persons against it, for which purpose the Administration shall have, with respect to claims within the scope of title 28, United States Code, chapter 171 (Tort Claims Procedure), the functions assigned to the Attorney General by that chapter.

(b) Subject to the policies, conditions, and limtiations stated in this act—

I have already pointed out that the limitations are inconsequential. The bill is characterized by its sweeping powers, not by its limitations.

Subject to the policies, conditions, and limitations stated in this Act, the Administration is authorized and directed to construct, operate, and maintain projects (including stand-by facilities), and to carry out activities, necessary for the promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean); for the control and prevention of floods; for the conservation and reclamation of lands and land resources; for the development and conservation of forest, mineral, and fish and wildlife resources; for the generation, transmission, and disposition of electric energy; for the execution of such other responsibilities as are vested in the Administration by or pursuant to this act.

That is one of the clauses which lawyers refer to as a catch-all, a general clause, an omnibus clause. As the history of our Washington bureaus shows, there is always a creeping and growing tendency on the part of bureaucrats to read into such language more and more power, far beyond even the imagination of Congress at the time it enacts such legislation.

Returning again to section 6:

And, in connection with any of the foregoing, for the development and conservation of recreational resources and for the promotion of sanitation and pollution control: *Provided*, That in the location, design, and construction of any dam or other facility, or any series of dams or facilities, the Administration shall endeavor—

Note the language, Mr. President, "shall endeavor." It does not say that anything can be done about it if it does not do so. The language is "shall endeavor"—

to foster, protect, and facilitate the access of all anadromous fish to and from their spawning areas throughout the region.

(c) To the extent found necessary or appropriate in carrying out the foregoing subsection, or other provisions of law, but subject to the conditions and limitations herein stated, the Administration is authorized and shall have the power—

(1) to acquire real and personal property, including any interest therein, by purchase, lease, condemnation, exchange, transfer, donation, or otherwise, and to sell, lease, exchange, or otherwise dispose thereof, including donations incident to experimentation, demonstrations, or other similar uses (without regard to section 3709 of the Revised Statutes, as amended); and to obtain services by contract, donation, or otherwise: *Provided, however*, That the Administration shall have no power to condemn any water right except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities.

That would be most of the water rights, Mr. President. Let me say to the farmers of my State vitally concerned with water rights in our streams that the exercise of the power in that section over water rights is a power which I think their representatives ought to have a voice in exercising. That power over water rights should not be limited, as the section which I have just read limits it, to three Presidential appointees over whom those farmers would have no direct control, such as they would have in determining who should represent the local and State governments on the board of directors of a cooperative State and Federal corporation. That is the sort of administration toward which I think we should work, for the determination of water-right policies which shall flow from any management system which is established by way of legislation for the control, administration, and operation of these projects.

There are other broad powers. The section provides that these Presidential appointees shall have power—

(2) to make and carry out arrangements for the protection, alteration, reconstruction, relocation, replacement, or removal of railroad tracks, highways, bridges, mills, ferries, electric-light plants, and any other properties, enterprises, and projects, which have been or are to be destroyed, flooded, otherwise damaged, or endangered, as the result of any projects or activities of the Administration.

Thus, Mr. President, we can go through this entire section 6.

Without taking further time to read from the bill, I ask unanimous consent to have the entire bill printed at this point in the RECORD, as part of my remarks.

There being no objection, the bill (S. 1645) to reorganize and consolidate certain Federal functions and thereby secure their more effective administration by establishing a Columbia Valley Administration to assist in the achievement of unified water control and resource conservation and development on the Columbia River, its tributaries, and the surrounding lands, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Columbia Valley Administration Act."

DECLARATION OF POLICY

SEC. 2. (a) It is hereby declared to be the policy of the United States that the relevant powers and activities of the Federal Government in the Columbia Valley region shall be so organized, directed, and administered as to assist to the greatest possible extent in achieving the full and unified conservation, development, and use of the water, land, forest, mineral, fish and wildlife, and other natural resources of the region, for the purpose of fostering and protecting commerce among the several States, strengthening the national defense, developing the lands and preserving the property of the United States, and promoting the general welfare. The term "region" as used in this act shall mean those portions of the Columbia River, its tributaries, and its watershed areas which are within the boundaries of the United States, and those portions of the States of Washington and Oregon (except the Klamath River and Goose Lake Basins) which are not within such watershed areas.

(b) In carrying out this policy—

(1) the Federal programs, projects, and activities in the region shall be effectively coordinated with related national policies and programs;

(2) the advice, assistance, and cooperation of the people of the region and their public and private organizations shall be sought

and relied upon to the fullest practicable extent;

(3) the cooperation of the Dominion of Canada and its Provinces and other political subdivisions shall be sought to the end that the development and conservation of the natural resources of the region and adjacent areas in Canada may be properly integrated;

(4) the doctrine of beneficial consumptive use of water shall be recognized, and in the event of any conflict between the purposes for which the waters of the region may be used, preference shall be given to atomic energy requirements for national defense and to domestic, irrigation, mining, and industrial purposes.

CREATION OF ADMINISTRATION

SEC. 3. (a) To assist in carrying out the purposes of this act, there is hereby created a body corporate with the name "Columbia Valley Administration" (referred to in this act as the "Administration"). The Administration shall be an instrumentality of the United States under the general supervision of the President.

(b) The Administration shall maintain its principal office at a convenient place in the region.

(c) The Administration shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of any judicial district, in whole or in part, within the region in which the Administration carries on activities at the time of the commencement of suit: *Provided*, That the Administration may be sued in the district court of the United States for any such district without regard to the amount in controversy. Any proceeding brought against the Administration in a court of any State may be removed by the Administration to the district court of the United States for the district in which such proceeding is pending, and, to effect such removal, it shall not be necessary that any other party or parties defendant join in the petition for removal.

BOARD OF DIRECTORS

SEC. 4. (a) The management of the Administration shall be vested in a board of three full-time Directors, who shall be appointed by the President, by and with the advice and consent of the Senate. The Chairman of the Board shall be designated by the President. At least two of the Directors shall be bona fide residents of the region at the time of appointment, and each Director shall maintain his residence in the region. The Board shall be responsible for policy, directive, and general supervisory functions. The Board shall appoint a chief executive officer who shall be responsible to the Board and shall perform such functions as the Board may determine.

(b) The terms of office of the Directors first taking office after the enactment of this act shall expire as designated by the President at the time of nomination, one at the end of the second year, one at the end of the fourth year, and one at the end of the sixth year after the date of enactment of this act. A successor to a Director shall be appointed in the same manner as the original Directors and shall have a term expiring 6 years after the expiration date of the term for which his predecessor was appointed, except that a Director appointed to fill a vacancy in the Board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(c) Vacancies in the Board, so long as there be two Directors in office, shall not impair the powers of the Board to act, and two Directors shall constitute a quorum for the transaction of the business of the Board.

(d) Each Director shall be a citizen of the United States and shall receive a salary at the rate of $17,500 a year. When required by their official duties to be away from their official headquarters, Directors may be paid their actual traveling expenses and a per diem allowance not to exceed $10 in lieu of subsistence.

(e) All members of the Board shall be persons who profess a belief in the feasibility and wisdom of this act. No Director shall, during his continuance in office, be engaged in any other business, or have a financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling power to the public, or in any holding company or subsidiary company of a holding company as these terms are defined in the Public Utility Holding Company Act of 1935.

(f) In December of each year, the Board shall submit to the President for transmission to the Congress a report covering the activities of the Administration during the preceding fiscal year.

STATE AND LOCAL PARTICIPATION

SEC. 5. The Administration shall seek the advice, assistance, and participation of the people of the region and their State and local governments and organizations, public and private, to the fullest practicable extent, in the formulation and execution of programs designed to carry out the purposes of this act. To this end, the Administration shall make arrangements for consultation and interchange of views with appropriate representatives of State and local governments, of the agricultural (including reclamation and irrigation), labor and business interests, and of the general public of the region. The Administration shall make arrangements for such consultation and interchange of views with respect to all phases of its activities and at all appropriate places throughout the region, and shall establish such advisory boards and councils (including at least boards or councils concerned with irrigation and reclamation, power, fishery resources, and navigation) as may be necessary or appropriate to achieve the objectives of this section. Any advisory board or council may submit for inclusion in the annual report of the Board its comments in summary form on those policies of the Administration with which it is concerned, and such comments shall be included in the annual report. For the periods during which they consult with the Administration away from their regular places of work, such representatives and members of such boards and councils may receive their actual traveling expenses and a per diem allowance not to exceed $10 in lieu of subsistence.

GENERAL POWERS

SEC. 6. (a) The Administration shall have succession in its corporate name; may adopt and use a corporate seal which shall be judicially noticed; may adopt, amend, and repeal bylaws; may sue and be sued in its corporate name without regard to the provisions of title 28, United States Code, section 507; and may settle and adjust claims held by it against other parties or persons and by other parties or persons against it, for which purpose the Administration shall have, with respect to claims within the scope of title 28, United States Code, chapter 171 (Tort Claims Procedure), the functions assigned to the Attorney General by that chapter.

(b) Subject to the policies, conditions, and limitations stated in this act, the Administration is authorized and directed to construct, operate, and maintain projects (including stand-by facilities), and to carry out activities, necessary for the promotion of navigation (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean); for the control and prevention of floods; for the conservation and reclamation of lands and land resources; for the development and conservation of forest, mineral, and fish and wildlife resources; for the generation, transmission, and disposition of electric energy; for the execution of such other responsibilities as are vested in the Administration by or pursuant to this act; and, in connection with any of the foregoing, for the development and conservation of recreational resources and for the promotion of sanitation and pollution control: *Provided*, That in the location, design, and construction of any dam or other facility, or any series of dams or facilities, the Administration shall endeavor to foster, protect, and facilitate the access of all anadromous fish to and from their spawning areas throughout the region.

(c) To the extent found necessary or appropriate in carrying out the foregoing subsection, or other provisions of law, but subject to the conditions and limitations herein stated, the Administration is authorized and shall have the power—

(1) to acquire real and personal property, including any interest therein, by purchase, lease, condemnation, exchange, transfer, donation, or otherwise, and to sell, lease, exchange, or otherwise dispose thereof, including donations incident to experimentation, demonstrations, or other similar uses (without regard to section 3709 of the Revised Statutes, as amended); and to obtain services by contract, donation, or otherwise: *Provided, however*, That the Administration shall have no power to condemn any water right except as it may be appurtenant to land acquired incident to the construction of dams, reservoirs, or other projects or facilities;

(2) to make and carry out arrangements for the protection, alteration, reconstruction, relocation, replacement, or removal of railroad tracks, highways, bridges, mills, ferries, electric-light plants, and any other properties, enterprises, and projects, which have been or are to be destroyed, flooded, otherwise damaged, or endangered, as the result of any projects or activities of the Administration;

(3) to conduct economic, scientific, and technologic investigations and studies, to establish, maintain, and operate research facilities, and to undertake experiments and practical demonstrations;

(4) to utilize any of its powers to carry out such measures for the coordinated conservation, development, and use of the natural resources of the region and adjacent areas in Canada as may be agreed upon between the Governments of the United States and the Dominion of Canada;

(5) subject to provisions of law specifically applicable to Government corporations, to determine the necessity for and the character and amount of its expenditures and the manner in which they shall be incurred, allowed, and paid;

(6) to enter into such contracts and agreements, and to take such actions, as may facilitate the exercise of the powers now or hereafter conferred upon it by law.

(d) The Administration may, or when directed to do so by the President shall, construct or operate any of its projects or conduct any of its activities through or in cooperation with other departments and agencies of the United States; and it may do so through or in cooperation with States, counties, municipalities, cooperatives, individuals, educational, and scientific institutions or other bodies or agencies, public or private. The Administration is authorized to use its funds in carrying out such joint and cooperative arrangements. Departments and agencies of the United States are hereby authorized to participate in the construction or operation of such projects or the conduct of such activities on terms mutually agreeable to the department or agency involved and the Administration.

(e) The Administration shall carry out its construction work by contract so far as practicable: *Provided*, That nothing herein shall be construed to prevent the Adminis-

tration from undertaking construction work directly in case of emergency or unusual circumstances, in cases where no reasonable bids are received from contractors, or where necessary to provide steady employment for maintenance crews.

(f) Title to all property, with the exception of that owned by the United States and entrusted to the Administration as agent of the United States, shall be taken in the name of the Administration: *Provided*, That the title to real property acquired in the name of the Administration shall be subject to approval by the Attorney General, but the Administration may prior to approval of title by the Attorney General use such property for any purpose or in any manner permitted by the provisions of this act. Conveyances of real and personal property, or interests therein, shall be in the name of the Administration or the United States of America, depending on the holder of the title, and may be by warranty deed, bill of sale with warranty of title, or otherwise, which may be executed by such person or persons as the Board may designate.

(g) All condemnation proceedings on behalf of the Administration shall be had in the name of the Administration. In such proceedings, and with respect to any property which the Administration is authorized to condemn pursuant to this section, the Administration shall have the rights conferred upon the United States by the act of August 1, 1888 (25 Stat. 357), as amended, and by the act of February 26, 1931 (46 Stat. 1421), the provisions of both of which are hereby declared to be applicable to proceedings brought by the Administration to the same extent as though it were expressly mentioned therein, except insofar as they are inconsistent with this subsection: *Provided*, That the Administration shall (the provisions of section 6 (a) hereof notwithstanding) be represented by the Attorney General, or an attorney or attorneys acting under his authority (which attorneys may be employees of the Administration), in all court proceedings brought for the purpose of property condemnation.

COORDINATION OF FEDERAL PLANS AND PROGRAMS FOR RESOURCE DEVELOPMENT

SEC. 7. (a) The Administration shall be responsible for preparing such multiple-purpose and unified plans and programs for the conservation, development, and use of the natural resources of the region as may be useful to the President and the Congress in guiding and controlling the nature, extent, and sequence of Federal programs, projects, and activities in the region, and in coordinating them with related national policies and programs.

(b) The Administration shall prepare such plans and programs after considering pertinent existing surveys and plans, conducting such additional surveys and investigations as may be necessary, and obtaining the advice and assistance of appropriate Federal, State, and local agencies, educational institutions, and private organizations and persons.

(c) Such plans and programs shall, among other things provide for—

(1) the conservation and use of the waters of the region in order to reconcile and harmonize to the greatest practicable extent, consistent with section 2 (b) (4) of this act, the requirements for navigation, flood control, power, agriculture, reclamation, commercial and sport fishing, public health, pollution control, recreation, and other purposes;

(2) fostering the use of the lands of the region for the purposes for which they may be best suited, the most efficient conservation and sustained-yield management to assure the protection of watersheds and the permanent and increasing usefulness of cultivated lands, grazing lands, and forests, and the occupancy and use of the flood plains in the region to minimize damage by floods;

(3) fostering the development and improvement of cultivated, grazing, and forest lands by irrigation, drainage, clearing, reforestation, reseeding, or otherwise;

(4) the conservation, management, and rehabilitation of birds, fish, and other wildlife through the development, protection, and management of such wildlife and their habitat, and the control of losses from disease or other causes;

(5) fostering the use of the mineral, forest, land, water, fish, and other resources of the region to assure a balanced and stable economic development;

(6) the establishment and maintenance of recreational areas and facilities, including wilderness areas, and the protection of scenic and scientific values.

(d) Such plans and programs shall, among other things, set forth—

(1) the nature, extent, general location, sequence, and timing of major projects and activities recommended;

(2) the method by which such major projects and activities are proposed to be undertaken including the arrangements recommended or agreed to for joint and cooperative action by the administration, other Federal agencies, and State, local, and other agencies;

(3) with respect to each major proposed Federal project or activity, evidence that such project or activity is economically sound and in the public interest, including, where appropriate, estimates of costs and benefits, of the allocation of costs to the various purposes to be served, and of amounts to be repaid by the beneficiaries.

(e) The administration shall, in cooperation with other Federal agencies concerned, prepare and submit annually to the President in connection with its budget program a statement and explanation of the anticipated program, for the current year and such ensuing periods as the President may determine, for the initiation and prosecution by the Administration and other Federal agencies of all major Federal projects and activities having to do with the conservation, development, and use of the natural resources of the region.

TRANSFER OF PROJECTS, PROPERTY, AND FUNCTIONS

SEC. 8. (a) It is the policy of this act that the establishment of the administration and the commencement of its activities shall be so scheduled and managed as to result in no delay in the execution of present authorized programs for the conservation, development, and use of the resources of the region. At such time or times as the President may determine, but in no event more than 6 months after the assumption of office of the third member of the first Board of Directors of the Administration to take office, all properties under the jurisdiction of the Bonneville Power Administrator, Department of the Interior, all civil projects now operated, constructed, or authorized to be constructed in the region by the Corps of Engineers, Department of the Army (except for channel and harbor improvement work in tidal waters tributary to the Pacific Ocean), and all projects now operated, constructed, or authorized to be constructed in the region by the Bureau of Reclamation, Department of the Interior, together with all property, real and personal, including dams, locks, powerhouses, transmission facilities, and equipment used in connection with or incident to the foregoing, and all functions, powers, duties, and responsibilities in connection therewith now exercised by the Department of the Interior, the Department of the Army, or any officials of either Department, shall be transferred to the Administration. The Administration shall construct or complete such of the foregoing projects and facilities as are not completed and shall administer all of the foregoing projects and facilities in accordance with the purposes and policies of this act.

(b) All contractual obligations of any department or agency from which a transfer is made under subsection (a), pertaining to the projects, properties, functions, powers, duties, and responsibilities transferred, shall be assumed by the Administration. In connection with any transfer under subsection (a), (1) the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), which the Director of the Bureau of the Budget shall determine to relate primarily to the projects, properties, functions, powers, duties, and responsibilities transferred; (2) the continuing fund established pursuant to section 11 of the Bonneville Project Act; and (3) any balance in the special fund receipt account into which revenues from the sale of electric energy by the Bonneville Power Administrator are payable pursuant to Executive Order No. 8526, dated August 26, 1940, shall be transferred to the Administration. All funds transferred hereunder shall be available for expenditure in carrying out the purposes of this act in the same manner and to the same extent as all other funds of the Administration: *Provided*, That such funds may be expended by the Administration, subject to such limitations as may be prescribed by any applicable appropriation act, during such period as may elapse between their transfer and the approval by the Congress of the first subsequent budget program of the Administration.

DISPOSITION OF ELECTRIC ENERGY

SEC. 9. (a) The Administration is authorized to dispose of electric energy, not used in its operations, to purchasers within economic transmission distance of the Administration's facilities, on such basis as will (1) encourage the widest possible use of available electric energy at the lowest possible rates to consumers, particularly domestic and rural consumers, consistent with operation of the power system on a self-liquidating basis; (2) provide adequate markets and outlets therefor; (3) prevent the monopolization thereof by limited groups; and (4) provide a power supply for essential national defense requirements. To these ends the Administration shall acquire, construct, operate, maintain, and improve electric transmission facilities (including substations) and other structures and facilities to bring electric energy available for sale from its projects to existing and potential markets and to interconnect such projects with other public and private projects, and it is authorized to enter into contracts or arrangements upon suitable terms for the purchase of mutual exchange of electric energy, for the use of transmission facilities, and for the purchase, sale, or storage of water incident to the generation, transmission, and disposition of electric energy.

(b) The Administration, in contracting for the disposition of electric energy, shall at all times gives preference and priority to Federal agencies for their own consumption only, to States, their agencies, instrumentalities, or political subdivisions, or agencies of two or more States (in this act called public agencies), and to cooperative and other organizations organized or administered not for profit but primarily for the purpose of supplying members with commodities or services as nearly as possible at cost (in this act called cooperative agencies): *Provided*, That for the purposes of this section, people and communities within economic transmission distance shall have reasonable opportunity and time, as determined by the Administration, to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy, or to create

or finance such public or cooperative agencies.

(c) The Administration is authorized to enter into contracts for the sale or disposition of electric energy at wholesale, whether for resale or direct consumption. Each contract entered into under this section (1) shall be for a term of not to exceed 20 years from the date of the making of such contract, (2) shall (in the case of a contract with any purchaser, other than a public or cooperative agency, who resells the bulk of the electric energy purchased) contain appropriate provisions authorizing the Administration to cancel the contract in whole or in part upon not more than 5 years' notice in writing whenever in its judgment there is reasonable likelihood that part of the electric energy supplied under such contract will be needed to satisfy the requirements of agencies entitled to preference and priority under this act, and (3) may contain such other terms and conditions (including provisions to insure that resale to the ultimate consumers shall be at rates and on conditions which are reasonable and nondiscriminatory) as the Administration may deem appropriate for carrying out the purposes of this act.

(d) Schedules of rates at which electric energy will be contracted for sale shall be established by the Administration from time to time at levels which in the aggregate will produce from estimated sales of electric energy revenues at least sufficient to cover (1) the operation, maintenance, and all other costs of generating, transmitting, and disposing of such electric energy, including among such costs depreciation on the depreciable properties included in the construction costs allocated to such generation, transmission, and disposition, plus amortization, over a reasonable period of years, of the nondepreciable properties included in such construction costs, and including interest payable pursuant to section 12 of this act, and (2) any additional amounts which may be required to repay the advances used to pay costs allocated to irrigation and assigned for repayment from power revenues. In order to distribute the benefits of transmission system integration and to promote the equitable distribution of electric energy, rate schedules may provide for uniform rates, or rates uniform throughout prescribed transmission areas.

(e) In order to facilitate the disposition of electric energy in accordance with this act—

(1) the Administration is authorized to acquire (but not by condemnation), operate, maintain, extend, and improve electric utility systems or properties which are principally in the region, and properties and assets reasonably incidental thereto or to the acquisition thereof: *Provided,* That before it may acquire any such system or property, the Administration shall determine that the major portion of the distribution facilities to be acquired can be promptly disposed of to public or cooperative agencies at a price or prices which, together with the value of the facilities retained by the Administration, is equal to or in excess of the price paid by the Administration for the system or part thereof;

(2) the Administration is directed to sell or otherwise dispose of any distribution facilities so acquired, and any improvements thereof, to any public or cooperative agency, as speedily as such sales or other disposition can be reasonably consummated. In the event it is necessary temporarily to retain and manage any part or parts of such facilities, the Administration in doing so may adopt and follow such business practices (including entering into leases or management contracts) as in its opinion are common and accepted in the utility business, notwithstanding any provision of law relating specifically to the employment of Government personnel or to any other Government practices and procedures.

RECLAMATION PROCEDURES

SEC. 10. (a) No provision for work of irrigation in or under this act shall be construed as affecting or intended to affect or in any way to interfere with the laws of any State relating to the control, appropriation, use, or distribution of water used for domestic, irrigation, mining, or industrial purposes, or any vested right acquired thereunder, and the Administration, in carrying out the provisions of this act, shall proceed in conformity with such laws, and nothing in this act shall in any way affect any right of any State or of the Federal Government or of any landowner, appropriator, or user of water in, to, or from any interstate stream or the waters thereof: *Provided,* That the right to the use of water acquired for irrigation under the provisions of this act shall be appurtenant to the land irrigated, and beneficial use shall be the basis, the measure, and the limit of the right: *Provided further,* That nothing in this subsection shall limit the authority of the Administration to acquire property for its authorized purposes in the manner specified in section 6, subject to the conditions and limitations therein stated.

(b) The Administration is authorized to construct, operate, and maintain projects for the reclamation of lands in the region. Reimbursement therefor shall be made by the water users, and public lands within such projects shall be disposed of, in accordance with the provisions of the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof and supplementary thereto) so far as such provisions are consistent with this act and are otherwise applicable.

(c) The Administration shall plan and carry out its reclamation activities consistent with national agricultural policies and so as to stabilize the agricultural economy of the region, to make more secure the tenure of existing settlers on the land and protect their ability to make repayment as provided by law, and to assure the highest relative benefits from the water and land resources for the region as a whole.

(d) The Administration shall establish the maximum size of farm units within each project for the reclamation of lands in accordance with its findings as to the area sufficient in size to constitute an economic family farm or adequately to supplement family grazing or dry farming operations on adjacent lands, but no farm unit shall contain more than 160 or less than 10 acres of irrigable land, except that any nominal quarter section comprising more than 160 acres of irrigable land may be included in one farm unit. No benefits from any such project shall be made available to the owners of lands whose individual holdings exceed the maximum area so prescribed by the Administration until and unless such owners shall have agreed, for and in behalf of themselves, their heirs, executors, and assigns, by contracts in form, substance, and legal sufficiency satisfactory to the Administration to sell such part of their lands as may exceed the maximum area so prescribed by the Administration at the appraised fair value thereof, without reference to or increment on account of the construction of the project: *Provided,* That the provisions of this subsection shall not be applicable to the Columbia Basin project to the extent that they are inconsistent with the Columbia Basin Project Act, nor to lands owned by or held in trust for any tribe, band, or group of Indians.

(e) In connection with projects for the reclamation of Indian lands undertaken by or transferred to the Administration, it shall have the authority granted to the Secretary of the Interior by, and such projects shall be subject to, the provisions of the act of July 1, 1932 (ch. 369, 47 Stat. 564), relating to the deferment of irrigation charges.

(f) In connection with reclamation projects, the Administration may acquire (but not by condemnation) and improve lands for disposition to persons desiring to settle thereon. Such lands shall be disposed of to settlers in economic family farm units, determined in a manner consistent with subsection (d) of this section, under contracts which, in the judgment of the Board, will return in a reasonable period of years the appraised value of the land and improvements, including structures and facilities, consideration being given in such appraisals to the earning capacity of the property. The veterans preference provisions of section 4 of the act of September 27, 1944, as amended (58 Stat. 747, 748), shall apply to the disposition of lands acquired under this subsection.

ALLOCATIONS AND ACCOUNTS

SEC. 11. (a) The Administration shall make a thorough investigation of (1) the costs of constructing or acquiring all dams, reservoirs, steam plants, electric or water transmission systems, buildings, or other facilities constructed or acquired by or transferred to the Administration for its management and control, including the land on which such facilities are constructed (herein called "construction costs"), and (2) the costs of operating and maintaining such facilities, and of carrying on the other activities of the Administration (herein called "operating costs"). Such costs shall be allocated among the various purposes served by the facilities and activities having regard to the interrelationship of the various facilities and activities: *Provided,* That the costs of water-control projects shall be allocated among the following purposes only: (1) Irrigation; (2) generation, transmission, and disposition of electric energy; (3) municipal and miscellaneous water supply; (4) flood control; (5) navigation; (6) preservation and propagation of fish and wildlife; and (7) other purposes, if any, to which costs may be allocated under the provisions of the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto). Costs with respect to facilities and activities serving only one purpose shall be allocated to that purpose. Costs with respect to facilities and activities serving more than one purpose shall be equitably allocated among such purposes.

(b) The allocations of construction costs and the periods and rates of depreciation and of amortization of repayment obligations under section 12 (f) of this act, as determined by the Administration, shall be submitted to the President, and when approved by him such allocations and depreciation and amortization schedules shall be used thereafter in keeping the books and records of the Administration: *Provided,* That subsequent reallocations and other revisions may be made, in the same manner, as necessary. Pending such approval by the President, the Administration's tentative allocations and depreciation and amortization schedules shall be used in keeping the books and records of the Administration.

(c) The Administration shall, within 5 years from the date of enactment of this act, submit to the President for transmission to the Congress a statement of the allocations of construction costs and depreciation and amortization schedules with respect to all facilities constructed or acquired by or transferred to the Administration and which have been completed prior to or during the period covered by such statement. The Administration thereafter shall include in its annual report for each fiscal year a similar statement incorporating such other facilities as have been completed during the preceding fiscal year.

(d) The Administration shall at all times maintain complete and accurate books of account, including with respect to its generation, transmission, and disposition of electric energy, accounts kept as provided by

section 303 of the Federal Power Act, as amended.

FINANCING AND REPAYMENT PROVISIONS

SEC. 12. (a) Appropriations are authorized for the purposes and functions of the Administration, and the Administration shall obtain its funds, as provided in this section.

(b) The Administration shall be a wholly owned Government corporation under section 101 of the Government Corporation Control Act, as amended, and its transactions and operations shall be subject to control as provided in that act.

(c) The Administration shall not initiate construction of any major water-control or electric-generating project or major transmission line into a new service area or undertake any major new type of activity authorized by this act unless such project or activity has been included in the annual budget program, or amendment thereof, approved by the Congress: *Provided*, That in connection with such projects and transmission lines there is hereby authorized to be made available to the Administration, at the time of initiation, contract authority in the amount shown in the budget program as necessary to complete construction.

(d) There is hereby established in the Treasury a Columbia Valley Administration Fund which shall consist of (1) such amounts as the Congress may from time to time appropriate thereto, which appropriations are hereby authorized, (2) such amounts as may be paid into the fund by the Administration as hereinafter provided, and (3) amounts received by the Administration in connection with any transfer under section 8 of this act or other provision of law.

(e) Upon request by the Administration, the Secretary of the Treasury is authorized and directed to make advances to the Administration from the fund in such amounts as the Administration may deem necessary to meet (1) construction costs (as defined in sec. 11 (a)) to be incurred in connection with projects or facilities wholly or partly of a revenue-producing nature and (2) operating costs (as defined in sec. 11 (a)) to be incurred in connection with activities predominantly of a revenue-producing nature. There shall be added to and deemed a part of such advances amounts equal to the unamortized balances of the reimbursable investment in projects transferred to the Administration.

(f) Advances, or parts thereof, used by the Administration to pay costs allocated to generation, transmission, and disposition of electric energy, to municipal and miscellaneous water supply, and to such other purposes (except irrigation) as the Administration determines to be predominantly revenue-producing shall be fully repaid to the fund, over a reasonable period of years, with interest as hereinafter provided. Advances, or parts thereof, used to pay costs allocated to irrigation shall be fully repaid to the fund, over a reasonable period of years, without interest: *Provided*, That the share to be repaid by the water users shall be limited to such amount as the Administration determines is not in excess of their ability to repay, and the balance of such advances shall be assigned for repayment from other sources of revenue. Advances, or parts thereof, used to pay costs allocated to other purposes shall not be subject to repayment. The amount of advances outstanding shall be reduced by (1) payments to the fund made by the Administration, and (2) amounts equal to the advances which are not subject to repayment: *Provided*, That adjustments in the amounts of advances outstanding shall be made as necessary to reflect allocations of costs made pursuant to section 11.

(g) The Administration shall pay interest on each outstanding advance, as required pursuant to subsection (f) of this section, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such advances are made available to the Administration: *Provided*, That adjustments in the amount of interest paid or payable shall be made as necessary to reflect allocations of costs made pursuant to section 11. Interest paid on advances used to pay costs allocated to revenue-producing purposes other than irrigation may be applied to reduce outstanding advances used to pay costs allocated to irrigation and assigned for repayment from other sources of revenue to the same extent that interest on the construction investment allocated to power may be used to repay costs allocated to irrigation and assigned for repayment to power revenues under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto).

(h) Receipts of the Administration for each fiscal year, derived from projects and activities for which advances are authorized, may be used for payment of the costs incurred in connection with such projects and activities. The Board shall appraise at least annually the Administration's necessary working capital requirements, and after providing out of such receipts for such requirements, it shall pay into the fund such receipts remaining. Such payments shall be applied first to reduce the amount of advances outstanding, and any remaining payments shall be covered into the Treasury as miscellaneous receipts. All other receipts of the Administration shall be covered into the Treasury as miscellaneous receipts.

(i) Appropriations are authorized for payment to the Administration in the form of lump-sum payments, to be accounted for as general funds of the Administration, in such amounts as may be necessary to meet costs to be incurred for specific projects and activities which are included in the annual budget program but for which advances are not authorized: *Provided*, That the costs of such specific projects and activities shall not exceed the amounts of the lump-sum payments therefor: *Provided further*, That the lump-sum payments shall be expended only upon certification by a duly authorized certifying officer designated by the Administration, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the act of December 29, 1941 (55 Stat. 875), as amended.

(j) The Administration is authorized to combine into one depository account all of its moneys from whatever source derived.

(k) The Administration shall contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the Administration's employees and their beneficiaries. The Administration shall also contribute to the employee's compensation fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Administration's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Administration into the Treasury as miscellaneous receipts.

PAYMENT IN LIEU OF TAXES

SEC. 13. (a) It is the policy of this act that the finances of the State governments and subdivisions thereof shall not be impaired through the removal of taxable property from their tax rolls or through the creation of special requirements for State and local government services. In administering this section the Administration shall be guided by the general objective of avoiding, insofar as feasible, inequities between State and local taxpayers on the one hand, and Federal taxpayers on the other, in the distribution of governmental costs and burdens.

(b) The Administration, upon application made on behalf of any State or subdivision thereof, shall make payments in lieu of State and local property taxes ad valorem with respect to its real property and its tangible personal property with fixed situs: *Provided, however*, That such payments shall not be made with respect to property, or any improvements thereon, which has never been subject to such taxes, unless the United States or any agency or instrumentality thereof has been required, prior to the acquisition of such property by the Administration, under any statute, or agreement authorized by any statute, to make payments in lieu of taxes thereon or to pay any portion of the revenue derived therefrom or from its use or products, in which case payments as required by this section shall be made on such property, but not on any improvements thereon made subsequent to acquisition by the United States or any agency or instrumentality thereof. In determining the amount of any payment to a State or subdivision thereof, the Administration shall be guided by (1) the average amount of such taxes, if any, levied upon the property in the last 2 years during which the property was privately owned; (2) the current level of property tax rates and assessed valuations; (3) the average amount of the last two annual payments, if any, under the provisions of any statute, or agreement authorized by any statute, previously applicable, which required the United States or any agency or instrumentality thereof to make any payments in lieu of taxes thereon or to pay any portion of the revenue derived therefrom or from its use or products; (4) the amount of increases in taxable values and other benefits arising from the activities of the Administration; (5) the special requirements for State and local government services arising from the activities of the Administration; (6) the provision by the Administration, as an incident to its activities, of any services usually provided by State or local governments; and (7) any other relevant facts.

The payments provided for in this paragraph shall be paid to the respective officers or agencies of the taxing authorities to which taxes would be paid had the property remained in private ownership, or to which payments would be made pursuant to law except for enactment of this act, for distribution in the same manner and in the same proportions as the taxes or other payments in lieu of which the payments herein required are made or in such other manner or proportion as may be determined pursuant to State law.

(c) The Administration may make payments to State or local governments to help defray the expense of any special requirements for State and local government services arising from the activities of the Administration. In determining the necessity for and amount of any such payment, the Administration shall take into account (1) the amount of additional expense incurred by the State or local government in meeting these special requirements, (2) any payments in lieu of taxes made pursuant to paragraph (b) hereof, (3) the provision by the Administration, as an incident to its activities, of any services usually provided by State or local governments, and (4) any other relevant facts.

(d) The provisions of any other statute requiring the United States or any agency or instrumentality thereof to make any payments in lieu of taxes on property or improvements thereon, or to pay any portion of the revenue derived from such property or its use or products, shall be inapplicable to any property or activities of the Administration after the date of acquisition of such property by the Administration.

(e) For the purposes of this section, property owned or acquired by the United States and used or held by the Administration shall be deemed to have been acquired by the Administration.

(f) The payments authorized under this section are in lieu of taxation and the Administration, its property, franchises, and income are hereby expressly exempted from taxation in any manner or form by any State, county, municipality, or any subdivision or district thereof. The determination by the Administration of the necessity of making any payments under this section and of the amounts thereof shall be final.

(g) The Administration shall, not later than 5 years after the enactment of this act, submit to the President for transmission to the Congress a report on the operation of the provisions of this section, including (1) a statement of the amount and distribution of payments made hereunder; (2) an appraisal of the effect of the operation of the provisions of this section on State and local finances, the benefits of the program of the Administration to the States receiving payments hereunder, and the effect of such benefits in increasing taxable values within such States; and (3) such other data, information, and recommendations as may be pertinent to future legislation.

PROCUREMENT OF SUPPLIES AND SERVICES

SEC. 14. All purchases and contracts for supplies or services, except for personal services, made by the Administration shall be made after advertising, in such manner and at such time sufficiently in advance of opening bids, as the Administration shall determine to be adequate to insure notice and opportunity for competition: *Provided, however*, That advertisement shall not be required when (1) the Administration determines that immediate delivery of the supplies or performance of the services is required by an emergency or to assure continuous operation; or (2) parts, accessories, supplemental equipment, minor extensions or additions, or services are required for supplies, facilities, or services previously furnished, constructed, or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed $1,000; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the Administration may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, plant, equipment and facilities, skill, experience, record of integrity in dealing, previous record of performance and compliance with specifications, and ability to furnish repairs and maintenance services, and the time of delivery or performance offered.

PERSONNEL PROVISIONS

SEC. 15. (a) The Administration shall, without regard to the civil-service laws and the Classification Act of 1923, as amended, except the Veterans' Preference Act of 1944 to the extent that it otherwise is applicable, employ and fix the compensation of such officers, employees, attorneys, agents, and consultants as are necessary for the transaction of its business, define their duties, require bonds of such of them as the Board may designate, the premiums for which shall be paid by the Administration, and provide a system of organization to fix responsibility and promote efficiency. Subject to the provisions of this act, the Administration is authorized to deal collectively with its employees through representatives of their own choosing and is authorized to enter into written or oral contracts with such employee representatives.

(b) Employees of the Administration shall have rights with respect to security of tenure reasonably comparable to those provided by the civil-service laws, and shall be protected to substantially the same extent as persons subject to such laws. Employees acquired by transfer from other establishments or agencies of the United States shall retain all pay, leave, and retirement credits which they held at the time of such transfer, and in case they subsequently are retransferred to positions under the civil-service laws, shall be credited for the purpose of seniority with the time spent as an employee of the Administration.

(c) In the employment, selection, classification, and promotion of officers and employees of the Administration, no political test or qualification shall be permitted or given consideration, but all such employments and promotions shall be given and made on the basis of merit and efficiency. It shall be unlawful for the Board to make or assist in the making of or cause to be made any employment, selection, classification, or promotion of any officer or employee of the Administration on the basis of or because of any political qualification or test, and if any director violates this provision he shall be removed from office by the President. Any officer or employee of the Administration who is found to be guilty of a violation of this subsection shall be removed by the Board.

(d) The benefits of the act of September 7, 1916 (39 Stat. 743), as amended, relating to compensation for employees of the United States suffering injuries, shall extend to persons given employment under the provisions of this act; and the right to benefits under such act of September 7, 1916, as amended, shall be exclusive and in place of any and all other liability of the Administration and the United States to pay damages or workmen's compensation to such persons, or to the dependents, next of kin, or legal representative of such persons, or to any person otherwise entitled to recover damages, on account of injury or death within the purview of such act.

(e) Subsections 1426 (j), 1606 (e), and 1607 (m) of the Internal Revenue Code, as amended, and subsection 209 (p) of the Social Security Act, as amended, are amended by (1) striking the words "Bonneville Power Administrator" wherever they appear therein, and substituting therefor the words "Columbia Valley Administration"; (2) striking the word "Administrator" wherever it appears therein without prefix, and substituting therefor the word "Administration"; (3) striking the words "a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of electrical facilities" wherever they appear therein, and substituting therefor the words "(1) a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of the Administration's properties and facilities, or (2) an employee retained or hired in connection with interim operations under section 9 (e) of the Columbia Valley Administration Act"; and (4) adding at the end of each such subsection the following new sentence: "As used in this subsection, the term 'Columbia Valley Administration' shall be deemed to include the Bonneville Power Administrator, with respect to services performed, prior to the effective date of the transfers pursuant to section 8 (a) of the Columbia Valley Administration Act, by a laborer, mechanic, or workman as an employee performing service for such Administrator in connection with construction work or the operation and maintenance of electrical facilities."

(f) Subsection 1606 (e) of the Internal Revenue Code, as amended, is further amended by striking the words "who for the purpose of this subsection is designated an instrumentality of the United States,".

(g) Subsection 209 (p) (2) of the Social Security Act, as amended, is further amended by striking the word "he" wherever it appears therein, and substituting therefor the word "it."

(h) The provisions of the act of March 3, 1931 (46 Stat. 1494), as amended, shall apply to all contracts in excess of $2,000 to which the Administration is a party and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of its buildings, dams, locks, or other structures or facilities, except that the powers of the Comptroller General of the United States thereunder with respect to payment of amounts withheld from contractors shall be exercised by the Administration with respect to funds within its control. In the determination of such prevailing rate or rates, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees.

(i) The Administration is authorized to request the assistance and advice of any officer, agent, or employee of any executive department, independent office, or agency of the United States to enable the Administration the better to carry out its powers successfully. The executive departments and independent offices and agencies of the United States are authorized to make such officers, agents, and employees available to the Administration with or without reimbursement upon terms mutually agreeable to such department, independent office, or agency and the Administration.

INDIAN LANDS

SEC. 16. (a) The Administration may exercise any of its powers under this act, including the power of condemnation, with respect to Indian lands or property, irrespective of the manner in which title to such lands or property is held: *Provided, however*, That no condemnation proceeding shall be instituted with respect to Indian lands or property unless and until bona fide negotiations shall have continued between the Administration and the owner or owners of such lands or property for a period of at least one year without reaching mutual agreement. In the event the Administration acquires any Indian lands or property, or receives by transfer any lands or property of the United States utilized for Indian purposes, the Administration shall make available to the Bureau of Indian Affairs such sums as the Administration, with the approval of the Secretary of the Interior, determines to be requisite for rehabilitating and relocating the Indians displaced by such acquisition or transfer, and for replacing facilities, the usefulness of which to the Indians has been destroyed or impaired through the operations of the Administration, where the moneys paid for the lands would otherwise be inadequate to accomplish such purposes. The said sums together with moneys paid by the Administration for Indian lands acquired by it, other than lands individually owned without restrictions upon alienation, payments for which shall be made directly to the owner, shall be available, without further appropriation, for expenditure by the Bureau of Indian Affairs in rehabilitating and relocating the Indians so displaced; in replacing the facilities no longer useful to them; in acquiring for their benefit, by purchase or otherwise, lieu lands to replace the lands acquired by the Administration; in reestablishing Indian cemeteries, tribal monuments and shrines; and for such other purposes as are authorized by law. Lieu lands so acquired shall be held in the same status as those from which the funds were derived and shall be nontaxable until otherwise provided by the Congress.

(b) Except as expressly provided in this section, nothing in this act shall be construed to abrogate, limit, or otherwise affect any right to the use of water vested in or reserved to any tribe, band, or group of Indians or any individual Indian, or any legal obligation of the United States or any agency thereof to any tribe, band, or group of Indians or any individual Indian.

REPEALER AND SAVINGS PROVISIONS

SEC. 17. (a) All acts or parts of acts in conflict herewith are hereby repealed to the extent of such conflict. Effective as of the date the transfers authorized by section 8 (a) of this act become effective, the act of August 20, 1937, entitled "An act to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes" (50 Stat. 731), as amended, is hereby repealed.

(b) Nothing in this act shall be deemed to repeal or supersede the provisions of any treaty or to impair any obligations thereunder.

SEPARABILITY PROVISIONS

SEC. 18. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

CONSTRUCTION OF ACT

SEC. 19. This act shall be liberally construed to carry out the purposes of Congress to provide for the disposition of and make needful rules and regulations respecting Government properties entrusted to the Administration, provide for the national defense, improve navigation, control destructive floods, and promote interstate commerce and the general welfare.

TABLE OF CONTENTS

Sec. 1. Citation title.
Sec. 2. Declaration of policy.
Sec. 3. Creation of Administration.
Sec. 4. Board of Directors.
Sec. 5. State and local participation.
Sec. 6. General powers.
Sec. 7. Coordination of Federal plans and programs for resource development.
Sec. 8. Transfer of projects, property, and functions.
Sec. 9. Disposition of electric energy.
Sec. 10. Reclamation provisions.
Sec. 11. Allocations and accounts.
Sec. 12. Financing and repayment provisions.
Sec. 13. Payments in lieu of taxes.
Sec. 14. Procurement of supplies and services.
Sec. 15. Personnel provisions.
Sec. 16. Indian lands.
Sec. 17. Repealer and savings provisions.
Sec. 18. Separability provisions.
Sec. 19. Construction of act.

Mr. MORSE. Mr. President, what do we find when we complete our analysis of the powers thus proposed to be given to the three Presidential appointees, under section 6 of this bill? I say what we find is that the bill would give those three men, appointed by the President of the United States, the arbitrary power, to all intents and purposes, to determine the economic policies which shall prevail in the Pacific Northwest.

Thus, I say to these Democratic politicians within the CIO in the State of Oregon that I am proud of the fact that no pressure from them will ever get me to agree to vote for a measure which seeks to vest in three bureaucrats the arbitrary power which could be practiced, if they wished to exercise it, under the terms of this CVA bill. I have said before on the floor of the Senate, and I repeat it now, Mr. President, that what we have to watch out for are procedures which would permit of the exercise of arbitrary, capricious, abusive power. If we find that the procedure proposed would allow such abusive practices, then the time to stop them is before the legislation is enacted.

That is one reason why I will not vote for this bill. I will not vote for it, because I see in section 6 the serious danger of unchecked, arbitrary, capricious power which the bill would place within the possession of three men. To my mind, Mr. President, the sound principle that our Government is a government of laws, not a government of men, is no empty platitude. To my mind, that principle of government carries with it an obligation on my part, as long as I am in the Senate of the United States, to oppose any measure which seeks to give to mere men the power which section 6 of this bill would give to the Presidential appointees under it, because I am satisfied that under the provisions of this bill three men could so abuse that power that, to all intents and purposes, they could administer the law so that the Government which would flow from it would be a government of men, not a government of laws.

No, Mr. President; not with my vote will the bill pass, even if my objections to it result in the opposition of the politicians within the CIO in the State of Oregon.

I am satisfied I am so dead right, as a matter of sound constitutional principle, on this point, Mr. President, that I believe that, given the time, the members of the CIO are going to see that I am right; and that when they walk into the voting booths, come next May and next November, they are not going to follow the advice of the Democratic politicians within the CIO in my State that they should vote against me because I will not put my stamp of approval on a proposed law which contains a section such as section 6 of this CVA bill, a section which, in my judgment, would take from the people of my State—from the workers in my State, from the farmers in my State, from every consumer in my State—what I think is a precious heritage and right in self-government.

Mr. President, I could go on and point out other criticisms I have for that bill; but I shall keep just a little political curiosity aroused in my State in regard to those objections, because I shall discuss those objections as the campaign proceeds. I have many more to this bill.

I hope the great rank and file of the voters of my State, who are not to be found among the extreme proponents of CVA or among the extreme opponents of CVA, will continue to take the position, which I am presently taking, that we should proceed with the hearings on this bill and should proceed to develop all the facts; and the hearings should be held out in that region. When the record is complete, and when we see the strengths and the weakness of this bill, let us then, in a spirit of doing what is best for the people themselves and what is best for the country as a whole, work out a piece of legislation which will protect the principles of government which I have sought to defend here tonight, and which will at the same time give us an efficient and an economical administration of these projects.

The senior Senator from Washington [Mr. MAGNUSON] and the junior Senator from Washington [Mr. CAIN], as well as the senior Senator from Oregon [Mr. CORDON] and myself, for months have been urging early hearings by the Senate committee in the field, in the States of Washington, Oregon, Idaho, and Montana. We thought those hearings were going to start immediately after the adjournment of this session of Congress; in fact, I know the Senator from Alabama [Mr. SPARKMAN], who has been very cooperative in this matter, has been trying to do his very best to get a schedule of such hearings set; and I thought the tentative arrangement was that very soon after this session of Congress adjourns, these hearings would be held in our section of the country. So I was no little disappointed when I read in the newspaper yesterday that it had been decided to postpone the hearings on CVA in the Pacific Northwest until some time after the first of the year. I think that is rather interesting. I am sure the Senator from Alabama would like to proceed with those hearings before January 1, because he has told me so. But now they are not going to have them.

Mr. President, you and I know that come the first of the year, with the Congress in session, it will be difficult to get any hearings out in the field, because the type of hearings we need in the field are extensive hearings; they are hearings that will permit the Senate committee that is sent there to conduct the hearings to call before it all the various groups and interests which have a vital concern in the proposed CVA law for our section of the country.

Mr. President, this law in a very real sense will determine the economic well-being of thousands of the people of the Pacific Northwest. It is a law that affects their daily economic living. They must have a voice in the determination of its policy, they should be allowed to voice their objections to it and their reasons for supporting it. I want every group in my State, those for and those against it, and those who merely have questions to ask, to have an opportunity to be heard on it. I think there are more of those who merely have questions to ask in my State than there are in both the groups that are for and those that are against it. The great majority of my people have many questions they want to ask about it, because they have much doubt about it. Under our system of government and in accordance with our basic principle of the right of our citizens to petition their Government, there ought to be extensive hearings. But, with the postponement of the hearings until at least sometime after the first of the year, Mr. President, you and I know there cannot possibly be extensive hearings while Congress is in session; and we are going into session immediately after the first of the year. I wonder why the change in administrative policy? I wonder whether it is possible, Mr. President—I wonder whether I am unkind in suggesting the possible suspicion that the sudden lack of interest in having the hearings may be due to the fact that there are at least some among the administration, not in the Senate but downtown, who think that by postponing the hearings they will have a better

chance of keeping this as a politically hot issue in Oregon during the course of my campaign? We shall see, if that is their strategy, what sort of political dividends it pays. I do not think it will pay any dividends. The smartest thing the administration could do would be to get busy as fast as it can to give the people of my State a hearing on the bill, and then proceed to modify the bill in accordance with what the facts brought out in those hearings will show.

I am perfectly satisfied, Mr. President, that when the Sparkman committee goes into the Pacific Northwest to conduct hearings, the factual data it will collect, the views and opinions it will receive from the various groups in my State and the other States of the Pacific Northwest will cause it to come back and propose thorough revision of Senate bill 1645. They ought to proceed to do it, and do it quickly. I tonight renew in behalf of myself and my colleague the senior Senator from Oregon, an offer of the full cooperation of the two Senators from Oregon to the administration in doing everything we can to facilitate the holding of such hearings in the State of Oregon. We again invite the administration to proceed at the earliest possible date with those hearings, so we may make a record of the facts and points of view that will be brought out in those hearings in respect to Senate bill 1645, which I have already had printed in the RECORD.

Mr. President, we not only should proceed with those hearings, and proceed to work upon the final piece of legislation which it must be admitted needs to be passed—at least some legislation needs to be passed—but there are some immediate steps we can take in regard to assuring greater efficiency and more economic administration of the projects already in existence; and these recommendations can very well be adopted now, with the idea in mind of applying them to projects and developments yet to be completed. There is an immediate step we can take in regard to assuring the American people that we are going to administer the projects with a greater efficiency and with less waste than has characterized some of our Government operations to date. I refer, of course, to the Hoover Commission reports and recommendations in respect to the various Federal agencies that have jurisdiction over the river-development projects.

Tonight, I want to make myself very clear on that. To the Senate and to the people of my State I say the presumption is in favor of the Hoover Commission recommendations regarding the reorganization of the executive branch of our Government. I intend not only to give those recommendations the benefit of the presumption but I intend at every opportunity that is given me in the Senate to vote for those recommendations, unless—and I emphasize the word "unless"—clear evidence can be advanced showing that any particular recommendation of the Hoover Commission pertaining to the proposed reorganization of the executive branch of our Government is not in the public interest. The work of the Hoover Commission has been of such outstanding merit that the burden of proof rests on those who say we should not adopt the proposals of the Hoover Commission for the reorganization of the executive branch of our Government.

Thus, Mr. President, I recommend to the Members of my party in the Congress of the United States that we make the Hoover reports a part of the Republican program for the development of greater efficiency and more economical practices in the affairs of our Government.

I am at a little loss to understand why some of my Republican brethren, with regard to some of these recommendations, are parties to movements to prevent their going into operation. Of course there are parts of these recommendations that impinge on the toes of some economic interests in our respective States. We all know that. But I refuse to believe, Mr. President, that in the Senate of the United States there is any considerable number of Members who will not place the welfare of the entire Nation ahead of and above the selfish economic interests of some particular group in their States that may be crying about the effects that some one of these recommendations may have upon their particular selfish interest. There are such selfish interests in my State. I have received much pressure mail and conversations from persons in my State who think the Army engineers are sacrosanct and that nothing must be done in the slightest direction of affecting the Army engineers as the proposals of the Hoover Commission affect them. I have replied that, having studied the Hoover reports, I shall vote for the Hoover recommendations which affect the Army engineers, because I do not know of anything in them which in any way would damage the Army engineers. There are those persons who say, "We must keep the Army engineers empowered with exactly the same authority they presently have in connection with public-works projects, because they need the practice and the training which the construction of these projects gives them, in case we go to war."

Of course the answer is that there is not one line in the Hoover Commission reports in respect to the Army engineers which in any way could take away from them any of the practice they need in building these projects. They will get just as much practice, but they will not have the same arbitrary power they now exercise in determining what projects are going to be built and what projects are going to be recommended to be built. We know what happens. They make their recommendations and go to the Bureau of the Budget, and many times the Bureau of the Budget turns them down. Does that stop the Army engineers from, nevertheless, proceeding in the Congress, through powerful friends they have, to try to get through their recommendations for the building of certain projects and not building other projects? Of course, when they make reports to the Congress they point out that the Bureau of the Budget disapproves, or that such and such a recommendation does not have the approval of the President, but, nevertheless, they go ahead, and we all know it, and use those means which they have come to use very effectively in getting Congress to take favorable action upon their recommendations, even though the administration has turned them down.

I say, Mr. President, that that is not an example of the greatest efficiency in our Government. I am inclined to think that Herbert Hoover, who certainly knows engineering problems, and who certainly cannot be charged with bias against engineers, has made very sound recommendations with respect to the merger of certain jurisdictional powers now existent in the Army engineers with the proposed new public works department which his report recommends.

Therefore, Mr. President, without taking the time to read it, and so it can be available as an easy reference in connection with the position I am taking with respect to the Hoover Commission reports, I ask unanimous consent to have printed at this point in my remarks certain sections of the recommendations of the Hoover Commission. I do so, Mr. President, because I want the people of my State who read this speech to know exactly what I mean when I say I stand for the adoption of the Hoover Commission recommendations in respect to public-works projects. I want them to see, as they read these specific recommendations in connection with the argument I have made tonight, that I am offering something very affirmative as a first step to be taken in bringing about a greater efficiency and economy in the administration of these projects.

I want to say to the Republican Party that if we would make this program of the Hoover Commission a part of our program, as a party, for improvement in efficiency and the more economical operation of our Government, we would have, on this point at least, an answer to those cynics who say, "What does the Republican Party actually stand for, affirmatively? It is always against everything. For what does it stand?" Here is part of my answer in respect to this particular subject matter. I think the Republican Party ought to stand for the adoption of the Hoover recommendations with respect to the development of these great resources and the administration of the projects which are built in connection with that development.

Therefore I ask unanimous consent to have printed at this point in the record that section of the Hoover Commission reports headed "High-lighting," dealing with the Department of Agriculture, beginning on page 55 and extending to page 59.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

VI. DEPARTMENT OF AGRICULTURE

(NOTE.—Page citations to the Commission report entitled "Department of Agriculture" are preceded by the symbol "DA"; those to the task force report Agriculture Activities, which was printed as appendix M, by the symbol "M.")

The Government's agricultural activities have grown tremendously. In the last 20 years the Department of Agriculture has expanded from about 22,000 employees to over 82,000, and expenditures have increased from about $25,800,000 to $834,000,000 in the fiscal year 1948. (DA-1.)

The major objective of the Department of Agriculture is to promote the Nation's welfare through an improved economic and social status for the farm home and the farm life. The numerous reorganizations undertaken in the Department since 1941 indicate the difficulty of establishing an organization structure sufficiently comprehensive and flexible to meet changes in public policy without disrupting its essential unity. Such an organization the Department does not now have. (DA–2; M–xiv.)

1. The Department of Agriculture has grown to its present size without sufficient integration of its parts. It is in many ways a loose confederation of autonomous bureaus with a strong tendency to develop independent programs with considerable overlapping and duplication. (DA–3.)

Twenty or more different offices, bureaus, services, and administrations report directly to the Secretary. Obviously this creates a tremendous task of management that is beyond the capacity of the Secretary's Office, regardless of the number of assistant secretaries. (M–xiii.)

2. There are agricultural activities in other parts of the Government which overlap and duplicate those in the Department of Agriculture. (DA–3; M–xiii.)

The inspection of agricultural products for the protection of the consumer and the farmer is scattered through many agencies of the Government, and the resulting confusion required producers and manufacturers to comply with regulations issued by agencies of two or more departments or administrations. (DA–4.)

Twenty-one laws regulating labeling, advertising, and purity of food and drugs are administered by various Government agencies, such as several bureaus and administrations in the Department of Agriculture, the Food and Drug Administration and the Public Health Service of the Federal Security Agency, the Federal Trade Commission, and the Bureau of Internal Revenue. Among the results of such diversity of administration are conflicting standards and unnecessary duplication of activities at both the Washington and field levels. A few random examples of confusion are:

Requirements for labeling and advertising of foods and drugs should be substantially identical; the same misrepresentations are likely to occur in both labeling and advertising and should be dealt with at the same time. Labeling is handled by the Federal Security Agency and advertising by the Federal Trade Commission with diverse requirements enforced through diverse procedures. Many chemicals have multiple uses. Insecticides or rodenticides are regulated under the Federal Security Agency, while insecticides, fungicides, and rodenticides are inspected also by the Department of Agriculture. Likewise, single-use products such as disinfectants, mold preventives, or products for treatment of fungicidal skin diseases, may fall within both Departments. Viruses, serums, and toxins for human use are regulated by the Federal Security Agency, while their animal uses are regulated by Agriculture. Voluntary standards for grading fruits, vegetables, and other agricultural products to facilitate trade transactions are extended by the Department through educational processes to the consumer, and yet are at variance with standards for foods developed for consumer protection by the Federal Security Agency. Adulteration of meat and other food products falls under the Meat Inspection Act administered by the Department of Agriculture and also under the food and drugs laws administered by the Federal Security Agency. There are innumerable illustrations of what happens to the producer. As a result, a manufacturer of a rat poison containing strychnine must comply with regulations of the Department of Agriculture, while the same or another manufacturer of a pharmaceutical product using strychnine as a drug must comply with regulations administered by the Federal Security Agency. (DA–22–23; M–53–54.)

Long-continued friction between the Bureau of Reclamation in the Department of the Interior and the Department of Agriculture has marked the planning and operation of irrigation projects. At times, as in 1945, proposed programs have gone to Congress before the Department of Agriculture knew about them. (DA–20–21.)

There has been a long and wasteful conflict and overlap between certain soil-conservation, range, forest, and allied services due to the division of their functions between the Department of Agriculture and the Department of the Interior. One of the most important areas of duplication relates to the management of the forest and range lands of the public domain. The Forest Service, the Bureau of Land Management, and, in some areas, the Soil Conservation Service operate on adjacent or intermingled Federal land areas under different policies. Many ranchers run their livestock on both the national-forest pastures and lands in public grazing districts. They must obtain separate permits with different terms and conditions from the different Federal agencies, and their grazing resources and livestock plans must be reviewed by each agency. (DA–24–25.)

A similar situation prevails on Federal forest lands. The Forest Service and the Bureau of Land Management administer these lands under different policies. A striking case is the intermingled or adjacent timber on some 2,500,000 acres scattered in checkerboard fashion along both sides of the Willamette Valley. On these lands, the Bureau of Land Management conducts a program of forest management which parallels but differs in important details from the one long in force on the intermingled national forests. Two sets of regional and local forest officers carry on these duplicating activities. (DA–25.)

The conflict extends to payments made to local governments in lieu of taxes. The Bureau of Land Management at present must return 50 percent of gross revenues from certain lands to local governments, while the Forest Service is required to return only 25 percent of the gross revenues from the national-forest lands. (DA–25.)

3. There is wasteful overlapping and duplication not only in the Department of Agriculture itself but also between it and State and county services. The field organization of the Department is not integrated; few of the Department's agencies maintain joint or common field stations. The farmer must consequently deal with many separate agencies, which too often follow conflicting policies. (DA–3; M–xiii.)

The Cooperative Extension Service, which was established as a medium for carrying educational programs to the public, has often been bypassed by departmental agencies whose parallel work in educational fields reaches into the counties and to individual farms. (DA–3; M–xiii.)

State governments operate effective agriculture departments, but in recent years the United States Department of Agriculture has not taken full advantage of these organizations and has thereby produced some duplication of effort at local levels. (DA–13.)

There are many separate Federal field services at the county level. These include the Soil Conservation Service, Extension Service, Farmers Home Administration, Production and Marketing Administration with its conservation-payment program and school-lunch program, Farm Credit Administration through its Production Credit Associations and National Farm Loan Associations, and the Rural Electrification Administration. In addition, the Forest Service may be represented by Federal-State farm forest management advisers; the Bureau of Animal Industry by specialists on animal-disease-eradication programs, and the Bureau of Entomology and Plant Quarantine by others who work on plant-disease eradication and insect control. Separate from those of the Department of Agriculture, representatives of the Veterans' Administration are usually present to administer the on-farm industrial training program for veterans. Farm labor representatives of the Federal-State Employment Service may also be in the field at the county level. (DA–14.)

A few examples of duplication of activities at the county level are: In a single cotton-producing county in Georgia, 47 employees attached to 7 distinct and separate field services of the Department of Agriculture were working with 1,500 farmers. A fruit and grazing county in the State of Washington has 184 employees of separate field services working with some 6,700 farmers. A dairy county in Maryland has 88 employees attached to these field services working with less than 3,400 farmers. In these and other counties, representatives of each agency frequently advise the same farmers on the same problems. Farmers are confused and irritated, as climaxed in one Missouri county where a farmer recently received from five different agencies varying advice on the application of fertilizer on his farm. (DA–13–14.)

4. The Department has established a multitude of advisory committees of farmers, at a cost exceeding $5,000,000 a year. These local committees, instead of serving in an advisory capacity to coordinate or bring the different programs together into a unified program that envisages the farm as a whole, have multiplied in number, their members tending to become Federal employees of the uncoordinated agencies, with administrative functions. (DA–3–4, 14–15; M–xiii–xiv.)

The task force recommends that only one committee be set up in each county and that each be purely advisory on program formulation and operation. The estimated costs of such committees for the entire Nation need not exceed $700,000. (DA–15.)

5. The present systems of budgeting, treatment of intradepartmental funds, and earmarking of recurring funds have the cumulative effect of obscuring bureau expenditures and of promoting waste. (DA–4.)

A study of the costs of the bureaus in the department demonstrates how misleading and confusing is the present system of reporting in the Treasury combined statements. Because the intradepartmental transfers of funds are excluded from the Treasury report, the true cost of an individual bureau cannot be determined until such transfers are recorded in the budget document 2 years after the money has been spent. (M–xv.)

The practice of canceling Commodity Credit Corporation notes as an offset to the Corporation's losses, rather than restoring them by appropriations, conceals the true picture of costs, since the Treasury combined statements now report the restoration of capital by cancellation of notes as a public-debt transaction, not a budget expenditure. (M–xv.)

Some years ago, Congress granted to the Department of Agriculture the use of 30 percent of certain customs receipts for various purposes. Under this arrangement, both the responsibility of Congress for appropriations and Government accounting are obscured. (DA–19.)

6. The services and policies of the various farm-credit agencies overlap. Their organization is contrary to sound banking principles. Some of them make loans which require costly individual supervision. (DA–4.)

The Government has an investment of about $2,000,000,000 in these agencies. The administrative costs of these agencies to the

Federal Government might be reduced by more than $36,000,000 and much larger sums could be saved by better organized lending activities. (DA-20.)

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD the section of the Hoover Commission report dealing with the Department of the Interior, beginning on page 82 and extending to page 89.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

1. The Department has been steadily stripped of functions at one time established within it, and has lost much of its significance. With the widening of Federal policy in the field of labor, there has been a growing tendency to set up specialized labor services outside of the Department, either as independent establishments or as subordinate units of other related agencies, thus causing a diffusion of labor functions throughout the Government. (DL-1, 4.)

The United States Employment Service was transferred in 1939 to the Federal Security Agency, where it has remained except for the period from 1945 to 1948.

The Immigration and Naturalization Service was transferred to the Department of Justice in 1940.

Except for its labor functions, the Children's Bureau was transferred to the Federal Security Agency in 1946.

The Labor-Management Relations Act of 1947 transferred the conciliation activities of the Department to an independent Federal Mediation and Conciliation Service. (DL-1.)

2. On the other hand, two small units, the Bureau of Veterans' Reemployment Rights and the Office of International Labor Affairs, were established in the Department in 1947. (DL-2.)

XIV. DEPARTMENT OF THE INTERIOR

(NOTE.—Page citations to the Commission report entitled "Department of the Interior" are preceded by the symbol "DI"; those to the task force report "Natural Resources," which was printed as appendix L, by the symbol "L"; those to the task force report "Public Works," which was printed as appendix Q, by the symbol "Q.")

The organization of a department dealing with natural resources and public works was proposed by the Joint Congressional and Presidential Committee on Reorganization of 1924, again in a Presidential message in 1932, and again by the President's Committee on Administrative Management in 1937. Had such a department been created 25 years ago, hundreds of millions of dollars would have been saved to the public over these years. Today it is a complete necessity, in order to secure coordinated policies in these fields and eliminate disastrous conflicts and overlaps which cost the taxpayers enormous sums annually. (DI-1, 17.)

The magnitude of the problem is indicated by the fact that approximately 100,000 persons (plus other thousands employed by the contractors) are employed in the agencies which would be grouped together to deal with natural resources and public-works construction. Their 1949 appropriations exceeded $1,300,000,000. To complete the works now in construction will call for over $5,500,000,000. Projects authorized by Congress but not yet started will call for $7,300,000,000 more. In addition to these totals of over $15,000,000,000, there are projects contemplated which exceed $30,000,000,000. (DI-1-2.)

These staggering sums, especially in view of the increasing tempo of construction, call for the most intensive scrutiny of fundamental objectives, specific policies, and administrative arrangements with respect to this phase of the Federal Government's activities. In the past, projects have been carried through which should never have been undertaken at all; others have been wastefully constructed without regard to important potential uses; still other have been premature. Bad accounting methods have consistently underestimated costs. Inadequate basic data, interagency competition, and local political pressures bear the primary responsibility for this extravagance and waste. (L-16, 3.)

WATER RESOURCES

There are glaring defects in the organization of water development and use services. Under conflicting laws, rival Federal agencies compete for taxpayer money in what often appear to be premature and unsound river-development projects, duplicating each other's surveys and bidding against each other for local support at national expense. (DI-26; L-1.)

1. There is no effective agency for the screening and review of proposed projects to determine their economic and social worth. There is no effective review of the timing of the undertaking of these projects in relation to the economic need or financial ability of the Nation to build them. (DI-26.)

Some effort has been made by the Bureau of the Budget to review and coordinate projects, but this clearance procedure has not been adequate. For one thing, project reports are submitted for review only after they are completed and long after plans have been publicized. It is then too late for effective coordination, for eliminating unfeasible projects, or for reconciling conflicting plans of the Army Corps of Engineers and the Interior's Bureau of Reclamation. The Corps of Engineers generally makes no effort to change a completed report when informed by the Budget Bureau that the report is not in accord with the President's program. It submits the report to Congress with its favorable recommendation, but accompanied by a statement as to the advice received from the Budget Bureau. (L-26-27.)

The Budget Bureau does not have the staff to make a thorough review of all proposed projects. Two professional staff members have to review all public-works projects under Executive Order 9384. Confronted with the completed, conflicting plans of two development agencies, working from the vaguest sort of statutory and administrative standards of feasibility and of benefit-cost evaluation, and operating with two professional staff members, the Budget Bureau as now staffed obviously cannot provide an adequate review. (L-27.)

Of 436 reports by the Corps of Engineers recommending Federal improvements, the Budget Bureau made some reservations or comments on 76. Although it held that 42 of the projects were not in accord with the President's program, the Corps of Engineers submitted reports on all of these with favorable recommendations, and Congress authorized 36 of them. Of the total of 76 projects on which the Bureau had some objection, Congress authorized 62, 7 have either been abandoned or rejected, and 7 have not yet been formally considered by Congress. (L. 98-99.)

One result of inadequate evaluation of projects is illustrated by underestimation of costs when presented to Congress. Some part of underestimation is no doubt due to subsequent increase of costs of labor and materials. But some underestimates by the Bureau of Reclamation—such as, for example, the Colorado-Big Thompson project, which increased from $44,000,000 to $131,800,000; the Hungry Horse project in Montana, from $6,300,000 to $93,500,000; the Central Valley of California, from $170,000,000 to probably over several hundred million dollars—hardly can be explained by increase in labor and material costs. (DI-6.)

2. There is duplication and overlap of effort, as well as conflict of policy, among the agencies concerned with water-resources development, chiefly between the Army Corps of Engineers and the Bureau of Reclamation in the construction of and jurisdiction over projects. (DI-26.)

The activities of the Corps of Engineers and the Bureau of Reclamation have developed under separate statutes based on conflicting policies: the one under navigation law which recognized the right of the Federal Government to control navigation and its obligation to build and pay for the necessary work; the other under reclamation law which is founded on the principle that the Federal Government should plan, finance, and construct major irrigation works in cooperation with States and local groups, but that the various beneficiaries should ultimately repay project costs in full. Inconsistent statutory authority has promoted conflict of jurisdiction between the two agencies. (L-79.)

The original responsibility of the Corps of Engineers for navigation improvements was expanded to cover flood control and other purposes incidental or related to flood protective works. The original responsibiltiy of the Bureau of Reclamation for irrigation was expanded to include other potential by-products of irrigation structures. Thus, one agency working upstream met the other agency coming down. Now we are witnessing the spectacle of both agencies contending for the authorization, construction, and operation of projects in the same river basins; for example, in the Central Valley, Columbia, and Missouri Basins. (L-23.)

Further administrative confusion was created with the creation of the Federal Power Commission, with jurisdiction over applications from private concerns for licenses to develop hydroelectric power on navigable streams and with authority to conduct comprehensive river-basin surveys with a view to determining how maximum benefits could best be attained. Moreover, while the Corps of Engineers was given responsibility for flood protection on the main streams, responsibility for flood protection in the upper watersheds was given to the Department of Agriculture. (L-22-23.)

The conflict of authority between the Corps of Engineers and the Bureau of Reclamation exists only in the 17 Western States, but the situation for the Nation as a whole is also highly confused. The Corps of Engineers is the principal survey and development agency, but has only minor authority in the Tennessee River Basin, where the TVA experiment was set up. Elsewhere the corps must share its authority: (1) on installation of power-generating equipment with the Federal Power Commission; (2) on disposal of all surplus power generated at its projects, with the Secretary of the Interior; (3) on fish and wildlife conservation, with the Fish and Wildlife Service; and (4) on pollution abatement, with the Public Health Service. (L-23.)

Division of responsibility means duplication of surveys and investigations. Elaborate basin-wide surveys and plans have been made in several instances by the Corps of Engineers and the Bureau of Reclamation, in addition to the comprehensive basin surveys made by the Federal Power Commission and the watershed surveys of the Department of Agriculture. (L-23-24.)

Actual duplication of functions, however, is probably less costly than the hurried planning which interagency competition inevitably produces. The Corps of Engineers and the Bureau of Reclamation try to outdo each other. Each tries to stake out claims in advance of the other. Each completes its basin surveys as quickly as possible, and proposes its development plan for authorization. The President and Congress are presented with conflicting proposals prepared by agencies with different water-use philosophies. More dangerous than the duplication is the fact that the agencies are encouraged to compete for the support of local interests by each

offering the beneficiaries a more attractive proposition. Such competition shifts the financial burden from the actual project beneficiaries to the Federal taxpayer. (L–24, 66.)

An example of duplication and conflict may be found in the plans for a project at Hell's Canyon, Idaho. These were duplicated at a cost very roughly estimated at about $250,000 each by the Corps of Engineers and the Bureau of Reclamation. They differed in essential particulars of construction and by over $75,000,000 in cost of erection. (DI–31.)

The agencies sometimes compromise their differences. After sharp clashes over plans for the development of the Missouri Basin, the corps and the Bureau announced complete agreement on the Pick-Sloan plan. Analysis of that plan reveals the fact that it contains many projects which previously had been subject to devastating criticism by one or the other agency. The compromise consisted for the most part in a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other. The result is in no sense an integrated development plan for the basin, and there is serious question in this case whether agreement between the two agencies is not more costly to the public than disagreement. (L–24.)

There is an inherent conflict between the most efficient operation of storage dams for the purpose of flood control and of dams used for the generation of hydroelectric power. Flood control requires empty storage space prior to the high-water season, the storage of water during the flood season, and the emptying of the dams during dry spells. The generation of hydroelectric power needs as nearly an even flow of water as possible the year around. And the irrigation cycle, which requires storage of water in the winter months and its release in the summer, conflicts with the continuous flow of water required for electrical operations. As flood control concepts are in the hands of one agency and power concepts in another, there is inevitable conflict of highest importance in design and operation. (DI–26–27.)

3. National water policies have been adopted on a piecemeal basis, without a comprehensive and consistent development policy. (L–20.)

There are no clear standards of project feasibility and of benefit-cost evaluation. Flood-control projects are considered feasible if costs are exceeded by benefits, these being defined in the broadest terms. Feasibility of irrigation projects, on the other hand, is determined on the basis of ability to repay reimbursable costs. There are no legislative standards at all to govern the administrative evaluation of benefits and costs, and the administrative agencies themselves have not developed clear and consistent standards, despite the efforts of several interdepartmental committees. Notwithstanding these lax standards, special legislative authorization is not infrequently given for projects which administrative agencies determine to be not feasible under general statutory provisions. To add to the confusion, different types of projects are considered for authorization by different congressional committees under different legislative procedures. (L–20–21.)

Financial and repayment policies, important for reasons of equity, economy, and interagency relations, are seriously defective. Costs of irrigation, water supply, and power are reimbursable. Flood-control, drainage, and navigation benefits generally are not. Thus a farmer whose land is dry has to pay for improvements resulting from irrigation, while a farmer whose lands are marshy or periodically flooded may receive free benefits from flood-control and drainage improvements. (L–21.)

An added complication lies in the difficulty of allocating project costs among the various project purposes. Serious discrimination among beneficiaries may arise from inequitable cost allocations. (L–21.)

In addition to creating inequities among beneficiaries and a drain on the Federal Treasury, inconsistencies regarding repayment policies also are a source of friction between the Corps of Engineers and the Bureau of Reclamation. The corps, emphasizing navigation and flood control, can offer more "free" improvements than the Bureau, whose projects are primarily for the purpose of irrigation. This difference is intensified by antispeculation provisions and acreage limitations of reclamation projects, than have counterpart in projects built by the Corps of Engineers. (L–21–22.)

4. The division of activities in the area of water development between different agencies has resulted in no adequate provision of hydrologic data. We find ourselves embarking on the most gigantic water projects ever devised, with alarming gaps in our knowledge of the probable behavior of the waters we are trying to control and utilize. So serious are these deficiencies that it is estimated on the basis of experience that the limit of error or ignorance in present water developments is rarely less than 25 percent, and is frequently greater than that. (DI–33; L–18–19.)

Few areas are even adequately mapped for water-development purposes. In the Columbia Basin, for example, less than half of the watershed has been topographically mapped or has had ground-control lines established. Stream-survey and stream-gaging programs have lagged far behind project planning. Conditions in the Missouri Basin are equally unsatisfactory. (L–19.)

The most spectacular form of losses due to lack of adequate hydrologic data is the failure of dams as the result of overtopping by floods. Made cautious by the number of such catastrophes in the past, engineers now tend to overbuild where adequate data are lacking, and as a result we have an increasing number of elaborate spillways, power plants, and water-supply systems. Losses from overbuilding of structures are less spectacular than those that occur from underbuilding, but may turn out to be even more costly. (L–19.)

5. The hydroelectric and steam power operations of the Government have attained great magnitude. It is estimated that by 1960 the Government will have 172 plants with a capacity of about 20,233,637 kilowatts. Transmission lines now exceed 14,000 miles. (DI–20–21.)

The total installed electrical generating capacity in the Nation in June 1947 owned by private enterprise, municipalities, and the Federal Government was about 52,000,000 kilowatts. Allowing for increased installation of private and municipal plants during the next 5 years, plants of the Federal Government will be producing probably 15 to 20 percent of the power supply of the whole country by that time. (DI–21.)

6. Prior to 1936 the States were required to contribute to flood control, but the removal of this condition in 1938 in respect to reservoir projects has, in effect, imposed the whole burden upon the Federal Government and at the same time removed effective restraints on projects of doubtful feasibility. (DI–37.)

LAND AND MINERAL RESOURCES

The public domain embraces more than 400,000,000 acres in the continental United States, of which about 85 percent are large holdings set apart by special acts of Congress for the conservation of their resources. Within their boundaries are found some of the Nation's finest timber stands, invaluable mineral deposits, millions of acres of grazing land, large quantities of wildlife, and scenery of outstanding beauty. Except in the case of national parks and some national monuments, most public lands must, in the interests of good land management, be made subject to several (multiple) uses: forestry, grazing, recreation, fish and wildlife protection, and so forth. All of the major agencies administering public lands—the Forest Service, the Indian Service, the National Park Service, the Fish and Wildlife Service, and the Bureau of Land Management—are faced with the problem of applying the multiple use principle of land management. Divided jurisdiction over respective land uses, however, has lead to many inter-agency conflicts. (L–40, 184, 215.)

1. One of the most important areas of duplication in Government organization relates to management of the forest and range lands of the public domain. The Forest Service, the Bureau of Land Management, and, in some areas of the West, the Soil Conservation Service, operate adjacent or intermingled Federal land areas under differing statutory and administrative policies. (L–42.)

The Forest Service of the Department of Agriculture and the Bureau of Land Management of the Department of the Interior both have extensive forest holdings under their jurisdictions. They maintain parallel forest administrations in the same area where forest lands are adjacent and of the same type. (L–189.)

A similar situation applies in the management of range lands by these two agencies. Both agencies have established duplicating organizations and overlapping facilities. Different administrative rules and regulations applying to the same kind of lands have contributed to public confusion and irritation. Ranchers who must deal with both agencies are required to obtain separate permits with different terms and conditions, under different rules at different offices, often at different locations. (L–42, 190, 195.)

2. Adequate records and surveys are indispensable to efficient land-management programs. Yet the Federal Government has been laggard in the surveying and classification of large areas of the public domain. Moreover, there are more than 60 Federal agencies which, incidental to their regular operations, have responsibility for acquisition, administration, or disposal of Federal lands. From the standpoint of over-all organization, it would seem advisable to have at least a record of all public-land holdings in one agency. (L–46–47.)

3. There are some 25 agencies in the Government which have to do with mineral resources. They involve extensive duplication, much of which could be avoided by a consolidation and a more systematic source of information and advice. (DI–44.)

PUBLIC WORKS

Recent studies show that over $100,000,000,000 will be required to insure reasonably adequate public facilities in the Federal, regional, State, and municipal fields. One Government economist, basing his figures on apparently reliable estimates issued by the various Federal departments engaged in public works, lists the cost of bringing our present highways up to a reasonably workable system at $30,000,000,000; public buildings at $12,000,000,000; recreational facilities at $7,000,000,000; regional development work at $11,000,000,000; and sanitation, water supply, and similar facilities at $6,000,000,000. (Q–7.)

1. Major public building construction is now carried on by many departments or agencies of the Federal Government, involving an expenditure estimated in the 1950 budget of some $1,200,000,000. The placing of such work in one department would secure more adequate technical supervision; link such work with other major construction; eliminate competition for labor and materials within the Government; and plan construction work to meet the economic situation. (DI–41.)

2. Experience in the last depression brought home to Federal and local officials the importance of advance planning for future emergencies. During the depression years 1932–38, the public-works-relief program cost $24,000,000,000, of which $18,500,000,000 were Federal funds. Because of lack of advance plans, worth-while projects were delayed or abandoned, while makeshift devices were resorted to in an effort to minimize "boondoggling." To date considerable progress has been made by the Federal Works Agency on a shelf of plans for future use, although aggregating nothing like the total required. At present we have available through Federal, State, and local appropriations a reservoir of projects estimated to cost about $5,000,000,000. (Q–4–6.)

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in my remarks, following the material in connection with the Department of the Interior, the summary of recommendations of the Hoover Commission starting on page 113 and extending to page 115, dealing with the Department of Agriculture.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

VI. DEPARTMENT OF AGRICULTURE

ORGANIZATION

1. "In general, we recommend an extension of the functional organization of the Department and a better grouping of activities related to the same major purpose" (p. 5).

2. "We recommend that the present positions of Under Secretary and Assistant Secretary be retained and that an additional Assistant Secretary and an Administrative Assistant Secretary be added" (p. 8).

3. "We recommend a thorough overhaul of the organization of the Department, at State, county, and farmer levels" (p. 13).

4. "We recommend that Department of Agriculture councils comprising representatives of the several departmental services in each county be organized to exchange information on their programs" (p. 15).

5. "In view of the widespread activities of the State governments in agriculture, the commission recommends that, except in the most unusual circumstances, activities that are services to individual farmers should be administered in the field by departmental employees through offices based on the States as units. The services at county levels and to farmer units should be so merged as to reduce the number of duplicating and unnecessary employees, with due regard to avoiding divided authority" (p. 16).

6. "We recommend the establishment of one State council in each State, and one county council in each agricultural county, as aids to orderly operations in the field" (p. 16).

PROGRAMS AND POLICIES

7. "In the future, new Federal agricultural research stations should generally be established only where existing joint Federal-State facilities cannot be developed to fill the need" (p. 17).

8. "We recommend that conservation payments to a farmer should be restricted to those which will bring about the adoption of complete and balanced conservation programs on his farm" (p. 17).

9. "We recommend that adjustment programs with respect to commodities and commodity groups should be operated on a stand-by, rather than a continuous, basis" (p. 18).

10. "To obtain economy and efficiency, this Commission recommends that inspection costs on farm products, when imposed for the benefit and protection of the general public, be paid by the Federal Government. Inspection and grading services primarily for the benefit or protection of producers or processors should be paid for by the producers or processors" (p. 18).

11. "We recommend that customs receipts now allotted directly to the Department be paid into the Treasury and that direct annual appropriations be made by the Congress for specified purposes" (p. 19).

12. "We recommend that the Department of Agriculture be required to report to the President and the Congress on all irrigation or reclamation projects about their use or timeliness" (p. 21).

TRANSFER OF FUNCTIONS

13. "This Commission recommends that all regulatory functions * * * relating to food products be transferred to the Department of Agriculture and that those relating to other products be placed under a reorganized Drug Bureau administered by the Public Health Agency" (p. 23).

14. "Our three task forces on agriculture, natural resources, and public works all urgently recommend the consolidation of these agencies [i. e., the Forest Service, Bureau of Land Management (Interior Department), and Soil Conservation Service]. It has been urged for many years by students of government. The Commission agrees with this recommendation" (p. 26).

15. "This Commission believes that logic and public policy require that major land agencies be grouped in the Department of Agriculture. It recommends that the land activities of the Department of the Interior, chiefly the public domain (except mineral questions) and the Oregon and California revested lands be transferred to the Department of Agriculture and that the water development activities (except the local farm supply of water) be transferred to the Department of the Interior" (p. 26).

MANAGEMENT SURVEY

16. "We recommend that on completion of the organization of the Department, as contemplated in this report, the Secretary of Agriculture institute immediately a comprehensive management survey to determine further savings, and to eliminate facilities, stations, and offices that duplicate facilities and work otherwise conducted by the Department or the States" (pp. 26–27).

VII. BUDGETING AND ACCOUNTING

THE BUDGET

1. "We recommend that the whole budgetary concept of the Federal Government should be refashioned by the adoption of a budget based upon functions, activities, and projects: this we designate as a 'performance budget' " (p. 8).

2. "We recommend to the Congress that a complete survey of the appropriation structure should be undertaken without delay" (p. 13).

3. "We recommend that the budget estimates of all operating departments and agencies should be divided into two primary categories—current operating expenditures and capital outlays" (p. 16).

4. "We recommend that it is in the public interest that * * * the President should have authority to reduce expenditures under appropriations, if the purposes intended by the Congress are still carried out" (p. 17).

OFFICE OF THE BUDGET

5. "Commission recommends that the review and revision by the Estimates Division of the Office of the Budget be done from the first to the final stages in conjunction with representatives of the Administrative Management and Fiscal Divisions" (p. 23).

6. "The Commission recommends the development of much closer relations between the constituent divisions of the Office of the Budget and with such agencies as the President's personal staff, the Treasury Department, the Economic Adviser, and the National Security Resources Board" (p. 26).

7. "In dealing with the budgets of the executive departments and agencies, the Office of the Budget should place much greater emphasis on the developing of policies and standards to govern the preparation of estimates, and on the development of adequate budget work in the departments themselves, and comparatively less on the review by its own staff of the details of departmental estimates. * * * Further emphasis should be placed on the management research function, particularly as it affects the field services" (pp. 28–29).

8. "The Commission recommends that the President be given the means and authority to supervise all publications of the executive branch and that he delegate this authority to a responsible official in the Office of the Budget" (p. 30).

Mr. MORSE. Mr. President, I ask unanimous consent to have printed, following the last insertion, that part of the Hoover Commission report dealing with the recommendations as to the Department of the Interior, beginning on page 124, and extending to page 127.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

XIV. DEPARTMENT OF THE INTERIOR

REVIEW AND COORDINATION

1. "There is no adequate check in the Government upon the validity or timing of development projects and their relation to the economy of the country. We, therefore, recommend the creation of a board of impartial analysis for engineering and architectural projects which shall review and report to the President and the Congress on the public and economic value of project proposals by the Department. * * * The board * * * should be appointed by the President and be included in the President's office" (pp. 2–4).

ORGANIZATION

2. "We recommend that the Department of the Interior should be thoroughly reorganized along more functional and major purpose lines" (p. 7).

3. "We recommend that the agencies listed below should be transferred to other offices or departments to which they are functionally more closely related: (a) The Bureau of Indian Affairs to a new department for social security, education, and Indian affairs. (b) The Bureau of Land Management (except minerals) to the Department of Agriculture. (c) The Commercial Fisheries from the Fish and Wildlife Service to the Department of Commerce" (pp. 7–8).

4. "We recommend that the following agencies related to the major purposes of the Department be transferred to it: (a) Flood control and rivers and harbors improvement from the Department of the Army. (b) Public-building construction from the Federal Works Agency. (c) Community services from the Federal Works Agency. (d) Certain major construction to be assigned on behalf of other agencies * * *" (pp. 8–10).

5. "We recommend that the top officials of the Department in addition to the Secretary and his personal assistants should be: (a) Under Secretary and his personal assistants. (b) Two Assistant Secretaries, as at present. (c) Additional Assistant Secretary. (d) Administrative Assistant Secretary. (e) Solicitor" (p. 12).

6. "We recommend that * * * the Administrative Assistant Secretary preferably be appointed from the career service" (p. 13).

7. "The Commission * * * recommends that all officials below the rank of Assistant Secretary be appointed by the Secretary, preferably from the career service" (p. 13).

8. "We recommend as logical and practical the following major purpose assignments of the reorganized department functions: Water development and use services, building construction services, mineral resources services, recreation services, territories and possessions" (pp. 15–16).

9. "For * * * many reasons * * * we recommend that the rivers and harbors and flood-control activities of the Corps of Engineers be transferred to the Department of the Interior and that any Army engineers who can be spared from military duties be detailed to the Department in positions similar to those which they now hold in the Corps of Engineers" (p. 35).

WATER DEVELOPMENT ACTIVITIES

10. "We recommend a clarification and codification of the laws pertaining to the Bureau of Reclamation" (p. 36).

11. "The Commission recommends that a Drainage Area Advisory Commission be created for each major drainage area, comprising representatives of the proposed Water Development and Use Service of the Department of the Interior, the proposed Agricultural Resources Conservation Service in the Department of Agriculture, and that each State concerned should be asked to appoint a representative. The purpose of these drainage boards should be coordinating and advisory, not administrative" (p. 38).

12. "The Commission * * * recommends that the responsibility for negotiating international agreements continue with the State Department, but that all construction be made a function of the Water Development and Use Service" (p. 38).

13. "The Commission is convinced that the Department of Agriculture should play a more significant role with respect to irrigation than has been the case in the past. Therefore, we recommend that no irrigation or reclamation project be undertaken without a report to the Board of Impartial Analysis by the Department of Agriculture" (p. 39).

MINERAL RESOURCES

14. "We recommend that, in connection with its financing, the Reconstruction Finance Corporation should secure reports from the proposed Mineral Resources Service of the Department of the Interior" (p. 45).

15. "The tin smelter at Texas City, Tex., * * * should be allied with the Research and Technical Services of the Bureau of Mines in the Mineral Resources Service. We recommend that this enterprise should be operated by the Bureau of Mines" (p. 45).

XV. SOCIAL SECURITY—EDUCATION

INDIAN AFFAIRS

New department

1. "We recommend that a new department to administer the functions set forth in this report be created and headed by a Cabinet officer" (p. 6).

2. "We recommend that—the Department's top—officials be appointed by the President and confirmed by the Senate, but that all officials in the Department below the rank of Assistant Secretary be appointed by the Secretary" (p. 9).

Social security

3. "We recommend that, as soon as the integrated new Department develops a more unified approach to grants-in-aid, the Children's Bureau be divested of grant functions and the Bureau shifted to a general staff capacity to the Secretary" (p. 17).

4. "The Eighth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund has stated: '* * * There is need for a review of the old-age and survivors insurance program covering not only the benefit formula, the coverage of the system, and the scope of protection afforded, but also contributions and financial policy.' We recommend that such a review be made" (p. 22).

5. "At the present time there are several contributory retirement systems operating within the Federal Government. * * * We recommend that a study be made to determined whether these systems * * * should be merged" (pp. 23–24).

6. "The Commission recommends the retention of the Railroad Retirement Board in its present status" (p. 26).

Education

7. "There are those who believe that * * * various educational programs should be concentrated in the Office of Education. This Commission believes, however, that these educational programs must be administered by the agencies whose functions the particular programs serve to promote" (p. 32).

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed at this point in my remarks material taken from the task force report on public works, appendix Q, prepared for the Commission on Organization of the Executive Branch of the Government, January 1949, beginning on page 1 and extending to page 26.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

I. REPORT OF CHIEF CONSULTANT

OCTOBER 21, 1948.

Hon. HERBERT HOOVER,
Chairman, Commission on Organization of the Executive Branch of the Government, Washington, D. C.

DEAR MR. PRESIDENT: While the staff and consultants as well as the distinguished advisers who have been invited to join the Public Works Task Force are by training and experience particularly interested in major public and quasi-public works, we have tried conscientiously to bring to our study and report sufficient detachment and objectivity to make our conclusions valuable to the Organization Commission, and consistent with the findings of the various other task forces whose functions to some extent overlap and even conflict with ours.

FUNCTIONS OF THE PUBLIC WORKS TASK FORCE

We are neither propagandists nor special pleaders for a Works Department, but are called upon to give disinterested patriotic advice to the Commission on the basis of our experience. It is not our duty to tap the political barometer, anticipate opposition not based on merit, and offer compromises to conciliate possible opponents of critics. This is the province of the Commission, not of its technical advisers.

We have heard the comment—which obviously comes from uninformed sources—that this task force was organized and committed in advance to some sort of governmental engineering heaven in which one group of professional men would have a department to themselves, with direct access to the President and Cabinet. Nothing could be further from the truth. We are all busy people, attempting to render a public service without bias.

The fact is that the same captious criticism could be made of the Department of Justice because it is composed largely of lawyers, the Department of Defense because it has a concentration of men trained in the military profession, the Department of State because it is composed largely of diplomats and foreign officers, the Labor Department because more and more it represents labor, the Commerce Department because it represents business, the Department of the Treasury because it has a concentration of accounts, or the Department of Agriculture because it is run by those who are trained in farming.

Any logical consolidation of public and related works will involve many professions other than engineering. Consolidation of works functions in a new department of Cabinet rank is either a good thing in the public interest, or it is not. Lugging in extraneous and irrelevant arguments contributes nothing to a decision on the merits.

Congress recognized the value of centralizing public works in the reorganization and streamlining of its congressional committees in 1946, when 48 committees of the House were reduced to 19, and 33 committees of the Senate were reduced to 15. There is today only one Public Works Committee in the House and one in the Senate, where previously these functions were scattered among half a dozen miscellaneous committees. The same logic should prevail in the executive branch of the Government.

GENERAL CONSIDERATIONS

In spite of world events and the general tendency to increase National Government powers and activities—a tendency which must in the long run be reflected in the structure, personnel, and functioning of our own Federal Government—we have proceeded upon the assumption that this should continue to be a country of private enterprise, and that National Government here should not compete or interfere needlessly either with local administration of the States and municipalities or with private initiative and enterprise. Ours is a rather inflexible system of delegated executive Government compared to a totalitarian autocracy on the one hand and to the sensitive British parliamentary system on the other. Today ours is the oldest surviving Democratic and Republican government in existence. It is true that the makers of our Constitution could not have anticipated all the strains and trials to which our Government has been subjected, but it is astonishing how far into the future they were able to look and how valid their basic philosophy is today.

It is not necessary to change the fundamental principles on which our Government rests. Your Commission is called upon only to modernize both structure and operation within the framework provided by the fathers of the Constitution, and particularly in the wing which houses the executive branch.

The President does not under present laws and practices have an organization which can meet these requirements. He is harassed and overworked; he lacks power over agencies in his branch of the Government and cannot command complete loyalty. He is in a considerable measure held responsible for confusion and waste beyond his control.

An unfortunate result of the present scattering, independence, and irresponsibility of numerous agencies in the executive branch of the Government is that these agencies establish their own personal relationships with Congress, and thus drive a wedge between the executive and legislative branches of the Government. Another tendency, manifest since about 1932, has been to make the office of the President at the White House a sort of catch basin for all sorts of new agencies and officials outside of the Cabinet and not ordinarily included among the immediate secretarial and administrative staff of the President.

The main purpose of the reorganization of the executive branch of our Government, therefore, is to provide a responsible, economical Government, with the President as the real instead of the nominal head, and with a rearrangement of departments and personnel such that the President will be free to deal with major problems of all sorts, and will not be burdened unduly with administrative detail. Agencies of Government outside of the Cabinet circle, conflicting with established departments and only theoretically reporting to the President, should be brought into proper relation with the major departments headed by the President's Cabinet advisers. It is, no doubt, too

much to expect that Cabinet officers will be selected solely on account of their ability to manage the great departments of Government without reference to geography, politics, etc., but it certainly should be possible to make selections within a framework of expert and professional requirements based upon administrative responsibilities.

NATIONAL DEFENSE AND DEMOCRATIC GOVERNMENT

Unfortunately the battle for sound democratic government in a republic is not to be won by slogans. The triumph of the democratic principle is a fine objective. So are efficiency and economy. The two are not always synonymous and when the logical and inevitable slogan of national defense, "Win at any cost," is added, we have introduced an objective which is essentially undemocratic and wasteful. The reconciling of these three objectives is our big problem in what remains of the twentieth century. This fact was brought home by the spawning of more or less independent alphabetical agencies before and during World War II, coupled with the inevitable necessity of establishing a small inside war cabinet because of the impossible number of administrative heads of important agencies.

It must be admitted that in preparation for possible war, and of course in the actual conduct of war, many normally and ordinarily sound principles of both business and Government organization must yield to the common sense, special logic, personalities, pressures, and other exigencies of the moment. Nevertheless, the aim should be to reorganize the functions under the President so that they can be operated well at all times, and to avoid the hysterical creation of all sorts of new alphabetical agencies whenever an emergency arises.

Whatever world conditions may be, and whether war is remote or threatening, we are entering a highly competitive age in which our world responsibilities are becoming more exacting and pronounced. We are approaching an era in which, if we are to avoid totalitarian government, we must bring into the executive branch the best brains we can muster and provide these brains with the powers, facilities, organization, leeway, and encouragement so that they can function with something approaching the atmosphere of the best and most efficient private enterprise.

ADVANCE PLANS FOR DEPRESSIONS AND PUBLIC WORKS

Even among persons familiar with public finance, there are few who realize the tremendous obligations which the Federal Government must assume to stimulate employment, promote recovery, and prime the pump of private enterprise in times of recession and depression. The obligations are quite inescapable and it must be asumed that they will recur from time to time in the economic cycle. The advance planning and promotion of public works for such periods should be recognized as a continued responsibility of the Federal Government, working in cooperation with States and municipalities. It is senseless to proceed on the theory that every major slump in business and employment is an unexpected divine visitation not to be anticipated and to be dealt with only on the basis of ineffective, wasteful, and hastily improvised emergency measures.

Full realization of the economic interdependence of the world will no doubt cushion the shocks of the cyclical bad times. Meanwhile, the depth, dimensions, and duration of a depression can be greatly reduced by intelligent advance planning which will both control inflation in periods of boom and reduce deflation in times of recession. An uncontrolled, prolonged depression can run Government into the red almost as far as a war without even providing full employment for its duration.

During the depression of 1932 to 1938 the huge sum of $24,000,000,000 represented the total cost of the public-works-relief program; of this, $18,500,000,000 were Federal funds; the balance, State and local. These funds were of course raised from current revenues as well as through borrowing.

Let us break down some of the figures aggregating this staggering total. Of the $24,000,000,000 total, $16,000,000,000 was spent on work relief including the WPA, the CWA, the FERA, the CCC, and other alphabetical manifestations of made work. The balance of $8,000,000,000 was spent on loan-and-grant projects of the RFC and the PWA. The cost per capita per year for labor and equipment was $1,000 for WPA projects and $3,000 or more for PWA projects. A total of 8,500,000 individuals obtained employment at one time or another during the period of the program throughout the Nation. In New York City alone over 700,000 persons were employed throughout the 7-year period, reaching a peak in 1935 of 260,000 at one time. At this peak over 80,000 individuals worked on the New York City Park Department program alone.

Because of lack of advance plans worthwhile projects were delayed or abandoned. The money was there, the men were ready to go to work, but the blueprints were not available. In New York City the park department hastily assembled an emergency technical staff of 2,500 individuals in order to prepare plans and inspect the work of its relief program. Throughout the Nation makeshift devices were resorted to in an effort to minimize boondoggling and find skilled work for skilled labor. This led to all sorts of freakish permutations. For example, skilled laborers in New York and other cities were not permitted to work more than an average of 5 days a month in order to keep within the $84 maximum permitted per month. This meant recruiting crews of three and even four shifts in order to carry on the operation without interruption. Some of these men were not even eligible for relief and some had other jobs.

All intelligent students of government prefer permanent, wholly or partly long-range self-supporting improvements. Theoretically WPA is cheaper per man but practically it is a poor way of employing people. PWA on the other hand promotes the employment of indirect labor in the mine, the factory, and in transportation. Throughout the chaos of all these alphabetical agencies the RFC stands out as a shining example. Its guiding principle was the use of every conceivable means to put a project on a loan-and-grant basis before resorting to a straight grant and the performance of as much of the work as possible by contract as distinguished from force account.

If all the brains, energy, and ingenuity of private enterprise are brought to bear, and if labor is offered fair rewards, industry will no doubt be prepared to take up much of the slack which necessitates Government depression spending. It is inconceivable, however, that all needed employment in bad times can be provided by business.

Public works admittedly can take care of only a fraction of the depression-employment problem, but it is an extremely important fraction. It is a marginal area in which men out of work will stew around helplessly unless the Government is ready to meet their problems.

Few States and municipalities are geared to turn out detailed postwar public-works plans and specifications within any reasonable time, even assuming they know what they want to do and have public as well as official opinion back of their program. With a few notable exceptions they lack sufficient regular engineering design forces. Most of them are opposed to hiring private firms, consultants, and experts.

There is a complete misunderstanding in most quarters as to the practical difficulties of designing major public works. Even though private consulting firms are used, the time required is from 6 to 18 or more months depending upon the complexity of the problems. These firms, although they pay more and have greater flexibility, also have trouble in finding additional competent men especially where there is a sudden demand.

Another difficulty lies in scheduling public improvements, as distinguished from designing them. Scheduling means fixing the order of advertising and letting contracts, so as not to interfere with each other. Such scheduling must depend upon the anticipated availability of material, equipment, bidders, and inspectors. If too many public works projects are started at the same time in one neighborhood there would be serious interference with traffic, business, and ordinary living conditions. There are not enough contractors to guarantee real competition if too many contracts are advertised at once, and not enough men in certain skilled trades.

There is not a State, city, or municipal subdivision in the country which can, on its own, finance a depression-construction program sufficient to make a real dent in the employment problem. Federal assistance is required. The alternatives are greatly increased soldier bonuses, pensions, insurance, and other allotments, another WPA program on a very large scale; an American security program approaching the British scale recommended by Sir William Beveridge, but in terms of American money and on the basis of our enormously higher scale of living, and finally, as a last resort, home relief and the straight dole with all of its crushing implications of failure and futility.

Idleness and home relief are the worst depression expedients; made work is a shade better; genuine needed, durable, public improvements afford honest, dignified employment and permanent benefits; works which are wholly or partly self-supporting are at the very top of the list. These distinctions are palpable, and smart advance planning always will have them in mind.

Their experience in the last depression brought home to Federal and local officials the importance of advance planning for future emergencies. To date considerable progress has been made by the FWA on a shelf of plans for future use, although aggregating nothing like the total required. At present we have available through Federal, State, and local appropriations a reservoir of projects estimated to cost about $5,000,000,000, although many States have not taken full advantage of Federal advance planning funds, nor provided appropriations of their own for this purpose.

The theory that the volume of construction undertaken by the Federal Government should bear a close relation to the national production index is practical only with many reservations. Only projects which are not indispensable or urgent but which are desirable but not at the moment essential can be put on the shelf of plans. Municipalities cannot hold back vital sewer and incinerator, housing, school, hospital, health, transportation, and other "must" projects until there is a depression. In certain instances it may be possible to tie the shelf of plans to the national production index insofar as projects which can be postponed are concerned. That is precisely the kind of study which should be made by the Division of Planning in the proposed Department of Works. Unfortunately the purely automatic accounting devices and formulas to control public spending which have all the charm of simplicity, exactness, and ease simply don't meet the human, the unexpected, and the political contingencies as they arise.

Doubts have been expressed as to the validity of advance plans after a lapse of several years and the question of obsolescence has been raised. Experience has, however, taught us that if the projects are selected intelligently and represent a continuing need, and if the plans are made by competent technicians and checked after the preliminary stage, there is no reason to anticipate any substantial loss through obsolescence, variations in taste, new inventions, and higher standards. Even if 15 percent of some designs must be revised, advance planning is fully justified. Projects ideal for advance planning purposes include streets, slum clearance and low rental housing, roads and highways, hospital and other buildings, sanitation and water supply projects, airports, port facilities, recreation, and the huge regional development programs which include the improvement of navigation, flood control, reclamation, power, and irrigation projects.

Recent studies show that over $100,000,000,000 will be required to insure reasonably adequate public facilities in the Federal, regional, State, and municipal fields. One Government economist, basing his figures on apparently reliable estimates issued by the various Federal departments engaged in public works, lists the cost of bringing our present highways up to a reasonably workable system at $30,000,000,000, public buildings at $12,000,000,000, recreational facilities at $7,000,000,000, regional development works at $11,000,000,000, and sanitation, water supply and similar facilities at $6,000,000,000. Motor vehicle registrations today total 39,000,000 and it is estimated that this will increase to 45,000,000 in 5 years. The great increase in the production of motorcars, trucks, and buses does not make sense if we do not make plans for the repair, expansion, and modernization of our highway system, including so-called throughways, expressways, and parkways in congested areas and adequate parking facilities.

Normal public works activities of the Federal Government involve 200,000 employees and annual expenditures of $3,000,000,000. Any realistic analysis of the enormous sums needed to bring our public works up to date, to prepare advance plans, and to pay for programs for recessions, establishes in our opinion a strong and almost indisputable case for a single consolidated Federal Works Department of Cabinet rank.

CIVILIAN DEFENSE—ANOTHER ARGUMENT FOR A UNIFIED WORKS DEPARTMENT

In preparing civilian defense programs and in planning for protection against wartime bombing, evacuation of population, and other emergencies, there is need of a single Federal agency to plan for and cooperate with local governments in providing the facilities to meet these emergencies. It is entirely within the realm of possibility that future city planning will have to be guided to some extent as to concentration of strategic industries, plant dispersion, transportation, roads, and location of airports by anticipated war contingencies.

The official records of the United States Strategic Bombing Survey as to the effect of the atomic bombs on Hiroshima and Nagasaki emphasize certain signposts of danger and stress the need of shelters and other civilian defense works as well as active military defense. While there is no need of becoming hysterical on this subject or suggesting that we disband our cities and go underground it would be foolish to ignore these signposts entirely and do our advance planning without these lessons in mind.

No doubt the Department of Defense is best equipped to outline the dangers to be guarded against, but it is not organized to determine the changes in civilian public works to meet these dangers. As the matter now stands, under the present organization of the executive branch of the Federal Government, problems of this kind will continue to be met by improvisation.

As an illustration of the desirability of a competent, centralized Works Department let us recall the confusion which resulted during the war in congested war-industry areas. The Army and Navy became so disturbed over housing, transportation, sanitary, recreation, and numerous other problems in these congested areas that a special study was made looking toward a single program which would bring under one direction the conflicting efforts of numerous Federal, State, local, and other agencies which were attempting to wrestle with these problems. Obviously, if there had been a single Works Department, this Department would have been responsible for assisting local officials in the solution of these wartime problems.

The Works Department would also be of great assistance to the National Security Resources Board in its task of planning and organizing resources essential for the national security. The Secretary of Works should be added to the membership of this Board.

SCIENTIFIC RESEARCH AND REPORTING

The functions of the Coast and Geodetic and Geological Surveys and of the Bureau of Mines and Bureau of Standards which involve engineering, physical and related observation and research, testing standardization, and report belong logically in the same Cabinet department and are distinctly works activities. Considering the huge sums which are spent annually on works and developments of a public or quasi-public nature, and the rapid, current technological advances, inventions, and discoveries in this field, disproportionately small sums are spent on applied as well as basic research in the interests of both immediate and ultimate efficiency and economy. The establishment of a major research division in a consolidated Department of Works should go far toward remedying this neglect. No doubt some research would continue to be carried on in other divisions of such a department, but most of the efforts in this direction would more and more be concentrated in the research division.

ATOMIC ENERGY COMMISSION

The functions of the new Atomic Energy Commission are primarily to unite the scientific brains of our universities with the know-how of great corporation research laboratories under Government auspices and to produce weapons of war, new forms of power, and incidental byproducts useful in medicine and many other fields. War for the time being comes first; the harnessing of atomic energy to supply power is tremendously important but manifestly a long way off; and medical and additional uses may be expected to develop currently. Both laboratory and manufacture of atomic products are fraught with dangers as well as benefits and entire communities with all their people, plans, and works are more and more vitally affected.

The evils of separation of such an agency from the President, the Cabinet, Congress, and from the ebb and flow of public opinion, are so great, however, that serious reflection will show that there must be a closer tie with the Executive chosen by the people to govern them, and through the Executive with the other branches of Government and the electorate. It would seem possible to resolve this particular phase of the problem by providing for a compromise under which one or more Cabinet officers or their representatives would at all times be ex officio members of each of the technical agencies, and in this way to provide for the flow of current information to and from the Executive and the harnessing of the new scientific agencies to the traditional administrative ones.

For these reasons we favor representation on the Atomic Energy Commission of the Secretary of Works as well as the Secretary of Defense.

CONSOLIDATION OF FUNCTIONS RELATING TO WATER CONTROL AND DEVELOPMENT

A fair consideration of the consolidation of water control and development functions must begin with a detached and objective study of the Interior Department. This Department began in the frontier period and its purpose was to open up and promote new western territory. The considerations which from time to time have governed the selection of Secretaries of the Interior by the various Presidents reflect confusion as to the kind of talent required in the head of the Department which more and more calls for qualifications ordinarily associated with public works. We do not know the extent, limits, and duration of our most important natural resources measured by modern demands, and we are therefore equally ignorant of the need for development of existing resources or encouragement of substitutes and imports. Certainly, some Cabinet official supported by highly expert advisers should speak with familiarity and authority in the Cabinet on this immensely vital subject.

The name "Interior" has made less and less sense as time has gone on, and as all sorts of other functions, such as insular affairs, including the future of Alaska, Hawaii, Puerto Rico, and the Virgin Islands were added. Other Interior Department activities such as the functions of the Bureau of Land Management would be more at home in the Department of Agriculture, except as to engineering service which might well be a duty of the public works and engineering administration, however organized.

An argument can be made that the Bureau of Fish and Wildlife should go into the Department of Agriculture but the close relationship between the national park and recreation program and the Fish and Wildlife Service indicates that this service might better be included in the central works agency. The Office of Indian Affairs is similarly unrelated to other Interior Department offices. When all functions not properly placed in the Department of the Interior are redistributed, little remains but incomplete public works functions, and the way is clear for a consolidation with a Department of Works. Placing in one agency reclamation and conservation arbitrarily and artificially separated from the various agencies devoted to rivers and harbors work, the TVA, flood control, and power development, has made it impossible for the Interior Department to function either as an integrated works agency or as a genuine department of development.

We considered carefully a partial consolidation of public works in a division or bureau in the Department of the Interior. This is regarded by us as the least satisfactory of the various alternatives to the present scattered agencies. Shoveling Federal responsibilities of growing importance into an outmoded department as one of its bureaus would only bolster up an organization which palpably becomes a shell in any genuine and honest redistribution of Federal functions. For this reason we discarded this idea.

Public projects which involve the impounding and distribution of water may include water supply, flood control, irrigation, navigation, and private, public, quasi-public, and mixed power development at the source with distribution over transmission lines. Such projects may also run into the field of recreation. Not only publicly and privately owned lands may be needed but also parks, Indian reservations, and other lands held under special conditions. The question is bound to arise as to which of these objectives is the main one and this, in turn, involves conflict and often compromise between and

among the numerous agencies, Federal, regional, State, and local, which are called into play.

After careful consideration our task force agreed unanimously that the Tennessee Valley Authority should be included in the Department of Works as an integral part of the Division of Water Control and Development. We see no fundamental difference between this agency and others of a similar character included in this Division. There are two alternative methods of transferring the TVA to the Department of Works. Under one, a managing director would be set up; under the other, the present three-man board would be transferred bodily. We prefer the first alternative, but if the second should be decided upon, we believe the three-man board should be appointed by the Secretary. One of the members should be chairman and chief executive and should be appointed at large. The other two should be qualified persons residing in the Tennessee Valley region. They should have reasonably long, overlapping terms. In the proposed legislation we have indicated the second alternative, namely, the transfer of the board as a unit.

A well-selected, expert, central engineering group, representing the President and respected by Congress and the country generally, as well as by scientists and technicians, would be invaluable in passing initially on disputed projects like the Nicaragua Canal, Florida ship canal, St. Lawrence seaway and power installation, Missouri Valley development, and Passamaquoddy. Untold sums have been spent already for plans and hearings and, in the case of Passamaquoddy and the Florida ship canal, for actual construction. It is true that each of these projects involves other considerations besides engineering, such as diplomacy, local politics, trade, shipping, defense, and banking, but the basic test of feasibility remains an engineering matter.

It would be worth a great deal to the country to have a thorough factual, unbiased report by the sea-green incorruptibles of the engineering profession on all major construction projects, especially if such a report were couched in plain, ordinary Anglo-Saxon English, understandable by the average layman. We have therefore recommended, as a most important feature of the Division of Water Control and Development in the new department, a board of three experts to be known as the Board of Impartial Analysis. The members of this Board would be appointed by the Secretary of Works and they would be responsible for a complete detached investigation of all aspects of every major proposal affecting water development and control, promotion, and conservation of natural resources. At the same time, the banking aspects of such projects should be commented on by the Secretary of the Treasury and in this way all technical and financial considerations would be covered fully.

CENTRAL ENGINEERING ADVICE TO DOMESTIC AND FOREIGN LOAN AGENCIES

The proposed Works Department would offer centralized engineering advice not only in the domestic loan field but also in the field of foreign loans. This is another strong argument for its establishment. Such engineering service could be furnished to the Export-Import Bank, RFC, and other loan agencies which for banking guidance should lean upon the Department of the Treasury. The Works Department also would be in a position to cooperate with loan agencies and the Treasury to stimulate the financing, wholly or partially by revenue bonds, of large engineering projects here or abroad, in times of depression as well as prosperity.

The use of the central engineering staff on loan projects should not preclude or even interfere with the employment of a small staff of engineering executives and consultants by the loan agencies themselves.

SPECIAL PROBLEMS RELATING TO THE ASSIGNMENT OF ARMY, NAVY, AND AIR FORCE ENGINEERS

While the Department of the Interior grew in a haphazard way, other agencies functioning in the same general sphere preempted parts of the field and have clung to their possessions with pleas which are sometimes convincing, but usually only plausible or even specious. Some of the current arrangements between engineering agencies and services, including especially the Bureau of Reclamation and the Army engineers, smack of collusion rather than cooperation, and of neat devices to avoid competition in getting into the congressional "pork barrel."

The Army engineers continue to control part of the rivers and harbors and flood-control spheres at a time when reclamation in the broad sense, power development, and other phases of engineering work involving rivers and harbors should be part of the same program. To make matters more complicated, this function is shared by other agencies, some of them wholly outside of the Cabinet and, for all practical purposes, beyond the reach and purview of the President himself. It is also a curious fact that a good deal of river and harbor work under the Army engineers is, if anything, a Navy function, with no relation to Army strategy but with some bearing upon navigation. Other phases of this work have no real relation to either the Army or the Navy and involve questions only of aid to private, or at any rate, commercial, development and usage.

The argument that river and harbor work can be directed only by the Army engineers becomes even more absurd when it is realized that less than 200 Army engineers are involved and that the remainder of the personnel under their control, numbering over 30,000, are civilians who supply most of the detailed knowledge and continuing direction. If the Army engineers supply unusual ability and obtain invaluable training by contact with this responsibility, there is no reason why the same and even better results cannot be obtained by assigning them and corresponding officers of the Navy and Air Forces, on a proper, dignified, and respected basis, to a central, consolidated Works Department.

The Secretary of Defense temporarily should assign to the Secretary of Works engineer officers of the Army, Navy, and Air Force who would direct and be engaged in public-works tasks commensurate with their rank and experience. In this way, particularly, junior officers would obtain varied training and experience. The Secretary of Defense would continue, as he does now, to prescribed regulations relating to service, rotation of duties, and promotion of these engineer officers, with full power to withdraw them from the Department of Works during times of emergency. The Corps of Engineers of the Army would continue in close contact with the best civilian engineering brains in the country to perform functions of a military engineering nature under the Secretary of Defense. Only the civil functions of the corps would be transferred to the Works Department under the proposed plan.

This subject is far too important to be approached from the point of view of old-school-tie tradition. A detached and scientific spirit is required. There have been recent reports of efforts on the part of the Corps of Engineers to preserve the old system and even to reach out for the work of the Bureau of Reclamation. Dams, of course, involve all kinds of considerations—flood control, power development, reclamation, conservation, recreation, and navigation; not to speak of Federal, regional, and State quasi-public and private financing. It is inconceivable that these and related subjects would be placed in the Department of Defense, which is already a very big institution.

QUESTION OF AN EXCLUSIVE ENGINEERING SERVICE DEPARTMENT

We have canvassed a new Works Department of Cabinet rank with only service and research as distinguished from operational functions. We believe too much emphasis can be placed upon the benefits of a complete consolidation of engineering activities for service to other departments only and almost exclusively in the interest of better budget making and economy; that is, on a single exclusive engineering advisory agency which permits no engineering services to be rendered elsewhere in any other department or establishment.

In all frankness, it must be stated that there are arguments against any wholly exclusive Government service agency, not only in the field of public works but in other fields, such as law. There is a tendency on the part of highly centralized service agencies to give insufficient attention, interest, and ingenuity to the solution of peculiar and unusual problems of other departments, and thus to furnish these other departments advice and facilities which do not meet their needs fully. Problems referred in a routine way to a mere service agency must take their turn. There is also a disposition in service agencies to measure results by percentages rather than by intrinsic needs.

Therefore we believe that other departments whose engineering needs can in the main be met by the proposed central public works force could continue to have a few engineering advisers of their own to insure proper consideration of their needs and smooth cooperation with the central engineering agency.

These considerations indicated to us that if we overemphasize the benefits of a single exclusive engineering service agency, and one which has no responsibilities whatever for operation and administration, we may establish a form of government which merely parallels and even duplicates functions of the Budget Bureau and performs more perfectly on paper than in practice.

The chief arguments against a new purely engineering service department are: First, that it does not make intelligent provision for operation of public works which would be entrusted to other departments such as operation of public buildings after they are constructed, management of power and reclamation projects after they are completed, maintenance of national roads and parks after they are constructed, and similar cases; and second, that it represents an arbitrary separation of design, construction, and operating phases of big public undertakings which belong together in one place from the point of view of logic, efficiency, and economy.

It seems to us altogether unlikely that the people would support and the Congress would establish a major department of government headed by a Cabinet officer to discharge only service engineering functions. Under these conditions such a service agency would either degenerate into a mere bureau in the Interior Department or would be a minor and completely uninfluential and independent establishment like the present Federal Works Administration.

THE FEDERAL-AID QUESTION IN THE FIELD OF PUBLIC WORKS

It is difficult to conceive of a valid argument against a consolidation of public works which will bring together in one agency the officials responsible for Federal aid for highways, airports, and housing. These are not operating functions. They involve the distribution of Federal money for projects of national significance and the setting of standards which will insure uniformity, and

permit taking full advantage of current technical improvements.

The arguments against Federal aid in certain engineering fields seem to us to rest on theoretical rather than pragmatic reasoning. Admittedly Federal highway aid is indispensable to the less populous and wealthy States. It is justified for regional and national thoroughfares and for a program of defense highways and access roads such as the one promulgated in the last war. States like New York hardly can be expected to contribute to others and to get nothing in return. The assertion that a comparatively wealthy State like New York contributes 25 percent or more of Federal taxes and gets back only 10 percent and therefore would be better off if it paid for all its own roads does not stand analysis, unless we propose to repeal, wholly or in part, Federal taxes, such as the income tax, and substitute local ones. Similarly the contention that States and municipalities pay a huge fee for "brokerage" in connection with Federal aid, is not provable in the case of highways, where central expert service and the establishment of national standards are worth all they cost. More Federal as well as State experimentation and research is needed in the field on lighting and marking roads, in types of pavement surface, and in disabled car shoulders. We must have more study of parking facilities, especially in cities, and of bus terminals; and we must decide to what extent private enterprise can provide the answers. We are being choked to death by traffic and certainly it is a lot cheaper to meet this problem by modernizing our street and highway system than by completely decentralizing urban communities, the only theoretical alternative.

If we come to the 500-pound, 5-passenger, 100-miles-an-hour-on-one-gallon-of-gas plastic car, purchasable at every good filling station at $500, where will we be with our roads? There is no sense in building trucks too big and heavy for the roads and roads too flimsy for the trucks, and in loading trucks and busses with heavy freight and passengers better carried on rails. Why should the manufacturer's interest stop at the salesroom and the highway engineer's concern begin there?

Public officials, on the other hand, must think of the roads of tomorrow, of advanced highway design, and of improved materials, methods, and equipment, without which the new passenger cars, trucks, and busses are worthless. We must have some idea of what production the industry has in mind in order to be able to schedule road construction and repair intelligently.

Much has been said about transcontinental highways, but figures have proven that there is not as yet any substantial amount of transcontinental as distinguished from regional and local travel, excepting, of course, a few main routes from coast to coast and from Canada to the Gulf.

Most of our travel originates and ends in cities and when we bypass the cities we simply duck around the entire problem and thrust it upon crowded communities which cannot meet it without help. Standards for ordinary streets, country highways, and secondary roads are fairly well established. It is the congested urban and suburban main artery that requires our clearest thinking and best judgment, and both Federal and State aid.

Every American wants a durable, cheap car, and he looks to the automobile industry to provide it. He won't wear that car out quickly on a broken and obsolete road system. He wants good roads and expects the Federal Government to help pay for them.

How shall our highway improvements be financed? Some will be paid for out of matched Federal and State funds; some by bond issues; some out of license and gas taxes; some out of other current taxes; and some by assessment. Others will be wholly or partly self-liquidating by means of tolls and other service charges. For many years the American public paid tolls on turnpikes as well as bridges and ferries. But the backbone of our new national highway system cannot be made out of toll roads. It will be devised and financed on a joint, cooperative Federal, State, and city basis.

We already have substantial Federal matched moneys for design of postwar highways, and the more progressive States and municipalities are taking advantage of these inducements and supplementing them with funds of their own. The Federal program will be sound and successful as long as Federal highway officials continue to allow it to develop locally, do not interfere with local initiative, and demand only that the projects be feasible and the work well done. If there should be an attempt to run the entire national highway system from Washington, local initiative and support would disappear. We would then have the same cumbersome, overmanned, bureaucratic Federal machine in the domain of public roads which we now have in many other fields. There is no better example of nonpolitical, effective, and prudent Federal, State, and local cooperation than that afforded by the Public Roads Administration for almost 30 years under the respected leadership of Commissioner Thomas H. MacDonald.

How much can we afford to spend on our new arteries? There is no use hiding the figures. An ordinary four-lane concrete highway runs to $275,000 a mile without counting the right-of-way. A typical rural section of four-lane parkway with only a few grade-separation bridges costs $400,000 a mile; a typical suburban section of four-lane parkway, $700,000 a mile; a mixed urban traffic artery with six lanes, $1,250,000 a mile; a six-lane city parkway or expressway through expensive and often built-up areas, $3,500,000 a mile; arterial improvements with six lanes and a service road along built-up water front, involving reconstruction of plants and industrial and commercial structures, at least $4,000,000 a mile; elevated expressways with surface lanes below in cities average about $5,000,000 a mile.

Another road problem is railroad grade crossings. There is a curious assumption, not substantiated by either the courts or common sense, that the elimination of such crossings is something separate and apart from modern highway construction. The United States Supreme Court has recognized the fact that the automobile and not the train has caused the danger at such crossings; the elimination of railroad crossings is therefore primarily a highway problem which requires Federal as well as State aid. A large part of the problem of elimination of dangerous railroad grade crossings is transcontinental or regional in origin, and on that basis alone is entitled to substantial Federal aid. New York State has gone out in front to meet this problem through large State bond issues, but even in this State nothing like a complete job can be done without Federal aid. Most States are unable to make a dent in the program with local funds. Efforts to make the railroads pay the bulk or a large percentage of the total costs have generally failed, and result only in prolonged and usually futile litigation instead of construction.

There is no generic distinction between a big bridge and a little one; and toll or free the bridge is an integral feature of the road system and should be planned as such. Similarly, at water gaps too wide to be spanned by bridges, large, steady, fast auto ferries should be just as much the road engineer's concern as culverts, drainage, or curbs. North and south Michigan are tied together by the Mackinac Ferry, run by the State Highway Commission.

A better argument can be made against public and quasi-public housing subventions in normal times than in an emergency period following a great world war, a period in which housing shortages, scarcities, and high prices are directly attributable to the war itself, and in which the immediate solution is beyond the powers and means of States and municipalities. Arbitrary administrative separation of the FHA from other Federal housing and building functions, because FHA is an insuring underwriting agency, seems to us unsound. FHA insurance of loans on what is virtually a 100-percent basis is essentially indistinguishable from slum-clearance loans and grants, and from the administrative point of view is closely related to all forms of national control over building standards, construction materials, and public building. Sound financial advice to FHA on all banking as distinguished from building aspects of FHA underwriting can be assured by placing the Secretary of the Treasury on the National Housing Council.

All Federal housing activities should be in one division in a works department, because they require honest analysis by one set of experts who know the building business from the ground up and, as to subsidized dwellings, the precise income groups which require Federal emergency help. Incidentally, one of the most scandalous difficulties arising out of the housing emergency lies in the different and varying methods of cost accounting used by the FHA, the PHA, the HOLC, and Veterans' Housing. As a result, costs are not at all comparable, and many are hidden. It is impossible to get a true picture of construction financing, because there is lacking one overhead agency to coordinate, compare, and analyze these cost figures on an honest uniform basis.

There is no real analogy between a farm loan and a housing loan. One is a loan for business expansion to men who have a business which they know, the other is a subvention to help families who know nothing of the business of building to enable them to put a roof over their heads.

Certainly the Federal Government is responsible for providing permanent housing for veterans and their families now temporarily quartered in quonset huts and leftover wartime demountable houses. The whole thing is an emergency matter which will be alleviated within 10 years. It is nonetheless too vital a matter to be kicked around by competing and overlapping executive agencies and congressional committees.

Although highways and emergency housing may seem more vital, Federal subsidies are needed for airports. The flying industry is still in its infancy. It is in poor financial condition and vitally related to the national defense program. Moreover, regional locations, specifications, and standards for airports need Federal aid. Most of the air lines are in serious financial difficulties, and these will continue even if fares, postal and freight rates are raised. The place of airports in the proposed centralized public-works organization should be much the same as that of public roads. The new Department would take over the airport construction program but would have nothing to do with control of air travel and airways or regulatory and other forms of administration. These are matters for the Department of Commerce to continue to regulate and supervise.

The subject of Federal aid is not to be disposed of by catch phrases. Generally speaking, Federal aid on a matched basis is preferable to complete Federal aid without State or local contributions, because genuine local interest and concern are manifest only when the local citizen knows he has to pay part of the cost out of local taxes. Somewhere between the extreme Socialist philosophy of

Beveridge with his cradle-to-grave national concern for every individual and his contempt for American States' rights and municipal home rule on the one hand, and, on the other, the Bourbon philosophy of some of our own American reactionaries which would leave everybody to shift for himself, lies the sound middle-of-the-road pragmatism which bids the Federal Government supplement the State and locality to raise the general level of the Nation in a limited number of fields in which such aid cannot sap the vitality of the State nor cripple the initiative of the individual. All conservative students of the subject agree that we should keep Federal aid within strict bounds, and that only sufficient subventions should be made from the Federal Treasury to enable the States and their subdivisions to achieve definite purposes of national significance. Competition between Federal, State, and municipal governments in the same tax fields should gradually be eliminated to the end that double and treble taxation will disappear and States and local governments will have additional sources of legitimate revenue to meet their own obligations.

It is obviously silly to be dogmatic about the precise dimensions of the proper Federal-aid fields. The whole problem, like that of establishing social equality, is one of evolution. All virtue does not lie in the States, nor all good government and true economy in the grass roots and villages. Grass-roots and sidewalk taxpayers may be able to watch carefully and perhaps intelligently the dimes that go into local school taxes, but they are no authorities on atomic research. Nor can we safely assume that crossroads wiseacres know all the answers to other international and scientific riddles. The concept of weak Federal Government supported by strong States has no more validity than that of a gigantic national bureaucracy undermining the States and subjugating the municipalities. Our own native common sense will dictate the compromises which will preserve our American system and still meet changing world conditions.

THE CASE AGAINST A CABINET DEPARTMENT OF TRANSPORTATION

The allocation of highways, airports and canals, waterways, pipe lines, and other facilities to a new Department of Transportation seems to us unwise and undesirable. Many of the Federal functions in this field involve regulation of private enterprise and quasi-judicial functions. For example, public highways in a Transportation Department might require a certificate of convenience and necessity for every road and Federal regulation of every individual flivver driver. Bitter controversies, delay, and confusion in road building would result with no ultimate advantage even to the railroads. The same logic applies to airport and waterway construction. Air travel and the transportation of freight by air do not seriously compete with the railroads and will not for some time. No possible advantage to the public can be secured by attempting to consolidate Federal planning and supervision in these two distinct fields merely because they are both forms of transportation.

As to waterways, it is only necessary to remember that some of our largest seaports are in fact not seaports at all but rather harbors on rivers usually reached by approach waterways. The ship canal at Houston, the Mississippi River at New Orleans, Puget Sound at Seattle, the Columbia River at Portland, and the Delaware River at Philadelphia are examples. Placing these approach rivers and canals in a Department of Transportation because of possible competition with the railroads would be a ridiculous piece of doctrinaire legislation. No doubt the public service aspects of rail and perhaps air-line transportation have been overshadowed by quasi-judicial regulation, but this overlooked aspect of transportation does not justify the establishment of a new and unnecessary Department of Transportation.

PROBLEMS OF PERSONNEL, INCENTIVES, AND COMPENSATION

Where engineering activities are concerned, and no matter how the new Department of Works is organized, the traditional tendency to build up a large permanent civil-service force, in the absence of a foreseeable and continuing need, should be opposed and counteracted. Civil-service forces in many Government engineering bureaus invite justified criticism of unnecessary multiplication of permanent personnel and overhead expenses for specific projects which would be better and more cheaply designed and supervised on a consulting fee basis. We need competent top engineers in civil service, but it is only human nature for the rank and file who are paid out of limited project funds to string out the work and make it last as long as possible. Adoption of a policy to retain qualified engineers engaged in private practice, for specific purposes on a fee basis would expedite work, reduce overhead costs, afford an opportunity to secure specialized personnel for such specialized work and would encourage professional pride without weakening the esprit de corps of the permanent civil-service personnel.

Adequate salaries and competent personnel are vital to the proper functioning of any organization. Salaries in the Federal Government, always notoriously low, have not kept up with those in large-scale private enterprise, and it is often impossible to obtain the best qualified people to accept or continue in positions of responsibility with the Federal Government. The number of employees in any Government department should be kept at a minimum but the best people should be obtained and held by adequate pay and other rewards and inducements. We do not recommend a large technical staff to plan, design, construct, and operate public works. On the contrary, we strongly recommend an adequate staff and the employment of outside consultants for special tasks as they arise. Substantial savings in cost of design and construction will result.

We should aim at a department with the smallest reasonable number of regular employees. Employees of professional training and rank should be absolutely first-rate people, on a par with the best in private employment, and competent to engage and direct the activities of consultants and contractors in private business. It should be noted that in World War II, military and related establishments more and more adopted the practice of employing outside consultants for specific tasks of limited duration. They got away from the old practice of building up an immense permanent civil-service staff for projects performed better, more quickly, and more cheaply by private corporations. Among such corporations should also be included university and other research groups; laboratories and research units of large corporations as well as engineering, architectural, and other professional firms. The Federal Government will enjoy the up-to-date services of engineers on the latest developments in their particular fields. It will permit the selection of professional firms familiar with the particular problems of the locality, physical difficulties at the site, problems of local building codes, and questions of availability of local labor.

As Government expands rapidly into fields hitherto preempted by private enterprise the need of first-class talent in Federal agencies becomes ever greater and the deficiencies more glaring. The most ambitious find greater rewards elsewhere and it is extraordinary not that we do not attract more of them into public service but that considering the drawbacks we have so many. It is important to provide incentives for Government service such as pensions and other benefits which make it attractive. It must be remembered that large progressive private corporations also offer pensions as an inducement; no longer is this an exclusive Government characteristic of public employment. The privilege of working for the Government is its own reward but even that argument cannot be labored too much.

PLAN RECOMMENDED

Our task force studied and analyzed every reasonable arrangement and consolidation of the functions of public works presently scattered throughout the various Cabinet departments and independent offices. We narrowed the area of possible controversy by exchange of information and informal conferences with other task forces and through the secretariat. We concluded that the only plan of integration, which would accomplish the results aimed at in the law establishing the Commission on Reorganization, would be a genuine complete integration in a new major Department of Works of Cabinet rank of all scattered engineering and related functions, including operational as well as service and research functions. Under this plan there would be a reorganization and consolidation of what is left of the Interior Department with Public Works after various functions now discharged by the Interior are redistributed to Agriculture and elsewhere. In place of the Interior Department this would result in a new Department of Works headed by a Cabinet officer.

We have given some thought to the appropriate name of the proposed new department. This comprehensive function of Government might be described by the word "Works" or "Development" rather than by the meaningless word "Interior," or the limited term "Conservation." Traditionally our major departments have a single name, and there should be a good reason for departing from this sound practice. Moreover it is the connotative, not the denotative meaning of a word in such a context which ultimately gives it significance. We therefore recommend the single name "Works" for the proposed new department, preferring it to the name "Development" largely because the latter, although arresting and significant, carries with it some implications of speculation, spending, and private business enterprise which might be misunderstood.

PROPOSED DIVISIONS OF THE DEPARTMENT OF WORKS

The proposed initial organization of the Department of Works is shown on chart I, and a list of present agencies to be absorbed, other agencies to which engineering services would be rendered, etc., appears on page 24, following chart I [not printed]. The division of the functions within the Department should, however, be as flexible and unfettered by statutory restrictions as possible in order to permit future adjustments dictated by actual experience.

It is necessary to provide, immediately by law, for the top officials of the Department. The Department should be headed by a Secretary of Works, who would be a member of the President's Cabinet, to be appointed by the President with the advice and consent of the Senate. In order to relieve the Secretary of administrative details and leave him free to devote his energies to matters of policy, an Under Secretary should be provided, to be appointed by the President with the advice and consent of the Senate. It is recommended that four Assistant Secretaries be provided, to be appointed by the Secretary, preferably without Senate confirmation. Many qualified persons might be willing to undertake public service if they were assured of immediate appointment without the added burden of confirmation.

It is recommended that the salary of the Secretary be $25,000 a year, the Under Secretary $20,000 a year, and the Assistant Secretaries $15,000 each per year. These salaries are substantially greater than those now in effect. At the present rates of compensation no person of the necessary qualifications can afford to accept a Governmental position of this sort without substantial private means. Many persons of great ability are prevented from entering Government service on this level. The salaries proposed are, of course, substantially less than those paid for comparable duties outside the Government, yet they are believed to be large enough to attract able men.

PROPOSED LEGISLATION

Reorganization of the type here proposed necessarily involves the ultimate amendment of many specific laws relating to existing administrative agencies and projects. In order to expedite the reorganization process, it is proposed that there be presented to the Congress an interim administrative code providing for the continuance of existing functions and regulations within the framework, intent, and spirit of the new organization. A draft of such a law appears in the appendix. This draft is modeled to a considerable extent on the interim executive department's law used in the State of New York at the time of the reorganization of its scattered departments and offices, a device which served admirably to insure the continuity of Government while the detailed statutory revisions were being codified.

A draft of a bill establishing a department of works also appears in the appendix. This provides for the appointment and compensation of the Secretary, Under Secretary, and four Assistant Secretaries; for the transfer of the various agencies to be absorbed within the new department, including the distinctly civilian functions, personnel and property of the Corps of Engineers and its chief. Certain powers of appointment which are conferred upon the Chief of Engineers by treaty over various boards of control, the members of which consist of both Canadian and United States personnel, are left with the Chief of Engineers. It is recommended that, as opportunity presents itself, these powers also be transferred to the new department.

CONCLUSION

This report represents the practically unanimous conclusions of our entire group, including advisers and consultants. All of us are happy to be part of this enterprise and to make our small contribution to the efforts of a representative Commission under your distinguished leadership. We share the general public confidence in your ability to bring about constructive results. An unparalleled opportunity is presented at this time, following a Presidential election, and with the beginning of a new administration, to bring our executive establishment up to date so that it can meet the challenge of domestic needs and world leadership.

ROBERT MOSES.

EXISTING AGENCIES TO BE ABSORBED

Division of Planning and Scientific Research:
Bureau of Mines (Interior).
Geological Survey (Interior).
Coast and Geodetic Survey (Commerce).
National Bureau of Standards (Commerce).
Division of Oil and Gas (Interior).
Division of Water Control and Development:
Rivers and Harbors (Army).
Flood Control (Army).
Panama Canal (Army).
Bureau of Reclamation (Interior).
Bonneville Power Administration (Interior).
Southwestern Power Administration (Interior).
Division of Power (Interior).
Tennessee Valley Authority.
Division of Roads, Airports, Parks, and Indian Affairs:
Public Roads Administration (FWA).
National Park Service (Interior).
Fish and Wildlife Service (Interior).
Alaska Railroad (Interior).
Bureau of Indian Affairs (Interior).
Division of Housing and Buildings:
Housing and Home Finance Agency.
Public Buildings Administration (FWA).
Bureau of Community Facilities (FWA).
Commission of Fine Arts.
Division of Territorial Government:
Division of Territories and Island Possessions (Interior).

ENGINEERING SERVICES TO AGENCIES IN OTHER DEPARTMENTS

National Advisory Committee for Aeronautics.
Civil Aeronautics Administration (Commerce). (Airport construction program to be transferred to Department of Works.)
Bureau of Prisons (Justice).
Public Health Service (FSA).
Veterans' Administration.
Coast Guard (Treasury).
Soil Conservation Service (Agriculture).
Forest Service (Agriculture).
Bureau of Land Management (Interior).
Rural Electrification Administration (Agriculture).
Reconstruction Finance Corporation.
Export-Import Bank.
District of Columbia.
Atomic Energy Commission.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point those portions of the Hoover Commission report to Congress, March 1949, minus the graphs and charts, starting on page 1 and extending to page 49.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

I. THE DEPARTMENT OF THE INTERIOR

We propose that the Department of the Interior be given more clearly the mission of development of subsoil and water resources. As these activities require large public works, we recommend that other major public works also be managed by this Department.[1]

The organization of a department somewhat along the lines we recommend, and in which would be concentrated the major construction activities of the Federal Government, was proposed by the Joint Congressional and Presidential Committee on Reorganization of 1924, again in a Presidential message during 1932, and again by the President's Committee on Administrative Management of 1937. A partial accomplishment was represented in the Federal Works Agency, established in 1939 and embracing a number of these activities. Had such a department been created 25 years ago, hundreds of millions of dollars would have been saved to the public over these years. Today it is a complete necessity.

The magnitude of the problem is indicated by the fact that 1949 appropriations, for the agencies which we propose to bring together, exceed $1,300,000,000. To complete the works now in construction will call for over $5,500,000,000, and projects authorized by the Congress but not yet started will call for $7,300,000,000 more. In addition to these totals of over $15,000,000,000, there are projects contemplated which exceed $30,000,000,000. Approximately 100,000 persons are now employed in these agencies, plus other thousands by the contractors. (See chart.)

Phases of this problem have been investigated for this Commission by our task forces on public works, natural resources, and agricultural activities.

The Commission has the duty of assessing the weight of the recommendations of these able men, reconciling their differences and working out a pattern of action.

BOARD OF IMPARTIAL ANALYSIS

There is no adequate check in the Government upon the validity or timing of development projects and their relation to the economy of the country.

Recommendation No. 1

We, therefore, recommend the creation of a Board of Impartial Analysis for Engineering and Architectural Projects which shall review and report to the President and the Congress on the public and economic value of project proposals by the Department. The Board should also periodically review authorized projects and advise as to progress or discontinuance. The Board should comprise five members of outstanding abilities in this field and should be appointed by the President and included in the President's office.[2][3][4]

This board should review projects not only from a technical point of view but also in their relation to the economy of the country.

Some effort has been made by the Office of the Budget to review projects but it has been without adequate staff and support. Forty-two projects objected to by the Office were nonetheless presented to Congress by the sponsoring agencies and 36 were authorized. The need for more exhaustive investigation and report than that provided by the Office of the Budget is indicated by the statement of our task force on natural resources, quoted below:

---

[1] Separate report: Vice Chairman Acheson, Commissioners Pollock and Rowe have submitted a separate report recommending a Department of Natural Resources.

[2] Further views: "I consider there should be two boards of impartial analysis, one for the engineering projects, the other for architectural projects, and they should be located in the Department of the Interior and not in the President's office. The character of projects is wholly different and requires different skills, and we should not burden the President with more duties. Moreover, the purpose is to review these projects before they reach the Office of the Budget and not afterward. This device is proposed as a brake upon harebrained projects from the departments and on the log-rolling of projects in the Congress. To put this agency in the President's office is to mobilize both these forces on the President's doorstep." (Herbert Hoover, Chairman.)

[3] Further views: "I agree that there should be some unit with authority to review projects and to advise the President thereon. I do not believe, however, that the Commission's report justifies the creation of the new Board of Impartial Analysis which would take the place of the unit in the Bureau of the Budget that has handled this review up to the present. The report indicates that the unit in the Bureau of the Budget has been without adequate staff and support, but it does not show how the new Board could function more effectively than the unit now in existence if adequate staff and support were provided the present unit. To prove the ineffectiveness of the unit in the Bureau of the Budget, the report refers to the fact that 36 of 42 projects turned down by the Bureau of the Budget were nevertheless authorized by Congress. Certainly this Commission does not mean to recommend the creation of a Board of Impartial Analysis which would have supreme power—including authority to disapprove congressional action." (James Forrestal, Commissioner.)

[4] NOTE.—The decision to place the Board of Impartial Analysis in the President's office was made after the Commission's initial report was submitted to the Congress, and this unit, therefore, should be considered as supplementary to those already included in our report on general management of the executive branch.

"This clearance procedure has not been as effective as it ought to be * * * project reports are submitted for review only after they are completed and long after plans have been publicized. It is then too late for effective coordination, and generally even too late to prevent authorization by Congress of projects found not feasible or not fully reconciled. The Corps of Engineers generally makes no effort to change a completed report when informed by the Budget Bureau that the report is not in accord with the President's program. The corps submits the report to Congress with its favorable recommendation, but accompanied by a statement as to the advice received from the Budget Bureau. Furthermore, the Budget Bureau does not have the staff to make a thorough review of all projects. * * * Finally, the task of review is vastly complicated by the presentation of conflicting plans or views by the Corps of Engineers and the Bureau of Reclamation. Confronted with the completed, conflicting plans of two development agencies, working from the vaguest sort of statutory and administrative standards of feasibility and of benefit-cost evaluation, and operating with two professional staff members, the Budget Bureau as now staffed obviously cannot provide a fully adequate review. * * *

"To the end that only economically feasible projects shall be instituted by the resource agencies and especially by the Water Development Service, the establishment * * * of a Board of Coordination and Review with responsibility for reviewing and coordinating plans for each major project from the time it is first proposed; for making certain that only projects which are economically and socially justifiable are recommended for approval; and for assuring effective participation by all Federal and State agencies concerned during the formative stage. * * *

"In the past, projects have been carried through which should never have been undertaken at all. Others have been wastefully constructed, and without regard to important potential uses. Still others have been premature. Bad accounting methods have consistently underestimated costs. Inadequate basic data, interagency competition, and local political pressures bear the primary responsibility for this extravagance and waste. * * *

"Corrections are relatively easy when plans are gestating, but when they have been perfected by an agency * * * it is often impossible to obtain the revisions which joint investigation or early review could achieve."

One result of inadequate evaluation of projects is illustrated by underestimation of cost when presented to the Congress. Some part of underestimation is no doubt due to subsequent increase of costs of labor and materials. But some underestimates by the Bureau of Reclamation—such as, for example, the Colorado-Big Thompson project, which increased from $44,000,000 to $131,800,000; the Hungry Horse project in Montana from $6,300,000 to $93,500,000; the Central Valley of California from $170,000,000 to probably over several hundred million—hardly can be explained by increases in labor and material costs.

Our task force on public works strongly supports these views:

"It would be worth a great deal to the country to have a thorough, factual, unbiased report by the sea-green incorruptibles of the engineering profession on all major construction projects, especially if such a report were couched in plain, ordinary Anglo-Saxon English, understandable by the average layman. We have therefore recommended, as a most important feature of the * * * new department, a board of three experts to be known as the Board of Impartial Analysis."

II. BASIC STRUCTURE OF THE DEPARTMENT

It has been recommended by some of our task forces that the Department of the Interior be abolished and replaced by a new department. The Interior Department is a century old in national life and has served in many of these fields. Aside from sentiment, the cost of merely changing its name would be considerable. The laws and authorizations under which it acts would require much disentanglement. And there is conflict as to what a new name should be, i. e., Natural Resources, Works and Resources, or Public Works. Altogether it seems to the Commission that a reorganization of the present Department would be preferable.

Recommendation No. 2

We recommend that the Department of the Interior should be thoroughly reorganized along more functional and major purpose lines.

This involves the transfer of certain agencies from the Department and the incorporation of certain agencies within it.

Recommendation No. 3

We recommend that the agencies listed below should be transferred to other offices or departments, to which they are functionally more closely related:

(a) The Bureau of Indian Affairs to a new department for social security, education, and Indian affairs.[4a]

(b) The Bureau of Land Management (except minerals) to the Department of Agriculture.[5 6]

(c) The Commercial Fisheries from the Fish and Wildlife Service to the Department of Commerce.[6 7]

Recommendation No. 4

We recommend that the following agencies related to the major purposes of the Department be transferred to it:

(a) Flood Control and Rivers and Harbors improvement from the Department of the Army.[8 9]

(b) Public Building Construction from the Federal Works Agency.[10 6]

(c) Community Services from the Federal Works Agency.[6]

(d) Certain major construction to be assigned on behalf of other agencies of the Government, except where carried on by grants-in-aid programs.[8]

OVER-ALL DEPARTMENTAL MANAGEMENT

We have urged in our first report[11] that the foundation of good departmental administration is that the Secretary shall have authority from the Congress to organize and control his organization, and that congressional grants of independent authority to subordinates be eliminated.

Under our recommendations made elsewhere, we propose a new form of performance budget for all departments.[12] We also propose that the Department keep its own administrative accounts as prescribed by an Accountant General in the Treasury and subject to an approval of such system by the Comptroller General and audit by him.[13] The Commission also recommends that all personnel recruitment should be decentralized into the Department (except possibly in some lower grade positions common to all departments and agencies), subject to standards and methods of merit selection to be proposed by the Department, but with the approval and enforcement of the Civil Service Commission.[13] The Commission likewise recommends elsewhere that the procurement of supplies peculiar to the Department should be decentralized into the Department under standards and methods established by the proposed Office of General Services. Items of common use will of course be handled by the latter office.[14] Further, we propose that the Department should strengthen its management research unit, working in cooperation with a comparable staff unit under the Office of the Budget.[12]

DEPARTMENTAL STAFF

In making the following recommendations as to the assignment of officials and the service grouping of agencies, we are proposing no inflexible rules. The responsibility for these assignments should lie with the Secretary. Parts of such organization are already in force.

[4a] The reasons are discussed in our report on social security, education, and Indian Affairs.

[5] The reasons are discussed in our report on agriculture. Dissent, "I do not agree with this recommended transfer of the Bureau of Land Management to the Department of Agriculture. Not only do I believe that this Bureau should remain in the Department of the Interior, but I feel that the Forest Service, presently in the Department of Agriculture, should be transferred to the Department of the Interior. These two agencies should be consolidated preferably in the Department of the Interior, which traditionally has been the Department in our executive branch most concerned with the development and conservation of our natural resources. The Department of Agriculture, on the other hand, has been more interested in production than in conservation and its functions relating to natural resources should be transferred to the Department of the Interior." (James Forrestal, Commissioner.)

[6] Dissent: Dissent of Vice Chairman Acheson, Commissioners Pollock and Rowe appears in a separate report.

[7] The reasons are discussed in our report on the Department of Commerce. Dissent: "I do not agree with this recommended transfer of the commercial fisheries from the Fish and Wildlife Service to the Department of Commerce. Basically, this is a question of conservation and the Department of the Interior is traditionally committed to conserve our natural resources whereas the Department of Commerce is more interested in their production and exploitation for business purposes." (James Forrestal, Commissioner.)

[8] Dissent: Dissent of Commissioners John L. McClellan and Carter Manasco.

[9] Abstention: Commissioner James Forrestal has abstained from participation in the discussion and formulation of this recommendation, and others relating to the Corps of Engineers, because of his relationship, as Secretary of Defense, to the Corps of Engineers in the National Military Establishment.

[10] Dissent: "I do not agree with this and subsequent recommendations which would transfer to the Department of the Interior the responsibility for the construction of all public buildings. In my opinion the role of the Department of the Interior is the development and conservation of natural resources. To make it a construction agency would violate recommendation 2 in which we recommend that the Department 'be reorganized along more largely functional and major purpose lines.'" (James Forrestal, Commissioner.)

[11] Report on General Management of the Executive Branch.

[12] Report on Budgeting and Accounting.

[13] Report on Personnel Management.

[14] Report on an Office of General Services; Supply Activities.

Recommendation No. 5

We recommend that the top officials of the Department in addition to the Secretary and his personal assistants should be:

(a) Under Secretary and his personal assistants.

(b) Two Assistant Secretaries, as at present.

(c) Additional Assistant Secretary.

(d) Administrative Assistant Secretary.

(e) Solicitor.

The purpose of creating an Administrative Assistant Secretary is to provide more effective direction of the following departmental staff services:

(a) Financial office (accounting and budgeting).

(b) Personnel.

(c) Supply.

(d) Management research.

(e) Publications.

(f) Liaison with Congress.

The officials in charge of these services should not have operational duties. Those duties must lie with the division or bureau administrators. These staff officers must needs be linked in their work with the similar officials upon the President's staff. In the case, however, of the financial officer, he must coordinate his work with that of the Accountant General in the Treasury and with the Office of the Budget.

APPOINTMENTS

Recommendation No. 6

We recommend that all officials of the rank of Assistant Secretary and above be appointed by the President and confirmed by the Senate.

We recommend, however, that the Administrative Assistant Secretary preferably be appointed from the career service.

It is essential in building up capable administrative staff in all departments that opportunities for promotion of capable administrative career employees be made as wide as possible.

Recommendation No. 7

The Commission therefore recommends that all officials below the rank of Assistant Secretary be appointed by the Secretary, preferably from the career service.

MAJOR PURPOSE GROUPING OF AGENCIES PROPOSED FOR DEPARTMENT

Recommendation No. 8

We recommend as logical and practical the following major-purpose assignments of the reorganized Department functions:

Water Development and Use Services

Reclamation.
Rivers and harbors improvement.
Flood control.
Bonneville Power Administration.
Southwestern Power Administration.
Division of Power.

A study should be made as to separation of certain general-survey activities from the Federal Power Commission and their inclusion in this Department.

Building Construction Services

Public building construction.
Community services.

Major land construction work on behalf of Coast Guard in the Department of Commerce.

Hospital construction on behalf of other departments, except in cases where carried on by grants-in-aid programs.

Civilian airport construction on behalf of the proposed Bureau of Civil Aviation of the Department of Commerce, except in cases where carried on by grants-in-aid programs.

In none of these fields would the Department operate after construction is completed. Moreover, it is not proposed to absorb all construction into the Department solely because it is technical work. Many other agencies will need routine engineering and architectural staffs. We propose for the Department of the Interior only the preparation of plans, awarding of contracts, and supervision and inspection of major construction.

Mineral Resources Services

Geological Survey.
Bureau of Mines.
Division of Oil and Gas.

Administration of mineral leases, title records, and reservations.

Leasing of mineral lands (those functions now in the Department of Agriculture).

Investigations into natural gas resources, from the Federal Power Commission.

Government tin smelter at Texas City, Tex., from the Reconstruction Finance Corporation.

An advisory function to a score of Federal agencies dealing with minerals, to be established, for better information and elimination of duplicate staffs.

Recreation Services

Public parks and monuments.
Wildlife and game fishing.

Territories and Possessions

It is proposed that the Division of Territories and Island Possessions remain in the Department until some policy is determined by the Congress on the question of our administration of overeas areas. This problem will be treated in our report on the Administration of Overseas Affairs.

III. OUR REASONS FOR THESE PROPOSALS

The over-all reasons for these recommendations are:

(a) The grouping of those agencies related to the development of natural resources and construction, according to their major purposes, to secure coordinated policies in these fields.

(b) Elimination of disastrous conflicts and overlaps which cost the taxpayers enormous sums annually.

(c) Provision of a center for more energetic development in water and mineral resources.

(d) Establishment of a center for collection of fundamental data upon which water conservation works should be based.

(e) Provision of a center for coordination of State and Federal action in these fields.

(f) Provision for a center in the Government where engineering advice can be obtained by other agencies of government.

(g) Provision for the Congress of an overall view of the major construction activities of the Government.

(h) Elimination of competition for construction labor and materials.

(i) Provision of a center for planning and action of Federal construction to be coordinated with the ebb and flow of employment.

Amplification of these major proposals is given in the following sections of this report.

PLANNING AND ADMINISTERING CONSTRUCTION TO AID IN PREVENTING UNEMPLOYMENT

A further reason for these proposals lies in the need for long-view planning to meet the ebb and flow of employment.

In times of great employment in private construction, the Government should reduce its work (except for emergency needs) so as not to inflate costs and should save its construction for times of unemployment. Our task force on public works states:

"The advance planning and promotion of public works for such periods of slack employment should be recognized as a continued responsibility of the Federal Government, working in cooperation with States and municipalities. It is senseless to proceed on the theory that every major slump in business and employment is an unexpected Divine visitation not to be anticipated and to be dealt with only on the basis of ineffective, wasteful, and hastily improvised emergency measures. * * *

"Public works admittedly can take care of only a fraction of the depression employment problem, but it is an exceedingly important fraction; it is the marginal area in which men out of work will stew around helplessly unless the Government is ready to meet their problem."

At the present time there is a short supply of construction labor and materials. They are urgently needed for national defense, for housing, and for current construction in private industry. In these circumstances the agencies enumerated here should carry on the minimum nonpostponable work, should undertake no new projects, but should have blueprints ready for use when unemployment creates a need.

BETTER ORGANIZATION IN WATER DEVELOPMENT AND USE

The Federal Government's interest in the development of our water resources has been constant since the foundation of the Republic.

At its beginnings, practically all transport was by water. River and canal improvement loomed large in Government interest. With the growth of the railways, the shallow draft channels on canals and rivers became less important.

The development, in modern terms, of our water resources begins with the present century. The systematic deepening of river and lake channels, and the expansion of intercoastal canals, show an increase in annual traffic carried over them to some 22,000,000,000 ton-miles at the present time. Destructive floods have been lessened by great levee systems, alternate channels, and headwater storage.

The systematic development of irrigation and reclamation began with the Reclamation Act of 1902. Up to 1930 these works were primarily comprised of the easier or less complex types of projects, furnishing water to some 2,790,000 acres of land. Up to that time, some 17 small hydroelectric plants had been built by the Government as an adjunct to irrigation dams with a total installed electrical generating capacity of about 226,000 kilowatts. All of these electrical byproduct enterprises were operated by irrigation districts or under lease.

Changed pattern of development

With the Hoover Dam in 1930, there began an enlargement of the water development concept. This new concept entailed the storage of water by large dams which would serve the multiple purposes of navigation, flood control, irrigation, and byproduct hydroelectric power.

In setting up the financial organization of these multiple-purpose projects, the Federal Government has established certain policies. Because flood control and navigation do not produce revenues, the portion of the capital cost attributable to them has been set aside as irrecoverable. Because other features, including irrigation, power, and domestic water, do produce revenue, a portion of the outlay is allocated in various amounts as recoverable by the Government.

The following are the active agencies engaged in this field:

Bureau of Reclamation.
The Army Corps of Engineers.
The Bonneville Power Administration.
The Southwestern Power Administration.

Scope of electric operations

These operations by the Government, including those also of the Tennessee Valley Authority, have attained great magnitude.

By June 30, 1947, there had been constructed or purchased 46 hydroelectric and 10 steam power plants of an installed generating capacity of 4,909,582 kilowatts. There were 37 additional plants in construction with a capacity of 8,481,400 kilowatts.

Construction authorized by the Congress contemplates 79 more plants of a capacity of about 6,842,655 kilowatts. Thus in, say 1960, when these 172 plants are in full operation, they will have a capacity of about 20,233,637 kilowatts.

The transmission lines now exceed 14,000 miles.

The total installed electrical generating capacity in the Nation in June 1947, owned by private enterprise, municipalities, and the Federal Government, was about 52,000,000 kilowatts. Allowing for increased installation of private and municipal plants during the next 5 years, plants of the Federal Government will be producing probably 15 or 20 percent of the power supply of the whole country by that time.

The total expenditure of the Federal Government on these multiple-purpose projects is roughly estimated at $3,700,000,000 as of June 30, 1948. Probably $4,000,000,000 will be required for completion of those in construction and authorized. Beyond the abovementioned plants already authorized, there are several hundred other possible plants listed as feasible. They may or may not be constructed. The further plants thus listed, if constructed, would involve an expenditure of over $35,000,000,000 and would have an installed generating capacity about equal to the whole of the actual capacity of the country in June 1947.

The multiple-purpose dams constructed or planned are situated in many States. Those of the Corps of Engineers are in 37 States, in every part of the country—New England, the Middle West, the South, and the Mountain and Western States. The Bureau of Reclamation projects lie in 17 States, in the Western, Mountain, and Southwestern areas. These services have projects in 14 of the same States. Other Government agencies, such as the Tennessee Valley Authority or Bonneville Power Administration, have projects which will produce or distribute hydroelectric power in many of the same States in which either the Bureau of Reclamation or the Corps of Engineers, or both, operate.

THE BUREAU OF RECLAMATION

The Bureau of Reclamation has constructed, or now has under construction, and operates or manages multiple-purpose projects directed mainly to electric power and irrigation purposes. These projects have supplementary effects upon flood control and navigation.

The installed capacity of electric power in these projects is at present about 1,465,400 kilowatts and projects in construction or authorized, 4,181,837 kilowatts.

The Bureau of Reclamation, which employs about 17,000 persons, was created in June 1902. Its original financial support was derived from the disposal of public lands in 16 Western States and Territories (and, after 1906, Texas), and was to be used for irrigation and reclamation of arid lands in those States. In 1920, Congress added the royalties and ether income received by the Government from certain minerals, including oil, in the public domain. In the same year Congress provided that 50 percent of the Government receipts from water-power licenses for use of public lands should be added to the Reclamation Fund.

Our task forces estimate that, from the inception of the fund until June 30, 1949, the fund will have received from the United States Treasury a total of over $1,234,000,000, and from sales of public lands and its hydroelectric power, irrigation, and other revenues, a total of over $546,000,000, or an aggregate sum of over $1,777,000,000. The financial statements of the fund do not permit full analysis, but it appears that, by June 30, 1949, the reclamation fund will have expended on construction of projects up to date over $1,530,000,000; and further great sums are required to complete works already under construction.

Irrigation

As we have said, at the time the great multiple-purpose projects were inaugurated the easier projects of irrigation had been largely completed and were furnishing water to about 2,790,000 acres. In the 18 years since that time, about 1,500,000 acres of additional soil have been brought under irrigation with perhaps 550,000 acres more benefiting indirectly from the water supplied by the multiple-purpose projects.

The Congress, in setting up the irrigation system, provided that the farmers should repay the costs of the system without interest added to the cost during construction, or subsequent interest on the cost. Experience has shown, however, that even with this indirect subsidy of interest, these projects, on the average, do not pay out, as the capital cost is too great (with a few exceptions) for the farmers to bear. It is simply accepted that the national advantage of more farm homes and more national productivity are advantages which will offset Government losses.

UNITED STATES ARMY CORPS OF ENGINEERS

This agency engages in flood control and rivers and harbors improvements. Since 1902, the Government has appropriated over $6,000,000,000 and actually expended over $5,000,000,000 on these projects. The recommended appropriation for fiscal year 1950 is $754,423,700. The estimated cost of completion of authorized projects is about $3,200,000,000. The staff for civilian functions consists of some 200 Regular Army engineers, about 9,000 civilian engineers, and some 41,000 other employees.

In improvement of flood control and navigation the Corps of Engineers has constructed, and is engaged in constructing, numbers of multiple-purpose dams of which electrical power is one important byproduct. These installations thus become Government business enterprises of importance. The business of marketing the power from Engineer Corps installation in certain instances is managed by the Department of the Interior, as in the cases of Bonneville Power Administration and Southwestern Power Administration. Generally this is the case in the Western and Southwestern States.

Outside these areas the engineers have under construction or authorized about 20 hydroelectric power plants of a total installed capacity of over 1,400,000 kilowatts and a total cost of over $500,000,000, a portion of which costs will be assigned to power.

Defects in organization of water development and use

There are glaring defects in the organization of these services in the Government.

(a) There is no effective agency for the screening and review of proposed projects to determine their economic and social worth. There is no effective review of the timing of the undertaking of these projects in relation to the economic need or financial ability of the nation to build them. We have dealt with this subject earlier.

(b) There is duplication and overlap of effort, and policy conflicts exist between the Army engineers and the Bureau of Reclamation in construction of, and jurisdiction over, projects.

(c) There is an inherent conflict between the most efficient operation of storage dams for the purpose of flood control and of dams used for the generation of hydroelectric power. Flood control requires empty storage space prior to the high-water season, the storage of water during the flood season, and the emptying of the dams during dry spells. The generation of hydroelectric power needs as nearly an even flow of water as is possible the year around. And the irrigation cycle, which requires storage of water in the winter months and its release in the summer, conflicts with the continuous flow of water required for electrical operation. As flood-control concepts are in the hands of one agency of the Government and power concepts in another, there is inevitable conflict of the highest importance in design and operation, which can be solved only by a consolidated administration.

(d) There is considerable doubt as to the proper assignment of capital costs as between irrecoverable costs attributable to flood control and navigation, on the one hand; and recoverable capital to be reimbursed from reclamation and sale of water and power, on the other.

(e) The Federal laws in respect to the Bureau of Reclamation, embracing some 803 pages, are indefinite, complex, and contradictory.

(f) There is no uniformity of principles guiding congressional authorization of these projects. Some are authorized under the reclamation acts, some under the flood control acts, and some projects have been created by individual legislation.

(g) In their hydroelectric power and irrigation aspects, these agencies are essentially Government business enterprises. They are subject to many deficiencies and they lack flexibility of management, budgeting, accounting, and audit which successful business enterprises require.

Elimination of disastrous conflicts and overlaps

One of the major reasons for grouping these agencies into the Department of the Interior is the elimination of disastrously wasteful conflict.

Our task force on Natural Resources discusses the conflicts on water development and use as follows:

"The function of river development is a multiple-purpose one, cutting across many of the unifunctional agencies. Experience has shown that parceling out river development responsibilities among these functional agencies produces endless confusion and conflict. A plan for the development of a river basin cannot be devised by adding together the special studies and the separate recommendations of unifunctional agencies concerned respectively with navigation, flood control, irrigation, land drainage, pollution abatement, power development, domestic and industrial water supply, fishing, and recreation. These varied and sometimes conflicting purposes must be put together and integrated in a single plan of development. * * *

"Under conflicting laws, rival Federal agencies compete for taxpayer money in what often appear to be premature and unsound river development projects, duplicating each other's surveys and bidding against each other for local support at national expense. * * *

"The Corps of Engineers and the Federal Power Commission have broad and overlapping survey authority, on a Nation-wide basis, while a third agency, the Bureau of Reclamation, was having its survey authority extended in scope in the western States where the public domain was concentrated. * * *

"Enactment of the Flood Control Act of 1936 marked the beginning of a new era of administrative confusion. In that act primary responsibility for flood protection on the main streams was assigned to the Corps of Engineers, and in the upper watersheds to the Department of Agriculture. The most serious consequence from the standpoint of organization was not the division of flood-control responsibility between the Corps of Engineers and the Department of Agriculture, but the effect on relations between the corps and the Bureau of Reclamation. As the corps' original responsibility

for navigational improvements was expanded to cover flood control and other purposes incidental or related to flood-protective works, and the Bureau's original responsibility for irrigation was expanded to include other potential byproducts of irrigation structures, the one agency working upstream met the other coming down. Now we are witnessing the spectacle of both agencies contending for the authorization, construction, and operation of projects in the same river basins, for example, in the Central Valley, Columbia, and Missouri Basins. * * *

"Division of responsibility means duplication of surveys and investigations. Elaborate basin-wide surveys and plans have been made in several instances by the Corps of Engineers and the Bureau of Reclamation, in addition to the comprehensive basin surveys made by the Federal Power Commission and the watershed surveys of the Department of Agriculture. * * *

"Jurisdictional jealousy is inevitable, and costly as well, so long as such organization separation is practiced. Friction therefrom operates as a perpetual drag on efficiency and as a stimulator of group and sectional competition for favor and undue influence. Without more inclusive operating units, plans are made which see only parts of the whole situation, and wasteful expenditure of funds results, while the total objective which might have been attained is only partly realized."

Attempts have been made to secure coordination through interdepartmental committees, but the Natural Resources Task Force states:

"No effective method has been found for reconciling conflicting opinions and programs. * * *

"The [interagency] committees have failed to solve any important aspects of the problem * * * because the dominant members, the corps and the Bureau, have been unwilling to permit interagency committees to settle their differences. The result has been neglect or avoidance by the committees of virtually all major areas of interagency conflict, and concentration instead on technical studies and publicity. * * *

"The development agencies sometimes compromise their differences. After sharp clashes over plans for the development of the Missouri Basin, the corps and the Bureau announced complete agreement on the Pick-Sloan plan. Analysis of that plan reveals the fact that it contains many projects which previously had been subjected to devastating criticism by one or the other agency. The compromise consisted for the most part in a division of projects, each agency agreeing to forego the privilege of criticizing projects assigned by the agreement to the other. The result is in no sense an integrated development plan for the basin, and there is serious question in this case whether agreement between the two agencies is not more costly to the public than disagreement. * * *

"Each of the two major development agencies, the Corps and the Bureau, not unnaturally tries to stake out claims in advance of the other. Each completes its basin surveys as quickly as possible, and proposes its development plans for authorization. The Executive and the Congress are presented with conflicting proposals prepared by agencies with different water-use philosophies. The plans of the Corps of Engineers are built around navigation and flood-protection features, those of the Bureau of Reclamation around irrigation, with power development and other allied purposes given some consideration by both. Desirable though it would be, it is difficult to forestall authorization until thorough analysis has been made * * * once project plans are announced and publicized such powerful local pressures are usually generated that development cannot be postponed. Occasionally, however, interagency disputes have the opposite effect of retarding worth-while developments for many years, as in the case of the Kings River project in the Central Valley of California. * * *

"The existence of a number of survey and development agencies has encouraged the perpetuation of special-purpose policies and has accentuated statutory inconsistencies. Varying administrative standards of feasibility, benefit-cost evaluation, and cost allocation have added to the confusion in these areas. Interagency rivalry has fostered a sort of Gresham's law with respect to Federal financial policies, the tendency being for higher standards of repayment by State, local, and private beneficiaries to be replaced by lower. * * *

"This particular overlap of authority exists not only in the 17 Western States, but the situation for the Nation as a whole is also highly confused. The Corps of Engineers is the principal survey and development agency, but has only minor authority in the Tennessee River Basin, where the Tennessee Valley Authority experiment was set up. Elsewhere the corps must share its authority (1) on installation of power generating equipment with the Federal Power Commission; (2) on disposal of all surplus power generated at its projects, with the Secretary of the Interior; (3) on fish and wildlife conservation, with the Fish and Wildlife Service; (4) on pollution abatement, with the Public Health Service. * * *

"In addition to creating inequities among beneficiaries and a drain on the Federal Treasury, inconsistencies regarding repayment policies also are a source of friction between the Corps of Engineers and the Bureau of Reclamation. The corps, emphasizing its primary responsibility for navigation and flood control, can offer more 'free' improvements than the Bureau, whose projects are primarily for the purpose of irrigation. This difference is intensified by antispeculation provisions and acreage limitations that are established features of projects built under reclamation laws and that have no counterpart in projects built by the Corps of Engineers under flood control and navigation laws. * * *

"There is simply no escaping the fact that so long as the present overlapping of functions exists with respect to the Corps of Engineers, the Bureau of Reclamation, and the Federal Power Commission, costly duplication, confusion, and competition are bound to result. It has been demonstrated time and again that neither by voluntary cooperation nor by executive coordination can the major conflicts be ironed out."

An example of duplication and conflict may be found in the plans for a project at Hell's Canyon, Idaho. These were duplicated at a cost very roughly estimated at about $250,000 each by the Corps of Engineers and the Bureau of Reclamation.

They differed in essential particulars of construction and by over $75,000,000 in cost of erection.

We have pointed out the inherent conflict in use of reservoirs for flood control and their use for power or irrigation. The greatest power development requires the most even flow of water possible. The greatest flood prevention use is to empty reservoirs prior to the flood season and soon thereafter. With the Reclamation Service in control of one function of some reservoirs and the Army Corps of Engineers in charge of others, there can be only continued friction. The consolidation of these agencies is the only remedy. An inquiry into the disastrous flood at Portland, Oreg., in 1948, might show the nature of this conflict in the use of reservoirs.

The question of employment of military engineers

It is contended that the conduct of rivers, harbors, and flood control by the Army engineers has a value in their military training or an economy in Government. Upon this subject our task force on public works, which weighed it carefully, says:

"The argument that river and harbor work can be directed only by the Army engineers becomes even more absurd when it is realized that less than 200 Army engineers are involved and that the remainder of the personnel under their control * * * are civilians who supply most of the detailed knowledge and continuing direction. If the Army engineers supply unusual ability and obtain invaluable training by contact with this responsibility, there is no reason why the same and even better results cannot be obtained by assigning them and corresponding officers of the Navy and Air Forces, on a proper, dignified, and respected basis, to a central consolidated works department.

"The Secretary of Defense temporarily should assign to the Secretary of the Interior engineer officers of the Army, Navy, and Air Force who would direct and be engaged in public-works tasks commensurate with their rank and experience. In this way, particularly, junior officers would obtain varied training and experience. The Secretary of Defense would continue, as he does now, to prescribe regulations relating to service, rotation of duties, and promotion of these engineer officers, with full power to withdraw them from the Department of the Interior during times of emergency. The Corps of Engineers of the Army would continue in close contact with the best civilian engineering brains in the country to perform functions of a military engineering nature under the Secretary of Defense. Only the civil functions of the Corps would be transferred to the Works Department under the proposed plan.

"This subject is far too important to be approached from the point of view of old schooltie tradition. A detached and scientific spirit is required."

Our task force on natural resources supports these views:

"Painful as the operation may be, the case for a unification of functions of the Corps of Engineers and the Bureau of Reclamation is so overwhelming that it ought to be effected without further delay. The training provided in peacetime for * * * Army engineers at present utilized on this civilian program can surely be secured in some far less costly fashion—perhaps by arrangement with the new Water Development Service or in various installations of the Armed Services themselves. There is a real question in any event as to how far these water resources activities are useful in training for wartime problems."

Lack of hydrologic data

This division of agencies in the area of water development between different departments has resulted in no adequate provision of hydrologic data. There are great deficiencies in the fundamental data which have resulted, and are resulting, in great losses to the country. The consolidation of water services is essential to remedy this grevious situation.

Our Task Force on Natural Resources states:

"The really disturbing thing is that so little progress has been made in obtaining reliable hydrologic data in advance of project planning and construction. Though the necessity for more adequate data has long been recognized, we find ourselves embarking on the most gigantic water projects ever devised with alarming gaps in our knowledge of the probable behavior of the waters we are trying to control and utilize. So serious are these deficiencies that it is estimated on the basis of experience that the limit of error or ignorance in present water developments is rarely less than 25 percent, and is frequently greater than that.

"Present knowledge of the relationships among precipitation, run-off, evaporation,

ground-water movement, soil condition, vegetal cover, transpiration, etc., is far from complete, but our greatest shortcoming has been the failure to provide sufficient funds for the utilization of rain gages, snow surveys, stream-flow measurements, evaporation stations, run-off and erosion studies, ground-water observation wells, water-quality analyses, and other established methods of obtaining data essential to the planning and construction of river development projects. Continuous application of these techniques over a period of years is required to furnish reliable data, yet not infrequently the first intensive efforts to apply them are coincident with the commencement of a project study. Few areas are even adequately mapped for water development purposes. In the Columbia Basin, for example, less than half of the watershed has been topographically mapped or has had ground control lines established. Stream survey and stream-gaging programs have lagged far behind project planning, notwithstanding the fact that development agencies have transferred considerable funds to data-collecting agencies and have frequently undertaken surveys themselves. Conditions in the Missouri Basin are equally unsatisfactory.

"Losses due to lack of adequate hydrologic data have always been heavy and may reach staggering figures during the next few years. The most spectacular form which such losses take is the failure of dams as a result of overtopping by floods. In a large proportion of the important dam failures of this kind structures were built too weak or too small because of lack of sufficient information as to precipitation, run-off, stream flow, etc. Made cautious by the number of such catastrophes in the past, engineers now tend to overbuild where adequate data are lacking, and as a result we have an increasing number of overelaborate spillways, power plants, and water-supply systems. Losses from overbuilding of structures are less spectacular than those that occur from underbuilding but may turn out to be even more costly.

"Siltation of reservoirs due to absence of sufficient data concerning sedimentation is another common form of loss. Many river development works have failed to function as expected or are doomed to early failure due to loss of storage capacity for power production and other purposes. In some cases siltation has necessitated the raising of dams at considerable expense. * * *

"Overextension of irrigation systems, arising from lack of dependable data as to amounts of available water, has resulted in many costly failures."

Recommendation No. 9

For the many reasons above, we recommend that the Rivers and Harbors and Flood Control activities of the Corps of Engineers be transferred to the Department of the Interior and that any Army engineers who can be spared from military duties be detailed to the Department in positions similar to those which they now hold in the Corps of Engineer.[15]

BUSINESS ASPECTS OF MULTIPLE-PURPOSE PROJECTS

There are many reforms in finance, budgeting, accounting, and business management which are urgently needed in the conduct of the electrical and irrigation aspects of water development. The responsible officials cannot effect these reforms under the present laws.

The subjects are dealt with in reports of the Commission on Budgeting and Accounting, and on Government Business Enterprises, where we make specific recommendations.

There is great confusion in the laws governing the Bureau of Reclamation generally.

Recommendation No. 10

We recommend a clarification and codification of the laws pertaining to the Bureau of Reclamation.

ORGANIZATION AND PLANNING UPON A DRAINAGE BASIN BASIS

A further reason for unified organization of water development agencies is to permit the determination of policies upon a watershed basis.

Our task force on natural resources says:

"In the mangement of our great rivers, the coordinated development of whole river basins with their watershed tributaries is peculiarly essential. * * *

"The (water development) service would have a clear responsibility to devise for each river basin a plan of development designed to achieve the maximum benefits, after weighing all uses and interests. It would be charged with the responsibility for the Federal part in planning, constructing, and operating river development projects. * * *

"There should be regional decentralization of the Water Development Service and the Forest and Range Service, by river basins where practicable, to facilitate grass roots decisions, interservice cooperation, and local participation in planning."

In addition to unification of Federal water development agencies, the relation to, and participation of, the States in water development needs enlargement. As said, the unit of water development is the drainage area. Within it are the multiple purposes of navigation, flood control, irrigation, hydroelectric power, municipal and industrial water supply, and the problems of pollution. The governments of the States involved not only are interested, but also, for some purposes, should be called upon for contribution to expenditure. Nor can too much emphasis be laid upon any one of these multiple uses of water to the prejudice of other States. Moreover, State laws govern water rights.

Prior to 1936 the States were required to contribute to flood control, but the removal of this condition in 1938 in respect to reservoir projects has, in effect, imposed the whole burden on the Federal Government and at the same time removed effective restraints on projects of doubtful feasibility.

In order to bring about coordination of State interest and the different Federal agencies as well, the following recommendation is made:

Recommendation No. 11

The Commission recommends that a Drainage Area Advisory Commission be created for each major drainage area, comprising representatives of the proposed Water Development and Use Service of the Department of the Interior, the proposed Agricultural Resources Conservation Service in the Department of Agriculture, and that each State concerned should be asked to appoint a representative. The purpose of these drainage boards should be coordinating and advisory, not administrative.

INTERNATIONAL BOUNDARY STREAMS

With respect to international boundary streams, our task force on natural resources states:

"There may be instances in which it will be desirable to have joint action by the Water Development Service and the State Department in view of the latter's responsibility for negotiating agreements. Insofar as the State Department is necessarily involved in planning and operation, it should utilize the facilities of the Water Development Service wherever practicable and should effect careful coordination with the Service so that the plans for the development of the national and international sections of streams are not in conflict. The Water Development Service, in turn, should clear all construction and operation plans for international streams with the State Department for conformity with international agreements."

Recommendation No. 12

The Commission shares these views and recommends that the responsibility for negotiating international agreements continue with the State Department, but that all construction be made a function of the Water Development and Use Service.

REVIEW OF IRRIGATION PROJECTS BY THE DEPARTMENT OF AGRICULTURE

Our task force on natural resources recommends:

"Serious friction can be avoided, it is believed, if the following general principles are adopted: (a) The Water Development Service should not engage in basic agricultural research; (b) the Water Development Service should not provide irrigation farmers with the type of services ordinarily furnished by the Department of Agriculture; (c) the Water Development Service should be required by statute to obtain and consider the views of the Department of Agriculture with respect to the agricultural feasibility of water projects before making it own determination."

The Commission is convinced that the Department of Agriculture should play a more significant role with respect to irrigation than has been the case in the past.

Recommendation No. 13

Therefore, we recommend that no irrigation or reclamation project be undertaken without a report to the Board of Impartial Analysis by the Department of Agriculture.[16]

IV. BETTER ORGANIZATION IN BUILDING CONSTRUCTION

Major public construction is now carried on by many departments or agencies involving an expenditure, recommended in the 1950 budget, of some $1,300,000,000. As stated above, our reasons for placing this work in one department are (a) to secure more adequate technical supervision; (b) to link such work with other major construction; (c) to eliminate competition for labor and materials within the Government; and (d) to plan construction work to meet the economic situation.

Our task force on public works recommends that all Government housing agencies be brought into this Department. We do not approve of including housing activities as they involve mostly lending operations and are, in part, of an emergency nature. These housing agencies are not directly engaged in major construction activities. However, if any of the housing agencies should undertake actual extensive construction for the Federal Government, this construction should be the responsibility of the Department of the Interior.

---

[15] Abstention: Commissioner James Forrestal has abstained from participation in the discussion and formulation of this recommendation, and others relating to the Corps of Engineers, because of his relationship, as Secretary of Defense, to the Corps of Engineers in the National Military Establishment.

[16] Further views: "I fail to see the significance of this recommendation which would not permit any irrigation or reclamation project to be undertaken without a report to the Board of Review by the Department of Agriculture Obviously, it is not intended to give the Department authority superior to the Board, and under the broad terms of recommendation 1, the Board would necessarily have to consider the views of all departments including Agriculture." (James Forrestal, Commissioner.)

V. BETTER ORGANIZATION IN MINERAL RESOURCES SERVICES [17]

Our Task Force on Natural Resources states:

"Consumption of minerals in the United States has been steadily on the upgrade. The total value of domestic mineral products was $367,000,000 in 1880 and $8,143,000,000 in 1945. The fuel minerals, coal, natural gas, petroleum and its products increased in value from $120,000,000 in 1880 to $5,212,000,000 in 1945. The advent of the automobile brought in a remarkable increase in the consumption of petroleum the total value of which was $32,000 in 1859, $120,000,000 in 1907, and $2,033,000,000 in 1944.

"National industry in the past has been securely based on large and companion iron and coal deposits. The production of iron ore was only 15,000,000 long tons in 1889. It rose to 52,000,000 in 1907 and over 100,000,000 tons in 1917. Likewise the production of bituminous coal rose from 80,725 tons in 1824 to a peak of 620,000,000 tons in 1944.

"Cutting across minerals, water, and even some organic resources is the need for unified attention to the energy resources base of our economy. There is at present no department assigned to watch out for the consistent conservation and development of water power, oil, gas, and coal. No one is advising Congress, the President, and the operating agencies on changes in Federal policy required to conserve the more valuable or nonreplaceable energy substances and to increase the availability of the perpetual use or more plentiful and cheaper forms of energy."

We have need for more extensive geological explorations, for more research into improved methods of mining and recovery, for more adequate management of the Government relations to title leases, royalties, reservations, etc.

We have need for study leading to revision of our mining laws, some particulars of which are outlined in the report of our task force on natural resources.

There is grave need for a center of mineral services in order to develop mineral resources, to advise on broad national policies, to administer the Government leases and mineral reservations, to recommend revision of mineral laws, and to advise other agencies of the Government.

There are some 25 agencies in the Government which have to do with mineral resources. They involve extensive duplication, much of which could be avoided by a consolidation and a more systematic source of information and advice. The Reconstruction Finance Corporation and the National Security Resources Board are important cases in point.

The Reconstruction Finance Corporation has large powers to make loans to organizations engaged in mining, milling, and smelting of ore, and to make loans for the development of lode, ledge, or veins.

Recommendation No. 14

We recommend that, in connection with its financing, the Reconstruction Finance Corporation should secure reports from the proposed Mineral Resources Services of the Department of the Interior.

The tin smelter at Texas City, Tex., is a Government enterprise now conducted by the Reconstruction Finance Corporation. This is an intensely technical operation which should be allied with the research and technical services of the Bureau of Mines in the Mineral Resources Services.

Recommendation No. 15

We recommend that this enterprise should be operated by the Bureau of Mines.

The National Security Resources Board is engaged in stock piling and development of mineral production. They should avail themselves at all times of the advice of the Minerals Service.

VI. RECREATION SERVICES

BUREAU OF NATIONAL PARKS

As to the national parks, our task force on natural resources states:

"On the whole, there has been little duplication in the administration of recreational resources. However, much remains to be done in integrating recreational policies relating to the national forests and national parks, and in integrating national recreational policies with State park and forest programs. There has been some conflict between the Forest Service and the National Park Service over boundaries. There could be closer cooperation between the National Park Service and the Forest Service in custodial supervision of monuments within the national forests. There could likewise be more consistency in operational policies concerning camp sites, tourist cabins, commercial enterprises, and other public facilities."

BUREAU OF FISH AND WILDLIFE

We have recommended elsewhere the transfer of commercial fisheries to the Department of Commerce and given our reasons in the report on that Department. Other functions of this Bureau remain in Interior.

CONCLUSIONS AND SAVINGS

The Commission believes that the foremost obstacles to consistent Government policies and efficient functioning of these agencies will be removed by their unification as proposed above.

We can present no accurate estimate of the savings to be made by this reorganization of functions. In preventing unwise projects and disastrous conflicts and by securing coordinated policies, they should amount to large sums.

Mr. MORSE. Mr. President, in closing, I want to say that I have sought tonight to outline in general my basic attitudes and viewpoints with respect to the problems which confront us in the Pacific Northwest insofar as the need for some legislation for and coordination of the administration of the various departments which have jurisdiction over these Federal projects is concerned.

Mr. President, I stress again that we cannot safeguard the principles of representative government in the Pacific Northwest unless the Federal Government and the States work out together a cooperative program along the line of a cooperative State and Federal corporation, governmental in nature, for the administration of these projects. That ought to be our ultimate goal, but in the meantime let me say to all the people of my State that the first two steps we should take are to proceed without delay to complete these projects, and to urge this administration to get the projects covered in the so-called Army Engineers-Bureau of Reclamation Report No. 308, and as provided for in Senate bill 2180, built at the earliest possible time, and as a second step, proceed without delay as a Congress to put into legislative form the recommendations of the Hoover Commission in respect to this general problem.

Mr. President, I am satisfied that if we do that we will have performed not only a great service for the people of my section of the country, but we will have taken a significant step toward the maintenance of these principles of representative government for which I have pleaded tonight.

Mr. CAPEHART. Mr. President, I have listened very attentively for the last 3 hours to the able address of the junior Senator from Oregon, and I wish to congratulate him. My only regret is that there were not more Senators on the floor, and likewise that every American could not have listened to his address. I recommend that he have it printed and mailed out as widely as he possibly can.

I likewise desire to welcome the Senator from Oregon to the fraternity of Senators opposed by the leadership of the CIO. I assure him that that fraternity is not a secret organization. It is very, very widely advertised. In my State, for example, they are holding meetings regularly. Some of the leadership of the CIO have the slogan, "Anybody but CAPEHART," and I am certain that from now on they are going to have a slogan "Anybody but MORSE."

There is no question that the Senator from Oregon qualifies to join this fraternal organization of Senators opposed by the leadership of the CIO because, as he said in substance in his speech, he knows no man's collar, he is for labor when they are right and against them when they are wrong; he is for businessmen when they are right and against them when they are wrong. Nobody can dictate to him as to how he votes. He follows his conscience, and votes for that which he believes is for the best interests of all the people of the United States.

Mr. President, I believe that is the qualification and is the philosophy of those of us who belong and have belonged for some time to the fraternal order of Senators opposed by the CIO leaders who are opposed to anyone who dares to differ with them on a single subject. There can be no question about that.

I know of no one in the United States who has been a better friend of labor than has the junior Senator from Oregon. Yet, we discover tonight that because he has been opposed to a certain piece of legislation which the CIO apparently favors, they now, if they have not already declared their opposition to his renomination and reelection, may well do so.

I want to say to the able Senator from Oregon that he need not be discouraged. I agree with what he said in his speech, that the people of America, the rank and

[17] Further views: "To my mind the greatest defect of the Commission's report and that of the supporting task force is the inadequacy of the treatment of petroleum as a natural resource. This defect cannot be explained away solely on the ground that there are no organizational problems involved. The natural resources, particularly those of petroleum, in the submerged coastal lands are admittedly very important but at present there is no Federal agency authorized to manage these resources which are within the domain of the Federal Government. It is for this reason that I joined with Attorney General Clark and Secretary of the Interior Krug in recommending to both the Eightieth and Eighty-first Congresses, the enactment of a management act to provide for the orderly administration of Federal mineral resources in the submerged coastal areas. This legislation has been introduced in the Eighty-first Congress as S. 923." (James Forrestal, Commissioner.)

file of labor, always appreciate an honest public servant, one who votes his conscience, one who cannot be dictated to by anyone. I am confident, after having served 4½ years with the able Senator from Oregon, that he is of that caliber. My personal opinion is that the best recommendation the Senator from Oregon can have is the fact that he takes issue at times not only with the CIO leadership but the leadership of the bankers and the businessmen and all other groups in America.

What the Nation needs above everything else in its Senators and Representatives is men and women who have the courage to vote their convictions, to vote for that which they feel is best for all the people, irrespective of what any small group or large group in America may think about it.

It is my personal opinion that if this Nation should fall—and I am certain it is not going to fall—it will fall because we have in the Congress of the United States men and and women who are dictated to by some pressure group in America.

I congratulate the able Senator from Oregon, and again I welcome him into our fraternal order of Senators who are opposed by the leadership of the CIO, and I prophesy not only his renomination, but likewise his reelection.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I will say to the Senator that I appreciate very much what he has said about me. I thank the Senator for his statement, and I compliment him upon his very fine statement of the principles which should actuate and govern all Members of the Senate of the United States in doing our duty. He has contributed very much to the statement of principles of representation I have tried to set forth tonight.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. TAFT. Mr. President, in my opinion the Senate should consider at once the proposed amendments to the Displaced Persons Act of 1948 reported by the Judiciary Committee without recommendation.

I am opposed to referring this bill back to the Judiciary Committee, even though the committee is directed to report it again in January. The Displaced Persons Act became law on June 25, 1948. Many of the amendments now proposed were considered by both Houses of Congress at that time. They were considered again at the special session in 1948. They have been widely discussed in Congress and throughout the country since this Congress met on January 3, 1949. Extensive studies have been made and several Senators have traveled to Europe to visit the camps. In my opinion there has been ample time, and the only real reason why amendments have not been reported is that the subcommittee considering the matter is opposed to liberalizing the provisions of the 1948 act. Surely that must be clear to anyone who considers all the circumstances. That subcommittee and the Judiciary Committee itself, as well as Members of the Senate, have, of course, a perfect right to oppose all amendments. But the matter is now before the Senate, and I can see no possible need for further study before the Senate acts.

Mr. President, I think it is extremely important that action be taken now. It is said that no more displaced persons will be admitted during the next 3 months. That may be true, but the sooner the act is amended and the Commission gets to work under the new act, the closer we will be to a solution of one of the most serious problems in Europe today.

I have always felt that the United States should do its share in solving that problem, and I am inclined to believe that the number of persons provided by the new act, namely, 339,000, more nearly represents the American share than the figure of 205,000 in the present act.

I have also felt that the cut-off date of December 22, 1945, contained in the present act excluded from the classification of displaced persons many people who probably belonged in that classification. Certainly they had been actually admitted to the displaced-persons camps in Europe, and to exclude them now seems to me a clear discrimination. I voted last year to extend the date to April 21, 1947. I have some doubt about extending it further than that date, but I should be glad to consider the arguments that may be presented for the House date of January 1, 1949.

While I do not feel that the provisions giving some preference to farm workers, and to persons from the Baltic States, were discriminatory, I am inclined to believe that it would be better to adopt the amendment which requires simply that there shall be no discrimination among different groups in selecting persons for admission.

There are other amendments which, after the experience we have had, seem desirable to eliminate red tape and enable the general policy to be carried out more quickly. I would vote for the House bill in its present form, although there are some matters which I would prefer to amend. In any event, Mr. President, I wish to reiterate the importance, to thousands of unfortunate persons, and to a solution of one of the most difficult problems in Europe, of our considering this bill at the present time and passing it in such form as the Senate approves.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. LONG in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BREWSTER. I move that the Senate now stand in recess.

The motion was agreed to; and (at 10 o'clock and 13 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Saturday, October 15, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 14 (legislative day of October 13), 1949:

MILITARY LIAISON COMMITTEE TO THE ATOMIC ENERGY COMMISSION

Robert LeBaron, of the District of Columbia, to be chairman of the Military Liaison Committee to the Atomic Energy Commission.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior assistant sanitarians (equivalent to the Army rank of captain), effective date of acceptance:

Richard F. Clapp
Samuel M. Rogers
Joseph L. Minkin

Senior assistant nurse officers to be nurse officers (equivalent to the Army rank of major):

Marjorie W. Spaulding	Mary A. Rice
Walborg S. Wayne	Gertrude L. Anderson
Esther Kaufman	M. Lois McMinn
Catherine M. Sullivan	Anne M. Leffingwell
Margaret E. Willhoit	M. Dolores Howley
Gladys C. Guydes	Helen N. Buzan
Emijean Snedegar	K. Barbara Dormin
Edith M. Hettema	

To be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective date of acceptance:

Keith S. Krause	Ernest C. Tsivoglou
James H. Crawford	Charles R. Bowman
Ray Raneri	Joseph H. Coffey
Harold Romer	Donald D. Gold

To be assistant sanitary engineers (equivalent to the Army rank of first lieutenant), effective date of acceptance:

Ronald G. Macomber	Marvin L. Granstrom
Donald A. Pecsok	James B. Coulter

To be junior assistant sanitary engineers (equivalent to the Army rank of second lieutenant), effective date of acceptance:

Paul W. Eastman, Jr.	Richard D. Coleman
John T. Chambers, Jr.	Roy O. McCaldin
David H. Howells	Sumner G. Hyland
Robert L. Harris, Jr.	Frank A. Bell, Jr.
Sidney S. Lasswell	Ralph J. Black

Assistant surgeons to be senior assistant surgeons (equivalent to the Army rank of captain):

Robert Hanan	David H. Solomon
Charles W. Whitmore	Albert L. Patrick
John V. Osborne	Herman H. Gray
Ernest V. deMoss	Sidney Ketyer
John H. Waite	

Junior assistant nurse officer to be assistant nurse officer (equivalent to the Army rank of first lieutenant):

Marion E. O'Neil

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Walter F. Cornnell	Daniel S. Pregnall
Elliott Wilson	Robert J. Oddy
Bernard T. Kelly	Virgil W. Banning
Harry W. Taylor	Richard W. Wyczawski
Karl W. Kolb	Fred J. Frazer
Stoddard G. Cortelyou	Franklin B. Nihart
William H. Souder, Jr.	Howard A. York
Andre D. Gomez	David Ahee
George B. Kantner	Edward V. Finn
Harry T. Milne	Windsor V. Crockett, Jr.
Tolson A. Smoak	

Victor J. Croizat
Ernest C. Fusan
Charles E. Warren
Roy J. Batterton, Jr.
Earl E. Anderson
Robert D. Taplett
Wilson F. Humphreys
Victor J. Harwick
Earl A. Cash
Herbert F. Woodbury
Wade H. Hitt
Phillip B. May
Robert H. Houser
Paul M. Jones
Tillman N. Peters
Allen T. Barnum

The following-named officers of the Marine Corps for permanent appointments to the grade of major:

John S. Chambers, Jr.
Charles J. Keen
John D. Lines, Jr.
Gilbert Percy
Thomas H. Hughes, Jr.
Eugene G. McIntyre
Austin Wiggins, Jr.
Robert W. Hengesbach
Joseph P. Lynch
Albert L. Clark
Gerard M. Shuchter
Edwin E. Shifflett
Paul H. Kellogg
James H. Phillips
Paul L. Pankhurst
Lynn E. Midkiff
Judson C. Richardson, Jr.
Charles H. Woodley
Richard Hey, Jr.
George P. Blackburn, Jr.
Ben L. Hoover
Edwin H. Simmons
Edgar D. Webber
David W. Bridges
George W. Carrington, Jr.
Thomas M. Fields
Richard H. Jeschke, Jr.
John P. McNeil
Ralph J. Parker, Jr.
Arthur M. Hale
Robert A. Scherr
Grover C. Williams, Jr.
John A. Hood
William E. Vance
Murray Ehrlich
John V. C. Young
Claude L. Whitlock
Leslie Menconi
Warren B. Partain
Steve J. Cibik
James L. Jones
Robert C. Woten
Warren H. Keck
James P. Treadwell
Elzia M. Cable
Robert E. Lorigan
Albert M. Roebuck
Donald V. Nahrgang
Harold T. Clemens
Roy H. Thompson
Robert S. Wilson
Michael F. Wojcik
John Marston, Jr.
Eugene J. Robinson
Dennis P. Casey
Samuel "C" Roach, Jr.
William L. Gunness
Robert L. Rathbun
Thomas J. Cushman, Jr.
John J. Windsor
Thomas M. Forsyth, Jr.
Willis L. Fairbanks
Robert F. Steinkraus
John Skinner, Jr.
Elswin P. Dunn
Robert H. Brumley
Oscar C. Hauge, Jr.
Walter W. Turner
William D. Armstrong
George M. Warnke
Wesley R. Christie
Charles H. LeClaire
George W. Ellis, Jr.
Fred E. Haynes, Jr.
William L. Bates, Jr.
Robert M. Calland

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

James M. Jefferson, Jr.
Vivian M. Moses
Henry K. Bruce
Phillip G. Dyer
Raymond Dewees, Jr.
Norman L. Hamm
Robert F. Shields
James H. Magill
Frederick J. Helling, Jr.
Clark E. Merchant
Paul M. Ruffner
Harris L. Whynaught
Charles A. House
James H. Rinehart
Charles E. Dove
Ernest I. Melin
John N. Orr
Robert M. Healy
James C. Harrington
Harry D. Stott
LeRoy C. Barton
Gaylord C. Greenfield
James McDaniel
Milford V. Seaman
George W. Piland, Jr.
Leland R. Smith
Vernon F. Ball
James L. Lillie, Jr.
Ernest A. Mitch
Henry Hart
Lester G. Harmon
Gene "W" Morrison
William C. Carlson
Roger M. Sanders
Thomas E. McCarthy
George W. Callen
David H. Kennedy
William L. Traynor
Robert E. Woerner
Kevin Cochrane
Boyd "M" Phelps
Robert W. Lebo
Bryce Howerton
William C. Bell
William E. Zane
Archie J. Clapp
Donald A. McMillan
Carl Coon
Ray D. Rushlow
Richard E. Oderwald
Richard M. Taylor
Walter E. Magon
James H. McRoberts
John G. Heidrick
Russell G. Arndt
Joseph W. Malcolm, Jr.
Carl M. Viner
James V. Holcombe
Alden McBarron
Albert W. Simmons
Charles B. Armstrong, Jr.
Murray O. Roe
Clifford W. Buckingham
Byron M. Burbage
Richard M. Moore
Karl B. Witte
Edward J. Geishecker
Royce M. Williams
Walter T. McMillin
Frank P. Moran
Arthur R. Causer
James C. Frew
John L. Read
Jack E. Perry
Benjamin A. Fornonzini, Jr.
William T. Witt, Jr.
Thomas A. Coleman
Alfred F. Garrotto
George T. Lovelace
Rupert C. Wesley, Jr.
Charles L. Schroeder
Howard C. Veach
John McManus
Dean Wilker
Dellwyn L. Davis
Thomas E. Archer
Robert J. Larsen
George W. Ross
Burks A. Via
Gordon V. Hodde
Willard D. Collup
Doil R. Stitzel
Cleveland C. Barry
William R. Morrison
Arnold B. Capps
Dwight F. Johns, Jr.
Ralph P. Mawyer
Frank E. Seabeck
Elbert F. Veuleman
Thomas M. Sagar
Jack Dunlap
Edward Eisenhardt
Homer B. Pettit, Jr.
Edward D. Oglesby
Charles J. Irwin, Jr.
Lewis J. Cox
Clarence E. Schwaneke
John C. Johnston
Eugene N. Bennett
John N. Wester
Darrell L. Ritter
Raymond R. Davis
William H. Quick III
Howard D. Campbell, Jr.
Marvin R. Russell
Johnnie C. Vance, Jr.
Charles E. Gocke, Jr.
Dewey H. Jackson
Robert "L" Willis
John M. Whitcomb
Emmons S. Maloney
Warren L. MacQuarrie
William G. Mars, Jr.
Albert F. Dellamano
William Farrell
Harry E. Nevill
John A. Browne, Jr.
William E. Culp
James W. Brayshay
David S. Reid III
Kenneth W. Maust
Clyde H. Slaton, Jr.
William "J" Webster
Delmer O. Morris
Henry N. Schwendimann
Oliver W. Curtis
John Strickland, Jr.
Frank M. Hepler
Oliver O. Arnold
Wendell M. Waskohm
William F. Guss
Robert R. Roy
Harding H. Holloway
Robert E. Wellwood
Thomas C. Billings
David O. Takala
Byron J. Costello
Arvene J. Kugler
John T. Molan
James K. Johnson
Robert W. Baker
Mont L. Beamon
Rodney D. McKitrick
Don M. Hinshaw
Leonard A. Miller
Brett E. Roueche
Joseph O. Lynch
Walter Sienko
Paul "F" Bent
Paul L. Hirt
John D. Ross
James A. Feliton
Ralph M. Sudnick
Charles W. Fitzmaurice
Edward J. Orem
Robert E. McNew
Welby W. Cronk
Homer E. Tinklepaugh
Joseph R. Arnaud
William H. Anderson
William E. Barber
Phillip A. Terrell, Jr.
Harold "E" Bryant
John Urell
James Aldworth
Robert S. Hemstad
Byron H. Beswick
Joseph E. Blattman
Kenneth A. Matheson
Thomas J. Johnston, Jr.
Richard C. Browning
John L. Herndon
Laurence J. Stien
Richard B. Fielder
Claude O. Barnhill, Jr.
Thomas J. Norman, Jr.
Walter W. Vatcher
William "L" Beach
John F. Cox
John J. Leogue
William E. Brown

The following-named officer of the Marine Corps for permanent appointment to the grade of captain for limited duty:

Edwin M. Clements

POSTMASTERS

The following-named persons to be postmasters:

ARIZONA

Emil L. Turner, Jr., Chandler, Ariz., in place of J. I. Cooper, transferred.

CALIFORNIA

Frederick H. Meyer, Clearlake Oaks, Calif., in place of E. B. Clark, resigned.

Erwin R. Lang, La Crescenta, Calif., in place of Pauline New, retired.

Alice E. Wyman, Nuevo, Calif., in place of O. J. Hanzlik, deceased.

Richmond D. Atkeson, Sierra City, Calif., in place of Alba Cox, retired.

COLORADO

Frances M. Ver Straeten, Laporte, Colo., in place of E. A. Holtz, resigned.

CONNECTICUT

Joseph S. Kovaleski, Pequabuck, Conn., in place of P. I. Olie, deceased.

ILLINOIS

Pearl Caswell, Ashland, Ill., in place of W. G. Gerbing, resigned.

James C. Davidson, Orland Park, Ill., in place of A. J. Toelle, deceased.

Joseph J. Sawicki, Posen, Ill., in place of J. J. Smaron, declined.

Amor A. Lauer, Sublette, Ill., in place of A. W. Butler, resigned.

INDIANA

Donald L. Stanford, Brookston, Ind., in place of W. G. Smith, resigned.

John F. Huffer, Mulberry, Ind., in place of J. E. Lehr, transferred.

IOWA

Clement P. McKenna, Oto, Iowa, in place of C. R. Mead, resigned.

Daniel V. Lawler, Wall Lake, Iowa, in place of Walter Ward, resigned.

Thomas M. McNally, Waterloo, Iowa, in place of J. H. Fitzgerald, retired.

KANSAS

Donald L. Zeigler, Hoisington, Kans., in place of T. H. Boyle, resigned.

KENTUCKY

James R. Trimble, Adairville, Ky., in place of B. F. Bailey, retired.

Gladys S. Lindon, Blue Diamond, Ky., in place of E. S. Fugate, resigned.

Daniel Boone Logan, Pineville, Ky., in place of J. A. McCord, retired.

LOUISIANA

Carlos J. Turner, Dry Prong, La., in place of B. N. Eubanks, transferred.

Lucie D. Wanersdorfer, Lettsworth, La., in place of I. E. Mounger, retired.

MARYLAND

Lionell M. Lockhart, Capital Heights, Md., in place of M. E. Acree, removed.

MASSACHUSETTS

Mary V. Meagher, Middleton, Mass., in place of E. H. Leary, resigned.

Frederick H. Bearse, South Chatham, Mass., in place of F. K. Lynch, retired.

Samuel J. Martineau, South Vernon, Mass., in place of H. L. Laplante, deceased.

MICHIGAN

Beatrice C. Wright, Fairgrove, Mich., in place of S. G. MacFarlane, transferred.

Vernon C. White, Wells, Mich., in place of C. J. McCauley, retired.

MINNESOTA

Ray A. Harris, Jr., Angora, Minn., in place of J. E. Essila, resigned.

Howard I. Trana, Henning, Minn., in place of Carl Von Ohlen, transferred.

MISSOURI

Shannon K. Rhinehart, Houstonia, Mo., in place of M. E. Staples, deceased.

NEBRASKA

Roy Cecil Plants, Loup City, Nebr., in place of C. F. Beushausen, retired.

NEW JERSEY

Frank B. Harker, Lawrenceville, N. J., in place of M. E. Carroll, retired.

William H. Claypoole, Mount Holly, N. J., in place of J. A. Wolfrom, resigned.

Edward Collins, Stelton, N. J., in place of S. E. Burke, retired.

NEW YORK

Fred R. Davidson, Altmar, N. Y., in place of Mayme Meegan, resigned.

Bernard J. Buchal, Copenhagen, N. Y., in place of C. L. Ryel, resigned.

John F. Mahoney, Elizabethtown, N. Y., in place of J. T. O'Donnell, resigned.

George I. Kowalczyk, Florida, N. Y., in place of M. F. Villamil, retired.

Florence L. Emery, Howes Cave, N. Y., in place of Jennie Young, deceased.

John F. Wheeler, Philadelphia, N. Y., in place of R. E. Purcell, retired.
William L. Farley, Watertown, N. Y., in place of F. J. McCarthy, deceased.
William E. Shirk, Yorktown Heights, N. Y., in place of W. A. Quigley, resigned.

NORTH CAROLINA

Jesse J. Barbour, Benson, N. C., in place of J. T. Morgan, transferred.

NORTH DAKOTA

Norman V. Simmons, Glenburn, N. Dak., in place of Mildred Peck, resigned.

OHIO

Oliver W. Hook, Bellbrook, Ohio, in place of C. F. Schwartz, retired.
Albert A. Dete, Glenmont, Ohio, in place of W. P. Guenther, deceased.

OKLAHOMA

John W. Bonar, Fargo, Okla., in place of R. M. Hubbert, resigned.
Louis P. Broadway, Oilton, Okla., in place of J. P. Todd, transferred.

PENNSYLVANIA

Cleon R. Wyland, Barnesboro, Pa., in place of D. J. Murphy, retired.
Andrew J. Remish, Bentleyville, Pa., in place of Frank Bertcvich, transferred.
John O. Ream, Jr., Berlin, Pa., in place of Howard C. Philson, resigned.
Aaron S. Myers, Bird in Hand, Pa., in place of H. V. Miller, transferred.
Carlon B. DeHaven, Blue Bell, Pa., in place of E. D. Jervis, resigned.
Joseph G. Kibble, Derry, Pa., in place of C. H. Cullen, deceased.
Mary C. Reed, Dunbar, Pa., in place of D. W. Rankin, deceased.
Blanche D. Kilburn, Holtwood, Pa., in place of A. L. Winters, deceased.
John J. McGrath, Houtzdale, Pa., in place of P. A. Saupp, resigned.
Charles W. Wishart, Millsboro, Pa., in place of S. R. Wilson, resigned.
Charles A. Broughton, Morris, Pa. Office became Presidential July 1, 1944.
Henry A. Eisenman, Venus, Pa., in place of W. M. Betz, resigned.
Wilbur M. Hodgson, Webster, Pa., in place of D.. R. Ayers, resigned.
Florence Layman, Willow Street, Pa., in place of E. N. Nolt, resigned.

SOUTH CAROLINA

Cecelia W. Nixon, Cherry Grove Beach, S. C. Office established June 16, 1948.
John A. Richardson, Cross Hill, S. C., in place of Conway Dial, retired.
E. Calvin Clyde, Jr., Effingham, S. C., in place of W. B. Gillespie, retired.
James H. Lovelace, Glendale, S. C., in place of C. E. Crocker, resigned.
Mary L. Long, Pomaria, S. C., in place of M. H. Graham, deceased.
Harry J. Gillespie, Senaca, S. C., in place of J. F. Mason, resigned.
Rosa E. Bridgeman, Whitney, S. C., in place of W. H. Bishop, resigned.

SOUTH DAKOTA

Ray C. Bonzer, Hecla, S. Dak., in place of G. I. Honsey, deceased.
Albert J. Maass, Jr., Yale, S. Dak. Office became Presidential July 1, 1948.

TEXAS

William L. Butler, Karnes City, Tex., in place of W. R. Seale, resigned.
Bruno H. Morisse, Nordheim, Tex., in place of L. C Neutzler, deceased.
Marion L. McElveen, Rockport, Tex., in place of E. B. Friend, resigned.

WASHINGTON

Lester L. Spangler, Orting, Wash., in place of E. M. Snook, deceased.

WEST VIRGINIA

Anna R. Ruiz, Dehue, W. Va., in place of Mary Mariano, resigned.
Paul E. Miller, Jr., Kearneysville, W. Va., in place of F. O. Trump, retired.
Robert F. Wildey, Tams, W. Va., in place of G. L. Wilcoxon, retired.
Hazel I. Jackson, Wharton, W. Va., in place of R. B. Calmes, resigned.
Charles A. Wilson, Widen, W. Va., in place of L. S. Gibson, deceased.
Florence M. Raines, Winding Gulf, W. Va., in place of S. B. Davis, resigned.

WISCONSIN

Arthur T. Gibbs, Bancroft, Wis., in place of F. G. Hutchinson, transferred.
Melvin I. Kennedy, Montford, Wis., in place of H. J. O'Brien, transferred.
Carl A. Lundborg, Prentice, Wis., in place of P. H. Laughrin, retired.
Milton E. Raditz, Salem, Wis., in place of Jossie Loescher, retired.
Robert H. Homb, South Wayne, Wis., in place of D. M. Kading, resigned.

WYOMING

Alma Lukas, Kortes Dam, Wyo. Office established July 16, 1947.

HOUSE OF REPRESENTATIVES

FRIDAY, OCTOBER 14, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God of heaven and earth, whose light is the way of blessing, be Thou our teacher, inspiring us to use our powers for the noblest ends. Make us to understand that no man liveth unto himself and no man dieth unto himself. To meet the temptations of each day is to be strengthened for the conflicts of tomorrow. If we live well today, we shall be prepared to live better tomorrow.

Thou who wert sent to this world with a divine mission, send us forth to interpret in politics, in commerce, and in reform those truths which will make clear the righteous duty and responsibility of our fellow countrymen. Promote every plan which means greater stability to our free institutions and richer blessings to all our people. In Thy holy name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On October 13, 1949:

H. R. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes.

On October 14, 1949:

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 368. Joint resolution further amending an act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing joint resolution, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2383. An act to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; and

S. Con. Res. 60. Concurrent resolution to print as a document a manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–49," relating to American international relations.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2296) entitled "An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes."

FEDERAL FIREARMS ACT

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6212) amending section 5 of the Federal Firearms Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the Federal Firearms Act, approved June 30, 1938 (52 Stat. 1252; U. S. C., 1946 ed., title 15, sec. 905), is amended by striking out "SEC. 5" and substituting therefor "SEC. 5. (a)" and by adding a new subsection designated "(b)" as follows:

"(b) Any firearm or ammunition involved in any violation of the provisions of this act or any rules or regulations promulgated thereunder shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code relating to the seizure, forfeiture, and disposition of firearms as defined in section 2733 of such code shall, so far as applicable, extend to seizures and forfeitures incurred under the provisions of this act."

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

BUREAU OF NARCOTICS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6213) to authorize the reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this a unanimous report of the committee?

Mr. DOUGHTON. It is a unanimous report of the committee. It is recommended by the Treasury Department and is necessary for the administration of the Narcotics Act.

Mr. MARTIN of Massachusets. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of March 28, 1928, chapter 266 (45 Stat. 374; U. S. C., 1946 ed., title 31, sec. 529a), is hereby amended by adding at the end thereof a paragraph reading as follows:

"Moneys expended from appropriations of the Bureau of Narcotics, Treasury Department, for the purchase of narcotics, including marihuana, and subsequently recovered shall be reimbursed to the appropriation for enforcement of the narcotics and marihuana laws current at the time of the deposit."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TAX ON DISTILLED SPIRITS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5486) to amend certain provisions of the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on distilled spirits, modify loss allowances for distilled spirits, for the transfer and redistillation of spirits, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Pennsylvania explain the bill?

Mr. EBERHARTER. I may say to the distinguished minority leader that this measure has the unanimous support of the members of the Ways and Means Committee. It has the endorsement of the industry, both the industrial-alcohol industry and the beverage industry. It has the wholehearted support of the Bureau of Internal Revenue and the Treasury Department.

The purpose of this bill is to amend certain provisions of the internal revenue laws relating to distilled spirits to effect a streamlining of the tax payment and handling thereof. It is an entirely practical bill. It has the approval of the Treasury Department and I am assured that it is concurred in by all segments of the distilling industry, including the industrial-alcohol people. In addition, the bill will not create any hazards to the revenue and the Treasury Department is of the opinion that although certain of the provisions may entail slight losses of incoming revenue, there will be a lessening of the cost of the administrative work incident to the tax payment of distilled spirits.

Distilled spirits produced in a registered distillery and intended for storage in bond for maturing are drawn from cisterns in the distilleries into wooden barrels, and the quantity of distilled spirits in each package is marked thereon and entered in appropriate records. The distiller is liable for the tax on all of the spirits entered into the barrel, to be paid upon the withdrawal of the barrel from bond, less the tax on such losses as are remitted under the law. Section 2901 of the Internal Revenue Code contains a table of amounts of allowable losses from barrels due to leakage and evaporation, plus certain general classes of losses which are allowable in their entirety when the loss occurs otherwise than by leakage or evaporation. Prior to removal from bond each barrel must be gaged to determine the quantity of spirits therein, plus the quantity lost, on which tax must be paid. This means that each barrel must be handled separately. This separate handling entails the determination of the taxable spirits in respect of each barrel, the entering of the necessary data upon a form provided for the purpose, the computation of the tax due on each barrel, the computation of the total amount of tax due, the preparation by the collector of internal revenue of a stamp for each and every barrel indicating the amount of tax paid thereon, the endorsement of each such stamp by a United States storekeeper-gager, the affixation to each barrel of the stamp prepared therefor, and the removal of that stamp when the tax-paid spirits are removed from the barrel. The bill would terminate this costly and cumbersome method of paying the tax on the basis of each barrel, by eliminating the provisions of section 2901 having to do with the allowance of losses and substituting in lieu thereof a requirement that tax shall not be collected in respect of distilled spirits lost or destroyed in bond, except in cases of theft where there is fraud, or of voluntary destruction without the written permission of the Commissioner in each case. It would seem to be but fair that the tax should be collected only on such distilled spirits as are removed from internal-revenue bonded warehouses for entry into the channels of commerce. We have done the same heretofore for the brewer and he now pays only on that which is actually removed for consumption or sale. The amendment just discussed will permit the dumping of all barrels of like spirits which the distiller desires to remove at any one time into a single tank, there to be gaged in the composite mass and a determination made of the total tax due. This will save considerable time and labor both of industry and the Government officers.

Another provision of the bill following logically is one concerning tax-stamp machines. It is proposed to give to the Treasury Department the authority to make provision for the installation of machines at points of tax payment which will print stamps covering the tax due to the Government at any one time. It is inherent in the proposal that such tax-stamp machines as will be operated on the premises of the tax-paying distiller will be so equipped and set up that there will always be a prepayment to the Government of a sufficient amount of money to cover any tax payment for which the distiller desires a stamp. This will not change the present system as to the requirement that tax money will always be paid to the Government by the tax-paying distiller before any distilled spirits are removed from bonded premises. Under the present system when the tax due on a package has been determined by gage, it is necessary to send the tax money and the gage data, for preparation of the stamps, to the collector of internal revenue who may be at a distant point. Use of the tax-stamp machine will eliminate these steps and save considerable time on the part of the distiller and his employees.

In 1936 the internal-revenue laws were amended to provide that registered distilleries might produce distilled spirits of any desired proof provided such spirits were reduced in the cisterns of such distilleries to a proof of not more than 159. Such spirits could be used only for beverage purposes. When the need for alcohol became great in the early days of World War II, section 2883 of the Internal Revenue Code was twice amended so as to provide first for the removal of spirits of any proof from one distillery to another or to an industrial-alcohol plant for further redistillation and secondly for the withdrawal of any spirits of 160 proof for industrial purposes. This bill will effect the repeal of the wartime amendments, and restore the statute to the prewar status of providing for production in registered distilleries for beverage purposes only, while retaining some of the wartime privileges of operation which have proved expedient.

Mr. MARTIN of Massachusetts. And it will save some administrative costs?

Mr. EBERHARTER. It is estimated by the Revenue Bureau that it will save $92,000 in administrative costs the first year, and annually thereafter, $127,000.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2800 (a) (1) of the Internal Revenue Code is amended by the addition of two paragraphs designated "(A)" and "(B)" to read as follows:

"(A) Payment of tax as to domestic spirits: The tax on distilled spirits produced in the United States, to be paid upon withdrawal from bond, and the tax on rectified spirits produced in the United States, shall be paid by stamp, under such rules and regulations, permits, bonds, records, and returns, and with the use of such tax-stamp machines or other devices and apparatus, including but not limited to storage, gaging, and bottling tanks and pipe lines, as the Commissioner with the approval of the Secretary shall prescribe.

"(B) Penalties: Whoever manufactures, procures, possesses, uses, or tampers with a tax-stamp machine which may be required under this section with intent to evade the internal-revenue tax imposed upon distilled spirits and rectified spirits, and whoever, with intent to defraud, makes, alters, simulates, or counterfeits any stamp of the character imprinted by such stamp machines, or who procures, possesses, uses, or sells any forged, altered, counterfeited, or simulated tax stamp, or any plate, die, or device intended for use in forging, altering, counterfeiting, or simulating any such stamps, or who otherwise violates the provisions of this section, or the regulations issued pursuant thereto, shall pay a penalty of $5,000 and shall be fined not more than $10,000 or be imprisoned not more than 5 years, or both, and any machine, device, equipment, or materials used in violation of this section shall be forfeited to the United States and after condemnation shall be destroyed. But this provision shall not exclude any other penalty or forfeiture provided by law."

SEC. 2. Section 2877 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Requirement: The storekeeper-gauger assigned to any distillery shall, in addition to all other duties required to be performed by him, keep such records and submit such reports as the Commissioner, with the approval of the Secretary, shall, by regulations, prescribe."

SEC. 3. Section 2901 of the Internal Revenue Code, as amended, is amended to read as follows:

"SEC. 2901. LOSS ALLOWANCES.

"(a) Extent: No tax shall be collected in respect of distilled spirits lost or destroyed while in bond, except that such tax shall be collected—

"(1) Theft: In the case of loss by theft unless the Commissioner shall find that the theft occurred without connivance, collusion, fraud, or negligence on the part of the distiller, warehouseman, owner, consignor, consignee, bailee, or carrier, or the employees of any of them; and

"(2) Voluntary destruction: In the case of voluntary destruction unless the distilled spirits were unfit for use for beverage purposes and the distiller, warehouseman, or other person responsible for the tax, obtained the written permission of the Commissioner for such destruction in each case.

"(b) Proof of loss: In any case in which spirits are lost or destroyed, whether by theft or otherwise, the Commissioner may require the distiller or warehouseman or other person responsible for the tax to file a claim for relief from the tax and submit proof as to the cause of such loss. In every case where it appears that the loss was by theft, the burden shall be upon the distiller or warehouseman or other person responsible for the tax to establish to the satisfaction of the Commissioner that such loss did not occur as the result of connivance, collusion, fraud, or negligence on the part of the distiller, warehouseman, owner, consignor, consignee, bailee, or carrier, or the employees of any of them.

"(c) Refund of tax: When, in any case where the tax would not be collectible by virtue of subsection (a), but such tax has been paid, the Commissioner shall refund such tax. Nothing in section 2901 as hereby amended, or as heretofore amended, shall be construed to authorize refund of the tax where the loss occurred after the tax was paid.

"(d) Insurance coverage: The abatement or refund of taxes provided for by subsections (a) and (c) in the case of loss of distilled spirits by theft shall only be allowed to the extent that the claimant is not indemnified against or recompensed for such loss.

"(e) Transfer of duties: For transfer of powers and duties of Commissioner and his agents, see section 3170."

SEC. 4. Section 2901, as amended by this act, shall apply to any claim for taxes which may accrue after the effective date of this act. Claims for taxes or tax penalties that accrued on or before the effective date of this act shall be subject to section 2901 of the Internal Revenue Code as it existed prior to its amendment by this act.

SEC. 5. Section 2903 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Requirements: Whenever any distilled spirits deposited in the internal revenue bonded warehouse have been duly entered for withdrawal for bottling in bond before tax-payment or for export in bond, such spirits shall be dumped, gaged, bottled, packed, and cased in the manner which the Commissioner, with the approval of the Secretary, shall by regulations prescribe. The bottling of distilled spirits in bond shall be conducted in a separate portion of such warehouse which shall be set apart and used exclusively for that purpose. For convenience in such process any number of packages of spirits of the same kind, differing only in proof, but produced at the same distillery by the same distiller, may be mingled together in a cistern provided for that purpose, but nothing herein shall authorize or permit any mingling of different products, or of the same products of different distilling seasons, or the addition or subtraction of any substance or material or the application of any method or process to alter or change in any way the original condition or character of the product except as herein authorized. The tax on the distilled spirits bottled in bond shall be paid upon the actual quantity of spirits withdrawn from bond except as otherwise provided in section 2901 of the Internal Revenue Code."

SEC. 6. Sections 2844 (a), 2882 (a), 2887, and 2915 (a) of the Internal Revenue Code are amended by striking out the words "of wine gallons and", "wine gallons and", "of gauge or wine gallons, and", "of gauge or wine gallons and", "and wine", "of gauge or wine gallons," and "gauge or wine gallons, or" wherever they appear in said sections; section 2886 (a) of the said Code is amended by striking out "wine gallons," in the eighth line of the second paragraph thereof; section 2861 (a) of the said Code is amended by striking out the words "an engraved" in the sixth line thereof and substituting therefor the letter "a"; section 2802 is amended by striking out subsections (a), (c), and (d) (1) and by redesignating subsections "(b)", "(d)" and "(e)" as "(a)", "(b)", and "(c)", respectively, and by redesignating paragraphs "(2)" and "(3)" of subsection "(d)" as paragraphs "(1)" and "(2)" of subsection "(b)"; and section 2884 (a) is amended by striking out the word "Whenever" in the first line thereof and substituting therefor the words "Except as may otherwise be required under section 2800 (a) (1) (A), whenever."

SEC. 7. Repeal clause: Sections 2906 and 3302 of the Internal Revenue Code and all other laws or parts of laws in conflict herewith are hereby repealed: *Provided, however*, That nothing contained herein shall be construed as repealing any law applying to the collection of taxes imposed on distilled spirits imported into the United States, except alcohol that is imported and deposited in an alcohol bonded warehouse pursuant to section 3125, Internal Revenue Code.

SEC. 8. Section 3112 (b) of the Internal Revenue Code is amended to read as follows:

"(b) Payment of tax: The provisions of section 2800 (a) (1) (A) and (B) relating to the tax payment of distilled spirits by stamp and to the penalty and forfeiture provisions applicable to the violations therein set forth shall, so far as applicable, extend to and include the tax payment of alcohol produced in the United States or imported in accordance with the provisions of section 3125."

SEC. 9. Section 2883 of the Internal Revenue Code, as amended, is amended to read as follows:

"SEC. 2883. Transfer of Spirits at Registered Distilleries.

"(a) Requirements: Subject to the provisions of existing law, spirits of 160° of proof or more produced at registered distilleries, including registered fruit distilleries (such registered distilleries and registered fruit distilleries being referred to hereafter as 'distillery' or 'distilleries'), may be transferred by means of pipe lines from receiving cisterns in the distillery direct to storage tanks in the internal revenue bonded warehouse located on the bonded premises where produced or located contiguous thereto, and be warehoused in such storage tanks, or they may be withdrawn from the receiving cisterns, without, or after reduction in proof, into approved containers and transferred to any internal revenue bonded warehouse for storage therein, or they may be tax-paid in such approved containers in the cistern rooms of distilleries without being entered into an internal revenue bonded warehouse. Such spirits may be drawn into approved containers from storage tanks in an internal revenue bonded warehouse. Spirits of 160° of proof, or more, may be transferred in bond in tank cars from cistern rooms of distilleries or from storage tanks in an internal revenue bonded warehouse and be deposited in storage tanks in any internal revenue bonded warehouse. Such spirits in tanks in internal revenue bonded warehouses distilled at or above 190° of proof may be reduced to not less than 111° prior to being drawn into packages. Such spirits, upon tax payment, may be withdrawn in approved containers, including pipe lines to contiguous premises, for use for beverage purposes only. Except as provided in subsection (c) hereof and section 2916, such spirits may not be withdrawn for denaturation.

"(b) Transfer of fortifying spirits: Fortifying spirits of 160° of proof or more may be transferred by pipe line from registered fruit distilleries and receiving cisterns in such distilleries to the fortification rooms of contiguous wineries or to storage tanks in the internal revenue bonded warehouse located on the distillery premises where the spirits were produced, or from such storage tanks to the fortification rooms of contiguous wineries.

"(c) Transfer of rum for denaturation: Rum of not less than 150° of proof may be transferred by pipe line for denaturation from receiving cisterns in the cistern room of any distillery to a denaturing bonded warehouse on the distillery premises or to storage tanks situated in the internal revenue bonded warehouse located on the distillery premises, or from such storage tanks to a denaturing bonded warehouse on the distillery premises.

"(d) Transfer of gin: Gin of any proof may be transferred in bond by means of pipe lines from receiving cisterns in distilleries

direct to storage tanks in the internal revenue bonded warehouse located on the bonded premises where produced, or located contiguous thereto, and be warehoused in such storage tanks. Such gin may, upon tax payment, be transferred by pipe line to a contiguous tax-paid bottling house or rectifying plant.

"(e) Redistillation of spirits: Distilled spirits of any proof may be transferred from a distillery or an internal revenue bonded warehouse to any distillery for redistillation upon a showing of the need therefor: *Provided*, That only spirits of 160° of proof or more may be transferred by pipe line to a distillery for redistillation from storage tanks in an internal revenue bonded warehouse located on such distillery premises or located contiguous thereto: *Provided further*, That spirits of any proof may be transferred by pipe line for redistillation from receiving tanks in a distillery to a contiguous distillery. Upon removal of distilled spirits to any distillery for redistillation, the consignee distiller shall assume the liability for the payment of the tax on the spirits from the time they leave the internal revenue bonded warehouse or distillery, and the tax liability on the producing distiller or the internal revenue bonded warehouseman, and the liens on the premises of the producing distiller shall cease, and the tax and liens shall become the liability of the consignee distiller: *Provided further*, That upon redistillation the redistilled spirits shall be treated the same as if the spirits had been originally produced by the redistiller and all prior obligations as to taxes and liens shall be superseded. Sections 2800 (a) (5) and 3250 (f) (1) shall not apply to the redistillation of spirits removed under the provisions of this section.

"(f) Regulations: The Commissioner, with the approval of the Secretary, is hereby empowered to prescribe all necessary regulations relating to the drawing off, transferring, gaging, storing, redistillation, and transportation of the spirits; the records to be kept and returns to be made; the size and kind of containers to be used; the marking, branding, numbering, and stamping of such containers; and the kind of bond and the penal sum thereof.

"(g) Effect on other laws: Nothing contained in this section shall be construed as restricting or limiting the provisions of other sections of the internal-revenue laws relating to internal revenue bonded warehouses, distilleries, and bonded wineries.

"(h) Transfer of duties: For transfer of powers and duties of Commissioner and his agents, see section 3170."

SEC. 10. Effective date: The amendments made by this act shall become effective on the first day of the first month which begins 6 months or more after the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to insert in the RECORD just prior to the action taken on the bill, a statement outlining in detail what the measure provides.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TAXATION OF PERSONAL FINANCE COMPANIES

Mr. LYNCH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6073) to amend section 501 (b) (6) of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. LYNCH. Mr. Speaker, the purpose of this bill is to amend that portion of the tax law having to do with personal holding corporations, particularly to bring in accord the tax law with the more subsequent State legislation that has developed in connection with personal finance corporations. The report has the unanimous approval of the Committee on Ways and Means, and has also received the approval of the Treasury Department insofar as it affects the tax laws.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. LYNCH]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 501 (b) (6) of the Internal Revenue Code is amended to read as follows:

"(6) A licensed personal finance company under State supervision, 80 percent or more of the gross income of which is lawful interest received from loans made to individuals in accordance with the provisions of applicable State law, if (A) at least 60 percent of such gross income is lawful interest (i) received from individuals each of whose indebtedness to such company did not at any time during the taxable year exceed in principal amount the limit prescribed for small loans by such law (or, if there is no such limit, $300), (ii) computed only on unpaid balances, and (iii) not payable in advance or compounded, and (B) the loans to a person who is a shareholder in such company during such taxable year by or for whom 10 percent or more in value of its outstanding stock is owned directly or indirectly (including in the case of an individual, stock owned by the members of his family as defined in section 503 (a) (2) outstanding at any time during such year do not exceed $5,000 in principal amount."

SEC. 2. Effective date: The amendment made by section 1 shall be applicable with respect to taxable years beginning after December 31, 1948.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER BETWEEN TENNESSEE AND MISSOURI

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6109) granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. McGREGOR. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Mississippi would explain the bill.

Mr. WHITTINGTON. Mr. Speaker, this bill gives the consent of Congress to a compact between the States of Tennessee and Missouri for the construction of a bridge across the Mississippi River. The terms of the compact are in accord with the General Bridge Act of 1946.

The bill contains an amendment to prevent the issuance of bonds that would be exempt from Federal income taxes. The bill as amended meets the approval of the Department of the Army and of the General Services Administration and was unanimously reported by the Committee on Public Works. The report of the committee contains a full explanation of the bill.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. RANKIN. At what point is this bridge to be constructed?

Mr. WHITTINGTON. At a point near Caruthersville, Mo., and a comparable point on the Tennessee or opposite side.

Mr. RANKIN. In the southern part of Missouri?

Mr. WHITTINGTON. Yes, in what is called southeast Missouri. I may add that the pending bill was introduced by the gentleman from Missouri [Mr. JONES]. An identical bill was introduced on the same day by the gentleman from Tennessee [Mr. COOPER], who is agreeable to the passage of the pending bill.

Mr. RANKIN. This may enable us to get a TVA power line across the Mississippi to serve the farmers in southern Missouri.

Mr. McGREGOR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the compact or agreement set forth below, and to each and every term and provision thereof: *Provided*, That nothing herein contained shall be construed to affect, impair, or diminish any right, power, or jurisdiction of the United States or of any court, department, board, bureau, officer, or official of the United States, over or in regard to any navigable waters, or any commerce between the States or with foreign countries, or any bridge, railroad, highway, pier, wharf, or other facility or improvement, or any other person, matter, or thing, forming the subject matter of the aforesaid compact or agreement or otherwise affected by the terms thereof: *And provided further*, That after the costs of the bridge have been amortized, such bridge shall thereafter be maintained and operated free of tolls:

"COMPACT BETWEEN TENNESSEE AND MISSOURI

"CREATING A TENNESSEE-MISSOURI BRIDGE COMMISSION

"Article 1

"There is hereby created a Tennessee-Missouri Bridge Commission (hereinafter referred to as the commission) which shall be a body corporate and politic and which shall have the following powers and duties:

"1. To plan, construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at or near Caruthersville, Mo., at a point deemed by the commission as most suitable to the interests of the citizens of the States of Tennessee and Missouri in accordance with the provisions of an act of the Seventy-ninth Congress,

second session, of the United States entitled "The General Bridge Act of 1946";

"2. To purchase, maintain, and, in its discretion, to operate all or any ferries across the Mississippi River within 25 miles of the site selected for the bridge;

"3. To contract, to sue and be sued in its own name; to purchase or otherwise acquire, hold, and dispose of real and personal property;

"4. To acquire by proper condemnation proceedings such real property as may be necessary for the construction and operation of the bridge and the approaches thereto;

"5. To issue bonds on the security of the revenues derived from the operation of the bridge, and ferries for the payment of the cost of the bridge, its approaches, ferry or ferries, and the necessary lands, easements, and appurtenances thereto including interest during construction and all necessary engineering, legal, architectural, traffic surveying, and other necessary expenses. Such bonds shall be the negotiable bonds of the commission, the income of which shall be tax-free. The principal and interest of the bonds, and any premiums to be paid for their retirement before maturity, shall be paid solely from the revenues derived from the bridge and ferries;

"6. To establish and charge tolls for transit over such bridge and ferries in accordance with the provisions of this compact;

"7. To perform all other necessary and incidental functions.

"Article II

"The rates of tolls to be charged for transit over such bridge and ferries shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintenance, repairs, and operation (including the approaches to the bridge) under economical management, and also to provide a sinking fund sufficient to pay the principal and interest of the outstanding bonds. All tolls and other revenues derived from facilities of the commission are hereby pledged to such uses.

"Article III

"The commission shall keep an accurate record of the cost of the bridge and of other expenses and of the daily revenues collected and shall report annually to the governor of each State setting forth in detail the operation and transactions conducted by it pursuant to this agreement and any legislation thereunder.

"Article IV

"When the bonds have been retired, the part of the bridge within the State of Tennessee shall be conveyed to the State of Tennessee, and that part within the State of Missouri to the State of Missouri, and the high contracting parties to this compact do hereby agree that thereafter the bridge shall be free of tolls and shall be properly maintained, operated and repaired by the two States as may be agreed upon.

"Article V

"The commission shall consist of 10 members, 5 of whom shall be qualified electors of the State of Tennessee and shall reside in Dyer County, or counties adjacent thereto, Tennessee, and 5 of whom shall be qualified electors of the State of Missouri and shall preside in Pemiscot County, or counties adjacent thereto, Missouri. The Tennessee members are to be chosen by the State of Tennessee, and the Missouri members by the State of Missouri in the manner and for the terms fixed by the legislature of each State, except as herein provided.

"Article VI

"1. The commission shall elect from its number a chairman and a vice chairman, and may appoint such officers and employees as it may require for the performance of its duties and shall fix and determine their qualifications and duties.

"2. Until otherwise determined by the legislatures of the two States no action of the Commission shall be binding unless taken at a meeting at which at least three members from each State are present and unless a majority of the members from each State present at such meeting shall vote in favor thereof. Each State reserves the right hereafter to provide by law for the exercise of the veto power by the governor thereof over any action of any commissioner appointed therefrom.

"3. The two States shall provide penalties for violations of any order, rule or regulation of the commission, and for the manner of enforcing same.

"Article VII

"The commission is authorized and directed to proceed with the planning and construction of the bridge and the approaches thereto as rapidly as may be economically practicable and is hereby vested with all necessary and appropriate powers, not inconsistent with the constitution or the laws of the United States or of either State, to effect the same, except the power to assess or levy taxes.

"Article VIII

"In witness thereof, we have hereunto set our hands and seals under authority vested in us by law."

[SEAL] (Signed) J. E. TAYLOR,
Attorney General of Missouri.
[SEAL] (Signed) M. R. ROWLAND.
[SEAL] (Signed) S. P. REYNOLDS.
[SEAL] (Signed) N. W. HELM.
[SEAL] (Signed) ROY H. BEELER,
Attorney General of Tennessee.
[SEAL] (Signed) E. W. EGGLESTON.
[SEAL] (Signed) W. N. ESTES.

In the presence of:
(Signed) G. S. WRIGHT.
(Signed) CHARLES F. WAYLAND, Jr.

With the following committee amendment:

Page 1, line 5, insert "That any obligations issued and outstanding, including the income derived therefrom, under the terms of the compact or agreement, and any amendments thereto, shall be subject to the tax laws of the United States: *And provided further.*"

The committee amendment was agreed to.

Mr. WHITTINGTON. Mr. Speaker, I wish to say that an identical bill was introduced by the gentleman from Tennessee [Mr. COOPER] and by the gentleman from Missouri [Mr. JONES].

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENTS ON PURCHASE OF AUTOMOBILES FOR CERTAIN DISABLED VETERANS

Mr. RANKIN. Mr. Speaker, I call up the conference report on the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; and I ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1394)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

J. E. RANKIN,
A. LEONARD ALLEN,
OLIN E. TEAGUE,
Managers on the Part of the House.
CLAUDE PEPPER,
LISTER HILL,
WAYNE MORSE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

The bill as passed by the Senate was restricted to veterans of World War II. The Committee on Veterans' Affairs, House of Representatives, in reporting the bill added veterans of World War I and left the other provisions of the bill unchanged. The conference agreement provides for the acceptance of the bill as passed by the House, with World War I and World War II veterans who meet the qualifications of the bill, eligible for specially equipped automobiles.

JOHN E. RANKIN,
A. LEONARD ALLEN,
OLIN E. TEAGUE,
Managers on the Part of the House.

Mr. RANKIN. Mr. Speaker, the Senate, as will be seen from the reading of the statement, has accepted our amendment.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FLORIDA KEYS AQUEDUCT

Mr. SIKES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 489) to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes.

Mr. ARENDS. Mr. Speaker, reserving the right to object, and I shall not, will the gentleman from Florida explain the bill?

Mr. SIKES. I shall be pleased to.

At the beginning of the war it was found necessary in order to secure a supply of fresh water for the naval base at Key West that a pipe line be extended downward along the Florida Keys and fresh water pumped through that pipe line. The Florida Keys Aqueduct Commission took over the responsibility of the operation of the line and the Navy has been buying water from the pipe line. This has not operated satisfactorily to all users, however, and now the Navy is prepared to take over this pipe line and op-

erate it; charge the city of Key West for the water it uses, and pay the money already received to the RFC to apply on the indebtedness on the pipe line.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) upon such terms and conditions not inconsistent with this act as may be satisfactory to the Secretary of the Navy and to the Board of Directors of the Reconstruction Finance Corporation and to the Florida Keys Aqueduct Commission, the Secretary of the Navy is authorized to cancel the agreement entered into by the Department of the Navy on March 18, 1941, pursuant to authority contained in title III of the First Supplemental National Defense Appropriation Act, 1941 (54 Stat. 608), with the Florida Keys Aqueduct Commission, a public agency of the State of Florida (hereinafter referred to as "the commission"), for the construction, operation, and maintenance of a water-supply system and a water-distribution system to serve Federal Government and other consumers in the Florida Keys.

(b) Such cancellation shall be conditioned upon—

(1) the surrender to the Department of the Navy of all right, title, and interest, if any, of the commission in and to the water-supply system constructed or in the course of construction in accordance with such agreement and to the receipt of water under the existing provisions of such agreement;

(2) the payment by the Department of the Navy to the commission of the sum of $1,096,392.91, which sum is the amount heretofore paid by the commission to or for the account of the Department of the Navy pursuant to such agreement; and

(3) the furnishing by the commission of satisfactory assurances that such sum will be employed by the commission to retire bonds heretofore issued by the commission under the terms of a trust indenture, dated September 1, 1941, between the commission and the First National Bank of Miami, Fla.

(c) There is hereby authorized to be appropriated to the Department of the Navy, out of any moneys in the Treasury not otherwise appropriated, not more than $1,096,392.91 for disbursement pursuant to subsection (b) (2) of this section.

SEC. 2. Upon cancellation of such agreement of March 18, 1941, the Secretary of the Navy shall enter into an agreement which may thereafter be amended from time to time by the parties thereto, whereby the Department of the Navy will supply water from such water-supply system to the commission under such terms and conditions and for such compensation as the Secretary and the commission shall determine to be proper. Of the proceeds received for any such water so supplied, an amount representing the cost to the Government of supplying such water may be credited to the appropriation or appropriations currently available for the supply of such water and any remaining balance shall be covered into the Treasury to the credit of miscellaneous receipts. No agreement or amendment of an agreement shall be entered into by the Secretary of the Navy under the authority of this section or section 3 of this act until such time as the Secretary or a representative of the Secretary designated by him has consulted with the Armed Services Committees of the Senate and of the House of Representatives with respect to all details of such agreement or amendment of an agreement.

SEC. 3. In order to safeguard the rights of the commission and the Reconstruction Finance Corporation pertinent to agreements heretofore made by the commission in connection with the leasing of facilities for the distribution of water or in connection with the issuance of its bonds payable from the revenues from the sale of water, the commission and the Secretary of the Navy may, in lieu of canceling the agreement of March 18, 1941, and entering into a new agreement as provided in sections (1) and (2) of this act, amend the agreement of March 18, 1941, to accomplish the purposes of this act: *Provided*, That the amended agreement shall provide for the same conditions as are imposed by clauses (1), (2), and (3) of subsection (b) of section 1. From time to time, further amendments or new agreements regarding the water supply may be made, when deemed desirable by the Secretary and the commission, and that all other provisions of this act shall be equally applicable in the event of amendment of the agreement of March 18, 1941, as in the event of its cancellation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION OF CERTAIN EMPLOYEES OF THE PANAMA CANAL

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2226) relating to the compensation of certain employees of the Panama Canal.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. O'TOOLE. Mr. Speaker, this bill provides for the payment of additional compensation to policemen, firemen, and school teachers employed by the Panama Canal. The salaries of these people have been fixed according to the compensation paid similar employees of the District of Columbia. In view of the fact that additional compensation has been granted to these employees of the District of Columbia, this bill is necessary to grant the same consideration to the policemen, firemen, and school teachers of the Panama Canal.

The bill has been approved by the Senate, also by the Director of the Budget and all the other interested agencies.

Mr. MARTIN of Massachusetts. Has it been approved by the House committee?

Mr. O'TOOLE. Yes.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. SCRIVNER. Mr. Speaker, reserving the right to object, I think the House will be interested in learning that all of the 11 Communists on trial in New York have been convicted.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Governor of the Panama Canal is authorized to grant additional compensation to policemen, firemen, and school teachers employed by the Panama Canal, corresponding to the additional compensation granted to similar employees of the District of Columbia by the act entitled "An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes," approved June 30, 1949, as of the first day of the first pay period which began after June 30, 1948.

SEC. 2. No retroactive compensation shall be payable by reason of the enactment of this act in the case of any person who is not an employee of the Panama Canal on the date of enactment of this act, except that such retroactive compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1950

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution 368 further amending an act making temporary appropriations for the fiscal year 1950, as amended, and for other purposes, with Senate amendment thereto.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows: Line 7, strike out "October 10, 1949" and insert "January 16, 1950."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I wish the gentleman would explain this bill and tell us what he proposes to do in reference to the Senate amendment.

Mr. CANNON. Mr. Speaker, this resolution is, in effect, the sixth continuing resolution at this session of the Congress. The fifth continuing resolution was passed by the House and messaged to the Senate on October 1. It provided for an extension of appropriations until October 10. That date has now passed.

The other body ignored the resolution until today when it messaged over the resolution with an amendment which extends the date to January 16, 1950.

Mr. Speaker, a sixth continuing resolution breaks all records in the history of Congress for delay by the other body in the passage of supply bills.

The House passed and sent to the Senate all annual supply bills prior to April 15. Now, at this late date, October 14, there still remains the Military Establishment appropriation bill to be disposed of.

The Committee on Appropriations met this morning and directed me to submit an mendment to the Senate amendment changing the date in the Senate amendment from January 16, 1950, to October 18, 1949.

The extension which the Senate amendment asks affects the national security and would delay for a quarter of a year the proposed acceleration of the military program. It would mark time on the defense program at a very critical period in our international relations.

The House, therefore, feels that the adjustment of the differences between the two Houses should be reached by next Tuesday, and that October 18 should be the latest date to which continuation of

the present appropriations should be extended.

Mr. TABER. Mr. Speaker, it is apparent from what the gentleman has said that there has been no appropriation in effect for either the Army or any other agency affected by one of these bills. It is further apparent that the Senate having failed to act on this resolution by October 10 will fail to act on this one. The thing that I do not understand is that the Department seems to have been fully satisfied to go along without any money, because there has not been a peep out of them in all that time.

I withdraw my reservation of objection, Mr. Speaker.

Mr. GROSS. Mr. Speaker, further reserving the right to object, I would like to ask the chairman of the Committee on Appropriations if there was any trouble getting the sesquicentennial fund through the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CANNON moves that House concur in the amendment of the Senate with an amendment as follows: Strike out "January 16, 1950" and insert in lieu thereof "October 18, 1949."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri, [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. CANNON) there were—ayes 109, noes 4.

So the motion was agreed to.

A motion to reconsider was laid on the table.

CONVEYANCE OF LAND IN ARIZONA TO LILLIAN I. ANDERSON

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 76) to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Arizona explain the bill?

Mr. MURDOCK. This bill conveys fee simple title to a tract of 5 acres of land on the Hualapai Indian Reservation to the wife of a missionary who has lived on the land for the last 30 years and is now living on the land.

Mr. MARTIN of Massachusetts. The committee is unanimous in reporting the bill?

Mr. MURDOCK. The committee is unanimous in reporting the bill out favorably. It has passed the Senate.

Mr. MARTIN of Massachusetts. Is the Department in favor of the bill?

Mr. MURDOCK. It has a favorable report, yes.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey by quitclaim deed to Lillian I. Anderson, of Valentine, Ariz., without consideration, the following-described tract of land in the Hualapai Indian School Reserve, Mohave County, Ariz.: That tract of land, seven hundred and thirty feet long and three hundred feet wide, lying along and adjacent to the southeasterly boundary line of the Atchison, Topeka & Santa Fe Railway in the southeast quarter of section 10, township 23 north, range 13 west, Gila and Salt River Meridian, containing five and five one-hundredths acres more or less, which tract is more particularly described as follows:

Beginning at a heavy steel railroad rail embedded in the ground along the southeasterly two hundred foot right-of-way boundary line of the Atchison, Topeka & Santa Fe Railway, from which, the southeast corner of section 10, township 23 north, range 13 west, Gila and Salt River Meridian, Mohave County, Ariz., bears north thirty-five degrees, fifty-five minutes east four thousand two hundred and fifty feet more or less, and from which, the four inches by four inches wood marker for United States 66 Highway station 1406–45A on the northwesterly boundary of the State highway right-of-way bears south seventy-one degrees thirty-seven minutes west, a distance of three hundred seventy and two-tenths feet; thence south twenty-four degrees fifty-eight minutes west along the said southeasterly right-of-way boundary of the Atchison, Topeka & Santa Fe Railway, a distance of two hundred and ninety feet to a point marked by an iron pipe, and thence two hundred and ninety feet more along this same course being a total of five hundred and eighty feet from the place of beginning to the southwest corner of the parcel of land being described marked by an iron pipe; thence, at right angle to the first course, south sixty-five degrees two minutes east a distance of three hundred feet to the southeast corner of the parcel of land marked by an iron pipe; thence north twenty-four degrees fifty-eight minutes east, and parallel to the first course, a distance of seven hundred and thirty feet to the northeast corner of the parcel of land marked by an iron pipe; thence, north sixty-five degrees two minutes west, a distance of three hundred feet to the northwest corner of the parcel of land marked by an iron pipe, being a point of intersection with the southeasterly boundary of the Atchison, Topeka & Santa Fe Railway right-of-way; thence south twenty-four degrees fifty-eight minutes west, along the southeasterly right-of-way, a distance of one hundred and fifty feet to the place of beginning.

SEC. 2. The Hualapai Tribe of the Hualapai Reservation, Ariz., acting through its tribal council, is hereby authorized to release to the United States any claim which it may have to the above-described tract of land, or on account of the holding or disposition thereof by the United States. In the absence of such a release, the quitclaim deed provided for in this act shall not convey any interest in said tract of land which is held by the United States in trust for said tribe, or the disposition of which would prejudice the rights of the United States or said tribe as against each other.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YUMA PROJECT, ARIZONA

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1542) to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. MURDOCK. This bill cancels certain penalties on water applications on the Yuma project in the State of Arizona.

Mr. MARTIN of Massachusetts. As I understand, it just brings that project onto an equality with projects that came in later?

Mr. MURDOCK. That is correct.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (1) for the purpose of encouraging the filing of water-right applications on lands within the Yuma reclamation project by the reduction or elimination of increases in construction charges imposed by the provisions of section 9 of the Reclamation Extension Act (act of August 13, 1914, 38 Stat. 686, 689), the Secretary of the Interior, in his discretion, may from time to time withdraw or modify by public notice any public notice or public notices applicable to said project issued under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto); and (2) for the additional purpose of making such adjustments with reference to water-right applications and other contracts affected by such increases as, in his judgment, are equitably required by reason of action taken under (1) above, the Secretary may by public notice make such modifications of water-right applications and contracts with water users' associations and others then in effect on said project as he may deem advisable and equitable: *Provided*, That nothing contained in this act shall be construed to amend section 4 of the Reclamation Extension Act aforesaid. Credits arising from a reduction or elimination of increases, in construction charges allowed by the Secretary hereunder shall be without interest and shall be applied at an equal rate per annum against construction charge installments thereafter to become due or, if and to the extent that such credits exceed such installments, as advance payments on operation and maintenance charges due or to become due: *Provided*, That no reduced rates or credits accruing pursuant to this Act in favor of any landowner during any period while he holds in single ownership in excess of 160 acres of irrigable land, upon which land the construction charges have not been paid in full, shall be allowed but such owners during the period of such excess ownership shall pay construction and other charges without credits or reductions allowable under this section.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE CURRENT ECONOMIC SITUATION

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Speaker, on the 10th of October our distinguished colleague the gentleman from Pennsylvania [Mr. RICH] referred to an address by Hon. Edward H. Foley, Under Secretary of the Treasury, in which he said:

It seems to me they are patterning after Hitler in the propaganda they are feeding the American people, and they are becoming drunk with power.

The gentleman from Pennsylvania was referring to a statement from that address which read:

The Nation's financial situation is one of unparalleled strength.

These charges of Hitler propaganda are strong words. I took occasion to look up the speech of the Under Secretary, and I found it to be seven pages in length.

In it he said that the banks of America are sound, that business under private enterprise is well run, that the industrial production in this Nation is increasing, that the brilliant performance and the technological advances by industry are creating new jobs, that there is no panic in the Nation, and that we are returning to a normal competitive condition.

One sentence in the entire seven pages of this address, which was called a Hitlerite bit of propaganda, referred to the financial condition of the United States Treasury. This sentence read:

Above all, the financial soundness of the United States Government—which is today the fulcrum of world stability and world peace—is beyond question.

That certainly is not Hitlerite propaganda.

I am inserting under the consent of the House, the entire speech by Under Secretary Foley, in the Appendix of the RECORD for the examination and information of the membership of this House.

THE COMMUNIST TRIAL

Mr. QUINN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. QUINN. Mr. Speaker, the announcement just made that the 11 national officers of the Communist Party have been convicted is a most important one, because this verdict firmly establishes the fact that the Communist Party, United States of America, has for its purpose the overthrow of the Government of the United States by force and violence.

United States Attorney John F. X. McGohey, the Federal Bureau of Investigation, and all witnesses who testified for the Government in this important case are to be congratulated. Special praise should be given to Judge Harold Medina for his patience in this case and for giving to these defendants as Americans a fair and impartial hearing according to the best traditions of the United States of America.

Mr. CLEMENTE. Mr. Speaker, will the gentleman yield?

Mr. QUINN. I yield to the gentleman from New York.

Mr. CLEMENTE. Mr. Speaker, I should like to add my words of commendation to those of Congressman T. VINCENT QUINN, my able and worthy colleague from New York, who played a part in the preparation of this trial when he was the First Deputy Attorney General under Tom Clark. The events of the Communist trial for the past nine months have emphasized more than ever the danger to our liberty which springs to life during the slightest relaxation of that eternal and self-sacrificing vigilance that keeps men free. We should all firmly resolve that this great Nation of ours, patriotically protected in this instance by such great men as the patient Judge Harold Medina, the firm and determined John F. X. McGohey, and the true Americans, the members of the jury and the witnesses, shall not be lost to traitors corrupting from within as well as invaders from without. We are eternally grateful to these men and women who are most worthy of the trust placed in them and to those in similar positions of trust who will continue to expose the true character of these organizations and individuals to all the American people.

For God and country we should all renew our pledge of allegience to consolidate the victory won by the conviction of these 11 Communists and to give every assistance to our governmental agencies in order that they might use their full resources for the battle still ahead.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. QUINN. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish also to add my word of commendation and to say now that the courts of Washington ought to wake up and prosecute this Negro Robeson for coming down here last night and holding a Communist meeting in Washington in which he denounced Members of Congress.

EXTENSION OF REMARKS

Mr. CLEMENTE asked and was given permission to revise and extend his remarks.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in two instances; in one to include resolutions unanimously adopted at a mass meeting of the Polish-Americans in the city of Chicago, and in another to include an article by Prof. J. Fred Rippy on American investments in Latin America, notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing and is estimated by the Public Printer to cost $277.50.

Mr. RODINO asked and was given permission to extend his remarks in two instances.

A MEMORIAL TO FRANKLIN DELANO ROOSEVELT

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, the memory of man ofttimes is short. The noble and great deeds of leaders sometimes are forgotten, particularly in times where events are pressing on the mind of man.

There exists in Washington no adequate or permanent national memorial to the late Franklin Delano Roosevelt, elected four times as President of the United States. The late Mr. Roosevelt became President on that dark depression day of March 4, 1933, and during his years in the White House brought this country through a period of economic distress and safely through a war that threatened the lives and liberties of peoples all over the earth.

We all know that the American people and peoples in many other countries feel a deep debt of gratitude to Mr. Franklin Delano Roosevelt for the long and meritorious service he rendered this Nation and the peace-loving nations of the earth.

Therefore, I am introducing today a joint resolution in the House and Senator CLAUDE PEPPER, of Florida, is introducing an identical resolution in the Senate to create a Franklin Delano Roosevelt Memorial Commission for the purpose of formulating plans for the construction of a permanent memorial to that great American leader in the city of Washington.

EXTENSION OF REMARKS

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD in four instances, in each to include extraneous matter.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD in two instances, in each to include extraneous matter.

PROPOSED LIQUIDATION OF STATE RURAL REHABILITATION CORPORATIONS

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I take this time to call attention to the Members of the House that the bill (H. R. 2392) providing for the liquidation of State rural rehabilitation corporations, and for other purposes, will come up later today. I believe it would be very desirable if the Members of the House during the interval would give a little attention to this particular bill because

it may affect some of your States as severely as it will affect my State. It seems to me this bill calls for the dissipation or at least prohibits Federal use of about $50,000,000 worth of assets. I think that is considerable money. I think it is something that all of the Members who are interested in saving money and making the proper use of these funds would be interested in looking into. This program is now being administered by the Farmers Home Administration.

The SPEAKER. The time of the gentleman from Minnesota has expired.

EXTENSION OF REMARKS

Mr. CROOK asked and was given permission to extend his remarks in the RECORD on the subject of the integrity of Poland should be protected, and to include therewith a letter and a resolution from the Polish Falcons Z. B. No. 1 in South Bend, Ind.

Mr. FURCOLO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DOLLINGER asked and was given permission to extend his remarks in the RECORD.

THE ARMED SERVICES

Mr. KRUSE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. KRUSE. Mr. Speaker, I feel compelled to rise at this time to say a word about the hearings now being held before the Committee on Armed Services. Some very able leaders of our military have given some very revealing and profound testimony to the members of that committee.

I sincerely hope that every Member of the House of Representatives will read every single word of the testimony that has been introduced. I know we have a very fine Committee on Armed Services in the House, but I think the matter is so important that every Member of this House should make himself thoroughly familiar with the statements that have been made.

The SPEAKER. The time of the gentleman from Indiana [Mr. KRUSE] has expired.

UNIVERSITY OF DAYTON

Mr. BREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREEN. Mr. Speaker, the Ohio bipartisan congressional delegation join with me today in extending congratulations and best wishes to the University of Dayton on the occasion of its one hundredth anniversary.

The University of Dayton, in its one century of existence, inspired by its motto "For God and Country," has marched step by step over a remarkable pathway of progress.

To the members of the Society of Mary who have guided the school's destiny for the past century, and to the scores of laymen who have given the university stanch support during the years, we wish to specifically express our pride and appreciation.

To Father George Renneker, S. M., president of the University of Dayton, we, as the United States Representatives from the great State of Ohio, wish to pay a personal salute for his leadership in his chosen field. Under his guidance and directorship the university has established a reputation of great renown, and today is rightfully recognized as one of America's finest universites. We know, too, that the alumni of the University of Dayton can be justifiably proud of their alma mater, a school with a glorious past, a living present, and an incalculable future.

EXTENSION OF REMARKS

Mr. MCGRATH asked and was given permission to extend his remarks in the RECORD.

Mr. MURDOCK asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and to include extraneous matter.

Mr. TOWE asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

PHILIPPINE NATIONAL ELECTION

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, the first national election since the Philippines became a republic will be held next month, November 8. At that time, in a free election, they will select their President for a 4-year term. The Philippine people have earned this right. They are now entitled to a President of their choice.

I am concerned, however, Mr. Speaker, about events in the Far East, in view of changing conditions. As part of our containment policy against Russia, the Congress authorized an appropriation of $75,000,000 to be used by the President in the Orient. We recall press reports to the effect that Mr. Truman assured President Quirino on his recent visit here that he would not go home empty-handed. In view of that statement, I hope our President will make no decision on Philippine assistance until after that election.

Attention is called to the fact, Mr. Speaker, that in the coming election one of the presidential candidates was the puppet President of the Philippines during Japanese occupation. I mean no injustice to him in pointing out that he declared war on the United States. Possibly he was forced to make such a declaration by the Japanese, but the fact is that he did so. It is conceivable that if money were allocated to the Philippines now and candidate Laurel was elected, such funds would be used by a former puppet President who only a few years ago declared war against us. So far as I know, we have no positive assurance that, if elected, Laurel would care to cooperate with the United States.

Mr. Speaker, I have abiding faith in the Philippines. It is a strong bastion for liberty and freedom in the Far East. The Filipinos are devoted Christians; they are peace loving; and they are honest and industrious. Our interest in the Philippines dates back to the days of William Howard Taft, their first American civil governor, who set the standard for colonial administration by insisting that Filipinos be treated as equals. Thus a strong spiritual tie was established between Filipinos and Americans which has withstood the test of war. When Japan struck, President Quezon immediately pledged General MacArthur the entire resources of the Philippines. Filipino soldiers fought valiantly side by side with our wonderful heroes of Bataan. During the long and painful occupation, the Philippine population remained loyal to us. Many risked their lives and fortunes to make life a bit more bearable for our prisoners whom the Japanese were torturing and slowly starving to death.

Laurel, the puppet President, declared war against us but not a single Filipino fought against the American Army of liberation. Here in the Philippines we have man's best attainment in human relations. Nothing must be done to weaken this successful experiment in understanding and cooperation; rather, our mutual trust must be strengthened with the advance of time.

SALE OF MATERIAL AT FORT BENNING MILITARY RESERVATION, GA.

Mr. PACE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2895) to authorize the sale of select base material, at the Fort Benning Military Reservation, to Muscogee County, State of Georgia, for use on county roads.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. PACE. Mr. Speaker, this is a bill to authorize the War Department to sell to Muscogee County, Ga., some gravel on Fort Benning Military Reservation, on lands that are not used for any purpose, for the building of roads.

Mr. ARENDS. As I understand, this is a unanimous report from the committee?

Mr. PACE. It is.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Secretary of the Army is hereby authorized to sell to the county of Muscogee, State of Georgia, such amounts ot select base material as may be available at the Fort Benning Military Reservation, and as may be surplus to the foreseeable needs of the reservation, at the rate of 5 cents per cubic yard, for use on county roads.

SEC. 2. The term "select base material" as used herein shall be construed to mean such

clay, sand, gravel, and topsoil as can be excavated by operating a borrow pit at an average depth of 3 feet.

SEC. 3. The purchaser shall assume all responsibility for damage due to contaminations or other military activities and shall not hold the Government of the United States liable for damages of any description.

SEC. 4. No select base material shall be removed subsequent to December 31, 1951.

SEC. 5. Any contract that may be entered into for the sale of select base material under the authority of this bill shall be revocable at will by the Secretary of the Army.

SEC. 6. The purchaser, as excavation in any area is completed, shall be required to level, drain, and fertilize that area to the satisfaction of the commanding general, Fort Benning, and, upon the completion of such leveling, draining, and fertilizing, to plant kudzu crowns on such area at the rate of 500 to the acre.

SEC. 7. The boundaries of the area lying immediately south of the Macon Highway and west of Randall Creek, from which area select base material may be removed, shall be designated by the commanding general, Fort Benning, or by his duly appointed representative.

SEC. 8. The proceeds from the sale of select base material shall be covered into the general funds of the United States Treasury.

With the following committee amendments:

On page 1, line 9, after the word "roads", insert "under such terms and conditions, which shall include those terms set out in section 2, as he may deem advisable."

Page 2, line 12, strike out "1951" and insert "1955."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN SHIPYARD FACILITIES AT ORANGE, TEX.

Mr. COMBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House joint resolution (H. J. Res. 373) relating to the sale of certain shipyard facilities at Orange, Tex.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. COMBS]?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman explain the resolution?

Mr. COMBS. Mr. Speaker, briefly, the resolution would authorize the War Assets Administration, on behalf of the United States, to convey to the Consolidated Western Steel Corp. certain shipyard facilities at Orange, Tex., constructed by the Government during the late war, on property belonging to the steel corporation. An offer of $1,001,000 has been made for this purchase. It is strongly recommended by the War Assets Administration that the sale be made in the interest of national security, because of a security clause which will require the purchaser to maintain the facility, without expense to the Government, for 5 years. It is the only sale available, and will save the Government more than half a million dollars over what the facilities would bring for scrap.

The resolution was referred to the Committee on Expenditures in the Executive Departments and, by a unanimous vote of the committee, reported out favorably on last Wednesday. Copies of the resolution and committee report are available.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the resolution, as follows:

Whereas the General Services Administration now holds for disposition certain shipyard facilities at Orange, Tex., declared surplus by the Navy Department; which facilities were constructed during the war on land belonging to the Consolidated Steel Corp. at a total cost of $8,235,000; which facilities were operated during the war by Consolidated Steel Corp. in the construction of naval vessels; which facilities were closed down at the end of the war and have since remained idle; and

Whereas Consolidated Western Steel Corp., successors to the Consolidated Steel Corp., is now the owner of the lands upon which said facilities are located and has the right, under the contract with the Government under which said facilities were constructed, to require their removal upon 60 days' notice; and

Whereas it is vital to the national defense that the facilities be maintained and to the extent practicable operated and kept in good condition; and

Whereas Consolidated Western Steel Corp. in a written offer dated May 18, 1949, submitted to War Assets Administration its offer to purchase the Government-owned facilities for a cash price of $1,001,000; and

Whereas the Munitions Board in connection with said proposed sale has imposed a "national security clause" on the facility, under the terms of which the facility will be maintained for the purposes of national defense by the proposed purchaser for a period of 5 years without cost to the Government; and

Whereas if the proposed sale is not consummated the facility will have to be scrapped at a possible loss to the Government in excess of $500,000 and in addition will destroy the facility so vitally needed for national defense; and

Whereas the proposed sale will result in the employment in excess of 1,000 workers in the operation thereof by the proposed purchaser; and

Whereas the War Assets Administration has strongly recommended a consummation of such sale to the Consolidated Western Steel Corp.; and

Whereas under the provision of section 207 of the Federal Property and Administrative Services Act of 1949, the Attorney General is required to give an opinion as to whether or not, so far as he can determine, the disposition of property would tend to create a situation in violation of the antitrust laws; and

Whereas said provision may have the effect of preventing the consummation of said proposed sale; and

Whereas it is in the public interest and in the interest of the national security and the national economy that said sale be consummated; and

Whereas every effort has already been made to dispose of the facilities in place without success, and it will therefore be necessary to certify such facilities as undisposable in place pursuant to Public Law No. 883, Eightieth Congress, unless the proposed sale is consummated: Now, therefore, be it

Resolved, etc., That, notwithstanding any other provision of law, the Administrator of General Services is hereby authorized and directed to consummate, on behalf of the United States, the sale of said facilities to the Consolidated Western Steel Corp. in accordance with its offer of May 18, 1949, and in accordance with the national security clause imposed with respect to said facilities by the Munitions Board.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today following the legislative business of the day and to include therein a newspaper article.

EXTENSION OF REMARKS

Mr. HAND asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and in each to include editorial comment.

Mr. HARDIE SCOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an excerpt from the annual report of the Pennsylvania Securities Commission.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HILL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper article.

Mr. SCUDDER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a poem entitled "The Last Encampment."

REMOVAL OF STORES AND FUEL ON TERMINATION OF BARE-BOAT CHARTERS

Mr. ALLEN of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALLEN of California. Mr. Speaker, I wish to supplement the colloquy which appears on page 14043 of the CONGRESSIONAL RECORD of October 6, 1949, during the time that the House was considering the conference report on the bill (H. R. 5300) making appropriations to supplement deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes. The colloquy had to do with amendment 31 relating to the United States Maritime Commission and the obligations of bareboat charterers upon the termination of their charters.

On October 13, 1949, the gentleman from Virginia, the Honorable SCHUYLER OTIS BLAND, addressed a letter to me commenting on the colloquy and expressing his own views concerning the subject, with which I am in accord. In order that the record may be complete, I include the letter to which I have referred as a part of these remarks. The letter is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
Washington, D. C., October 13, 1949.

Hon. JOHN J. ALLEN, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. ALLEN: When H. R. 5300 came before the House of Representatives, I was confined at home under the care of my doctor.

My fear of inequitable administration by the Maritime Commission of the provisions requiring bare-boat charterers of Government vessels to remove for their own account and at their own expense stores and fuel and to pay certain survey items was caused by the fact that I did not believe the wording of the section was sufficiently specific.

I am glad to see that in response to your questions on the floor of the House on October 6, Mr. TABER, of New York, has clarified definitely that the provisions do not apply to vessels under charter at the time of the passage of the act on October 6. I heartily support the position outlined by Mr. TABER to you that the provisions in H. R. 5300 with respect to chartering provisions are to be applied only to vessels delivered under charter in the future, and that vessels now under charter are not affected at the time of their redelivery from charters now in existence governing the vessels' handling. I heartily support this stand, as otherwise rules would be changed in the middle of the game and cause particular injustice and really substantial losses to small operators, for there are many angles in the matter not apparent except to those who are practically experienced in the handling of vessels, which could well dissipate substantial portions of the assets of the smaller companies.

I note with pleasure also from the CONGRESSIONAL RECORD that the position mentioned above as outlined in the House is taken by Senator MAGNUSON of Washington, who is chairman of the subcommittee of the Senate Interstate and Foreign Commerce Committee handling maritime matters. It is made clear by him that the provisions with respect to stores, oil, etc., are prospective only and do not apply to any vessel under charter at the time of the passage of the act nor to those vessels when or as they are redelivered.

Mr. MAGNUSON'S remarks make it clear that the expense of removing the items and any losses incurred would, of course, be treated as redelivery expenses, to be taken into account in the adjustment of charter hire under existing charter agreements.

In view of these clarifying statements, I feel reassured as to the fairness and equity of the provisions. May I take this occasion to record my appreciation to you and the gentleman from New York for clearing up this ambiguity in the RECORD during my absence.

This record will now furnish the Maritime Commission with a clear and unmistakable indication of congressional intent, which it can be taken for granted will be followed by the Maritime Commission in the handling and administration of redeliveries of vessels now under charter.

Very truly yours,

S. O. BLAND, *Chairman.*

SAFETY OF THE GREAT LAKES

Mr. POTTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POTTER. Mr. Speaker, last month we were all shocked by the burning of the Canadian Great Lakes passenger ship *Noronic.*

Since that fire I have become greatly concerned over our apparent lack of fire safety precaution on some of our lake passenger vessels. As a result of some investigation, Mr. Speaker, I have prepared and am today introducing a joint resolution which authorizes the President to invite Canada to join with us to establish a joint American-Canadian commission consisting of three members from each country to study navigation safety problems and to recommend to each country action which will better protect the passengers on these vessels.

GOVERNMENT REORGANIZATION

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, at the conclusion of my remarks I shall ask further unanimous consent to extend in the Appendix of the RECORD a complete report on the congressional action up to date on the various recommendations of the Commission on the Reorganization of the Executive Branch of the Government, better known as the Hoover Commission report. I have had many requests from Members of the House to make this information available, and I am sure that most of the Members will want to read this report. It will be found in the Appendix of the RECORD.

Mr. Speaker, I ask unanimous consent that I may be permitted to extend my own remarks in the Appendix of the RECORD and include the document referred to.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GOVERNMENT EXPENDITURES THIS YEAR

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, the Federal Government must substantially reduce its spending or it is only a question of time until the country is thrown into bankruptcy.

The Federal debt is approximately $256,000,000,000. From July 1, 1948, to July 1, 1949, the Government spent approximately $43,000,000,000. This is almost exactly the same sum spent by President Woodrow Wilson during the entire 8 years of his administration, including all the money he was required to spend in financing World War I. The Truman administration expenditures during the past 4 years aggregate $180,000,000,000 which is approximately the same sum spent by all Presidents of the United States from the inauguration of George Washington up to and including the first 12 years of the Franklin D. Roosevelt administration.

During the first 3 months of this fiscal year, this administration went further in debt by $1,500,000,000, which unless changed will mean an additional indebtedness of $6,000,000,000 for this fiscal year. If revenues decline, our income will be materially reduced—and the records prove that consumer income—total wages and salaries of American workers—decreased $2,900,000,000 in this quarter.

One would think with this situation prevailing, all departments of the Federal Government would cooperate in a determined effort to reduce spending to the extent that the budget could be balanced and sizable payments made on the public debt. But such is not the case. Some of us in Congress have worked hard and are strong advocates for economy, but President Truman and some Members of Congress are strong advocates of still greater Government spending. Proposals fostered and recommended by the President and some Members of Congress, if adopted, would cost the country hundreds of billions of dollars over a period of years. They have consistently insisted that the Federal Budget cannot be reduced—and have demanded that Congress pass a new tax bill that will add additional taxes on the shoulders of our people of $4,000,000,000 per year. Proposals for lavish Government spending are cleverly devised. They appeal for public support by providing for the distribution of enormous sums of cash to millions of persons who are also voters.

President Truman has said he will defeat Congressmen and Senators in 1950 who will not agree with his program. In other words, the President wants a Congress he can control—a rubber-stamp Congress. If this is done, there will be a crash some of these days that will make the depression of the 1930's look pale by comparison.

We must stop this program of tax and tax and spend and spend.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[Mr. CANNON addressed the House. His remarks appear in the Appendix.]

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1950

Mr. KERR, from the Committee on Appropriations, reported the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes (Rept. No. 1439), which was read a first and second time, and, with accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. KERR. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; and pending that motion, Mr. Speaker,

I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from New York [Mr. TABER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6427, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KERR. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is the second supplemental appropriation bill for the fiscal year 1950. It is the last appropriation bill for this session of Congress. We had hoped, of course, that the first supplemental would be the last, but it did not turn out that way.

To summarize the bill, I might say that the total of the supplemental budget estimates received and considered by the committee is $1,064,633,695.41. The total recommended in the bill is $1,038,506,380.41, a reduction of $26,127,315 in the budget estimates.

Many of the items are the result of recently enacted legislation which we generally have toward the end of every session. This year, because of the length of the current session, these items were considered and included in a supplemental bill. Ordinarily, we would have had these same items to deal with during the following session of the Congress.

Of the total recommended in the bill, $909,010,000, or the full amount of the budget estimates, is for the mutual defense assistance program—sometimes called the military assistance program—and other national defense items. The remainder, $129,496,000, and some odd dollars, is for other activities. It is in these other activities that the total savings of something over $26,000,000 was effected.

The following is a list of some of the major or more significant items contained in the bill:

First. Mutual defense assistance, $814,010,000 together with an additional $500,000,000 in contractual authority. Of this amount $211,370,000 is for military assistance to Greece and Turkey, $27,640,000 is for assistance to Iran, the Republic of Korea and the Republic of the Philippines. An additional $75,000,000 is for assistance to China, to be expended at the discretion of the President.

Second. Employees' compensation fund, $10,000,000, of which $4,000,000 is the result of additional workload and $6,000,000 to carry out the provisions of H. R. 3191, recently enacted.

Third. Grants for hospital construction, $25,000,000. This amount is to be used for liquidating a part of contractual authority previously authorized.

Fourth. Public Buildings Administration, $26,520,000. Of this amount, $10,000,000 is for the renovation and improvement of federally owned buildings outside of the District of Columbia, which work was recently authorized by the Congress, and $12,000,000 is for the acquisition of sites and preparation of plans for public buildings outside of the District of Columbia, also just recently authorized by the Congress. An unbudgeted item of $3,500,000 is included for the construction of an office building in Suitland, Md., to house the Census Bureau.

Fifth. Bureau of Community Facilities, $16,000,000. Of this amount, $8,000,000 is for advanced planning of non-Federal public works recently authorized in S. 2116. For the same purpose, the bill carries an additional amount of $17,000,000 in contract authority. Under this same heading the bill includes $7,000,000 for the maintenance and operation of schools located in Federal reservations and in other areas whose school facilities are burdened because of Federal activity.

Sixth. Veterans' Administration, for medical, hospital, and domiciliary services, $15,000,000, to be derived from nonobligated balances. The amount of $17,500,000 in new appropriations was requested for this purpose.

Seventh. Department of Defense, $63,000,000. Of this amount, $32,000,000 is for military construction, Army, in accordance with recently enacted legislation; $30,000,000 for increase and replacement of naval vessels, made necessary because of increased rates of expenditures; $10,000,000 for public works, Navy; and $20,000,000 for acquisition and construction of real property, Air Force, the last two items in connection with military needs in Alaska and on Okinawa.

Eighth. Department of Interior, for various activities, $3,614,000.

Ninth. Post Office Department, $43,765,000. Of this amount, $15,692,000 is for foreign air-mail service and $22,564,000 for domestic air-mail service, both items resulting in the main from rate increases granted by the Civil Aeronautics Board and the Interstate Commerce Commission.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill provides for $1,038,000,000, of which $814,000,000 is for the military assistance item provided for by the authorization bill which passed this House 2 or 3 weeks ago. It represents $500,000,000, the full amount of authorization in cash for the Atlantic Pact group, and $314,000,000 for other items, including $75,000,000 in connection with China, $27,000,000 in connection with Iran, the Philippines, and Korea, and $211,000,000 for military assistance to Greece and Turkey.

The bill also includes $224,000,000 for regular governmental purposes. There is included a very large figure for the Navy and some figure for the Army in connection with housing.

Frankly, I cannot see how we can continue to appropriate such enormous sums of money.

Perhaps the most astounding statement that we have read in recent weeks was Mr. Truman's announcement that he was going to raise the average income of the people from $1,350 per family to $3,500 per family.

The objective of that increase is very subtly concealed. The Truman program calls for enormous increases in spending. It calls for so many more expenditures that our deficit for the current fiscal year is bound to be $5,500,000,000. In order to help create the inflation, increase the poor man's taxes, and reduce his purchasing power, I understand the Truman administration is working on a scheme to increase the price of gold and devalue the dollar.

This will make us suckers for the foreign gold producers.

Now, a family with $1,350 income has no income tax to pay if there are three exemptions available. If there are three exemptions available and the family income is $3,500 there is a tax of $228.

It is obvious that the inflation Mr. Truman is trying to promote is for the deliberate purpose of raising the tax take-out of the poor people in America.

The withholding tax for the fiscal year 1948, during a large portion of which the tax cut of 1948 was in effect, was the largest in our history and the tax take at the present time is holding up to practically the same figure that it was last year, in spite of the unemployment that has existed since the early spring of 1949.

What does this mean?

That the President has been able by increased wages and increased prices to increase the amount that the poor man has to pay to the Government and to get a tax increase without getting a tax raise from Congress.

The poor man will be no better off with the inflation that will be necessary to increase his income. In others words, the prices will be raised more than his wages. His tax will be raised enormously and the resulting picture will be that the poor man will be worse off.

These big figures and these wild statements on the part of Mr. Truman are being made for the deliberate purpose of fooling the workingman into believing that because he gets more wages he will better his position.

As a matter of fact because of the increased tax that will be taken out of him and the increased price that he will have to pay he will get less than he had before.

The workingman and the farmer are being deceived by Mr. Truman. He is promoting a philosophy of government which will destroy our free-enterprise system and will hurt especially the workingman and the farmer. We are right on the brink of disaster as a result of enormous spending.

This Congress is going to appropriate at least $5,000,000,000 more money than it did last year.

We have repeatedly, in the House, tried to prevent increases in appropriations. We have had roll calls on conference reports and we have had the spectacle of almost all of the Democratic members of the Committee on Appropriations voting for the increased amounts when none of these increased amounts has been justified in the slightest degree.

Talking economy and not voting economy accomplished nothing for the people of the United States.

Will the American workingman wake up before it is too late? Will the American farmer come to realize how he has been bilked and deceived by Mr. Truman into an inflation that will destroy him? It gives him some grand privilege:

First. It lets him pay more than double what he used to pay for everything he buys.

Second. It lets him contribute a very large percentage of his income toward taxes and the Government.

Let the farmer and the workingman look at what they have to pay now for clothes, let the farmer check up on the prices he used to pay for agricultural machinery.

I have checked in the Congressional Library, through newspaper advertisements and I know whereof I speak. Food and clothes are away out of sight, transportation rates, railroad rates, bus rates, and truck rates are away above what they used to be and we have nothing to show for what Mr. Truman has been doing for the people except that it has continuously reduced what they have available for themselves after they have paid his taxes and the increased prices of the things they have to wear and to eat.

This is part of that expansive program.

To my mind we are approaching it without proper consideration. My information is that there is nothing in this military-assistance bill to the Atlantic Treaty group which they could not make better themselves, or just as well, as we.

There are $2,000,000,000 of counterpart funds held under ECA which could be used for the purpose of permitting them to make arms for themselves. If they are ever going to be put on their feet, we should encourage them to get on their feet instead of spending this money. I do not refer to these smaller items, like the Greece-Turkey picture, the Iran picture, the Philippine picture, or any of the other smaller items.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. TABER. Mr. Chairman, I yield myself three additional minutes.

In this $500,000,000 of funds—and there is $500,000,000 of contract authorizations in addition to that—it seems to me we should show some intelligence and some sense of responsibility to the people of the United States, and we should take a position which will result in those people being encouraged to get on their feet instead of trying, as we are doing in this particular instance, to prevent them getting on their feet. We have some obligation to them. They have some obligation to us. Already there has been provided upwards of $27,000,000,000 since the end of the war, in one way or another, for these countries. If we are to go ahead, regardless of their needs and regardless of our own financial situation, and get ourselves into a position where we can do nothing to help them to help themselves and the world, we are not doing them a favor. I wish we could have an approach to a sense of responsibility on the part of the Congress in meeting this situation. Frankly, it disturbs people who look ahead and try to think. It disturbs people who have been trying for years and years to give of themselves to the public service for the preservation of those things which Americans have been taught to hold dear.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman has referred to something like $2,000,000,000 of counterpart funds that have arisen through the operations of ECA, and which are available for expenditure in those ECA countries. I am fearful that there are very few Members of Congress who understand exactly to what the gentleman was referring when he referred to the $2,000,000,000 worth of counterpart funds. I would like to have the gentleman take time enough to make a statement in that regard in explanation of just what those funds are and their availability for expenditure in ECA countries to purchase the very items which it is anticipated will be furnished those countries through manufacturing here in the United States.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself six additional minutes.

The CHAIRMAN. The gentleman from New York is recognized for six additional minutes.

Mr. TABER. Mr. Chairman, this upward of $2,000,000,000 of counterpart funds can best be described this way: They are the proceeds of sales which these countries have gathered into their treasuries and are subject to expenditure only with the approval of the ECA in those countries. They represent the money that has been paid to those countries for the food, clothing, and other things that the United States through the ECA has sent over to them. These items are available for use in each of those countries to the extent that funds are available, and there are other funds that are coming in all the time as the result of the sale of those goods to their own people.

The counterpart funds are being used currently for permanent improvements in those countries to a certain extent, with the approval of the ECA. They are being used to a certain extent for some of the administrative expenses of the United States in connection with the administration of the ECA and in connection with the operations of our ambassadorial staffs and that sort of thing, perhaps for the pay of local employees; that is, citizens of those countries. They are available for any activities of this character that the ECA may authorize. I hope I have answered the gentleman's question.

Mr. KEEFE. May I ask the gentleman this question? These funds, of course, represent deposits in this special fund in the currencies of the respective nations that are the beneficiaries under the ECA program, and do not represent dollars as such; in England they represent pounds sterling; in France they represent francs; and so on; they would be available for expenditure in those countries for the manufacture of anything needed for the protection of those countries. Is not that true?

Mr. TABER. That is correct.

Mr. KEEFE. Provided the country itself and the representatives of ECA arrive at a prior agreement for the disposition of those funds.

Mr. TABER. That is right; that is correct.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SCRIVNER. Is it not also true that some of these counterpart funds are being used in those respective nations to pay off their bonded indebtedness? In other words, we tax our people to buy the goods that are sent over; those nations sell them to their people, but with the money they receive they are paying off their debt; they are paying off their debt with our money. That is the report of the ECA Commission.

Mr. TABER. If that is in the report, then it is correct; I do not have that knowledge.

It is about time for our people and for this Congress to begin to look to the future to see what we are headed for. If we do not keep ourselves in hand and do the right thing we are not going to be in a position to help the rest of the world. We must look ahead. I realize that anyone today who looks ahead is called a reactionary; anyone who plans to try and make the future of America better, to preserve free enterprise, and free institutions, and an opportunity for our people is frowned upon in certain quarters. It is really time for our people and for the Congress to begin to look ahead and to meet our responsibilities.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KERR. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, the charge that was made last Monday by the Foreign Minister and delegate of the Soviet Ukraine in his appearance before the United Nations General Assembly Special Political Committee that Francis Cardinal Spellman, of New York, had given $30,000 to Josef Cardinal Mindszenty, of Hungary, to finance a plot against the Communist regime in Hungary on its face is recognized and treated by every fair-minded person as false. While it was unnecessary for Cardinal Spellman to expose publicly its falsity, he has rendered a real service in doing so.

Cardinal Spellman's statement that the several million dollars raised by the Catholics of America for the relief of suffering human beings in a number of countries was spent through accredited agencies to assist all persons without regard to race, color, or creed, shows the purposes for which the money was raised and distributed. We must also, in connection with this recent false and deliberate attack, remember that about 2 years ago Pravda, an official organ and newspaper of the Red reactionary Soviet Union, made an attack of a similar nature against Cardinal Spellman. While Cardinal Spellman is the recipient of this attack, we should recognize it for what it is intended, for propaganda purposes in the Soviet Union and among its

subject or conquered nations, and in the Western World, an appeal to prejudice in the hope thereby to divide the organized creeds and churches of the world. It is simply a part of the world Communist plot to try and divide and destroy the several religions of the western civilization and our civilization itself.

Throughout the world there is fortunately a growing appreciation of the common danger and the purposes of communism to all religions. We know that the clergy of all creeds are subject to persecution, imprisonment, and even death or martyrdom.

Involved in the present world situation is not a difference of governments, either in form or substance. It is more basic than that. It is the fundamental difference of two ways of life. This vital and important fact is overlooked by many persons. It is true that many fine persons who are reacting to this or that emotion or gripe, imaginary or real, or dissatisfaction, or to prejudice, intentional or unintentional, fail to realize this essential fact.

It is the irreligious civilization of communism with its anti-God origin challenging and attacking our religious civilization which has its origin in God Himself. Those are the two distinct ways of life.

While the awakening to the efforts of the enemy of all religions is going on and unity on the moral or spiritual field is developing, it should be more rapid and universal. Communism attempts to impose its ideology by any and all means upon all of the peoples of the world. The imperialistic policies and intentions of the Soviet Union are hidden behind the Communist ideology, and as this ideology spread the imperalistic Soviet Union steps in and takes over.

The spearhead of this ideological world drive is aimed at all religions, in some countries one particular religion, in another country some other one, usually whichever is the strongest in a particular country. But the fact is that all religions are being attacked and our very way of life is being attacked. It is the attempt of irreligious Communists to drive all creeds, and particularly those of the western civilization, under ground. This has already happened in some countries, and it is in the process of taking place in others. With the knowledge of the intent and purposes of communism, with the convincing evidence that we have of its plots and plans for world domination, the moral and spiritual forces of the world should recognize the common danger, and in this emergency unite in the interest that is common to all.

The attack upon Cardinal Spellman, the framed trials and persecutions in certain countries of spiritual leaders and clergy of all creeds, is a part of this conspiracy, and it is aimed at all creeds and at the very way of life that we believe in. For we must remember that the way of life we believe in is a spiritual one, with its origin in God Himself. Just read again the Declaration of Independence to realize this indisputable historical fact so far as our own country is concerned.

It is not my purpose in addressing this House today to defend Cardinal Spellman. He needs no defense against this false charge. Neither is it my purpose to defend any of the clergy of all other creeds who have been attacked, persecuted, imprisoned, or killed; they need no defense, either. The Soviet-Ukraine delegate knew he was, in plain language, a liar when he made the attack on Cardinal Spellman, but he made the attack because he and those who directed him and who believe in their destructive, hateful way of life thought that it might cause a division among Catholics, Protestants, and Jews. It is a part of their tactics to try to divide and rule. It is up to the communicants and members of all creeds to interpret and understand the intent and purpose of this lying attack. The purpose of the Communists is to bring division among us; and what we should do, as the result of interpreting that purpose correctly, is to utilize and bring about more understanding on our part of the common danger and more unity in our ranks.

The old saying, "In unity there is strength," has particular application in these trying days.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Chairman, I take this time to supplement the announcement I made at the outset of the session relating to the refreshing news of conviction of the 11 Communists in New York City. Further news has come that not only are those 11 Communists now residing in jail but the 6 attorneys who were so atrocious in their conduct during the trial are also remanded to jail to keep their clients company.

Those of you who read the Bible, and I am sure most of you do, remember the story of the patience of Job. I think Judge Medina has placed himself up near the level with Job in the patience he has exhibited during all of these months of the conduct of this trial. Any attorney who has any pretense of knowledge of decent courtroom conduct has been ashamed of these men who call themselves lawyers. Their conduct cannot be condoned by any person in any way, shape, or form in the attitude they have taken not only toward the court but in doing so toward the very judicial process and the very nation in which these cases are being tried.

Judge Medina deserves a tribute not only from Congress but from the entire Nation. I would also recommend that if there is any way of doing it he get a 6-month vacation with pay, a well-deserved rest from this arduous task.

Mr. KERR. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, in this measure there are two major items. First, it carries out the instructions of Congress that arms be provided to Europe. This matter has been discussed very thoroughly in both bodies, and both have agreed definitely that we shall be committed to an arms aid program for Europe.

The authorization in itself is scant comfort. This provides the money to put the program into effect. This, Mr. Chairman, is language anybody can understand. We are simply placing in uniform, adjacent to the Rhine, men whose homelands adjoin the Rhine and giving them arms to defend their homes. We are providing a defense line at the Rhine River rather than risk the necessity of having again to gain a costly foothold on the continent of Europe. The former is decidedly the more desirable procedure.

I think it should be stressed, Mr. Chairman, that we are not paying all the cost of rearming Europe. Europe, too, is carrying all that part of the burden that she can. It is estimated that it is going to cost Europe six times as much as the money we are putting into this program.

It is significant that a part of the funds we are providing will go into tooling up the factories of Europe and providing raw materials so that she can continue her own efforts to rebuild her defenses as well as her industry.

I think it should be pointed out further that there is a safeguard in this measure which provides that only $100,000,000 can be spent out of the appropriation until an integrated, coordinated defense program has been developed which will do the job we want done.

The other major item, Mr. Chairman, is the provision for funds for essential construction in Alaska and Okinawa. I do not believe it is necessary to talk to this House about the strategic importance of Alaska to our own defense. I think every Member of Congress knows that Alaska is strategically one of the two or three most important areas under the American flag at this time. It is a natural stepping stone, either for defense or for offense. It should be pointed out that from Alaska we can reach by air, if necessary, all of the parts of Europe that cannot be reached from the northeastern defenses of this Nation. But conversely, and this could be even more important, from Alaska a hostile power with today's aircraft can reach almost any part of this Nation. It is the peacetime link on the northern route to Asia. It is important to us, equally important to any potential foe. Facilities in Alaska for the services are extremely limited. Housing is the worst of all. We know how important it is to men in uniform in peacetime that they have their families with them.

But housing is not all that is important in Alaska. It is necessary to expand our military facilities in Alaska and that includes those of all of the services, the Air Force, the Army, and the Navy. All of them are included in this bill for necessary improvements and extensions.

Okinawa itself is hardly less important, lying as it does on the outer fringe of the series of island stepping stones which were so important to us in World

War II. It now becomes doubly important because Asia, day by day, is slipping away from us. We have to hold Okinawa, but it is needless to do so unless we have the facilities there with which to utilize and defend it. By being in Okinawa in strength we will present a very strong argument for peace in the future in the Pacific.

There is another consideration which should be stressed. That is the destruction of our facilities at Okinawa by hurricanes. Year after year hurricane damage and destruction has cost us millions of dollars. The facilities there are largely temporary wartime structures and they have had to be replaced or repaired time after time. We are now proposing to build permanent facilities in Okinawa. These are but slightly affected by the hurricanes which plague that part of the world.

Consequently permanent structures become a matter of good economy. Within a period of a very few years we will save more than the cost of the facilities proposed in this measure by avoiding repair and replacement costs. Here again all of the services are similarly affected.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mrs. DOUGLAS. Mr. Chairman, I want to take this opportunity to thank the chairman of the Appropriations Committee [Mr. CANNON], the chairman of the subcommittee [Mr. THOMAS], and the members of the committee for including the appropriation of $760,000 for the extension and improvement of post-office facilities at the Terminal Annex Post Office in Los Angeles, which is so desperately needed.

The Terminal Annex Post Office in Los Angeles was built 9 years ago but population growth of the city long ago outran the service capacity of the building. Nine years ago there were 4,000 postal employees in the Los Angeles area; today there are 9,000.

The overcrowding at the Terminal Annex Post Office at Los Angeles has undoubtedly hampered the efficiency of postal service and has been a burden on postal employees who work in the building.

I am grateful to the committee for authorizing this appropriation so that these facilities in the Terminal Annex can be improved.

Mr. KERR. Mr. Chairman, we have no further requests for time and I ask that the Clerk read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

BUREAU OF COMMUNITY FACILITIES

For expenses necessary for carrying out the provisions of the act of August 24, 1949 (Public Law 264), relating to the development of the Territory of Alaska, to remain available until June 30, 1955, $1,000,000, of which not to exceed $125,000 shall be available for administrative expenses, including the purchase of not to exceed two passenger motor vehicles; and, in addition, the General Services Administration is authorized to enter into contracts in an amount not to exceed $4,000,000 for the purposes of this appropriation.

Mr. VELDE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the verdict of "guilty" in the trial of 11 Communists in New York City represents a victory to the American people over the insidious forces which have been and will continue to attempt to establish world domination by Soviet principles, and the destruction of our free-enterprise form of economy.

Having attended a session of the trial, and having watched with admiration the untiring patience and unfailing fairness evidenced by Judge Harold Medina, I believe that he deserves a vote of confidence from the American public for thus exemplifying our American brand of justice. I take this opportunity to do so now.

I sincerely hope that the end of this long trial will be but the beginning of a crusade to wipe out forever the remaining forces of subversion and espionage in the United States of America.

The Communist Party has always operated underground, so to speak, especially to hide its connection with, and control by, Stalin and the Politburo. The "guilty" verdict of the New York jury will probably change the party line for United States Communists, but I cannot see how it can drive them underground farther than they are now.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. VELDE] has expired.

The Clerk read as follows:

For expenses necessary to carry out the provisions of the act of September 10, 1949 (Public Law 306), relating to assistance to certain local school agencies, $7,000,000, of which (a) not to exceed $100,000 shall be available for administrative expenses thereunder, including personal services in the District of Columbia until June 30, 1950; (b) not to exceed $25,000 shall be available for similar administrative expenses during the period July 1 through September 30, 1950, incident to the liquidation of obligations incurred prior to July 1, 1950; and (c) $50,000 shall be available exclusively for the payment of accumulated and accrued leave, until December 31, 1950.

Mr. JACKSON of Washington. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JACKSON of Washington: On page 7, line 16, insert the following new paragraph:

"The Housing and Home Finance Administrator is hereby authorized to purchase, with funds appropriated pursuant to section 3 of Public Law 52, Eighty-first Congress, notes or other obligations issued by the Alaska Housing Authority to obtain funds for its general overhead expenses in the development of a program pursuant to the authority conferred under said section: *Provided*, That the total amount of such notes or other obligations shall not exceed one-half of 1 percent of such appropriated funds."

Mr. KEEFE. Mr. Chairman, I make the point of order against the amendment that it is legislation upon an appropriation bill.

Mr. JACKSON of Washington. Mr. Chairman, I wish the gentleman from Wisconsin would withdraw his point of order. I concede that it is legislation on an appropriation bill, but it is something that is very vital and very necessary, if we are going to get housing in Alaska. The Delegate from Alaska [Mr. BARTLETT] is here, and will be pleased to explain the details of this matter.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Washington. I yield.

Mr. ROONEY. Does this language entail the expenditure of any additional funds?

Mr. JACKSON of Washington. It does not. It clarifies Public Law No. 52 that was adopted earlier this summer. It gives to the Housing and Home Finance Agency authority to guarantee obligations in connection with the operation and overhead expense of the Alaska Housing Authority, not to exceed $50,000, all of which will be repaid to the Housing and Home Finance Agency.

The situation is very critical, I may say to the gentleman from Wisconsin; and I hope that he will withdraw his point of order, under the circumstances.

Mr. KEEFE. I should be very glad to hear from the Delegate from Alaska with respect to this matter.

Mr. Chairman, I reserve my point of order to enable the gentleman from Alaska to explain the situation.

Mr. BARTLETT. I shall be happy to explain to the gentleman from Wisconsin the situation which exists. The Territorial Legislature, to put it briefly, appropriated $250,000 for the Alaska Housing Authority. Had that money been available we would not have needed this amendment.

Several new tax laws were passed by the last Alaska Legislature; each of those laws was attacked in court, and each is still under consideration by the court. As a result, the money has now flowed into the territorial treasury in the volume that had been expected; consequently the Territorial Board of Administration had to freeze certain territorial funds, including part of the appropriation for the Alaska Housing Authority.

This amendment will allow the Administrator of Housing and Home Finance to advance up to $50,000 out of the $10,000,000 heretofore appropriated by the Congress to the Alaska Housing Authority to get this program under way. It will be repaid by the territorial government to the Federal Government. I cannot make a flat prediction as to how long that may take, but certainly in the next 6 or 8 months at the outside.

Mr. KEEFE. Do I understand the gentleman to say that the difficulty arises because acts of the legislature of Alaska have been under attack in the courts, and that the funds voted by the Territorial Legislature have been frozen so that the local territorial housing authority has not been able to function? By this amendment we would be authorizing $50,000 of Federal funds in the nature of an advance to enable them to function.

Mr. BARTLETT. That is true.

Mr. KEEFE. Is that a proper understanding of the situation?

Mr. BARTLETT. Except that the housing authority legislation has not been attacked; revenue legislation is what has been attacked.

Mr. KEEFE. Without that revenue legislation there would be no money with which to repay this out of territorial funds?

Mr. BARTLETT. There will be certain money advanced from other tax laws heretofore in effect. The appropriations were made on the basis of the new tax laws. Certainly the credit of the Territorial government which does not owe a dollar and cannot owe a dollar under law, is sufficient and has always been good enough to guarantee that this money will be repaid. I believe it would not be more than 8 months before that occurred.

Mr. KEEFE. I may say to the gentleman from Alaska, Mr. Chairman, that I am somewhat familiar with the situation that exists in Alaska with respect to the critical need for housing. I do not want to take any position that would in any way interfere with the orderly processes of putting into effect in Alaska this program which is designed to provide very critically needed housing.

Does the gentleman from Alaska mean to say that unless this $50,000 is made available to the housing authority in Alaska through the medium of the amendment which has been proposed by the gentleman from Washington, that that program will be impeded and held up until judicial determination is made as to the tax laws that have been passed which provide the funds to implement the work of the local housing authority?

Mr. BARTLETT. I say that the program would be delayed and very seriously delayed; we might not be able to start a full program next spring when we should. If this program were adopted we could do so and have much housing constructed by next fall.

Mr. KEEFE. What provision is there in existing law to provide for the repayment of these appropriated funds to the United States Treasury?

Mr. BARTLETT. My understanding is that if the advance is made by the Administrator of Housing and Home Finance that the terms of the advance will provide specifically for repayment of the money so advanced.

Mr. KEEFE. Mr. Chairman, under those circumstances I withdraw the point of order.

Mr. BARTLETT. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The amendment was agreed to.

The Clerk read as follows:

Appropriations under the head "Repair facilities, Navy", shall not be available for expenditure after June 30, 1950, except for payment of claims certified under the Surplus Fund—Certified Claims Act of 1949. Any unexpended balances remaining on said date shall revert to the Treasury in the manner provided by said act for lapsed appropriations and the account shall be abolished.

Mr. WHITTINGTON. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee a question.

Mr. Chairman, on page 5 of the bill under General Services Administration there is an item of $3,500,000 for the construction of a temporary office building at Suitland. If I understand correctly, it is the purpose of the committee in authorizing and appropriating for the construction of that temporary office building to provide facilities for the Bureau of Census in connection with the taking of the 1950 census. Am I correct?

Mr. THOMAS of Texas. That is correct.

Mr. WHITTINGTON. I am at a loss to understand the use of the word "temporary" there. What type of office building would be constructed under that term "temporary"?

Mr. THOMAS of Texas. I am like the gentleman, I do not understand why they used the word "temporary" when they say the building will last for 40 or 50 years.

Mr. WHITTINGTON. I agree. The word "temporary" should be stricken from the bill. It is misleading. I understand the building in construction will be similar to the Munitions Building on Constitution Avenue. Applications have been submitted to the House and Senate Committees on Public Works for a Census Office building. Applications are pending now. Applications were made during the last Congress for a building that would cost in the neighborhood of $10,000,000 and this Congress for a $11,500,000 building. It was the position of the House Committee on Public Works that if a temporary building was to be utilized, why not use some of the temporary buildings down here on the Mall or some of the temporary buildings on the Potomac River. We were advised that the purposes required not merely a temporary building but a permanent building so that they could store or protect from fire records that may otherwise be destroyed. It is surprising now to find in this bill provision for a temporary building in view of our investigation and in view of the fact our committee did not report a bill. However, I understand that the word "temporary" really means a permanent building that will last 40 or 50 years and it will protect from fire and may be used for storing records to protect from fire.

Mr. THOMAS of Texas. They call it temporary, I may say to the gentleman, but it is not temporary in our ordinary understanding of the term.

Mr. WHITTINGTON. What would be the type of construction?

Mr. THOMAS of Texas. It will have a solid concrete floor, with steel trusses or supports and brick walls. It will not be a finished fine building, they say, but it will last from 40 to 50 years.

Mr. WHITTINGTON. As I understand it under the terms of this bill these funds may be spent without regard to section 3709 of the Revised Statutes which means this work can be done on a cost-plus basis and without regard to competitive bids?

Mr. THOMAS of Texas. Yes; in order to get the building completed by the time the 1950 census is taken.

Mr. WHITTINGTON. Personally, I can understand how the committee was situated. However, we have had that same situation in which we have been asked repeatedly to waive the requirements for competitive bidding.

I repeat that it is reassuring that a really fireproof brick building with concrete floors will be constructed and that the type of construction will last for 40 or 50 years. It strikes me that the word "temporary," as I repeat, means permanent, inasmuch as the census records are not only expensive, difficult to replace, but it would delay the census if they were destroyed by fire.

I am informed by a member of the committee handling the bill that the building will be of a similar type of construction to the Munitions Building on Constitution Avenue, as I have stated. I think this most important. I trust that, notwithstanding the waiver of competitive bids, it will be economically constructed. I have every confidence in Mr. Reynolds, the Commissioner of Public Buildings, and the General Services Administration.

Mr. THOMAS of Texas. It was just a matter of necessity, and I agree with the gentleman that it should not be done as a general rule.

Mr. WHITTINGTON. I do not see why, with due deference to the administration, they cannot make plans and get bids submitted competitively for this type of construction in times of peace.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

POST OFFICE DEPARTMENT

(Out of the postal revenues)

DEPARTMENTAL SERVICE

Salaries

For an additional amount for "Office of the Postmaster General," $17,000.

Mr. MILLER of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I call the attention of the House to the fact that this bill contains an appropriation of some $38,250,000 to meet the cost in the field service of the Post Office Department for the general rate increases granted by the Civil Aeronautics Board and the Interstate Commerce Commission to air lines and railroads. This is a necessary sum.

We are faced with a huge deficit in the Post Office Department now, and the Committee on the Post Office and Civil Service has been struggling with a rate increase bill that will jar many of you, and the repercussions it will create will be many, when it comes on this floor. But here is an instance where the Post Office Department exercises no control over its expenditures. This money is necessary, but the rates are fixed by the Interstate Commerce Commission and the Civil Aeronautics Board on their authority, and it is an expense that the Post Office Department must accept and must be charged with. It is part of the hidden subsidies, as pointed out in the report of the Commission on Organization of the Executive Branch of the Government, the so-called Hoover Commission. These subsidies should be made

directly to the air lines and to the railroads and not hidden under the guise of postal service so that the postal service continually comes in for the criticism, an unjust criticism, that is not due it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

For an additional amount for "Vehicle service," $5,000,000.

Mr. BARRETT of Pennsylvania. Mr. Chairman, I ask unanimous consent to return to page 5 in order to offer an amendment.

Mr. KERR. I object, Mr. Chairman.

Mr. BARRETT of Pennsylvania. Mr. Chairman, I move to return to page 5 so that I may offer an amendment.

The CHAIRMAN. That motion is not in order at this time.

The Clerk read, as follows:

TITLE II—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document No. 366, Eighty-first Congress, $733,241.42, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than 30 days after the date of approval of this act.

Mr. CHUDOFF. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and seventeen Members are present, a quorum.

The Clerk read as follows:

TITLE III—REDUCTIONS IN APPROPRIATIONS

UNITED STATES MARITIME COMMISSION

Funds available under the title "Working Fund, United States Maritime Commission (Navy and War Departments)", are hereby reduced in the amount of $30,500,000, and funds available under the title "Working Fund, United States Maritime Commission, War Shipping Administration Functions, December 31, 1946", are hereby reduced in the amount of $800,000, such amounts to be carried to the surplus fund and covered into the Treasury immediately upon approval of this act: *Provided*, That the United States Maritime Commission, the Department of the Navy, and the Department of the Army shall not be required to effect further inter-agency or intra-agency transfers of funds on account of obligations for ship construction, acquisition, conversion, reconversion, repair, or similar work ordered and performed under said titles prior to the fiscal year 1949: *Provided further*, That balances remaining under said titles shall be available until June 30, 1950, for payments to other than governmental agencies on account of obligations properly incurred under said titles.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the bill before us is designated as the second supplemental appropriation bill of 1950. It carries gross appropriations of $1,000,000,000 plus. In the closing hours of this session of the Eighty-first Congress we are being asked to appropriate in excess of another $1,000,000,000, on the assumption and theory that these items are supplemental appropriations and vitally needed.

There may be some of these items that are vitally needed, and it may be that this appropriation bill is here, as the committee has indicated, because the House has continued in session for such a long period of time. Normally this matter would have been considered in the second session of the Eighty-first Congress, but these departments just cannot wait. They have to have their money now. If there ever was a case where the editorial writers of this country could tear this Congress apart for its absolute subservience to the executive branch of the Government, this is the case as indicated in the bill now before us.

We pride ourselves and it is said here on the floor of Congress time and again that we are the greatest deliberative assembly in the world. I wonder if we are. I am coming to the belief that as time passes on we are just becoming more and more simply the stool pigeons of the executive departments of Government.

There is not an item in this bill which was not sent up by the executive departments of Government already printed, with the language already made up, laid before the subcommittees, as well as before the particular subcommittee of which I am a member since we considered some of the items in this bill, and thrown at us cold with not a single moment's knowledge or notice as to what was going to be asked for until the committee met.

On one of these items the committee would not have time if it took 3 or 4 days simply to read and understand what the justifications were which were submitted by the executive department. Yet the thing was banged through—bang, bang, bang—just like that, without even the members of the subcommittee themselves, to say nothing of the full committee and the Members of the Congress, knowing whether or not those supplementary estimates were necessary.

I want to register a protest against that type of legislating as far as appropriating bills are concerned. You no longer have any voice in the matter—you think you have, but you do not. You are accepting these bills as written in the departments. They throw their justifications at the committee without any previous notice and you subserviently accept them and report them to the Congress. You are asked to pass upon them when there are not 10 Members of the House who have knowledge of all the items contained in this billion dollar appropriation bill. I think it is a crying shame. The people of the country ought to know the procedure of the Committee on Appropriations of the Congress in the matter of handling many of these items which, in the aggregate amount to a billion dollars. It is because of that very fact that I cannot vote for this bill. I cannot vote for a bill which contains item after item designated as a supplementary appropriation when it is not a supplementary appropriation at all.

I will tell you what is going to happen. These are the entering wedges.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to address the House for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, we must understand that some of these departments have already concluded their budget hearings for 1951. Others are presently presenting their estimates for 1951 before the Bureau of the Budget. While those hearings are going on we are passing this bill making supplementary appropriations for 1950. When you get the 1951 budget estimates you are going to see that you will have a tremendously increased budget as a result of what you are doing here today.

We were told in the subcommittee with respect to one of these items, for instance the additional expenditures for the Wage and Hour Division, that it is only a small item. It is $84,000. But it, in turn, requires an additional $11,000 for the Solicitor of the Labor Department. This is for the next 6 months of the fiscal year 1950. We were told that they had already completed their hearings before the Bureau of the Budget for 1951, and the amount that will be in the 1951 budget will be greatly in excess, or double, the amount that you are providing in 1950 for that activity. There was absolutely no showing before the committee there was any immediate necessity for providing such an appropriation. But as a member of the minority, I cannot do anything about it. I am glad to say that one member of the majority felt as I did. So the matter was included in this bill by a tie vote. That is what I am told happened. I imagine there are other items in this bill that are of a similar character. You are letting the executive agencies of Government stick their foot in the door and justify greatly increased appropriations for 1951 when you vote on this bill. I am issuing a warning to you now, when this great monumental bill comes in next year, hark back to what I told you today. Then just go ahead and vote for whatever these departments want. That is what you are doing. They are telling you what to do. You think you are acting as Members of Congress. I am ashamed of the situation myself, to have to make this sort of confession to the people of America. The Congress no longer runs

its own affairs or what should be its affairs under the Constitution, but it is acting as the executive departments tell us how we should act. I cannot go along with that sort of thing.

Mr. O'SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. O'SULLIVAN. How long has this been going on?

Mr. KEEFE. It has been going on ever since I have been a member of the Appropriations Committee. I have protested against it time and time again, but it is like a voice crying in the wilderness, and, with that thing going on, you have seen this tremendous growth of bureaucracy, which you all condemn. You all talk to your constituents and say you want economy; that you want to cut down this bureaucracy, from the President on down, but by the type of action you are taking with these various supplemental and deficiency appropriation bills, you just succumb to the blandishments of the executive departments of the Government, and they are running the show. You are a mere appendage in this thing we call government, when we should stand up here and write these bills ourselves, and not have them tell us what we should give them.

Mr. O'SULLIVAN. Will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. O'SULLIVAN. Was there any voice of dissent raised in the Appropriations Committee about this sort of practice of lump-summing these appropriations?

Mr. KEEFE. Oh, that question has been raised time and time again. But let me tell you something. There is no greater lobby in the United States than the lobby in the executive departments of Government. Every man here knows that to be true. You do not dare do what you think and know is right for fear of the pressure of these executive departments of Government.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. KEEFE] has again expired.

The Clerk concluded the reading of the bill.

Mr. KERR. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 6427, directed him to report the same back to the House, with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

Mr. KERR. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KEEFE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KEEFE. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. KEEFE moves to recommit the bill to the Committee on Appropriations.

Mr. KERR. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and on a division (demanded by Mr. KEEFE) there were—ayes 27, noes 68.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. KERR. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

LEGALITY OF CERTAIN PRICING PRACTICES

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1422)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the House amendment; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "reliable, probative, and substantial evidence"; and the House agree to the same.

FRANCIS WALTER,
By EARL C. MICHENER,
EARL C. MICHENER,
CLIFFORD CASE,
By EARL C. MICHENER,
Managers on the Part of the House.

PAT MCCARRAN,
Per H. R. O'C.,
HERBERT R. O'CONOR,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

Senate bill 1008 covers two related and yet separate problems pertaining to a competitive economy. First, it deals with the right of an individual seller to absorb freight costs in varying amounts, or to sell at delivered prices, in order to engage in competition in good faith. There has been widespread feeling that sellers should, and to protect plant investments and employment must, be permitted to absorb freight costs or to sell at delivered prices in order to sell their products in competition with more favorably located competitors. The congressional debates indicate little opposition to this part of the bill, and a desire to clarify the legality of competitive freight absorption. The major controversy has centered about certain dicta in the *Cement Institute case* (333 U. S. 683), which the proponents of this bill maintain has thrown a cloud of doubt around the legality of individual freight absorption and use of uniform delivered price systems, while the opponents of the bill contend that the decision left undisturbed the previously prevailing rule.

The bill also deals, however, with the extent to which sellers may lawfully discriminate in price to meet the lower prices of their competitors. Proponents of the bill believe sellers should be permitted to so discriminate whenever they can affirmatively prove that they are doing so in good faith. Real and vigorous competition as well as the public interest can never be adversely affected when sellers are actually competing in good faith. Some believe, however, that sellers should not be permitted to discriminate in price if doing so will take an order away from any other businessman. This is, of course, a tendency toward the elimination of competition, or what the Council of Economic Advisers calls "soft competition." Still others hold views which lie between

those positions. There are also those who appear to be uncertain of the practices which are in fact good faith competition, and who wish to expressly prohibit any price discrimination of a seller to drive out of business a competitor of the favored buyer. Amendments to the bill offered on the floor in the Senate and in the House of Representatives were aimed at protecting competitors against predatory practices.

To prohibit price preferences to drive out of business a competitor of the favored buyer, amendments to sections 2 and 3 of the bill were adopted in the Senate. With a view of accomplishing much the same purpose, but using substantially different language, amendments to those sections of the bill were adopted in the House of Representatives.

These purposes appear from the statements made by the proponents of these amendments, Congressman CARROLL said in support of the House amendment which he introduced:

"I want to tell you that there is no longer the issue before this committee of whether or not we are in favor of freight absorption. I do not pretend to know enough about the difference in philosophy between the basing-price theory and the mill-price theory, but I do know the reason which was advanced for bringing this bill before this body. The distinguished Senator from Wyoming [Mr. O'MAHONEY], the distinguished Senator from Maryland [Mr. O'CONOR], and the distinguished Senator from Pennsylvania [Mr. MYERS] have led us to believe in debate in the Senate, and I agree with them, that the issue was the clarification of certain Supreme Court decisions. How were they going to clarify them? By a legislative declaration overcoming certain dicta in a Supreme Court decision. Now, I can go along with that. That is the clarification of the doctrine that permits freight absorption. Well, I can go along with that. But, why do we have to take another uncalled-for and dangerous step? Why do we have to amend the Robinson-Patman Act, which was expressly designed to protect small business against unfair price discrimination?

"* * * Certainly we in the West recognize that, for example, the sugar industry in order to compete must be able to absorb freight costs. We know that. I do not know that we can entirely abandon the whole pricing zone system theory. I do not think we can. But what we can say is this: Let us keep what little protection there is on the books for the small-business man and for the consumer.

"* * * I do not agree with some of my colleagues who want to discuss the difference in philosophy between the basing-point system and the mill-price system. I think our present economy demands this sort of system, whether it is the basing-point or the zone system or the uniform pricing system. I say you cannot tear it out, root and branch, now. You would create chaos throughout the Nation. But in your desire to clarify, do not injure the small-business man. Do not give way to creation of greater monopolies. This decision would be very, very far-reaching, because if you reject my amendment then what you do is destroy the circuit-court opinion, and you will destroy any consideration of the issue now before the Supreme Court. You will take away from the Supreme Court the right to make a decision under the Robinson-Patman Act as previously outlined. I sincerely hope you will accept this amendment."

Senator KEFAUVER, its sponsor, said in support of the Senate amendment:

"Let me call the Senator's attention to the chart I have here. If A is a large consumer, and is buying something from B at, let us say, $10 a ton, and he is charging all the small customers—X, Y, Z, L, M—$15 a ton, C can come along even though he is at a distance and absorb freight and sell also to A at $10 a ton. If the Federal Trade Commission tried to prosecute C under the Clayton Act the fact that B was charging $10 a ton in his sales to A would be a complete defense. That is the showing that another seller was charging the same price would be a showing of good faith under the language of subsection B of the bill. Is not that true?"

Mr. O'MAHONEY. "No; I am not ready to agree with that statement. I will say to the Senator from Tennessee that I do not believe the present law undertakes to preserve the status quo in any line of business. Without question there are some purchasers of commodities from wholesalers who do not operate as efficiently or as economically as others, and the price at which they have to buy their material may be such as to make it impossible for them, by reason of their inefficiency, to operate at a profit. It is not the purpose of the existing law to compel the preservation in business of those who are suffering because of lack of efficiency."

Mr. KEFAUVER. "Of course, the fact that A may buy in greater quantity or that different conditions may exist has always been a defense in a case before the Federal Trade Commission."

Mr. O'MAHONEY. "And still is."

Mr. KEFAUVER. "And still is. But the fact that the small fellow may be undercut by 50 percent under the present regulation of the Federal Trade Commission is not a defense because it is a discrimination, even though two or more may be selling A at the same price. The reason that is so is that the United States Circuit Court of Appeals, as the Senator well knows, recently, in its January session, held by unanimous opinion—and the case is now before the Supreme Court—that if B is selling A on the basis of $10 a carload, and C starts selling A at $10 a carload whereas they sell the little fellow at $15 a tankload of gasoline or a carload, the mere fact that they are selling A at the same price does not meet the requirements of the Robinson-Patman Act—that is, if there is unfair competition or discrimination, even though they may be selling A at the same price, they are still guilty of violation of section 2 of the Clayton Act, which is the Robinson-Patman Act."

The Congress and the people are committed to the competitive system. We universally adhere to the concept that competition is essential to our economy and must be preserved and maintained in all segments of every industry whose activities are not regulated by the Government as public utilities. Government regulation is the unpleasant alternative to competition.

On July 13, 1949, a member of the President's Council of Economic Advisers intelligently appraised this problem when he told the Committee on the Judiciary of the House of Representatives:

"All competitive effort is burdensome and harmful to those who cannot keep pace, but if we said it must stop short before it hurts anyone we would completely abandon the policy of competition. It is only the unfair methods which we wish to prevent, and it is a very fine line between the vicious and unfair on the one hand and the rugged but fair on the other. * * * Some of us believe that in the particular rulings involved in the pending bill relating to freight absorption and other matters the law and the Commission stepped over the line between unfair methods and those which are of the essence of vigorous competition. It is for that reason that we have surprised some friends whom we have joined in other battles against monopoly by proposing corrective legislation. We have also been sympathetic with the plea of businessmen that if penalties are imposed for the violation of a law prohibiting business policies which have for years been accepted as fair, vigorous competition, the liability should be clearly expressed in the statute and should not be a trap buried under general language so ambiguous that the Supreme Court itself cannot decide what it means. * * * Is it a desirable national policy to tie the hands of the big competitor and thereby make it easier for the small-business man to survive? I have no doubt that Woodrow Wilson and his predecessors would have furiously contested any such proposal. Today, many supporters of the antitrust policy will give hesitant answers. My own is that there is a heavy burden of proof upon him who would temper the storms of competition for the lamb in this manner. He must do more than argue for stability of business. He must make an exceedingly strong case that his proposal will not, by depriving competition of its vigor, deny the people those benefits of larger production, lower costs and prices, and improved standard of living which the Sherman Act was designed to promote" (Dr. John D. Clark, hearing before the Subcommittee on Study of Monopoly Power, July 13, 1949).

A prime difficulty in this problem is an understanding of the meaning of the word "competition." It is one of the key words in section 2 of the Clayton Act. Its meaning, however, has sometimes been strained in order to gain an objective. For example, extremists favoring rigid f. o. b. mill selling have contended that the practice of sellers competing in distant markets through absorbing freight costs to meet the prevailing local price results in a substantial lessening of competition. They contend that when sellers all sell at the same price there is an elimination of price competition automatically and hence a substantial lessening of competition. This reasoning is not always sound. When sellers sell at the same price because they have either expressly or impliedly agreed to do so, they have lessened, if not eliminated, competition. When, however, they sell at the same price because they are in vigorous competition with each other and each finds that he cannot get more for his product than others are getting for like products, competition has not been lessened or injured but is actively at work, assuming an absence of agreement, actual or implied.

Competition is a contest between sellers for the business of a buyer. In such a contest one seller gets the order while other sellers lose the order. That is competition. The seller who did not get the order may feel injured, but that does not mean that competition has been injured. In any competitive economy we cannot avoid injury to some of the competitors. The law does not, and under the free-enterprise system it cannot, guarantee businessmen against loss. That businessmen lose money or even go bankrupt does not necessarily mean that competition has been injured. "Competition," Mr. Justice Holmes observed, "is worth what it cost."

We must always distinguish between injury to competition and injury to a competitor. To promote and protect competition is the primary function of the antitrust laws. However, we cannot guarantee competitors against all injury. This can only be accomplished by prohibiting competition. We can and do, however, prohibit injury to competition. Competition is injured through the seller acquiring monopolistic control of a market, by local price cutting, selling below cost, and in the use of other predatory practices. These practices are prohibited by the antitrust laws.

AMENDMENTS TO SECTION 2

The amendment to section 2 of the bill adopted by the Senate is: "(except where the effect of such absorption of freight will be to substantially lessen competition)".

The amendment to this section adopted by the House of Representatives is: "(except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section)".

The compromise language adopted by the conferees to this section is: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)".

It will be observed that the compromise reached by the conferees amounts to a simple fusion of the express language of both of the floor amendments. The words "substantially lessen competition" acquire meaning from the illuminating debates in the present session to which reference has already been made.

AMENDMENTS TO SECTION 3

The amendment to section 3 of the bill adopted by the Senate is: "(other than a discrimination which will substantially lessen competition)".

The amendments to this section adopted by the House of Representatives are—

1. Substitute for the Senate amendment, supra, the following: "(if the discrimination is not such that its effect upon competition may be that prohibited by this section)".

2. Add at the end of the section "and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

In the words of the Assistant Attorney General in charge of the Antitrust Division, the effect of the parenthetical Senate amendment is as follows, and this would be true, a fortiori, of the parenthetical House amendment: "Insertion of this phrase in the bill (S. 1008) has the effect of retaining the rule of *Standard Oil Co.* v. *Federal Trade Commission* (173 F. 2d 210), a decision by the Court of Appeals for the Seventh Circuit which held that good-faith competition is not a defense where the effect would be to lessen competition. While we recognize the competitive problems which arise when one purchaser obtains advantages denied to other purchasers, we do not believe the solution to this problem lies in denying to sellers the opportunity to make sales in good-faith competition with other sellers."

The purpose of the second House amendment to this section is simply to create a uniformity in language between sections 2 and 3 of the bill.

The compromise language adopted by the conferees, added at the end of the section and intended to qualify the entire proviso in that paragraph, is: "except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice."

This language is borrowed from section 1 of the bill, the amendment to section 5 (a) of the Federal Trade Commission Act, and constitutes what the conferees feel is an entirely adequate limitation, certainly one responsive to the fears that have been expressed in Congress by the opponents of the bill.

AMENDMENT TO SECTION 4

The amendment to section 4 D of the bill adopted by the Senate is to define the term "the effect may be" as used in the bill to mean that there is "substantial and probative evidence" of the specified effect.

The amendment to this section adopted by the House of Representatives is to define the term to mean that there is "reasonable probability" of the specified effect.

The compromise language adopted by the conferees to this section is to define the term to mean that there is "reliable, probative and substantial evidence" of the specified effect, which is simply an adoption of the precise language of the Administrative Procedure Act.

Fears have been expressed that one or more of the definitions contained in section 4 might be construed as carrying over into the Clayton Act, as amended, and as applying to, or affecting the construction of, the defined terms as used elsewhere in that act. The conference committee wish to point out that such fears are ungrounded, since the definitions in section 4 are, by the terms of the section, applicable to the defined terms only as used in this Act"; and, therefore, the same or similar terms may appear in portions of the Clayton Act not specifically amended by this act, necessarily remain unaffected. The conference committee in all their deliberations have construed the definitions in section 4 as applying only to the defined terms where they appear in this act. Thus, for example, the definition of the phrase "the effect may be" will apply to this phrase as used in section 2 (b) of the Clayton Act as hereby amended, and as used in the proviso which this act adds to section 2 (a) of the Clayton Act, but will not apply to the same phrase or any similar phrase used elsewhere in section 2 (a) or in any other portion of the Clayton Act.

FRANCIS WALTER,
By EARL C. MICHENER,
EARL C. MICHENER,
CLIFFORD CASE,
By EARL C. MICHENER,
Managers on the Part of the House.

CALL OF THE HOUSE

Mr. PATMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 230]

Allen, Ill.	Gwinn	Pfeifer,
Angell	Hall,	Joseph L.
Auchincloss	Edwin Arthur	Pfeiffer,
Barden	Harden	William L.
Baring	Harvey	Philbin
Barrett, Wyo.	Hays, Ohio	Phillips, Calif.
Bentsen	Hébert	Phillips, Tenn.
Bland	Heffernan	Poulson
Blatnik	Heller	Powell
Bonner	Hoffman, Ill.	Rains
Boykin	Hoffman, Mich.	Reed, Ill.
Buckley, N. Y.	Jenkins	Reed, N. Y.
Bulwinkle	Jennings	Regan
Byrne, N. Y.	Jonas	Ribicoff
Chatham	Judd	Richards
Christopher	Kean	Sadlak
Cole, N. Y.	Kearney	Sadowski
Coudert	Keating	St. George
Crawford	Kee	Sanborn
Crosser	Keogh	Sasscer
Davies, N. Y.	Kilburn	Short
DeGraffenried	Larcade	Smathers
Dondero	Lovre	Smith, Ohio
Donohue	Lucas	Smith, Va.
Doyle	McKinnon	Tauriello
Durham	McSweeney	Taylor
Eaton	Mack, Ill.	Thomas, N. J.
Ellsworth	Macy	Thompson
Elston	Mansfield	Thornberry
Fellows	Marcantonio	Towe
Fisher	Mason	Underwood
Flood	Miller, Nebr.	Vinson
Ford	Morgan	Walter
Garmatz	Morton	Whitaker
Gray	Multer	White, Idaho
Gilmer	Murdock	Wier
Golden	Murphy	Wood
Gorski, Ill.	Nixon	Woodhouse
Green	Patten	Worley
Gregory	Perkins	

The SPEAKER. On this roll call 316 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

LEGALITY OF CERTAIN PRICING PRACTICES

Mr. CELLER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I did not sign this conference report. One of my Democratic colleagues the gentleman from Louisiana [Mr. WILLIS] likewise refused to sign the conference report. We refused to sign the report because we feel that the report does not reflect the wishes of this House. Finally, this conference report, if adopted, I say, beyond peradventure of doubt, would seriously interfere with the antitrust-law enforcement. It would enable offenders against the Robinson-Patman Act to go unwhipped of justice. It would help hobble the Federal Trade Commission. For that reason I refused to sign the report.

The report is signed by the Republican Members of the House conferees, and, by proxy, by one Democratic Member. The gentleman from Pennsylvania [Mr. WALTER], who is on the high seas, sent his proxy by cable.

The conference report says it is not unlawful to absorb freight to meet the equally low price of a competitor in good faith except where such absorption of freight will substantially lessen competition.

The verb "will" is emphasized. In the House Carroll amendment the following language appears: "except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section." The verb "may" is emphasized. There is a great difference between "will" and "may." The use of "will" places an insuperable burden of proof upon the Federal Trade Commission. It must prove its case beyond all shadow of doubt. It must make out an absolutely iron-clad case. The present law, as well as the Carroll amendment, using the word "may," makes discrimination unlawful where the effect is reasonably probable. It involves a less difficult burden of proof. The use of "may" should be retained. The Commission need not then invoke such a hard-and-fast rule.

Further, section 3, as amended in conference, provides a double formula or standard. In accordance with the conference report, when the Commission has proven the forbidden effect on competition, a seller can justify his discrimination by showing that it was made in good faith to meet the equally low price of a competitor. The conferees eliminated the House amendment which would have invalidated this justification where the discrimination substantially lessens competition. Thus good faith in meeting competition is made by the conferees an absolute defense to the charge of price discrimination.

The language added by the conference committee at the end of the section does not limit this defense; for if the seller engages in conspiracy, monopolistic or oppressive practice, fraud, or deception, good faith is necessarily lacking.

The issue raised in this part of the bill is whether, when a seller acts in good faith but lessens competition among his customers by his action, public policy should permit the action or condemn it. The conferees have chosen to permit it.

In doing so, however, they have made section 3 of the bill inconsistent with the previous section. The principle of section 2 (b) of the bill is that where

the Commission proves that freight absorption is certain to lessen competition substantially the practice is forbidden even though it consists only in meeting a competitor's price in good faith. The principle of section 3 of the bill is that this practice, like any other form of price discrimination, becomes lawful regardless of the effect on competition where it is used to meet a competitor's price in good faith. Thus section 3 nullifies the exception that the conference committee has written into the previous section. Taken literally, the two sections together seem to say that the Commission's proof of an offense which takes the form of freight absorption may be sufficient in spite of the seller's good faith but that this good faith shall nevertheless be a complete defense. The effect of the bill on this point is to create rather than remove confusion.

For that reason and the others disclosed I hope that this conference report will not prevail, but that the motion to recommit with instructions to insist upon the Carroll amendment will prevail instead.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. CASE].

Mr. CASE of New Jersey. Mr. Speaker, as is the case with all legislation, this conference report will not completely satisfy anyone. It does represent, however, in my judgment, the best that can be expected if we are to get legislation on this subject at the present session of Congress. In addition, I believe that it carries out the intent, the chief intent at least, of the House as expressed in the action taken when the matter was first before it and in the debate at that time.

The bill originally sought to do two things. I was in favor of both of them, as I am sure you all know. I now believe however, that it was a mistake to attempt to do two things in one piece of legislation. The result of that mistake has been long delay in an attempt to reconcile the views of the two bodies on the matter.

The conferees come to you with something which they think accomplishes that result, for reasons which I shall endeavor to state to you.

The major purpose of the bill, of course, was to make it unquestionably lawful, in the absence of collusion and certain other practices, to adopt a system of selling at delivered prices. Doubt had been cast upon the validity or legality of that practice by certain dicta in decisions of the Supreme Court. A number of industries as well as a lot of people all over the country felt it was desirable to have the matter clarified by express statute. That was the primary purpose of the bill. It amended the Trade Commission Act and it amended the Robinson-Patman Act for that purpose.

The bill, as it was reported to you by the Committee on the Judiciary in the first instance, also sought to accomplish another purpose, namely, to establish good faith in meeting competition as an absolute defense to the charge of discrimination in price. I was in favor of that at that time. I am still in favor of it as a personal matter. That, however, is beside the point.

This second purpose of the bill brought about considerable controversy and eventually led to the adoption by the House of the so-called Carroll amendments.

In the Senate when the bill came before it, as it did first, the so-called Kefauver amendments had been adopted, limiting the defense of good faith in meeting competition to those cases where competition was not substantially lessened. When the matter came before us in the House the committee recommended against the Kefauver amendments. The House felt otherwise and, as I have said, adopted the so-called Carroll amendments which limited still further the defense of good faith to a charge of price discrimination, not only in cases where discrimination resulted from delivered selling price or basing-point practices but in any price-discrimination case under the Robinson-Patman Act.

The Carroll amendments said it matters not if you have in good faith met competition in selling at one price to one customer and at another to another, if the result is either to substantially lessen competition or to tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them. The House adopted the Carroll amendments. We went to conference.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. CELLER. Mr. Speaker, I yield the gentleman seven additional minutes.

Mr. CASE of New Jersey. Mr. Speaker, the Senate conferees indicated from the very beginning that they were not willing to have the Robinson-Patman Act so very drastically amended. A number of discussions were held. Many weeks passed. Finally a compromise was reached in these respects.

In section 2 (a) of the Robinson-Patman Act the House conferees agreed, in substance, to accept the Senate position. There is a slight change in language, but the conferees' recommendation is, in substance, the provision of the Senate bill. In other words, good faith in meeting competition in the use of delivered prices is not to be a defense if competition is substantially lessened thereby. If there is any difference of opinion as to the merits of that, I must quite frankly say that then there is an issue. That is not the Carroll amendment. It is, in substance, the Kefauver amendment, and it is that because it was perfectly clear to the conferees, I think, that there would be no bill unless on that point the Kefauver amendment was accepted.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. CASE of New Jersey. I yield to the gentleman from California.

Mr. JOHNSON. Right near my home town there is a cement mill that sells cement at Reno, about 180 miles from Stockton. Down in Riverside there is another cement mill that is probably 500 miles from Reno. If the Riverside cement plant delivered cement at Reno for the same price and absorbed the difference in freight, would that be contrary to the provisions recommended?

Mr. CASE of New Jersey. Under the recommendations of the conferees that would be lawful if it was done in good faith and not pursuant to a combination, conspiracy, or collusive agreement and did not constitute a monopolistic, oppressive, deceptive, or fraudulent practice.

On the second major difference between the two Houses, this was the issue: Assuming a prima facie case of discrimination is shown by the Federal Trade Commission, what shall be the effect of a showing that the person engaging in the discrimination did so in good faith to meet competition? The House said that it shall not be a defense if competition with either the buyer or the seller or any customer of either, on an individual basis, is lessened. The Kefauver amendment said it shall be a defense unless competition generally is substantially lessened by that practice.

The House—and I will be glad to have the particular attention of the gentleman from Colorado on this, because I am endeavoring to express our conception of his views—the House, as your conferees understood the matter, was concerned not only with the effect on competition generally, but with competition in individual cases. In other words, if a person sold at one price to one person and at another price to another person and did so collusively, or for the purpose of driving out competition, or in the exercise of a monopolistic, oppressive, or fraudulent practice, the House did not want him to get away with that, even though competition generally might not be substantially affected. As your conferees understood the position of the House, competition between specific individuals was the thing you were concerned with if collusion or oppressive, monopolistic, or fraudulent practices were involved.

The House and the Senate conferees, both, agreed not to take the Carroll amendment and not to take the Kefauver amendment. Instead, they put at the end of the paragraph these words:

> Except that this—namely, the defense of good faith in meeting competition—"shall not make unlawful any combination, conspiracy, or collusive agreement or any monopolistic, oppressive, deceptive, or fraudulent practice" engaged in by one individual in his relations with another, regardless of the effect on competition generally.

Those things would be outlawed, even though a person doing them was merely meeting competition in good faith.

So I think you will understand that we were not discarding the House view and that we were not discarding the Senate view of this matter. We were attempting definitely to get at the substance of both views by this language. I believe we have done so insofar as it is possible to reconcile views which at the outset seemed to diverge so far.

I am quite sure that the fears expressed by my distinguished chairman that this would lead to widespread monopoly and all the rest are completely without substantial basis. I am quite

sure that we have protected, even as the majority of the Members of the House felt they should be protected, the rights of small business.

No collusive, monopolistic, oppressive, deceptive, or fraudulent act can be justified by anyone engaging in such an act under the language recommended by the conferees, even though he may be able to show that he was, in good faith, meeting competition. That is completely out.

I do not believe there is any better solution to the problem raised by the differing views of the two Houses than that which the conferees, in complete good faith, have brought in to you this afternoon. I urge that the conferees be supported in the position they have taken and which they recommend that you take.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. Speaker, when this matter came before this body recently I pointed out that the effect of the bill as it came over from the House committee was to emasculate the Robinson-Patman section of the Clayton Act. Now the conferees by their report prove conclusively that such is the purpose of this legislation.

I shall take just a minute to give you the legislative history of this legislation. Many Members of the other body in debate recently said they did not fully understand the effect of this legislation on small business. After the bill was returned to the other body they debated it for 3 days. Twenty-nine Senators voted favorably on a motion to reconsider because they believed there was nothing to confer about. They were in favor of the so-called Carroll amendment.

The able Senator from Tennessee, Mr. KEFAUVER, stated in the RECORD in debate that there was a typographical error in his amendment, that he never intended that the word "will" should be include in his amendment. That is why he is advocating the adoption of the so-called Carroll amendment.

Here is how simple this issue is. As the gentleman from New Jersey [Mr. CASE] has said, they have commingled the issues. There are many of the big steel and cement companies that were concerned about the Cement decision of the Supreme Court. Section 1 of this bill takes care of that. They were not satisfied with that, they added sections 2 and 3 to the bill, to try to amend—more than amend, to emasculate—the Robinson-Patman section of the Clayton Act.

Let me tell you what the effect of this would be. All through antitrust legislation, all through Supreme Court decisions, they have used and construed the words "may be," never the words "shall" or "will." The passage of this bill will shift the burden of proof to such an extent that no cease-and-desist orders will issue under the Robinson-Patman section of the Clayton Act.

Moreover, there is another point I want to make now. There is now pending a case before the Supreme Court of the United States interpreting and construing the Robinson-Patman section of the Clayton Act. This amendment forecloses the consideration of that suit. I stated that previously in debate. Now the conferees report confirms my suspicion. Without trying to impugn the motives of anyone, when this Senate bill came back to this body the gentleman from Louisiana [Mr. BOGGS], the gentleman from Texas and I, yes, and another gentleman from Louisiana [Mr. WILLIS], were going to lead the fight at that time to keep this bill from going to conference because we recognized there are powerful influences at work. We were given positive assurance that the Democratic Members would stand fast on the Carroll amendment. I repeat, I do not want to impugn the motives of anyone—I do not know enough about conference committees and their manner of reporting, but it does seem to me exceedingly strange that a proxy would bypass the chairman of the committee, falling into Republican hands.

There has been exceedingly strange tactics used both in this body and the other body on this piece of legislation. Some of the most powerful groups in the Nation are moving to gut the antitrust legislation of this country. Make no mistake about it. If any of the Members on my side of the aisle can go home and defend themselves before the small business groups and consumers of this country in view of the fact that only a few months ago for the first time in 22 years we plugged a loophole in the antitrust laws and now we are going to open the doors, I just do not see how they can defend their position.

I say in good conscience as a Democrat, I hope the Democratic Party will not be guilty of such an act.

There are so many important issues in the bill that this bill could not possibly be discussed intelligently in the 5 minutes given me. The whole issue is the question of the difference between "may be" and "will." That is what they have done to my amendment. They did not carry out the intent of the House of Representatives. They did not do it in section 2 and they did not do it in section 3. Moreover they have repudiated their own position in section 4. They have gone away from the doctrine of reasonable probability. The House has reversed its position on the doctrine of reasonble probability as a rule of evidence. We have adopted a different rule. Sections 2, 3, and 4 of this bill, gives sweeping changes to the whole Clayton Act and will have a devasting effect, in my opinion, upon antitrust legislation and court decisions.

I sincerely hope when the motion to recommit is made that it will carry, and the conference report be recommitted. If those interested are reasonable they will have legislation so far as I am concerned. But if they are not reasonable, they ought not to have any legislation during this session.

The SPEAKER. The time of the gentleman from Colorado has expired.

Mr. DAVENPORT. Mr. Speaker, the basing-point system means the sale of a commodity at a delivered price uniform to all buyers throughout the country. We have basing-points in many American commodities. We have it with Hershey bars; we have it with Wrigley gum, and we have it with our Government postage stamps. The purpose of the basing-point system is to even out or average the difference in the cost of distribution among all users. By this system consumers are able to avoid a bill for freight for the long distance from the point of production.

The language used by the Supreme Court in the Cement case in April 1948 was confusing to both businessmen, whose livelihood depended upon its clarification, and the Government, whose job it was to enforce that decision. On reading the decision in the Cement case, it is impossible to tell whether the seller had a right to absorb freight costs even when such an absorption was not accompanied by conspiracy.

The Cement case dragged through the courts for 14 years at a cost of about $3,000,000 to the cement industry and at least $1,000,000 to the taxpayers. The decision which was handed down by the Supreme Court which is purported to prevent monopoly actually creates monopoly. For instance, in Birmingham, Ala., or Wheeling, W. Va., a buyer could only buy from Wheeling or Birmingham and firms could be put out of business by refusing to sell. If the buyer bought outside, his price would be much higher. Under the Supreme Court decision a seller could be as arbitrary as he wanted to be because each dealer would have to deal with the nearest source of supply.

If we vote down the basing-point bill we are voting against the best interests of the American people. In this period of troubled international conditions it is appalling that businessmen upon whom we must rely to maintain high levels of production must themselves be kept in an uncertain frame of mind—I know because I have talked with many of them in the past week back home and they are very much worried about the attacks being made on the basing-point system. Now, the men who invested their money and built the huge steel industries in the eastern States as well as the tens of thousands of workers in the steel plants have good reason to be concerned. If the fight now being waged against the basing-point system is carried out to the full extent it would create ghost towns throughout Pennsylvania, Ohio, and West Virginia. The Pittsburgh steel companies not long ago were sending a solid train of steel every night to Detroit. Now if the steel companies have to quote a flat price plus freight rates there is no question about it that they will not be sending any more solid trains of steel to Detroit every night. The Supreme Court decision on the basing points completely disrupts a tried and successful method of distribution upon which American business has been built. I am told that the basing-point bill which passed the House a few months ago was considerably changed in conference—changed to such an extent that small business would be seriously injured and that the way would be laid wide open for monopolies. I have not been convinced of this. I am going to vote in favor of the conference report.

If we pass the conference report businessmen would then be freed from doubt about the legality of their pricing policy

and the way would be open for permanent legislation later on dealing comprehensively with unsolved problems of competition and price.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. Mr. Speaker, this legislation was debated on the floor of the House at some length some months ago. At that time the distinguished gentleman from Colorado succeeded in incorporating into the bill the so-called Carroll amendment. That amendment came after a strenuous fight on the floor of the House. That fight was made on this issue and this issue alone, that the Members of the House of Representatives had no objection to the principle which the bill supposedly carried out. That is a clarification of the basing-point procedure, but at the same time the Members of this body were tremendously concerned about using that principle as a vehicle for whittling down the Robinson-Patman Act which, in my judgment, and I believe in the judgment of a majority of the Members of this body, is a milestone in the protection of the small-business interests of America. After that fight was made, the gentleman from Colorado [Mr. CARROLL] offered his amendment, and it was incorporated into the bill by an overwhelming standing vote. When the Carroll amendment was adopted to the basing-point legislation, a great many Members of this body came to both Mr. CARROLL and myself, and to other Members, and made inquiry as to whether or not we felt that the legislation was acceptable with that amendment. We said we thought that it was. Thereupon, when the legislation went to conference, we were assured by one of the ranking Democratic members of the Committee on the Judiciary that that amendment would not be changed.

Now, what do we have before us today? We have a conference report that in many ways is worse than the original of several months ago. I am convinced that the conference bill is considerably worse, from the point of view of small business, than the original legislation.

Mr. CELLER. I will say to the gentleman, the conference report is worse than the original bill.

Mr. BOGGS of Louisiana. I am glad to have that contribution by the distinguished chairman of the committee who, if I remember correctly, supported the original bill. I believe his statement in that regard is very significant.

Now, there is no point in our arguing the merits or demerits of the basing-point system. It may be a good thing. It has been the practice in this country over a period of time. It has worked successfully, and apparently the business enterprises desire that it continue to operate. But shall we use that as a vehicle for cutting out the wholesome restrictions and the protections which have been written into the law by the Robinson-Patman Act?

Now, the thing that they have argued about so much, and apparently the thing about the Carroll amendment which has caused so much consternation— and how it enters into the basing-point system, I do not understand—is the fact that the Carroll amendment refuses to permit good faith as a defense, when the Clayton Act has been violated. So that the Carroll amendment has been whittled down now to the point that good faith is a defense. What does that mean? That means that if one manufacturer sets up a straw man or a dancing partner, as someone has said, and uses him in alleged good faith, then all the little competing fellows who are selling tires, for instance, or drugs, or many other nationally manufactured commodities, find themselves competing with a retail outlet which is selling something at retail less than they could purchase it for at wholesale.

I trust that this conference report will be recommitted.

The SPEAKER pro tempore (Mr. GORE). The time of the gentleman from Louisiana [Mr. BOGGS] has expired.

Mr. CELLER. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it is quite apparent that some effort is being made to put some sort of a partisan appearance on this matter. I trust that it will not succeed. Certainly no one would challenge the democracy of the gentleman from Pennsylvania [Mr. WALTER]. I spell that democracy with a large "D." He did not happen to be here for this conference. He is the author of this bill. He has vigorously supported it. He is certainly an able Member of the House. No one claims that this conference report does not speak his views. That he sent his proxy to a Republican may be a strange circumstance, but if he were for this bill and wanted to get some legislation accomplished, possibly that was the thing that seemed to be necessary under the circumstances.

What is the fact of the matter here? The Congress was up against the necessity of doing something with this great cloud of uncertainty created by certain rules of the Federal Trade Commission and obiter dicta in certain decisions of the Supreme Court. The bill passed the other body and this body overwhelmingly. Certain amendments were placed in the bill designed to be sure that the provisions of our protection of the Robinson-Patman Act could be preserved. They were in slightly different language. The matter went to conference and, as happens all the time in conference action, there was compromise. Incidentally, if we are ever going to get out of this session of Congress we are going to have some conferees compromising on certain legislative matters. These conferees have arrived at a compromise that I hold is a good one.

Let us look further at the question of alleged partisanship. Have you forgotten that it was definitely disclosed here in the vote when we had the bill before us that the Department of Justice was for this bill? A communication from the White House favoring the bill was read. Have you forgotten that the Federal Trade Commission officially said they were for it? And have you forgotten that it was reported that the President's Council of Economic Advisers supported this legislation? Should not that carry some appeal to the people who think that something ought to be done?

Mr. CELLER. Mr. Speaker, will the gentleman yield briefly?

Mr. HALLECK. I yield.

Mr. CELLER. I will yield the gentleman half a minute additional time.

Mr. HALLECK. I yield.

Mr. CELLER. Will the gentleman say that the Federal Trade Commission and the others whom he has mentioned are in favor of the conference report?

Mr. HALLECK. My understanding is that they are in favor of this conference report. The gentleman has been in much better position to determine that than I. If they are not in favor of it they have not made their opposition known. That is as much as I can say about it.

May I say to the gentleman from New York, for whom I have the highest regard—I always hesitate to find myself in disagreement with him, but unfortunately on this occasion we are in disagreement—that there is another thing which I think we might as well get out from under the bushel on this matter: The gentleman from Louisiana said just a moment ago that the Members here apparently are overwhelmingly in favor of doing something to clarify this basing-point situation. I happen to know that the business people all over my State of Indiana are tremendously concerned about it. There are some around here who are against the basing-point principle, who are against freight absorption, but they base their opposition to this bill on the contention that somehow or other this wrecks the Robinson-Patman Act. Again may I say to the membership that when the Robinson-Patman Act was passed I spoke for it; I voted for it; I argued for it here and out in the country, and I believe in it. But no one has been able to show me that this language will in any way interfere with or destroy the protections of the Robinson-Patman Act. To my mind that is just setting up a bogey that is not there to be found. Let me say here again that if in practice after the adoption of this legislation—and I know it is going to be adopted—this conference report is not going to be recommitted, but this is a matter constantly within the bosom of the Congress of the United States. If any of the fears that are here expressed should come to pass, and I deny that they will, then the Congress certainly can move to correct whatever thing may appear then to be wrong.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. CELLER. Mr. Speaker, I yield the gentleman one additional minute.

The SPEAKER. The gentleman from Indiana is recognized for one additional minute.

Mr. HALLECK. There has been a lot of talk here about certain language that the conferees inserted in section 3. I have not had time to read it, but that language was in section 1 of the original bill, the section having to do with freight absorption. If it is so bad in section 3 why did not someone discover it when it was there originally in section 1? That just does not make sense to me.

Mr. Speaker, our economy has been built on this practice of freight absorp-

tion. Let me tell you something, you people who are here bleeding for the consumers: You take away the right to absorb freight and you are going to have the consumer prices raised all over this country because the local plant will raise its price just to the point where it is a little bit below the price of its competitor removed from that point plus freight. That has always happened, and it always will happen.

If you want the fellow with a brand-name product—I do not care whether it is soap, hats, lubricating oil, or anything else—to maintain his business over the country, you had better support this conference report and clarify this situation. If you do not want chaos in the country economically, if you want people who are carrying on the business of the land to know how they may operate, then you had better support this conference report. That is the reason economic advisers downtown are insisting that this legislation be adopted.

Mr. Speaker, I say again, I trust that partisanship will not sway anyone's judgment in the consideration of this matter on its merits.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. CELLER. Mr. Speaker, I yield myself 1 minute to say that the opponents of this conference report are not opposing freight-rate absorption if it is done under the present statutes.

In the most recent decision in the case of Crown Cork Company against Federal Trade Commission, we have this significant language in the opinion of Chief Justice Parker:

> The practice of freight equalization might be all right if used by the manufacturers individually.

Our quarrel is that we do not want collusive agreements and conspiracies to fix freight rates and charges. That is what we inveigh against. We do not inveigh against the individual absorbing freight.

Mr. Speaker, I yield 7 minutes to the gentleman from Texas [Mr. PATMAN].

BASING-POINT BILL (S. 1008) A PEARL HARBOR FOR AMERICAN SMALL BUSINESS AND CONSUMERS—ANTITRUST LAWS SABOTAGED—STEEL AND OTHER MONOPOLIES WILL OPERATE AS A PRIVATE OPA—PRICE-FIXING TECHNIQUES LEGALIZED WILL COST MORE BILLIONS THAN OUR ANNUAL BUDGET—S. 1008 CONTRARY TO PUBLIC INTEREST WHICH IS THE VITAL TEST OF ANY LAW

Mr. PATMAN. Mr. Speaker, this is the boldest attempt to repeal the antitrust laws that has ever been made since I have been a Member of this great body. No hearings have been conducted on this bill in either the House or the Senate. It is the most far-reaching bill I have ever known to come before the Congress without any hearings of any kind before a congressional committee.

I want you to see this chart here which is very revealing. For the last 2 years and 9 months, when we have been in a seller's market instead of a buyer's market, the profits of the big corporations, the 113 with assets of $100,000,000 or more, have been going along steadily and upward. They have not lost anything. But notice the little corporations down to one-quarter of a million or five million. They have taken a nose dive.

If you vote for this conference report you are voting for the 113 giants and you are voting against the small-business organizations of this country.

Mr. Speaker, today is another Pearl Harbor for American small business and the consumers of the United States. A day of infamy in the history of our antitrust laws.

This is a day when we propose to hand over to big business a charter to fix prices on every pound of food, every household article, every piece of machinery, and everything we buy of any kind, character, quality, or size. Yes, Mr. Speaker, every bite of food we eat, every stitch of clothing we wear, and every article in common use in the United States of America will now have a price tag on it, fixed by the monopolists.

You objected to OPA. You objected to the way OPA set prices during a period of great emergency. You objected to OPA's techniques in fixing such prices. Today, however, we stand here ready to hand OPA powers and more to the robber barons of industry, the trusts, the cartels, the combinations in the restraint of trade, and all of the other forms of monopolistic power that are attempting to strangle our economy.

We speak of isms—we speak of communism, fascism, and socialism in derogatory terms. We stand up and valiantly say that we are for small business and the consuming public. Yet in the same breath some of us may be willing to cast our vote for legislation which will place small business and the consuming public within the hollow of the hands of every monopoly in the United States.

UNITED STATES STEEL MAKES A DEAL

Today, according to the newspapers, the case against the steel companies, brought by the Federal Trade Commission, is this moment the subject of a "deal." Twelve months ago FTC employees completed the record of evidence before an FTC trial examiner. Since that time the steel industry, hoping to escape the charges of collusion and price fixing through a multiple-basing-point system, have entered frivolous motions. These motions were time-consuming. These motions were for the primary purpose of delay. The steel companies, under scrutiny by FTC, hoped that S. 1008, either in the form of a moratorium, or as now constituted, would pass this Congress. A couple of months ago the steel industry lost hope that S. 1008 would become law. The steel industry approached the Commission looking for a "deal." A secret breakfast, as reported in the newspapers, was held at the Carlton Hotel right here in Washington. A scheme was evolved whereby the steel industry would achieve its goal through administrative action by FTC instead of by act of Congress. Thus, the monopolists never give up nor does the steel lobby ever sleep. If price-fixing cannot be done one way, another is tried.

S. 1008 UPSETS ANTITRUST DECISIONS

Every decision of the courts on the antitrust front for many years past will be upset if S. 1008 becomes law. The Cement decision, which took 12 years, will be in the discard. The Standard Oil of Indiana case, recently decided by a Federal Circuit Court of Appeals, in favor of small business and against price discrimination, will be thrown in the waste-paper basket.

The Corn Products case, the Staley case, the first Morton Salt case, and a dozen others patiently fought through to a final decision during the past 25 years, will be interred without ceremony. On this day antitrust laws are in danger. The public interest is imperiled.

It is not a loss for those of us who have fought against the weakening of our antitrust laws. The loss is the loss of the American people. The loss is the loss of the American housewife. The loss is the loss of American small business.

WHY ANTITRUST LEGISLATION?

Why did we pass antitrust legislation in the first place? Was it not to restrain and prevent a few from controlling every article in commerce in the United States? Were not these laws for the purpose of protecting the consumer? Were not these laws meant to protect our whole economy from the rapacious desires of a few? The answer is that our antitrust laws were designed to prohibit, not to permit, practices found to destroy competition. The antitrust laws were designed to prevent evil practices in our trade and commerce. The antitrust laws were designed to prevent combinations in restraint of trade. Our antitrust laws were designed to prevent price discrimination, secret rebates, unearned discounts, and other unfair trade practices.

Our antitrust laws were designed to protect our economy by prohibiting the evil geniuses of industry from taking over our whole business structure. I ask in the name of our American consumers, our small-business institutions, and in the name of our economy itself that this bill be recommitted.

PRICE CONTROL WITHOUT GOVERNMENT SUPERVISION

It would be astonishing if we, as representatives of all the people, would willingly vote for legislation which will allow the price of every article in the United States to be controlled by industry. We do not allow the railroads to make their own freight rates. Our predecessors saw the necessity for placing a restraint upon the railroads, upon public utilities, transportation companies, both local and national, in the fixing of rates. They saw the necessity for passing the Sherman Act, the Clayton Act, and other antitrust legislation.

S. 1008 WILL COST MORE THAN OUR NATIONAL BUDGET

S. 1008, should it become law, in addition to creating monopolies in every line of business in the United States, it will eventually cost the consuming public every year twice or thrice our national budget. When the price-fixing power is placed in the hands of unscrupulous, predatory interests, you can calculate for yourself what the cost will be. I predict there will not be an article in commerce and trade in these United States in the years to come that will not cost far more than it is worth if this permissive,

monopolistic, and infamous bill, S. 1008, becomes the law of the land.

S. 1008 WILL BRING IDENTICAL PRICES AT EVERY DESTINATION

We have all seen how the multiple-basing-point system works in the steel, the cement, and many other industries. We know that identical prices are produced by the basing-point system at every destination, and that competition is eliminated. The Supreme Court has said that identical prices were monopolistic and the basing-point system was "a handy instrument for the elimination of all price competition." Think what it will mean if we have a law on our books that permits price-fixing in every industry in this country.

S. 1008 WILL CAUSE YEARS OF LITIGATION ON ISSUES ALREADY DECIDED

If S. 1008 becomes law, every antitrust case tried in our Federal courts in the last 25 years will be subject to attack. The Pittsburgh-plus, which was a single basing-point system, is restored by S. 1008, so that if desired the steel industry could again sell all steel f. o. b. Pittsburgh. If necessary and desirable, all cement could be sold f. o. b. Northampton, Pa. In other words, any single point in the United States could be picked up as a basing point and every article sold and shipped from any other point would be assessed freight from that particular point.

S. 1008 SAYS "THE SKY'S THE LIMIT" FOR THE PRICE FIXERS

S. 1008 would allow a Nation-wide zoning system of pricing. The United States could be one zone, or they could have 48 zones, 24 zones, or any other number of zones. The change in the law and in the language of the law as it now stands will permit any sort of monopolistic pricing system to be foisted upon the American people. The sky would be the limit. The Federal Trade Commission would find it almost impossible to ever convict anybody of a conspiracy or collusion in fixing prices. S. 1008, as reported by the conferees, cuts the heart out of the Robinson-Patman Act. With this destruction of the Robinson-Patman Act, the small-business interests of this country are left unprotected and the home-town merchants will be subject to cut-throat competition and destruction by the giant chain-store systems of this country.

There is not a good thing in this bill for small business. The only good to be derived from this bill will be that enjoyed by big business. Either we stop these predatory interests now or we acknowledge ourselves to be supine in the face of the greatest fraud ever perpetrated on the American people.

PEOPLE WILL REMEMBER S. 1008 WHEN VOTES ARE CAST

I deny no man the right to vote here as he will on any question. I deny no person the right, on any ground, to cast his or her vote for any candidate or on either side of any issue. Nor do I question the right of any man or woman to present to the voters their qualifications or their stand on any issue. These are inherent principles of our way of life on which we can all agree.

We can all agree as well, that the public interest is paramount in any issue before the Congress. I hope most of us will agree that S. 1008 is not in the public interest. Many of us are convinced of that fact. Many of us are convinced our antitrust laws must be strengthened, not weakened. Every platform of the two major parties for 50 years has carried provisions for the strengthening of our antitrust laws, and here is an attempt to destroy them absolutely, not weaken, but destroy them.

It is an indisputable fact that no Member has ever had the temerity to say that the emasculating vehicle number S. 1008 would add strength to our antitrust laws. I do not recall any Member disputing the fact that small business—the home-town merchant, the home-town manufacturer—will be harmed if S. 1008 becomes law in any form. I do not recall any Member categorically stating that S. 1008 would not be detrimental to every consumer in the United States.

In its present form, as further weakened and emasculated in conference, no plausible excuse can be offered to the Members of this House for the adoption of the conference report. The conference report must be voted down if we are to save our antitrust laws from the greatest debacle in the history of antitrust legislation.

I for one do not want to face my constituency with the lifeblood of our antitrust laws dripping from my finger tips.

CONFERENCE PROVISIONS

What have the conferees done? They have given us the one, two, and three.

First. They have knocked out the Carroll amendment and adopted the Kefauver amendment instead, in one place. This is the amendment to the bill's outright provision that freight absorption shall not be a price discrimination under the Robinson-Patman Act—section 2 of the bill, amending section 2 (a) of the statute.

Second. They have knocked out both the Carroll amendment and the Kefauver amendment, in the other place. Each was a proposed amendment to the bill's outright provision making good faith a complete defense to price discrimination, whether by freight absorption, direct pricing, or any other way—section 3 of the bill, amending section 2 (b) of the statute. The conferees had a sense of guilt at their high-handed veto of both amendments and added some words entirely their own, namely, "except that this does not make lawful any combination, conspiracy," and so forth. But these added words do not limit good faith as a defense since combination and conspiracy could not be in good faith in any event.

Third. For good measure, they have knocked out the reasonable-probability definition substituted by the House Judiciary Committee itself, on the Attorney General's recommendation. The conferees have put in its place not merely the Senate's substantial-and-probative definition, but have added a word of their own, the word "reliable."

In simple language, what have the conferees done?

First. They have knocked out the Carroll amendment and adopted the weaker Kefauver amendment in the offense section—applying only to freight absorption. Here they blow hot, or, I should say, at least warm.

Second. They have knocked out both the Carroll amendment and the Kefauver amendment in the defense, or burden-of-proof section—applying to all price discrimination, not merely freight absorption. Here they blow cold, deadly cold, deadly to the entire Robinson-Patman Act.

Third. Finally, by changing the definition, they have made doubly sure of overturning the entire Robinson-Patman Act insofar as it covers possible, as well as probable effects.

VIRTUALLY NO AMENDMENT LEFT

What does the action of the conferees mean? This also gives us the one, two, and three.

First. It means that even though the Kefauver amendment, weak as it is, still remains in the offense section, it is in great danger of being completely canceled out by the conferees' elimination of any amendment at all in the defense, or burden-of-proof, section. The freight-absorption boys did not have the nerve to knock out both the Kefauver and Carroll amendments in the freight-absorption section itself, so they do that in a subsequent provision.

Second. It means that by knocking out both the Carroll and Kefauver amendments in the defense, or burden-of-proof, section, they have torpedoed the entire Robinson-Patman Act, in order to give the freight-absorption and basing-point boys what they want, by indirection if not directly. Not only the freight-absorption boys, but all price violators under the Robinson-Patman Act will get this marvelous defense. All they have to show is good faith, that they meant no wrong—no matter what the results, short of criminal acts. All the hard-competition giants need to say to the thousands of small-business concerns they will put out of business is "Excuse, please."

Third. It means that the Federal Trade Commission, which acts only by injunction or cease-and-desist order, and not by imposing fines or imprisonment, can no longer do what it is supposed to do under the present law, namely, bring a halt to prospective, illegal price discriminations even in preference to those which can also be reached by criminal action based on the strict proof required in criminal cases.

CARROLL AMENDMENT CLARIFIES

Mr. CARROLL's amendment was so simple that, as he himself said, even a lawyer could understand it. It used no new phrases of its own and merely prohibited where the effect upon competition may be that prohibited by this section. Nothing new was added; there were no new words to construe. All one had to do was to read the words already in the statute, and the existing court decisions. In this connection the Carroll amendment was perfect clarification, the very thing which the basing-point boys say they want. Senator KEFAUVER

lost no time in stating that he preferred Mr. CARROLL'S amendment to his own, which had been written in the haste of the Senate battle.

But this is not the kind of clarification the basing-point boys want. This is not the kind of clarification which has been advocated by their silk-stocking lobby outfit, the Council for Clarification of Pricing Practices. Why not? Because this kind of clarification is clear—and clear against them, just as is the Robinson-Patman Act in its entirety together with all the antitrust laws.

Under the Carroll amendment, adopting the existing language of the statute, two things were very clear:

First, the prohibited effect is not merely to substantially lessen competition as provided for in the Kefauver amendment. Also prohibited is the effect to tend to create a monopoly. And also prohibited is the effect to injure, destroy or prevent competition with any person receiving or extending the discrimination, and their customers as well—section 2 (a) of the statute. Strange to say the conferees never even mentioned this very important point in all of their 9-page report.

Secondly, the Carroll amendment adopted the present statutory language, which makes the price discrimination unlawful where the effect "may be" any of the several effects I have just described. The conferees changed this to "will be," as in the Kefauver amendment, ignoring even the present wishes of Senator KEFAUVER himself. Thus the effect, to be prohibited, will have to be certain, rather than reasonably probable. And the conferees make doubly sure of their sabotaging of the Robinson-Patman Act by redefining the term "the effect may be" in section 4 of the bill, as I stated before. Indeed, in redefining section 4, Mr. WALTER voted against his own Judiciary Committee, and, I think, his own prior vote on the committee and his subcommittee.

CLARIFICATION THE BUNK

It can now be seen, once and for all that clarification is the bunk. It is a false issue raised by a highly paid lobby. If we attempt to meet it, as in the Carroll amendment, the attempt is used against us and thrown into our faces. It is for that reason that I am against S. 1008 in any form whatever, but I am certainly against it in the form recommended by the conferees. I am sure that the honorable Members of this House will know how to meet this challenge to their clearly expressed wishes and to their deep belief in the American system of small business, free enterprise, and free competition.

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I am sure we will all agree that in this Chamber, Republicans and Democrats alike, we are first of all Americans; and we can agree on one other point, that small business in this country, retailers, small manufacturers, and others similarly situated, are the vertebrae of this country, not only economically but socially.

We can also agree that big business is entitled to just treatment equally with small business and that there should be no unfairness to either. I would like to add also at the outset that I believe we should pass a bill curing the doubt left by the Supreme Court on the delivered-price question, and that I would not oppose the conference report on the compromise made on this question.

But I feel that I must vote to recommit this conference report, for this reason: I think it is fatally defective and runs exactly counter to what the House wanted in this section 3 with respect to meeting price competition. That means the meeting of competition as between any small retailer and any chain store or any small manufacturer and any big manufacturer, even if freight is absorbed. We are not in this section dealing with freight absorption as that is covered by section 2 of the bill.

Let me tell you why on section 3 this is not a compromise. There is no man in the House I respect and have a greater affection for than the gentleman from New Jersey [Mr. CASE]. I agree with him on the law, but I disagree with him very strongly on the policy. This is not a compromise. It is a capitulation to those who want to see this particular standard of meeting price competition established by the Robinson-Patman Act much weakened.

We are saying here that what we will prevent will be competition that creates monopoly. That means that we are removing from the inhibition of the law any competition with any individual, even though the competition unreasonably restrains trade or will—and I use the language that has been contended for—will substantially lessen competition. There is no compromise in that. All we are doing is sweeping aside what was done by the Robinson-Patman Act and going back to the original Sherman antitrust law.

The conferees did not compromise in respect to section 3 on unreasonable restraint of trade; and they did not compromise on "will substantially lessen competition"—they capitulated.

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, my colleague from Illinois [Mr. MASON] is unavoidably absent from the House today. He is vitally interested in the conference report on S. 1008, presently before the House for adoption.

The gentleman from Illinois [Mr. MASON] has telephoned to me from Illinois to ask me to express his opinions on the conference report. He has asked me to state to the membership that he is opposed to the conference report; that he believes that if the conference report is enacted, it will make the existing situation much worse, and therefore he is hopeful that the conference report will not be accepted by the House of Representatives.

These are not necessarily my opinions, they are the opinions of the gentleman from Illinois [Mr. MASON].

Mr. CELLER. Mr. Speaker, I yield 7 minutes to the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Speaker, before considering the conference report on S. 1008 I believe it is important to summarize the history and background of this legislation.

The Supreme Court of the United States, in the Cement Institute case, held that the Cement Trust had restrained and hindered competition in the sale and distribution of cement by means of a combination among themselves.

Thereupon S. 1008 was introduced in the other body. We were told that certain language used by the Supreme Court in the Cement Institute case created some confusion. Specifically, it was alleged that the effect of the decision might be to prevent a seller, acting independently, quoting or selling at delivered prices or absorbing freight in order to meet the equally low price of a competitor in good faith. I do not construe the Supreme Court decision to prevent such practice. Here is the controlling language of the Supreme Court:

> Most of the objections to the order appear to rest on the premise that its terms will bar an individual cement producer from selling cement at delivered prices such that its net return from one customer will be less than from another, even if the particular sale be made in good faith to meet the lower price of a competitor. The Commission disclaims that the order can possibly be so understood. Nor do we so understand it * * *. It is thus apparent that the order by its terms is directed solely at concerted, not individual activity on the part of the respondents.

Mr. Speaker, I personally do not oppose the practice of a seller, acting independently, in absorbing freight or in selling at delivered prices in order to meet the equally low price of a competitor in good faith.

Accordingly, section 1 of S. 1008 amends the Federal Trade Commission Act and provides as follows:

> It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight.

This amendment to the Federal Trade Commission Act was adopted by the other body and by the House. There was no disagreement, and the legislation should have ended there.

But the sponsors of this legislation attempted to go much further. They added other sections to S. 1008, striking at the very heart of the Robinson-Patman Act. That is where we disagree.

In the Standard Oil Co. of Indiana case the Court said:

> Thus it will be seen that a discrimination in price made in good faith to meet competition was a defense under section 2 of the Clayton Act. * * * But since large buyers could always get such price meeting by suppliers to justify a discrimination in price in their favor, the purpose of the Clayton Act to avoid such discrimination was easily evaded. Congress sought to change this bypass—

By enacting the Robinson-Patman amendment to the Clayton Act.

The Robinson-Patman amendment to the Clayton Act provides as follows:

> That it shall be unlawful for any person engaged in commerce * * * either directly or indirectly to discriminate in price

between different purchasers of commodities * * * where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition.

It is seen that the Robinson-Patman Act makes it unlawful for a manufacturer or seller to discriminate in his prices among his own customers where the effect of such discrimination may be substantially to lessen competition.

Exactly what constitutes price discrimination? Price discrimination means that a manufacturer or seller maintains two prices. It means that he has one price for certain customers and another price for other customers; it means that he sells to favored customers at a low price and to other customers at a high price; it means that he sells at a low price to large buyers and chain stores, and at a high price to small buyers and corner-grocery stores.

The Robinson-Patman Act does not prevent differentials which make only due allowance for differences in the cost of manufacture resulting from quantity sales and deliveries. What it does make unlawful is for a manufacturer or seller to sell to one set of favorite customers at a low price and to another set of customers at a high price when the difference is not justified in cost savings and when the sales are made at different prices for the mere sake of discrimination, to the advantage of some and the detriment of others.

The Robinson-Patman Act, therefore, starts out by saying that it shall be unlawful for a seller to discriminate in price among his own customers. Now, take a look at section 2 of this bill, which proposes to amend the Robinson-Patman Act. It starts out by saying:

That it shall not be unlawful discrimination in price for a seller, acting independently, to quote or sell at delivered prices or to absorb freight to meet the equally low price of a competitor in good faith.

It makes good faith a defense irrespective of whether or not the effect of the discrimination may be to lessen competition. Accordingly, the Kefauver amendment to this section added a parenthetical phrase, "Except where the effect of such absorption of freight will be to substantially lessen competition." The Carroll amendment, in substance, simply substituted the words "may be" for "will be."

Again, section 3 of this bill, proposing to amend the Robinson-Patman law provides that a seller may justify a discrimination by showing that his lower price was made in good faith to meet an equally low price of a competitor. Senator KEFAUVER offered an amendment to the effect that a seller may justify discrimination "other than a discrimination which will substantially lessen competition." In the House the Carroll amendment was substituted for the Kefauver amendment, which, in substance, provides that a seller may justify a discrimination "other than a discrimination which may substantially lessen competition."

It will be seen that the difference between the Kefauver and Carroll amendments hinges on the difference between the word "will" and the word "may." As a matter of proof and procedure there is a vast difference between the words "will" and "may." The conference report in effect adopts the Senate version and the result is an abject surrender to the views of the other body.

It is urged that the seller should be completely exculpated, forgiven, and excused if he is in good faith. We are told that good faith should be a complete defense to any charge of price discrimination leveled against the seller. This argument misses the mark. It fails to take into consideration the type of action which may be filed against the seller. The action is one in tort. A tort may be simply defined as every act whatever of man that causes damage to another obliges him, by whose fault it happened, to repair it. Good faith is not a defense to a tort action. Suppose you are riding down Pennsylvania Avenue and because of rather innocent inattention you run over someone. Can you excuse yourself by saying, "Oh, I'm so sorry—I didn't do this on purpose—I was in perfect good faith"? Certainly not.

Suppose your little boy is playing baseball in a vacant lot and, without mischievous intent, throws the ball through the window of your neighbor. Can you excuse yourself in an action to recover the value of the broken glass by saying, "He was having innocent fun"? Certainly not.

Now, suppose a manufacturer comes into my town or your town and, without any grounds based on cost differentials, sells his merchandise to a chain store at a very low price just because the chain store is a big buyer, and sells the same merchandise to all the corner-grocery stores at a high price just because they have no purchasing power, and suppose as a result competition is lessened, or is injured or destroyed, or such may be the result reasonably to be anticipated, should the manufacturer have the right to throw his hands to high heaven and say, "So sorry, but I was in good faith"? Price discrimination, under the Clayton Act and the Robinson-Patman Act, where the effect may be to lessen competition, has been made a wrong—a tort—and good faith should not, under all circumstances, be made a complete defense to an action to repair the wrong. Man is supposed to intend the consequences of his voluntary acts. If we put upon the shoulders of the Federal Trade Commission the burden of showing and proving that the result of price discrimination will be to lessen, injure, or destroy competition, we may as well write off the Robinson-Patman law from our books.

It all boils down to the proposition that this bill goes too far: it goes over, above, and beyond the announced original alleged need of legislation to amend the Federal Trade Commission Act, in order to make it plain that the Supreme Court decision in the Cement Institute case should not be construed to mean that a seller, acting independently, cannot quote or sell at delivered prices or absorb freight. This is accomplished by section 1 of S. 1008. The other parts of the bill with the conference report amendments emasculate the Robinson-Patman law. The gist, the heart, the nub of the Robinson-Patman law is that it is unlawful for a manufacturer or seller to discriminate in his prices among his own customers when the effect of such discrimination may be substantially to lessen competition. This is a good law and we should not tinker with it.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. WILLIS. I yield.

Mr. BOGGS of Louisiana. The distinguished chairman of the committee referred to the circuit court opinion in the Crown case. I should like, because it is very applicable to what the gentleman is now saying, to read one paragraph from that decision. It is as follows:

Petitioners contend that even though the order of the Commission be upheld, the fifth paragraph, which relates to the practice of freight equalization should be stricken therefrom on the ground that it will interfere with the independent use of the practice of freight equalization by petitioners individually. The prohibitions of paragraph 5 have application, however, only to acts done in carrying out a "planned common course of action, understanding, agreement, combination, or conspiracy."

That is the language of the circuit court.

Mr. WILLIS. I thank the gentleman for his contribution.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. KARST].

Mr. KARST. Mr. Speaker, we are again faced with back-door tactics by monopolists trying to break the effectiveness of the present Robinson-Patman section which was passed to protect small business. Today, with these monopolists taking over practical control of the Federal Trade Commission, it is imperative that we clarify the Robinson-Patman Act with more strengthening amendments, and not amendments that lessen the enforcement of the act.

If my recollection serves me right, I recall the House instructing the conferees on bill S. 1008 not to deviate from the House Carroll amendment, yet the present compromise bill eliminates this amendment and also disregards the Kefauver amendment placed on it by the Senate. At this point may I highly commend two of our conferees, the gentleman from New York [Mr. CELLER] and the gentleman from Louisiana [Mr. WILLIS] for not rectifying this atrocious attempt to "make us take it even if we do not like it" by not signing this compromise bill.

May I again remind the Members of this body, although I do not pretend to be matched with the weapons of our legal colleagues who lent their knowledge to writing this compromise bill, that in section 2 they carefully place the courts in the position of passing on a futuristic gamble and makes it, for all purposes, impossible for the Federal Trade Commission to prove "effectiveness upon competition" in the future. Again I ask you, Is that strengthening the Robinson-Patman Act? Of course not.

There is only one way to send the word to the monopolists and their lobbies that we no longer will tolerate their method of operation, and that is to vote down the entire bill, S. 1008.

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Speaker, I would like to take this time to eulogize my colleague the gentleman from Pennsylvania [Mr. WALTER] for his fine participation in this legislation.

The gentleman from Pennsylvania [Mr. WALTER] is definitely unselfish by asking for this legislation, for this reason: That in the town of Easton, Pa., is located one of the main plants of the Bethlehem Steel Co. If he were selfish for his district, he would be glad to have maintained the strict basing-point pricing system throughout America. He realizes, however, that if small steel companies and if fabricators throughout America are to remain in business, they must have an opportunity for fair play, along with the larger corporations. Each and every one of you, I am sure, has a fabricator or a small plant somewhere in his district that he would like to have stay in business. This is nonpartisan legislation. This legislation is for the American workers and for small business.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. CELLER. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, my chairman, the gentleman from New York [Mr. CELLER] has been extremely generous in offering to yield time to me, but I have also tried to be generous in the yielding of time that had been reserved for me to others who have desired it.

Therefore, my time will only permit one or two observations. Little has been said on the floor today for or against this conference report that was not said during the 2 days' debate of July 6 and 7, excepting the explanation of the conference report, which is the question before the House at the moment. The gentleman from New Jersey [Mr. CASE], one of the conferees, has very ably and precisely explained the recommendation of the conference and the changes made in S. 1008. I am not going to attempt, in 4 minutes, to review the 2 days' debate and the conclusion reached by a deliberative House last July. I am going to say that at that time, having listened to all the debate, I found myself in accord with my distinguished chairman, the gentleman from New York [Mr. CELLER] and the able gentleman from Pennsylvania [Mr. WALTER] the author of the bill and chairman of the subcommittee reporting the bill, who is now unavoidably absent.

Some uncomplimentary remarks have been made about the Member who forwarded his proxy to me after it was found his ship was late, and that he could not reach Washington in time for the conference. The Judiciary Committee has never been a political committee. We try to decide legal matters and other things coming before the committee on their merits. I agreed with the gentleman from Pennsylvania [Mr. WALTER] during the consideration of S. 1008, voted with him to report the bill favorably, and agreed with his views as to the purpose, the necessity, and the effect of this legislation. Knowing these facts, and understanding that every Democrat from the House who was on the conference committee disagreed with Mr. WALTER'S view, I can hardly see how any criticism can be aimed at an honest and outstanding conferee who takes what seems at the moment to be necessary action to have his vote recorded in keeping with his views, especially as expressed by him in debate on S. 1008. It seems to me a little farfetched on the part of many good colleagues to attempt to cast aspersions on so loyal, so vehement, and so effective a Democratic leader as my colleague from Pennsylvania, without more grounds on which to base any such reflection.

The gentleman from Pennsylvania [Mr. WALTER] knows my views well. He was chairman of the subcommittee considering the bill and was active in its behalf before the full committee. I voted in accordance with his views based on the hearings occurring before his subcommittee, plus his logical conclusions. My good friend, the chairman of the committee, also voted as the gentleman from Pennsylvania [Mr. WALTER] voted, and as I voted, against the Carroll amendment, and on all House changes made in the bill as reported by the Committee on the Judiciary. I was naturally surprised in conference to find that my chairman, for reasons best known to himself, was not in a position to attempt to compromise and fulfill the mission of a conferee to the end that wholesome legislation be submitted to the House for its approval.

Yes, I voted the proxy of the gentleman from Pennsylvania in the conference committee. I was authorized to do this and believe I acted in keeping with instructions given to me. There was nothing sinister, secret, or underhanded about the transaction.

The insinuation has been cast here that something has been done that was not quite cricket by some Member, and the phrase "one of the high-ranking members of the Committee on the Judiciary," was used. Fortunately, or unfortunately, I am the highest ranking Republican member of the committee and I held the proxy; therefore, the appellation could possible apply to me. I voted in the conference exactly as I voted in the House. I conceive it to be, and the rules make it, the duty of Members who accept appointment on conference committees to stand by the decision of the House but, when it develops that no legislation will result, to compromise in the best interest of getting proper legislation. Any Member who pledges himself before going to conference that he will not vote for anything except that which is in the House bill, under the rules is subject to challenge as being disqualified as a conferee, because he is not a conferee; he has taken a position from which he will not budge.

I will not take such position, I think it is wrong. I am not criticizing, but I did not know there had been any side promises made to the House by any of the conferees. I did not know when I went into that conference that there had been a definite arrangement between the Democratic Members of the conference. I presumed they still entertained the views which they had expressed in debate the day the bill was passed, for which they voted. In these circumstances, it seems wrong to me to criticize any conferee who voted differently in the conference than he voted in the House except as this was necessary to reach an agreement of the conferees.

Mr. Speaker, I want to call the attention of the House to the conference report filed on this bill, S. 1008. There are some additions that I might suggest to the statement of the managers on the part of the House; however, on the whole the statement is factual and fair, and should be included in this debate today, because in the future it will be much more convenient to have the report and statement of the conferees printed in the CONGRESSIONAL RECOTD along with the debate on the conference report. The report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbercd 1:

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows:

Omit the matter proposed to be inserted by the House amendment; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert

the following: "reliable, probative, and substantial evidence"; and the House agree to the same.

FRANCIS WALTER,
By EARL C. MICHENER,
EARL C. MICHENER,
CLIFFORD CASE,
By EARL C. MICHENER,
Managers on the Part of the House.

PAT MCCARRAN,
Per H. R. O'C.,
HERBERT R. O'CONOR,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

Senate bill 1008 covers two related and yet separate problems pertaining to a competitive economy. First, it deals with the right of an individual seller to absorb freight costs in varying amounts, or to sell at delivered prices, in order to engage in competition in good faith. There has been widespread feeling that sellers should, and to protect plant investments and employment must, be permitted to absorb freight costs or to sell at delivered prices in order to sell their products in competition with more favorably located competitors. The congressional debates indicate little opposition to this part of the bill, and a desire to clarify the legality of competitive freight absorption. The major controversy has centered about certain dicta in the *Cement Institute case* (333 U. S. 683), which the proponents of this bill maintain has thrown a cloud of doubt around the legality of individual freight absorption and use of uniform delivered price systems, while the opponents of the bill contend that the decision left undisturbed the previously prevailing rule.

The bill also deals, however, with the extent to which sellers may lawfully discriminate in price to meet the lower prices of their competitors. Proponents of the bill believe sellers should be permitted to so discriminate whenever they can affirmatively prove that they are doing so in good faith. Real and vigorous competition as well as the public interest can never be adversely affected when sellers are actually competing in good faith. Some believe, however, that sellers should not be permitted to discriminate in price if doing so will take an order away from any other businessman. This is, of course, a tendency toward the elimination of competition, or what the Council of Economic Advisers calls "soft competition". Still others hold views which lie between those positions. There are also those who appear to be uncertain of the practices which are in fact good faith competition, and who wish to expressly prohibit any price discrimination of a seller to drive out of business a competitor of the favored buyer. Amendments to the bill offered on the floor in the Senate and in the House of Representatives were aimed at protecting competitors against predatory practices.

To prohibit price preferences to drive out of business a competitor of the favored buyer, amendments to sections 2 and 3 of the bill were adopted in the Senate. With a view of accomplishing much the same purpose, but using substantially different language, amendments to those sections of the bill were adopted in the House of Representatives.

These purposes appear from the statements made by the proponents of these amendments. Congressman CARROLL said in support of the House amendment which he introduced:

"I want to tell you that there is no longer the issue before this committee of whether or not we are in favor of freight absorption. I do not pretend to know enough about the difference in philosophy between the basing-price theory and the mill-price theory, but I do know the reason which was advanced for bringing this bill before this body. The distinguished Senator from Wyoming [Mr. O'MAHONEY], the distinguished Senator from Maryland [Mr. O'CONOR], and the distinguished Senator from Pennsylvania [Mr. MYERS] have led us to believe in debate in the Senate, and I agree with them, that the issue was the clarification of certain Supreme Court decisions. How were they going to clarify them? By a legislative declaration overcoming certain dicta in a Supreme Court decision. Now, I can go along with that. That is the clarification of the doctrine that permits freight absorption. Well, I can go along with that. But why do we have to take another uncalled-for and dangerous step? Why do we have to amend the Robinson-Patman Act, which was expressly designed to protect small business against unfair price discrimination?

"* * * Certainly we in the West recognize that, for example, the sugar industry in order to compete must be able to absorb freight costs. We know that. I do not know that we can entirely abandon the whole pricing-zone-system theory. I do not think we can. But what we can say is this. Let us keep what little protection there is on the books for the small-business man and for the consumer.

"* * * I do not agree with some of my colleagues who want to discuss the difference in philosophy between the basing-point system and the mill-price system. I think our present economy demands this sort of system, whether it is the basing-point or the zone system or the uniform-pricing system. I say you cannot tear it out, root and branch, now. You would create chaos throughout the Nation. But in your desire to clarify, do not injure the small-business man. Do not give way to creation of greater monopolies. This decision would be very, very far-reaching, because if you reject my amendment then what you do is destroy the circuit-court opinion, and you will destroy any consideration of the issue now before the Supreme Court. You will take away from the Supreme Court the right to make a decision under the Robinson-Patman Act as previously outlined. I sincerely hope you will accept this amendment."

Senator KEFAUVER, its sponsor, said in support of the Senate amendment:

"Let me call the Senator's attention to the chart I have here. If A is a large consumer, and is buying something from B at, let us say, $10 a ton, and he is charging all the small customers—X, Y, Z, L, M—$15 a ton, C can come along, even though he is at a distance and absorb freight and sell also to A at $10 a ton. If the Federal Trade Commission tried to prosecute C under the Clayton Act the fact that B was charging $10 a ton in his sales to A would be a complete defense. That is, the showing that another seller was charging the same price would be a showing of good faith under the language of subsection B of the bill. Is not that true?

"Mr. O'MAHONEY. No; I am not ready to agree with that statement. I will say to the Senator from Tennessee that I do not believe the present law undertakes to preserve the status quo in any line of business. Without question there are some purchasers of commodities from wholesalers who do not operate as efficiently or as economically as others, and the price at which they have to buy their material may be such as to make it impossible for them, by reason of their inefficiency, to operate at a profit. It is not the purpose of the existing law to compel the preservation in business of those who are suffering because of lack of efficiency.

"Mr. KEFAUVER. Of course, the fact that A may buy in greater quantity or that different conditions may exist has always been a defense in a case before the Federal Trade Commission.

"Mr. O'MAHONEY. And still is.

"Mr. KEFAUVER. And still is. But the fact that the small fellow may be undercut by 50 percent under the present regulation of the Federal Trade Commission is not a defense because it is a discrimination, even though two or more may be selling A at the same price. The reason that is so is that the United States Circuit Court of Appeals, as the Senator well knows, recently, in its January session, held by unanimous opinion—and the case is now before the Supreme Court—that if B is selling A on the basis of $10 a carload, and C starts selling A at $10 a carload whereas they sell the little fellow at $15 a tankload of gasoline or a carload, the mere fact that they are selling A at the same price does not meet the requirements of the Robinson-Patman Act—that is, if there is unfair competition or discrimination, even though they may be selling A at the same price, they are still guilty of violation of section 2 of the Clayton Act, which is the Robinson-Patman Act."

The Congress and the people are committed to the competitive system. We universally adhere to the concept that competition is essential to our economy and must be preserved and maintained in all segments of every industry whose activities are not regulated by the Government as public utilities. Government regulation is the unpleasant alternative to competition.

On July 13, 1949, a member of the President's Council of Economic Advisers intelligently appraised this problem when he told the Committee on the Judiciary of the House of Representatives:

"All competitive effort is burdensome and harmful to those who cannot keep pace, but if we said it must stop short before it hurts anyone we would completely abandon the policy of competition. It is only the unfair methods which we wish to prevent, and it is a very fine line between the vicious and unfair on the one hand and the rugged but fair on the other. * * * Some of us believe that in the particular rulings involved in the pending bill relating to freight absorption and other matters the law and the Commission stepped over the line between unfair methods and those which are of the essence of vigorous competition. It is for that reason that we have surprised some friends whom we have joined in other battles against monopoly by proposing corrective legislation. We have also been sympathetic with the plea of businessmen that if penalties are imposed for the violation of a law prohibiting business policies which have for years been accepted as fair, vigorous competition, the liability should be clearly expressed in the statute and should not be a trap buried under general language so ambiguous that the Supreme Court itself cannot decide what it means. * * * Is it a desirable national policy to tie the hands of the big competitor and thereby make it easier for the small-business man to survive? I have no doubt that Woodrow Wilson and his predecessors would have furiously contested any such proposal. Today, many supporters of the antitrust policy will give hesitant answers. My own is that there is a heavy burden of proof upon him who would temper the storms of competition for the lamb in this manner. He must do more than argue for stability of business. He must make an exceedingly strong case that his proposal will not, by depriving competition of its vigor, deny the people those benefits of larger production, lower costs and prices, and improved standard of living which the Sherman Act was designed to promote." (Dr. John D. Clark, hearings before Subcommittee on Study of Monopoly Power, July 13, 1949.)

A prime difficulty in this problem is an understanding of the meaning of the word "competition." It is one of the key words in section 2 of the Clayton Act. Its meaning, however, has sometimes been strained in order to gain an objective. For example, extremists favoring rigid f. o. b. mill selling

have contended that the practice of sellers competing in distant markets through absorbing freight costs to meet the prevailing local price results in a substantial lessening of competition. They contend that when sellers all sell at the same price there is an elimination of price competition automatically and hence a substantial lessening of competition. This reasoning is not always sound. When sellers sell at the same price because they have either expressly or impliedly agreed to do so, they have lessened, if not eliminated, competition. When, however, they sell at the same price because they are in vigorous competition with each other and each finds that he cannot get more for his product than others are getting for like products, competition has not been lessened or injured but is actively at work, assuming an absence of agreement, actual or implied.

Competition is a contest between sellers for the business of a buyer. In such a contest one seller gets the order while other sellers lose the order. That is competition. The seller who did not get the order may feel injured, but that does not mean that competition has been injured. In any competitive economy we cannot avoid injury to some of the competitors. The law does not, and under the free enterprise system it cannot, guarantee businessmen against loss. That businessmen lose money or even go bankrupt does not necessarily mean that competition has been injured. "Competition," Mr. Justice Holmes observed, "is worth what it cost."

We must always distinguish between injury to competition and injury to a competitor. To promote and protect competition is the primary function of the antitrust laws. However, we cannot guarantee competitors against all injury. This can only be accomplished by prohibiting competition. We can and do, however, prohibit injury to competition. Competition is injured through the seller acquiring monopolistic control of a market, by local price cutting, selling below cost, and in the use of other predatory practices. These practices are prohibited by the antitrust laws.

AMENDMENTS TO SECTION 2

The amendment to section 2 of the bill adopted by the Senate is: "(except where the effect of such absorption of freight will be to substantially lessen competition)."

The amendment to this section adopted by the House of Representatives is: "(except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section)."

The compromise language adopted by the conferees to this section is: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)."

It will be observed that the compromise reached by the conferees amounts to a simple fusion of the express language of both of the floor amendments. The words "substantially lessen competition" acquire meaning from the illuminating debates in the present session to which reference has already been made.

AMENDMENTS TO SECTION 3

The amendment to section 3 of the bill adopted by the Senate is: "(other than a discrimination which will substantially lessen competition)."

The amendments to this section adopted by the House of Representatives are—

1. Substitute for the Senate amendment, supra, the following: "(if the discrimination is not such that its effect upon competition may be that prohibited by this section)."

2. Add at the end of the section: "and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

In the words of the Assistant Attorney General in charge of the Antitrust Division, the effect of the parenthetical Senate amendment is as follows, and this would be true, a fortiori, of the parenthetical House amendment: "Insertion of this phrase in the bill (S. 1008) has the effect of retaining the rule of *Standard Oil Co.* v. *Federal Trade Commission* (173 F. 2d 210), a decision by the Court of Appeals for the Seventh Circuit which held that good-faith competition is not a defense where the effect would be to lessen competition. While we recognize the competitive problems which arise when one purchaser obtains advantages denied to other purchasers, we do not believe the solution to this problem lies in denying to sellers the opportunity to make sales in good-faith competition with other sellers."

The purpose of the second House amendment to this section is simply to create a uniformity in language between sections 2 and 3 of the bill.

The compromise language adopted by the conferees, added at the end of the section and intended to qualify the entire proviso in that paragraph, is: "except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice."

This language is borrowed from section 1 of the bill, the amendment to section 5 (a) of the Federal Trade Commission Act, and constitutes what the conferees feel is an entirely adequate limitation, certainly one responsive to the fears that have been expressed in Congress by the opponents of the bill.

AMENDMENT TO SECTION 4

The amendment to section 4 D of the bill adopted by the Senate is to define the term "the effect may be" as used in the bill to mean that there is "substantial and probative evidence" of the specified effect.

The amendment to this section adopted by the House of Representatives is to define the term to mean that there is "reasonable probability" of the specified effect.

The compromise language adopted by the conferees to this section is to define the term to mean that there is "reliable, probative, and substantial evidence" of the specified effect, which is simply an adoption of the precise language of the Administrative Procedure Act.

Fears have been expressed that one or more of the definitions contained in section 4 might be construed as carrying over into the Clayton Act, as amended, and as applying to, or affecting the construction of, the defined terms as used elsewhere in that act. The conference committee wish to point out that such fears are ungrounded, since the definitions in section 4 are, by the terms of the section, applicable to the defined terms only "as used in this act"; and, therefore, the same or similar terms, as they may appear in portions of the Clayton Act not specifically amended by this act, necessarily remain unaffected. The conference committee in all their deliberations have construed the definitions in section 4 as applying only to the defined terms where they appear in this act. Thus, for example, the definition of the phrase "the effect may be" will apply to this phrase as used in section 2 (b) of the Clayton Act as hereby amended, and as used in the proviso which this act adds to section 2 (a) of the Clayton Act, but will not apply to the same phrase or any similar phrase used elsewhere in section 2 (a) or in any other portion of the Clayton Act.

Mr. Speaker, it has been rumored that a point of order will be made against this conference report. I now understand this action will not be taken, but at the conclusion of the debate at the end of 1 hour a motion will be made by someone on the majority side, possibly the gentleman from Texas [Mr. PATMAN], to instruct the House conferees to insist on S. 1008, as amended by the House, in short, to accept the Carroll amendment in toto without any part of the Kefauver amendment. I hope this motion to recommit will be voted down and that a majority of our Members will then vote for the conference report.

I should like very much to answer some of the arguments repeated here today. In my opinion, neither this conference report nor the House bill as passed destroys the effect of the Robinson-Patman law. That talk and propaganda is used in an endeavor to influence druggists and small-business men who receive protection under this law. As I said in the debate on July 7, I helped pass the Robinson-Patman law, and I would not vote to repeal it today. I know this is the attitude of many Members and many advocates of S. 1008 in the Congress.

S. 1008, amended as provided in this conference report, will not destroy or injure the small-business man or the large-business man, if he acts honestly and in good faith. On the other hand, if he conspires to violate the antitrust laws or collusively pursues a course to accomplish the same end, then the Government will be able to protect the honest big-business man or small-business man against any such unfair and illegal practices.

Mr. Speaker, a motion to recommit should be voted down and this conference report should be approved.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include some excerpts from the splendid conference report which was filed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CELLER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. PATMAN. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. PATMAN moves to recommit the conference report on the bill S. 1008 to the committee of conference with instructions to the managers on the part of the House to insist upon the House amendments to the Senate bill.

Mr. CELLER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. PATMAN. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 138, nays 178, not voting 116, as follows:

[Roll No. 231]

YEAS—138

Addonizio	Gore	Mitchell
Albert	Gorski, N. Y.	Monroney
Allen, La.	Granger	Morris
Aspinall	Grant	Morrison
Bates, Ky.	Gross	Moulder
Battle	Hagen	Murdock
Beckworth	Hare	Murray, Tenn.
Bennett, Fla.	Harrison	Noland
Biemiller	Hart	Norton
Boggs, La.	Havenner	O'Brien, Mich.
Bolling	Hays, Ark.	O'Sullivan
Bosone	Heselton	O'Toole
Breen	Hobbs	Passman
Brooks	Holifield	Patman
Brown, Ga.	Howell	Poage
Bryson	Huber	Polk
Burdick	Hull	Preston
Burke	Irving	Price
Burnside	Jackson, Wash.	Priest
Canfield	Jacobs	Quinn
Cannon	Javits	Rabaut
Carlyle	Jones, Ala.	Ramsay
Carnahan	Jones, Mo.	Rankin
Carroll	Jones, N. C.	Rodino
Cavalcante	Karst	Rooney
Celler	Karsten	Roosevelt
Chudoff	Kennedy	Sheppard
Clemente	Kerr	Sims
Combs	King	Staggers
Cooper	Klein	Stigler
Crook	Lane	Sullivan
Davis, Tenn.	Lanham	Sutton
Deane	Lemke	Thomas, Tex.
Delaney	Lesinski	Trimble
Denton	Lyle	Wagner
Dingell	McCarthy	Walsh
Dollinger	McCormack	Welch
Douglas	McGrath	White, Calif.
Elliott	Madden	Wickersham
Evins	Magee	Wier
Feighan	Mahon	Willis
Fogarty	Marsalis	Wilson, Okla.
Forand	Marshall	Withrow
Fugate	Miles	Yates
Furcolo	Miller, Calif.	Young
Gathings	Mills	Zablocki

NAYS—178

Abernethy	Engel, Mich.	Linehan
Allen, Calif.	Engle, Calif.	Lodge
Andersen, H. Carl	Fallon	Lovre
Anderson, Calif.	Fenton	McConnell
Andresen, August H.	Fernandez	McCulloch
Andrews	Fisher	McDonough
Arends	Ford	McGregor
Bailey	Frazier	McGuire
Barrett, Pa.	Fulton	McMillen, Ill.
Bates, Mass.	Gamble	Mack, Wash.
Beall	Gavin	Martin, Iowa
Bennett, Mich.	Gillette	Martin, Mass.
Bishop	Gilmer	Merrow
Blackney	Goodwin	Meyer
Boggs, Del.	Gordon	Michener
Bolton, Md.	Gossett	Miller, Md.
Bolton, Ohio	Graham	Murray, Wis.
Boykin	Granahan	Nelson
Bramblett	Hale	Nicholson
Brehm	Hall, Leonard W.	Norblad
Brown, Ohio	Halleck	Norrell
Buchanan	Hand	O'Brien, Ill.
Buckley, Ill.	Hardy	O'Hara, Ill.
Burleson	Harris	O'Hara, Minn.
Burton	Hedrick	O'Konski
Byrnes, Wis.	Herlong	O'Neill
Case, N. J.	Herter	Patterson
Case, S. Dak.	Hill	Peterson
Chelf	Hinshaw	Pickett
Chesney	Hoeven	Potter
Chiperfield	Holmes	Redden
Church	Hope	Rees
Clevenger	Horan	Rich
Cole, Kans.	Jackson, Calif.	Riehlman
Colmer	James	Rivers
Cooley	Jenison	Rogers, Fla.
Corbett	Jensen	Rogers, Mass.
Cotton	Johnson	Sasscer
Cox	Kearns	Saylor
Cunningham	Keefe	Scott, Hardie
Curtis	Kelley	Scott, Hugh D., Jr.
Dague	Kilday	Scrivner
Davenport	Kirwan	Scudder
Davis, Ga.	Kruse	Secrest
Davis, Wis.	Kunkel	Shafer
D'Ewart	Latham	Short
Dolliver	LeCompte	Sikes
Doughton	LeFevre	Simpson, Ill.
Eberharter	Lichtenwalter	Simpson, Pa.
	Lind	Smith, Kans.
Smith, Wis.	Van Zandt	Whittington
Spence	Velde	Wigglesworth
Stanley	Vorys	Williams
Steed	Vursell	Wilson, Ind.
Stefan	Wadsworth	Wilson, Tex.
Stockman	Weichel	Winstead
Taber	Werdel	Wolcott
Tackett	Wheeler	Wolverton
Talle	Whitaker	Woodruff
Tollefson	Whitten	

NOT VOTING—116

Abbitt	Hall, Edwin Arthur	Pfeifer, Joseph L.
Allen, Ill.	Harden	Pfeiffer, William L.
Angell	Harvey	Philbin
Auchincloss	Hays, Ohio	Phillips, Calif.
Barden	Hébert	Phillips, Tenn.
Baring	Heffernan	Plumley
Barrett, Wyo.	Heller	Poulson
Bentsen	Hoffman, Ill.	Powell
Bland	Hoffman, Mich.	Rains
Blatnik	Jenkins	Reed, Ill.
Bonner	Jennings	Reed, N. Y.
Buckley, N. Y.	Jonas	Regan
Bulwinkle	Judd	Rhodes
Byrne, N. Y.	Kean	Ribicoff
Camp	Kearney	Richards
Chatham	Keating	Sabath
Christopher	Kee	Sadlak
Cole, N. Y.	Keogh	Sadowski
Coudert	Kilburn	St. George
Crawford	Larcade	Sanborn
Crosser	Lucas	Smathers
Davies, N. Y.	Lynch	Smith, Ohio
Dawson	McKinnon	Smith, Va.
DeGraffenried	McMillan, S. C.	Taurielio
Dondero	McSweeney	Taylor
Donohue	Mack, Ill.	Teague
Doyle	Macy	Thomas, N. J.
Durham	Mansfield	Thompson
Eaton	Marcantonio	Thornberry
Ellsworth	Mason	Towe
Elston	Miller, Nebr.	Underwood
Fellows	Morgan	Vinson
Flood	Morton	Walter
Garmatz	Multer	White, Idaho
Gary	Murphy	Wood
Golden	Nixon	Woodhouse
Gorski, Ill.	Pace	Worley
Green	Patten	
Gregory	Perkins	
Gwinn		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Mason for, with Mr. William L. Pfeiffer against.

Mr. Taurielio for, with Mr. Barrett of Wyoming against.

Mr. McKinnon for, with Mr. Smathers against.

Mr. Murphy for, with Mr. Gorski of Illinois against.

Mr. Heller for, with Mr. Elston against.

Mr. Marcantonio for, with Mr. Towe against.

Mr. Keogh for, with Mr. Auchincloss against.

Mr. Joseph L. Pfeifer for, with Mr. Smith of Ohio against.

Mrs. Woodhouse for, with Mr. Miller of Nebraska against.

Mr. Garmatz for, with Mr. Jenkins against.

Mr. Ribicoff for, with Mr. Regan against.

Mr. Davies of New York for, with Mr. Dondero against.

Mr. Byrne of New York for, with Mr. Hoffman of Michigan against.

Mr. Perkins for, with Mr. Jennings against.

Mr. Doyle for, with Mr. Kean against.

Mr. Multer for, with Mr. Nixon against.

Mr. Heffernan for, with Mrs. St. George against.

Mr. Hays of Ohio for, with Mr. Eaton against.

Mr. McSweeney for, with Mr. Reed of Illinois against.

Mr. Thompson for, with Mr. Ellsworth against.

Mr. Patten for, with Mr. Plumley against.

Mr. Powell for, with Mr. Macy against.

General pairs until further notice:

Mr. Lynch with Mr. Allen of Illinois.

Mr. Richards with Mr. Keating.

Mr. Gregory with Mr. Morton.

Mr. Rhodes with Mr. Phillips of Tennessee.

Mr. Hébert with Mr. Gwinn.

Mr. Gary with Mr. Taylor.

Mr. Vinson with Mr. Reed of New York.

Mr. Wood with Mr. Coudert.

Mr. Mansfield with Mr. Angell.

Mr. Green with Mr. Kilburn.

Mr. Donohue with Mr. Poulson.

Mr. Philbin with Mr. Golden.

Mr. Blatnik with Mr. Harvey.

Mr. Worley with Mr. Hoffman of Illinois.

Mr. Larcade with Mr. Kearney.

Mr. deGraffenried with Mr. Sadlak.

Mr. Flood with Mr. Sanborn.

Mr. Bonner with Mr. Fellows.

Mr. Bentsen with Mr. Crawford.

Mr. Abbitt with Mr. Cole of New York.

Mr. Pace with Mr. Edwin Arthur Hall.

Mr. Rains with Mr. Jonas.

Mr. Sadowski with Mr. Phillips of California.

Mr. Morgan with Mr. Judd.

Mr. Camp with Mrs. Harden.

Mr. KRUSE, Mr. BUCHANAN, Mr. STEED, and Mr. O'NEILL changed their vote from "aye" to "nay."

Mr. HARE changed his vote from "nay" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

Mr. PATMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 200, nays 104, not voting 128, as follows:

[Roll No. 232]

YEAS—200

Abernethy	Doughton	Kirwan
Albert	Eberharter	Kruse
Allen, Calif.	Engel, Mich.	Kunkel
Andersen, H. Carl	Engle, Calif.	Latham
Anderson, Calif.	Fallon	LeCompte
Andresen, August H.	Fenton	LeFevre
Andrews	Fernandez	Lichtenwalter
Arends	Fisher	Lind
Bailey	Ford	Linehan
Barrett, Pa.	Frazier	Lodge
Bates, Mass.	Fulton	Lovre
Battle	Gamble	McConnell
Beall	Gathings	McCormack
Bennett, Mich.	Gavin	McCulloch
Bishop	Gillette	McDonough
Blackney	Gilmer	McGregor
Boggs, Del.	Goodwin	McGuire
Bolton, Md.	Gordon	McMillen, Ill.
Bolton, Ohio	Gore	Mack, Wash.
Boykin	Gossett	Madden
Bramblett	Graham	Mahon
Breen	Granahan	Martin, Iowa
Brehm	Hale	Martin, Mass.
Brown, Ohio	Hall, Leonard W.	Merrow
Buchanan	Halleck	Michener
Buckley, Ill.	Hand	Miles
Burleson	Hardy	Miller, Md.
Burton	Hare	Monroney
Byrnes, Wis.	Harris	Morris
Canfield	Harrison	Murdock
Carlyle	Hays, Ark.	Murray, Tenn.
Case, N. J.	Hedrick	Nelson
Case, S. Dak.	Herter	Nicholson
Chelf	Heselton	Norblad
Chesney	Hill	Norrell
Chiperfield	Hinshaw	Norton
Church	Hoeven	O'Brien, Ill.
Clevenger	Holmes	O'Hara, Ill.
Cole, Kans.	Hope	O'Hara, Minn
Colmer	Horan	O'Konski
Corbett	Howell	O'Neill
Cotton	Jackson, Calif.	Patterson
Cox	James	Peterson
Cunningham	Jenison	Pickett
Curtis	Jensen	Potter
Dague	Johnson	Priest
Davenport	Jones, N. C.	Redden
Davis, Ga.	Kearns	Rees
Davis, Tenn.	Keefe	Rhodes
Davis, Wis.	Kelley	Rich
D'Ewart	Kennedy	Rivers
Dolliver	Kerr	Rogers, Fla.
	Kilday	Rogers, Mass.
		Sasscer

Saylor	Spence	Vursell
Scott, Hardie	Stanley	Weichel
Scott, Hugh D., Jr.	Steed	Werdel
	Stefan	Whitaker
Scrivner	Stigler	Whitten
Scudder	Stockman	Whittington
Secrest	Taber	Wigglesworth
Shafer	Tackett	Williams
Short	Talle	Wilson, Ind.
Sikes	Teague	Wilson, Tex.
Simpson, Ill.	Tollefson	Winstead
Simpson, Pa.	Van Zandt	Wolcott
Smith, Kans.	Velde	Wolverton
Smith, Wis.	Vorys	Woodruff

NAYS—104

Addonizio	Forand	Moulder
Allen, La.	Fugate	Noland
Aspinall	Furcolo	O'Brien, Mich.
Bates, Ky.	Gorski, N. Y.	O'Sullivan
Beckworth	Granger	O'Toole
Bennett, Fla.	Gross	Passman
Biemiller	Hagen	Patman
Boggs, La.	Hart	Poage
Bolling	Havenner	Polk
Bosone	Hobbs	Preston
Brooks	Holifield	Price
Brown, Ga.	Huber	Rabaut
Bryson	Hull	Rankin
Burdick	Irving	Rodino
Burke	Jackson, Wash.	Rooney
Camp	Jacobs	Roosevelt
Cannon	Javits	Sims
Carnahan	Jones, Ala.	Staggers
Carroll	Jones, Mo.	Sullivan
Cavalcante	Karst	Sutton
Celler	Karsten	Thomas, Tex.
Chudoff	King	Trimble
Clemente	Klein	Wagner
Combs	Lane	Walsh
Cooper	Lanham	Welch
Crook	Lesinski	Wheeler
Deane	McCarthy	Wickersham
Denton	McGrath	Wier
Dingell	Magee	Willis
Dollinger	Marsalis	Wilson, Okla.
Douglas	Marshall	Withrow
Elliott	Miller, Calif.	Yates
Evins	Mills	Young
Feighan	Mitchell	Zablocki
Fogarty	Morrison	

NOT VOTING—128

Abbitt	Harden	Pfeiffer, William L.
Allen, Ill.	Harvey	
Angell	Hays, Ohio	Philbin
Auchincloss	Hébert	Phillips, Calif.
Barden	Heffernan	Phillips, Tenn.
Baring	Heller	Plumley
Barrett, Wyo.	Herlong	Poulson
Bentsen	Hoffman, Ill.	Powell
Bland	Hoffman, Mich.	Quinn
Blatnik	Jenkins	Rains
Bonner	Jennings	Ramsay
Buckley, N. Y.	Jonas	Reed, Ill.
Bulwinkle	Judd	Reed, N. Y.
Burnside	Kean	Regan
Byrne, N. Y.	Kearney	Ribicoff
Chatham	Keating	Richards
Christopher	Kee	Riehlman
Cole, N. Y.	Keogh	Sabath
Cooley	Kilburn	Sadlak
Coudert	Larcade	Sadowski
Crawford	Lemke	St. George
Crosser	Lucas	Sanborn
Davies, N. Y.	Lyle	Sheppard
Dawson	Lynch	Smathers
DeGraffenried	McKinnon	Smith, Ohio
Delaney	McMillan, S. C.	Smith, Va.
Dondero	McSweeney	Tauriello
Donohue	Mack, Ill.	Taylor
Doyle	Macy	Thomas, N. J.
Durham	Mansfield	Thompson
Eaton	Marcantonio	Thornberry
Ellsworth	Mason	Towe
Elston	Meyer	Underwood
Fellows	Miller, Nebr.	Vinson
Flood	Morgan	Wadsworth
Garmatz	Morton	Walter
Gary	Multer	White, Calif.
Golden	Murphy	White, Idaho
Gorski, Ill.	Murray, Wis.	Wood
Grant	Nixon	Woodhouse
Green	Pace	Worley
Gregory	Patten	
Gwinn	Perkins	
Hall, Edwin Arthur	Pfeifer, Joseph L.	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. William L. Pfeiffer for, with Mr. Mason against.

Mr. Garmatz for, with Mr. Tauriello against.

Mr. Regan for, with Mr. McSweeney against.

Mr. Hays of Ohio for, with Mr. Murphy against.

Mr. Smathers for, with Mr. Byrne of New York against.

Mr. Gorski of Illinois for, with Mr. Thompson against.

Mr. Hoffman of Michigan for, with Mr. Keogh against.

Mr. Jenkins for, with Mr. Joseph L. Pfeifer against.

Mr. Jennings for, with Mr. Perkins against.

Mr. Kean for, with Mr. Marcantonio against.

Mr. Barrett of Wyoming for, with Mr. Powell against.

Mr. Auchincloss for, with Mr. Ribicoff against.

Mr. Miller of Nebraska for, with Mr. Multer against.

Mr. Dondero for, with Mr. Heffernan against.

Mr. Riehlman for, with Mr. Blatnik against.

Mrs. St. George for, with Mr. Buckley of New York against.

Mr. Smith of Ohio for, with Mr. Davies of New York against.

Mr. Towe for, with Mr. Doyle against.

Mr. Elston for, with Mr. Heller against.

Mr. Nixon for, with Mr. McKinnon against.

Mr. Ellsworth for, with Mr. Sadowski against.

Mr. Plumley for, with Mrs. Woodhouse against.

Additional general pairs:

Mr. Pace with Mr. Allen of Illinois.
Mr. Vinson with Mr. Cole of New York.
Mr. Wood with Mr. Gwinn.
Mr. Mansfield with Mr. Hoffman of Illinois.
Mr. Lynch with Mr. Jonas.
Mr. Dawson with Mr. Taylor.
Mr. Herlong with Mr. Sanborn.
Mr. Philbin with Mr. Sadlak.
Mr. Larcade with Mr. Phillips of Tennessee.
Mr. Thornberry with Mr. Meyer.
Mr. Walter with Mr. Morton.
Mr. Worley with Mr. Phillips of California.
Mr. Morgan with Mr. Eaton.
Mr. Mack of Illinois with Mr. Fellows.
Mr. Hébert with Mr. Golden.
Mr. Gregory with Mr. Edwin Arthur Hall.
Mr. Green with Mrs. Harden.
Mr. Chatham with Mr. Judd.
Mr. Cooley with Mr. Kearney.
Mr. deGraffenried with Mr. Reed of New York.
Mr. Grant with Mr. Lemke.
Mr. Flood with Mr. Angell.
Mr. White of California with Mr. Kilburn.
Mr. Underwood with Mr. Keating.
Mr. Burnside with Mr. Coudert.
Mr. Gary with Mr. Crawford.
Mr. Rains with Mr. Reed of Illinois.
Mr. Richards with Mr. Poulson.
Mr. Donohue with Mr. Harvey.
Mr. Bonner with Mr. Wadsworth.
Mr. Baring with Mr. Murray of Wisconsin.

Mr. BATTLE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CAPITOL POWER PLANT

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6281) to provide for certain improvements relating to the Capitol power plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, this is not the same measure that was presented before the Rules Committee and a rule unanimously granted?

Mr. WHITTINGTON. It is, and the same measure that was unanimously reported by the Committee on Public Works.

Mr. BROWN of Ohio. I understand that this is actually a measure which will take the Government out of the power business. Is that correct?

Mr. WHITTINGTON. This bill contemplates that, instead of undertaking to repair the plant that now generates electricity for this building and all the buildings on Capitol Hill, the electricity will be purchased from the local utility company at a saving, as it is recommended to us, of around $700,000 annually.

Mr. BROWN of Ohio. And after years and years and years of seeing bills brought in to put the Government into the power business, at long last we are going to see the Government going out of the power business. It is very unusual.

I withdraw my reservation of objection, Mr. Speaker.

Mr. McGREGOR. Further reserving the right to object, Mr. Speaker, will the distinguished chairman of the committee explain the bill?

Mr. WHITTINGTON. Mr. Speaker, with the indulgence of the Chair and the indulgence of the membership, I will undertake as briefly as I can to explain this important bill. It was introduced at the request of the House Office Building Commission composed of the Speaker of the House [Mr. RAYBURN], the gentleman from Illinois [Mr. SABATH], and the gentleman from New Jersey [Mr. AUCHINCLOSS]. Hearings were conducted; a report was requested, and that report was submitted by the Architect of the Capitol, Mr. David Lynn, for the committee. It appeared from the report and from the hearings that there is danger of a break-down that would result in the Capitol and House and Senate Office Buildings not being supplied with heat and not being supplied with electricity. It appeared further from the hearings that for the past 3 years the House Office Building Commission with the present Speaker and the former Speaker, the gentleman from Massachusetts [Mr. MARTIN] had taken proper steps to make studies and ascertain the improvements that should be made. Mr. George A. Weschler, a consulting engineer, was employed 3 years ago. He has been doing work for the Capitol for something like 20 years. He submitted a report recommending the conversion of all the wiring in these buildings, stating that much of it was outmoded, outdated, and dangerous. Twenty-five-cycle direct current was originally installed in the Capitol, Office and other buildings years

ago. The proper installation now is 60-cycle alternating current. The cost of reconverting the electric wiring in the buildings will be in the neighborhood of $7,000,000. The Commission under Speaker Martin on December 29, 1948, recommended that this wiring be reconditioned. They further recommended that the power plant be reinforced by the addition of two boilers at a total estimated cost of about $8,500,000 or $9,000,000. That recommendation was not made until the recommendation of Mr. Weschler had been reinforced and supplemented by studies and recommendations of an eminent engineering firm from New York, Burns & Roe, Inc. The consolidated recommendation of Mr. Weschler and this firm after study was to the effect that improvements in the electric wiring and heating systems be made. It was contemplated that electricity heretofore generated by the Capitol Power Plant here on the Hill would be purchased from the local utility company and that this would be at an estimated saving, according to the conclusion of the Architect, the Commission, and the engineers of nearly $700,000 a year.

About the time of the Commission's report recommending the expenditure of around $9,000,000, as I have stated, the Congress at the request of the Senate authorized the construction of a new Senate Office Building. So the Commission conducted further studies. It had previously appeared that that part of the tunnel housing heat lines from the Old House Office Building to the Senate Office Building is really dangerous to the public and dangerous to the employees who have to work inside, the tunnel being built over the railroad tunnel. So after further and thorough investigation these consulting engineers recommended to the Commission that further additions and improvements be made, as I stated, to the power plant, that a new tunnel be installed, that new pipes be installed, and that provision be made for refrigeration at the same time that provision is made for the conversion of the electric wiring. It is fair to say that the testimony discloses that the Capitol power plant, located in the vicinity of the Department of Agriculture, was considered for heating and that Mr. Reynolds, of the Public Buildings Administration, was consulted. It was found that plant could supply the heat, but the consulting engineers found that to extend the tunnel from the Social Security Building and to provide a booster station would cost more in connection with the installation of pipes underground through the Capitol grounds to the Senate Office Buildings than the plan proposed by the consulting engineers. Keep in mind that steam heat would go to the Senate Office Buildings, to the Government Printing Office, and to the City Post Office and it would cost more than the projects in the bill.

This bill comes before you at the request of the Commission after 3 years of study. It comes before you with the unanimous report of the Public Works Committee. It contemplates that these improvements be made during the next 4 years with an expenditure of approximately $2,770,000 the first year, $9,376,000 the second year, $2,500,000 the third year, and $1,750,000 the fourth year; making a total of $16,446,000.

The bill provides for competitive bidding for the construction. It further provides that the Commission, composed of the Speaker, the gentleman from Illinois, and the gentleman from New Jersey, as I have stated, shall not be confined to the consideration of one engineer, cooperating with the architect of the building, but in making the detailed plans and specifications at least three competing firms shall be considered by the Commission before the selection of one is made.

Mr. Speaker, after having been recommended by the House Office Building Commission, after having been recommended by the Architect of the Capitol, after having been unanimously reported by the Committee on Public Works following hearings that are available to all Members and to the country, this bill should be promptly and unanimously passed so that the bill may be considered by the other body before the adjournment of the present session of the Congress.

Under leave granted, and at the risk of repetition, I extend my remarks to say the pending bill provides for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions. The bill was introduced at the request of the House Office Building Commission whose members are Hon. SAM RAYBURN, chairman; Hon. ADOLPH J. SABATH; and Hon. JAMES C. AUCHINCLOSS, upon the recommendation of the Architect of the Capitol, David Lynn.

Hearings were conducted and published, and they will be made available to Members and the public. The bill was unanimously reported by the Committee on Public Works and there is a thorough explanation and analysis of the bill in the report of the Committee.

The bill was referred by the committee to the House Office Building Commission and on October 6, 1949, the Architect of the Capitol, Mr. David Lynn, submitted a complete report, which is published in the report of the Committee on Public Works on the pending bill.

The Capitol Power Plant has supplied heat, light, and power service to the Capitol, House Office Buildings, and other buildings on Capitol Hill. The hearings disclosed that the service now being rendered by the plant is being jeopardized by the continued use of the present equipment, which has reached the end of a useful and dependable period of service.

Two of the electrical generators are 40 years old and the other two are a little over 20 years old, and can no longer be relied upon for dependable and efficient service. Frequent and expensive repairs are necessary for their continued operation.

New generating equipment for electrical service must be installed, or provision must be made for the purchase of electrical energy from the public utility in the District of Columbia. Whether the energy is generated at a modernized plant or purchased from the local utility company, the present 25-cycle and direct current, much of which has been converted through substations, must be supplanted by the more modern and efficient 60-cycle alternating current, at an estimated cost of $7,600,000.

Much of the wiring is old and should be replaced, and in some instances a fire hazard is presented, especially in the main Library of Congress building where most of the wiring was installed 50 years ago and insulated with paper covering and encased in iron pipes embedded in the masonry of the building. A great deal of the wiring, especially in the New House Office Building and in the Annex of the Library of Congress, will not have to be replaced but can be utilized in converting from a 25-cycle alternating current and a direct current to a 60-cycle alternating current.

Moreover, there must be installed two large modern boilers at an estimated cost of $1,385,000. They can be installed in the present building and economies will be affected by their use.

The report of the Architect of the Capitol, and the hearings, disclosed that there have been studies and investigations made over a period of 3 years with respect to the improvements proposed in this bill.

George A. Weschler, a consulting engineer who has been connected with the Capitol plant for some 20 years, submitted a report on January 20, 1947, and a supplemental report on February 28, 1948, covering the proposed wiring, and recommended the discontinuance of the generating of electrical energy at the Capitol power plant and the conversion of the electrical lighting and power systems to 60-cycle alternating current, and the installation of two new modern boilers, at an estimated cost of $7,600,000 and $1,385,000, respectively. These recommendations were approved by the House Office Building Commission on December 29, 1948. The Commission decided, however, that it would like to have the opinion of other engineers. Accordingly, Burns & Roe, Inc., an outstanding consulting engineering firm of New York, was employed by the Commission to go over the plan and the report of Mr. George A. Weschler, including the supplemental report of Mr. Weschler, and his recommendation with respect to the repair of that section of the tunnel and steam lines which are located on earth fill over the railroad tunnel under First Street between the Old House Office Building and the Senate Office Building—a distance of approximately 1,800 feet.

The Congress authorized the construction of an additional Senate Office Building and Mr. Weschler and the firm of Burns & Roe were employed, not only with respect to the conversion of the electrical system and installation of the two boilers, but were employed generally to make recommendations with respect to the construction of a new tunnel, the installation of new steam supply lines, and the increase in the capacity of the refrigeration plant at the Capitol power plant.

On January 29, 1949, the joint recommendations of George A. Weschler, consulting engineer of Washington, and

Burns & Roe, Inc., consulting engineers of New York, were submitted, and they recommended the installation of a new tunnel and larger size steam supply lines, and an increase in the capacity of the refrigeration plant, at an additional estimated cost of $7,461,000, making the grand total of the estimated costs of the discontinuance of the generating of electrical energy and the conversion of the lighting and power systems, as well as the installation of the two boilers, including engineering services, $16,446,000.

The Architect of the Capitol and the engineers reached the conclusion that all of the said installations should be made and that they would provide, not only for the new Senate Office Building, but for the air-conditioning of the main Library of Congress building, and for future expansion of the needed facilities on Capitol Hill.

The report showed that the engineers investigated the propriety of securing heat from the central heating plant located in the vicinity of the Department of Agriculture, supplemented by the heating plant at the mouth of Rock Creek, but it was disclosed that while the heating plant could supply the required amount of heat for the Capitol and other buildings on the Hill, the cost of transmitting, including the construction of a booster station and the installation of pipes, would be more expensive than installation of the boilers and the continued generation of steam for heating purposes at the Capitol power plant.

The Architect of the Capitol recommended, in behalf of the House Office Building Commission, that the recommended changes and improvements be made without delay, and in endorsing the recommendations of Mr. Weschler, and Burns & Roe, he stated that if the proposed changes are made it will be possible to reduce the annual appropriations for steam, electricity, and refrigeration, for the existing buildings and grounds by approximately $700,000.

It is intended that the cost of the improvements will be spread over 4 years, and that an appropriation of $2,770,000 will be required for the first year; $9,376,000 for the second year; $2,550,000 for the third year; and $1,750,000 for the fourth year, making a total authorization of $16,446,000 contained in the bill.

The bill provides that the work shall be undertaken through competitive bids. Engineers will be employed to prepare detailed plans and specifications. These engineers are secured by selection from among not less than three competent firms of engineers to be engaged by the House Office Building Commission to make plans and specifications for the projects. Burns & Roe, Inc., will be eligible to submit bids under the provisions of the bill.

The recommendations of the House Office Building Commission are the result of years of studies and surveys conducted under its supervision. These studies and surveys are listed in the report of the House Committee on Public Works. The work to be undertaken as a result of these studies will be under the supervision of the Commission, and its members are vested with discretion to approve plans and specifications for the improvements. If changes in the proposed improvements are required, and it develops that the language of the bill is not sufficient to authorize the Commission to make or approve changes, or construction by units, subsequent legislation could be enacted to give such authority.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. AUCHINCLOSS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I am taking this time in order to give the Members of the House a brief résumé of the events leading up to the proposed legislation contained in H. R. 6281. I believe it will be of interest to the Members of the House and it certainly should be incorporated in the RECORD.

In April 1947 the Architect of the Capitol, Mr. David Lynn, called the attention of the House Office Building, Commission, of which I am a member, to the run-down and unsatisfactory condition of the Capitol power plant, which supplies heat, light, power and air-conditioning refrigeration for the Capitol, Senate and House Office Buildings; heat, light, and power for the Congressional Library, Library Annex, United States Botanic Gardens, Supreme Court Building, the legislative garage, and for the flood- and park-lighting systems of the Capitol Grounds and for street lighting and steam heat only for the Government Printing Office and Washington City Post Office. The present plant was constructed under the supervision of the Architect of the Capitol by authority of a congressional act of April 28, 1904, and was placed in operation on December 1, 1910. The plant was enlarged in 1937 by the addition of a refrigeration apparatus building.

The Architect of the Capitol submitted to the Commission a report dated January 20, 1947, written by George A. Weschler, consulting engineer of Washington, D. C., who was retained by the architect to make a survey of the situation. This report was a voluminous one covering 35 typewritten pages and in addition a number of tables and charts.

The report set forth in detail the serious condition which prevailed at the plant, the need for immediate rehabilitation, and further recommended that electric current be purchased from the local public utility company instead of being generated at the plant. The latter recommendation was based on the fact that a considerable saving would be made thereby. After due consideration the House Office Building Commission decided to secure an independent report on the situation and with the approval of the House retained the engineering firm of Messrs. Burns & Roe, Inc., 233 Broadway, New York City. Messrs. Burns & Roe made an extensive study of the situation under the direction of the Architect of the Capitol and with the cooperation of Mr. Weschler. A report was finally submitted to the House Office Building Commission by the Architect of the Capitol which embodied the report of the consulting engineers and endorsed by the Architect of the Capitol, recommending, first, that the generating of electrical energy at the Capitol Power Plant be discontinued and all such energy be purchased from the local public utility; second, that the electrical lighting and power systems, including wiring, motor, and so forth, in the buildings and refrigeration plant now served by the Capitol Power Plant be converted from 25 cycle and direct current to 60 cycle alternating current; third, that two new modern spreader stoker-fired coal burning boilers be installed; and these recommendations were considered and approved by the House Office Building Commission on December 29, 1948.

In a subsequent report submitted about a month later, further improvements and changes were recommended in the distribution system for the heating pipes and equipment, and providing for an increase in the capacity of the refrigeration plant. The total cost of all this work which was recommended and endorsed by the Architect of the Capitol comes to a grand total of $16,000,446, which amount is authorized in this legislation. I would point out that these studies have occupied a period of over 2 years, and there is no doubt that all phases of the problem have been thoroughly explored, and I have no hesitancy in urging the prompt enactment of this legislation.

The work will cover a period of about 4 years, and the total amount of money needed would be spread over this period of time. In the fiscal year 1950 it is estimated that $2,770,000 would be needed. In the fiscal year 1951 it is estimated that $9,376,000 would be needed. In the fiscal year 1952, $2,550,000 would be needed, and in the fiscal year 1953, $1,750,000. The Architect of the Capitol estimates that when these improvements are in effect the appropriations necessary to carry on the work of the Capitol power plant will be reduced from $1,597,000 to about $900,000, or a saving of approximately $700,000 per annum.

I should point out that the condition not only in the power plant itself but particularly in part of the tunnel which carries the steam pipes is very serious. In fact, one of the engineers advised me that he would not venture into the tunnel for fear it would collapse. If this collapse should take place, the buildings on Capitol Hill served by the power plant would be cut off from any heating, so this is a matter that should receive prompt attention, and the expense is thoroughly justified. I hope the bill will pass without delay.

Mr. McGREGOR. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Architect of the Capitol, under the direction of the House Office Building Commission, is hereby authorized and directed to effect the following improvements, with such modifications as the Commission may approve, relating to the Capitol power plant, its distribution systems,

and the buildings and grounds served by the plant, including proposed additions:

(1) Convert the electrical lighting and power systems and other electrical equipment in all buildings and grounds, including the refrigeration plant, now served by the Capitol power plant, from 25-cycle and direct current to 60-cycle alternating current.

(2) Upon completion of such conversion, discontinue generating electrical energy at the Capitol power plant and purchase all electrical energy for the buildings and grounds now supplied by the plant; and prior to the completion of such conversion, the Architect of the Capitol, with the approval of the House Office Building Commission, may purchase such electrical energy as he may deem necessary for such buildings and grounds.

(3) Install, in lieu of present boiler equipment, two new modern spreader stoker-fired, coal-burning boilers, each approximately 180,000 pounds per hour capacity, 400 pounds per square-inch gage, including necessary auxiliary equipment, in the existing Capitol power plant building, for supplying steam for heating and other existing services for the buildings now supplied by the plant and the additional office building authorized by Public Law 785, Eightieth Congress, to be so supplied.

(4) Construct a new walk-through tunnel, including branch tunnels, from the Capitol power plant to the Senate Office Building, to be routed under North Carolina Avenue SE., Second Street SE. and NE., and C Street NE.; and upon completion of the new tunnel, abandon the section of the existing main steam-tunnel structure between the Old House Office Building and the Senate Office Building when the same is no longer required for service.

(5) Install in the new tunnel duplicate steam-supply lines and a condensate-return line and necessary auxiliary equipment to supply steam for heating the buildings now being supplied by the section of the tunnel to be abandoned and the additional office building authorized by Public Law 785, Eightieth Congress; and install in the new tunnel chilled-water lines for supplying air-conditioning refrigeration from the Capitol power plant for the First Street wing of the Senate Office Building, the United States Supreme Court Building, the Library of Congress Annex, and the additional office building authorized by Public Law 785, Eightieth Congress, with provision for future service lines to the main Library of Congress Building.

(6) Increase the capacity of the refrigeration plant at the Capitol power plant from 4,800 tons to approximately 8,800 tons of refrigeration by the installation of two or more centrifugal compressor units, complete with pumps and necessary auxiliary equipment and connected to the chilled-water-distribution system; install a cooling tower at the Capitol power plant site in replacement of the existing river pumphouse to supply cooling water for the refrigeration plant; and install piping, valves, transformer substation and electrical equipment, and all other necessary incidental items.

SEC. 2. The Architect of the Capitol, under the direction of the House Office Building Commission, is hereby authorized and directed to make arrangements for such public-utility installations as may be necessary for the supplying of the electrical energy to be purchased under the authority of this act. The appropriation for the fiscal year ending June 30, 1950, for expenses in connection with the maintenance and operation of the Capitol power plant shall be available for purchasing such electrical energy.

SEC. 3. The Architect of the Capitol, under the direction of the House Office Building Commission, is hereby authorized and directed to enter into such contracts and to make such expenditures for labor, materials, equipment, personal and other services, structural and other changes, and other items and purposes, as may be necessary to carry out the provisions of this act. In employing the engineering services for the project herein authorized, competition shall be restricted to not less than three competent firms of engineers.

SEC. 4. There is hereby authorized to be appropriated a total amount not to exceed $16,446,000 to carry out the provisions of this act, and the Architect of the Capitol, under the direction of the House Office Building Commission, is authorized to obligate such total amount, prior to the actual appropriation of the full amount thereof, after an appropriation of any part of such total amount shall have been made.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

House Resolution 395 was laid on the table.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 123. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution with Respect to Election of President and Vice President."

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6305. An act to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. GILLETTE, Mr. YOUNG, and Mr. HICKENLOOPER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1689) entitled "An act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies."

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader the program for next week?

Mr. McCORMACK. Mr. Speaker, Monday is Consent Calendar day. There are some bills that will be brought up under suspension of the rules if they cannot be passed by unanimous consent. These include the following:

S. 2105, the strategic and critical materials bill. This bill has been pretty well amended so that there is pretty general agreement on it now.

S. 1232, equipment and maintenance allowance for rural carriers.

H. R. 4285, post office veterans advancement bill. This is an amendment to a bill I introduced a few years ago which became law.

S. 443, providing for a radio laboratory building.

S. 2316, providing for a guided missiles laboratory building.

There may be one or two others in case they cannot be passed by unanimous consent. These are the particular ones I have in mind. There is also one with reference to airport allocations.

Mr. MARTIN of Massachusetts. What is the program for the balance of the week then?

Mr. McCORMACK. On Monday there will be called up also H. R. 2392, the rural rehabilitation trust funds bill.

Tuesday is Private Calendar day; however there are only a few bills on that calendar.

Conference reports, of course, will be brought up at any time.

The minimum-wage conference report will be brought up Tuesday. I make that announcement because I know of its importance to many Members.

I have no other legislation to announce now, but if any is to be taken up, it will have to be carefully screened.

Mr. MARTIN of Massachusetts. Will we adjourn over until the following Monday after that?

Mr. McCORMACK. That would be most disappointing.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Missouri.

Mr. SHORT. The House and Senate conferees have reached an agreement this afternoon on the wind-tunnel bill. I was wondering whether or not that was scheduled to be taken up.

Mr. McCORMACK. We do not have to schedule conference reports. That is the bill that passed the House the other day, and that can be brought up and we can dispose of it.

Mr. SHORT. Because we are about 4 years behind already as the gentleman realizes, and the gentleman has been a very able advocate in bringing it up to date.

Mr. MARTIN of Massachusetts. For the information of the House, I think the gentleman might inform us as to whether we are going to adjourn over today until Monday.

Mr. McCORMACK. Oh, yes. I was going to make that unanimous-consent request.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Is there any reason why we cannot adjourn some time around the 1st of November?

Mr. MARTIN of Massachusetts. Well, I have the belief that we will probably adjourn by Thanksgiving Day.

Mr. NICHOLSON. Would the gentleman from Massachusetts ask the other gentleman from Massachusetts if there is any opportunity?

Mr. MARTIN of Massachusetts. The gentleman from Massachusetts will be glad to convey the question of the gentleman from Massachusetts to the gentleman from Massachusetts.

Mr. McCORMACK. The rules of comity between the two branches would preclude a frank observation by the gentleman from Massachusetts [Mr. McCORMACK].

The SPEAKER. The time of the gentleman from Massachusetts has expired.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COOPERATIVE FOREST PROGRAM

Mr. GRANGER submitted a conference report and statement on the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes.

CONVERSION OF VILLAGE DELIVERY SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (S. 1479) to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1420)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1479) to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House.

TOM MURRAY,
RAY W. KARST,
EDWARD H. REES,
Managers on the Part of the House.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1479) to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill provides for conversion of village letter-carrier service at second-class post offices to city letter-carrier service. The Senate bill provided that a village carrier at such offices should be assigned to the grade as a city carrier to which he would have advanced had his original appointment been as a city carrier. The House amendment provided that such carriers should be assigned to the lowest grade provided for regular positions in the city-delivery service.

The Senate bill also provided that carriers transferred to the city-delivery service should retain credit, for promotion purposes, for periods of service performed as village carriers. The House amendment struck out this provision.

The Senate recedes from its disagreement to the amendment of the House and, accordingly, the conference agreement is identical with the bill as amended by the House.

TOM MURRAY,
RAY W. KARST,
EDWARD H. REES,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AN ACT TO REGULATE AND IMPROVE THE CIVIL SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report on the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1421)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate insert the following: "shall be accompanied by a certificate of an officer, with his official seal attached, of the county and State of which the applicant claims to be a citizen, that such applicant was, at the time of making such application, a legal or voting resident of said State, and had been such resident for a period of not less than one year next preceding, or a statement under oath setting forth his or her legal voting residence for one year next preceding the time of making such application, and such statement shall be accompanied by letters from three reputable citizens of the State in which residence is claimed, corroborating such statement"; and the Senate agree to the same.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,
Managers on the Part of the House.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill amended the act of January 16, 1883, so as to provide that, with certain exceptions, each application for examination for appointment in the departmental service in the District of Columbia shall be accompanied by a certificate of an officer of the county and State of which the applicant claims to be a citizen, stating that at the time of making application the applicant was, and had been for the preceding year, a legal or voting resident of such State. The Senate amendment struck out the provision of the House bill requiring an officer's certificate of residence, and substituted a provision requiring that such an application contain a sworn statement of the applicant's legal or voting residence for 1 year preceding the time of making application, and a list of references who can corroborate such statement. The conference substitute retains the provision of the House bill requiring an officer's certificate of residence, but provides that there may be submitted in lieu thereof a sworn statement of the applicant's legal or voting residence for 1 year preceding the time of making application, if the statement is accompanied by letters from three citizens of the State in which residence is claimed corroborating the statement.

TOM MURRAY,
GEORGE P. MILLER,
EDWARD H. REES,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FILING OF CONFERENCE REPORTS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that

the managers on the part of the House may have until midnight tomorrow night to file conference reports on the bills of H. R. 4495 and H. R. 5931.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in three instances and in one to include a speech delivered by himself and in another a letter.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD in two instances and to include in one a radio address delivered by Robert Montgomery last night and in the other a newspaper item by Walter Trohan.

Mr. LOVRE asked and was given permission to extend his remarks in the RECORD and include an address delivered by Representative CLARENCE J. BROWN before the Associated Industries of Georgia on Friday, October 7, 1949.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Mobile Press and Register.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. TEAGUE (at the request of Mr. COMBS) was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the American Federation of Labor, State of Illinois.

"GOD GIVE US MEN—A TIME LIKE THIS DEMANDS MEN WHOM THE LUST OF OFFICE DOES NOT KILL, MEN WHOM THE SPOILS OF OFFICE CANNOT BUY, MEN WHO HAVE HONOR, MEN WHO WILL NOT LIE, TALL MEN, SUN-CROWNED, MEN WHO LIVE ABOVE THE FOG IN PUBLIC DUTY AND IN PRIVATE THINKING"

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, some days ago I was present in a gathering, the like of which to my knowledge has never before assembled in the Nation's Capital.

Without doubt there have been even larger assemblies of men from some one or several segments of the Nation's economic and social life, but that night representatives were present, not alone from every cross-section of our own country, but of governments and people in practically every part of the world.

At that festive board were the driving forces in all types of agricultural and forestry pursuits. Leaders of organized labor broke bread with management. There were heads of religious and educational organizations, of commercial, industrial, transportation, and the communication industries; eminent writers, newsmen, authorities on the arts and sciences, on law and on medicine. These were seated side by side with wheat, corn, and hog farmers and cattlemen, as well as southern peanut and cotton planters.

All commingled with heads of the three branches of Federal Government to do honor to a great American. A great man. A great patriot and a great statesman.

Our host, and because of the unique and peculiar influence which he wields in this House, has become known throughout the length and breadth of the land as "America's Congressman at Large." He is your friend and my friend, the Honorable FRANK W. BOYKIN, of Mobile.

The honored guest of the evening was the beloved and revered SAM RAYBURN, Speaker of the House.

The festive evening was truly a living exemplification of one man's friendship and esteem for another and we who sit in Congress know how well FRANK BOYKIN loves and esteems you, his friend, SAM RAYBURN.

We who know FRANK BOYKIN have long since learned that outside of his God, his lovely wife and family, there is no one thing on this side of Heaven that FRANK BOYKIN treasures more than he does the friendships made in years gone by.

The address which Congressman Frank made on that memorable night has left a memory that will remain with me, as well as with hundreds of others, as long as life endures.

Mr. Speaker, may I say to you and to my colleagues that I have long since learned that there is a vast difference between the reputation which a man bears and his innate character. Thus it becomes true that a man may be of fine repute—and at the one time—be of bad character.

The reputation of a man is what his fellow men think or presume a man to be, but his character is truly what he is.

Mr. Speaker, when a man publicly submits his name as a candidate for office, many of those who support him with their ballot vote only for a name. Frequently they may vote for a man to hold public office because of his repute or else because a friend has spoken well of him. Perchance, some vote for him because they believe he stands for principles to which they themselves cling—or, perhaps because he carries the standards of a political party which they themselves inherited.

Now I am in no sense disapproving such reasons, because I know that to be the way in which the great democratic process functions. Moreover it was under that thought process that those who went before as well as us now living, built and maintain our great institution of free government.

Mr. Speaker, the Congress of the United States of America is and shall ever remain the true voice of its people. Every man who has ever sat in this House has borne the hallmark of approval placed upon him by the constituency back home in his congressional district.

The Constitution of these United States makes provision that when the Congress assembles the Members of the House shall select from their number, one who shall serve as Speaker and preside over their deliberations.

Might I submit observation that when in selecting the Speaker, and we of this House cast our ballot to effectuate that selection, no man ever votes merely for a man because of his name. That no man ever votes merely for a face. Certainly no man has ever been elected Speaker of the House of Representatives solely because of the reputation which he bore.

When we in this body set about to select our Speaker, we select a man whom we know intimately. We choose a man whose sincerity of purpose we have long weighed while listening with attentive ear to each and every word he ever spoke in the endless debates which take place daily on national issues, either in committee or on the floor of the House.

We judge him for his leadership. We adjudge both his intellectual capacity and intellectual honesty. We ponder on his sincerity, his integrity, his understanding, tolerance, tact, and disinterestedness.

We know that law provides that, if and whenever, the eternal God in His wisdom should remove from out our midst and take to His bosom the President and Vice President of these United States, that the Speaker of the House of Representatives will at that very instant himself became the Chief Executive and President of this Nation.

It was not because of any one of the virtues which I have enumerated that this House on January 3 of this year chose SAM RAYBURN, Representative from the Fourth District of the great State of Texas, to be our august and peerless leader; it was because he possessed one and all of the attributes which I expressed that we called him to chair this body and to stand in the shadows while awaiting call, if ever need should arise, to assume the Presidency.

Again I repeat, the Congress of these United States is the true voice of the American people. When this Congress elected you, Mr. Speaker, the people of America themselves bespoke your acknowledged greatness.

Mr. Speaker, it was only in part because of the foregoing that your colleagues in the Congress, your fellow citizens from everywhere and from all walks in life, and the representatives of nations from all the far-flung countries of the world, gathered in the Hall of Nations of the Hotel Washington on August 2 to do honor to you.

As I looked out over the vast gathering in the great Hall of Nations, I was deeply touched by the beautiful things said about you.

I was touched not alone by the beautiful words spoken by Congressman FRANK BOYKIN, and by our genial, beloved, and long-time Senate colleague, Vice President ALBEN BARKLEY, who acted as toastmaster, but I was equally touched by the magnificent and never-to-be-forgotten tribute paid you, sir, by the Honorable Fred Vinson, Chief Justice of the Supreme Court of these United States.

Eminently fitting and eloquently spoken were the tributes paid you by the

Attorney General, the majority leader, the Honorable Senator Howard McGrath, chairman of the Democratic National Committee, and last but not least of all, I was vividly moved by the ringing words of the distinguished leader of the Republican forces in the House, the Honorable JOSEPH W. MARTIN, JR.

Mr. Speaker, no greater public acknowledgment of your capable leadership could have been made by any man than was made by your good, long-time friend, and the friend of every man in the House, the minority leader, JOE MARTIN.

When JOE MARTIN finished his statement, I knew that we were now truly a united nation, a nation which no force in all the world could ever again rend asunder, these United States of America.

Upon the conclusion of his remarks, I turned over the beautiful souvenir program that Frank provided to all, to reread that poem written by J. G. Holland, born 130 years ago. Henry Clay was then the Speaker of the House. The voices of John Taylor, Cushman, and Gorham rang through the Halls of Congress.

FRANK BOYKIN's predecessor, the Honorable John Crow, alone represented in the House the whole of what was then the Territory of Alabama.

I ask your indulgence while I read to you that prayerful appeal, written when America now great was an America awakening, an America in the making:

God give us men. A time like this demands strong minds, great hearts, true faith, and ready hands; men whom the lust of office does not kill; men whom the spoils of office cannot buy; men who possess opinions and a will; men who have honor; men who will not lie; men who can stand before a demagog and damn his treacherous flatteries without winking; tall men, sun-crowned, who live above the fog in public duty and in private thinking.

Mr. Speaker, it is with the unanimous consent of this House that I insert into the RECORD the address of welcome delivered by FRANK BOYKIN on the occasion of the dinner that he tendered in honor of his friend, the Honorable SAM RAYBURN, Speaker of the House.

The address of welcome was as follows:

Mr. Vice President, Mr. Chief Justice, Mr. Assistant President, to you all who are members of the President's Cabinet, the Nation's Congress, the executive department of our own Government and representatives of foreign governments, to you all, representatives of labor and management, from the mines, the mills, the factories, and the farms of our great country, I bid welcome.

We are here to honor a truly great American, a great statesman, a great patriot, a great citizen, a great Democrat, and a great friend, your friend and my friend, Speaker SAM RAYBURN.

It is unnecessary for me to tell you all that SAM RAYBURN is a man who recognizes none by his race, his political creed, religious belief, color, or by the land of his nativity.

For more than 35 years of his life, and while serving our country in its National Congress, he has taught us not by words alone but by deed and by action that we should all of us love and respect the opinion, the beliefs, and the personages one of the other.

Above all else, SAM RAYBURN is a humble man with a heart as big as the State of Texas. He believes that the fatherhood of God presupposes the brotherhood of man.

In all the years that I have been knowing him, I have never known him to do a single mean, small, or dishonorable thing.

SAM RAYBURN is a friend to every man. He is your friend and he is my friend. When I say he is my friend, I am reminded of something I read as to the real meaning of that word.

To me a friend is one with whom you dare at all times to be yourself. Your soul can go naked with him. He seems to ask you to put on nothing, only to be just what you are. He wants you neither to be better nor to be worse. When you are with a friend you feel as a prisoner might feel when declared innocent of all crime. You do not have to be on your guard. You can say what you think so long as it is genuinely yourself. He understands even those contradictions in your nature which might lead others to misjudge you.

With a friend you can breathe freely. You can take off your coat and loosen your collar. You can avow your little vanities and envies and hates and vicious sparks, your meanness and absurdities. In opening these up to him they are lost, dissolved on the white ocean of his loyalty. A friend understands you. You do not have to be careful in his presence.

You can abuse him, neglect him, tolerate him, and best of all, you can keep still with him; it makes no matter; he likes you.

He is like a fire that purges all that you do. He is like water that cleanses all that you say. He is like wine that warms you to the bone and because he understands you.

You can weep with him, laugh with him, sin with him, pray with him. Through and underneath it all he sees, he knows, and he loves you. In short, a friend is one with whom you dare to be yourself.

I am mighty happy to have here with me tonight so many of my own good friends to do honor to SAM RAYBURN. While I would like to call all by name and welcome you individually, the time which I have allotted to myself will not admit to that great, distinguished personal pleasure.

Knowing that you would all like to join me in shaking hands with our distinguished and most honored guest, I wish you would come forward after dinner that he, as well as myself, might greet you personally.

Mr. Speaker, I do not wish to burden you, neither to burden my colleagues, with a seemingly needless recital of the happy hours we spent at Sam's dinner as guests of FRANK BOYKIN on the night of August 2.

I do wish, however, in behalf of those who will come after us, and in order to simply establish the record, to submit a few observations of some of those there present at that unusual and unforgettable affair.

In that noted assembly there was not alone the assistant to the President of these United States and other members of his official family. That audience held, among hundreds, other members of the President's Cabinet, the three Secretaries of the great armed service forces of this Nation as well as the highest ranking Army, Navy, and Air Force officers in the country; Extraordinary and Plenipotentiary Ministers, and Envoys Extraordinary, and consuls from practically all the nations of the earth.

The aggregate of the people whom they represented, as was noted by one of the guests, totaled more than 1,000,000,000 souls, or nearly half the population of the world.

Such of the notables, elder statesmen of our country and captains of American industry, labor, and commerce, as were not there to honor our Speaker in person were certainly there in spirit.

Mr. Speaker, in conclusion may I say that to the toastmaster, your good friend ALBEN BARKLEY, as well as to your host, came telegrams from every State in the Union. From foreign lands came cables of good will and wishes. From the Chiefs of Staff abroad on a foreign military mission—General Bradley, United States Army; Admiral Denfeld, United States Navy; and General Vandenberg, the United States Air Force—came greetings, regrets, and best wishes.

What follows are but a selected few of the hundreds received. Knowing how well you will treasure these comments on the great testimonial tendered you, they will be made available, Mr. Speaker, in the RECORD for your perusal.

The Honorable John Steelman, assistant to the President, writes as follows:

I have never seen such a gathering since I have been in Washington. It was equally a tribute to the honored guest as well as to the host.

America needs more SAM RAYBURNS—men who work quietly—all the time and solely in the interest of our people. In my own simple way I endeavor to emulate him ever and always realizing that he has already accomplished more than I can ever hope to do. It was highly appropriate that we did him honor. The night of August 2, I shall never, never forget. Thanks for inviting me.

From Mr. Ernest E. Norris, president, Southern Railway System:

It was a great tribute from a great friend to a great American.

From that great, sincere, hard-working, tried, and trusted public official, the Honorable Louis Johnson, Secretary of Defense, come this word:

I have known SAM RAYBURN for a long period of time. A great American, he has proved himself to be one of the outstanding statesmen of our time. He has served his State and country outstandingly well for many years. I have a great deal of admiration and respect for him. The dinner in his honor was a tribute which he deserves. I don't know when I have enjoyed an evening more. Mr. Henry Luce made a very apt statement when he said your party was "America in bloom." It was indeed a grand and representative crowd, and its effect will long be felt.

The ever-helpful, gracious, and highly esteemed officer and gentleman, West Point born, Alabama reared, Maj. Gen. James D. McIntyre, director of legislative liaison, Department of Defense, writes:

It was a personal privilege and pleasure to sit among the hundreds of our mutual friends in doing honor to the distinguished Speaker of the House, the Honorable SAM RAYBURN. The dinner was an outstanding tribute graciously bestowed by one who clings to friendship—as he clings to life itself.

A grand affair: It was a great demonstration of democracy in action. You had Army, Navy, and Air Force officers, as well as Democrats, Dixiecrats, Republicans, Members of the Supreme Court, Cabinet officers, and nearly every other Government department represented. Everyone had a grand time and

you certainly could not have had a testimonial in honor of a finer man than Hon. SAM RAYBURN.

Thanks for the invitation, Frank.

Very sincerely yours,

JIM MCINTYRE.

T. L. Soong, alternate governor for the World Bank, says:

In honoring SAM RAYBURN, we are in reality giving acclamation to the way of life of the American people. For what better example could we find to show that America is a land where a man, through character, determination and labor, could rise to greatness from ordinary beginnings and that the American people, under the democratic form of government, possess the infallible means of placing in positions of trust and responsibility those men who dedicate their lives to the service of the people and the country.

From the front porch of his home in Texas, a home, Mr. Speaker, that you know so well, came a hand-written letter from your good friend and good friend of every Member of the Congress, the Honorable John Nance Garner, ex-Speaker of the House and former Vice President of the United States.

Thanks for invitation to SAM RAYBURN'S party. Sorry I can't be with you. My best regards to Sam and all his friends.

Sincerely,

JNO. N. GARNER.

From London, England, came a cable sent by one who, had he been born a citizen of our country, would undoubtedly himself have been a Member of the Congress of the United States; who knows but perchance by his courage, statesmanship and demonstrative leadership, he might also have been the Speaker of the House—the Honorable Winston Churchill.

That cable read as follows:

Alas, I cannot be with you all on August 2 to pay my respects to Mr. SAM RAYBURN and to thank you in person for all the help the American people are giving to the British Nation and indeed to Europe. I send you who are present at the banquet my good wishes for your happiness and well-being this evening and in the years to come.

WINSTON CHURCHILL.

SAM RAYBURN'S friend since boyhood, Mr. Jesse Jones, writes in part:

Sam has gone a long way in public life, he is entitled to acclaim, yes, and to be so honored by his friends and associates.

Representative L. MENDEL RIVERS, of South Carolina, writes:

Official Washington has never witnessed a more stupendous tribute than your guests in paying tribute to our Speaker. We all know SAM RAYBURN has an almost insuperable task. It is impossible at times for many of us to keep our heads. SAM RAYBURN, however, in his inimitable way, soothes all and exercises judgment at all times. You know the great esteem by which he is held by us all.

From the United States Secretary of the Treasury, the Honorable John Snyder:

Congratulations on an outstanding tribute to Speaker RAYBURN. Never did I see so spectacular a tribute to a great man—to a great friend.

From Mr. E. R. Oliver, vice president, Southern Railway System:

What a wonderful time all of us had at your testimonial to the Honorable SAM RAYBURN.

Mr. Howard C. Rife:

May the good Lord always provide us with Captains FRANK BOYKIN and SAM RAYBURN to steer the ship of State.

Mr. John Tilford, Louisville & Nashville Railroad, Louisville, writes:

It is a pleasure to accept your invitation to attend the dinner in honor of Hon. SAM RAYBURN.

Mr. Frank McNaughton, of Time, New York City, writes:

As long as I live I will never forget that a thousand men of all shades of political faiths and all degrees of industrial accomplishments gathered to pay an honest and unreserved tribute to SAM RAYBURN, and through him as a symbol, to America. There were times when I felt like I was going to burst with pride. SAM FAYBURN deserved this tribute.

From the intrepid commanding general of the United States Seventh Air Force of Saipan, the Marianas, and Okinawa fame, new director of the L. & L. Division, Office of the Secretary, United States Air Force, Tommy White:

Thanks, Frank, for a marvelous evening. Through their representatives more than 1,000,000,000 people participated in a remarkable tribute tendered by one great American to another.

From Mr. J. H. Allen, St. Regis Paper Co., New York:

In honoring Speaker SAM RAYBURN, the only collective thing we seem to do is, that we resolve to retain our separate individualities, thereby preserving with dignity our glorious independence, which represents the soul of our political faith. I doubt if any other nation on earth could hold such a party of good fellowship with all the divergent political groups present as that which you gave in honor of the Speaker.

Thomas W. Martin, president, Alabama Power Co., writes from Birmingham:

The dinner for Speaker RAYBURN will long be remembered as a great occasion.

The junior Senator from Ohio sends this message:

It was a real honor to me to be included in the list of your guests at the recent dinner for the Speaker.

I think everybody enjoyed the banquet immensely and the program as well. I haven't had time to see Cap Landis and tell him about it, but will do so at the earliest opportunity.

Just know that I deeply appreciate your invitation and being able to be with you on this very propitious occasion.

Sincerely,

JOHN W. BRICKER.

From Mr. John W. Carpenter, chairman of the board, Texas Power & Light Co., Dallas:

I recognize Hon. SAM RAYBURN as one of the most distinguished citizens of Texas of today or of days before.

From Judge Marvin Jones, United States Court of Claims, who long served with us here in the House:

I take special pride in the thought that Mr. RAYBURN and I have been friends and associates for many years.

The Honorable John L. Lewis, president of United Mine Workers of America, telephoned to say:

It is only because of the illness of my aged mother that I will not be able to be with you in doing honor to SAM RAYBURN.

Thanks for your remembrance.

From Mr. W. P. Kennedy, president, Brotherhood of Railroad Trainmen, Cleveland:

It is indeed a pleasure for me to join with you in honoring the distinguished Speaker of the House.

Col. Robert E. L. Eaton, deputy director of legislation and liaison, United States Air Force, writes his good friend and Alabama Congressman FRANK BOYKIN:

A world of thanks, Congressman Frank, for the opportunity of meeting with so many of your friends in doing honor to our distinguished Speaker, SAM RAYBURN. It is a tribute and an occasion that I shall never forget.

From Mr. William Green, president, American Federation of Labor:

I thank you for the kind invitation, because of the high regard and esteem in which I hold Speaker RAYBURN.

From that top-flight, policy-making Republican, the ranking minority member of the all-powerful House Rules Committee, the Honorable LEO E. ALLEN comes word that—

SAM RAYBURN has rendered a high public service to the American people since the first day he walked down the aisle of the House to take his oath of office.

He is a great American and I heartily endorse every sentiment spoken by the leader of the Republican congressional delegation on the night of the testimonial given to him by FRANK BOYKIN.

Thanks, Frank, it was a memorable evening and one that I shall never forget.

From Mr. C. E. Wilson, of General Motors, Detroit:

My regards to Speaker RAYBURN and sincere thanks for your invitation.

From Mr. I. B. Tigrett, president of the Gulf, Mobile & Ohio Railroad, Jackson, Tenn.:

It is certainly nice of you to favor me with an invitation to the dinner in honor of Speaker RAYBURN.

From Mr. Henry M. Dawes, chairman of board, Pure Oil Co., Chicago:

Thank you for thinking of me. You certainly had a distinguished group in honor of Speaker RAYBURN.

That most beloved of all American statesmen, Cordell Hull, writes that because of illness alone he could not be with us to honor his good friend, SAM RAYBURN.

Senator HARRY F. BYRD writes it is only because this was the night of the Virginia primary election will he be unable to be present.

From Congressman EUGENE WORLEY, of Texas:

I enjoyed the party you gave for our friend, SAM RAYBURN.

From Congressman FRANCIS E. WALTER, of Pennsylvania:

The party was a wonderful affair, given by a truly great host in honor of a truly great American.

From Rear Admiral Foster:

The dinner was a grand success and a most fitting tribute to the esteemed Speaker of the House. I thank you for honoring me with an invitation.

Comes this telegram from Mr. Westbrook Pegler:

I wish I could be with you but I am afraid that I will have to miss because I just discovered that is my birthday and there is some festive mischief afoot at the old Pegler estate.

Our good friend, former Attorney General of the United States, Homer Cummings, writes as follows:

It was a glorious affair you staged last night in honor of our good friend, SAM RAYBURN. Everyone seemed to have a perfectly wonderful time.

From the office of the Secretary of State, the Deputy Under Secretary of State, John E. Peurifoy, writes:

It was by all odds the finest and nicest party given in my memory since I have been in Washington. It was also a great tribute to a great man. Of all the public officials, I know of no man that I regard more highly than SAM RAYBURN.

Hon. Josh Lee, former United States Senator from Oklahoma, writes:

Thank you so much for including me in those fortunate ones invited to the dinner in honor of SAM RAYBURN. It was indeed a happy occasion.

Mr. Tex Crawford, of the Humble Oil Co., writes:

Frank, your tribute to SAM RAYBURN was nonsectional and nonpartisan, and after all we need a common ground to understand there is not too much difference in the way we think and feel about the welfare of the people. I enjoyed meeting and talking to a number of the Congressmen and Senators.

From one of Sam's own constituents, Mr. Ney Wade, who came up from Rockwall, Tex., to do tribute to Sam comes a simple note:

I surely enjoyed your party for our Congressman, Speaker RAYBURN. It was the most delightful affair I have ever attended, and I shall ever remember your hospitality.

The roving Ambassador of the United State of America, the Honorable W. Averell Harriman, writes:

It meant a great deal to me to be included in your party for the Speaker. As one of Sam's millions of friends, it was a joy to have the opportunity to join in paying my respect to him. To me he will always be "the Speaker." The job should be renamed when he decides to quit, which I hope will not be for many years. For an exile on a brief trip to Washington, the dinner was a unique chance to see our cordial host and so many of my friends.

Capt. Bud Delano, president of the American Pilot's Association, certainly did himself proud when he penned this letter:

I wonder if the rosy haze has yet cleared for you? It was the most outstanding dinner and gathering given in this, the capital of the world. Everyone was congenial and radiantly happy, and Speaker RAYBURN was honored in a manner, which he truly deserves, by one of the greatest Americans I have even known—FRANK BOYKIN.

As I look back over the years, I recall with pleasure the many happy hours I have had with you, but the memory of the party you threw for SAM RAYBURN on August 2 will be cherished by everyone who was privileged to be present, for the treasure that it is.

Frank, I doubt if so many great and influential men in public and private life were ever gathered in one room before—the gathering of notables in that room not only hold the destiny of our great country in their hands but they include those heaven-sent leaders who are charting the course for the civilized world.

The Speaker, you, your loved ones, your friends, and your constituents can feel justifiably proud of that affair, which your guests will long remember as the outstanding event of their lives.

May God bless you and yours with the same abundant happiness you have always inspired in the lives of others.

Hon. Jess Larson, United States General Services Administrator, writes:

I don't know when I have enjoyed myself so much, nor will I ever be at another meeting in my lifetime that will bring together so many fine and congenial people. I want you to know that I sincerely appreciate your thoughtfulness.

From the Deputy First Assistant Postmaster General, Tom C. Cargill, comes:

I never expect to see together again so many outstanding world-wide and nationally known men who control and direct the destiny of our country and the whole world. Speaker RAYBURN is a character worthy of the esteem shown by the tremendous attendance but it took the know-how and energy and generosity of Congressman FRANK BOYKIN to make it the outstanding event of its kind that has attracted national attention.

From Mr. Tom C. King, president of the Pipe & Foundry Co. of Anniston, Ala.:

Frank, you gave a wonderful party for SAM RAYBURN, second to none that has ever been given. It was more than an honor to be present and to lift our voices in praise to SAM RAYBURN.

From Hon. J. Howard McGrath, the Attorney General of the United States:

The function was one we shall long remember, and I certainly do hope there may be an opportunity to hear the records that were made.

Mr. Hubert J. Horan, Jr., of the Broad Street Trust Co., Philadelphia, writes:

I am sincerely grateful to you for having given me the invitation to the incredible dinner that you gave in honor of Speaker SAM RAYBURN.

Maj. Gen. Lewis A. Pick, of the Army engineers, writes:

The party was a great success, and a great American, a great statesman, and a great leader was properly honored.

Judge Eugene Black, of the Tax Court of the United States, writes:

There is no one for whom I have greater respect and warmer admiration than for Speaker SAM RAYBURN.

Mr. Marcus Rawls, of the St. Regis Paper Co., Fargo, Ga., writes:

It was indeed a privilege to attend your party given in honor of the Honorable SAM RAYBURN.

Mr. J. E. Gilliland, president, Alabama, Tennessee & Northern Railroad Co., Mobile, writes:

I was tremendously honored by your invitation to the dinner for Speaker RAYBURN.

Senator ALEXANDER WILEY, of Wisconsin:

Let me join in the tributes paid by so many other folks to this great Speaker of the House, leader of his party, Texan, and American—our mutual friend, SAM RAYBURN.

From Senator CLAUDE PEPPER, of Florida:

There has never been anyone like you and SAM RAYBURN.

From E. M. Voorhees, United States Steel Corp., New York:

I would like nothing better than to be with you at the dinner in honor of the Speaker.

Comes a letter now from the Honorable JOE MARTIN, leader of the House Republican delegation and himself a former Speaker of the House, telling of his appreciation of the wonderful tribute to Speaker SAM RAYBURN. Mr. MARTIN'S letter reads in part, as follows:

I want to thank you sincerely for being privileged to be present at your dinner in honor of Speaker RAYBURN. It was a fine party and I was delighted to be included.

From Major General Jarman comes word which states.

DEAR CONGRESSMAN FRANK: No visit of mine to the Nation's Capitol was ever more enjoyable than the period spent with you during the time arrangements were being perfected to give that remarkable tribute to SAM RAYBURN.

The crescendo reached by your hospitality the night of August 2 will linger in my memory as long as I live.

Believe me, FRANK, yours was a remarkable tribute to a remarkable man, for SAM RAYBURN is indeed a great personality, loved, esteemed, and respected throughout our Nation.

Sincerely,

SANDERFORD JARMAN.

Our beloved colleague Jasper Bell journeyed to Washington in order to assist FRANK BOYKIN in arranging this dinner. Upon his return to his home in Kansas City, he wrote:

MY DEAR FRANK: The night of August 2 you tendered that great tribute to SAM RAYBURN was a night of thrills which I shall never, never forget.

My long association with you and SAM RAYBURN while serving in the Congress has caused me to mark both down as the finest type of citizens in these United States. Your tribute to him was a great tribute from one great American to another. That night gave me a joy that I shall remember always.

Thanks for the invitation to break bread with you, SAM RAYBURN, and a thousand of our mutual friends.

Sincerely,

JASPER BELL.

The Honorable Lamar Caudle, Assistant Attorney General of the United States, said, in part:

I sincerely enjoyed being present on the night when nearly a thousand men paid

honor to our great Speaker. The fearless leader of the majority, JOHN MCCORMACK, as well as the beloved leader of the minority, JOE MARTIN, both held me speechless as they each of them disclosed to us their evaluation of the character, worth, the sincerity, and the abilities of SAM RAYBURN.

Mr. Speaker, in conclusion may I present a letter from our ever gracious host and friend, FRANK BOYKIN.

The letter is addressed to one well known to a majority of the Members of this House and, in fact, to thousands of our people here in Washington. He is none other than Col. Albert Ernest, of Mobile and Savannah, Ga., executive and financier and one of Frank's business associates.

The letter is as follows:

SEPTEMBER 1, 1949.

MY DEAR ALBERT: I want to thank you, and through you every member of the committee on arrangements for the SAM RAYBURN dinner, for the wonderfully beautiful job you all did.

No one person more than myself can appreciate the tremendous task you had in compiling the guest list of more than a thousand of Sam's and my friends living in every quarter of the globe.

The printing job was a masterpiece of craftsmanship—expressed on a quality of paper the like of which I never before saw.

The music, vocal as well as instrumental, reflected your own study and deep appreciation of the type of music highly suited to the cosmopolitan assembly that met that night.

The food, the beverages, the service, the seating of the guests and the remarkable menu provided all contributed to making it one of the happiest nights that I have ever lived.

No letter of mine about that dinner would be complete if I did not again say that I regard SAM RAYBURN as one of the greatest men that ever stood in shoe leather, and certainly one of the greatest public servants that has ever served this country.

Albert, please accept my heartfelt thanks for all that you and your fellow workers on the committee of arrangements did to make that night the successful affair that it certainly proved to be.

With all love and God's blessing—believe me,

Sincerely your friend and cousin,
FRANK BOYKIN.

(Copy of letter to all of the following committee on arrangements: Albert Ernest, chairman; Hon. Jasper Bell; Hon. Sam Boykin; Hon. William M. Boyle, Jr.; Hon. Clarence Cannon; Hon. Tom Clark; Hon. Homer Cummings; Capt. John (Bud) Delano; Hon. Robert Doughton; Maj. Gen. Sanderford Jarman; Hon. Marvin Jones; Hon. John E. Lyle, Jr.; Hon. John W. McCormack; Hon. James W. McGrannery; Hon. J. Howard McGrath; Hon. Joseph W. Martin, Jr.; Hon. Wright Patman; Hon. Kenneth Regan; Hon. Adolph J. Snyder; Dr. John Steelman; Hon. Max O'Rell Truitt; Hon. Carl Vinson; Hon. Francis E. Walter; William M. (Fishbait) Miller, doorman.)

BUNGE NORTH-AMERICAN GRAIN CORP. AND OTHERS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 374)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, the bill (H. R. 4094) for the relief of Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp.

The bill authorizes and directs the General Accounting Office to make a full and complete examination into the claims of the Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp. against the United States, arising out of the condemnation, in 1942, by the War Department, of property known as the New York Foreign Trade Zone, situated in the Borough of Richmond, city and State of New York, in which the above-mentioned parties had certain interests connected with the claimed leasehold rights therein. The claims, under the bill, are confined to the moving costs, if any, allegedly suffered, directly or indirectly, by the aforesaid parties, resulting from the condemnation referred to above, following which the General Accounting Office is required to certify payments to claimants out of any money in the Treasury not otherwise appropriated.

In January 1942, it was determined that a military necessity existed for the acquisition of certain pier and storage facilities at Staten Island, N. Y., known as the foreign free-trade zone. Accordingly, the Attorney General was requested to institute proceedings for the condemnation for a term of 2 years. The area comprised approximately 55 acres and was utilized by the War Department for the establishment of pier facilities for the storage and shipment of military supplies.

The four parties mentioned in this bill were occupying space in the free-trade zone at the time the Government took the facilities over and consequently were forced to move to new premises. None of the claimants occupied his space under lease, but had merely entered into warehouse agreements on a month-to-month basis with 30-day cancellation clauses. Although the claimants appeared in the condemnation proceeding and asserted claims for damages, they were subsequently withdrawn by their attorneys in open court. The losses allegedly suffered by the claimants arose primarily from moving costs incurred in vacating their original premises and moving to other warehouses in the vicinity.

To reimburse claimants in this instance for moving costs resulting from the acquisition by the Government of their premises would be to discriminate against countless individuals and firms whose premises were acquired by the Government during the war period and who incurred similar costs for which they were not reimbursed. (See *United States* v. *Petty Motor Co.* (327 U. S. 372).) At the time claimants' premises were acquired, thousands of other tracts were being acquired under similar circumstances in accordance with accepted market value standards.

Were it evident that claimants had been deprived at any stage of the legal proceedings relating to this acquisition of any of their legal rights, some equity or basis for the instant claim could be perceived. However, such does not appear to have been the case. All of the parties involved were duly served with process and were duly accorded their day in court. Enactment of the bill would establish an undesirable precedent for the introduction of numerous other claims for reimbursement arising from similar acquisitions.

For the foregoing reasons, I am constrained to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 14, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the message and accompanying bill will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

COLORADO-BIG THOMPSON RECLAMATION PROJECT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 375)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H. R. 5134, to promote development in cooperation with the State of Colorado of the fish, wildlife, and recreational aspects of the Colorado-Big Thompson Federal reclamation project.

This bill is intended to provide for the planning, construction, and operation of fish, wildlife, game, and recreational facilities in connection with the Colorado-Big Thompson project. To this end, it includes several major provisions. It would authorize the Secretary of the Interior to plan joint programs under cooperative agreements with State, Federal, municipal, or local agencies, and to advance funds to such agencies in connection with the planning or execution of these programs. It would also authorize the Secretary to construct, operate, and maintain fish, wildlife, game, public park, and recreational facilities, including the purchase of land or other rights or property where necessary. The bill would direct the Secretary to make nonreimbursable allocations of such portion of the construction costs of the Colorado-Big Thompson project, heretofore or hereafter incurred, as in his judgment represents the cost of fish, wildlife, game, and recreational development. The bill provides that in the event the Secretary, the interested State agencies, and the local interests were unable to agree on any of the major features of any plan or program proposed by the Secretary under this bill, the matter would have to be referred to the Congress and the proposed work could not proceed, except on approval by an act of Congress. Finally, the bill would authorize the appropriation of not to exceed $100,000 to carry out its provisions.

I am unable to approve this bill because of two major objections. First, this bill would establish, for this one project only, certain policies which represent an important departure from present national law, but which have not been studied sufficiently to know whether or not they form a desirable basis for a new national policy.

I am particularly concerned about the recreation features of this bill. Almost all multiple-purpose projects for developing our water resources present opportunities to realize valuable recreational benefits, especially where large reservoir-lakes are created. Those recreational benefits should clearly be realized, for the benefit of the people who live nearby and those who may visit. But there are serious questions of national policy which must be answered before such recreational development can proceed on a sound basis.

For example, are the benefits of such recreational development, in connection with reclamation projects or flood-control projects, of sufficient national importance to justify the investment of Federal funds, or should some or all of the costs be borne by State and local interests? This bill contains no policy guidance on these questions. They are, however, clearly matters of national policy which should be considered with respect to water-resources projects generally, before embarking on large-scale individual projects.

Another example of a major policy question raised by this bill which needs further study is what part, if any, of the construction cost of multiple-purpose water-control projects should be allocated to recreation. Until now, the basic laws have authorized the allocation of the costs of multiple-purpose projects to flood control, navigation, irrigation, power, and municipal water supply, as appropriate in particular cases. In certain cases, where the development of facilities to protect fish and wildlife has been incidental to other work on a project or necessary to prevent damage to those resources, the law also authorizes the allocation of part of the cost of multiple-purpose projects to the preservation and propagation of fish and wildlife. The basic laws do not authorize the allocation of any part of joint project costs to recreation; in the few cases where recreation facilities have been built so far, they have been separately justified and financed. This bill, however, would require nonreimbursable allocations to recreation of part of the cost of joint features of the Colorado-Big Thompson project. It would clearly be unwise to adopt such a policy in connection with this one project, before it has been decided whether adoption of such a general policy is in the national interest. Furthermore, if such a general policy is to be adopted, there should certainly be provision for careful standards to guide its application to particular cases—standards which are not provided for in this bill.

My second major objection to this bill is that it contains certain specific features which it is clear without further study are unwise. One of these is the provision that State agencies and local interests could prevent the Secretary of the Interior from proceeding with any major action under the bill if they disagreed with him in any respect. It seems to me that this carries to an illogical extreme the desirable principle that State and local interests should participate in Federal programs for developing water resources. Surely it is possible to provide for adequate cooperation among Federal, State, and local agencies without giving State and local agencies a complete veto over the administration of a Federal law by a Federal administrative officer.

Another specific provision of this bill which is objectionable is that it authorizes only $100,000 to be appropriated to carry out its provisions. The legislative history of the bill contains no explanation of this figure. It is such a small part of the probable total cost of the bill that it is relatively meaningless and certainly misleading. The Secretary of the Interior has estimated that the ultimate development costs for the purposes stated in the bill would be in the neighborhood of $2,000,000—and this figure does not appear to include any allocation of construction costs heretofore incurred in connection with irrigation and power features which, under this bill, would be reallocated and written off as nonreimbursable. It does not seem to me to be appropriate, particularly in connection with a Federal public-works project, to authorize extensive work to be done by the Government unless the full cost of that work is simultaneously understood and approved.

For these reasons, I believe that further study is required in both the executive and legislative branches before we shall be in a position to establish sound, long-range policies for recreational development in connection with water-resources projects generally, and for the Colorado-Big Thompson project in particular. Consequently, I feel impelled to withhold my approval from this bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 14, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. PETERSON. Mr. Speaker, I move that the message and accompanying bill be referred to the Committee on Public Lands and ordered to be printed.

The motion was agreed to.

TRUST AGREEMENTS

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I take this opportunity to again call the attention of the Members of the House to the fact that H. R. 2392 will be taken up for consideration on Monday next. I think this bill deserves the consideration of every Member of the House, because the trust agreements that were entered into in the establishment of the Rehabilitation Corporation as between the States, and those not entering into those trust agreements makes quite a difference as between the States. I am sure there are some States similar to Minnesota where this bill would be not only very harmful and injurious to the Farmers Home Administration. We have heard some very fine comments about the Farmers Home Administration and the work they have been doing during this session of the Congress. I urge every Member to take the opportunity of studying this particular bill as to how it may affect your own particular State.

The SPEAKER. The time of the gentleman from Minnesota [Mr. MARSHALL] has expired.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD in two instances.

The SPEAKER pro tempore (Mr. MURDOCK). Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 30 minutes.

THE HENDERSON CASE

Mr. DAVIS of Georgia. Mr. Speaker, I have noted with interest the remarks made in recent days on the floor of the House by Messrs. GOSSETT, of Texas; COLMER, of Mississippi; HERLONG, of Florida; and WILLIAMS, of Mississippi, calling attention to a brief filed by the Solicitor General of the United States in the case of Henderson against the Interstate Commerce Commission et al., pending in the Supreme Court of the United States.

There is nothing unusual about the case in itself. It does not present a new issue. It is one of many cases in which attacks in the past have been made in the courts upon segregation laws—an effort to have the courts substitute for existing law a new provision which is not law, and which cannot become law under our system of government, unless appropriate and constitutional action is taken by the legislative department of our Government, upon whom the responsibility rests to make legislative changes; namely, the Congress of the United States.

The courts have consistently refused to assume lawmaking powers in connection with this question.

The circumstance connected with the filing of this brief which is unusual is the fact that the Solicitor General of the United States has permitted radical minority pressure groups to use him and the prestige of his office in their conniving efforts to pressure the United States Supreme Court into changing the law.

Briefly stated this case originated when the plaintiff, a field representative of the so-called Fair Employment Practices Commission, petitioned the Interstate Commerce Commission to require a railroad to completely eliminate segregation of white and colored passengers in its dining car.

The Interstate Commerce Commission dismissed the complaint. A three-judge district court held that the existing regulations were prejudicial, in that certain tables were only conditionally reserved for colored passengers, whereas all other tables in the car were unconditionally reserved for white passengers. The case then was remanded for further proceedings not in conflict with that ruling.

Pursuant to that ruling the regulations were changed to provide for tables to be

reserved unconditionally for colored passengers just as tables were reserved unconditionally for white passengers. The seats unconditionally reserved for colored were almost twice the percentage of colored travel on the railroad as compared with the proportionate percentage reserved for white passengers.

That regulation was upheld by the Interstate Commerce Commission and by the district court of the United States, and was appealed by the plaintiff to the Supreme Court.

The law in question is established law, recognized, followed, and complied with for many years. It was applied to the instant case and upheld by the proper agency of the Government, the Interstate Commerce Commission, whose ruling was confirmed by the district court of the United States.

The action of the Solicitor General in this case is nothing more nor less than an attempt to aid the plaintiff in this case in trying to overturn the present established law, and to substitute therefor as law a new and radical doctrine, through the process of judicial legislation.

Contrary to the position and to the action of the defendant, the Interstate Commerce Commission, this brief undertakes to confess judgment in the case, and to aid the efforts of the plaintiff and the radical groups associated with him in an effort to nullify the functions of Congress and to secure a change in long-established law by judicial legislation.

The Solicitor General, with no authority to do so, undertakes to announce the policy of the United States by stating:

> Since the United States is of the view, however, that the order of the Interstate Commerce Commission is invalid, this brief sets forth the grounds upon which it is submitted that the judgment of the district court is erroneous and should be reversed.

The Solicitor General does not have the authority to frame or to announce the policy of the United States with reference to legislative matters. These functions are performed by the legislative department of the Government; namely, the Congress. In another portion of the brief the effort is made to have the Supreme Court discard existing law, a function which clearly does not belong either to the executive or judicial department, but is a function and responsibility to be exercised, if at all, by the legislative department, the Congress. The portion referred to is as follows:

> If this Court should conclude that the issues presented by this case cannot be considered without reference to the "separate but equal" doctrine, the Government respectfully urges that, in the half century which has elapsed since it was first promulgated, the legal and factual assumptions upon which that doctrine rests have been undermined and refuted. The "separate but equal" doctrine should now be overruled and discarded.

That is what I would consider a brazen request. The Congress of the United States is now in session. There are bills pending before Congress involving the precise question in this case; namely, abolition of segregation. The Congress is the proper arm of Government to enact such legislation, or to refuse to enact it. The Congress has during this present session, on more than one occasion, specifically refused to change the segregation laws, and it is nothing less than brazen effrontery for the Solicitor General to ask the judicial department of the Government to overrule and discard the law which now exists, which Congress has refused to do.

The so-called brief, in its list of citations, contains almost 2 pages of references to such things as Black Metropolis, by Drake and Caton; Psychodynamic Factors in Racial Relations, by McLean; Negroes in Brazil, by Pearson; and Color, Class, and Personality, by Southerland, to support the radical position adopted. The effort of the Solicitor General and his two assistants to speak for the United States, and the Government, in this matter reminds me of the three tailors of Tooley Street who called themselves, "We, the people of England—."

Others joining in this outrageous attempt to high pressure the Supreme Court, and to bypass Congress, in the effort to secure "judicial legislation," are the radical, discredited National Association for the Advancement of Colored People, the American Veterans Committee, equally as radical and equally as much a stench in the nostrils of good Americans, and the CIO, some of whose racketeer leaders have violently resisted all efforts of the Congress and the American people to force that organization to purge itself of admitted and acknowledged communistic members and influence. All three of these groups—the NAACP, the AVC, and the CIO—are ardent advocates of that unconstitutional, radical monstrosity known as the FEPC bill.

The Congress has steadfastly declined to pass that bill, although these radical groups have clamored loudly and insistently for it. Many States of the Union have likewise refused to pass it. If this conniving conspiracy, aided and abetted by the Solicitor General, should be able to secure this piece of "judicial legislation" which they seek to do in the case under consideration, it is not improbable that they would work out some scheme to carry another case to the Supreme Court and ask that branch of the Government to enact an FEPC law.

If the Supreme Court can discard segregation law, which the Congress itself has refused to do, it can also discard the constitutional safeguards which protect us from such radical monstrosities as the FEPC bills.

I hope that the Supreme Court of the United States will recognize this maneuver for what it is, and that that body will stay within its appropriate sphere with reference to this law and all other laws.

I recently quoted in a speech a statement made by Donald R. Richberg, in an address he made on July 29, 1949, to the Virginia State Bar Association at its annual meeting. I would like to repeat that quotation here. It is:

> As an active practitioner, and a prospective teacher, of constitutional law, I must make a clear distinction between what the law is and what the law ought to be. The Supreme Court is the final arbiter of what the law is. But the people are the final arbiters of what the law ought to be and eventually shall be. If they believe that the National Government should have and exercise greater powers to promote the general welfare, they will find the way to enlarge its authority. If they believe that more local self-government is essential to their liberties and their pursuit of happiness, they will find the way to enlarge the authority of the States and the municipalities.

So long as the three departments of our Government, namely, the legislative, the executive, and the judicial, remain separate and independent, and each performs those and only those duties which devolve upon it, our Government can withstand all assaults which may be made upon it, whether from without or from within.

This is what protects us from dictatorship. This is what preserves our Government as a government of laws and not a government of men.

This is our system of checks and balances under which one department of Government may be restrained by the other two departments from assuming powers which do not belong to it. Time has demonstrated that the maintenance of this separate and independent status is necessary.

Any effort on the part of any one of these departments to usurp or exercise functions properly belonging to another should be promptly and effectively squelched.

It is true that there is abroad in the world today a school of thought which has attracted to itself some support in certain quarters that new laws must be devised upon every subject—that there is no wisdom or virtue in laws already in existence. This impatient school of thought must have immediate change in everything, and if Congress refuses to jump when the spur is applied, then other and quicker means must be devised to bring about the desired change.

It is to protest against such attempted action that I am making these remarks today. I would call to the attention of the House this little verse written many years ago:

> In vain we call old notions fudge
> And shape our conscience to our dealing.
> The Ten Commandments will not budge,
> And stealing will continue stealing.

There are certain fundamentals which are not affected by the passage of time. One of these is that the Supreme Court of the United States cannot discard valid existing laws. Any request by any person that the Supreme Court perform such an act is outrageous, should not be viewed with equanimity, and should not be countenanced either by the people, by the Congress, or by the Supreme Court.

There is a widespread demand throughout the country now for economy in the operation of the United States Government. Much complaint has been made that the Government has far too many people upon its various pay rolls, and that it is possible to prune these pay rolls and reduce appropriations, which in turn will result in reduced taxes. If the office of the Solicitor General is now staffed to the point where the Solicitor General and two of his subordinates can take time to read and digest the number of books about psychology, psycho-

dynamic factors in racial relations, Negroes in Brazil, and enough more to fill up almost 2 pages of citations, and cite these books and writings as authority in a supposed brief of law, then I think it is high time for the Appropriations Committee and the Congress to see if that is not one place where some pruning may be done with good effect to that department, to the taxpayers, and to all concerned.

SIGNING OF ENROLLED BILLS

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore (Mr. MURDOCK). Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK (at the request of Mr. DAVIS of Georgia) was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

THE AMERICAN WATCH INDUSTRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, a representative of the Waltham Watch Co. told me that since 1935, 100,000,000 Swiss watches have come into this country. We have a population, I believe, of about 150,000,000 persons. You can see what that tremendous importation of Swiss watches does to us. You pick up the magazines all over this country and you find no advertisements, practically, of domestic watches. Our domestic watch companies do not have the money to advertise in the magazines and periodicals. It is a tremendous commentary, I think, Mr. Speaker, that when an opportunity came up for the Congress, both the House and the Senate, to act to prevent this tremendous importation of Swiss watches which is ruining our watch industry, the Congress did not see fit to act and protect that industry. Some of us fought for that protection but were unsuccessful.

Mr. Speaker, the President has the power to correct much of that evil today but he has done nothing. I say that I think it is an outrage and an insult to the management and the workers in the United States to do what I think seems deliberate, and that is the scuttling and scrapping of our watch industry. That is not the only industry that is being scrapped and scuttled. I expect to introduce a bill that will try to correct the great injustice the Congress did to the watch companies.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 60. Concurrent resolution to print as a document a manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–1949", relating to American international relations; to the Committee on House Administration.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 1689. An act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies;

H. R. 4414. An act for the relief of Dora M. Barton; and

H. R. 5268. An act to amend certain provisions of the Internal Revenue Code.

The Speaker announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on October 12, 1949, present to the President, for his approval, a bill of the House of the following title:

H. R. 6008. An act making supplemental aprpopriations for the fiscal year ending June 30, 1950, and for other purposes.

ADJOURNMENT

Mr. DAVIS of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.), under its previous order, the House adjourned until Monday, October 17, 1949, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KERR: Committee on Appropriations. H. R. 6427. A bill making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 1439). Referred to the Committee of the Whole House on the State of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. Report entitled "Activity of the Committee on Interstate and Foreign Commerce," pursuant to Public Law 601, Seventy-ninth Congress; without amendment (Rept. No. 1440). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Report entitled "Fifth Intermediate Report of the Committee on Expenditures in the Executive Departments"; without amendment (Rept. No. 1441). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 6301. A bill to provide for parity in awards of disability compensation; with an amendment (Rept. No. 1442). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1443. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. TEAGUE: Committee on Veterans' Affairs. S. 2596. An act relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); with an amendment (Rept. No. 1444). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITAKER: Committee on Post Office and Civil Service. H. R. 4285. A bill to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II; with an amendment (Rept. No. 1445). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. H. R. 2296. A bill to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes; with an amendment (Rept. No. 1446). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 5931. A bill to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes; without amendment (Rept. No. 1447). Ordered to be printed.

Mr. MURRAY of Tennessee: Committee of conference. H. R. 4495. A bill to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes; without amendment (Rept. No. 1448). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KERR:

H. R. 6427. A bill making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; to the Committee on Appropriations.

By Mr. BENNETT of Florida:

H. R. 6428. A bill to make retroactive the increased Federal participation in the cost of the construction of hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. BUCHANAN:

H. R. 6429. A bill to provide for the amendment of the District of Columbia Revenue Act of 1949, and for other purposes; to the Committee on the District of Columbia.

By Mr. FULTON:

H. R. 6430. A bill to exempt from duty the importation of Aubusson tapestries used as wall hangings; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 6431. A bill to amend the Trading With the Enemy Act; to the Committee on Interstate and Foreign Commerce.

By Mr. FURCOLO:

H. R. 6432. A bill to amend title 28 of the United States Code to authorize the assignment of Federal district court judges to trials of causes which may be of unusual importance or of protracted duration; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 6433. A bill to amend the Social Security Act to provide unemployment benefits for Federal employees, and for other purposes; to the Committee on Ways and Means.

By Mr. SIMPSON of Pennsylvania:

H. R. 6434. A bill to encourage the prevention of water pollution by allowing amounts

paid for industrial waste treatment works to be amortized at an accelerated rate for income-tax purposes; to the Committee on Ways and Means.

By Mr. YOUNG:

H. R. 6435. A bill to provide that the United States district courts shall have original and removal jurisdiction of certain civil actions only if the amount in controversy exceeds $10,000; to the Committee on the Judiciary.

By Mr. CHURCH:

H. R. 6436. A bill providing for revision of the patent laws for the purpose of clarifying and strengthening the rights of inventors and encouraging investment in research to the end that the patent laws will better function to promote the progress of science and the useful arts; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 6437. A bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the construction, operation, and maintenance of heliports on or near Government buildings; to the Committee on Interstate and Foreign Commerce.

By Mr. JACOBS:

H. R. 6438. A bill to authorize the Secretary of the Air Force to convey certain real property in Marion County, Ind., to the State of Indiana; to the Committee on Armed Services.

By Mr. FULTON:

H. J. Res. 375. Joint resolution to suspend the operation of section 401 (e) of the Nationality Act of 1940 in certain cases; to the Committee on the Judiciary.

H. J. Res. 376. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States; to the Committee on Foreign Affairs.

By Mr. POTTER:

H. J. Res. 377. Joint resolution relating to the establishment of a joint commission with Canada to investigate and make recommendations with respect to the safety of passengers on vessels on the Great Lakes; to the Committee on Foreign Affairs.

By Mr. SABATH:

H. J. Res. 378. Joint resolution authorizing the creation of a Federal Memorial Commission to consider and formulate plans for the construction, in the city of Washington, D. C., of a permanent memorial to the memory of Franklin Delano Roosevelt, thirty-first President of the United States; to the Committee on House Administration.

By Mr. EBERHARTER:

H. J. Res. 379. Joint resolution to provide for research into the health hazards of air pollution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KELLEY:

H. J. Res. 380. Joint resolution to provide for research into the health hazards of air pollution, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. COOLEY:

H. Con. Res. 146. Concurrent resolution authorizing the printing of additional copies of certain hearings held before the House Committee on Agriculture; to the Committee on House Administration.

By Mr. TEAGUE:

H. Res. 398. Resolution providing for the consideration of S. 2596, relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944); to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, requesting the Committee on Un-American Activities of the House of Representatives to investigate and report on un-American activities in the Territory of Hawaii; to the Committee on Un-American Activities.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURLESON:

H. R. 6439. A bill to provide for the conveyance of a certain housing project in Breckenridge, Tex., to Bernice Coles Post, 191, the American Legion, Department of Texas, Breckenridge, Tex., to the Committee on Public Works.

By Mr. CLEMENTE:

H. R. 6440. A bill admitting to citizenship and fully naturalizing Chu Boi San, of the city of New York; to the Committee on the Judiciary.

H. R. 6441. A bill admitting to citizenship and fully naturalizing Wan Chung Tsai, of the city of New York; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 6442. A bill for the relief of Mrs. Martha Reid; to the Committee on the Judiciary.

H. R. 6443. A bill for the relief of Arthur McDuffie; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 6444. A bill for the relief of Mrs. Ella Jaksay; to the Committee on the Judiciary.

By Mr. HELLER:

H. R. 6445. A bill for the relief of Rabbi Moise Behor Ventura; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 6446. A bill for the relief of Dr. Moise Ventura to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6447. A bill for the relief of Peter Mihaly Berend; to the Committee on the Judiciary.

H. R. 6448. A bill for the relief of Felice Ricciardella; to the Committee on the Judiciary.

By Mr. MILLS:

H. R. 6449. A bill for the relief of Mrs. L. M. Cox and Mrs. M. R. Nickle; to the Committee on the Judiciary.

By Mr. MORRIS:

H. R. 6450. A bill for the relief of J. L. Brooks; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1538. Mr. CASE of South Dakota presented a petition of Florenace Hanny, of Firth, Idaho, and 44 others, expressing themselves as being definitely opposed to the creation of a Columbia Valley Administration, which was referred to the Committee on Public Works.

SENATE

SATURDAY, OCTOBER 15, 1949

(Legislative day of Thursday, October 13, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou, whose love passes understanding, we thank Thee for the unquenchable impulse toward Thee which Thou hast planted in our hearts and for winged desires that disturb our lowest moods.

At the threshold of this day come down Thy secret stairs to our deepest needs as one by one we open our hearts to Thee. From the fret and fever of the vexed world's problems, from all thought of the praise and blame of men, from discordant noises and confused conception which beat upon our senses, at noontide we would follow the path to the holy quietness of Thy presence.

May there fall upon us now a sense of Thy kingdom and Thy power and Thy glory. Amen.

THE JOURNAL

On request of Mr. O'CONOR, and by unanimous consent, the reading of the Journal of the proceedings of Friday, October 14, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5486. An act to amend certain provisions of the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on distilled spirits, modify loss allowances for distilled spirits, for the transfer and redistillation of spirits, and for other purposes;

H. R. 6073. An act to amend section 501 (b) (6) of the Internal Revenue Code;

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6212. An act to amend section 5 of the Federal Firearms Act;

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics;

H. R. 6281. An act to provide for certain improvements relating to the Capitol power plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; and

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

CALL OF THE ROLL

Mr. O'CONOR. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ferguson	Johnston, S. C.
Anderson	Fulbright	Kem
Baldwin	George	Kerr
Brewster	Graham	Kilgore
Bridges	Green	Knowland
Byrd	Gurney	Langer
Cain	Hayden	Leahy
Capehart	Hendrickson	Lodge
Chapman	Hickenlooper	Long
Connally	Hill	Lucas
Cordon	Hoey	McCarthy
Donnell	Holland	McFarland
Douglas	Humphrey	McKellar
Downey	Ives	McMahon
Eastland	Jenner	Magnuson
Ecton	Johnson, Colo.	Malone
Ellender	Johnson, Tex.	Millikin

Morse	Russell	Wherry
Myers	Saltonstall	Wiley
Neely	Schoeppel	Williams
O'Conor	Smith, Maine	Young
O'Mahoney	Thomas, Okla.	
Pepper	Watkins	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are members of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and are therefore necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. THYE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The PRESIDING OFFICER (Mr. HILL in the chair). A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and incorporate routine matters in the RECORD, without debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or ordered to be placed on the calendar, as indicated:

H. R. 5486. An act to amend certain provisions of the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on distilled spirits, modify loss allowances for distilled spirits, for the transfer and redistillation of spirits, and for other purposes;

H. R. 6073. An act to amend section 501 (b) (6) of the Internal Revenue Code; and

H. R. 6212. An act to amend section 5 of the Federal Firearms Act; to the Committee on Finance.

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes; and

H. R. 6281. An act to provide for certain improvements relating to the Capitol power plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; to the Committee on Public Works.

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics; ordered to be placed on the calendar.

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; to the Committee on Appropriations.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 6073. A bill to amend section 501 (b) (6) of the Internal Revenue Code; without amendment (Rept. No. 1175).

AMENDMENT OF ACT CREATING INLAND WATERWAYS CORPORATION—REPORT OF A COMMITTEE

Mr. MYERS. Mr. President, from the Committee on Interstate and Foreign Commerce, I report favorably, with an amendment, the bill (S. 211) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended, and I ask unanimous consent that the committee may have until November 1, 1949, to file a report.

The PRESIDING OFFICER. The bill will be received and placed on the calendar, and, without objection, the request of the Senator from Pennsylvania is granted. The Chair hears no objection.

STUDY OF EXPENDITURES IN CONNECTION WITH PARTICIPATION IN INTERNATIONAL ORGANIZATIONS—PERMISSION FOR COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS TO MAKE REPORTS

Mr. O'CONOR. Mr. President, I call the attention of the Senate to the facts concerning increased costs because they reveal a trend of steady increases in the budgets of the United Nations and the specialized agencies. Since these increases may well represent a normal growth and expansion during the first 4 or 5 years of the lives of these organizations, I express no opinion at this time. However, I feel it my obligation to make these facts known to the Senate of the United States, in view of the fact that this Government is the major contributor to the budgets of these agencies.

The Subcommittee on Relations with International Organizations, of which I am privileged to be chairman, a subcommittee of the Committee on Expenditures in the Executive Departments, is engaged in a continuing study of our Government's expenditures in connection with United States participation in international organizations, pursuant to the mandate of the Legislative Reorganization Act of 1946. The subcommittee has recently completed a study and analysis of United States expenditures in connection with participation in international organizations, and various problems pertinent thereto, during the fiscal year which ended on June 30, 1949. A considerable portion of the subcommittee's time is devoted to the budgetary and fiscal operations of the United Nations and specialized agencies.

The subcommittee expects to present the result of its studies in the form of its fourth report to the Senate within the next few weeks. In addition, other reports are in progress which may be completed before the end of the year.

Accordingly, I request unanimous consent to file reports of the committee, containing the studies and analyses of the subcommittee, after adjournment.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LUCAS (for himself and Mr. DOUGLAS):

S. 2707. A bill to authorize the appointment of two additional district judges for the northern district of Illinois; to the Committee on the Judiciary.

By Mr. WHERRY:

S. 2708. A bill for the relief of Mrs. Zelda Illsley; and

S. 2709. A bill for the relief of Mrs. Miriam G. Byorth; to the Committee on Post Office and Civil Service.

By Mr. MYERS:

S. 2710. A bill for the relief of Istvan Szemere; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2711. A bill for the relief of K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be; to the Committee on the Judiciary.

S. 2712. A bill to authorize the Secretary of the Interior to report to Congress the feasibility and desirability of carving the likeness of Franklin Delano Roosevelt on the Mount Rushmore National Memorial; to the Committee on Interior and Insular Affairs.

By Mr. O'CONOR:

S. J. Res. 137. Joint resolution to grant permanent civil-service status to certain temporary and war-service employees of the United States; to the Committee on Post Office and Civil Service.

SECOND SUPPLEMENTAL APPROPRIATIONS—AMENDMENT

Mr. JOHNSON of Texas (for himself, Mr. HILL, Mr. CHAPMAN, and Mr. GRAHAM) submitted an amendment intended to be proposed by them, jointly, to the bill

(H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations, and ordered to be printed.

INCREASED COMPENSATION OF CERTAIN POSTAL AND GOVERNMENT EMPLOYEES—SUBSTITUTION OF CONFEREE

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senator from Montana [Mr. ECTON] be designated as a conferee on the part of the Senate on the bills (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal-field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, and (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes, in place of the Senator from Minnesota [Mr. THYE].

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and the request is granted.

COUNTY HOSPITAL AT ALBUQUERQUE, N. MEX.—AMENDMENT

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 2404) for the construction of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians and others, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

AMENDMENT OF DISPLACED PERSONS ACT—AMENDMENT

Mr. HUMPHREY. Mr. President, I offer for appropriate reference an amendment intended to be proposed by me to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, and I ask unanimous consent that a memorandum by me relating to the amendment, be printed in the RECORD.

The PRESIDENT pro tempore. The amendment will be received, printed, and referred to the Committee on the Judiciary, and, without objection, the memorandum will be printed in the RECORD. The Chair hears no objection.

The memorandum offered by Mr. HUMPHREY is as follows:

MEMORANDUM BY MR. HUMPHREY RE AMENDMENT TO SECTION 5 OF H. R. 4567, TO AMEND THE DISPLACED PERSONS ACT OF 1948

The proposed amendment would change the cut-off date under section 5 of H. R. 4567 from April 30 to September 30, 1949.

One of the important provisions of the Displaced Persons Act of 1948 provided that 15,000 persons who escaped from Eastern Europe and who managed to enter the United States legally under temporary visas and who, further, would face persecution if they were forced to return behind the iron curtain, would be permitted to remain in the United States permanently. This provision was intended to help escapees from Communist-dominated countries. It is contained in section 4 of the Displaced Persons Act of 1948.

To date less than half of the 15,000 permitted to qualify have even applied under the act, and of those who have applied, many may be found ineligible. A number of outstanding people from Europe arrived after April 1, 1948, and the House of Representatives extended the date of arrival to April 30, 1949, in an amendment contained in section 5 of H. R. 4567.

It appears that nowhere near the 15,000 numbers will be utilized, even by a provision which would make section 4 of the act current, and a number of worthy individuals who risked their lives to escape from behind the iron curtain have entered the United States since April 30. One was a courier for Cardinal Mindszenty, and another is an inventor who has been assisting the Army in developing a new petroleum process since his arrival in this country.

It is believed that the extension of the cut-off date from April 30, 1949, as presently stated in H. R. 4567, to September 30, 1949, would be a salutary change, since it would permit a number of additional anti-Communists who cannot return to eastern Europe without fear for their very lives to qualify for relief. Moreover, since no additional numbers would be necessary and the extension of the date would not affect any other group under the legislation, there would seem to be no disadvantage which would be encountered in extending the date.

THE COOPERATIVE MOVEMENT—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him on the subject of the cooperative movement in the United States, which appears in the Appendix.]

ADDRESS BY HON. JAMES M. MEAD TO THE LOYAL ORDER OF MOOSE

[Mr. NEELY asked and obtained leave to have printed in the RECORD an address by Hon. James M. Mead, former Senator from New York, to the sixty-first annual international convention of the Loyal Order of Moose, at San Francisco, Calif., August 17, 1949, which appears in the Appendix.]

REPORT ON THE AEC—EDITORIAL FROM THE WASHINGTON POST

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Report On the AEC," published in the Washington Post of October 15, 1949, which appears in the Appendix.]

WOMEN OF THE WORLD—EDITORIAL FROM CHRISTIAN SCIENCE MONITOR

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "Women of the World," published in the Christian Science Monitor of October 13, 1949, which appears in the Appendix.]

ONE HUNDRED AND SEVENTY-FOURTH ANNIVERSARY OF UNITED STATES MARINE CORPS

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an article entitled "The Marines Have Landed," written by Maj. William P. McCahill, USMCR, and published in the Eagle Magazine for November 1949, which appears in the Appendix.]

INVESTIGATION OF OPERATIONS OF THE MARITIME COMMISSION

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an excerpt from the report of the House Committee on Expenditures in the Executive Departments on its investigation of the practices of the United States Maritime Commission, submitted October 13, 1949, and an additional statement by Representatitve CLARE E. HOFFMAN, of Michigan, which appear in the Appendix.]

LIST OF MEMBERS OF CHICAGO COMMITTEE ON DISPLACED PERSONS

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a list of the members of the Chicago Committee on Displaced Persons, which appears in the Appendix.]

GOVERNMENT, BUSINESS, AND THE EMPLOYMENT ACT OF 1946—ARTICLE BY SENATOR O'MAHONEY

[Mr. HILL asked and obtained leave to have printed in the RECORD an article entitled "Government, Business, and the Employment Act of 1946," written by Senator O'MAHONEY and published in Dun's Review for JJuly 1949, which appears in the Appendix.]

AID TO GREAT BRITAIN—ARTICLE BY JOHN O'DONNELL

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article dealing with aid to Great Britain, written by John O'Donnell and published in the New York News of October 13, 1949, which appears in the Appendix.]

LABOR AND THE MARSHALL PLAN—ARTICLE BY MURRAY KEMPTON

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "United States Labor Pros Help Marshall Plan," written by Murray Kempton and published in the New York Post of August 18, 1949, which appears in the Appendix.]

AMERICAN LABOR POLITICS—ADDRESS BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address entitled "American Labor Politics," delivered by him before the Sixty-eighth Annual Convention, American Federation of Labor, at St. Paul, Minn., on October 3, 1949, which appears in the Appendix.]

TO BE FRANK—ARTICLE BY DR. FRANK KINGDON

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "To Be Frank," written by Dr. Frank Kingdon and published in the New York Post of October 14, 1949, which appears in the Appendix.]

LEAVE OF ABSENCE

Mr. BALDWIN asked and obtained consent to be absent from the Senate after 3:45 o'clock p. m. this afternoon in order to fulfill an important engagement.

Mr. BALDWIN subsequently said: Mr. President, I ask unanimous consent to be absent from the Senate on Monday, if plans I have made must be carried through. Previously I asked unanimous consent to be absent from the session of the Senate this afternoon, but found that I could rearrange my plans and remain. So I ask that my previous request may be disregarded, and that I may be excused from the session of the Senate on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GOVERNMENT'S FINANCIAL SITUATION

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me in regard to the financial situation of the Government, and a table showing

the Federal deficit for the first quarter of the fiscal year 1950, July 1 to September 30, 1949.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

In the first quarter of the current fiscal year—the 92 days, July 1 to September 30 inclusive—deficit spending at the rate of nearly $20,000,000 a day, or nearly a million dollars an hour, was required to finance the Federal Government of the United States.

The cumulated deficit at the end of the quarter was more than $1,750,000,000. If this rate of deficit spending were maintained for the remaining three quarters, the Federal deficit next June 30 would be $7,000,000,000.

This rate of deficit spending prevailed during the first quarter of the year despite the fact that receipts during the period were $100,000,000 in excess of collections for the same period last year. But expenditures in the first quarter this year totaled nearly $2,500,000,000 more than were expended in the same period last year.

Receipts for the quarter totaled $9,250,000,000. Expenditures, on the daily Treasury statement basis, totaled $11,000,000,000 in the same period. The debt on September 30 stood at more than $256,500,000,000. The general-fund balance at the end of the quarter was approximately $5,700,000,000.

All of these figures are from the daily Treasury statements which are compiled as follows for all of the days during the quarter for which the statements were issued:

The Federal deficit for first quarter fiscal year 1950, July 1 to Sept. 30, 1949 (based on daily statements by the U. S. Treasury)

Date	1950 receipts	1950 expenditures	Surplus (+) or deficit (−)	Public debt	General fund balance
July 1	$46,979,967.36	$144,841,685.20	−$97,861,717.84	$252,633,499,384.83	$3,161,462,365.44
5	45,104,514.43	167,479,935.91	−122,375,421.48	252,614,169,592.17	2,984,995,168.57
6	152,635,585.29	271,627,734.94	−118,992,149.65	252,465,700,118.73	2,799,047,094.07
7	99,980,677.85	119,713,022.17	−19,732,344.32	252,445,771,931.52	2,742,720,448.44
8	124,438,275.09	157,844,654.17	−33,406,379.08	252,414,995,425.68	2,654,754,344.10
11	109,355,731.92	137,076,500.11	−27,720,768.19	252,381,651,173.11	2,583,928,211.39
12	136,536,330.76	577,591,134.18	−441,054,803.42	252,768,823,308.13	2,493,263,414.72
13	86,973,757.47	161,893,205.12	−74,919,447.65	252,771,331,532.77	2,503,226,013.32
14	81,364,475.38	140,796,117.87	−59,431,642.49	252,807,272,572.36	2,544,881,086.97
15	72,758,414.35	97,111,988.93	−24,353,574.58	252,856,602,305.19	2,565,393,295.33
18	83,782,487.84	104,799,198.17	−21,016,610.33	252,835,255,922.03	2,582,440,038.16
19	225,044,620.14	143,212,883.86	+81,831,736.28	252,859,088,042.56	2,593,081,015.85
20	71,979,423.98	129,875,920.06	−57,896,496.08	252,879,671,571.81	2,611,542,503.85
21	104,505,884.28	116,352,842.35	−11,819,958.07	252,911,869,969.13	2,681,367,370.70
22	80,717,528.18	166,330,529.49	−85,613,001.31	252,970,030,584.02	2,656,446,995.14
25	87,594,115.47	88,597,620.50	−1,003,505.03	253,010,306,501.05	2,605,374,854.82
26	140,875,040.36	143,900,187.66	−3,025,147.30	253,038,444,197.56	2,593,168,000.56
27	62,306,813.01	78,131,858.01	−15,825,045.00	253,175,444,945.86	2,695,573,530.24
28	52,872,530.78	80,756,906.76	−26,884,375.98	253,446,689,523.12	2,972,683,907.98
29	79,652,475.51	456,205,816.72	−376,553,341.21	253,876,874,766.11	3,337,163,923.55
Aug. 1	61,003,565.00	73,283,235.74	−12,279,670.74	254,188,742,203.24	3,570,064,341.55
2	167,054,245.61	197,644,279.35	−30,590,033.74	254,205,349,890.10	3,524,414,785.11
3	137,811,929.40	185,801,672.27	−47,989,742.87	254,200,526,970.73	3,531,988,666.53
4	77,663,653.44	146,175,959.85	−68,512,306.41	254,375,203,102.12	3,682,932,995.21
5	124,168,376.03	137,976,051.07	−13,807,675.04	254,367,466,642.75	3,686,191,612.19
8	144,408,453.10	137,261,079.13	+7,147,373.97	254,328,235,105.09	3,639,970,752.96
9	162,821,416.80	175,327,770.58	−12,506,353.78	254,343,269,309.89	3,648,952,187.93
10	111,791,664.97	167,229,687.62	−55,438,022.65	254,514,866,156.20	3,857,841,310.73
11	92,468,948.51	97,553,218.22	−5,084,269.71	254,675,143,808.21	4,085,300,695.63
12	74,495,824.03	82,096,873.13	−7,601,049.10	254,743,751,077.08	4,122,289,177.17
15	85,601,677.05	118,489,557.43	−32,887,880.38	254,755,660,291.85	4,118,429,004.96
16	181,987,930.20	144,282,477.57	+37,705,452.63	254,780,572,433.26	4,213,572,459.02
17	151,602,573.58	122,466,872.86	+29,135,700.72	254,826,052,330.87	4,349,881,332.45
18	146,787,969.68	121,224,242.53	+25,563,727.15	255,050,762,330.45	4,601,648,460.22
19	126,630,346.51	106,929,627.07	+19,700,719.44	255,059,699,242.94	4,608,514,707.94
22	100,330,652.42	86,889,160.45	+13,441,491.97	255,102,694,228.56	4,601,501,977.81
23	164,499,892.74	138,862,833.36	+25,637,059.38	255,175,017,642.64	4,599,118,554.65
24	56,006,789.66	73,128,860.96	−17,122,071.30	255,235,914,511.17	4,557,676,246.22
25	65,274,898.75	123,476,567.72	−58,201,668.97	255,338,785,659.56	4,604,025,711.01
26	62,496,302.19	79,106,455.67	−16,610,153.48	255,354,158,852.99	4,570,206,321.65
29	48,537,645.98	127,418,407.06	−78,880,761.08	255,385,707,118.38	4,468,919,426.60
30	82,854,312.60	151,253,595.25	−68,397,282.65	255,417,023,351.62	4,408,770,956.38
31	52,442,338.63	790,695,008.15	−738,252,669.52	255,851,851,584.84	4,417,886,430.15
Sept. 1	46,173,729.40	104,446,818.96	−58,273,089.56	255,955,882,601.89	4,294,840,781.46
2	44,583,367.76	517,358,979.04	−472,775,611.28	255,977,129,254.68	4,305,251,518.73
6	102,888,630.56	120,455,226.60	−17,566,696.04	256,370,152,850.36	4,133,124,530.53
7	226,369,469.50	416,437,169.05	−190,067,699.55	256,357,342,410.97	3,975,986,822.70
8	101,914,630.41	90,457,172.25	+11,467,458.16	256,469,591,304.41	4,039,983,276.87
9	124,244,564.31	108,332,904.96	+15,911,659.35	256,479,835,404.32	4,043,644,064.32
12	152,929,407.86	100,840,414.54	+52,088,993.32	256,467,932,589.01	4,057,693,918.81
13	229,371,187.78	163,038,249.10	+66,332,938.68	256,461,592,946.15	4,137,137,126.45
14	213,858,920.85	149,701,843.99	+64,157,076.86	256,443,225,942.37	4,239,204,545.52
15	258,601,770.24	437,618,893.09	−179,017,122.85	256,374,332,833.66	4,100,477,247.90
16	436,863,138.75	150,056,489.11	+286,806,649.64	256,344,102,962.88	4,404,819,203.14
19	673,399,784.88	120,262,482.69	+553,137,302.19	256,311,135,428.20	4,928,091,191.36
20	563,262,914.25	143,096,361.51	+420,166,552.74	256,264,177,302.79	5,127,443,183.48
21	268,648,455.10	116,910,204.99	+151,738,250.11	256,331,520,025.17	5,379,768,439.34
22	322,751,233.26	101,604,792.73	+221,146,440.53	256,298,571,733.75	5,555,425,838.04
23	285,922,611.13	103,633,030.66	+182,289,580.47	256,297,725,343.16	5,704,651,522.75
26	188,450,308.91	97,475,849.77	+90,974,459.14	256,296,809,075.73	5,679,839,646.16
27	224,489,161.68	232,381,192.40	−7,892,030.72	256,573,166,600.87	5,589,237,631.11
28	125,600,771.77	126,526,935.25	−926,163.48	256,557,027,437.05	5,616,472,292.98
29	105,208,109.06	154,949,962.55	−49,741,853.49	256,555,216,269.97	5,631,453,140.03
30	136,016,033.14	439,692,633.35	−302,776,600.21	256,679,558,717.08	5,698,886,970.14
Total to Sept. 30, 1949	9,257,648,256.99	11,013,969,741.71	−1,756,321,484.72		
Total to Sept. 30, 1948	9,143,829,462.56	8,570,418,331.59	+573,411,130.97		

BUDGET INCREASES FOR SIX UNITED NATIONS AGENCIES

Mr. O'CONOR. Mr. President, I wish to call the attention of the Senate to an article which appeared in the New York Times of October 9, announcing that a budget increase had been approved for six of the United Nations Specialized Agencies by the Advisory Committee on Administrative and Budgetary Operations of the General Assembly. Thus, whereas the total amount of the administrative budgets of these six agencies amounted to $31,019,024 during 1949, the estimates for 1950 amount to $34,809,633, representing an increase of slightly less than $4,000,000. This does not take into consideration the operational budget of the International Refugee Organization which will be well in excess of $140,000,000; nor does it include the budget of the United Nations itself which is estimated at approximately $44,000,000 for 1950, representing an increase over the 1949 budget in excess of $1,000,000.

I request unanimous consent to have this article printed in the RECORD as a supplement to my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUDGET RISE VOTED FOR SIX UNITED NATIONS AGENCIES—$4,000,000 INCREASE PASSED BY ADVISORY COMMITTEE — ASSEMBLY MUST APPROVE

(By Sam Pope Brewer)

LAKE SUCCESS, October 8.—The United Nations Advisory Committee on Administrative and Budgetary Affairs has approved a $4,000,000 increase in the 1950 budgets of specialized agencies attached to the United Nations, it was announced here today, but it urged careful study of the use of the funds. This

recommendation now goes to the Assembly's Administrative and Budgetary Committee for approval.

Budget estimates for 1950 total $34,809,633, for the six specialized agencies, exclusive of the International Refugee Organization's huge operational budget of $140,832,118 and the expenses of the Universal Postal Union and the International Telecommunication Union which are not listed. The agencies covered are the International Labor Organization, the United Nations Educational, Scientific, and Cultural Organization, the Food and Agriculture Organization, the International Civil Aviation Organization, the World Health Organization, and the administrative expenses, only, of the International Refugee Organization.

Emphasizing their activity, the specialized agencies have announced 28 regional and international conferences scheduled for this month in 10 cities scattered over 5 continents. The most important, probably, is the fourth session of the IRO's General Council, which opens next Tuesday, in Geneva, following a session of the executive committee.

The executive board of the United Nations Educational, Scientific, and Cultural Organization has been meeting in Paris and several committee meetings are still scheduled.

One of the advisory committee's recommendations in the report issued here is that means be found to use soft currencies where possible to relieve the general shortage of dollars and other hard currencies. Secretary General Trygve Lie and the administrative heads of the specialized agencies were urged to review funding arrangements of the agencies and "intensify their efforts to achieve a common form of budget."

Efforts are still being made to standardize distinctions between "administrative expenses" that are necessary but not directly productive and "operational expenses" incurred in the actual work for which the agency is intended.

Estimates published today with the figures for last year are:

	1949	1950
ILO	$5,185,539	$6,023,526
UNESCO	7,780,000	8,847,000
FAO	5,000,000	5,000,000
ICAO	2,655,685	2,937,607
WHO	5,600,000	7,501,500
IRO	4,797,800	4,500,000
Total	31,019,024	34,809,633

The World Health Organization also will have a supplemental operational budget.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. LANGER obtained the floor.

Mr. LUCAS. Mr. President, will the distinguished Senator yield in order that I may propound one inquiry?

Mr. LANGER. Certainly.

Mr. LUCAS. I respectfully ask the distinguished Senator from North Dakota whether there is any opportunity at this time to obtain a unanimous-consent agreement as to when we may vote upon the motion of the Senator from Washington [Mr. CAIN] to recommit the bill.

Mr. LANGER. I will say to my distinguished friend from Illinois that that will depend upon the reaction of Senators to my speech. If I feel that I have converted enough of them to my side, I shall be glad to take up the matter with the distinguished Senator, and agree on an hour this afternoon.

Mr. LUCAS. Now we are making some progress. I appreciate the reply of my friend from North Dakota. I know how eloquent and persuasive he is. I am sure that after he has spoken for about an hour he will then see, from the countenances of distinguished Senators to whom he is speaking, that he has convinced enough of them so that we may have a vote.

Mr. LANGER. Let me say to my distinguished friend that I am working on some difficult cases. It may require more than an hour. It may take me an hour and fifteen minutes, or an hour and twenty-five minutes.

Mr. LUCAS. That will be fine, even if the Senator takes another 30 minutes. I am sure he can convince Senators by 2 o'clock.

Mr. LANGER. We will discuss the question later.

Mr. LUCAS. I thank the Senator very much.

Mr. LANGER. Mr. President, I prefer not to be interrupted during the time I am speaking, but after I have finished I shall be glad to answer any questions which may occur to Senators.

Also, I wish to tell the newspaper reporters that I know they are very tired. It is Saturday afternoon. They have been here every day. One night they were here until 1 o'clock in the morning. I wish to tell the reporters that, so far as the Senator from North Dakota is concerned, I have prepared copies in order to help them along. They do not have to remain here at all. They may leave. They may go and see the Tulane-Notre Dame football game on the television, if they wish, because I have seen to it that everything of any importance that I am going to say is contained in the copies which I have prepared.

I also know from talking with some of them that they are very much underpaid and that a 5-day week is enough for them. I hope they will take advantage of the fact that I have prepared these copies and leave any time they wish to leave.

At the outset, let me say that I doubt very much whether any Senator, with the exception of the distinguished senior Senator from Missouri [Mr. DONNELL], really knows what the bill is all about. Even the Senator from Missouri stated yesterday that he was unable to speak because, in spite of the fact that he has been a member of the subcommittee, in spite of the fact that he has a fine command of all the technical details, in spite of the fact that he is perhaps the best informed man in the Senate on the Constitution, he does not know, in reality, what is contained in the bill.

If Senators had attended, as I did, the various meetings of the subcommittee—although I am not a member of it—and if they had attended the meetings of the full committee and had listened to some of the absurd questions asked of the staff by some Senators, I am sure they would agree with me that, with the possible exception of the distinguished Senator from Missouri, no one really knows what is in the so-called Celler bill, and how wide the implications of that bill are. The average person says to himself, "We have a few concentration camps over there. We have a great big heart and we are going to bring as many of those people as possible over here." The average person thinks that is all there is to the bill. As a matter of fact, the entire immigration problem, involving all the countries in the world, is affected by the so-called Celler bill, as I shall amply demonstrate in a little while.

I am also impelled to speak on the bill because of the treatment which has been accorded—I believe unjustly—to the distinguished senior Senator from Nevada [Mr. MCCARRAN]. I doubt whether any chairman of any committee has been more faithful in the performance of his duty than has the distinguished senior Senator from Nevada. Since the beginning of the session I do not know of a single meeting of the committee, with one exception, which was not attended by the distinguished Senator from Nevada. At the time of the one meeting to which I refer, he was in the hospital at Rochester, Minn., and the Senator from West Virginia [Mr. KILGORE], the ranking member on the Democratic side, took his place.

I wonder if Senators are familiar with the fact that roughly one-third of all the bills which are passed by the Congress go through the Senate Judiciary Committee. That will give Senators some idea of the great magnitude of the task performed by the Senator from Nevada.

I am also actuated by the fact that before the Senator from Nevada left he called a special meeting of the Judiciary Committee. Notice was sent to every member of the committee. The Senator from Nevada stated that he wanted to be certain whether or not any action would be taken on the subject of displaced persons during the time he was away. We voted on the question, and by a majority of one the Judiciary Committee decided that it would be perfectly safe for him to leave. The committee voted at that time that the displaced persons bill would not be reported. Then one of the committee members who had voted with the Senator from Nevada died suddenly. At about the same time—on the same day, I think—the uncle of the distinguished Senator from Mississippi [Mr. EASTLAND] became very ill. The Senator from Mississippi left Washington to go to his uncle's bedside, saying that he would return as soon as he possibly could.

So, with the Senator from Nevada abroad, Senator Miller dead, and the Senator from Mississippi on his way to his home State, to the bedside of his uncle—who, by the way, died before the Senator from Mississippi reached there—and while the distinguished Senator from Mississippi was attending his uncle's funeral, a meeting of the committee was hurriedly called. Under those circumstances, this bill was reported. The Senate was in session that day. At about 5 o'clock in the afternoon I received a note, which I have with me now, saying there would be a meeting of the committee at 7:30 that evening. There seemed to be tremendous haste; with one member of the committee dead, another one out of the city attending the funeral of his uncle, and with the Senator from Nevada in Europe, there

seemed to be great haste on the part of some members of the committee to report the bill.

Last night, when I told the Senator from Illinois that I objected to having the motion to recommit the bill voted on today, rather than last night or on Monday, I was acting on the floor of the Senate in exactly the same manner that the majority of the Judiciary Committee acted toward the numerical minority of the committee when the bill was reported.

Mr. President, I wish, first of all, to take up and discuss the character of the displaced persons who already have entered the United States. I wish to inquire into the kind of record they have made here in the United States. First, I shall read a letter which I have received from a lady in Minot, N. Dak. I shall also read other letters. This lady's address is 707 Third Street SE. Her letter is dated September 12, 1949. I shall read this letter and other letters in order to bear out the testimony of Representative GOSSETT, of Texas, who testified before our committee. I think every Member of the Senate will acknowledge that Representative GOSSETT is certainly a very reliable person. This lady writes as follows:

MINOT, N. DAK., *September 12, 1949.*

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Having had a very disillusioning experience with a DP maid in our home—a secretary who used domestic work to get into this country and then left us after being in our home for 4 months to take a secretarial job here in Minot—Dr. Fischer and I feel strongly that something should be done if at all possible about DP's who are not staying in the places to which they were assigned and are taking instead jobs and housing which displace our people. There have been several instances similar to ours and feeling against the DP program is mounting around here. I sincerely hope the bill will not be liberalized as several groups want, and I wish some teeth could be put into the existing law.

Churches and social agencies say we can't put them under legal obligation or compel them to stay in their assignments for a set period of time, because that would be slavery, but my husband and many others served overseas in our Army for several years and had to stay in many places they didn't like and do jobs they didn't care to do simply because they had an obligation to their country, and they fulfilled it—and that wasn't slavery.

Better screening and selection in Germany would help, too. Domestics should be sent to do maid's work. We are led to believe we are helping the destitute, starving people of Europe, but our experience wasn't such. Our Latvian maid came over with 450 pounds of baggage—300 pounds over the maximum allowed. She was very well fed, well dressed, had in her possession good jewelry, and went on our vacation with us as a maid with genuine alligator luggage. She left us in an aura of mystery after accusing us of ruining her health—her baggage was hauled away one night when we were out, and she simply vanished, refusing to leave a forwarding address for her mail. These aren't the kind of people we want in our country.

We appreciate your good judgment and levelheadedness in matters before the Senate and want you to know that glowing articles in recent publications to the contrary, the DP program around Minot is not a great success, and there are quite a few of us who took DP's in good faith who feel we were taken advantage of and are very unhappy about it.

(Mrs. V. J.) RUTH F. FISCHER.

Mrs. Fischer is the wife of a doctor in Minot, N. Dak.

Mr. President, I think every Member of the Senate is acquainted with former Senator Burt Wheeler. I have a letter from him which I am authorized to read to the Senate. It was written on October 14:

WASHINGTON, D. C., *October 14, 1949.*

Hon. WILLIAM LANGER,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR BILL: The plight of certain persons of German ethnic origin has been recently brought to my attention by their relatives who are substantial citizens of Montana.

There are numerous people of German ethnic origin who originally lived along the Volga River. Many of them were anti-Communist, and in 1930 their property was confiscated when the father of these particular people was arrested and sent to Siberia because of his opposition.

The people I have in mind then moved to Smolensk. In the summer of 1943 when Smolensk was invaded by the German Army they were transferred by the Germans to Poland along with other Germans of ethnic origin. The Germans later inducted these people into the German armed forces, and in December 1944, under a general emergency order, assigned them to labor camps or companies clearing up bombed houses and doing odd jobs. I think that some of them were even forced into the army.

Mind you, Mr. President, some of the people coming over here now refuse to do housework, though they had previously been living in concentration camps. A little later I shall show how some of them are treating the people of the United States, after we have gotten them out of the camps.

They had no choice. Their induction into the German armed forces was compulsory, and those not complying were quickly court-martialed and shot.

Now under section 12 of this bill—

That is the law that is in effect at this time—

the people of German ethnic origin are eligible, but I am afraid that it may be contended by someone in the Department that under section 13, they are ineligible because they were inducted into the armed forces or work camps, even though it was against their will. Consequently I think the question should be asked by the proponents of the bill as to whether the effect of section 13 would be to bar people of German ethnic origin from Russia if they were forced into the German armed forces or work camps.

These people cannot go back to Russia, nor do they want to go back to Russia as they were anti-Communist. Their relatives in Montana are substantial farmers and they are anxious to have these people come here, and are willing to help them get started in farming. I have no doubt but that you have people in North Dakota who are similarly situated.

With kind personal regards, I am,
Sincerely yours,

BURTON K. WHEELER.

I return to the testimony of Representative ED GOSSETT, from the State of Texas, which he gave before the subcommittee, with the Senator from Indiana [Mr. JENNER] presiding. Also present at the time, in addition to myself, were Richard Arens and Thomas J. Davis, professional staff members. I read from the statement of Representative GOSSETT:

My name is ED GOSSETT. I am serving my sixth term as a Member of the House of Representatives from the Thirteenth Congressional District of the State of Texas. During most of my years of service in the House I have been on the Immigration Committee.

I want every Senator to know that Representative GOSSETT has been on the House committee which considered immigration matters for approximately 12 years. As a result, he certainly knows what he is talking about. I continue the reading:

Since the Reorganization Act, I have been a member of the Subcommittee on Immigration of the Judiciary Committee of the House. While I do not pose as an expert on immigration matters, through necessity and duty I have become familiar with a number of aspects of the problem. As a matter of fact, I have served longer on the immigration work than any present Members of the House of Representatives, so I think I do have a little knowledge on this subject.

Mr. President, we have here the testimony of Representative GOSSETT, of Texas, who for about 12 years has been on this committee, and who is the oldest Member in service on the old Immigration Committee, and on the committee which now has to do with immigration matters, in the entire House of Representatives. Of the 435 Representatives, Representative GOSSETT has served the longest. What does he say?

I am sorry my friend and colleague, Congressman CELLER, cannot be here this morning, since he and I have debated the displaced-persons problem for the last several years in the House, and on the radio, and before forums of various and sundry kinds.

So we have this expert, Representative ED GOSSETT, of Texas, who for 12 years has served on the Immigration Committee, longer than any of the other 435 Representatives; so he undoubtedly knows more about the subject than some of the Senators who are merely serving their first 2 years, or 4 years, or 6 years in the Senate. He is sorry, he says, that his colleague, Mr. CELLER, who wrote the bill, is not present. Representative GOSSETT continues:

Now of one thing I am quite sure, that immigration should be both selective and restrictive in the national interest. This problem, like every other problem, ought to be determined by the sole standard of what is the best interest of America, and that alone.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. LANGER. I prefer not to yield to anyone.

Mr. EASTLAND. Will the Senator yield merely for one question?

Mr. LANGER. I yield for a question.

Mr. EASTLAND. Does the Senator know that the Central Intelligence Agency and other intelligence agencies whose duty it is to protect the country from spies and saboteurs have said that the passage of the pending bill, the Celler bill, would endanger the security of the United States?

Mr. LANGER. That is correct.

Mr. EASTLAND. And does the Senator know that the Senate Judiciary Committee, which reported the bill, would not even recommend its passage, in view of the fact that the Immigration and Naturalization Service, the Displaced Persons Commission in Europe, and the United States Consular Service recommend against its passage?

Mr. LANGER. That is correct. It is because of that fact, too, that I think the American Legion at its annual convention took a position in opposition to the passage of the bill. It is also true that the Disabled War Veterans of America, in their annual convention, likewise opposed the passage of the bill.

I continue the reading of the testimony of the expert, Representative ED GOSSETT, of Texas, who says:

The bill on which you are now holding the hearings, the so-called Celler bill, violates both concepts of a sane and sound policy. That is, it is nonrestrictive and it is nonselective, as I think I will show as I go along.

I wonder what Senators who never attended an immigration hearing know about the subject, and how they can sit by so calmly, in spite of the fact that the chairman of the Senate committee is away, and in spite of the fact that the immigration authorities are opposed to the Celler bill. I wonder what they are thinking about. I continue the reading of the testimony of this expert in immigration matters, Representative ED GOSSETT, who says:

I have been rather interested to note in the press and to hear some of my colleagues say that certain individuals were, so to speak, sitting on the bill. If such is the case, I want to commend as patriotic citizens and public servants those who may be sitting on the bill. In my opinion, future generations will rise up and call them blessed, and I am convinced in my own mind that they will have won a major skirmish at least in the cold war for survival. Whoever may be instrumental in the defeat of legislation of this character will be of real public service.

So, Mr. President, Representative GOSSETT, who for 12 years has been on the Immigration Committee, commends our subcommittee for sitting on the bill until it is possible to get proper evidence.

It is very strange, Mr. President, that a single committee, a so-called citizens' committee, has raised nearly a million dollars in an effort to secure the passage of this bill. I have here a report, made as lobbyists. They raised a million dollars, Mr. President, in order to bring about the passage of a bill in the Congress of the United States of America. No; they do not trust the rank and file of the Senators. They have got to influence them. They have got to raise a million dollars. They have got to get control of public-relations men and lawyers. They have got to employ people to write certain articles in the newspapers. They collected a million dollars to secure the passage of one bill. If big business had done such a thing, some of the so-called liberals in the Congress would have shouted to high heaven about how John Rockefeller, or some other businessman, had tried to influence Congress But for some reason, which is unknown to me, it is perfectly all right for one committee—and there were others—to spend a million dollars in an effort to pass this measure.

I have in my hand an official report. Who are some of the persons who contributed toward having this measure passed? Who figured that this bill was so different from any other bill? Mr. President, it was only a short time ago that we passed a bill giving every Senator $10,000 for administrative assistants and more money for help so that we could familiarize ourselves more thoroughly with bills without having lobbyists hanging around. We put into the La Follette-Monroney Act a provision which requires lobbyists to register.

Mr. President, I ask unanimous consent that a statement filed by the Citizen's Committee, which includes the pay roll and traveling-expense record of some of the persons employed by the Citizens Committee may be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-sixth Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

---

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1)	$468.00
Total sum of contributions reported under (2)	468.00
(3) The total sum of all contributions made to or for such person during the calendar year	30,468.00
Total sum of contributions reported under (3)	30,468.00
Total sum of contributions reported in previous statement	297,088.53
Grand total of all contributions to date of filing for calendar year	327,556.53

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:	
Expenses, schedule No. 1	$11,291.45
Pay roll and travel expenses, schedule No. 2:	
Pay roll	11,036.04
Travel	6,009.26
	17,045.30
Total sum of expenditures reported under (4)	28,336.75
(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4)	None

Citizens Committee on Displaced Persons, schedule No. 1, expenses, Oct. 1 to Dec. 31, 1948

Academy Photo Offset, Inc., 15 E. 26th St., N. Y. C., stenograph, mimeograph, printing	$268.00
Acme Newspictures, Inc., 461 8th Ave., N. Y. C., publicity service	40.25
Addressing Machine and Equipment Co., 29 E. 22d St., N. Y. C., stationery and supplies	4.70
John J. Allen, 2234 21st St., Astoria, Queens, N. Y., cleaning, maintenance, repairs	42.00
Alpha Music, Inc., 501 Madison Ave., N. Y. C., publicity expense	1.96
Sal Amato, Local 802, 1267 6th Ave., N. Y. C., publicity service	54.00
Bell Messenger Service, 152 W. 42d St., N. Y. C., messenger service	36.44
Alvin Boretz, 6936 Hessler Ave., Arverne, Long Island, N. Y., literary services	100.00
Allen T. Burns, 336 Northlawn, E. Lansing, Mich., local and travel	174.31
Jules Carlyle, 307 W. 93d St., N. Y. C., publicity service	57.00
Carmen Caruso, 5 Appletree La., Roslyn, Long Island, N. Y., publicity service	31.80
Celebrity Info. and Res. Serv., 150 E. 54th St., N. Y. C., books, newspapers, magazines	23.00
Century Messenger Service, 157 E. 46th St., N. Y. C., messenger service	1.27
Chase National Bank, 18 Pine St., N. Y. C., interest	1,806.39
Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes	97.20
Collector of Taxes, District of Columbia, Washington, D. C., property taxes	66.06
Common Ccl. for American Unity, 20 W. 40th St., N. Y. C., books, newspapers, magazines	2.45
Conduit Wiring Co., 429 7th Ave., N. Y. C., repairs	9.85
Consolidated Edison Co., box 138, Sta. D, N. Y. C., light	114.01
Consolidated Press Clip. Bur., 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines	15.60
A. B. Dick Co., 225 Broadway, N. Y. C., cleaning, maintenance, repairs	13.41
Douglas Transcription Equipment, 158 W. 100th St., N. Y. C., equipment	93.33
Eastern Airlines, Inc., 10 Rockefeller Plaza, N. Y. C., security deposit	425.00

Jack Fulton, local 802, 1267 6th Ave., N. Y. C., publicity service	$54.00
Harold Furmansky, local 802, 1267 6th Ave., N. Y. C., publicity service	54.00
Teddy Gompers, local 802, 1267 6th Ave., N. Y. C., publicity service	54.00
Hendrickson Publishing Co., 26 Court St., Brooklyn, N. Y., books, newspapers, magazines	20.00
E. T. Herzog Recording Co., 811 Race St., Cincinnati, Ohio, publicity expense	15.00
International Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals	9.00
Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., furniture and equipment	52.00
Curtis E. Johnson, 4619A S. 36th St., Arlington, Va., counsel fees	207.34
KFEL Broadcasting Station, Albany Hotel, Denver, Colo., publicity expense	9.00
George Kleinsinger, 680 West 204th St., N. Y. C., literary service	800.00
Lincoln Warehouse Corp., 1195 3d Ave., N. Y. C., storage	407.73
Peter Lyons, 57 West 12th St., N. Y. C., literary service	300.00
Manhattan Letter Co., 45 Astor Pl., N. Y. C., stenography, mimeographing, printing	2,016.77
Leo J. Margolin, 235 East 22d St., N. Y. C., publicity service	258.75
Massachusetts Broadcasting Corp., 485 Boylston St., Boston, Mass., publicity expense	97.25
Massachusetts Division Empire Security, 881 Commonwealth Ave., Boston, Mass., pay-roll taxes	5.20
Harry Melnikoff, local 802, 1267 6th Ave., N. Y. C., publicity services	54.00
Meco Press, 4 East 45th St., N. Y. C., stationery and supplies	285.67
Ray Middleton, 308 East 79th St., N. Y. C., publicity services	200.00
Midtown Electric Supply Co., 731 3d Ave., N. Y. C., maintenance	6.52
Robert Milner, 311 Lexington Ave., N. Y. C., newspapers	7.10
Chauncey Morehouse, local 802, 1267 6th Ave., N. Y. C., publicity services	54.00
Ben Mortell, local 802, 1267 6th Ave., N. Y. C., publicity services	54.00
May McKinsey, 39 East 36th St., N. Y. C., petty-cash expense	48.15
National Committee Immigration Policy, 36 West 44th St., N. Y. C., books, newspapers, magazines	200.00
New York Herald Tribune, 230 West 41st St., N. Y. C., newspapers	1.05
New York State Unemployment Insurance Fund, Albany, N. Y., pay-roll taxes	122.19
New York Telephone Co., Box 222, Station O, N. Y. C., telephone	817.03
New York Times, Times Square, N. Y. C., newspapers	.76
Northwest Airlines, Inc., 1885 University Ave., St. Paul, Minn., security deposit	425.00
Ohio State University, Columbus, Ohio, publicity expense	18.05
Peerless Towel Supply Co., 372 Gold St., Brooklyn, N. Y., cleaning, maintenance, repairs	1.47
Permacam Co., 1 Bond St., N. Y. C., stationery and supplies	29.97
Pierpont Estates, Inc., 36 West 44th St., N. Y. C., rent	600.00
Pine Hill Crystal Spring Water Co., 132d St. and Brook Ave., Bronx, N. Y., water	5.21
Pitney-Bowes, Inc., Walnut and Pacific Sts., Stamford, repairs, rentals	30.83
Postmaster, New York, N. Y., postage	275.97
Rudy Pulitz, local 802, 1267 6th Ave., N. Y. C., publicity services	$54.00
Rialto Service Bureau, Inc., 1501 Broadway, N. Y. C., stenography, mimeographing, and printing	334.04
William Rouse, 39 East 36th St., N. Y. C., furniture and equipment	40.00
Siskind Hardware, 516 Third Ave., N. Y. C., maintenance	3.34
Zelly Smirnoff, local 802, 1267 6th Ave., N. Y. C., publicity services	54.00
Stenotype Reporting Service, 154 Nassau St., N. Y. C., stenography, messenger service	76.50
Stokes Coal Co., Inc., 5th Ave. and 142d St., N. Y. C., heat	241.65
Superintendent of Documents, Washington, D. C., books, newspapers, magazines	1.50
Sam Suzofsky, local 802, 1267 6th Ave., N. Y. C., publicity services	54.00
Telenews Productions, Inc., 1600 Broadway, N. Y. C., publicity expense	9.80
Paul Tripp, 45 Prospect Pl., Tudor City, N. Y. C., literary services	325.00
Tru-Rite, Inc., 116 Broad St., N. Y. C., stationery and supplies	24.16
Washington, D. C., Unemployment Insurance Fund, Washington, D. C., pay-roll taxes	3.82
Watson Elevator Co., Inc., 407 W. 36th St., N. Y. C., maintenance	34.00
Wehinger Service, Inc., 180 Broadway, N. Y. C., employment fees	45.00
Ruben Weinstein, local 802, 1267 6th Ave., N. Y. C. publicity services	54.00
Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegrams and cables	39.16
Wholesale Typewriter Co., 155 6th Ave., N. Y. C., rentals	142.57
F. W. Woolworth Co., 42d St. and 5th Ave., N. Y. C., cleaning, maintenance, repairs	7.25
WOR Program Service, Inc., 1440 Broadway, N. Y. C., publicity expense	18.62
Isadore Zir, 680 Fort Washington Ave., N. Y. C., publicity services	108.00
Total expenses, Oct. 1, to December 31, 1948	11,291.45

Citizens Committee on Displaced Persons, schedule No. 2, pay roll and travel expense, Oct. 1 to Dec. 31, 1948

Name and address	Salary	Travel expense
Lillian Baral, 9850 67 Ave., Forest Hills, L. I., N. Y.	$911.49	$34.90
William S. Bernard, 68 W. 58 St., N. Y. C.	2,505.00	3,344.19
Gloria Best, 310 West End Ave., N. Y. C.	175.35	----------
Eanni Blumenfeld, 310 W. 97 St., N. Y. C.	81.20	----------
Hugh E. Carstensen, 324 E. 48 St., N. Y. C.	354.12	6.98
Helen G. Crisses, 1200 College Ave., Bronx, N. Y. C.	270.58	1.00
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	255.80	----------
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	409.62	645.28
Tadeusz N. Hudes, 112-15 72 Rd., Forest Hills, L. I., N. Y.	1,307.70	735.51
Selma Edith Jerskey, 302 W. 86 St., N. Y. C.	520.00	.50
Emily Leban, 417 W. 121 St., N. Y. C.	772.92	187.97
May McKinsey, 111 E. 26 St., N. Y. C.	1,045.26	7.76
Emil Rosenberg, 25 Charles St., N. Y. C.	995.20	1,086.97
William Rouse, 39 E. 36 St., N. Y. C.	209.00	1.95
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	290.00	.75
Bert Lind Samalman, 155 W. 20 St., N. Y. C.	414.00	106.70

Citizens Committee on Displaced Persons, schedule No. 2, pay roll and travel expense, Oct. 1 to Dec. 31, 1948—Continued

Name and address	Salary	Travel expense
Helen A. Shuford, 2909 Olive Ave., NW., Washington, D. C.	----------	$151.20
Louise Smith, 1489 Southern Blvd., Bronx, N. Y. C.	$138.80	----------
Sadie Winston, 101 Post Ave., N. Y. C.	380.00	----------
	11,036.64	6,009.26

(6) The total sum of expenditures made by or on behalf of such person during the calendar year ..... *Amount* $28,336.75

Total sum of expenditures reported under (6)	28,336.75
Total sum of expenditures reported in previous statement	316,824.24
Grand total of all expenditures to date of filing for calendar year	345,160.99

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK

County of New York, ss:

I, William A. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 6th day of January A. D. 1949.

LYDIA CONSTANTINO,
Notary Public, State of New York.

Mr. LANGER. Mr. President, I notice the name of William S. Bernard, 68 West Fifty-eighth Street, New York, N. Y.; salary $2,505 a month; traveling expenses, $3,344.19. This is a sworn report, Mr. President. It shows that the total expenses on the 6th day of January 1949 were $345,160.99.

I have another report here, Mr. President. I want to read a list of some of the contributors who contributed between April 1 and June 30, 1948, the sum of $500 or more:

David Rockefeller, New York; Amalgamated Clothing Workers of America, New York; Jewish Welfare Fund, Dallas, Tex.; Stanly Marcus, Dallas, Tex.; Bulova Foundation, New York; Nelson Rockefeller, New York; Elias A. Cohen, New York; John Hay Whitney, New York; Winthrop Rockefeller, New York; Mrs. Edward L. Ballard, 778 Park Avenue, New York; Mrs. Willard Pope, 1705 Seminole Avenue, Detroit, Mich.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. DOUGLAS. Did I correctly understand the distinguished Senator from North Dakota to say that the salary of William S. Bernard was $2,505 a month?

Mr. LANGER. Yes.

Mr. DOUGLAS. The list which I have here states his salary for a period of 3

months as $2,505, and traveling expenses of $3,344.19, so that his salary was in the neighborhood of $800 a month.

Mr. LANGER. The Senator will find that the correct salary is $2,505. There are some salaries shown of $15,000 a year.

Mr. President, I want to show how this money was spent:

Academy Photo Offset, Inc., N. Y. C	$1,226.00
Academy Press, N. Y. C	57.63
Acme Newspictures, Inc., N. Y. C	35.00
American Trade Press Clipping Bureau, N. Y. C	36.00
Edwin R. Armstrong, N. Y. C., literary service	42.00
T. Atkins Express & Van Co	12.36
Bachrach, publicity expense	7.65
Baltimore Sun	14.40
Bell Messenger Service	283.20
Benedict & Benedict, insurance	333.47
Rebecca Bestimt, Washington, D. C	170.53
Bluestone Photoprint Co	27.81
Boston Globe	18.90
Boston Herald	7.70
Maurice Brown	63.00
Allen T. Burns	83.68
Burrelle's Press Clipping Bureau	14.08
Business Equipment Corp	4.00
Flora, Campbell	22.30
Capital Auto Messenger Service	7.82
Capital Broadcasting Co	16.00
The Capital News Co	12.53
Capitol Office Supply Co	56.01
Capitol Office Supply Co	56.01
Celebrity Information Research Service	38.00
Chase National Bank, interest	1,184.92
Chesapeake & Potomac Telephone Co	2,260.39

Mr. President, I cannot tell from this report about the time covered. One report is for a quarter, one is for a month. I am sorry I cannot give the information. Anyway, the telephone bill is $2,260.39.

Collector of Internal Revenue	$910.26
Common Council for American Unity	3.00
Composing Room Inc	60.52
Consolidated Edison Co. of New York, Inc	318.45
Consolidated Press Clipping Bur	216.64
Augusta Dabney, Publicity Services	48.80
Joe De Santis Publicity Services	48.80
Direct Mail Envelope Co	150.96
Thomas J. Downs, Counsel fees	1,500.00
Rhinehardt Elster	63.00
Empire Broadcasting Corp	62.00
Evening Bulletin	14.00
Ethel Everett	48.80
Ever-Ready Stenographic Service	560.72
Excelsior Press, Inc	18.00
Federal Council of the Churches of Christ	3.50
Joe Feigley Association	39.25
Muriel Ferris, travel expenses	43.76
Gene Fitts	50.00
Forecast Productions	2,534.13
Sarah Fussell publicity services	48.80
Noel B. Gerson:	
Literary services	125.00
Literary services	50.00
Literary services	20.00
E. B. Glabe	225.00
H. Glassburg	13.00
J. Godson	35.40
Morris Gordon	85.00
Gramercy Hardware	.40
James Gray, Inc	95.84

So it goes on. There is another page and a half, the total being $63,422 26 for that report.

Here is the pay roll:

	Salary	Travel expenses
Charlotte Abbott	$651.54	$1,238.69
Anita Altman	771.67	1.50
Edwin R. Armstrong	601.00	1,509.28
Florence Bachrach	1,236.93	.70
Violet G. Bemmels	1,340.76	962.91

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. DOUGLAS. For how long a period was this?

Mr. LANGER. I am trying to find out. As I said to the Senator a moment ago, it is not indicated whether it is for 1 month or a quarter; I cannot tell.

	Salary	Travel expenses
William S. Bernard	$2,505.00	$4,446.59
Rebecca Bestimt	1,201.11	80.06
William R. Burke	1,351.68	881.25
Hugh E. Carstensen	605.06	14.02
Anna H. Clark	1,596.14	51.59
Thomas M. Cooley 2d	3,692.31	276.30
Helen G. Crisses	560.31	.70
Irene G. Cushman	525.00	
Cecilia R. Davidson	615.67	124.97
Eleanor T. Dudley	394.43	
Isabelle M. Fleet	36.00	
Leila Fleisher	174.30	
Elizabeth Gardiner	922.54	517.74
Jean M. Gordon	600.80	.90
Tadeuse N. Hudes	2,307.69	1,054.30
Selma Edith Jerskey	780.00	566.99
Anna B. Johnson	938.27	2.50
Curtis E. Johnson	2,307.69	468.65

I shall not read the remainder of them; but the total of these salaries from this report is $50,426.08, and the traveling expenses, $23,101.98.

Here is one that is filed, giving the address of each person who has made a contribution of $500 or more:

Eddie Cantor.
Mrs. Elizabeth B. Ballard.
Edward T. Cone.
Mrs. Ruth B. Pratt.
Mrs. Mary B. Ladd.
Cornelius N. Bliss.
Walter S. Carpenter, Jr.
International Ladies Garment Workers' Union.
Thomas J. Watson.
Mrs. Max Ascoli.
Mr. and Mrs. Isador M. Scott.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield to the Senator from Illinois.

Mr. DOUGLAS. In checking over the report of the Citizens' Committee on Displaced Persons which the distinguished Senator from North Dakota has read into the RECORD, I find that the contributions are for a quarterly period. It is my understanding that these organizations aiming to influence legislation were required to make quarterly, not monthly, reports, and I submit, therefore, that the salaries which the distinguished Senator has been reading into the RECORD are not monthly salaries, but quarterly salaries, and in the case of Mr. Bernard, he is not receiving $30,000 a year, but, instead, $10,000.

Mr. LANGER. It is immaterial to me whether it is quarterly or monthly; the fact remains that this organization has raised nearly a million dollars, the reports here show nearly $1,175,000, in order to get one bill passed by the Congress of the United States of America.

Senators should know the addresses of these contributors, Mr. President. Mr. Eddie Cantor, Hollywood, Calif.; Mrs. Elizabeth B. Ballard, 778 Park Avenue, New York; Mr. Edward T. Cone, 16 Linden Lane, Princeton, N. J.; Mrs. Ruth B. Pratt, 435 East Fifty-second Street, New York; Mrs. Mary B. Ladd, 25 East Eighty-third Street, New York; Cornelius N. Bliss, 1 Wall Street, New York; Walter S. Carpenter, Jr., du Pont Building, Wilmington, Del.; Thomas J. Watson, 590 Madison Avenue, New York; Mrs. Max Ascoli, 23 Gramercy Park South, New York.

Mr. President, I ask unanimous consent that the statement may be printed in full at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-sixth Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

See schedule No. 1.

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1)	$15,899.70
Total sum of contributions reported under (2)	15,899.70
(3) The total sum of all contributions made to or for such person during the calendar year	109,899.70
Total sum of contributions reported under (3)	109,899.70
Total sum of contributions reported in previous statment	274,599.22
Grand total of all contributions to date of filing for calendar year	384,498.92

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:

Expenses, schedule No. 2	$37,679.88
Payroll and travel expenses, schedule No. 3:	
Pay roll	39,097.39
Travel	19,537.45
	58,634.84
Total sum of expenditures reported under (4)	96,314.72

(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4): None

Schedule No. 1

Mr. Eddie Cantor, Hollywood, Calif.

Mrs. Elizabeth B. Ballard, 778 Park Avenue, New York, N. Y.

Mr. Edward T. Cone, 16 Linden Lane, Princeton, N. J.

Mrs. Ruth B. Pratt, 435 East Fifty-second Street, New York, N. Y.

Mrs. Mary B. Ladd, 25 East Eighty-third Street, New York, N. Y.

Cornelius N. Bliss, 1 Wall Street, New York, N. Y.

Walter S. Carpenter, Jr., DuPont Building, Wilmington, Del.

International Ladies Garment Worker's Union, 1710 Broadway, New York, N. Y.

Thomas J. Watson, 590 Madison Avenue, New York, N. Y.

Mrs. Max Ascoli, 23 Gramercy Park South, New York, N. Y.

Mr. and Mrs. Isadore M. Scott, 268 Lenox Road, Jenkintown, Pa.

Schedule No. 2—Expenses

Academy Photo Offset, Inc., 15 E. 22 St., N. Y. C., stenography, mimeographing, printing	$97.50
Academy Press, 112 4 Ave., N. Y. C., stenography, mimeographing, printing	2,573.97
Addressing Machine and Equipment Co., 29 E. 22 St., N. Y. C., furniture and equipment	332.23
John J. Allen, 2234 21 St., Astoria, N. Y. C., cleaning, maintenance, repairs	93.00
The American Press, 70 E. 45 St., N. Y. C., books, newspapers, magazines	12.14
American Overseas Airlines, Inc., 100 E. 42 St., N. Y. C., freight and express	102.00
American Trade Press Clipping Bureau, 15 E. 26 St., N. Y. C., books, newspapers, magazines	30.00
Edwin R. Armstrong, 362 Riverside Drive, N. Y. C.:	
Oct. 6, travel expense	316.30
Oct. 6, literary service	175.00
Oct. 6, travel expense	194.83
Oct. 7, travel expense	300.00
Oct. 10, travel expense	306.32
Oct. 15, literary service	175.00
Oct. 15, travel expense	250.02
Oct. 17, travel expense	249.69
Oct. 21, literary service	175.00
Oct. 23, travel expense	38.27
Oct. 23, travel expense	61.27
Oct. 24, travel expense	99.00
Oct. 27, literary service	175.00
Edwin R. Armstrong—Continued	
Oct. 28, travel expense	$50.60
Oct. 30, travel expense	300.00
Oct. 31, travel expense	90.30
Nov. 5, travel expense	273.60
Nov. 13, travel expense	50.00
Nov. 3, literary service	175.00
Dec. 4, literary service	150.00
Dec. 18, literary service	75.00
Dec. 31, literary service	42.00
Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies	12.10
Bachrach, 1611 Walnut St., Philadelphia, Pa., publicity service and expense	6.12
Barney Beck, 15 Elliott Pl., Bronx, N. Y. C.:	
Oct. 15, publicity service and expense	32.75
Nov. 6, publicity service and expense	53.00
Dec. 4, publicity service and expense	29.00
Dec. 31, publicity service and expense	29.15
Dec. 31, publicity service and expense	29.15
Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service	149.94
William Benjamin, 215 4th Ave., N. Y. C., rentals	8.93
Rebecca Bestimt, Washington, D. C., petty cash	12.07
Bluestone Photoprint Co., 173 Madison Ave., N. Y. C., stenographing, mimeographing, printing	4.45
Alvin Boretz, 6936 Hessler Ave., Arverne, N. Y., literary services	150.00
Brentano, 586 5th Ave., N. Y. C., books, news, magazines	16.32
Albert Buhrman, 30 W. 9 St., N. Y. C.,	
Oct. 15, publicity service	54.00
Nov. 12, publicity service	153.00
Allen T. Burns, 225 E. 79 St., N. Y. C., local and travel expenses	143.75
Burrelle's Press Clipping Bureau, books, news, magazines	120.40
Capital Auto Messenger Service, 1536 Connecticut Ave. NW., Washington, D. C., messenger service	4.38
The Capital News Co., 1121 5th St. NW., Washington, D. C., books, news, magazines	9.98
Capitol Office Supply Co., 1129 Vermont Avenue NW., Washington, D. C., stationery and supplies	18.25
Central Typing & Adding Machine Co., 2019 14th St. NW., Washington, D. C., rentals	24.50
Chase National Bank, 18 Pine St., N. Y. C., interest, bank charges	677.41
Chesapeake & Potomac Telephone Co., 723 13th St. NW., Washington, D. C., telephone and telegraph	491.35
Chicago Park District, 425 E. 14 Blvd., Chicago, Ill., books, news, magazines	2.00
Church World Series Inc., 37 E. 36 St., N. Y. C., rentals, supplies	134.06
Cleveland Recording Co., 1220 Huron Rd., Cleveland, Ohio, publicity service and expenses	30.50
Steve Cochran, 1220 Central Park So., N. Y. C., publicity service and expenses	34.35
Aline Cohn, 122 E. 22 St., N. Y. C., travel and local expenses	36.91
Collector of Internal Revenue, 110 E. 45 St., N. Y. C., pay-roll taxes	560.40
Common Council for American Unity, 20 W. 40th St., N. Y. C., stationery and supplies	23.20
James Connolly c/o Chamber of Commerce, Dickinson, N. D., literary services	$300.00
Consolidated Edison Co. of New York, Inc., Box 138, Station D, N. Y. C., light, heat, power	226.23
Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, Ill., books, news, magazines	397.60
Courtesy Associates, Washington 5, D. C., telephone and telegraph	17.00
A. B. Dick Co., 1021 15 St. NW., Washington, D. C., stationery and supplies	4.05
R. Nixon & Co., Inc., 202 Franklin St., N. Y. C., furniture and equipment	185.00
Nancy Douglass, 470 Park Ave., N. Y. C., publicity service and expenses	33.62
Thomas J. Downs, 1625 K St. NW., Washington, D. C., counsel fees	1,500.00
Eric Dressler, 130 W. 44th St., N. Y. C.:	
Oct. 15, publicity service and expenses	39.25
December 31, publicity service and expenses	22.60
Carl Emory, care of J. Gissinhoff, 565 5th Ave., N. Y. C., publicity service and expense	60.70
Empire Broadcasting Corp., 480 Lexington Ave., N. Y. C., publicity service and expenses	871.70
Joe Feigley Assn., 1731 K St. NW., Washington, D. C., stenography, mimeographing, printing	47.60
Jerome S. Finston, 313 E. 13 St., N. Y. C., stenography, mimeographing, printing	51.00
Joseph Fischer, 168 W. 4th St., N. Y. C., stenography, mimeographing, printing	9.18
Noel B. Gerson, 470 Park Ave., N. Y. C., literary services	125.00
Rev. Wm. J. Gibbons, care of America, 329 W. 108th St., N. Y. C., local and travel expense	54.00
E. E. Glabe, 3624 Edmund Blvd., Minneapolis, Minn., local and travel expenses	250.00
Graphic House, Inc., 149 E. 40 St., N. Y. C., publicity service and expenses	69.70
Earl G. Harrison, University of Pennsylvania, Philadelphia, Pa., travel expenses	6.69
Steven Hill, 118 W. 57th St., N. Y. C., publicity service and expenses	39.25
Hooven Letters, Inc., 352 4th Ave., N. Y. C., stenography, mimeographing, printing	1,393.87
Hotel Pierre, 5th Ave. and 61st St., N. Y. C., local expenses	25.00
International Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals	45.00
Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., furniture and equipment	164.70
Leon Janney, 210 Riverside Dr., N. Y. C., publicity service and expenses	60.70
Milton C. Johnson Co., 78 Walker St., N. Y. C. stationery and supplies	40.80
Charles Kelly, Pittsburgh, Pa., travel exp	49.61
Arthur Kohl, 14 E. 90th St., N. Y. C., publicity serv. & exp	60.70
Daniel Lang, care of New Yorker, 25 W. 43 St., N. Y. C., literary services	100.00

William T. Lazar, 360 E. 55th St., N. Y. C.:
- Oct. 15, publicity serv. & exp. — $39.25
- Oct. 15, publicity serv. & exp. — 7.20
- Nov. 6, publicity serv. & exp. — 48.95
- Dec. 4, publicity serv. & exp. — 59.35
- Dec. 30, publicity serv. & exp. — 83.10

Madeline Lee, 237 E. 81st St., N. Y. C., publicity service and expenses — 33.62

Abby Lewis, 123 W. 13 St., N. Y. C.:
- Oct. 15, publicity serv. & exp. — 39.25
- Nov. 6, publicity serv. & exp. — 48.95
- Dec. 31, publicity serv. & exp. — 34.35

Bert Lind, 155 W. 20th St., N. Y. C., stenography, mimeographing, printing — 138.38

The Living Church, 744 No. 4 St., Milwaukee, Wis., books, news, magazines — .90

Kurt Phil Maier, 306 W. 91st St., N. Y. C., publicity service and expense — 108.00

Manhattan Letter Co., 45 Astor Pl., N. Y. C., stenography, mimeographing, printing — 2,490.99

Manhattan Storage and Transfer Co., 639 New York Ave. NW., Washington, D. C., rentals — 5.59

Joseph T. Mayne, 907 Washington Boulevard Building, Detroit, travel and local expenses — 23.37

Meco Press, 4 E. 45th St., N. Y. C., stationery and supplies — 1,184.35

Frederic Methot, 1 University Pl., N. Y. C., literary services — 362.50

Robert Milner, 311 Lexington Ave., N. Y. C., books, news, magazines — 17.50

Muzak Corp., 151 W. 46th St., N. Y. C., stationery and supplies, publicity services — 865.74

Scott McKay, 115 W. 11th St., N. Y. C., publicity services — 60.70

May McKinsey, 39 E. 36th St., N. Y., C., petty cash expenses — 1,940.61

National Commission on Immigration Policy, 36 W. 44th St., N. Y. C., books, news, magazines — 40.00

National League of Women Voters, 726 Jackson Pl., Washington, D. C., books, news, magazines — 18.50

Newsome & Co., Inc., 367 Boylston St., Boston, Mass., traveling expenses — 25.76

New York Herald Tribune, 230 W. 41 St., N. Y. C., publicity services and expenses — 19.60

N. Y. S. Unemployment Ins. Fund, Albany, N. Y. C., pay-roll taxes — 646.38

New York Telephone Co., Box 222, Station O, N. Y. C., telephone and telegraph — 2,632.94

New York Times, Times Square, N. Y. C., publicity services and expenses — 19.60

Northwest Airlines Inc., 1885 Univ. Ave., St. Paul, Minn., security deposit — 425.00

Nu-Method Matrix & Plate Co., Inc., 231 W. 39th St., N. Y. C., publicity service and expenses — 5.87

Harold L. Oram Inc., 8 W. 40 St., N. Y. C., publicity services and expenses — 1,750.00

Frances Osborn, 7 Montague Terrace, Brooklyn, N. Y., publicity services and expenses — 18.03

Packers Press, 188 W. 4th St., N. Y. C., stationery and supplies — 110.93

Peerless Towel Supply Co., 372 Gold St., Brooklyn, N. Y. C., cleaning, maintenance, repairs — 15.32

Permacam Co., 1 Bond Street, N. Y. C., stationery and supplies — 55.40

Walter C. Phillips, St. Albans, West Va., travel expenses — 109.79

Pierpont Estates Inc., 36 W. 44 St., N. Y. C., rent — 1,800.00

Pine Hill Crystal Spr. Water Co., 132d St. and Brook Ave., Bronx, N. Y., water — 35.96

Ella Joan Polinsky, 2102 Ocean Ave., Brooklyn, N. Y., research services — $570.00

Postmaster, New York, postage-meter — 1,000.00

Public Printer, House of Representatives, Washington, D. C., books, news, magazines — 117.11

Public Service Letter and Printing Co., 655 6th Ave., N. Y. C., stenographer, mimeograph, printing, postage — 817.64

Mary Louise Reilly, 53 Malvern Rd., Brockton, Mass., freight — 2.14

Remington Rand Inc., 465 Washington St., Buffalo, N. Y., rentals, repairs — 76.43

Reynolds Photo Shop, 34 St. & 2 Ave., N. Y. C., publicity services and expenses — 15.30

Rialto Mimeograph and Typing Service Bureau, 1501 Broadway, N. Y. C., stenographer, mimeograph, printing — 908.78

Ray Richmond, 49 Grove St., N. Y. C., literary services — 50.00

Rockhill Radio, 18 E. 50th St., N. Y. C.:
- Dec. 16, publicity services — 17.85
- Dec. 31, publicity services — 35.70

Rolled Plate Metal Co., 196 Van Brunt St., Brooklyn, N. Y., publicity services and expenses — 28.45

Bert L. Samalman, 155 W. 20 St., N. Y. C., stenographer, mimeograph, printing — 10.50

Schoene, Freehill, Kramer & Fanelli, 1744 K St. NW., Washington, D. C., miscellaneous — 44.37

Anne Seymour, Old Mill Rd., Greenwich, Conn., publicity services — 34.35

James Sheldon, 144 W. 86th St., N. Y. C.:
- October 15, publicity service — 75.00
- November 13, publicity service — 100.00
- December 8, publicity service — 75.00

Helen Shuford, Washington, D. C., petty cash expenses — 56.36

Simax Stationery Co., Inc., 43 E. 46th St., N. Y. C., stationery and supplies — 3.88

Siskind Hardware, 516 Third Ave., N. Y. C., supplies, maintenance — 18.38

Guy Sorel, 33 E. End Ave., N. Y. C., publicity services — 34.35

Stokes Coal Co., Inc., 5th Ave. and 142d St., N. Y. C., light, heat, power — 361.95

Robert S. Strauss, 520 Republic Bank Bldg., Dallas, freight and express — 10.19

Superintendent of Documents, Washington, D. C., books, news., magazines — 1.00

Karl Swanson, Irvington-on-Hudson, N. Y., publicity services — 33.62

Ruth Torr, 1745 K St. NW., Washington, D. C., stationery and supplies — 43.65

Tru-Print Photo Offset Co., Inc., 142 E. 32d St., N. Y. C., stenographer, mimeographing, printing — 374.34

Tru-Rite, Inc., 116 Broad St., N. Y. C., stationery and supplies — 57.08

U. S. Recording Co., 1121 Vermont Ave. NW., Washington, D. C., publicity service and expenses — 24.00

WABI, 51 State St., Bangor, Maine, publicity serv. & exp — 7.50

Washington, D. C., unemployment insurance fund, Washington, D. C., pay-roll taxes — 110.15

The Washington Post, Washington, D. C., books, news., magazines — 4.50

Watson Elevator Co., Inc., 407 W. 36th St., N. Y. C., cleaning, maintenance, repairs — 30.00

Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegrams and cables — $408.21

White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning, maintenance, repairs — 54.00

Wholesale Typewriter Co., 155 6th Ave., N. Y. C., rentals and freight — 176.36

Elinore L. Wolfe, 1710 Rhode Island Ave., Washington, D. C., rent — 600.00

World Convention Dates, 26 Court St., Brooklyn, N. Y., books, news, magazines — 3.00

37,679.88

Schedule No. 3, pay roll and travel expense

Name and address	Salary	Travel expense
Charlotte E. Abbott, 327 East 50 St., N. Y. C.	$695.00	$590.08
Anita Altman, 862 East 17th St., Brooklyn, N. Y.	720.00	----------
Edwin R. Armstrong, Hotel Duane, 237 Madison Ave., N. Y. C.	1,170.00	4,194.36
Florence Bachrach, 1000 Grand Concourse, Bronx, N. Y.	955.00	2.30
Lillian Baral, 9850 67th Ave., Forest Hills, L. I., N. Y.	1,500.00	194.52
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I., N. Y.	1,260.00	584.54
William S. Bernard, 68 West 58th St., N. Y. C.	1,875.00	2,412.68
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	765.00	49.95
Elizabeth W. Buck, 45 Church St., Montclair, N. J.	----------	19.95
William R. Burke, 11734 Missouri Ave., Los Angeles, Calif.	920.00	337.72
Hugh E. Carstensen, 324 East 48th St., N. Y. C.	545.00	5.25
Anna H. Clark, 107 East 89 St., N. Y. C.	1,500.00	34.17
Thomas M. Cooley 2d, Waterford, Va.	2,676.95	230.25
Helen G. Crisses, 1200 College Ave., Bronx, N. Y.	120.40	----------
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	525.00	----------
Cecilia R. Davidson, 170 West 73d St., N. Y. C.	1,337.54	103.48
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	----------	505.07
Tadeusz N. Hudes, 112-15 72d Rd., Forest Hills, L. I., N. Y.	1,875.00	676.68
Selma Edith Jerskey, 302 West 86th St., N. Y. C.	780.00	2.30
Anna B. Johnson, 509 West 142d St., N. Y. C.	735.01	----------
Curtis E. Johnson, 4619A 36 St., So. Fairlington, Va.	1,875.00	1,167.05
Lilja Lechow, 2728 Henry Hudson Pkway., Spuyten-Duyvil, N. Y.	480.00	----------
Emily Lehan, 417 West 121 St., N. Y. C.	866.00	----------
Clara Leiser, 16 St. Luke's Place, N. Y. C.	----------	316.78
Leo J. Margolin, 12 Norfolk Rd., Island Park, Nassau, N. Y.	3,000.00	2,054.89
Mary L. Mayger, 657 Francis St., Pelham Manor, N. Y.	152.14	----------
May McKinsey, 111 East 26 St., N. Y. C.	975.00	4.25
Jessie D. Ortell, 18 Gramercy Park S., N. Y. C.	720.00	----------
Pearl Richardson, 214 N. Main St., Pratt, Kans.	----------	149.92
Emil Rosenberg, 25 Charles St., N. Y. C.	2,019.25	1,134.36
Betty S. Rosenthal, 410 Nicholson St. NW., Washington, D. C.	150.60	----------
Eileen Rouse, 39 East 36 St., N. Y. C.	150.00	----------
William Rouse, 39 East 36 St., N. Y. C.	1,028.50	----------
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	780.00	----------
Bert Lind Samalman, 155 West 20 St., N. Y. C.	368.00	1.90
Anne M. Selby, 155 Colorado Blvd., Denver, Colo.	1,200.00	1,547.56
Helen A. Shuford, 2909 Olive Ave. NW, Washington, D. C.	1,715.00	1,004.85
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.	1,560.00	1,951.52
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	273.00	----------

Schedule No. 3, pay roll and travel expense—Continued

Name and address	Salary	Travel expense
Elizabeth S. Vanacore, 1176 Pelham Pkway., Bronx, N. Y.	$450.00	
Jack Wasserman, 2717 S. Veitch St., Arlington, Va.		$28.63
Beatrice Wellington, 122 East 82 St., N. Y. C.		53.56
Steven Williams, 2747 Ordway St. NW, Wash., D. C.	600.00	178.88
Sadie Winston, 101 Post Ave., N. Y. C.	780.00	
	39,097.39	19,537.45

(6) The total sum of expenditures made by or on behalf of such person during the calendar year (total of schedules Nos. 2 and 3) ---------- $96,314.72

Total sum of expenditures reported under (6) ----- 96,314.72

Total sum of expenditures reported in previous statement -- 288,727.17

Grand total of all expenditures to date of filing for calendar year ---------- 385,041.89

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,
County of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 9th day of January A. D. 1948.

LYDIA CONSTANTINO,
Notary Public, State of New York.

Mr. LANGER. Mr. President, I ask unanimous consent that another statement on the first page of which appears the names of Mr. and Mrs. John L. Loeb, 61 Broadway, N. Y., as having made a contribution of $500 or more, and on succeeding pages of which are shown expenses and pay roll, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 36 West Forty-fourth Street, New York (formerly 39 East Thirty-sixth Street, New York).

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

Mr. and Mrs. John L. Loeb, 61 Broadway, New York.

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1) ---------- $11,984.86

Total sum of contributions reported under (2) - 11,984.86

(3) The total sum of all contributions made to or for such person during the calendar year ---------- 34,484.86

Total sum of contributions reported under (3) ---------- 34,484.86

Total sum of contributions reported in previous statement - 262,602.67

Grand total of all contributons to date of filing for calendar year ------- 297,087.53

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:

Expenses, schedule 1 -------- 17,250.65

Pay roll and travel expenses, schedule 2:

Pay roll ---------- 8,961.78

Travel ---------- 4,144.54

Total ---------- 13,106.32

Total sum of expenditures reported under (4) ----- 30,356.97

(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4) ---------- None

Citizens Committee on Displaced Persons, schedule No. 1, expenses, July 1 to Sept. 30, 1948

American Trade Press Clipping Bureau, 15 E. 26th St., N. Y. C., books, newspapers, magazines --- $12.00

Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies ---------- 11.65

Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service -- 133.60

Benedict and Benedict, 99 John St., N. Y. C., insurance---------- 366.04

Bennett Lulli Radio, 565 Third Ave., N. Y. C., repairs---------- 20.90

Rebecca Bestimt, Washington, D. C., return of petty cash---------- 175.78

Broadcast Measurement Bureau, Inc., 270 Park Ave., N. Y. C., publicity expenses---------- 8.93

Allen T. Burns, 336 Northlawn, E. Lansing, Mich., local and travel -- 90.46

Business Equipment Corp., 153 Federal St., Boston, Mass., rentals--- 4.00

Capital News Co., 1121-5 St. NW., Washington, D. C., books, newspapers, magazines---------- 3.70

Washington, D. C. Furniture sold to employees et al., furniture and equipment ---------- $232.75

Chase National Bank, 18 Pine St., N. Y. C., interest---------- 1,526.87

Chesapeake & Potomac Telephone Co., 723-13 St. NW., Washington, D. C., telephone---------- 503.42

Cleary, Gottlieb, Friendly & Cox, 52 Wall St., N. Y. C., legal expenses---------- 152.77

Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes ---------- 617.94

Common Council for American Unity, 20 W. 40th St., N. Y. C., stationery and supplies--------- 90.88

Consolidated Edison Co., Box 138, N. Y. C., light, heat, power------ 113.92

Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, books, newspapers, magazines ---------- 271.60

Direct Mail Envelope Co., 15 W. 20 St., N. Y. C., stationery and supplies ---------- 32.21

Thomas Downs, 1625 K St. NW., Washington, D. C., legal expenses---------- 20.19

Evening Star Newspaper Co., Washington, D. C., advertisement---- 3.50

James Gray Inc., 216 E. 45 Street, N. Y. C., stenography, mimeography, printing---------- 608.43

Gunn Mears Advertising Co., Times Tower, N. Y. C., publicity expenses---------- 7.00

Prof. George Hill, University of Wisconsin, Madison, refund of advance---------- 300.00

International Office Appliances, Inc., 328 Broadway, N. Y. C., rentals---------- 30.00

La Salle Letter Co., 5 Liberty Place, N. Y. C., stenographer, mimeograph, printing---------- 1,350.23

Malcolm R. Leete, 42 Mt. Vernon St., Boston, Mass., sale of equipment, etc ---------- 46.95

Liberty National Bank, Washington, D. C., bank charges--------- 6.75

Manhattan Letter Co., 45 Astor Pl., N. Y. C., stenographic mimeograph, printing---------- 1,792.09

Manhattan Storage & Transfer Co., 639 New York Ave. NW., Washington, D. C., rentals---------- 11.18

Massachusetts Division of Employment Secretary, 881 Commonwealth Ave., Boston, Mass., pay-roll taxes ---------- 40.16

Meco Press, 4 E. 45th St., N. Y. C., stationery, and supplies-------- 192.32

Robert Milner, 311 Lexington Ave., N. Y. C., books, newspapers, magazines ---------- 19.60

May McKinsey, 39 E. 36th St., N. Y. C., petty cash refunds---------- 76.25

New England News Clip Agency, Boston, Mass., books, newspapers, magazines---------- 33.58

New England Telephone & Telegraph Co., 6 Bowdoin Sq., Boston, Mass., telephone and telegraph- 106.23

New England Watch & Ward Society, 41 Mt. Vernon St., Boston, Mass., rent and electric--------- 26.25

New York State Unemployment Insurance Fund, Albany, N. Y., pay-roll taxes---------- 708.49

New York Telephone Co., box 222, N. Y. C., telephone---------- 877.51

Harold L. Oram, Inc., 8 West 40 St., N. Y. C., publicity services--- 2,557.43

Packers Press, 188 W. 4th St., N. Y. C., stationery and supplies------ 38.00

Peerless Salvage Co., 2237 Georgia Ave. NW., Washington, D. C., freight and express---------- 23.50

Permacam Co., 1 Bond St., N. Y. C., stationery and supplies--------- 4.55

Pierpont Estates, Inc., 36 W. 44 Street, N. Y. C., rent	$1,800.00
Pine Hill Crystal Spring Water Co., 132 St. & Brook Ave., Bronx, N. Y., water	21.29
Pitney-Bowes, Inc., Walnut & Pacific St., Stamford, rentals	22.95
Radio Corp. of America, Camden, N. J., stationery and supplies	.64
Remington Rand, Inc., 465 Washington St., Buffalo, N. Y., rentals and repairs	36.95
Rialto Mimeograph & Typing Service, 1501 Broadway, N. Y. C., stenographing, mimeographing, printing	119.48
Dr. Leland Rex Robinson, 76 Beaver St., N. Y., travel expenses	22.50
Schoene, Freehill, Kramer, Fanelli, 1744 K St. NW., Washington, D. C., return of petty cash	200.00
Siskind Hardware, 516 Third Ave., N. Y. C., repairs	14.50
Tru-Rite, Inc., 116 Broad Street, N. Y. C., stationery and supplies	18.47
Washington Unemployment Insurance Fund, Washington, D. C., pay-roll taxes	85.57
Washington Post, Washington, D. C., refund re newspapers	.90
Watson Elevator Co., Inc., 407 W. 36th St., N. Y. C., maintenance	51.00
Western Union Telegraph Co., 60 Hudson St., N. Y., telegrams	3,445.55
White House Home Service, 1128 Lexington Ave., N. Y. C., maintenance	87.00
Wholesale Typewriter Co., 155 6th Ave., N. Y. C., rentals	134.70
WOR Program Service, Inc., 1440 Broadway, N. Y. C., freight	4.80
Total expenses July 1 to Sept. 30, 1948	17,250.65

Citizens Committee on Displaced Persons, schedule No. 2, pay-roll and travel expense, July 1 to Sept. 30, 1948

Name and address	Salary	Travel expense
Edwin R. Armstrong, Hotel Duane, 237 Madison Ave., N. Y. C.		$101.94
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I., N. Y.		45.20
William S. Bernard, 68 West 58 St., N. Y. C.	$2,505.00	1,189.32
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	113.77	161.42
William R. Burke, 11734 Missouri Ave., Los Angeles, Calif.		135.60
Hugh E. Carstensen, 324 East 48 St., N. Y. C.	657.70	6.57
Thomas M. Cooley 2d, Waterford, Va.		237.04
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	343.29	
Florence B. Dabnett, 28 Park Pl., Morristown, N. J.	81.00	
Cecilia R. Davidson, 170 W. 73 St., N. Y. C.		83.74
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.		34.39
Tadeusz N. Hudes, 112-15 72 Rd., Forest Hills, L. I., N. Y.		201.33
Selma E. Jerskey, 302 W. 86 St., N. Y. C.	630.00	266.74
Anna B. Johnson, 509 W. 142 St., N. Y. C.	5.13	
Curtis E. Johnson, 4619A 36 St., South Fairlington, Va.		78.40
Helen L. Koss, 5320 Rock Creek Church Rd. NE., Washington, D. C.	27.68	
Malcolm R. Leete, 42 Mt. Vernon St., Boston, Mass.	192.50	177.45
Leo J. Margolin, 12 Norfolk Rd., Island Park, Nassau, N. Y.	686.49	571.79
May McKinsey, 111 E. 26 St., N. Y. C.	896.52	46.89
Emil Rosenberg, 25 Charles St., N. Y. C.		50.76
Betty S. Rosenthal, 410 Nicholson St. NW., Washington, D. C.		$21.60
William Rouse, 39 E. 36 St., N. Y. C.	$630.00	1.45
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	900.00	29.01
Bert Lind Samalman, 155 W. 20 St., N. Y. C.	274.00	129.90
Anne Meredith Selby, 155 Colorado Blvd., Denver, Colo.		165.21
Helen A. Shuford, 2909 Olive Ave. NW., Washington, D. C.	682.70	866.93
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.		257.44
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	336.00	
	8,961.78	4,144.54

Citizens Committee on Displaced Persons, schedule No. 2, pay-roll and travel expense, July 1 to Sept. 30, 1948—Continued

(6) The total sum of expenditures made by or on behalf of such person during the calendar year	$30,356.97
Total sum of expenditures reported under (6)	30,356.97
Total sum of expenditures reported in previous statement	286,467.27
Grand total of all expenditures to date of filing for calendar year	316,824.24

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,
County of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 8th day of October, A. D. 1948.

LYDIA CONSTANTINO,
Notary Public, State of New York.

Mr. LANGER. Mr. President, I also ask unanimous consent that a further statement sworn to on the 10th of October 1947, may be printed in full in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-sixth Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

See schedule 1.

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1)	$8,845.97
Total sum of contributions reported under (2)	8,845.97
(3) The total sum of all contributions made to or for such person during the calendar year	37,845.97
Total sum of contributions reported under (3)	37,845.97
Total sum of contributions reported in previous statement	236,753.25
Grand total of all contributions to date of filing for calendar year	274,599.22

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:	
Expenses, see schedule 2	41,573.51
Pay roll and travel expenses, see schedule 3:	
Pay roll	45,327.59
Travel expenses	16,394.62
Total sum of expenditures reported under (4)	103,295.72
(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4)	None

Schedule No. 1

Mr. and Mrs. W. H. Rich, Atlanta, Ga.
Warner Bros., 521 Fifth Avenue, N. Y. C.
Nelson A. Rockefeller, 30 Rockefeller Plaza, N. Y. C.
Mayer family, 895 Park Avenue, N. Y. C.
Benjamin S. Katz, Time Hall, Cincinnati, Ohio.

Schedule No. 2, expenses

Academy Photo Offset, Inc., 15 E. 22d St., N. Y. C., stenography, mimeographing, printing	$180.54
Academy Press, 112 4th Ave., N. Y. C., stenography, mimeographing, printing	3,614.67
Advertisers Mailing Service, 915 Broadway, N. Y. C., stenography, mimeographing, printing	13.31
American Council of Voluntary Agencies for Foreign Service, Inc., 122 E. 22d St., N. Y. C., books, newspapers, magazines	66.90
American Jewish Committee, 386 4th Ave. (reported twice), stenography, mimeographing, printing	14.67

American Press Association, 225 W. 39th St., N. Y. C., books, newspapers, magazines $5.00
American Trade Press Clipping Bureau, 15 E. 26th St., N. Y. C., books, newspapers, magazines 20.00
Edwin R. Armstrong, 362 Riverside Drive, N. Y. C.:
July 9, literary service 125.00
July 15, literary service 125.00
July 24, literary service 125.00
July 28, literary service 125.00
Aug. 6, literary service 125.00
Aug. 7, literary service 250.00
Aug. 7, travel expenses 66.60
Aug. 25, travel expenses 191.87
Aug. 25, literary service 125.00
Aug. 26, travel expenses 98.43
Sept. 3, literary service 125.00
Sept. 8, literary service 125.00
Sept. 10, travel expenses 43.20
Sept. 17, literary service 125.00
Sept. 24, travel expenses 300.00
Sept. 24, literary service 150.00
Sept. 24, travel expenses 36.75
Sept. 29, literary service 150.00
Sept. 29, travel expenses 31.60
Sept. 29, travel expenses 21.82
Miss Jacquelyn Armstrong, 927 Foster Ave., Brooklyn, N. Y., stenography, mimeographing, printing 53.00
Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies 9.95
E. J. Barnes & Co., Inc., 9 Rockefeller Plaza, N. Y. C., rentals 50.00
Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service 246.50
William Benjamin, 215 4th Ave., N. Y. C., rentals 27.63
John Bergonzi, Inc., 1607 York Ave., N. Y. C., rentals 15.30
The Biltmore, Madison and 43 St., N. Y. C., miscellaneous local expenses 173.51
Paul L. Brad & Sons, 2153 K St. NW., Washington, D. C., publishing service and expenses 18.00
Allen T. Burns, 225 E. 79th St., N. Y. C., local and travel 10.34
Burrelle's Press Clipping Bureau, books, newspapers, magazines 323.70
Capitol Office Supply Co., 1129 Vermont Ave. NW., Washington, D. C., stationery and supplies 44.50
Central Typewriter & Adding Machine Co., 2019 14th St. NW., Washington, D. C., rentals 47.00
Mrs. Dorothy Chaikin, 1 W. 72 St., N. Y. C., stenography, mimeographing, printing 20.00
Chase National Bank, 19 Pine St., N. Y. C., bank charge .25
Chesapeake & Potomac Telephone Co., 723 13th St. NW., Washington, D. C., telephone and telegraph 1,148.76
Church World Service, Inc., 37 E. 36 St., N. Y. C., stationery and supplies 100.04
City Hall Hardware Shop, 33 Park Row, N. Y. C., cleaning, maintenance, repairs 9.83
Cleary, Gottlieb, Friendly & Cox, 52 Wall St., N. Y. C., legal fees and expenses 1,015.31
Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes 1,188.88
Congressional Quarterly, 732 17 St. NW., Washington, D. C., books, newspapers, magazines 40.00
Consolidated Edison Co. of N. Y., Box 138, Station D, N. Y. C., light, heat, power 221.79
Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines 475.76
Courtesy Associates, Washington 5, D. C., telephone and telegraph 12.70
D. C. Photo Print Service, 1018 Vermont Ave. NW., Washington, D. C., stenography, mimeographing, printing $1.00
Devans Secretarial Service, 1742 K St. NW., Washington, D. C., stenography, mimeographing, printing 26.40
Raymond Disco, 350 5th Ave., N. Y. C., travel expenses 34.50
Economy Movers, Inc., 264 W. 124 St., N. Y. C., moving expenses 9.27
Editor and Publisher, 1700 Times Tower, N. Y. C., books, newspapers, magazines 4.00
Empire Broadcasting Corp., 480 Lexington Ave., N. Y. C., publicity service 240.00
Federal Council of the Churches of Christ in America, 297 Fourth Ave., N. Y. C., stenography, mimeographing, printing 246.57
Joe Feigley Association, 1731 K St. NW., Washington, D. C. stenography, mimeographing, printing 846.09
Films of the Nations, Inc., 18 W. 55th St., N. Y. C., public service and expenses 4.00
Jerome S. Finston, 313 E. 13 St., N. Y. C., stenography, mimeographing, printing 2,595.90
Garman Printing Co., 35 S. St. Clair St., Dayton, Ohio, stenography, mimeographing, printing 130.18
J. Godson, local and travel expenses 14.50
Graphic House, Inc., 149 E. 40 St., N. Y. C., publicity service and expenses 288.05
Greenhouse Flowers, 60 E. 34 St., flowers 10.00
Hammill Corp., 1714 3 Ave. No., Birmingham, Ala., stenographing, mimeographing, printing 20.40
C. S. Hammond & Co., Inc., 88 Lexington Ave., N. Y. C., stationery and supplies 10.20
Earl G. Harrison, University of Pennsylvania, Philadelphia, Pa.:
July 31, travel expenses 13.10
September 5, travel expenses 7.62
Hart Stenographic Bureau, 156 W. 44th St., N. Y. C., stenographing, mimeographing, printing 4.08
Rev. Benjamin Herbster, 344 Resor Ave., Cincinnati, Ohio, travel expenses 44.72
Hooven Letters, Inc., 352 4th Ave., N. Y. C., stenographing, mimeographing, printing 1,411.89
Hotel Commodore, Lexington Ave. & 42 St., N. Y. C., miscellaneous local expenses 44.17
Hotel Statler, Washington, D. C., local expenses 20.00
International Institute of Buffalo, 610 Delaware Ave., Buffalo, N. Y., freight and drayage 24.16
International News Photos, 235 E. 45th St., N. Y. C., publicity service and expenses 32.40
International Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals 45.00
Robert H. Jamison, 1425 Guardian Bldg., Cleveland, Ohio, travel expenses 64.33
Milton C. Johnson Co., 78 Walker St., N. Y. C., stationery and supplies 40.80
Liberty Music Shops, Inc., 450 Madison Ave., N. Y. C., publicity service and expenses 22.08
Manhattan Letter Co., 45 Astor Pl., N. Y. C., stenographing, mimeographing, printing 1,860.81
Manhattan Office Equipment Co., 639 New York Ave. NW., Washington, D. C., furniture and equipment .80
Manhattan Storage & Transfer, 639 New York Ave. NW., Washington, D. C., rental and freight 27.45
Meco Press, 4 E. 45th St., N. Y. C., stationery and supplies $1,015.23
Melling & Gaskins Printing Co., 112 W. Broadway, Alton, Ill., stenographing, mimeographing, printing 18.80
Frederic Methot, 1 University Pl., N. Y. C., literary services 675.00
Charles A. Michie, 1424 Rhode Island Ave., Washington, D. C., literary service and expenses 633.85
Robert Milner, 311 Lexington Ave., N. Y. C., books, newspapers, magazines 27.50
Mimeo Manufacturing Co., 401 Broadway, N. Y. C., cleaning, maintenance, repairs 6.34
Monroe's Transfer & Storage, 318 3d St. NE., Washington, D. C., storage 5.66
Muzak Corp., 151 W. 46th St., N. Y. C., stationery and supplies 53.48
J. M. McGuire & Co., 1476 Broadway, N. Y. C., rental and repairs 61.20
May McKinsey, 39 E. 36th St., N. Y. C., petty cash expenses 953.34
Natl. Catholic Welfare Conferences, War Relief Services, 350 5th Ave., N. Y. C., books, newspapers, magazines 24.00
National Commission on Immigration Policy, 36 W. 44th St., N. Y. C.:
Postage and supplies 5.85
Books, newspapers, magazines 305.00
Natl. League of Women Voters, 726 726 Jackson Pl., Washington, D. C., books, newspapers, magazines 8.00
National Opinion Research Center, Univ. of Denver, Denver, Colo., research service 57.61
New York State Unemployment Insurance Federation, Albany, N. Y., pay-roll taxes 1,408.59
New York Telephone Co., Box 222, Station O, N. Y. C., telephone and telegraph 2,034.88
Harold L. Oram, Inc., 8 W. 40 St., N. Y. C., publicity service 3,200.00
Packers Press, 188 W. 4th St., N. Y. C., stationery and supplies 51.00
Mrs. Robert Pearson, 103–26 68 Rd., Forest Hills, N. Y., medical expenses 200.00
Peerless Towel Supply Co., 372 Gold St., Brooklyn, N. Y., stationery and supplies 23.69
Permacam Co., 1 Bond St., N. Y. C., stationery and supplies 39.11
Pierpont Estates Inc., 36 W. 44 St., N. Y. C., rent 1,200.00
Pine Hill Crystal Spring Water Co., 132 St. & Brook Ave., Bronx, N. Y., water 28.07
Miss Pearl Poland, 3508 95 St., Jackson Heights, N. Y., stenography, mimeographing, printing 8.00
Public Relations Associates, 1737 H. St. NW., Washington, D. C., furnishings 10.00
Princeton Club, 39 E. 39th St., N. Y. C., miscellaneous local expenses 58.04
Public Printer, House of Representatives, Washington, D. C., books, news, magazines 68.10
Public Relations Associates, 1737 H. St. NW., Washington, D. C., furnishings 9.00
Public Service Letter and Printing Co., 655 6th Ave., N. Y. C., stenograph, mimeograph, printing 303.01
Radio Daily, 1501 Broadway, N. Y. C., books, news, magazines 10.05
Guy Sorel, 33 East End Ave., N. Y. C., publicity service and expenses 150.20
William T. Lazar, 360 E. 55th St., N. Y. C., publicity service and expenses 101.50
Abby Lewis, 123 W. 13th St., N. Y. C., publicity service and expenses 97.40

Barney Beck, 15 Elliott Pl., N. Y. C., publicity service and expenses--- $119.40
James Sheldon, 144 W. 86th St., N. Y. C., publicity service and expenses--- 300.00
Albert Buhrman, 30 W. 9th St., N. Y. C., publicity service and expenses--- 342.00
Eric Dressler, 130 W. 44th St., N. Y. C., publicity service and expenses--- 150.20
Steven Hill, 118 W. 57th St., N. Y. C., publicity service and expenses--- 97.40
Carmen Caruso, 5 Appletree Lane, Roslyn, L. I., N. Y., publicity service and expenses--- 48.70
Daniel A. Cain, 4725 48 St., Woodside, L. I., N. Y., publicity service and expenses--- 20.00
Herschel S. Steinhardt, 2733 Barker Ave., Bronx, N. Y., publicity service and expenses--- 100.00
Mary Jane Higbe, 33 East End Ave., N. Y. C., publicity service and expenses--- 52.80
Remington Rand, Inc., 465 Washington St., Buffalo, N. Y., rentals and repairs--- 68.44
Rialto Mimeograph and Typesetting Service Bureau, 1501 Broadway, N. Y. C., stenograph, mimeograph, printing--- 948.82
Ritter Travel Bureau, 330 W. 42 St., N. Y. C., July 16, travel--- 391.06
Rockhill Radio, 18 E. 50th St., N. Y. C.:
July 16, publicity service--- 171.89
Sept. 3, publicity service--- 702.78
Sept. 9, publicity service--- 73.90
Sept. 30, publicity service--- 1.00
Schlossman's & Sons, 545 3rd Ave., N. Y. C., cleaning, maintenance, repairs--- 5.01
Schoene, Freehill, Kramer & Fanelli, 1744 K St. N. W., Washington, D. C.:
July 16, miscellaneous expenses--- 348.81
July 28, counsel fees--- 1,000.00
Aug. 12, miscellaneous expenses--- 201.38
Helen Shuford, 1710 Rhode Island Ave. NW., Washington, D. C., petty cash expenses--- 220.20
Siskind Hardware, 516 3rd Ave., N. Y. C., cleaning, maintenance, repairs--- 35.68
Chas. G. Stott & Co., Inc., 1310 New York Ave. NW., Washington, D. C., furniture and equipment--- 15.60
Sutton Elec. Supply Corp., 221 E. 59 St., N. Y. C., cleaning, maintenance, repairs--- 29.48
Tourneau Inc., 431 Madison Ave., N. Y. C., stationery and supplies--- 22.95
The Town Hall, Inc., 123 W. 43 St., N. Y. C., publicity service and expenses--- 4.00
Tru-Rite, Inc., 116 Broad St., N. Y. C., stationery and supplies--- 26.83
Union Towel Supply Div., 50 Church St., N. Y. C., cleaning, maintenance, repairs--- 7.10
U. S. Recording Co., 1121 Vermont Ave. NW., Washington, D. C., publicity service and expenses--- 21.97
J. A. Want Organization, 122 5th Ave., N. Y. C., stenography, mimeographing, printing--- 28.38
Wash., D. C., Unemp. Ins. Fd., Washington, D. C., pay-roll taxes--- 195.72
Watson Elevator Co., Inc., 407 W. 36 St., N. Y. C., cleaning, maintenance, repairs--- 45.00
Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegrams and cables--- 2,981.55
White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning, maintenance, repairs--- 50.00
Wholesale Typewriter Co., 165 6th Ave., N. Y. C., rentals and freight--- $100.68
Elinore L. Wolfe, 1710 Rhode Island Ave. NW., Washington, D. C., rent--- 900.00
Women's Intl. League for Peace and Freedom, 2006 Walnut St., Philadelphia, Pa., postage returned--- 120.00
WOR Program Service, Inc., 1440 Broadway, N. Y. C., publicity service and expenses--- 18.26
Working Press of the Nation, 420 Lexington Ave., N. Y. C., books, newspapers, magazines--- 15.30
World Convention Dates, Hendrickson Publishing Co., 26 Court St., Brooklyn, N. Y., books, newspapers, magazines--- 15.00

41,573.51

Schedule No. 3, pay roll and travel expense

Name and address	Salary	Travel expense
Charlotte E. Abbott, 327 E. 50 St., N. Y. C.	$335.00	$583.69
Anita Altman, 862 E 17 St., Brooklyn, N. Y.	660.00	.50
Florence Bachrach, 1000 Grand Concourse, Bronx, N. Y.	864.36	.90
Lillian Baral, 9850 67th Ave., Forest Hills, L. I., N. Y.	1,500.00	31.75
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I., N. Y.	1,260.00	360.17
Harry L. Bennett, Jr., 127 Schuler St., Syracuse, N. Y.	----------	.30
William S. Bernard, 68 W. 58th St., N. Y. C.	1,875.00	2,431.43
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	735.00	104.11
Elizabeth W. Buck, 45 Church St., Montclair, N. J.	360.00	192.35
Allen T. Burns, 225 E. 79 St., N. Y. C. See other expenses	----------	10.34
Hugh E. Carstensen, 324 E. 48 St., N. Y. C.	495.00	10.04
Anna H. Clark, 107 E. 89 St., N. Y. C.	1,453.86	7.85
Thomas M. Cooley, 2d, Waterford, Va.	3,000.00	92.58
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	453.66	----------
Cecilia Rasovsky Davidson, 170 W. 73 St., N. Y. C.	1,295.08	196.11
Louise M. Egener, 505 W. 54 St., N. Y. C.	240.30	
Leila Fleisher, 3538 W. Place NW., Washington, D. C.	312.86	15.75
Rev. John T D. Franzen, 92 Pearl St., Seymour, Conn.	213.18	9.43
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	335.00	236.54
Dorothy Goldman, 353 E. 53 St., N. Y. C. Reported twice	30.75	----------
Joan E. Groom, 1751 Hendrickson St., Brooklyn, N. Y.	183.08	.60
Evelyn Harmon, 34 E. 64 St., N. Y. C.	350.32	----------
Peggy Harris, 121 Lexington Ave., N. Y. C.	435.00	57.79
Tadeusz N. Hudes, 112-15 72 Rd., Forest Hills, L. I., N. Y.	1,875.00	332.00
Miriam D. Hughes, 144 E. 40 St., N. Y. C.	222.00	----------
Selma Edith Jerskey, 302 W. 86 St., N. Y. C.	772.23	43.59
Anna B. Johnson, 509 W. 142 St., N. Y. C.	660.00	1.35
Curtis E. Johnson, 4619A 36 St., S. Fairlington, Va.	1,875.00	1,068.57
Mary E. Jones, 274 Mott St., N. Y. C.	183.08	----------
Eric Kocher, c/o Lowey, 13 W. 9 St., N. Y. C.	460.00	212.88
Emily Lehan, 417 W. 121 St., N. Y. C.	821.04	1.25
Clara Leiser, 16 St. Luke's Pl., N. Y. C.	435.00	432.03
Irma Levitan, Hotel Imperial, 32 St. & Broadway, N. Y. C.	40.00	----------
Anna Lewita, 304 W. 99 St., N. Y. C.	320.00	----------
Leo J. Margolin, 12 Norfolk Rd., Island Park, Nassau, N. Y.	3,000.00	2,356.49
May McKinsey, 111 E. 26 St., N. Y. C.	975.00	50.61
Richard F. Meehan, 2100 Connecticut Ave. NW., Washington, D. C.	485.00	----------
Jessie D. Ortell, 18 Gramercy Park S., N. Y. C.	720.00	----------
Robert W. Pearson, 103-26 68 Rd., Forest Hills, N. Y.	500.00	270.25
Pearl Richardson, 214 N. Main St., Pratt, Kans.	$435.00	$725.72
Emil Rosenberg, 25 Charles St., N. Y. C.	1,875.00	1,451.57
Eileen Rouse, 39 E. 36 St., N. Y. C.	150.00	----------
William Rouse, 39 E. 36 St., N. Y. C.	585.00	----------
George E. Rundquist, 436 Grant Ave., Brooklyn, N. Y.	500.00	362.78
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	768.00	----------
Barbara Sanders, 100-40 Francis Lewis Blvd., Hollis, L. I., N. Y.	316.68	.10
Ruth A. Seekamp, 9118 Hollis Ct. Blvd., Queens Village, L. I., N. Y.	240.30	----------
Anne Meredith Selby, 155 Colorado Blvd., Denver, Colo.	1,200.00	1,193.19
Helen A. Shuford, 2909 Olive Ave. NW., Washington, D. C.	1,500.00	553.75
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.	1,560.00	1,515.71
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	273.00	----------
Blossom Steinert, Box 1731, Plaza Sta., St. Louis, Mo.	420.00	195.35
Carman B. Turner, 2111 18 St. SE., Washington, D. C.	278.93	4.60
Elizabeth S. Vanacore, 1176 Pelham Pkway., Bronx, N. Y.	443.08	----------
Frank D. Vanacore, 455 W. 35 St., N. Y. C.	60.00	5.34
Jack Wasserman, 2717 S. Veitch St., Arlington, Va.	1,000.00	13.53
Beatrice Wellington, 122 E. 82 St., N. Y. C.	420.00	1,053.11
June Welsh, 4708A Homer Ave. SE., Washington, D. C.	358.10	1.30
Steven Williams, 2747 Ordway St. NW., Washington, D. C.	1,800.00	715.27
Sadie Winston, 101 Park Ave., N. Y. C.	780.00	----------
Edward P. Wolfe, 1392 Madison Ave., N. Y. C.	25.20	8.05
Vinton E. Ziegler, 53 Hartsdale Rd., Elmsford, N. Y.	670.00	17.48
	45,327.59	16,394.62

(6) The total sum of expenditures made by or on behalf of such person during the calendar year, total of schedules 2 and 3--- $103,295.72

Total sum of expenditures reported under (6)--- 103,295.72

Total sum of expenditures reported in previous statement--- 185,431.45

Grand total of all expenditures to date of filing for calendar year--- 288,727.17

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,
County of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 10th day of October, A. D. 1947.

LYDIA CONSTANTINO,
Notary Public, State of New York.

Mr. LANGER. Mr. President, in order to save time, I ask unanimous consent that five other detailed statements be printed at this point in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-sixth Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

See schedule No. 1.

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1)	$46,457.77
Total sum of contributions reported under (2)	46,457.77
(3) The total sum of all contributions made to or for such person during the calendar year	139,957.77
Total sum of contributions reported under (3)	139,957.77
Grand total of all contributions to date of filing for calendar year	139,957.77

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:	
Expenses, schedule No. 2	71,260.59
Pay-roll and travel expenses, schedule No. 3:	
Pay roll $45,513.03	
Travel 32,734.33	
	78,247.36
Total sum of expenditures reported under (4)	149,507.95
(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4)	None

Schedule No. 1, contributions $500 or more

Mayer family, 31 Union Square West, N. Y. C.

Lessing J. Rosenwald, Jenkintown, Pa.

Adele R. Levy, 300 Park Avenue, N. Y. C.

Edith G. Rosenwald, Jenkintown, Pa.

Edgar B. Stern, 2110 American Bank Building, New Orleans, La.

David M. Levy, 136 East Fifty-seventh Street, N. Y. C.

Mr. and Mrs. Albert Lasker, Chrysler Building, N. Y. C.

Marion R. Ascoli, 23 Gramercy Park South, N. Y. C.

John J. Raskob, 350 Fifth Avenue, N. Y. C.

Edith R. Stern, 11 Garden Lane, New Orleans, La.

Carl M. Loeb, 500 Fifth Avenue, N. Y. C.

Marshall Field, 250 Park Avenue, N. Y. C.

Frances and John L. Loeb Foundation, 61 Broadway, N. Y. C.

John D. Rockefeller, Jr., 30 Rockefeller Plaza, N. Y. C.

Henry F. Cabell, 1107 Feiling Building, Portland, Oreg.

B'nai B'rith, 1003 K Street NW., Washington, D. C.

Herbert H. Lehman, 41 East Fifty-seventh Street, N. Y. C.

Chase National Bank, 18 Pine Street, N. Y. C. (loan individually guaranteed).

Schedule No. 2, expenses

Academy Multigraphing Co., 7 E. 15 St., N. Y. C., stenography, mimeographing, printing	$8.93
Academy Photo Offset, Inc., 15 E. 22 St., N. Y. C., stenography, mimeographing, printing	1,750.00
Academy Press, 112 4th Ave., N. Y. C., stenography, mimeographing, printing	242.76
Addressing Machine & Equipment Co., 29 E. 22 St., N. Y. C., stationery and supplies	9.40
Rudy Adler, care of Local 802, 570 Lexington Ave., N. Y. C., publicity service and expenses	54.00
John J. Allen, 2234 21 St., Astoria, N. Y., cleaning, maintenance, repairs	50.00
American Trade Press Clipping Bureau, 15 E. 26 St., N. Y. C., books, newspapers, magazines	34.00
Edwin R. Armstrong 237 Madison Ave., N. Y. C.:	
Literary services:	
Jan. 7	75.00
Jan. 27	75.00
Jan. 30	42.50
Feb. 25	75.00
Mar. 9	42.00
Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies	49.25
Barney Beck, 15 Elliott Pl., Bronx, N. Y.:	
Publicity service:	
Jan. 9	66.00
Jan. 22	36.00
Frank Behrens, 412 E. 84 St., N. Y. C., publicity service, Mar. 31	29.70
Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service	156.76
William Benjamin, 215 4th Ave., N. Y. C., rentals	2.92
Rebecca Bestimt, 1710 Rhode Island Ave., Washington, D. C., petty cash expenses	447.03
Bluestone Photoprint Co., 173 Madison Ave., N. Y. C., stenography, mimeographing, printing	2.30
Brentano, 586 5th Ave., N. Y. C., books, newspapers, magazines	14.24
Broadway Chair Rental Co., 5701 Broadway, N. Y. C., rentals	12.75
Maurice Brown, care of Local 802, 570 Lexington Ave., N. Y. C.:	
Publicity service:	
Feb. 27	36.00
Mar. 31	54.00
Business Equipment Corp., 153 Federal St., Boston, Mass., furniture	$163.50
The Capital News Co., 1121 5 St. NW., Washington, D. C., books, newspapers, magazines	3.90
Capitol Office Supply Co., 1129 Vermont Ave. NW., Washington, D. C., furniture and supplies	60.65
Central Typewriter & Adding Machine Co., 2019 14th St. NW., Washington, D. C., rentals	37.50
Chase National Bank, 18 Pine St., N. Y. C., interest, bank charges	978.78
Chesapeake & Potomac Telephone Co., 723 13th St. NW., Washington, D. C., telephone, telegraph	2,575.06
Christian Century, 407 S. Dearborn St., Chicago, Ill., books, newspapers, magazines	1.00
Cinemart, Inc., 101 Park Ave., N. Y. C., publicity service and expense	50.24
Cleary, Gottlieb, Friendly & Cox, 52 Wall St., N. Y. C., legal fees and expenses	159.22
Steve Cochran, 120 Central Pk. S., N. Y. C., publicity service and expenses	10.55
Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes	669.40
Commerce Clearing House, Inc., Chicago, Ill., books, newspapers, magazines	1.00
Common Council for American Unity, 20 W. 4th St., N. Y. C.	
Stationery and supplies	49.60
Stenography, mimeographing, printing	99.84
Composing Room, Inc., 130 W. 46 St., N. Y. C., stenography, mimeographing, printing	134.53
James Connolly, care of Chamber of Commerce, Dickinson, N. Dak., literary expenses	50.50
Consolidated Edison Co. of New York, Box 138, Sta. D., N. Y. C., light, heat, power	171.49
Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines	309.28
Courtesy Associates, Washington 5, D. C., telephone, telegraph	10.41
Crystal Copy Corp., 15 W. 24 St., N. Y. C., stationery, supplies	8.70
A. B. Dick Co., 1021 15 St. NW, Washington, D. C., stationery, supplies	8.34
Susan Douglas, 155 E. 52d St., N. Y. C., publicity services	31.70
Nancy Douglass, 470 Park Ave., N. Y. C., publicity services	35.60
Thomas J. Downs, 1625 K St. NW, Washington, D. C.:	
Counsel fees, Jan. 2	1,500.00
Expenses, Jan. 15	37.40
Counsel fees, Feb. 13	1,500.00
Expenses, Feb. 27	144.75
Counsel fees, Mar. 12	1,500.00
Expenses, Mar. 16	10.34
Eric Dressler, 130 W. 44th St., N. Y. C.:	
Publicity services, Jan. 13	10.55
Publicity services, Mar. 31	61.20
Publicity services, Mar. 31	29.70
Robert Dryden, 177 Woodland Ave., New Rochelle, N. Y., publicity services, Feb. 27	39.60
Rhinehart Elster, care of Local 802, 570 Lexington Ave., N. Y. C., publicity, Feb. 27	36.00
Carl Emory, care of Gissinhoff, 565 Fifth Ave., N. Y. C., publicity services, Feb. 27	31.70
Empire Broadcasting Corp., 480 Lexington Ave., N. Y. C., publicity services and expenses	1,422.35
Ever-Ready Stenographic Service, 1745 K St., NW., Washington, D. C., stenography, mimeographing, printing	133.05

Joe Feigley Association, 1731 K St. NW., Washington, D. C., stationery, supplies $58.25
Muriel Ferris, 726 Jackson Pl., Washington, D. C., travel expense 45.55
Jerome S. Finston, 313 E. 13 St. N. Y. C., stenography, mimeographing, printing 1,058.25
Joseph Fischer, 188 W. 4th St., N. Y. C., stenography, mimeographing, printing 785.40
Forecast Productions, Inc., 1860 Broadway, N. Y. C., publicity services 1,000.00
John Gart, 340 W. 57th St., N. Y. C., publicity services 54.00
Will Geer, New York City, N. Y., publicity services 39.60
Noel B. Gerson, 470 Park Ave., N. Y. C.:
Literary services:
Jan. 7 ..... 125.00
Jan. 22 ..... 125.00
Feb. 6 ..... 125.00
Feb. 25 ..... 125.00
Mar. 9 ..... 125.00
Mar. 23 ..... 50.00
Mar. 29 ..... 100.00
Gile Letter Service, 514 2d Ave. S., Minneapolis, Minn., stenography, mimeographing, printing 167.97
Gimbel Bros., 32d St. and Broadway, N. Y. C., furniture and equipment 7.14
E. B. Glabe, 3624 Edmund Blvd., Minneapolis, Minn., traveling expenses 1,146.07
Glayston Printing Co., 321 W. Court Ave., Des Moines, Iowa, stenography, mimeographing, printing 49.16
Joseph Godson, traveling expenses 60.18
Mike Golgar Co., Inc., 18 E. 41 St., N. Y. C., publicity services 5,742.00
Teddy Gompers, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 54.00
Gramercy Stationery Co., 284 Madison Ave., N. Y. C., furniture and equipment 16.02
Graphic Syndicate, Inc., 8 W. 40 St., N. Y. C., stenography, mimeographing, printing 17.50
Doug Hawkins, WOR, 1440 Broadway, N. Y. C., publicity services 25.00
Hendrickson Publishing Co., Inc., 26 Court St., Brooklyn, N. Y., books, newspapers, magazines 7.50
Mary Jane Higbe, 33 East End Ave., N. Y. C., publicity services 35.60
Holden Printing Co., 424 S. 6 St., Minneapolis, Minn., stationery, supplies, mimeographing 403.50
Hooven Letters, Inc., 352 4th Ave., N. Y. C., stenography, mimeographing, printing 1,149.35
Hotel Cleveland, Public Sq., Cleveland, Ohio, local expenses 75.00
Intl. Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals 45.00
Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., furniture and equipment 19.50
Edwin Jerome, 405 E. 54 St., N. Y. C., publicity services 39.60
Raymond E. Johnson, 70 Marcourt Dr., Chappaqua, N. Y., publicity services 39.60
Ben Kagan, 7312 35 Ave., Jackson Heights, N. Y.:
Literary services:
Feb. 18 ..... 125.00
Mar. 23 ..... 200.00
Mar. 31 ..... 35.00
Thomas B. Keehn, 1751 N St. NW., Washington, D. C., travel and local expense $64.65
Charles Kelly, Pittsburgh, Pa., traveling expenses 21.45
Murray Kellnes, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 54.00
Leo Kruczek, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services 36.00
LaSalle Letter Co., 5 Liberty Pl., N. Y. C., stenography, mimeographing, printing 85.30
William T. Lazar, 360 E. 55 St., N. Y. C.
Publicity services:
Jan. 5 ..... 37.80
Jan. 9 ..... 7.90
Jan. 13 ..... 10.55
Jan. 22 ..... 37.60
Feb. 27 ..... 31.70
Mar. 31 ..... 64.60
Mar. 31 ..... 34.70
Malcolm R. Leete, 42 Mt. Vernon St., Boston, Mass., petty cash expenses 27.06
Bernard Lenrow, 239 Van Nostrand Ave., Englewood, N. J., publicity services 39.60
Abby Lewis, 123 W. 13th St., N. Y. C.:
Publicity services: Jan. 13 ..... 10.55
Mar. 31 ..... 56.70
Sammy Liner, care of Local 802, 570 Lexington Ave., N. Y. C.:
Publicity services: Feb. 27 ..... 36.00
Mar. 31 ..... 54.00
Warren G. Magnuson, U. S. Senate, Washington, D. C., traveling expenses 238.54
Manhattan Letter Co., 45 Astor Place, N. Y. C., stenography, mimeographing, printing 4,027.54
Manhattan Storage & Trans. Co., 639 New York Ave. NW., Washington, D. C., miscellaneous rentals 22.36
Peter Martin, 10 John St., Spring Valley, N. Y., literary services 100.63
Mass. Broadcasting Corp., 485 Boylston St., Boston, Mass., publicity service and expenses 20.00
Mecca Film Labs. Inc., 630 9th Ave., N. Y. C., publicity services and expenses 5.95
Meco Press, 4 E. 45th St., N. Y. C., stationery, supplies 2,419.37
Charles A. Michie, 1424 Rhode Island Ave., Washington, D. C., literary services and expenses 839.30
Robert Milner, 311 Lexington Ave., N. Y. C., books, newspapers, magazines 40.05
Arnold Moss, 30 Beekman Pl., N. Y. C., publicity services 39.60
Muzak Corporation, 151 W. 45 St., N. Y. C., publicity and supplies 459.54
Myron McCormick, 150 E. 72 St., N. Y. C., publicity services 41.60
McGregor & Werner, Inc., 1640 Connecticut Ave., Washington, D. C., stationery, supplies 5.80
Scott McKay, 115 W. 11th St., N. Y. C., publicity services 56.70
May McKinsey, 39 E. 36th St., N. Y. C., petty cash expenses 948.24
Samuel Narcus, 92 Washington St., Boston, Mass., stationery, supplies 24.12
Natl. Broadcasting Co., Inc., 30 Rockefeller Plaza, N. Y. C., publicity services and expenses 800.95
New England Tele. & Tele. Co., 6 Bowdoin Sq., Boston, Mass., telephone, telegraph 147.19
New England Watch & Ward Soc., 41 Mt. Vernon St., Boston, Mass., rent $100.00
N. Y. S. Unemployment Ins. Fund, Albany, N. Y., pay-roll taxes 376.38
New York Telephone Co., Box 222, Sta. O, N. Y. C., telephone, telegraph 2,711.58
New York Times, Times Square, N. Y. C., publicity services and expenses 19.60
Harold L. Oram, Inc., 8 W. 40 St., N. Y. C.:
Publicity services:
Jan. 9 ..... 3,500.00
Jan. 15 ..... 1,000.00
Feb. 25 ..... 1,000.00
Expenses:
Mar. 3 ..... 1,086.74
Mar. 12 ..... 1,823.34
Publicity services:
Mar. 15 ..... 1,000.00
Theodore Osborn, 290 W. 4 St., N. Y. C., publicity services 56.70
Frank Papp, 50 Rockefeller Plaza, N. Y. C., publicity services 75.00
Parker House, Boston, Mass., local expenses 56.13
Par-X Letter Service, 35 W. 19 St., N. Y. C., stenography, mimeographing, printing 38.67
Peerless Towel Supply Co., Inc., 372 Gold St., Brooklyn, N. Y., cleaning, maintenance, repairs 13.61
Permacam Co., 1 Bond St., N. Y. C., stationery and supplies 44.92
Pierpont Estates, Inc., 36 W. 44th St., N. Y. C., rent 1,800.00
Pine Hill Crystal Spring Water Co., 132d St. and Brook Ave., N. Y. C., water 34.44
Pitney-Bowes, Inc., Walnut & Pacific St., Stamford, rentals and supplies 59.99
Ella Joan Polinsky, 2102 Ocean Ave., Brooklyn, N. Y., research services 465.00
Postmaster, New York, N. Y., postage 1,000.00
Public Printer, House of Representatives, Washington, D. C., books, newspapers, magazines 208.92
Public Service Letter & Ptg. Co., 655 Sixth Ave., N. Y. C., mimeographing, printing, postage 7,528.16
Radio Daily, 1501 Broadway, N. Y. C., books, newspapers, magazines 10.00
Remington Rand, Inc., 465 Washington St., Buffalo, N. Y., miscellaneous rentals 79.44
Rialto Mimeo. & Typ. Ser., Bur., 1501 Broadway, N. Y. C., stenographic, mimeographing, printing 2,003.94
Dr. Leland Rex Robinson, 76 Beaver St., N. Y. C., travel and local expense 130.98
Anthony Ross, 506 E. 89 St., N. Y. C., publicity services 29.70
Mr. and Mrs. Ryan, traveling expense 2.00
Stefan Schnabel, R. F. D. 1, S. Norwalk, Conn., publicity services 56.70
Ann Shepherd, 36 W. 84 St., N. Y. C., publicity services 56.70
James Sheldon, 144 W. 86 St., N. Y. C.:
Publicity services:
Jan. 5 ..... 75.00
Jan. 9 ..... 100.00
Jan. 29 ..... 75.00
Feb. 27 ..... 75.00
Mar. 31 ..... 175.00
Expenses:
Mar. 31 ..... 5.00

Mario Siletti, 114 Christopher St., N. Y. C., publicity services	$66.00
Sickind Hardware, 516 Third Ave., N. Y. C., cleaning, maintenance, repairs	20.62
Guy Sorel, 33 East End Ave., N. Y. C., publicity services:	
Jan. 13	10.55
Jan. 22	35.60
So. Dakota Ccl. of Churches, 364 3 St., Hudson, S. Dak., stenographing, mimeographing, printing	23.70
State Dir. of Soc. Security, Pierre, S. Dak., postage, telephone	11.70
State Publishing Co., Pierre, S. Dak., stationery, supplies	162.50
Stokes Coal Co., Inc., 5th Ave. and 142 St., N. Y. C., light, heat, power	547.98
Anzie Strickland, 412 E. 84 St., N. Y. C., publicity services	29.70
Karl Swenson, Irvington-on-Hudson, N. Y., publicity services	39.60
Henry Sylvern, care of Local 802, 570 Lexington Ave., N. Y. C., publicity services	63.00
Tru-Print Photo Offset Co., Inc., 142 E. 32d St., N. Y. C., stenographing, mimeographing, printing	1,519.44
U. S. Recording Co., 1121 Vermont Ave. NW., Washington, D. C., freight	1.09
James Van Dyk, 374 Park St., Montclair, N. J.:	
Publicity services, Jan. 22	35.60
Publicity services, Feb. 27	31.70
J. T. Want Organization, Inc., 122 5th Ave., N. Y. C., stenographing, mimeographing, printing	112.58
Robert Warren, care of N. B. C., 30 Rockefeller Plaza, N. Y. C., publicity services	31.70
Washington Unemployment Ins. Fund, Washington, D. C., pay-roll taxes	24.72
The Washington Post, Washington, D. C., books, newspapers, magazines	4.50
Watson Elevator Co., Inc., 407 W. 36 St., N. Y. C., cleaning, maintenance, repairs	45.00
Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegraph, cables	964.22
White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning maintenance, repairs	87.00
Wholesale Typewriter Co., 155 6th Ave., N. Y. C., miscellaneous rentals	159.64
Hubert Wilke II, 32 Portland Pl., Yonkers, N. Y., traveling expenses	40.33
Mrs. Elinore L. Wolfe, 1710 Rhode Island Ave., Washington, D. C., rent	900.00
Jack Zayde, care of Local 802, 570 Lexington Ave.:	
Publicity services, Feb. 27	36.00
Publicity services, Mar. 31	54.00
I. Zir, care of Local 802, 680 Fort Washington Ave., N. Y. C.:	
Publicity services, Jan. 13	31.50
Publicity services, Feb. 27	72.00
Publicity services, Mar. 31	108.00
	71,260.59

Schedule No. 3, pay roll and travel expense

Name and address	Salary	Travel expense
Charlotte E. Abbott, 327 East 50 St., N. Y. C.	$1,155.00	$1,529.77

Schedule No. 3, pay roll and travel expense—Continued

Name and address	Salary	Travel expense
Anita Altman, 862 East 17 St., Brooklyn, N. Y.	$720.00	
Edwin R. Armstrong, Hotel Duane, 237 Madison Ave., N. Y. C.	1,755.00	$9,367.93
Florence Bachrach, 1000 Grand Concourse, Bronx, N. Y.	995.00	1.00
Lillian Baral, 9850 67 Ave., Forest Hills, L. I., N. Y.	1,500.00	58.58
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I., N. Y.	1,260.00	843.11
William S. Bernard, 68 West 58 St., N. Y. C.	2,505.00	5,436.85
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	982.20	59.85
William R. Burke, 11734 Missouri Ave., Los Angeles, Calif.	1,380.00	1,205.97
Hugh E. Carstensen, 324 East 48 St., N. Y. C.	570.00	5.20
Anna H. Clark, 107 East 89 St., N. Y. C.	1,500.00	87.06
Thomas M. Cooley 2d, Waterford, Va.	3,000.00	441.56
Helen G. Crisses, 1200 College Ave., Bronx, N. Y.	465.00	
Irene G. Cushman, 82 Maple St., Yonkers, N. Y.	525.00	
Cecilia R. Davidson, 170 West 73 St., N. Y. C.	$711.23	$152.66
Eleanor T. Dudley, 52 Pinckney St., Boston, Mass.	430.78	
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	502.50	660.37
Tadeusz N. Hudes, 112-15 72 Rd., Forest Hills, L. I., N. Y.	1,875.00	827.23
Selma Edith Jerskey, 302 West 86 St., N. Y. C.	780.00	4.90
Anna B. Johnson, 509 West 142 St., N. Y. C.	720.00	
Curtis E. Johnson, 4619A 36 St., So. Fairlington, Va.	1,875.00	1,596.76
Helen L. Koss, 5320 Rock Creek Rd. NE., Washington, D. C.	1,010.72	2.20
Lilja Lechow, 2728 Henry Hudson Pkway., Spuyten Duyvil, N. Y.	579.25	
Malcolm R. Leete, 42 Mt. Vernon St., Boston 8, Mass.	1,155.00	294.36
Emily Lehan, 417 West 121 St., N. Y. C.	780.00	
Leo J. Margolin, 12 Norfolk Rd., Island Pk., Nassau, N. Y.	3,000.00	2,388.58
Mary Louise Mayger, 657 Francis St., Pelham Manor, N. Y.	525.00	
Elizabeth L. McCarthy, 132 West 71 St., N. Y. C.	16.00	
May McKinsey, 111 East 26 St., N. Y. C.	1,117.35	93.08
Jessie D. Ortell, 18 Gramercy Park S., N. Y. C.	720.00	
Emil Rosenberg, 25 Charles St., N. Y. C.	1,875.00	1,257.44
Betty S. Rosenthal, 410 Nicholson St. NW., Washington, D. C.	660.00	48.95
Eileen Rouse, 39 East 36 St., N. Y. C.	150.00	
William Rouse, 39 East 36 St., N. Y. C.	1,020.00	.50
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	780.00	
Bert Lind Samalman, 155 West 20 St., N. Y. C.	780.00	.70
Anne M. Selby, 155 Colorado Blvd., Denver, Colo.	1,200.00	1,734.55
Helen A. Shuford, 2909 Olive Ave. NW., Washington, D. C.	1,875.00	3,180.85
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.	1,560.00	1,454.32
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	273.00	
Elizabeth S. Vanacore, 1176 Pelham Pkway., Bronx, N. Y.	450.00	
Sadie Winston, 101 Park Ave., N. Y. C.	780.00	
	45,513.03	32,734.33

(6) The total sum of expenditures made by or on behalf of such person during the calendar year $149,507.95

Total sum of expenditures reported under (6) 149,507.95

Total sum of expenditures reported in previous statement ..... ----------

Grand total of all expenditures to date filing for calendar year 149,507.95

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,
City of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 9th day of April A. D. 1946.

LYDIA CONSTANTINO,
Notary Public, State of New York.

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-six Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

See schedule No. 1.

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under par. (1):

Contributions in amounts of less than $50 ..... $6,123.25

Contributions in amounts of from $50 to $499.99 (see schedule No. 2 attached for names and addresses of contributors) .. 21,430.00

Total sum of contributions reported under (2) 27,553.25

(3) The total sum of all contributions made to or for such person during the calendar year	$200,553.25
Total sum of contributions reported under (3)	200,553.25
Total sum of contributions reported in previous statement	36,200.00
Grand total of all contributions to date of filing for calendar year	236,753.25

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:	
Expenses, see schedule No. 3	48,202.54
Pay roll and travel expenses, see schedule No. 4:	
Pay roll	62,439.84
Travel expenses	26,028.46
Total sum of expenditures reported under (4)	136,670.84
(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4)	None

Schedule No. 1

Jonas Reiner, 148 Madison Avenue, New York City.

Harold F. Linder, 927 Fifth Avenue, New York City.

Sam A. Lewisohn, 61 Broadway, New York City.

Mayer family, 31 Union Square, New York City.

Hon. Joseph M. Proskauer, 11 Broadway, New York City.

Henry A. Loeb, 61 Broadway, New York City.

Loeb Foundation, 61 Broadway, New York City.

Maurice Wertheim, 120 Broadway, New York City.

Mrs. Wm. Korn, 875 Park Avenue, New York City.

Leo Spitz, Universal International Pictures, California.

Edward A. Norman, 60 Beaver Street, New York City.

Alfred A. Cook, 20 Pine Street, New York City.

J. Blaustein, Baltimore, Md.

Mrs. H. B. Sulzberger, 1015 Hyde Park Boulevard, Chicago, Ill.

John H. Whitney, 630 Fifth Avenue, New York City.

Henry Ittleson, 1 Park Avenue, New York City.

Albert D. Lasker, New York City.

Fred Lazarus, Jr., Cincinnati, Ohio

Mr. and Mrs. W. Pope, 1705 Seminole Avenue, Detroit, Mich.

Benjamin Lazarus, 200 Hudson Street, New York Cty.

Mrs. Felix Warburg, care of Mr. Jos. A. Marks, 52 William Street, New York City.

Chase National Bank (loan, individually guaranteed), 18 Pine Street, New York City.

Schedule No. 2

Phi Epsilon Pi Fraternity, care of Stanley R. Sundheim, 520 Lewis Tower, Philadelphia, Pa.

Isaac Gerstley, 213 South Broad Street, Philadelphia, Pa.

Howard A. Loeb, 1420 Walnut Street, Philadelphia, Pa.

Philip Kind, Sr., S. Kind & Sons, Chestnut Street at Broad, Philadelphia, Pa.

American Friends of Lithuania, care of Mr. P. J. Zuris, president, 1434 Clarence Avenue, Lakewood, Ohio.

Julius Liebman, 955 Fifth Avenue, New York City.

Irving M. Engel, 7 East Forty-fourth Street, New York City.

H. Wendell Endicott, Shawmut Bank Building, Boston, Mass.

Robert D. Steefel, 55 East Eighty-sixth Street, New York City.

Rabbi Nathan A. Perilman, Congregation Emanu-El, Fifth Avenue at Sixty-fifth Street, New York City.

Dr. John W. Slawson, 386 Fourth Avenue, New York City.

Hooven Letters Inc., 352 Fourth Avenue, New York City.

Miss Lillian R. Adelman, Adelman Foundation, Inc., 36 Sixth Avenue, Brooklyn, N. Y.

Harry Shull, 525 Seventh Avenue, New York City.

Alan M. Stroock, 61 Broadway, New York City.

Gustave M. Berne, 90–04 One Hundred and Sixty-first Street, Jamaica, N. Y.

Alan B. Wolosoff, 78–11 One Hundred and Thirty-eighth Street, Kew Gardens, N. Y.

David S. Weinstein, 90 Ash Drive, Great Neck, N. Y.

N. J. Leigh, 31 Shore Drive, Great Neck, N. Y.

Herman W. Block, 23 East Twenty-sixth Street, New York City.

Ira M. Younker, 115 Broadway, New York City.

Myron S. Falk, Jr., 17 East Sixty-sixth Street, New York City.

J. Halperin, 163–18 Jamaica Avenue, Jamaica, N. Y.

Jerome I. Udell, 28 West Twenty-third Street, New York City.

Aronold Saxe, 85 Fifth Avenue, New York City.

Harry H. Greenberg, 463 Seventh Avenue, New York City.

David A. Udell, 46 West Twenty-third Street, New York City.

Mrs. Lester Hofheimer, 995 Fifth Avenue, New York City.

Milton Weill, 65 West Fifty-fourth Street, New York City.

John M. Schiff, 52 William Street, New York City.

Lesem Bach & Co., 257 Fourth Avenue, New York City.

Herbert H. Maass, 20 Exchange Place, New York City.

Nathan Strauss, WMCA, 1657 Broadway, New York City.

Harold S. Buttenheim, 470 Fourth Avenue, New York City.

Edward Karfoil, 99 Gold Street, Brooklyn, N. Y.

John F. Lewis, Jr., 1500 Lincoln-Libert Building, Philadelphia, Pa.

Dr. Viola W. Bernard, 930 Fifth Avenue, New York City.

Alfred Baker Lewis, P. O. Box 682, Grand Central Annex, New York City.

George G. Sharp, 30 Church Street, New York City.

George W. Naumburg, Room 4008, Lincoln Building, New York City.

Walter Hochschild, 61 Broadway, New York City.

Henry L. Heming, 120 Broadway, New York City.

Dr. A. A. Brill, 15 West Seventieth Street, New York City.

Mrs. Joseph Lilienthal, 115 East Fifty-third Street, New York City.

S. Agoos, 209 South Street, Boston, Mass.

Miss Esther Lowenthal, 21 Dryads Green, Northampton, Mass.

Sidney H. E. Skidell, 155 West Twenty-seventh Street, New York City.

Samuel Zemurray, 1 Federal Street, Boston, Mass.

Rt. Rev. Paul Matthews, Bayard Lane, Princeton, N. J.

Mrs. Morris Llewellyn Cooke, Playwicky, New Hope, Pa.

Saul L. Epstein, 4 Parkwood Drive, Great Neck, N. Y.

Irving L. Gelder, 26 Pond Road, Great Neck, N. Y.

Edward Werner, Colonial Mills, 498 Seventh Avenue, New York City.

I. C. Bernhard, Beech Lane, Great Neck, N. Y.

Elias Stein, 622–640 West Fifty-seventh Street, New York City.

Samuel C. Dretzin, care of Surrey Motors, 49–21 Northern Boulevard, Queens, N. Y.

Fred Schwartz, 132 West Forty-third Street, New York City.

Miss Claire Lipkins, Beech Lane, Great Neck, N. Y.

Jerome C. Neuhooff, Allied Millinery Co., 14 East Thirty-eighth Street, New York City.

Max Schott, 40 East Eighty-eighth Street, New York City.

Miss Georgina M. Wilkins, 1337 Fourth Avenue, Columbia, Ga.

Howard Lindsay, 50 West Eleventh Street, New York City.

Mr. and Mrs. Jos. Buegeleisen, 316 East Jefferson Avenue, Detroit, Mich.

Ralph I. Straus, 331 Madison Avenue, New York City.

Beardsley Ruml, 151 West Thirty-fourth Street, New York City.

Charles A. Berns, "21" Brands, Inc., 23 West Fifty-second Street, New York City.

Miss Luch Ward Stebbins, 2731 Durant Avenue, Berkeley, Calif.

Mrs. Andrew MacLeish, 459 Longwood Avenue, Glencoe, Ill.

W. A. Brandenburger, 500 Ochsner Building, Sacramento, Calif.

Mrs. Bayard James, 24 East Seventy-second Street, New York City.

Mrs. Dudley Wadsworth, Westport, Conn.

Lincoln & Therese Filene Foundation, care of Mr. Lincoln Filene, Wm. Filene's Sons Co., Washington, Summer, Hawley, Franklin Streets, Boston, Mass.

Alexander Konoff, Conmar Products Corps., 140 Thomas Street, Newark, N. J.

Samuel Goldwyn, 1041 North Formosa Avenue, Los Angeles, Calif.

Herbert M. Rothschild, John Stuart Inc., Fourth Avenue at Thirty-second Street, New York City.

Sosy, care of Herman Lipin and Mitchell Leventhal, 11 East Thirty-sixth Street, New York City.

Mrs. Leo S. Bing, 119 West Fortieth Street, New York City.

Mrs. Howard T. Mosher, 216 Alexander Street, Rochester, N. Y.

Lehman Brothers, care of Mr. H. J. Szold, 1 William Street, New York City.

Wachtell, Manheim & Grouf, care of Mr. Harold Manheim, 1 Cedar Street, New York City.

James Marshall, 150 Broadway, New York City.

Albert Heller, 125 South Fifth Street, Minneapolis, Minn.

William Dresal, National Cooler Corp., 1600 Woodland Avenue, Cleveland, Ohio.

Mrs. William S. Ladd, 25 East Eighty-third Street, New York City.

Thomas Watson, International Business Machines Corp., 590 Madison Avenue, New York City.

Edgar L. Rossin, 61 Broadway, New York City.

Albert G. Milbank, 15 Broad Street, New York City.

Edgar Kaufmann, Jr., Museum of Modern Art, 11 West Fifty-third Street, New York City.

Mrs. William O. Wiley, Bridgehampton, N. Y.
Mr. and Mrs. Kenneth Parker, 100 Milwaukee Road, Janesville, Wis.
Henri J. Dourif, the Standard Ultramarine Co., Huntington, W. Va.
H. Kempner, Galveston, Tex.
Leopold Mannes, Martha's Vineyard, Mass.
Dan Golenpaul, 444 Madison Avenue, New York City.
Jack I. Straus, 151 West Thirty-fourth Street, New York City.
Mrs. Frederick A. Godley, 63 Wall Street, New Haven, Conn.
Joseph C. Grew, Manchester, Mass.
Thomas P. Hazard, Peace Dale, R. I.
Louis Ruthenberg, Servel, Inc., Evansville, Ind.
Harold H. Swift, Union Stockyards, Chicago, Ill.
Harold M. English, Hollywood, Calif.
John Danz, 201 Palomar Building, Seattle, Wash.
Mrs. Edna M. C. Wales, Saturday Coves, Northport, Maine.
Mrs. C. D. Smithers, Locust Valley, N. Y.
Mrs. Stanley M. Richter, West Lake Farms, Danbury, Conn.
Mrs. Ryer Nixon, 944 Chestnut Street, San Francisco, Calif.
Mrs. F. N. Iglehart, R. D. 1, Lutherville, Md.
Morris Goodman, Goodman & Co., 41 West Washington Street, Indianapolis, Ind.
Mrs. Martha E. Gerbode, 2560 Divisadero Street, San Francisco, Calif.
Thurlow E. Coon, 2051 West Lafayette, Detroit, Mich.
Mrs. Barton Crocker, 37 Beacon Street, Boston, Mass.
Barney Balaban, 1501 Broadway, New York City.
Miss Agnes A. Abbot, Harvard, Mass.
J. M. Kaplan, 55 Fifth Avenue, New York City.
Robert I. Wishnick, 295 Madison Avenue, New York City.
Dewitt Gutman, 1000 Park Avenue, New York City.
Henry L. Moses, 41 Broad Street, New York City.
George B. Bernheim, Proskauer, Rose, Goetz and Mendelsohn, 11 Broadway, New York City.
Mrs. Henry S. Glazier, Waldorf-Astoria Towers, 100 East Fiftieth Street, New York City.
Harrison S. Hires, Migis Lodge, South Casco, Maine.
Mrs. Robert Le Moyne Barrett, 2038 West Morenzo Avenue, Pasadena, Calif.
W. W. Jacobi, Walsen Consolidated Mercantile Co., 2 Broadway, New York City.
D. S. Gottesman, Central National Corp., 22 East Fortieth Street, New York City.
Worcester Citizens Committee on Displaced Persons, 6 Chatham Street, Worcester, Mass.
Miss Linda S. Hires, Mermont Plaza, Bryn Mawr, Pa.
Mrs. Lane Malsin, 1150 Fifth Avenue, New York City.
Walter S. Mack, Jr., 907 Fifth Avenue, New York City.
Mrs. M. C. Rosenfeld, 1706 Magnolia Drive, Cleveland, Ohio.
Miss Ruth Allen, 41 Bowdoin Street, Cambridge, Mass.
Brayton Wilbur, Wilbur-Ellis Co., 334 California Street, San Francisco, Calif.
Robert K. Straus, Omnibook, 76 Ninth Avenue, New York City.
Mr. and Mrs. S. B. Grimson, 130 East Sixty-seventh Street, New York City.
S. D. Leidesdorf, 125 Park Avenue, New York City.
Wilfred P. Cohen, 28 Nassau Drive, Great Neck, N. Y.
Walter N. Rothschild, 422 Fulton Street, Brooklyn, N. Y.
Walter N. Mendelsohn, 11 Broadway, New York City.
Abram I. Elkus, 40 Wall Street, New York City.
Arthur S. Meyer, New York State Board of Mediation, 270 Broadway, New York City.
Mrs. B. L. Sommer, 3400 West Forrest Hill, Peoria, Ill.
Abraham Levine, Presto Lock Co., 100 Outwater Lane, Garfield, N. J.
H. H. Nordlinger, 420 Lexington Avenue, New York City.
Mrs. Noah W. Taussig, 40 East Eighty-eighth Street, New York City.
Weingarten Bros., 808 Prairie Avenue, Houston, Tex.
Mrs. Arthur Hodges, post-office box 383, Lakeville, Conn.
Alvin Coleman, Coleman & Co., 468 Fourth Avenue, New York City.
Mr. and Mrs. Benjamin V. Becker, 179 Lake Shore Drive, Chicago, Ill.
Mrs. Elizabeth Worden Bitker, 3340 North Windermere Court, Milwaukee, Wis.
O. E. Geppert, Danoyer-Geppert Co., 5325 Ravenswood Avenue, Chicago, Ill.
O'Donnell Iselin, 40 Wall Street, New York City.
Mrs. Francis M. Jencks, 1 West Mount Vernon Place, Baltimore, Md.
H. F. Willkie, box 240, Louisville, Ky.
Amalgamated Clothing Workers of America, New York Joint Board, 35 West Fifteenth Street, New York City.
Miss Kate d'A Bonner, 39 East Seventy-eighth Street, New York City.
Mrs. H. F. Cannon, 15 East Sixty-second Street, New York City.
Canterbury Shops, Inc., 392 Fifth Avenue, New York City.
Dr. Joseph P. Chamberlain, 510 Kent Hall, Columbia University, New York City.
Mr. and Mrs. Horace Fleisher, 224 East Church Road, Elkins Park, Philadelphia, Pa.
Mr. and Mrs. Walter Hollander, 2604 Queen Anne Road, Windsor Hills, Baltimore, Md.
Irving Haim, International Distributors, 5 East Fifty-second Street, New York City.
Miss Helen D. Harbison, the Barclay, Philadelphia, Pa.
Irving H. Chase, 63 Prospect Street, Waterbury, Conn.
Mr. and Mrs. S. C. Harvey, Radnor, Pa.
Rabinowitz Foundation, Inc., 565 Drexel Building, Philadelphia, Pa.
John Van Horne, University of Illinois, Urbana, Ill.
Arnold S. Askin, Askin Stores, Inc., 461 Eighth Avenue, New York City.
Joseph H. Louchheim, 1150 Fifth Avenue, New York City.
Leonard Marx, Marx Realty Co., 20 West Forty-third Street, New York City.
Mr. and Mrs. Ralph E. Samuel, 115 Broadway, New York City.
Mrs. Norton Downs, 854 Mount Pleasant Road, Bryn Mawr, Pa.
Frank L. McNeny, Tower, Petroleum Building, Dallas, Tex.
Mrs. Julia Day Yoemans, Putney, Vt.
Charles Hopkinson, Manchester, Mass.
Miss Louisa C. James, 26 Lexington Road, Concord, Mass.
D. S. Lyman, 636 Church Street, Evanston, Ill.
John Pierrepont, Far Hills, N. J.
Moss Hart, 1501 Broadway, New York City.
S. H. Scheuer, room 2210, 39 Broadway, New York City.
Paul Tilles, Michaels Bros., 10 Congress Street, Brooklyn, N. Y.
Mrs. Louis Bry, 226 Hollywood Avenue, West End, N. J.
Irving Valentine, 40 Worth Street, New York City.
Norman S. Rabb, 129 Valentine Street, West Newton, Mass.
Salny & Salny, 341 Main Street, Fitchburg, Mass.
Rudolph H. Wyner, 237 Dean Road, Brookline, Mass.
Goulston & Storrs, care of Messrs. Ehrmann & Markell, 80 Federal Street, Boston, Mass.
Miss Margaret Shaw Campbell, 130 Woodland Road, Sewickley, Pa.
Mrs. James M. Faulkner, 255 Goddard Avenue, Brookline, Mass.
Mrs. Oscar Hammerstein, Highland Farm, Doylestown, Pa.
A. J. Marshall, 515 North Pickney Street, Madison, Wis.
Arthur Fluegelman, 1412 Broadway, New York City.
Monroe Goldwater, 60 East Forty-second Street, New York City.
Samuel Hausman, 10 East Thirty-second Street, New York City.
Paul H. Klingenstein, 1120 Park Avenue, New York City.
Arde Bulova, 630 Fifth Avenue, New York City.
Richard M. Lederer, 35 Heatherbloom Road, White Plains, N. Y.
Mrs. Gustave D. Pope, box 251, Apple Lane Farm, Pontiac, Mich.
Nicholas M. Schenck, president, Loew's Inc., Broadway at Forty-fifth Street, New York City.
Robert A. Rowan, Fifth and Spring Streets, Los Angeles, Calif.
Mrs. Francis Biddle, 1669 Thirty-first Street NW., Washington, D. C.
Mrs. Marshall Ludington Brown, 20 East Burton Place, Chicago, Ill.
Mrs. Elliot C. R. Laidlaw, 758 West Eighth Street, Plainfield, N. J.
Mrs. Michael Lerner, Westchester Country Club, Rye, N. Y.
B. S. Hornstein, Charles Stores Co., Inc., 370 Seventh Avenue, New York City.
Henry M. Hubshman, 20 East Seventy-sixth Street, New York City.
Irving D. Karpas, 1372 Broadway, New York City.
Admiral Lewis L. Strauss, 52 William Street, New York City.
Mrs. Julia Fox Brooke, box 60, Palo Alto, Calif.
Mrs. Asho I. Craine, 5504 Brite Drive, Bethesda, Md.
H. Golden, Magna Products Corp., 155 Perry Street, New York City.
Harold Goodkind, Harlen Ranch, rural free delivery No. 1, Santa Barbara, Calif.
Miss Elizabeth Creed, 128 Indian Road, Piedmont, Calif.
Miss Ann V. Craig, 905 Atlantic Avenue, Long Beach, Calif.
Moses I. Feuerstein, 303 Eastern Avenue, Malden, Mass.
Israel Friedlander, 32 Summer Street, Boston, Mass.
Monte M. Lemann, 1424 Whitney Building, New Orleans, La.
Mr. and Mrs. C. Chapman, Barrytown, N. Y.
Miss Elizabeth F. Gamble, 1431 Waverly Street, Palo Alto, Calif.
Louis E. Goodman, room 262, Post Office Building, San Francisco, Calif.

Schedule No. 3, expenses

Academy Multigraphing Co., 7 E. 15 St., N. Y. C., mimeographing expense	$30.90
Academy Photo Offset, Inc., 15 E. 22d St., N. Y. C., mimeographing expenses	471.98
Academy Press, 112 4th Ave., N. Y. C., mimeographing expense	4,860.86
Acme Newspictures, Inc., 461 8th Ave., N. Y. C., publicity services expense	6.00
American Jewish Committee, 386 4th Ave., N. Y. C., telephone and telegraph	36.99
American Trade Press Clipping Bureau, 15 E. 26th St., N. Y. C., books, newspapers, magazines	30.00

Edwin R. Armstrong, 362 Riverside Dr., N. Y. C.:
- Literary service — $200.00
- Travel expenses — 75.60
- Literary service — 200.00
- Do — 200.00
- Do — 200.00
- Travel expenses — 78.06
- Literary service — 200.00
- Do — 225.00
- Travel expenses — 72.80
- Do — 21.70

Astor Supply Co., Inc., 9 N. Moore St., N. Y. C., stationery and supplies — 28.16

Bachrach, 1611 Walnut St., Philadelphia, Pa., publicity service expenses — 12.24

H. Baum & Son, 616 E St. NW., Washington, D. C., furniture and equipment — 15.00

Baum's, Inc., 1416 Eye St. NW., Washington, D. C., furniture and equipment — 126.00

Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service — 67.20

Florence E. Bell, 421 Hart St., Brooklyn, N. Y., stenographic expense — 55.00

Benedict & Benedict, 99 John St., N. Y. C., insurance — 817.27

William Benjamin, 215 4th Ave., N. Y. C., rentals — 8.93

Bluestone Photoprint Co., 173 Madison Ave., N. Y. C., printing expense — 58.56

Allen T. Burns, local and travel — 60.44

Burrelle's Press Clipping Bureau, books, newspapers, magazines — 145.70

Eric Bresler, 130 W. 44th St., N. Y. C., public service — 52.80

Barney Beek, 15 Elliott Pl., N. Y. C., public service — 58.10

California State Federation of Labor, 402 Flood Building, San Francisco, Calif., freight, express — 12.91

Capitol Office Supply Co., 1129 Vermont Ave. NW., Washington, D. C., stationery and supplies — 815.09

Celebrity Information and Research Service, Inc., 150 E. 54th St., N. Y. C., research service — 8.00

Central Typing and Adding Machine Co., 2019 14th St. NW., Washington, D. C., rentals — 88.00

Chase National Bank, New York City, interest on notes — 244.27

Chesapeake & Potomac Telephone Co., 723 13th St. NW., Washington, D. C., telephone — 348.53

City News Publishing Co., 33 W. 42 St., N. Y. C., books, newspapers, magazines — 15.00

Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes — 435.88

Committee of Correspondence of the Council for Community Action, 1 W. 85th St., N. Y. C., stenography expenses — 124.80
- Stenography expenses — 9.00

Common Council for American Unity, 20 W. 4th St., N. Y. C., stenographing, mimeographing, printing — 10.00

Common Council for American Unity, 20 W. 40th St., N. Y. C., books, newspapers, magazines — 1.70

Conduit Wiring Co., 429 7th Ave., N. Y. C., cleaning, maintenance, repairs — 30.00

Congressional Quarterly, 732 17th St. NW., Washington, D. C., books, newspapers, magazines — 36.00

Consolidated Edison Co. of New York, Box 138, Station D, N. Y. C., light — 211.84

Consolidated Press Clipping Bureau, 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines — $283.84

Cut-Rate Sign Co., 152 W. 42d St., N. Y. C., stationery and supplies — 7.50

D'Arcy Printing and Lithographing Corp., 132 White St., N. Y. C., stenograph, mimeograph, photograph — 288.66

District of Columbia Photo Print Service, 1018 Vermont Ave. NW., Washington, D. C., stenographing, mimeographing, printing — 30.55

Devans Secretarial Service, 1742 K St. NW., Washington, D. C., stenographing, mimeographing, printing — 53.50

Directory Associates, 236 7th St. SW., Washington, D. C., stenographing, mimeographing, printing — 3.50

Echo Print Shop—Davis Bros., 60 E. Park Ave., Long Beach, N. Y., stenographing, mimeographing, printing — 9.00

Elm City Broadcasting Corp., 1110 Chapel St., New Haven, Conn., public service and expenses — 7.50

Myron Ray Ely, Box 2385, Knoxville, Tenn., travel expense — 153.25
- Travel expense — 25.99
- Field counsel fees — 500.00
- Travel expense — 51.78
- Field counsel fees — 250.00
- Travel expense — 89.43
- Field counsel fees — 250.00
- Travel expense — 54.97
- Field counsel fees — 250.00
- Travel department — 200.00
- Travel expense — 161.98

Eric Cullenward & Associates, 414 TWA Building, San Francisco, Calif., public service and expenses — 54.10

Joe Feigley Association, 1731 E. St. NW., Washington, D. C., stationery, stenography expenses — 516.72

Foreign Policy Association, Inc., 22 E. 38th St., N. Y. C., books, newspapers, magazines — 30.26

Ginn's, 1417 New York Ave. NW., Washington, D. C., supplies and equipment — 68.50

J. Godson, local and travel — 168.26

Earl G. Harrison, University of Pennsylvania, Philadelphia, Pa.:
- Travel and local — 4.26
- Do — 105.23
- Do — 10.96
- Do — 57.67
- Refund, travel and local — 12.42

Hooven Letters, Inc., 352 4th Ave., N. Y. C., stenography, mimeographing, printing — 2,890.32

Hotel Pierre, local expense — 150.11

Hotel Statler, Washington, D. C., local expense — 544.01

International Office Appliances, Inc., 328 Broadway, N. Y. C., miscellaneous rentals — 15.00

Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., stationery, equipment — 384.45

Rudolph Kemmerling, 12 E. 44 St., N. Y. C., public service and expense — 30.00

Abby Lewis, 123 W. 13th St., N. Y. C., public service and expense — 52.80

William T. Lozar, 360 E. 55 St., N. Y. C., public service and expense — 52.80

Malcolm R. Leete, 40 Mt. Vernon St., Boston, Mass., local expense — 6.00

George Lehman, R. F. D. 2, Danbury, Conn., public service and expense — 58.10

Henry T. Lipman, 386 4th Ave., N. Y. C., local and travel — 56.98

Manhattan Letter Co., 45 Astor Pl., N. Y. C., stenography, mimeographing, printing — $2,450.42

Manhattan Office Equipment Co., 639 New York Ave. NW., Washington, D. C., furniture and equipment — 9.70

Manhattan Storage & Transfer Co., 639 New York Ave. NW., Washington, D. C., rentals — 22.59

Meco Press, 4 E. 45th St., N. Y. C., stationery and supplies — 2,791.01

Merit Studios, Inc., 105 W. 52 St., N. Y. C., public service and expense — 110.67

Frederic Methot, 1 University Pl., N. Y. C., literary services — 250.00

Charles A. Michie, 1424 Rhode Island Ave., Washington, D. C., literary and travels — 566.65

Robert Milner, 311 Lexington Ave., N. Y. C., books, newspapers, magazines — 27.35

Milton C. Johnson Co., 78 Walker St., N. Y. C., stationery and supplies — 52.02

Monroe's Transfer & Storage Co., 318 3d St. NE., Washington, D. C., freight, drayage — 5.00

E. Morrison Paper Co., 1009 Penn. Ave. NW., Washington, D. C., stationery and supplies — 11.21

Muzak Corp., 151 W. 46th St., N. Y. C., stationery and supplies — 13.00

May McKinsey, petty cash, April–June — 3,270.15

J. M. McGuire & Co., 1476 Broadway, N. Y. C., rentals — 51.90

James Sheldon, 140 W. 86 St., N. Y. C., public services and expenses — 116.40

National Broadcasting Co., Inc., 30 Rockefeller Pl., N. Y. C., public services and expenses — 10.50

National Committee on Immigration Policy, 36 W. 44 St., N. Y. C.:
- Telephone and telegraph — 36.55
- Books, newspapers, magazines — 160.00
- Do — 10.00
- Telephone and telegraph — 18.55

National League of Women Voters, 726 Jackson Pl., Washington, D. C.:
- Books, newspapers, magazines — 32.00
- Do — 40.00
- Do — 2.12

National Social Welfare Assembly, 1790 Broadway, N. Y. C., postage — 5.40

NYC League of Women Voters, 461 4th Ave., N. Y. C. books, newspapers, magazines — 8.00

N. Y. S. Unemployment Insurance Fund, Albany, N. Y., pay-roll taxes — 555.99

New York Telephone Co., box 222, Station O, N. Y. C., telephone — 1,773.44

Nu-Method Matrix & Plate Co., 231 W. 39th St., N. Y. C., stenographing, mimeographing, printing — 1.60

Peerless Towel Supply Co., Inc., 372 Gold St., Brooklyn, N. Y., cleaning, maintenance, repair — 27.68

Permacam Co., 1 Bond St., N. Y. C., stationery and supplies — 100.07

Pierpont Estates Inc., 36 W 44 St., N. Y. C., rent — 1,800.00

Pine Hill Crystal Spg. Water Co., 132 St. and Brook Ave., N. Y. C., water — 40.30

Press Association Inc., 50 Rockefeller Plaza, N. Y. C., public services and expenses — 36.72

Public Printer, House of Representatives, Washington, D. C., books, newspapers, magazines — 472.73

Mason Adams, 324 W. 24th St., N. Y. C., public services and expenses	$35.60
Roger DeKoven, 360 Central Pk. W., N. Y. C., public services and expenses	75.15
Harold O. Dyrenforth, 55 W. 95th St., N. Y. C., public services and expenses	31.65
Alice Frost, 14 Sutton Pl., N. Y. C., pub. serv. & exp	35.60
Alan Hewitt, 400 E. 52d St., N. Y. C., pub. serv. & exp	39.55
Wilda Hinkle, 333 E. 42d St., N. Y. C., pub. serv. & exp	39.55
Charlotte Holland, 56 E. 88 St., N. Y. C., public services and expenses	39.55
Barry Hopkins, 105 W. 55th St., N. Y. C., public services and expenses	31.65
Gilbert Mack, 74 Sperry Blvd., New Hyde Pk., N. Y., pub. serv. & exp	89.55
Arnold Moss, 30 Beekman Pl., N. Y. C., public service and expenses	31.65
Theodore Osborn, 54 Grove Ave., Larchmont, N. Y., pub. serv. & exp	35.60
Bryna Raeburn, 88 Van Reypen St., Jersey City, N. J., public service and expenses	35.60
A. Victor Rubel, 485 Madison Ave., N. Y. C., public service and expenses	64.00
Richard Sanders, 3970 47 St., Sunnyside, L. I., N. Y., public service and expenses	31.65
Everett Sloane, 300 Central Pk. W., N. Y. C., public service and expenses	75.15
Sidney Slon, 144–20 77 Ave., Kew Gardens, L. I., N. Y., public service and expenses	39.55
Vivian Smolen, 3536 76 St., Jackson Heights, L. I., N. Y., public service and expenses	31.65
Frank Telford, 444 W. 42d St., N. Y. C., public service and expenses	150.00
Donald Agger, pub. serv. & exp	75.00
Ransdell Inc., 806–16 Rhode Island Ave. N.E., Washington, D. C., books, newspapers, magazines	319.60
Remington Rand, Inc., 465 Washington St., Buffalo 5, N. Y., rentals	181.60
Rialto Mimeo. & Typ. Sv. Bureau, 1501 Broadway, N. Y. C., stenographing, mimeographing and printing	1,760.85
Ray Richmond, 49 Grove St., N. Y. C., literary service	200.00
Ritter Travel Bureau, 330 W. 42 St., N. Y. C., travel	405.09
Russell Sage Foundation, 130 E. 22d St., N. Y. C., books, newspapers, magazines	3.50
Rockhill Radio, 18 E. 50th St., N. Y. C.:	
Public service and expenses	56.10
Do	38.26
Do	51.00
Do	000.68
Do	22.96
Do	324.21
Do	220.84
Do	11.35
Do	352.41
Do	61.68
Do	62.96
Do	15.30
Do	45.53
Do	35.33
Do	16.53
San Francisco CIO Council, 150 Golden Gate Ave., San Francisco, Calif., freight and express	3.04
Schoene, Freehill, Kramer & Fanelli, 1744 K St. NW., Washington, D. C.:	
Travel and local	$176.36
Petty cash expenses	112.25
Counsel fees	1,000.00
Petty cash expenses	18.75
Counsel fees	1,000.00
Petty cash expenses	105.23
Travel and local	100.21
Counsel fees	1,000.00
Seattle CIO Council, 84 Union St., Seattle, Wash., freight and express	8.34
Serve Well Waxing & Mtce. Co., 40 Union Square, N. Y. C., cleaning, maintenance, repairs	12.00
Helen Shuford, petty cash	144.73
Simax Stationery Co., Inc., 43 E. 46 St., N. Y. C., stationery and supplies	4.08
Skinker & Garrett, 1719 Eye St. NW., Washington, D. C., cleaning, maintenance, repairs	29.79
S. Mark Smith, 138 W. 95th St., N. Y. C., literary services	125.00
Stern Office Furniture Co., 1159 21 St. NW., Washington, D. C., furniture and equipment	127.00
Stokes Coal Co., Inc., 5th Ave. & 142d St., N. Y. C., heat	169.24
Chas. G. Stott & Co., Inc., 1310 New York Ave., Washington, D.C., stationery and equipment	125.37
Survey Associates Inc., 112 E. 19 St., N. Y. C., stenographing, mimeographing, printing	600.00
Terminal Printing & Publishing Co., 41 First St., Hoboken, N. J., stenography, mimeographing, printing	122.00
Dorothy Torr, 1028 Connecticut Ave., Washington, D. C., stenography, mimeographing, printing	283.65
The Trades Unionist, 720 5th St. NW., Washington, D. C., stenography, mimeographing, printing	13.25
Tru-Rite Inc., 116 Broad St., N. Y. C., stationery and supplies	61.95
Union Towel Supply Div., 50 Church St., N. Y. C., cleaning, maintenance, repairs	11.98
United Ser. of New Amer., Inc., 15 Park Row, N. Y. C., books, newspapers, magazines	8.25
U. S. Recording Co., 1121 Vermont Ave. NW., Washington, D. C., publishing service and expenses	74.94
Washington, D. C. Unemployment Insurance Fund, Washington, D. C., pay-roll taxes	32.46
Watson Elevator Co., Inc., 407 W. 36th St., N. Y. C., cleaning, maintenance, repairs	203.68
Weiman & Lester, 106 E. 41 St., N. Y., publishing service and expenses	2.83
Western Newspaper Union, 304 E. 45th St., N. Y. C., stenographing, mimeographing, printing	444.74
Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegraph and cables	614.05
White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning, maintenance, repairs	80.00
Wholesale Typewriter Co., 155 6th Ave., N.Y.C., rentals and freight	39.72
Willkie Mem. of Freedom House, 20 W. 40th St., N. Y. C., rent	20.00
Williams Printing Co., 440 Sansome St., San Francisco, Calif., stenography, mimeographing, printing	165.02
H. W. Wilson Co., 950 University Ave., N. Y. C., publishing service and expenses	1.14
Mrs. Allan Scott Wolfe, 1710 Rhode Island Ave. NW., Washington, D. C., rent	$1,200.00
Women's Action Committee for Lasting Peace, 1 E. 57th St., N. Y. C., postage	400.00
Women's International League for Peace and Freedom, 2006 Walnut St., Philadelphia, Pa., postage	120.00
Yale Review, New Haven, Conn., books, newspapers, magazines	3.00
Total expense	48,725.10
Less reimbursement from other organizations for cost of literature furnished	522.56
Total net expense	48,202.54

Schedule No. 4, pay roll and travel expense

Name and address	Salary	Travel expense
Charlotte E. Abbott, 327 E. 50 St., New York, N. Y.	$1,020.46	$1,074.79
Anita Altman, 862 E. 17 St., Brooklyn, N. Y.	660.00	
Kathaleen Arneson, 58 Devonshire Rd., Cedar Grove, N. J.	227.50	
Florence Bachrach, 1000 Grand Concourse, Bronx, N. Y.	758.00	
Lillian Baral, 9850 67 Ave., Forest Hills, L. I., N. Y.	1,500.00	67.75
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I., N. Y.	1,215.00	507.18
Harry L. Bennett, Jr., 127 Schuler St., Syracuse, N. Y.	500.00	626.04
William S. Bernard, 68 West 58 St., New York, N. Y.	1,875.00	2,745.16
Rebecca Bestimt, 5201 Connecticut Ave. N. W., Washington, D. C.	735.00	42.50
Elizabeth Buck, 45 Church St., Montclair, N. J.	1,080.00	1,231.20
Gloria Caplan, 562 W. 113 St., New York, N. Y.	658.07	753.64
Hugh E. Carstensen, 324 E. 48 St., New York, N. Y.	435.00	2.39
Anna H. Clark, 107 E. 89 St., New York, N. Y.	1,296.14	28.59
Thomas M. Cooley 2d, Waterford, Va.	2,730.77	385.79
Cecilia R. Davidson, 170 W. 73 St., New York, N. Y.	1,380.00	101.68
E. Jane Davis, 60 Gramercy Park, New York, N. Y.	463.84	
Louise M. Egener, 505 W. 54 St., New York, N. Y.	150.39	
Leila Fleisher, 3538 W. Pl. N. W., Washington, D. C.	855.84	16.26
John T. D. Franzen, 92 Pearl St., Seymour, Conn.	116.28	14.31
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	1,005.00	1,380.31
Olga Gechas, 4708 A Homer Ave. SE., Washington, D. C.	9.00	
Leeds Gulick, Wyckoff, N. J.	100.60	
Evelyn Harmon, 34 E. 64 St., New York, N. Y.	81.20	
Peggy Harris, 121 Lexington Ave., New York, N. Y.	1,325.07	1,169.44
Tadeusz N. Hudes, 112–15 72 Rd., Forest Hills, L. I., N. Y.	1,875.00	550.19
Miriam D. Hughes, 144 E. 40 St., New York, N. Y.	382.50	
Gabrielle A. Jaffe, 436 Eastern Parkway, Brooklyn, N. Y.	682.50	
Selma E. Jerskey, 302 W. 86 St., New York, N. Y.	747.11	1.80
Anna B. Johnson, 509 W. 142 St., New York, N. Y.	665.07	1.20
Curtis E. Johnson, 4619 A 36 St., S. Fairlington, Va.	1,875.00	769.63
Mary E. Jones, 274 Mott St., New York, N. Y.	48.48	
Eric Kocher, c/o Lowey, 13 W. 9 St., New York, N. Y.	940.72	831.45
Emily Lehan, 417 W. 121 St., New York, N. Y.	780.00	
Clara Leiser, 16 St. Luke's Pl., New York, N. Y.	1,305.00	633.28
Anna Lewita, 304 W. 99 St., New York, N. Y.	780.00	
Leo J. Margolin, 12 Norfolk Rd., Island Park, Nassau, N. Y.	3,000.00	1,316.11
Jeanne H. Martin, 600 W. 122 St., New York, N. Y.	270.58	
May McKinsey, 111 E. 26 St., New York, N. Y.	975.00	36.19

Schedule No. 4, pay roll and travel expense—Continued

Name and address	Salary	Travel expense
Richard F. Meehan, 2100 Connecticut Ave. N. W., Washington, D. C.	$1,276.50	$25.90
Jessie D. Ortell, 18 Gramercy Park S., New York, N. Y.	710.00	----------
Robert W. Pearson, 103-26 68 Rd., Forest Hills, L. I., N. Y.	1,500.00	1,381.65
Pearl Richardson, 214 N. Main St., Pratt, Kans.	1,305.00	1,272.47
Patricia K. Ritter, 107-70 Central Ave., New Haven, Conn.	928.46	985.81
Emil Rosenberg, 25 Charles St., New York, N. Y.	1,875.00	956.67
Eileen Rouse, 39 E. 36 St., New York, N. Y.	150.00	----------
William Rouse, 39 E. 36 St., New York, N. Y.	802.50	----------
George E. Rundquist, 436 Grant Ave., Brooklyn, N. Y.	957.63	902.45
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	750.53	2.45
Barbara Sanders, 100-40 Francis Lewis Blvd., Hollis, L. I.	720.00	----------
Arnold Sapiro, 131 W. 70 St., New York, N. Y.	6.75	.10
Gertrude Schofield, 4018 Hamption St., Elmhurst, L. I., N. Y.	80.80	----------
Ruth Seekamp, 9118 Hollis Ct. Blvd., Queens Village, L. I., N. Y.	311.35	----------
Anne M. Selby, 155 Colorado Blvd., Denver, Colo.	1,200.00	1,887.10
Mary S. Sherman, 325 E. 77 St., New York, N. Y.	252.12	----------
Helen A. Shuford, 2909 Olive Ave. N. W., Washington, D. C.	1,500.00	327.70
Ruth Sichel, 60 E. 94 St., New York, N. Y.	6.92	----------
Adeline Singer, 534 W. 124 St., New York, N. Y.	183.08	.10
Charles H. Slayman, Jr., Muskegon Bldg., Muskegon, Mich.	1,348.00	675.80
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	273.00	----------
Blossom Steinert, Box 1731, Plaza Sta., St. Louis, Mo.	1,088.76	575.96
Carmen B. Turner, 2111 18th St. SE., Washington, D. C.	523.93	5.95
Elizabeth S. Vanacore, 1176 Pelham Pkway., Bronx, N. Y.	444.20	----------
Frank D. Vanacore, 455 W. 35 St., New York, N. Y.	234.60	22.20
Jack Wasserman, 2717 S. Veitch St., Arlington, Va.	3,000.00	65.03
Beatrice Wellington, 122 E. 82 St., New York, N. Y.	1,260.00	860.44
June Welsh, 4708 Homer Ave. SE., Washington, D. C.	641.50	7.20
Steven Williams, 2747 Ordway St. NW., Washington, D. C.	1,827.69	1,735.28
Sadie Winston, 101 Post Ave., New York, N. Y.	730.00	----------
Edward P. Wolfe, 1392 Madison Ave., New York, N. Y.	36.00	----------
Vinton E. Ziegler, 53 Hartsdale Rd., Elmsford, N. Y.	2,010.00	51.32
Total	62,439.84	26,028.46

Amount

(6) The total sum of expenditures made by or on behalf of such person during the calendar year (total of schedules Nos. 3 and 4) ---------- $136,670.84

Total sum of expenditures reported under (6) ---- 136,670.84

Total sum of expenditures reported in previous statement ---------- 48,760.61

Grand total of all expenditures to date of filing for calendar year ------ 185,431.45

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

NEW YORK,
New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 9th day of July A. D. 1947.

MARY KATHLEEN KELLY,
Notary Public, State of New York.

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 39 East Thirty-Sixth Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

Lessing J. Rosenwald, Alverthorpe, Meetinghouse Rd., Jenkintown, Pa.

Edith G. Rosenwald, Alverthorpe, Meetinghouse Rd., Jenkintown, Pa.

Edgar B. Stern, 11 Garden Lane, New Orleans, La.

Edith R. Stern, 11 Garden Lane, New Orleans, La.

Mrs. Herbert Lehman, 820 Park Avenue, New York City.

Herbert H. Lehman, 820 Park Avenue, New York City.

Barry Bingham, care of Louisville Courier, Louisville, Ky.

Adele R. Levy, 300 Park Avenue, New York City.

David M. Levy, 136 East Fifty-seventh Street, New York City.

Marshall Field, 250 Park Avenue, New York City.

Elias A. Cohen, 118 William Street, New York City.

John J. Raskob, Empire State Building, New York City.

B'nai B'rith, care of L. Gutterman, 551 Fifth Avenue, New York City.

Amount

(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1) ---------- $2,200.00

Total sum of contributions reported under (2) ----- 2,200.00

(3) The total sum of all contributions made to or for such person during the calendar year ---------- $36,200.00

Total sum of contributions reported under (3) ----- 36,200.00

Total sum of contributions reported in previous statement ----------

Grand total of all contributions to date for filing for calendar year ------- 36,200.00

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure (see schedules attached) ---------- 47,706.93

(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph 4 ---------- 1,053.68

Total sum of expenditures reported under (5) ----- 1,053.68

Employees' expenses, Jan. 1, 1947–Mar. 31, 1947

Name and address	Salary	Travel expense
Jack Wasserman, 2717 S. Veitch St., Arlington, Va.	$500.00	----------
Helen A. Shuford, 2909 Olive Ave. NW., Washington, D. C.	615.38	----------
Rebecca Bestimt, 5201 Connecticut Ave. NW., Washington, D. C.	101.79	----------
Leila Fleisher, 3538 W Pl. NW., Washington, D. C.	364.16	----------
May McKinsey, 111 E. 26th St., N. Y. C.	665.00	----------
William S. Bernard, 68 West 58th Street, N. Y. C.	1,875.00	$1,183.82
Emil Rosenberg, 25 Charles Street, N. Y. C.	600.96	342.96
Selma Edith Jerskey, 302 West 86th St., N. Y. C.	698.56	----------
Anna B. Johnson, 509 West 142d St., N. Y. C.	636.40	----------
Barbara Sanders, 10040 E. Lewis Blvd., Hollis, L. I., N. Y.	240.00	----------
Sadie Winston, 101 Post Ave., N. Y. C.	105.16	----------
E. Jane Davis, 60 Gramercy Park, N. Y. C.	75.00	----------
Goldie Hendler, 1217 Washington Ave., Bronx, N. Y.	6.92	----------
Dorothy B. Goldman, 353 E. 53 St., N. Y. C.	30.75	----------
Arnold M. Sapiro, 131 West 70th St., N. Y. C.	4.13	----------
Ruth Sichel, 60 E. 94th St., N. Y. C.	34.60	----------
Eileen Rouse, 39 E. 36th St., N. Y. C.	29.40	----------
William Rouse, 39 E. 36th St., N. Y. C.	109.83	----------
Hugh E. Carstensen, 324 E. 48th St., N. Y. C.	210.00	----------
James M. Kieran, 123 Washington Pl., N. Y. C.	2,048.07	42.93
Leo J. Margolin, 12 Norfolk Rd., Island Park, N. Y.	1,000.00	552.62
Lillian Baral, 9850 67th Ave., Forest Hills, N. Y.	1,325.00	96.88
Emily Lehan, 417 W. 121st St., N. Y. C.	196.00	----------
Beatrice P. Salid, 291 Crown St., Brooklyn, N. Y.	66.45	----------
Tadeusz N. Hudes, 112-15 72d Rd., Forest Hills, N. Y.	625.00	160.25
Rev. Vinton E. Ziegler, 53 Hartsdale Road, Elmsford, N. Y.	1,336.68	175.24

Employees' expenses, Jan. 1, 1947–Mar. 31, 1947—Continued

Name and address	Salary	Travel expense
Leeds Gulick, Wyckoff, N. J.	$795.00	
Anne Meredith Selby, 155 Colorado Blvd., Denver, Colo.	1,200.00	$1,597.94
Kathaleen Arneson, 58 Devonshire Rd., Cedar Grove, N. J.	849.03	45.10
Curtis E. Johnson, 4619A 36th St., S. Fairlington, Va.	1,307.70	1,044.34
Jessie D. Ortell, 18 Gramercy Park South, N. Y. C.	110.00	
Violet G. Bemmels, 153 Foster Ave., Valley Stream, L. I.	548.08	11.28
Harry L. Bennett, Jr., 127 Schuler St., Syracuse, N. Y.	261.54	435.85
Elizabeth Buck, 45 Church St., Montclair, N. J.	$572.24	$589.71
Allen T. Burns. Not available		10.34
Gloria Caplan, 562 West 113th St., N. Y. C.	122.58	
Cecilia Rasovsky Davidson, 170 West 73d St., N. Y. C.	355.61	200.00
Rev. John T. Franzen, 92 Pearl St., Seymour, Conn.		9.56
Elizabeth Gardiner, 1005 Battlefield Dr., Nashville, Tenn.	167.50	231.91
Erie Kocher, c/o Loewy, 13 West 9th St., N. Y. C.	329.53	322.55
Clara Leiser, 16 St. Luke's Place, N. Y. C.	317.88	354.30
Robert W. Pearson, 10326 68th Rd., Forest Hills, L. I., N. Y.	$273.07	$200.00
Pearl Richardson, 214 N. Main St., Pratt, Kans.	515.28	673.69
Patricia K. Ritter, 107-70 Central Ave., New Haven, Conn.	185.69	200.00
Beatrice Wellington, 122 E. 82d St., N. Y. C.	458.76	349.38
Anita Altman, 862 E. 17th St., Brooklyn, N. Y.	407.50	
Anna Lewita, 304 West 99th St., N. Y. C.	320.00	
Jeanne Howard Martin, 600 West 122d St., N. Y. C.	68.68	
Total	22,665.91	8,830.65

Date	Name and address	Purpose	Amount
Jan. 7, 1947	Nat'l Com. on Immigration Policy, 36 W. 44th St., N. Y. C.	Telephone	$102.85
Feb. 6, 1947	do	do	132.82
Mar. 19, 1947	do	do	123.99
Feb. 6, 1947	Western Union Tel. Co., 153 W. 42d St. N. Y. C.	Telegraph	86.01
Jan. 29, 1947	Schoene, Freehill, Kramer, Fonelli, 1744 K St. NW., Washington, D. C.	Counsel fees	1,000.00
Feb. 27, 1947	do	do	1,000.00
Mar. 28, 1947	do	do	1,000.00
Feb. 27, 1947	do	Petty cash	200.00
Mar. 14, 1947	Pine Hill Crystal Spring Co., 132d St. & Brook Ave., Bronx, N. Y.	Water	16.59
Mar. 19, 1947	Frances R. Jaffin, 640 Madison Ave., N. Y. C.	Commission	50.00
Feb. 17, 1947	Landy Sign Co., 152 W. 42d St., N. Y. C.	Printing on door	21.00
Mar. 31, 1947	Remington Rand, Inc., 465 Washington St., Buffalo	Rental typewriter	28.88
Mar. 26, 1947	Weissberger, Moving Stge. Co., 214 E. 22d St., N. Y. C.	Moving expense	116.91
Jan. 29–Mar. 19, 1947	Wholesale Typewriter Co., 155 6th Ave., N. Y. C.	Typewriter rental	92.44
Mar. 24, 1947	Albert Manlon Co., 1742 K St. NW., Washington, D. C.	Furniture and equipment	113.95
Do	Central Typewriter Co., 2019 14 St. NW., Washington, D. C.	Typewriter rental	23.50
Do	Devans Secretarial Service, 1742 K St. NW., Washington, D. C.	Stenographic service	16.95
Jan. 14, 1947	Waldorf Astoria, Lex. Ave. & 49th St., N. Y. C.	Dinner	223.07
Mar. 31, 1947	Hotel Pierre Banquet Dept., Fifth Ave. & 61st St., N. Y. C.	do	50.00
Jan. 29, 1947	Hart Steno Bureau	Stenographic service	11.06
Feb. 25, 1947	Bachrach Pictures	Photos	10.50
Jan. 17, 1947	Collector of Internal Rev., 110 E. 45th St., N. Y. C.	Social security tax	30.83
Jan. 20, 1947	N. Y. S. Un. Ins. Fund, Albany, N. Y.	Unemployment insurance taxes	29.47
Mar. 4, 1947	Raymond M. Gordon, 529 W. 111 St., N. Y. C.	Publicity expense	30.00
Mar. 14, 1947	American Jewish Committee, 386 4th Ave., N. Y. C.	Telephone	65.25
Jan. 23, 1947	do	Rent	100.00
Mar. 14, 1947	do	do	192.50
Mar. 30, 1947	do	Mimeo. expenses	14.67
Mar. 14, 1947	Common Council for Amer. Unity, 20 West 40th St., N. Y. C.	Rent	15.00
Jan. 2, 1947	do	Mimeo. expenses	37.09
Mar. 4, 1947	Elinore L. Wolfe, 1710 Rhode Island Ave. NW., Washington, D. C.	Rent	300.00
Mar. 13, 1947	Pierpont Estate, Inc., 39 E. 36th St., N. Y. C.	do	600.00
Jan. 23, 1947	Academy Photo Offset, Inc., 15 E. 22d St., N. Y. C.	Stenographic service	20.40
Mar. 31, 1947	do	do	12.24
Mar. 4, 1947	Academy Press, 112 4th Ave., N. Y. C.	do	236.64
Do	do	do	148.41
Jan. 14–Mar. 19, 1947	Bar Assn. Steno Service, 36 W. 44th St., N. Y. C.	do	40.34
Mar. 4, 1947	Church World Service, Inc., 37 E. 36th St., N. Y. C.	do	14.35
Feb. 17–Mar. 31, 1947	Hooven Letters, Inc., 352 4th Ave., N. Y. C.	do	539.24
Mar. 26–31, 1947	Manhattan Letter Co., 45 Astor Pl., N. Y. C.	do	24.32
Jan. 14, 1947	Helene Manne, 1472 Broadway, N. Y. C.	do	12.80
Mar. 19, 1947	Nat'l League of Women Voters, 726 Jackson Pl., Washington, D. C.	do	40.00
Jan. 2–Mar. 31, 1947	Rialto Mimeo & Typewriter Service, 1501 Broadway, N. Y. C.		410.48
Feb. 25, 1947	May McKinsey, 39 E. 36th St., N. Y. C.	Petty cash fund	150.00
Mar. 31, 1947	American Aid to France, 1757 Broadway, N. Y. C.	Furnishing supplies of coal	484.40
Mar. 20, 1947	do	Rent	200.00
Jan. 23–Mar. 31, 1947	Itkin Bros., 375 Lexington Ave., N. Y. C.	Furniture	2,647.00
Mar. 27, 1947	Public Relations Asso., Inc., 1737 H St. NW., Washington, D. C.	do	155.00
Do	Stern Office Furniture, 1159 21 St. NW., Washington, D. C.	do	233.40
Mar. 7, 1947	Manhattan Office Eq. Co., Washington, D. C.	do	305.80
Mar. 31, 1947	Public Affairs Com., Inc., 22 E. 38th St., N. Y. C.	Pamphlets	93.50
Mar. 11, 1947	I. Lask, 1245 Grand View Pl., N. Y. C.	Repairs	15.00
Mar. 27, 1947	Lloyd E. Wyble, 1432 P St. NW, Washington, D. C.	do	35.00
Mar. 24, 1947	United Nations Council of Philadelphia, Philadelphia, Pa.	Contribution	100.00
Jan. 14, 1947	Carli Laklan, 175 Madison Ave., N. Y. C.	Literary service	50.00
Jan. 31, 1947	do	do	35.00
Mar. 14, 1947	do	do	158.16
Do	Edwin Armstrong, c/o Mrs. Miller, 362 Riverside Drive, N. Y. C.	do	175.00
Mar. 31, 1947	do	do	200.00
Mar. 14, 1947	do	Traveling expenses	50.00
Mar. 31, 1947	do	do	59.95
Mar. 24, 1947	Ray Richmond, 49 Grove St., N. Y. C.	Literary service	25.00
Jan. 23–Mar. 14, 1947	Bell Messenger Service, 152 W. 42d St., N. Y. C.	Messenger service	75.50
Mar. 27, 1947	Capitol Office Sup. Co., 1129 Vermont Av. NW., Washington, D. C.	Stationery and supplies	52.94
Feb. 17, 1947	Hooven Letters, Inc., 352 4th Ave., N. Y. C.	do	245.03
Mar. 27, 1947	Chas. G. Stott Co., Inc., 1310 New York Ave. NW., Washington, D. C.	do	26.78
Jan. 7–Mar. 28, 1947	Meco Press, 59 E. 43d St., N. Y. C.	do	490.24
Feb. 6, 1947	Acme Newspictures, Inc., 461 8th Ave., N. Y. C.	Publicity expenses	17.25
Jan. 14, 1947	Ed Burnett, 405 E. 54th St., N. Y. C.	do	300.00
Feb. 6–Mar. 14, 1947	Earl G. Harrison, U. of Pa., Law S., Philadelphia, Pa.	Traveling	42.16
	Myron Ray Ely, Box 2385, Knoxville, Tenn.	Field counsel fees	1,500.00
	Do	Traveling expense	678.71
	Do	do	200.00
Mar. 30, 1947	Emily Cronheim, 2321 Lincoln Rd. NE., Washington, D. C.	Research	75.00
	Total sundry expenses		16,210.37

SUMMARY

Total employees' expenses:		
Salary	$22,665.91	
Travel expense	8,830.65	
		$31,496.56
Total sundry expenses as above		16,210.37
Total expenses, item 4		47,706.93

(6) Total sum of expenditures reported under (6) ---------- $48,760.61

Grand total of all expenditures to date of filing for calendar year ---------- 48,760.61

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,
County of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn (affirmed) before me this 9th day of April A. D. 1947.

VICTORIA J. CECH.

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 147 West Forty-second Street, New York, N. Y.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

Lessing J. Rosenwald, Alverthorpe, Meetinghouse Road, Jenkintown, Pa.

Edith G. Rosenwald, Alverthorpe, Meetinghouse Road, Jenkintown, Pa.

Marshall Field, 250 Park Avenue, New York, N. Y.

Adele R. Levy, 300 Park Avenue, New York, N. Y.

David M. Levy, 300 Park Avenue, New York, N. Y.

Edith R. Stern, 11 Garden Lane, New Orleans, La.

Edgar B. Stern, 11 Garden Lane, New Orleans, La.

Marion R. Ascoli, 23 Gramercy Park South, New York, N. Y.

Max Ascoli, 23 Gramercy Park South, New York, N. Y.

	Amount
(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1) ----------	$27,000.00
Total sum of contributions reported under (2) -----	27,000.00
(3) The total sum of all contributions made to or for such person during the calendar year ----------	27,000.00
Total sum of contributions reported under (3) ----------	27,000.00
Total sum of contributions reported in previous statement --	None
Grand total of all contributions to date of filing for calendar year -------	$27,000.00

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:

Date	Name and address	Purpose	Amount
Dec. 17, 1946	Myron R. Ely, Box 2385, Knoxville, Tenn	Traveling expenses	$76.30
Dec. 30, 1946	do	do	69.45
Do	do	Pay roll less taxes	226.35
Dec. 17, 1946	Anne Meredith Selby, 155 Colorado Blvd., Denver, Colo.	Traveling expenses	220.43
Dec. 30, 1946	do	do	186.37
Do	do	Pay roll less taxes	172.62
Dec. 13, 1946	Lillian Baral, 9850 67th Ave., Forest Hills, Long Island, N. Y.	do	168.32
Dec. 30, 1946	do	do	168.32
Dec. 13, 1946	Anna Johnson, 509 West 142d St., New York, N. Y	do	28.85
Dec. 30, 1946	do	Pay roll	22.50
Dec. 13, 1946	Dorothy S. Goldman, 353 East 53d St., New York, N. Y.	Pay roll less taxes	26.21
Do	William S. Bernard, 68 West 58th St., New York, N. Y.	do	230.38
Do	do	Traveling expenses	33.82
Dec. 24, 1946	do	do	35.15
Dec. 30, 1946	do	do	6.00
Do	do	Pay roll less taxes	230.38
Dec. 13, 1946	May McKinsey, c/o W. Bernard, 36 W. 44th St., New York, N. Y.	Petty-cash fund	50.00
Dec. 18, 1946	Bar Association Steno Service, 36 W. 44th St., New York, N. Y.	Steno. and mimeo. service	65.36
Dec. 30, 1946	do	do	3.30
Dec. 24, 1946	The American Jewish Committee, 386 4th Ave., New York, N. Y.	Rent	100.00
Dec. 30, 1946	do	Steno. and mimeo. service	9.60
Do	do	Postage	5.07
Do	Selma E. Jerskey, 302 West 86th St., New York, N. Y.	Pay roll less taxes	59.32
Do	Chase National Bank, 18 East 48th St., New York, N. Y.	Federal withholding taxes	208.33
Dec. 18, 1946	National Committee on Immigration Policy, 36 W. 44th St. (W. S. Bernard).	Traveling expenses	60.82
	Total		2,463.25

	Amount
Total sum of expenditures reported under (4) ----------	$2,463.25
(5) Total sum of expenditures made by or on behalf of such person during the calendar year and not stated under par. (4) -------	24.42
Total sum of expenditures reported under (5) -----	24.42
(6) The total sum of expenditures made by or on behalf of such person during the calendar year----	2,487.67
Total sum of expenditures reported under (6) -------	2,487.67
Total sum of expenditures reported in previous statement----------	None
Grand total of all expenditures to date of filing for calendar year----------	2,487.67

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

WASHINGTON,
District of Columbia, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

CITIZENS COMMITTEE ON DISPLACED PERSONS,
WILLIAM S. BERNARD, *Secretary.*

Subscribed and sworn to (affirmed) before me this 15th day of January A. D. 1947.

MARIAN W. FLORY.

FORM A

(To be filed quarterly with the Clerk of the House of Representatives only)

DETAILED STATEMENT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name: Citizens Committee on Displaced Persons.

Business address: 303 Lexington Avenue, New York City.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

(If additional space is required, the information may be attached)

(a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day preceding the date of filing—

Contributions

(1) The name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title:

Schedule 1.

	Amount
(2) The total sum of the contribution made to or for such person during the calendar year and not stated under paragraph (1)	$14,303.48
Total sum of contributions reported under (2)	14,303.48
(3) The total sum of all contributions made to or for such person during the calendar year	66,391.48
Total sum of contributions reported under (3)	66,391.48
Total sum of contributions reported in previous statement	74,852.84
Grand total of all contributions to date of filing for calendar year	141,244.32

Expenditures

(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure:

Pay roll and travel, schedule 2	28,074.37
Expenses, schedule 3	33,000.71
Total sum of expenditures reported under (4)	61,075.08
(5) The total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under par (4)	None

Schedule 1

Janet Rosenwald, Meetinghouse Road, Jenkintown, Pa.

Julius Rosenwald 2d, 7910 Whitewood Road, Elkins Park, Pa.

Julia K. Rosenwald, 7910 Whitewood Road, Elkins Park, Pa.

Robert L. Rosenwald, Box 96, Rushland, Pa.

Barbara K. Rosenwald, Box 96, Rushland, Pa.

Isadore M. Scott, 268 Lenox Road, Jenkintown, Pa.

Harry H. Snellenburg, Jr., Henny Penny Farm, Almshouse Road, Ivyland, Pa.

Helen R. Snellenburg, Henny Penny Farm, Almshouse Road, Ivyland, Pa.

Schedule 2, pay-roll and travel expenses, Apr. 1–June 30, 1949

Name and address	Pay roll	Travel
Lillian Baral, 9850 67th Avenue, Forest Hills, L. I., N. Y.	$1,500.00	$285.42
William S. Bernard, 14 E. 80 Street, N. Y. C.	2,505.00	3,803.74
Gloria Best, 310 West End Avenue, N. Y. C.	724.74	2.25
Hanni Blumenfeld, 310 W. 97 Street, N. Y. C.	836.94	3.24
Hugh E. Carstensen, 324 E. 48th Street, N. Y. C.	588.23	20.90
Helen G. Crisses, 1200 College Avenue, Bronx, N. Y.	231.56	
Irene G. Cushman, 17 Croshill Avenue, Yonkers, N. Y.	585.00	
Leila Fleisher, 3538 W Place NW., Washington, D. C.	$915.00	$8.40
Elizabeth Gardiner, 1005 Battlefield Drive, Nashville, Tenn.	1,084.51	1,310.16
Tadeusz N. Hudes, 112-15 72d Road, Forest Hills, L. I.	1,875.00	953.23
Selma Edith Jerskey, 302 W. 86 Street, N. Y. C.	780.00	1.10
Malcolm R. Leete, 42 Mt. Vernon St, Boston, Mass.	346.76	150.00
Emily Lehan, 360 E. 50 Street, N. Y. C.	1,305.00	60.47
Constance McArdle, 1211 Beacon Street, Brookline, Mass.	65.77	
May McKinsey, 900 West End Avenue, N. Y. C.	1,170.00	10.21
Thelma Plafker, 285 Albany Avenue, Brooklyn, N. Y.	317.90	.30
Emil Rosenberg, 25 Charles Street, N. Y. C.	1,875.00	1,023.66
William Rouse, 39 E. 36 Street, N. Y. C.	338.80	23.55
Bert Lind Samalman, 155 W. 20 Street, N. Y. C.	915.00	333.56
Louise Smith, 1489 Southern Blvd., Bronx, N. Y.	225.07	
Lillian Stone, 1796 Grand Concourse, Bronx, N. Y.	667.51	.39
Harriet G. Trowbridge, 182 Waverly Place, N. Y. C.	60.92	
Marjorie S. Vaes; 49 E. 63 Street, N. Y.	390.00	
Sadie Winston, 101 Post Avenue, N. Y. C.	780.00	
Total	20,083.71	7,990.66

Schedule 3, expenses, Apr. 1–June 30, 1949

	Amount
Academy Photo Offset, Inc., 15 E. 22d St., N .Y. C., stenographing, mimeographing, printing	183.50
Addressing Mach. & Equip. Co., 20 E. 22d St., N. Y. C., stationery and and supplies	8.19
Adkar Mimeograph Corp., 100 Sixth Avenue, N. Y. C., cleaning, maintenance, repairs	3.87
Rudy Adler, Local 802, N. Y. C., publicity services	27.00
Aero Electric & Hardware, 530 3d Ave., N. Y. C., cleaning, maintenance, repairs	1.52
Sal Amato, Local 802, N. Y. C., publicity services	31.50
Bell Messenger Service, 152 W. 42 St., N. Y. C., messenger service	254.12
Benedict & Benedict, 99 John Street, N. Y. C., insurance	345.73
Alvin Boretz, 6936 Hessler Ave., Arverne, L. I., literary services	125.00
Mrs. Nemiah Boynton, 75 Chestnut St Boston, Mass., travel expenses	43.67
Allen T. Burns, 336 Northlawn, E. Lansing, Mich., travel expenses	255.70
James T. Carroll, 220 E. 42 Street, N. Y. C., literary services	75.00
Carmen Caruso, 5 Appletree Lane, Roslyn, L. I., N. Y., publicity services	29.70
Central Typewriter Co., 2019–14 St. NW., Washington, D. C., rentals of equipment	15.00
Chase National Bank, 18 Pine Street, N. Y. C., bank charges	1.09
Chesapeake & Potomac Tel., 723 13 St. NW., Washington, D. C., telephone and telegraph	124.66
Coastal Recording Co., Inc., 136 W. 52d St., N. Y. C., publicity services	40.96
Collector of Internal Revenue, 110 E. 45th St., N. Y. C., pay-roll taxes	392.29
Columbia Reporting Co., 631 Penn Ave. NW., Washington, D. C., steno, mimeo, printing	110.00
Common Council for American Unity, 20 W. 40th St., N. Y. C., books, newspapers, magazines, stationery, and supplies	$49.28
Consolidated Edison Co., box 138, Station D, N. Y. C., light, heat, power	170.15
Consolidated Press Clip Bureau 431 S. Dearborn St., Chicago, Ill., books, newspapers, magazines	676.60
Continental Envelope Co., 20 W. 22 Street, N. Y. C., stationery and supplies	41.18
Jim Conway, 410 N. Michigan Ave., Chicago, Ill., publicity services	75.00
Thomas M. Cooley 2d, Waterford, Va., legal fees	75.00
Roger De Koven, 360 Central Park West, N. Y. C., publicity services	35.60
Joseph De Santos, 1391 Madison Ave., N. Y. C., publicity services	25.80
Dupli-Kate Service, 1740 K St. NW., Washington, D. C., steno, mimeo, printing	12.95
Enterprise Letter Service, 1744 K St. NW., Washington, D. C., stationery and supplies	4.00
Ever-Ready Steno Service, 1745 K St. NW., Washington, D. C., steno, mimeo, printing	16.25
Jerome S. Finston, 313 E. 13 Street, N. Y. C., stenographing, mimeographing, printing	177.48
Joseph Fischer, 188 W. 4 Street, N. Y. C., stenography, mimeographing, printing	816.18
Leila Fleisher, Washington, D. C., petty-cash expenses	46.18
John G. Garamoni, 7412 W. Winona Ave., Harwood Heights, Ill., publicity services	45.00
John Gart, 228 E. 68th St., N. Y. C., publicity services	522.00
Gist & Chairs, Inc., 1021 15th St. NW., Washington, D. C., stationery and supplies	3.50
Gene Goldsmith, 86 Rowayton Ave., Rowayton, Conn., literary services	300.00
Gramercy Stationery Co., 284 Madison Ave., N. Y. C., stationery and supplies	.36
Graphic Syndicate Inc., 280 Madison Ave., N. Y. C., stenographing, mimeographing, printing	7.50
Mitchell Grayson, 233 E. 34 Street, N. Y. C., publicity services	450.00
Bill Griffis, 170 E. 78 Street, N. Y. C., publicity services	35.60
Evelyn Hellem, 56 Pierrepont St., Brooklyn, N. Y., stenographing, mimeographing, printing	9.65
Hooven Letters, Inc., 352, 4 Ave., N. Y. C., stenographing, mimeographing, printing	68.20
Intl. Office Appliances, Inc., 29 E. 22 St., N. Y. C., rentals of equipment	45.00
Itkin Bros., Inc., 375 Lexington Ave., N. Y. C., cleaning, maintenance, repairs	15.00
Siegmund Jeremias, 313 E. 17 St., N. Y. C., publicity services and expenses	1,026.40
Edwin Jerome, 405 E. 54 Street, N. Y. C., publicity services	33.70
Curtis E. Johnson, 4619A S. 36 St., Arlington, Va., counsel fees and expenses	2,270.50
Milton C. Johnson Co., 78 Walker St., N. Y. C., stationery and supplies	73.95
Joint Senate and House Recording, Washington, D. C., publicity expenses	81.30
Ben Kagan, 7312 35 Ave., Jackson Heights, L. I., N. Y., literary services	225.00

Frances Lafferty, 10 W. 96 Street, N. Y. C., publicity services	$35.60
La Salle Letter Co., 45 White Street, N. Y. C., stenographing, mimeographing, printing	3,292.14
Malcolm R. Leete, 42 Mt. Vernon St., Boston, Mass., petty-cash expenses	1.50
Lincoln Warehouse Corp., 1195 3d Ave., N. Y. C., freight, dray, express, etc	186.95
Aline Mac Mahon, 1 W. 64 Street, N. Y. C., publicity services	52.80
Manhattan Letter Co., 45 Astor Place, N. Y. C., stenographing, mimeographing, printing	1,752.67
Manhattan Office Equip. Co., 639 New York Ave. NW., Washington, D. C., rentals of equipment	87.00
Leo J. Margolin, 235 E. 22 Street, N. Y. C., publicity services and expenses	1,280.57
Massachusetts Division of Employment Security, 881 Commonwealth Ave., Boston, Mass., pay-roll taxes	15.00
Meco Press, 4 E. 45th Street, N. Y. C., stationery and supplies	1,095.05
Mercury Messenger Corp., 461 Fourth Ave., N. Y. C., messenger service	4.29
Geo. W. Millar & Co., Inc., 284 Lafayette St., N. Y. C., stationery and supplies	68.13
Robert Milner, 311 Lexington Ave., N. Y. C., books, news, magazines	30.65
Wilfrid Mirsky, 92 State St., Boston, Mass., travel expenses	75.00
Arnold Moss, 30 Beekman Place, N. Y. C., publicity services	33.70
J. M. McGuire & Co., 1476 Broadway, N. Y. C., rentals of equipment	84.60
May McKinsey, N. Y. C., petty cash expenses	164.42
National Social Welfare Assembly, 1790 Broadway, N. Y. C., books, newspapers, magazines	10.00
N. Y. S. Un. Insurance Fund, Albany, N. Y., pay-roll taxes	495.84
New York Telephone Co., Box 222, Station O, N. Y. C., telephone and telegraph	2,259.38
Dave Novalis, Local 802, N. Y. C., publicity services	58.50
Oram & Rich, 8 W. 40th Street, N. Y. C., publicity service and expenses	2,120.66
Dave Ornstein, Local 802, N. Y. C., publicity services	58.50
Packers Press, 209 W. 38 Street, N. Y. C., stationery and supplies	819.62
Par-X Letter Service, 35 W. 19 Street, N. Y. C., stenography, mimeographing, printing	52.51
Peerless Towel Supply Co., 372 Gold Street, Brooklyn, N. Y., stationery and supplies	.50
Permacam Co., 1 Bond St., N. Y. C., stationery and supplies	11.66
Pierpont Estates Inc., 36 West 44 St., N. Y. C., rent	1,200.00
Pine Hill Crystal Spring Water, 132 St. & Brook Ave., Bronx, N. Y., water	14.03
Pitney-Bowes, Inc., Walnut and Pacific St., Stamford, Conn., stationery and supplies	2.47
Postmaster, N. Y. C., stamps for meter	250.00
Public Service Letter & Printing Co., 105 E. 16th Street, N. Y. C., stenography, mimeographing, printing	84.24
Radio Daily, 1501 Broadway, N. Y. C., publicity services	140.00
John Ralph, 494 Hudson Street, N. Y. C., literary services	100.00
Richard C. Raymond, 538 E. 83 Street, N. Y. C., publicity services and expenses	63.58
Rialto Service Bureau Inc., 1501 Broadway, N. Y. C., stenography, mimeographing, printing	$225.51
Pearl Richardson, 148 E. 48 Street, N. Y. C.:	
Research services	170.00
Counsel fees	40.00
Travel expenses	425.25
Riddell Realty Co., 1742 K St. NW., Washington, D. C.:	
Rent	405.00
Telephone and telegraph	15.00
Gustave Roberte, Local 802, N. Y. C., publicity services	31.50
Howard Rodman, 7236–112 St., Forest Hills, L. I., N. Y., literary services	75.00
Laura V. Rubin, 80 Woodruff Ave., Brooklyn, N. Y., stenography, mimeographing, printing	60.00
Jerry M. Sage, 946 Boston Post Rd., Rye, N. Y.:	
Counsel fees	90.00
Research services	112.50
Travel expenses	196.98
Shelburne Hotel, 303 Lexington Ave., N. Y. C.:	
Rent	500.00
Rent tax	25.00
Various expenses	19.00
Joseph Singer, Local 802, N. Y. C., publicity services	27.00
Everett Sloane, 300 Central Park West, N. Y. C., publicity services	33.70
Stokes Coal Co., Inc., 5th Ave and 142d St., N. Y. C., light, heat, power	19.78
Chas. G. Stott & Co., Inc., 1310 New York Ave. NW., Washington, D. C., stationery and supplies	5.31
William Sudduth, 17 E. 87 Street, N. Y. C., travel expenses	111.00
Telanserphone, Inc., 224 E. 38 Street, N. Y. C., telephone and telegraph	27.95
Scott Tennyson, 134 W. 58 Street, N. Y. C., publicity services	33.70
Terminal Display Art Service, 5 W. 21st St., N. Y. C., publicity expenses	12.24
Paul Tripp, 45 Prospect Pl., Tudor City, N. Y. C., literary services	100.00
Tru-Rite, Inc., 116 Broad Street, N. Y. C., stationery and supplies	12.35
Wallie Warren & Associates, 131 W. 2 St., Reno, Nev., counsel fees and expenses	1,602.16
Washington, D. C., Unemployment Insurance Fund, Washington, D. C., pay-roll taxes	18.75
Watson Elevator Co., Inc., 407 W. 36 St., N. Y. C., cleaning, maintenance, repairs	34.00
Western Union Telegraph Co., 60 Hudson St., N. Y. C., telegrams and cables	305.73
White House Home Service, 1128 Lexington Ave., N. Y. C., cleaning, maintenance, repairs	41.00
Wholesale Typewriter Co., 155 Sixth Ave., N. Y. C., rentals of equipment	139.11
WOR Program Service, Inc., 1440 Broadway, N. Y. C., publicity expenses	2,681.25
	33,000.71
(6) The total sum of expenditures made by or on behalf of such person during the calendar year	61,075.08
Total sum of expenditures reported under (6)	61,075.08
Total sum of expenditures reported in previous statement	80,537.75
Grand total of all expenditures to date of filing for calendar year	141,612.83

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

OATH OF PERSON FILING

STATE OF NEW YORK,

County of New York, ss:

I, William S. Bernard, being duly sworn, depose (affirm) and say that the foregoing has been examined by me and to the best of my knowledge and belief is a true, correct, and complete declaration.

WILLIAM S. BERNARD.

Subscribed and sworn to (affirmed) before me this 7th day of July A. D. 1949.

LYDIA CONSTANTINO.

EXTRACTS FROM FEDERAL REGULATIONS OF LOBBYING ACT

DETAILED ACCOUNTS OF CONTRIBUTIONS

SEC. 303. (a) It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of—

(1) all contributions of any amount or of any value whatsoever;

(2) the name and address of every person making any such contribution of $500 or more and the date thereof;

(3) all expenditures made by or on behalf of such organization or fund; and

(4) the name and address of every person to whom any such expenditure is made and the date thereof.

(b) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding $10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least 2 years from the date of the filing of the statement containing such items.

RECEIPTS FOR CONTRIBUTIONS

SEC. 304. Every individual who receives a contribution of $500 or more for any of the purposes hereinafter designated shall within 5 days after receipt thereof rendered to the person or organization for which such contribution was received a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

STATEMENTS TO BE FILED WITH CLERK OF HOUSE

SEC. 305. (a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 307 shall file with the Clerk between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

(1) the name and address of each person who has made a contribution of $500 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of $500 or more to such person since the effective date of this title;

(2) the total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1);

(3) the total sum of all contributions made to or for such person during the calendar year;

(4) the name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of $10 or more has been made by or on behalf of such person, and the amount, date, and pu.pose of such expenditure;

(5) the total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4);

(6) the total sum of expenditures made by or on behalf of such person during the calendar year.

(b) The statements required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

STATEMENT PRESERVED FOR 2 YEARS

SEC. 306. A statement required by this title to be filed with the Clerk—

(a) shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Clerk of the House of Representatives of the United States, Washington, D. C., but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Clerk of its nonreceipt.

(b) shall be preserved by the Clerk for a period of 2 years from the date of filing, shall constitute part of the public records of his office, and shall be open to public inspection.

PERSONS TO WHOM APPLICABLE

SEC. 307. The provisions of this title shall apply to any person (except a political committee as defined in the Federal Corrupt Practices Act, and duly organized State or local committees of a political party), who by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

(a) The passage or defeat of any legislation by the Congress of the United States.

(b) To influence, directly or indirectly, the passage or defeat of any legislation by the Congress of the United States.

REPORTS AND STATEMENTS TO BE MADE UNDER OATH

SEC. 309. All reports and statements required under this title shall be made under oath, before an officer authorized by law to administer oaths.

PENALTIES

SEC. 310. (a) Any person who violates any of the provisions of this title, shall, upon conviction, be guilty of a misdemeanor, and shall be punished by a fine of not more than $5,000 or imprisonment for not more than 12 months, or by both such fine and imprisonment.

(b) In addition to the penalties provided for in subsection (a), any person convicted of the misdemeanor specified therein is prohibited, for a period of 3 years from the date of such conviction, from attempting to influence, directly or indirectly, the passage or defeat of any proposed legislation or from appearing before a committee of the Congress in support of or opposition to proposed legislation; and any person who violates any provision of this subsection shall, upon conviction thereof, be guilty of a felony, and shall be punished by a fine of not more than $10,000, or imprisonment of not more than 5 years, or by both such fine and imprisonment.

EXEMPTION

SEC. 311. The provisions of this title shall not apply to practices or activities regulated by the Federal Corrupt Practices Act nor be construed as repealing any portion of said Federal Corrupt Practices Act.

Mr. LANGER. Mr. President, a year and a half ago the American Legion filed a protest with the Committee on the Judiciary over the fact that the total monthly salary pay roll of the Citizens Committee on Displaced Persons was $51,000.

Mr. President, as I said a little while ago a number of persons came into the United States. I want to go back and show the kind of treatment the American people have been receiving according to the testimony of Representative ED GOSSETT, who has served 12 years on the old Immigration Committee of the House and on the House Committee on the Judiciary, longer than any other Representative. I want to read further from his testimony:

I have been rather interested to note in the press—

This is Representative GOSSETT testifying—

I have been rather interested to note in the press and to hear some of my colleagues say that certain individuals were, so to speak, Senator, "sitting on this bill." If such is the case, I want to commend as patriotic citizens and good public servants those who may be sitting on this bill. In my opinion, future generations will rise up to call them blessed, and I am convinced in my own mind that they will have won a major skirmish at least in the cold war for survival. Whoever may be instrumental in the defeat of legislation of this character will be of real public service.

The Senator from Indiana [Mr. JENNER] interrupted him. I want to ask, Mr. President, who is a better witness, who knows more about the subject than Representative GOSSETT, who for 12 years has been a member of the old Immigration Committee and now of the Judiciary Committee of the House and made a study of this question? Is he not a better witness on the subject than some Senator who never has even attended a meeting of the Committee on the Judiciary or a meeting of the Immigration Committee and who knows nothing about the subject?

The Senator from Indiana [Mr. JENNER] interrupted Representative GOSSETT and said:

Right there, Congressman GOSSETT, I do not think that anybody in the Senate Judiciary Committee is sitting on the displaced persons bill. As a matter of fact, we have had many hearings. It is a vast subject and seems to have become very controversial.

Of course, some have interpreted it that the committee has been sitting on the bill, but I happen to be a member of the subcommittee to which this bill was referred, and we have had many, many meetings. The information has been voluminous, very controversial, and not confined to the specific question of the displaced persons in the area of western Europe. The question is becoming bigger each day rather than smaller.

Mr. President, I ask unanimous consent that I may be allowed to sit down while speaking.

The PRESIDING OFFICER. (Mr. JOHNSON of Colorado in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. I thank the Senator. I continue reading:

Representative GOSSETT. Senator, you are quite right. You cannot confine this question of displaced persons to a few that we have permitted to remain in camps under our custody for several years. There is no doubt but what there are a hundred million people in the world who are just as much in distress and who are about as greatly displaced as are the several hundred thousand under our care and custody. There are a hundred million people who would like to pick up, lock, stock, and barrel, and move into this country; and I cannot blame them for that. There are certainly many millions of people who are just as deserving if not more deserving than those to whom we have heretofore shown such great preference. And in my opinion, which I hope to develop, here, as I go along, the Celler bill rewards the least deserving and the least desirable and in many instances the most dangerous of the millions of folks who would like to come to this country. In the first place this legislation has been propagandized and promoted by—

This, Mr. President, is what Representative GOSSETT said:

In the first place this legislation has been propagandized and promoted by one of the cleverest, best-financed, best-organized lobbies in the history of the country. I have here a clipping from the Christian Science Monitor headed "Lobbyists list spending of $5,000,000 annually."

"Biggest spenders so far," says the article, "are the Citizens Committee on Displaced Persons"—

And here is a list put out by the American Legion in May of 1947, listing some 16 individuals here in the city of Washington as registered lobbyists for the Displaced Persons Act, whose salaries total $152,000 a year. Now, it is a rather sad commentary, I think, on the way we have to work that if you have so much organization and so much money promoting any particular thing—and there is no organization and no money spent fighting this program—you are just up against a pretty tough proposition to prevent its passage. When you have to contend with a lobby as well-organized and as well-financed as the displaced persons lobby is, it takes courage and statesmanship of a high order to defeat the lobby's schemes.

Senator JENNER. Do you want to put the article and bulletin in the record?

Representative GOSSETT. I offer them as a part of the record.

(The article from the Christian Science Monitor, in part, is as follows:)

"LOBBYISTS LIST SPENDING OF $5,000,000 ANNUALLY

"(By Josephine Ripley, staff correspondent of the Christian Science Monitor)

"WASHINGTON.—Lobbyists are spending some $5,000,000 a year to put their side of the story over with Congress, according to account books now laid open under the law.

"Much of this expenditure goes for salaries, which range anywhere from $3,000 to $25,000 or more a year, with lesser amounts put down for entertainment—parties or dinners for Members of Congress.

"Biggest spenders so far are the Citizens Committee on Displaced Persons, the Committee for Constitutional Government, Inc., the Committee for the Marshall Plan To Aid European Recovery, and the National Physicians Committee—all of whom have already spent more than $100,000 in promoting their causes on the Hill.

"The Citizens Committee is working actively in behalf of legislation concerning taxation and Government economy. The physicians group has been lobbying against compulsory health insurance."

(The legislative bulletin of the American Legion is as follows:)

"[Legislative bulletin issued by the national legislative committee, the American Legion, John Thomas Taylor, director, 1608 K Street NW., Washington 6, D. C., Bull. No. 17. May 21, 1947]

"DISPLACED PERSONS

"The intensive, aggressive, all-out drive, supported by numerous organizations and apparently with unlimited financial backing,

continues and the agitation goes on to break down our immigration laws to admit so-called displaced persons into our country. Addressing a national triennial dinner of one organization last week, United States Attorney General Tom Clark and Secretary of War Robert P. Patterson urged that the United States admit its share of displaced families. Also, in a press conference, President Truman made a similar plea. The term 'fair share' is used almost exclusively as applying to United States obligations in connection with displaced persons. However, no mention is ever made of the thousands of displaced persons who entered the country during wartime as refugees or under some other so-called emergency action—if these figures were compiled they would no doubt show that the United States is already harboring much more than its fair share of displaced persons.

"In addition to numerous organizations registered with the Senate and the House of Representatives who are working in behalf of the admission of displaced persons, either by relaxing immigration quotas or otherwise, during the past quarter the following persons have been registered with Congress as legislative representatives of the Citizens Committee on Displaced Persons."

Name:	*Annual salary*
Kiernan, James M.	$ 15,000.00
Cooley, Thomas M.	12,000.00
Margolin, Joe J.	12,000.00
Wasserman, Jack	12,000.00
Ziegler, Vinton E.	8,000.00
Bernard, William S.	7,500.00
Johnson, Curtis Edward	7,500.00
Ely, Myron Ray	6,000.00
Pearson, Robert W.	6,000.00
Shuford, Helen Alcott	6,000.00
Leiser, Clara	5,220.00
Richardson, Pearl	5,220.00
Harris, Peggy	5,220.00
Franzen, John T. D.	5,040.00
Kocher, Eric	5,040.00
Steinart, Blossom	5,040.00
Wellington, Beatrice	5,040.00
Selby, Meredith	4,800.00
Buck, Elizabeth	4,320.00
Ritter, Patricia	4,080.00
Gardiner, Elizabeth	4,020.00
Abbott, Charlotte E.	4,000.00
Bennett, Harry L., Jr.	3,000.00
Total	152,020.00

The reports which were submitted a little while ago, showing $2,500, are evidently for the quarter, and not for each month, as stated by the junior Senator from Illinois [Mr. DOUGLAS].

According to its own sworn report, this organization pays out a total of $152,020 in salaries alone for 1 year to lobby among Senators and Representatives.

In addition to salaries, these people also receive "actual amount of out-of-pocket expenses," which includes such items as air and railroad fares, hotels, meals, telegraph, telephone, and postage. As they are operating from two different addresses in New York City, which no doubt requires much traveling to Washington in connection with their lobbying activities, these expenses are no doubt very extensive.

The established policy of the American Legion is definitely opposed to relaxing any immigration, deportation, or naturalization laws and the national legislative committee is directed to oppose any legislation contrary to Legion policy. The Legion's views on this important matter will be presented to the House Committee on the Judiciary, which has scheduled open hearings on June 4 on H. R. 2910, introduced by Representative William G. Stratton, of Illinois, "To authorize the United States during an emergency period to undertake its fair share in the resettlement of displaced persons in Germany, Austria, and Italy, including relatives of citizens or members of our armed forces, by permitting their admission into the United States in a number equivalent to a part of the total quota members unused during the war years."

Now we come to the question of persons of German ethnic origin. Yesterday I received a telegram from Theodore H. Hoffmann, national chairman of the Steuben Society of America. The Steuben Society is one of the greatest patriotic organizations in the United States. Long before World War II came along they were busy fighting the bund. What does Mr. Hoffmann say about this displaced-persons debate? This telegram was addressed to me, from New York City, and was sent at 3:53 p. m., October 13:

NEW YORK, N. Y., *October 13, 1949.*

Hon. WILLIAM LANGER,

Senate Office Building, Washington, D. C.:

House sponsored DP bill viciously discriminatory against persons of German ethnic origin. Section 13 bitterly resented by American citizens of German descent because sponsor has purposefully designed it to stop German immigration completely. No one is fooled by camouflage of patriotic fervor. Congress committees have studied problem of 12,000,000 expellees at source which must be eased by including expellees in DP legislation on fair and equitable basis. Germany unable to digest influx from the east to which we gave approval in Potsdam. Constitutes most serious danger to peace in central Europe. In the name of enlightened self-interest utilize our testimony before Senate Judiciary Subcommittee August 5 in floor debate. Recommend your attention our suggestions to revise McCarran bill sent to the Senator August 9.

STEUBEN SOCIETY OF AMERICA,
THEO. H. HOFFMAN, *National Chairman.*

I stated that I would read a letter from a man in North Dakota who had hired one of the displaced persons as a maid. This letter is from one of the outstanding families in our State. The writer is vice president of the Truax-Traer Coal Co., of Minot, N. Dak.

TRUAX-TRAER COAL CO.,
Minot, N. Dak., September 30, 1949.

The Honorable WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR: I have noticed in the September 26 issue of Time magazine that the administration's DP bill is now in the Judiciary Committee of the Senate. Under this bill the administration is trying to liberalize the importation of displaced persons into the United States over the usual immigration quotas.

I wish to give you our personal experience with a DP in our household, which is not an isolated experience but appears to be the general pattern of everyone with whom we have come in contact in North Dakota who have sponsored DP's.

As one of the gullible sponsors who believed in the displaced-persons program, we, too, made application for one of these poor, homeless Europeans, offering a home and prevailing wages for a domestic servant.

After 2 months, we were sadly disillusioned and much wiser Americans. Our homeless DP arrived, speaking no English and with just the faintest conception of housekeeping in America. After 8 weeks of constant supervision and training, we succeeded in teaching Anna enough English so that she could tell us she was quitting. She complained bitterly about working more than 8 hours and not receiving $125 a month, which is not the prevailing wage for housework in this vicinity. Regardless of language difficulty, we had no trouble in understanding that she was contemptuous of Americans and certainly had no gratitude at being here.

Since we had made application through a church agency, we complained and, after checking with Washington, we find that no one has any control of the DP's after their arrival in this country. They are free agents to move about the country at will and to enter any labor market they desire.

Our original understanding of the DP bill was that we, the sponsor, were to assume responsibility for a period of 1 year and that, conditions being satisfactory, they were to stay with the sponsor for that period of time before they enter the labor market. Under false pretenses, they accept domestic and farm labor jobs with no intention of staying just in order to get to this country.

In view of our experience and that of other North Dakotans, I do not feel that the immigration quotas should be relaxed or ignored to permit these people to enter this country as DP's and in the course of a few weeks become free agents, competing with American labor.

While we are opposed to any further extension of the DP bill, we realize that the administration is for it and that it cannot be entirely defeated. Therefore, we feel definite provisions should be made protecting sponsors and insuring DP employment in noncompetitive positions, such as domestic and farm labor, for a stipulated period, and that any violation of such stipulation will subject the violator to deportation.

Sincerely yours,

WES KELLER.

Mr. President, that letter is written by Mr. Wesley E. Keller, vice president of the Truax-Traer Coal Co., of Minot, N. Dak. Mr. Keller is one of the outstanding citizens of that community. He is now in this city, and yesterday I obtained his permission to read this letter.

Mr. President, I have previously risen on the floor of this Senate and have briefly discussed certain aspects of the present displaced persons law. I am fully aware of the fact that some of my colleagues may be persuaded to believe certain outstanding facts pertaining to pending legislation, while others may fully understand those facts but are persuaded to disbelieve them. It is a matter of conscientious guidance that determines in this deliberate body the fate of all pending legislation, and with it the destiny not only of our very own people, but, as in this case, that of millions of others not now in our midst.

Mr. President, I wish to confine my remarks to a subject dear to my heart, and it is dear to the hearts of the people of my State. It is the plight of millions of helpless people who for generations lived peacefully in certain eastern European countries, but who, by one single stroke of the pen, found themselves expelled from their homes and driven from their soil for no other reason, Mr. President, than that they spoke German. Never, in the course of inhuman events, has any group of people been so ruthlessly treated as the so-called expellees who augment their daily prayers with a supplication that somewhere on earth a place can be found where their sole crime, the stigma of being able to speak only German and of being of German ethnic origin, will be pardoned, so that they may once again raise their faces

skyward and breathe an air not polluted with bigotry, abuse, and the stench of rotting bodies of their miserable friends and wretched relatives. Mr. President, those people would like to be as far away from a town named Potsdam as they could. In fact, they would relish being located in an area where nobody had ever heard of Potsdam, the town in which those people were, as we Americans say, "sold down the river."

Mr. President, I am turning back the pages of history for a few moments. Since eastern Europe became an important source of immigration to us, many new factors have been added to the population of the United States. Some forty years ago the commission on immigration conducted an investigation among the newer immigrants in this country, and it became apparent that the true racial status of many of them was imperfectly understood, even in communities where they were most numerous. The difficulties encountered in properly classifying the many ethnical names that were employed to designate various races or peoples suggested the preparation of a volume that would promote a better knowledge of the numerous elements included in the immigration movement. This work was prepared, and its title was "Dictionary of Races and Peoples."

While this dictionary treats and discusses more than 600 subjects, covering all the important and many of the obscure branches or divisions of the human family, it was intended primarily as a discussion of the various races and peoples indigenous to the countries furnishing the immigration movement to the United States, or which may become sources of future immigration.

Mr. President, until 1899, when the bureau of immigration first classified arriving immigrants according to the race or people to which they belonged, practically all population statistics respecting the foreign-born in the United States were recorded only by country of birth. Previous to the adoption of the allegedly improved method of recording immigration statistics, the Bureau of the Census had attempted in some instances to distinguish among the various eastern European peoples in the population; and as a result of this effort, reports of subsequent censuses included more or less accurate data relative to the Polish and Bohemian elements in the population. In the first-mentioned case, this grouping was accomplished by regarding for census purposes the former kingdom of Poland as a geographical entity, instead of provinces of Austria, Prussia, and Russia, as Poland had been politically for more than a century. In the same way, Bohemia was considered as a geographical unit, instead of a part of Austria. With these exceptions, however, I wish all Senators to realize that the early census reports made no distinction between the many important ethnical factors to be found among natives of eastern European countries resident in the United States.

Mr. McFARLAND. Mr. President, will the Senator yield for a question?

Mr. LANGER. I refuse to yield for any purpose.

Mr. McFARLAND. I merely have one question.

Mr. LANGER. I refuse to yield for any purpose. I said when I started the matter was so important that I knew I would be interrupted when I came to convincing Senators sitting before me and I did not want to be interrupted. When I get through I shall be glad to answer any questions the distinguished Senator may have.

Mr. McFARLAND. I wanted to know whether it would be all right to sit down to listen to the distinguished Senator.

Mr. LANGER. I decline to yield.

Mr. McFARLAND. I shall sit down anyway.

Mr. LANGER. Poland and Bohemia also appeared as "countries of birth" in earlier immigration statistics, but when the movement of population from Austria-Hungary, Russia, Turkey, and the Balkan States to the United States assumed large proportions the old method of recording arrivals only by the country of their nativity was of little value in determining the ethnical status of such immigrants, and the Bureau of Immigration finally adopted the racial classification. I am talking about the dictionary definition of the word "ethnic." The Bureau recognized 45 races or peoples among immigrants coming to the United States, and of these 36 were indigenous to Europe. This classification was adopted by the Immigration Commission in collecting and compiling data respecting the foreign-born in this country, and it was also made the principal basis of the dictionary of races and peoples. I have it upon splendid authority, Mr. President, that in the preparation of that dictionary it was neither the plan of the Commission nor the purpose of the author to attempt an original discussion of anthropology or ethnology, but rather to bring together from the most reliable sources such existing data as it was believed would be useful in promoting a better understanding of the many different racial elements that were being added to the population of the United States through immigration.

Mr. McFARLAND. Mr. President, does the Senator wish a more comfortable chair? If so, I suggest the Senator take this one.

Mr. LANGER. I thank the distinguished Senator from Arizona.

Mr. President, in the abstracts of the voluminous reports of the Immigration Commission at that time, it was admitted that the possibiiity of error was not precluded. I now quote direct from that report as follows:

> It need not be explained, in view of the vastness of the ethnological field and the present imperfect state of science, that mistakes are inevitable in a work of this nature. It is not to be regarded as written for the ethnologist, but for the student of immigration: for the one who wants in convenient form an approximately correct statement as to the ethnical status of immigrant races or peoples, their languages, their numbers, and the countries from which they come.

Thus we see, Mr. President, that then as now there is a vagueness about not only the determination of any ethnic origin of any group of people, but also the exact meaning of "ethnic origin" as such. I venture the assertion that there is not a single Senator on this floor, not a single Senator seated before me, who can define the term "ethnic origin," because Senators simply do not know the meaning of the term. The real definition of the term will be found in the constitution of the International Refugee Organization. Just how could anyone accurately define the term "ethnic origin," Mr. President? It seems to me to be an arbitrary expression ferreted out at Potsdam for the purpose of appeasing the Soviet delegates at that conference, and thereby licensing their hordes to legally crack a cat-o'-nine-tails brutally over the heads of some 12,500,000 innocent people whose mental caliber and moral codes are as admirable as their distant relatives in my State and many of the other sovereign States of the Union, whether it be North Dakota, South Dakota, or Missouri, whether it be Minnesota or Kansas, or whether it be the State of Washington. The term "people of German ethnic origin" was never heard of until it was found in the agreement signed at Potsdam. As I said before, it was placed there for the purpose of discriminating against nearly 70,000,000 people who came into the British and American zones of occupation. I am speaking, Mr. President, of those so-called expellees, who, pursuant to the Potsdam agreement of 1945, made with the permission of Truman and Joe Stalin and the Prime Minister of the British Empire, all three of whom signed the document—because of that, these millions upon millions of expellees had their property confiscated, and were forced to flee their persecutors and drift into Germany and Austria, only to discover that a salty insult had been rubbed into their original wounds by being expressly excluded from care, maintenance, and immigration opportunities to other countries in accordance with the constitution of the International Refugee Organization.

Mr. President, I ask any Senator upon this floor, either as a lawyer or as a Senator, whether a greater example of injustice has ever come to his attention? Mr. President, never, as a lawyer or as a Senator, has a greater example of injustice come to my attention. Never has a more fiendish plot been perpetrated under the guise of political expediency. I repeat it, so every Senator may never forget it. Never has a more fiendish plot been perpetrated under the guise of political expediency, than the Potsdam agreement, signed by the head of the United States, the Prime Minister of England, and Uncle Joe Stalin. Never in peacetime has so large a congregation of humanity been caused to float aimlessly on the sea of broken dreams, deprived of a pilot, and robbed even of their compass. Pushed, kicked, beaten, and cowed, with only the remnants of clothes to warm them, their aching feet protected by cardboard, newspapers, or tattered rags, these outcasts eke out an existence as scavengers in the woods or

in the back alleys of cities and villages because their only crime was being of German ethnic origin.

I am sure my distinguished colleague upon the floor at the moment, the Senator from North Dakota [Mr. YOUNG], will agree with me that the thousands upon thousands and scores of thousands of citizens of North Dakota certainly are entitled to better treatment than that. There was a time when the platform of the Democratic Party said the party was in favor of civil rights, that the party favored the freeing of the slaves. Yet, as a matter of fact, President Truman signed the Potsdam agreement sending into slavery 12,500,000 people.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LANGER. I yield to my distinguished colleague from North Dakota.

Mr. YOUNG. I wonder whether the distinguished senior Senator from North Dakota will agree with me that, so far as North Dakota is concerned, the real hardship cases are outside the displaced-persons camps, and include people of German ethnic origin who are completely without money, destitute, and with no way of being helped under the displaced-persons bill. I have tried in many cases to get very worthy people over here with their relatives, where they would have a fine home, but there has been no chance whatever of doing it.

Mr. LANGER. I agree with my distinguished colleague. He is exactly correct. It is truly a crying shame, Mr. President, that the meaning of words can be changed by just one letter. I am convinced, in connection therewith, that those who plotted this slogan of German ethnic origin probably never knew that such a word as "ethnic" existed.

I venture to say that even my good friends, the correspondents, here, cannot define the term "ethnic." They do not know what it means. The distinguished colleague. He is exactly cor- [Mr. SALTONSTALL] is a graduate of the great University of Harvard, and I understand that for seven generations his ancestors have attended Harvard. Yet the Senator from Massachusetts came to me, a man raised upon the prairies of North Dakota, and asked me to define for him the term "ethnic." He did not know what it meant. The same thing is true of every other Senator upon this floor.

Absolutely blind to ultimate consequences, the schemes at Potsdam permitted their vindictive spirit to run rampant, and through almost similar tactics now employed by pressure lobbies seeking passage of the so-called Celler bill (H. R. 4567), suavely goaded the gullible Americans into agreeing to a proposition that severed the anchor chain of millions of human beings, turning them loose to rummage for themselves among strange and hostile people devoid of sympathy for them simply because they were of German ethnic origin. Mr. President, those cold-blooded schemers apparently knew all about the natural evolution by elimination. They were well aware of the fact that at first only the human scavengers would survive, and then, whatever would be left, would be obliged to exist like human vultures, all because of their crime, being of German ethnic origin.

I recall, Mr. President, that I have previously pointed out to the Members of this great deliberative body that virtually no boulevard of escape has been left open to those unfortunate expellees from eastern Europe. Every road that would lead to a slight betterment for them has been blockaded. Even the paths that might lead to alleviating the gnawing emptiness in their stomachs were barricaded, Mr. President, because they were denied eligibility to receive even a slice of bread from the vast stock piles of supplies donated by our very own Government for distribution through the International Refugee Organization.

Mr. President, we have sent hundreds of millions of dollars over there, but not one crust of bread was given to any of these expellees, even though they were starving. They never lifted their hands against the United States of America.

Thanks to the pressure groups to which I alluded a moment ago, those unfortunates are still not eligible to anything except condemnation, vilification, and anything under the sun in the way of torture——

Mr. WHERRY. Mr. President, will the Senator yield for the purpose of my suggesting the absence of a quorum?

Mr. LANGER. I yield provided I do not thereby lose the floor.

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from North Dakota may yield for the purpose of a quorum call, without prejudicing his rights to the floor after the quorum call has been made.

Mr. MYERS. Mr. President, reserving the right to object, I wonder if there is any particular purpose——

Mr. WHERRY. I thought the Senator from North Dakota might have a brief respite, and there may be some negotiations.

Mr. LANGER. Mr. President, if the Senator would make his request an hour from this time I think it would be better.

Mr. WHERRY. Mr. President, it is very important, if the Senator could yield now, for the reasons I have mentioned.

Mr. LANGER. I yield for that purpose, provided I do not lose my rights, including the one granted me by unanimous consent.

Mr. WHERRY. I would not make the request on any other basis.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Downey	Hill
Anderson	Eastland	Hoey
Baldwin	Ecton	Holland
Brewster	Ellender	Humphrey
Bridges	Ferguson	Ives
Byrd	Fulbright	Jenner
Cain	George	Johnson, Colo.
Capehart	Graham	Johnson, Tex.
Chapman	Green	Johnston, S. C.
Connally	Gurney	Kem
Cordon	Hayden	Kerr
Donnell	Hendrickson	Kilgore
Douglas	Hickenlooper	Knowland
Langer	Malone	Schoeppel
Leahy	Millikin	Smith, Maine
Lodge	Morse	Thomas, Okla.
Long	Myers	Thomas, Utah
Lucas	Neely	Watkins
McCarthy	O'Conor	Wherry
McFarland	O'Mahoney	Wiley
McKellar	Pepper	Williams
McMahon	Russell	Young
Magnuson	Saltonstall	

The PRESIDENT pro tempore. A quorum is present.

Mr. LUCAS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. LANGER. I yield.

Mr. LUCAS. I should like to know whether or not it might be possible for us to enter into a unanimous-consent agreement to vote at 7 o'clock tonight on the motion to recommit. If there is a chance that we may vote, I will put the request. If there is not, I will save my breath.

Mr. CAIN. Mr. President, will the Senator permit me to interrupt him?

Mr. LUCAS. I yield.

Mr. CAIN. Speaking for a number of Senators who are interested, I think all of us would deeply appreciate the majority leader submitting the unanimous-consent request for a vote at 7 o'clock.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate vote on the motion submitted by the able Senator from Washington [Mr. CAIN] to recommit the pending measure to the Committee on the Judiciary at 7 o'clock tonight, the time between now and then to be equally divided and controlled by the Senator from Washington [Mr. CAIN] and the Senator from West Virginia [Mr. KILGORE].

Mr. WHERRY. Mr. President, I should like to suggest to the distinguished Senator from Washington that in the division of time there must be 1 hour figured for the senior Senator from Missouri [Mr. DONNELL], so that would have to be a part of the consideration.

Mr. LANGER. I shall want one more hour.

Mr. KILGORE. Mr. President, I do not object, but request that the time be controlled by the Senator from Michigan [Mr. FERGUSON] and the Senator from Washington [Mr. CAIN], because it was on the motion of the Senator from Michigan that the pending bill came to the floor. I desire to cooperate with the Senator from Michigan, but I think he should control the time for those opposed to the motion, and I myself gladly accord him control of the time.

The PRESIDENT pro tempore. Is there objection to the amendment to the unanimous-consent request?

Mr. MYERS. Mr. President, I understood that when we were able to obtain unanimous consent the Senator from North Dakota would not lose his right to the floor, in order that we could have this unanimous-consent agreement to vote at 7 o'clock. Am I correct in understanding that as part of the agreement the Senator from North Dakota will take another hour?

Mr. LANGER. I will conclude in 30 minutes.

The PRESIDENT pro tempore. Is there objection to the request, as amended, of the Senator from Illinois [Mr.

LUCAS], the majority leader? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I wish to make just one statement. I know that the Senator from North Dakota will not lose the floor, but I hope he will lose his chair. When I was out of the Chamber, and very few Senators were present, the Senator from North Dakota got unanimous consent to proceed to finish his speech sitting in a chair. In all my experience in the Senate, and I think this covers the experience of every other Member of the Senate, I have never seen such a unanimous consent request granted.

Mr. MORSE. Mr. President, will the Senator from Illinois yield for one question?

Mr. LUCAS. In a moment. My only concluding statement is that I regret that the unanimous consent request was granted, because if we are to start a precedent of the United States Senate of permitting Senators to sit in their seats or in a chair at any place where they choose to sit and read their statements for a couple of hours or 3 hours, I think we are deteriorating as a legislative body, so far as the dignity of the United States Senate is concerned.

I now yield to the Senator from Oregon.

Mr. MORSE. I do not know whether I can raise a point of order or not, but the Senator from North Dakota has greatly inconvenienced me, making it necessary for me constantly to stand, because he has transgressed on my rights, taking a chair especially built for me. I do not know whether a point of order can be raised or not. If so, I would raise it.

Mr. LUCAS. Mr. President, there might be some excuse for the Senator from Oregon, who is suffering from a serious injury.

Mr. CAIN. Mr. President, may I inquire as to what is the minute of the hour at which we begin to divide the time?

The PRESIDENT pro tempore. The Chair supposes it begins at the present time.

Mr. CAIN. I thank the Chair.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. LANGER. I yield to the Senator from Maine.

Mr. BREWSTER. I should like to inquire of the Senator from North Dakota and the Senator from Illinois whether they realize that in probably the most famous proceeding in which the Senate in its entire history ever was involved, the impeachment of a President of the United States, the proceedings were under the charge and conduct of a gentleman in a wheel chair.

Mr. LUCAS. Mr. President, that is quite an interesting observation.

Mr. WHERRY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. How many minutes has the present occupant of the chair allotted to the Senator from North Dakota in behalf of the Senator from Washington?

Mr. CAIN. I may say, Mr. President, that 30 minutes have been allotted to the Senator from North Dakota.

The PRESIDENT pro tempore. Thirty minutes have been allotted to the Senator from North Dakota.

Mr. LANGER. Mr. President, in connection with the matter of Germans of ethnic origin not being included in the bill, I very respectfully call the attention of the Senate to the fact that a year ago I made a motion in the Committee on the Judiciary that a definition of people of German ethnic origin be included. A roll-call vote was had on the motion, and it was defeated in the committee by a vote of five to four. Therefore, I voted against the bill which was adopted by a vote of 12 to 1 in the committee. Later on the Senate floor the bill was amended, and section 12 providing for the entry of a greater number of Germans and Austrians, was adopted by voice vote, as I recollect.

In order to show, Mr. President, how very complicated the entire problem is I want to read some of the headings in a document entitled "A Résumé of (A) General Immigration Situation, and (B) Displaced Person Situation." The headlines are as follows:

Excludable and deportable classes. Admissible classes, border crossers, overseas aliens, migrations to continental United States.

Illegal entries: Mexican border, Canadian border, ship jumpers, stowaways, smugglers, illegal aliens.

Displaced persons situation.

Who is a displaced person?—The Volksdeutesche, the Greeks, the Arabs.

Persons presently embraced as displaced persons under the constitution of the International Refugee Organization.

Potential scope of the displaced persons problem.

Number of refugees and displaced persons resettled in the United States—Refugees during the war years—Refugees to Oswego—Presidential directive of December 22, 1945—The Displaced Persons Act of 1948—Displaced persons admitted since 1945 under our regular quota laws.

Religious affiliation of displaced persons admitted into the United States as of August 5, 1949, under the Displaced Persons Act.

Displaced persons resettled in other countries of the world: Israel, United Kingdom, United States of America, Canada, Australia, France, Argentina, Belgium, Brazil, Venezuela, other countries.

The study of the refugees in each particular country is a job by itself and should be most carefully gone into.

Settlement of displaced persons in the United States (compared to settlement of aliens generally and population generally).

Unemployment situation.

Housing situation.

Mr. President, the Senators who voted so casually to report the bill from the committee, as I have said, do not know anything about the subject matter, and I say again that, in my judgment, the only Senator who thoroughly understands the subject matter is the senior Senator from Missouri [Mr. DONNELL].

Mr. President, I ask unanimous consent that the document from which I have just read the headlines may be printed at this point in my remarks. The résumé was prepared by the staff of the Senate Committee on the Judiciary.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

OCTOBER 1, 1949.

A RÉSUMÉ OF (A) GENERAL IMMIGRATION SITUATION AND (B) DISPLACED PERSONS SITUATION

(A) GENERAL IMMIGRATION SITUATION

During the fiscal year ending June 30, 1948, over 81,000,000 aliens and citizens arrived and were examined at ports of entry in the United States. Approximately half of these persons were aliens and approximately half were citizens. Approximately 78,000,000 of these arrivals were from Canada and Mexico. The statistics show a progressive increase in the number of arrivals during the course of recent years.

I. Excludable and deportable classes: The immigration laws exclude certain classes of aliens from admission into the United States and provide for their deportation if found in the United States. These classes include aliens who are paupers, subversive, or who are physically, mentally, or morally defective and aliens who are racially inadmissible. There are, however, a number of exceptions to these provisions.

II. Admissible classes:

1. Immigrants are aliens who are admitted for permanent residence. This class has two subdivisions as follows:

(a) Quota immigrants: The total authorized annual quota for all countries is approximately 154,000. The annual quota of any nationality is a number which bears the same ratio to 150,000 as the number of inhabitants in the United States in 1920 having that national origin, bears to the total number of inhabitants, but the minimum quota for any quota country is 100. Virtually all of the quota countries are European countries. About five-sixths of the quota is allocated to countries of northern and western Europe and only one-sixth is allocated to countries of southern and eastern Europe.

(b) Nonquota immigrants: This group consists chiefly of alien spouses and children of citizens, and natives of independent Western Hemisphere countries. There is no numerical limitation on this group.

The following table shows the total quota and nonquota immigrants admitted to the United States for each fiscal year from 1941 to 1948:

Year ending June 30—	Quota	Nonquota	Total
1948	92,526	78,044	170,570
1947	70,701	76,591	147,292
1946	29,095	79,626	108,721
1945	11,623	26,496	38,119
1944	9,394	19,157	28,551
1943	9,045	14,680	23,725
1942	14,597	14,184	28,781
1941	36,220	15,556	51,776

It is to be noted that the maximum quota has not been used. This is due to the fact that a few countries with large quotas have used only a relatively small percentage of their quotas. Great Britain and Northern Ireland, together with an annual quota of over 65,000, have used less than 11 percent of their quota; Eire has used only 11.1 percent of its quota of approximately 18,000. However, the countries with small quotas (chiefly the countries of southern and eastern Europe) are oversubscribed for many years in advance. The approximate waiting time for immigrants in the nonpreference class under the Turkish quota is 30 years and under the Greek quota 50 years. The German quota of approximately 25,000 has a registered demand of over 700,000. The Polish quota of approximately 6,500 has a registered demand of over 114,604.

In order to get an accurate picture of the net immigration to this country, it is necessary to consider the excess of immigrant

aliens admitted over emigrant aliens departed. The statistics from 1941 to 1948 are as follows:

Period	Immigrant aliens admitted	Emigrant aliens departed	Excess of admissions over departures
1948	170,570	20,875	149,695
1947	147,292	22,501	124,791
1946	108,721	18,143	90,578
1945	38,119	7,442	30,677
1944	28,551	5,669	22,882
1943	23,725	5,107	18,618
1942	28,781	7,363	21,418
1941	51,776	17,115	34,661

2. Nonimmigrants are aliens who are admitted temporarily. This class has two subdivisions as follows:

(a) Border crossers (from Mexico and Canada who enter for periods of less than 30 days): There are approximately 39,000,000 such recorded entries of aliens during 1948. All such aliens are required to have border-crossing cards except citizens of Canada, and British subjects domiciled in Canada, who are not required to have any documentation.

(b) Overseas aliens (who come from countries other than Mexico and Canada): All such aliens, except natives of Cuba, are required to have nonimmigrant visas which entitle them to admission for periods up to 6 months.

The statistics from 1941 to 1948 on arriving overseas nonimmigrants are:

1948	476,006
1947	366,305
1946	203,469
1945	164,247
1944	113,641
1943	81,117
1942	82,457
1941	100,008

III. Migrations to continental United States—not strictly immigration:

1. Returning citizens and repatriates: During the period from 1938 through 1948, the number of arrivals of the United States citizens from abroad exceeded the number of United States citizens departing by over 330,000. This movement has necessitated the establishment of a special agency in the State Department to facilitate repatriation of American citizens who have been living abroad. This net gain of over 330,000 is exclusive of the net gain of citizens from Territories and possessions.

2. Migration of citizens from Territories and possessions: During the course of the period from 1938 through 1948, the statistics show a net gain into the United States of citizens from the Territories and possessions of approximately 237,000. It is reported that the arrivals from Puerto Rico alone are running at a rate of over 1,000 a week, and that the net gain of Puerto Rican citizens who have migrated to the United States in the last 8 years is approximately 116,000.

IV. Illegal entries:

1. Mexican border: Apprehensions during the first 6 months of the 1949 fiscal year were at a rate of 25,000 a month. One hundred and ninety-three thousand eight hundred and fifty-two illegal entrants were apprehended on the Mexican border in 1948.

2. Canadian border: Canadian citizens, or British subjects domiciled in Canada, are admitted on the Canadian border without any documents whatsoever for temporary periods. Five years' residence is required as a prerequisite for naturalization as a Canadian citizen. The residence requirement, except for 1 year, may be in any of the British Commonwealth of Nations. Because of the loose check system on the Canadian border and the great expanse of territory in which there is no check-point, it is impossible to give any reasonable estimate of the actual number of persons who are getting through illegally on the Canadian border. No record entry is made even at the check-points of the identity of persons who allege that they are Canadian citizens and who are admitted for periods less than 30 days. Therefore, it is not known how many of such persons who are admitted presumably as Canadian citizens or as British subjects domiciled in Canada, and presumably for less than 30 days, have entered with an intention of remaining in the United States permanently.

Since the war approximately 175,000 to 200,000 European aliens have migrated to Canada. Included in this group are approximately 61,000 displaced persons. It is the opinion of a number of the Immigration and Naturalization Service officials and consular officers, who operate on the Canadian border and in Canada, that a substantial number of these 175,000 to 200,000 aliens are using Canada as a stepping-stone for ultimate admission into the United States. This opinion is based in part on the substantial number of applications by such aliens for documents for admission into the United States as visitors. It is felt by the immigration and naturalization officers that approximately 50 percent of these aliens will, after having acquired the necessary residence in Canada, undertake to gain admission into the United States ostensibly for temporary periods, but with the intention of remaining here permanently.

3. Ship jumpers: Four thousand three hundred and fifty-three ship jumpers were apprehended in 1948.

4. Stowaways: Estimated at 100 a month.

5. Smugglers: Four hundred and twelve smugglers of aliens were apprehended in 1948. The number who were actually smuggled is unknown.

V. Illegal aliens: The scope of the problem of illegal aliens is indicated by the fact that the number of forced departures for the last 5 years has exceeded the number of immigrants entering the country legally during that period.

1. Indications from records (June 1947):

(a) The data accumulated pursuant to the Alien Registration Act of 1940 indicated as of June 1947, that there were over 358,000 cases of aliens in the United States who presumably were in an illegal status. No one, of course, knows how many illegal aliens there are in the United States. The investigations of possible illegal aliens is confined almost exclusively to record entry cases.

(b) There are still pending from the Alien Registration Act of 1940, over 100,000 cases to be investigated and the Immigration and Naturalization Service estimates that if the manpower were available there would be over 500,000 investigations of potential illegal aliens in the United States in the present fiscal years.

2. Nonrecord cases:

(a) Typical of the comments of the Immigration and Naturalization Service officers respecting investigations of illegal aliens is the following: "We have little or no what we might call free-lance investigations; that is, to go out and try to find aliens who are illegally in the country."

(b) The district director of the Immigration and Naturalization Service in the Detroit area estimates that there are approximately two million illegal aliens in the United States. A former American Consul on the Canadian border estimates the number of illegal aliens in the United States from three to five million. The Immigration and Naturalization Service officials estimate that there are approximately 50,000 Cubans illegally in the United States in the Miami, Fla., area. The Immigration and Naturalization officials in the Los Angeles area estimate that there are approximately 50,000 illegal aliens in the general vicinity of Los Angeles and that they are unable to keep control of them due to the lack of manpower.

(c) The unprecedented number of overseas nonimmigrants (over one million of whom were admitted in the last three fiscal years), constitute in part an additional backlog of potential illegal aliens.

Displaced persons situation

At the end of the war the Allied armies became the guardians of approximately 8,000,000 persons who had been displaced during the war. Approximately 7,000,000 of these persons were repatriated to their native countries within a period of some few months, leaving about 1,000,000 persons who because of fear of presecution refused to return to their homelands.

I. Who is a displaced person? The constitution of the International Refugee Organization embraces all persons in the world (1) who are, or who may hereafter be, out of their country of nationality or former residence and who are unwilling to return because of fear of persecution, and (2) who fled from Germany or Austria because of Nazi persecution and have, under certain conditions, returned but have not been resettled. Notwithstanding this broad definition there are several groups of persons who are presently de facto displaced who are not embraced within the definition, including:

1. The Volksdeutsche: The constitution of the International Refugee Organization expressly excluded persons of German ethnic origin (who number from ten to fifteen million persons) who pursuant to the Potsdam agreement of August 1, 1945, were forcibly expelled from eastern European countries and driven into Germany and Austria.

2. The Greeks: Although there are approximately 500,000 Greeks who have been displaced from their homes during the Greek Civil War, most of these persons are presently in their native land of Greece, and are therefore ineligible under the constitution of the International Refugee Organization for resettlement or other services.

3. The Arabs: Although there are approximately 900,000 Arabs who have been displaced from their homes in the Palestine War, most of these persons are also in their native land and are consequently ineligible under the constitution of the International Refugee Organization.

II. Persons presently embraced as displaced persons under the constitution of the International Refugee Organization:

1. There are now in the occupied areas of Europe approximately 625,000 displaced persons who are registered and qualify under the constitution of the International Refugee Organization. Approximately 380,000 of these persons are in displaced-persons camps and centers and approximately 245,000 of these persons are registered with the International Refugee Organization but are outside camps and centers. Of those displaced persons who are registered with the International Refugee Organization but who are outside of camps and centers, approximately 33,000 receive care and maintenance from the International Refugee Organization. Approximately 500,000 of the 625,000 displaced persons in the occupied areas who are registered with the International Refugee Organization were displaced during the war or shortly thereafter. Approximately 100,000 of such persons have arrived after this period.

2. The Displaced Persons Act expires on June 30, 1950. Under the present program of the Displaced Persons Commission, all of the 205,000 displaced persons will have arrived prior to that date. It is significant that the same date, June 30, 1950, has been set for the termination of the International Refugee Organization. The International Refugee Organization states that only 172,000 displaced persons will be left in the camps in Germany, Austria, and Italy on that date and that 161,000 will constitute a "hard core" who will be denied resettle-

ment opportunities because of physical, social, or economic handicaps.

III. Potential scope of the displaced-persons problem:

1. New registrations for International Refugee Organization status in the occupied areas of Europe over the course of the last several months has been running at an average rate of approximately 26,000 per month. New approvals by the International Refugee Organization for care and maintenance (as distinguished from International Refugee Organization status) over the course of the last year has been running at an average rate of approximately 8,700 per month.

2. It is estimated that there is a potential of several million displaced persons in the eastern European countries.

3. Outside the occupied areas of Europe there are several million persons who qualify under the constitution of the International Refugee Organization. These persons include displaced persons in China, Pakistan, and other areas in the Far East.

4. As noted previously, there are also large numbers of persons who are de facto displaced but who are not eligible under the constitution of the International Refugee Organization. This group includes Arabs, persons of German ethnic origin, and Greeks.

IV. Number of refugees and displaced persons resettled in the United States:

1. Refugees during the war years:

(a) Assistant Secretary of State Breckinridge Long, in testifying before a congressional committee in 1943, stated that we had authorized and issued some 580,000 visas for victims of persecution by the Hitler regime.

(b) Earl G. Harrison, former Commissioner of Immigration and Naturalization, and now head of the Citizen's Committee on Displaced Persons, in 1944 estimated the number of refugees actually admitted into the United States during the 10 years of the Nazi regime, 1934–43, to be somewhere between 200,000 and 300,000.

(c) The Common Council for American Unity estimated that we received for the years 1934–43, 279,649 refugee immigrants.

(d) Maurice R. Davie in his book, "Refugees in America," makes the following statement (p. 27):

"It, therefore, seems reasonable to conclude, (1) that approximately 250,000 refugees had been admitted up to June 30, 1944, for permanent residence, (2) that approximately 200,000 refugees were admitted for temporary stay, and (3) that of the latter approximately 15,000 were still here at the close of the fiscal year 1944."

2. Refugees to Oswego: Pursuant to a directive of the President dated June 9, 1944, 982 refugees were removed from Italy to a reception center at Oswego, N. Y., and thereafter granted the status of permanent residence.

3. Presidential directive of December 22, 1945: A Presidential directive of December 22, 1945, caused to be set aside 90 percent of the nonpreference portion of the quotas of certain European countries for exclusive use of displaced persons then in Germany, Austria, and Italy. Pursuant to this Presidential directive, approximately 44,000 displaced persons were granted admission into the United States for permanent residence.

4. The Displaced Persons Act of 1948: The Displaced Persons Act of 1948 provides for the admission into the United States for permanent residence of 205,000 displaced persons over a 2-year period, beginning July 1, 1948, and ending June 30, 1950. The act also provides for the adjustment of status of a number not to exceed 15,000 displaced persons who were already admitted into the United States on a temporary basis. As of September 28, 1949, 84,746 displaced persons have been admitted into the United States pursuant to the act. The chairman of the Displaced Persons Commission testified that, although the present program did not get under way until October 1948, the aggregate number provided for under the present law would arrive in the United States under present schedules within a period of 19 months instead of within a period of 24 months, as provided for in the law. The current flow of displaced persons into the United States pursuant to the law is running at a rate of approximately 15,000 per month.

There have been validated to date assurances, pursuant to the law, for an aggregate number of approximately 272,000 displaced persons. With reference to assurances the chairman of the Displaced Persons Commission testified as follows:

"We have no trouble in getting enough assurances * * * so far as assurances are concerned. We shall receive many more than 205,000, many more. They are coming in at that terrific rate."

5. Displaced persons admitted since 1945 under our regular quota laws: As noted above, pursuant to a priority for displaced persons contained in the Presidential directive of December 22, 1945, approximately 44,000 displaced persons were admitted into the United States for permanent residence for a period ending June 30, 1948. It may be assumed, however, that some displaced persons have been admitted into the United States as regular immigrants without the benefit of the priority contained in the President's directive, not only during the effective period of the directive (December 22, 1945, to June 30, 1948) but also since June 30, 1948. For the fiscal years 1945 to 1948, inclusive, a total of approximately 90,000 immigrants were admitted into the United States from those countries of Europe from which the displaced persons originated. For the same period approximately 78,000 persons were admitted from these countries as nonimmigrants.

V. Religious affiliation of displaced persons admitted into the United States as of August 5, 1949, under the Displaced Persons Act:

1. As of September 28, 1949, 84,746 displaced persons had been admitted into the United States pursuant to the Displaced Persons Act. Approximately 50 percent of these persons were of the Catholic faith; 29 percent were of the Jewish faith; 10½ percent were of the Protestant faith; and, 10½ percent were of the Orthodox faith.

VI. Displaced persons resettled in other countries of the world:

1. There are no reliable estimates of the total number of refugees and displaced persons who have been resettled in other countries of the world other than those displaced persons resettled through the International Refugee Organization. The International Refugee Organization has published the following statistical data respecting the number of international organization displaced persons who have been resettled in each of the below-mentioned countries:

July 1, 1947–June 30, 1949:

Israel	121,861
United Kingdom	82,262
United States of America	68,677
Canada	66,256
Australia	54,079
France	35,031
Argentina	26,968
Belgium	22,054
Brazil	19,865
Venezuela	12,101
Other countries	28,881

VII. Settlement of displaced persons in the United States (compared to settlement of aliens generally and population generally):

1. Of the 5,000,000 aliens in the United States who registered under the Alien Registration Act of 1940, almost 70 percent were concentrated in urban areas of 50,000 population or over, while only 34.4 percent of the total population (including aliens) were in such urban centers.

2. Of those displaced persons arriving on or before June 30, 1949, 55 percent have settled in cities of 100,000 population or greater, 22 percent in cities up to 100,000 population, and 23 percent in rural areas.

VIII. Unemployment situation:

In November 1948, according to the Bureau of the Census estimates, 1,800,000 were unemployed. This figure has progressively increased since then. It totaled 2,500,000 in January 1949, 3,200,000 in February 1949, 3,300,000 in May 1949, 3,800,000 in June 1949, and 4,100,000 in July 1949. The increase in unemployment between June and July was due mainly to the increase in adult unemployment. Out of the 4,100,000 unemployed, 3,100,000 were adults.

The average hours of work reached 38.9 hours in June. Except for the previous 2 months, this was the lowest average since the end of 1940. Weekly earnings average $1.40 below the December 1948 peak as a result of the decline in the hours of work.

IX. Housing situation:

The Senate Committee on Banking and Currency, in a report on the National Housing Commission Act, shows that at the start of 1947 there were 2,200,000 married couples in nonfarm areas living as extra families doubled up in homes with other families, and about 300,000 married couples were living in hotels, rooming houses, tourist camps, and similar places.

It was estimated by Mr. Harry C. Bates, chairman of the American Federation of Labor housing committee, in March 1948 as follows:

"Almost one-fifth of the families in America living in cities, towns, and villages were either doubling up, living in overcrowded conditions, or in trailers, rooming houses, or even in tents."

Mr. LANGER. Mr. President, I call to the attention of the Senate to the fact that yesterday the Senator from Colorado [Mr. JOHNSON] read the speech prepared by the Senator from Nevada [Mr. MCCARRAN]. That speech appears beginning on page 14490 of the CONGRESSIONAL RECORD and ending on page 14500.

Mr. President, I fully realize that immigration is not the primary means of solving the plight of the expellees, nor do I advocate wholesale importation of them. And they, too, are quite aware of the fact that there is no possible way of speedy relief for all. But as an American, Mr. President, as one who is proud to be a citizen of a country that has always been known throughout the universe as a Nation that stands for fair play above anything else, a Nation that invariably has taken up the cudgels for the underdog, I admit with immeasureable shame that my country has sanctioned the exclusion of these victims of international trickery from the assistance and aid of the International Refugee Organization. Yes, it grieves me to admit that thus far we have permitted the pressure groups and the Potsdam schemers to keep all the gates that would lead to some degree of relief closed to these miserable people.

Mr. President, I ask unanimous consent that the remainder of the speech I have prepared may be printed in the RECORD at this point, in view of the limitation imposed under the unanimous-consent agreement.

There being no objection the remainder of Mr. LANGER'S remarks were to be printed in the RECORD, as follows:

Voltaire, Tolstoy, Victor Hugo, and other literary giants by comparison wrote in high school terms when we view the tragedy of the expellees. According to available reliable sources, Mr. President, so far in the process of drifting from place to place, haunting from pillar to post, over 3,000,000 of these expellees have perished somewhere along the way. Indeed, some of them were so brutally treated by the people who expelled them that they died of their injuries before they had a chance to escape their homelands.

There have been isolated cases, Mr. President, where some Polish or Russian peasants have held out a helping hand here or there. The expellees were not mistreated so much by the peasants, but by the local government authorities and their agents. They were—and presumably still are—ruthless in their ghastly treatment of these unfortunates. Once away from their homeland, the expellees are only permitted to perform the severest kind of manual labor. Many cannot perform even the lightest task because they have not the strength to do so, and barely manage to drag their famished bodies from place to place. Of the surviving 12 to 12½ million expellees, between 7 and 8 million of them have finally reached the western zones of Germany where they constitute a serious social, moral, economic, and political problem.

In the preceding Congress I was successful in obtaining an amendment to the Displaced Persons Act to the effect that as a token of justice these persons of German ethnic origin would be permitted to use part of the German-Austrian quotas totaling 12,000 a year. However, Mr. President, it is a sad but true fact that to date only something over 300 visas have been issued to members of the expellee group. How can the contemptible pressure groups backing the Celler bill talk with a straight face about discrimination? How can there be even a whisper of discrimination coming from those groups when of the annual number of expellees legally authorized to be admitted in the German-Austrian quota, visas were issued to only 2½ percent of that total?

Mr. President, it is a repugnant fact that the bills now pending in the Senate other than my bill fail to embrace expellees. True, the Celler bill (H. R. 4567) which passed the House of Representatives, carries forward the provision of the present law which I proposed giving token relief to expellees. However, the bill does not embrace these people in the general category of displaced persons as such, and Representative CELLER has expressed himself caustically and firmly in opposition even to the token provision. That fact alone, Mr. President, leads me to believe that the various bills now pending before Congress—none of which embrace the expellees—were inspired directly or indirectly by the despicable pressure groups I was obliged to mention before. Those measures, Mr. President, as well as the infamous Celler bill, would expand the existing displaced-persons law to bulging proportions, enveloping hundreds of thousands of aliens, whose sole melodramatic claim to eligibility as a displaced person would be that they, not unlike many millions of others, have a burning desire to come to the United States.

Ever since the winds blew across the seven seas to the cradles of ancient civilizations there has been a wanderlust among men. It was the cause of the discovery of the Western Hemisphere. Indeed, Mr. President, I cannot blame a soul for wanting to join the happiest, healthiest, most prosperous people in the world. But why should those lobbyists want to exclude deserving people from eligibility for the only reason that they are of German ethnic origin? I have a very sharp idea about that subject. And I have little doubt about some other Senators entertaining very definite notions about why those groups do not wish others to have an opportunity to migrate to America. They just don't want any more than just a tiny percentage of those not belonging to their ilk to come to the United States. That small percentage, Mr. President, is held up as a front to show that they—of all people—could scarcely be accused of discrimination. Those very, very few expellees, Mr. President, who were issued visas were used simply as window dressing; used to throw off any criticism, no matter how deserved or well-founded.

Yes, Mr. President, as I said at the beginning of my remarks, some may believe and never understand, some may understand but never believe. It is tragic because it isn't even amusing. And it can never be amusing, Mr. President, when the ultimate outcome of our deliberations involves human lives. But I do know that only those who do understand and believe are the ones who realize how deep a wound the exclusion of expellees has inflicted upon the souls and hearts of some 12,000,000 people. But, then again, it must be difficult for those willfully and knowingly inflicting the injury to realize the effect.

Yes, Mr. President, the desire to come to this magic land of ours has stirred many men and women to deeds almost unparalleled in human endeavors. They have sailed in tiny schooners and smacks, and in fragile boats to find their way over here. They have paid fabulous sums to be smuggled into our territory. They have crawled and risked death to come to this great land of ours, striving tirelessly to reach a haven with a fuller existence. It is not a new phenomenon.

The displaced persons have been held up to us as angels whose wings were slightly seared while in search of the flame of liberty, Mr. President; but, many of the displaced persons we have thus far received have been far from angelic. There have been smuggles of jewelry and other valuables. In the United States Government publication Trials of German War Criminals, we learn that many of the so-called displaced persons cannot return to their native country not because they are afraid of communism, but because of their war crimes which their neighbors know so well. Yet, the lobbyists claim that they are really desirable people for the United States because they are anti-Communists. We must bear in mind that the Nazis and Fascists also were very much anti-Communists. The truth of the matter is, Mr. President, that what is left of the so-called displaced persons in Europe consist, with some exceptions, of the hard core of Europe's teeming humanity. The reason for that is that other immigrant-receiving countries have sent commissions over there to select the best available types. What was left was generously presented to us.

Let me at this point cite one example of the type of displaced persons we have been receiving. I am quoting from the testimony of Representative ED GOSSETT, of Texas, who appeared at a hearing before the Senate Subcommittee on Immigration and Naturalization on August 26 of this year, during which he introduced a letter from a hosiery-company executive in Nazareth, Pa., addressed to Mr. Ugo Carusi, Chairman of the Displaced Persons Commission. I now quote that letter:

"I am writing to you in regard to two displaced persons I received through the Church World Service, who arrived in New York on May 29, on the *General Taylor*. These people proved to be very unsatisfactory and I feel that the Displaced Persons Commission should have some knowledge of the situation. I went to New York and met them at the pier and brought them directly to Nazareth, Pa. On the way home I noticed they seemed rather nervous, which would probably be natural. However, they showed no particular interest in the scenery, traffic, et cetera, which you would expect displaced persons to do. My wife helped them unpack their baggage and they had a brand-new fur coat which I estimate was worth $800 to $1,000. After they were here 3 days, they asked where they could have diamonds appraised. They emphasized good, flawless diamonds. They also wished to know what sterling silver was worth per pound. This immediately struck me as being very odd for displaced persons. It so happened that Reverend Helfferich, who is in Europe working on displaced-persons operations, was here on furlough the first week in June. Incidentally, Reverend Helfferich is also the person who advised me to sign assurances for displaced persons. He had been at my home in Nazareth and told us how happy any of the displaced persons in Europe would be for just a home as we offered them. While he was on furlough, I contacted him and explained the situation to him and he, therefore, came to my home and talked to these people. He became very angry at their attitude and informed me when he left that he also felt these people were no good and that he would immediately make a report to Church World Service. However, he would be back in Europe in a few days.

"I waited for about 2 weeks to hear from Church World Service and then telephoned them regarding the matter. They informed me they were working on the matter and would write me regarding it in a few days. They wrote to me and also to Mrs. Proskuriakow, the elder of the two displaced persons in my home, and informed her that any articles they had brought with them could not be sold for 2 years and just 2 days after that there was someone here to see them who said he was from New York; a very rough-looking and arrogant fellow who I presumed lifted the diamonds about which they spoke to me. After this man was there to see them, we could notice a big change for they were not nervous nor did they ask any more questions regarding things which they brought with them. I wish to state here that I never saw the diamonds or the silverware but the fur coat I did see. Since only the daughter could speak English, the mother presumably could not. I introduced them to some Polish families in Nazareth. In checking with these people I found they told them some more things which they also mentioned to me, that while in Germany they had someone help them with their housework. They did not fix their own hair but went to the hairdresser, and they did not use ration cards because they could not get the things they wanted, and that this was one reason they were anxious to get out of Germany because they were afraid they would get caught not using ration cards. These Polish people were also naturally very disgusted with them. Another thing they did while visiting these people was that they talked in Russian for both of them spoke Russian more fluently than any other language. They stayed at my home from May 30 until July 8. On July 8 they asked to go see some friends in Philadelphia. They promised to return on the tenth. On the tenth the daughter came back with a man whom she introduced as Mr. Young, with a New York license plate on his car, and informed us that they were leaving as they had secured employment elsewhere. She informed me that this was a free country and they could go where they pleased—that was why they came to the United States because they had checked with Canada and found they must sign an assurance for 2 years. They had checked the Argentine and found they must sign an assurance for a certain length of time but here they did not sign anything so they were leaving.

"The man with her was very insulting so I made him get out of the house and wait for her outside. This seemed to frighten her and she left with him without taking the rest of their baggage. However, on Saturday, July 23, the daughter who is 18 and a minor, came back again for the baggage with a man having a Rhode Island license plate on his car. She told us that her mother was working in Washington, D. C., and that she was living in Cassville, N. J. What I have done in this matter so far is to inform the customs officials and they sent a man up to check their baggage still at my home after they had left on July 8. However, they had already cleaned out everything of importance including the many letters they received from the time they got to my place until they left on July 8. I also went to the trouble of going to New York City and making another full report to Church World Service on July 18. I felt that this was important because these people definitely are part of a ring who have people sign assurances for them but they never expect to stay with the parties making the assurance. From the time they arrived they never unpacked half of their baggage and would also not let me have the fur coat properly stored. They told me that many of their friends coming over within the next month also would not expect to live up to their moral obligations. There is also the case of the displaced person who came over on the same boat as they did, who had signed an assurance for farm work in Iowa, but who expected to stay in Brooklyn. He was, however, sent to Iowa but in a few days' time my displaced persons received a letter from him asking if they could locate a job for him here in the east. It is my opinion, and also my wife's, that people of this nature should be deported as they are certainly not the type that are going to make good citizens of the United States of America. I so informed Church World Service and they say there is nothing legally that can be done about it. I am also going to take the matter up with our Congressman from this district because if these people are left free to do just as they please, our displaced-persons law needs changing very quickly. People of this nature are certainly discouraging others from signing assurances for displaced persons for I know several people who were going to take displaced persons, but have absolutely washed their hands of the matter after hearing of our experience. It is also going to make it a lot harder for the many deserving people who are still in Europe to get over here and receive the chance that they should have. I trust you will give this matter your attention and inform me as to the disposition of it."

That, Mr. President, is, in full, the letter from a citizen of the State of Pennsylvania who sincerely wished to help an unfortunate couple of Europeans and who simply became the unsuspecting—and I dare say undeserved—victim of the propaganda of these lobby groups.

Yet the expellees, of whom I am certain the major portion to be of more desirable character than the DP's so far admitted, receive no consideration whatsoever. Ah, yes, their crime is being of German ethnic origin. There are in this country well over 20,000,000 people of German ethnic origin, so to speak: That is, people who are direct descendants of German settlers, who came here before and after the Colonial days. Yes, Mr. President, in the winter of 1945 and during 1946 the despicable atrocities committed against the expellees baffle the human conception of decency. The uprooting of the people with German names and with German blood in their veins in the countries behind the iron curtain such as Yugoslavia, Czechoslovakia, Hungary, Rumania, Poland, etc., may well be called the greatest peacetime crime in history. They were uprooted simply because they were of German ethnic origin. Because the authorities in power wanted their property, they were loaded on trains and shipped westward. Train crews were known to have thrown babies out of the windows off into the snow as the trains sped across the desolate country toward occupied Germany. Hardly any of the expellees picked up and moved voluntarily. They were simply thrown out, ruthlessly and unceremoniously. Most of them are farmers who love the soil.

Mr. President, I now come to a point that may be well known to some of my colleagues, but is not generally known to all the Members of this body. According to recent estimates of the Bureau of the Census, the over-all population of the United States has increased to about 149,000,000. However, it appears that the chief increase is in urban and rural nonfarm areas. It may be partly because of a gradual decrease in our natural resources, and it may be as a result of the tremendous mechanization of farming that thousands and thousands of Americans, especially young adults, have moved from farming districts to urban centers. But, Mr. President, in 11 States, constituting our so-called bread basket, and enveloping the Corn, Wheat and Hog Belts, the population between 1940 and 1948 had decreased by over 500,000 souls, or an over-all aggregate loss of 2.96 percent. In the State of North Dakota the estimated loss in population was but 10,471, or from 641,935 in 1940 to 631,464 in 1948. The State of Missouri is reputed to have dropped from a population of 3,748,664 in 1940 to 3,539,187 in 1948, a net loss of 245,477 people, or 6.4 percent. Nevertheless, Mr. President, regardless of whether we label it a second industrial revolution or attribute it to the desire of the younger generation to rush to urban areas, the fact remains that in those agricultural States there is today a complete lack of homesteading philosophy. There is room for skilled and willing agricultural workers in those States, Mr. President, and those displaced persons who posed as farmers merely as a vehicle to be admitted into the United States, but who actually never handled a spade or a plow in their lives, won't stay on the farms they originally were assigned to. I am not belaboring this point unnecessarily, Mr. President, but my contention is that, by and large, the expellees would prove to be far more dependable than those displaced persons who, upon arriving here, turn their backs on their benefactors. Yes, Mr. President, many farmers in my section of the country would welcome some experienced expellees to help them plant and harvest the crops. But, they also have heard the distant grumblings about displaced persons quitting their assigned homes. Nobody can blame people who hesitate seeking to obtain the help of alien farmers when the disgraceful records established by displaced persons throughout the country have rocked the confidence of millions.

On page A4501 of the Appendix of the RECORD appears an interesting example of the eagerness with which a group of displaced persons assumed their rights and privileges, but none of the attendant responsibilities. The article in question appeared in the Memphis, Tenn., Commercial Appeal on July 9 of this year. The article concerns an interview with an officer of one of the transports carrying displaced persons to a southern port. It states that five of the displaced persons aboard the United States-bound Army transport *General Howes* last week refused to work at the ship's housekeeping routine, a stint which they agreed in writing to do on their voyage toward freedom. It also stated that this officer shares the feelings of the ship's higher officers in being worried about that quality of the immigrants being brought over under the displaced persons program. One of the mates, who asked that his name not be used, the article further stated, made this analysis: "We have some splendid people aboard, who will certainly become an asset to the Nation—musicians, skilled workmen, artists, and scientists. But they are a small minority of the total passenger list. It seems to me the United States is letting itself in for a very raw deal on quality."

Those were the opinions, Mr. President, of two wholly disinterested people. They had no axes to grind. They had no relatives aboard ship. They simply were doing their job in operating a vessel delivering a cargo from a foreign shore to an American port. But the powerful lobbies continue fighting for the passage of the Celler bill which would permit more and more of their variety of displaced persons to enter this great country. How blind to reality these lobbying scoundrels must think us to be; how naive they must regard us to be, when they think that some of us at least are not fully aware of the undeniable facts. No, Mr. President, I am one of those who admire the thoroughness and conscientious manner of the senior Senator from Nevada, Mr. MCCARRAN, who, as chairman of the Senate Subcommittee on Immigration and Naturalization, has given the displaced persons problem an impartial study. He knows that this Celler bill will do nothing for displaced persons in Greece, in the Near East where thousands and thousands of Arabs are just as much displaced persons as in Europe, nor for the thousands of displaced persons in Asia. The senior Senator from Nevada is fully aware of the infiltration scheme that lies behind the Celler bill, and he also realizes that it will discriminate against the millions of expellees for whom I am pleading, and have been pleading for some time.

Mr. President, on Monday, September 26, a vessel docked in New York City with displaced persons aboard. It carried 892 immigrants, including 422 males, 304 females, 41 infants up to 2 years of age and 125 children between the ages of 2 and 16, according to the IRO office located here in Washington. Their arrival brought the grand total of displaced persons so far admitted under the terms of the displaced persons law of 1948 to 82,207, Mr. President. Not one was destined for my State. Yes, not a single one, Mr. President. Where did they all go? Only 6 went as far South as North Carolina, or exactly a little less than seven-tenths of 1 percent. The balance went chiefly North, and 13 went as far west as the State of Washington. New York welcomed with open arms 283 of them, or almost 32 percent. The farming States received very, very few. Of that shipload only 19 were destined for Wisconsin, Iowa took 15, South Dakota 17, Indiana 6.

I wonder just how long the discrimination against expellees will continue, Mr. President? They have to scour the woods in spring and summer to find some food to put in their stomachs—wild berries, maybe a squirrel once in a while. They are not permitted to work in any capacity other than the severest and lowest types of manual labor which most of them right now are too weak to perform.

Undernourished, bereft of all their possessions, and entirely without a place they can call their own, these people are virtually condemned to death. Again, I say, never have I heard of a more revolting crime committed against so large a group of industrious people in peacetime. Yet we sit idly by while the life of this remnant of once-proud people is slowly ebbing away. We were struck with horror at the atrocities of the Nazi crimes. Our spines were chilled when we read of the gas chambers, and when after the surrender of Germany we were shown stomach-churning photographs of the heaps

of innocent dead we vowed that we would pledge ourselves and dedicate our future efforts to prevent a repetition of such outrages against humanity—anywhere, any time. Yes, Mr. President; virtually the entire civilized world did just that. I say "civilized world," for it is obvious to me that a considerable portion of the world contains people that are not quite civilized, Mr. President. But, nevertheless, we, along with the civilized peoples of this world, promised we would never permit such ravishings again. Yet scarcely a finger has been lifted for the relief of the expellees, and we sit quietly in this Chamber while those very expellees are slowly being exterminated like rats, and welcome into our midst shipload after shipload of displaced persons, many of whom have greatly abused our hospitality.

I, therefore, vigorously assert that I am opposed to this resolution to discharge the Senate Committee on the Judiciary from further consideration of the bill H. R. 4567 to amend the Displaced Persons Act. I am opposed to the resolution because it forecloses the presentation of the facts to this body which are even now being carefully assembled. I am opposed to this resolution because it is the opening wedge of a scheme to ram through this Senate a vicious, discriminatory bill which is designed to tear down our protective immigration systems. Let those who lend themselves to this design bear the consequences of their folly.

Mr. LANGER. Mr. President, I call attention to the fact that Mr. GOSSETT is probably the best-informed Representative out of the 435 Members on matters of immigration. He is the dean of the Congressmen on the subject of immigration. For 12 years he has served on the House Immigration Committee. I ask unanimous consent that his testimony before the subcommittee, which was presided over by the distinguished Senator from Indiana [Mr. JENNER], may be printed in full at this point in my remarks, together with the questions asked him. Representative GOSSETT'S testimony begins in the middle of page 405 and continues through page 478 of the hearings.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator JENNER. The committee will come to order.

We will continue the hearing on displaced-persons legislation. Congressman GOSSETT, you may proceed.

STATEMENT OF HON. ED GOSSETT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Representative GOSSETT. Thank you, Senator.

My name is ED GOSSETT. I am serving my sixth term as a Member of the House of Representatives from the Thirteenth Congressional District of the State of Texas. During most of my years of service in the House I have been on the Immigration Committee, and since the Reorganization Act I have been a member of the Subcommittee on Immigration of the Judiciary Committee of the House. While I do not pose as an expert on immigration matters, through necessity and duty I have become familiar with a number of aspects of the problem. As a matter of fact, I have served longer on the immigration work than any present Member of the House of Representatives, so I think I do have a little knowledge of this subject.

I am sorry my friend and colleague, Congressman CELLER, cannot be here this morning, since he and I have debated this DP problem for the last several years in the House and on the radio and before forums of various and sundry kinds.

Now, of one thing I am quite sure: that immigration should be both selective and restrictive in the national interest. This prolem, like every other problem, ought to be determined by the sole standard of what is for the best interest of America, and that alone.

The bill on which you are now holding hearings, the so-called Celler bill, violates both concepts of a sane and sound national policy. That is, it is nonrestrictive and it is nonselective, as I think I will show as I go along.

I have been rather interested to note in the press and to hear some of my colleagues say that certain individuals were, so to speak, Senator, "sitting on this bill." If such is the case, I want to commend as patriotic citizens and good public servants those who may be sitting on this bill. In my opinion, future generations will rise up to call them blessed, and I am convinced in my own mind that they will have won a major skirmish, at least in the cold war, for survival, whoever may be instrumental in the defeat of legislation of this character.

Senator JENNER. Right there, Congressman GOSSETT, I do not think that anybody in the Senate Judiciary Committee is sitting on the displaced-persons bill. As a matter of fact, we have had many, many hearings. It is a vast subject and seems to have become very controversial.

Of course, some have interpreted it that the committee has been sitting on the bill, but I happen to be a member of the subcommittee to which this bill was referred, and we have had many, many meetings. The information has been voluminous, very controversial, and not confined to the specific question of the displaced persons in the area of western Europe. The question is becoming bigger each day rather than smaller.

Representative GOSSETT. Senator, you are quite right. You cannot confine this question of displaced persons to a few that we have permitted to remain in camps under our custody for several years. There is no doubt but what there are a hundred million people in the world who are just as much in distress and who are just as greatly displaced as are the several hundred thousand under our care and custody. There are a hundred million people who would like to pick up—lock, stock, and barrel—and move into this country; and I cannot blame them for that. There are certainly many millions of people who are just as deserving if not more deserving than those to whom we have heretofore shown such great preference. And in my opinion, which I hope to develop here as I go along, the Celler bill rewards the least deserving and the least desirable, and in many instances the most dangerous of the millions of folks who would like to come to this country.

In the first place, this legislation has been propagandized and promoted by one of the cleverest, best financed, best organized lobbies in the history of the country. I have here a clipping from the Christian Science Monitor, headed "Lobbyists list spending of $5,000,000 annually."

"Biggest spenders so far," says the article, "are the Citizens Committee on Displaced Persons * * *," and here is a list put out by the American Legion in May of 1947, listing some 16 individuals here in the city of Washington as registered lobbyists for the Displaced Persons Act, whose salaries total $152,000 a year. Now, it is a rather sad commentary, I think, on the way we have to work that if you have so much organization and so much money promoting any particular thing—and there is no organization and no money spent fighting this program—you are just up against a pretty tough proposition, when you have to contend with a lobby as well organized and as well financed as the displaced-persons lobby is.

Senator JENNER. Do you want to put the article and bulletin in the record?

Representative GOSSETT. I offer them as a part of the record.

(The article from the Christian Science Monitor, in part, is as follows:)

"LOBBYISTS LIST SPENDING OF $5,000,000 ANNUALLY

"(By Josephine Ripley, staff correspondent of the Christian Science Monitor)

"WASHINGTON.—Lobbyists are spending some $5,000,000 a year to put their side of the story over with Congress, according to account books now laid open under the law.

"Much of this expenditure goes for salaries, which range anywhere from $3,000 to $25,000 or more a year, with lesser amounts put down for entertainment—parties or dinners for Members of Congress.

"Biggest spenders so far are the Citizens Committee on Displaced Persons, the Committee for Constitutional Government, Inc., the Committee for the Marshall Plan To Aid European Recovery, and the National Physicians Committee—all of whom have already spent more than $100,000 in promoting their causes on the Hill.

"The Citizens Committee is working actively in behalf of legislation concerning taxation and Government economy. The physicians' group has been lobbying against compulsory health insurance."

(The Legislative Bulletin of the American Legion is as follows:)

"[Legislative Bulletin issued by the National Legislative Committee, the American Legion, John Thomas Taylor, director, 1608 K Street NW., Washington 6, D. C., Bulletin No. 17, May 21, 1947]

"DISPLACED PERSONS

"The intensive, aggressive, all-out drive, supported by numerous organizations and apparently with unlimited financial backing, continues and the agitation goes on to break down our immigration laws to admit so-called displaced persons into our country. Addressing a national triennial dinner of one organization last week, United States Attorney General Tom Clark and Secretary of War Robert P. Patterson urged that the United States admit 'its share of displaced families.' Also in a press conference President Truman made a similar plea. The term 'fair share' is used almost exclusively as applying to United States obligations in connection with displaced persons. However, no mention is ever made of the thousands of displaced persons who entered the country during wartime as refugees or under some other so-called emergency action—if these figures were compiled they would no doubt show that the United States is already harboring much more than its 'fair share' of displaced persons.

"In addition to numerous organizations registered with the Senate and House of Representatives who are working in behalf of the admission of displaced persons, either by relaxing immigration quotas or otherwise, during the past quarter the following persons have been registered with Congress as legislative representatives of the Citizen's Committee on Displaced Persons:

"Name:	*Annual salary*
Kiernan, James M	$15,000
Cooley, Thomas M	12,000
Margolin, Leo J	12,000
Wasserman, Jack	12,000
Ziegler, Vinton E	8,000
Bernard, William S	7,500
Johnson, Curtis Edward	7,500
Ely, Myron Ray	6,000
Pearson, Robert W	6,000
Shuford, Helen Alcott	6,000
Leiser, Clara	5,220
Richardson, Pearl	5,220
Harris, Peggy	5,200
Franzen, John T. D	5,040

"Name:	Annual salary
Kocher, Eric	$5,040
Steinart, Blossom	5,040
Wellington, Beatrice	5,040
Selby, Meredith	4,800
Buck, Elizabeth	4,320
Ritter, Patricia	4,080
Gardiner, Elizabeth	4,020
Abbott, Charlotte E	4,000
Bennett, Harry L., Jr	3,000
Total	152,020

"In addition to salaries, these people also receive 'actual amount of out-of-pocket expenses,' which includes such items as air and railroad fares, hotels, meals, telegraph, telephone, and postage. As they are operating from two different addresses ir New York City, which no doubt requires much traveling to Washington in connection with their lobbying activities, these expenses are no doubt very extensive.

"The established policy of the American Legion is definitely opposed to relaxing any immigration, deportation, or naturalization laws and the National Legislative Committee is directed to oppose any legislation contrary to Legion policy. The Legion's views on this important matter will be presented to the House Committee on the Judiciary, which has scheduled open hearings on June 4 on H. R. 2910, introduced by Representative William G. Stratton (Illinois), 'to authorize the United States during an emergency period to undertake its fair share in the resettlement of displaced persons in Germany, Austria, and Italy, including relatives of citizens or members of our armed forces, by permitting their admission into the United States in a number equivalent to a part of the total quota numbers unused during the war years.'

"The foregoing will give you some idea of the strength of the opposition to this item on our legislative program. It behooves all Legionnaires, members of the American Legion Auxiliary, and our families and friends to be continuously alert to the fight we have on our hands and to work hard to counteract the efforts of those who would admit thousands of aliens, in spite of the fact that millions of veterans and other American citizens are inadequately housed and that thousands of disabled and other veterans are struggling to rehabilitate themselves in useful occupations which might be taken by aliens others are seeking to have admitted to our country.

"On-the-job training: On Thursday, May 15, hearings were held before the Senate subcommittee (Senator WAYNE MORSE, Oregon, chairman) of the Labor and Public Welfare Committee on S. 407, introduced by Senator ERNEST W. MCFARLAND (Arizona), to eliminate the specific limitation on the compensation for productive labor and subsistence allowances which may be received by veterans obtaining educational or on-the-job training benefits under the Servicemen's Readjustment Act of 1944, and to eliminate the 2-year limit for on-the-job training under that act.

"S. 407 was introduced at the request of the American Legion to repeal those sections of Public Law 679, Seventy-ninth Congress, which place ceilings on the earnings and subsistence allowances of veterans exercising the benefits of title II, education of veterans under the GI bill. As reported to you, Public Law 679 was enacted during the closing days of the last session of Congress and signed by the President on August 8, after adjournment. Up to now it has cost our veterans more than $150,000,000.

"The House Veterans' Affairs Committee has reported the Kearney bill (H. R. 246), raising the ceilings, which is not satisfactory to us as the plan of ceilings should never be placed in the law affecting veterans' rights and benefits. The House bill has been tied up in the Rules Committee ever since it was reported. We are looking forward to early action by the Senate committee on our bill.

"Veterans' preference: The latest development in the continuous drive on the part of those who would sabotage the Veterans' Preference Act is the introduction of the bill S. 1244, by Senator WARREN G. MAGNUSON (Washington), for the purpose of regulating the conditions of employment of mechanics and helpers at all Government navy yards, naval stations, arsenals, and other Government establishments, and for other purposes. The bill provides that the minimum rate of pay for each trade or occupation shall be used as a probationary rate of pay for new employees for a period of 3 months, after which employees shall be advanced to the intermediate rate of pay for 6 months when they would receive the maximum rate of pay so long as retained in the service. The bill also makes provision for transfer to other Government agencies of discharged employees. But the language of the bill which would be the opening wedge to completely break down veterans' preference in all agencies is, "When reduction in the force in any trade or occupation becomes necessary, seniority shall prevail; those employees having the shortest length of service in * * *."

Representative GOSSETT. To begin with, we ought to examine our immigration policy. I think that is what your committee is doing, and it is to be commended for doing it. As we all know, we passed our basic immigration laws back in the early twenties, following World War I, out of necessity. It then became apparent that millions of foreign persons were coming in here annually. And, strange to say, the people who were so strongly supporting this legislation, including my esteemed chairman of the House Judiciary Committee, were very much opposed to that bill. They did not want any restrictions. They used the same arguments then as now: That the basic immigration laws of this country were discriminatory; that we were pointing out certain areas and certain peoples as inferior. That was not the case at all. No person of foreign birth, however distinguished, however capable he is, has any right to come here. It is simply a privilege that we extend. No alien has a vested interest in coming to this country.

So we set up our basic immigration policies, assigning quotas under which 154,000 persons, largely Europeans, were permitted to come.

We have made numerous exceptions, as is well known to the committee. We permit ministers to come. We permit the spouses and minor children of American citizens to come. We permit students to come. We permit visitors to come. We let alien seamen come in here after so many years' service on American-flag ships over and above quotas; and that provision has been abused rather generously.

I personally sponsored and helped pass through the House a bill to repeal the Chinese Exclusion Acts. I enthusiastically supported the Judd bill removing race as a bar to naturalization and seeking to equalize the immigration laws.

I think most of the members of this committee have done so. But now we are asked to practically eliminate immigration bars insofar as so-called displaced persons go.

At the end of the war, there were some 8,000,000 of these. Our military forces, together with those of the allied countries, offered to repatriate and take back to their places of abode all of these so-called displaced persons who wanted to go. We encouraged them to go back. And under our supervision, largely, 7,000,000 were returned to the places from which they had fled. But around a million, in rough figures, refused to go home.

Now, the advocates of this legislation come in, and they say that these people would have been liquidated had they elected to go home. In fact, there was so much said on that subject that Major General Rooks got a bit provoked about it, and he issued a statement.

This, too, appeared in the Christian Science Monitor, on June 4, 1947.

"In defense of repatriation, when there are no political hazards involved, General Rooks pointed out that out of more than 7,000,000 persons repatriated since the end of the war not one substantiated incident of persecution after repatriation has come to his attention." I will leave this for the record, if you desire.

Senator JENNER. We will be glad to receive it for the record.

(The article referred to is as follows:)

[From the Christian Science Monitor of June 4, 1947]

"UNRRA HEAD SEES POLITICS IN REFUGEE GROUP'S CHARGES

"(By Josephine Ripley, staff correspondent of the Christian Science Monitor)

"WASHINGTON, June 4.—The usually even temper of Maj. Gen. Lowell W. Rooks, Director General of the United Nations Relief and Rehabilitation Administration, erupted in indignation today over recent attempts to discredit UNRRA's handling of displaced persons.

" 'UNRRA will not, in its short remaining span of life, yield to this smear campaign,' he declared at a special press conference.

"The charge which touched off this blast at critics had to do with a statement from the Refugee Defense Committee of New York to the House Foreign Affairs Committee.

"The refugee defense group—in which Charles Poletti, Robert M. La Follette, Dorothy Thompson, and David Martin are interested—declared in a memorandum to the House Committee that 'if the International Relief Organization should develop into the continuation both in personnel and in policy of the unlamented UNRRA, then it will earn for itself the curses of all its million wards—as UNRRA has already done for itself.'

"POLITICAL MOTIVE CHARGED

"General Rooks charged that that statement was inspired by political and not humanitarian motives. The purpose behind it, he declared, is to block, 'even at the expense of gross slander, any further repatriation of Poles, Balts, Ukrainians, and Yugoslavs to their homelands.'

"The point at issue is repatriation policy; UNRRA's policy has been to encourage repatriation when the displaced person has no reason to fear political persecution or mistreatment should he return to his homeland.

"Many of these people would return, General Rooks claims, if there were not a deliberate campaign being conducted among the DP's to discourage such a decision.

"This campaign, he charged, is being conducted by those who are opposed to any repatriation to countries now regarded as under Russian influence or domination.

"He accused this group of preferring 'to see these unhappy displaced persons sit where they are, in camps in Germany, Austria, and Italy, until they rot thoroughly—and largely at the expense of the American taxpayer—rather than go home, where, I am convinced, the greater part of them would find their best opportunity to rehabilitate themselves.'

"REPATRIATION SUCCESSFUL

"In defense of repatriation, when there are no political hazards involved, General Rooks pointed out that out of more than 7,000,000 persons repatriated since the end of the war not one substantiated incident of persecution after repatriation had come to his attention.

"UNRRA's policy to encourage repatriation under these circumstances is in accord with that of the United States Government, the

United States Army, and the British Government.

"There are still more than 700,000 persons remaining today in DP camps. Repatriation is going on slowly, at the rate of about 10,000 to 12,000 a month, according to latest figures.

"UNRRA's responsibility for these refugees terminates on June 30, when it is hoped that the IRO may be ready to take over. Congress has still to vote on the United States contribution to the Organization, $75,000,000 being the figure requested by the President.

"If the IRO is not able to take over by the end of the month, UNRRA could carry on for another month or two, General Rooks stated."

Representative GOSSETT. We had lengthy hearings on the bill passed in the last session of Congress; and they were hearings, by and large, for the proponents of the legislation. They sent in to the committee supposedly well-informed persons. And I asked witness after witness to point out one instance where these persons that we had repatriated had been persecuted, and no single instance of that kind was ever brought to the attention of the committee; just vague, indefinite charges to that effect.

Incidentally, I went with a committee of Congressmen to Europe last fall. We were there in October. And I believe Colonel Sage is in the room here, or he was.

Senator JENNER. He was. He just left.

Representative GOSSETT. He went with our group to visit a camp called Salzheim, outside the city of Frankfurt. That was a camp made up of Polish Jews. And we looked the camp over, and then we went into the office to talk with the self-elected superintendent or manager of the camp, a man named Epstein, and his assistant manager. They were both Polish Jews and very bright fellows. And I was not asking these questions, but other members of our group did ask:

"Why do you not go back to Poland?"

And these gentlemen said, "We do not want to go back to Poland."

Of course, that was not quite in line with the usual propaganda, but they apparently were not trying to make any case for themselves. They were perfectly honest.

So, someone else said, "Well, are you not afraid to go back to Poland?"

"No; we are not afraid to go back to Poland. We want to go to the United States."

I do not have any quarrel with them on that. I do not blame them for it.

This man, Epstein, after a few questions, said that he has been a principal of a school in Poland.

"Well, could you get your job back?"

"Yes, I could get my job back. I do not want it back."

The other man had been in the real estate business. It turned out that he had what he said to be, and I am sure was, a very nice home in some little Polish town.

"Well, have they taken that away from you?"

"No, I still own it."

"Could you get it back?"

"Yes."

It turned out that he was having difficulty collecting his rent, but that was the only difficulty he had had.

"Well," they said, "is the Polish Government anti-Semitic?"

"No, it is not anti-Semitic. There is some anti-Semitism in Poland, but the government is not anti-Semitic, and we could go back."

Now, they were perfectly honest. They just wanted to come to America. And I dare say that their statement applied to the great number of persons in that camp.

Mr. ARENS. I wonder if I could interrupt you at this point. The present law, Mr. GOSSETT, provides a 40-percent priority for those persons who come from countries which have been de facto annexed by Russia, Communist Russia.

Do you have any observation to make with reference to whether or not persons in that category could go back?

Representative GOSSETT. You mean could go back to the places where they came from?

Mr. ARENS. Yes.

Representative GOSSETT. I think undoubtedly 90 percent of them could, with complete safety.

Mr. ARENS. Do you have any estimate to make on the relative safety of the people who are in the priority with respect to those that are not within the priority?

Representative GOSSETT. I doubt if there would be much difference as to the safety factors involved.

Incidentally, on that score, I would like to deviate, here, just a bit. I went out and made a speech some months ago to the Conference of Rural Women of the State of Maryland at the University of Maryland. And following my speech, I was taken to task by the gentleman who heads up the DP program for the State of Maryland. And a young man wrote me a letter defending me against the charges made. Now, I would just like to read that letter to you. I think it is very informative, and I put it in the record with his permission, after writing him:

"BALTIMORE, MD., *June 16, 1949.*

"HON. ED GOSSETT.

"DEAR SIR: I want to express my sincere gratitude to you for your speech which you presented to the rural women's group at the University of Maryland, in which you were in sympathy with halting immigration of the type such as we are now witnessing.

"I am a student at the university and a veteran of the Second World War, and I want to say that you deserve merit for bringing to the attention of my fellow Marylanders the nature of immigrants that are now coming to this country. No greater truth could have been stated, when you declared that many of these people have been planted in these camps to infiltrate into this country to serve alien causes.

"The Baltimore Morning Sun carried a report on your address to the university group at College Park, Md., and at the same time inserted some comments from William L. Laukaitis, chairman of the Maryland Displaced Persons Committee, who charges, about you and your statements: 'I think he is talking bunk when he describes the displaced persons as heroes. They are liberty-loving people who have fled their homelands, fled from the Communists, because they wanted freedom.'

"The reason I want to bring this to your attention, sir, is because Mr. Laukaitis is, as I am, of Lithuanian descent. I know the gentleman who made the remarks about your speech and wish to say that he represents the most reactionary pro-Nazi interest in the city of Baltimore. No sooner had Mr. Laukaitis helped bring these displaced persons, especially the ones from Lithuania, over, than he has allowed them to speak almost immediately at rallies about the need to join a crusade to help liberate poor little Lithuania. Nothing is said about the Nazis or their methods.

"As an American, I know allegiance to America is foremost; but do these people who are bringing these immigrants over know that? Also, what about the present unemployment situation in the United States? There are nearly four and a half million unemployed. Where are these newly arrived displaced persons to get work? Are they to take over the jobs of the Americans and the many ex-GI's who have fought to defeat the Axis Powers?"

I am getting down to the point I wanted to call to your attention.

"It is these same Lithuanian displaced persons, although I admit not all, for there are probably some sincere ones in the group, who were recruited by Dr. Rosenberg into branches of the Nazi SS. These Lithuanian SS troops carried out mass pogroms against the Jews in Lithuania and against Russian troops that were in the area.

"I bring to your attention the true documentary evidence as it is produced in the United States Government publication, Trial of German War Criminals, which is available in the Government Printing Office. It is these same displaced Lithuanians who cannot return to their native country, not because they are afraid of communism, but because of their war crimes, which their Lithuanian neighbors know so well. Mr. Laukaitis is affiliated with the United Lithuanian Relief Committee, which has been sending aid to such persons under the guise that they are anti-Communist. This committee no doubt has played an important part in bringing many of these undesirables over here. This committee has asked me and many other persons of Lithuanian descent to give funds and clothing to aid war-ravaged Lithuania. But, however, in 1947 only $16 was sent to Lithuania. Upon investigation, which I made, to the State Department, and also documentary record made in the booklet, Foreign Aid Appropriation Bill for 1949, Hearings of the House of Representatives, volume 2, I found these figures correct. Upon investigation, I found that the practice of sending aid to Lithuania has been discontinued and all funds, running as high as several thousands of dollars, were sent to camps in Germany and Austria, and so forth, to aid these people, who were no doubt, as you have charged, planted in those camps.

"Mr. Laukaitis no doubt will say that these people will be of benefit to America because they are such good anti-Communists. No doubt. But we must remember that the Nazis and Mussolini's Fascists were also good anti-Communists. I think our present Government is doing more than well in keeping down any subversive threat in America, and I don't think we have to bring over pro-Nazi criminals and the scum of Europe to do this job for us."

Now, that was news to me. I did not know about that. So I checked up with some people who are supposed to know, and they verified what this gentleman has said—that among this fine group, as we have been told, from the Baltic areas, are many that were members of the Nazi SS and were pro-Nazi.

We all know the history of this country. It is quite a joke about how people would change their names and go out to my State or somewhere in the West. That was true of these DP camps. It was an opportunity for a lot of criminals to at least escape from the condemnation of their neighbors.

And in the early days we gave these people 2,000 calories, when those on the outside only got 1,500. We practically invited folks to come into our DP camps. And the less desirable, the less diligent, in many cases, did come, and they have stayed.

Now the situation grows worse. It is sad but true that those people, by and large, are the scum of Europe, with some exceptions. The cream has been skimmed off time and time again. Other countries have sent teams in there, just to pick out people, without a lot of the red tape that we have embroiled our operations with. And they have gotten the best workers and the best artisans. And what remains, by and large, are those who refuse to work or who cannot work or who are there for one purpose or another.

I will go into this question of policy just a bit further. Dr. Henry Pratt Fairchild, professor of sociology in New York University, in 1943, discussing the implications of population trends for postwar policies, concludes that immigration should be restricted. He expresses the danger of new immigration in these words. And incidentally, Dr. Fairchild is a very eminent man in his field, and he

has written a good many books on these subjects.

"We are fighting this war for the sake of democracy, the rights of the common man, the eradication of race prejudice, and the general recognition of human equality. If the findings of science were in accord with unenlightened liberal sentiment, there might be no particular danger. Since this is not the case, it is essential that the peace negotiators be prepared to recognize and to make clear to the world that what may seem like a narrow or illiberal policy is really a liberal policy, because it promises the greatest welfare for the greatest number of people over the longest period of time."

Woodrow Wilson expressed the same convictions, and I think most of our leading scholars and statesmen recognize that the only way we can remain strong and can lead the world in the paths of peace is to protect our borders against the influx of large numbers of foreign persons. Even the best of them have to be here some time to become assimilated and for roots to grow deeply.

I am sure the Senate committee is well aware that every commission and every board that we have had investigating national security or economic problems—about the first thing they say when they come in is that we have got to remain a strong and a virile and a united nation. Well, now, by no stretch of the imagination can anyone say that the admission of additional numbers of displaced persons can in any way contribute to our security, economic, political, social, or otherwise.

I dislike castigating and reflecting upon the quality of those who remain in the DP camps, but I have quite a few communications here that I want to call to the attention of the committee. And I did not make any research into this; these are things that just incidentally came into my office.

Here is a letter addressed to Mr. Ugo Carusi, Chairman of the Displaced Persons Commission. It is from Nazareth, Pa., dated July 26, 1949, from 29 North New Street, in Nazareth by a man named Walter S. Kostenbader. And I am told by his Congressman that he is a very outstanding, responsible businessman and a good citizen.

"I am writing to you in regard to two displaced persons I received through Church World Service. They are:

"Elsbieta Kucharska-Proskuriakow, age 40; Lucyne Kucharska, age 18, who arrived in New York on May 29, on the *General Taylor*.

"These people proved to be very unsatisfactory and I feel that the Displaced Persons Commission should have some knowledge of the situation. I went to New York and met them at the pier and brought them directly to Nazareth, Pa."

This man runs a hosiery company in Nazareth.

"On the way home I noticed they seemed rather nervous which would probably be natural. However, they showed no particular interest in the scenery, traffic, et cetera, which you would expect displaced persons to do. My wife helped them unpack their baggage and they had a brand new fur coat which I estimate was worth $800 to $1,000. After they were here 3 days, they asked where they could have diamonds appraised. They emphasized good, flawless diamonds. They also wished to know what sterling silver was worth per pound. This immediately struck me as being very odd for displaced persons.

"It so happened that Reverend Helfferich, who is in Europe working on displaced-persons operations, was here on furlough the first week in June. Incidentally, Reverend Helfferich is also the person who advised me to sign assurances for displaced persons. He had been at my home in Nazareth and told us how happy any of the displaced persons in Europe would be for just a home as we offered them. While he was on furlough, I contacted him and explained the situation to him and he, therefore, came to my home and talked to these people. He became very angry at their attitude and informed me when he left that he also felt these people were no good, and that he would immediately make a report to Church World Service. However, he would be back in Europe in a few days.

"I waited for about 2 weeks to hear from Church World Service and then telephoned them regarding the matter. They informed me they were working on the matter and would write me regarding it in a few days. They wrote to me and also to Mrs. Proskuriakow and informed her that any articles they had brought with them could not be sold for 2 years and just 2 days after that there was someone here to see them who said he was from New York; a very rough looking and arrogant fellow who I presume lifted the diamonds about which they spoke to me. After this man was there to see them, we could notice a big change for they were not nervous nor did they ask any more questions regarding things which they brought with them. I wish to state here that I never saw the diamonds or the silverware but the fur coat I did see.

"Since only the daughter could speak English, the mother presumably could not. I introduced them to some Polish families in Nazareth. In checking with these people, I found they told them some more things which they also mentioned to me—that while in Germany they had someone help them with their housework. They did not fix their own hair but went to the hairdresser, and they did not use their ration cards because they could not get the things they wanted, and that this was one reason they were anxious to get out of Germany because they were afraid they would get caught not using ration cards.

"These Polish people were also naturally very disgusted with them. Another thing they did while visiting these people was that they talked in Russian, for both of them spoke Russian more fluently than any other language.

"They stayed at my home from May 30 until July 8. On July 8 they asked to go to see some friends in Philadelphia. They promised to return on the 10th. On the 10th the daughter came back with a man whom she introduced as Mr. Young, with a New York license plate, and informed us that they were leaving, as they had secured employment elsewhere. She informed me that this was a free country and they could go where they pleased—that was why they came to the United States, because they had checked with Canada and found they must sign an assurance for 2 years. They had checked the Argentine and found they must sign an assurance for a certain length of time, but here they did not sign anything, so they were leaving. The man with her was very insulting, so I made him get out of the house and wait for her outside. This seemed to frighten her and she left with him without taking the rest of their baggage. However, on Saturday, July 23, the daughter, who is 18 and a minor, came back again for the baggage with a man with a Rhode Island license plate. She told us that her mother was working in Washington, D. C., and that she was living in Cassville, N. J.

"What I have done in this matter so far is to inform the customs officials and they sent a man up to check their baggage still at my home after they had left on July 9. However, they had already cleaned out everything of importance, including the many letters they received from the time they got to my place until they left on July 9. I also went to the trouble of going to New York City and making another full report to Church World Service on July 18.

"I felt that this was important because these people definitely are part of a ring who have people sign assurances for them, but they never expect to stay with the parties making the assurance. From the time they arrived they never unpacked half of their baggage and would also not let me have the fur coat properly stored. They told me that many of their friends coming over within the next month also did not expect to live up to their moral obligations. There is also the case of the displaced person who came over on the same boat as they did, who had signed an assurance for farm work in Iowa, but who expected to stay in Brooklyn. He was, however, sent to Iowa, but in a few days' time my displaced persons received a letter from him asking if they could locate a job for him here in the East.

"It is my opinion, and also my wife's, that people of this nature should be deported as they are certainly not the type that are going to make good citizens of the United States of America. I so informed Church World Service and they say there is nothing legally that can be done about it. I am also going to take the matter up with our Congressman from this district because if these people are left free to do just as they please, our displaced-persons law needs changing very quickly. People of this nature are certainly discouraging others from signing assurances for displaced persons for I know several people who were going to take displaced persons but have absolutely washed their hands of the matter after hearing of our experience. It is also going to make it a lot harder for the many deserving people who are still in Europe to get over here and receive the chance that they should have. I trust you will give this matter your attention and inform me as to disposition of it."

We all know that the DP camps have been the black-market centers of Europe. I do not know whether the situation is still as it was, but in the early days when we maintained those camps over there we never had any restrictions, and we still have none. Although a lot of screaming was done about maintaining concentration camps, we let people come and go from the very beginning. We tore down all the barricades. So they would come in, get food and clothing and rations, and go out and sell it on the black market, go over to another camp, change their names, and do the same thing all over again.

Here is a letter written to Congressman TEAGUE, dated April 13, 1949. This is from one of the colonel's friends. Incidentally Colonel TEAGUE was the first American officer in Cherbourg and had quite a lot of experience in Europe and has been over a couple of times since. He took a little poll in Europe in 1947. I am authorized to quote him. And out of 100 American officers that he asked, What should we do about the DP's? the only one that thought we ought to admit any DP's was our good friend Colonel Sage, who was in here a moment ago. And he was in charge of the DP program. He was the only one.

I have talked to, I expect, several hundred American officers and enlisted people and persons employed by the Government in a civilian capacity in the State Department. And except for those who are a part of the program, I have yet to talk to a single one who does not agree that we are doing a great disservice to our country in bringing these folks over here and that we are getting the worst and not the best of the millions of folks who want to come in.

Here is what this officer writes to Colonel TEAGUE:

"Now, Colonel, I have something very important to tell you about, but I will just give you a brief picture, but hope you can come over here personally so that I can give you the proof and explain to you the entire situation. There is definitely a Communist ring working here in Germany, particularly in Polish DP camps. This group is trying to

infiltrate the United States, Canada, Argentina, and Australia. These DP's are working in conjunction with IRO to see that all their papers are easily prepared for immigration to the above-mentioned countries."

And here is an article appearing in the New York Times, Monday, May 16, 1949:

"DP search yields undeclared gems—Thousands of dollars' worth of valuables are seized by Boston customs men."

They were seized from DP's seeking to come in here.

Mr. DAVIS. We would like to have that in the record.

Representative GOSSETT. All right. You may have that.

(The article referred to is as follows:)

"DP SEARCH YIELDS UNDECLARED GEMS—THOUSANDS OF DOLLARS' WORTH OF VALUABLES ARE SEIZED BY BOSTON CUSTOMS MEN

"BOSTON, May 15.—Customs inspectors today searched the baggage of 829 displaced persons arriving from Bremerhaven, Germany, aboard the United States Army transport *General Leroy Eltinge* and seized undeclared jewelry, silverware, and merchandise valued by the officials at thousands of dollars. The inspectors declined to set a specific figure.

"In addition, the staff of 80 inspectors removed large stocks of declared items pending payment of duty.

"The surprise, inch-by-inch search was staged, customs officials said, as the result of the discovery of approximately $10,000 in undeclared items aboard the transport *Marine Jumper*, which docked here May 5. Previously only routine checks were conducted. An Army spokesman here from New York said that smaller amounts had been uncovered in DP ships arriving in that port.

"Deputy Collector William Griffin, who led the group of customs agents, inspectors, and members of the port patrol, said that 'thousands of dollars' in jewelry and watches were found on one woman passenger. She was searched by a woman guard when her actions aroused suspicions.

"NO ARRESTS PLANNED

"The jewelry on the woman included diamonds, pearls and rings. Her name was withheld. No arrests were made or contemplated, Mr. Griffin said, and all offenders were allowed to continue on their way.

"The seized merchandise included cameras, porcelains and linens. The baggage of one family, inspectors said, contained a 'veritable dry-goods store,' in undeclared sheets, pillow cases, and table cloths. Valuable silver was wrapped in the linen.

"Displaced persons are permitted to bring personal effects, household goods and articles that have been in use for more than a year.

"In the case of declared merchandise liable for duty, customs officials said most of the confusion was attributable to misinformation given the refugees by relatives in this country.

"An Army spokesman said that 'the wires are hot' between the United States and Bremerhaven in an effort to make clear to displaced persons awaiting shipment just how much they can bring in free of duty.

"GOODS UNDER GUARD

"The declared goods seized were placed on Commonwealth Pier under guard and later moved to customs appraisers' stores. They will be retained until such time as the owners are able to pay the duty and redeem their possessions.

"The woman who had the jewelry concealed on her first insisted that the gems were family heirlooms, but customs inspectors said she subsequently admitted that this was untrue. One of the rings confiscated had a large diamond surrounded by four smaller ones.

"The *General Eltinge* was the twelfth vessel to dock at Boston with displaced persons and the first to undergo such a rigid examination. Its passengers brought to 8,089 the number of DP's to be processed through this port. Another ship, the *General Robert L. Howze*, is scheduled to arrive Tuesday morning and undergo an equally thoroughgoing search.

"The *General Eltinge* brought the largest group of children yet to arrive here on a single ship—221."

Representative GOSSETT. Our good friend, Mr. CELLER, testifying the other day, mentioned a trip to New Orleans to see the U. S. S. *General Sturgis* land with the first load of DP's going to the Southwest. I went down with the committee. And these were allegedly the agricultural preferences, folks who were going to the farms of Louisiana and Texas and Oklahoma. Now, I would not mention this, except that he made a great to-do about what fine, sterling citizens these people were.

The U. S. S. *Sturgis* docked the afternoon that we got there and was to be unloaded the next morning. The mayor was present and quite a little to-do was made about the unloading of this ship. We were all down there. It just happened that in the course of nosing around, the immigration inspector for that area—I believe he was the inspector; anyway an immigration official, a man who had been in the service a long time—called me and Congressman WILLIS off to one side, and he said, "Do you know, these folks 'struck' on that boat last night? They said they were through working. They would not clean up the bunks or wash the dishes or anything. They had a strike on the boat." And since then, as you know, most of them have deserted the farms of Louisiana.

Here is an article that appeared in the Times-Herald, and it appeared in many other papers. on June 8, 1949: "DP desertions bring crisis to Belgium's mines." That is about DP's deserting in other areas, but I will leave this with you.

Here is another, captioned: "Disillusioned DP's leave plantations."

And here is an article by Mr. George Weller, foreign correspondent for the Star and the Chicago Daily News. This is a recent article:

"America's proposals for throwing open its doors to Europe's refugees are giving great satisfaction to the Communist Parties of eastern Europe."

I would like to leave these for the record.

Senator JENNER. Very well.

(The articles referred to are as follows:)

"[From the Washington (D. C.) Times-Herald of June 8, 1949]

"DP DESERTIONS BRING CRISIS TO BELGIUM'S MINES

"BRUSSELS, BELGIUM, June 7.—Belgium is suffering for coal—an unforeseen headache which is presenting the authorities here with a huge human problem.

"The labor force in the Belgian mines, already several thousand workers below strength, is being further depleted.

"Displaced persons, 19,000 of them, brought into the country during the last few years are drifting away from the industry.

"Scores of them, their 2-year contracts expired, are flocking into Brussels every day.

"They ask to be sent back to the displaced persons camps in the bizone whence, they claim, it is easier to emigrate.

"Before coming to Belgium, most of these displaced persons had never seen the inside of a coal mine.

"INVITED BY GOVERNMENT

"Part of this huge wandering army, totaling 2,000,000, was left in the western zones of Germany after the capitulation.

"They came here at the invitation of the Belgian Government and were offered a new life. Their contracts guaranteed them the same rates of pay as a Belgian worker, and after a 3-month probationary period, they were allowed to send for their families and set up a home.

"But many of them came with false hopes.

"Clerks, engineers, school teachers, and members of a variety of other professions and trades, they hoped to seek some new outlets for their talents once the period of their mining contracts had come to an end.

"But, with some 200,000 unemployed, representing roughly 13 percent of the Nation's working population, the Government insists that jobs must be given first to Belgians.

"Apart from the question of the loss of this labor force to the mining industry, the exodus of displaced persons is really worrying the Belgian authorities. For, until such time as their fate can be decided, they have to be housed and fed.

"At present, displaced persons arriving in Brussels are being lodged in a former prison specially fitted out as a transit camp.

"Their wives and children are being housed in a Red Cross camp just outside the city, and the International Refugee Organization is taking urgent steps to stop the exodus.

"Repatriation to their homelands being out of the question, a notice distributed among the workers advises them to stay in the mines until some solution can be found.

"The organization is trying to discourage the workers' desire to emigrate.

"The organization prefers that they should remain in Belgium but that as soon as possible they should be allowed to enter other branches of industry.

"FULL OF ADMIRATION

"The displaced persons themselves are full of admiration for the hospitality they have received here. They fully realize that this hospitality cannot be overdone and they state that their only claim is to the right to live and work as normal human beings.

"The Belgian authorities are fully alive to the grave moral dangers involved. They have freely stated that it is inadmissible that thousands of men should be left to drift along without a future and without a goal."

"NO LOUISIANA SUGAR?—DISILLUSIONED DP'S LEAVE PLANTATIONS

"NEW ORLEANS, LA., June 12.—Displaced persons from central Europe, disillusioned by the work and wages on Louisiana sugar plantations, are 'disappearing' en masse, the New Orleans Item reports.

"The Item said a survey of the State's biggest sugar plantations indicated that 30 percent already have left, principally for the North and East. Some stayed only a few days at the plantations to which they are assigned.

"Plantation owners said Lithuanian refugees appear to be getting organized help from a society which arranges to transport them North and find jobs for them.

"One plantation owner said a 46-year-old Armenian woman had changed jobs in his area four or five times.

"'I didn't come here to work,' he quoted her as saying, 'I came to get a rich husband.'

"The Reverend J. Stanley Ormsby of the National Catholic Welfare Conference recently inspected conditions on some Louisiana sugar plantations and charged that the DP's were being underpaid and exploited.

"In reply to this, the Right Reverend William Castel, head of the Catholic organization which sponsored most of the Catholic DP's sent to Louisiana, said: 'They have been paid at the same rate as our own native workmen.'

"Men receive $2.90 a day for ordinary labor and women receive $2.80 a day for working an hour less than the men.

"Plantation owners complain that many of the DP's they get—a total of about 300 were estimated to have settled in Louisiana—know nothing about farm work.

"When they were told farmers were needed, it was easy to say 'sure, I was a farmer. I used to go out on my grandfather's farm every summer and help'."

"COMMUNISTS HOPEFUL TRUMAN WILL SUCCEED IN ADMITTING REFUGEES

"(By George Weller, foreign correspondent of the Star and the Chicago Daily News)

"PRAGUE, CZECHOSLOVAKIA, July 22.—America's proposals for throwing open its doors to Europe's refugees are giving great satisfaction to the Communist parties of eastern Europe.

"Nobody wishes more fervently than the Communist and semi-Communist regimes—from Poland to Bulgaria—that, President Truman's plea for the transfer of the refugee problem to the United States be fulfilled, and the Stratton bill for the entry of 400,000 displaced persons in 4 years be passed.

"The Truman proposals, backed by humanitarian motives, fit perfectly into the program Moscow has been pressing, through all Europe's Communist parties, ever since the war's end.

"PROGRAM SIMPLIFIED

"Somewhat oversimplified, the program can be boiled down to:

"1. Get American forces to abandon key bases in Europe and go home for good.

"2. Penetrate and break up all independent Socialist parties until they become dependent for existence on Communist tolerance.

"3. Drive westward, if possible across the Atlantic, all floating anti-Soviet or anti-Communist minorities, so as to clear the path for the next surge of communism toward the English Channel.

"Displaced persons are about 80 to 85 percent fugitives from Communist regimes. Three-quarters of these speak German and the rest speak Slavic tongues. By blood they are mixed.

"NUISANCE COMMUNISTS

"As long as they remain in Central Europe they are a nuisance and even possibly a danger to Communist parties. Being both German and Slav at once, and profoundly anti-Communist, they can be troublesome to the Comintern's next leap across the Rhine-Danube frontier.

"If allowed to settle in Austria, or Germany, rather than to be ushered into the United States, their peculiar double allegiance for Socialist and Centrist parties is a decided annoyance. So Communist parties everywhere try to keep them moving westward.

"In some ways this Comintern attitude is like the Soviet attitude toward White Russians after World War I. But DP's are somewhat harder to kick around because there is no broken-down nobility among them and there are no doubtful Romanovs. These people are plain and earnest and ready to settle down anywhere and work with their hands.

"In spite of their political beliefs, their camps are busy, clean places where everybody is simply trying to get a foothold in ordinary civilian life, and many are succeeding by sheer earnestness and grit. The handful of small war criminals has been eliminated.

"RUN THEIR OWN AFFAIRS

"Naturally, anti-Communists welcome entrance into the United States as heartily as would three-quarters of Europe's population. But, unlike the Jews who comprise the other 20 percent of Europe's DP's, they have not been filled with dreams of overseas migration to the United States or Palestine, nor have they received special food allowances and guards. They run their own affairs without aid from the United States Army with a minimum of self-pity and political agitation.

"The Comintern today is indifferent to displaced Jews, because their total of about 160,000 is not important politically, because their attitudes are Zionist without being either pro- or anti-Communist and because Soviet policy in the Middle East is generally still feeling its way toward replacing Britain as a friend of the Arabs before the United States can do so.

"But, with regard to other displaced persons, the policy of Russia and the Balkan Communist governments is now entering a phase of open attack. For example, the Oestereichische Zeitung surnamed Newspaper of the Soviet Army for the Austrian population, plastered its front page this week with a diatribe 'On Austria's shoulders—the displaced persons use up 312,000,000,000 calories.'

"PORTRAYED AS GLUTTONS

"Without stating anywhere that most of these calories were grown by American farmers and paid for by American taxpayers, the Red Army's editorialist explained how, in 1 year, displaced persons devoured 70,000 tons of bread, 6,000 tons of meat, 4,600 tons of fish and 40,000 tons of potatoes.

"This line parallels that used by the Daily Worker in London to push out anti-Soviet Poles by representing them as gluttons.

"What is omitted is that these DP's—with the exception of children and welfare cases—work 8 to 10 hours daily for what they have eaten, that except in the case of Jews, it never exceeds 1,550 calories a day and that it is mostly American.

"The Russian, Polish, Yugoslav, and Rumanian boards, which visited the DP camps to persuade families to return to their homelands, have mostly ended their work. They picked up few recruits. The Polish sales talk was the most successful because the Warsaw Government promised no bed of roses, but hard work and enough to eat."

Representative GOSSETT. Now, that is something to think about. You have not heard of a Red or a Pink organization in this country that is not a hundred percent for this program. While I cannot prove it, I have no doubt that many persons have been planted in those camps for the express purpose of infiltrating this country. There were 100,000 Polish Jews and Russian Jews that came out from behind the iron curtain in 1946 and 1947, 18 months and 2 years after the shooting was over, with the full consent and approval of the Communist-controlled governments, into our displaced-persons camps. And many of them are still there.

Now, Senator LANGER, that is where this cut-off date got us into trouble.

I think that Senator REVERCOMB was preeminently correct. If this is a displaced-persons program, if it is to take care of those who were displaced by war, certainly the cut-off date, December 22, 1945, took care of all of those who were legitimately and honestly displaced persons. Those who came into our camps subsequently displaced themselves, including this hundred thousand.

Senator JENNER. Congressman, is it not the fact that they are still coming in from behind the iron curtain?

Representative GOSSETT. Well, theoretically the camps were closed in July of 1947; but they are still coming in. The IRO makes certain exceptions to the rules.

Senator JENNER. The estimated figure, as I understand it, is around 25,621 a month that are still coming into the displaced-persons camps.

Representative GOSSETT. I am not in a position to know that.

Mr. ARENS. Those are the applications, Senator.

Senator JENNER. Yes.

Representative GOSSETT. I have a few more exhibits here. But the thing, Senator LANGER, that you and I are both aware of—and you have done some good work, particularly in speaking out for the expellees—is that the IRO will not permit anybody of German ethnic origin, as you gentlemen know, to be classified as a displaced person. There were more than 20,000,000 of those people who were uprooted after the shooting was all over, and just thrown in from the countries behind the iron curtain, that is, Yugoslavia, Czechoslovakia, Hungary, Rumania, and Poland.

In the winter of 1945 and subsequently, according to testimony which we received before our committee, 5,000,000 of those people died of starvation and disease and hunger. We were told that the personnel manning the trains would go through those trains and throw dead babies right through the windows, and also people, perhaps nearly dead. They would just dump them off into the snow. Nobody shed any tears about those folks. Many of them and their families had lived on the same land for 1,000 years in those countries. They had German names and German blood. Because the people in power may have wanted their property, they were just uprooted and thrown over into the economy of Germany.

Now, we do undertake to assist in the rehabilitation of Germany. We have accepted a great deal of responsibility for it. We know that the Germans at least said they started two world wars for living room. They have less living room now than ever before, primarily because of the expellees who were superimposed on the German economy. So, if we are setting up a program to relieve the congested population areas, we would do a much better job in looking after expellees than we do the DP's there.

While I do not want to belabor the point, I contend that by and large the expellees are of better stock than are the DP's. They did not voluntarily pick up and move into Germany; they were thrown into Germany by the Communist forces behind the iron curtain. They are farmers, most of them, men and women who love the soil.

I should like to show you the attitude of the IRO; and I may say that one of my objections to our DP program has been that we let the IRO do our picking. In other words, they handle most of the paper work and processing displaced persons. Our selector, Senator, never sees the party who is finally processed and put on a boat to come over here under the DP program. The selector just looks at the paper to see if it is signed and in order.

I have been told—although I cannot prove it—that there will be a person in one of these DP camps, and, under the existing law, he must have been a displaced person prior to December 22, 1945, or maybe he did not come in there until 1946. He has to prove that he comes under the provisions of the law. All he has to do is to go out and get a certificate from some minor German official which states this man was there. I might add that a package of cigarettes or some other gift will usually suffice to get that certificate.

Speaking of the screening, on that, Army intelligence officers with whom I talked in Europe told me that to check up on these folks was an utter impossibility. They had no way in the world to go back to the community in which the person lived, or the place from which he came—or from which he said he came—to see who he was or what his record was. They do the best they can, but they take the statements of the fellow who lives in that cabin next to him, or any other evidence. They have been instructed to take the best evidence and arrive at their conclusions on that.

So I think we can safely say that although some of my friends who are urging this legislation say the screening is done with care

and that four or five different processes must be gone through, the screening is superficial, and that by and large it is a joke. About all one of these persons in a DP camp has to do is to get an order from the IRO saying he qualifies.

Here is a copy of a letter which an IRO official wrote to a gentleman in Texas, who has been corresponding with me, trying to get his mother-in-law, I believe, and sister-in-law into the country. He has been pretty diligent in it. They were refused DP status, and here is what the IRO official said:

"You fail to realize that IRO is an international organization, as its name implies, and it is not governed by the laws of Congress or the decisions of the Supreme Court of the United States (or any other country, for that matter), except inasmuch as such laws and decisions apply to displaced persons under the mandate of the IRO constitution. IRO must of necessity use certain dates in making determinations. These dates are set by the IRO General Council, each nation participating in IRO being represented by one delegate on the Council. The fact that the United States Congress passed a Displaced Persons Act which has been determined to be unworkable is to be extremely regretted."

This is their manner of taking us to task.

"On the other hand, may I refer you to the excellent article by Lynn Landrum in the Dallas Morning News, which article presents a clear, concise picture of the difficulties the present Displaced Persons Act is encountering.

"If you wish to place any pressure anywhere which might facilitate the emigration of the persons in whom you are interested, I would suggest that you and your friends put the pressure on Senator MCCARRAN, whose committee is now holding up the act by refusing to bring it on the floor of the Senate."

Senator JENNER. In other words, IRO is engaging in political activity.

Representative GOSSETT. That is right—IRO is engaging in political activity. And they are saying, in effect, "We do not respect the decisions of the Supreme Court of the United States or of the act of Congress; they are unworkable, and we will handle it the way we want to."

Mr. Chairman, I should like to file for the record the complete letter from which I quoted a brief excerpt to the committee.

Senator JENNER. The letter may be filed at this point.

Representative GOSSETT. Here is an article by Capt. Eddie Rickenbacker, in which he uses a pretty strong term, "Rodent Refugees." I will not take the time to read the article in full; I should like to file it for the record, if I may. But Captain Rickenbacker states, in part:

"To America came the immigrants from all parts of the Old World in search of all kinds of freedom of opportunity. The Scotch, the Irish, the Germans, and South and Central Americans, Italians, Hungarians, Poles, Jews, English, Swedes, Danes, Russians, Greeks, Slavs, Czechs, Norwegians, and many others."

Then he goes ahead and pays tribute to the immigrants who came here up until recent years, and then he points out this very thing I am talking about, of the dangerous and subversive character of many of those that have come in and will come in under a so-called displaced-persons program. In other words, we just invite trouble.

Senator JENNER. The article by Capt. Eddie Rickenbacker may be inserted in the record at this point.

Representative GOSSETT. Here is an article I will put in the record, written by a very fine Irishman, a judge out in Minnesota.

His Congressman, Mr. JOE O'HARA, tells me that he was quite interested in DP's. He thought we ought to bring them over.

He went over to Europe himself, and made a study of the problem. He came back, and he wrote the President a letter, and in his letter to me he quotes from his letter to the President.

"In my letter to the President I said:

"'(1) That the other nations of the world have already picked and repicked this group on the basis of character and talent; the musicians, men of science, professional and tradesmen, were long ago in other countries, and what is left now consists principally of the nontalented class;

"'(2) That these people are not refugees who reached the zone in flight from the pursuing persecutor, but principally people of all classes and types of character, caught in the shifting chances of a roving life;

"'(3) That this group has among them many persons capable of adopting and living good and useful lives, but in the great majority are a collection of lazy, worthless persons, totally devoid of any notion to earn their way by honest industry and effort and resting from day to day on the assumption that the world owes them a living.

"'(4) That many of these persons were people attracted to Germany by Hitler policies and who took part in the Hitler economy against their own countries, and now are afraid to return to the people whom they betrayed;'—"

that is with reference to the Lithuanians that I was talking about—

"'(5) That many of these people live in elaborate quarters at American expense with German people as maids and attendants, while anxiously awaiting the date to enter into America to engage in profit-making commercial manipulations;

"'(6) That many of these people are in the black markets of Germany, sucking the lifeblood out of the German economy and deliberately robbing the German people of whatever little means in their possession;

"'(7) That many of these people are avowed Communists and Nazi adherents, and are daily being detected by the authorities;

"'(8) That many of these people swarm on the streets like vultures to take advantage of the weak and hungry for their own personal gain;

"'(9) That many of these persons lack the moral fiber to adapt themselves to democratic ways of life;

"'(10) That if America shall take into our country these people without a thorough process of screening, break-down and culling out, we at home will suffer, not for a while, but always, from such a national mistake.'"

Mr. Chairman, with your permission, I will place that in the record.

Senator JENNER. Without objection, it is so ordered.

Representative GOSSETT. Here is an article written by Mr. St. John Waddell, which appeared in the Memphis Commercial Appeal on the 9th of July. At the invitation of the International Refugee Organization, St. John Waddell, assistant managing editor of the Commercial Appeal, was one of a group of American newspapermen to inspect the displaced-persons situation in Europe. This article is one in a series of his reports Mr. Waddell is writing:

"Five of the displaced persons aboard the United States-bound Army transport *General Howze* last week refused to work at the ship's housekeeping routine, a stint which they agreed in writing to do on their voyage toward freedom.

"Threats of 'no work, no eats,' and of imprisonment in the brig, had to be used to bring the recalcitrants into line."

I am skipping some of the article now, and to continue:

"Chief Boatswain's Mate Louis Ware, a stout young southerner from Ringgold, Ga., near Chattanooga, has acquired a harassed attitude from his experiences in transporting displaced persons for the International Refugee Organization. He is supposed to keep a certain number of them busy at such jobs as sweeping the decks, the simpler kind of painting, and other nonskilled housekeeping work.

"'Thirty of them will do about as much as six American deckhands,' he said. 'The big majority just plain don't want to work. The usual excuse is that they have already worked one day, and now it should be somebody else's turn.'"

Then he goes on to describe his trip on the U. S. S. *Howze*.

Now, that is not an exception to the rule. If you find anybody who has come over on one of the ships, I daresay that is the case with all of them. And still these are the supposedly skilled, staunch, eager, able, and willing people in the DP camps.

Senator LANGER. Mr. Congressman, may I ask you a question at that point?

Representative GOSSETT. Yes, sir, Senator.

Senator LANGER. Suppose you bring over a lady who wants to do housework. She says that she had a lot of experience in doing housework. Then when she gets here, it is discovered that she never did any housework in her life, but that she did entirely different kind of work, and that she is absolutely useless to the American family who brought her over? Do you not think that we ought to have a provision in our law whereby we could return that lady back to where she came from on the ground that she came over through fraud?

Representative GOSSETT, I think so, Senator. I think the Senator is eminently correct. I know of a number of cases like that, but you are absolutely helpless to do anything about it. In other words, when they once put foot on American shores, they are here. There is no oligation on their part to live up to any representations or agreements made ahead of time, and the people who offer assurances are just helpless. There is nothing you can do about it. It is just a one-way proposition. In other words, we are doing all of the giving and all of the assurances.

Here is an unanswerable dilemma, Senator, that I have propounded numerous times to numerous witnesses, and nobody has ever answered it.

We are spending billions and billions of dollars and sending thousands of people to Europe to help build up devastated areas, and to rehabilitate their economy and their society and get them back on their feet. Now, if a DP would be useful to us because he possesses some unusual skill or because he is a workman, would he not be more useful to the country from whence he came, or to some other country that is in need of work or rehabilitation, than to us? If he is not useful to us, we certainly do not want him. So, if these folks are all that proponents of this legislation say they are, then are we not being selfish and inconsistent in bringing them here and taking them into our economy, because we, in turn, send our folks and our money over there?

There is another thing that simply does not make rhyme or reason. They talk about our Christian duty. The Senator well knows that we fought two world wars and sacrificed millions of Americans and spent over $50,000,000,000 in World War I and over $300,000,000,000 in World War II, followed up by numerous gifts after that, without getting one penny in reparations or asking or receiving 1 foot of soil.

Now, has any country anywhere in the history of humanity ever done one-tenth as much unselfishly for other people as we have?

Then to say, on top of all that, that we ought to open our doors to political refugees, to those who may wish to flee here, and that it is our Christian duty, is far afield from my concept of what Christian duty is.

Mr. ARENS. Mr. Congressman, may I ask, do you have information as to the number

of displaced persons and refugees who have been admitted to the United States, beginning with the war period?

Representative GOSSETT. I may have the figures somewhere, but I do not have them available at this time. However, I am sure they are available.

Senator LANGER. Mr. Congressman, I regret to say that I have to leave at this time, due to the fact that I have an appointment with another committee. However, I will read your testimony with a great deal of interest.

Representative GOSSETT. Thank you, Senator.

Mr. Chairman, may I have placed in the record the page of the CONGRESSIONAL RECORD, from which I have just read?

* * * * *

Representative GOSSETT. Mr. Chairman, our President made a speech on May 7, 1948, to the National Conference on Family Life. Here is a report of it in the New York Times, in which he makes reference to our housing shortage. He states:

"Our housing shortage is almost a fatal one. The problem is vital. We have millions of veterans who have returned from fighting for the liberty of this country and of the world who are not able to find homes for themselves and their wives and children."

Then in his speech on the state of the Union, delivered to this Congress in January, you will recall that he said in part, quoting:

"It is equally shocking that millions of our children are not receiving a good education. Millions of them are in overcrowded, obsolete buildings. We are short of teachers. Ten million lack medical care. The housing shortage continues to be acute."

I make mention of that to show that at least we are not in need of additional persons, and that we should not superimpose on our normal amount of immigration any additional numbers of displaced persons.

Now, with regard to this argument which our friends make that they will live with their relatives, or "we have a spare room we are not using," wherever they live, with whomever they live, they are taking up quarters; and if they are working, they are handling jobs that men who are American citizens, and many veterans, could use and want to use. So you cannot get something out of nothing. In other words, you cannot use housing without using housing. To say we have places for these people is just not true. We make places for them, but we do not have places for them.

Mr. ARENS. Mr. Congressman, do you care to direct your attention to the legislation which is pending, particularly the bill which was passed by the House?

Representative GOSSETT. Do you mean the Celler bill?

Mr. ARENS. Yes, sir.

Representative GOSSETT. Yes.

Mr. ARENS. Congressman, I do not like to interrupt the trend of your testimony, but I am sure the committee would like to have your views on the proposed changes.

Representative GOSSETT. The Celler bill increases the number of persons to be admitted from 205,000 to 339,000.

To that extent, it just aggravates our problem through the admission of displaced persons. Then it moves the cut-off date from December 22, 1945, up to January 1, 1949. That is an invitation to include in the category of displaced persons all of those who may have gotten under the cover through connivance with IRO or otherwise, long after the war was over. According to Mr. CELLER'S own testimony—and this is where he bases his charge of discrimination—it would make eligible to come into this country the 100,000 Russian and Polish Jews who came into our camps in 1946 and 1947.

Now, here is an interesting comment on that group. This item appeared in a New York paper January 26, 1947:

"Army headquarters meanwhile is warily watching the actions of approximately 40,000 Polish Jews now temporarily located along the Polish-Czech frontier. While this group probably will not migrate in the severe winter months, it is known here that the Russian, Polish, and Czech Governments facilitate the movement of Polish Jews from east to west. This strategy is based on the belief that the more of the Jews who become the responsibility of the Western Powers, the more embarrassed the Western Powers will become in view of the tense Palestine situation."

That was January 1947 and all of that group subsequently came into the American displaced-persons camps.

Mr. ARENS. Were those people expelled as the German ethnics?

Representative GOSSETT. No; they were not expelled. They just voluntarily migrated. In other words, they could go back.

Mr. ARENS. Now, Congressman, the Celler bill also provides for several thousand DP's who have not yet been displaced; is that not true?

Representative GOSSETT. Yes.

Mr. ARENS. Would you tell us about that, please?

Representative GOSSETT. Those are presumably the political refugees from the Communist-dominated countries. Of course, they may turn out to be the sort of refugee that this Czech general was the other day. By that I mean this man, General Ferenzic, if you recall the press stories of August 15. Let me give you a little of his record here. It is stated here that Gen. Miklas Ferenzic, former Czechoslovak Minister of Defense, who helped to pave the way for the Communist seizure of power in Czechoslovakia, reached the United States in the sheep's clothes of a displaced person and was ordered detained. Immigration officers took him and his wife off the United States transport *General Heinzelman*.

Apparently the immigration authorities found he was on there because a good many Czech citizens of New York were picketing the dock. They knew this fellow was coming over and that he was a notorious Communist.

While I have no way of knowing—I have not read the details—I daresay but for their activity he probably would have come in as a bona fide displaced person. He was a general and responsible, according to a good many of those in a position to know, for the Communist debacle in Czechoslovakia. He is a sample of the sort of persons that the new bill would legalize coming into a DP camp.

As I construe the bill, all one of these fellows would have to do would be to come into the camp and say that he fled from such and such a country because of Communist persecution.

All he would have to say is "I am a political refugee." If he had no German blood in him, or had no German name, then the IRO would admit him. That is my interpretation of the new act, and I believe that that is a reasonable interpretation.

I want to address myself briefly to this question of discrimination again.

Now, we all know that the black space in history is perhaps the Nazi persecution of the Jews. It was a horrible, barbaric blot on the Christian era. During the war we rightly opened up our doors to any person who was fleeing from Nazi persecution. We ask no questions. They could just wave a piece of paper, say "This is a passport" and in they came, and that was alright. But when my friend and colleague, Mr. CELLER, and others, say that we have discriminated against persons of Jewish faith, it simply is not true.

Here are some figures which I got from the American-Jewish yearbook for 1946-47, published by the American-Jewish Committee.

Now, we had in this country in 1907 only 1,776,885 Jews. That was all the Jewish people in this country at that time.

In 1927, this number had grown to 4,228,-029. In 1946, it had grown to 5,000,000 or approximately one-half of all the Jews left in the world.

According to the same authority, this Jewish yearbook, from 1937 to 1943, by yearly average, more than 60 percent of all immigration into this country was Jewish.

Under the President's Executive order, issued on December 22, 1945, through which the Government sought to facilitate the immigration of displaced persons, it was stated that visas should be issued on a pro rata basis among all religions, races, and with preference given to orphan children.

Notwithstanding that mandate in the President's directive, according to the State Department, over 75 percent of all visas issued were issued to persons of Jewish faith.

Now, Mr. CELLER and the Jewish folks testified for this bill and have always insisted that not more than roughly 25 percent of the persons in DP camps were of Jewish faith. Yet under the President's directive, the overwhelming majority of visas were issued to persons of Jewish faith, and under this bill passed in the last Congress, which they say is discriminatory, the big percentage over their normal quota has been issued to persons of Jewish faith.

Senator JENNER. I think that Congressman CELLER testified—and the record will show it—that under the present bill, as I recall, 29 percent of the total immigration was Jewish and 42 percent Catholic.

Representative GOSSETT. Rabbi Bernstein, testifying before the House committee in the last session on the bill that was passed last year, testified that more than half of all the Jewish people of the world were now in this country. At that time he was adviser to General Clay on Jewish affairs. He is a very brilliant man. He was interrogated at length about the location of the various Jewish populations. He testified that there was no antisemitism in Russia. So why would Russian Jews seek to flee Russia?

Now, there is a great deal of difference between American Jews and German Jews and English Jews and Russian Jews and French Jews. I am not going to belabor that point, or go into it extensively with the committee, but the Yiddish-speaking Russian Jew in Russia is the backbone of the Communist Party in Russia. And, I might add, 90 percent of the Communists in this country—that may be a slight exaggeration, but I think it is close to it—have some Russian connection. Many of them are these Russian Jews we have mentioned.

Now, when we speak of not classifying as displaced persons 100,000 persons of Jewish faith, it must be remembered that many of these people are not Hebrews. They are no more related to Abraham, Isaac, and Jacob, than you and I, Senator. They go back to the first century; they are Mongolians. The Orthodox Hebrew cannot speak Yiddish. These are the Kazars. A lot of those folks have Communist histories.

When we cut out 100,000 of them, we have not discriminated against the Jewish people, we have just exercised prudent caution, and we have been fair in that they have voluntarily displaced themselves.

Now, this question of population trend in this country is one that the committee should consider.

You may have noticed that the Census Bureau estimates that as of November 1 of this year the population of this country will have reached 150,000,000.

I wrote to the Census Bureau in 1947, and I have a letter here, dated January 29, 1947, from them.

At that time they estimated that our 1950 population was going to be 145,460,000. They

now admit that they were wrong to the extent of 5,000,000 on that.

The population of this country has grown in the last decade, as will be revealed by the next decentennial census, by more than 1,000,000 a year. No one can know definitely how the population of the country is going to increase, but if it continues at even approximately the present rate through the excess of births over deaths, and if we admit nobody to this country—and I am not contending that we should close the door—if we did close it, the population of this country by the year 2000, if the present rate continued, would amount to at least 200,000,000 people.

People who make studies of immigration trends, a great many of them, say that if we admit 15,000,000 from Italy, it would not solve the Italian population problem. Within a very few years, they would have taken up the slack. We would only have 15,000,000 of the Italians, and they would very quickly return to their population level.

I read a very interesting little book on population trends in war and peace. It was written by a couple of university professors. It is a very technical and scientific study. They make this startling observation.

Bear in mind that the population of the world has increased over 500,000,000, I believe, in the last 50 years. We now have roughly over 2,250,000,000 people. Notwithstanding two world wars within the last 50 years, the over-all world population has increased by a half billion people. These two professors say that there are three areas in the earth, if they could keep their birth rate up to the present level and reduce the death rate as low as we have, they could overpopulate the earth six times in a hundred years. That is, China, India, and perhaps the U. S. S. R.

Now, is it beholden on us to help relieve this situation by lowering the bars in this country? Would we not rather be overwhelmed and our usefulness to the world completely destroyed by the influx of people who come in here?

I think unquestionably we would. So, to preserve this country, we have got to preserve something of our national integrity. We cannot permit ourselves to be diluted, our national blood stream to be diluted by excess foreign immigration, from whatever source it might come.

Now, here is where we get into a philosophical argument with some of the proponents for the liberalization of immigration. My contention is that it is not saying to the inferior person that "you are an inferior person." He may be a superior person, but we have a right, if not a duty, to maintain the ethnic character of the Nation. By and large, we are Anglo-Saxon or English-speaking people. If we permitted 15,000,000 Italians to come in here, this might well become an Italian nation. That might be desirable from some points of view, but this is our country, after all, and we have a right to protect it from being overrun by persons from other countries, whoever they may be, or for whatever purposes they may come in here.

When you examine this whole problem from the standpoint of what is for the best interests of this country, you cannot arrive at but one conclusion, and that is that to bring in more displaced persons is a detriment and a threat to us, and in nowise a benefit to us. We do not owe these people any duty or any obligation. We are extending them a privilege and a preference that we do not extend to other people.

I say that the facts and the figures and the logic of the situation drive one to the inescapable conclusion that the Celler bill is detrimental and dangerous and unnecessary and against the best interests of the American people.

Now, we have succumbed to propaganda and to pressure, and we have done it shamefully in this instance, in my judgment. I think that the bill that we passed last year was more than generous.

Mr. Chairman, I am rambling around here. I wish I had the time to go into this question of "no place to go." There are plenty of places that the immigrants or displaced persons could go to, if they would. Australia wants 1,000,000 new immigrants if they could get the kind that would be useful to that country. They cannot get them from the DP's. Even the South American countries are more careful in screening than we are.

Mr. ARENS. The Celler bill has a provision for taking 18,000 people who are now in Great Britain, does it not?

Representative GOSSETT. Yes; and he admitted that was a political situation.

Senator JENNER. It was logrolling.

Representative GOSSETT. That was to get the support of our fine Polish friends. I agree that they are better people than those in the DP camps.

Mr. ARENS. Congressman, do you have any other observations to make with respect to the people in Shanghai?

Representative GOSSETT. That, too, is another thing that renders the whole bill an absurdity. If we are going to take 5,000 or 6,000 out of Shanghai because of the Communist threat to China, there are probably 100,000,000 over there who would like to escape for the same reason.

Mr. ARENS. Who are these people in the Shanghai group that are embraced by the Celler bill?

Representative GOSSETT. They are presumably White Russians, but I think that most of those are of the Jewish faith, or so I have been advised.

Mr. ARENS. Congressman, do you know how they got there, and when?

Representative GOSSETT. I do not know.

Mr. ARENS. The bill uses a date of 1939 as a starting date, does it not?

Representative GOSSETT. I have not given serious study to that phase of the bill.

Now, my friend Mr. CELLER in his testimony the other day, made a great deal of comment about everybody being equal, and the chairman said, "Why do we not bring in the Hindus? There are thousands of them who die every year from starvation."

Senator JENNER. Also the Greeks and the Arabians.

Representative GOSSETT. Yes. He hit the ceiling then. We cannot do that. I agree with him, but he just absolutely disproved his own statement.

God did not make people equal, and the Government cannot do it. People in the same family vary both in character and ability. I would never admit that everybody is equal. I think if we start out on that premise, we are going to get into a lot of serious difficulty.

Immigration ought to be selective and restricted, and this bill violates in every phase of it both concepts.

Speaking of discrimination, it is a bill of discrimination. It discriminates against all kinds and classes of people. Bringing in these 18,000 Polish soldiers discriminates against other Polish soldiers who might want to come in. In other words, these 18,000 are just the fortunate ones who happen to be in Great Britain. To my mind the whole thing is absurd from beginning to end.

Mr. ARENS. Congressman, do you have any observation to make respecting that provision of the bill which provides for the use of certain portions of certain quotas for the next 5 years for persons who are DP's, irrespective of where they may be in the world?

Representative GOSSETT. Yes, that is in complete violation of our whole concept as written into immigration laws. When we start departing from our philosophy of national origins, we get into all sorts of difficulties.

The point has been made here, too, that we are not increasing the over-all number of immigrants who will ultimately come to the country. Well, we are increasing the over-all number. There is a great deal of difference in bringing in 100,000 people now and bringing in 100,000 people 25 years from now, because this 100,000 brought in now, through reproduction, will increase considerably.

Mr. ARENS. And as these 100,000 become citizens, there is a derivative status which relatives abroad enjoy.

Representative GOSSETT. Yes; that also increases the number who can come in.

A terrific drive is going to be made on the Congress, and it has already started, to eliminate this quota charge. As soon as the DP program has been completed, every Congress from there on is going to be deluged with propaganda to just rub out that quota charge.

In my opinion, it will be rubbed out, because the pressure will build up from year to year and some Congress will eventually pass a bill eliminating the quota charge altogether. In fact, the President said he was going to recommend that and he strongly insisted that the quota charge be eliminated. He is against the quota charge as contained in the present bill. That is just to make it a little more palatable for the present Congress, and subsequent Congresses will inevitably eliminate the quota charge.

Mr. ARENS. Congressman, there is one other provision. The bill has a provision to the effect that there should be no discrimination for or against any group of persons. Do you have any observation to make on that?

Representative GOSSETT. That is just put in there to make the bill look a little better. We tried to write into the bill last year an amendment that would require that we take these people in accordance with their percentages in the camps. All the religious denominations "raised Cain" about that. They did not want to say that you should give consideration to the religious complexions of those in the camps, and yet they all scream about discrimination when they do not come in the percentages as registered under the IRO.

Mr. ARENS. Congressman, I have just one other question.

Do you have any observation to make with respect to the provision for 30 percent of agricultural workers which is contained in the present law and which would be eliminated?

Representative GOSSETT. I think we are just winking at the agricultural priority as it is. I have no objection. Whatever number is put in the bill are going to be brought in. Those administering the act are going to take John Doe's statement that he is an agricultural worker. As a matter of fact, he may never have hoed a potato or done anything on the farm. But, realizing that that is a preference—and I am not blaming that fellow—he is going to try to get in under it. In my judgment, there are not 5 percent of those who come in or who will come in under the DP Act that will eventually stay on farms. That is another serious objection to the act. The vast majority of them go into our already overcrowded cities.

If the committee is going to report out a bill to admit 339,000 more persons, from my point of view, the priorities are largely window dressing.

Mr. ARENS. What do you think about the procedures for job and housing assurances, as a prerequisite for eligibility under the bill?

Representative GOSSETT. I think they ought to be retained in the bill, but there, too, they are not going to be very closely observed or followed.

Mr. ARENS. Congressman, have you made any study or do you have any information respecting the procedures currently followed to provide jobs and housing as a prerequisite to eligibility?

Representative GOSSETT. As I understand the bill, not having made a careful study of

that provision, about all that is required is that you fill out the papers to the effect that here is a job, and that there is housing. That is about the sum and substance of it.

Mr. ARENS. I have no further questions, Senator.

Senator JENNER. If there are no further questions, the committee will be temporarily recessed, and subject to call in the future, to complete the testimony.

Representative GOSSETT. Mr. Chairman, I would like to have permission to revise and extend my remarks in the record.

Senator JENNER. Very well, Congressman.

(Whereupon, at 12 noon, the committee was recessed, subject to the call of the chair.)

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. LANGER. Mr. President, I am prepared to yield the floor, but before doing so I once more wish to call the attention of the Senate to the message received by the Senate from the Senator from Nevada [Mr. MCCARRAN]. It was sent to us from Europe. I want to read it again. It is as follows:

I have conferred with officials of the Displaced Persons Commission, the United States Consular Service, the Immigration and Naturalization Service, the International Refugee Organization and voluntary agencies, the Lutheran World Federation, the National Catholic Welfare Conference, and the American Joint Distribution Committee. My studies and investigation have included all major areas of Germany having displaced persons. Authentic information discloses to me fraud in essential documents, misrepresentation, maladministration and violation of law.

I continue to read from the statement of the Senator from Nevada:

All of the officials agree that the program under the present act, when completed, will have taken care of the persons actually displaced by the recent war—

The whole intention of the Displaced Persons Act was to bring in those persons who have been displaced by the war. It was not supposed to include millions of people who became displaced within the past 2 or 3 years. If the Celler bill were enacted it would mean that literally thousands of them could come in, in preference to those who were actually in the concentration camps—

except for a so-called hard core which covers a group of applicants who are disqualified under the immigration laws because of disease or criminality or because they are persons likely to become a public charge. My investigation indicates the need of tightening the existing law with respect to the security of the United States, as well as the need for more thorough examination of displaced persons applications.

Why should we not enact a law similar to that in Canada, which provides that when a sponsor brings in someone and signs up for him, he guarantees that he never will become a public charge? Why should we not have that kind of a law here, instead of admitting people like those who are described in the letters which I have read this afternoon, who come in one day, and the next day, if they feel like it, walk out? Some of them, who have never done a day's work in their lives, come in as domestics. When they get here they say "I want a job as secretary," and walk out and get it.

The Senator from Nevada has made a thorough investigation of the question of communism. Every single member of the committee knows that there is one country in South America where for $100 any stranger entering the country can become a citizen and then come to the United States under the immigration laws of this country. Surely, if ever the Senate needed the advice and counsel of a man who is thoroughly acquainted with what the situation actually is, the Senate needs it from the Senator from Nevada.

But that is not all. Mr. Carusi, one of the Commissioners, stated that 17,000 are coming in every month, and that the enactment of the Celler bill would not result in a single additional person coming in between now and the 20th of January. So I say that the enactment of this bill would be merely a political move. Its sponsors want to enact a law and say, "See what we did? We have liberalized the law," when, as a matter of fact, according to Mr. Carusi's testimony, it would not result in a single additional person coming here between now and the 20th of January, when the minority of the committee and the Senator from Nevada want to report the bill.

Mr. President, no additional shipping facilities are available. Every bit of space is taken. Seventeen thousand are coming in every month. The enactment of the proposed law would not result in one additional person coming in. So, why the haste to ignore the Senator from Nevada and to have the Senate pass upon a measure with which it is entirely unfamiliar?

Mr. President, I submit that the motion to recommit should be agreed to. I intend to support it, as I believe every true American interested in the immigration laws ought to support it, so that the immigration laws can be administered as they should be administered—to protect the American people, as the American Legion has asked, against people coming into the United States who in the last analysis may not be desirable.

Mr. President, I yield the floor.

Mr. CAIN. Mr. President, may I inquire as to the number of minutes consumed by the Senator from North Dakota?

The PRESIDENT pro tempore. The Senator from North Dakota consumed 14 minutes.

Mr. IVES. Mr. President, in behalf of the junior Senator from Michigan [Mr. FERGUSON], who has charge of the time in opposition to recommittal, I yield from 15 to 18 minutes to myself.

Since the beginning of the present session of the Congress at least 17 bills have been introduced in the Senate designed to correct serious deficiencies and inequities in the Displaced Persons Act of 1948. All of them have been pending in the Judiciary Committee for many months. H. R. 4567 was passed in the House on the second day of last June. I cite this situation not in criticism of the committee, but rather to show that there appears to have been ample time for committee consideration of this legislation.

It is gratifying that the nominations of the Displaced Persons Commissioners, who appear to have been performing in a remarkable manner in administering a seriously deficient piece of legislation, have been confirmed. These three men have been serving by Presidential appointment for 14 months and are deserving of the vote of confidence accorded them by the Senate.

Already in this debate the provisions of H. R. 4567 have been outlined and discussed. For the RECORD, however, I review them as briefly as possible.

First. This bill would increase the number of displaced persons to be accepted by our Government from 205,000 to 339,000, of whom 18,000 would come from the Polish Army which fought with us during the war and is now in England; 15,000 would be recent political refugees from behind the iron curtain; 4,000 would be refugees stranded in Shanghai; and 5,000 would be orphans.

Second. The date line for eligibility would be advanced from December 22, 1945, to January 1, 1949, thereby removing one of the major provisions in the present act, which has resulted in a pattern of discrimination.

Third. The bill would eliminate other discriminatory restrictions by accepting the basic principle that the selection of displaced persons should be made without discrimination in favor of or against any race, religion, or national origin; by removing the present 40 percent preference in favor of the Balts; by omitting the 30 percent preference in favor of agriculture, although retaining farming as an occupational preference; and finally by dropping the preference in favor of so-called in-camp displaced persons.

Fourth. The bill would so broaden the definition of orphans as to permit the admission of many children who are now barred.

Fifth. The bill would enable displaced persons who arrived in the United States prior to April 30, 1949, to receive the benefits of the status of those who have been admitted under the 1948 act.

Sixth. The bill would assist American sponsors of displaced persons by providing a revolving loan fund of $5,000,000 to meet the expenses of reception and transportation in the United States, thus encouraging the widest possible geographic distribution of displaced persons throughout the United States.

Seventh. The bill would double the number of ethnic Germans who may be admitted under the law, thereby permitting the admission of almost 52,000 ethnic Germans.

Eighth. Additional safeguards have been added to insure the internal security of the United States.

There are compelling reasons why H. R. 4567 should be passed in the Senate without further delay. Let me discuss briefly two of these reasons.

In the first place, the United States has a definite moral responsibility with respect to displaced persons. In a very real sense this responsibility is an international obligation, except that in this instance we are dealing with human

beings and not with dollars or with armaments or with sacks of potatoes. These unfortunate men, women, and children have been waiting and praying these many years for an opportunity to start a new and decent life. They have been living under subhuman conditions. This great country of ours has a glorious tradition as the haven for the oppressed and the land of hope and opportunity for those less fortunate than ourselves who subscribe to our lofty ideals and principles and turn to us for a helping hand in their struggle toward a new and better life.

Somehow many people seem to have acquired the erroneous idea that the United States already has taken a large share of the displaced persons in Europe. Nothing could be further from the truth. Actually, this country has accepted only about 15 percent of all of the displaced persons who have been resettled in new homelands. As of June 30, 1949, approximately 604,500 displaced persons had been resettled in all countries throughout the world. Of that number, as of that date, the United States had accepted only 84,100, of whom 44,000 had been admitted by Executive authority pursuant to existing law, prior to the enactment of the Displaced Persons Act of 1948. Since the enactment of the 1948 act, as of September 30, 1949, an over-all total of 90,000 displaced persons have either arrived or are en route.

Compare these figures to the 123,000 persons taken by war-torn little Israel as of June 30, 1949, and the 99,000 persons taken in that same period by bombed-out Britain, herself in the throes of serious domestic problems. In this connection it should be noted that this figure for the British is over and above the almost 150,000 Polish soldiers whom Britain had accepted previously.

In the light of these facts, can we honestly say we have done our share? Is 15 percent of the total number of persons to be resettled throughout the world a reasonable, honorable number to be accepted by a country which prides itself on its humanity, its resources, and its leadership in world affairs?

House bill 4567 would authorize the admission of an additional 134,000 persons, distributed properly throughout all the 48 States, in rural and urban areas, in all walks of life. Of these 134,000 people, no more than half would be wage earners.

I appreciate most thoroughly the concern which some express with regard to the effect which this additional number of persons would have upon our economy, especially where employment and housing are involved. I realize that there would be legitimate grounds for such concern if, without regard to their employment or distribution or ultimate location, 67,000 additional wage earners were suddenly to be cast loose in a few urban centers of the United States. But under the terms of House bill 4567, properly administered and aided by the wholehearted cooperation of the American people, there would seem to me to be no occasion for the fears which some persons express, for by the processes that are contemplated, all the displaced persons we might thus receive should be satisfactorily absorbed within our American economy and our American society.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. IVES. Mr. President, my time is limited, under the agreement, of course. So I would prefer to be permitted to complete my remarks before I yield.

In the second place, this bill should be considered from the standpoint of its effect upon the financial burden which the United States has assumed in connection with our participation in the International Refugee Organization. This international organization is charged with the care and maintenance and resettlement of displaced persons and refugees; and between the close of World War II and June 30, 1949, our Government will have spent approximately $141,800,000 as its share in the cost of the IRO. By June 30, 1950, when the IRO is expected to have completed its mission, we shall have spent an estimated total of $212,230,000 for this purpose.

On the 31st day of last July there were still 360,513 displaced persons receiving care and maintenance in camps in Germany, Austria, and Italy. In addition, there were more than 200,000 persons, not in camps, who were receiving various IRO services. Of this total of more than 560,513 displaced persons, fully half are in the United States zone of Germany.

All the evidence would indicate that the International Refugee Organization will not be able to complete its task by June 30, 1950, and that this Government will be called upon again to provide a substantial sum of money as a contribution to the IRO or for direct care and maintenance of the remaining displaced persons, or for both. So it becomes obvious that the earlier the action we may take in favor of House bill 4567, the lighter will be our financial burden where the matter of displaced persons may be concerned.

Mr. President, no matter how we regard this displaced-persons problem—whether from the standpoint of our capacity to absorb those who might seek refuge in the United States under the terms of House bill 4567 or from the standpoint of our continuing financial obligation as members of the International Refugee Organization or from the standpoint of direct care and assistance or from the standpoint of our national tradition and historic humanitarianism—the sooner House bill 4567 is enacted, the better for ourselves and for the world.

Mr. President, if the Senator who wished to ask me a question is present at this time, I shall be glad to endeavor to answer it.

If not, I yield the floor.

Mr. FERGUSON. Mr. President, I yield 10 minutes to the Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDENT pro tempore. The Senator from Massachusetts is recognized for 10 minutes.

Mr. SALTONSTALL. Mr. President, as one who joined with the Senator from Michigan, the Senator from New York, and other Senators last year in the endeavor to liberalize and make more useful the terms of the Displaced Persons Act of 1948, I am interested in the passage of the pending bill. I hope the Senate will not vote to recommit the bill.

This bill, House bill 4567, seeks to make more workable and more practical the bill Congress passed last year relating to the admission of displaced persons.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. SALTONSTALL. I shall be glad to yield to the Senator from Mississippi for a question, if he does not ask too long a question.

Mr. EASTLAND. How can the Senator from Massachusetts say the bill would make the act passed last year more workable and more practicable, when the chairman of the committee states on the floor of the Senate that the security agency says the passage of this bill would endanger the security of the United States, and when the Naturalization and Immigration Service, the Displaced Persons Commission in Europe, and the United States Consular Service say it is a bad bill and should not be passed?

Mr. SALTONSTALL. Mr. President, my answer to the Senator from Mississippi is that the checking which has been made in this country on those statements—I obtain my information second-hand, but I understand that they have been investigated—indicates that the leading members and chairmen of those various commissions and various other responsible people do not agree with those statements. So there can be a legitimate difference of opinion.

Mr. EASTLAND. But the officials on hand in Europe make that statement. Furthermore, the committee which reported the bill would not even recommend its passage. So how can the Senator say it would be more workable?

Mr. SALTONSTALL. I sincerely believe it would be more workable, and more practical. I believe it would permit men and women who would become good citizens to enter the United States. Otherwise, I would not be in favor of the bill.

As a result of our administrative experience, we have learned of certain unfairnesses that result from the terms of the 1948 act. I hope we can make these changes now, and shall not wait until the next session, because the men who administer the program tell us that if we adjourn without making these changes, the continuance of the percentage requirements of the preferences and priority provisions will mean delays and cutbacks in the shipment of displaced persons, in order to comply with the law's limitations. That can prove to be a cruel frustration to many displaced persons and their American sponsors.

We are dealing with human beings—men, women, and children. Many of them have been without homes for years. Time to them means everything. I have twice visited prison camps in Europe. Entering the prison camps of Buchenwald and Dachau shortly after their capture, I saw human misery at its worst. I saw piled-up bodies of the dead, starved, and tortured. I saw living skeletons. I talked with human beings who described conditions that no one could

have dreamed of. Two years ago, I visited three displaced-persons camps. Some of them included people who had lived through the horror camps. I saw the living conditions in those camps and I talked with many of the men and women who were there. They wanted to be free. They wanted to lead their own lives and have a chance to have the opportunities we have in this country. I remember particularly my conversation with a man from Estonia, who had been a judge, a law professor, and who was then the head of one of the camps. A finer man, a more intellectual man, I have not had the pleasure of conversing with in the many places I visited, in many months. These people did not necessarily want to come to America, but they wanted to go where they could have opportunity and freedom. Many citizens of our own country come almost daily to my office to describe the condition of their brothers, sisters, and relatives, not only in the displaced-persons camps, but in other countries where they have been thrown out of their homes and cannot go back without fear for their lives, without fear that at the least they will spend many years in prison. As I saw these people, and as I learned about them, I felt that I wanted to help, that it was my duty to help in any way that was possible and proper without at the same time injuring the opportunities and freedom of our own people here at home.

We passed the displaced-persons bill in 1948, but I felt then and I feel now that too many conditions were laid down in it that militated against good administration and against fairness to all the men and women in the displaced-persons camps. Time is running out with respect to making these corrections. Human beings are waiting. Human hopes and aspirations are involved.

It is my desire to see the United States fully live up to its responsibility as the greatest power in the world today. Helping in times of distress is a great characteristic of our Nation. The displaced persons are the aftermath of war. Other countries have helped to a far greater degree in proportion to their ability than have we to find them homes. I want the United States to discharge fully the responsibility which it accepted when the Congress passed the displaced-persons bill in 1948. It is true that conditions in this country are not necessarily the same as they then were, but we have accepted a responsibility, and once we have accepted a responsibility, it has not been characteristic of the American people to shirk it. I, for one, do not want to see it shirked. The Congress is about to adjourn until next year. I feel that this bill should be passed before adjournment. I hope that we can pass it now so that we shall have a law which will be more just in its terms, more helpful to the people who come within its scope, and which will permit us, as citizens of the United States, more fully to live up to our responsibility as the greatest single force for world peace today. By eliminating misery, we make our own security more enduring, more lasting. I hope the bill will not be recommitted, and I hope ultimately we may pass it before Congress adjourns until next January.

Mr. CAIN. Mr. President, I should like to yield 15 minutes to myself.

The PRESIDENT pro tempore. The Senator from Washington is recognized for 15 minutes.

Mr. CAIN. Mr. President, the junior Senator from Washington would like to reflect briefly on the relationship of our immigration policy to the displaced-persons problem, which is the pending subject.

The immigration policy of this country is inevitably involved in the question of displaced persons. Prior to, and after, World War I immigrants were swarming to this country in such numbers that there was not sufficient boat space to bring in all who sold their last property to buy transportation. Let us see, Mr. President, just what the situation was some years ago. According to reports of the Immigration and Naturalization Service during the period 1901 to 1910 there were 8,795,386 immigrants received in the United States; from 1911 to 1920 there were 5,735,811 immigrants received; from 1921 to 1930, 4,107,209 immigrants were received; and from 1931 to 1940, 528,431 immigrants came to America.

I think those figures will refresh the memories of some Senators and will interest other Senators who have not been acquainted previously with the huge numbers of persons who came to this country some years ago under our then prevailing immigration laws.

Mr. President, when it became expedient for the United States to stem the tide of immigration in order to protect us from the tremendous numbers in Europe and elsewhere who were seeking to make their way to the land of paradise, action which was absolutely necessary in order to protect the economy of the country, to protect our workingman from cheap labor and our society in certain instances—fortunately not very many—from criminals and bad elements, we thereby killed the dream of countless millions hoping to follow their friends and relatives to the promised land. In the Immigration Act of 1924 specific quotas for European nations were established, thus limiting the numbers that might come in from each country, an effective barrier to undesirables.

As I understand, one of the prime reasons for changing our laws to a quota system was to make as certain as possible that only such immigrants came to this country as stood much better than an even chance of becoming American citizens, worthy of the respect of citizens who luckily have been born in the United States of America.

The fact remains, however, that there are many millions in Europe and elsewhere who would sacrifice their careers and worldly fortunes for opportunity to establish themselves in America. All of us can understand this desire. Many of us have a very real sympathy with it.

Mr. President, the same people, the same organizations, and some of the same Representatives in Congress who opposed the Immigration Acts of 1921 and 1924 which cut off the millions from Europe, are now the proponents of the displaced-persons legislation which would in effect open the doors, contrary to our immigration policy and our immigration laws, to 400,000 European refugees. Almost from the very inception of the displaced-persons problem the handiwork of these organizations has been easy to discern by those who have studied the problem and are aware of the purposes behind the program. Let me attempt to be specific.

In the fall of 1945 when it was apparent that there remained over a million displaced persons in Germany, Austria, and Italy who refused to be repatriated, the President was prevailed upon to issue a directive calling for special consideration for resettlement of displaced persons in this country.

A very great number of them had an opportunity to be repatriated, but they flatly turned it down, for the most understandable reason in the world—they wanted to come to the United States of America.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. DOUGLAS. Is it not also true that one reason why they did not want to be repatriated was that the countries whence they came were dominated by Russia, and they did not want to go back under Russian control?

Mr. CAIN. The question of the Senator from Illinois is a very legitimate one, and I may say to my friend that I can answer it conclusively, for it happened that at that period of history it was my duty, along with many others, to handle the question of repatriation. There was no attempt on the part of the American troops in the European theater to seek to repatriate those whom we had reason to believe would be harmed when they went home, but we were prohibited from attempting to repatriate those whom we had every reason to believe could be resettled and could make their own living in the countries from which they came. The reason why they were not repatriated was that they, as individuals, determined whether they should go back where they came from. If they said, "We do not wish to go back," they were not required to go back, even though those of us who were handling it knew that there was no conceivable reason why they should not go back to where they came from, except their avowed purpose of getting themselves into a displaced-persons camp through which they could come to America, knowing they would not be accepted for decades through the immigration channels of this Nation.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. CAIN. Certainly.

Mr. DOUGLAS. Do I correctly understand, then, that the Senator from Washington says these persons disliked Russian rule so much that they would endure the hardships of a displaced-persons camp rather than to go back behind the iron curtain?

Mr. CAIN. Let me say to my very good friend, the Senator from Illinois, that I wish he had the opportunity I had to know, visit, and live in displaced-persons camps, for then he would not, as he has just done, in a well-intentioned way, but without, I think, an adequate background, have referred to the hardships

of displaced-persons camps. If the Senator from Illinois and all other interested and sincere Senators will go abroad in the year 1949, they will find in Europe displaced-persons camps in which the displaced persons suffer such hardships as these: They pay no rent; their light, their water, and their utilities are provided for them; their food is made available without any work on their part; moving pictures are available for which fees are required, but if displaced persons, men or women do not have enough money in their pockets representatives of the IRO will give them the money in order that they may go to an American movie. No displaced person, to my knowledge—at least this was true up to 12 months ago—was required to work unless it was his wish to work. If they did not want to work and said so, we—and it is costing us $73,000,000 a year—have provided them with a living in idleness and in indulgence. I am responding with facts to the question of the distinguished Senator from Illinois. One of the faults in our displaced-persons procedure, it seems to me, is that we have been unnecessarily unwise. We have offered too much to too many for nothing. We have given everything and required of the displaced persons nothing. Among the displaced persons are thousands and tens of thousands who would be welcomed in this country; but let no man who has never seen those camps in Europe suggest that there are not tens of thousands of drones in those displaced-persons camps, and if we continue to operate those camps, 20 years from now they will be lived in by those who wish not to work in the United States of America, in Germany, in Czechoslovakia, in Russia, or anywhere else. I think our own country was guilty of the most serious mistake possible when it left up to the individual the determination as to whether it was his or her wish to return to the land of origin.

I am deeply sorry, Mr. President, that time does not permit going into the facts of the operation, supervision, management, maintenance, and selection of those who presently operate and live in our displaced-persons camps across the sea. If we had the time, which I hope will come as a result of the bill's being recommitted to the Committee on the Judiciary, we should take, and could take, as a basis the so-called Celler bill which is before us, and, through amendments which are properly considered, make an instrument under which we could live and for which we would need to make no apologies such as we presently ought to give to the American people.

Mr. President, I yield 1 hour to the Senator from Missouri [Mr. DONNELL].

Mr. DOUGLAS. Mr. President, before the Senator yields to the Senator from Missouri, will he permit a question from me?

Mr. CAIN. Certainly.

Mr. DOUGLAS. A subcommittee of the Committee on Expenditures in the Executive Departments, under the chairmanship of the junior Senator from Maryland [Mr. O'CONOR], made a report on June 8 of this year. On page 53 of that report it is shown that the number of persons in the displaced-persons camps as of the end of 1948 was 524,000; and on page 37 it is stated that the budget for the IRO for that year was $155,000,000. That would seem to represent a per capita figure of something less than $300 a year for each person, which is approximately $5.60 a week. I should not think that amount would permit the lavish scale of living which the Senator from Washington implies prevails in certain of the camps. Any camp away from home, as the Senator well knows, is a very tough place in which to be.

Mr. CAIN. I know the Senator from Illinois seeks to do the Senator from Washington no injustice. I do not say they are living in luxury. I do say they are not living in hardship, as seems to be believed by a great many persons in this country. Furthermore, the Senator from Illinois has himself been a marine, one who served in the Ground Forces, and he knows where property comes from in wartime. The Senator from Illinois knows that many of the accommodations in which displaced persons have been living were, for understandable reasons, taken away from those who had had title to the property during and prior to the war. I myself would have appreciated an opportunity in recent years to live in some of the accommodations, not all, by any means, which were set aside for the displaced persons in the European theater.

Mr. President, may I inquire how many minutes I have actually consumed?

The PRESIDENT pro tempore. The Senator has consumed 15 minutes.

Mr. CAIN. I thank the Presiding Officer.

Mr. DONNELL. Mr. President, I ask unanimous consent that Mr. Richard Arens, of the staff of the Committee on the Judiciary, be permitted to occupy a seat on the floor of the Senate during the rendition of my remarks.

The PRESIDENT pro tempore. Is there objection?

The Chair hears none, and permission is granted.

Mr. DONNELL. Mr. President, I rise to support the motion to recommit the bill (H. R. 4567) with instructions to report the bill to the Senate by the 25th day of January, 1950.

There are certain general propositions on which I assume all of us can agree. Among those propositions is that the burden of proof is on the proponents of the bill, H. R. 4567, to show that the Senate is able, with the information at its present command, to pass intelligently on the bill. If it be contended that the urgency is so great as to require immediate attention, I reply, first, that no situation can be so urgent as to dispense with the necessity of intelligent action by the Senate; second, that there is no urgency, certainly such as would justify action by this legislative body at this time, with the Senate's present lack of information. In my judgment the Senate is not in position to vote on the bill intelligently under present conditions. Among those conditions is the fact that the Committee on the Judiciary made no recommendations and rendered no report as to the facts to this body, of which that committee is an arm. The report, as has been frequently stated earlier in this debate, consists of but one sentence, namely—

> The Committee on the Judiciary, to whom was referred the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, report the bill to the Senate without recommendation.

Mr. President, the committee has made no such study of the bill as qualifies the committee to give information on it to the Senate. I do not mean by this statement that the subcommittee has not been active and diligent in the prosecution of its work, but I am saying that the Committee on the Judiciary, as would reasonably be inferred from the nature of the report of one sentence which I have read, has not itself made any such study of the bill as qualifies that committee to give information on it to the Senate.

Furthermore, Mr. President, as to the subcommittee of which I have the honor to be a member, in my judgment, it has not completed its work sufficiently far to enable it to give the information requisite to enable the Senate to act intelligently on the bill now before the Senate.

Mr. President, up until the death a few days ago of our distinguished brother, the Senator from Idaho, Mr. Miller, the Committee on the Judiciary consisted of 13 members, and I ask, what has the committee, as a committee, done with respect to the acquisition of information relative to H. R. 4567? I recall no action taken by the committee itself which would be designed to secure for it the information which is requisite, other than that which transpired on the 11th and 12th days of October of this year.

The record already discloses the fact that on the morning of October 11, at 10:40 o'clock a. m., the Senate Committee on the Judiciary convened in room 424 of the Senate Office Building, and that the meeting continued for 1 hour and 15 minutes. During a portion of that time Mr. Arens, staff director of the Standing Subcommittee on Immigration and Naturalization, was granted permission to discuss displaced-persons legislation. I stated yesterday that Mr. Arens did discuss such legislation. I think perhaps technically I may have overstated the fact, because, as I recall it, Mr. Arens, in the moments of time which were granted to him, proceeded but little further than a general description of the functions of the subcommittee, and was calling attention to the frauds which he had been informed, or at any rate which the subcommittee had been informed, had been perpetrated in connection with the preparation and furnishing of various documentary evidence requested of persons who desired to come in under the displaced-persons law. He may have made some mention of the contents of the Celler bill, but certainly I think the members of the committee will agree with me that nothing in the nature of any comprehensive mention, nothing in the nature of any detailed analysis, indeed, I doubt if anything that transpired that morning that could be characterized as an analysis of H. R. 4567, occurred in the committee.

As was pointed out yesterday on the floor of the Senate by the introduction

of the minutes of the meeting of the morning of October 11, there were considered the nomination of seven gentlemen to be judges of various courts, two to be judges on the Courts of Appeals and five to be judges of the district courts of the United States.

The minutes disclose that of the seven nominations, two went over, which, as I stated yesterday, meant that they were deferred until further action. As to the five to which I first referred, while the minutes say only that the nominations were considered, I think either action was taken or, at any rate, a good deal of consideration was given to at least some of those nominations.

In addition to that, during the hour and 15 minutes of its meeting the subcommittee reported to the full committee on two resolutions, one relating to the holding of a bicentennial historical pageant, the other a Senate resolution to give recognition to the tercentenary observance of the Maryland act of religious tolerance passed in 1649. The minutes recite that these two resolutions were discussed and approved.

Then the minutes recite the report by the subcommittee on patents, trademarks, and copyrights of H. R. 5319, granting a renewal of patent mentioned in the meeting of the committee.

In addition to the action thus taken, the nominations of four gentlemen for United States marshal and United States attorney were considered and approved.

A further resolution, namely, one creating a joint committee on lobbying activities, which was reported from the committee to the Senate on June 22, 1949, was the subject of discussion.

In addition to that, a letter from the chairman, the Senator from Nevada [Mr. McCARRAN], concerning the displaced-persons bill, was read to the committee by the Senator from Maryland [Mr. O'CONOR].

In addition to that, corroborative of what I have stated, the minutes recite various motions and discussions of motions which were had during the course of the meeting.

Then, as I previously stated, near the end of the minutes, before the announcement of the recess, is the statement that—

> Upon request of Senator O'CONOR, Mr. Arens, staff director of the standing Subcommittee on Immigration and Naturalization, was granted permission to discuss displaced-persons legislation.

At the conclusion of this 1 hour and 15 minutes in which these various matters of business were discussed, the committee recessed. Obviously no very full consideration could have been given by the committee in the morning meeting of October 11 to displaced-persons legislation.

Then, Mr. President, as I stated on the floor a day or so ago, a meeting was held that evening. I think it ran until about 10:45 that evening. It was attended by several of the members of the committee, not, however, a quorum of the entire committee. Mr. Arens was there, and Mr. Davis was there, and the substance of this legislation was, I think, quite carefully considered, although there was no complete discussion on that evening. So that was what transpired on October 11.

Then on October 12 what transpired is graphically shown in two sentences of the minutes of the meeting that morning as follows:

> Senator FERGUSON moved that the committe vote at 10:50 a. m. on his motion to withdraw H. R. 4567 from the standing Subcommittee on Immigration and Naturalization. Senator DONNELL asked that the record show that at 10:38 a. m. Senator Ferguson's motion to vote at 10:50 a. m. was put to a vote, which allowed him only the intervening time in which to speak on the motion to withdraw the bill from the subcommittee.

Mr. President, I stated on the floor a day or so ago that probably 3 or 4, possibly 5 minutes, I think, of additional time were actually consumed in the presentation of the matter by myself on that morning. But this was the consideration given by the committee itself, as nearly and as accurately as I recall it, to this bill—H. R. 4567—which was thereupon reported to the Senate.

Mr. President, I have referred to the chairman of the Committee on the Judiciary in earlier remarks which I have made in the Senate. He happened to have been also the chairman of the subcommittee, for realizing the importance of the problem which is before the Senate, the distinguished Senator from Nevada appointed himself as the chairman of the subcommittee, and very properly so, because of his service on the committee a year or two ago while he was not the chairman of the committee itself. The distinguished Senator from Nevada, as we all know, was on October 11 and 12, and had been for some time before that, in Europe. We know the purpose for which he went, and the activity in which he is engaged.

There was read to this body by the distinguished Senator from Maryland [Mr. O'CONOR] a message from the Senator from Nevada respecting displaced persons. The message is as follows:

> I have conferred with officials of the Displaced Persons Commission, the United States Consular Service, the Immigration and Naturalization Service, the International Refugee Organization and voluntary agencies, the Lutheran World Federation, the National Catholic Welfare Conference, and the American Joint Distribution Committee. My studies and investigation have included all major areas of Germany having displaced persons. Authentic information discloses to me fraud in essential documents, misrepresentation, maladministration, and violation of law.
>
> All of the officials agreed that the program under the present act when completed will have taken care of the persons actually displaced by the recent war, except for a so-called hard core which covers a group of applicants who are disqualified under the immigration laws because of disease or criminality or because they are persons likely to become a public charge. My investigation indicates the need of tightening the existing law with respect to the security of the United States, as well as the need for more thorough examination of displaced-persons applications. Material already developed requires further study and full disclosure of the administration of the present act—

I emphasize this as best I can for the record—

> before intelligent action can be taken on pending legislation. I give you a personal assurance that I am bending every effort to complete my investigation so that I may report at the earliest possible moment.
>
> You Senators may rest assured that there is no immediate need for additional legislation, and that intelligent and prudent action can be taken before the expiration of the existing law. I respectfully request you to obtain unanimous consent for extension of my permission to be absent from the Senate for another 3 weeks, as I must confer with International Refugee Organization officials in Geneva, Switzerland, and will investigate the displaced-persons situation in Austria and Italy. If we pass the House version of the DP bill as it is now before the Judiciary Committee it would be a serious mistake. That is the expression of the DP service here, and of officials of the consular service and the immigration and naturalization service of the United States. I cannot get back in time and conclude my investigation, because it covers such a wide field.

In addition to this message, which was read to the Senate by the Senator from Maryland [Mr. O'CONOR], under date of October 10, the Senator from Nevada sent a message upon a page entitled "Incoming Telegram—Department of State—Division of Communications and Records—Telegraph Branch." The message is addressed to the Senator from Maryland [Mr. O'CONOR], the Senator from Indiana [Mr. JENNER], and myself. It reads as follows:

> From: Geneva.
> To: Secretary of State.
> No.: 1161, October 10.
>
> Following from Senator PAT MCCARRAN for Senators O'CONOR, DONNELL, JENNER, Senate Office, Washington:
>
> "Exceedingly disturbed about proposed action to report Celler bill. Our subcommittee is duty-bound to insist on presentation to full committee of facts presently available before action is taken on motion. In view of absence EASTLAND and myself I urge you members of subcommittee to present available facts to committee before vote on motion so that subcommittee will have so far as possible discharged its duty to full committee. Regards." Signed PAT MCCARRAN, United States Senator.
>
> TROUTMAN.

The message was received at 6:22 a. m. on October 11, 1949.

In addition to the message which I have just read, I hold in my hand a message which I received at approximately 10:29 a. m. on October 12, which was the day on which occurred the morning meeting to which I referred a few moments ago. This message was delivered to me in the Judiciary Committee. My best recollection is that I read it to the committee. It reads as follows:

> OCTOBER 10, 1949.
>
> To: Senator DONNELL.
>
> Message: "I am asking you as personal request to me not to vote to discharge Judiciary Committee. Facts uncovered in investigation justify my personal request of you.
>
> "Senator PAT MCCARRAN."

We do not have before us the information which the distinguished Senator has been endeavoring to obtain while abroad on this important mission. We do have the statement of the Senator from Nevada which was read by the distinguished Senator from Colorado [Mr. JOHNSON], but I undertake to say that it cannot be thought by the Senate that

we are as fully in possession of the information which the distinguished Senator from Nevada is engaged in compiling as would be essential, in his opinion—whether rightly or wrongly—to enable us to pass intelligently on this bill.

Mr. President, I submit that in view of the facts to which I have referred, the committee itself is not in possession of facts sufficient to advise the Senate, and it has not advised the Senate. It has reported the bill without recommendation.

It may be asked, "Is not the subcommittee in a position to provide the necessary information to the Senate? Why does not the Senator who is now speaking, inasmuch as he is a member of the subcommittee, give to the Senate information adequate to enable the Senate to act upon the bill?"

In the first place, I should say, with a proper degree of modesty, that I do not think that I, as a member of the subcommittee, should undertake the responsibility of presenting to this body the opinion of the Judiciary Committee. In the second place, in my judgment the subcommittee itself is not in a position to provide the necessary information to the Senate to enable the latter body to pass intelligently on the questions before it.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield if I may be assured that it will not require much time. My time is limited.

Mr. DOUGLAS. How long has the subcommittee been considering this question?

Mr. DONNELL. I do not have the exact date when the subcommittee was appointed.

Mr. DOUGLAS. Was not the subcommittee appointed in February?

Mr. DONNELL. That is probably correct.

Mr. DOUGLAS. So the subcommittee has had approximately 9 months in which to acquire information. At the end of 9 months it reports that it does not have enough material to enable the Senate to make up its mind. Am I correct?

Mr. DONNELL. The subcommittee does not, in my judgment, have sufficient information. It was appointed sometime early in the year 1949.

It is proper to note, I think, that the only member of the subcommittee who voted to report the bill to the Senate was the Senator from Maryland [Mr. O'CONOR], no other member of the subcommittee having deemed it advisable that the bill be reported, I judge, from the absence of any vote to that effect by such members.

We have heard from one or more Senators in regard to the staff. I wish to pay a word of tribute at this time to the staff. It consists of 26 persons, 7 of whom are stenographers and 19 of whom are members of the staff. Its work does not consist solely of the subject of displaced persons. The staff has before it the very broad and comprehensive duty of assisting the committee to make a complete study and investigation of our entire immigration and naturalization system. I am told that two complete omnibus bills will probably be ready by January 1950.

In addition to the work along this line in which the staff has been engaged, there have come before the staff some 3,000 suspension cases, with which the Senate is familiar in a general way; more than 800 private bills; and the general bills which have been considered by the staff.

It may be of interest to the Senate to recall, in connection with the size of the study and the problem of the investigation of the entire immigration and naturalization system, that the last preceding general investigation of our immigration system lasted for 4 years. My information is that more than 200 persons were employed in that work, and that more than $800,000 was spent on it. The period involved was from 1907 to 1911.

Many subjects were presented to the staff since the study of the subject of displaced persons which was made prior to the organization of the present subcommittee. I shall have something to say about those additional issues in a moment. I may add that only one staff member has been delegated to part-time work on the subject of displaced persons. However, the head of the staff, Mr. Arens, whom I mentioned earlier this afternoon, has devoted much time and intelligent work in connection with these exceedingly important problems.

Mr. President, the issues involved in House bill 4567 are both so complicated and so numerous as to make it impossible for the Judiciary Committee, with its present knowledge, to give requisite information to the Senate. I invite attention to the fact that more than 20 bills relating to the problems of displaced persons are now pending before the committee and its subcommittee. Some of them are major, and others are minor. I mention among those which are major Senate bill 311, known as the McGrath-Neely bill. There was also a series of bills introduced by the senior Senator from Wisconsin [Mr. WILEY].

The Celler bill, House bill 4567, came before the committee on June 6, 1949. Hearings and executive sessions had occurred before the Celler bill arrived, those hearings and sessions being devoted primarily to the consideration of the broad issues which were involved. But after the Celler bill came before the committee several hearings were held specifically on that bill.

The Celler bill presents various new issues which require, and have received, I think, appropriate consideration; and yet there is much to be done in connection with some of those issues.

What does the Celler bill do? I shall not take the time this afternoon to recite the entire contents of House bill 4567. I invite attention to the fact that among other things it extends the operation of the displaced-persons law to a year beyond the time when the International Refugee Organization is to discontinue certain action which it has already taken with respect to care and maintenance, either in or out of Europe.

The importance of the fact that the Celler bill extends the operation of the displaced-persons law a year beyond the time of the discontinuance of said action of the International Refugee Organization appears from the fact that in the Displaced Persons Act it is provided that—

> (b) "Displaced person" means any displaced person or refugee as defined in Annex I of the Constitution of the International Refugee Organization and who is the concern of the International Refugee Organization.

In addition to this interesting fact with respect to House bill 4567, it is to be noted that the bill changes the so-called cut-off date, that is to say, the date after which persons who had entered Germany, Austria, or Italy, will not be considered as being eligible displaced persons. The Senate will recall that the cut-off date in the 1948 act is December 22, 1945, but the Celler bill, House bill 4567, would change that date to January 1, 1949.

As I understood the problem we faced at the time when the previous action on this subject was taken by the Congress, it related, I would say, with certain minor exceptions, exclusively to the subject of displaced persons who had been displaced by World War II. When did that war in fact end, Mr. President? It was in May 1945. The Senate committee, back in 1948, considered that it was proper to select a date in December 1945, which was some 7 months after the conclusion of the war, as the final cut-off date to determine who might be considered as being embraced within the term "eligible displaced person." It is obvious that if we go forward from December 22, 1945, the cut-off date set forth in the Displaced Persons Act of 1948, and extend until January 1, 1949, the cut-off date, there will be a vast dilution in respect of the opportunities which those whom we had considered to be displaced by World War II will have in respect to entrance into the United States of America.

Mr. President, imagine yourself in that position. Suppose you, Mr. President, were a person who had become displaced by the war, and had entered one of the zones mentioned in the 1948 act, before December 22, 1945. Obviously you would have a certain mathematical chance of being permitted to enter the United States as a displaced person. But suppose some morning you found that the Congress of the United States had changed the law, so that instead of your being one of a certain number who might have that privilege—namely, one of those who had entered the zone up to December 22, 1945—you, thereafter, would be one of a much larger number, for in such event you would find that you were included among a great throng of persons who had entered the zone between that date and January 1, 1949, and that you were one of those who would have to take your chance and throw in your lot with that larger number, rather than with those who initially were made the beneficiaries of the Displaced Persons Act. Obviously there would then be a very heavy dilution of the chances of war-displaced persons to become beneficiaries of the bounty of the provision previously made by the

Congress, if the Celler bill should be enacted.

Among the other provisions of the Celler bill—I shall mention only a few of them—is one which would eliminate what I may call the in-camp priority which is created by the Displaced Persons Act of 1948. Yesterday it was pointed out that within the preferences provided by section 6 of the 1948 act there is one to the effect that priority shall be given, first, to eligible displaced persons who during World War II bore arms against the enemies of the United States, and so forth; and, second, to eligible displaced persons who on January 1, 1948, were located in displaced-persons camps and centers. The Celler bill would remove that priority for persons who were located in displaced-persons camps and centers. Certainly the existing law is not unfair to persons who were beyond and outside the camps, because section 7 provides that "in exceptional cases visas may be issued to those eligible displaced persons located outside of displaced-persons camps and centers upon a showing, in accordance with the regulations of the Commission, of special circumstances which would justify such issuance."

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I should like to continue my remarks, but I yield for a brief inquiry.

Mr. DOUGLAS. Very well; I thank the Senator for yielding.

Is it not true that the International Refugee Organization and the Displaced Persons Commission had a schedule of priorities under which visas are granted, and that the priorities are arranged according to the period in which the persons in question have been in the camps and in Germany, so that the addition of 135,000 more persons does not mean "bumping off" any of those who were in Germany in 1945, but merely means adding 135,000 to the sum total, but does not displace or dilute the numbers who were there in 1945? Is not that true?

Mr. DONNELL. Mr. President, I am not able to answer that question with technical exactness; but obviously this bill, which specifically eliminates, by removing it, the priority which has been had by those who are in camps, reduces the opportunity of those who are in camps to become the recipients of the benefits of the displaced-persons law of 1948, as enacted by the Congress.

In addition, the Celler bill has a very interesting omission. It relates to subsection (c) of section 2 of the Displaced Persons Act. In that subsection it is provided that included among the persons who are eligible displaced persons is "a person who, having resided in Germany or Austria, was a victim of persecution by the Nazi government and was detained in, or was obliged to flee from such persecution and was subsequently returned to, one of these countries"—I emphasize the following—"as a result of enemy action, or of war circumstances."

The Celler bill omits the requirements that the return of any person who may have been obliged to flee from persecution shall have been the result of enemy action or war circumstances. The result is that if someone did flee from Germany as a result of persecution, and went somewhere else in the world, he may of his own volition return to Germany if he has not been formally resettled, even though he does not come back as a result of enemy action or of war circumstances. That is a very important omission in the Celler bill, and one which may have a very large effect on the operation of the act.

Mr. President, in addition to the points in the Celler bill to which I have referred, I call attention to the fact that at page 8 of the bill, beginning at line 2, there is what I may call a mortgaging of 50 percent of the nonpreference quota of nations all over the world. What does that mean? It is a mortgaging, I should say, in favor of coming into this country under displaced-persons legislation. It means that people in other areas of the world outside central Europe, not persons who are either in camps or outside camps in central Europe, but somewhere else, will have, under certain provisions, set forth on page 8, a right to be brought into this country under the provisions of the Displaced Persons Act.

Mr. President, what is a nonpreference quota? As I understand, under the immigration law there is a certain quota set up for each of various countries. The quota itself has some preference members of the quota, as for illustration persons who are related to individuals already in the United States. This provision in the Celler bill to which I have referred would subtract from the entire quota of each nation those who have the various preferences, and would then leave the residuum of the entire quota subject to the 50-percent provision of the Celler bill to which I have referred.

Approximately 154,000 persons are in the quotas applicable, under the United States immigration law, in the various countries of the world. Obviously it is impossible to tell how many of these are preference individuals, because no one can tell how many persons who will apply for admission under the immigration laws have relatives in this country or otherwise come in under preference provisions, and therefore it it impossible to tell how many persons will be embraced in the nonpreference provision, 50 percent of which is mortgaged, as I have indicated.

Mr. President, these are certain of the provisions of the Celler bill which involve very considerable study and involve considerations that are of importance, and that I dare say the Senate will have very great difficulty in properly analyzing and properly studying in the absence of full and complete information with respect to them.

I could mention also the provision on page 3, at line 7, which includes among eligible displaced persons, a person displaced from the country of his birth, or nationality, or of his last residence since January 1, 1946, who fled into Italy or the American sector, the British sector, or the French sector, and so forth, and cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions. This particular portion of the bill I understand is designed to cover persons on the other side of the iron curtain. To my mind there is, I may say, some ambiguity in the form of language that is used in this particular section, but it presents an important problem for the consideration of the Senate.

Then, I should mention one or two other illustrations of the propositions in the Celler bill, for instance the matter affecting the 18,000 Poles who are in Great Britain, who are included among those, of whom there may be 80,000 or 90,000, possibly, I believe, in Great Britain at this time, who are known as the Anders Poles. I am not objecting to Anders Poles being received into this country under proper immigration regulations, but it will be observed that in the portion of the bill that relates to that subject, at pages 6 and 7, there is no requirement that the Anders Poles shall be people who have not become resettled, who have not become firmly settled.

Mr. President, on line 6 of page 8 there is also a provision which relates to persons who had resided in Shanghai, China, as displaced persons or refugees on July 1, 1948. Here again there is no requirement in this portion of the bill that the individuals to be the subject of the beneficence of our Nation shall still reside in Shanghai.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. DONNELL. I yield.

Mr. DOUGLAS. Is it not true that both in the case of the members of the so-called Anders army and the refugees from Shanghai, the groups were very strongly anti-Communist, that they would not go back into Russia or the satellite countries, and that Shanghai is now in possession of the Chinese Communist forces, and therefore these persons have had to be evacuated?

Mr. DONNELL. Mr. President, as I pointed out a moment ago, the Poles are in Great Britain. They are in England, and there is no requirement in the bill that, in order for them to come under the Displaced Persons Act and be admissible to our country, they must be persons who are not firmly settled in Great Britain.

Now, Mr. President, the existing law is confined, as I think it was the intention of the Senate to confine it, with certain minor exceptions, perhaps, to war-displaced persons, and only such of the war-displaced persons as are in central Europe. But the pending bill, on which we are called upon to vote without any recommendation from the Senate Judiciary Committee, goes beyond this category. It is not at all confined to persons who are displaced by reason of war, because we have found that some of the persons who, under the Celler bill, are to be permitted entry into the United States, are not required to have returned to Germany or to one of the zones as the result

of enemy action, or as a result of war circumstances. The Celler bill is not confined either to war-displaced persons, nor is it confined to persons in central Europe. I have mentioned the Shanghai illustration. I have mentioned the Anders Poles in Great Britain. I have mentioned the 50-percent mortgage provision, which will apply to persons anywhere in the world, without regard to whether they were war-displaced persons or whether they were in central Europe.

Mr. President, if we are going to adopt the theory of the Celler bill and abandon the idea which the Senate previously has had, of trying to solve the problem of war-displaced persons in central Europe, I take it we should go thoroughly into the broader aspects of the problem and not confine our efforts and thoughts merely to an isolated illustration here and there, such as Shanghai and the Anders Poles or the 50-percent mortgage to which I have referred. It would appear entirely appropriate that we should consider the subject of the German expellees to whom reference has previously been made in the debate.

It is true that in the present displaced persons law 50 percent of the German and Austrian quotas—which quotas are, in the aggregate, I believe, about 26,000 a year—are set aside for German and Austrian expellees, although not under the definition of displaced persons. The Celler bill, however, while it carries forward for a year the essence of the arrangement for the German and Austrian quotas, does not embrace the recipients of our beneficence under DP provisions. But, Mr. President, while the provision is made to which I have referred, in regard to 50 percent of the quotas, which would permit perhaps in the neighborhood of 13,000 German expellees to be eligible per annum, obviously there is need of further consideration of this vast problem, for there are about 8,000,000 of the German expellees from the eastern European countries who, pursuant to the Potsdam agreement of August 1945, were formerly expelled from their homes, from such countries as Czechoslovakia, Hungary, Yugoslavia; and our Government agreed to their expulsion. Approximately 8,000,000 of these persons are today, as I understand, in the British, French, and American zones. So, Mr. President, if we are going to consider the question of extending the theory of this legislation beyond persons who are war-displaced persons in central Europe, certainly we should give adequate consideration to the subject of German expellees. Yet the Celler bill fails to do it. All it does is to carry forward the essence of the present provision, which would relate to only approximately 13,000 a year. It does not embrace those persons under the term "displaced persons."

This problem is one which must be taken into consideration. It must be analyzed; it must be weighed in connection with the other problems if we are to give adequate consideration to this new theory which is presented by the Celler bill of not confining our beneficence to war-displaced persons of central Europe.

Moreover, Mr. President, obviously the Arabs, representatives of whom appeared before our subcommittee, have a problem of no small moment to them. There are, as I understand, approximately 900,000 persons of Arab nativity who have been displaced in the Palestine war. If we are to follow the theory of the Celler bill, the Arabs are at least entitled to thorough study and consideration, yes, and recommendation, one way or the other, either up or down, by the Judiciary Committee, before the Senate shall determine whether they should be included, in addition to the people from Shanghai, in addition to the Anders Poles, and those who are the recipients of the beneficence of our country under the 50-percent mortgage provision. The Arabs, I say, should be considered. There are various groups of people, so large in number that they can scarcely be called groups. There are the German expellees, the Arabs, the Greeks—whom I omitted to mention, but certainly they should be mentioned. There are approximately 500,000 of them. Some were displaced by the Nazis and some were displaced by the Communists. They are in their own native land, but they are displaced persons. They are not in their homes. They should be considered.

In addition to that, there is a vast multitude of persons who have been displaced in the partition of India. I hesitate to make any estimate, though the figure of 10,000,000 such persons has been mentioned.

I cite these illustrations, not as conclusive of the merits of the propositions advocated by these various nationalities but as indicating beyond peradventure of a doubt that if we are going to abandon the principle of the Displaced Persons Act of 1948, which applies to persons displaced in World War II and who are in central Europe, and if we are going to extend the benefits of our law all over the world, before the Senate makes up its mind as to how many should be allotted here and how many there, it should have the benefit of the findings of the Judiciary Committee on all these subjects relative to the 8,000,000 German expellees, 500,000 Greeks, 900,000 Arabs, and millions upon millions of persons displaced in India. I want to make it clear again that I am not advocating the admission of these people into this country, but if we are going to study the plan and the theory of the Celler bill, and if the Senate is to be in possession of facts to enable it to pass intelligently upon the subject, it should have the world picture before it.

Mr. President, I do not see that there is any present urgency in the situation requiring that the Senate of the United States should act in the absence of the chairman of the Judiciary Committee, who, by his messages, has indicated his obvious great concern at the possibility of this legislation being hastily acted upon, and who is thousands of miles away making an investigation as to various other problems affecting displaced persons. It was only this morning that I had the privilege of seeing a gentleman from my home State who had just come from Germany and had personally seen the Senator from Nevada [Mr. McCARRAN] in Frankfurt approximately 5 days ago. I am referring to Mr. O. K. Armstrong, of Springfield, Mo. While the Senator from Nevada needs no corroboration of the fact that he is working, I think we would be interested to know that Mr. Armstrong saw him working and saw the office in Frankfurt which some Members of the Senate have undoubtedly seen also. He saw the distinguished Senator from Nevada there. He had been provided with an office in that establishment and there he was working and interviewing persons upon these highly important subjects.

I take it no Member of the Senate would question the fact that our distinguished chairman, the senior Senator from Nevada, is industriously, intelligently, and sincerely working on this problem. Where is there any present urgency for the passage of the bill? Here we are on the 15th day of October 1949. The Senate, I presume, will adjourn within a very short time. We shall be back here in the early part of January and, under the terms of the motion made by the junior Senator from Washington, it will be the duty of the Judiciary Committee to take this bill, to give it further study, and to report to the Senate a bill or this bill by the 25th day of January. I myself think, Mr. President, that it is going to take very concentrated work on the part of the committee. Personally, I should have liked to have a few more days of time, at any rate, but, nevertheless, it certainly will be possible for the Judiciary Committee to give a far more intelligent, convincing, and informative report by that time than it can at this time in connection with a report of the bill to the Senate without recommendation.

What is the great urgency? We have a displaced-persons law in existence at this time. Its primary purpose was to alleviate the condition of war-displaced persons. We have the right to take in 205,000 persons up to June 30, 1950. We have the right to adjust the status in the United States of some 15,000 persons who were displaced after 1939, and are in our own country, and who cannot return to their own respective countries on account of danger. We had in mind in the present law the alleviation of the condition of war orphans up to approximately 3,000. I think that was the estimate as to those who should be received, and we were glad to receive them.

Are we taking in anyone under the provisions of our law today? I am going to discuss that in a moment. I have only a very few moments left. I want to point out, first, before doing that, that the existing law, to my mind, sets forth certain important safeguards to the interests of our own country. I am not one of those who think that we should be ashamed of safeguarding the interests of our own country. There is a provision in the present law under which there is a 30-percent agricultural requirement; that is to say that not less than 30 percent of the visas issued pursuant to the act shall be made available exclusively to persons who have previously been engaged in agricultural pursuits and who will be employed in the United States in agricultural pursuits.

That is a wholesome provision, Mr. President. It prevents, so far as we have thought practicable, congesting our great metropolitan areas.

Furthermore, Mr. President, the displaced-persons law of 1948 contains a wholesome provision, to my mind, which is to the effect that at least 40 percent of the persons shall come from de facto annexed areas. A few days ago it was suggested, in substance, on the floor of the Senate that Russia has been annexing other territories since the time our law was passed. It is my understanding that the State Department has been considering those subsequently annexed areas as included within the operation of the Displaced Persons Act. Thus I fail to see any lack of justice to annexed areas in connection with the existing law or its administration.

Mr. President, the Celler bill, I should have mentioned also, omits a very wholesome provision, as I see it, that is in the existing law, namely, the assurances which must be given with respect to persons who are coming into this country that they shall have "safe and sanitary" housing without displacing some other person from such housing. For some interesting reason which I do not know—and, by the way, in the act there is a second provision of the same general nature correlative to what I have read—in the Celler bill the requirement that the housing shall be "safe and sanitary" has been omitted. I know of no sound reason why it should have been omitted. I think the provision is a protection not alone to our own country but a protection to those who are to come in under the beneficence of our law.

Mr. President, the fact that there is no urgency at this time appears from numerous other facts. In the first place, the law has not yet expired. It is to continue in effect until June 30, 1950. Moreover, there are today coming in of the displaced persons approximately 17,000 a month, I am informed. There are about 380,000 persons presently in the camps, about 245,000 outside the camps in the European areas, but of the 245,000 outside the camps only 33,000, approximately, are dependent on the International Relief Organization.

It may be that the number who will come in between now and the spring of next year will be diminished every month. But the fact is that the war-displaced persons in central Europe will by June 30, 1950, the expiration date of the present law, through repatriation, or resettlement in this country or other countries, have been almost fully taken care of.

I am informed that the International Refugee Organization estimates that on June 30, 1950, there will be in the camps of central Europe approximately only 11,000 persons, in addition to the so-called hard core of about 161,000. I do not understand that it is advocated by anyone on the floor of the Senate, at least I have heard of no such advocacy, that we should take in this so-called hard core. That does not mean exclusively people who are criminal. It may mean people who are afflicted mentally, or may have physical handicaps, whom it would be unwise to have admitted into our country, but under the best estimates of the International Refugee Organization, by June 30, 1950, there shall have been repatriated or settled all the persons in camps on June 30, 1950, other than the "hard core," except approximately 11,000.

Mr. President, I inquire how much time I have left?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DONNELL. Could the Senator from Washington give me 5 minutes more?

Mr. CAIN. The Senator from Washington will be pleased to yield to the Senator from Missouri an additional 5 minutes.

Mr. DONNELL. Mr. President, the House of Representatives has itself recognized that further study must be made of the various problems connected with the question I am discussing. Indeed, a few days after it had passed H. R. 4567, it adopted a resolution, House Resolution 238, which reads as follows:

Whereas the Committee on the Judiciary under the Legislative Reorganization Act of 1946 has been given jurisdiction as a standing committee over legislation pertaining to immigration and naturalization; and

Whereas in the course of activities conducted in pursuance of section 136 of the Legislative Reorganization Act of 1946, and in the course of hearings held on legislation amending the Displaced Persons Act of 1948, it has been ascertained by the committee that the slowness of repatriation and resettlement of displaced persons, combined with the continuing influx of new refugees, tends to perpetuate this problem; and

Whereas the presence of over 10,000,000 refugees and "expellees" in the western zones of occupation in Germany and Austria, and, in Italy, in addition to the problem of displaced persons and the surplus of population in Italy, is resulting in continuous pressure upon the very foundations of the United States immigration system; and

Whereas there is a considerable number of public and private legislation pending before the committee which tends to place upon the United States almost the entire burden of resettlement of this surplus population while the American taxpayer is already being called upon to bear the burden of the expenditures involved in the care, the maintenance, and the resettlement of these masses of migrant population; and——

Mr. DOUGLAS. Mr. President, will the Senator from Missouri yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. DONNELL. I regret I cannot yield, in view of the shortness of my time.

Mr. President, while I do not have the conclusion of the resolution before me, I ask that it be set forth at this point in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the remainder of the resolution was ordered to be printed in the RECORD, as follows:

Whereas the International Refugee Organization is unable under its limited constitutional authority to provide for the solution of the problems above outlined; and

Whereas the above-outlined problems, in addition to considerable expense for the American taxpayer, involve a heavy burden for the devastated countries of Europe which the United States is assisting to rehabilitate, and a deterrent to a peaceful solution to Europe's economic, social, and racial difficulties; and

Whereas there is, therefore, an obvious need for a broad plan of international cooperation which would provide for a satisfactory solution of this emergency and for relieving the American economy of the expenditures involved: Now, therefore, be it

Resolved, That the Committee on the Judiciary, acting as a whole or by duly authorized subcommittee or subcommittees appointed by the chairman of the said Committee on the Judiciary, is authorized and directed to conduct such studies and investigations relating to matters coming within the purview of the preamble of this resolution as will be deemed appropriate by the committee.

SEC. 2. That upon the completion of such studies and investigations as provided for in section 1 of this resolution, but not later than within 6 months next following the effective date of this resolution, it shall be the duty of the committee to submit to the House of Representatives a report for appropriate legislative action with such recommendations as may be deemed desirable by the committee.

SEC. 3. That the Committee on the Judiciary, or any subcommittee or subcommittees thereof as designated by its chairman may sit and act during the present Congress at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings and to conduct such investigations as it deems necessary.

SEC. 4. That in making such studies and investigations and in holding such hearings as provided for in section 3 of this resolution, the committee is authorized to include the services and travel of the requisite staff to accompany the committee or its subdivisions on such study missions, investigations, and hearings within the United States or abroad; and to procure the advice and assistance of such officials of the Federal Government as deemed necessary by its chairman.

Mr. DONNELL. Mr. President, the effect of what was done by the House of Representatives was to cause further investigation to be made, and a distinguished Member of the House whom I have the pleasure of knowing, Mr. FRANCIS E. WALTER, of Pennsylvania, went to Europe, I think in pursuance of the resolution I have just read. I read a news item about a statement he made:

Chairman WALTER told newsmen "We feel we have only been guessing at number when debating the displaced persons laws."

Mr. MYERS. Mr. President, will the Senator yield?

Mr. DONNELL. I cannot yield.

Mr. MYERS. I merely wish to inform the Senator that Representative WALTER is here on the floor of the Senate.

Mr. DONNELL. I am happy he is here, and we welcome him to the Senate at this time.

I continue the quotation I was reading from Mr. WALTER:

We felt our guesses might be wrong, so we're on our way to get more information. We want to be able to say with a greater degree of accuracy the number of displaced persons we should admit to the United States.

Mr. President, in conclusion, let me say that it may be suggested that there is

urgency in this matter because of discrimination against Catholics and members of the Jewish religion. In the first place, of course, the burden of proving such a charge would rest, I take it, upon those who make the charge. But the facts are, as I understand, that there is no basis for such a charge. As of September 28, 1949, of the 84,746 displaced persons who had been admitted into the United States pursuant to the Displaced Persons Act, approximately 50 percent were of the Catholic faith, 29 percent of the Jewish faith, 10½ percent of the Protestant faith, and 10½ percent of the Orthodox faith. It may be that the last two figures should be revised, with 21 percent as the figure with respect to the Protestant and Orthodox faiths.

My information is that it was estimated as of March 31, 1949, that in the zones to which I have previously referred there were present of Catholics, 53 percent; Jews, 14 percent; Protestants and Orthodox, 33 percent, a total of 100 percent. The very convincing figures I have given clearly indicate that there is no discrimination. I do not think it can be established by any argument of matters that may be brought before the Senate that there is any discrimination of a religious nature.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. DONNELL. I cannot yield. I have only 1 minute more.

I submit most respectfully that we have a situation here in which we are called upon to pass upon a legislative proposal that is filled with highly important, highly controversial, and highly difficult questions. It is a situation in which the Senate, in order to pass intelligently upon the matter, cannot rely upon mere debate on the floor of the Senate, cannot properly write a bill upon a matter of such ramifications by amendments which may be presented here and there on the floor, particularly at the close of a session, when matters are apt to be extremely pressing.

I submit that what we should do is to send the bill back to the Committee on the Judiciary, which is fully qualified to hear and to report with respect to the proposed legislation, and we should adopt the motion made by the junior Senator from Washington [Mr. CAIN], thus making it possible to have the benefit of the investigation now in progress by the distinguished chairman of the Committee on the Judiciary, and ultimately the benefit of the judgment and information of the committee itself.

Mr. President, I thank the Senator from Washington for his indulgence.

SENATOR FROM IDAHO

During the delivery of Mr. DONNELL'S speech,

Mr. DONNELL. Mr. President, I have received information that it is desired that the gentleman who has been appointed by the governor of his State to succeed the late lamented Senator from Idaho, Mr. Miller, desires to be sworn in at this time, and I yield for that purpose, if I may do so without losing the floor.

Mr. CAIN. Mr. President, will the Senator yield so I may ask the Presiding Officer a question?

Mr. DONNELL. Certainly.

Mr. CAIN. Mr. President, I should like to yield whatever time is necessary for the swearing-in ceremony, to be charged against my time.

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from Missouri not lose any rights he now has by yielding for this purpose.

The PRESIDENT pro tempore. Without objection, it is so ordered. The matter is a privileged one.

Mr. WHERRY. Mr. President, I present the credentials of the Senator-designate from Idaho, Hon. HENRY C. DWORSHAK. I send the credentials to the desk and ask that they be read.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read as follows:

EXECUTIVE DEPARTMENT,
STATE OF IDAHO,
Boise.

CERTIFICATE OF APPOINTMENT

By virtue of the authority vested in me by section 59–910, Idaho Code, I have this day appointed HENRY C. DWORSHAK as United States Senator from Idaho to succeed Hon. Bert H. Miller, deceased, his term of office to run until his successor is duly elected and qualified.

In testimony whereof, I have hereunto set my hand and caused the great seal of the State of Idaho to be affixed this 14th day of October 1949.

[SEAL] C. A. ROBINS, *Governor.*

Attest:

J. D. CY PRICE,
Secretary of State.

The PRESIDENT pro tempore. The certificate of appointment will be placed on file.

Mr. WHERRY. Mr. President, the Senator-designate is present and desires to take the oath of office.

The PRESIDENT pro tempore. If the Senator-designate will present himself at the desk, the oath of office will be administered to him.

Mr. DWORSHAK, escorted by Mr. WHERRY, advanced to the desk, and the oath prescribed by law was administered to him by the President pro tempore.

Mr. WHERRY. Mr. President, I desire to thank the distinguished Senator from Missouri for having yielded for this purpose, and I ask that the proceedings in connection with the taking of the oath of office by the new Senator from Idaho may appear at the conclusion of the remarks of the Senator from Missouri.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DONNELL. Mr. President, I assure the Senator I was very pleased to yield, and I—and I am sure all my colleagues join with me—welcome into our midst our good friend who has just been sworn in.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. CAIN. Mr. President, may I inquire concerning the number of minutes left to the proponents of the motion?

The PRESIDING OFFICER. There are 48 minutes left to the proponents.

Mr. CAIN. The Senator from Michigan [Mr. FERGUSON] asked that I allocate 40 minutes of his time to the Senator from West Virginia [Mr. KILGORE].

Mr. KILGORE. Mr. President, until the last speech we have not had much discussion of the actual effect of the legislation. I wish to try in a realistic way to discuss the effect of the so-called Celler bill. In doing so, Mr. President, I want to state at this time that I think the bill will not meet its objective unless the Senate adopts the amendment offered by the Senator from Pennsylvania [Mr. MYERS] and the Senator from Illinois [Mr. DOUGLAS].

I believe the statement was recently made upon the floor that the Central Intelligence Agency voiced opposition to the provisions contained in the bill with reference to 15,000 aliens under section 2 (d) of H. R. 4567. I have in my hand a letter from Admiral Hillenkoetter, Director of Central Intelligence, in which he says that is not a fact; that they have no objections whatsoever to this legislation.

Mr. President, what I am now going to say is taken from Government reports, and is not taken from rumors or "we have been told" reports. During the period from 1930 to 1947, inclusive, under our own quota system we had an unused immigration quota of 2,140,209 persons. For the war period, beginning in 1939, the beginning of the war in Europe, up to the present time, we have unused quotas of 1,090,187. So I think that in view of these facts and based upon Congress having used its wisdom in the establishment of quotas, the provisions of the pending bill will not cause any great influx into this country.

It is rather interesting to study immigration during the war years and realize that as compared to quotas of immigration back in 1929, in which year we received 150,000 persons, during the war years our immigration dropped down to as low as 9,054 persons in 1 year. In the entire time during the war years immigration into the United States never exceeded 62,402 persons in 1 year. The unused quotas continue to climb. That is based on calendar years. I also have the same figures for the fiscal years, which show relatively the same amounts.

H. R. 4567 is not a bill in the common sense of the word. It is an amendment to existing legislation. When Public Law 774 was enacted by the Eightieth Congress I felt at that time it was unrealistic and contained many handicaps.

The first unrealistic phase of the law now in effect is the deadline. Many statements have been made to the effect that that deadline was set by the President. Let us consider the history of that deadline. The cut-off date of December 22, 1945, as it appears in section 2 (c) of the present act denies eligibility to all persons who entered Germany, Austria, or Italy after December 22, 1945, and excludes persons who as persecutees fled to eastern European countries in 1946, 1947, and 1948. In 1946 most of them were of Jewish faith, but since 1947

the fleeing of displaced persons from eastern Europe has changed in religious complexion.

Increasingly the refugees are not racial outcasts, but political and religious dissenters from the regime now ruling most, if not all, the eastern European countries, including Soviet Russia. The largest number of the recent refugees are Catholics, who at the end of 1948 numbered nearly 49 percent of all displaced persons located in camps, and this proportion was similar among the out-of-camp population. The percentages of displaced persons of other religious denominations run from roughly 18 percent for the Jewish group to 33 percent for the Protestant and Orthodox faiths combined.

The reason the date in question is unrealistic, I may say, Mr. President, is the fact that it was not promulgated as the date of application; it was simply the date of the signing of a Presidential order permitting certain persons to be brought into this country. At that time no IRO was in existence or functioning. There was no list of displaced persons. There were simply persons in concentration camps, or persons who were living outside concentration camps.

At a later date when it was found that the cold war was going to continue, it became necessary for us to raise our sights and allow people to enter the camps. Then was set up the system of actual registration of displaced persons, people who could prove to the IRO that they were without residence or chance of permanent residence. They were listed, cataloged, and card indexed. That is why December 22 was not a good date. That is why last year the Senator from West Virginia insisted on a later date at which there was a complete catalog in existence, so we would know who were displaced persons and who were not. The persons who come in we know to be bona fide displaced persons. Although the shooting war ended in 1945, anyone who reads the press or anyone who thinks on the subject at all must have knowledge of the fact that the cold war is still going on based on religious and ideological differences in Europe, and particularly between the theories of communism and of free republican forms of government.

The change of date line allows us to take into this picture those persons who were picked up from their homes by the Russian advance and by the Russian seizure of their countries, and cast into outer darkness, their places being taken by Russian Communists, and they were thrust upon our zones in Europe. It is true certain of them do not live in the camps, but frankly my sympathy, on the basis of the information I have, lies with those persons who live outside the camps. I say that for the benefit of the Senator from Colorado who asked questions on that point. The ones who live outside the camps are those who prefer to do some work to sustain themselves, by hoeing gardens or mowing lawns, thus helping to eke out their existence. But they are still displaced persons, because they have no homes, no place to go, unless they can establish themselves in Germany.

So first there is the date change to give us a realistic date. By advancing that cut-off date we take care, as I said, of refugees from communism as well as persecutees of nazism and fascism.

I have looked at the situation on the basis of two phases. I think one of the weaknesses of the present law is the failure to recognize those phases. Let us wherever possible allow entry of persons who would be of great benefit to the American people. In other words, let us where possible permit the immigrants to fit into our economy. Our economy is vastly diversified, and with the present limitation and the present date line we have to take in other persons. The so-called hard core would not be included because the hard core is composed of persons found largely to be suffering from typhus and other diseases, many of them mentally deranged. That is the hard core which is talked about. So this bill gets away from that category, and allows us to permit others to immigrate.

The present act provides for a ceiling of 205,000 persons to be brought in during 2 years. The amendment would enlarge that ceiling to 339,000 in 3 years, including visas heretofore issued under the act. It would also include 15,000 of the Polish Army now in England. The United Kingdom has taken care of some 150,000 Poles who volunteered for service with the Allied armies and who fought in the last war. Approximately 18,000 of them, including their families, are people who filed application for immigration to the United States, and who are still in England and unable to locate there permanently. This bill would allow them to be taken care of without being shipped back. They cannot be shipped back to Poland unless we want to ship them to their graves. They cannot be shipped back to Germany. It would be unrealistic to do that. They should be picked up in England and brought here and treated as immigrants.

The second group, 15,000, comprises political refugees from behind the iron curtain who cannot qualify under the present act.

The third group consists of 4,000 refugees stranded in Shanghai. Those are not refugees from China. Those people are refugees who fled, some of them, from the war and some from communism. They fled into Shanghai when it was a free port. I know at least three of them who have homes and families in the United States, but who, because of the war, lost their citizenship and are now stranded in Shanghai. Their wives and children are in the United States and they cannot get over here. Would it be wise to take them from Shanghai and ship them back to Germany?

The bill also takes care of 5,000 orphans, who would be subject to adoption.

One of the big hardships under the present law is the 40-percent requirement, the requirement that people from the Baltic States shall comprise 40 percent of the entire group to come in. Heretofore the effort has been made to adhere as nearly as possible to that requirement, but unfortunately both the IRO and the Displaced Persons Commission operate under what are called assurances. Before anyone can be accepted, an assurance from a responsible party, a citizen of the United States, must be filed, to the effect that the person will have a job and a home once he comes here, so that he will not become a public charge.

Unfortunately we have been unable to get enough assurances in the case of the Balts to keep them abreast of the other groups, and the authorities will have to stop accepting assurances with respect to the other groups until the Balts can catch up with them.

The situation is just as unrealistic as though the citrus-fruit growers of Florida should say, "We will not ship into Washington more than 30 percent grapefruit and 20 percent oranges. The rest must consist of lemons and limes." The Washington grocers would say, "We cannot handle shipments in that way." Here we have displaced persons, whether they be Balts or whether they be of German ethnic origin, or whether they be Czechs, or what not. They come within the real definition of displaced persons, but with the 40-percent limitation we must restrict the numbers of certain groups.

We must realize that the IRO furnishes the transportation. It is furnished in what are called immigrant ships. There must be a shipload waiting when the ship docks. Otherwise the demurrage becomes extremely heavy. So it is necessary to keep in the camps at all times 6,200 acceptable people who have been passed. Senators can see how the 40-percent rule works.

In addition to the 40-percent rule, there is the 30-percent rule, a requirement of 30 percent for agricultural purposes. The State of Illinois is a great agricultural State, yet there are a number of large industrial centers. The distinguished Senator from New York [Mr. IVES] has had several conversations with me in which we have discussed the problem of custom tailors. I have had repeated requests in this connection. At the time the law now in force was before us for consideration the heads of a number of large tailoring companies called me on the telephone and said, "Please get us some custom tailors. We have been getting our custom tailors from middle Europe." One of them said to me, "For every custom tailor you bring in who can fit the collar of a man's coat, we can provide 20 Americans with jobs, making the rest of the suit." Tailors of that type have been trained in Europe for generations. Since the war broke out they have not been coming over here. They have been isolated.

So we must get away from these purely hide-bound percentage theories. We must think of the problem in terms of our general industrial picture. Of course, we must try to avoid displacing American workmen, but we should take advantage of any opportunity to build up employment. If we are undertaking the program from the standpoint of pure charity, let us bring in the "hard core" and get it over with. So the 30-percent rule and the 40-percent rule should be eliminated. They should never have been adopted in the first place. The pending bill would do away with both

those requirements, and would make it possible for the IRO and the Displaced Persons Commission to bring in people as jobs were guaranteed them and as places were found for them. That does not include orphans, who could be adopted or taken care of my their relatives in this country.

In all likelihood the departures of displaced persons from Europe will start to drop immediately. I take this from the statement of the Displaced Persons Commission. Once the shipping demands are cut back, it will be impossible to increase shipping again soon enough to complete the job by June 30, 1950. That means getting 205,000 displaced persons over here. According to a cable to the State Department from the IRO Director General dated October 12, 1949, a cut-back in shipping demands would make it impossible to restore present shipping schedules.

Under the pending proposal, as well as under the existing law, priority is given to persons who are living in camps, which is proper. The pending proposal would eliminate the provision which discriminates against displaced persons who show a worthy purpose to try to get along, and in favor of some man who merely sat down on his wooden bunk and accepted what was dished out by the IRO.

Under the amendment proposed by the Senator from Illinois and the Senator from Pennsylvania the German ethnic problem would progress a long way toward solution. As Senators realize, under the IRO there is no authority to bring in German ethnics who were born outside Germany, even though they may be displaced persons. Most of them cannot get money to come in. They cannot get the transportation. They cannot get the head tax, and all the other taxes involved. In the case of others, the IRO pays those expenses under the present operation.

The bill would provide a revolving fund from which the head tax and the fixed charges would be paid. It would also permit the German ethnic group to be brought in. For a long time they have constituted a very strong background in our industrial and farm picture. The bill would enable us to bring in that very high type of people, people who were driven from their homes, not by the shooting war but by the cold war and the dispossession of anyone whose great-great-grandfather happened to be German, or who had any German blood in the family chain within 100 years.

Something has been said about fraud. I should like to make a comparison for the benefit of the Senate as to the difference between normal immigration and the displaced-persons program as it now exists and as it would exist under the proposed amendment.

In the first place, a person seeking immigration within the quota limits applies for immigration, satisfies the immigration authority or the consul where he seeks a visa that he has enough money to get over here, and that he will not become a public charge. Then he is interviewed by an immigration inspector. That ends the "show" if he comes within the quota. Under the system as laid down now, he is first screened by the IRO, which is a United Nations agency. It is said that that agency is the one which picks up the undesirables; but let us see what else happens. After IRO screens them they are screened by the CIC, the counterintelligence branch of the armed services. Then they are checked by a joint group from the Immigration and Naturalization Service and the State Department. Then they are cleared by the Displaced Persons Commission. So there will be about four times as many checks and counterbalances on anyone who seeks to enter the United States under this proposed legislation as we have had under the quota system or as we would have in the future under normal circumstances. So the question of fraud becomes a negligible factor.

A great deal has been said about the infiltration of Communists. Mr. President, most of the persons who would be affected by this measure are fugitives from communism; in fact, virtually all of them are fugitives from communism. Is it likely that people who have been subjected to slave labor would try to bring the doctrine of communism into this country?

Mr. President, the changes proposed by this bill will make the present displaced persons law workable. The number of persons admitted under this bill will not exceed the immigration quotas. There has been talk about mortgaging the quotas. Yes; they will be mortgaged, but only to the extent of not less than 25 or more than 50 percent of the quotas of any nation in any given year. We find that that range has been exceeded in the past 50 years in respect to the normal quotas. So no change would be made there.

The bill itself, if enacted, will give us a chance to acquire valuable people who will make worth-while contributions to our civilization.

Mr. President, there has been much comment on the fact that the report of the Judiciary Committee consists of only one sentence. That was done by agreement. I had planned and had worked on a report from the committee, and had discussed it with various other Senators. That report would have recommended the passage of this bill. But we agreed we would report the bill without recommendation, hoping for dispassionate discussion, not personal recrimination, on the floor of the Senate.

I have said before that these recommendations are based upon records, not upon hearsay.

Great stress has been laid upon the time element. Mr. President, back in 1942, I believe it was, the Attorney General of the United States in desperation came to the then Senator Truman and asked him to "go to bat" on the rubber program. The Attorney General said, in effect, "We have been trying for 18 months to follow the normal course under the antitrust laws and the Clayton Act, so as to get these rubber patents shaken loose; but we cannot do it, and sometimes we have to take extraordinary measures." In 5 days' time, after the matter was publicized, it was straightened out. Had we followed the normal procedures in that connection, involving proceeding through the courts, and so forth, probably we would have lost the war or we would have wound up with our various transportation services and armed services operating on solid metal tires, if we could have found enough steel for that purpose.

As a result of the investigation made thus far, I do not believe that all the suggested investigations and studies of this matter can be completed by 1960. This bill was before the committee in May. Despite repeated motions and other action to have the committee report the bill—action taken by the Senator from Michigan and by the then Senator from Rhode Island, now Attorney General McGrath—no effort was made to give a factual report to the committee.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

Mr. KILGORE. Not now. I wish to conclude my remarks.

Mr. DONNELL. I merely wish to call attention to the fact that the correct date, I believe, is June 6.

Mr. KILGORE. Very well, June 6; I stand corrected as to the date. From June 6 to October is a long time for a subcommittee to investigate a bill which makes only three changes in the existing legislation on the subject. That subcommittee has had a staff of 26 members, and the subcommittee is composed of 5 Senators, from among the total of 13 Senators who serve on the full committee. Not the slightest scintilla of a report was developed until the morning session and the night session were had this week; and that report was a purely verbal one, not backed up by anything.

Mr. President, I am not apologizing for my actions or for the actions of the committee. Had all the members of the committee been present on that date, the committee would have voted 8 to 5 to discharge the committee from the further consideration of the bill. Unfortunately, Senator Miller, who had just indicated his intention, died. The Senator from Nevada [Mr. MCCARRAN] was away. All absent members of the committee who were available were permitted to vote.

After hearing all these matters and spending 3 days in session—all the sessions we could schedule, because, by reason of objections, we were not permitted to meet on the afternoon of the 10th to get further information, if any there was—the committee was unable to develop any further information. I think it is high time something is done.

I well remember when a specialist on child welfare described to me a long routine which he recommended be followed in the case of a delinquent child who was brought in half starved, vermin-ridden, and suffering in other ways. I worked out a time schedule on the basis of the routine the expert recommended; and I discovered that if that routine were followed, the child probably would die of malnutrition before the routine could be completed.

Mr. President, if this bill, if enacted, would make a material difference to our population or would work any unfairness or hardship; if this measure, if enacted, would do other than make work-

able an act which now is unworkable, I would never ask the Senate to vote for it, and I would not take the floor of the Senate to speak in favor of its passage. If the bill proposed any changes in addition to the ones I have delineated, I would not support it. The changes the bill proposes in the present Displaced Persons Act are the same as those which were debated on this floor and in committee in the Eightieth Congress.

Mr. President, a rather peculiar thing happened in this connection. Despite the fact that the nominations for members of the Displaced Persons Commission had been before the same subcommittee for a long, long time, no move ever was made, until very recently, to have those nominations reported and confirmed. Had they not been acted upon before the close of this session, the entire program would have bogged down, because the present members of the Displaced Persons Commission would have had to quit; they would not even have been able to draw any expense money. Finally, a desperate move was made to have the nominations reported and confirmed, and that was done.

Mr. President, I do not think we should allow ourselves to become hysterical either in favor of or in opposition to anything; but I do think we should logically analyze the existing law and should logically determine its effect.

It is all very well to have red tape, but it is also proper to have a pair of scissors. I have sometimes found that, in the long run, a pair of scissors can be a most valuable item of equipment. When we use too much red tape, with the result that proper administration is prevented, and—in this case—we are prevented from getting the very type of people we need in this country if we are to have a full economy, and when the use of such red tape would limit to an entirely different type the displaced persons who would be admitted to the United States, then I think such legislation is poor legislation.

As I have said before, the pending measure, if enacted, would change only the deadline, the percentages, and the scope of the present Displaced Persons Act. The scope of that act would be changed, by the enactment of the pending measure, to include persons to whom we are under moral obligation. I mean by that the 18,000 Poles and the 5,000 orphans and the 15,000 others who would come in. Even then we shall not more than equal our normal quota limitations for the period covered, when all things are taken into consideration. This I submit, Mr. President, is sufficient argument to show that the Senate should act now, or forever hold its peace and take the consequences.

Mr. MILLIKIN. Mr. President, will the Senator yield for a short question?

Mr. KILGORE. I yield for a question.

Mr. MILLIKIN. How many more displaced persons will come in under the bill, if it should become law, between now and February 1, 1950, than would come in under the present law?

Mr. KILGORE. A considerable number, I may say, because they will be able to keep up to the shipping requirement which IRO has, which under the present situation cannot be done. It will probably be doubled, or more than that.

Mr. MILLIKIN. How many does the Senator estimate?

Mr. KILGORE. I should say around 19,000 or 20,000.

Mr. MILLIKIN. Is that between now and, say, the first of next February?

Mr. KILGORE. Yes. We should add to that the ethnic Germans, who would be taken care of by this bill, which would permit a great number of them to be brought in. It would increase the admissions, and would help solve many of the problems now existing in middle Europe.

Mr. MILLIKIN. I thank the Senator.

Mr. FERGUSON. Mr. President, I yield 25 minutes to the Senator from Pennsylvania.

Mr. MYERS. Mr. President, now that at long last the DP bill is before us for consideration, I feel that the only issue which it is really fundamental for us to consider is this:

Should we undertake before the end of this session of the Eighty-first Congress to give our consent in the Senate to the DP bill which was passed by the House of Representatives earlier this year—or should we wait for a few more weeks until the new Congress reconvenes in its second session shortly after the first of the new year?

I feel, Mr. President, that despite all of the comment and controversy that we have heard on this issue, that the question boils down to whether we should act now—or later. And remember under this motion to recommit we cannot possibly get a bill before the Senate or on the Senate floor before February.

In this issue, as in most issues in which our emotions tend to run high, and about which many of us have strong convictions, our only honest recourse is to the facts involved. Now I will readily concede that if we were to decide today to hold this bill over until next session, agreeing at the same time to undertake action upon it about February, only a very short time will elapse between now and then.

But I am not at all sure that it is clear, or at least clear to very many people, that our failure to act, now that the DP bill is before us, will have serious effects in many, many places.

For one thing, the International Refugee Organization is destined to wind up its affairs by the middle of next summer, leaving a quite substantial job to be done in finding places for a number of hundreds of thousands of resettleable displaced persons. I feel strongly that by adopting the bill already passed by the House—and in so doing, announcing that America intends to carry out its responsibilities of world leadership, by announcing that we intend, not only to stay in this thing until the problem is solved but that we are also ready, willing, and able to accept into this country between July 1, 1950, and July 1951, an additional 134,000 persons—the IRO will be in a position to reconsider its decision to disband, and further, will have an adequate opportunity to make provision for finishing the remaining work.

This point is cogently stated in a personal letter I received October 10 from Under Secretary of State James E. Webb, who, in part, said:

> It is of particular importance, moreover, that very prompt action be taken in this regard since the International Refugee Organization General Council convenes tomorrow, October 11, for the specific purpose of deciding upon the future status and continuation of IRO. Definitive action by the Congress of the United States, along the lines of H. R. 4567, is in our considered judgment essential to an early solution of the displaced-persons problem. Failure to take such action will leave, without any prospect for resettlement, somewhere in the vicinity of 200,000 resettleable displaced persons, over and above the "hard core" group.

I feel Mr. Webb's statement covers this aspect of the situation with singular clarity, thoroughness, and conciseness.

I think it is important, also, for us to keep in mind that the world is watching the Senate today. It is watching us because our position of leadership—leadership certainly among the free nations—is universally accepted. If we reject the bill before us, we give rise to the feeling that we do not intend to carry out our pledges to aid in bringing about a better and peaceful world.

A number of other nations who are members of the IRO with us have done a great deal in agreeing to take into their countries large numbers of DP's. They are now watching anxiously to see what we intend to do. And I feel they will follow our lead. If we act now by ridding the existing law of its patently discriminatory features, features which operate against Jews, against Catholics, against in fact, all, but a small portion of the people who remain unsettled in Europe, we are in effect saying that we cannot really be counted on to face our full share of world responsibility.

I do not believe we will fail to live up to the duty we see so clearly before us.

I feel, too, that we must all give the fullest consideration to the efforts of the literally hundreds of voluntary organizations right here in America, which have tirelessly and unselfishly devoted themselves, in every way possible, to sponsor the homeless refugees of Europe—to sponsor them in order that they may be given an opportunity to breathe the air of freedom in order that they may escape from the hopelessness and the dark future which lies ahead of them in the hostile and alien circumstances in which they now find themselves.

It is impossible for me to believe that the Lutherans, and the Catholics, and the Jews, and the Quakers—and, in fact, religious organizations of every shade of belief in this country—have acted in bad faith in devoting their efforts to the solution of this problem. The people in these organizations here in America are not bent upon selling us out to atheistic communism, and they are not bent on underwriting the discrimination and intolerance that characterize the operation of a totalitarian state, be it a totalitarian state of the left or of the right.

The American people who have given their greaest attention to the problem of

the displaced persons are good, solid, substantial, humane, and decent people—and their motives in making the DP program operate effectively are good motives, regardless of what some may attempt to have us believe.

Can we say to them today that they must discard their plans, that they must disband their organizations before this problem is fully solved? Yet if we fail to act favorably on this bill today, I think that is exactly what we are saying to them.

During the day on Sunday, October 9, 1949, I received a cable from Frankfurt, Germany, sent to me by James J. Norris, European director of the war relief services of the National Catholic Welfare Conference. In his cable, he had this to say about the voluntary agencies:

> There is need for new legislation now if there is not to be a serious break in the processing procedures. All agencies engaged in this work have trained staffs which will be dissolved and much valuable experience lost unless new legislation permits the continuation of the program without a break. We therefore endorse the DP bill now before the Senate Judiciary Committee.

And to a similar effect, I had a cable from Joseph Schwartz, European chairman of the American Jewish Joint Distribution Committee, sent to me from Paris last Saturday, in which he said:

> We believe it is urgent that immediate legislation be adopted to extend the present DP Act, as otherwise all administrative machinery will break down and even if a new bill is passed at a later date, it will take months to organize a new set-up to take care of the DP's who will need resettlement service. Urge you on behalf of our organization as well as on behalf of all voluntary agencies who have been working with the problem of displaced persons since the liberation of Germany, Austria, and Italy to take immediate steps to pass new legislation which will make it possible once and for all to solve the problem of homeless people whose only crime is that they have no home to which to return.

Once more, in a radiogram from Paul M. Lindberg, senior field representative, Lutheran World Federation, sent me on Saturday, he said:

> The Lutheran World Federation supports pending legislation to increase displaced persons resettlement to United States. We are satisfied with administration of present law. Failure to pass pending DP bill at this session leaves more than 50,000 eligible and qualified Lutheran displaced persons and many thousands of other Protestants homeless in Germany alone facing precarious and uncertain futures.

Mr. President, can we tell these responsible officials of responsible American voluntary organizations that we do not intend to continue in support of their efforts? Can we tell the hundreds of thousands who are associated with the Lutheran World Federation, with the Catholic Welfare Conference, with the American Jewish Joint Distribution Committee, and countless other cooperating organizations that they must discontinue their efforts?

There is one more compelling reason for action by the Congress at this time—a reason which is perhaps the most important of all. Under the present law, there is a seemingly harmless-looking provision which simply states that 40 percent of the 205,000 displaced persons now eligible must be persons whose place of origin, or country of nationality, has been annexed by a foreign power. What does that really mean? I have not heard very much said about it.

It means that 2 out of every 5 persons who qualify under the existing law must be drawn from one of three small Baltic States—Estonia, Latvia, and Lithuania—which have suffered the tragedy of being swallowed up by the Soviet Union. If it were true that the assurances required under the present act came into the Displaced Persons Commision in the ratio of 2 to 5 to cover eligible DP's who have been forced to flee from their homelands in the Baltic States, this provision would be perfectly fair, and all of us would defend it. But the facts show that this is not the case. The facts show that it is getting quite difficult to find qualified persons from the Baltic countries for whom assurances and sponsorship can be provided. The result boils down to the fact that the monthly rates of issuing visas will depend from here on upon our ability to find enough qualified persons to meet this 40-percent requirement.

It is true that about 15,000 DP visas have been issued monthly for some time now, and that in September this number exceeded 18,000. It is clear now, however, that there are not enough qualified Baltic DP's to assure that 6,000 of them can be found monthly to maintain the 40-percent requirement of a 15,000 monthly total. In other words, the whole rate at which the program proceeds from this point is determined entirely by the number of qualified Baltic persons.

Representatives of the DP Commission have stated that in their opinion the rates at which visas will be issued if the present law is continued without change can be expected to drop to a level of 8,000 or 10,000 monthly by November or December of this year. The ultimate meaning of this, of course, is that we will fail to admit 205,000 persons by July 1, 1950, and may instead, wind up with a total perhaps as low as 150,000 to 170,000.

Virtually identical arguments can be made against the provision which requires 30 percent of all eligible DP's to be farmers—and it must be recalled that these two mutually inclusive provisions must both be considered in attempting to administer the law. The House bill now before us does away with both those discriminatory features.

There, Mr. President, not in a nut shell, but there, at any rate, are the facts as I see them which overwhelmingly sustain the wisdom of passing the bill which the House has sent us. I have deliberately tried to strip from my case the emotional arguments, the humane arguments, and the arguments which ordinary decency would recommend. Personally, I dislike very much arguing a measure which so intimately affects the future welfare of human beings by resorting to cold facts and hard logic without any regard whatsoever for the decent, humane, moral issues which are incident to the problems we are considering.

It certainly is not necessary for me to explain who the DP's are. Ask that question of any American and he will tell you.

I think that in considering whether we are to act now or are to delay action until a later date, we must also direct our attention to charges and allegations which assert that th. operation of certain aspects of the DP program have been shot through with fraud, and further, that it has operated as a serious threat to the security of the United States.

Before we get too deeply involved in this, I should like to make what appears to me to be a significant comparison between the screening and security provisions of our ordinary immigration laws, and the screening and security provisions which apply to displaced persons. So far as ordinary immigrants are concerned, any alien entering this country must supply an affidavit of support, a visa, and his case is examined by Immigration and Naturalization Service inspectors. That is all that is involved in screening and checking an ordinary alien immigrant.

Just what steps lie ahead of the displaced person seeking entrance to America? First, he must be cleared by the International Refugee Organization. This is an essential prerequisite, but it is only the first step. In addition, representatives abroad of the Displaced Persons Commission conduct a complete investigation and case analysis. That investigation makes use of Army counterintelligence, of the Federal Bureau of Investigation, and of the Immigration and Naturalization Service. When this is completed, the entire file is turned over with all the investigative findings to the State Department consuls and to immigration inspectors, who then, independently, conduct their own investigation.

The comparison between the security regulations for DP's and those of ordinary immigrants is, I think, striking indeed. We are infinitely more careful in the precautions which we have set up for DP's than we are in the operation of our normal immigration service.

I should like to quote another portion of the telegram sent me by Mr. Norris, European Director of the National Catholic Welfare Conference, which I have already referred to. He had this to say about security and fraud:

> If this agency were aware of a single case of fraud in documents, misrepresentation, maladministration, or violation of law, we should feel obligated to make it known.

Mr. Lindberg, of the Lutheran World Federation, said:

> We are satisfied with the administration of the displaced persons law.

I should like, also, at this time, to have inserted in the RECORD at this point two cables which have reached me in the last several days. One of them is from Representative FRANCIS E. WALTER, who is chairman of a subcommittee which has just completed a study in Europe of the DP problem, and the second cable was sent to me from Rome by Mr. Carusi, Chairman of the Displaced Persons Commission. I think their statements are entitled to great weight.

There being no objection, the cablegrams were ordered to be printed in the RECORD, as follows:

Senator FRANCIS MYERS,
Washington, D. C.:

Every voluntary and official agency agrees House bill necessary to complete program now functioning effectively and very efficiently. Few cases of irregularities or fraud. Such cases easily detected. Present immigration laws offer full protection to security of the United States. Refer you to Lt. Col. Dayton Frost, War Department, who accompanied my committee during entire investigation.

FRANCIS WALTER.

ROME, *October 9, 1949.*

Hon. FRANCIS MYERS,
United States Senate,
Washington, D. C., U. S. A.:

Cannot understand Senator MCCARRAN'S statement on displaced-persons situation in Germany. Congressman WALTER, whose committee has just completed detailed investigation into same matters, publicly expressed approval of operation upon departure for home and reaffirmed his support of House-approved bill. Whoever presumed to speak for Displaced Persons Commission European staff to effect that passage pending legislation would be serious mistake, did not express official position of the staff nor personal attitude of vast majority of its members. I accept full responsibility for saying that consensus of principal officials and subordinate officers of our European staff is for enactment of legislation such as H. R. 4567, particularly those provisions removing present administrative difficulties. References to fraud, misrepresentation, and illegality relate to exceptions instead of the rule. Careful screening by Commission, consular, and immigration officers discovers violations when attempted and makes possible their disclosure to congressional and other interested agencies. Important thing is that these attempted violations are being caught and appropriately acted upon. We have been using every administrative and investigative measure to insure against admission of security risks and persons of other undesirable traits. Postponement of action on pending legislation would continue present administrative difficulties which are now manifesting themselves increasingly more than heretofore. Moreover, it is important that activities be continued at steady pace in event of extension of operations under new bill, otherwise all agencies, public and private, would be compelled to reduce staffs and activities next spring because of approaching expiration of present program and then rebuild anew upon passage of legislation. This would be extremely costly and wasteful to all concerned and would very appreciably retard fulfillment of congressional purpose.

UGO CARUSI.

Mr. MYERS. With reference to Representative WALTER, Mr. President, he has since returned to America. He was on the Senate floor today. He has handed me this newspaper, which is the official organ of the Vatican. It is called L'Osservatore Romano. In this newspaper there is an account of a visit to His Holiness the Pope of a group of distinguished Representatives a short time ago. Among them were Representative WALTER, of Pennsylvania; Representative BYRNE, of New York; Representative FEIGHAN, of Ohio; Representative FELLOWS, of Maine; and Representative MURPHY, of New York, along with several other gentlemen.

Let me read a couple of sentences from this address which the Pope made when this congressional delegation met with him. I should like to have the entire address printed at this point in the RECORD, but I wish to call the Senate's attention to two sentences. His Holiness in addressing the delegation said, among other things:

Neither justice nor mercy, obviously, will be served if factfinding is to lead merely to faultfinding. Clearly it is too late and too futile merely to be shocked and even righteously indignant. The blight of the detention camps in time of peace, which is the blight of innocent brothers' and sisters' frustrated lives, and the plight of millions who now must answer to the hideous appellation of "expellees," are no longer simply a subject for humiliation and regret.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Pennsylvania?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Your visit, gentlemen of the House of Representatives, revives many a pleasant memory, and kindles to new brightness a hope that has long lain very close to our heart.

Our repeated public expression of anxious concern for the liquidation of what has come to be called all too unfeelingly the refugee problem will attest that to fact-finding investigations such as yours we are ready to attach the importance of a critical professional errand and the dignity of an urgent mission of mercy.

Neither justice nor mercy, obviously, will be served if fact-finding is to lead merely to fault-finding. Clearly it is too late and too futile merely to be shocked and even righteously indignant. The blight of the detention camps in time of peace, which is the blight of innocent brothers' and sisters' frustrated lives, and the plight of millions who now must answer to the hideous appellation of expellees, are no longer simply a subject for humiliation and regret. There is more here even than a stark challenge to Christian compassion. You have been able to see and judge for yourselves: More insistently than ever at this hour the agony of the so-called displaced is a summons to prompt and responsible community action.

An immense treasure of good will and enlightened, if at times faltering, social effort has already been dedicated to the provision of decent homes and employment for this legion of homeless and disheartened hostages. The devoted labors of the immigrant and welfare organizations, with which you are wisely maintaining close and fruitful contact, are beyond all human praise, and they have not lacked such paternal encouragement and material support as we could find it possible, out of a full heart and straitened means, to give them.

The lasting good thus far accomplished for hundreds of thousands, in face of the awkwardness, discrimination, and vacillation perhaps inevitably bound up with legislative and administrative action in so complex and delicate a field, should leave you, as we are happy to assure you it leaves us, confident of ultimate victory soon and doggedly determined to see this giant specter of human dereliction forever banished from the conscience of mankind.

One further and controlling observation, dictated by the sacred trust committed to our charge, you will not fail to understand. Political, economic, and even social dangers are involved in a policy of further delay or exaggerated caution. But these dangers, real and serious though they be, are derivative and secondary. Our prime anxiety—as we are sure it is yours deep down in your hearts—touches the judgment of history and of history's Lord on the fulfillment of that gravest duty of man to man and of nation to nation, which calls for respect for the image of God in even the weakest and most abandoned of his children.

No reason of State or pretext of collective advantage, as we had occasion to emphasize once more only a few days ago, can avail to justify the contempt of that human dignity and the denial of those elemental human rights which the Creator has imprinted on the soul of each of His creatures.

Again be assured, gentlemen, that our heartfelt sympathy and supplication before the throne of divine justice and mercy attend your best endeavors, and those of your colleagues and collaborators of every nation, to deal vigorously with the last remaining obstacles to full human freedom for our beloved refugees, prisoners of a hope that cannot, that must not, be allowed to wither and die in their hearts.

Mr. MYERS. Mr. President, I will concede that there are undoubtedly a few inevitable instances in which some of the machinery of our Displaced Persons Act has operated inadequately. There are, possibly, a few places in the machinery that need lubrication, or perhaps even that need stiffening. Undoubtedly, there have been attempts made to submit fraudulent documents. I feel, however, from the evidence I have before me, that these attempts at fraud are being caught, and are a tiny exception to an overwhelming rule.

Merely that it is possible that in some instances there may be defects in the machinery does not mean that we should throw out the whole machine. I can see no earthly reason for saying that the fundamental principle of the machine is wrong. If Henry Ford had scrapped his first car because it rattled, we would, perhaps, still be dependent on the horse and buggy.

The point is, of course, that the principles which motivated the President's proclamation in 1945, that motivated us a year later to join the IRO, and that later still motivated us to do something about the displaced-persons problem through the operation of laws which we in the Congress had passed, are principles of enduring validity. We do not sack principles because there are, perhaps, minor frictions and difficulties in putting them into effect. It is incumbent upon us to go thoroughly into these possible mechanical troubles, and we are, in fact, already set up to do just that through the existence of subcommittees in both the House and the Senate, which are continuing their study of this problem.

So I return to my original question: Shall we act now, or later? My answer, Mr. President, is categorical. We should act now, before the end of this session, to reassert our pledge to ourselves, to freedom, and to democracy that we intend fully to discharge our duties to help make this a better world in which to live. The problems posed by the homeless thousands in Europe are problems which closely affect our building of that kind of world. I, therefore, give my full and unqualified endorsement to the adoption by the Senate now of H. R. 4567, together with the two amendments which we have discussed earlier, which deal with the expellee problem, and which will provide immediate and necessary relief to another group of people—the German ethnic expellees—who face a future

of the same gravity as is faced by those persons who are defined under the charter of the IRO as displaced persons. We will get into this country none of these expellees, or very few, unless this bill shall be amended.

In closing, Mr. President, one last observation occurs to me. We have heard much discussion over the question of the number of persons "who were displaced by the war." If we construe narrowly the phrase "displaced by the war," it is correct to say that the closing date line of December 22, 1945, does cover all those who were displaced during the war.

I feel, however, that such an interpretation completely subverts the basic principles involved in the displaced-persons law. We must, all of us, bear in mind that there were intensely strong forces who stayed behind what we regard as the iron curtain with the intention and the hope of building free democracies in Poland, Czechoslovakia, Hungary, Yugoslavia, Estonia, Latvia, Lithuania, and elsewhere. They resisted the Communists as strongly as possible, doing everything they could to obtain freedom and democracy for their people.

But in the years which have followed 1945, these people have seen their hopes dashed. They have seen the Communists usurp power in country after country. Because these people resisted the Communists, they have now been forced to flee for their lives—or at least, those who could flee have done so. We in the western democracies have witnessed the oppression under which the people behind the iron curtain now suffer.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MYERS. Mr. President, could I have two more minutes?

Mr. FERGUSON. I yield to the Senator from Pennsylvania two more minutes.

Mr. MYERS. Mr. President, by advancing the date of eligibility—as H. R. 4567 does—to January of 1949, we acknowledge in adopting the House bill that these people who tried to make democracy work behind the iron curtain are just as truly victims of the war as those uprooted during the war itself.

By accepting the House bill at this time, therefore, we extend a helping hand to these true lovers of democracy—the Czechs and the Slovaks who fled from their country after the Communist coup in February 1948; the Hungarians, the Yugoslavs who have fled from Tito's offbreed brand of communism.

The House bill, too, recognizes, and will aid the 18,000 valiant Poles of General Anders' army who were stranded in England, unable to return to their homeland; the White Russians now in Samar and the Philippines; the Ukrainians, the Lithuanians, the Latvians, the Estonians.

So, Mr. President, I urge the Senate once more to stand by its pledges to bring peace and decency to the world, that it defeat the motion to recommit, and then take up the bill, so that justice can be done now rather than have an attempt made, and I feel a futile attempt, to see justice done next year.

Mr. DONNELL. Mr. President, am I correct in the understanding that the proponents of the bill will proceed at this time?

Mr. FERGUSON. I understood that the Senator from Mississippi [Mr. EASTLAND] would speak at this time, but I do not see him on the floor.

Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 15 minutes.

Mr. FERGUSON. Mr. President, the question of a lobby has been discussed. The Senator from Michigan is not familiar with that lobby.

I note that the Senator from Washington [Mr. CAIN] has just returned to the floor, and I may say to him that I was compelled to yield myself some time because no one on the other side was on the floor. Does the Senator care to take the time?

Mr. CAIN. Let me first say to the Senator from Michigan that I found myself in a comparable position earlier in the day, and I had to yield myself 15 minutes. It would better suit our purposes, if the Senator could agree, not to have another speaker on our side for about 15 minutes.

Mr. FERGUSON. The Senator from Michigan will take 15 minutes.

Mr. President, there has been discussion on the floor of the Senate regarding the lobby which is working for the pending displaced-persons legislation. As I stated, I am not familiar with the facts. All I know is what has been stated on the floor. I take it for granted that a considerable amount of money has been raised for this purpose, as has been stated on the floor. I wish to say a few words respecting what a lobby can do for this bill.

As I understand the organization is operating in all the States. It is working for a humanitarian cause. It is working for displaced persons who are located more than 3,000 miles away, who had no one, no organization, to work for them. They would not have had anyone working for them had not the Citizens Committee on Displaced Persons been organized in America.

Prior to the end of the war the then majority leader, now the Vice President, and a group of other Senators, at the request of General Eisenhower, went to Europe to look into the conditions in the concentration camps, which now to a great extent, are the displaced-persons camps. We went there even prior to the surrender of Germany so the Senate of the United States, prior to May 8, 1945, started an investigation of the displaced persons to see what should be done with them after the close of the war.

Shortly after May 1945, the Senator from Michigan, together with other Senators, was at Dachau, one of the prison camps. He will never forget that he there saw an inmate of that camp die of starvation. That is probably one of the things that moves him so deeply in connection with the subject we are now discussing. At that time the Senator from Michigan and other Senators were taken outside the hospital where we saw piled up almost 100 bodies of persons who had died in that camp that day or the previous day. Mr. President, it is sights such as those we witnessed that move men's hearts, and make men want to do something to help the poor unfortunate displaced persons.

Mr. President, I ask the committee to disclose to the Senate those who are opposed to the bill. If efforts have been put forth by those who favor the bill, I should like to know what organizations are opposed to it.

I see nothing wrong about the lobby which has been spoken of, though, of course, I would not condone the spending of any money illegally or wrongfully.

Mr. President, the Senate appropriated $50,000 for the year 1947 for a study to be made of the displaced-persons question. It is now the 15th day of October, and we are still talking about studying this problem. When the Senate in 1947 appropriated $50,000 the Committee on the Judiciary employed additional staff members to make a study of the problem. In 1948 another $50,000 was appropriated for continuation of the study. This year $135,000 of the taxpayers' money has been appropriated to continue the study of this question. It is now the 15th day of October 1949. Do Senators know of any other problem for the study of which any committee has received as much as $235,000 during 1947, 1948, and the first 10 months of 1949?

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. BALDWIN. The Senator will remember that the junior Senator from Connecticut and the junior Senator from Michigan with others went to a displaced-persons camp in Bremen a short time ago. Does the Senator feel that if we pass the pending bill there is any reason why such difficulties, such mistakes, and such errors as may have been made in connection with the administration of the whole program cannot be rectified, and the program continued?

Mr. FERGUSON. If mistakes are being made, if the Commission is not doing its duty, if anyone connected with the program is not doing his duty, that is a matter which should be corrected, through appropriate action on the part of the Senate, and the program continued.

Mr. President, I have given the amount appropriated for this purpose to show what use has been made of it to employ staff members to study the question and to indicate how much study, otherwise, the subject has received in the past. That is why seven members of the Committee on the Judiciary voted to report the bill so the Senate could act upon it.

As the Senator from Michigan sees it, the question is not now one of trying to get facts. If the appropriation of $235,000, and the employment of 26 additional employes to those on the regular staff of the Committee on the Judiciary, a committee composed entirely of lawyers, cannot result in the obtaining of

evidence in this case, in 2 years and 10 months, I ask the Members of the Senate what they expect from the committee if the bill is recommitted. I have served on other committees. I served on the War Investigating Committee. If there had been the will to do so a thorough investigation and a report to the Senate of the United States for or against the bill could have been made. The Senate of the United States was entitled to have received a thorough-going report on the problem prior to this time.

As I pointed out yesterday, the question is not new. In June there was discussion on the floor of the Senate regarding the filing of a petition to discharge the committee from further consideration of the bill. The Senator from Michigan feels that in view of the fact that the committee was given 26 additional employees, and in view of the fact that $235,000 has been appropriated to the committee, a comprehensive report could have been presented to the committee, had there been a will to do so. So we face this question today, after all this time, and after the study conducted by various Senators.

I believe that at least 20 Members of the Senate have visited displaced persons camps since the end of the war. No other question that I know of has received the study which has been devoted to this bill. The only question is, Why was it not reported to the Senate, favorably or unfavorably? Seven members of the committee decided in the closing days of the session that the Senate was entitled to act, and the bill was reported to the Senate. It is now before us. I do not know of any Senator who does not know how he would vote today on the bill. He is either for it or against it, or he does not necessarily have an intention to vote upon the bill. But I believe any Senator who is present could satisfy his conscience and vote either for or against the bill.

Mr. President, we are in a cold war. There are those who are the enemies of the forces alined against us, who have fled from Russia, from communism. We should thank our God that America is a Nation to which people are eager to come. Men stand in line before American embassies all over the world to obtain visas to come to this land. I know of no one in any land today who is standing in line before any embassy to obtain a visa to go behind the iron curtain or into a communistic nation to become a citizen of that nation.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. FERGUSON. I will yield half a minute to myself, in closing.

Mr. President, I hope that the Senate will not recommit the bill to the Committee on the Judiciary, and that the motion to recommit the bill will be defeated.

I yield 15 minutes to the Senator from North Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from the acting chairman of the Displaced Persons Commission.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Washington, D. C., October 14, 1949.

DISPLACED PERSONS COMMISSION,

Hon. FRANK P. GRAHAM,

United States Senate,

Washington, D. C.

DEAR SENATOR GRAHAM: In response to your question as to what would happen to the program if the amendments embodied in H. R. 4567 failed to pass this session, I am pleased to present to you for your consideration the following answers.

If the amendments fail to pass this session, the Commission will have to virtually stop the validation of all assurances until it can make some sort of arrangement to insure that the preferences, priorities, and percentages of the law can be met by June 30, 1950. Up to now, the Commission has been processing assurances in chronological order. In the absence of immediate corrective legislation, however, the Commission's day of reckoning will have arrived. The laying aside of thousands of assurances must begin at once with every effort strained to select assurances that will meet the maze of priorities, preferences, and percentages of the law. The Commission has no alternative. It is a case of doing this or be found in violation of the law.

The plans of the Commission, together with those of the voluntary and public agencies for the resettlement of thousands of displaced persons must be thrown into discard and extreme efforts undertaken to find sponsors for displaced persons who are in the preferential class to say nothing of the effort that must be made to locate the displaced persons who meet the stringent preferential requirements of the present law. To the thousands of displaced persons who have assurances filed in their behalf by American sponsors eager for their services and skills in the United States, this is the last cruel stroke in a life that has known nothing but fear, tragedy, and cruel frustration.

Some of the end results of this state of affairs are as follows:

1. Departures of displaced persons from Europe in all likelihood will drop from the present average rate of 15,000 a month to at best 8,000 to 10,000 a month.

This would result from the strict application of the preferences, priorities, and percentages of the law on a week-to-week basis, which in turn will cause a severe cut-back in the production of visas.

2. Once the shipments are cut back, it will be impossible to get them up again soon enough to complete the job by June 30, 1950.

A cut-back in shipping commitments, according to a cable from the IRO Director General to the State Department, on October 12, 1949, may make it impossible to restore present shipping schedules.

3. The effect of the restrictive provisions of the present law in reducing numbers arriving in the United States cannot be compensated for by legislation enacted next year.

4. We will not be able to complete the present program by June 30, 1950, and may be limited to only 150,000 to 160,000 instead of the authorized 205,000.

The Commission has given long and careful study to this question, realizing that any judgment it would take in the matter would have a vital effect on the success or failure of the United States' participation in the solution of one of the greatest and most human postwar problems. I should like to assure you that every conceivable factor was taken into consideration in arriving at this judgment.

If there is any additional information you would like to have about the program, we trust you will not hesitate to call upon us.

With kind regards, I am

Sincerely yours,

EDWARD M. O'CONNOR,

Acting Chairman.

Mr. GRAHAM. Mr. President, I wish to speak briefly for two things: First, the continuation of the study by the Judiciary Subcommittee of the over-all problem of displaced persons in the world; and, second, the passage now by the Senate of H. R. 4567. The Judiciary Subcommittee, with its staff, is making a comprehensive and thorough study of the problem of displaced persons in the world. The problem is global and complex and involves our religious responsibilities, our national obligations, and international settlements for a stable and peaceful world. I am grateful to the subcommittee and its overworked staff for the hearings which have been held, the mass of information which they have gathered, and the plans which they are carrying out for an over-all and thorough report on a world-wide problem. These plans will require many more months for fulfillment. Meanwhile, time is running out on many thousands of unfortunate human beings uprooted from their homes by the marches and countermarches of the armies of ruthless Fascist and Communist dictators who brought on the Second World War. These human beings, their families and children, innocent victims of dictators, war, and the cruel backwash of war, call to the nations, the churches, and humanitarian agencies for continuing consideration and prompt action to save them from despair, to salvage them from deterioration, and to help them to become productive and loyal citizens. Many thousands will lose out while we wait for a complete over-all report and a perfect bill.

As the months came and went, the Senate Judiciary Committee had no bill of its own ready and available for action in the present session. As a practical matter the only bill which gave any hope for action in the present session of the Congress was the House bill. As a last resort the Senate Judiciary Committee, with full appreciation of the work of the subcommittee, finally decided to do two things: first, instruct the Judiciary Subcommittee to continue its important and able over-all studies of the complex world-wide problem of displaced persons; and, second, to withdraw from subcommittee and report H. R. 4567 as the only available bill for present action at an hour when time is running out on thousands of homeless uprooted people.

H. R. 4567 increases the number from 205,000 in 2 years to 339,000 in 3 years. The bill advances the date line from December 22, 1945, to January 1, 1949. It removes other restrictions by establishing the basic principle that the selection of displaced persons "shall be made without discrimination in favor of or against a race, religion, or national

origin"; by deleting the 40 percent preference for people from areas annexed by a foreign power; by removing the 30-percent preference for agriculture, but retaining farming as a preference; and by removing the preference for in-camp displaced persons. The bill broadens the definition of "orphans" and enables admission of children now barred. It liberalizes provisions by extending the benefit of regularization of status to persons who had arrived in the United States prior to April 30, 1948. It aids American sponsors of displaced persons by providing a revolving loan fund of $5,000,000 to meet expenses of transportation and reception in the United States. It doubles the number of ethnic Germans who may be admitted under the law upon the adoption of the Douglas-Myers amendment—the bill provides additional protection of the security of the United States.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. GRAHAM. I yield.

Mr. EASTLAND. Will the Senator please tell me how the number of ethnic Germans who could be admitted under the law would be doubled?

Mr. GRAHAM. It would be doubled with the adoption of the Douglas-Myers amendment.

Mr. EASTLAND. No such amendment has been offered. No such amendment is pending.

Mr. GRAHAM. I understand that such an amendment is to be offered.

Mr. EASTLAND. It might be offered, and it might be adopted, and it might provide what the Senator says.

Mr. GRAHAM. That is correct. I have a parenthetical statement to follow, depending upon the adoption of that amendment.

Mr. EASTLAND. So far as the bill is concerned, it leaves the ethnic German position exactly as it is in the present law, and that is utterly worthless, because regardless of what the law says, the Displaced Persons Commission will not enforce it. It will not carry out the will of Congress.

Mr. GRAHAM. With the adoption of the amendment, which I understand is to be proposed, the number of German expellees who may be admitted would be increased.

Mr. EASTLAND. What good would it do, when the Commission refuses to enforce the present law?

Mr. GRAHAM. We have statements to the effect that they are enforcing the present law.

Mr. EASTLAND. There has not been a single human being of German ethnic origin admitted into this country under the present program.

Mr. GRAHAM. The bill should be enacted now because departures of displaced persons from Europe will drop, it is estimated by Chairman Carusi, Acting Chairman O'Conor, and their associates, from the present rate of 15,000 a month to 8,000 to 10,000 a month. They hold that this will result from the application of the preferences, priorities, and percentages of the law, which will cause a severe cut-back in the production of visas. They also maintain once the shipments are cut back, it may be impossible to get them up again soon enough to complete the job by June 30, 1950. A cutback in shipping commitments, according to a cable from the IRO Director General to the State Department, on October 12, 1949, may make it impossible to restore shipping schedules. Thus according to these statements, the effect of the restrictive provisions of the present law in reducing numbers arriving in the United States cannot be compensated for by legislation enacted next year. With no bill enacted now, it is held that we may not be able to complete the present program by June 30, 1950, and may be limited to only 150,000 to 160,000, instead of the authorized 205,000.

House bill 4567, passed by the House of Representatives after hearings, study, and debate, in the absence now of any other bill, is worthy of consideration, debate and action by the Senate of the United States. If any organization, any religious groups, or other agencies have sought to use improper influence, they should be investigated and proceeded against according to the facts as established by proper procedure. I know of none. If there are any, they should be cited by name, along with a presentation of the facts involved. If any person has been guilty of fraud or misrepresentation or maladministration, that person should be cited and proceeded against through responsible channels, without fear or favor. If the administration of the act has been defective in any way, correction should accordingly be made. The checks on individuals by the several agencies should proceed with careful dispatch. The provisions for the national security should be enforced with full vigor.

With due consideration of all these matters, time should not be allowed to run out on those homeless human beings, who are victims of dictators and war, those who are guilty of no fraud, who are decent and responsible friends of freedom, and who would make likely and productive citizens in a land of freedom and hope.

Mr. President, the bill passed by the House of Representatives is one which lends itself to immediate consideration, discussion, debate, and action by the Senate. Even an imperfect bill which improves the present law is better than no bill at all. The present bill improves the present law. The further improvement of the present law can wait on the comprehensive studies and reports of the Judiciary Committee.

Mr. President, for these reasons, I strongly support the continuation of the comprehensive and thorough studies by the Judiciary Subcommittee, and I favor the passage now of House bill 4567, which, as an improvement on the present law, will keep time from running out on disinherited thousands of unfortunate people whose tragic plight appeals to the conscience of America and the conscience of all mankind.

Mr. CAIN. Mr. President, I believe it is the desire of the Senator from Michigan [Mr. FERGUSON] to yield at this time to a Senator of his choice.

Mr. FERGUSON. Mr. President, at this time, I yield 15 minutes to the Senator from New York [Mr. DULLES].

The PRESIDENT pro tempore. The Senator from New York is recognized for 15 minutes.

Mr. DULLES. Mr. President, this problem of displaced persons, refugees, expellees, or whatever we may wish to call them, is a problem with which I am quite familiar because of my work in the international field over the last 4 or 5 years.

I first had to deal with this problem, in what might be called an official capacity, at the Council of Foreign Ministers' meeting in London in 1945. I was there with Secretary Byrnes. I recall very well Molotov's effort at that time to get us to agree to send back behind the iron curtain persons whom he called of Russian nationality. By "Russian nationality," he meant persons who had come out of areas which had been forcibly annexed by the Soviet Union, namely, Latvia, Estonia, Lithuania, and the eastern half of Poland. His particular effort at that time was to get back the Poles who were members of General Anders army, the great army which had fought so gallantly in Italy. All the members of that army were violently and strongly anti-Communist. Molotov did not want them loose in the free world as witnesses against Soviet communism, and the effort he made was to force them to come back. Of course, we rejected that proposal, denying that they had become Russian subjects and were subject to that kind of repatriation, forcibly and against their will.

Then we had the matter to deal with when we came to the United Nations. At the first meeting of the United Nations, in London, in January and February, 1945, Vishinsky made a very impassioned and, to my mind, a very frightening plea for sending refugees back to Russia. It was one of the most vicious, violent, and frightening speeches I have ever heard; and it indicated their absolute determination to pursue these poor refugees throughout the world, wherever they might be, and finally to crush them.

Of course, that plea was rejected by the United Nations. We went on to set up the International Refugee Organization, the IRO, to replace UNRRA. That was a good change. UNRRA had not functioned very well. The trouble with it was that the free countries, particularly the United States, put up all the money; and much of it was spent behind the iron curtain, where it was used by the representatives of Soviet communism to entrench their political hold upon the people.

So we set up a new organization, in replacement of UNRRA—an organization which was largely financed, as UNRRA had been, by the United States and the other western democracies, but which functioned primarily in aid of, not in repression of, the refugees. It took care of a good many of the people in the prison camps, and helped them to become relocated.

Then we had to go on to deal with this problem at further meetings of the Council of Foreign Ministers, because many of these displaced persons—in fact most of them—were in camps within the territory of the ex-enemy states. They were

in Germany and in Austria—I think the largest camp which remains today is in Austria—and in Italy. In connection with the peace treaties with these countries we had at the meetings of the Council of Foreign Ministers, the old question of what was to be done for these people. Of course, at all those meetings, Molotov and Vishinsky argued that those people were in deplorable condition in the camps and had no livelihood and no future, and that if only they would be brought back to Russia, all would be well with them.

Of course, we did not accept that argument, although we did not have as good arguments as I would have liked to have had in pointing out a decent and hopeful future for those persons. We rejected, for the peace treaties, the provisions the Soviet Union wanted, which would have resulted in sending most of those people back behind the iron curtain.

That was particularly a violent issue at Moscow in the spring of 1947, when I was with Secretary Marshall. We went on, at meetings of the General Assembly, to deal with the problem recurrently; and of course last year we had another problem to deal with, a new problem unfortunately, which however is not particularly involved in the pending bill. It is the problem of the persons displaced as a result of the fighting in Palestine. There are some 700,000, I think, Arab refugees who were in a very deplorable plight. We set up an organization at the time to help take care of them, and again the United States Government and the Congress came generously to the help of that situation.

We have, I think, on the whole, played a creditable role in this difficult problem. It is a difficult problem, and there is ground of course for criticism in detail and certain things we have done that we ought not to have done, certain things we have not done that we ought to have done. Our record is not perfect. But it is, on the whole, over the last 6 or 7 years since we have had to deal with the problem, I should say a creditable record. I think it is nothing of which to be ashamed, taking it by and large.

We have now before us the bill, H. R. 4567, which is an effort to provide a small amount of further relief to this situation. I am in favor of the bill, and I am against its recommital. That is the reason why, at considerable effort and sacrifice, I have come back to speak in favor of the bill and against its recommittal. I tried to get here earlier. I spent a good part of yesterday afternoon in the clouds above Washington. I could not get down to so low a level as the Senate. [Laughter.] But I was very happy when I had terra firma under me, even though it was far away from Washington. But I got here today.

Now what would the pending bill do? I do not think it does anything that is very revolutionary or very frightening, or that should shock us, or indeed cause the tremendous turmoil that seems to revolve around the bill. It increases the number of persons—I do not have the figures before me, but they are very familiar to Senators—by a little over 100,000, in terms of 3 years, as against about 200,000 for 2 years; and it shifts the decisive date, the cut-off date. Of course the number of additional persons who would be admitted is extremely small in terms of the total population of the United States. It is almost impossible to believe that it could have any appreciable ill effect upon our national welfare, even assuming—which of course is not the case—that these persons were not desirable additions to our population. The change in the cut-off date is particularly important because it makes the bill a measure of relief as against victims of Soviet communism as well as relief against the victims of German nazism. That is a new element in the situation which has come in in recent years, and today many of these people who would be admitted by the bill face deportation to places behind the iron curtain, and persecution.

I have an illustration of that in connection with a group of Hungarians who are here. They were brought to my attention recently by the president of Fordham University in New York. I looked into the situation, and to me it was a very shocking situation. Here was a group of people, Catholics and Jews, who had left Hungary primarily because of religious persecution and their own religious beliefs, who had come here in the expectation there would be some liberalization of the law. They did not believe the pending bill would be tied up in committee as long as it was. They knew it had already passed the House, and they were persons, I found, who had been checked thoroughly as to moral character and loyalty, by the immigration officials. There was nothing against them personally; in fact, there was everything for them personally. They were the kind of people who have helped to build our country and to make it strong. What was the position of these people? Their position, at the time I looked into it, was that they were imprisoned at Ellis Island. They were not allowed out, even on bond; and they were in the process of being shipped back to Hungary. It does not take a great effort of the imagination to know what would have happened to them if we had shipped them back to Hungary.

I introduced a series of special bills on their behalf, which suspended their deportation to Hungary, as a result of the courtesy of the immigration authorities; and if the pending bill is passed, they will stay here. If it is not, they will go back again behind the iron curtain, to be liquidated because of their religious belief, which is incompatible with the beliefs that are being promulgated in that country today.

I think the pending bill is not adequately appreciated as a bill to save such people from being sent back behind the iron curtain. I cannot think of anything more cruel that we could do than not to have at least a small margin, which the pending bill would create, to enable us to accept more persons of that character. I know that the pending bill has aroused certain prejudices which are existent in every society and which I am sorry to say are particularly stirred up during election campaigns such as I am having in the State of New York today. I am being called today, or I was yesterday, a "bigot" by my opponent. That is the kind of thing which is being spread in New York unfortunately in the campaign, and it is things like that which make it difficult to get legislation of this kind. I believe intensely in the old American tradition that we build our society out of persons of different races, different creeds, and different nationalities; that we do not try to build a society which is made up of one particular class, or of one particular religion. It is out of diversity that our country has become strong and great.

Therefore I have always, throughout my life, fought for this kind of society of tolerance. I have fought for the right to be here of people of whatever race, of whatever nationality, of whatever creed. I have fought for their right to vote, to run for office, to hold political office without discrimination because of race or religion.

The PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. FERGUSON. Mr. President, I shall be glad to yield further time to the Senator, if he desires it.

Mr. DULLES. I shall finish instantly.

Because of those beliefs and because I believe that this bill accords with the best of American traditions, I hope, Mr. President, that it will be passed, and I strongly hope it will not be recommitted, which would be no more than a burial, and I could not even say a decent burial.

Mr. CAIN. Mr. President, I yield 5 minutes to the senior Senator from Indiana [Mr. CAPEHART].

The PRESIDENT pro tempore. The Senator from Indiana is recognized for 5 minutes.

Mr. CAPEHART. Mr. President, I have always had a profound feeling that we as a Nation should do our share in respect to displaced persons. I hope within the next 6 months to have a displaced-persons family on my farm. I have been in favor of the liberalization of the present displaced-persons law, and I have repeatedly so stated. I agree with the able Senator from New York that this Nation is made up of every known nationality. In fact, there is no such thing as a straight American nationality.

I think we have a responsibility to our people, namely, to make certain that those who are admitted will make good citizens. I do not quite understand what the able Senator from New York means when he says that a family came in through some authority, and now may be forced back. I presume there are literally tens of thousands of displaced persons and other persons in Europe who, had they known that some legislation was going to be passed by the Congress, would have liked to find some way to enter the United States. Whether it is fair to take a family or a group that found some way to come into the United States as against those who are just as deserving on the other side and who were unable, through lack of friends or through lack of some organization or through lack of some authority to bring them to this country, I cannot say.

Mr. President, I should be against recommitting this bill if I felt it would in any way hold up the entrance of additional displaced persons into this

country. It is my understanding that we admitted 85,000 persons and that they are coming in at the rate of approximately 17,000 each month. I understand that they are being screened and being brought in as rapidly as it is possible to bring them in. If that be true—and if it is not true I wish someone would correct me—I believe no harm will come if we recommit this bill. I feel that we have an obligation, as colleagues of the able Senator from Nevada [Mr. McCARRAN] the chairman of the Judiciary Committee. The Senate gave the chairman of that committee permission to go to Europe to study the problem. I assume that if anyone had any criticism of the displaced persons law or the idea of accepting displaced persons it would have to be directed against the administration of the law, and not against the idea that we are accepting displaced persons. I have always been in favor of that and I shall always be in favor of it. But in the present situation it does not seem to me that any harm would be done by delaying a vote on the bill until next January 25. The chairman of the Judiciary Committee is now in Europe. I believe him to be a sincere, conscientious gentleman. He may well be wrong in his position, but, nevertheless, he made a special trip to Europe to study the problem. I do not believe we should, in the absence of the chairman of the committee, in the absence of a report from the committee favorably reporting the bill, in the absence of any printed hearings on the bill, pass this bill.

I shall vote for the bill unless facts are brought out showing that it is unworkable. I shall vote for the bill when it comes back to the Senate next January 25, unless there are facts introduced into the hearings or facts presented to me which prove that it is something which should not be done. But I urge——.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. CAPEHART. May I have one more minute?

Mr. CAIN. Mr. President, I yield one more minute to the Senator from Indiana.

Mr. CAPEHART. I urge the Senate not to fly in the face of the chairman of a major standing committee, a Senator who has been a Member of the Senate for I do not know how many years, but for many years. I shall not vote to break down the precedent governing such matters. I think it is unfair to do so. I do not believe it is necessary. I think, in clear conscience, feeling that no harm will come if we delay this matter until January 25, that I can vote to recommit the bill to the Judiciary Committee with definite instructions that it must be returned not later than January 25, at which time the Senate can vote upon the bill, knowing that it has given the chairman of the Judiciary Committee sufficient time to make his case against the bill.

Mr. President, I shall vote to recommit the bill to the Judiciary Committee.

Mr. CAIN. Mr. President, I yield 5 minutes to the senior Senator from California [Mr. DOWNEY].

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. DOWNEY. Mr. President, I do not desire in any way to discuss the merits of the bill, because other Senators who are better qualified have done so. I do not believe that in the closing hours of the session, when all Senators are tired and worn out, and in the excitement now surrounding the bill, with no real report from the committee, with no recommendation from the committee, with no printed hearings, that any Senator can properly express himself upon the bill itself. I believe that all Senators on both sides of the aisle who are deeply concerned regarding this measure are sincere and honest, and I believe, under the circumstances which exist, we should wait until the return of the chairman of the Judiciary Committee to allow him a fair opportunity to present whatever additional material he may have, in view of the fact that the pending motion, if agreed to, will recommit the bill only until next January, when, under the provisions of the motion, it will again be returned to the Senate.

I intend, for those reasons, to support the motion to recommit.

Mr. CAIN. Mr. President, I yield 15 minutes to the junior Senator from Indiana [Mr. JENNER].

The PRESIDENT pro tempore. The Senator from Indiana is recognized for 15 minutes.

Mr. JENNER. Mr. President, it is difficult for me as a member of the Senate Committee on the Judiciary and a member of the subcommittee which has been considering displaced-persons legislation, to speak calmly regarding the events of recent days, because there have been perpetrated in conjunction with displaced persons legislation tactics which are in defiance of reason and courtesy—tactics which impugn the integrity of a subcommittee which has been working conscientiously and diligently on controversial issues which are of great consequence to this Nation.

There are pending before the subcommittee some twenty-odd bills to amend the displaced-persons law. These bills present many complicated and controversial issues on which the subcommittee has held numerous hearings and on which the subcommittee has been engaged in extensive deliberations. On August 19 of this year in the midst of the work of the subcommittee, a motion was made in the Senate Committee on the Judiciary to discharge the subcommittee and to report H. R. 4567 to amend the Displaced Persons Act to the Senate. The distinguished chairman of the committee, the senior Senator from Nevada [Mr. McCARRAN] at that time gave a brief résumé of the tremendous scope of the problem of displaced persons and laid before the committee a sketch of the work which the subcommittee had accomplished and the work which was yet to be done before the subcommittee would have completed its labors. Only two votes were cast for the motion to discharge the subcommittee. Thereafter, on the basis of representations and fragmentary information which came to the subcommittee it became evident that it was imperative that further facts on the administration of the present law be assembled by way of an investigation in Europe and the distinguished chairman of the committee, with unanimous approval of the Senate, left for Europe with the understanding that the work of the subcommittee would continue in his absence. And that work, Mr. President, has continued with diligence and dispatch.

I remind the Senate that just a few days ago this body gave unanimous approval to the request of the senior Senator from Nevada for further leave of absence to continue his investigation and at that time there was read to the Senate a message from the senior Senator from Nevada, indicating that he had assembled thus far substantial material bearing on the problem of displaced persons which was of vital interest to the security of our Nation. And now, Mr. President, may I recite a shocking series of events.

The senior Senator from Mississippi [Mr. EASTLAND], who has been, and is, a conscientious, active member of the subcommittee, who has labored long and diligently with the subcommittee in its work, received word of a tragedy in his immediate family which made it necessary for him to be absent from the Senate for a few days. At about the same time, an eminent member of the Judiciary Committee, the Senator from Idaho [Mr. MILLER] who had opposed the precipitous action of discharging the subcommittee, was taken from our midst in an untimely death.

With these circumstances facing the Senate Committee on the Judiciary, another motion was presented to the committee to discharge the Immigration Subcommittee from the consideration of one of the many bills on which it was working. The senior Senator from Mississippi [Mr. EASTLAND], upon learning of this move, requested the committee to withhold its action for a day or two until he could have an opportunity to personally present available factual material to the committee. But, Mr. President, while the senior Senator from Mississippi was en route from his home to Washington, the motion to discharge the subcommittee of which he was a member was hastily brought to a vote and one of numerous bills then pending before the subcommittee was reported to the Senate without recommendation.

But that, Mr. President, is not all. The chairman of the committee, the distinguished Senator from Nevada, upon learning of the proposed action had cabled the remaining members of the subcommiitee, that in view of the proposed action he felt that it was the duty of the subcommittee to at least lay before the committee before action should be taken, the available factual material and an anlysis of the bill which was to be so unceremoniously torn from the subcommittee and foisted upon the Senate. Pursuant to this request the senior Senator from Missouri [Mr. DONNELL] requested an opportunity to explain some of the principle issues of the bill upon which the committee was scheduled to vote. But he was allowed only a few minutes in which to express himself and in those few minutes was able only to briefly allude to two or three of the many

complex issues which are presented by the bill.

What is the occasion for this unusual procedure? Why was not the senior Senator from Mississippi allowed the courtesy of expressing himself on the bill? Why was not the senior Senator from Missouri permitted to point out to the committee the various provisions of the bill upon which it was so hastily called upon to report to the Senate without recommendation?

May I say further, Mr. President, that on the morning of the vote it was necessary for me to be absent from the committee for an hour or so and I personally requested an opportunity to present my views to the committee before the vote was taken, but I also was unceremoniously denied this opportunity.

Mr. President, the proponents of displaced persons legislation have so beclouded the issue with cries of religious discrimination and persecution that there is no wonder the people of this country have been misled and deceived. It is a sad state of affairs when such spurious tactics must be resorted to in order to put over legislation which could never be passed if the true situation were revealed. The fact is that we are faced with the same old immigration problem that has beset the Congress ever since the restrictive laws of 1921 and 1924 were written into our immigration statutes. It is strictly an immigration problem. We again have hundreds of thousands of Europeans knocking at the doors of the paradise of their fondest dreams. At one point in the history of this country they found welcome, but when it became evident that eastern and middle European nations were imposing upon the United States by sending us all their undesirables along with many more desirable elements, a halt had to be called.

The immigration policy of this country had developed over a long period of years. After all the controversial issues had been studied and determined, the first restrictive measures were passed in 1921 and finally the immigration act of May 26, 1924, was passed. That legislation settled once and for all our immigration policy. By that act we gave notice to the world that we would no longer take unlimited numbers of unfortunate Europeans into the economy of the United States. Quotas were set for each of the European nations, based upon the ability of the country to absorb all nationalities into our English-speaking society. There was great danger under the plow of immigration prior to 1921 that our long-established traditions and our American way of life might be destroyed by the great influx of continental immigrants with their inborn hatreds, their close-knit traditions, and their strange tongues. The restrictions were absolutely necessary to the preservation of our Nation. How many of my colleagues would for one moment consider repeal of our immigration laws so that the floodtide of these unfortunate refugees from the hard times of Europe might again rise?

That, Mr. President, is exactly what is being done under the pending bill. It is not a displaced-persons bill. The evidence is clear from the IRO organization that by the end of June 30, 1950, there will be only 11,000 displaced persons in camps in Europe. But under this bill refugees would be brought in from England, from Shanghai, from the Philippines. It does not consider the German Volksdeutsche. This would break down the immigration laws. There will be only 11,000 displaced persons in Europe as of June 30, 1950.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. JENNER. I am limited in time, but I yield.

Mr. EASTLAND. Is this a displaced-persons bill, or is it a bill to tear down our immigration structure?

Mr. JENNER. It is a bill to destroy the immigration laws of the United States. This very night there are 20,000,000 displaced persons in the world, and the finest displaced persons I know of in all Europe are the German Volksdeutsche. There are between twelve and fifteen millions of them, and not one of them can come in under the Celler bill. Mr. CELLER made the statement to the subcommittee. "I will not stand for the German Volksdeutsche being in this bill." Yet at Potsdam they were run out of their country where they had lived for two or three hundred years; but they are not "displaced persons." What I have stated is what is sought to be done under the bill.

The same people, Mr. President, who opposed to the last ditch restrictions in our immigration laws are even now the sponsors of the displaced-persons legislation and the proponents of this insidious effort to foreclose full consideration of all the issues raised in these amending bills. Indeed, Congressman CELLER, the author of H. R. 4567, was one of those who raised loud and anguished cry of religious and racial discrimination back in 1924 when the Congress had the great judgment to disregard emotional appeal and act for the best interests of the Nation.

Mr. President, here we are, with 4,000,000 unemployed, a million out on strike, 8,000,000 on part-time work, passing bills in this very Congress to take care of low-cost housing that will cost untold billions of dollars. We need $12,000,000,000 to modernize the educational plant. Five million little Americans have no place to go to school unless we spend billions of dollars in the next few years. Yet there is a desire to break down the immigration laws, and open the floodgates to all these displaced persons.

Tonight in Israel there are close to a million displaced persons. They are not covered by the bill. There are 12,000,000 German Volksdeutsche who are not covered by the bill. There are ten or twelve million in Pakistan, displaced, who are not covered by the bill. I wish I had the time to explain the conditions, but the subcommittee does not know the truth. The Senate is acting as a committee of the whole, and Senators have not the facts before them. I venture to say there are not 10 men out of the 96 Members of the Senate who know what the effect of the very bill they are considering, taken from the subcommittee, would be. Not 10 men out of the 96 know the provisions of the very bill they are taking away from the subcommittee, blindly asked to break down our immigration laws.

The same committees and organizations who would have kept the gates wide open back in 1924 have now seized upon what they believe to be a sure opportunity to break through our immigration barriers in order to dump upon our already uneasy economy as many as 400,000 Europeans who would normally be barred during the lifetime of most of them from immigration to America under the quota numbers established by law.

Deprived of its fancy dressing that is what the displaced persons movement is. It is simply an immigration movement inspired by the dire circumstances confronting the many millions in Europe after the conflict of World War II. It is right and proper for the American people to have utmost sympathy for the unfortunate victims of oppression in the European countries. That does not mean that we should help them in a way that will do violence to our own way of life and constitute a real threat to our institutions and our national economy. I am just as certain as I stand before you, Mr. President, that the dumping of 400,000 destitute, unfortunate people from eastern Europe upon the country at this time, when there are 5,000,000 people already unemployed, vast numbers in all parts of the land without adequate housing and great national issues in the process of being determined, will be a distinct and powerful liability and threat to our national economy and safety. What in heaven's name do we need with half a million more people in this country looking for jobs, for housing, and for an easy existence? Why do not we first look to our own people, to our own inadequate housing, to our own pitiful school facilities, and to the establishment of a permanent internal peace for our own people? If that is what we strive for, Mr. President, the influx of vast numbers from Europe or any other part of the world is most certainly not the way to accomplish it.

While I am on the subject of immigration, Mr. President, permit me to refresh the minds of the Senators as to the numbers of immigrants who have come into this country in the past three or four decades.

Let me interpose to say that there are living in the United States today 1,000,000 to 5,000,000 persons who entered this country illegally. It is said we are not doing our part. During the war we brought in as refugees from Germany more than 300,000 persons. President Truman, by Presidential directive, brought in another 44,000 persons. Ninety thousand persons were later brought in, and 205,000 persons will be brought in during the 2-year period under the law of 1948.

The official records of the Immigration and Naturalization Service show that 8,795,386 alien immigrants came to our shores in the period 1901 to 1910; 5,735,811 in the period 1911 to 1920; 4,107,209 in the period 1921 to 1930; and 528,431 during the period 1931 to 1940. These figures do not include many thousands

who came for temporary stay who refused to return to their former homes, nor does it include unknown thousands who entered the country illegally and have never been deported.

Mr. President, the population of the United States as reported by the census of 1900 was 75,994,575, representing an increase in the prior 10 years of 13,446,861. In 1910 the population was 91,972,262, or an increase since 1900 of 15,977,690. The population in 1920 was 105,710,620, an increase of 13,738,354 since 1910. The population in 1930 was 122,775,046, or an increase of 17,064,426 since 1920. The population in 1940 was 121,659,273, or an increase of 8,894,224 since 1930. Recent estimates released by the Census Bureau are to the effect that the population of the United States is now very close to 150,000,000, or an increase of 18,500,000 since 1940.

This tremendous increase in the number of people in the United States appears to be a matter of little concern to certain economists who are so free with their expert advice, and to others who have always favored, and who still do favor, opening our doors to all the unfortunate people on the face of the earth. But to me, Mr. President, it is alarming. The very idea of adding to our ever-swelling millions the alien hordes who would break down our immigration barriers should be repugnant to the thinking of any sane man who is more concerned with our economy and our way of life than with the hardships and tribulations of other people over the face of the earth. The adding of 400,000 displaced persons or so-called displaced persons, because only a small segment of the 400,000 would be war-displaced persons, could not possibly contribute sufficiently to our social and economic welfare to justify the risk that we should run if all the 400,000 were admitted. I stand for Americans first, and until I am satisfied that the dangers of unemployment, housing shortage, and economic instability are a thing of the past I shall oppose any measure which may have the effect of increasing the number of aliens coming to this country.

Permit me now, Mr. President, to review certain facts with respect to the Displaced Persons Act of 1948 and its administration by the Displaced Persons Commission. There has been a great hue and cry to the effect that the Eightieth Congress passed a displaced persons act which was wholly inadequate, grossly discriminatory against Catholics and Jews by deliberate design, and impossible of administration in a way that would acomplish the entry of the number specified in the law, namely 205,000 aliens.

Mr. Carusi says he can process the 205,000 persons to be admitted under the present law before the present law expires on June 30, 1950.

These spurious cries of discrimination first echoed in the halls of this great forum, rebounded in the campaign speeches of the President in the elections last year and have continuously flooded the air, the press, and the mails at the instigation of the Citizens Committee on Displaced Persons throughout the land during this first session of the Eighty-first Congress. It should be beneath the dignity of an elected representative of the people in the great Congress of the United States to take notice of the fiction and propaganda that has emanated from these sources. It is unfortunately necessary that some of us, acquainted with the facts and under no compulsion, should confront them with the truth. There is an old saying, Mr. President, that "the proof of the pudding is in the eating." Let us examine the record and see what the eating has brought to light.

The Displaced Persons Commission has furnished the subcommittee with the following information:

As of August 5, 1949, 53,710 displaced persons had been received in the United States under the administration of the Displaced Persons Act of 1948. Of that number, 26,496 were Catholics or 50 percent; 15,022 were Jewish or 29 percent; 10,989 were Protestant and orthodox about evenly divided or 10½ percent each, and others of unknown religious designation, 1,211. Where does the cry of discrimination on account of religion fit into this picture, Mr. President? The truth of the matter is that the cry of discrimination is a fraud and a sham. Certainly there is discrimination. Unless we open our doors wide to every refugee in Europe, there is discrimination. Not even the proponents of these so-called liberalizing bills have the temerity to say that we should admit all displaced persons and refugees. Any date that was adopted for a cut-off date, any restriction as to numbers, any provision of law that would say to any displaced person or any refugee in Europe or elsewhere, "No, you cannot come to America," would be discrimination against those aliens and against millions of others in the same category. The truth is, Mr. President, that the idea was seized upon for no other purpose than as a political play upon the big hearts of the American public who have always had a horror of religious discrimination and personal injustice and who have been adroitly lulled into crying, "Shame, shame," while the truth remained hidden in the intricacies of legislative detail, known only to those who have studied the problem.

The PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. JENNER. Mr. President, may I ask the Senator from Washington to yield me a little more time?

Mr. CAIN. Mr. President, I yield to the Senator from Indiana four additional minutes, so he will have 5 minutes in all.

Mr. JENNER. Mr. President, one of the main reasons offered by the proponents of the amending bills for the changes they propose is that the law as it now stands is unworkable and impossible of administration. Unfortunately, the facts do not bear out this claim. Displaced persons are now entering this country at a rate of more than 15,000 a month. Eighty-four thousand have already arrived. The Displaced Persons Commission has engaged shipping to keep up this 15,000 per month rate until all of the 205,000 provided by the law have been brought in. It is estimated that this will be accomplished considerably sooner than June 30, 1950, when the law expires. As a matter of fact, there are now an aggregate of assurances before the commission to cover more than 267,000 individuals. There never was a law more easily administered. The regulations set up by the Displaced Persons Commission permit the International Refugee Organization to certify displaced persons as being eligible under the provisions of the law. The records on all these persons are on file and it is only necessary to check the assurances with the records already assembled and send the displaced person for physical examination and visa. One of the commissioners of the Displaced Persons Commission stated that it was possible to employ mass selection due to the fact that the restrictions as to the agricutural preference and the preference accorded to persons from territories annexed by Russia were not being adhered to. I assume that the fact that the law provides that 30 percent of all displaced persons must be agricultural workers and that 40 percent must have come from territories annexed by a foreign power carries little weight with the commission. It will be interesting to see when the program is all over just how this has worked out. If there is any violation of the law in this regard those responsibile must, of course, answer to the penalties of the statute.

No, Mr. President, there is no difficulty with the administration of the Displaced Persons Act of 1948. All they have to do is to forward a bunch of assurances to the International Refugee Organization. That organization sends the persons on their way and we receive them at the ports of entry with great fanfare. There is not the slightest doubt in my mind that the law could be administered for twice the number now provided with just as little difficulty as now is experienced in bringing in 15,000 a month. I am equally certain that as many as a million refugees and displaced persons are now clamoring for the opportunity that is being accorded the 205,000 covered by the law. They are located right in the territory from which the displaced persons are coming, and if the law is extended to cover 400,000 there will be just as much pressure in the future to extend the number to a million. The whole proposition has long since ceased to be a charitable and humanitarian project to relieve the displaced persons camps. It is an immigration movement carrying a tremendous impact and there will be no end to it as long as there is hope that the Congress will provide $73,000,000 per year to feed and clothe them in Europe and transportation to America.

The fact that the International Refugee Organization has already concluded to end its operations at the expiration of its charter on June 30, 1950 is most significant, as the end of our displaced persons program comes on the same date. In a report of the International Refugee Organization published on the 11th of July 1949, there is a very interesting and significant conclusion.

On page 9 of that report we find this statement:

Balancing these facts and probabilities we believe of the total estimated camp population of 172,000 persons remaining on 30 June 1950, about 161,000 will be in the classes of limited opportunities for resettlement.

In other words, under the present plan of the International Refugee Organization, taking into consideration both the Displaced Persons Act of the United States and contract arrangements with other nations for the reception of displaced persons, the International Refugee Organization estimates that at the end of June 1950, there will be only 11,000 displaced persons left in the camps who are eligible in any respect for resettlement. The balance of 161,000 will be people too old or too afflicted with disease or difficulties to be resettled in any land. These people must necessarily be cared for where they are now located.

If the measures now before the Senate for liberalizing the Displaced Persons Act are passed where will the displaced persons, to the extent of the 400,000 called for, be found? The answer is very clear. They will come from the hundreds of thousands of refugees who have already left for other countries and who will return, and they will also come from hundreds of thousands of refugees and displaced persons who are now making their way in Europe without the help of International Refugee Organization. Most of these refugees have registered with International Refugee Organization for immigration purposes only, and they will be on their way to America just as soon as the various organizations which are looking after their interests get busy following the passage of an amending bill.

If there is to be a bill of this kind, Mr. President, why call it a Displaced Persons Act. Let it be called an immigration bill, for it can be nothing more than an amendment to our immigration laws, a change in our immigration policy, and consequently a breaking down of the barriers long ago established to keep out of this country the riffraff of Europe and of the less-fortunate nations of the world.

I am opposed to opening our doors to greater numbers of displaced persons, refugees, or immigrants of any category whatever, as long as there are 5,000,000 people unemployed in this country, as long as industry is torn by strikes which make our future uncertain, and as long as housing and unemployment conditions in this country are such that it would be impossible to establish them here without depriving Americans of jobs and homes.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. CAIN. Mr. President, I yield the Senator one additional minute.

Mr. JENNER. Mr. President, we have passed the era when our borders can be freely crossed by large masses of people without our suffering the severest reaction from it. We have been faced with uncertainty in recent days both in the fields of pricing and unemployment. To allow additional tens of thousands of unpredictable immigrants to enter cannot but fail to have the most profound effect upon our economic structure. The opening of immigration barriers at this time will place our country at the mercy of the purveyors of alien ideology, of servants of a foreign aggressor power, of malcontent groups.

A life-and-death struggle with a worldwide Communistic movement are seen on the battlefields of China, in the slave camps of western Europe and are clearly visible in our own country. The riot at Peekskill, N. Y., demonstrations in front of Federal courts, and Communist-led strikes present us with a picture of slow but certain aggrandizement of the forces of Soviet communism in the United States.

Instances could be cited of the admission of foreigners to this country, where they obtained positions of influence either in Government service or in economic fields, who, after their stay in America, returned to European countries as avowed agents of Soviet Russia. Among them are Adolf Hoffmeister, Herman Budzislawski, and the notorious Gerhart Eisler, former boss of the Communist Party in the United States.

We are no longer living in a world in which the frankness and the generosity which has become the hallmark of the American people can be dispensed freely. Our first duty is to protect ourselves against foreign subversion.

I cannot understand, Mr. President, the lack of awareness which is being shown of the tactics and the methods by which the Soviet Union is working to overthrow our Government. I refuse to be a part of any action which will speed the way for any more Eislers and Hoffmeisters and Budzislawskis to take advantage of our national generosity and integrity.

Mr. EASTLAND. Mr. President, the issue presented by this motion is not whether we are for or against the displaced-persons bill. The issue presented is not whether we will or will not pass a displaced-persons bill. Frankly, I am in favor of the passage of a reasonable bill of this character. But that is not the issue in controversy here. The controversy here is whether or not the Celler bill is adequate, whether or not the Celler bill is a just bill, and whether or not it should be recommitted to the Judiciary Committee, to be reported on the 25th of January.

The adoption of the motion would not interfere with the entrance of a single displaced person into the United States. The shipping space has already been contracted for. We are today taking into this country 17,000 displaced persons a month. We are taking in 500 displaced persons a day. Already 272,000 validated assurances for entry have been approved. In fact, it is physically and utterly impossible to take a greater number of displaced persons into this country within the next few months. So a vote for this motion is not a vote against displaced-persons legislation and will not interfere with the entry of a single one into the United States.

The Judiciary Committee handles more bills than any other committee of the Congress. There have been referred to us this year 1,500 bills. Among this number there were referred to us 18 displaced-persons bills. The subcommittee which has been considering these bills has held innumerable hearings and has performed a great amount of work.

Mr. President, this is not a simple question. Our paramount duty is to protect the interest of the United States, and this we have attempted to do. Of the 18 bills presented to us, the Celler bill, the bill which is now under discussion in the Senate, is the very worst of the lot. We have been studying the subject with the object in view of reporting a fair, just, and comprehensive displaced-persons bill.

I have stated that the Celler bill is the worst bill of the lot. I shall discuss the provisions of that bill in a few minutes; but first let me say that we are asked to write a bill on the floor of the Senate, without adequate information, when the members of the Judiciary Committee who reported the bill refused to recommend its passage to the Senate. On a bill of this vital nature, the committee hearings were not even published, and are not available to Members of the Senate. I ask, can we legislate intelligently on that basis? Can we know what we are doing?

Several organizations are vitally interested in this subject. A number of Government departments are vitally interested. There is the Immigration and Naturalization Service. The Immigration and Naturalization Service says that the Celler bill is a bad bill and should not be passed. Yet we are asked to vote for it in the Senate without hearings and without knowledge on the subject.

The United States Consular Service, with representatives on the continent of Europe, which Service gives visas to immigrants who desire to come to this country, says that the Celler bill is a bad bill and should not be passed. In addition, the representatives of the Displaced Persons Commission in Europe, the very Commission which would administer the act, the very men in Europe who would administer the Celler bill, say that it is a bad bill and should not be passed. Yet, in the face of that, in the absence of printed hearings, in the absence of a report from the committee, and while the chairman of the committee, under leave of the Senate, is spending 3 weeks in Europe getting information for the Senate, in the closing days of this session of Congress we are asked to rush the bill through.

Mr. President, what are the facts? Next June there will be 172,000 people in the displaced-persons camps. One hundred and sixty thousand of those 172,000 are ineligible to come into the United States because they are criminals or because they are physically handicapped, or because they are social misfits. A sound displaced-persons bill would have for its objective the reduction in the population in those camps, but this bill goes further. It even changes the definition of a displaced person, as defined in the IRO Act, in order to take into the United States immigrants who are not displaced persons,

who are not qualified as displaced persons, in order to tear down our immigration system. The Celler bill would strike the displaced-persons priority in the present law. This is an immigration bill, Mr. President. This is not a displaced-persons bill.

What are some of the provisions of the bill? Do Senators know that under this bill a person who took up arms against Russia when the Russian Armies invaded his country, and who fought to protect his country, is ineligible to come into the United States as a displaced person under the Celler bill which we are asked to pass? The reason is that anyone who fought our allies is not an eligible displaced person. Any person from one of the countries which were overrun by the Russian Army, and who fought for his home and was uprooted by the Russian Army and fled is ineligible to come into the United States under the Celler bill.

Let me say now that this bill is founded in discrimination. It stinks of discrimination against loyal, patriotic groups who should be permitted to come here, and who would be an asset to our country.

What are some of the other provisions? The Celler bill provides that we shall take in 18,000 now settled in the British Isles. We have a habit of solving all of England's problems. This is another instance. Those people are settled there permanently. They are happy in Great Britain. But we say, "No; we are going to let you come into the United States under this bill."

The bill also provides that 15,000 people in central Europe who will be displaced in the future—not people who are now displaced, but who will be displaced in the future—may come into the United States.

What do our intelligence agencies say? Do Senators know what the men whose duty it is to catch spies and saboteurs and to protect our country say? They say that that provision endangers the security of the United States. Yet we are asked to pay no attention to that advice, but to rush the bill through in the closing days of a session of Congress under the whiplash of an organization which spends $800,000 a year on publicity and propaganda to cram it down the throats of the American people.

Furthermore, the bill changes the definition of displaced persons so as to bring in people now settled in China and the Philippine Islands. It is not our duty to take in all the peoples of the world who have been uprooted by the gigantic conflict through which we have just passed. Those people are settled in China or in the Philippines; yet the bill expands the definition of a displaced person as defined in the constitution of the International Refugee Organization, in order to admit them into our country.

Mr. President, what are the further facts regarding this bill? Listen to this, please. This bill would block off 50 percent of the nonpreference immigration quotas, for certain groups, which have been received by other countries throughout the world. That will apply to displaced persons who are settled in other countries. They are making a living there. They are not in displaced-persons camps; they are not in Europe. This bill provides that those persons can have a preference of 50 percent of the nonpreference immigration quotas for entry into the United States.

Mr. President, the bill discriminates rankly and unjustly against persons of German ethnic origin. I say that one of the great crimes of all history occurred after Potsdam, when millions of people—men, women, and children—were uprooted and driven from their homes. Millions of them died like flies on the highways of Europe, in their march to Germany. No group of people in the entire history of the world ever suffered more than they did. Today we are not having to spend billions of dollars to keep from the clutches of communism those of that group who have survived. They are not trying to hold up this country, by saying, "If you don't give something, I am going to join Russia." We do not have to subsidize them. They are the backbone of anticommunism in Europe. Yet under the Celler bill, they are ineligible for entry into our country. Is that justice? Is that fair?

I say the Senate of the United States does not have at hand information on the basis of which to write a displaced-persons bill on the floor of the Senate. I say we in the Senate are incapable at this time of writing such a bill to protect this country.

Let me read to Senators what the distinguished chairman of the Immigration Subcommittee of the House Judiciary Committee, Representative WALTER, said. He said this:

> We feel we have only been guessing at facts when debating the displaced-persons law. We felt our guesses might be wrong. So we are on our way to get more information. We want to be able to say with a greater degree of accuracy the number of DP's we should admit into the United States.

He made that statement when he was on his way to tour Europe, after he had helped to pass this bill in the House of Representatives. He said that we have to have more information in regard to how many of these persons should be admitted into the United States.

Mr. President, I submit that the treatment of the chairman of the Senate Judiciary Committee was outrageous. He was under a leave of absence from the Senate, and was studying conditions zealously and sincerely, in an earnest endeavor to work out a bill which would be to the best interests of our country. We should uphold his hand, instead of insulting him by taking this bill away from his committee.

The PRESIDENT pro tempore. The time of the Senator from Mississippi has expired.

Mr. CAIN. Mr. President, the time remaining to the proponents of the motion is, I believe, something less than 4 minutes.

If I have been correctly informed, I think the time now falls to the lot of the opponents of the motion.

The PRESIDENT pro tempore. The Senator from Michigan is in control of the time on the other side of the question.

Mr. LUCAS. Mr. President, I do not know whether the Senator from Michigan desires to have me speak at this time, but I have a few words to say.

Mr. FERGUSON. Does the Senator from Illinois desire to speak at this time?

Mr. LUCAS. It is 25 minutes to 7.

Mr. FERGUSON. Mr. President, let me inquire how much time remains to our side?

The PRESIDENT pro tempore. The Senator from Michigan has 21 minutes; the Senator from Washington has 4 minutes.

Mr. FERGUSON. I yield 21 minutes to the Senator from Illinois.

Mr. LUCAS. Mr. President, I rise primarily for the purpose of discussing the motion to recommit this bill to the Judiciary Committee. I do not propose at this time to delve deeply into the merits or demerits of the bill which the Judiciary Committee has reported for the purpose of action by the Senate.

It is my opinion that we cannot delay much longer in enacting a new law on this subject, especially when there has been so much sincere interest among the American people concerning the thousands of refugees suffering from political and religious oppression.

There is no place in such a law for discriminatory treatment of displaced persons because of their race or religion. There is no place in such a law for rigid restrictions on nationality which, under the present act, have had the effect of cutting down the number of refugees who can qualify for admission to the United States.

I should like at this time to discuss briefly the circumstances which prompted my action in submitting a resolution asking for the discharge of the Judiciary Committee from further consideration of this matter. It was clear to all that the Displaced Persons Act required many fundamental changes. The House of Representatives went to work very early this session to improve what I term the shameful law on this subject, a law which discriminated against Jews and Catholics, and a law which embraced many restrictions. As everyone knows, last year both the Democratic and Republican Party platforms included a pledge to amend this law so as to make it more liberal. Public hearings were held before the House Judiciary Committee over a period of 4 days. The bill now before us was reported out of the House Judiciary Committee on May 16, and was passed by the House on June 2 by an overwhelming vote. It was referred to the Senate Judiciary Committee on June 6, more than 4 months ago. It is my understanding that a great many other bills on this subject have been referred to the Judiciary Committee for its consideration, along with the bill now before us, which came over from the House of Representatives.

This bill was before the Senate Judiciary Committee for almost 2 months before any public hearings were held on it. After considerable urging on the part of many Senators, the Judiciary Committee finally commenced public hearings on July 26. From then on the Committee held hearings on an average of once a week.

Let me point out that the House Judiciary Committee, after 4 days of public

hearings, was prepared to remove the inequitable provisions from this law. The Senate Judiciary Committee, after holding hearings on 18 different days, apparently did not consider itself properly informed to report this measure in any form.

Every Senator recognizes that a committee should not be discharged from the further consideration of any matter which has been referred to it, except as a last resort. The traditional practice of the Senate has been to permit its committees to determine for themselves the length of time they shall devote to matters before them, and the manner in which they shall carry out their functions of studying and reporting proposed legislation.

However, it has long been recognized that if the legislative process is to be effective, the Senate itself must retain authority to discharge a committee in the rare case where there is strong evidence that a committee is obstructing the will of the people. I submit that this was precisely the situation which faced us at that time.

The will of the people and of their representatives was clear. The Displaced Persons Act of 1948 met with a demand from every segment of our population for its immediate revision. Scores of Senators had raised their voices in favor of removing from our statute books the inequitable provisions of this law. In the face of the public protest to this act, the House of Representatives swiftly and courageously passed a new displaced-persons bill which repeals practically all the objectionable features of the old law.

Despite the public demands, despite the insistence of many Senators from both sides of the aisle, and despite the commendable action by the House of Representatives, the Senate Judiciary Committee steadfastly refused to report out this bill.

On July 27, the chairman of the Judiciary Committee, the distinguished senior Senator from Nevada, stated publicly that he saw no reason for rushing through changes to the present law, nor for taking action to increase the quotas until next May.

When it became apparent, as a result of such statements as these, that the Judiciary Committee was not likely to report this measure very soon, the majority policy committee on August 2 decided to invite the distinguished senior Senator from Nevada to a policy committee meeting to urge immediate action.

I may say, by way of diversion, it was the seventy-second birthday, as I recall, of the distinguished Senator from Nevada. We provided him with a huge birthday cake, hoping that a birthday party might produce in the distinguished Senator a mellow mood, and while in that mood he would consider this bill.

Mr. DONNELL rose.

Mr. LUCAS. In other words, we were affording him every opportunity to change his mind, giving him a little cake topped by persuasive arguments to the effect that he ought to do the proper thing; but it did not succeed. I yield.

Mr. DONNELL. I think the Senator has just answered the question I was going to ask, namely, whether the cake changed the mind of the Senator from Nevada.

Mr. LUCAS. The cake had no effect upon the Senator from Nevada whatever. It was a large cake, too. [Laughter.] It was a good cake. It was a delicious cake. I merely recite these facts to show that the majority leader and the Democratic policy committee have not been derelict in their duty in attempting to get a bill reported by the Senate Committee on the Judiciary. I cite these facts also in order to demonstrate that so far as the Senator from Illinois is concerned, he thought he was completely justified when he finally filed a motion sometime later to discharge the Committee on the Judiciary.

As I said before, the distinguished senior Senator from Nevada appeared before the majority policy committee on August 8 at which time he was strongly urged to speed up committee consideration of this matter and to get the bill before the full Senate for action. It once more appeared clear that there was little hope for committee action any time in the near future.

The Senator from Nevada had a bill before the committee. The Senator from Rhode Island, now the Attorney General of the United States, also had a bill before the committee. As I recall, I asked the distinguished Senator from Nevada what he would do if the Senator from Rhode Island at the next committee meeting moved to take up the McGrath bill. As I recall, the chairman of the Judiciary Committee advised our policy committee that the McGrath bill would not be considered at that time.

It was at this point I became convinced that the Senate in the public interest must assert its legislative authority under its rules and move to discharge the committee. I should like to say no one dislikes more than does the Senator from Illinois even to think about discharging any committee from the consideration of any business which is before it, because it is a very serious and a very delicate situation. But under the crcumstances I believed the Senate of the United States was absolutely justified, or at least that the Members of the Senate were absolutely justified in filing the motion to discharge the committee. Two days later, on August 10, I appeared before the minority policy committee and asked that the minority leadership join with the majority in discharging the Judiciary Committee from further consideration of the Displaced Persons Act.

I did not consider it a very unusual performance for the majority leader to walk across the hall and appear before the minority policy committee, in an effort to cooperate with them upon a question of national and international significance. However, the newspapers thought it quite unusual that the Senator from Illinois should dare walk into a minority policy committee meeting to present such a proposition. I want to say to the Senator from Nebraska, who is present, and to other members of the minority policy committee, that I was treated with all the courtesy, grace, and affection that a Democrat could possibly receive in a Republican group of that kind.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my friend from Nebraska.

Mr. WHERRY. I thank the distinguished Senator for the compliment. I want to say it demonstrates the full cooperation we have given the majority leader throughout the session of the Congress. [Laughter.]

Mr. LUCAS. Yes, the Senator from Nebraska was very cooperative from that time on in connection with the displaced-persons bill. He has been trying to get it recommitted, ever since it came to the floor. He has been cooperating in the opposite direction so far as the displaced persons bill is concerned.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I do not have any more time to yield. I should enjoy debating with my friend from Nebraska.

Mr. WHERRY. The feeling is mutual.

Mr. LUCAS. The Senator always stimulates me to great heights.

On August 10, I stated we were trying to work out an amicable agreement with the Republican leadership on a nonpolitical, humanitarian, bipartisan measure. I stated also that discharging of a committee should be done only as a last resort, but in this case there was no other alternative since the distinguished chairman of the Judiciary Committee had definitely stated he would not permit the bill to be reported during this session.

I want to commend the distinguished Senators on the other side of the aisle, who joined with Members of my party in a bipartisan effort to bring this bill before the Senate this session.

Fifteen distinguished Senators from both parties joined with me in offering Senate Resolution 160, asking that the Committee on the Judiciary be discharged from further consideration of the Displaced Persons Act. I repeat, the displaced-persons bill is a humanitarian, bipartisan measure. Members of the two great political parties in offering this resolution were joining forces in the public interest, as they had done on many other occasions.

I regret very much that the distinguished chairman of the Judiciary Committee is not present for this debate. However, I do not believe that any one could reasonably ask that we delay any longer. The distinguished chairman was fully advised that the Senate would very likely take this matter up at this time.

On September 12, the distinguished chairman of the Judiciary Committee requested a 3 weeks' leave of absence. At that time I advised him that I could not give him complete assurance that the discharge resolution would not be brought up during his absence. I told him, however, that, if it should be brought up for consideration, I would cable him sufficiently in advance to permit his presence here.

On September 21, I cabled the distinguished senior Senator from Nevada setting out the legislative program for the next 10 days. I stated in this cable

that the resolution asking for the discharge of the Judiciary Committee might be called up for debate by September 29 or 30.

On September 29, I again cabled the distinguished Senator advising him that the discharge resolution would not be taken up before October 10. It was perfectly clear in this cablegram that the Senate might proceed to a consideration of displaced-persons legislation any time this week.

In view of the importance of this legislation, and in view of this late date, I cannot see how we can wait any longer to consider this bill.

Mr. President, in conclusion I may say I lay this foundation for the sole purpose of advising the Senate and the country that the majority leader of the Democratic Party who, with other Senators, both Republican and Democratic, presented the motion to discharge the committee has been acting in the best of faith in attempting to keep the Senator from Nevada advised with respect to what is going on in the Senate in connection with the displaced-persons bill. The Senate Judiciary Committee reported it by an official vote of 7 to 5.

Much has been said about the distinguished chairman from Nevada being out of the country.

Oh, Mr. President, they plead in behalf of the distinguished Senator from Nevada, and say, "Wait until he comes back. Do not take advantage of him in his absence." If that is all that is necessary to keep legislation from coming before the Senate of the United States, all that a chairman of a committee has to do is to take a 3 months' trip some place, and during his absence no legislation, irrespective of its importance, would be reported from his committee.

To my way of thinking this proposed legislation should have been considered and acted upon long before this time. That is essentially true, in view of the fact, as I said in the beginning, of the pronouncements of the Democratic National and the Republican National Conventions, solemnly assembled in Philadelphia last year. Every Senator on the Republican side knows what the Republican platform said about the Displaced Persons Act which was passed last year. Every Senator on the Democratic side knows exactly what the Democratic platform said we would do with respect to liberalizing the action taken by the Eightieth Congress. Of course, Mr. President, platform planks sometimes do not mean very much, in the estimation of some public servants, but it seems to me the time is long overdue to pass upon this particular measure. We should not recommit the bill, but we should correct the Displaced Persons Act at this session, rather than recommit the bill to the Committee on the Judiciary and have it reported back to the Senate next year, when we shall have a great deal of work to complete. Do not recommit the bill because when we come back next year we will hear the same arguments all over again. We have made some progress in debating the merits and demerits of the bill. We have been considering it for 3 days, and we should remain with it until it is acted upon one way or the other.

So far as I am concerned, I am not anxious to go home. I want to stay here and finish the work that has to be done—the work the people of the United States expect us to do during the present session. We have had a long session, it is true, but the times in which we are living are not normal. Extraordinary conditions exist in the United States and the world, and never before in the history of any Congress have there been so many highly controversial issues as we find on the calendar at this time. This bill is one which we should pass before we adjourn. Those Senators who vote to recommit it will have to answer to their constituents for failure to pass this legislation in this session. Should the motion prevail, Mr. President, every Senator who casts his vote today makes a most serious and far-reaching decision.

Mr. CAIN. Mr. President, the citizens of our great Nation look to the Senate of the United States for legislation which results from considered and mature thought and judgment. They know, Mr. President, as does any well-trained child, that haste makes negligence and waste. They know that legislation which is written on the floor of the Senate is destined to be bad and ill-fated legislation. The citizens throughout our 48 States and the Territories are not the slightest bit concerned with name calling, but they do not know why the pending displaced-persons bill came before the Senate without fact-supported recommendations. All they know is what all of us in the Senate know, namely, that the Committee on the Judiciary has made no recommendation by which the Senate can guide its action, that no printed hearings are or have been available for study, that the chairman of the Judiciary Committee is presently in Europe examining the displaced-persons question in the field, from where he has, I think sincerely and seriously, urged that further hearings be held on this controversial public question.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. My time is extremely limited. I would rather not yield.

They know that the law of 1948 will not expire until June 30, 1950. All this, Mr. President, simply means that time remains within which the Committee on the Judiciary can properly advise the Senate of the United States early in January what the committee thinks should be undertaken and accomplished. This advice and counsel, Mr. President, will, I trust, adequately prepare the Senate to know what it is doing when it does act.

Should the motion to recommit fail, the Senate must then assume a responsibility and endeavor so to amend the pending bill that it will be fair to all parties concerned. I know it to be a fact that no proponent or opponent can say with certainty that the pending bill is an adequate bill, for most of them have admitted that it is not adequate or fair to America and the rest of the world. This would be a large undertaking and difficult of attainment. All of us, and the country itself, and those whom we seek to assist overseas, whom we all want to assist, will benefit greatly from taking advantage of the time remaining to design and then to agree upon a displaced-persons bill which we can adequately and fully understand, which we can explain to interested persons, and of which we can be proud.

Mr. President, I trust that the motion will prevail.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Washington if he would care to have me suggest the absence of a quorum in his time. He has a minute and a half remaining.

The PRESIDENT pro tempore. The Senator from Michigan has 3 minutes left.

Mr. WHERRY. I beg the Senator's pardon.

Mr. FERGUSON. Mr. President, there is not a Member of the Senate who does not know the issue which confronts us. The question before the Senate is whether this bill should be recommitted to a committee which has had the question before it during the entire year 1947, the year 1948, and the first 10½ months of 1949. The committee has had 26 employees studying the question. Seven members of the committee, out of a membership of 12, normally of 13, which is a clear majority, have reported the bill to the Senate and it is now before the Senate for action. It has been debated. The question is clear. Should it be returned to the Judiciary Committee to await the action of that committee, with the great amount of work which will have to be done when we come back next January? I hope the Senate will pass upon the question now and settle the issue.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	McCarthy
Anderson	Hayden	McFarland
Baldwin	Hendrickson	McKellar
Brewster	Hickenlooper	McMahon
Byrd	Hill	Magnuson
Cain	Hoey	Malone
Capehart	Holland	Millikin
Chapman	Humphrey	Morse
Cordon	Ives	Myers
Donnell	Jenner	Neely
Douglas	Johnson, Colo.	O'Conor
Downey	Johnson, Tex.	Russell
Dulles	Johnston, S. C.	Saltonstall
Dworshak	Kem	Schoeppel
Eastland	Kerr	Smith, Maine
Ecton	Kilgore	Taft
Ellender	Knowland	Thomas, Okla.
Ferguson	Langer	Watkins
Fulbright	Leahy	Wherry
George	Lodge	Wiley
Graham	Long	Williams
Green	Lucas	Young

The PRESIDENT pro tempore. A quorum is present.

Mr. DONNELL. Mr. President, will the Chair be kind enough to state the question?

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Washington [Mr. CAIN], for himself and the Senator from Mississippi [Mr. EASTLAND], to recommit the bill (H. R. 4567) to amend the Displaced Persons Act of 1948 to the Committee on the Judiciary, with instructions.

Mr. DONNELL. Will the Chair state the instructions?

The PRESIDENT pro tempore. The instructions are to report the bill back by January 25, 1950.

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. EASTLAND (when Mr. CONNALLY'S name was called). On this vote the senior Senator from Texas [Mr. CONNALLY] has a pair with the senior Senator from Florida [Mr. PEPPER]. If the senior Senator from Texas were present and voting, he would vote "yea." If the senior Senator from Florida were present and voting, he would vote "nay."

Mr. EASTLAND (when Mr. O'MAHONEY'S name was called). On this vote the senior Senator from Wyoming [Mr. O'MAHONEY] is paired with the senior Senator from Nevada [Mr. MCCARRAN]. If present and voting, the senior Senator from Wyoming would vote "nay," and the senior Senator from Nevada would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that my colleague, the junior Senator from Alabama [Mr. SPARKMAN], is absent by leave of the Senate, as a member of the subcommittee of the Committee on Banking and Currency which is now in Europe studying the problem of housing. If my colleague were present he would vote "nay."

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Texas [Mr. CONNALLY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are members of the committee appointed to attend the funeral of Hon. Bert H. Miller, late a Senator from Idaho, and are therefore necessarily absent.

The Senator from Utah [Mr. THOMAS] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is paired on this vote with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Montana would vote "nay."

The Senator from Arkansas [Mr. MCCLELLAN] is paired on this vote with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from Arkansas would vote "yea," and the Senator from New Mexico would vote "nay."

The Senator from Mississippi [Mr. STENNIS] is paired on this vote with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Mississippi would vote "yea," and the Senator from Tennessee would vote "nay."

I announce further that if present and voting, the Senator from Idaho [Mr. TAYLOR] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from Vermont [Mr. FLANDERS] and the Senator from New Jersey [Mr. SMITH] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. THYE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate. If present and voting, the Senator from Minnesota [Mr. THYE] would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] who is necessarily absent is paired with the Senator from Nebraska [Mr. BUTLER] who is absent on official business with leave of the Senate. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Nebraska would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The result was announced—yeas 36, nays 30, as follows:

YEAS—36

Brewster	Fulbright	Langer
Byrd	George	McFarland
Cain	Gurney	McKellar
Capehart	Hayden	Malone
Chapman	Hickenlooper	Millikin
Cordon	Hoey	Russell
Donnell	Holland	Schoeppel
Downey	Jenner	Thomas, Okla.
Dworshak	Johnson, Colo.	Watkins
Eastland	Johnston, S. C.	Wherry
Ecton	Kem	Williams
Ellender	Kerr	Young

NAYS—30

Aiken	Humphrey	McMahon
Anderson	Ives	Magnuson
Baldwin	Johnson, Tex.	Morse
Douglas	Kilgore	Myers
Dulles	Knowland	Neely
Ferguson	Leahy	O'Conor
Graham	Lodge	Saltonstall
Green	Long	Smith, Maine
Hendrickson	Lucas	Taft
Hill	McCarthy	Wiley

NOT VOTING—30

Bricker	McCarran	Smith, N. J.
Bridges	McClellan	Sparkman
Butler	Martin	Stennis
Chavez	Maybank	Taylor
Connally	Mundt	Thomas, Utah
Flanders	Murray	Thye
Frear	O'Mahoney	Tobey
Gillette	Pepper	Tydings
Hunt	Reed	Vandenberg
Kefauver	Robertson	Withers

So the motion of Mr. CAIN on behalf of himself and the Senator from Mississippi [Mr. EASTLAND], to recommit the bill with instructions, was agreed to.

Mr. EASTLAND. Mr. President, I move that the vote by which the motion was agreed to be reconsidered.

Mr. CAIN. I move that the motion of the Senator from Mississippi be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington to lay on the table the motion of the Senator from Mississippi.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, before Senators leave the Senate Chamber I have something to state which I believe may be of interest, respecting the program for next week. As soon as the Senate completes its work tonight we will take a recess until Monday at 12 o'clock noon.

There is on the calendar a bill which we have agreed to consider, Senate bill 2317, Calendar No. 957, to provide grants for State-wide programs of school construction. It is my understanding there is some opposition to the bill on the part of the Senator from Ohio and the Senator from Missouri, but the Senator from Minnesota, the author of the bill, advises me that he believes the Senators may agree to certain amendments to be offered to the measure, and if so, the bill can be quickly passed.

Another bill we propose to consider relates to the authorization of certain construction at military and naval installations in Alaska and on Okinawa. The bill has come over from the House. It is my understanding that the bill is on the calendar, having been reported today by the Armed Services Committee.

Mr. RUSSELL. Mr. President, I know of no objection to that bill. It can be considered now, if no objection is raised. I am quite sure it will be passed on the call of the calendar.

Mr. LUCAS. We are going to have a call of the calendar. I shall make an announcement respecting that later. If the bill is passed on the call of the calendar, very well; if not, it will be taken up later.

Mr. RUSSELL. The committee was unanimous in its action on the bill, and I am quite sure it will pass on the next call of the calendar.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAGNUSON. Do I understand it is the intention of the majority leader, because the two problems are somewhat related, that the bill relating to a railroad survey in the Alaskan area, which was unanimously passed by the House, and reported unanimously by the Senate Foreign Relations Committee, shall be considered at the same time?

Mr. LUCAS. Has the Senator from Washington gotten his differences with the Senator from New Mexico straightened out?

Mr. MAGNUSON. Yes; and the Senator from New Mexico is now a hearty supporter of that bill.

Mr. LUCAS. Probably it will be taken up if it will not consume too much time.

Mr. MAGNUSON. It ought not to require more than 5 minutes.

Mr. LUCAS. Then there is the second supplemental appropriations bill,

which includes the money for the military assistance program. I should like to inquire, if I may, of the distinguished chairman of the Appropriations Committee just where that bill is. Has that bill been reported by the committee?

The PRESIDENT pro tempore. It has not been reported, but the Chair will say that it will be reported Monday afternoon, and I hope it can be passed Monday afternoon.

Mr. LUCAS. I thank the Senator from Tennessee for that information.

There is another bill that should not be controversial, House bill 5839, Calendar No. 1082, a bill to facilitate and simplify the work of the Forest Service. Some objection was made to that the other day, but it is a small bill and should be passed without much difficulty.

Mr. MILLIKIN. Mr. President, what was the last bill the Senator referred to?

Mr. LUCAS. A bill to facilitate and simplify the work of the Forest Service.

It is my understanding that the following conference reports have been filed: The report on the minimum-wage bill—if I am in error in respect to any of these matters I wish some Senator would correct me—the report on the basing-point bill, the report on the establishment of foreign trade zones, the report on Senate bill 2115, dealing with veterans' automobiles, and the report on Senate bill 1479, the postal delivery bill.

Bills which are still in conference are the farm bill, the bill for the revision of the Classification Act, the postal pay bill——

Mr. JOHNSTON of South Carolina. The last two bills have been agreed to in conference, and the House will have to take them up first. They have been reported to the respective Houses.

Mr. LUCAS. I thank the Senator from South Carolina for correcting me. That was done after I prepared this list. Other bills still in conference are the bill providing for the composition of the armed forces, the rural telephone bill——

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HOLLAND. The conferees are ready to make a unanimous report on that bill and have it ready for presentation on Monday.

Mr. LUCAS. I thank the Senator from Florida. Also in conference is the wind tunnels bill, and the joint resolution providing for continuing appropriations. I do not know what is going to be done with that measure. As I understand, a bill has come from the House providing for continuing appropriations. That is still pending before the Appropriations Committee, as I understand.

The PRESIDENT pro tempore. No. It came from the House with an amendment of the House providing that its provisions should apply until the 18th of October. So that bill would take care of the situation for only a few days of next week.

Mr. LUCAS. That continuing joint resolution is still pending in the Senator's committee, as I understand.

The PRESIDENT pro tempore. Yes; it is.

Mr. LUCAS. I thank the Senator.

The PRESIDENT pro tempore. The Chair will state to the leader that the greatest trouble is respecting the military bill. The conference committee is working on it, and we are doing everything we can to bring about an agreement.

Mr. LUCAS. I thank the Senator for that information.

Other bills in conference are H. R. 6305, to implement the wheat agreement, and H. R. 4146, the Military Establishment appropriation bill, which has taken some time to consider, and which may take some more time, as I understand, because the conferees on the part of the Senate are finding it a little difficult to agree with the conferees on the part of the House.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. In the light of the program which the able Senator from Illinois is outlining, the Senator from New York inquires whether the majority leader has any idea as to the probable adjournment date?

Mr. LUCAS. I merely mention this program to advise the Senate that when we finish the program we shall adjourn. I do not believe it will take too long. Most of the bills which I have mentioned are noncontroversial. Most of the bills in conference, with the exception of the Military Establishment bill, and perhaps the farm bill, which is having a little rough sledding now, are noncontroversial. I should say that most of this program could be accomplished in the next couple of days.

Mr. GURNEY and Mr. LODGE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Illinois yield, and if so, to whom?

Mr LUCAS. I yield first to the Senator from South Dakota.

Mr. GURNEY. I should like to ask the Senator from Illinois a question. He does not seem to have on his list a very important bill which is in conference. I think it could be agreed to in conference if the members of the House Armed Services Committee who are House conferees could find the time to meet with us. I refer to the 70-group air force composition bill. It is the over-all authorization bill, and affects the number of officers who could be given commissions in the Regular forces, the Army and the Air Force.

Mr. LUCAS. Does the Senator refer to the Military Establishment appropriation bill?

Mr. GURNEY. I do not recall it as having that name.

Mr. LUCAS. I may have overlooked that bill.

Mr. GURNEY. I hope that the conferee in charge of that bill will make an effort to have a conference on Monday.

Mr. LUCAS. I thank the Senator for calling my attention to what perhaps is a slight oversight in including it in the list.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Massachusetts.

Mr. LODGE. There is a noncontroversial measure which was reported unanimously from the Foreign Relations Committee. I refer to the international sugar agreement, in which the State Department is very much interested. I do not think there is any argument about it at all. I hope there may be a chance to take it up.

Mr. LUCAS. If there is no argument, it should pass, perhaps, when we call the calendar.

Mr. HILL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HILL. The Senator spoke of calling the calendar. Does he mean from the beginning or from where we left off at the last call?

Mr. LUCAS. From the beginning.

Mr. O'CONOR. Mr. President, will the Senator yield in order that I may submit a conference report?

Mr. LUCAS. I think that is all I desire to say about the program, unless some other Senators desire to interrogate me. If not, I yield to the Senator from Maryland.

PRICING PRACTICES—CONFERENCE REPORT

Mr. O'CONOR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "(except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition)"; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the House amendment; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be in-

serted by the House amendment insert the following: "reliable, probative, and substantial evidence"; and the House agree to the same.

PAT MCCARRAN,
Per H. R. O'C.,
HERBERT R. O'CONOR,
ALEXANDER WILEY,
Managers on the Part of the Senate.

FRANCIS WALTER,
By EARL C. MICHENER,
EARL C. MICHENER,
CLIFFORD CASE,
By EARL C. MICHENER,
Managers on the Part of the House.

Mr. LUCAS. Mr. President, is this the conference report on the so-called basing point bill?

Mr. O'CONOR. It is.

Mr. LUCAS. I understand that it will require considerable debate.

The PRESIDENT pro tempore. Does the Senator from Maryland ask unanimous consent for the present consideration of the conference report?

Mr. O'CONOR. I do, Mr. President.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

Mr. LONG. I object.

Mr. DOUGLAS. I object.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. Is not a conference report a privileged matter?

The PRESIDENT pro tempore. A motion to take it up is privileged, and not debatable.

Mr. O'CONOR. I so move, Mr. President.

The PRESIDENT pro tempore. The Senator from Maryland moves that the Senate proceed to the consideration of the conference report on the basing-point bill.

The motion was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. DOUGLAS. Mr. President, may I ask what motion we voted on just now?

The PRESIDENT pro tempore. The question was on agreeing to the conference report.

Mr. DOUGLAS. I ask for the yeas and nays. We were not informed as to what the vote was.

Mr. WHERRY. Mr. President, have we had a decision?

The PRESIDENT pro tempore. There has already been a decision.

Mr. LUCAS. Mr. President, let us be a little fair about this situation. After all, this report went through pretty fast. I did not realize that the Senator from Maryland was about to present the conference report and ask for its consideration. The Senator knows that I stated I was about to move that the Senate take a recess, and that it was planned to take up the calendar on Monday. That is exactly what I wished to do. After the calendar had been called, we then planned to take conference reports. I hope the Senator from Maryland will not press this matter, because we are going to be here for some time on the basing-point bill.

Mr. O'CONOR. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Chair suggests that the Senator from Maryland ask for a reconsideration of the vote by which the conference report was agreed to.

Mr. O'CONOR. I move that the vote by which the conference report was agreed to be reconsidered.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maryland.

Mr. WHERRY. Mr. President, is this a motion to reconsider the vote by which the conference report was agreed to?

Mr. O'CONOR. Yes.

Mr. WHERRY. I am in favor of it.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maryland to reconsider the vote by which the conference report was agreed to.

The motion was agreed to.

Mr. WHERRY. Mr. President, the motion to proceed to the consideration of the conference report was agreed to, so it is the unfinished business.

The PRESIDENT pro tempore. The Senator is correct.

The question is on agreeing to the conference report.

Mr. DOUGLAS, Mr. RUSSELL, and Mr. LONG addressed the Chair.

Mr. RUSSELL. Mr. President, the conference report is debatable.

The PRESIDENT pro tempore. The report is debatable.

Mr. LUCAS. Mr. President, I have told a number of Senators that we would not remain in session tonight. I regret very much, after having announced the program which we expected to follow on Monday, that Senators who are apparently so interested in the basing-point bill—and I know very little about it—should rush in and make the conference report the unfinished business over the objections of the majority leader. I laid down a program which I hoped would be satisfactory to all Senators. I had intended that the conference report on the basing-point bill should be taken up in due course.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. O'CONOR. I think the Senator would not have made the last statement if he had yielded to me a moment ago. What I was anxious to do was to have the conference report made the unfinished business. Then, if the Senator from Illinois desired to have the calendar called, that would be perfectly agreeable to us. The conference report is a privileged matter. The House has acted upon it, and we feel in duty bound to submit the conference report. We can confer with the Senator from Illinois as to the appropriate time for consideration of the conference report.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. RUSSELL. If a simple motion to adjourn until Monday at 12 o'clock were carried, would not that mean that the calendar would have to be called on Monday?

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the calendar would be called under rule VIII.

Mr. RUSSELL. If a simple motion to adjourn were to prevail at this stage of the proceedings, would not the calendar be called on Monday?

The PRESIDENT pro tempore. The Senator is correct.

Mr. WHERRY. Mr. President, it is perfectly agreeable to me to have the calendar called on Monday, and I shall not object to it. Certainly I believe that the motion to reconsider the vote by which the conference report was agreed to was in order. I believe that all Senators should have an opportunity to debate the conference report if they wish to do so. However, I feel that the motion was made in good faith to make it the unfinished business. That motion was agreed to. If the majority leader will agree, I think the conference report ought to be left the unfinished business. The calendar can be called on Monday, and then we can proceed to debate the conference report when the time comes.

The PRESIDENT pro tempore. It would not be laid before the Senate until 2 o'clock.

Mr. WHERRY. I shall be glad now to enter into a unanimous consent agreement to call the calendar and leave the conference report the unfinished business. It seems to me that would be the proper procedure. I should like to be absolutely fair.

Mr. LUCAS. Mr. President, there is nothing I can do about business already transacted. The conference report is now the unfinished business, as a result of the motion which has been agreed to by the Senate.

Mr. O'CONOR. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. O'CONOR. Is it not true that a conference report is a privileged matter?

The PRESIDENT pro tempore. It is.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

AMENDMENT OF DISPLACED PERSONS ACT—RESOLUTION OF INTERNATIONAL AFFAIRS COMMITTEE, YOUNG DEMOCRATIC CLUB, WASHINGTON, D. C.

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the international affairs committee, Young Democratic Club of the District of Columbia, on October 11, 1949, relating to Senate Resolution 160, to discharge the Senate Judiciary Committee from the further consideration of House bill 4567, to amend the Displaced Persons Act of 1948.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY INTERNATIONAL AFFAIRS COMMITTEE, YOUNG DEMOCRATIC CLUB OF THE DISTRICT OF COLUMBIA, ON OCTOBER 11, 1949

Whereas the United States has a duty to assist in the solution of the world-wide problem of displaced persons; and

Whereas there is an overwhelming recognition on the part of the public, as well as the

United States Congress, that positive action by this Government in this direction should not be long delayed; and

Whereas legislation for this purpose has been passed by the House of Representatives and is presently being held up in the Senate Judiciary Committee: Now, therefore, be it

Resolved, That endorsement be granted to Senate Resolution 160, introduced to discharge the Senate Judiciary Committee from consideration of H. R. 4567; and to H. R. 4567, the passage of which would permit the United States to take a more appropriate part in the solution of the problem of displaced persons, which is recognized as a pressing humanitarian and social problem which can only reach solution through the active assistance of all the free nations of the world.

INTERIM REPORT ON MERCHANT MARINE STUDY AND INVESTIGATION (S. DOC. NO. 118)

Mr. MAGNUSON. Mr. President, pursuant to Senate Resolution 50, Eighty-first Congress, first session, I submit a report in the nature of preliminary studies and investigation and review regarding the American merchant marine and its problems, conducted by the subcommittee of the Senate Committee on Interstate and Foreign Commerce, of which subcommittee I have the honor to be chairman, and ask that it be printed as a Senate document, and printed in the body of the RECORD.

The PRESIDENT pro tempore. Without objection, the report will be received and printed as a Senate document, and printed in the RECORD. The Chair hears no objection.

The interim report is as follows:

MERCHANT MARINE STUDY AND INVESTIGATION (S. DOC. NO. 118)

Mr. MAGNUSON, from the Subcommittee on Merchant Marine and Maritime Matters, submitted the following interim report [pursuant to S. Res. 50]:

The Subcommittee on Merchant Marine and Maritime Matters of the Senate Committee on Interstate and Foreign Commerce was appointed by Chairman EDWIN C. JOHNSON on April 13, 1949, pursuant to the authority contained in Senate Resolution 50, Eighty-first Congress, to make a study and investigation of all matters pertaining to the United States merchant marine. The letter appointing the subcommittee further directed that legislation affecting maritime matters be referred to the subcommittee for its attention. At the same time, and in furtherance of authority granted by Senate Resolution 50, the chairman appointed a subcommittee to study and investigate "(3) all domestic land and water transportation to determine (a) whether existing conditions conform to the national transportation policy as declared in the Interstate Commerce Act, and (b) the effect of large expenditures of public moneys and private capital upon transportation charges and to what extent such expenditures are reflected in costs of production and prices to consumers," and directed that legislation affecting such matters be referred to the Subcommittee on Domestic Land and Water Transportation.

It is to be noted that, in respect to foreign and the offshore trades and matters of general maritime policy, the Subcommittee on Merchant Marine and Maritime Matters has exclusive jurisdiction, whereas in the field of domestic water transportation its jurisdiction in the fields mentioned in subsection (3), Senate Resolution 50, is concurrent with that of the Subcommittee on Domestic Land and Water Transportation. To prevent undue duplication of work, the above-mentioned subcommittees have agreed:

(1) That the Subcommittee on Domestic Land and Water Transportation will be charged with the responsibility for the study and investigation of problems relating to water transportation on the inland waterways and the Great Lakes and may develop such statistics and studies with regard to coastwise and intercoastal shipping by sea as will enable the said subcommittee to report as to whether existing conditions conform to the domestic national transportation policy as declared in the Interstate Commerce Commission Act.

(2) All other legislative matters and problems relating to the shipping industry in the domestic field will be the responsibility of the Subcommittee on Merchant Marine and Maritime Matters.

The agenda adopted by the subcommittee outlines a broad general study into every phase of our merchant marine. It is summarized as follows:

(a) What our needs are as to ships, shipyards, and trained personnel for trade and for defense;

(b) How these needs compare with present and prospective supply;

(c) What building or repair is required to bring our fleets and yards to the necessary minimum standard and to maintain them there;

(d) World shipping and trade, present and prospective, and its effect on the merchant marine, and on our need therefor;

(e) Foreign and domestic Government policies affecting shipping and shipbuilding;

(f) The status of intercoastal, coastwise, and off-shore services, our need therefor, and the effect of present legislation and administrative practices and policies on such shipping;

(g) The legislative, legal, and administrative measures best designed to give us the fleets determined as necessary;

(h) The prospective costs of such measures, in both direct subsidy aid and in administration, with such assessment of indirect economic costs as seem possible.

Although the subcommittee has made extensive investigation into many of the items on its agenda, rapid changes in the domestic and foreign fields affecting merchant shipping render it impossible at this time to make any recommendations or to form any opinions other than broad general conclusions. The study confirms again the vital role which our shipping plays in national defense under present world conditions, and reaffirms our need to keep an adequate fleet in operation, backed by suitable laid-up tonnage, and maintained in condition by proper domestic repair and shipbuilding facilities. Preliminary work tends to show that more tonnage is probably needed for national defense than would be required for protection of our commerce against improper rates or poor service which might be given by foreign lines. It is also clear that a merchant marine of the size and type needed by the Nation is unlikely to be built or maintained without Government aid, under present conditions of freight rates, foreign competition, and foreign subsidies and discriminations. Study continues as to the tonnages needed, of various vessel types, and on the steps which must be taken to maintain fleets of proper size in operation on domestic and foreign routes.

In spite of the fact that our present active and reserve fleet is new, there is evidence to indicate it may be somewhat out of balance and that there are deficiencies in certain types which it may be deemed advisable to make good if we are to maintain a reasonable degree of readiness for emergencies. With most of the fleet becoming obsolete at the same time, it also seems that a replacement program of new ship construction may be in order. Such a program may be advisable (1) to guard against the necessity for replacing all of our ships at one time with the consequent high cost; (2) to prevent the danger of having, once again, an old fleet at the start of a conflict without having the time advantage we have previously enjoyed to "get ready"; (3) to eliminate uneconomical units; (4) to keep the fleet in a highly efficient operating condition and thereby possibly reduce the necessity for high-cost operating subsidies; (5) to maintain shipbuilding facilities and have available workers skilled in the arts of building ships, so that we may be in instant readiness with yards and equipment suitable for immediately meeting national emergency requirements, both for merchant and naval tonnage.

Evidence now before the subcommittee indicates that shipbuilding is again in the doldrums. The programs for the building of tankers by the oil companies are nearing completion and except for the pending contracts of the Maritime Commission, which are inadequate at this time to support the industry at a safe level, there is no major planned course for the construction of vessels. Repair work has dropped sharply. From 242,400 employed in shipbuilding and repair as of January 1947 in private and naval yards, employment dropped to 169,300 as of May 1949 and is continuing to decline.[1] The Joint Chiefs of Staff report that many of the essential ships in the reserve fleet must be repaired if they are to be available for immediate use. The said staff recommends the prompt repair of 134 vessels and a planned repair program to extend over a period of approximately 4 years. Solely on the basis of the tremendously large investment which the Government has in the reserve fleet and the cost of replacing it, good judgment and sound business sense dictate that a planned repair program for this fleet is imperative. Such a program will also help to insure continued operation of needed shiprepair facilities, the maintenance of employment, and the retention of skilled persons in this essential segment of our economy.

The subcommittee has had the benefit of an investigation made by Senator BREWSTER of shipbuilding facilities, practices, and costs in several of the European countries. The report made by Senator BREWSTER evidences that the European maritime powers have extensive shipbuilding programs which add immeasurably to the problems of the American merchant marine. For the information of the Senate, the Senator's report is set forth in full in the Appendix.

The Comptroller General has from time to time reported to Congress alleged irregularities by the Maritime Commission in the administration of the shipping laws. The subcommittee is conducting a thorough investigation into each of the charges and will carefully review the reports and recommendations of other congressional committees, together with those which may be supplied by executive departments concerned.

Studies affecting our merchant shipping are now being carried forward by executive agencies. The National Security Resources Board is making a "sea transport survey" to assure the adequacy and effectiveness of American shipping in the event of war. One of the objectives of the survey is to bring out the shortcomings of the peacetime fleet in relation to wartime requirements. The subcommittee is working in cooperation with the Board on this basic subject to the end that the Nation may not again experience the lack of adequate shipping facilities which confronted us in three previous wars. The Board's study is expected to be concluded in January 1950. The Secretary of Commerce has also been instructed by the President to make a survey looking to a unified and coordinated Federal program for

[1] Bureau of Labor Statistics.

transportation, with a preliminary report on the subject to be made December 1, 1949. Careful consideration must be given to the results of this survey.

In the course of its work your subcommittee has had the active cooperation of all governmental agencies interested in the field of shipping. While it has been hampered somewhat in its work because of the lack of adequately compiled statistics and research in these agencies, due in some measure to the lack of personnel and in part to the failure to appreciate the importance of planned research, it appears that the agencies concerned have the basic material from which adequate statistical material can be compiled. The subcommittee believes that as provided for in Senate Resolution 50 the responsible agencies will, to the extent necessary, make available such services, information, facilities, and personnel as will enable it to properly complete its work, supported by all available facts. Many personal interviews have been had with leaders in the shipping industry, both management and labor. They have been productive of helpful suggestions which have materially assisted the subcommittee in its approach to the many problems. Further such interviews will be had so that the subcommittee will be fully informed of industry's views and in a position to carefully consider a program that will give us a merchant marine adequate to serve our economy and the national defense with the minimum of expense to the Government.

Partial hearings on one phase of the investigation have been held. Further hearings will be held beginning in the early part of the next session, probably in Washington, D. C. The subcommittee will hear representatives of interested governmental agencies, of the shipping industry, both management and labor, also persons representing shippers and industries related to shipping, and members of the public concerned with shipping problems, so that it may have the benefit of full views regarding the problems involved in this study.

Several legislative matters have been considered by the subcommittee in the course of its work. House Joint Resolution 235 (S. J. Res. 88), continuing the authority of the Maritime Commission to sell, charter, and operate vessels under the Merchant Ship Sales Act of 1946, subject to certain limitations contatined in the joint resolution, was carefully considered and favorably reported by the subcommittee, becoming Public Law No. 147. Following hearings, a report was made on S. 2080, a bill to regulate whaling and to give effect to the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946. The bill, as recommended, subsequently passed the Senate on August 1, 1949, and is now being considered by the House. Two measures affecting the traditional policy of Congress of limiting coastwise and offshore transportation to American-flag vessels were acted on, namely: H. R. 2634 and H. R. 75. On H. R. 2634 (Public Law 258), the subcommittee recommended the temporary limited waiver of the law so as to grant relief to areas in Alaska which were not being served by American vessels. A hearing was held on H. R. 75, passed by the House on May 2, 1949, and referred to the subcommittee on July 19, 1949. The bill provides for the use of Canadian vessels in the transportation of coal between American ports on the Great Lakes and St. Lawrence River. Evidence adduced at the hearings showed American vessels were available. Subsequent information confirmed that the proponents of the bill had made satisfactory arrangements for the carriage of coal by American-flag vessels. Thus, further action does not appear to be warranted on H. R. 75.

The subcommittee, through its chairman, sponsored in the Senate the amendment to H. R. 5895 (S. 2388) to guarantee to American-flag vessels at least 50 percent of the cargoes to be shipped under the military-assistance program. In addition, the subcommittee has watched legislation affecting the rights of merchant seamen. It supported an amendment to H. R. 3191 (a bill to amend the Federal Employees' Compensation Act of 1916), maintaining in status quo the maritime rights of merchant-seamen employees of the Government until such time as hearings can be held to determine if such seamen should be within the purview of the compensation act. The following House bills have recently been referred to the subcommittee for its action: H. R. 3605 (S. 1235), to provide for the documentation of the Canadian-built vessel *North Wind;* H. R. 3419, to amend the Merchant Ship Sales Act of 1946. There is also pending before the subcommittee S. 2484, to provide for the writing of war risk and certain marine and liability insurance by the Maritime Commission. Preliminary studies of the said bills have been made and the investigations will continue.

It is clear that with the shift from world shipping deficit to shipping surplus brought about by decrease in relief cargoes, continued building of new tonnage abroad, and the devaluation of currencies, American vessels will henceforth find it difficult to operate on many routes without Government aid. The renewal of payments under the Merchant Marine Act, 1936, offers the opportunity and obligation to restudy the general adequacy of existing merchant-marine legislation and the administration thereof by all executive agencies. Some legislative and administrative changes may well be in order.

APPENDIX

UNITED STATES SENATE,
COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE,
October 12, 1949.

Hon. WARREN G. MAGNUSON,
United States Senate, Washington, D. C.

MY DEAR SENATOR MAGNUSON: Following out your suggestion I covered the shipyard situation in Europe rather thoroughly during the time I was abroad.

A first-class crisis is in the offing as a result of the reentry of Germany and Japan into ship repairing and construction.

All other shipbuilding interests are extremely concerned and particularly the British and Swedish shipyards which have been operating at capacity ever since the war in building a world merchant marine which is now in excess of prewar and of modern vintage. This has unfortunately resulted in outmoding and rendering obsolete the tremendous merchant marine America built during the war, with the result of tying up 1,500 merchant ships in United States ports and their ultimate scrapping.

British yards have approximately 1 year's work ahead and Swedish yards approximately 2 years' with most of the construction in Swedish yards for Norwegian account at American expense including the supply of steel plates.

The Swedish yards have been able to carry on very profitably since the war primarily in restoring Norwegian merchant marine with American funds and steel and have modernized their yards to a large degree in order to meet future competition.

Meanwhile Germany and Japan are now reentering the ship-construction field and present a very serious challenge to all other shipyards.

Germany is allowed approximately 40 percent of her prewar ship-construction capacity. This means approximately her prewar capacity for commercial construction since something over 50 percent of prewar capacity was used for naval construction and auxiliary defense ships. Personnel is consequently available in the German yards to operate two or three shifts. The condition of the German economy is such that the men are willing to work the second and third shifts with practically no increase in compensation over the 40 to 50 cents per hour which is the current going wage under German economic conditions.

Yards in Britain and Sweden and elsewhere require substantial extra pay for the second and third shifts which very much increases the cost and, in the case of Sweden, personnel is not available for more than one shift and to a considerable extent this is true in Britain.

Much of the work in recent years has been in overhauling and repair in British yards. For instance, tonnage approximately equal to the total British merchant marine has been passing through the repair yards each year.

Time is of the essence in this field and the Germans are now able to take overhaul and repair jobs at approximately one-half the cost and one-third the time required by other yards. Time is, of course, of vital importance when shipping is tied up and several very important repair jobs have been taken away from British and Swedish yards in recent weeks by Hamburg yards. I saw Norwegian ships there under repair.

The same situation will shortly prevail in construction. The Germans are now allowed to build vessels of 7,000 tons and it is expected that this limit will be increased as time goes on. Somewhat the same situation prevails in Japan. It is reported that the Japanese are to be allowed to build 20 or 30 boats for transoceanic carriage to reestablish their merchant marine.

I visited shipyards in the following places: Helsinki, Finland; Goteberg and Malmo, Sweden; Copenhagen, Denmark; Hamburg, Germany; Glasgow, Scotland; Belfast, Ireland; Marseilles, France; Barcelona, Bilbao, and Seville, Spain.

Lay-offs are already beginning in the British shipyards with little prospect of anything other than a continued decline as a result of an overbuilt world merchant marine except in certain categories such as tankers.

In these specialized fields British and Swedish costs are likely to mean loss of contracts to their continental and Asiatic competitors.

The British and Swedes resent the German and Japanese competition, and blame America for permitting it.

Our dilemma is most distressing since we are paying more than a billion dollars a year to support the German and Japanese economy and our only hope of relief apparently is to permit or enable these countries to become self-supporting.

On the other hand under our present program we have been also committed to supporting the British economy.

Meanwhile the impact of this entire situation upon both our economy in general and our maritime future in particular both in the construction and operation of oceangoing shipping must be more and more profound.

Cordially yours,

OWEN BREWSTER,
United States Senator.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the

clerk will state the first order of business on the Executive Calendar.

PROTOCOL PROLONGING THE INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR

The CHIEF CLERK. Executive F (81st Cong., 1st sess.), a protocol dated in London August 31, 1948, prolonging for 1 year after August 31, 1948, the international agreement regarding the regulation of production and marketing of sugar, signed at London on May 6, 1937.

Mr. LODGE. Mr. President, this is the international sugar agreement which the Senate has extended every year for the past 12 years, I believe. It merely carries over into next year the existing international machinery, so that it may be in effect if it is considered desirable to take steps next year to deal with the prospective sugar surplus. This agreement does not carry any substantive provisions relating to sugar production at the present time, but simply extends the framework which has been in existence since 1937.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. MILLIKIN. Does it have any impact on the existing Sugar Act?

Mr. LODGE. No; none at all.

The extension of this sugar agreement is requested by the entire sugar-producing industry.

Mr. MILLIKIN. Are there any complaints from anyone who is interested in the production, refining, or processing of sugar?

Mr. LODGE. There are none. The subcommittee took great pains to notify all who are interested in the sugar producing industry in this country, and they were unanimous in their desire to have the agreement continued for a year.

Mr. MILLIKIN. Did representatives tives of the beet sugar growers appear?

Mr. LODGE. Yes, and they expressed their approval.

Mr. MILLIKIN. Did representatives of the beet-sugar refiners appear?

Mr. LODGE. Yes, and my recollection is that they also were favorable.

Mr. MILLIKIN. Did they approve?

Mr. LODGE. Yes.

Mr. WATKINS. Mr. President, does this matter in any way affect the production of sugar?

Mr. LODGE. It has no substantive provisions at all. It continues the international sugar structure which now exists. It is desired to have it continued, because it is feared that there may be a surplus of sugar next year, and there is a desire at hand to have machinery with which to deal with it.

Mr. WATKINS. As I understand, the United States desires the extension of this protocol or treaty. Is that correct?

Mr. LODGE. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. WHERRY. I regret very much that the distinguished Senator has brought up this matter for approval or ratification tonight.

Mr. LODGE. Mr. President, if I may interrupt the Senator, let me say that I did not ask to have it brought up. This matter has been on the Executive Calendar, and it has been brought before the Senate in connection with the calling of the Executive Calendar. I did not move that the Executive Calendar be called; I did not move that the Senate proceed to the consideration of executive business, or go into executive session. The majority leader moved that the Senate proceed to the consideration of executive business; and that motion was agreed to, and the Executive Calendar was called. When this matter was reached on the Executive Calendar, I rose to explain it.

Mr. WHERRY. I wonder whether the Senator from Massachusetts will agree to have it go over for one day, because many Senators have left the Chamber at this time, having done so with the understanding that nothing of a controversial nature or of the nature of this matter would come before the Senate at this time.

Mr. LODGE. Mr. President, I have no desire to rush this matter through. I do not know of anyone who is opposed to it, but I have no desire to rush it through. If the Senator from Nebraska desires to have it postponed, I am agreeable to having that course followed.

Mr. WHERRY. Very well. I thank the Senator; and I make that request, and ask unanimous consent for that purpose.

The PRESIDENT pro tempore. Without objection, the protocol will be passed over.

The clerk will proceed to state the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of James M. Carter to be United States district judge for the southern district of California.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Harry C. Westover to be United States district judge for the southern district of California.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ernest W. Gibson to be United States district judge for the district of Vermont.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF THE AIR FORCE

The Chief Clerk read the nomination of Harold C. Stuart, of Oklahoma, to be Assistant Secretary of the Air Force.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

UNITED STATES AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the United States Air Force.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Air Force are confirmed en bloc.

THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

Without objection, the President will be notified forthwith of all confirmations of nominations.

That completes the Executive Calendar.

ADJOURNMENT

Mr. LUCAS. Mr. President, I move that the Senate adjourn until Monday next, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 34 minutes p. m.) the Senate adjourned until Monday, October 17, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 15 (legislative day of October 13), 1949:

UNITED STATES COURT OF APPEALS

William Henry Hastie, of the Virgin Islands, to be a judge of the United States Court of Appeals for the Third Circuit to fill a new position.

Robert L. Russell, of Georgia, to be judge of the United States Court of Appeals for the Fifth Circuit, vice Samuel H. Sibley retired.

Hon. Wayne G. Borah, of Louisiana, to be judge of the United States Court of Appeals for the Fifth Circuit, vice Hon. Elmo Pearce Lee, Sr., deceased.

H. Nathan Swaim, of Indiana, to be judge of the United States Court of Appeals for the Seventh Circuit to fill a new position.

George Thomas Washington, of the District of Columbia, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position.

Charles Fahy, of New Mexico, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position.

David L. Bazelon, of Illinois, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position.

UNITED STATES DISTRICT COURTS

M. Neil Andrews, of Georgia, to be United States district judge for the northern district of Georgia, vice Robert L. Russell, elevated.

Frank A Hooper, of Georgia, to be United States district judge for the northern district of Georgia to fill a new position.

Delmas C. Hill, of Kansas, to be United States district judge for the district of Kansas to fill a new position.

J. Skelly Wright, of Louisiana, to be United States district judge for the eastern district of Louisiana, vice Hon. Wayne G. Borah, elevated.

John F. X. McGohey, of New York, to be United States district judge for the southern district of New York to fill a new position.

Gregory F. Noonan, of New York, to be United States district judge for the southern district of New York to fill a new position.

Irving R. Kaufman, of New York, to be United States district judge for the southern district of New York to fill a new position.

Sidney Sugarman, of New York, to be United States district judge for the southern district of New York to fill a new position.

Gus J. Solomon, of Oregon, to be United States district judge for the district of Oregon to fill a new position.

Allan K. Grim, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania to fill a new position.

Owen McIntosh Burns, of Pennsylvania, to be United States district judge for the western district of Pennsylvania to fill a new position.

Thomas J. Clary, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania, to fill a new position.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 510 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be colonels, USAF (Medical)

Armstrong, Harry George, 209A.
Benson, Otis Otto, Jr., 19046A.
Copenhaver, John Randolph, 19050A.
Corliss, Arthur Herman, 19045A.
Griffis, Loyd Eugene, 19047A.
Kelly, Frederick Cantwell, 19044A.
Kendricks, Edward James, 19052A.
Kennard, William Jeffers, 19048A.
Powell, William Henry, Jr., 684A.
Roberts, John Ellsworth, 19051A.

To be colonel, USAF (Veterinary)

Hodgson, Ernest Eugene, 18975A.

To be colonels, USAF (Chaplains)

Carpenter, Charles Irving, 668A.
Giegerich, Paul Joseph, 18695A.
Linsley, John Chauncey Wolcott, 18700A.
Witherspoon, Glenn John, 18696A.
Wolverton, Wallace Irving, 18701A.

To be colonels, USAF

Abbott, Ward Terry, 862A.
Addington, Carl Allen, 997A.
Alness, Harvey Thompson, 1085A.
Anderson, Curtis Morgan, 954A.
Archibald, Edwin Parker, 750A.
Armstrong, John Glenn, 1009A.
Ashworth, Paul Carter, 1056A.
Ausman, Neal Edwin, 898A.
Axtater, Karl Shaffner, 675A.
Babcock, John Francis, 967A.
Bacher, Frederick August, Jr., 776A.
Baisley, Herbert Kenneth, 705A.
Barr, John Edwin, 931A.
×Barton, Paul Lawrence, 1081A.
Baumeister, Karl Edward, 844A.
Bell, Jasper Newton, 1163A.
Bell, William John, 930A.
Bennett, Joe A., 874A.
Bergquist, Kenneth Paul, 1117A.
Bishop, Harry Stephen, 1011A.
Bond, George Oscar, 846A.
Bondley, Charles John, Jr., 1073A.
Boys, Richard Carlton, 1126A.
Breit, John Martin, 1016A.
Brewster, Myles Wilkenson, 2070A.
Bristol, Richards Montgomery, 902A.
Brown, C. Pratt, 1185A.
Brown, John Kimball, Jr., 113A.
Buck, James Baird, 1137A.
Cairns, Douglas Moore, 1015A.
Caldara, Joseph D. Croft, 1048A.
Callish, Norman Louis, 951A.
Campbell, William Daniel, 917A.
Canterbury, William Monte, 1071A.
Carlmark, Carl Wilbert, 937A.
Carroll, Joseph Francis, 927A.
Cary, John Burroughs, 1055A.
Cassady, George Stewart, 994A.
Cechmanek, George, 892A.
Chase, Ned Baker, 1101A.
Claassen, Clayton Baxter, 1170A.
Clark, William Hogan, 1002A.
Clayton, William Travis, 941A.
Cochrane, Carlos John, 999A.
Cooper, Leroy Gordon, 803A.
Corbin, Frank Pickering, Jr., 929A.
Cowles, Herbert Nathan, 1003A.
Culver, German Pierce, 1124A.
Dany, George Bernard, 1061A.
Dau, Frederick Jensen, 834A.
Davies, Clinton William, 778A.
Davis, Leighton Ira, 1111A.
Davis, William Gaston, 969A.
Dayharsh, Theodore John, 2002A.
Deering, Othel Rochelle, 900A.
DeFord, Earl Hamlin, 676A.
Delaney, Joseph Francis, 998A.
Dick, John Nicholas, 831A.
Dolan, William Stanley, 911A.
×Donovan, Stanley Joseph, 1089A.
Doty, Paul Ivon, 827A.
Dreyer, Christian Frederick, 2072A.
Duggar, Llewellyn Goode, 723A.
Duncan, Claude Edward, 686A.
Easley, Fred Oscar, Jr., 991A.
Egan, John Waldron, 882A.
Ellis, Dross, 953A.
Ellman, Paul Miller, 672A.
Ellsworth, Richard Elmer, 1115A.
Fairchild, Frederic Henry, 1012A.
Fickel, Arthur Allison, 1118A.
Finter, Clyde Virginius, 674A.
Fisher, William Raymond, 754A.
Foote, Albert George, 768A.
Foote, Philip Blanchard, 944A.
Forbes, William Reineman, 728A.
Fulton, Lee William, 1107A.
Fulton, Robert Freeman, 935A.
Gale, Guy Harrison, 683A.
Gavin, Edward Morris, 1147A.
×Generous, Harry William, 746A.
Gent, Thomas Joseph, Jr., 1130A.
Gilchrist, John Raymond, 836A.
Gill, Joseph Edward, 2071A.
Glassford, Pelham Davis, Jr., 1131A.
×Glazebrook, Marshall Ambler, 839A.
Goewey, Robert James, 910A.
Graham, Luke Bruce, 868A.
Gray, Kenneth Neil, 1053A.
Griffith, Perry Bruce, 1075A.
Gude, Elmer Wentworth, 837A.
Guenther, Louis Augustine, 932A.
Hale, Edward Joseph, 1008A.
Hanley, Paul Tompkins, 1068A.
Hanna, Archibald Johnston, 891A.
Harmon, Reginald Carl, 721A.
Harris, Lester Stanford, 1155A.
Harvin, Charles Bennett, 1158A.
Heim, Charles Anthony, 1033A.
Henry, Cecil Ernest, 711A.
Heston, Leroy Gray, 832A.
Hickman, Jack Wallis, 1110A.
Higgins, Warren Herbert, 850A.
Hills, John dePeyster Townsend, 1070A.
Hoffman, Frank Edward, 784A.
Hoffman, Gus Benning, 807A.
Holliidge, Melvin Spedden, 843A.
Holmes, William Walter, 1044A.
Holzman, Benjamin Grad, 1102A.
Hooks, Daniel Edwin, 1166A.
Hopson, William Douglas, 961A.
Howe, John David, 909A.
Howell, Llewellyn Charles, 870A.
Howze, Charles North, 938A.
Hudnell, William Thomas, 1171A.
Hull, Harris Benjamin, 1050A.
Hutchison, John Monroe, 1079A.
Inman, Arthur Lafayette, 1088A.
Jarmon, Robert Edward, 1148A.
Jensen, James Clifford, 1042A.
Johnson, Arnold Theodore, 1141A.
Johnson, Bertrand Ellwood, 809A.
Jones, Harley Sanford, 828A.
Jost, Charles Edward, 855A.
Kauffman, Christian Dale, 1096A.
Keillor, Russell, 798A.
Kennedy, Thomas Joseph, 879A.
Key, Algene Earl, 885A.
×King, Richard Thomas, Jr., 1021A.
Kingsbury, William Charles, 923A.
Knight, Robert Jackson, Jr., 753A.
Knowles, Samuel Barcus, Jr., 1136A.
Krebs, Frank Xavier, 1188A.
Kreider, Harold Lawrence, 1172A.
Kuhfeld, Albert Meldrum, 884A.
Laird, Orville, 962A.
Legg, Richard Andrew, 1084A.
Lessig, Cecil Parker, 1001A.
Libby, Millard Archibald, 1041A.
Light, Lester William, 887A.
Ligon, Elvin Seth, Jr., 1077A.
×Lovell, John Raymond, 924A.
Luehman, Arno Herman, 1080A.
Lyle, William Hardin, 916A.
McCann, John Herbert, 1179A.
McClendon, James Fred, 992A.
McCoy, Michael Norman Wright, 915A.
McCulla, William Lewis, 865A.
McNitt, James Rollo, 1183A.
McVea, A. J., 928A.
Malmstrom, Einar Axel, 983A.
Marshall, Edward Deane, 1013A.
Marshall, Louis Wagner, 767A.
Maughan, Elvin Freestone, 906A.
Maurer, Lothar Charles, 720A.
Maxey, Stewart Sherman, 913A.
Mayhue, Don Waters, 702A.
Mohler, Orville Ernest, 1051A.
Montgomery, Richard Mattern, 1025A.
Moody, Charles Oscar, 793A.
Moore, Edward Walter, 1057A.
Moore, Orin Houston, 1128A.
Moore, William Orron, 825A.
Morris, Joseph Atticus, 822A.
Morris, Robert, 1125A.
Moseley, Lawson S., Jr., 1062A.
Moyers, Frank Neff, 1149A.
Muehleisen, Dolf Edward, 1144A.
Musgrave, Thomas Cebern, Jr., 1120A.
Neal, Haskell Erva, 1047A.
Neely, Harold Lee, 1161A.
Nell, Glenn Phil, 877A.
Nesbitt, Earl Johnson, 1027A.
Newell, Thomas Ovid, 1106A.
Nowotny, Berthold Eugene, 1099A.
Nyquist, Buford Russell, 901A.
Palmer, Ivan Maurice, 821A.
Parrish, Noel Francis, 1143A.
Peterson, George Walton, 907A.
Phillips, Terrell Edward, 853A.
Porter, Harry Cecil, 976A.
Powel, Nicholas Earnest, 978A.
Price, James Hughes, 1152A.
Reeves, Raymond Judson, 1082A.
Reilly, James Edward, 888A.
Rentz, William Edward, 918A.
Rhudy, Ralph, 857A.
×Rigsby, Allen Wood, 943A.
Robbins, Earl Clinton, 797A.
Robbins, Philip Senter, 1029A.
Roberts, Jack, 1134A.
Rodenhauser, Jermain Ferdinand, 933A.
Rogers, William Loveland, 1060A.
Rollison, Robert Alstein, 747A.
Rose, Bernard Cecil, 848A.
Rothrock, James Harvey, 957A.
Russell, Joseph Gordon, 1116A.
Scattergood, Edgar Morris, Jr., 861A.
Schott, Charles Wesley, 949A.
Schweizer, John Mel, Jr., 920A.
Scott, Kirk Hamilton, 722A.
Scott, Richard Lee, 864A.
Sebastian, Henry Agnew, 1174A.
Shannon, Frank James, Sr., 780A.
Shower, Albert Joseph, 1109A.
Shuck, Jack Edward, 1069A.
Shumsky, Albert Abe, 1190A.
Simons, Maurice Monroe, 1133A.
Sloan, Donald Casper, 989A.
Sluman, Curtis Delano, 1058A.
Smartt, Monroe Thompson, 845A.
Smith, Dale Orville, 1074A.
Smith, George Merritt, 727A.
Smith, Henry Durham, Jr., 1036A.
Smith, Phillips Waller, 897A.
Smith, Wilfred James, 1045A.
Sparhawk, George Hall, 774A.
Stalder, Marvin Frederick, 1142A.

Stanley, Joseph Bynum, 1150A.
Stenhouse, William Duncan, 905A.
Stewart, Stanley Ronald, 972A.
Stillman, Robert Morris, 1114A.
Stoltz, Albert Edward, 979A.
Stone, William Sebastian, 1059A.
Strauss, Robert Hollis, 1132A.
Sykes, Ethelred Lundy, 914A.
Thiebaud, Kenneth Earl, 811A.
Thompson, Claude Bryant, 1092A.
Thompson, Glenn Curtis, 1135A.
Thurman, William Taylor, 1034A.
Tibbets, Gene Huggins, 1067A.
Todd, Raymond Patten, 1167A.
Truesdell, Karl, Jr., 1023A.
×Tyer, Aaron Warner, 1123A.
×Umstead, Stanley Milward, 697A.
Unruh, Marion Daniel, 1103A.
Urbach, Walter, 919A.
Vansant, Corwin Paul, 1019A.
Waldron, Russell Lee, 1164A.
Walsh, James Howard, 1120A.
Warren, William Curtis, 878A.
Washbourne, Lee Bird, 810A.
Webster, Benjamin Jepson, 974A.
Welker, Platt Linn, 1004A.
White, John William, 1087A.
Whitneybell, Theron Herman, 990A.
Williams, Frank Maxwell, 1046A.
Williams, Merle Robbins, 977A.
Williams, Ralph Irwin, 1177A.
Wilson, Albert Theodore, Jr., 1086A.
Wilson, James Van Gorder, 1112A.
Wise, William Harvey, 1083A.
Wiseheart, Raymond Frederick, 760A.
Wold, Torgils Grimkel, 973A.
Wood, Clair Lawrence, 1157A.
Woods, Lebbeus Bigelow, 763A.
Young, Millard Chester, 934A.
Zartman, Paul Anderson, 841A.
Zoller, Solomon Jack, 840A.

NOTE.—Dates of rank will be determined by the Secretary of the Air Force.

The following-named persons for appointment in the United States Air Force, in the grade indicated with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947) and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be captains, USAF (Medical)

Franklin L. Bowling, O1766353.
Lester L. Lutes, O545287.

To be captains, USAF (Dental)

Arthur M. La Vere.
John H. McNutt, O937463.
William H. Tomey.
Frederick E. Walker.

To be first lieutenants, USAF (Medical)

Joshua C. Bray, O961949.
Richard S. Buker, Jr., O959346.
James H. Bobyns, O956162.
Donald F. Farrell, O949505.
Frederick D. Good, O955523.
James W. Haynes, O954273.
Joseph E. Lofton.
John F. McGarry, O962727.
Leonard D. McLin, O954982.
Robert A. Northrup, O963143.
Paul C. Olfelt, O967096.
Roy R. Patterson, O1776211.
Hubert C. Peltier, O961693.
Richard L. Sedlacek, O948544.
Billie G. Streete, O958951.
George W. Weber, O961938.
Louis J. West, O960475.
John I. Williams, O961937.
Edgar D. Wippermann.

To be first lieutenant, USAF (Veterinary)

John R. Sherman, Jr., O961527.
Paul V. Sundberg, Jr., O974841.
James L. Wyatt, Jr.

To be first lieutenants, USAF (Veterinary)

William D. Nettles, O1735556.

To be second lieutenant, USAF (Medical Service)

Donald E. Callaghan, O1341744.

The following-named persons for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Louis W. Akehurst, Jr.
John H. Akers.
Jerry D. Alderson, Jr., AO1903043.
John L. Baker.
Richard D. Bartley.
George F. Bennett.
Charles H. Boone.
Pat Burnett.
Henry G. Butler, AO1846764.
Clarence E. Castle, AO1847325.
Robert L. Clement, Jr.
Eugene O. Conley.
Theodore A. Cousins.
Wilbur L. Creech.
Homer A. Davis, Jr.
Ralph W. DeMont.
Rex E. Diehl, AO1848307.
John C. Dunn, AO1847701.
Richard T. Durkee.
Gerald J. Dye.
Donald U. Egolf.
Jack L. Folkins, AO1851718.
Raymond B. Furlong.
George R. Goodson, Jr.
Edward F. Greissing.
Coleman M. Harris.
Sidney M. Jacobs.
Donald B. Jarvis.
Clifford D. Jenkins, Jr., AO1904237.
Donald M. Jenkins.
Gerald D. Johnson.
Richard M. Keller.
Rivers R. King, AO1855574.
Ralph V. Korhnak, AO1903102.
Sophus E. Larsen.
William E. Long.
Andrew M. Maggard.
LeRoy C. Manners, AO1904969.
Dean A. McClain
James A. McCulley
Harold J. Mollere.
Clarence L. Montgomery, Jr.
Lovick P. Moore, Jr.
James P. Mullins.
John F. Murphy, AO1905599.
Joe C. Nance.
John H. Napier III, AO1851527.
Paul E. Newett.
Howard F. O'Neal.
Harry W. Paper, AO1847343.
Robert B. Parker.
Thomas E. Perrin.
Fred S. Peter, O701279.
Clifford L. Pratt.
J. Alan Price.
Russell L. Rogers.
Laurence L. Sauber.
Clarence H. C. Seaton, AO1906027.
Louis C. Setter.
Billy J. Shields.
David A. Smith.
James E. Snavely.
Donald M. Stewart.
Jack T. Tate, AO1905491.
Steve G. Tefas.
Anthony J. G. Timmermans, Jr., O1338880.
Jess R. Totten.
Allan S. Tullar.
Donald L. Van Der Karr.
James D. Vitko.
Alonzo J. Walter, Jr.
Morris J. Ward, AO1847130.
Marshall R. Warner, AO1851447.
Warren B. Wisdom.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 15 (legislative day of October 13), 1949:

UNITED STATES DISTRICT JUDGES

James M. Carter to be United States district judge for the southern district of California. (New position.)

Harry C. Westover to be United States district judge for the southern district of California. (New position.)

Ernest W. Gibson to be United States district judge for the district of Vermont.

DEPARTMENT OF THE AIR FORCE

Harold C. Stuart to be Assistant Secretary of the Air Force.

IN THE ARMY

The nominations of Donald I. Abbott et al. for appointment in the Regular Army of the United States in the grade of second lieutenants, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), which were confirmed today, were received by the Senate on October 3, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Donald I. Abbott, which appears on page 13655, and ending with the name of Charles W. Zuppann, which appears on page 13656.

UNITED STATES AIR FORCE

The nominations of Stuart McCall Abrams and other officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on October 3, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Stuart McCall Abrams, which is shown on page 13656, and ending with the name of Arnold Edmund Zimmerman, which appears on page 13657.

IN THE NAVY

APPOINTMENTS IN THE NAVY

To be placed on the retired list with the rank of vice admiral, when retired

Vice Adm. Harold B. Sallada

To be ensigns

Billie J. Cartwright
Joseph V. Godfrey
Thomas G. Kilgariff
Doyle W. Lynn

To be lieutenant commander, Medical Corps

Harry L. Day
James D. King

To be lieutenant, Medical Corps

John E. Deming

To be ensigns, Supply Corps, from the 3d day of June 1949

Winthrop T. Austin
Harry Birchard
James F. Bogardus, Jr.
Edward G. Dauchess
Mark H. Hanna
Malcolm L. McQuiston II
Robert G. Nicol
John A. Rothrock, Jr.
Alvis D. Sartor
Richard W. Singleterry
Donald H. Springgate, Jr.

To be ensign in the Civil Engineer Corps of the Navy, from the 3d day of June 1949

James E. Galloway

To be lieutenant (junior grade) in the Dental Corps of the Navy

Joseph Raskin

To be ensigns in the Nurse Corps of the Navy

Barbara A. Austin
Florence M. Conner
Mary Dianich
Roberta F. Dorsett
Dolores R. Drzewiecki
Anita A. Henne
Dorothy L. A. Klahn
Carolyn E. Kovalovsky
Margaret L. LeCroy
Frances A. Neff
Mary A. Pandora
Louise K. Scanlon
Lorraine C. Schubilske
Audrey J. Sharafinski

To be commanders, Medical Corps

Charles Bunch
Stephen M. Smith

To be lieutenant commanders, Medical Corps

Thomas E. Cone, Jr.
Mervyn Shoor

To be lieutenant, Nurse Corps

Pearl I. M. Hebert

To be lieutenant (junior grade), Nurse Corps

Kathryn C. Jones

To be lieutenant in the Dental Corps of the Navy

Algis M. Mansur

APPOINTMENTS IN THE NAVAL RESERVE

The following-named officers of the Naval Reserve on active duty for permanent appointment to the grades and corps indicated, subject to qualification therefor as provided by law:

To be lieutenants (junior grade), line

Harry M. Alker	Thomas D. McGovern
Randall E. Anderson	John H. McNally
George F. Arnold, Jr.	John F. Mertz
Sheldon Ashley	Nicolo A. Mirabile
James H. Baker	Charles M. Mitchell
George A. Blaszak	Edward J. Mitchell
Ronald F. Bohn	Gray D. Morrison II
Meiner R. Bond, Jr.	Frank A. Moscovic
Jack Buder	Harold E. Nay
Joe Y. Christian	William C. O'Reilly, Jr.
Philip C. Clark	Arne G. Ostensoe
Angelo E. Clemente	William H. Page
Antonino Consoli	Harvey J. Pietsch
James H. Dana	Alexander E. Power
Paul E. Deeben	Robert W. Pray
Clarence R. Derrickson, Jr.	Ivan L. Rauch
	Willard E. Risdon, Jr.
William H. Ezell	Charles S. Russell
Richard J. Fechheimer	Nelson C. Russell
Herbert S. Hammaren	Richard A. K. Russell
Paul E. Hanes, Jr.	William K. Ryan
Walter O. Hansen	John R. Sisson
Leo C. Keating, Jr.	Edwin E. Sosebee, Jr.
George J. Kay	Duncan H. South
Thomas J. Keegan	Walter W. Sparks
John T. Kelleher	Leonard B. Szatkowski
Keith C. King	Merwin E. Taylor
Glenn E. Kiser	William M. Tell
Robert D. Kokins	James A. Tonder
Philip C. Krouse	John A. Vanyo, Jr.
George R. Le Blanc	Maurice T. Wahlgren
Edward P. Lewis	Laurence R. Walker, Jr.
Otto L. Liepin	
Richard E. Love	Norman E. Wallen
Richard J. MacGarva	Walter J. Ward
Frederick G. MacGurn	Thomas S. Welch
Adolph J. F. Malinowski	Harold F. Wenzel
	Nelson S. Wilder
Charles L. Mamzic	James F. Wise, Jr.
Oscar N. Martin	Ralph D. Woleben
Charles A. Matley	William V. Wolfe
Melvin E. Mattson	William J. Yuengling

To be lieutenants (junior grade), Supply Corps

Chester L. Carlock	Richard F. Stillahn
George T. Gratton, Jr.	William F. Paulson
Norton N. Nielson	Elvin L. Vanzee

To be lieutenant (junior grade), Civil Engineer Corps

Harold W. Merritt

The following-named officers of the Navy and the Naval Reserve on active duty for appointment to grades and corps indicated in lieu of that for which previously nominated and confirmed.

FOR PERMANENT APPOINTMENT IN THE NAVY

To be lieutenants, line

William H. Hubbard	Stephen J. Whiteman
William E. Rohde, Jr.	La Mar L. Woodward

To be lieutenant, Nurse Corps

Mary K. Fleck

To be lieutenants (junior grade), line

Burton E. Berglund	Donal D. Lemmon
Carl J. Costanzo	Joseph E. McConnel
Robert E. Cowell	James V. McGowan
Duilio D'Albora	Murdoch M. McLeod
Frank Gilliland	Jewett E. Richardson, Jr.
Delbert Grantham	
Albert E. Hansen	Harry P. Rodgers, Jr.
John N. Howard	Edmund W. Sellman
Svend I. Jensen	Earle N. Trickey

To be lieutenant (junior grade), Supply Corps

Robert C. Van Osdol

To be lieutenant (junior grade) Civil Engineer Corps

Donn L. Ashley

FOR TEMPORARY APPOINTMENT IN THE NAVY

To be lieutenant commander, line

Jack O. Polk

To be lieutenants, line

Theodore F. Drag	Allen C. H. Merz
Adolph J. Furtek	Arthur J. Perkett, Jr.
Arvel Heath	Aquilino L. Ponciroli
Edward G. Kelley	Hatcher W. Williams, Jr.
Benedict J. Marafino	
Orvis A. Martin	

To be lieutenant, Supply Corps

Masden E. Christiansen	Francis LeRibeus
	John T. Robison
Levi T. Gottschall	

FOR PERMANENT APPOINTMENT IN THE NAVAL RESERVE

To be lieutenants, Supply Corps

"T" Lane Skelton

FOR TEMPORARY APPOINTMENT IN THE NAVAL RESERVE

To be lieutenants of the line

Lewis P. Holland
John L. Martin
John F. Mathers.

To be lieutenants, Supply Corps

Leslie R. Allan	Clarence E. Carlson
Joseph Allecretti	Rodney K. Purnell

WITHDRAWAL

Executive nomination withdrawn from the Senate October 15 (legislative day of October 13), 1949:

POSTMASTER

PENNSYLVANIA

Lawrence R. Newton, Kane.

SENATE

MONDAY, OCTOBER 17, 1949

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, Thou who art not far off, out on the vast rim of the universe, but nearer to us than breathing, a present help, waiting to live in us, our daily sustenance, the fountain of a courage that will not fail and of a power that can use our frail weakness as its healing and illuminating channel: In this confused day with its noisy voices and contending claims, grant unto these Thy servants that they may be faithful to every trust committed by the people to their hands, giving utterance only to their highest, noblest thought, and that upon their shoulders there may rest unsullied the white mantle of the Nation's honor. In the name of our Saviour. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, October 15, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 2895) to authorize the sale of select base material at the Fort Benning Military Reservation to Muscogee County, State of Georgia, for use on county roads, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I, Anderson;

S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes;

S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes;

S. 2226. An act relating to the compensation of certain employees of the Panama Canal; and

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

LEAVES OF ABSENCE

On request of Mr. IVES, and by unanimous consent, Mr. DULLES was excused from attendance on the Senate for the remainder of the week.

On request of Mr. WHERRY, and by unanimous consent, Mr. HENDRICKSON was excused from attendance on the Senate for the remainder of the session.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

AMENDMENT OF SOCIAL SECURITY ACT—RESOLUTION OF CITY COUNCIL OF ELY, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the city council of Ely, Minn., relating to the Social Security Act, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

RESOLUTION

Alderman Lobe offered the following resolution:

"*Resolved,* That the city council of the city of Ely, Minn., go on record as favoring the broadening of the social-security base and increasing the benefits to be derived thereunder to meet present economic standards; be it further

"*Resolved,* That copies of this resolution be sent to United States Senators EDWARD J. THYE and HUBERT H. HUMPHREY and Congressman JOHN A. BLATNIK."

Motion for the adoption of the foregoing resolution was made by Alderman Lobe, seconded by Alderman Slogar, and declared carried on the following vote:

Yes: Aldermen Anderson, Bubash, Federber, Fink, Lobe, Slogar, Mayor Marolt—7.

No: None.

Adopted this 4th day of October 1949.

STATE OF MINNESOTA,
County of St. Louis, ss:

I, A. O. Knutson, city clerk of the city of Ely, St. Louis County, Minn., do hereby certify that I have compared the foregoing with the original resolution now on file and of record in my office, and that the same is a true and correct copy and transcript of said original resolution.

Witness my hand and the corporate seal of the city of Ely, Minn., this 11th day of October 1949.

A. O. KNUTSON,
City Clerk, City of Ely, Minn.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

S. 1747. A bill to require the United States District Court for the Eastern District of Michigan (northern division) to sit during a part of its term at Flint, Mich.; without amendment (Rept. No. 1177);

S. 1916. A bill for the relief of Edna A. Bauser; without amendment (Rept. No. 1178);

S. 2114. A bill for the relief of Mitsue Shigeno; without amendment (Rept. No. 1179);

S. 2609. A bill to provide a system for the treatment and rehabilitation of youth offenders, to improve the administration of criminal justice, and for other purposes; with amendments (Rept. No. 1180);

H. R. 1028. A bill to legalize the admission into the United States of Edmea Pacho; without amendment (Rept. No. 1181);

H. R. 3793. A bill to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia; without amendment (Rept. No. 1182);

H. R. 4042. A bill for the relief of Konstantinos Yannopoulos; without amendment (Rept. No. 1183);

H. R. 5191. A bill to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia; without amendment (Rept. No. 1184);

H. R. 5354. A bill for the relief of Itzchak Shafer; without amendment (Rept. No. 1185); and

H. R. 6007. A bill for the relief of Herminia Ricart; without amendment (Rept. No. 1186).

By Mr. MAGNUSON, from the Committee on the Judiciary:

S. 1019. A bill conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon any claim arising out of personal injuries sustained by Carl J. Freund and Pauline H. Freund, his wife, of Seattle, Wash.; without amendment (Rept. No. 1187); and

H. R. 219. A bill to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed; without amendment (Rept. No. 1188).

By Mr. WILEY, from the Committee on the Judiciary:

S. 2128. A bill to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder; with an amendment (Rept. No. 1189); and

H. R. 4692. A bill to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II; with an amendment (Rept. No. 1190).

By Mr. JENNER, from the Committee on the Judiciary:

S. 1027. A bill for the relief of the Merit Co.; with an amendment (Rept. No. 1176).

By Mr. DOWNEY, from the Committee on Public Works:

H. R. 4569. A bill authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa; with an amendment (Rept. No. 1191);

H. R. 5934. A bill to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes; without amendment (Rept. No. 1196); and

H. R. 6281. A bill to provide for certain improvements relating to the Capitol power plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; without amendment (Rept. No. 1192).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 4000. A bill to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators; without amendment (Rept. No. 1194).

By Mr. McFARLAND, from the Committee on Interior and Insular Affairs:

S. 1543. A bill to authorize the disposal of withdrawn public tracts too small to be classed as a farm unit under the Reclamation Act; without amendment (Rept. No. 1193).

By Mr. HOEY, from the Committee on Expenditures in the Executive Departments:

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.; without amendment (Rept. No. 1197).

FAIR EMPLOYMENT PRACTICE COMMISSION—REPORT OF A COMMITTEE

Mr. THOMAS of Utah. Mr. President, from the Committee on Labor and Public Welfare, I report, without recommendation, the bill (S. 1728) to prohibit discrimination in employment because of race, color, religion, or national origin, and request that the bill be placed upon the calendar. I ask leave to file the report and such statements or individual views as members of the committee wish to prepare and submit at a subsequent date.

The VICE PRESIDENT. The bill will be placed on the calendar, and, without objection, leave is granted to file a report, statements, and individual views as requested by the Senator from Utah.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 17, 1949, he presented to the President of the United States the following enrolled bills:

S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson;

S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes;

S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes; and

S. 2226. An act relating to the compensation of certain employees of the Panama Canal.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Vincent C. Burke, of Kentucky, to be Deputy Postmaster General; and

One hundred and nineteen postmasters.

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Kenneth T. Adams, of the Coast and Geodetic Survey, to be Assistant Director; and

Jason S. Kobler and David R. Permar, officers of the United States Coast Guard Reserve, to be lieutenants (junior grade), in the United States Coast Guard.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. HOEY:

S. 2713. A bill to provide for the consideration and payment of claims against the Reconstruction Finance Corporation for livestock-slaughter subsidy payments; to the Committee on Banking and Currency.

By Mr. DOWNEY:

S. 2714. A bill for the relief of Thomas Pfeiffer; to the Committee on the Judiciary.

S. 2715. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended;

S. 2716. A bill to provide for retirement of certain Government employees in case of reductions in force;

S. 2717. A bill to provide for the continuance of family benefits to civil-service employees separated after 5 years' service;

S. 2718. A bill to provide for the continuance of family benefits to civil-service employees separated after 20 years' service; and

S. 2719. A bill to provide reduced annuities at age 55 after 5 years of civilian service for persons involuntarily separated from the Federal service not by removal for cause; to the Committee on Post Office and Civil Service.

By Mr. MORSE:

S. 2720. A bill for the relief of Lucy Norton Johansen; and

S. 2721. A bill for the relief of Chin Ly Bing and Chin Loy Yen; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2722. A bill for the relief of Vito Rizzi; to the Committee on the Judiciary.

By Mr. LEAHY:

S. 2723. A bill for the relief of Maria del Carmen Morano Elorza, Maria Luisa Luri Acin, Rafaela Garcia Casini, Giovanna Importa and Teresa Compagnoni; to the Committee on the Judiciary.

By Mr. RUSSELL (for Mr. TYDINGS):

S. 2724. A bill to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. JOHNSON of Colorado:

S. 2725. A bill for the relief of Rev. Ignacio Brglez (Mastuak); to the Committee on the Judiciary.

(Mr. MALONE introduced Senate bill 2726, to abolish the functions of the Bureau of Indian Affairs of the Department of the Interior to remove the guardianship over Indians and trusteeship over Indian lands, and to repeal the act of June 18, 1934 (48 Stat. 984), as amended, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

By Mr. LUCAS:

S. 2727. A bill to authorize the Administrator of Veterans' Affairs to reimburse certain contractors and subcontractors sustaining losses in the construction of hospitals and other buildings or facilities for the Veterans' Administration; to the Committee on Labor and Public Welfare.

HOUSE BILL REFERRED

The bill (H. R. 2895) to authorize the sale of select base material, at the Fort Benning Military Reservation, to Muscogee County, State of Georgia, for use on county roads, was read twice by its title, and referred to the Committee on Armed Services.

THE GROWTH OF HOSPITALS AND VOLUNTARY HEALTH INSURANCE—ADDRESS BY SENATOR HILL

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the subject The Growth of Hospitals and Voluntary Health Insurance, delivered by him before the 1949 convention of the American Hospital Association at Cleveland, Ohio, September 26, 1949, which appears in the Appendix.]

SHOULD MARSHALL PLAN MONEY BE USED TO BUY CANADIAN WHEAT?—ADDRESS BY SENATOR KEM

[Mr. KEM asked and obtained leave to have printed in the RECORD a radio address on the subject Should Marshall Plan Money Be Used To Buy Canadian Wheat?, delivered by him on October 15, 1949, which appears in the Appendix.]

NAVY DAY—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him entitled "An Advance Tribute To Navy Day—October 27, 1949," which appears in the Appendix.]

RECORD OF THE FIRST SESSION, EIGHTY-FIRST CONGRESS

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a statement of the record of the first session of the Eighty-first Congress, which appears in the Appendix.]

YOUTHS AND CRIME—EDITORIAL FROM THE CHARLESTON GAZETTE

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an editorial entitled "Youths and Crime," from the Charleston (W. Va.) Gazette of October 13, 1949, which appears in the Appendix.]

EIGHT POINTS ON THE EQUAL-RIGHTS AMENDMENT

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an article entitled "Eight Points on the Equal-Rights Amendment," written by Florence A. Armstrong, Ph. D., and published in the July–August 1949 issue of Equal Rights, which appears in the Appendix.]

REJECTION OF NOMINATION OF LELAND OLDS—EDITORIAL FROM WASHINGTON EVENING STAR

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "Rebuke to the President," relating to the nomination of Leland Olds to be a member of the Federal Power Commission, published in the Washington Evening Star of October 14, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—ARTICLE BY ARTHUR KROCK

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD an article regarding the nomination of Leland Olds, by Arthur Krock, from the New York Times of October 14, 1949, which appears in the Appendix.]

A NEEDED KICK IN THE PANTS FOR SANTA—ARTICLE FROM THE TUPELO DAILY JOURNAL

[Mr. KEM asked and obtained leave to have printed in the Appendix of the RECORD an article entitled "A Needed Kick in the Pants for Santa," from the Tupelo (Miss.) Daily Journal, which appears in the Appendix.]

PROGRESS OF LEGISLATION—RADIO BROADCASTS BY SENATOR MYERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD transcripts 5 to 11, inclusive, of his biweekly series of radio broadcasts regarding progress of legislation, which appear in the Appendix.]

RECORD OF THE EIGHTY-FIRST CONGRESS, FIRST SESSION

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in a later issue of the RECORD a final statement of the legislative record of the first session of the Eighty-first Congress, and I ask unanimous consent that this final summary be printed as a Senate document.

The VICE PRESIDENT. Is there objection?

Mr. LUCAS. Mr. President, is there precedent for making such a statement a Senate document?

Mr. WHERRY. Yes; it has been done. I recall very distinctly a similar request made by the present occupant of the Chair in the Eightieth Congress.

Mr. LUCAS. If there is precedent, I have no objection.

The VICE PRESIDENT. Without objection, the request is granted.

AUTHORIZATION FOR SUBMISSION OF INTERIM REPORTS BY SUBCOMMITTEE OF COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. HOEY. Mr. President, I ask unanimous consent that the subcommittee of the Committee on Expenditures in the Executive Departments now engaged in an investigation may submit interim reports during the adjournment of the Congress, and that the clerk may file them with the Secretary of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

DISMANTLING OF MANUFACTURING ESTABLISHMENTS IN WESTERN GERMANY

The VICE PRESIDENT. The next order of business is the Chair lays before the Senate a resolution coming over from a previous day, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 187) relating to the dismantling of manufacturing establishments in western Germany.

Mr. WHERRY. Mr. President, I ask unanimous consent that a vote be taken on the resolution, if that can be done.

Mr. LUCAS. Mr. President, the Senator from Texas [Mr. CONNALLY] is not present. Before the Senate takes up the resolution the Senator from Illinois suggests the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Magnuson
Anderson	Holland	Malone
Bridges	Humphrey	Martin
Cain	Ives	Millikin
Chapman	Jenner	Morse
Connally	Johnson, Colo.	Myers
Cordon	Johnson, Tex.	Neely
Donnell	Johnston, S. C.	O'Conor
Douglas	Kem	O'Mahoney
Downey	Kerr	Pepper
Dworshak	Kilgore	Russell
Ecton	Knowland	Schoeppel
Ellender	Langer	Smith, Maine
Ferguson	Leahy	Thomas, Okla.
Fulbright	Lodge	Thomas, Utah
George	Long	Watkins
Green	Lucas	Wherry
Gurney	McCarthy	Wiley
Hayden	McFarland	Williams
Hickenlooper	McKellar	Young
Hill	McMahon	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Alabama [Mr. SPARKMAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. GRAHAM], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

Mr. WHERRY. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota

[Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. DULLES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. THYE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. TAFT], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the resolution (S. Res. 187).

Mr. LONG. Mr. President, I inquire what does the resolution provide?

Mr. WHERRY. Mr. President, I ask that the resolution be read.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 187) submitted by Mr. WHERRY, for himself and Mr. EASTLAND, on October 13, 1949, was read as follows:

Whereas there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements for the prevention of rearmament of Germany; and

Whereas the economic and spiritual recovery of western Germany under a republican form of government is necessary in the interest of the industrial and agricultural recovery of all Europe; and

Whereas handicapping western Germany by the excessive dismantling of its industries and depriving it of the tools and establishments necessary for productivity is reflected in an additional tax burden upon the people of the United States for the support of German people deprived of their means of livelihood: Therefore be it

Resolved, That it is the sense of the Senate that the President should cause to be convened at the earliest convenient time, preferably before the beginning of the second session of the Eighty-first Congress, a conference among representatives of the United States of America, the United Kingdom, and France to review in the light of the declarations in this resolution the entire policy of dismantling German industrial establishments; and it is the further sense of the Senate that, pending completion of such conference and the official announcement of its findings, the President should request the Governments of the United Kingdom and France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal of industrial establishments in the zones of Germany presently occupied by the United States of America, the United Kingdom, and France.

Mr. CONNALLY. Mr. President, this resolution has not had the consideration of any committee. No one has called to the attention of the Senate any action whatever by any committee, or hearings had, or consideration given to this matter. Personally, I believe that plants which are not engaged in manufacturing war materials nor capable of producing war materials should probably not be dismantled. Mr. McCloy, the High Commissioner now in Germany, is giving this matter attention. The press has already so indicated. Therefore, I move that the resolution be referred to the Committee on Foreign Relations for study and consideration.

I do not think that without any report from any committee whatever we should hastily ask the President to call a conference of the nations mentioned in the resolution. The President is empowered to do what the resolution calls for under his authority as President, without any resolution being adopted. It seems to me adoption of the resolution will complicate the matter and bring about unnecessary confusion respecting the whole problem. It is one which cannot be worked out on the front porch. It ought to receive the usual consideration, and the resolution should go to a committee for investigation and for hearings. I make such a motion.

Mr. WHERRY. The resolution is a very simple one. Many Senators have expressed a desire that a review of the dismantling problem be had by the proper agency of our Government. In fact, on September 15 a group of Senators sent a memorandum to the Secretary of State which I shall read at this point into the RECORD:

WASHINGTON, D. C., *September 15, 1949.*

The honorable DEAN ACHESON,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: We, the undersigned Senators of the United States, beg to call to your attention the fact that on August 5 of this year we approved by unanimous vote an amendment to the 1949 ECA appropriations bill, which would make available to the ECA Administrator a certain sum of money for carrying out a new review of the German plant dismantlings.

We think that in all good faith the British Government should have ceased its program of dismantling German industry until the matter could have been reexamined, as requested by the Congress of the United States. Instead, we understand that there has been an increase in the dismantlings in the British occupation zone of Germany, as well as an increasing amount of scrappng of valuable equipment.

The solution of the dismantling question is vital to our future commitments regarding the European recovery program. We respectfully urge you to use your good offices to induce the British Government to order an immediate cessation in their occupation zone of all dismantlings of German plants, including the so-called forbidden industries, until the question can be satisfactorily reexamined, and a report of the findings made available to this Government, including Congress.

Respectfully yours.

The signers of this petition number approximately 44, and include the Senator from New Hampshire [Mr. BRIDGES], the Senator from Missouri [Mr. KEM], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Minnesota [Mr. THYE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from South Carolina [Mr. MAYBANK], the Senator from Montana [Mr. ECTON], the Senator from North Dakota [Mr. YOUNG], the Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the late Senator from Idaho [Mr. MILLER], the junior Senator from Nebraska [Mr. WHERRY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. CAPEHART], the Senator from Louisiana [Mr. ELLENDER], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Oregon [Mr. CORDON], the Senator from Georgia [Mr. RUSSELL], the Senator from Connecticut [Mr. MCMAHON], the Senator from Washington [Mr. CAIN], the Senator from Louisiana [Mr. LONG], the Senator from Ohio [Mr. TAFT], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Oklahoma [Mr. THOMAS], the Senator from Wisconsin [Mr. WILEY], the Senator from South Dakota [Mr. MUNDT], the Senator from Michigan [Mr. FERGUSON], the Senator from Tennessee [Mr. MCKELLAR], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Illinois [Mr. DOUGLAS], the Senator from Nevada [Mr. MALONE], the Senator from Utah [Mr. WATKINS], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. GURNEY], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Kentucky [Mr. WITHERS].

Other Senators would like to have signed the petition if they had had an opportunity. The petition went to the Secretary of State some time after September 15. All in the world the petition does is to ask for a review of what has already been done, and request that a report be submitted to the Congress at the next session.

In the ECA bill there is an appropriation of $25,000, the expenditure of which is discretionary with the Administrator, for the review of this program. I was on the Appropriations Committee, and I was a member of the conference committee. I worked diligently to hold that appropriation in the ECA bill. If I could have had my way I would have preferred that it be a mandatory provision rather than a discretionary provision.

I wish to say to the distinguished Senator from Texas [Mr. CONNALLY], chairman of the Foreign Relations Committee, whom I highly respect and honor, that that committee and the Appropriations Committee considered this question from every angle before that provision was ever inserted in the ECA bill. The issue was fought out on the floor of the Senate, and the provision was included.

The reason for the petition to the Secretary of State was to bring to his attention the fact that since the ECA appropriation bill was passed, the situation in Germany has become considerably worse. The program was destroying the morale of the German people. An immediate investigation was needed if any help was to be given before the 1st of January. If we wait until the 1st of January, Great Britain and others who are interested will accomplish the very purpose for which they are striving, and

the dismantling will have been practically completed.

That is the whole thing in a nutshell. If we wait until January 1, in my judgment it makes little difference whether any review of the dismantling program is made or not.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. WHERRY. In a moment.

I beg the distinguished Senator from Texas not to resist this resolution. Aside from an acknowledgment by the State Department, the Secretary having been absent from the country, no action has been taken upon the petition. I am not in any way blaming the Secretary for not giving an answer directly. We used the only means we knew of to bring to the attention of the President of the United States not only the provision in the ECA bill, but the emergent nature of the situation. We hoped that the Senate would go on record by declaring that it was the sense of the Senate that because of the emergency an immediate review should be made by the President of the United States, calling into conference the representatives of Great Britain and France, and possibly coming to some agreement.

If I read the press correctly, and if I read some of the memoranda of Mr. McCloy correctly, I think it would be 100 percent in keeping with his opinion if the review were made immediately. I am told that if we wait until the next session of Congress, much of the dismantling program will have been accomplished. We shall have lost the opportunity to accomplish the purpose for which we made the appropriation, and there will be very little opportunity to stop the dismantling of industrial plants in Germany. The work will have been done.

I should like to mention one further point, and then I shall be glad to yield to any Senator. I am not an expert on this question. I followed it closely in connection with the appropriation. Other Senators asked me to go along with the resolution, and I have done so. The resolution merely states that it is the sense of the Senate that the President of the United States should make an immediate review of the dismantling program, call a conference, and report to the Congress next year. Unless it is done now, it will be too late.

Such a review would help the morale of the German people. Certainly if there is a plant that should not be dismantled, after the President is thoroughly informed, such dismantling should not take place, because if the plant is dismantled, that means that the taxpayers of the country will have to rebuild it in order to increase the stability of the Ruhr and of the German people.

It seems to me that, in the interest of good government, in the interest of the morale of the German people, in the interest of the Allies themselves, and especially in the interest of the taxpayer who is footing the bill, not one plant should be dismantled if it can be preserved in order to maintain the economy of the Ruhr, upon which the peace not only of western Europe, but, I think, of the entire world greatly depends.

Now I am glad to yield to the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I wonder whether the Senator is aware of the fact that the American Federation of Labor, one of the two major labor organizations, after a very detailed study of the dimantling program, has gone on record very wholeheartedly and vigorously against it, and indeed, has gone much further than the 44 Senators have gone in requesting that this dismantling program be stopped immediately.

Mr. WHERRY. Mr. President, I do not care to detain the Senate any longer.

The resolution is a very simple one. I hope and pray that we can get, here on the floor of the Senate, a decision that there is need to have this review made promptly.

I should like to have the yeas and nays ordered on the motion to refer the resolution to the committee. I hope that motion is rejected because, if it is rejected, the resolution itself will be before the Senate, and then I hope and pray that the resolution will be adopted. Certainly it should be adopted, because if it is defeated, the very purpose of sending the resolution to the President will be defeated.

Mr. President, in this matter I am not attempting to bypass any committee. This question has been thoroughly debated on the floor of the Senate. If time were not of the essence in this situation, I would not be so earnest in urging that this action be taken. But I am satisfied that those in authority will tell all Senators that it will be too late if this matter is postponed until the next session of Congress.

So I ask for the yeas and nays, Mr. President, on the motion to refer the resolution to the committee.

The yeas and nays were ordered.

Mr. CONNALLY. Mr. President, I hope the Senate will not adopt the resolution, after considering it on its merits. It would be an unnecessary affront to the President of the United States, by having the Senate direct him—that is what the resolution amounts to—in regard to our relations with the United Kingdom and with France in connection with this matter. Why should the Senate again pass on this question? The Senate and the House of Representatives have already placed in the ECA bill a provision looking to an examination of the entire question, and have made an appropriation for that purpose. Why should we not await that review by the ECA Administrator, under the direction of the President of the United States? What assurance have we that if the President calls into conference the United Kingdom and France, the results will be any more satisfactory to those who have signed this petition than the present situation is? I assume that unanimous action by all three of the nations would be required. Suppose the President called a conference of the three nations; but suppose that instead of securing unanimous agreement, there was a division of opinion, and that the conference broke up at that point. Such a situation would only accentuate the difficulty.

Mr. President, this question is a complex one. It is not so simple as the mere signing of a petition.

The method of proceeding by way of petition, as is proposed in this case, is a new method of legislating. Those who have signed the petition would have the Senate proceed to legislate by way of petition. However, the place for Senators to express their views in regard to legislation is here on the floor of the Senate. They should not be committed or bound, by some preliminary signing of a petition, to do so-and-so and so-and-so.

First of all Mr. President, this resolution is an invasion of the rights of the President of the United States and is an affront to him, for he has jurisdiction of this matter. Mr. McCloy, our High Commissioner in Germany, is already studying this question. Already we have put into law an expression of our desire that the ECA Administrator review this problem. We have given him funds with which to do it. Why should we now interrupt those processes? Why should the Congress step in now, and say, "You do not know what you are doing; the President does not know what he is doing; Mr. McCloy does not know what he is doing; Mr. Hoffman, the ECA Administrator, does not know what he is doing. We know all about it."

Mr. President, let us remember that very few of us know much about it. This proposition is not a simple one. It relates to the three different zones in Germany. Our action would not be effective in the other zones.

So I appeal to the Senate to refer the revolution to the Committee on Foreign Relations. The committee meets tomorrow. In the committee we can take it up at that time, and can make such investigation as is possible under the circumstances.

So, Mr. President, I appeal for the orderly procedure, and I ask the Senate to maintain the sanctity and integrity of the system of referring matters to the appropriate committees, rather than to have the Senate proceed by means of a signed petition.

In the case of many petitions, on many occasions the terms of the bill to which the petition relates are not known by those who sign the petition. Certainly the petitioners have no right to commit Senators by the process of having them sign a petition.

So, Mr. President, I ask that the resolution be referred to the Committee on Foreign Relations which will give it prompt attention.

The VICE PRESIDENT. The question is on agreeing to the motion to refer the resolution to the Committee on Foreign Relations. On this question the yeas and nays have been ordered.

Mr. WHERRY. Mr. President, I should like to speak for a few moments more.

Let me say that I hate to have to disagree with my friend the Senator from Texas; but the action proposed in this case will not be in opposition to the President at all. The resolution says that it is the sense of the Senate that the President shall see whether he can have

a review made of the dismantling program. That is all there is to the resolution. We propose to proceed absolutely in accord with the President; he is the one who will see that the purpose is carried out. All the Senate will do will be to go on record, in view of the fact that the situation has become so acute, as expressing its judgment that the matter should not be delayed while Mr. Hoffman is deciding whether he wishes to do so-and-so, but that the situation should be immediately reviewed. The review is to be made by Mr. McCloy and the other agencies and governments concerned.

That is all there is to the resolution. I do not see why it should be opposed.

Mr. President, those who believe that the review should be made no doubt will agree that it is possible that the resolution should be referred to the Foreign Relations Committee under normal circumstances. But my own feeling is that in view of the late date in the session, the procedure we now suggest is the best one for the Senate to adopt in this matter. The subject has previously been before the committees, and has been debated.

At the present moment, we are faced with the necessity of moving promptly because of the emergency. I should like to say to my colleagues who believe in the purpose of the resolution and what it would do that they should vote against the motion of the Senator from Texas to refer the resolution to the Foreign Relations Committee. If that motion is defeated, then the Senate will be able to take up and adopt the resolution. If Senators still believe a review should be made, the method I suggest is the best way to have that done.

Mr. KEM, Mr. DOUGLAS, and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; and if so, to whom?

Mr. WHERRY. I yield first to the Senator from Missouri.

Mr. KEM. Mr. President, I should like to ask the distinguished Senator from Nebraska whether he has noticed an article which was printed in the Appendix to the RECORD for October 14, on page A6297. That article refers to an interview with O. K. Armstrong, of Springfield, Mo., a member of the staff of Reader's Digest. He has just returned from Germany. Mr. Armstrong was on his way around the world, and stopped in Germany. There he saw what was going on in connection with the dismantling program. He was so strongly impressed that he interrupted his trip, and returned to the United States, so that he could tell what he had seen.

Something of what he saw appears in the article in the Appendix to the CONGRESSIONAL RECORD, to which I have just referred. In the article, Mr. Armstrong says he saw carloads of machinery taken from dismantled plants then on their way to Czechoslovakia, Yugoslavia, and Albania. I should like to ask the Senator from Nebraska whether under those circumstances time is not of the essence in this matter?

Mr. WHERRY. Yes. I should like to say to the distinguished Senator from Missouri that is the purpose of the resolution. There is no quarrel here with whether the President shall do it, or some agency he may appoint. It is simply that the Senate feels, in the light of the circumstances, that there is an emergency. If there is to be any halting of dismantling, it should be done now. If we wait until after January 1, it will have been accomplished. That is the whole purpose of it.

Mr. LODGE and Mr. DOUGLAS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nebraska yield; if so, to whom?

Mr. WHERRY. I agreed to yield first to the Senator from Illinois.

Mr. DOUGLAS. I should like to ask the Senator from Nebraska whether it is not a fact that the British are proceeding very rapidly to dismantle the plants in their zone, and if there were delay, as the Senator from Texas implies, it would probably be too late?

Mr. WHERRY. I thank the distinguished Senator for the question. I did not intend to go into an extended discussion, because I know the calendar should be called. I thought everyone was more or less conversant with the subject. But I have in my possession a letter from a representative of one of the agencies, who is now in that particular area. The reason he gives for immediate review is that in certain instances the British are dismantling and really are scrapping plants for only one purpose. Of course the purpose is to destroy Germany as a competitor of the British Empire in that zone. I am not going to charge that those things are true, but I certainly feel that the distinguished Senator from Illinois will agree with me that the least we can do, because time is of the essence in this matter, is simply to have the President notified by the Senate that it is the sense of the Senate that we feel a review of the matter should be made as quickly as possible and as orderly as possible. Of course, we shall have to abide by whatever review or decision is made. That is the purpose of the resolution.

Mr. DOUGLAS. Mr. President, will the Senator be willing to ask unanimous consent to yield to me for a moment, so that I may make an observation?

Mr. WHERRY. I am glad to do so. I ask unanimous consent that the junior Senator from Illinois may be permitted to make an observation, without the junior Senator from Nebraska losing his right to the floor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOUGLAS. I may say that friends of mine who were very much opposed to the Nazi government made a trip through Germany during the past summer. They report that the dismantling of plants in their judgment has gone altogether too far, that it should be stopped: that, if carried on, it will greatly weaken not only the German people but the whole economy of Europe. They imply, as the Senator from Nebraska has implied, that there are certain elements in the British Government which would like to destroy certain of the German plants which have been competitors. It seems to me the proposal of the Senator from Nebraska and the Senator from Mississippi is an eminently worthy one.

Mr. WHERRY. I thank the Senator. I now yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I should merely like to observe, that I am well aware of the importance of the subject, but I do not agree with the Senator from Nebraska that it is a simple subject. I think it is a very complicated one, and leads into all kinds of ramifications; so that unless we know what we are doing, we may take some action which would defeat our own purpose.

I should like to suggest to the Senator from Nebraska, admitting his contention that we ought to act promptly that certainly the need of prompt action is not so great that the matter cannot wait until the Committee on Foreign Relations meets tomorrow, at which time we can see whether the language really achieves its own purpose and does not defeat it. I think this a good illustration of why we have committee procedure in the Senate. That procedure is designed to enable the proper committee to look into proposed action which on the surface may seem to be advisable, to determine whether what is proposed will really accomplish the desired purpose. I hope the resolution will be referred to the committee.

Mr. WHERRY. Mr. President, answering the distinguished Senator from Massachusetts, certainly we all recognize that he speaks with considerable authority, because he has been in Europe and has obtained first-hand information. I deeply appreciate the fact that the Senator emphasized that this subject of dismantling should be given consideration. I did not say it was a simple subject, if the Senator will review what I said. I said the resolution is very simple. I agree the subject matter is intricate, but it is something that should be reviewed. I am not asking for any change in the legislative process. I am simply asking that the resolution be agreed to, so that the Senate may be on record and the President may know that the Senate believes the matter should be reviewed, and should be reviewed as quickly as possible. I think it is a very simple resolution. I think it is very understandable. I do not think it needs to go to the Committee on Foreign Relations, to have them debate and discuss it and hear evidence as to the terms of the resolution. I admit that if it goes to the Foreign Relations Committee, it might open up the entire subject matter. But I was attempting to accomplish something before it is too late; and I think after January 1 it will be too late to do what I think ought to be done in reviewing the dismantling program.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WHERRY. I am always happy to yield to the Senator from Massachusetts.

Mr. LODGE. The Senator says I am correct when I say it is a complicated

subject, and he says that the resolution is very simple.

Mr. WHERRY. That is correct.

Mr. LODGE. So we have a simple resolution dealing with a complicated subject.

Mr. WHERRY. That is exactly so.

Mr. LODGE. It certainly leads to a very complicated result.

Mr. WHERRY. If it is as simple as I think it is, and if the Senator from Massachusetts is as much in favor of it as I think he ought to be, because of the subject matter, not one reason can be given for his opposing the resolution.

Mr. CONNALLY. Mr. President, I shall not take up much of the time of the Senate. When was the resolution offered in the Senate? I refer to the resolution which is creating so much noise and disturbance. It was offered on October 13, 4 days ago. Who has had an opportunity to consider its meaning, except those who signed it? Many of them no doubt signed it hurriedly and on the persuasion of the Senator from Nebraska.

I congratulate the distinguished Senator from Massachusetts [Mr. LODGE], and thank him. He probably knows as much as or more about the subject than any of the others of us. He has been in Europe repeatedly. He had a distinguished career in the Army, and he knows about these things. What harm will come from referring the resolution to the committee? The Senator from Nebraska has waited throughout the entire session. He has waited from January 3 until October 13 to propose a solution of this immediate and imperative problem. Yet he wants us to solve it in 4 days. All I ask is that the Senate maintain its traditional policy of not acting upon matters of this kind without obtaining information from a committee. The Senate has many committees. If it is not desired to send the resolution to the Committee on Foreign Relations, let it be sent to some other committee.

We have already legislated on this subject. What did we do in passing the ECA bill? I read briefly from the committee report:

> Accordingly a provision was inserted in the Economic Cooperation Act directing the Administrator to determine which plants scheduled for removal as reparations could most effectively promote European recovery if retained in Germany. Having made this determination, he was then to request the Secretary of State to obtain the agreement to such retention of the countries concerned.
>
> Pursuant to these instructions, the Administrator appointed—

Mr. President, I ask Senators to listen particularly to this. The Administrator did not merely do it himself.

> Pursuant to these instructions, the Administrator appointed an Industrial Advisory Committee headed by Mr. George M. Humphrey, president of the N. A. Hanna Co., which has, on the basis of various studies and personal inspections, recommended the retention of a number of plants. These recommendations have now been transmitted to the Secretary of State with a request to negotiate with the countries concerned for the retention of the plants. Further details on the ECA recommendations have not yet been released in view of the delicate nature of negotiations.

I emphasize this language, Mr. President, "in view of the delicate nature of negotiations."

Yet this delicate situation, with negotiations of such delicate nature, is to be solved by a simple resolution. A mere simple resolution is to settle these delicate and complicated problems. We even propose to settle them on the basis of a letter the Senator from Nebraska has in his pocket. We are going to settle a question like this on a letter from some individual. Perhaps we shall settle it on a letter which the Senator from Illinois has received from friends who have visited Europe.

We have not seen those friends; we have not heard them. They simply wrote the Senator their observations of what ought to be done, and they want the Senate of the United States, under the leadership of the Senator from Nebraska, to jump through the hoop. Suppose he had received eight letters. He would not then have waited until the 13th of October.

Mr. President, I urge the Senate not to take this hasty action, but, because of the delicate nature of the problem, to refer the resolution in the regular course to a committee capable of reporting facts to the Senate, capable of giving the matter the utmost consideration. Do we want to get into a row with the United Kingdom, or with France, or with some of the other countries associated with us, which, under the agreement we have made, are entitled to reparations out of some of the German assets?

Mr. President, I ask that the Senate vote to refer this resolution for orderly, regular, and careful disposition. The resolution has been pending in the Senate only a few days, from October 13 to the present date.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. Both Senators have spoken twice on this subject.

Mr. WHERRY. Mr. President, I ask unanimous consent to reply to the Senator from Texas.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, this is not a hasty resolution. It has been debated on the Senate floor. The same thing is in the appropriation bill. On September 15, 44 Senators sent a similar request to the Department of State. We received no reply, and there has been no action taken. So, finally, before Congress could adjourn, we brought the resolution to the Senate which we had asked the Secretary of State to consider, feeling that the President should be directed to consider the matter.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CONNALLY. I have no more time, under the rule.

Mr. WHERRY. I am always glad to yield to the Senator from Texas.

Mr. CONNALLY. The Senator said that no information at all had been received.

Mr. WHERRY. That is correct.

Mr. CONNALLY. Did I not read to the Senator, that under the ECA, a committee of high businessmen had been appointed? Yet the Senator says that no action has been taken.

Mr. WHERRY. Mr. President, I do not want to stand here and deny what the Senator says, but the facts are that the discretionary provision to which the Senator has referred does not have to be employed except at the will of the Administrator. That was fought out in the Appropriations Committee. I ask the Senator from Texas to take my word for it. The pros and cons were discussed, and it was even difficult to retain a discretionary provision in the ECA bill, because it was pointed out that a review had already been made——

Mr. CONNALLY. Mr. President, will the Senator yield further?

Mr. WHERRY. I yield.

Mr. CONNALLY. I read this language from the report of the committee:

> Pursuant to these instructions, the Administrator appointed an industrial advisory committee headed by Mr. George M. Humphrey.

Does the Senator deny that?

Mr. WHERRY. That was a year ago; that was long before the appropriation about which we are talking came into existence.

Mr. CONNALLY. Oh, no.

Mr. WHERRY. Mr. President, I do not want to detain the Senate any longer. I am not going through a lot of physical contortions to try to strengthen my argument. I simply say that the resolution is a simple resolution which would carry out what many Members of the Senate have tried to do all during the present session of Congress. I agree that the resolution is being presented very close to the end of the session. I am not overriding any committee. The resolution simply says to the President of the United States that it is the sense of the Senate that this review should be made. That is all the resolution asks.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I yield.

Mr. DONNELL. I am very greatly concerned, and I want to do the right thing, as I know every other Senator does. There are two things which concern me, and I should like to know what the Senator's view is on each of them. One is that this resolution makes a recital of facts at the outset. It says:

> Whereas there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements for the prevention of rearmament of Germany—

And so forth. The first question I should like to ask is, What is the basis of that statement? The second question is—so that the Senator may have both my questions before him—Is it not true that in addition to this resolution calling for a conference among representatives of the United States of America, the United Kingdom, and France, to review the entire policy of dismantling German industrial establishments, the resolution expresses the sense of the Senate that—

> Pending completion of such conference and the official announcement of its findings, the President should request the Governments of the United Kingdom and

France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal of industrial establishments in the zones of Germany presently occupied by the United States of America, the United Kingdom, and France.

I should like to know, first, therefore, what is the basis for the recital of facts at the outset of the resolution, and, second, what, if any, complications the Senator may think might result from this request for the declaration of a moratorium?

I might amplify the latter question by asking further, are the governments under contract with respect to the destruction, and will this upset industrial arrangements and agreements, of one kind or another, which have been entered into? I am deeply concerned about the matter, and I do not want to make any mistake about it. These questions are asked in the utmost of desire to be enlightened.

Mr. WHERRY. Mr. President, once again I have to ask unanimous consent.

The VICE PRESIDENT. The Senator still has the floor from his last request.

Mr. WHERRY. The Senator from Missouri has asked a double-barreled question. The first is as to his facts. I have already stated that the facts relative to the dismantling program in Germany, have been presented. They have been presented to me, and they have been presented to the committee, indeed to several committees. In fact, the Foreign Relations Committee has had presentations of facts regarding the dismantling in Germany. I have not read all the reports. However, they are here, and the Senator can read them if he chooses to do so. We have to allege certain things, as in a petition in a law suit. If they are not all true, that will be found in the investigation and review. We must have something upon which to base the resolving clause. If all the facts do not come out as presented, I cannot help it, of course. But sufficient facts have been presented to me and to the committee so that I think action is justified. In fact, Mr. McCloy recently stated in the press that in order to establish a more perfect union of the states—I am quite sure I remember his statement—there should be an early review of the dismantling program.

I want to answer both of the Senator's questions. The idea is to stop dismantling. It has to be left in the hands of the President and certain Government agencies in order that they may go into the matter promptly and thoroughly. They can do as they choose. My judgment is that if we stop the dismantling it will affect the taxpayers' money, and we shall not have to appropriate so much money as we shall have to do if the dismantling continues.

Mr. DONNELL. With reference to the matter of the necessity for making allegations in the resolution——

Mr. WHERRY. I have presented facts also.

Mr. DONNELL. I understand. But am I not correct in saying that on a matter as serious as is this one, in which the sense of the Senate is expressed, not merely that if, after the President goes into the matter, he finds the dismantling should stop, but that—and I quote from the resolution—

Pending completion of such conference and the official announcement of its findings, the President should request the Governments of the United Kingdom and France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal—

And so forth. Does not the Senator think it is of the highest importance that we be reasonably sure that, in addition to the mere formal declaration or allegation such as occurs in petitions in law suits—and I do not think it is proper to allege, even in a petition in a lawsuit, anything which the lawyer making the petition does not think is a fact—is it not particularly important here that we should know before we make a statement to the world that "there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements for the prevention of rearmament of Germany"? Is it not of the utmost importance that we know whether we have reasonable grounds for that statement?

Mr. WHERRY. Mr. President, I feel that the resolution is perfectly worded. I myself do not want to amend it. I feel that the facts I have heard during all these months, which have become almost commonplace in the committees which I have attended, justify the request I am making of the President to make a review of the dismantling of these plants. That is what the resolution proposes. If the President in his wisdom, after the review starts, feels it should not continue, that the facts do not justify it, he does not have to pursue the investigation any further.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. WHERRY. I yield.

Mr. DONNELL. I am disturbed by the fact that as I read the resolution the President does not have any discretion, in this sense, that he must take it as the sense of the Senate that, pending completion of the conference and the final announcement of its findings, he should make this request of the other governments. I appreciate that the resolution does not say that the President is directed to make the request, but I understand that when we adopt the resolution we have said to the President two things, among others, first, "there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements," and so forth, and, second, that we are expressing now our sense that he should request the governments of these nations to join with the United States in declaring a moratorium. The question that bothers me is whether or not we have sufficient evidence here to justify a request of that kind.

Mr. WHERRY. Mr. President, we are asking the President to make the review. If there is not enough evidence to justify it, he does not have to go on with the review. I say to the Senator from Missouri that all we have done has been to provide a number of discretionary provisions. There is a discretionary statute referring to ECA. They do not have to comply with it if they do not care to. This is the last chance we will have to get a review of the dismantling projects in western Europe before Congress adjourns, and if Congress adjourns, there will be no further need of the resolution.

Mr. DONNELL. Will the Senator yield for one final question?

Mr. WHERRY. I yield.

Mr. DONNELL. I trust the Senator will give me credit for wanting to vote right on the resolution.

Mr. WHERRY. I always give the Senator credit for wanting to vote right.

Mr. DONNELL. I should like to know where is the "abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements."

Mr. WHERRY. It has been presented on the floor of the Senate, it has been presented in the Committee on Appropriations, it has been presented in the Committee on Foreign Relations.

Mr. DONNELL. Has it been presented to the Senate?

Mr. WHERRY. I have not presented it, but the question has been raised, and the whole Senate has to pass on it. If the Senator does not feel that there are sufficient facts available, and that the President would not bend over backward to enforce a program which would be contrary to law, he certainly should not vote for the resolution; but, in view of the fact that this subject has been kicked around since the present Congress assembled, in view of the recent statements in the press, and the statement of this man Armstrong, with his moving pictures, which show actual dismantling of the plants, and in view of other incidents of that kind, if the Senator feels that sufficient information has been adduced to permit the President to make a review, then I say the Senator should vote again referring the resolution to the Committee on Foreign Relations.

Mr. WHERRY subsequently said: Mr. President, I ask that at the conclusion of my colloquy with the Senator from Missouri it may appear that the committee to which I had reference were the Humphrey committee, the Wolfe committee and the Keenan committee, whose reports on the effect of continual dismantling theme prepared at the request of Mr. Hoffman. I think up to this time these reports have been ignored by the State Department.

Mr. CONNALLY. Mr. President, I ask unanimous consent that I may address the Senate for 3 or 4 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. CONNALLY. Mr. President, I wish to thank the distinguished Senator from Missouri for raising a very vital point. This resolution purports to refer this matter to the President as the sense of the Senate, that he shall take up the question with the other two governments. But this resolution determines the ques-

tion. It does not wait on anyone's decision. It says:

Whereas there is abundant evidence—

"Abundant evidence"—

that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements.

Where is the "abundant evidence"? It consists of two letters, one to the Senator from Illinois, and one to the Senator from Nebraska. That is the "abundant evidence."

Let me suggest to the Senators whose names are on this petition that in the petition they do not say they would vote for the resolution in spite of committee action, they do not say in it that they are willing to set aside the traditions of the Senate, they do not say that they are going to vote to abolish the rules and adopt a resolution which is only 4 days old. So I again appeal to the Senate not to affront the President, not to invade his jurisdiction, not to prejudge this whole issue by making a declaration that it is the sense of the Senate that dismantling should be stopped, and that pending the review the President be directed to do thus and so. That is what it means. It does not say "directed," but when we send a statement to the President that "it is the sense of the Senate," it is a direction, insofar as we have power to direct.

The resolution says:

The President should request the Governments of the United Kingdom and France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal of industrial establishments in the zones of Germany.

It does not say the dismantling shall be withheld in the case of plants which are purely industrial, it wants the dismantling withheld as to all. There may be plants manufacturing war materials, but under the resolution we would be demanding that the President take up with the governments mentioned the question of a moratorium as to all plants in Germany.

Mr. President, I appeal to the Senate to vote to refer this resolution to the Committee on Foreign Relations, which will meet tomorrow.

Mr. JENNER obtained the floor.

Mr. DONNELL. Mr. President, will the Senator from Indiana permit me, by unanimous consent, to ask one question of the Senator from Texas?

Mr. JENNER. If I do not lose my right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. DONNELL. I respectfully ask the Senator from Texas this question: At the conclusion of his remarks he stated that the Committee on Foreign Relations is to be in session tomorrow. Can the Senator enlighten us as to whether or not the Committee on Foreign Relations can give the Senate, in time to vote on the resolution before we adjourn, within the next few days, information on which we could base intelligent judgment as to whether we should vote in favor of the resolution or not?

Mr. CONNALLY. We will get all the information that is available. We may not be able to go into all the details, as the resolution does, when it says that "abundant evidence" has been adduced. We may not be able to do that, but we will have all that is available. We can hear from Mr. Hoffman, we can hear from the Secretary of State, we can hear from all others who have possession of information with respect to the matter. Which brings me to the point of saying that they are not asleep in this matter. They are investigating it, reviewing it, all the time.

Mr. DONNELL. Will the Senator from Indiana permit me, by unanimous consent, to address another question to the Senator from Texas, without his losing the floor?

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. DONNELL. I infer from the statement of the Senator from Texas that the Committee on Foreign Relations will be in session tomorrow, and that the Senate might reasonably expect some advice from that committee on which to base its judgment as to whether this resolution should or should not be passed. Of course, I realize that it will not be possible for the Committee on Foreign Relations to make an indefinite, detailed, lengthy study of this question within the next 24 hours or so, but I ask the Senator from Texas whether or not, if we shall refer this resolution today to the Senate Committee on Foreign Relations, we may have his assurance that in his judgment the committee will report back to us the facts it finds in sufficient time for us then, before we adjourn—this week, I trust—to vote the resolution either up or down, in the light of the information given us by the Committee on Foreign Relations?

Mr. CONNALLY. I will say to the Senator from Missouri that we shall endeavor to obtain all the information available, and promptly report it to the Senate.

Mr. DONNELL. And will the Senator from Texas assure me that according to his best judgment it will be reported to the Senate in sufficient time for the Senate to take a vote on the resolution before the Senate adjourns?

Mr. CONNALLY. The Senator from Missouri uses the words "in sufficient time." I do not know when the Senate will adjourn. I will say, however, that the Senate committee will obtain all the information available promptly, and as soon as we have the facts before us, we will report them to the Senate.

Mr. DONNELL. If the Senate should vote today to refer the resolution to the Foreign Relations Committee I ask the Senator whether in his opinion a report will be made to the Senate, say at 3 o'clock in the afternoon tomorrow, so the Senate may have all the facts the committee has been able to obtain, and the judgment it has arrived at respecting whether the resolution should or should not be adopted?

Mr. CONNALLY. I do not like to promise that the report shall be ready at 3 o'clock tomorrow. I will say that we will report to the Senate tomorrow. It is difficult to secure witnesses at any particular hour, because they have already made engagements and have arranged for conferences and have other appointments.

Mr. DONNELL. Then I understand that the Senator from Texas assures us the Senate will receive word from the Foreign Relations Committee some time tomorrow respecting the resolution?

Mr. CONNALLY. That is my opinion.

Mr. DONNELL. That is the Senator's best judgment?

Mr. CONNALLY. That is my best judgment. I cannot promise definitely, because there are other Senators who are members of the committee.

Mr. DONNELL. I simply want the Senator's best judgment.

Mr. JENNER. Mr. President, I had not intended to say anything about this matter. It is a matter of great importance. On the basis of the colloquy between the distinguished Senator from Missouri and the distinguished Senator from Texas it is my understanding that there is no likelihood that the Senate will get to a vote on the resolution prior to adjournment of the present session of Congress, and, of course, if the Senate is not permitted to vote on the resolution prior to adjournment of Congress, it might as well be forgotten.

In view of that fact, and since the subject has been debated at length today, I want to read to the Senate a letter which I received on September 29, 1949, from a close personal friend of mine with whom I served in the last war. When he went to Germany I asked him to give me a first-hand report on what he found there. Since the subject has come up, I think the letter is of sufficient importance to read. I do not intend to read my friend's name. If he were known as the writer of the letter he would likely be kicked out of Germany. I read the letter as follows:

On my way over here last March, I promised to give you a report on the conditions here as I found them. Since that time I have been engaged in representing the interests of various German industrialists and have had occasion to carefully scrutinize, analyze, and discuss some of the more important aspects of our economic and political policies as they relate to the recovery of Germany and of western Europe.

Here is the picture as I see it.

Germany is the workshop of western Europe. There can be no stable European economy on a capitalist basis unless western Germany industrial production is restored to a level above that of her prewar output.

The loss of Germany's territories east of the Oder-Neisse and the eastern zone occupied by the Soviet Union has deprived western Germany of her principal domestic source of food supply and the increase in the population into western Germany by reason of the influx of over 10,000,000 refugees from these eastern areas, has created a situation that competent authorities recognize as being the powder keg that may spread chaos and communism over all of western Europe. Western Germany, by tilling her soil to the utmost, cannot feed half of the present 48,000,000 persons now living within her borders. Starvation has presently been staved off by reason of the fact that the American taxpayer is pouring over a billion dollars a year into western Germany to

feed the population and restore industrial production to enable exports to be made to offset imports.

The people of the United States have been induced to make gifts to foreign countries in excess of $5,000,000,000 during the year of 1949. This figure is double that of 1948 according to the Department of Commerce news release of September 25; "The United States spent $13,260,000,000 on such activities during the four postwar years from July 1, 1945, to July 1, 1949." The report goes on to state:

"European recovery program provided $3,221,000,000 for participating countries in the past fiscal years, while other granted programs accounted for an additional $858,000,000.

"In 1949 as in 1948 Germany was the chief beneficiary in outright gifts of $983,000,000."

This colossal expenditure of American funds has been made upon the representation by all parties concerned that such expenditures were for the purpose of restoring the economy of western Europe and in particular for the purpose of enabling Germany to effect sufficient industrial recovery to put herself upon a self-sustaining basis within a period of 5 years.

For western Germany to pay in exports for her necessary food imports she must double the peak per capita production reached in peacetime. Such exports must consist of manufactured articles which in turn are primarily based upon her coal and steel productivity. Actually Germany's sole export of raw resource is coal. Her entire industrial machine is predicated upon her iron and steel industry located in the Ruhr on top of her hard-coal beds into which are fed vast imports of iron ore over the economic waterways of the Rhine River and her intricate canal system. The products of her coal and iron industries are the basis for the manufacture of her finished products which are exported to meet the world's needs in return for her necessary food imports.

There can be no economic recovery of Germany unless such recovery is predicated upon the revitalization of her coal and steel industry.

Here is where the resolution becomes so important at this particular time, and not next January, or not when the Foreign Relations Committee decides it has sufficient information to report back to the Senate. I ask Senators to listen carefully to what I am about to read, for in it appear the reasons why it is vital that the resolution be acted upon quickly.

The British Socialist leaders are well aware of the fact that the socialized industry of Great Britain can never compete in efficiency with the privately owned industries of western Germany and ultimately of western Europe. To accomplish these purposes the British advised and maneuvered the American and French Governments into accepting the twin farces of decartelization and dismantling. Insofar as the British are concerned, it can truthfully be said that while the United States has never lost a war they have never won a conference.

While the United States, Great Britain and France are united in the administration of Germany in the present high commission each such power is motivated by an entirely separate aid in the promulgation of occupation policies for a treatment of Germany's industry. The aim of the United States is to prevent monopoly. The aim of France is to establish security against future German aggression. The aim of Great Britain is to eliminate competition and bring about a socialization of German industry. These divergent aims enable the British, by paying lip service to the aims of the United States and France, to secure the enactment of military government decrees designed to carry out her hidden program.

The first step of the British socialists was to secure the consent of the United States and France to decrees prepared by Great Britain to separate the German coal interests from her iron interests. The second step was to secure approval of decrees designed to separate the iron interest from the refining industry. The third step was to secure approval of some adroit language in these decrees which is designed to combine the coal and steel industry under a procedure already worked out by the socialist strategists in England.

To illustrate just how the British carried out their program the following facts are called to your attention.

This is a personal letter from a personal friend with whom I served in the last war. When I found that he was in Germany I asked him to give me his honest report on what he found.

The Rhine Westphalian Coal Syndicate was the selling agency for the German coal industry. They represented a considerable number of independent-coal interests who by means of this cartel arrangement united for the purpose of selling their coal. This cartel was dissolved by the Allies immediately after the termination of the war.

The British created the North German Coal Control in its place and vested this organization with complete control over the entire German coal interests of the Ruhr. The manouver carried out in the name of standardization and decartelization of a selling organization resolved itself into a far greater concentration of power than was ever involved in the Rhine Westphalian Coal Syndicate. The North German Coal Control (NGCC) monopolized not only selling but planning, producing, purchasing, price-fixing and technical problems. In an equally adroit manner the British induced the tripartite creation of DKBL (Deutsche Kohlen Bergbau Leitung) to succeed the NGCC. The DKBL extended the complete monopoly formerly exercised by the NGCC to the entire coal industry of all western Germany including brown coal. The second step of the British program was accomplished by securing the adoption of the British instigated Military Government Ordinance No. 75 which ordinance provides for the reorganization of the German coal and iron industry under the guise of decentralization and dismantling. Actually the law provides for the greatest concentration of economic power ever attempted outside the outright Communist or Socialist confiscation. It provides for the confiscation and transfer of all assets of the major steel and coal concerns of Germany and transfer of such assets to Government created organizations free and clear of all encumbrances and obligations. In view of the fact that there is not enough money in all of Germany to purchase these assets, socialization is left as about the only available means of carrying out this plan. The creditors, many of whom are American citizens, are left holding the bag. Just where the United States military authorities derive any such power is left unmentioned. Any attempt to challenge it will probably meet with the same fate as the result of habeas corpus proceedings in the Japanese and German war-crimes trials. The courts will say they have no power to interfere with concentration of power under the guise of decentralization.

Prior to the passage of Military Government Ordinance No. 75 by the United States authority and the British authority in the respective zones, there were more than 50 coal-producing companies operating in the Ruhr. The British prepared a plan under this law whereby these more than 50 companies would be reduced to 15 and they attempted to rush it through. The combined efforts of the belatedly awakened officials of the Governments of the United States and France temporarily prevented the British Socialists from succeeding in this greater concentration of power under the guise of decentralization.

This was all prior to the German elections. The British, banking heavily on the election of the socialist majority in the new German Government, had inserted a provision in Military Government Ordinance No. 75 leaving the ultimate ownership of the coal and steel industries for the determination of the new German Government. The election of a nonsocialist majority frustrated immediate attainment of their objective of socialization.

This temporary frustration has led the British to redouble their efforts to wreck the efficiency of Germany's industrial production in a manner that borders on open sabotage of the agreed plan for the rehabilitation of Germany's industry.

Under the program of dismantling those units of Germany's industrial production which were considered to constitute a menace to security by reason of their participating in Germany's war production the Allies reached an agreement for the dismantling of certain plants which were considered to be unnecessary for Germany's peacetime production and for the removal of the machinery to members of the United Nations as reparations for damages sustained by their economy by reason of German aggression.

Because of the realization that German industrial recovery cannot be effected, if her steel-production capacity was cut below the amount necessary to enable her to produce sufficient steel for exports to pay for the imports made necessary to feed the increased population of western Germany and to compensate for the loss of her eastern bread basket the Humphrey committee was appointed to review the list of the plants for dismantling.

That is one of the bodies that has already gone into this subject.

Mr. Wolf, of the United States Steel Export Corp., came to Germany in summer of 1948 and again in the autumn of that year as the head of a subcommittee of 30 to 40 experts on various phases of the steel industry.

The committee recommended that certain of the more efficient German steel-producing plants be taken from the list for dismantling as their productive capacity was essential to enable Germany to produce sufficient exports to pay for her necessary imports. In March of this year Messrs. Acheson, Bevin, Schumann, met in Washington for the purpose of revising the list of plants to be dismantled. At that time Mr. Acheson had just recently replaced Mr. Marshall as Secretary of State and the result of that conference indicated that the British took utmost advantage of this fact. Of the 167 plants listed for dismantling, 159, were struck from the list. On the face of these figures it would appear that a substantial reduction in the dismantling program had been made and that the almost universal appeal that dismantling be stopped had been granted.

The eight plants remaining upon the list for dismantling were the most modern and efficient plants of the German steel industry, having a productive capacity equal to all of the other steel-producing plants that were stricken from the list.

In other words, the Socialist British Government, well knowing that Germany's economic recovery is predicated upon her steel-productive capacity, concentrated their efforts upon securing approval of the United States and France to the continuation of a program of dismantling that effectively disrupted Germany's capacity to efficiently produce iron and steel, and thereby laid the

foundation for the elimination of western Germany as a competitor of the socialized industries of Great Britain.

Mr. President, this letter goes on and on. I do not care to take up the time of the Senate in reading it, but the facts are here. We know that the situation is important. January 1 of next year will be too late. If we are going to paralyze Germany's productivity, the cost will be saddled on the backs of the American taxpayers for generations to come.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. JENNER. Europe cannot recover without Germany recovering.

Mr. WHERRY. Mr. President will the Senator yield so that I may make a motion?

Mr. JENNER. I should like to get the rest of this letter into the RECORD. I do not want to take the time of the Senate to read it. I wish every Senator could read it. I ask unanimous consent that the remainder of the letter be printed in the RECORD at this point as a part of my remarks.

Mr. LUCAS. Mr. President, I should like to hear the rest of it read. I am interested.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. The Senator from Indiana has the floor.

Mr. JENNER. Mr. President, I ask unanimous consent that the remainder of the letter be printed in the RECORD at this point as a part of my remarks.

Mr. LUCAS. I object.

The VICE PRESIDENT. Objection is heard.

Mr. WHERRY. Mr. President, will the Senator yield so that I may make a motion?

The VICE PRESIDENT. The Senator from Indiana will lose the floor if he yields for that purpose.

Mr. JENNER. I yield.

Mr. WHERRY. Mr. President, I move that the motion made by the distinguished Senator from Texas [Mr. CONNALLY] be laid on the table.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska [Mr. WHERRY] to lay on the table the motion of the Senator from Texas [Mr. CONNALLY] to refer the resolution to the Committee on Foreign Relations.

Mr. WHERRY. Mr. President, that motion is not debatable.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. The question is on the motion of the Senator from Nebraska to lay on the table the motion of the Senator from Texas. The motion to lay on the table is not debatable.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Can the Senator who submitted the resolution move to lay it on the table?

The VICE PRESIDENT. The motion to refer to committee is the matter with respect to which the motion to lay on the table is made. The mover of the original resolution can move that the motion to refer it to the committee be laid on the table.

Mr. DONNELL. Mr. President——

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ives	McFarland
Connally	Jenner	Magnuson
Cordon	Johnson, Colo.	Malone
Donnell	Kem	Martin
Dworshak	Kilgore	Morse
Ecton	Knowland	Myers
Ferguson	Langer	Schoeppel
Green	Leahy	Smith, Maine
Gurney	Lodge	Thomas, Okla.
Hickenlooper	Long	Watkins
Hoey	Lucas	Wherry
Holland	McCarthy	Williams

The VICE PRESIDENT. A quorum is not present.

The Secretary will call the names of the absent Senators.

The names of the absent Senators were called; and Mr. ANDERSON, Mr. CAIN, Mr. DOUGLAS, Mr. HAYDEN, Mr. JOHNSON of Texas, Mr. KERR, Mr. MCKELLAR, Mr. MILLIKIN, Mr. O'MAHONEY, Mr. RUSSELL, and Mr. YOUNG answered to their names when called.

The VICE PRESIDENT. A quorum is not present.

Mr. LUCAS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. PEPPER and Mr. YOUNG entered the Chamber and answered to their names.

Mr. CHAPMAN, Mr. DOWNEY, Mr. HILL, Mr. JOHNSTON of South Carolina, Mr. MORSE, Mr. NEELY, Mr. O'CONOR, and Mr. WILLIAMS also entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. Let the Chair state the question. The question is on the motion of the Senator from Nebraska [Mr. WHERRY] to lay on the table the motion of the Senator from Texas [Mr. CONNALLY] to refer Senate Resolution 187 to the Committee on Foreign Relations.

Mr. DONNELL. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. DONNELL. For a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. DONNELL. Is a request for unanimous consent in order at this time?

The VICE PRESIDENT. The Chair supposes so.

Mr. DONNELL. Mr. President, I ask unanimous consent that I may be permitted to address one question to the distinguished Senator from Texas.

Mr. WHERRY. Mr. President, reserving the right to object, I want the Senate to know that I deeply deplore the fact that I cannot agree, but we must have a vote on the pending question before 2 o'clock. If unanimous consent is granted to one Senator, certainly we shall have to grant unanimous consent to another Senator for the purpose of answering the question. I shall have to object.

The VICE PRESIDENT. Objection is heard.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. AIKEN. Is the question on agreeing to the motion to table the motion of the Senator from Texas?

The VICE PRESIDENT. That is the question.

Mr. JENNER and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. HILL. I announce that if my colleague the junior Senator from Alabama [Mr. SPARKMAN], who is in Europe on official business as a member of the subcommittee of the Committee on Banking and Currency, investigating the problem of housing, were present and voting, he would vote "nay."

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Louisiana [Mr. ELLENDER], the Senator from Georgia [Mr. GEORGE], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Utah [Mr. THOMAS] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Alabama [Mr. SPARKMAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. GRAHAM], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

Mr. WHERRY. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from Connecticut [Mr. BALDWIN], the Senator from New York [Mr. DULLES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. THYE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. TAFT], and the Senator from

New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. CAPEHART], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

The result was announced—yeas 26, nays 30, as follows:

YEAS—26

Aiken	Humphrey	Millikin
Cain	Jenner	Morse
Cordon	Kem	Schoeppel
Douglas	Knowland	Smith, Maine
Dworshak	Langer	Watkins
Ecton	Long	Wherry
Ferguson	McCarthy	Williams
Gurney	Malone	Young
Hickenlooper	Martin	

NAYS—30

Anderson	Holland	McFarland
Chapman	Ives	McKellar
Connally	Johnson, Colo.	Magnuson
Donnell	Johnson, Tex.	Myers
Downey	Johnston, S. C.	Neely
Fulbright	Kerr	O'Conor
Green	Kilgore	O'Mahoney
Hayden	Leahy	Pepper
Hill	Lodge	Russell
Hoey	Lucas	Thomas, Okla.

NOT VOTING—40

Baldwin	Gillette	Smith, N. J.
Brewster	Graham	Sparkman
Bricker	Hendrickson	Stennis
Bridges	Hunt	Taft
Butler	Kefauver	Taylor
Byrd	McCarran	Thomas, Utah
Capehart	McClellan	Thye
Chavez	McMahon	Tobey
Dulles	Maybank	Tydings
Eastland	Mundt	Vandenberg
Ellender	Murray	Wiley
Flanders	Reed	Withers
Frear	Robertson	
George	Saltonstall	

So Mr. WHERRY's motion to lay on the table Mr. CONNALLY'S motion to refer Senate Resolution 187 to the Committee on Foreign Relations was rejected.

The VICE PRESIDENT. The question recurs on the motion of the Senator from Texas [Mr. CONNALLY] to refer the resolution to the Committee on Foreign Relations, on which question the yeas and nays have been ordered.

Mr. PEPPER. Mr. President, it seems to me so obvious that the motion of the Senator from Texas should be supported by the Senate, that it is difficult for me to imagine why there should be any serious resistance to it. Certainly the record of the Chairman of the Foreign Relations Committee is very clear and creditable. No one would question his own willingness to give fair consideration to any matter which is brought before the Foreign Relations Committee. Certainly no one, in view of the Senator's great record of being for an aggressive and secure American foreign policy would question his willingness to serve the public interest and to promote the national security and welfare.

Senators will recall that this is not the sort of subject upon which snap judgment should be taken by the Senate. It is a most extraordinary thing to discharge a committee which has had jurisdiction of a subject, after it may have entertained the subject within the committee even for a protracted period, but for the Senate itself to deny the right of the Committee on Foreign Relations to consider a matter of this vital import by refusing even to refer the resolution to the committee is nothing less than shocking.

Certainly there has not been any partisanship in the committee with reference to matters of this sort. I cannot but believe that if the able Senator from Michigan [Mr. VANDENBERG], whose recovery is so satisfying to all of his colleagues, were present, he would join in the motion made by his distinguished colleague from Texas that his committee not be deprived of an opportunity to give fair consideration to this vital subject.

Mr. President, this matter was before the committee, incidentally, when the ECA bill was being considered, and in its report to the Senate, in March of this year, the Committee on Foreign Relations, making a report upon the subject, had this to say to the Senate:

Last year—

I am reading from page 19 of the report of the Foreign Relations Committee upon the extension of the European recovery program—

Last year, during the consideration of the European recovery program, concern was expressed regarding the effects of dismantling and removal of plants from Germany upon the program. Accordingly, a provision was inserted in the Economic Cooperation Act directing the Administrator to determine which plants scheduled for removal as reparations could most effectively promote European recovery if retained in Germany. Having made this determination, he was then to request the Secretary of State to obtain the agreement to such retention of the countries concerned.

Pursuant to these instructions, the Administrator appointed an Industrial Advisory Committee headed by Mr. George M. Humphrey, president of the N. A. Hanna Co., which has, on the basis of various studies and personal inspections, recommended the retention of a number of plants. These recommendations have now been transmitted to the Secretary of State with a request to negotiate with the countries concerned for the retention of the plants. Further details on the ECA recommendations have not yet been released in view of the delicate nature of negotiations.

While the committee believes that no further provision on this subject is required in the ECA legislation, it stresses once more the desirability of not removing from Germany those plants which, if retained, will most effectively contribute to European recovery. At the same time, every precaution must be taken to prevent the rebuilding of the German economy in such a way that Germany will ever again become a threat to the peace of the world.

Mr. President, that was the report of the committee to the Senate in March of this year when the matter was brought to the committee's attention as having a relevancy to the success of the European recovery program.

What happened after that, Mr. President? The Humphrey committee was appointed and that committee made its report. Negotiations were begun with the other governments. Senators, of course, are aware of the vital interest of our European allies in this subject. It was Britain and France who bore the brunt of the German aggression. It was France which, in 1870, in 1914, and again in 1939, and it was England in 1914 and in 1939, who bore the brunt of German militarism and had to pay a part of its terrific cost in streams, yea, rivers of human blood and in immeasurable other destructions and devastations. So those nations are also interested in this subject.

Negotiations were initiated by the Secretary of State with Great Britain and France as the nations primarily and vitally affected. They are closer to German aggression, they are closer to a potential rebuilt German military machine, than are we who are far removed from those areas.

As a result of the negotiations it was agreed that there would be recommended a total of 167 plants to be retained as helpful to the German economy and which, in turn, might serve to promote the recovery of western Europe and lighten the economic demands upon us to stimulate their survival.

The chairman of the committee examined 381 plants by personal inspection to see what they might be worth to the German economy.

Finally, upon the basis of this report, the Secretary of State, in negotiations with other interested countries, agreed to surrender eight, but only eight, of these plants, and the British and the French in turn agreed to the retention in Germany of 159 of the plants to stimulate and to strengthen the German economy.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the morning hour having been concluded, the resolution automatically goes to the calendar. The Senate will resume the consideration of the conference report on the so-called basing-point bill.

Mr. CONNALLY. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. The question pending was on a motion to refer resolution 187 to the Committee on Foreign Relations. If it goes to the calendar——

The VICE PRESIDENT. It goes to the calendar with the motion pending. If and when the resolution is taken up, the pending question will be on the motion to refer the resolution to the Committee on Foreign Relations.

ORDER OF BUSINESS—CALL OF THE CALENDAR

Mr. LUCAS. Mr. President, the unfinished business before the Senate, as the Senator from Illinois understands, is the conference report on the so-called basing-point bill.

The VICE PRESIDENT. The Senator is correct.

Mr. LUCAS. It is my understanding, from a discussion of this matter on the floor of the Senate last Saturday, that those who are interested in the basing-point bill would not object to the calling of the calendar first, and after that proceeding to the consideration of the conference report on the basing-point bill. That statement was made by the Senator from Illinois on two previous occasions, before the basing-point conference report, which obviously is privileged, was taken up on Saturday.

With that understanding, Mr. President, I ask unanimous consent that the unfinished business be temporarily laid

aside and the calendar be called, until concluded, for the consideration of measures to which there is no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois that the unfinished business be temporarily laid aside and that the calendar be called for the consideration of measures to which there is no objection?

Mr. O'CONOR. Mr. President, I shall not object, but may I ask the majority leader whether it is his understanding that upon a completion of the call of the calendar for the consideration of measures to which there is no objection, the basing-point bill conference report will be taken up automatically?

Mr. LUCAS. That is correct. It is the unfinished business, and all we are doing by unanimous consent is temporarily laying the conference report aside for the purpose of considering measures on the calendar to which there is no objection.

The VICE PRESIDENT. Does the Senator include in his request the calling of the calendar from the beginning?

Mr. LUCAS. The Vice President is correct.

Mr. WHERRY. Mr. President, may I ask the distinguished majority leader whether he contemplates a night session? I was of course perfectly agreeable to the call of the calendar, but it is quite a long calendar, and I am wondering if the Senator from Illinois expects that we will have a night session.

Mr. LUCAS. The Senator from Illinois expects to conclude business about 7 o'clock tonight, and to have no night session.

Mr. DOWNEY. Mr. President, will the call of the calendar include those bills which are now reported but which are not yet on the printed calendar?

Mr. LUCAS. I should doubt that very much, unless the Senator can get unanimous consent for the consideration of any bill in that category in which he is interested.

The VICE PRESIDENT. The call would include only those which are on the calendar, and not bills which are reported today which are not on the calendar, except by unanimous consent.

Mr. WHERRY. One more matter, Mr. President. I think we should be very fair about this. What about bills which are on the calendar and for which there are no reports? Is it the intention of the majority leader to have those called also?

Mr. LUCAS. I do not want to have any bills called as to which there is any question at all. If there is a bill on the calendar and no report, and some Senator objects, of course it will not be passed.

Mr. WHERRY. Is it also the majority leader's intention, as has been the plan in the past, if bills are temporarily passed over and go to the foot of the calendar, to have such bills taken up in order when the call is completed?

Mr. LUCAS. Yes. If an order is made that a bill go to the foot of the calendar, we will take it up in order. But I should like to have every Senator understand that if there is any question about an objection to a bill, he should ask unanimous consent that it go to the foot of the calendar, so that the Senate will know that that bill is going to be considered again before we finally finish the call of the calendar. If that is not done, so that Senators will be notified, then if some Senator desires to have the Senate go back and take up a bill which has not gone to the foot of the calendar, he may have some difficulty getting the bill before the Senate. We have had that happen before, when Senators, having objected to a bill, left the Senate Chamber, and later returned to find that perhaps the bill had passed.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I appreciate the observation of the majority leader. I feel that this puts every Senator on notice that if a bill goes to the foot of the calendar the Senator should be present if he desires to continue to object to the bill, because it will be brought up in order after the calendar has been completed and the bill is reached.

Mr. DOWNEY. Mr. President, I wish to ask unanimous consent that two bills which I am about to report favorably from the Committee on Public Works, by the unanimous consent of all its members, shall be considered on today's calendar, although they are not upon the printed calendar. I think they are both entirely unobjectionable. One deals with certain improvements relating to the Capitol power plant. It appears that conditions there are so dangerous that we momentarily could have an explosion which might reach right into the Senate Chamber.

Mr. LUCAS. Mr. President, let me say to the Senator from California that if he will not press his request as to the bills which are reported today, which, under the rules of the Senate, must lie over a day, I will have another short call of the calendar tomorrow to take care of them. There are only a few such bills.

Mr. DOWNEY. That is all right.

Mr. WHERRY. I understood the Senator to say they would be taken up tomorrow, so that the unanimous consent will be withdrawn, will it not?

Mr. LUCAS. It is withdrawn.

The PRESIDING OFFICER (Mr. HOEY in the chair). The Senator from Illinois has submitted a unanimous-consent request.

Mr. WHERRY. What is the request?

The PRESIDING OFFICER. That the unfinished business be temporarily laid aside and that the calendar be called.

Mr. MYERS. Did I understand some Senator to say that the bills which are on the calendar on which no reports have yet been filed would automatically be passed over?

The PRESIDING OFFICER. No. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

The Chair calls the attention to the fact that under the rules, when objection is made, a bill goes over. If, when that happens, Senators refrain from discussion of the bill, the call of the calendar will be very much facilitated. Of course, the 5-minute rule will be rigidly applied, and a Senator can speak but once on any one measure.

Mr. LUCAS. Mr. President, I am sure that some Members of the Senate did not hear what the distinguished occupant of the chair just said about the call of the calendar. I should like to have Senators hear what the distinguished Senator from North Carolina, now presiding, said a moment ago. I will ask him to repeat it.

The PRESIDING OFFICER. The Chair said that the Senate is about to consider a long calendar, and under the rule, when an objection is made to a bill, it goes over. If, in those circumstances, Senators will refrain from discussing a bill which has been objected to, it will facilitate the call of the calendar. The rule as to that, as well as limiting speeches to 5 minutes will be enforced, and only one speech is allowed on a measure, under the rule.

The clerk will proceed with the call of the calendar.

PUBLIC LIBRARY SERVICE—BILL PASSED OVER

The bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities, was announced as first in order.

Mr. DONNELL. Over.

Mr. HILL. Mr. President, I do not wish to delay the call, but if the Senator will withhold his objection——

Mr. DONNELL. I withhold the objection. I am objecting in behalf of an absent Senator.

Mr. HILL. That means, then, that the Senator under no circumstances could withdraw his objection. He is under a solemn, unalterable, absolute, inevitable, inextricable commitment to object?

Mr. DONNELL. Absolutely.

Mr. HILL. As the Senator knows, this bill was reported favorably by the Committee on Labor and Public Welfare during the Eightieth Congress, and was passed by the Senate. I very much deplore the fact that the absent Senator binds and commits and so ties the distinguished Senator from Missouri that he is unalterably, inextricably committed to objecting to the bill.

The PRESIDING OFFICER. On objection, the bill goes over.

The next bill on the calendar will be stated.

IMMIGRATION STATUS OF CERTAIN CHINESE—BILL PASSED OVER

The bill (S. 206) relating to the immigration status of the lawful wives and children of Chinese-treaty merchants, was announced as next in order.

Mr. RUSSELL. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MAGNUSON. Mr. President, will the Senator withhold his objection so that I may make a statement?

Mr. RUSSELL. I withhold my objection.

Mr. MAGNUSON. I appreciate the honest opposition by the Senator from

Georgia to the bill. It has been on the calendar for a long time. I do not want to repeat what I have heretofore said respecting the importance of having action taken on the bill. It deals with the wives and children of Chinese who have been in this country, most of them more than 30 years, and who cannot be deported; who are here under a solemn treaty obligation entered into by the United States with China subsequent to the Boxer Rebellion.

I also call the attention of the Senate to the fact that the same situation exists respecting some 80,000 Japanese who are here, all of them more than 50 years old, all of whom who have been here more than 25 years, none of whom can be deported, and most of them fathers and mothers of Japanese who fought so valiantly on our side during the war. I hope the Senator from Georgia and other Senators interested can between now and January give the matter sufficient study, so we can do justice to this great group of fine residents of America who want to become citizens of this country, and who are, to all practical purposes, citizens.

The PRESIDING OFFICER. On objection, the bill will be passed over.

The next bill on the calendar will be stated.

BILLS AND RESOLUTIONS PASSED OVER

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L–208 was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 110) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

Mr. DONNELL. I ask that that bill go over. I ask it personally for myself.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 25) proposing an amendment to the Constitution of the United States relative to equal rights for men and women, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished dependents in certain criminal cases in the United States district courts was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.

Mr. DONNELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2023) to regulate oleomargarine, to repeal certain taxes relating to oleomargarine and for other purposes, was announced as next in order.

Mr. DONNELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 878) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948, was announced as next in order.

Mr. WILLIAMS. I understand an amendment is to be offered to that bill by the Senator from South Carolina [Mr. JOHNSTON]. I ask that the bill go to the foot of the calendar.

Mr. DONNELL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 33) suspending the legislative budget pending further study was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The concurrent resolution will be passed passed over.

The bill (S. 1086) for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn., was announced as next in order.

Mr. DONNELL. By request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CARL PIOWATY AND W. J. PIOWATY

The bill (S. 478) for the relief of Carl Piowaty and W. J. Piowaty, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. DONNELL. Mr. President, I respectfully inquire of the Senator from Kansas [Mr. SCHOEPPEL] if he can enlighten me on this measure? It is my understanding there is a request that it go over.

Mr. SCHOEPPEL. That is correct. I am sorry I missed that. I ask that the bill be passed over.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER. Mr. President, was objection made to Calendar No. 382, Senate bill 478?

The PRESIDING OFFICER. There was objection.

Mr. PEPPER. May I inquire if the Senator who objected will withhold his objection for a moment?

The PRESIDING OFFICER. The Senator from Kansas [Mr. SCHOEPPEL] made objection.

Mr. PEPPER. Did I understand the majority leader said there would be another call of the calendar?

The PRESIDING OFFICER. Tomorrow.

Mr. PEPPER. Tomorrow?

The PRESIDING OFFICER. But that does not mean that we will go back to and call the calendar from the beginning.

Mr. RUSSELL. If I understood the majority leader, the call of the calendar tomorrow would commence at the point where we concluded today.

The PRESIDING OFFICER. And only for bills reported today and placed on the calendar tonight.

Mr. PEPPER. In view of the fact that the Senator who objected has had an opportunity to read the decision of the Supreme Court of Florida upon this matter, and to see that it was only a sheer technicality upon which a majority of the court decided, while all but one of the same number that ruled on the technicality against the claimant, held that there was equity on his side, and that the full court manifested the opinion that there was equity on the side of the claimant, and since some other Senators who previously objected to this bill, after seeing the Supreme Court decision, withdrew their objection, and since this is the last call of the calendar, I wonder if the Senator would be good enough to withhold his objection?

Mr. SCHOEPPEL. I may say to the distinguished Senator from Florida that objection was made by an absent Senator. While the matter has been cleared up in the minds of a Senator or two, the absent Senator has notified me of his objection. Until I receive clearance or removal of the objection, I do not feel at this time I can conscientiously withhold objection. I make the suggestion that the bill go to the foot of the calendar today.

Mr. PEPPER. Very well.

Mr. SCHOEPPEL. But under no consideration would I want to decline to follow the request which has been made of me.

Mr. PEPPER. Mr. President, I ask, then, that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida that the bill be placed at the foot of the calendar? The Chair hears none, and it is so ordered.

Mr. DONNELL subsequently said: Mr. President, for the record which I have been endeavoring to keep, what was the disposition of Order No. 382, Senate bill 478?

Mr. PEPPER. That was the matter to which I was just about to call attention. That was the last bill, as I recall, upon the special list. May I inquire if the able Senator from Kansas has yet been able to get in touch with the Senator who objected?

Mr. SCHOEPPEL. I have not, Mr. President, I shall have to object.

Mr. PEPPER. Does the Senator think he may be able to have an opportunity to consult the absent Senator by tomorrow?

Mr. SCHOEPPEL. I should be delighted at such an opportunity.

Mr. PEPPER. Mr. President, in view of the fact that the Senator at whose insistence the able Senator today objected will probably be accessible tomorrow, I ask unanimous consent that Order No. 382, Senate bill 478, may be called when the bills are called on the calendar tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 1464) to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders, was announced as next in order.

Mr. LODGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1393) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, was announced as next in order.

Mr. DONNELL. By request, I object.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 595) relating to the internal security of the United States, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1243) to amend the Hatch Act, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill be passed over.

Mr. MAGNUSON. Mr. President, may I ask the distinguished Senator from Missouri what Senator is making objection to this bill?

Mr. DONNELL. The Senator knows I am acting as the acting minority leader. The notation on the side of the sheet before me says "Messrs. WHERRY and TAFT."

Mr. MAGNUSON. I thank the Senator.

The PRESIDING OFFICER. The bill will be passed over.

Mr. DONNELL subsequently said: Mr. President, earlier in the afternoon I made an announcement, as I recall, that the Senators who were objecting to Order No. 428, House bill 1243, were the senior Senator from Ohio [Mr. TAFT] and the junior Senator from Nebraska [Mr. WHERRY]. I learn that I misinterpreted the note which was upon the page handed to me, and that the sole objector was the senior Senator from Ohio. I ask leave at the appropriate place, in connection with Order No. 428, to make the correction.

The PRESIDING OFFICER. Without objection, the correction will be made.

The bill (S. 458) to provide for a survey of physically handicapped citizens, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 91) to provide for the better assurance of the protection of persons within the United States from lynching, and for other purposes, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 12) to amend the Civil Aeronautics Act of 1938, as amended, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MYERS. Mr. President, was action taken on Calendar 476, Senate bill 12?

The PRESIDING OFFICER. It went over on objection.

The bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard and to enact and establish a Uniform Code of Military Justice, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1946) to establish a permanent National Commission of Intergovernmental Relations was announced as next in order.

Mr. MYERS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest was announced as next in order.

The PRESIDING OFFICER. The Chair requests that the bill go over.

The bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1498) to amend the Natural Gas Act, approved June 21, 1938, as amended, was announced as next in order.

Mr. DONNELL and Mr. SCHOEPPEL asked that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1165) to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheepherders, was announced as next in order.

Mr. IVES. Over.

The PRESIDING OFFICER. The bill will be passed over.

The Senate resolution (S. Res. 58) to amend the Senate rules by creating a standing committee on small business was announced as next in order.

The PRESIDING OFFICER. The Chair requests that the bill go over.

CHANGE IN METHOD OF ELECTING PRESIDENT AND VICE PRESIDENT

The joint resolution (S. J. Res. 2) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, was announced as next in order.

Mr. LODGE. Mr. President, this is a measure providing for a constitutional amendment to abolish the electoral college and providing for the counting of the electoral vote for President and Vice President in proportion to the popular vote. As the joint resolution provides for the adoption of a constitutional amendment, it obviously cannot be taken up on the call of the calendar. A group of Senators representing both parties have requested that it may be set down for action in January. I hope that will be done.

Mr. GREEN. Mr. President, I was going to speak in favor of the Senator's measure.

Mr. LODGE. I yield the floor to the Senator from Rhode Island.

Mr. GREEN. There is another measure on the calendar in which I am interested, and which I hope will be acted upon favorably. It will be reached in a few minutes. It relates to the Presidential succession. The two matters are related, but not in any way inconsistent.

The measure in which I am interested calls for the appointment of a commission to examine and make recommendations as to all matters connected with the Presidential succession, beginning with what would happen if a Presidential nominee died after the convention, during the campaign, or after his election and before his inauguration, and after his inauguration, and how the succession would be determined in case of his death or inability to act. It is a miracle that the country has not been called upon to face such conditions, which would result in chaos in the Government. It seems to me important that both these measures should pass.

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. LODGE. Mr. President, I appreciate the expression of the Senator from Rhode Island in support of Senate Joint Resolution 2. Let me say that as a member of the Committee on Rules and Administration I voted to report Senate Resolution 14 favorably. It is on the calendar. I think a study is badly needed, particularly with respect to two very important matters pertaining to the presidential office. One relates to the question of money contributions to finance presidential campaigns. I was the author of a resolution in this connection, to investigate the problem and see whether it would be practical or desirable to have presidential campaigns financed out of the Treasury, so as to avoid the situation of persons being appointed to public office merely because they contributed to a campaign fund. I understand that that question is within the purview of the resolution.

The other matter pertains to the death or disability of a President or President-elect. That is a very important subject.

Both subjects are entirely distinct from the matter of the electoral college. The committee in its report makes it clear that Senate Resolution 14 is not intended in any way to affect Senate Joint Resolution 2. The two subjects are entirely distinct and noncompetitive, and are not mutually exclusive and the committee report officially so states.

BILL PASSED OVER

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

The bill (H. R. 3368) to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901, to increase the maximum sum allowable by the court of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000 was announced as next in order.

Mr. DONNELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

INVESTMENTS BY INSURANCE COMPANIES IN THE DISTRICT—BILL PASSED OVER

The bill (S. 1490) to permit investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development was announced as next in order.

Mr. DONNELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER. Mr. President, will the Senator withhold his objection so as to permit an explanation of the bill?

Mr. DONNELL. I withhold my objection.

Mr. PEPPER. I am asked to make this explanation on behalf of the District Committee. The bill was introduced by former Senator McGrath, then chairman of the committee. The purpose is to permit the investment of funds of insurance companies organized within the District of Columbia in obligations of the International Bank for Reconstruction and Development. The purpose of the bill is to amend the insurance laws in effect in the District so as to permit District insurance companies to invest in obligations issued or guaranteed as to principal and interest by the International Bank for Reconstruction and Development.

Legislation of a similar nature has been enacted by the following States: California, Illinois, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Nebraska, New Jersey, New York, Pennsylvania, Virginia, and West Virginia. In most of the other States bonds of the International Bank for Reconstruction and Development are legal investments for insurance companies under general legislation or official ruling, or both.

I thought that if the Senator understood that the committee had favorably acted upon this bill, and that so many other States had granted the same authority, perhaps he would be willing to permit the bill to be passed on the call of the calendar.

Mr. DONNELL. By request, I object.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 843) for the relief of S. M. Price was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. The bill will be passed over.

VALIDITY OF TITLES TO CERTAIN LANDS

The bill (S. 1606) to authorize the Secretary of the Interior to determine the validity of titles to lands acquired in the administration of the reclamation laws, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 7 of the act of June 17, 1902 (32 Stat. 388; 43 U. S. C., sec. 421), is amended by adding at the end thereof a new sentence as follows: "Notwithstanding the provisions of the first paragraph of section 355 of the Revised Statutes (40 U. S. C., sec. 255), the validity of the title to any such rights or property to be acquired by purchase shall be determined by the Secretary of the Interior."

Mr. KILGORE subsequently said: Mr. President, I should like to return to Calendar 685, the bill (S. 1606) to authorize the Secretary of the Interior to determined the validity of titles to lands acquired in the administration of the reclamation laws, which was passed by unanimous consent. I overlooked it. I want to move to reconsider the vote by which it was passed.

The PRESIDING OFFICER. We shall first have to dispose of the pending bill.

Mr. O'MAHONEY. Mr. President, earlier in the afternoon I made a parliamentary inquiry with respect to Calendar No. 685, Senate bill 1606, which was passed on the call of the calendar, in spite of the fact that there was an agreement between myself as chairman of the Committee on Interior and Insular Affairs and the Senator from Nevada [Mr. McCARRAN], chairman of the Committee on the Judiciary, that the latter committee should have an opportunity to look into this matter. I therefore ask unanimous consent that the vote by which Calendar 685, Senate bill 1606, was passed, be now reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered. The bill will be returned to the calendar.

Mr. O'MAHONEY. And it will go over.

The PRESIDING OFFICER. Yes.

Mr. O'MAHONEY. Let me express the hope that the Committee on the Judiciary will expeditiously act upon this measure. It really is an important measure, and I hope we can agree upon it.

Mr. KILGORE. Mr. President, I can assure the Senator that action will be taken as soon as possible. My understanding was that the bill had been sent to the committee following the last call of the calendar.

Mr. O'MAHONEY. No. It remained on the calendar.

BILL PASSED OVER

The bill (S. 660) to amend the act of June 27, 1944, Public Law 359, and to preserve the equities of permanent classified civil-service employees of the United States was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

WELFARE OF COAL MINERS—BILL PASSED OVER

The bill (S. 1031) amending Public Law 49, Seventy-seventh Congress, providing for the welfare of coal miners, and for other purposes, was announced as next in order.

Mr. DONNELL. Over by request.

Mr. NEELY. Mr. President, will the Senator withhold his objection to Calenday 697, Senate bill 1031, for a moment?

Mr. DONNELL. Certainly.

Mr. NEELY. Mr. President, the importance of this bill—S. 1031—is as great as that of protecting human limbs and saving human lives. On a percentage basis, the casualties among American coal miners are greater than they were among American soldiers during the last world war. This measure, if enacted into law, would save countless lives and prevent the crippling of an innumerable throng of those who mine the Nation's coal. The bill was favorably reported from the Committee on Labor and Public Welfare without a dissenting vote. It has been before the Senate for months. But every attempt to bring it to a vote has been defeated by objection to its consideration. The distinguished Senators, Mr. THOMAS of Utah, Mr. HILL, of Alabama, Mr. MYERS, of Pennsylvania, and Mr. O'MAHONEY, of Wyoming, joined me in urging the Policy Committee to put this bill on the "must" list for action at this session. Unfortunately, this undertaking failed. Consequently, consideration can now be had only by unanimous consent. Notwithstanding the fact that both the majority leader, the eminent Senator from Illinois [Mr. LUCAS], and the majority whip, the equally eminent Senator from Pennsylvania [Mr. MYERS] have assured me that they will do everything in their power in behalf of the passage of this bill early in the next session of the Congress, I nevertheless entreat the able Senator from Missouri [Mr. DONNELL] to withdraw his objection and permit the Senate to proceed to vote on this vital measure without further delay.

Mr. MYERS. Mr. President, I assure the Senator that I share the views of the Senator from West Virginia. I am hopeful, as one of the authors of the bill, that we may get action next year. I think it will be impossible to pass the bill on the call of the calendar. I think we should again urge the Policy Committee, next year, to make a place for it, so that we can have some time to debate the bill on the floor of the Senate. I hope that will be done, and I am hopeful that we may be able to pass the bill.

The PRESIDING OFFICER. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF FEDERAL AIRPORT ACT

The bill (S. 1284) to amend section 6 of the Federal Airport Act, was announced as next in order.

Mr. DONNELL. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

Mr. CORDON. Mr. President, with reference to Order No. 735, Senate bill 1284, I wonder if the Senator from Missouri will withhold his request for a moment?

Mr. DONNELL. I am informed that the objectors have withdrawn their objection. I shall therefore withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment after line 5, to insert a new section 2, as follows:

SEC. 2. Subsection (2) of section 6 (b) of such act is amended by changing the final period thereof to a comma and adding the following new language: "except that a priority shall be granted to projects in a State when the total allocations from the discretionary fund for projects in such State have not amounted to as much as one-fourth of the total amount of the apportionment for such State under subsection (a) of this section."

So as to make the bill read:

Be it enacted, etc., That section 6 of the Federal Airport Act is amended by striking out the figure "75" in the first sentence of subsection (a) thereof and inserting in lieu thereof the figure "60."

SEC. 2. Subsection (2) of section 6 (b) of such act is amended by changing the final period thereof to a comma and adding the following new language: "except that a priority shall be granted to projects in a State when the total allocations from the discretionary fund for projects in such State have not amounted to as much as one-fourth of the total amount of the apportionment for such State under subsection (a) of this section."

The amendment was agreed to.

Mr. CORDON. Mr. President, there is an amendment on the desk intended to be proposed by myself, being a substitute for the entire bill.

Mr. JOHNSTON of South Carolina. Mr. President, I object.

Mr. JOHNSON of Colorado. Mr. President, will the Senator withhold his objection for a moment?

Mr. JOHNSTON of South Carolina. I will listen to the Senator.

Mr. JOHNSON of Colorado. Mr. President, the committee considering this bill is heartily in accord with the amendment which is to be offered. We are familiar with it, and we feel that it is a very constructive amendment and that it would permit frozen funds to be used in the building of airports.

Mr. CORDON. Mr. President, would the Senator from South Carolina object to the bill going to the foot of the calendar, so that he may renew his objection, if he so desires, and in order that I may have an opportunity to discuss it with him?

Mr. JOHNSTON of South Carolina. Mr. President, I shall have to object to the further consideration of the bill.

The PRESIDING OFFICER. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 1681) to prohibit the picketing of courts, was announced as next in order.

Mr. DONNELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1837) to amend the Trading With the Enemy Act was announced as next in order.

Mr. DONNELL. By request, over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2294) to amend the Contract Settlement Act of 1944, so as to authorize the payment of fair compensation to persons contracting to deliver strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

Mr. DONNELL. By request, over.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF UNEMPLOYMENT ALLOWANCE BENEFITS UNDER SERVICEMEN'S READJUSTMENT ACT

The bill (S. 1741) to extend the unemployment allowance benefits of the Servicemen's Readjustment Act of 1944 for a period of 2 years was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. PEPPER. Mr. President, will the Senator be kind enough to permit an explanation of the bill?

Mr. SCHOEPPEL. I withhold my objection.

Mr. PEPPER. I make this explanation only because, of course, we are all aware that any bill of this nature which is not passed on the call of the calendar today will probably not have a chance for consideration before January.

This bill involves an extension of the unemployment allowance benefits under the Servicemen's Readjustment Act of 1944, for a period of 2 years. Senators will recall that on the 25th of July the present law expired. Unless this bill is enacted, veterans who have not previously drawn their unemployment benefits or unemployment compensation will not have an opportunity to do so, however serious their unemployment.

Be it said to the credit of the veterans, who are charged with being rocking-chair occupants, that the figures before the Senate Committee on Labor and Public Welfare showed that only half of all the eligible veterans even applied for such benefits, and less than 7 percent received all the benefits to which they were entitled. Men who were able to get a job when they left the service ought not to be denied what they are entitled to under the law if they now find themselves unemployed through no fault of their own. Neither should boys coming out of school and seeking for the first time to adjust themselves normally, and who cannot find employment immediately, and who never drew what they were entitled to draw, be denied the privilege of drawing benefits.

The President recommended extension of this law for a year for those who did not draw what they were entitled to previously, and who met the conditions. As the President recommended, the committee proposes, in an amendment, that they first apply for their State benefits. Heretofore that has not been a requirement. They must exhaust what they are entitled to under the State social-security laws before they are entitled to draw anything under the Federal act. It is estimated that that requirement would save the Federal Government approximately $200,000,000.

So, with the understanding that this measure provides for an extension for only 1 year, that it creates no new rights, but only will allow men who meet these conditions to draw what they previously could have drawn, but never applied for or never drew, and inasmuch as this is probably the only chance the Senate will have to pass this measure before January, and since it came from the committee with a strong recommendation, after the amendments were adopted, I ask that the objection be withdrawn.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. I ask that the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The clerk will state the next bill on the calendar.

SETTLEMENT OF CLAIMS OF AMERICAN NATIONALS AGAINST FOREIGN GOVERNMENTS—BILL PASSED OVER

The bill (H. R. 4406) to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments was announced as next in order.

Mr. SCHOEPPEL. Let the bill go over.

Mr. GREEN. Mr. President, will the Senator withhold his objection until I can explain the bill?

Mr. SCHOEPPEL. Very well.

Mr. GREEN. Let me say that the action of the committee which reported the bill was taken unanimously, with certain amendments which had been agreed to in committee.

Hearings were held. The parties in interest were heard. Anyone who was interested in the matter or who expressed a desire to be heard was heard.

The only persons interested in the passage of the bill are American citizens. The United States Government entered into negotiations with the Government of Yugoslavia, and reached a lump-sum agreement whereby $17,000,000 was to be paid to the United States Government—which now has the funds—in payment of all claims of the United States Government itself and of American corporations and American individuals.

I wish to congratulate the State Department upon having secured such an advantageous settlement, because individual American citizens, if they had to resort to pressing their claims in the court of Yugoslavia, would have had a very uncertain prospect of winning their cases or of ever collecting if they did win.

Now the $17,000,000 is ready to be paid. The Commission provided for should be

established, as was done in the case of the Mexican claims, so that American claimants can prove their claims here in America before the Commission which is to be set up under the State Department, and which is to pass on the claims.

Mr. President, it is notorious how long it has taken, in many cases in the past, for claimants to collect from the United States Government sums of money which our Government has collected from foreign governments for such claims. In my own family, I know that at the end of the eighteenth century the French Government paid to the United States Government certain sums of money in payment for ships which had been seized by the French Government in the hostilities. The claimants did not collect that money until 98 years later, when the Congress finally passed a bill paying over the money, but without any interest.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. GREEN. Mr. President, I am very sorry that I have not learned the reasons for the opposition to the bill, and I hope we may be told them outside the record, since it is too late now for them to be stated on the record.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I ask that the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

BILLS AND CONCURRENT RESOLUTION PASSED OVER

The clerk will state the next measure on the calendar.

The bill (H. R. 2886) to provide for the killing of starlings in the District of Columbia, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 48) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as next in order.

Mr. DOUGLAS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 75) authorizing the construction, operation, and maintenance of a dam and incidental works in the main stream of the Colorado River at Bridge Canyon, together with certain appurtenant dams and canals, and for other purposes, was announced as next in order.

Mr. DOWNEY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 806) authorizing the erection of a monument to Sacajawea, was announced as next in order.

Mr. DONNELL. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 384) to authorize the Commissioner of Public Buildings to convey to the Temple Methodist Church, a nonprofit corporation, of San Francisco, Calif., a portion of the federally owned building known as 100 McAllister Street, San Francisco, Calif., and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, was announced as next in order.

Mr. DOUGLAS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1439) to provide for assistance to State agencies administering labor laws in their efforts to promote, establish, and maintain safe workplaces and practices in industry, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower, was announced as next in order.

Mr. DONNELL. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2246) to amend the National Housing Act, as amended, and for other purposes, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 5327) to continue until the close of June 30, 1950, the suspension of duties and import taxes on metal scrap, and for other purposes, was announced as next in order.

Mr. DONNELL. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (H. Con. Res. 62) creating a Joint Committee on Lobbying Activities was announced as next in order.

Mr. HOEY. Let the concurrent resolution go over.

The concurrent resolution was passed over.

SAMUEL M. INMAN—BILL RECOMMITTED TO THE JUDICIARY COMMITTEE

The bill (S. 73) for the relief of Samuel M. Inman was announced as next in order.

Mr. GEORGE. Mr. President, I ask that the bill be recommitted to the Judiciary Committee, because it is necessary to make an amendment which I have felt should not be submitted in the absence of the chairman of the committee. Therefore, I ask that the bill be recommitted to the Judiciary Committee, for consideration in connection with an important amendment which I shall offer later on.

The PRESIDING OFFICER. Without objection, the bill is recommitted to the Committee on the Judiciary.

BILLS PASSED OVER

The PRESIDING OFFICER. The clerk will state the next measure on the calendar.

The bill (H. R. 4584) to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes, was announced as next in order.

Mr. DONNELL. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2440) to authorize certain construction at military and naval installations, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Mr. President, this bill involves the expenditure of $640,000,000, and obviously the bill should not be considered during the call of the Consent Calendar, under the 5-minute rule. Therefore, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2166) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transacting official business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at a rate of not exceeding 7 cents per mile, was announced as next in order.

Mr. DOUGLAS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1390) to authorize the conveyance to the State of California of easements for the construction, and maintenance of a toll highway crossing and approaches thereto over and across lands of the United States in the vicinity of San Francisco Bay, Calif., and for other purposes, was announced as next in order.

Mr. DOWNEY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1596) to authorize the Postmaster General to enter into special agreements for certain switching service by railway common carriers, and for other purposes, was announced as next in order.

Mr. DONNELL. Mr. President, by request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 17) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., was announced as next in order.

Mr. DOUGLAS. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

GRANTS TO STATES FOR SCHOOL SURVEYING, PLANNING, AND CONSTRUCTION

The bill (S. 2317) to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for school construction, for advance planning of school facilities, and for other purposes, was announced as next in order.

Mr. DONNELL. Mr. President, it is my understanding that agreement has been reached between the proponent of this bill, the Senator from Minnesota [Mr. HUMPHREY], and the distinguished Senator from Ohio [Mr. TAFT].

Mr. HUMPHREY. That is correct.

Mr. DONNELL. There is no objection on my part, assuming that the agreement can be worked out on the floor, as I assume it can be.

Mr. HUMPHREY. Mr. President, the distinguished senior Senator from Ohio [Mr. TAFT] and myself have conferred regarding the bill, and have gone over the items in dispute. A series of amendments has been prepared, and the amendments are now at the desk. They clarify any differences which may exist between the proponents of the bill and those who objected. They have been clarified and agreed to, as late as just before the beginning of this session; so there is no disagreement.

Mr. MAGNUSON. Does that series of amendments include the amendment offered by the Senator from Washington?

Mr. HUMPHREY. Yes; it includes the amendment offered by the Senator from Washington. However, I may say that his amendment was modified, in view of some disagreement as to the amount to be included.

Mr. DONNELL. Mr. President, will the Senator permit me to state that that modification was from $25,000,000 to $10,000,000?

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2317), which had been reported from the Committee on Labor and Public Welfare, with amendments.

The PRESIDING OFFICER. The clerk will state the amendments of the committee.

The first amendment was, on page 1, in line 2, after the enacting clause, to strike out "That this act may be cited as the 'School Construction Act.'"

The amendment was agreed to.

The next amendment was, on page 2, in line 8, after the word "programs", to strike out "in accordance with section 202."

The amendment was agreed to.

The next amendment was, in line 22, after the numerals "301", to strike out "(k)" and insert "(i)."

The amendment was agreed to.

The next amendment was, on page 3, in line 12, after the word "in", to strike out "accordance with the principles for allocation of construction funds specified in section 201" and insert "the proportion that their school-age populations bears to the school-age population of the United States."

The amendment was agreed to.

The next amendment was, in line 16, after the words "equal to," to strike out "the Federal percentage, as determined under section 201" and insert "50 per centum."

The amendment was agreed to.

The next amendment was, on page 4, in line 8, after the word "Grants", to strike out "to States"; and in the same line, after the "For" to insert "emergency."

The amendment was agreed to.

The next amendment was, on page 4, after line 9, to strike out "Allotments to States."

The amendment was agreed to.

The next amendment was, on page 4, in line 11, after "SEC. 201. (a)", to strike out:

In order to assist the States in the construction of public elementary and secondary school facilities, the Commissioner shall allot to the States 97 percent of such sums and for such fiscal years as are appropriated for such construction pursuant to section 207 (a), exclusive of funds set aside under such subsection for emergency school construction as provided for by section 206. For the purposes of this section, the aggregate authorized allotments to all States for any fiscal year shall be known as the "total Federal allotment base" for such year.

(b) (1) Each allotment to a State shall be available for payment of its Federal percentage of the cost of construction of projects within the State approved in accordance with the provisions of section 203, but the availability of allotments made for the fiscal year beginning July 1, 1949, shall be limited to projects, the construction of which is so urgently necessary that they cannot reasonably be deferred and which the respective locality cannot, through reasonable exercise of taxing and borrowing powers, construct without Federal assistance."

(2) The amount of any allotment for any fiscal year not paid to a State or, if so paid, remaining unobligated at the end of such fiscal year, shall be available for payment to such State or use or obligation by such State under this act until the close of the second succeeding fiscal year; and any such amount not paid or not obligated at the end of such second succeeding fiscal year shall be deducted from the allotment for the fiscal year next succeeding and the aggregate amount so deducted from the allotments of all States shall be reallotted among the States in accordance with the provisions of subsection (a).

(c) Allotments to the States made pursuant to this section shall be determined as follows:

(1) Each State shall be entitled for each fiscal year to an allotment of a sum equal to its Federal percentage of the cost of its school construction program for such year. For the purposes of this section, the cost of each State's school construction program for a fiscal year shall be deemed to be that proportion of double the total Federal allotment base for that year which the State's school-age population bears to the school-age population of the United States.

(2) The Federal percentages for the several States for any fiscal year shall be determined in inverse relation to their respective per capita income payments, within a range of 40 per centum for the State with the highest per capita income and 60 per centum for the State with the lowest per capita income payments; except that, under regulations prescribed by the Commissioner, an appropriate adjustment shall, if necessary, be made in the Federal percentages thus determined, so that the sum of the allotments to all the States will be equal to the total Federal allotment base for the fiscal year for which the Federal percentages are determined. Such determination shall, with respect to each State, be based on the average of its per capita income payments for the three most recent consecutive calendar years, preceding the fiscal year for which the determination is made, for which satisfactory estimates are available from the Department of Commerce.

(d) Three per centum of such sums and for such fiscal years as are appropriated pursuant to section 207 (a) (exclusive of the funds set aside under such subsection for emergency school construction as provided for by section 206) shall be allotted by the Commissioner to Alaska, Hawaii, Puerto Rico, and the Virgin Islands, according to their respective needs for the construction of public elementary and secondary school facilities, upon the basis of agreements made with their respective State agencies. Such allotments shall remain available to such Territories and possessions as provided with respect to States in subsection (b) (2).

STATE PLANS

SEC. 202. (a) Any State desiring to take advantage of section 201 shall submit, through its State agency, a State plan for carrying out the purposes of this title. Such State plan shall—

(1) designate such State agency as the sole State agency responsible for administering or supervising the administration of the plan throughout the State;

(2) contain satisfactory evidence that the State agency will have authority to carry out such plan in conformity with this title;

(3) set forth, on the basis of a State-wide inventory of existing school facilities and a survey of the need for additional facilities, a State-wide school facilities construction program (consisting either of programmed projects or of principles and standards by which projects will be programmed, or both) which will afford adequate educational opportunities to the children and youth of the State;

(4) set forth principles for determining the relative priority of construction projects, having regard, among other factors, to the relative urgency of the need of different areas within the State for school facilities;

(5) set forth (A) the amounts of State funds, if any, which will be available for assistance to local school agencies in providing public school plant facilities, and (B) principles which will govern the distribution of such State funds and of the Federal funds made available to the State pursuant to allotments under section 201, giving special consideration to local school administrative units with relatively low financial resources and to areas especially affected by a rapid and substantial increase in school-age population: *Provided*, That such Federal funds shall be used only for projects approved by the State agency in accordance with section 203 and that the total of such Federal funds so distributed, or obligated for distribution, among approved projects pursuant to an allotment made for any fiscal year shall not exceed an amount equal to the Federal percentage (determined for such State for such fiscal year) of the cost of such projects;

(6) indicate the manner in which funds received in accordance with section 204 will be disbursed to school agencies;

(7) provide that the State agency will establish such fiscal control and fund accounting procedures, both for the State agency and for school agencies undertaking approved projects, as may be necessary to assure proper disbursement and accounting for Federal funds under this act and to

assure proper application of non-Federal funds used in connection therewith;

(8) provide that the State agency will make such reports to the Commissioner as are reasonably necessary to enable the Commissioner to perform his responsibilities under this act and give to the Commissioner upon request access to the records upon which such information is based for the purpose of assuring the correctness and verification of such reports;

(9) provide for affording to every local school agency within the State applying for a project grant from State or Federal funds, or both, an opportunity for hearing before the State agency;

(10) provide, in any State in which separate school facilities are maintained for different racial groups, for equitable priorities and for an equitable apportionment of the Federal funds received under section 204 between such groups: *Provided*, That the term "equitable apportionment" shall mean an expenditure, for school facilities for the benefit of the minority racial group, of a ratio of the Federal funds allotted to the State which is not less than the ratio of the school-age population of such group in the State to the total school-age population of the State; and

(11) provide adequate standards for locating, planning, and constructing school facilities.

(b) (1) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a), except that, if he finds that requiring compliance with any provision of such subsection would unduly delay commencement of critical projects submitted to the State agency for approval before June 30, 1950, he may approve any State plan or modification thereof without such compliance but in that event the State plan shall be deemed to be an approved plan only for the purposes of grants for such critical projects, and only for such periods and subjects to such reasonable conditions, not inconsistent with subject (a), as he may specify in his approval.

(2) The Commissioner shall not finally disapprove any State plan or modification thereof without first affording to the State agency reasonable notice and opportunity for hearing. A final decision of the Commissioner refusing to approve a State plan or modification thereof shall be subject to judicial review in accordance with the provisions of section 302 (b).

PROJECT APPLICATIONS AND PAYMENTS TO SCHOOL AGENCIES FOR CONSTRUCTION AND ADVANCE PLANNING

SEC. 203. (a) For each project for the construction of a school facility or facilities pursuant to a State plan approved under section 202 there shall be submitted to the State agency, on such form or forms as may be prescribed by the State agency, an application by the school agency proposing to undertake such project. Such application shall contain or be supported by—

(1) a description of the project and the site therefor and such other information relating to the project as may be required by the State agency;

(2) reasonable assurance that the applicant has, or will have, title to the site;

(3) assurance that no contract will be let or actual building commenced until the drawings and specifications for the project have been approved by the State agency as educationally and technically adequate as determined in accordance with what is generally accepted as good practice;

(4) assurance that the applicant has legal authority to undertake the construction of the project and to finance it as proposed, and reasonable assurance that adequate funds to defray the non-Federal share of the cost of construction of the project will be available when needed;

(5) an estimate of the cost, reasonably reflecting the probable actual cost of the project;

(6) assurance that the applicant in undertaking, constructing, and financing the project will comply with all applicable local, State, and Federal laws and with the applicable requirements of the approved State plan;

(7) assurance that the applicant will cause work on the project to be commenced within a reasonable time and prosecuted with reasonable diligence; and

(8) assurance that the rates of pay for laborers and mechanics engaged in the construction will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended.

(b) If the project application is in conformity with the provisions of the State plan approved under section 202 and with the requirements of subsection (a), and if the estimated cost of the project is within the limits of available funds, the State agency shall approve the application.

(c) In order to encourage State agencies and school agencies to prepare and maintain a continuing and adequate reserve of fully planned public school construction projects readily available for use so as to facilitate the immediate commencement of construction of such projects whenever the economic situation and the availability of construction funds make such action desirable and possible, a project application may be submitted by a school agency and approved by the respective State agency pursuant to section 203 (a), during the two fiscal years beginning July 1, 1949, for funds only for architectural, engineering, and other professional services in connection with the preparation of drawings and specifications for projects to be constructed at a later date. For the purposes of this subsection, the term "reasonable time" as used in paragraph (7) of subsection (a) shall mean a period of not more than 5 years, and approved of an application pursuant to this subsection shall not prejudice the approval of any later application submitted by the same school agency for funds for the actual construction of the facility or facilities for which funds have been received under this subsection for the preparation of drawings and specifications.

(d) The approval of an application pursuant to subsection (b) or subsection (c) shall constitute an obligation of the State agency to make payments to the school agency from funds received pursuant to section 204, and such payments shall be made in accordance with the approved State plan.

PAYMENTS TO STATES

SEC. 204. The Commissioner shall from time to time estimate the sum to which each State, having an approved State plan, will be entitled under section 201 during such ensuing period as he may determine, and shall thereupon certify to the Secretary of the Treasury the amount so estimated, reduced or increased, as the case may be, by any sum by which the Commissioner finds that his estimate for any prior period was greater or less than the amount to which the State was entitled for such period. The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Commissioner, the amount so certified: *Provided*, That if the State is not authorized, under the laws of the State in force at the time such payments are due, to receive and disburse such Federal funds, grants may be certified for payment and paid directly to the school agencies in accordance with agreements between the Commissioner and the State agency.

USE OF FUNDS FOR STATE ADMINISTRATION

SEC. 205. For the purpose of administration of the State plan, a State agency may use, out of funds made available to it pursuant to section 201, an amount not in excess of 1 percent of its Federal allotment, as determined for the current fiscal year: *Provided*, That the Federal funds spent for this purpose do not exceed the State's Federal percentage of the total sums expended by the State agency for such administration during the current fiscal year.

The amendment was agreed to.

The next amendment was, on page 15, beginning in line 10, after the amendment above stated, to strike out:

GRANTS TO SCHOOL AGENCIES FOR EMERGENCY SCHOOL CONSTRUCTION

SEC. 206. (a).

The amendment was agreed to.

Mr. DONNELL. Mr. President, I understood the clerk to state that the language just read would be stricken out.

The PRESIDING OFFICER. The Chair understands that the amendment merely provides for striking out the title and section number of the paragraph in lines 10 to 12, inclusive.

Mr. MARTIN. Mr. President, so much is involved in this measure, so many principles are at stake, and so few of us have an understanding of it, that I object to the present consideration of the bill.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania please withhold his objection for a moment?

Mr. MARTIN. I withhold it momentarily.

Mr. HUMPHREY. I may say, Mr. President, that what is being read now need for necessarily be read. The provisions which are being read were stricken out by the committee. The committee bill as reported is the one which was discussed between the Senator from Ohio and the junior Senator from Minnesota, and I have offered four minor amendments, which the Senator from Ohio and the Senator from Minnesota have agreed to. The portions stricken out were dropped by the full committee. What we are talking about is a bill which authorizes surveys for school construction and emergency school construction funds for emergency areas. What the clerk is now reading, I may say to the Senator from Pennsylvania, consists of items which the committee had already agreed should be stricken out. So that portion of the bill is not really before the Senate.

Mr. WATKINS. Mr President, if the Senator will yield, what is the total authorization in the bill?

Mr. HUMPHREY. I may say to the distinguished Senator from Utah, the Senator from Ohio and myself agreed that rather than fix any sum in the bill, we decided to leave it up to the Appropriations Committee. The Senator from Ohio has accepted that portion of our bill and has dropped his amendment.

Mr. WATKINS. Can the Senator give us an estimate of the amount which

might be provided by the Appropriations Committee?

Mr. HUMPHREY. It would be rather difficult to give an estimate. I believe the Senator from Ohio was suggesting a figure of somewhere around $25,000,000, if I am not mistaken. Others have suggested figures between $25,000,000 and $40,000,000. I have heard experts give testimony with estimates between $75,000,000 to $100,000,000. My own feeling was that it would be best to have the Appropriations Committee take evidence and decide the question rather than discuss it now on the floor.

Mr. WATKINS. Is it contemplated that it will go beyond those sums?

Mr. HUMPHREY. I am unable to say what the Appropriations Committee may do. Estimates vary. They will hear testimony.

Mr. WATKINS. As I understand, the building program provided for is of an emergency nature.

Mr. HUMPHREY. Yes; particularly in areas where the Federal Government activities have so jeopardized the tax base of local jurisdictions that it is impossible to provide moneys for schools. The newspapers in Washington have been full of items, for example, in Arlington, Va., and in Montgomery County, Md., on this particular situation, where Federal activity has destroyed the tax base, so that the local school district is absolutely incapable of even opening the schools.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. The Senator will recall that during the pendency of the prior bill, which has already been passed and has become law, the bill relating to grants of Federal money to States and subdivisions thereof for the planning of non-Federal public works, there was some question as to whether that bill should be amended in order to allow the pending bill, S. 2317, to operate exclusively in the field of public schools. It is my understanding that, as now presented, with the amendments, the bill S. 2317 leaves under the purview of the former bill the matter of planning in public-school construction. Is that correct?

Mr. HUMPHREY. I answer the Senator's question by a letter from the Administrator of the General Services Administration, wherein Mr. Larsen has said, in reply to a letter from the Senator from Minnesota:

> In my opinion there is no conflict whatever in these two proposals. Title I of S. 2317 provides Federal assistance for surveys and planning of State-wide school-construction programs. This, in effect, means determining the specific needs for additional school facilities. * * * S. 2116 does not provide for surveys of the need for public-school construction or State-wide school-construction programs; it provides for the blueprinting of specific public-works projects.

In other words, there is no conflict whatever.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Then, if I understand correctly the Senator from Minnesota, he reports to the Senate that the bill S. 2116 will cover the actual blueprinting. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. HOLLAND. That is, the making of plans—architect's plans, engineering plans, and the like—for public-school-building construction; whereas the pending measure will cover State-wide surveys for school needs. Is that correct?

Mr. HUMPHREY. The letter, which I ask to have incorporated in the RECORD, will outline in detail what the Administrator of the General Services Agency has to say about it.

Mr. HOLLAND. I thank the Senator.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL WORKS AGENCY,
Washington, October 12, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate.

MY DEAR SENATOR HUMPHREY: Reference is made to the telephone request of this afternoon by Mr. Kampelman of your office for my opinion of the relationship between S. 2317 which provides Federal assistance for surveys and construction of school facilities, and S. 2116 which provides for advance planning of public works, including school facilities.

In my opinion there is no conflict whatever in these two proposals. Title I of S. 2317 provides Federal assistance for surveys and planning of statewide school construction programs. This in effect means determining the specific needs for additional school facilities, the areas where they are needed, and the plan under which the State will undertake to meet those needs. S. 2116 does not provide for surveys of the need for public school construction or state-wide school construction programs; it provides for the blueprinting of specific public works projects, including public school facilities. These two proposals, therefore, complement rather than conflict with each other.

Sincerely yours,

JESS LARSON,
Administrator, General Services Administration.

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. HUMPHREY. I yield.

Mr. DONNELL. Referring to the remarks of the Senator from Pennsylvania, I fully concur as to the importance of the problem, but I should like to say, as one member of the Committee on Labor and Public Welfare, that I believe it is of high importance that this measure, with the agreement entered into thus far—of course, subject to the action by the Senate—by the Senator from Minnesota and the Senator from Ohio, should be passed. In view of the emergency situation which will confront, and is confronting undoubtedly, many districts, I personally believe it would be well for us to go ahead with the pending bill today. I do not say that for the purpose of persuading the Senator from Pennsylvania against his own better judgment, but I would like for him to have that opinion in the balance.

Mr. MARTIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Pennsylvania?

Mr. HUMPHREY. I am happy to yield.

Mr. MARTIN. As I understand, any funds will be granted directly to the Departments of Education of the several States. Is that correct?

What supervision would there be at the Federal level?

Mr. HUMPHREY. We did not want the Federal Government to have undue interference. The need for emergency school construction must be established to the satisfaction of the Commissioner, and that is where the Federal supervision comes in—in the beginning. In other words, before the State can receive money, the Federal Government, through the Office of Education, must be convinced of the need, and the need must be so certified. We did not feel it was desirable to have the Federal Government either completely planning the projects and constructing the projects, or unduly interfering in the State handling or management of the projects.

Mr. MARTIN. Mr. President, of course our form of government depends upon proper education, but if the time ever comes when the matter of education, the matter of what we shall teach and when we shall teach it, is directed from Washington, our free institutions are lost. I realize that, because of the activities in various communities during the war, much taxable property has been taken from the local school districts and from the States. To my mind it would have been a very much better approach, if the Federal Government had reimbursed the various communities by reason of the loss of taxes. However, that has not been done, and education is vital. For that reason I withhold my objection.

The PRESIDING OFFICER. The objection is withdrawn. The clerk will state the remainder of the committee amendments.

The remaining committee amendments were on page 16, line 3, after the word "shortage", to insert a colon and the following proviso: "*Provided*, That the respective State agency has certified that the construction of such facilities is not inconsistent with over-all State or area plans"; on page 17, line 1, after the word "agency", to insert "with the approval of the State agency"; in line 18, after the word "this", to strike out "section" and insert "subsection"; on page 18, line 23, after the word "this", to strike out "section" and insert "subsection"; on page 19, in line 3, to strike out "(c) Whenever he finds it to be in the public interest, the" and insert "The"; in line 10, after the word "agreements", to insert "Payments for such services and

facilities shall be made in accordance with the provisions of section 303 (d)"; in line 19, to change the section number from "207" to "202"; in line 20, after the word "of", to strike out "this title there are" and insert "section 201 there is"; in line 21, after the word "sums", to strike out "and for such fiscal years"; in line 22, after the word "Congress" and the period, to strike out "For the fiscal year beginning July 1, 1949, and for that year only, 70 per centum of the first $100,000,000, plus 10 per centum of the amount in excess of $100,000,000, appropriated pursuant to the authority of this subsection for such fiscal year, shall be available for the purpose of making grants to school agencies for emergency school construction in accordance with section 206."; on page 20, line 4, after the amendment just above stated, to insert "Funds appropriated pursuant to this subsection shall not be available for making grants after June 30, 1951"; in line 7, after the word "a" to strike out "State or"; in line 22, after the word "the", to strike out "project"; in line 24, after the word "a", to strike out "project" and insert "school facility"; in the same line, after the word "approved", to strike out "project"; on page 21, line 2, after the word "the", to strike out "project"; in the same line, after the word "application", to strike out "by the State agency"; in line 5, after the word "the", to strike out "project"; in line 7, after the word "the", to strike out "project"; after line 10, to strike out: "(d) The term 'Federal percentage' means the Federal percentage as determined in accordance with section 201; (c) The term 'project' means a planned undertaking for construction of school facilities;"; in line 15, before the word "The", to strike out "(f)" and insert "(d)"; in line 18, before the word "The", to strike out "(g)" and insert "(e)"; in line 25, before the word "The", to strike out "(h)" and insert "(f)"; on page 22, line 4, before the word "The", to strike out "(i)" and insert "(g)"; in line 15, before the word "The", to strike out "(j)" and insert "(h)"; in line 17, before the word "The", to strike out "(k)" and insert "(i)"; in line 23, after the word "Governor", to strike out the comma and insert "to be the single State educational agency responsible for developing and submitting a State plan for approval under section 202 and for administering or supervising the administration of the approved plan: *Provided*, That 'State agency' for the District of Columbia shall mean the Board of Education, and for the Virgin Islands shall mean the Governor. In Territories or other possessions, 'State agency' shall mean the public educational agency of widest jurisdiction"; on page 23, line 12, after the word "agency", to insert "or school agency"; in line 13, after the word "of", to strike out "section 202 (a)" and insert "this Act or the terms and conditions of any grant made pursuant to this Act"; in line 15, after the word "agency", to insert "or school agency"; in line 19, after the word "in", to strike out "a project" and insert "an"; in line 21, after the word "agency", to insert "or school agency"; in line 22, after the word "activity", to strike out "or project"; on page 24, line 3, after the word "State", to insert "or school agency involved"; in line 8, after the word "any", to strike out "plan or modification under section 202" and insert "application made pursuant to this Act"; in line 10, after the word "shall", to strike out "at the instance of the State agency affected,"; on page 25, line 7, after the word "to", to strike out "subsections (d) and (e) of this section, technical assistance, including, but not limited to, consultative services relative to surveys of need, provisions for State plans and contracts, principles of equalization of aid for school facilities within the State, structural and mechanical standards, determining the need for and the location and design of school facilities, the type and size of schools needed, developing standards and procedures for the planning and approval of projects by the State agency, formulating construction programs and State plans, and carrying out such plans and construction programs" and insert "subsection (d), such consultative services and technical assistance to State agencies and school agencies as he deems to be in the public interest."; on page 26, after line 3, to strike out: "(e) Whenever he finds it to be in the public interest, and with the consent of the State agency, the Federal Security Administrator is authorized to enter into agreements with the Administrator of General Services whereby the General Services Administration will provide such services and facilities as are deemed advisable in carrying out the functions of the Commissioner under sections 302 (a) and 303 (c): *Provided*, That the provisions of this subsection shall not in any way limit the authority of the Commissioner under the terms of section 206 (c). The Federal Security Administrator shall make payments to the Administrator of General Services for such services and facilities in accordance with the provisions of subsection (d)"; in line 17, before the word "There", to strike out "(f)" and insert "(e)"; and after line 20, to strike out the subhead "Control of State Operations."

The amendments were agreed to.

The PRESIDING OFFICER. The clerk will state the amendments which, as the Chair understands, are amendments offered by the Senator from Minnesota, acceptable to the Senator from Ohio [Mr. TAFT].

Mr. HUMPHREY. We are at the point where the Senator from Ohio and the Senator from Minnesota have come to an agreement.

Mr. DONNELL. Mr. President, may I respectfully suggest that the clerk begin with the amendment on page 2, in line 15. I think it would then be a little easier to follow the amendments.

Mr. HUMPHREY. That is correct.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 15, after the word "approved", it is proposed to insert a semicolon and the following proviso: "*Provided*, That the making of grants hereunder shall not in any way commit the Congress to authorize or appropriate funds to undertake the construction of any public works so planned."

On page 19, after line 17, insert the following:

(c) Applications of school agencies for benefits under this title shall contain assurances—

(1) that the rates of pay for laborers and mechanics engaged in the construction will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended; and

(2) that, in States where separate school facilities are maintained for different racial groups, the different racial groups within the school district will receive equitable treatment under the terms of this title.

On page 24, line 20, after the word "adopt", to strike out the comma and "in addition to the regulations specifically provided for in this act."

On page 27, after line 3, insert the following new section:

ADVANCES BY RECONSTRUCTION FINANCE CORPORATION

SEC. 305. Notwithstanding the provisions of any other law, until such time as appropriations shall be made to carry out the provisions of this act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $10,000,000 to carry out the provisions of this act, and of this amount not to exceed $1,000,000 may be used to initiate surveys and State plans authorized in title I and such sums as may be necessary may be used for expenses of administration. Such advances shall be made in such manner, at such times, and in such amounts as the Commissioner may request, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder, from funds made available for the purposes of this act.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Minnesota.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for emergency school construction to school districts overburdened with enrollments resulting from defense and other Federal activities, and for other purposes."

Mr. DONNELL subsequently said: Mr. President, will the Chair indulge me to inquire whether, without formal order, the contents of Senate bill 2317 as passed will be set forth in the CONGRESSIONAL RECORD tomorrow?

The PRESIDING OFFICER. The bill as passed will be printed in the RECORD.

Mr. DONNELL. I thank the Chair.

The bill (S. 2317) as amended and passed by the Senate is as follows:

Be it enacted, etc.—

TITLE I—SURVEYS AND STATE PLANS FOR SCHOOL CONSTRUCTION

AUTHORIZATION OF APPROPRIATION

SEC 101. In order to assist the several States to inventory existing school facilities, to survey the need for the construction of additional facilities in relation to the distribution of school population, to develop

State plans for school construction programs and to study the adequacy of State and local resources available to meet school facilities requirements, there is hereby authorized to be appropriated the sum of $5,000,000 to remain available until expended. The sums appropriated pursuant to this section shall be used for making payments to States whose applications for funds for carrying out such purposes have been approved: *Provided*, That the making of grants hereunder shall not in any way commit the Congress to authorize or appropriate funds to undertake the construction of any public works so planned.

STATE APPLICATIONS

SEC. 102. The Commissioner shall approve any application for funds for carrying out the purposes of section 101 if such application—

(a) designates the State agency (as defined in section 301 (i) as the sole agency for carrying out such purposes;

(b) provides for making an inventory and survey in accordance with section 101 containing information requested by the Commissioner, and for developing a State program in accordance with such section; and

(c) provides that the State agency will make such reports, in such form, and containing such information as the Commissioner may from time to time reasonably require, and, to assure verification of such reports, give the Commissioner, upon request, access to the records upon which such information is based.

ALLOTMENTS AND PAYMENTS TO STATES

SEC. 103. (a) The amount of any appropriation made pursuant to section 101 shall be alloted to the States in the proportion that their school-age population bears to the school-age population of the United States, and within such allotment each State shall be entitled to receive an amount equal to 50 percent of its expenditures in carrying out the purposes of section 101 in accordance with its application: *Provided*, That no such allotment to any State shall be less than $10,000.

(b) The Commissioner shall from time to time estimate the sum to which each State will be entitled under this section during such ensuing period as he may determine, and shall thereupon certify to the Secretary of the Treasury the amount so estimated, reduced or increased, as the case may be, by any sum by which the Commissioner finds that his estimate for any prior period was greater or less than the amount to which the State was entitled for such period. The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Commissioner, the amount so certified.

TITLE II—GRANTS FOR EMERGENCY SCHOOL CONSTRUCTION

SEC. 201. (a) Whenever the Commissioner determines there exists or impends in any school district, in any State or in Alaska, Hawaii, Puerto Rico, or the Virgin Islands, an acute shortage of school facilities, (1) by reason of the district's being overburdened with school enrollment caused by war activities and the transition from war to peacetime conditions, or (2) by reason of increased school enrollment as the result of the reactivation or expansion of any defense establishment or the construction or operation of any new defense establishment, or (3) by reason of the school district's being overburdened as the result of activities in such district by any department or independent establishment of the Government (including a wholly owned Government corporation), the Commissioner is authorized to utilize such funds as may be appropriated for this purpose to make grants to the respective school agencies for the construction of school facilities to relieve such shortage: *Provided*, That the respective State agency has certified that the construction of such facilities is not inconsistent with over-all State or area plans. The amount of such grant or grants shall be proportionate to the Federal responsibility, as determined by the Commissioner, in cooperation with the respective State agency, the school agency involved, and the Federal department or establishment whose activities within the school district created or aggravated the shortage of school facilities. In the event funds available to the Commissioner under this section are insufficient to meet the full Federal responsibility in all school districts overburdened for the reasons specified in clause (1), (2), or (3) of this subsection, he shall reduce the grants on a proportionate basis insofar as may be practicable. Applications for grants under this section shall be made in accordance with regulations to be prescribed by the Commissioner.

(b) The Commissioner shall certify to the Secretary of the Treasury the amounts of grants determined under this section, and the Secretary of the Treasury shall thereupon pay to the school agencies such sums from funds appropriated for use under this section.

(c) Applications of school agencies for benefits under this title shall contain assurances—

(1) that the rates of pay for laborers and mechanics engaged in the construction will be not less than the prevailing local wage rates for similar work as determined in accordance with Public Law 403 of the Seventy-fourth Congress, approved August 30, 1935, as amended; and

(2) that, in States where separate school facilities are maintained for different racial groups, the different racial groups within the school district will receive equitable treatment under the terms of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 202. (a) For the purpose of carrying out the provisions of section 201 there is hereby authorized to be appropriated such sums as may be determined by the Congress. Funds appropriated pursuant to this subsection shall not be available for making grants after June 30, 1951.

(b) Any funds paid to a school agency under this title and not expended for the purposes for which paid shall be repaid to the Treasury of the United States.

TITLE III—GENERAL PROVISIONS

DEFINITIONS

SEC. 301. For the purpose of this act—

(a) The term "Commissioner" means the Commissioner of Education, Federal Security Agency;

(b) The term "construct" or "construction" means the preparation of drawings and specifications, erecting, building, acquiring, altering, remodeling, improving or extending school facilities, and includes initial equipment and inspection and supervision of construction and other functions in connection therewith;

(c) The term "cost of construction" includes only such expenditures incurred by the applicant for construction of school facilities as are necessary in constructing a school facility in conformity with an approved application (or amendment thereof), awarded contracts, and excludes, (1) costs, except architects' and engineers' fees, incurred prior to approval of the application; (2) administrative or other expenses in connection with the acquisition of interests in land; (3) the cost of materials and supplies furnished by the applicant specifically for the project; (4) on a project constructed under contract, payments made by the applicant to its regular employees for services; and (5) payments of interest on bonds or other securities or loans issued or obtained to raise non-Federal funds for the project;

(d) The term "school" means any elementary or secondary school which is tax-supported and publicly administered;

(e) The term "school-age population" means that part of the population which is between the ages of 5 and 17, both inclusive; the term "school-age child" means any member of the school-age population; and school-age population of the several States shall be determined on the basis of the most recent estimates certified by the Department of Commerce;

(f) The term "school agency" means any public administrative body which under State or local law or both is authorized to plan and construct tax-supported and publicly administered elementary and/or secondary school facilities;

(g) The term "school facilities" means (1) a building or buildings or part thereof, addition thereto, or extension thereof; (2) improvements; (3) site improvements; (4) proper approaches; (5) appurtenances; and (6) initial equipment, machinery, and utilities, necessary or appropriate for the purposes of a school or schools; but shall not include (1) interest in land, (2) off-site improvements, (3) athletic stadia, or (4) structures or facilities intended primarily for the purpose of athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public;

(h) The term "State" means any State of the United States and the District of Columbia; and

(i) The term "State agency" means the single State-wide public educational agency charged under State law with supervisory or other control functions over its system of elementary and secondary schools, or, if there is no such agency, any State-wide educational agency or agent within the State designated by or under State law or in the absence thereof by the Governor.

WITHHOLDING OF CERTIFICATION

SEC. 302. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency and to any school agency affected, finds (A) that the State agency or school agency is not complying substantially with the provisions of this act or the terms and conditions of any grant made pursuant to this act, or (B) that any funds paid to the State agency or school agency under this act have been diverted from the purposes for which they had been allotted or paid, or (C) that there has been a default with respect to the assurances contained in an application, the Commissioner may forthwith notify the Secretary of the Treasury and the State agency or school agency that no further certification will be made, or that no further payments for any activity designated by the Commissioner as being affected by such failure or diversion shall be made, as the Commissioner may determine to be appropriate under the circumstances, until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until the State or school agency involved repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve any application made pursuant to this act and the Commissioner's final action under subsection (a) of this section shall be subject to judicial review on the record, in the circuit court of appeals for the circuit in which the State is located, in accordance with the provisions of the Administrative Procedure Act.

ADMINISTRATION

SEC. 303. (a) The functions of the Commissioner under this act shall be performed under the direction and supervision of the Federal Security Administrator, and the Commissioner, with the approval of the Administrator, is authorized to adopt such

administrative rules and regulations and perform such other functions as he finds necessary to carry out the provisions of this act.

(b) The Commissioner is authorized to delegate to any officer or employee of the Office of Education any of his powers and duties under this act except the making of regulations.

(c) The Commissioner is authorized, with the consent of any State agency, to provide, through the facilities of the Federal Security Agency and through agreements with the General Services Administration or other Federal agencies pursuant to subsection (d), such consultative services and technical assistance to State agencies and school agencies as he deems to be in the public interest.

(d) In the administration of this act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government in accordance with the terms of agreements to be entered into between the Federal Security Administrator and the head of the agency concerned; and payment for such services and facilities shall be made in accordance with such agreements, in advance or by way of reimbursement, from funds appropriated for Federal administration of this act.

(e) There are hereby authorized to be appropriated for expenses of administration such sums as may be necessary to carry out the functions of the Federal Security Administrator and the Commissioner of Education under this act.

SEC. 304. Except as otherwise specifically provided, nothing in this act shall be construed as conferring on any agency, officer, or employee of the United States the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any school or educational agency with respect to which any funds have been or may be expended under this act.

ADVANCES BY RECONSTRUCTION FINANCE CORPORATION

SEC. 305. Notwithstanding the provisions of any other law, until such time as appropriations shall be made to carry out the provisions of this act, the Reconstruction Finance Corporation is authorized and directed to make advances not to exceed in the aggregate $10,000,000 to carry out the provisions of this act, and of this amount not to exceed $1,000,000 may be used to initiate surveys and State plans authorized in title I and such sums as may be necessary may be used for expenses of administration. Such advances shall be made in such manner, at such times, and in such amounts as the Commissioner may request, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder, from funds made available for the purposes of this act.

Mr. HUMPHREY. Mr. President, may I ask that at this point in the RECORD there be printed a statement which I have prepared which explains this bill with the amendments, and also communications which pertain to the bill, received from interested school officials and administrators.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

Mr. President, the bill before us, S. 2317, as amended and reported from the Committee on Labor and Public Welfare to the Senate on August 22, 1949, proposes "to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for emergency school construction to school districts overburdened with enrollments resulting from defense and other Federal activities, and for other purposes."

This bill, Mr. President, is one of the most significant and vital we have had the opportunity of considering during the present session of Congress. It is my strong feeling that it should be passed by the Senate without further delay.

I was chairman of the subcommittee of the Committee on Labor and Public Welfare assigned to study the problem of school construction. We held extensive hearings in June of this year. These hearings were printed in a 405-page document available, I am sure, to Members of the Senate. I refer the Members of this distinguished body to this document for statistical support for my statement relative to the needs for and methods of providing Federal assistance for school construction. The other members of our subcommittee were Senators AIKEN, HILL, MORSE, and MURRAY. The evidence presented to our subcommittee demonstrated beyond any shadow of a doubt the dire need for immediate Federal assistance for the construction of schools.

Millions of children in all sections of America now attend classes in buildings that are obsolete. Many thousands of buildings are totally inadequate, having no fire escapes and no fire-prevention facilities, and are actually firetraps. Furthermore, testimony was presented which established beyond any question that a great number of our schools have lighting conditions so poor that the eyesight of American children is in danger. Shocking testimony was presented which I know the Members of this body are aware of from their own experience that, due to the shortage of actual school buildings in the various sections of the country, an increasing number of pupils are attending schools in shifts, like industrial workers, moving in and out of classrooms rapidly so that other students may have an opportunity to sit in the seats they now occupy.

I intend to introduce into the RECORD following the close of these remarks a report of a recent Nation-wide survey conducted by the New York Times which establishes that 85 percent of the Nation's school buildings were either poor or at the very most fair. Many States do not have funds with which to build new schools, even though they are desperately in need of them. Many communities already have reached their maximum legal-debt limit and are in no position to meet the need.

In this connection, Mr. President, I plan to place in the RECORD at the end of my remarks a survey made by the Bureau of Community Facilities of the Federal Works Agency bearing out this very point, particularly as it relates to the school construction needs in areas especially affected by Federal activities. I also will place in the RECORD a statement which includes a report to the Office of Education by the State departments of education on school-plant needs as of January 1, 1949.

There are many reasons for this shortage of school buildings. The most pressing are those arising from increased population shifts due to the activities of our Federal Government. Generally speaking, most of this is occasioned by activities of the Army, Navy, and Air Force Departments as well as defense work in private plants. There should be no question of the Federal Government's responsibility to help our States meet this need.

In addition, there are other reasons for this shortage. Our Nation has been the beneficiary of an increased birth rate. The birth rate of the Nation has increased from 17.9 per thousand in 1940 to 25.9 per thousand in 1947. According to the New York Times survey, every State reported that its school population has been steadily increasing, and will continue to increase rapidly. In some communities the school enrollment in the elementary grades has jumped as much as 50 to 75 percent. On the average it is estimated that the increase for the next 6 years will be from 20 to 30 percent. The Bureau of the Census estimates that almost 35,000,000 pupils will be enrolled in grades 1 through 12 in 1958–59, as contrasted with 25,800,000 during the current year. To meet the need will require at least 450,000 additional classrooms.

In addition, our school communities suffer in that during the war Americans could not build schools. While the increased birth rate added to the school rolls, our communities have been able to provide only a fraction of the building need. Our communities have been hampered in school construction not only because of the war-emergency program, not only because of high construction and labor costs which have either doubled or trebled so that communities are no longer in a financial position to undertake school construction, but also because many States are by their constitution unable to act. Iowa is unable to act, for her constitution limit on bond issues prevents the school systems from constructing the buildings they need. Some States such as Kansas make no contribution toward construction of school buildings, and all building in that State is done on local plans and financing. School official after school official reports that Federal assistance is needed.

The New York Times survey indicates that the school-building problem cannot be solved by the local communities alone. In fact, they will find it difficult, if not impossible to meet the needs of the coming decade. School officials concede that several million children are not receiving the adequate education because of poor school buildings. In some communities the children attend classes in garages, church cellars, private homes, and abandoned shops. Mr. President, a sound comprehensive school-building program to bring adequate facilities to all children is needed.

The lag in construction of school-plant facilities has existed since 1930. During the depression years, local communities were unable to finance the schools needed, although some were built with Federal assistance, primarily to create employment. Furthermore, for the most part these funds were made available only to those communities which could provide matching funds.

The Federal Government has provided funds for the current operation of some aspects of vocational education since 1917, but it has done nothing to provide classrooms in which to offer such education. The national school-lunch program is financed partly through Federal funds, and surplus commodities are supplied by the Federal Government, but there is no provision for the construction of lunchrooms in which the meals must be prepared and served. There are Federal funds for industrial education, but there are no provisions for the construction of trade schools and shops which are necessary to provide for the industrial expansion of the country.

Mr. President, the three R's are still important, but they are not enough. Our schools must go far beyond the rudiments to prepare American citizens to live in our modern world. It is no longer a simple world, and a short and simple education will no longer prepare Americans to live adequately in it. We need facilities for making the school the community center it should be. We need to make our educational system the basis for the most effective operating democracy the world have even seen.

With this background in mind, the subcommitte of which I was chairman, studied all the bills submitted by the various Members of the Senate, a list of which I shall

include in the RECORD at the end of my remarks. There are 13 such bills pertaining to school buildings specifically.

A careful survey was made not only of the need but also of the administrative problems which would arise from school-construction legislation. A series of conferences were held with representatives of the Office of Education and representatives of the General Services Administration. As a result, we were finally able to report out S. 2317 with the full agreement and support of both of these Government agencies concerned with school construction as well as with the support of the National Education Association, the National Council of Chief State School Officers, the American Parents Committee, organized labor, and other interested citizens' committees for education. In our opinion, this bill, which was unanimously reported out by a subcommittee consisting of Senators AIKEN, HILL, MORSE, MURRAY, and myself, was a composite bill which included the best features of the bills we had before us for consideration.

On July 22 this composite bill, S. 2317, was introduced by 17 Senators, and was recommended to the full committee by the subcommittee.

I do not plan at this time to go into the full details of that original bill. Suffice it to say that it called for three major items: (1) It called for grants to States for the purpose of making surveys as to school construction needs. (2) It called for grants to local school districts overburdened with enrollments resulting from war, defense, and Federal activities. (3) It provided for grants to States for the construction of school facilities according to an over-all State program and in accordance with a matching formula.

The sponsors of this bill, Mr. President, were anxious for speedy action. We knew the need was a great one. We, therefore, stood ready to make those concessions which would be necessary to achieve unity on the part of the Senate in support of this vital legislative program. Toward that end, therefore, in spite of the fact that eight members of the full Senate Labor and Public Welfare Committee were sponsors of this bill and, therefore, could have reported it out in toto favorably to the floor of the Senate, we agreed to amend the original bill and shorten its scope. We did that in the hope that we could then get unanimous agreement. We, therefore, agreed to eliminate from the bill reported out to the floor of the Senate those sections dealing with the long-range school-construction program.

We, therefore, reported out an amended bill proposing to authorize $5,000,000 grants to States for a Nation-wide State-by-State survey of physical facilities for elementary and secondary schools. We also provided for authorization to meet the emergency needs due to overburdened school enrollments resulting from war, defense, and Federal activities.

Mr. President, despite this attempt on our part to be conciliatory and in spite of our willingness to take less than we would like in legislation, we have apparently been unable to satisfy a minority of our colleagues. An amendment in the nature of a substitute has been introduced and we, therefore, are faced with the necessity of taking the time of the Senate to debate what should be unanimously and wholeheartedly endorsed by the Senate.

A number of questions have been asked about the relationship of this bill to S. 2116, the advance planning bill, already passed by the Senate. I have spoken to the offices of the General Services Agency who are to administer S. 2116 as well as with the Office of Education and they inform me that the bills are not in the least contradictory nor mutually exclusive—rather they are complementary and supplement one another. I have in my hand a letter from Mr. Jess Larson, Administrator, General Services Administration, which I place in the body of the RECORD, supporting this position.

It will be recalled that S. 2116, the Advance Planning bill, contemplates that local planning projects will be consistent with overall State programs. Yet that bill provides no funds whatever for any surveys of planning at the State level. Hence the survey provisions of our school construction bill, S. 2317, would fill a needed gap and develop an over-all program against which the desirability of local planning projects can be tested.

I think it can be demonstrated in fact that the survey title of our bill, S. 2317, should actually precede S. 2116 since the normal sequence of a building program is first to survey the need, second to prepare the drawings, and third to engage in the construction.

With these in mind, Mr. President, I ask the Senate to enact this bill, S. 2317, with a minimum of delay. We cannot in all conscience refuse to meet this problem.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the following exhibits to which I refer in my statement to the Senate at this time relative to S. 2317. These exhibits are:

First. An article entitled "The Race Between School Children and Schoolhouses," from School Life for October 1949;

Second. A table entitled "Allotment to States for Surveys, Title I, S. 2317, as Amended by the Committee";

Third. Tabular material entitled "Table Illustrating Formula for School Construction Allotments as per S. 2317 Before Amended"; and

Fourth. A statement entitled "School Construction Bills Introduced in the First Session of the Eighty-first Congress."

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EXHIBIT NO. 1

THE RACE BETWEEN SCHOOL CHILDREN AND SCHOOLHOUSES

(By Ray L. Hamon, Chief, Schoolhousing Section, Division of School Administration, Office of Education, Federal Security Agency)

The Nation is facing a grave schoolhousing crisis. School enrollments have been increasing while we deferred new construction and wore out the old schoolhouses.

The accompanying table shows the relationship between school children and investment in schoolhouses, with schoolhouses lagging far behind. We'll have to dig deeper and move faster if we are to provide adequate, safe, and suitable schoolhouses for America's children.

Because of the great variation in construction costs since 1930, dollar volume of capital outlay has but little meaning until related to schoolhousing space provided by the investment. The accompanying table indicates the number of school children by years in relation to the number in attendance in 1930, and the dollar investment in schoolhouses related to equivalent space provided in 1930.

The estimated numbers of school children are certainly valid up to 1955, because those children have already been born. Because of the accumulative effect of births on school attendance, it is estimated that school attendance will continue to increase until 1958 and then level off as shown by the table.

If school enrollments should decline after 1960, would a $10,000,000,000 school-construction program leave the Nation's schools overbuilt? The answer is "No"; provided the schoolhouses have been properly planned and located. In the event that enrollments do decline, many school districts will then be able to abandon some of their most obsolete buildings which should have been replaced during the 1930's and 1940's.

Results from preliminary studies and calculations based on enrollment increases, educational-program expansion, and emergency replacements indicate that it will require a capital-outlay investment of about $10,000,000,000 from 1950 to 1960 to enlarge and improve physical plant facilities for public elementary and secondary schools. The accompanying table shows the investment which must be made (in terms of 1949 dollars) in schoolhouses during the next 11 years in order to regain the 1930 relationship between school children and schoolhouses. The race can be won, but it will require both immediate action and long-range planning at the local, State, and Federal levels of government.

School children and schoolhouses (public elementary and secondary schools)

Year	School children		Capital outlay in millions of dollars		Index of schoolhouses purchasable by capital outlay shown in columns 4 and 5	
	Number in millions [1]	Percentage of the number in 1930	Invested	Needed	Purchased	Needed
1	2	3	4	5	6	7
1930	21.3	100	$371	------	100	------
1932	22.2	105	211	------	73	------
1934	22.5	106	59	------	16	------
1936	22.3	105	171	------	45	------
1938	22.3	105	239	------	56	------
1940	22.0	104	258	------	58	------
1942	21.0	99	138	------	27	------
1944	19.6	92	54	------	10	------
1946	19.8	93	111	------	18	------
1948	20.2	95	[2] 275	------	33	------
1949	20.9	98	[2] 500	------	58	------
1950	21.6	101	------	$707	------	82
1951	22.2	104	------	742	------	86
1952	22.9	108	------	786	------	91
1953	24.0	113	------	819	------	95
1954	25.2	118	------	863	------	100
1955	26.1	123	------	907	------	105
1956	26.8	126	------	949	------	110
1957	27.3	128	------	993	------	115
1958	27.6	130	------	1,035	------	120
1959	27.6	130	------	1,079	------	125
1960	27.6	130	------	1,120	------	130
Total capital outlay needed, 1950–60	------	------	------	10,000	------	------

[1] Office of Education average-daily-attendance data for 1930–46; and thereafter Bureau of the Census enrollment estimates for all elementary and secondary schools, less 10 percent for non-public-school enrollment, less another 10 percent to convert Census enrollment estimates to average-daily-attendance estimates.

[2] Estimated.

From School Life, October 1949.

EXHIBIT NO. 2

ALLOTMENT TO STATES FOR SURVEYS, TITLE I, S. 2317, AS AMENDED BY THE COMMITTEE

The following table indicates the Federal funds which would be allocated to the States for surveys under title I of S. 2317, amended, should that bill become law and should $5,000,000 be appropriated pursuant thereto. These figures are based on the Bureau of the Census estimate of population 5–17, inclusive as of July 1, 1947, the most recent date for which data are now available. S. 2317, as amended, states that "* * * within such allotments each State shall be entitled to receive (Federal funds) an amount equal to 50 percent of its expenditures in carrying out the purposes of section 101 in accordance

with its application." Section 101 is to inventory and survey the need for school facilities.

The bill, if passed as amended, will require dollar-for-dollar matching by States for the purpose of making surveys. In other words, States would be entitled to receive Federal funds, up to the amounts indicated, provided they spend like amounts for this purpose from non-Federal sources.

United States	$5,000,000
Alabama	128,786
Arizona	26,405
Arkansas	85,176
California	287,383
Colorado	42,247
Connecticut	57,408
Delaware	10,000
Florida	80,576
Georgia	137,644
Idaho	21,294
Illinois	255,186
Indiana	130,319
Iowa	89,435
Kansas	64,052
Kentucky	119,927
Louisiana	104,596
Maine	32,196
Maryland	68,481
Massachusetts	140,199
Michigan	212,428
Minnesota	99,485
Mississippi	99,144
Missouri	129,126
Montana	19,931
Nebraska	44,462
Nevada	10,000
New Hampshire	17,206
New Jersey	130,830
New Mexico	26,405
New York	406,288
North Carolina	165,071
North Dakota	24,530
Ohio	249,394
Oklahoma	91,308
Oregon	48,039
Pennsylvania	344,791
Rhode Island	21,975
South Carolina	92,842
South Dakota	24,360
Tennessee	127,423
Texas	273,755
Utah	27,426
Vermont	13,287
Virginia	115,328
Washington	76,658
West Virginia	84,153
Wisconsin	113,284
Wyoming	10,000
District of Columbia	19,761

EXHIBIT No. 3

Table illustrating formula for school construction allotments as per S. 2317 before amended

State	Federal percentage	Percent of school-age population, 1947	Percent of aggregate Federal allotments	State effort, percent of income payments
(1)	(2)	(3)	(4)	(5)
Alabama	56.9	2.6	2.96	0.522
Arizona	51.6	.5	.52	.400
Arkansas	58.3	1.7	1.98	.554
California	42.5	5.8	4.93	.224
Colorado	47.5	.8	.76	.310
Connecticut	42.7	1.1	.94	.227
Delaware	43.1	.2	.17	.253
Florida	51.4	1.6	1.64	.320
Georgia	55.9	2.8	3.13	.477
Idaho	50.1	.4	.40	.360
Illinois	43.6	5.1	4.45	.241
Indiana	49.0	2.6	2.55	.301
Iowa	51.1	1.8	1.84	.322
Kansas	50.2	1.3	1.30	.301
Kentucky	56.5	2.4	2.71	.489
Louisiana	55.7	2.1	2.34	.449
Maine	51.4	.6	.62	.345
Maryland	46.0	1.4	1.29	.258
Massachusetts	45.7	2.8	2.56	.248
Michigan	47.2	4.3	4.06	.299
Minnesota	51.1	2.0	2.04	.323
Mississippi	60.0	2.0	2.40	.638
Missouri	50.6	2.6	2.63	0.303
Montana	45.2	.4	.36	.329
Nebraska	50.0	.9	.90	.308
Nevada	40.0	.1	.08	.221
New Hampshire	51.6	.3	.31	.313
New Jersey	44.3	2.6	2.30	.226
New Mexico	53.7	.5	.54	.492
New York	40.8	8.1	6.61	.214
North Carolina	56.1	3.3	3.70	.494
North Dakota	47.0	.5	.47	.376
Ohio	46.4	5.0	4.64	.271
Oklahoma	55.4	1.8	1.99	.426
Oregon	48.6	1.0	.97	.283
Pennsylvania	47.9	6.9	6.63	.284
Rhode Island	45.5	0.4	0.36	.235
South Carolina	57.6	1.6	1.84	.567
South Dakota	48.8	.5	.49	.373
Tennessee	55.0	2.6	2.86	.446
Texas	52.4	5.5	5.76	.370
Utah	50.7	.5	.51	.389
Vermont	51.1	.3	.31	.345
Virginia	42.8	2.3	2.43	.368
Washington	46.1	1.5	1.38	.266
West Virginia	54.0	1.7	1.84	.466
Wisconsin	48.6	2.3	2.24	.306
Wyoming	47.6	.2	.19	.312
District of Columbia	43.6	.4	.35	.169

NOTES RELATIVE TO TABLE

1. The rounded figures in the table are approximate only, and subject to necessary adjustments as provided for in the act.

2. The distribution applies only to funds appropriated for use under subsections (a), (b), and (c) of section 201. It excludes—

(1) Funds for surveys, title I;
(2) Funds for Territories and possessions, section 201 (d); and
(3) Funds for emergency projects in Federal activity areas, section 206.

3. The Federal percentage is based on the average per capita income payments in States for the years 1945, 1946, and 1947.

EXAMPLES

Assume for a given year that $100,000,000 will be made available for use under title II, over and above the exclusion for emergency projects under section 206; then $97,000,000 would be available for States and the other $3,000,000 for Territories and possessions.

1. The State of Alabama would be entitled for such year to an allotment calculated as follows: Double $97,000,000 equals $194,000,000. Alabama has 2.6 percent of the school-age population, and 2.6 percent of $194,000,000 equals $5,044,000. This would be Alabama's school-construction program for the year, or a little less than $7 per school-age child. Since Alabama's Federal percentage is 56.9 that State would be entitled to a Federal allotment for that year of 56.9 percent of $5,044,000, or $2,870,036, which is approximately 2.96 percent of the aggregate Federal allotments as shown in column 4 of the table. It will be noted in column 5 that Alabama's effort to provide her non-Federal share of this program is 0.522 percent of her income payments, or nearly twice the average national effort required even though the formula does provide for some equalization.

2. Under the same conditions the State of New York would have a school-construction program of $15,714,000, the same amount per school-age child as Alabama. Of this amount New York would be entitled to an allotment of 40.8 percent, or $6,411,312. In order to provide her non-Federal share, New York would have to make an effort of only 0.214 percent of her income payments.

EXHIBIT No. 4

SCHOOL-CONSTRUCTION BILLS INTRODUCED IN THE FIRST SESSION OF THE EIGHTY-FIRST CONGRESS

During the first session of the Eighty-first Congress more than 40 bills have been introduced for the purpose of authorizing Federal financial assistance for the construction of public elementary and secondary school facilities. Thirteen of these bills are special and pertain only to specified school buildings in connection with specific Federal projects or for specified purposes. Other school-construction bills pending before the Congress may be classified as follows:

1. Eight of the bills proposed to authorize Federal grants through the Federal Works Agency (now a part of the General Services Administration) directly to local school districts overburdened with enrollments resulting from war, defense, and Federal activities. These bills do not include an objective means of allocation to States.

2. Four propose grants and loans, through the Reconstruction Finance Corporation, to States in proportion to school-age population. They provide that a State could receive a grant of 50 percent and a loan of 50 percent of the cost of school facilities.

3. Four propose grants, through the General Services Administration, to States on the basis of total population, Federal tax collections, and administrative discretion, with special provisions for States with public lands exceeding 5 percent of the total area of the State. These bills require equal matching with non-Federal funds.

4. Three propose grants, through the General Services Administration, to States in proportion to school-age population for surveys, drawings, and construction. These bills require equal matching with non-Federal funds.

5. Three propose allotments, through the Office of Education, to States in relation to school population for surveys and construction; with individual project construction grants made to local school districts in amounts ranging from 40 percent to 90 percent of the cost of construction as determined by the Commissioner of Education.

6. Three propose allotments, through the Office of Education, to State for surveys and construction on the basis of school-age population and financial ability. These bills would provide a uniform construction expenditure per child in all States from combined Federal and non-Federal sources, with Federal participation ranging from 40 percent to 60 percent in inverse relation to average per capita income payments. The States would determine project grants within their allotments according to State program plans.

7. One proposes allotments, through the General Services Administration with consultation with the Office of Education, to States according to school-age population; with individual project grants made directly to local school districts for 50 percent of the cost of construction.

8. One proposes allotments, through the Office of Education, to States for surveys and construction in accordance with a formula which provides for a uniform non-Federal contribution per pupil in average daily attendance in all States; plus a Federal contribution ranging from about 0.8 to about 1.8 times the non-Federal contribution, calculated in inverse ratio to fiscal capacity of the States.

9. One proposes allotments, through the Office of Education with supervision by the General Services Administration, to States according to school-age population; and requires matching with non-Federal funds ranging from one-third to three-fourths, according to fiscal ability of States, of the total construction cost.

10. Two identical bills (S. 2317 and H. R. 5718) were introduced as a result of Senate hearings on school-construction bills. These bills propose to authorize, through the Office of Education with technical assistance of the General Services Administration, (1) grants to States for surveys, (2) grants to States for construction of school facilities according to over-all State program plans, (3) advance planning of school facilities through State agencies, and (4) grants to local school districts overburdened with enrollments resulting from war, defense, and Federal activities. Except for item (4) above, the grants to States would be based on a formula which provides a uniform construction expenditure per school-age child in all States from combined Federal and non-Federal sources, with Federal participation ranging from 40 to 60 percent in inverse relation to average per capita income payments, and States would determine project

grants according to State program plans. The Committee on Labor and Public Welfare amended S. 2317 by striking out the provisions of items (2) and (3) above.

Mr. HUMPHREY. Mr. President, at this point in my remarks I ask unanimous consent to have placed in the body of the RECORD a statement I have made on the general need for school construction following the hearings held on the subject by the subcommittee of which I was chairman.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR SCHOOL CONSTRUCTION

Mr. President, the critical need for school plant construction is a matter that must be of concern to all Americans who are acquainted with the facts. The testimony we have heard makes clear the reasons why this need exists and points to some of the solutions of the problem.

Estimates of the extent of the need range from $7,000,000,000 to $12,000,000,000 of construction by 1957. Some of these estimates are based on careful surveys in a number of States. A conservative average of the statistics and estimates leads to the conclusion that public elementary and secondary school construction of a total value of $1,000,000,000 each year for the next 10 years will barely meet the minimum requirements. The needs are, on the basis of State surveys, as follows:

Public elementary and secondary school plant needs as reported to the Office of Education as of Jan. 1, 1949, by the State departments of education

	Percent of national population, 5 to 17, inclusive	6-year school plant needs as reported	Remarks
Alabama	2.614	$125,000,000	
Arizona	.512	----------	No report.
Arkansas	1.706	100,000,000	
California	5.606	1,238,000,000	
Colorado	.846	35,000,000	(1).
Connecticut	1.151	163,625,000	
Delaware	.190	5,000,000	(1).
Florida	1.582	192,700,000	
Georgia	2.804	132,429,000	
Idaho	.438	50,000,000	(1).
Illinois	5.051	----------	No report.
Indiana	2.604	190,000,000	Adjusted to 6 years.
Iowa	1.818	50,000,000	(1).
Kansas	1.283	75,000,000	(1).
Kentucky	2.420	110,000,000	
Louisiana	2.100	104,364,000	(2).
Maine	.651	50,000,000	
Maryland	1.382	139,800,000	For 5 years.
Massachusetts	2.814	----------	No report.
Michigan	4.378	400,000,000	
Minnesota	2.002	100,000,000	(1).
Mississippi	1.997	110,000,000	(2).
Missouri	2.600	144,300,000	
Montana	.403	----------	No report.
Nebraska	.923	40,000,000	
Nevada	.083	10,584,000	(2).
New Hampshire	.340	35,000,000	
New Jersey	2.478	252,000,000	(2).
New Mexico	.535	40,000,000	
New York	8.108	1,250,000,000	
North Carolina	3.363	156,588,000	
North Dakota	.508	30,000,000	
Ohio	5.002	245,000,000	
Oklahoma	1.891	80,000,000	
Oregon	.916	76,900,000	
Pennsylvania	6.842	500,000,000	(1).
Rhode Island	.453	15,000,000	(1).
South Carolina	1.855	45,815,000	(2).
South Dakota	.487	27,000,000	(2).
Tennessee	2.543	150,000,000	
Texas	5.497	250,000,000	(1).
Utah	.561	68,997,000	Adjusted to 6 years.
Vermont	.264	20,000,000	
Virginia	2.332	525,000,000	Adjusted to 6 years.
Washington	1.499	282,000,000	(1).

[1] As reported on a study made by another agency during the fall of 1948.
[2] As reported to the Office of Education in October 1947. The national projected total on that study was $6,600,000,000.

Public elementary and secondary school plant needs as reported to the Office of Education as of Jan. 1, 1949, by the State departments of education—Continued

	Percent of national population, 5 to 17, inclusive	6-year school plant needs as reported	Remarks
West Virginia	1.695	$46,785,000	(2).
Wisconsin	2.277	50,244,000	(2).
Wyoming	.206	12,000,000	
District of Columbia	.390	38,000,000	(4).
Total, States reporting	91.220	7,552,131,000	
National projection	100.000	[5] 8,280,000,000	(6).

[2] As reported to the Office of Education in October 1947. The national projected total on that study was $6,600,000,000.
[3] Reported $100,000,000 on another study.
[4] Strayer report for 5 years.
[5] Approximately.
[6] This amounts to $1,380,000,000 per year for the next 6 years.

INCREASED BIRTH RATE

One of the major causes of school building shortage is the progressive increase in the national birth rate from 17.9 per thousand population in 1940 to 25.9 per thousand population in 1947. Thus far, only the lower grades of the elementary schools have felt the impact of this increased birth rate, but there will be tremendous cumulative increases in school enrollments during the next few years. The Bureau of the Census predicts that the total enrollment in elementary and secondary schools will jump from 24,546,000 in 1947 to 34,091,000 in 1957. Reliable estimates show that more than 200,000 new classrooms are needed now and that at least another 250,000 new classrooms will be needed by the time the children already born are in school. The stork has been busy. The children are here. Schools must be provided for them.

THE LAG IN SCHOOL CONSTRUCTION

The lag in construction of school plant facilities has existed since 1930. During the depression years, local communities were unable to finance the schools needed, although some were built with Federal assistance primarily to create employment. During the war years neither materials nor labor were available, and there was no appreciable amount of new school construction from 1939 to 1946. Since 1946 building costs have soared beyond the financial reach of numerous local school districts. The present rate of construction is totally inadequate to meet replacement requirements and the necessity for additional school building space.

THE SHIFTING POPULATION SINCE 1940

Another cause for the great need of school facilities is found in the shifting school population. Certain far Western States have increased their school population more than 50 percent during and since the war and will double their school enrollment in the next decade. Even in most States where the average increase in population since 1940 has been smaller, certain communities have mushroomed in population, often because of the activities of the Federal Government in the area.

EXPANSION OF SCHOOL PROGRAMS

Part of the backlog of school building needs results from the expansion of the school programs beyond the three R's. The Federal Government itself has provided funds for the current operation of some aspects of vocational education since 1917, but it has done nothing to provide classrooms in which to offer such education. The national school-lunch program is financed partly through Federal funds and surplus commodities are supplied by the Federal Government but there is no provision for the construction of lunchrooms in which the meals must be prepared and served. There are Federal funds for industrial education but there are no provisions for the construction of trade schools and shops which are necessary to provide for the industrial expansion of the country.

Mr. President, the three R's are still important, but they are not enough. Our schools must go far beyond the rudiments to prepare American citizens to live in our modern world. It is no longer a simple world, and a short and simple education will no longer prepare Americans to live adequately in it. We need facilities for making the school the community center it should be. We need to make our educational system the basis for the most effective operating democracy the world has ever seen.

INABILITY OF SCHOOL DISTRICTS IN STATES TO MEET SCHOOL BUILDING NEEDS

The people have emphasized their desires for additional school facilities, but they have not been able to meet their building needs through State and community action alone. Many of our 100,000 local districts are handicapped by statutory debt and tax restrictions and limitations in State constitutions, some of which require a minimum of several years to change. The education of growing children of school age cannot await the necessary changes in laws and constitutions. Sometimes, in some communities and States, there are forces which prevent the making of these changes. We must move forward in spite of these forces. The children are growing up. The classrooms and other facilities are needed now.

Increased State and local funds have often been used to increase teacher salaries in order to check the exodus of teachers from the classrooms, leaving little for the construction of facilities. Some States, because of a large proportion of children in the total population and low per capita income, are unable to provide either needed school buildings or adequately trained teachers. The range of financial ability per child is about 4 to 1 between the wealthiest and the poorest States. The range is sometimes more than 100 to 1 between the poorest and richest local school districts within an individual State.

Wide variations in school loads, in per capita income, and in relative efforts to support schools in terms of income have been detailed in a recent study made by the Council of State Governments.[1] This comprehensive report shows that in one State 28.3 percent of the population is of school age while in another State only 17.1 percent of the total population is of school age. The educational load due to the larger proportion of school-age children in the population is almost twice as heavy in the first State as in the second, yet the per capita income in the first State is $1,053, while in the second State it is $1,671. The State with the low income (and I might say, Mr. President, that this is not an extreme case but that there are several States with lower per capita income than this one) spends 3.6 percent of its income for public education compared with 1.5 percent for the wealthier State. With more than twice as much effort in proportion to income the first State has an educational program which for current expenditures averaged $169.50 per child in 1947–48. With comparatively slight effort the second State had a program the same year which averaged $220.92 per child.

The report of the Council of State Governments shows that State governments are contributing 39.8 percent of all funds used for current expenses by local school districts throughout the United States. This is where the States have concentrated their financial

[1] The 48 State School Systems. Council of State Governments, Chicago.

efforts, although nearly half the States also expend some funds for school construction. The States often cannot meet the needs for school construction which are beyond the abilities of their local school districts. Other States could do so only if they decreased drastically their State financing of current educational costs. State aid for current operational costs is a prior obligation and the States cannot reduce this already inadequate program without immediate and serious effects on the entire system of public education.

There is no way for some districts and counties and States to meet school building needs without Federal assistance. Mr. President, I ask that the Members of the Senate consider the evidence brought out in these hearings concerning hundreds of local school districts with critical needs for school facilities to discover these facts for themselves. I submit, Mr. President, the conclusion that there must be Federal assistance is obvious and inescapable, provided we are to have reasonably decent schools for all the children in this country. Our national policy should be, I believe, to place good schools high on the list of conditions which must be maintained as the basis of our democracy.

OVERWHELMING NEED IN RURAL AREAS

Public education in rural America is chaotic because of the lack of school building facilities and qualified teachers. It is in rural areas that the ratio of school children to total population is greatest and the per capita income is lowest. An analogy is in order here. The shortage of medical services in rural areas is an accepted fact, and one of the reasons given for this shortage is the lack of hospital facilities in which to treat patients. For several years the Federal Government has assisted in the financing of hospital construction. Is there any more reason to expect teachers to teach with antiquated and completely overloaded plant facilities than to expect doctors to treat patients without adequate hospital facilities?

The country committed itself to improvement of rural education in 1862 through plans for land-grant colleges, and again in 1917 through aid to vocational education for current operation, but we have left the burden of making capital investment for education buildings on rural America. Vocational education begins in the ninth grade. Do we not have an obligation as a Nation to aid in providing education to children to reach the ninth grade? We must do even more. We must assist the rural areas to obtain school buildings to serve both children and adults. We must assist them to provide vigorous and broad educational programs, so the rural areas will have a fair chance to pull their own weight in their economy and in that of the Nation. The local capital is not there for the initial capital investment in adequate school plants. Rural districts must look to a broader governmental base for a large part of this investment. It is more than an investment in school buildings. It is an investment in people. It is an investment in democracy. It is an investment in national defense. It is the best investment we can make.

MEETING THE NEED

Mr. President, the record of the hearings makes clear that something must be done. It makes clear that the Federal Government has a definite responsibility. The witnesses before our subcommittee have evaluated all the bills before us. All who represented either official or professional agencies of education have supported either an amended S. 287 as introduced by Senators NEELY, MAGNUSON, and nine other Senators or S. 1670 which was introduced by the junior Senator from Minnesota. With the evidence at hand our subcommittee will be able to submit a bill which will go a long way toward meeting the Federal responsibility.

THE SPECIAL NEEDS IN AREAS AFFECTED BY FEDERAL ACTIVITIES

In or near several hundred school districts throughout the country, the Federal Government has set up tax-exempt operations which have almost wrecked the educational systems of those communities. These Federal activities have often removed much of the local property from the tax rolls and have made the owners of the remaining property pay for the education of both their own children and those of the Federal employees. Children are on double sessions in basements, churches, and temporary structures which are often unsuitable for school purposes. There is a clear responsibility, Mr. President, to aid these communities to restore normal school services. Many of them have done everything possible locally, including issuance of bonds to the limit allowed by law.

THE SPECIAL NEEDS FOR NEGROES

Mr. President, the backlog of school construction necessary to provide adequate education for Negroes is especially acute in the South. In many southern communities school buildings now in use were constructed a long time ago on a matching basis, with the people donating part of the cost. As a result poor communities failed to obtain adequate classrooms. The Federal courts have become more insistent that the facilities be equalized between the races. This necessity strikes at a time when there is also a great shortage of school facilities for white children. The testimony indicates that segregated schools for the races have not contributed significantly to the classroom shortage, since both the schools for Negroes and those for whites are overcrowded. In spite of great progress which has resulted from exceptional local and State effort, numerous southern school boards simply cannot finance the equalization of school facilities for the races. Federal aid is desperately needed to alleviate this situation.

Mr. President, there are a number of important issues involved in this legislation. Some of these are similar to those we have encountered in the consideration of the Thomas-Taft bill, S. 246, and involve Federal-State-local relationships in education. It has been my attitude as chairman of the subcommittee that in these matters we ought to consider seriously the recommendations of official educational agencies and the professional educators who must have a major part in the construction of the facilities. After all, more than 1,000,000 administrators and teachers in America are concerned about what is done. They must plan facilities. They must be constantly at work with school boards and building committees as the facilities are constructed in local communities. Then they must use these facilities day after day and year after year for the next several decades. It seems to me, Mr. President, that their recommendations ought not to be shunted aside in the absence of clear and impelling reasons.

The testimony has shown that the construction of school facilities directly affects numerous aspects of the educational program. We want to help, not to hinder. For instance, we plan to recommend Federal assistance under circumstances which will encourage rather than discourage the proper reorganization of local school districts in the United States. At least 15 States now have sound State-wide programs of school district reorganization. These involve the building of larger and more useful schools.

We plan to coordinate any Federal program to assist in the financing of school construction with the present systems of cooperative State and local financing of schools. We should provide for some equalization among the States according to their respective pupil loads and per capita incomes. We want to fit Federal assistance into the State systems of equalization among local school districts within States, leaving the States free to assist districts in critical situations which have reached the limits of their legal bonded indebtedness and which must have substantial amounts of assistance to provide reasonably adequate school facilities for their children.

We should bring out a bill which will meet the immediate and urgent need for assistance in school districts which have been upset and undermined in their educational programs because of the activities of the Federal Government. There has been little or no conflict in the testimony on these points.

The great preponderance of testimony has been in favor of State and local responsibility for planning of facilities, for standards of construction, and for supervision of construction in local school districts. The same is true of the principle that the State educational agencies, as in the instance of Federal funds for current expenditures under S. 246, should be fully responsible for the accounting to the Federal Government for Federal funds.

Most of the testimony favors a simplified Federal administration through a single Federal educational agency. There is also strong sentiment in favor of protecting the construction of local school facilities against any sort of direct Federal control, on the convincing grounds that educational facilities determine to a large extent what the educational program itself shall be. As a former teacher, Mr. President, I know that this is true. School buildings should be constructed to fit the educational program. It should not be necessary for teachers and administrators to change their educational programs to fit the buildings.

TIMING

There are undoubtedly those among my colleagues here who will say that this is not the time for the Federal Government to aid in the construction of school facilities. They will say that the Federal budget is not in balance, and that the country has entered upon a business recession which may even deepen into a depression. They will point out that business is declining and that the economic danger signals are out.

Mr. President, we recognize both the business situation and the precarious state of the Federal budget for 1950. Federal assistance for school construction is, of course, related to the budget problem. We have to pay for some things and refuse to pay for others. It is primarily a question of relative values. Mr. President, day after day we vote millions and billions of dollars for purposes which are less important to the welfare of this country than the provision of adequate school facilities for our children. We vote extra billions for European aid. We vote extra billions to strengthen the physical aspects of our national defense. We vote hundreds of millions to build civil works many of which are undoubtedly less important than needed school buildings for the welfare of our country. We need to develop the habit of putting first things first. On the basis of relative values involved, Mr. President, we ought to be anxious to meet the Federal responsibility to our children for safe and suitable school facilities.

There are honest differences in economic philosophy among us. I am one who believes we ought not to wait until we become so poor that we cannot afford to build schools before we begin to build them. I believe we ought not to wait until we are in the depths of a depression before we extend Federal funds and encouragement to those aspects of the economy which can prevent us from

sinking into depression. I believe the time to build the schoolhouse is now.

Mr. President, the major reason why schools should be built now is because they are absolutely necessary and indispensable to give reasonable educational opportunities to American children. These children are the hope of our democracy; they are the hope of a truly effective national defense; they are the basic element in the future welfare of our country. But to those of my colleagues who may decide the issue of Federal assistance for school construction mostly on economic grounds, I say we should pass such legislation in this session on economic grounds. We need to see that programs of State-wide planning for school construction in all the States are begun at once on a modest basis, that acute emergency needs are met, and that the ground work is laid for an immediate and large extension of building activity as soon as labor and materials are fully available.

Mr. President, I would like to close on a repetitive note. The sense of values of the American people does not remain static. They are coming to value education more and more, and they value less and less some of the things for which we almost automatically pass huge appropriations. In the scale of relative values, we have long neglected education; I hope, Mr. President, that we will meet our responsibilities for assisting in the construction of necessary school facilities by passing suitable legislation as soon as possible.

Mr. HUMPHREY. Mr. President, at this point in my remarks I should like to have unanimous consent to place a copy of a letter which I wrote on September 11, 1949, to the distinguished majority leader urging prompt consideration of S. 2317, in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 11, 1949.

The Honorable SCOTT W. LUCAS,
The United States Senate,
Washington, D. C.

DEAR SENATOR LUCAS: I wrote to you in your capacity as majority leader of the Senate. I urge upon you and the policy committee the necessity to place the school construction bill, S. 2317, on the floor of the Senate for consideration during this session before we adjourn.

As chairman of the Subcommittee of the Senate Labor and Public Welfare Committee it was my privilege to hold hearings over many weeks on the problem of school construction. Other members of the subcommittee were Senators AIKEN, HILL, MORSE, and MURRAY. The evidence presented to our subcommittee demonstrated beyond any shadow of doubt the dire need for immediate Federal assistance for the construction of schools.

Millions of children in all sections of America now attend classes in buildings that are obsolete. Many buildings are totally inadequate having no fire escapes or fire prevention facilities, and in actuality are fire traps. Testimony established beyond question that a great number of our schools have light conditions so poor that our children's eyesight is in danger. Due to the shortage of actual school buildings in various sections of the country an increased number of pupils are attending school in shifts. President Truman took note of this deplorable situation in a public statement a few days ago.

A recent Nation-wide survey conducted by the New York Times established that 85 percent of the Nation's school buildings were either poor or at the very most fair. Many States do not have funds with which to build new schools even though desperately needed. Many communities already have reached their maximum legal debt limit. The greatly increased birthrate during recent years has resulted in very marked increases in school enrollment and the increased enrollments may be expected to continue for many years.

The Bureau of the Census estimates that almost 35,000,000 pupils will be enrolled in grades 1 through 12 in 1958–59, as contrasted with 25,800,000 during the current year. To meet the need will require 450,000 additional classrooms. War and defense activities have also created a new school problem in America. These have caused great population shifts which brought serious school problems to many communities.

The Congress has not faced the school problem realistically. Money was provided during the late thirties through public works' programs but for the most part these funds were made available only to communities that could provide matching funds. Federal funds were provided for school-plant construction during the war, but these funds were necessarily used to meet emergency needs in war areas. Furthermore, these funds were inadequate and evidence has been presented to our committee to show that the emergency needs continue.

S. 2317 has received the approval of all educational groups interested in school construction. This bill has received the approval of both the Office of Education and the General Services Administration. S. 2317 has bipartisan sponsorship and is sponsored in the Senate by myself and by Senators AIKEN, CHAVEZ, DOWNEY, HILL, KEFAUVER, KERR, KILGORE, MCFARLAND, MORSE, MURRAY, NEELY, PEPPER, TAYLOR, THOMAS, and MCCARRAN.

Our bill makes two specific legislative proposals.

1. It provides financial assistance for intensive State-by-State surveys by State educational agencies to determine the location, size, and type of school facilities needed. These surveys are to be guided and coordinated by the Office of Education with the assistance of the General Services Administration.

2. It provides for Federal grants direct to school districts to meet emergency needs arising from specific war and Federal activities.

I urgently appeal to the leadership of the Senate to immediately bring this matter before the United States Senate. We cannot in all conscience adjourn until we have met this problem.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, at this point in my remarks I should like to have included in the body of the RECORD a report of a survey of school building needs conducted by the New York Times and reported by Benjamin Fine in the New York Times for April 4, 1949.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF A SURVEY OF SCHOOL BUILDING NEEDS CONDUCTED BY THE NEW YORK TIMES AND REPORTED BY BENJAMIN FANE IN THE NEW YORK TIMES, APRIL 4, 1949

Public school buildings in the United States, on both the elementary and high school levels, are in deplorable condition today, with a vast number in need of immediate repair or replacement. Millions of children now attend classes in buildings that are obsolete, potential firetraps or totally inadequate to meet the needs of a modern educational program.

A vast school building program, estimated to cost $10,000,000,000 during the next 10 years, is necessary to meet the requirements of a rapidly growing school population. Every State in the land regards the need for additional buildings as one of its most urgent school problems. All realize that they face a serious educational crisis because of inadequate school buildings.

These conclusions are reached in a Nation-wide survey on school building needs, conducted by the New York Times. The survey showed that 82 percent of the Nation's school buildings are either fair or poor. The rest were listed in good condition. No State reported that its buildings were excellent.

The Times' study, based on information obtained from the 48 States, indicates that the present serious situation is expected to become considerably worse in the next few years. Many States report that they do not have the funds with which to build new schools, even though these are desperately needed. In some instances the local communities already have reached their maximum legal debt limit and cannot go beyond that without special legislation.

Various reasons are advanced for the critical shortage of adequate classroom facilities. Based on the viewpoints expressed by the educational leaders reached in the survey, these reasons would appear to be the most commonly accepted:

1. Increased birth rate: Every State reports that its school population has increased in the last year, and will continue to increase rapidly. In some communities the school enrollment in the elementary grades has jumped as much as 50 to 75 percent. On the average, the estimated increase for the next half dozen years is placed at 20 to 30 percent.

This will mean, the educators emphasize, a vastly expanded school system. In some States the schools are not able to meet present needs. Unless additional buildings are constructed, the increased school population will swamp all existing facilities.

2. High construction and labor costs: Because of the doubled—in many instances trebled—costs, many communities are unable or unwilling to undertake school construction now. The school administrators and boards of education are reluctant to spend huge sums for buildings that may deteriorate in value within a short time. The cost per classroom has increased enormously, jumping as high as 300 percent. Buildings that cost $250,000 before the war now cost as high as $500,000 or $750,000.

Because of high costs, many communities find they are unable to raise the necessary bond issues to construct schools. A number of cities reported that they had reached the debt limits imposed by their legislatures, and said they could do nothing but wait until these restrictions were removed.

3. Schools not built during war: The educators said that at present a serious backlog of needed buildings exists because of the building lag during the war and during the prewar depression. While the increased birth rate added to the school rolls, the communities have been able to provide only a fraction of the buildings needed.

ONE BILLION-TWO-HUNDRED-AND-FIFTY-MILLION DOLLAR PROGRAM PLANNED

Reports from the various States show that a building program totaling $1,250,000,000 is planned. This sum is divided almost equally between the elementary and high schools, and ranges from less than $1,000,000 to more than $100,000,000.

However, the States report that they require $5,500,000,000 to meet present needs. They say this sum is a minimum and cannot be pared to any considerable extent without harming the school system of the Nation. Many educators frankly admit that they will be unable to get the full amount they need. The Times study indicates that

the plans for the school construction program will total only about 20 percent of the full amount needed.

In a number of States a wide gap exists between the amount of money that will be spent for school building construction during 1949–50 and the amount necessary to meet existing needs. Arkansas, for example, estimates that it will spend $5,500,000 for buildings in the coming year, but says it needs $50,000,000 to do an adequate job. A similar disparity is shown in figures supplied by Florida. During the 1949–50 school year, Florida intends to spend $5,000,000 for elementary schools and $7,000,000 for high schools. During this period, the State estimates it would need $70,000,000 for elementary and $80,000,000 for high schools.

Similar, Dr. Pendleton Mitchell, director of schoolhouse planning in the Georgia State Education Department, reports that $2,000,000 will be spent for school construction this year, while the need will reach $100,000,000. In some States that gap is not quite as wide, although the educators observe that it is serious enough. For example, Illinois communities plan to spend $10,000,000 on school buildings, with the need set at $70,000,000.

TEN BILLIONS NEEDED BY 1959

During the next 10 years, the study found the States will need a total of $10,000,000,000 for new buildings to meet the needs of a growing school population and to replace obsolete buildings. Many educators suggested that this long-range program could be developed on the basis of $1,000,000,000 a year during the coming decade. As reported by the States, the $10,000,000,000 would be divided equally between the elementary schools and the high schools. Although the great increase in population will come on the elementary level, the officials point out that high school buildings are more expensive.

New York and California lead in the amount of money necessary for school buildings. New York State puts the figure at above $1,000,000,000, while California says it will need $1,500,000,000 over the 10-year period. Pointing out that its enrollment has increased tremendously in recent years, the California school officials declare that the building shortage is acute today.

"The problem in California is not the condition of the existing buildings but the number of children that do not have any buildings at all," Dr. Charles Bursch of the California department of education, said.

Virtually all the States say they will not be able to meet the costs of the necessary long-range building program. They indicated that not more than 50 percent of the funds necessary will be available. In some States less than 10 percent of the money can be raised, the educators report. Nebraska, for example, estimates that it will need $40,000,000, and will be able to spend $8,000,000 for buildings. Of the $400,000,000 needed by Michigan, less than half will be available.

Most Southern States report that they will need huge sums to develop their building programs. Alabama puts its needs at $200,000,000, Kentucky at $100,000,000, Oklahoma at $75,000,000, South Carolina at $250,000,000, and West Virginia at $110,000,000. In almost every instance, the State officials say that they will be unable to get the funds unless outside assistance is provided.

Only three States—Connecticut, Delaware, and Wyoming—indicated that the necessary funds were available.

NEED FOR FEDERAL AID CITED

All the States declared they needed assistance from the Federal Government. Some, such as Alabama, reported that they would need from $150,000,000 to $200,000,000, while others, such as Oklahoma, placed their needs at the comparatively low figure of $5,000,000. In the aggregate, the States urged that the Federal Government make available, during the next 10 years, a total of $5,000,000,000 for school-building purposes.

Officials in Connecticut note that the condition of the school buildings is critical, with many of the buildings obsolete. Connecticut points out that, in addition to the need for replacement of existing buildings, there is a great need for new construction.

A number of the States report that they are planning to consolidate their school districts and build central schools. This would mean that the building costs would increase during this process. However, the educators emphasize that the reorganization and consolidation of the rural schools into larger units would ultimately benefit education generally. In the meantime, though, the pressure put on the school districts to raise money for new school buildings will increase.

In addition to new buildings, the States report that a substantial sum will be needed for necessary repairs and equipment. It is estimated that the Nation would need, over the next 10 years, a minimum of $2,000,000,000 for the improvement and the modernization of the school plants.

Idaho says it needs $1,823,600 to make the necessary repairs and replacements. Another $73,000,000 will be needed to provide additional buildings to house the present school enrollments and the expected increase. Illinois stresses that because of the reorganization of districts the building problem is serious in some parts of the State. It says it does not have the funds to finance an adequate school-building program without Federal assistance.

DEBT RESTRICTIONS HAMPER MANY

Many States are in the position of Iowa, where the constitutional limit on bond issues prevents the school systems from constructing the buildings they need. It is not likely that the constitution will be changed to permit schools to be built; the officials indicate, adding that the influx of war babies will make the situation even worse. Some States, such as Kansas, make no contribution toward construction of school buildings. All building there is done on local plans and finances.

Similarly Kentucky notes that, while it will spend from $3,000,000 to $5,000,000 for school construction next year, it needs a minimum of $20,000,000. Without Federal assistance the schools that are needed in the State will not be built, Kentucky officials report.

Dr. John J. Seidel, assistant state superintendent for vocational education in Maryland, reports that $80,000,000 will be needed from the State or Federal Government to meet present building requirements. Eight out of the 23 counties in the State have reached their limit governing the marketability of bonds. Dr. Seidel observes that the need for additional school buildings is without a doubt the most urgent problem at this time.

"The school buildings in Maine are generally poor," Dr. William O. Bailey, deputy commissioner in charge of planning and research, reports. Antiquated buildings, he notes, together with increased enrollments and a demand for larger units have combined to make the school-building problem serious for the state.

New Hampshire says it will spend $3,000,000 for school buildings, but needs $35,000,000. Fifty percent of the buildings in the State were built before the end of the Civil War. Two-thirds need replacement, enlargement or other fundamental alterations.

Noting that its buildings are in poor condition, school officials in Michigan report that while $50,000,000 will be spent on school construction next year, $300,000,000 will be needed. School construction has not kept up with the needs since 1932 when a restrictive constitutional tax limitation was passed. This limitation was modified in the last November election, and the school officials expect a considerable volume of new construction.

Mississippi estimates that it will need 6,000 new classrooms, 5,000 to replace unsatisfactory rooms and 1,000 in additional facilities for increased enrollment. It will take $40,000,000 to provide the classrooms, lunchrooms, gymnasiums, and other facilities that are not included in this sum.

NEBRASKA NEEDS $25,000,000

Nebraska reports that while it needs $25,000,000 to meet present school building needs, it expects to spend $2,250,000, or less than one-tenth the actual need. The officials recommend that the Federal Government provide $25,000,000 for school needs.

North Dakota says its buildings are inadequate for the enrollments. South Carolina reports that its school housing is not adequate for the large number of births of the last few years. Dr. H. L. Duncan, director of schoolhouse planning in West Virginia, observes that a State-wide survey showed it would take $20,000,000 to eliminate the present emergency needs. These include hazards to the health and safety of the children.

Present critical conditions are not all the fault of the educators, Dr. A. L. Beuchner, of the Wisconsin Department of Education, asserts. The increased birth rate, he says, has made it necessary to use substandard, old, hazardous buildings and various other spaces, "thereby penalizing a generation of youngsters."

Reports from many sections of the country indicate that the more enlightened communities are beginning to meet the problem of increased school enrollment and obsolete buildings by appropriating funds for the necessary facilities. Responsible school officials expressed the hope that the local community, cooperating with the State and Federal Government, would be able to provide the classrooms so urgently needed today.

FLORIDA BUSY ON PROGRAM

Florida has recognized the problem and is attempting to meet it on a State-wide basis. Many school buildings have been constructed or repaired; in the last 2 years Florida has spent $20,000,000 for new school buildings and the renovation of existing plants. New facilities constructed in the last 2 years include 305 classrooms, 52 school lunchrooms, 36 industrial arts rooms, 17 science laboratories, and a number of other special rooms.

Almost every county, reports Dr. Thomas D. Bailey, superintendent of public instruction, is making plans for the future contruction of school buildings to serve the needs of the community. Forty-eight building sites have been purchased. Dr. Bailey says a special staff has completed surveys of school building needs and has made recommendations for better-planned buildings.

Taken as a whole, the school building situation in the United States is critical. The United States Office of Education estimates that within 10 years the elementary and high school enrollment will increase by 9,000,000 students. The present school buildings will be forced to accommodate from 30 to 40 percent more children than they do today.

The Times survey indicates that the school-building problem cannot be solved by the local communities alone. Without State and Federal help, the communities say, they will find it difficult, if not impossible, to meet the needs of the coming decade. School officials emphasize that several million children are not receiving an adequate education because of the poor school buildings. In some communities the children attend classes in garages, church cellars, private homes, and abandoned shops.

Although this condition is denounced by school leaders, they frankly admit that they do not know how to remedy it at present. They are almost unanimous in urging the development of a sound, comprehensive school-building program, to provide adequate facilities for all the children.

Mr. HUMPHREY. Mr. President, at this point in my remarks I ask unanimous consent to have included in the RECORD a survey of emergency school-construction requirements for areas affected by Federal agencies' activities undertaken by the Bureau of Community Facilities of the Federal Works Agency.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BUREAU OF COMMUNITY FACILITIES, FEDERAL WORKS AGENCY—SURVEY OF EMERGENCY SCHOOL-CONSTRUCTION REQUIREMENTS FOR AREAS AFFECTED BY FEDERAL AGENCY ACTIVITIES

During the last session of Congress there was considerable discussion of the serious school-construction problem faced by many localities throughout the United States, and particular emphasis was placed on those areas where the problem was doubly complicated because of activities of the Federal Government. Hearings were held on several bills designed to offer aid for school construction to such federally impacted communities, but none was passed. On June 14 Chairman J. Harry McGregor, of the Subcommittee on Buildings and Grounds, wrote to General Fleming indicating that it was the wish of the Committee on Public Works that a survey be made of "emergency needs relative to construction of school facilities in areas where such circumstances are brought about by the influx of population caused by activities of our Federal departments." The letter concludes: "It is our hope, in the event such an emergency exists, that general legislation can be enacted during the next session of the Congress." This report is based on the survey requested by the Public Works Committee and, in the opinion of the Federal Works Agency, clearly indicates a situation to exist which merits the closest attention of the Congress.

As a first step in instituting the survey, the Central Office of the Bureau of Community Facilities (FWA) conferred with the United States Office of Education (FSA): This agency was most helpful and wrote to all State departments of education, asking their support and help for the field investigations to be carried out by the division and district engineers of the bureau. Working together with the educational authorities, the bureau's field staff was able to establish a list of areas where Federal activities were known to have placed a heavy burden on local school systems. Each of these school districts was then surveyed. Data were secured on total immediate school construction needs in these districts. Steps were then taken to ascertain the portion of these total needs attributable to Federal activities, and what part of the total problem the school districts can reasonably be expected to work out for themselves.

NUMBER OF SCHOOL DISTRICTS SURVEYED

After screening and eliminating reports where the Federal impact was too slight to merit inclusion, information on 422 districts was forwarded from the field to the central office of the bureau. Here the reports were further screened, resulting in the elimination of 27 more districts. The attached tables therefore relate to 395 school districts. Generally speaking, the Federal action creating a special problem in these 395 districts may be said to be direct in nearly 300 districts, that is, arising from federally owned buildings or installations. In approximately 100 districts the Federal impact may be said to be less direct, that is, arising from defense or war plants not owned by the Federal Government but engaged in work for the Federal Government.

GEOGRAPHICAL COVERAGE

The 395 reporting school districts are situated in 39 States, the District of Columbia and Alaska. The greatest concentrations are to be found in California (86), Texas (38), Washington (34), Michigan (24), Pennsylvania (23), Georgia (15), Arkansas (14), Virginia (12), and Arizona (11). Ten or less school districts are involved in each of the remaining States. While the geographical coverage is very broad, concentrations in certain States are natural and reflect the concentration of defense and industrial activities during and subsequent to World War II. The reporting areas are very largely those where the Federal Government did help during World War II to some extent in providing housing and community facilities under the Lanham Act.

Table I shows clearly the great increase in school attendance in the reporting districts, the greatly increasing percentage of attendance attributable to Federal activities, and the absolute failure of school plant in the areas to keep up with the increasing school attendance. Thus, table I lists the number of school districts reporting for each State and the average daily attendance figures for four periods, namely, the last normal year, the 1947–48 school year, the estimated 1948–49 school year, and the estimated 1949–50 school year. Each of these average daily attendance figures shows not only the total attendance but that part of the attendance which is the result of Federal activities. The following national totals show the increase in average daily attendance.

Average daily attendance

	Total	Federal
Last normal year	972,001	78,182
1947–48	1,313,377	318,673
1948–49	1,418,871	375,567
1949–50	1,525,741	449,569

During the last normal year, out of a total attendance of 972,001, in these 395 districts, approximately 78,182, or 8 percent were due to Federal activities. During the current 1948–49 year, total attendance has increased to 1,418,871, of which approximately 375,567, or 26 percent, are due to Federal activities. Estimated figures for next year indicate not only an over-all increase but a percentage-wise increase in the proportion of enrollments due to Federal activities.

Table I also shows that the square feet of floor space available as of June 30, 1948, was 48,347,931. The last two columns indicate the cost of facilities provided from the last normal year through June 1948. It may be noted that the local communities have spent approximately three and one-half times as much as the Federal Government in providing additional facilities during this period. The Federal funds shown are those allocated under the Lanham Act during the war years when schools as well as other facilities were constructed as Federal or non-Federal projects in order to relieve the impact of war migrations to these areas.

VOLUME AND COST OF NEEDED FACILITIES

Table II sets forth the recommendations of the division engineers of the Bureau on the volume and cost of facilities presently needed in the reporting school districts to meet their greatly increased enrollments. These recommendations were made after a pruning of the volume and cost estimates submitted by the school districts. The recommendations of the district engineers for the 395 districts include a total of 25,247,947 square feet of space, of which 11,956,485 square feet are needed for enrollments due to Federal activities. The cost of providing presently needed facilities is $348,132,416, of which $171,018,560 is the cost of providing the share of the additional facilities required because of Federal activities.

FUNDS AVAILABLE TO SCHOOL DISTRICTS

Table II also includes a column showing the maximum amount of funds which can be raised by the school districts to meet their immediate school construction needs. These funds include all sources of revenue, including cash on hand, taxes to be collected, and funds which could be raised from bond issues within the legal limit of bonded indebtedness. They also include State aid where such might be provided. A study of the reports received indicates that many of the communities have insufficient funds to construct that part of their presently needed school plant not attributable to Federal activities, let alone that part attributable to such activities.

The final column of table II shows the amount still required after all local sources of funds are exhausted. In short, the survey indicates that a total of $136,000,000 is required over and above present and anticipated revenues of the school districts.

TYPES OF FEDERAL ACTIVITIES CAUSING INCREASED ENROLLMENTS

Table III analyzes the types of Federal activities which have brought about the increased enrollments in the 395 districts. It will be noted that some school districts are affected by the activities of two or more Federal installations. Generally speaking, the great majority of the Federal impacts noted are occasioned by activities of the Army, Navy, and Air Force Departments and defense work in private plants.

CONCLUSION

It should be emphasized that this report and the survey on which it is based are limited strictly to school-construction needs in areas especially affected by Federal activities. The 395 districts reporting are those which have an extra school-construction problem occasioned by Federal-agency activity, over and above the general difficulties in this connection now prevalent in so much of the United States. There may well be many additional school districts in the Nation with similar problems which have not reported their needs.

As is well known, there is a great need for new school plant all over the United States, a need arising primarily from lags in such construction both before and during World War II and the great increase in school population now beginning to hit the school system. We do not know precisely how large the over-all needs for school plant are for the country as a whole. But we do know from various studies made by the United States Office of Education, various State agencies, and our own field activities, that the volume of plant required exceeds $7,000,000,000 and that many localities do not have the fiscal capacity to cope with the problem.

As has been indicated, the 395 districts surveyed are in some respects the most critical of all, for in addition to the difficulties now being generally experienced all over the country, they are subject to the added difficulties occasioned by Federal governmental activities in their midst. Their needs are indeed acute, and they have every right to such aid as the Federal Government finds it can give.

TABLE 1.—*Federal Works Agency, Bureau of Community Facilities—The average daily attendance, the square feet of floor space available and cost of facilities provided from last normal year through June 30, 1948, in school districts affected by activities of the Federal Government as reported by local school officials, by State*

State	Number of school districts	Average daily attendance								Square feet of floor space available, June 30, 1948	Cost of facilities provided last normal year through June 1948	
		Last normal year		1947–48		Estimated, 1948–49		Estimated, 1949–50				
		Total	Due to Federal activities	Total	Due to Federal activities	Total	Due to Federal activities	Total	Due to Federal activities		Total	Federal funds
United States	395	972,001	78,182	1,313,377	318,673	1,418,871	375,567	1,525,741	449,569	48,347,931	$168,843,178	$36,726,011
Alabama	9	21,241	20	25,146	4,048	27,286	6,045	28,748	7,507	737,429	2,091,587	951,237
Arizona	11	8,405	160	15,567	3,794	17,793	4,506	19,940	4,994	507,345	2,672,471	932,544
Arkansas	14	23,384	50	29,840	5,075	30,871	5,718	23,600	6,219	827,151	2,275,683	603,780
California	86	101,758	2,156	197,124	65,046	207,150	73,946	233,928	92,796	8,960,861	31,431,807	7,003,802
Colorado	5	9,170	2	10,828	900	12,170	1,280	13,525	1,627	416,344	2,482,933	64,872
Connecticut												
Delaware												
Florida	5	46,922	2,984	57,311	7,498	60,069	8,951	61,660	10,187	1,438,802	5,962,945	1,372,232
Georgia	15	58,831		82,128	11,034	89,970	16,635	96,310	20,515	2,535,995	4,173,633	1,058,116
Idaho	4	6,813	73	8,077	1,052	8,925	1,642	10,300	2,509	393,996	191,946	2,665
Illinois	9	3,182	15	4,595	1,208	4,971	1,479	5,986	2,236	118,305	604,293	292,793
Indiana	6	7,130		12,028	2,707	12,947	3,301	14,285	4,329	199,260	718,779	447,500
Iowa	1	30		69	40	114	85	150	110	2,310	29,586	29,586
Kansas	2	20,638		23,006	2,200	24,192	3,200	26,900	5,500	1,657,416	2,271,307	144,703
Kentucky	3	4,615	85	5,121	473	5,502	625	5,800	773	151,632	173,825	78,625
Louisiana												
Maine	6	11,006		13,104	1,717	13,719	1,820	14,486	2,220	380,158	615,205	414,705
Maryland	5	44,843	10,000	64,784	27,791	74,298	33,887	81,988	38,117	1,799,833	21,922,948	564,470
Massachusetts												
Michigan	24	40,675	1,201	54,742	12,333	57,336	15,149	60,683	17,572	2,012,773	5,653,987	2,077,669
Minnesota	2	1,432	274	2,137	232	2,200	235	2,450	255	2,100		
Mississippi	2	1,540		2,191	649	2,385	770	2,485	845	96,552	477,436	8,436
Missouri	4	5,403		6,931	1,270	7,469	1,357	8,661	1,996	350,358	946,136	124,177
Montana												
Nebraska	6	1,383		2,020	416	2,253	648	2,435	780	93,062	75,332	13,000
Nevada	6	1,231	458	3,676	2,686	3,800	2,761	4,379	3,325	140,151	592,059	418,125
New Hampshire												
New Jersey	1	110		216	116	300	200	350	250	9,000		
New Mexico	4	2,460		3,225	855	3,658	1,229	4,284	1,785	88,663	219,626	
New York												
North Carolina												
North Dakota	2	416	4	497	62	587	140	640	165	17,298		
Ohio	9	7,390	550	12,658	4,393	13,447	5,000	14,712	5,765	313,140	1,284,023	519,555
Oklahoma	7	66,844	755	74,442	6,979	78,927	10,248	83,807	12,848	1,180,065	3,622,095	583,419
Oregon	8	2,653		5,305	1,388	5,703	1,544	6,455	1,805	320,032	1,725,803	348,917
Pennsylvania	23	27,708	160	32,739	6,357	35,510	7,290	38,253	8,942	983,877	2,059,549	768,096
Rhode Island	1	849		1,231	381	1,375	400	1,475	450	40,000	646,266	100,000
South Carolina	3	7,930	275	12,759	2,585	13,500	2,721	14,895	3,084	395,888	1,530,672	1,183,082
South Dakota	1	180		275	90	310	130	400	220	9,600	15,000	
Tennessee	5	10,787		12,221	805	12,975	1,136	13,950	1,496	345,488	883,688	189,000
Texas	38	125,652	1,941	169,078	26,230	185,990	30,070	200,932	44,133	7,579,081	14,909,397	2,914,890
Utah	7	34,681		44,116	7,431	46,391	8,583	48,603	10,041	1,563,713	3,703,752	461,288
Vermont												
Virginia	12	61,744	8,993	85,543	30,972	92,273	34,067	98,893	38,241	2,401,778	11,298,714	3,739,887
Washington	34	85,324	5,623	119,946	30,425	135,212	41,155	149,303	47,397	4,916,120	20,945,084	7,153,040
West Virginia	2	25,433		21,005	2,000	29,225	2,000	29,550	1,500	1,084,440	883,000	
Wisconsin	1	867		974	81	1,020	105	1,070	153	60,225	25,481	
Wyoming	5	5,774	12	8,032	654	8,593	758	9,216	845	137,690	1,098,999	15,000
District of Columbia	1	84,050	42,025	85,548	42,779	84,804	42,402	86,000	43,000	4,080,000	18,000,630	1,966,800
Territory of Alaska	6	1,517	366	3,132	1,921	3,561	2,349	4,254	3,037		627,501	180,090

TABLE 2.—*Federal Works Agency, Bureau of Community Facilities—The square feet and estimated cost of floor space presently needed, funds available and funds needed in school districts affected by activities of the Federal Government as recommended by division engineers, Bureau of Community Facilities, by State*

State	Number of school districts	Square feet of floor space needed		Estimated cost of needed facilities		Funds available to school districts	Funds needed by school districts
		Total	Due to Federal activities	Total	Due to Federal activities		
United States	395	25,247,947	11,956,485	$348,132,416	$171,018,560	$212,221,326	$135,911,090
Alabama	9	681,443	152,386	6,814,430	1,524,970	1,084,140	5,730,290
Arizona	11	454,580	211,385	4,545,800	2,113,850	1,021,950	3,523,850
Arkansas	14	220,250	205,450	3,303,750	3,081,750	673,050	2,630,700
California	86	9,983,600	4,991,557	100,629,000	49,971,030	54,406,915	46,222,085
Colorado	5	37,000	37,000	555,000	555,000	292,000	263,000
Connecticut							
Delaware							
Florida	5	320,758	288,460	3,207,580	2,884,600	3,144,580	63,000
Georgia	15	622,100	382,720	8,433,000	4,229,200	5,712,181	2,720,819
Idaho	4	94,786	45,504	1,447,540	682,310	885,000	562,540
Illinois	9	36,000	20,000	756,000	440,000	696,000	60,000
Indiana	6	60,000	38,500	1,219,000	809,000	529,500	689,500
Iowa	1	2,250	2,250	45,000	45,000	19,500	25,500
Kansas	2	55,600	55,600	1,112,000	1,112,000	624,000	488,000
Kentucky	3	71,250	59,750	1,339,500	1,129,500	398,500	941,000
Louisiana							
Maine	6	133,640	67,818	1,308,843	679,680	732,443	576,400
Maryland	5	716,310	475,375	19,593,000	10,678,725	12,015,890	7,577,110
Massachusetts							
Michigan	24	456,000	263,000	10,144,000	5,636,500	9,906,500	237,500
Minnesota	2	42,000	10,000	900,000	200,000	209,000	691,000
Mississippi	2	23,088	9,588	234,500	99,500	124,607	109,893
Missouri	4	63,500	52,500	1,270,000	1,050,000	268,700	1,001,300
Montana							
Nebraska	6	38,400	20,900	910,000	560,000	196,465	713,535
Nevada	6	101,310	65,405	887,100	622,550	597,100	290,000
New Hampshire							

TABLE 2.—*Federal Works Agency, Bureau of Community Facilities—The square feet and estimated cost of floor space presently needed, funds available and funds needed in school districts affected by activities of the Federal Government as recommended by division engineers, Bureau of Community Facilities, by State*—Continued

State	Number of school districts	Square feet of floor space needed		Estimated cost of needed facilities		Funds available to school districts	Funds needed by school districts
		Total	Due to Federal activities	Total	Due to Federal activities		
New Jersey	1	4,000	4,000	$80,000	$80,000	$4,000	$76,000
New Mexico	4	38,700	38,700	570,750	570,750	93,490	477,260
New York							
North Carolina							
North Dakota	2	11,500	6,500	240,000	130,000	118,000	122,000
Ohio	9	95,136	71,256	2,345,980	1,933,980	1,138,718	1,207,262
Oklahoma	7	316,370	161,150	4,745,550	2,417,250	3,023,000	1,722,550
Oregon	8	91,720	45,200	1,386,653	653,300	1,057,475	329,178
Pennsylvania	23	1,850,550	336,450	11,121,000	5,595,000	3,605,000	7,516,000
Rhode Island	1	70,000	40,650	861,500	500,000	861,500	
South Carolina	3	110,222	17,903	1,102,220	179,030	1,033,020	69,200
South Dakota	1	4,200	4,200	84,000	84,000	42,600	41,400
Tennessee	5	42,562	42,562	425,620	425,620	405,340	20,280
Texas	38	3,432,197	1,075,137	51,482,955	16,172,055	41,520,163	9,962,792
Utah	7	166,000	134,000	2,490,000	2,016,000	2,490,000	
Vermont							
Virginia	12	830,108	540,812	22,545,700	13,529,000	8,641,450	13,904,250
Washington	34	3,100,407	1,502,367	48,562,885	21,599,150	38,254,489	10,308,396
West Virginia	2	22,110	22,110	650,000	650,000	250,000	400,000
Wisconsin	1	3,000	3,000	75,000	75,000		75,000
Wyoming	5	24,800	24,800	372,000	372,000	372,000	
District of Columbia	1	759,000	379,500	28,100,000	14,050,000	14,050,000	14,050,000
Territory of Alaska	6	58,560	48,040	2,235,560	1,887,260	1,723,060	512,500

TABLE 3.—*Federal Works Agency, Bureau of Community Facilities—Number of school districts and major reasons occasioning need for additional school facilities as reported by local school officials, by State*

State	Number of school districts	Major reasons																
		Total reasons	Federal installations														Federal Public Works	Defense industry
			Total	Army	Navy	Air	Coast Guard	Interior	Federal Public Housing Administration	Veterans' Administration	Atomic Energy Commission	Civil Aeronautics Authority	Bureau of Census	Federal Security Agency	Tennessee Valley Authority	Miscellaneous		
United States	395	576	393	103	72	84	2	13	81	12	14	2	1	1	1	7	19	164
Alabama	9	17	11	4		1			4	1					1			6
Arizona	11	20	14		1	8			3	2								6
Arkansas	14	21	15	6	2	2			3	2							2	4
California	86	110	57	16	17	18			6								2	51
Colorado	5	10	9	2		3			3	1								1
Connecticut																		
Delaware																		
Florida	5	6	6		3	2	1											
Georgia	15	24	16	5	1	6			2	2								8
Idaho	4	5	4		1	1		2									1	
Illinois	9	12	7	3	1				2		1							5
Indiana	6	8	2	1					1									6
Iowa	1	1	1	1														
Kansas	2	2	1	1														1
Kentucky	3	3	2	2													1	
Louisiana																		
Maine	6	9	6		1	4			1									3
Maryland	5	15	14	4	4	1	1						1	1		2		1
Massachusetts																		
Michigan	24	29	12	2	3				7									17
Minnesota	2	3	1	1														2
Mississippi	2	2	1	1														1
Missouri	4	7	3	1	2													4
Montana																		
Nebraska	6	6	2			1		1									4	
Nevada	6	7	6		2	1		2	1									1
New Hampshire																		
New Jersey	1	2	2	1		1												
New Mexico	4	4	4			1					3							
New York																		
North Carolina																		
North Dakota	2	2															2	
Ohio	9	12	10	1		4			3		2							2
Oklahoma	7	8	4	3		1											1	3
Oregon	8	12	11	3		1			7								1	
Pennsylvania	23	35	29	3	4	1			21									6
Rhode Island	1	2	2	1	1													
South Carolina	3	5	5	1	1	3												
South Dakota	1	1															1	
Tennessee	5	6	6	2	1				2		1							
Texas	38	55	37	13	3	12			8	1							1	17
Utah	7	16	13	5	3	5												3
Vermont																		
Virginia	12	26	26	8	9	2			3	1						3		
Washington	34	54	36	8	12	5			4		7						2	16
West Virginia	2	2	2	1						1								
Wisconsin	1	2	2	1						1								
Wyoming	5	5	4	1				3									1	
District of Columbia	1	1	1													1		
Territory of Alaska	6	9	9	1				5				2				1		

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD an editorial which appeared in the Minneapolis Labor Review on September 8, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK TO CRAMPED SCHOOLS

Throughout the United States the schools have reopened. They are not improved schools that will receive the increased enrollment of nearly 1,000,000 more pupils.

School quarters are cramped. Vast population shifts have to some degree been a factor in complicating the school situation. There are other causes, too. For one, you can chalk down a subject that there is not too much taught about in the schools. That is greed.

There is a shortage of more than 120,000 grade-school teachers, with colleges turning out less than 30,000 teachers this year, even fewer than in 1941.

School construction is falling behind.

Half of the teachers in some States are being paid less than $1,500 a year.

While school construction will total close to $700,000,000 this year, it is estimated a billion dollars of school construction will be needed annually for the next 10 years.

What appears to be the greatest problem as regards the schools is raising school money, taxation. In the unequal distribution of wealth our schools are faring badly.

While the production of wealth in the United States is stupendous and sufficient to eliminate school-financing problems, the schools which are the children, the teachers, the future of America are neglected.

True there is sufficient written and talked about the schools. But greed still shrinks the revenue the schools need.

If people wish to become wealthy and gain what they think is economic security, this should take place only after provision is made for the schools. It looks as though the school doors might be swinging open to schools with spacious, healthy rooms and well-paid teachers if schools received something like their share of the national income.

It was stated above that greed was a big factor in causing the school crisis. In this greed has a partner. It is war.

While 76 cents of every Federal tax dollar is devoted to war, it is estimated that less than 1 percent of the Federal tax dollar goes to the schools.

There is just one end that is apt to come to a nation with the atom bomb, the largest fleet, and the strongest army in the world and neglected schools. That is a complete dictatorship.

So while we are fighting for freedom and liberty and democracy, if we are not kidding ourselves we better see that our schools are not just the best in the world, but that they guarantee the opportunity of every person to all the schooling they desire. That includes a college education. And it includes an education in political and economic democracy that assures their protection and perpetuation.

Mr. HUMPHREY. Mr. President, at this point I would like to have included in the body of the RECORD a representative number of communications which I have received from school officials in support of S. 2317.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *October 12, 1949.*

Senator HUBERT H. HUMPHREY,
United States Senate:

Please support School Construction Act. Oppose Taft substitute. Educationally important.

CLYDE A. ERWIN,
President, National Council Chief State School Officers and State Superintendent of Public Instruction, North Carolina.

COLUMBUS, OHIO, *October 13, 1949.*

Senator HUMPHREY,
Senate Office Building,
Washington, D. C.:

A. F. of L. in full accord with objective of Humphrey bill S. 2317. We urge its immediate passage.

PHIL HANNAH,
Secretary-Treasurer, Ohio State Federation of Labor.

WASHINGTON, D. C., *October 13, 1949.*

Senator HUBERT H. HUMPHREY,
Senate Office Building:

The building and construction trades department of the American Federation of Labor strongly urges the adoption of School Construction bill S. 2317 as essential for the welfare of the children of our Nation. We consider it essential also that there be included in the bill provision for broad survey of school needs and for the establishment of construction standards, as well as provision for payment of prevailing wages on construction. We oppose without reservation the limitation which the amendment proposed by Senator TAFT would place on the school construction program.

RICHARD J. GRAY,
President, Building and Construction Trades Department.

WASHINGTON, D. C., *October 13, 1949.*

Senator HUBERT HUMPHREY:

American Federation of Labor in convention in St. Paul last week unanimously endorsed your school construction bill, S. 2317. Federation of Teachers gave bill unanimous endorsement last August. This legislation is absolutely essential to our national welfare. Your bill is especially good as it provides for State survey of school building needs followed by the adoption of an educationally and socially sound program to meet those needs and because it required the maintenance of good building standards through Federal Works Agency. We are grateful to you and your colleagues for furthering this legislation.

SELMA BORCHARDT,
Vice President and Washington Representative, American Federation of Teachers.

ROCKFORD PUBLIC SCHOOLS,
Rockford, Ill., October 12, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate, Washington, D. C.

MY DEAR SENATOR HUMPHREY: We have received a copy of your remarks given in the United States Senate on Monday, June 20, 1949, concerning Federal aid in construction of public school facilities. We are very much interested in your remarks and we feel that if something is going to be done to help us in building programs it should be done immediately.

At a recent meeting with some of the midwestern Senators which was held in Chicago, we were informed that the chances for Federal aid at the present time were nil. We would be glad to hear from you and to have your ideas concerning any immediate help that might be given to our schools.

Attached is a copy of a pamphlet that is being used to publicize our election for increased funds which will be held on October 25.

Sincerely yours,

PARMER L. EWING,
Superintendent of Schools.

WARREN CONSOLIDATED SCHOOLS,
Warren, Mich., October 12, 1949.

Hon. HUBERT H. HUMPHREY,
Senator from Minnesota, United States Senate Building, Washington, D. C.

DEAR FRIEND HUMPHREY: I wish to thank you for sending me a copy of your speech relative to Federal aid in construction of public school facilities. I am keenly interested in this problem of school construction. It seems to me that the Federal Government has a very definite obligation to assist in this task, especially in those areas where the growth and the need has been accentuated due to the war activity.

I have just returned from Washington where we had a conference of schools which have been affected and are still affected by the war activity. In some of these areas a terrific problem has existed both with regard to housing and financing a program. I hope that the Congress of the United States realizes its responsibility and hastens to offer educational opportunities to all boys and girls. I think it would be a great travesty of justice if any child is denied his birthright—a good education in accordance with his ability and needs—just because he happens to live in an area that was selected as the location of a defense plant or facility.

Thanks for your sincere effort.

Sincerely yours,

PAUL K. COUSINO,
Superintendent.

BOARD OF EDUCATION,
Chicago, October 10, 1949.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: For your thoughtfulness in sending me a copy of the extension of your remarks relating to Federal aid in construction of public-school facilities made in the United States Senate on Monday, June 20, 1949, I want you to know of my deep appreciation. It is gratifying, indeed, to know of your interest and desire to be of assistance in this time of critical need for additional school facilities.

Sincerely yours,

HEROLD C. HUNT,
General Superintendent of Schools.

FAIRFAX COUNTY SCHOOL BOARD,
Fairfax, Va., October 11, 1949.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: I wish to thank you for a copy of your remarks with reference to Federal aid in construction of public-school facilities, which you requested printed in the Appendix of the RECORD on June 20, 1949.

I have read this speech with a great deal of care and am of the opinion that it is the clearest statement of the emergency facing our schools that I have seen anywhere. I wish every citizen of the United States might have an opportunity to read this speech, since so many of our people apparently do not recognize the significance and danger to the welfare of our country as a result of the current conditions in our public schools, particularly with reference to the need of classrooms and other school facilities.

I don't know whether it is possible to secure extra copies of your speech or not. I would like to have 1,000 copies to distribute to the

people in Fairfax County, Va., where we probably have one of the worst situations in our Nation as a result of the rapid influx of people into the Washington area, practically all of whom have come in as a result of Federal activities in Washington.

Sincerely yours,

W. T. WOODSON,
Division Superintendent.

AUDUBON PUBLIC SCHOOLS,
Audubon, Iowa, October 10, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR MR. HUMPHREY: I have read with considerable interest the extension of remarks made by you in the Senate of the United States Monday, June 20. I sincerely believe that Federal aid for construction of school buildings is far more important than Federal aid in general. The construction of the school building is such an enormous undertaking for a community that the job of selling it to the people is very difficult. Here in Iowa the constitutional limitations of school building funds make it impossible to build adequately. In our own specific case we have voted overwhelmingly (442–41) for the construction of an elementary school, but cannot build because the limit we can raise will not finance a building which will fit the needs of our youth. If you wish more specifics to aid you in any discussion in the future I would be glad to give you some facts and figures concerning our own problem.

Keep up the fight for this vital legislation and you will have the undying appreciation of future generations.

Very truly yours,

ALLEN N. STROH,
Superintendent.

SCHOOL DISTRICT OF
QUINCY TOWNSHIP,
Quincy, Pa., October 10, 1949.

Hon. HUBERT H. HUMPHREY,
Senate of the United States,
Washington, D. C.

DEAR SIR: I wish to express my appreciation of and agreement with the sentiments in your extension of remarks concerning Federal aid in the construction of public-school facilities. Even in my State of Pennsylvania we have districts in need of new schools, which will not be provided for years and years if construction is dependent on local support alone.

In my own district, which enrolls 900 pupils and employs 32 professional employees, the capital outlay necessary for new schools to replace one- and two-room schools with primitive facilities is estimated at five times the amount we may legally borrow, and we have now borrowed to the legal limit.

I sincerely hope that you may be able, along with other friends to education, to arouse the legislators and general public to action. We need to make every school in America a type of school worthy of the wealth and resources of a Nation such as ours.

Yours truly,

ROGER C. MOWREY,
Supervising Principal.

TOLEDO, OHIO, *October 13, 1949.*

Hon. HUBERT HUMPHREY,
Senate Chamber,
Washington, D. C.:

We have endorsed the Humphrey bill for school construction, S. 2317. We oppose substitute Taft bill because the substitute bill would throw a lump sum into the State for pork-barrel purposes and eliminate the safeguards requiring maintenance of good building standards and would eliminate a State survey of school-building needs.

RAYMOND R. PECK,
Executive Secretary, Ohio Federation of Teachers.

OVERLAND, MO., *October 7, 1949.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Please vote for the passage of the school-construction bill because of the urgent need in building-aid for schools.

ARTHUR A. HOECH,
Superintendent of Schools, Riteneur Consolidated School District.

CARSON CITY, NEV., *October 6, 1949.*

Hon. HUBERT H. HUMPHREY,
United States Senator,
Senate Office Building,
Washington, D. C.:

Nevada school administrators strongly favor passage School Construction Act and urge your support title I and Magnuson amendment for RFC emergency loan to make law immediately effective.

MILDRED BRAY,
State Superintendent of Public Instruction.

SACRAMENTO, CALIF., *October 6, 1949.*

Hon. HUBERT H. HUMPHREY,
United States Senator,
Washington, D. C.:

I am informed S. 2317 is on Senate calendar for October 7. I earnestly urge you to support title I of bill and the Magnuson amendment for RFC emergency loan to place the bill in effect immediately.

ROY E. SIMPSON,
Superintendent of Public Instruction.

OLYMPIA, WASH., *October 6, 1949.*

Senator HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.:

Urge support title I and Magnuson amendment for RFC emergency loan to place law immediately in effect. Understand on Senate Calendar Friday.

PEARL A. WANAMAKER,
State Superintendent of Public Instruction.

SALEM, OREG., *October 7, 1949.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Favor S. 2317, title I, and Magnuson amendment for RFC emergency load to place law in immediate effect which I am informed will be on calendar Friday. Hope that you can give it your support.

REX PUTNAM,
Superintendent of Public Instruction.

CHARLESTON, W. VA., *October 7, 1949.*

Hon. HUBERT H. HUMPHREY,
United States Senate:

Urge support title I and Magnuson amendment of S. 2317 for RFC emergency loan to place law immediately in effect.

W. W. TRENT,
State Superintendent of Free Schools of West Virginia.

TALLAHASSEE, FLA., *October 7, 1949.*

Senator HUBERT HUMPHREY,
Senate Office Building:

Please support title I and Magnuson amendment for RFC emergency loan. School Construction Act on Senate Calendar today.

THOMAS D. BAILEY.

CEDAR RAPIDS, IOWA, *October 7, 1949.*

Senator HUMPHREY,
United States Senate:

Would appreciate your support of title I, S. 2317, and Magnuson amendments for RFC loan. Schoolhouse construction a critical problem with all communities throughout the Nation.

CLYDE PARKER,
Superintendent of Schools.

JACKSON, MISS., *October 7, 1949.*

Senator HUBERT H. HUMPHREY,
Senate Office Building:

Wires to our Senators EASTLAND and STENNIS, urging support of title I to School Construction Act and Magnuson amendment for RFC emergency loan to put law in effect immediately, if in their judgment proposals are sound.

J. M. TUBB,
State Superintendent of Education.

MASON CITY, IOWA, *October 7, 1949.*

Senator HUBERT HUMPHREY,
Senator from Minnesota,
Senate Office Building,
Washington, D. C.:

Urge support of Federal aid for School Construction Act, title I, S. 2317, and Magnuson amendment for RFC loan to make law immediately effective.

H. V. PETERSON,
Member, Legislative Committee of Teachers Federation of Mason City Public Schools.

COUNCIL BLUFFS, IOWA, *October 7, 1949.*

Senator HUMPHREY,
House of Senate, Washington, D. C.:

Council Bluffs needs aid to build new buildings. Twelve of our buildings are over 50 years old.

RUSSELL J. MOURER,
Superintendent of Schools, Council Bluffs, Iowa.

JEFFERSON CITY, MO., *October 7, 1949.*

Senator HUBERT H. HUMPHREY,
United States Senate:

Inability of local school districts in Missouri to finance increasing building needs has created a critical problem. Your support of School Construction Act including title I and Magnuson amendment for RFC loan is solicited.

GEORGE D. ENGLEHART,
Director, School Buildings Services.

DULUTH, MINN.

The Honorable HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR: The 100 members of the Arnold PTA are in favor of any legislation giving Federal aid to rural schools in their building projects.

If you can find time in your very busy schedule we would like to hear from you as to what is being done by the Government to promote better schools in our rural areas.

Thanking you in advance for any information you can send us.

Yours truly,

Mrs. B. E. IERIEN,
Secretary, Arnold PTA.

BULLOCK COUNTY BOARD OF EDUCATION,
Union Springs, Ala., October 7, 1949.

Senator HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR HUMPHREY: I want to thank you for sending me a copy of your speech, Federal Aid in Construction of Public-School Facilities.

As most all Southerners I differ with you 100 percent on civil-rights legislation because I sincerely believe that it will be detrimental to both Negroes and white people. However, I endorse 100 percent the speech which you sent me on Federal aid for school buildings. This will do more to help our Negro citizens than anything else I can think of.

We superintendents want to build better buildings for Negroes as well as for whites, but we cannot do so unless and until we get more money. My county is a typical Black Belt county. Eighty percent of our population is composed of Negroes. We are building and improving our schools as fast as we

can with the money we have. At least 80 percent of the money we have spent since I have been superintendent of this county has been spent on Negroes. We want to do more for them. Their greatest needs are better buildings and equipment. Your bill will do more to solve this problem than anything else which has been proposed in Congress.

Sincerely yours,

R. J. LAWRENCE,
County Superintendent.

DALTON BRICK & TILE CORP.,
Dalton, Ga., October 6, 1949.

Hon. HUBERT HUMPHREY,
Member, Senate of the United States,
Washington, D. C.

DEAR SIR: I have noticed that you intend to introduce a bill in the present session of the Senate to assist in the construction of public-school buildings, and I am writing the Senators from Georgia and the Representatives from the Seventh District of Georgia to urge them to support this bill.

I am a member of the board of trustees of the largest consolidated school in Georgia and we find ourselves in the position of not being able to discharge our duty to the children of our district due to the lack of housing facilities. Our district is willing to bond themselves to the legal limit to construct the buildings but that amount is only half enough. I am sure that this condition exists over the country generally, but I doubt if any section is any harder pressed to provide a decent education than is ours.

It is good that we are having nationally minded men in our House and Senate who are seeking to look after the welfare of the future citizens of our country.

With best regards for your continued success, I am,

Yours very truly,

D. D. MCARTHUR.

P. S.—I have no children of my own.

SACRAMENTO, CALIF., *September 28, 1949.*

Hon. HUBERT HUMPHREY,
Member, United States Senate,
Washington, D. C.:

California stands firmly back of the principle of working through State agencies. S. 2317 places schoolhouse construction for California with the State department of education. Strongly support your stand on State participation and urge passage of S. 2317.

ROY E. SIMPSON,
Superintendent of Public Instruction,
California State Department of Education.

SCHOOL DISTRICT OF JENNINGS,
Jennings, Mo., July 6, 1949.

Senator FORREST DONNELL,
Washington, D. C.

DEAR SENATOR DONNELL: There is a bill in the Senate providing for Federal aid for school-building construction.

This is one of the areas where aid is most needed. This is particularly true in certain portions of St. Louis County. I am especially interested in Jennings. We are bonded to the maximum and have buildings under construction which will use the total amount of available funds. When these buildings are completed, we will have only partially solved the problem. These buildings will all be in use by September 1950, and when these buildings are occupied we will still be short much classroom space.

It is my opinion that aid for building purposes is one of the most logical ways for the Federal Government to assist in the education program. What little control, if any, they exert over school-building construction will certainly not affect the attitudes of the children. Another important point is that money appropriated for school-building construction cannot possibly be used for the support of nonpublic schools.

I solicit your active support of the construction measures. If I can be of assistance in providing information or in any other way clarify these propositions, I shall be happy to do so.

Sincerely yours,

OTIS A. SEE, *Superintendent,*
School District of Jennings.

SUPERINTENDENT OF SCHOOLS,
ROSEAU COUNTY,
Roseau, Minn., July 25, 1949.

Hon. HUBERT HUMPHREY,
Senate Chambers,
National Capitol,
Washington, D. C.

DEAR MR. HUMPHREY: See that you are chairman of the Senate Labor and Education Committee that will consider a school construction bill. In my estimation that is the most urgent of any school legislation at the present time and hope you will give it the support it so definitely needs.

Sincerely yours,

CHARLES CHRISTIANSON,
County Superintendent of Schools.

ALAMOGORDO PUBLIC SCHOOLS,
Alamogordo, N. Mex., August 4, 1949.

Senator HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SIR: Sincerely appreciate your efforts in behalf of Alamogordo and other school areas drastically affected by military reservations. This construction bill will mean much to us here in Alamogordo.

If we can be of any service, we shall be happy to do so.

Very truly yours,

W. BARNIE CATON,
Superintendent.

SCHOOL DISTRICT OF THE
CITY OF FERGUSON,
Ferguson, Mo., August 10, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: I am very much in accord with your remarks in reference to Federal aid for school building.

Many districts, like this one, have been bonded to the limit and are unable to add additional structures. This and other districts are being faced with double sessions and overcrowded rooms largely due to the increase in the number of pupils in the elementary grades.

To give these pupils the best opportunities we must act at once and not wait.

Yours truly,

V. C. MCCLUER,
Superintendent of Schools.

NEW YORK STATE SCHOOL
BOARDS ASSOCIATION, INC.,
Mount Vernon, N. Y., August 23, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

MY DEAR MR. HUMPHREY: I have just received in the mail a pamphlet entitled "Federal Aid in Construction of Public-School Facilities." I have had an opportunity to read these remarks of yours as printed and I hasten to tell you that, in my opinion, you have hit the nail squarely on the head. It seems to me that the facts as you have expressed them would be difficult if not impossible to refute. Congratulations on a job well done.

I hope I may have the opportunity of writing to you later congratulating you on some success with respect to legislation to meet the problem of school building needs which is so urgent at the present time.

Very sincerely yours,

EVERETT R. DYER,
Executive Secretary.

CHICAGO, ILL., *August 30, 1949.*

Senator HUBERT HUMPHREY,
Senate Office Building:

Urge retention State planning phases any school construction aid bill. Believe such bill can be passed this Congress and essential for present essential needs. Certain board of directors represents all chief State school officers and best interests American education on this issue. Appreciate your past and future efforts behalf sound education principles.

Clyde A. Erwin, President, Chief State School Officers; John H. Bosshart, Commissioner, New Jersey; Wayne O. Reed, State Superintendent, Nebraska; J. B. Tubb, State Superintendent, Mississippi; Roy A. Simpson, State Superintendent, California; Finis E. Engleman, State Commissioner, Connecticut; Rex Putnam, State Superintendent, Oregon; Jessie M. Parker, State Superintendent, Iowa; Lee M. Thurston, State Superintendent, Michigan.

STATE OF OREGON,
STATE DEPARTMENT OF EDUCATION,
Salem, Oreg., August 2, 1949.

Hon. HUBERT H. HUMPHREY,
Senate Chamber,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: I have read with a great deal of interest your statement of June 20, 1949, concerning Federal participation in financing the construction of public-school buildings, and which appears in the Appendix of the RECORD.

In my opinion, your presentation of the facts is clear and forceful, and should command the attention of all who are interested in this vital problem. The principles with reference to the methods of making the money available to the States and for the protection of the States from possible Federal domination in the matter are sound.

Please accept my thanks for the forthright and competent manner in which you have presented the problem to the Senate and the public.

Sincerely yours,

REX PUTNAM,
Superintendent of Public Instruction.

MAHNOMEN PUBLIC SCHOOLS,
Mahnomen, Minn., September 28, 1949.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Mahnomen Board of Education and myself wish to commend you on your recent proposal in support of your plan of Federal aid in school construction. This measure surely has significance, in that school children are now being taught in inadequate buildings. If this measure is completed we personally feel that you are and will be responsible for saving our school children from the thought of continuing their education in buildings not fit for school purpose.

We sincerely are backing you on this measure.

Respectfully yours,

J. G. PAPPAS,
Superintendent.

STATE DEPARTMENT OF EDUCATION,
Hartford, Conn., September 30, 1949.

The Honorable HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: May I express my appreciation to you for the position

which you have taken on the School Construction Act. The aid which you are rendering to education is very effective and should have far-reaching results in the planning and ultimate construction of needed school housing in this country.

I would urgently request that you give vigorous support to S. 2317.

Sincerely yours,

F. E. ENGLEMAN,
Commissioner of Education.

THE AMERICAN ASSOCIATION
OF SCHOOL ADMINISTRATORS,
Washington, D. C., September 28, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: I am writing you in behalf of S. 2317, the School Construction Act.

This association, representing approximately 7,000 local school superintendents in the country, is on record in favor of this type of legislation. We are particularly concerned that, if there is to be any advance planning of school buildings, it be done on a State-wide basis as provided in this bill. We support both title I and the authorization of grants for school construction to the limited number of school districts designated as especially burdened by Federal activities.

The title I provision would be extremely helpful whether or not Federal grants-in-aid should be made for other than emergency school construction. Approximately 20 of the States now provide State funds for local school construction, often on an equalization basis. The planning under title I would lay the foundation for State aid in this field. It is also necessary in connection with the school district reorganizations now proceeding throughout the country.

We believe S. 2317 deserves wholehearted, nonpartisan support in the Congress, both to meet present emergency needs and to assist the local communities and States to plan on an educationally sound basis the schools which must be constructed within the next few years.

Sincerely yours,

WORTH MCCLURE,
Executive Secretary.

MAHNOMEN JUNIOR CHAMBER
OF COMMERCE, INC.,
Mahnomen, Minn., September 28, 1949.

Hon. HUBERT HUMPHREY
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: The Mahnomen chapter of the Minnesota Junior Chamber of Commerce wishes to commend you on your proposal for Federal aid for school construction. The entire membership went on record favoring this proposal, and wishes to have you further your support for this measure.

Respectfully yours,

MARVIN BECKMAN,
President, Mahnomen Chapter.

MADISON COUNTY BOARD,
OF EDUCATION,
Richmond, Ky., September 27, 1949.

Hon. HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: I recently noticed in the papers that you were advocating Federal help in the construction of school buildings. I know of nothing that is needed worse than more school plants. In this central Kentucky county, we are using all available space and still find classrooms overcrowded with from 50 to 70 elementary pupils in 1 classroom. This, of course, is little short of criminal but there is nothing that can be done. Funds to build at the present high level are just not to be had. When a local board does scrape together enough money to build a new building or an addition, it is usually done at the expense of the poorly paid teachers. In other words, there is simply not enough money to pay adequate teachers' salaries and to provide adequate school buildings.

I do hope there will be something done by the Congress in the very near future to relieve these deplorable conditions. You would certainly be doing your country and its children a great service if you would push some sort of bill that would relieve our overcrowded school conditions.

Yours very truly,

RUSSELL C. MOORE.

BILLS PASSED OVER

The bill (H. R. 6070) to amend the National Housing Act, as amended, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 5647) to prohibit the picketing of United States courts, was announced as next in order.

Mr. DONNELL. Mr. President, by request, I ask that that bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 240) to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF BENEFITS UNDER BANKHEAD-JONES ACT TO PUERTO RICO

The bill (H. R. 4090) to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico was announced as next in order.

Mr. LODGE. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Oklahoma. Mr. President, under the Bankhead-Jones Act, as a rule young farmers are selected, and they are assisted in selecting farms and receive loans from the Government which are authorized by that Act. This bill would simply extend that system to Puerto Rico.

Mr. LODGE. Was the committee unanimous in its report?

Mr. THOMAS of Oklahoma. It was.

Mr. LODGE. I have no objection.

There being no objection, the bill (H. R. 4090) to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF BENEFITS TO THE TERRITORY OF ALASKA

The bill (H. R. 212) to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 133) to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes," was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 139) for the relief of Guillermo Chacartegui was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1353) for the relief of G. H. Lazarus, Jr., and Jesse F. Bewley, was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. CHAPMAN. Mr. President, I ask that that bill be passed to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

GEORGE SEEMAN JENSEN

The bill (H. R. 3718) for the relief of George Seeman Jensen, was considered, ordered to a third reading, read the third time, and passed.

ALEXIS LEGER

The bill (H. R. 3816) for the relief of Alexis Leger, was considered, ordered to a third reading, read the third time, and passed.

MARY THOMAS SCHIEK

The bill (H. R. 3300) for the relief of Mary Thomas Schiek, was announced as next in order.

Mr. DONNELL. Mr. President, by request I ask that the bill be passed over.

Mr. MCCARTHY. Mr. President, will the Senator withhold his objection for a moment?

Mr. DONNELL. Mr. President, I withdraw my objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 3300) for the relief of Mary Thomas Schiek, which had been reported from the Committee on the Judiciary with an amendment.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The LEGISLATIVE CLERK. It is proposed to strike out "$35,000" and to insert "$25,000."

Mr. MCCARTHY. Mr. President, in this connection I should like to say that I very heartily thank the Senator from West Virginia and the Senator from Arkansas for consenting that we have a vote on this committee amendment so that we may abide by the vote of the Senate. The House authorized the sum of $35,000 for this young lady. The Senate Judiciary Subcommittee agreed to the figure of $35,000. The full committee reduced the amount to $25,000. I sincerely hope the Senate rejects the committee amendment and accepts the House figure.

I do not care to take much of the time of the Senate on this matter, because we discussed it at great length last week. I think all Senators are fully aware of the facts and circumstances surrounding the case. However, I should like to take about 2 minutes to run over the facts in the case. It involves a Red Cross nurse

who was injured by a truck in India. There is no question that she was operating within the scope of her official duties at the time. She suffered a fracture of the sacrum, a fracture of the pelvis, a fracture of two of the vertebrae in her back, and several fractured ribs, with an impingement of the main trunk nerves.

According to the hospital in Calcutta where this girl later went, Dr. McDevitt, the Army doctor in the field hospital, was guilty of gross malpractice. As a result, 4 years later this young lady is still unable to control her bowel movements and her kidneys. She can walk about a block with the use of special braces. She can sit in a chair if properly braced. The whole history of the case gives a picture I think as bad as any I have read of, insofar as personal injuries or gross malpractice are concerned.

For example, this young lady went to the base hospital, the doctor examined her, and said there was nothing wrong. He said, "Get up and walk." Of course she could not get up and walk. Even while lying in bed she could not turn over because of this serious injury.

She ask that X-ray pictures be made, and the doctor told her they would be made if she would get up on the table herself, but she could not do that. When X-rays were at length taken, the doctor said, "This proves you are a big baby as you are not injured."

Finally, they tried psychological treatment on her. They put her off in a little wooden hut with no doors, so that anyone could walk in at any time. She was not within calling distance of a doctor or a nurse. According to her, scorpions and insects were crawling over her. Finally, they gave her a wheel chair so that she could get to the ladies' room. At length the doctor discharged her as cured, reporting she was merely refusing to cooperate, and that that was why she was not getting well.

They sent her to Calcutta, where the doctors X-rayed her and found the very serious injuries I have recounted. The last time this matter was debated I failed to mention some of the fractures. There was a serious fracture of the pelvis, a fracture of the sacrum, a fracture of two bones of the back, fracture of her ribs, and a damaged nerve.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. McCARTHY. If I may finish the sentence, the doctors now report that she is permanently disabled.

Mr. KILGORE. Mr. President, in view of the fact that voting down the amendment would be an overruling of the well-considered policy of a standing committee, I request a yea-and-nay vote.

Mr. McCARTHY. I join in the request.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

Mr. McCARTHY. I ask for a division. Am I correct in understanding that a "No" vote will be a vote for the House figure of $35,000, and that a "yes" vote will be a vote to cut the amount down to $25,000?

The PRESIDING OFFICER. The question is upon the adoption of the committee amendment, which reduces the amount provided by the House from $35,000 to $25,000.

On this question a division is asked for.

On a division the amendment of the committee was rejected.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILDER DAM PROJECT

The joint resolution (S. J. Res. 58) providing for a rehearing in the matter of the Bellows Falls Hydroelectric Corporation (project No. 1892), known as the Wilder Dam project, and a review of any order of the Federal Power Commission, was announced as next in order.

Mr. DONNELL. Over, by request.

Mr. AIKEN. Mr. President, will the Senator withhold his objection?

Mr. DONNELL. I withhold it.

Mr. AIKEN. The subject matter of this joint resolution was thoroughly investigated last year by a subcommittee of the Committee on Public Works of which the Senator from Nevada [Mr. MALONE] was chairman, the other members being the then Senator Cooper, of Kentucky; the Senator from Pennsylvania [Mr. MARTIN]; the Senator from Arkansas [Mr. MCCLELLAN]; and the late Senator Overton, of Louisiana.

The Public Works Committee unanimously reported the joint resolution, and it was passed by the Senate on the consent calendar, but there was not time last year for the House to act upon it. This year the joint resolution was referred to the Committee on Interstate and Foreign Commerce, and was reported favorably, as I understand, with the single exception of the vote of the senior Senator from Kansas [Mr. REED]. The Senator from Kansas has objected to action being taken upon this measure, which has been approved by two committees, and was once passed unanimously by the Senate.

I know the Senator from Kansas when he was present was well within his rights to object to the joint resolution being acted upon, but it seems to me that when he goes away and merely blocks action on it by leaving word that he does not want any action on it, he is straining senatorial courtesy a bit too far. So I ask, Mr. President, if it would be in order, when the call of the calendar is completed, to move the consideration of the joint resolution and have it acted upon. To the best of my knowledge the Senator from Kansas is the only Member of the Senate who objects to it, and, as I have said, I do not think he should be permitted to block it merely by going away and leaving word he does not want it acted upon.

Mr. DONNELL. Mr. President, by reason of the desire of our colleague who is absent, I feel constrained to object, and I do object.

The PRESIDING OFFICER. Objection is heard. In response to the inquiry of the Senator from Vermont, the Chair will say that a motion could be made to bring the joint resolution up at any time, independent of any call of the calendar.

Mr. AIKEN. Could it be made at the end of the call of the calendar?

The PRESIDING OFFICER. It could be made as any other motion could be made, not in connection with the calendar. The unfinished business has been set for that time, and the motion would have to be made at some appropriate time.

Mr. AIKEN. It would have to be made after the call of the calendar was concluded?

The PRESIDING OFFICER. It could not necessarily be made then, because unless the joint resolution goes to the end of the calendar by consent, it would not be subject to call.

Mr. AIKEN. Mr. President, in the interest of good legislation, I think we should not make it possible for a Member of the Senate to go home and block any legislation he does not like merely by saying that he objects to having it acted upon, or, for that matter, to block it completely even while he is here.

Mr. SCHOEPPEL. Mr. President, may I inquire of the distinguished Senator what the status is of some of the Senators in Europe who have left requests?

Mr. AIKEN. I would say that the request of any Senator who goes to Europe and leaves word that he does not want legislation acted upon while he is taking a trip to Europe should be disregarded by the Senate.

Mr. SCHOEPPEL. I might say that my colleague from Kansas had leave of the Senate to be absent, and stated his reasons for leaving. It was because of an unfortunate accident which happened to his wife. Under those conditions, I certainly should like to see the request which he not only left with me, but I am sure with the Senator from Missouri [Mr. DONNELL] complied with, and that the joint resolution be passed over. I do want the Members of the Senate to know the conditions which existed at the time my colleague left.

The PRESIDING OFFICER. The joint resolution will be passed over.

Mr. AIKEN. Mr. President, I am glad the junior Senator from Kansas has pointed out the reason for the absence of the senior Senator from Kansas. I was unaware of the reason he has called to our attention.

I still think, however, that it is not in the interest of good legislating to permit any Member of the Senate, unless he has an exceptionally good reason, to prevent action on legislation merely because he is away for an extended length of time.

The PRESIDING OFFICER. The joint resolution has been passed over.

Mr. DONNELL. Mr. President, I might say, with respect to the comment

of the Senator from Kansas, that the senior Senator from Kansas has not made the objection to me personally, but the notation which I have, which was left with me by the minority leader, leads me to believe that he does object.

While I am on my feet, may I inquire as to Calendar Order No. 1055, House bill 3816? Although the objection was withdrawn, I am not certain that actual action was taken by the Senate on the bill.

The PRESIDING OFFICER. The bill was passed.

Mr. DONNELL. I thank the Presiding Officer.

JOINT RESOLUTION PASSED TO FOOT OF CALENDAR

The joint resolution (H. J. Res. 230) authorizing the Secretary of the Navy to construct, and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I have been asked to object to this joint resolution, but before I do so I should like, for the benefit of the RECORD to have some explanation of it.

The PRESIDING OFFICER. Is a member of the Armed Services Committee present who is familiar with the matter?

Mr. MAGNUSON. Mr. President, I ask that the joint resolution go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the joint resolution will go to the foot of the calendar.

MEDICAL SERVICES FOR CERTAIN NON-INDIANS

The bill (H. R. 4815) to provide for medical services to non-Indians in Indian hospitals, and for other purposes, was announced as next in order.

Mr. MYERS. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

Mr. HUMPHREY subsequently said: Mr. President, a moment ago the distinguished acting majority leader objected to House bill 4815, Calendar No. 1106, when it was reached. I recall that at the last call of the calendar I objected to that House bill being acted upon. I have talked with the Senator from Montana [Mr. ECTON] since that time. I have an amendment in reference to that particular measure which I think is acceptable to the Senator from Montana. If the acting majority leader has no objection, I should like to ask to have the Senate return to consideration of House bill 4815. If that measure be taken up, I shall offer my amendment, and with the amendment in it I believe the bill could be passed.

Mr. DONNELL. By request I object.

Mr. MYERS. My objection was based on the previous objection by the Senator from Minnesota. I was objecting on his behalf.

The PRESIDING OFFICER. The bill has been passed over.

CONCURRENT RESOLUTION PLACED AT FOOT OF CALENDAR

The concurrent resolution (S. Con. Res. 14) to investigate matters affecting the Presidential election and succession was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I note that there has been a request lodged for the resolution to go over by request.

Mr. MYERS. Mr. President, will the Senator withhold his objection?

Mr. SCHOEPPEL. I shall be glad to do so. I note that the Senator who objected is not now in the room, however.

Mr. MYERS. Mr. President, the concurrent resolution was reported unanimously by the subcommittee of which I was chairman, of the Committee on Rules and Administration. A report has been filed. I might say that similar resolutions, although not quite so comprehensive, have previously had favorable action in the Senate. In the Seventy-ninth Congress a similar concurrent resolution was adopted by the Senate unanimously. However, action was not taken in the House. In the Eightieth Congress a similar resolution was pending in the Senate, but the Congress adjourned befor the committee was able to report it.

Senate Concurrent Resolution 14 provides for a joint congressional committee to make a full and complete study and investigation of all matters connected with the election of the President and Vice President from the time of the nomination of the President and Vice President, through the time of their election and time of their inauguration until the termination of their respective terms of office, with the purpose of making the law certain as to the presidential election and succession. These matters shall include, but shall not be confined to, a number of others which are set forth in the report. The subject matters, as the committee report sets forth, conprehended by the term of the concurrent resolution have been the cause of much speculation and discussion since the time of the drafting of the Constitution. Profound legal problem and grave constitutional questions are involved in any consideration of this phase of our system of government.

Many issues of the utmost importance and gravity will develop, no one of which can be adequately considered without a thorough examination of the entire problem.

The concurrent resolution does not provide for enactment of any legislation, but merely for a study and a report to be made to the Senate. I am sorry there should be any objection to such a resolution when such a study is certainly required in a matter of such great importance to the country.

Mr. SCHOEPPEL. I may say to the distinguished Senator from Pennsylvania that if this concurrent resolution may be passed to the foot of the calendar it will give me an opportunity to check again with those who made the suggestion that the resolution be passed over.

Mr. MYERS. I thank the Senator.

Mr. President, I ask that the joint resolution be passed to the foot of the calendar.

The PRESIDING OFFICER. Without objection, the joint resolution will be passed to the foot of the calendar.

Mr. LODGE. Mr. President, I should like to ask the Senator from Pennsylvania [Mr. MYERS] one or two questions about the resolution. Am I not correct in my belief that the committee report makes it clear that there is nothing in the resolution which in any way is prejudicial to Senate Joint Resolution 2?

Mr. MYERS. Undoubtedly that is so, because Senate Joint Resolution 2 was on the calendar, I believe, when Senate Concurrent Resolution No. 14 was reported; and it was specifically provided that the latter measure should not prejudice Senate Joint Resolution No. 2 in any way.

Mr. LODGE. Mr. President, two more questions. The concurrent resolution would enable a study to be made of the general matter of the health and incapacity of the President?

Mr. MYERS. Very true.

Mr. LODGE. And it would also make it possible to look into the matter of Presidential campaign expenditures, would it not?

Mr. MYERS. I believe the concurrent resolution would also provide for such an investigation.

Mr. LODGE. I am in favor of the concurrent resolution. I think it is a good one, and I hope it will be adopted.

The PRESIDING OFFICER. The concurrent resolution will be passed to the foot of the calendar.

BILLS PASSED OVER

The bill (S. 2197) to amend the Export-Import Bank Act of 1945 as amended (59 Stat. 526, 666, 61 Stat. 130) to vest in the Export-Import Bank of Washington, the power to guarantee United States investments abroad, was announced as next in order.

Mr. DONNELL. By request, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1161) to provide for the conversion of national banking associations into and their merger or consolidation with State banks, and for other purposes, was announced as next in order.

Mr. MYERS. By request, I object.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 250) to authorize the Federal Security Administration to assist the States in the development of community recreation programs for the people of the United States, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF FEDERAL CREDIT UNION ACT

The Senate proceeded to consider the bill (S. 2560) to amend the Federal Credit Union Act, which had been reported from the Committee on Banking and Currency with an amendment.

The PRESIDING OFFICER. The Chair calls attention to the fact that

there is on the calendar a similar House bill, House bill 6185. Is there objection to present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6185) to amend the Federal Credit Union Act, which was ordered to a third reading, read the third time, and passed.

COMPLETION OF INTERNATIONAL PEACE GARDEN, NORTH DAKOTA

The bill (H. R. 2369) to authorize an appropriation to complete the International Peace Garden, North Dakota, was considered, ordered to a third reading, read the third time, and passed.

FURTHERING OF POLICY ENUNCIATED IN HISTORIC SITES ACT

The bill (H. R. 5170) to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill, please?

Mr. O'MAHONEY. Mr. President, this bill was reported unanimously by the Commitee on Interior and Insular Affairs. It is one which many Senators on both sides of the aisle are supporting. It provides for supplementing the Federal program with respect to the preservation of historic sites. It does not contemplate any Federal expenditure, but permits the National Trust for Historic Preservation in the United States to carry on under the old act. I may read from the report.

The purpose of the bill——

Mr. SCHOEPPEL. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Yes, indeed.

Mr. SCHOEPPEL. In the event the trustees incur expenses, and there are no voluntary contributions immediately available to pay the expenditures, how is it intended that the trustees shall be reimbursed for expenditures which are incurred in line with their official duties and functions?

Mr. O'MAHONEY. There is no provision in the bill by which they could be reimbursed. It was the clear understanding of the committee that there would be no Federal obligations with respect to this bill.

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5170) to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation was considered, ordered to a third reading, read the third time, and passed.

BELLE FOURCHE AND OTHER IRRIGATION DISTRICTS

The Senate proceeded to consider the bill (H. R. 5184) to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 6, after line 22, to insert a new section, as follows:

SEC. 7. In the event expenditures are made by the United States for rehabilitation and betterment work as contemplated by the terms of the contracts approved by sections 2, 3, and 5 of this act, payments made to the United States in reduction of the respective construction charge obligations thereunder shall be applied annually against such expenditures until an amount equal thereto shall have been returned to the United States.

And on page 7, line 6, to change the section number from "7" to "8."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

UTILIZATION OF SURPLUS ARMY LAND AT FORT LOGAN, COLO., FOR NATIONAL CEMETERY

The Senate proceeded to consider the bill (S. 2364) to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Logan, Colo., which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 10, after the words "in excess of", to strike out: "140 acres" and insert "160 acres", so as to make the bill read:

Be it enacted, etc., That when the Secretary of the Army determines that there is need for an additional cemetery or cemeteries for the burial of members of the armed forces of the United States dying in the service or former members whose last discharge therefrom was honorable, and certain other persons as provided for by law, he is authorized to utilize such of the federally owned lands under the jurisdiction of the Department of the Army at Fort Logan, Colo., as are not needed for military purposes for the establishment thereon of a national cemetery.

SEC. 2. Upon the selection by the Secretary of the Army of any lands, as provided in section 1 hereof, he is authorized and directed to establish thereon a national cemetery and to provide for the care and maintenance of such cemetery. No national cemetery established pursuant to this Act shall have an area in excess of 160 acres.

SEC. 3. The Secretary of the Army is authorized to prescribe such regulations as he may deem necessary for the administration of this act.

SEC. 4. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry into effect the purposes of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REIMBURSEMENT OF BUREAU OF NARCOTICS FOR PURCHASE OF NARCOTICS

The bill (S. 2598) to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics, was announced as next in order.

Mr. GEORGE. Mr. President, there is an identical House bill on the calendar, Calendar No. 1188, House bill 6213.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 6213?

There being no objection, the bill (H. R. 6213) to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection Senate bill 2598 is indefinitely postponed.

DISPOSITION OF MATERIAL REMOVED FROM EXECUTIVE MANSION

The joint resolution (S. J. Res. 129) to authorize the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation was announced as next in order.

The PRESIDING OFFICER. A similar measure is Calendar No. 1158, House Joint Resolution 353. Is there objection to the present consideration of the House joint resolution?

There being no objection the joint resolution (H. J. Res. 353) authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 129 is indefinitely postponed.

PALISADES DAM AND RESERVOIR PROJECT, IDAHO, ETC.—BILL PASSED OVER

The bill (S. 2195) to authorize the Palisades Dam and Reservoir project, to authorize the north side pumping division and related works, to provide for the disposition of reserved space in American Falls Reservoir, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, this bill was introduced by the late Senator Miller of Idaho. It has the effect of authorizing the Bureau of Reclamation to proceed with the construction of the Palisades Dam and Reservoir, and provides for the distribution of reserved space. There is a provision, however, added by the committee, that no appropriations shall be made under this authority for actual construction of the Palisades Dam and Reservoir project until a compact between the States of Idaho and Wyoming, as authorized by the act of June 3, 1948, has been ratified by the two States.

The bill had the support of its sponsor, of course, and it now has the support, as I understand, of the Senator from Idaho [Mr. DWORSHAK], who during his previous service in this body was a member of the Public Lands Committee.

There is no problem of the site involved. Lands are available. However, the measure does provide for needed reclamation in the States of Idaho and Wyoming.

The statistics on the bill, as set forth in the report, show that the total cost for the construction of the dam, the reservoir, and the pumping division will be approximately $94,500,000. Of this amount, $61,267,000 is reimbursable by payments under the irrigation law, and by returns from power. The nonreimbursable items for flood control, fish and wild life, and recreation amount to approximately $32,000,000, flood control being $22,733,000, fish and wildlife, $3,800,000, and recreation $6,296,000.

Mr. President, I should be very glad to have the entire report printed in the RECORD at the conclusion of my remarks. The dam will be on the channel of the Snake River, which flows through Wyoming into Idaho. It will lie between the American Falls Reservoir, with a capacity of 1,700,000 acre-feet, situated downstream, and the Jackson Lake Reservoir, which is in Teton County, Wyo., with a capacity of 800,000 acre-feet.

The PRESIDING OFFICER. Without objection, the report will be printed in the RECORD.

The report (No. 1116) is as follows:

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 2195) to authorize the Palisades Dam and Reservoir project, to authorize the North Side pumping division and related works, to provide for the disposition of reserved space in American Falls Reservoir, and for other purposes, having considered the same, report favorably thereon with the following amendments and with the recommendation that the bill, as amended, do pass.

On page 2, line 5, strike out the period and insert a comma and the following: "and as including facilities for the improvement of fish and wildlife along the headwaters of the Snake River, such facilities to be administered by the Fish and Wildlife Service."

On page 2, line 18, strike out the words "Bureau of Reclamation", and insert in lieu thereof the word "Secretary."

On page 4, line 1, strike out "sixty-eight four-hundred-and-thirty-fourths", and insert in lieu thereof "eighty-six four-hundred-and-thirty-fourths."

On page 5 insert the following new section 6:

"SEC. 6. There are hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated, the sums of $76,601,000 for construction of the Palisades Dam and Reservoir project, Idaho; $11,395,000 for construction of the North Side pumping division of the Minidoka project, Idaho; and $6,600,000 for construction of power generating and related facilities, American Falls Dam, Idaho: *Provided*, That no appropriation shall be made under this authority for actual construction of the Palisades Dam and Reservoir project until a compact between the States of Idaho and Wyoming, as authorized by the act of June 3, 1948, Public Law 580, Eightieth Congress, has been ratified by the States of Idaho and Wyoming, and approved by the Congress."

On December 9, 1941, the Secretary of the Interior submitted a report to the Congress on the Palisades Dam project, Idaho (H. Doc. 457, 77th Cong., 1st sess.). The Secretary, in his letter of transmittal, said:

"The Palisades Dam project is a multiple-purpose project involving major irrigation, flood control, and power benefits, and contemplating, as a part of the irrigation phase, the conservation of a large amount of water, which is now wastefully used."

The project was authorized on a finding of feasibility by the Secretary of the Interior. Before transmitting the report to Congress it was submitted to the Director of the Budget, and his response to the Secretary stated:

"It would not be in accord with the program of the President, in the absence of evidence showing that the proposed works possess important defense value, to submit any estimate of appropriation for the construction of the project during the present emergency. It also would be contrary to the program of the President to submit any such estimate until local interests have given satisfactory assurance to the Secretary of the Interior that they will eliminate the wasteful use of water in the area to be effected by the project."

PROJECT PLAN

The Palisades Dam, to be situated in the channel of Snake River, will create a storage reservoir with an active capacity of 1,277,000 acre-feet. It will lie bteween the American Falls Reservoir with a capacity of 1,700,000 acre-feet, situated downstream, and the Jackson Lake Reservoir with a capacity of 800,000 acre-feet, situated upstream in Teton County, Wyo.

Present reservoirs in the Snake River Basin above and including American Falls have an aggregate storage capacity of 2,700,000 acre-feet. The use of this storage has, historically, been largely to provide desirable seasonal distribution of the run-off rather than to provide cyclic hold-over storage for years of low-stream flows. The ultimate objective is coordination of all storage units in a plan for river regulation which will provide the greatest benefits for flood control, generating of hydroelectric power, and hold-over storage for irrigation. Such operations will require the consent of water users to transfer their storage and direct-flow rights to the coordinated system, without loss of identity or priority. The improvement in methods of forecasting run-off and flood stages indicate that large increases in the total usable water supply can be had if the "ultimate objective," above defined, is achieved. The testimony at the hearings was to the effect that progress has been made and that no serious difficulty was anticipated in bringing about the consents required for the coordinated operation of all major storage and diversion works. By this means, the wastes of water referred to by the Secretary will be eliminated.

The operation of the reservoirs to reduce flood damages in the valley will be performed by the Bureau of Reclamation in conformity with rules and regulations of the Chief of Engineers, Department of the Army (sec. 7 of the Flood Control Act of 1944, 58 Stat. 890).

The bill would authorize the installation of a power plant at American Falls Dam with a capacity of 30,000 kilowatts. The installed power capacity at the Palisades Dam would be authorized to a maximum capacity of 112,500 kilowatts.

The storage capacity in American Falls Reservoir was sold under contracts, during the earlier stages of development of the Federal reclamation projects downstream, to water users on these and to privately constructed irrigation enterprises, with the exception of 433,000 acre-feet. However, since the reservoir was completed, drought conditions and increases in areas irrigated prompted the Bureau of Reclamation to lease the unsold space to water users who had direct-flow rights only. Such leases have resulted in preventing enormous crop losses. However, more storage is required for firming the run-off to meet increased irrigation demands for both new and supplemental water supplies. While it appears that the authorization of the American Falls Reservoir project contemplated the reservation of the unsold space for the supply of new lands, this is not now practicable. Accordingly, 315,000 acre-feet of space will be sold to lessees who have used it since 1928, 47,593 acre-feet will be allocated to 77,000 acre-feet of the North Side pumping division of the Minidoka, and 71,000 acre-feet to 30,000 acres on Michaud Flats. Additional supplies for these two areas will be available from wells and Palisades Reservoir. Only the first-named unit would be authorized by the bill, and the use of ground waters is to be heavily relied upon.

Section 4 (a) of the bill, H. R. 5506, provides that continuation of the construction of Palisades Dam beyond December 31, 1950, will be contingent upon the consummation of water-saving contracts which will, in the opinion of the Secretary of the Interior, produce average annual savings of 135,000 acre-feet. This amount was set forth particularly in House Document 457, supra.

The testimony of Bureau of Reclamation officials produced the following financial data:

Construction costs, 1949 price level:	
Palisades Dam, Reservoir, and power plant	$76,601,000
North Side pumping division	[1] 11,395,000
American Falls power plant	6,600,000
Total cost	94,596,000
Allocations of construction costs:	
Reimbursable:	
Irrigation	28,866,100
Power	32,401,300
Subtotal	61,267,400
Nonreimbursable:	
Flood control	22,733,300
Fish and wildlife	3,800,900
Recreation	6,296,000
Total	94,097,600

[1] Without deduction of storage credits from leases.

The bill would reauthorize the Palisades Reservoir project. The other units were not previously authorized. All of the water users can repay their obligation in 40 years, and costs assigned to be repaid from net power revenues will be repaid in 50 years after all power units are in operation. Your subcommittee has considered the flood hazards in the valley, the need for power for commercial uses and for irrigation pumping, which, together with other benefits show a benefit-cost ratio of 1.37 to 1. The irrigated area affected will exceed 700,000 acres.

Full agreement exists between the compact commissioners of the States of Idaho and Wyoming upon a division of the waters of the Snake River at the Idaho-Wyoming State line. While the compact has not been formally prepared and signed by the compact commissioners, neither of them anticipates objections to prompt ratification by the States. A special session of the Idaho Legislature will convene early in 1950. Wyoming's Legislature has not as yet scheduled a meeting prior to its next regular session in January 1951. The amendment proposed by the Senate committee therefore preserves the status quo until a compact is approved by the Congress.

With no increase in the total authorization for the project it is recommended that provision be made for the construction at Jackson, Wyo., of a fish hatchery adequate to meet the ever-growing present demand and the tremendous requirement for such service upon completion of the Palisades Dam and Reservoir.

There is no problem of site. Lands are now available within the fish and wildlife refuge at Jackson.

To supply 400,000 legal-sized fish and 1,000,000 fingerling trout annually, it is proposed that the $76,601,000 authorization include the $365,000 for hatchery construction.

Jackson is the center of a recreational area of vast size and great attraction to tourists and sportsmen. The Grand Teton National Park, the Jackson Hole National Monument, and the Teton National Forest surround the hatchery site and would be supplied.

A small State hatchery at Daniel, Wyo., does not have the capacity to supply the area.

Mackinaw trout fishing, widely noted on Jackson Lake, has declined by reason of the catch exceeding the normal increment of fish as greater numbers of sportsmen visit the area.

It is obvious that present demands cannot be met and that the increased requirements of the Palisades Reservoir will be proportionally excessive.

Further detailed information is carried in the favorable report of the Department of the Interior to the chairman of the Senate Committee on Interior and Insular Affairs, under date of August 10, 1949, which report is hereinbelow set forth in full and made a part of this report.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., August 10, 1949.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: You have asked for an expression of our views on S. 2195 and S. 2203, bills to authorize the Palisades Dam and Reservoir project, to authorize the north side pumping division and related works, to provide for the disposition of reserved space in American Falls Reservoir, and for other purposes. The bills in question are identical.

We recommend that legislation along the lines proposed by these bills be enacted.

Enactment of this legislation would constitute a long step forward in the development of the water resources of the upper Snake River Valley in Idaho and in the settlement of an extremely complicated water-right problem in that area. The legislation and actions taken in its fulfillment will long be looked on as an example of the ability of contending groups of water users, acting in cooperation with the Federal Government, to resolve difficult water-use problems.

The bills deal with several major, but closely related, physical undertakings, these being Palisades Dam and Reservoir, American Falls Dam, and the proposed North Side pumping division of the Minidoka project. These physical undertakings are all related in the solution of the water problems of the upper Snake River Valley. The problems arise because of the need for supplemental storage in the valley. This need will be met with the building of Palisades Dam and Reservoir, though this is but part of the solution. The whole solution requires the providing of authority with respect to the use of that reservoir and related existing storage facilities, and the making of appropriate arrangements under that authority.

A brief résumé of the problems involved and the negotiations with respect to them will show this interrelationship and the desirability, even necessity, of treating the major physical undertakings together in the proposed legislation.

Palisades Dam was initially authorized in 1941 (H. Doc. No. 457, 77th Cong., 1st sess.) on the basis of a finding of feasibility made by the Secretary under the provisions of section 9 of the Reclamation Project Act of 1939 (53 Stat. 1187). The construction of the project was regarded, however, at least administratively, as dependent on there being assurance of a minimum water supply through the curtailment of certain wasteful winter diversions in the upper Snake River Valley. A comprehensive study of water supply and use in that area was completed and a report on the findings was released in December 1946. Negotiations with the water users as to winter water savings and future repayment of the portion of the cost of Palisades Dam to be repaid by water users were begun immediately. The water users raised at the outset, however, the question as to the final disposition of the 433,593 acre-feet of reserved space in American Falls Reservoir then under lease to them.

The United States proposed that this reserved space continue to be set aside for the development of new lands in accordance with plans in contemplation when American Falls Reservoir was built in 1927. The present lessees of that space, however, argued that the entire space should be sold to them. The United States recognized the position of those water users as having some merit, but it was felt that there were sounder reasons for recommending the development of some 67,000 acres of new land—30,000 acres in the Michaud Flats area and 37,000 acres comprising the better public lands long under withdrawal for development as part of the North Side pumping division of the Minidoka project. This proposition was a compromise, for it involved the development of but a portion of the lands under withdrawal for the North Side pumping division. While the negotiations with the water users were going on, however, the possibility of developing ground water as a source of supply for a substantial portion of the North Side pumping division was explored and the results held promise. This made possible a further compromise as to the use of American Falls space. The compromise tentatively worked out provides for the disposal of 315,000 acre-feet of the total reserved space to the existing water users who have heretofore leased that space. The balance is to be allocated: 47,593 acre-feet to unit A of the North Side pumping division and 71,000 acre-feet to the lands in the Michaud area which lies between Pocatello and American Falls.

The proposal to develop the North Side pumping division in a large part with ground water focused attention anew on the problem of the most suitable source of irrigation pumping power. The conclusion reached was that completion of the power installation at American Falls Dam was the answer because it is especially adaptable to seasonal production and would afford a good way of realizing on the investment initially made in power facilities when the dam was built. It also promises to afford the best way of providing for the continuation of a needed winter water-savings program through curtailment of winter power generation at Minidoka Dam and Shoshone Falls. Accordingly, the bills cover both authorization of the North Side pumping division and authorization of the power installation at American Falls as a primary source of pumping power.

The major purpose of each section of the bills and important aspects of the works covered thereby are discussed below.

Section 1 of each of the bills relates to Palisades Dam, with respect to which supplemental authority is needed. The dam, as now proposed to be built, is essentially the same as that initially authorized, although it is proposed now to increase the capacity of the outlet works to permit greater flexibility in flood-control operations and to increase the maximum power installation to approximately 112,500 kilowatts. The total cost of the proposed project estimated as of January 1, 1949, is $76,601,000. The proposed allocations of these costs are covered fully in the supplemental report to which reference is made in the bill. The project, on the basis of such allocations and prospective returns, is regarded as financially feasible.

Two or three aspects of the proposed operating plan for the reservoir are unique and have a direct bearing on the allocation of costs, and, consequently, on pay-out. The flood control plan discussed in detail in appendix A of the allocation report has been worked out between the Bureau of Reclamation and the Corps of Engineers. That plan involves the joint use, on the basis of run-off forecasts, of all active space in the reservoir for irrigation and flood-control purposes. The run-off forecasts would be improved by continuation and extension of the existing hydrometeorological network. Such a plan justifies a substantially larger allocation to flood control than would be possible were but a portion of the reservoir space to be made available for flood-control purposes. The study of that plan, based on past years of record, indicates that the plan can operate without any substantial detriment to the total amount of irrigation storage water to be realized.

No account is taken of the increased allocation to flood control that might be justified when and if a more extensive reservoir system for the control of floods on the main stem of the Columbia River, such as proposed in the report of June 28, 1949, of the Chief of Engineers, is authorized, but it is expected that at such time there could be reevaluation if authority in law for such a review is then extant.

The proposed allocation of project costs to fish and wildlife is in keeping with the policy established by the Congress in the act of August 14, 1946 (60 Stat. 1081), but in this instance is dependent upon 55,000 acre-feet of Palisades space being made available to the Fort Hall Indian Reservation as replacement storage for that which it now receives from Grays Lake and on the actual establishment of Grays Lake as a wildlife management area. The latter step will require, among other things, the acquisition of adequate rights-of-way.

The proposed allocation to recreation is regarded as justified because with Palisades Reservoir in operation it will become possible and desirable, from a water-savings point of view, to maintain Jackson Lake at full level throughout the tourist season. Only in extremely dry years would there be any substantial withdrawal from Jackson Lake during that season. In terms of tourist attraction in an area so widely known throughout the United States, this change of operating plan is regarded as capable of a high monetary valuation, which would adequately justify the proposed allocation of project costs to recreation. The basis of the valuation and allocation of project costs to recreation is explained in appendix C of the supplemental report.

All proposals of consequence with respect to Palisades Dam and Reservoir will be made effective through the adoption, by section 1 of the bill, of the specific recommendations incorporated by reference in the supplemental report approved by the Secretary on July 1, 1949.

Authorization of the North Side pumping division of the Minidoka project will be effected by the provisions of section 2 of the bills. A full description of the project works and a discussion of the engineering and financial aspects of this undertaking appear in the Commissioner's report, as approved and adopted by the Secretary on July 1, 1949. The primary source of pumping power suggested in that report is the power installation at American Falls Dam. At the pumping power rate assumed in the report, the proposed works are regarded as financially feasible, although, because of the relatively high estimated annual cost to water users, it is proposed, through adoption of the specific recommendations incorporated by reference in the report, to permit use of a repayment plan somewhat different from that now

provided by section 9 of the Reclamation Project Act of 1939.

Section 2 of the bill covers, in addition to the North Side pumping division, the completion of the long-deferred power installation at American Falls Dam and the treating of this and the Palisades power plant and the related transmission system as one unit for pay-out and rate-making purposes. Power pen stocks were included in the dam when it was first built, and it was then planned to complete the installation with a primary purpose being to provide irrigation pumping power. There is attached a financial study (financial study of proposed completion of American Falls power plant) dealing with the American Falls power plant as it could be operated in conjunction with the Palisades plant, having regard for the limited power water rights of the United States at American Falls Dam. This study shows the proposed installation to be feasible, using rates for pumping power in keeping with those in the North Side pumping division report to which this study is complementary.

The construction and operation of the American Falls power installation will result in the termination of a contract of October 1, 1934, with the Idaho Power Co. That contract had as its main purpose the conservation of water for irrigation use, but it was made possible at the cost of committing to the power company all surplus power of the Black Canyon power plant of the Boise project. It is desirable to continue the water-conservation features of that contract but to do so other than by continuing the commitment as to Black Canyon power. The American Falls power installation appears to be the best means for accomplishing this.

Through the adoption of the specific recommendations incorporated by reference in the commissioner's supplemental report on Palisades and the North Side pumping division, as approved and adopted by the Secretary, there will be authorized transmission facilities in the upper Snake River Valley for the connection of the Palisades power plant with other Federal power plants and pumping projects in that area that would include the interconnection of the Palisades plant and the American Falls installation. There also will be authorization for the building of a distribution system in the North Side pumping division to serve the various pumping facilities of that undertaking. It is not proposed, however, that the United States continue indefinitely to operate that distribution system; accordingly, provision is made for its ultimate disposition either by sale or through some lease arrangement to some local organization.

Section 3 of the bills will give authority for the ultimate disposition of reserved space in American Falls Reservoir in keeping with the tentative agreement reached with the water users of the upper Snake River Valley. The capacity set aside for the North Side pumping division is in accord with the report on that division. Plans for the use of the space set aside for lands in the Michaud area have yet to be fully developed. The act of June 5, 1924 (43 Stat. 390, 417), provide for an interest payment of 6 percent per annum on deferred payments of American Falls construction costs. In keeping with existing reclamation policy, it is now proposed, however, to permit deferred payments without interest. It is proposed, also, to permit a part of the returns heretofore realized by the United States from the lease of American Falls space to be applied in the reduction of the purchase price of the space.

Section 4 of the bills has two provisions of some consequence, though they are merely ancillary to the main purposes of the bill. It is proposed, first, that the Congress make continuation of the construction of Palisades Dam beyond December 13, 1950, contingent on there being assurance satisfactory to the Secretary that the desired average annual water savings amounting to 135,000 acre-feet will be achieved. While tentative agreement has been reached with respect to all principles to govern contracts for winter water savings, it is regarded as of importance, that these principles be made effective through contracts before construction of Palisades Dam proceeds very far. The imposition of such a time limit by the Congress is believed desirable for the accomplishment of this objective. The provision for extending the time limit in some circumstances is desirable.

This same section provides also that the contracts to be entered into with respect to American Falls and Palisades space may include such provisions as the Secretary finds to be proper to insure the continued effectiveness of the winter water-savings program. A part of the winter water-savings program involves providing special storage rights to water users participating in that program, but it is important that, through contract provisions, all who contract as to the use of American Falls and Palisades space be required to recognize these special storage rights. It is desirable to have legislative foundation for such a requirement, as will be provided in this section of the bills.

The State of Wyoming has an indirect interest in the proposed legislation, particularly with respect to Palisades Dam and Reservoir. There is a relationship between the storage of water in Palisades Reservoir and the priorities therefor and the use of additional water of the Snake River for lands in Wyoming. Negotiations are now going on with respect to a compact between Wyoming and Idaho, and, if agreement is reached in those negotiations, the interests of Wyoming will be adequately protected. The Department, through the Federal representative, Mr. Newell, is actively engaged in seeking an equitable solution. It would be salutary, indeed, if agreement in the negotiations were to be reached before action is taken by the Congress on the proposed legislation, but it is our view that action on the legislation should be taken as early as possible without regard to the status of negotiations on the compact. There will be ample time for settlement of the issues involved in those negotiations while actual construction of Palisades Dam is in progress.

Your committee will wish, no doubt, to correct a typographical error on page 4, line 2, of the bill. The fraction there stated is "three hundred and sixty-eight four-hundred-and-thirty-fourths." It should read "three hundred and eighty-six four-hundred-and-thirty-fourths." Also, it is recommended that the expression "Secretary" be substituted for the expression "Bureau of Reclamation," in line 18, on page 2 of the bill.

Inasmuch as I understand that your committee wishes an immediate report on this bill, I am unable to advise you concerning its relation to the program of the President.

Sincerely yours,

J. A. KRUG,
Secretary of the Interior.

Mr. SCHOEPPEL. I note that the Senator from Delaware [Mr. WILLIAMS] asked for an explanation of the measure, for which I am grateful. I may say to the Senator from Wyoming that an objection has been lodged with me against the bill, and I must object.

The PRESIDING OFFICER. The bill will be passed over.

Mr. O'MAHONEY. Mr. President, I wish to state at this time that the committee unanimously voted this morning to authorize me to offer an amendment on page 6, line 5, to strike out the word "project." I say that in order that note may be made in the RECORD, and in order that the amendment may be considered when the bill is next taken up.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

CONVERSION OF FEDERAL SAVINGS AND LOAN ASSOCIATIONS TO MUTUAL SAVINGS BANKS

The Senate proceeded to consider the bill (S. 1175) to amend the Home Owners' Loan Act of 1933 with respect to mutual savings banks, which had been reported from the Committee on Banking and Currency with amendments, on page 4, line 3, after the word "further", to strike out "That in the case of conversion to a mutual savings bank such conversion shall not be effective unless and until the Federal Deposit Insurance Corporation has accepted the converting institution as an insured bank, and the Board of Directors of the Federal Deposit Insurance Corporation is hereby authorized to make such acceptance." and insert "That no association shall so convert into a mutual savings bank unless, upon the conversion, the deposits of such mutual savings bank will be insured by the Federal Deposit Insurance Corporation."; on page 4, after line 12, to insert a new section 2, as follows:

SEC. 2. Subsection (i) of section 5 of the Home Owners' Loan Act of 1933, as amended, is hereby amended by the addition of the following paragraph at the end thereof:

"Upon the conversion of a Federal savings and loan association to a mutual savings bank insured by the Federal Deposit Insurance Corporation; the insurance of the accounts of the converting association by the Federal Savings and Loan Insurance Corporation and the liability of such association to the Federal Savings and Loan Insurance Corporation for any future insurance premium shall terminate."

And on page 4, after line 23, to insert a new section 3, as follows:

SEC. 3. Paragraph (1) of subsection (i) of section 12B of the Federal Reserve Act, as amended, is hereby amended by the addition of the following sentence at the end thereof:

"Upon the conversion of an insured mutual savings bank to a Federal savings and loan association, the insurance by the Federal Deposit Insurance Corporation of the deposits in such bank shall terminate and the liability of such bank for any future assessments to the Federal Deposit Insurance Corporation shall terminate."

So as to make the bill read:

Be it enacted, etc., That the second paragraph of subsection (i) of section 5 of the Home Owners' Loan Act of 1933, as amended, is hereby amended to read as follows:

"Any Federal savings and loan association may convert itself into a savings and loan type of institution or a mutual savings bank organized pursuant to the laws of the State, District, or Territory (hereinafter referred to in this section as the State) in which the principal office of such Federal association is located: *Provided*, (1) That the State permits the conversion of any savings and loan type of institution or (in the case of conversion to a mutual savings bank) any mutual savings bank of such State into a Federal savings and loan association; (2) that such conversion of a Federal savings and loan association into such a State institution is determined upon the vote in favor of such conversion cast in person or by proxy at a special meeting of members called to consider such action, specified by the law of the State in which the home office of the Federal association is located, as required by such law

for a State-chartered institution to convert itself into a Federal association, but in no event upon a vote of less than 51 percent of all the votes cast at such meeting, and upon compliance with other requirements reciprocally equivalent to the requirements of such State law for the conversion of a State-chartered institution into a Federal association; (3) that notice of the meeting to vote on conversion shall be given as herein provided and no other notice thereof shall be necessary; the notice shall expressly state that such meeting is called to vote thereon, as well as the time and place thereof, and such notice shall be mailed, postage prepaid, at least 20 and not more than 30 days prior to the date of the meeting, to each member of record of the Federal association at his last address as shown on the books of the Federal association and to the General Manager of the Federal Savings and Loan Insurance Corporation, Washington, D. C.; (4) that upon the effective date of the conversion the association has repurchased the total amount invested in its shares by the Secretary of the Treasury; and (5) that if upon the effective date of conversion the Home Owners' Loan Corporation will hold of record shares of the association, its approval of the conversion has been obtained; (6) that in the event of dissolution after conversion the members or shareholders of the association or the depositors of the mutual savings bank, as the case may be, will share on a mutual basis in the assets of the association or bank in exact proportion to their relative share or account credits; (7) that such conversion shall be effective upon the date that all the provisions of this act shall have been fully complied with and upon the issuance of a new charter by the State wherein the association is located; it being provided that, except with respect to institutions converted to mutual savings banks, its act of converting into a State-chartered institution shall constitute an agreement to be bound by all the requirements that the Federal Savings and Loan Insurance Corporation may legally impose under section 403 of title IV of the National Housing Act, as now or hereafter amended, and the association shall upon conversion and thereafter be authorized to issue securities in any form currently approved at the time of issue by the Federal Savings and Loan Insurance Corporation for issuance by similar insured institutions in such State, District, or Territory: *Provided further,* That no association shall so convert into a mutual savings bank unless, upon the conversion, the deposits of such mutual savings bank will be insured by the Federal Deposit Insurance Corporation."

SEC. 2. Subsection (i) of section 5 of the Home Owners' Loan Act of 1933, as amended, is hereby amended by the addition of the following paragraph at the end thereof:

"Upon the conversion of a Federal savings and loan association to a mutual savings bank insured by the Federal Deposit Insurance Corporation; the insurance of the accounts of the converting association by the Federal Savings and Loan Insurance Corporation and the liability of such association to the Federal Savings and Loan Insurance Corporation for any future insurance premium shall terminate."

SEC. 3. Paragraph (1) of subsection (i) of section 12B of the Federal Reserve Act, as amended, is hereby amended by the addition of the following sentence at the end thereof:

"Upon the conversion of an insured mutual savings bank to a Federal savings and loan association, the insurance by the Federal Deposit Insurance Corporation of the deposits in such bank shall terminate and the liability of such bank for any future assessment to the Federal Deposit Insurance Corporation shall terminate."

The amendments were agreed to.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill with the amendments?

Mr. DONNELL. Mr. President, may this bill be passed to the foot of the calendar?

Mr. FULBRIGHT. Mr. President, the Senator from Delaware [Mr. FREAR] is not present.

Mr. DONNELL. Mr. President, I withdraw my request.

Mr. FULBRIGHT. I hold in my hand the report. I was not a member of the subcommittee which considered this particular bill. I know that its general purpose is to permit the conversion of Federal savings and loan associations into mutual-savings banks. I remember the discussion in the committee, that such conversion was to be permitted only in accord with State laws. The bill does not permit overriding of the State laws with regard to the conversion, or the establishment of branches. I regret that I am not competent to give a more complete explanation of the bill. I did not anticipate having to explain it, because I was not on the subcommittee directly concerned with the proposed legislation.

Mr. SCHOEPPEL. May I ask the distinguished Senator from Arkansas if I correctly understand his statement that the bill is not contrary to any of the State laws on related subjects?

Mr. FULBRIGHT. That is correct. I distinctly remember that the point was raised, because I would have been opposed to it if it had overridden State laws with regard to the conversion or the establishment of branches. The report states that very clearly. However, I am not familiar with the details of the proposed legislation, which was unanimously reported by the committee.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

Mr. DOUGLAS. Mr. President, if the bill is to be passed, on behalf of the Senator from Delaware [Mr. FREAR] I offer a perfecting amendment which he has asked me to offer in his absence.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois in behalf of the Senator from Delaware [Mr. FREAR] will be stated.

The LEGISLATIVE CLERK. On page 4, line 18, it is proposed to strike out the semicolon and insert in lieu thereof a comma.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF HOME OWNERS' LOAN ACT WITH RESPECT TO FEDERAL SAVINGS AND LOAN ASSOCIATIONS—BILL PASSED TO FOOT OF CALENDAR

The bill (S. 2006) to amend the Home Owners' Loan Act of 1933 with respect to Federal savings and loan assiciations was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. IVES. Mr. President, will the Senator from Kansas withhold his objection for a moment?

Mr. SCHOEPPEL. Certainly.

Mr. IVES. I am curious to know for what reason the distinguished Senator from Kansas desires to have this bill passed over. All it does is to place Federal savings and loan associations on the same basis as that of State savings and loan associations in the several States. As would appear to be the case in the previous bill, no advantage is given to Federal institutions over State institutions, or vice versa. This is a very fair piece of legislation, and I trust that the objection to it will be withdrawn.

Mr. SCHOEPPEL. Let me say to the distinguished Senator from New York that the Senator from Washington [Mr. CAIN] as my records indicate, lodged some objection to the measure. I would have no objection whatever to this bill going to the foot of the calendar, so that an opportunity may be afforded for the Senator from New York to confer with the Senator from Washington.

Mr. IVES. The Senator from New York thanks the Senator from Kansas, and requests that the bill be passed over to the foot of the calendar.

Mr. MAGNUSON. Mr. President, I have also received requests from my State with regard to this bill, and I presume my junior colleague received requests from the same sources. The reason for asking that the bill go over is that the savings and loan associations in that State have no opportunity to know that this measure was coming up, and no hearings were held. They do not say that they are opposed to it, but they wish to have the opportunity to present some material before action is taken on the bill.

Mr. IVES. As the Senator from New York understands, there were hearings on the House bill. Furthermore, the Senator from New York would like to point out to the distinguished Senator from Washington that so far as State savings and loan associations in the State of Washington are concerned, legislation of this character is for their benefit.

Mr. MAGNUSON. I do not know whether it is or not. The fact is that we have received requests that the savings and loan associations be given an opportunity to submit certain material and evidence. That is the reason, I suspect, why my colleague has asked that the bill go over.

Mr. IVES. Is the Senator willing to allow the bill to go to the foot of the calendar?

Mr. MAGNUSON. Certainly. I have no objection to that.

The PRESIDING OFFICER. Without objection, the bill will be passed to the foot of the calendar.

READJUSTMENT OF POSTAL RATES—BILL PASSED OVER

The bill (S. 1103) to readjust postal rates was announced as next in order.

Mr. McCARTHY. Let the bill go over.

Mr. DOUGLAS. Mr. President, I wonder whether the Senator who asked to have the bill go over will withhold his objection until we may have an explanation about the bill?

The PRESIDING OFFICER. Objection has been made to the present consideration of the bill.

Mr. DOUGLAS. I wonder whether the Senator who objected will permit an explanation to be made?

Mr. McCARTHY. I withhold my objection.

Mr. DOUGLAS. I should like to state that the deficit of the Post Office Department for the last year was approximately $550,000,000. The projected deficit for the present year, without including any allowance for the pay increases under the bill for that purpose, is approximately $400,000,000. I understand from the newspapers that the conference committee on the postal pay bill has agreed to a series of raises in the pay of postal employees totaling approximately $115,000,000. Therefore, it follows that unless postal rates are increased, the postal deficit for the current year will be approximately $515,000,000.

I submit that the Congress should address itself to the question of adequate and sufficient postal rates if we are to preserve the solvency of the country. We must get the postal deficit down to an amount not very far from $200,000,000, and we must seek increases in postal rates amounting to around $300,000,000.

Therefore, I think we cannot sit here during calendar call after calendar call and not make provision for such an increase in postal rates.

Mr. McCARTHY. Mr. President, I was objecting, not because I think the provisions of the bill are especially bad, but because I do not think the bill attacks the entire problem, and does not attack in the best manner what it does attack.

For instance, I think the parcel-post branch of the Post Office Department should be put on a paying basis. Under present conditions, we are subsidizing the mail-order houses, such as Sears, Roebuck & Co., with a tremendous amount of money.

I do not think we can properly handle this matter until we put into effect some of the recommendations of the Hoover Commission. For instance, at the present time there are a number of hidden subsidies. I think they should be identified. I do not think they should be charged against the ordinary users of the mail. I think they should come out of the general tax funds.

As I have said, I do not think there is anything extremely bad or vicious in the bill as written, but I do not believe it is sufficiently inclusive; and I do not believe we can properly handle this subject until we adopt substantially some of the recommendations of the Hoover Commission.

Mr. LONG. Mr. President, I did not expect the bill to be passed during the call of the Consent Calendar, so I am not disappointed that the objection has been made. However, I understand there will not be any enormous savings as a result of putting into effect the recommendations of the Hoover Commission. I understand that some savings will be effected in that way. But so far as we can determine from the study we have made of those recommendations and from the analysis which has been made of them by the Postmaster General, few savings, if any, will be made as a result of the adoption of those recommendations. I doubt that we can save more than $4,000,000 or $5,000,000 in that way. However, the Post Office Department is about $500,000,000 in debt at the present time, and if the postal pay bill conference report is agreed to, in my opinion the Post Office Department will be more than $600,000,000 in debt next year. I do not believe we can economize, by means of the adoption of any of the recommendations of the the Hoover Commission, to such an extent that we can save that much money; it seems to me that under the Hoover Commission's recommendations the most we can hope to save will be not more than approximately 5 percent to 8 percent of the present or the contemplated postal deficit.

Mr. O'MAHONEY. Mr. President, I call for the regular order.

The PRESIDING OFFICER. The regular order is demanded. Objection has been made, and the bill will go over.

Mr. HUMPHREY. Mr. President, may I have the privilege of replying to the Senator from Wisconsin, since I think 5 minutes is allotted to each Senator under the rule?

The PRESIDING OFFICER. The bill has already been objected to and has been passed over.

Mr. McCARTHY. Mr. President, I withhold my objection, so as to give the Senator from Minnesota a chance to explain the situation.

Mr. HUMPHREY. Mr. President, I have been an interested member of the Committee on Post Office and Civil Service, along with my colleague the Senator from Louisiana [Mr. LONG]. We have spent a great deal of time on the question of postal-rate increases.

I agree with what the Senator from Louisiana has said, namely, that there is great need for an increase in the postal rates. However, I wish to say that the very persons who have been writing editorials about the evils of subsidies, and who have been paying for full-page advertisements telling about how the country will be ruined by deficit financing, and the very persons who have been supporting the Hoover Commission recommendations to which my friend the Senator from Wisconsin has referred, are the very ones who appeared before the subcommittee and before the full committee to tell us that if we increase even a fraction of a percent the postal rates for the carriage in the mails of newspapers and magazines, the result will be to bankrupt their great publishing houses and their great newspapers.

On the other hand, those publications have had the privilege of raising the rates they charge to their subscribers. They have raised their subscription rates. They have raised the rates for the individual newspapers anywhere from 1 to 2 to 5 cents. But the minute we get around to putting the Post Office Department on a relatively sound business basis, they hold up their hands in horror, and they say, "Do not do this to us now, or you will bankrupt us."

Mr. President, I, for one, was rather puzzled to hear the great newspaper and magazine publishers and editorial writers on the one hand condemning the Fair Deal program of deficit financing, and on the other hand testifying before the Committee on Post Office and Civil Service, "Do not dare attempt to balance the budget by increasing the charges we have to pay. If you do increase the postal rates, increase the rates on 1-cent postal cards, but not on the charges for carrying newspapers and magazines in the mails."

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PEPPER. Is deficit financing of that character leading to "the welfare state?"

Mr. HUMPHREY. This also raises a question of "statism" which so many of our publisher friends are concerned about. This seems to be statism in its most extreme form, because we can imagine how under this arrangement the powerful hand of the Government is controlling the press, by means of its control of the purse. How consistent are these big publishers when they oppose subsidies for others as "statism" but insist on subsidies for themselves.

Mr. DOUGLAS. Mr. President, let me ask whether it is true that the approximate cost to the Federal Government of carrying second-class mail, namely, newspapers, magazines, and similar publications, is around $247,000,000 a year, and that the Federal Government takes in only about $40,000,000 a year for that service, and, therefore, there is a subsidy to the publishers of magazines and newspapers amounting to over $200,000,000 a year.

Mr. HUMPHREY. Mr. President, let me say to my colleague, the distinguished junior Senator from Illinois, and a very eminent economist, that only a man of his great training could have been so accurate in regard to that matter. He is absolutely correct. I submit that very few sections of American business, with so limited a number of businesses concerned, get a direct subsidy of approximately $200,000,000 a year, as the newspapers and magazines do from the Post Office Department.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is it true that third-class matter—unsealed mail, advertising circulars and so forth—receives a subsidy of about $129,000,000?

Mr. HUMPHREY. I think that is the correct figure.

Mr. DOUGLAS. And is it also true that the subsidy on fourth-class matter is about $80,000,000?

Mr. HUMPHREY. That is correct.

Mr. DOUGLAS. Making total subsidies of approximately $400,000,000?

Mr. HUMPHREY. That is the reason for the deficit in the postal service, I say to the Senator from Illinois.

Mr. SCHOEPPEL. Mr. President, I ask for the regular order.

Mr. McCARTHY. Mr. President, I withdraw my objection.

Mr. HUMPHREY. Mr. President, I believe I have 1 minute left. I wish to say that I think it is time that we quit harassing the Post Office Department and the Postmaster General about the postal deficit. They are doing a good job. I submit there is no service in the entire Nation that is more respected than it is, or does a better job or gives more service than does the Post Office Department. I think we should make it clear,

for once and for all, that we do not expect the Post Office Department to balance its budget, and also that we do not expect the Post Office Department to subsidize those who are opposed to subsidies. I believe and have actively striven for the acceptance of many of the Hoover Commission recommendations for the post office. I have always insisted on the importance of greater efficiency for all Government agencies. Efficiency and reorganizations are the keys to real constructive economy. At the same time, however, we must not allow these truths to interfere with another truth, namely, the need to have many post-office services pay their way to a greater extent than they do and the need for us to reexamine our policy of paying a Government subsidy out of the taxpayer's pocket to big publishing and mail-order houses who make millions of dollars of profits. I believe in Government subsidies for the needy, the small-business man, the farmer—but not for those who are already too big for our Nation's health.

If the newspaper and magazine publishers wish to tell us they favor subsidies in principle, then I will not object to subsidies for them but so long as they think subsidies are driving the Nation into the pits of chaos and will destroy the Nation's conscience, and so forth and so on, I do not think they ought to get any subsidies.

Mr. McCARTHY. Mr. President, if the Senator will yield, I am going to withdraw my objection, but not because I think the bill is not objectionable. I am, however, very curious to know whether the majority party actually wants the bill passed.

Mr. SCHOEPPEL. I object.

The PRESIDING OFFICER. The Senator from Kansas objects. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 2034) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities, was announced as next in order.

Mr. SCHOEPPEL. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

ISSUANCE OF SEWER BONDS BY TERRITORY OF HAWAII

The Senate proceeded to consider the bill (H. R. 4966) to enable the legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, line 19, to strike out the period, insert a colon, and the following proviso: "*Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt, unless otherwise approved by the Congress."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE BY TERRITORY OF HAWAII OF BONDS FOR CONSTRUCTION OF PUBLIC PARK IMPROVEMENT

The bill (H. R. 4967) to enable the legislature of the Territory of Hawaii, to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu, was announced as next in order.

Mr. McCARTHY. Mr. President, reserving the right to object, I shall only take 2 minutes to make my position absolutely clear on the postal bill which was passed over.

First. I agree with the Hoover Commission, which says it is impossible, with the type of cost accounting now in effect in the Post Office Department, to determine what increases are necessary, in different categories, in order to put those categories on a paying basis.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. McCARTHY. Let me finish. I have 5 minutes only and therefore cannot yield without losing the floor.

Mr. DOUGLAS. I wondered whether the Senator was quoting the Hoover committee correctly.

Mr. McCARTHY. I decline to yield. Let the Senator from Illinois answer on his own time.

Second. We gave the Postmaster General the power and the duty, a few years ago, to put fourth-class mail on a paying basis. It has never been done. I think it should be done. If it is done, the Post Office Department will not then be burdened with such a large amount of fourth-class mail. It will go by express, as it should go. Today we are subsidizing the mail-order houses.

Third. While I do not care to discuss the subsidies to steamship lines and air lines at this time, I may say I do not think those subsidies should properly be chargeable to the users of the mail.

Fourth. After we adopt the recommendations of the Hoover Commission, I think we should next make every effort to have hidden subsidies, such as subsidies to air lines and steamship lines, eliminated from the general funds and then readjust rates in order to put the mail service on a paying basis. I wish to make that absolutely clear at this time.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 4967?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The LEGISLATIVE CLERK. On page 2, line 19, after the word "bonds", strike out the period, insert a colon, and the following proviso: "*Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RATIFICATION OF ACT 251 OF THE SESSION LAWS OF HAWAII

The bill (H. R. 5489) to ratify and confirm Act 251 of the session laws of Hawaii, 1949, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SUGAR ACT OF 1948—BILL PASSED OVER

The bill (S. 501) repealing section 202 (e) of the Sugar Act of 1948, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DONNELL. Mr. President, by request, I object.

Mr. GEORGE. Mr. President, was there an objection lodged to the bill?

Mr. DONNELL. There was; yes.

The PRESIDING OFFICER. The Senator from Missouri objected.

Mr. DONNELL. Mr. President, I had understood a few moments ago that inadvertently the clerk had called this number out of its order. Did I incorrectly understand him? I made objection earlier, which I thought was to an objection to this bill. I did not mean to object to Calendars 1133, 1136, 1137, or 1138. If there is objection——

The PRESIDING OFFICER. The bill, Calendar 1139, Senate bill 501, was called out of order. The Senator made the objection to the bill when it was called.

Mr. DONNELL. That is what I intended to do. I thought I was in error in my understanding, and if so, I wanted to correct it.

Mr. GEORGE. Mr. President, I merely wanted to find out whether there was objection to Calendar 1139, Senate bill 501.

Mr. DONNELL. I shall be very glad to withhold it, if the Senator desires, but it will be obligatory upon me to object on behalf of another Senator.

Mr. GEORGE. Then, Mr. President, I do not want to engage in a useless enterprise.

Mr. DONNELL. Then I do not withhold the objection. I reassert it in behalf of the objector.

The PRESIDING OFFICER. The bill will be passed over.

PROPOSED RAILROAD BETWEEN PRINCE GEORGE, BRITISH COLUMBIA, CANADA, AND FAIRBANKS, ALASKA

The bill (H. R. 2186) providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I should like to have an explanation.

Mr. MAGNUSON. I shall be glad to offer a brief explanation. The bill merely provides that the President of the United States shall, through the State Department, begin negotiations with the Dominion of Canada and the Province of British Columbia for the purpose of attempting to arrive at an agreement, not only for a location survey but any other agreements which may be necessary looking toward the eventual building of a railroad into the virgin territory northward to Alaska. The bill has been passed twice by the Senate, and at this time has been unanimously reported by the Committee on Foreign Affairs of the House, and by the Foreign Relations Committee of the Senate. The State Department feels there is a great need for this legislation. The Senate report contains a long letter from the State Department, dated May 13, on the subject of Senate Concurrent Resolution 13, in which the Department pointed out the economic importance and also the supreme military importance of the two governments negotiating an agreement, if such agreement is possible, or, in other words, at least to discuss the matter.

The importance of Alaska—the importance of the economic potential of the great virgin territory in the north, the strategic materials that are involved, including oil; the fact that Alaska is more or less inaccessible except by water transportation—those matters have been forcibly called to the attention of the Senate on many occasions both by the military and those interested in the development of the country.

I may say to the Senator the bill involves no cost. I could have offered amendment to that effect, but the Foreign Relations Committee thought perhaps we should not be put in the position of saying to the President, "You must do this." The President may want to consult independent engineers, in which case he would have to ask Congress for necessary funds.

I may say the bill is similar to legislation heretofore passed by the Congress, by which we established the same type of preliminary negotiations, leading to a road or highway to Alaska. I had the privilege of serving as chairman of that international commission for about 7 years. I may say to the Senator that, under a resolution with the same wording, in 7 years, we spent the great sum of $7,000. It was merely to cover the expense of obtaining a transcript of our meetings in Ottawa, Vancouver, and Washington, in the course of the negotiations. There are many surveys involved. I think it is significant that the State Department points out that the Corps of Engineers, for military purposes only, made a survey 7 years ago to determine the economic feasibility of a railroad. Existing agencies would be used.

Mr' SCHOEPPEL. If I may inquire of the junior Senator from Washington, do I correctly understand there is contemplated a joint venture between the two countries, with the expenses to be prorated between them?

Mr. MAGNUSON. That is correct. I may say the negotiations will also necessarily include the province of British Columbia, which happens to own a railroad from a place called Squamish, across the bay from Vancouver, which runs into the north country almost as far as Prince George. In other words, it runs almost one-third of the way.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 2186) was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL JUDGES OF THE MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The bill (S. 333) to authorize the appointment of three additional judges of the municipal court for the District of Columbia and prescribe the qualifications of the judges of such court was announced as next in order.

Mr. JOHNSTON of South Carolina. Mr. President, Calendar 1186, House bill 1370, is similar bill to the Senate bill. In order to expedite matters, I ask unanimous consent that the Senate proceed to the consideration of House bill 1370.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 1370) to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court of appeals, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 333 is indefinitely postponed.

ABRAHAM J. EHRLICH

The bill (H. R. 4789) to provide further issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich was considered, ordered to a third reading, read the third time, and passed.

REMOVAL OF RESIDENCE REQUIREMENT FOR MEMBERSHIP ON MENTAL HEALTH COMMISSION

The bill (H. R. 4749) to remove the requirements of residence in the District of Columbia for membership on the Commission on Mental Health was considered, ordered to a third reading, read the third time, and passed.

DEVELOPMENT OF SPECIAL AIRCRAFT FOR AGRICULTURAL PURPOSES

The resolution (S. Res. 172) expressing the sense of the Senate as favoring the development of a special aircraft for agricultural purposes and related equipment to be undertaken by the Civil Aeronautics Administration of the Department of Agriculture was considered and agreed to, as follows:

Whereas, in a meeting at Texas A and M College, College Station, Tex., on August 23, 1949, representatives of the Texas A and M College, the Civil Aeronautics Administration, the United States Department of Agriculture, the Civil Aeronautics Board, and the National Flying Farmers Association agreed to sponsor the development of a special airplane for agricultural purposes. The development is to be undertaken in the Personal Aircraft Research Center at Texas A and M College and is to be financed by the Civil Aeronoutics Administration cooperatively with the Department of Agriculture under the provisions of section 601 of the Economy Act of 1932; and

Whereas there is no convenient and fully satisfactory method of measuring the distribution of agricultural materials dispensed from aircraft; a method for accurately evaluating the performance of this equipment would contribute much toward improvement of present dispensing equipment; and

Whereas the present aircraft dusting, spraying, seeding, and fertilizing equipment, and the aircraft used in such operations, being for the most part either converted military trainers, converted light personal aircraft, or obsolete biplanes, are generally dissatisfactory for these purposes. None of the aircraft were originally designed for agricultural use, and as a consequence their flying characteristics are not satisfactory for this purpose Present equipment for dispensing agricultural materials from airplanes does not produce sufficiently uniform distribution of these materials with the result that material is wasted and inadequate coverage is obtained at the present time; and

Whereas, under the provisions of section 305 of the Civil Aeronautics Act of 1938, the Administrator of Civil Aeronautics is empowered to undertake developmental work tending to the creation of improved aircraft; and

Whereas legal authority for participation by the Department of Agriculture in this project is to be found in section 1 of the act of June 29, 1935: Therefore be it

Resolved, That it is the sense of the Senate that a project for the development of special aircraft for agricultural purposes and related equipment should be undertaken by the Civil Aeronautics Administration and the Department of Agriculture.

CLARIFICATION OF STATUS OF THE ARCHITECT OF THE CAPITOL

The resolution (H. J. Res. 340) to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949 was considered, ordered to a third reading, read the third time, and passed.

INCREASED COMPENSATION OF CERTAIN EMPLOYEES OF THE DISTRICT OF COLUMBIA

The resolution (H. J. Res. 302) to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia so as to clarify the provisions relating to retired policemen and firemen, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR PAYMENT OF CERTAIN LANDOWNERS IN THE DISTRICT OF COLUMBIA

The resolution (H. J. Res. 337) extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia, was considered, ordered to a third reading, read the third time, and passed.

EXEMPTION FROM TAXATION OF NATIONAL SOCIETY OF SONS OF THE AMERICAN REVOLUTION

The bill (H. R. 4059) to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of that bill?

Mr. PEPPER. Mr. President, on behalf of the District of Columbia Committee I should like to say that the purpose of this bill is merely to clarify existing law, which is Public Law 363, Seventy-third Congress, exempting from taxation certain property of the National Society of the Sons of the American Revolution, a patriotic society. The present law exempts the society from real-estate tax, but because of the use of the word "occupy" it is questionable whether personal property is included in the exemption. The District government has collected no taxes on any of the society's property. An assessment, however, of $800, plus interest and penalties, was made in 1948, covering the preceding 5 years. I do not think it has been paid. This bill is to clarify the law.

Mr. SCHOEPPEL. Does it relate to the general question of property taxes? Will it make any change in that regard?

Mr. PEPPER. It relates only to real estate and personal property of the patriotic society to which I have referred.

Mr. SCHOEPPEL. I have no objection.

There being no objection, the bill (H. R. 4059) was considered, ordered to a third reading, read the third time, and passed.

MODIFICATION OF CLASSIFICATION ACT OF 1923

The bill (S. 2365) to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill, please?

Mr. McCARTHY. Mr. President, I shall be glad to endeavor to explain it. The Senator from Wyoming [Mr. HUNT] reported the bill. He is not present, so I have been asked to explain it.

The purpose of this bill is to place two public utilities commissioners, one people's counsel one superintendent of Gallinger Hospital, one superintendent of National Training School for Girls, under the Classification Act of 1923. This will enable them to have the security and retirement features and the benefits of the Ramspeck Act.

The additional cost under this bill will not exceed $10,000.

The PRESIDING OFFICER. Is there objection to consideration of the bill?

There being no objection, the bill (S. 2365) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of paragraph 97 (a) of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913 (37 Stat. 995), as amended by the act approved December 15, 1926 (44 Stat. 920), is amended by striking out therefrom "a salary at the rate of $7,500 per annum" and inserting in lieu thereof "compensation to be fixed in accordance with the Classification Act of 1923, as amended."

SEC. 2. The first sentence of subsection (b) of paragraph 91A of section 8 of such act of March 4, 1913, as amended by the act approved December 15, 1926 (44 Stat. 921), is amended by striking out therefrom "a salary at the rate of $7,500 a year" and inserting in lieu thereof "compensation to be fixed in accordance with the Classification Act of 1923, as amended."

SEC. 3. Section 2 of the act entitled "An act to fix the compensation of the Recorder of Deeds of the District of Columbia and the Superintendent of the National Training School for Girls," approved September 29, 1943 (57 Stat. 569), is amended by striking out therefrom "a salary at the rate of $3,600 per annum" and inserting in lieu thereof "compensation to be fixed in accordance with the Classification Act of 1923, as amended."

SEC. 4. The first sentence of the first section of the act entitled "An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes," approved July 5, 1945 (59 Stat. 411), is amended by striking out therefrom "at the rate of $8,000 per annum" and inserting in lieu thereof "in accordance with the Classification Act of 1923, as amended."

SEC. 5. The foregoing sections of this act shall take effect when the positions named therein shall have been classified in accordance with the Classification Act of 1923, as amended.

REMOVAL OF SLUDGE IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 2205) to authorize the Commissioners of the District of Columbia to enter into contract for the removal of sludge, which had been reported from the Committee on the District of Columbia, with an amendment to strike out all after the enacting clause, and insert:

That the Commissioners of the District of Columbia are hereby authorized to provide for the removal of sludge, a byproduct of the District of Columbia sewage-treatment plant, deposited or proposed to be deposited at the District of Columbia Reformatory, Lorton, Va., by contract or otherwise, and to enter into contract or contracts for such removal with or without competitive bidding, for periods not exceeding 5 years.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Commissioners of the District of Columbia to provide for the removal of sludge."

CONSTRUCTION OF QUARTERS FOR THE FOOD AND AGRICULTURE ORGANIZATION, UNITED NATIONS

The resolution (S. J. Res. 128) to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters and for related purposes was announced as next in order.

Mr. SCHOEPPEL. Mr. President, by request, I ask that the joint resolution be passed over.

Mr. PEPPER. Mr. President, will the Senator allow an explanation of the bill?

Mr. SCHOEPPEL. I withhold my objection for that purpose.

Mr. PEPPER. I should like to make a brief explanation on behalf of the Foreign Relations Committee. I happened to be chairman of the subcommittee which considered this subject. The other two members of the subcommittee were the distinguished Senator from Utah [Mr. THOMAS] and the distinguished Senator from Iowa [Mr. HICKENLOOPER]. The report of the subcommittee was unanimous. This joint resolution merely authorizes the lending of $7,000,000 without interest, to the Food and Agriculture Organization for the purpose of constructing an international headquarters of that organization in Washington or in the vicinity of Washington, D. C., if that site be chosen by the international organization as the site for the structure.

The resolution has the unanimous support of the Committee on Foreign Relations. As a matter of fact, other nations are trying to give the organization a building site. Italy and Denmark have offered more advantages to the organization than we have. All we propose to do is to lend the money at no interest, under the same arrangement we had with the United Nations. We lend them the money, the principal to be repaid without interest. The organization will meet in November. This resolution has the unanimous support of the farm organizations. We have received no objection to it. It has the personal support of the Secretary of Agriculture who appeared personally before the committee, and of the former Under Secretary of Agriculture who is now the head of this international organization. Since the money provided for is to be only a loan, and a relatively small amount, and since the resolution has the support of Government officials and of farm organizations, who deem it of great importance, I wonder if the Senator——

Mr. SCHOEPPEL. By reason of the objection which was lodged with me, I feel constrained to abide by it.

Mr. PEPPER. Mr. President, will the Senator permit a question?

Mr. SCHOEPPEL. Yes.

Mr. PEPPER. Would any interval of time be of any assistance, if the resolution goes to the foot of the calendar?

Mr. SCHOEPPEL. I doubt that, seriously, I will say to the Senator from Florida. I do not think the Senator who lodged the objection with me is present, and I should not want to violate the confidence.

Mr. PEPPER. I do not want to be personal, but would the Senator think it might be possible that the Senator who made the objection and who is now absent may be present tomorrow?

Mr. SCHOEPPEL. There is a possibility; yes.

Mr. PEPPER. Then, Mr. President, I ask unanimous consent, in view of the great public interest in this matter, and the fact that failure to pass the resolution might jeopardize the United States as the site of the headquarters of this organization, I ask that the resolution be included in the list of measures to be considered tomorrow.

The PRESIDING OFFICER. The Senator from Florida requests that this joint resolution be included with the bills which are to be considered tomorrow. The majority leader said they would be

considered tomorrow or before the Senate adjourns.

Without objection, it is so ordered.

CONSTRUCTION, REPAIR, AND PRESERVATION OF CERTAIN PUBLIC WORKS

The Senate proceeded to consider the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which had been reported from the Committee on Public Works, with amendments.

The first amendment of the Committee on Public Works was, under the heading "Title I—Rivers and harbors," on page 3, after line 10, to insert:

Shrewsbury River, N. J.; House Document No. 285, Eighty-first Congress;

The amendment was agreed to.

The next amendment was, on page 3, after line 12, to insert:

Waterway from Indian River Inlet to Rehoboth Bay, Del.; House Document No. 304, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 3, after line 22, to insert:

Twitch Cove, Big Thoroughfare River, and Levering Creek, Md.; House Document No. 340, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 7, to insert:

Colonial Beach, Va.; shore protection; House Document No. 333, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 9, to insert:

Quinby Creek, Accomack County, Va.; House Document No. 241; Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 16, to insert:

Davis Creek, Mathews County, Va.; House Document No. 309, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 18, to insert:

Winter Harbor, Mathews County, Va.; House Document No. 319, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 5, after line 2, to insert:

Channel from Manteo to Oregon Inlet, N. C.; House Document No. 310, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 5, after line 9, to insert:

Masonboro Inlet to ocean, North Carolina; House Document No. 341, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 6, line 1, after the word "Numbered", to strike out "722" and insert "772."

The amendment was agreed to.

The next amendment was, on page 6, line 5, after the word "Congress", to insert a colon and the following proviso: "*Provided*, That the Secretary of the Army is hereby authorized to reimburse local interests for such work as they may have done upon this project, subsequent to July 1, 1949, insofar as the same shall be approved by the Chief of Engineers and found to have been done in accordance with the project modification hereby adopted: *Provided further*, That such payment shall not exceed the sum of $305,000."

The amendment was agreed to.

The next amendment was, on page 6, after line 16, to insert:

Tampa Harbor, Fla.; House Document No. 258, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 6, after line 18, to insert:

Hudson River, Fla.; House document No. 287, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 6, after line 20, to insert:

Channel and turning basin at Ozona, Fla.; House Document No. 326, Eighty-first Congress.

The amendment was agreed to.

Mr. JOHNSTON of South Carolina. Mr. President, may we pass over this bill until the Senator from Washington [Mr. MAGNUSON] can be present? I think he wanted to be present.

The PRESIDING OFFICER. Suppose we complete the committee amendments.

Mr. JOHNSTON of South Carolina. Very well.

The PRESIDING OFFICER. The clerk will state the remaining amendments of the committee.

The next amendment was, on page 7, after line 2, to insert:

Gulf Intracoastal Waterway from Big Lagoon to Pensacola Bay, Fla.; House Document No. 325, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 7, after line 9, to insert:

Biloxi Harbor, Miss.; House Document No. 256, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 7, after line 11, to insert:

Ouachita River and tributaries, Arkansas and Louisiana; in accordance with the report of the Chief of Engineers dated July 13, 1949.

The amendment was agreed to.

The next amendment was, on page 7, line 19, after the word "authorized", to strike out "$70,000,000" and insert "$89,000,000."

The amendment was agreed to.

The next amendment was, on page 8, line 13, after the word "Numbered", to insert "242."

The amendment was agreed to.

The next amendment was, on page 8, after line 15, to insert:

Mississippi River Boat Harbor opposite Hamburg, Ill.; House Document No. 254, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 8, after line 22, to insert:

Mississippi River at Rock Island, Ill.; House Document No. 257, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 9, after line 19, to insert:

Monongahela River, W. Va. and Pa.; Senate Document No. 100, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 9, after line 21, to insert:

Bayfield Harbor, Wis.; House Document No. 260, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 6, to insert:

Cheboygan River and Harbor, Mich.; House Document No. 269, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 12, to insert:

Port Bay, N. Y.; House Document No. 293, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 14, to insert:

Redondo Beach Harbor, Calif.; House Document No. 303, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 16, to insert:

San Francisco Harbor and Bay, Calif.; House Document No. 286, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 11, after line 2, to insert:

Baker Bay, Columbia River, Wash.; Senate Document No. 95, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 11, after line 4, to insert:

Columbia River at Umatilla, Oreg.; in accordance with the report of the Chief of Engineers dated June 28, 1949.

The amendment was agreed to.

The next amendment was, on page 11, after line 7, to insert:

Kawaihae Harbor, Island of Hawaii, Territory of Hawaii; House Document No. 311, Eighty-first Congress.

The amendment was agreed to.

The next amendment was, on page 11, after line 12, to insert a new section 102, as follows:

SEC. 102. That hereafter direct allotments from appropriations for the maintenance and improvement of existing river and harbor works, or from other available appropriations, may be made by the Secretary of the Army for the collection and removal of drift in Hampton Roads and the Harbors of Norfolk and Newport News, Va., and their tributary waters, and this work shall be carried out as a separate and distinct project.

The amendment was agreed to.

The next amendment was, on page 11, line 21, to change the section number from "102" to "103."

The amendment was agreed to.

The next amendment was, on page 12, after line 4, to insert a new section 104, as follows:

SEC. 104. (a) Authority is hereby granted to the State of Oregon, acting through its highway department, and to the Kentuck Inlet drainage district, organized under the laws of the State of Oregon, to construct, maintain, and operate at a point suitable to the interests of navigation, a dam and dike to prevent the flow of tidal waters into

Kentuck slough (Inlet) in Coos County, in township 25 south, range 13 west, Willamette meridian. Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of Engineers and the Secretary of the Army, who may impose such conditions and stipulations as they deem necessary for the protection of the United States: *Provided*, That authority granted by this act shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the date of the passage of this act.

(b) Authority is hereby granted to the State of Oregon, acting through its highway department, and to the County Court of Douglas County, Oregon, to construct, maintain, and operate at a point suitable to the interests of navigation, a dam and dike to prevent the flow of tidal waters into Otter slough in Douglas County, in section 20, township 20 south, range 11 west, Willamette meridian. Work shall not be commenced on such dam and dike until the plans therefor, including plans for all accessory works, are submitted to and approved by the Chief of Engineers and the Secretary of the Army, who may impose such conditions and stipulations as they deem necessary for the protection of the United States: *Provided*, That authority granted by this act shall terminate if the actual construction of the dam and dike hereby authorized is not commenced within 1 year and completed within 3 years from the date of the passage of this act.

The amendment was agreed to.

The next amendment was, on page 13, line 15, to change the section number from "103" to "105."

The amendment was agreed to.

The next amendment was, on page 13, after line 22, to insert a new section 106, as follows:

SEC. 106. That the proposed work of improvement of the Intracoastal Waterway from the Caloosahatchee River to the Anclote River, Fla. (H. Doc. 371, 76th Cong.), as authorized by the River and Harbor Act of March 2, 1945, and modified by section 103 of the River and Harbor Act of 1948, is further modified to provide that in the Venice and the Lemon Bay (Fla.) area, the Secretary of the Army, acting through the Chief of Engineers, is authorized to select and do the proposed work of improvement on such of the previously authorized routes or any other route as may be deemed feasible by the Chief of Engineers and approved by the Secretary of the Army.

The amendment was agreed to.

The next amendment was, on page 14, after line 10, to insert a new section 107, as follows:

SEC. 107. The portion of the Gulf Intracoastal Waterway between Apalachee Bay, Fla., and the Mexican border, consisting of a tributary channel in Red Fish Bay and a turning basin at Red Fish Landing, Tex., authorized in the River and Harbor Act of March 2, 1945, shall hereafter be known as Port Mansfield, Tex., and any law, regulation, document, or record of the United States in which such project is designated or referred to under the name of Red Fish Bay shall be held to refer to such project under and by the name of Port Mansfield.

The amendment was agreed to.

The next amendment was, on page 14, after line 20, to insert a new section 108, as follows:

SEC. 108. That the Secretary of the Army is authorized and directed to prepare and transmit to Congress at the earliest practicable date, a compilation of preliminary examination, survey, and review reports on river and harbor and flood-control improvements, similar to that prepared in accordance with the act of March 4, 1913, revised in accordance with the acts of July 3, 1930, and August 30, 1935, and printed in House Document No. 106, Seventy-sixth Congress, first session: *Provided*, That the report to be prepared in accordance with this provision shall be a revision of pages 1 to 369, inclusive, of that document, extended to June 30, 1949.

The amendment was agreed to.

The next amendment was, on page 15, after line 7, to insert a new section 109, as follows:

SEC. 109. That the Secretary of the Army is hereby authorized to transfer or convey to State authorities or political subdivisions thereof all right, title, and interest of the United States, in and to any and all bridges heretofore or hereafter constructed or acquired in connection with the improvement of canals, rivers, and harbors, or works of flood control, together with the necessary lands, easements, or rights-of-way, upon such terms and conditions and with or without consideration, as may be determined to be in the best interest of the United States by the Chief of Engineers: *Provided*, That such transferred bridges shall be toll-free.

The amendment was agreed to.

The next amendment was, on page 15, line 19, to change the section number from "104" to "110."

The amendment was agreed to.

The next amendment was, on page 16, after line 17, to insert:

Round Pond Harbor, Maine.

The amendment was agreed to.

The next amendment was, on page 16, after line 18, to insert:

Bass Harbor, Maine.

The amendment was agreed to.

The next amendment was, on page 16, after line 19, to insert:

Sesuit Harbor, Mass.

The amendment was agreed to.

The next amendment was, on page 17, after line 9, to insert:

Choctawhatchee Bay, Fla., small-boat channel at Bay Bridge.

The amendment was agreed to.

The next amendment was, on page 17, after line 14, to insert:

Pensacola Bay, Fla., channel at Bayou Texar.

The amendment was agreed to.

The next amendment was, on page 17, after line 22, to insert:

Channels in Lake Minnetonka, Minn.

The amendment was agreed to.

The next amendment was, on page 18, after line 6, to insert:

Eagle Harbor, Wash.

The amendment was agreed to.

The next amendment was, on page 18, after line 8, to insert:

Port Townsend, Wash.

The amendment was agreed to.

The next amendment was, on page 18, line 13, to change the section number from "105" to "111."

The amendment was agreed to.

The next amendment was, on page 18, line 19, to change the section number from "106" to "112."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Flood control," on page 19, line 16, after the word "this", to strike out "title" and insert "act."

The amendment was agreed to.

The next amendment was, on page 21, after line 16, to insert:

CONNECTICUT RIVER BASIN

The project for flood control at Hartford, Conn., authorized by the Flood Control Act approved June 28, 1938, as amended by the Flood Control Act of August 18, 1941, and the act of October 26, 1942, is hereby further amended to include the Folly Brook dike and conduit, at an estimated cost of $239,000, in accordance with plans on file in the Office, Chief of Engineers.

The amendment was agreed to.

The next amendment was, on page 22, after line 6, to insert:

SUSQUEHANNA RIVER BASIN

The project for local flood protection at Corning, N. Y., authorized by the Flood Control Act approved June 22, 1936, is hereby modified to provide for flood protection on Monkey Run in accordance with the recommendations of the Chief of Engineers in House Document No. 305, Eighty-first Congress, first session, at an estimated cost of $2,370,000.

The amendment was agreed to.

The next amendment was, on page 22, after line 21, to insert:

PASQUOTANK RIVER BASIN

The project for flood control in the Pasquotank River Basin, N. C., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 306, Eighty-first Congress, at an estimated cost of $110,000.

The amendment was agreed to.

The next amendment was, under the subhead "Central and southern Florida," on page 23, line 12, after the word "of", to strike out "$10,000,000" and insert "$20,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Lower Mississippi River," on page 24, after line 23, to insert:

(e) The flood-control improvements substantially as contemplated by the Flood Control Act of May 15, 1928, as amended, are hereby extended to include such improvements in the Parish of Orleans, La.: *Provided*, That the jurisdiction over completed improvements now exercised by the State of Louisiana, through the Board of Levee Commissioners of the Orleans Levee District, shall continue.

The amendment was agreed to.

The next amendment was, on page 25, after line 5, to insert:

(f) The plan for filling Grant's Canal, extending from the Mississippi River levee to Hood Street in the northeastern section of the town of Lake Providence, La., to an elevation of 94 feet above sea level, at an estimated cost of $11,000: *Provided*, That local interests provide necessary rights-of-way for borrow and construction purposes, and relocate all utilities without cost to the United States, and hold and save the United States free from damages due to the construction works.

The amendment was agreed to.

The next amendment was, on page 26, after line 14, to insert:

The project for emergency bank protection work on the Amite River, La., is hereby authorized in accordance with plans on file in

the Office, Chief of Engineers, at an estimated cost of $50,000.

The amendment was agreed to.

The next amendment was, under the subhead "Arkansas River Basin", on page 28, after line 15, to insert:

The Chief of Engineers is authorized to so design, construct, and operate the Optima Reservoir, authorized by the Flood Control Act of 1936, as amended and supplemented, that, taken with the existing Fort Supply and Canton Reservoirs, there will remain available at all times, to the maximum practicable extent, 69,000 acre-feet of conservation storage capacity in the Canton Reservoir.

The amendment was agreed to.

The next amendment was, on page 28, after line 22, to insert:

The general comprehensive plan for flood control and other purposes for the Arkansas River Basin, approved by the act of June 28, 1938, as amended, and the multiple-purpose plan for the Arkansas River and tributaries, Arkansas and Oklahoma, approved by the River and Harbor Act of July 24, 1946, are hereby modified by the substitution of the Keystone Reservoir on the Arkansas River for the Mannford Reservoir on the Cimarron River, and by the deletion of the Blackburn and Taft Reservoirs on the Arkansas River, all in accordance with the recommendations of the Chief of Engineers in Senate Document No. 107, Eighty-first Congress, first session, at an additional estimated cost of $37,273,000, and the authorization for appropriation for the said general comprehensive plan is hereby increased accordingly.

The amendment was agreed to.

The next amendment was, on page 29, after line 12, to insert:

The project for flood protection at Oklahoma City, Okla., on the North Canadian River, authorized by the Flood Control Act approved July 24, 1946, in accordance with House Document No. 572, Seventy-ninth Congress, is hereby amended to provide for construction of the canal plan as presently proposed by the Chief of Engineers, at an estimated cost to the United States of $10,460,000.

The amendment was agreed to.

The next amendment was, on page 29, after line 20, to insert:

The project for flood protection along the Arkansas River at Pueblo, Colo., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 327, Eighty-first Congress, first session, at an esimated cost of $209,000.

The amendment was agreed to.

The next amendment was, under the subhead "Upper Mississippi River Basin," on page 31, after line 7, to insert:

The project for flood protection at Beardstown, Ill., including modification of the existing Lost Creek, South Beardstown, and Valley drainage and levee districts projects, is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 332, Eighty-first Congress, at an estimated cost of $2,976,000.

The amendment was agreed to.

The next amendment was, under the subhead "Ohio River Basin," on page 33, line 14, after the word "of", to strike out "$75,000,000" and insert "$100,000,000", and in line 18, after the word "Congress", to insert a colon and the following proviso:

Provided, That the Mining City Dam and Reservoir, Ky., and alternates therefor, authorized by the Flood Control Act approved June 28, 1938 (Public Law No. 761, 75th Cong., 3d sess.), shall not be constructed if such construction would have any adverse effect on Mammoth Cave National Park.

The amendment was agreed to.

The next amendment was, on page 34, after line 9, to insert:

The projects for flood protection of Cumberland and Barbourville, Ky., on the Cumberland River, are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 345, Eighty-first Congress, first session, at an estimated cost of $1,832,000.

The amendment was agreed to.

The next amendment was, under the subhead "Red River of the North Basin," on page 34, after line 23, to strike out:

In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $4,000,000 for the prosecution of the comprehensive plan for flood control and other purposes in the Red River of the North Basin, approved in the act of June 30, 1948.

And in lieu thereof to insert the following:

In addition to previous authorizations, there is hereby authorized the completion of the plan approved in the Flood Control Act of June 30, 1948, for the Red River of the North Basin, at an estimated cost of $8,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Rio Grande Basin," on page 35, after line 8, to strike out:

In addition to previous authorizations, there is hereby authorized to be appropriated the sum of $34,000,000 to be expended by the Department of the Army for the prosecution of the comprehensive plan for the Rio Grande Basin, set forth in House Document No. 243, Eighty-first Congress, first session, approved in the act of June 30, 1948.

And in lieu thereof to insert the following:

In addition to previous authorizations, there is hereby authorized the completion of the plan approved in the Flood Control Act of June 30, 1948, for the Rio Grande Basin, at an estimated cost of $39,000,000 for the work to be prosecuted by the Department of the Army and $30,179,000 for the work to be prosecuted by the Department of the Interior.

The amendment was agreed to.

The next amendment was, on page 35, after line 21, to insert:

COLORADO RIVER BASIN

The projects for the Pine Canyon Reservoir and the Matthews Canyon Reservoir in Meadow Valley Wash Basin, Nev., are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in his report dated September 12, 1949, at an estimated cost of $1,986,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 3, to insert:

GILA RIVER BASIN

The project for the Painted Rock Reservoir in the Gila River Basin, Ariz., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 331, Eighty-first Congress, first session, at an estimated cost of $25,800,000.

The amendment was agreed to.

The next amendment was, on page 36, after line 9, to insert:

HUMBOLDT RIVER BASIN

The project for flood protection on the Humboldt River, Nev., is hereby authorized substantially in accordance with the recommendations of the Board of Engineers for Rivers and Harbors in its report dated April 22, 1949, at an estimated cost of $7,679,000.

The amendment was agreed to.

The next amendment was, on page 37, after line 9, to insert:

SACRAMENTO RIVER BASIN

The project for the control of floods and other purposes in the Sacramento River Basin, approved by the act of March 1, 1917, as amended and supplemented by subsequent acts of Congress, is hereby further amended to include the necessary works of improvement for the protection of the Upper Butte Basin, in accordance with the report of the Chief of Engineers, dated June 27, 1948, at an estimated cost of $3,500,000: *Provided*, That the existing Moulton weir may be widened as required for this purpose but not lowered: *And provided further*, That local interests give assurances satisfactory to the Secretary of the Army that they will furnish free of cost to the United States all necessary lands, easements, and rights-of-way, hold and save the United States free from damages due to the construction work, and maintain and operate the works after completion in accordance with regulations prescribed by the Secretary of the Army.

The amendment was agreed to.

The next amendment was, on page 38, after line 2, to insert:

RUSSIAN RIVER BASIN

The plan for flood control, water conservation, and related purposes, in the Russian River Basin, Calif., is hereby approved substantially in accordance wtih the recommendations of the Board of Engineers for Rivers and Harbors dated April 22, 1949, and there is authorized to be appropriated the sum of $11,522,000 for accomplishment of the initial stage of the plan: *Provided*, That section 8 of the Flood Control Act of 1944 shall apply to this project: *Provided further*, That prior to starting construction, local interests shall contribute the sum of $5,598,000 in cash in full repayment of the conservation benefits: *And provided further*, That such contribution of $5,598,000 shall be transferred to the Secretary of the Army for application to the cost of construction of the project.

The amendment was agreed to.

The next amendment was, under the subhead "Willamette River Basin," on page 39, after line 23, to insert:

The general comprehensive plan for flood control, navigation, and other purposes in the Willamette River Basin, approved by the Flood Control Act of June 28, 1938, is hereby further modified to include authorizations in the amounts designated for the prosecution of the following projects, substantially in accordance with the report of the Board of Engineers for Rivers and Harbors dated February 21, 1949.

(a) Power facilities at Lookout Point Dam, Middle Fork of the Willamette River, Oreg., $18,225,000.

(b) Hills Creek Dam, Middle Fork of Willamette River, Oreg., $6,300,000.

(c) Dexter reregulating dam, Middle Fork, Willamette River, Oreg., $3,800,000.

(d) Waldo Lake Tunnel and regulating works, Middle Fork-North Fork, Willamette River, Oreg., $757,000.

(e) Fall Creek Dam, Fall Creek, Middle Fork, Willamette River, Oreg., $3,400,000.

(f) Holley Dam, Calapooya River, Oreg., $200,000.

(g) Modification of Fern Ridge Dam, Long Tom River, Oreg., $133,000.

(h) Willamette Falls fish ladder, Willamette River, Oreg., $160,000.

(i) Willamette River supplemental levees, overflow channel closures, channel improvements, bank protection works, and channel clearing and snagging, $16,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Columbia River Basin," on page 44, after line 2, to insert:

The projects for flood control in the Columbia River Basin authorized by the act of June 22, 1936, are hereby further modified, extended and supplemented substantially in accordance with the report of the Board of Engineers for Rivers and Harbors dated February 21, 1949, to include authorizations in the amounts designated for the prosecution of the following projects:

(a) Libby Dam, Kootenai River, Mont., $53,000,000;

(b) Priest Rapids Dam, Columbia River, Wash., $2,000,000;

(c) John Day Dam, Columbia River, Wash. and Oreg., $700,000;

(d) The Dalles Dam, Columbia River, Wash. and Oreg., $600,000;

(e) Local flood protection project at Bonners Ferry, Kootenai River, Idaho, $750,000;

(f) Local flood protection project at Pendleton, Oreg., and Jackson Hole, Wyo.; and Hepner Dam and downstream channel improvements, Willow Creek, Oreg., $5,678,000;

(g) Local flood protection projects in the Columbia River Basin, Mont., Wyo., Utah, Nev., Idaho, Oreg., and Wash., $28,000,000;

(h) Harbors at 21 locations, Oregon, Washington, and Idaho, $2,300,000.

The amendment was agreed to.

The next amendment was, on page 45, after line 2, to insert:

GREEN-DUWAMISH RIVER BASIN

The project for the Eagle Gorge Reservoir on the Green River, Wash., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 271, Eighty-first Congress, first session, at an estimated cost of $16,300,000.

The amendment was agreed to.

The next amendment was, on page 46, after line 16, to insert:

Merrimack and Connecticut Rivers and their tributaries, and such other streams in the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, and Rhode Island, where power development appears feasible and practicable, to determine the hydroelectric potentialities, in combination with other water and resource development.

The amendment was agreed to.

The next amendment was, on page 46, after line 24, to insert:

Nanticoke River and tributaries, Maryland and Delaware, in the interest of flood control and major drainage improvements.

The amendment was agreed to.

The next amendment was, on page 47, after line 4, to insert:

Perquimans River, N. C.

The amendment was agreed to.

The next amendment was, on page 47, after line 8, to insert:

Manatee River, Fla.

The amendment was agreed to.

The next amendment was, on page 47, after line 9, to insert:

Coastal streams flowing into the Gulf of Mexico between the Suwanee and Apalachicola Rivers, with a view to their improvement in the interest of flood control and related purposes.

The amendment was agreed to.

The next amendment was, on page 47, after line 13, to insert:

Blackwater River, Fla.

The amendment was agreed to.

The next amendment was, on page 47, after line 14, to insert:

Yellow River, Fla. and Ala.

The amendment was agreed to.

The next amendment was, on page 47, after line 15, to insert:

Blackwater and Perdido Rivers, Ala.

The amendment was agreed to.

The next amendment was, on page 47, after line 16, to insert:

Hatchie and Tuscumbia Rivers, Miss. and Tenn., in the interest of flood control and major drainage improvements.

The amendment was agreed to.

The next amendment was, on page 47, after line 19, to insert:

Survey and study of alternate sites for the Millwood Reservoir, Ark., in the Red River Basin.

The amendment was agreed to.

The next amendment was, on page 47, after line 21, to insert:

Dry Cimarron River, Union County, N. Mex., and Cimarron River, Okla., Colo., and Kans.

The amendment was agreed to.

The next amendment was, on page 48, after line 16, to insert:

Buffalo Creek, Marion County, W. Va.

The amendment was agreed to.

The next amendment was, on page 48, after line 17, to insert:

Waterway from Rangeline Lake to Oconto River, Wis., in the interest of flood control and major drainage improvements.

The amendment was agreed to.

The next amendment was, at the top of page 49, to insert:

Sacramento River, Calif., in the interest of bank protection and channel improvements below Red Bluff.

The amendment was agreed to.

The next amendment was, on page 49, after line 2, to insert:

Martin Creek, at and in the vicinity of Paradise Valley, Humboldt County, Nev.

The amendment was agreed to.

The next amendment was, on page 49, line 5, after the word "Watershed", to insert "at and", and in line 6, after the word "of", to insert "Ely."

The amendment was agreed to.

The next amendment was, on page 49, after line 6, to insert:

Samish River, Wash.

The amendment was agreed to.

The next amendment was, on page 49, after line 15, to insert a new section 206, as follows:

SEC. 206. The dam site known as West Peterborough Dam in the Merrimack River Basin, authorized by the Flood Control Act of June 22, 1936, and modified by the Flood Control Act of June 28, 1938, shall hereafter be known and designated as the Edward MacDowell Dam, and any law, regulation, document, or record of the United States in which such dam is designated or referred to under the name of West Peterborough Dam shall be held to refer to such dam under and by the name of Edward MacDowell Dam.

The amendment was agreed to.

The next amendment was, at the top of page 50, to insert a new section 207, as follows:

SEC. 207. Funds hereafter appropriated for a specific and heretofore authorized project for a river, harbor, or flood-control works shall be merged with and be accounted for under the regular annual appropriation title applicable to such item.

The amendment was agreed to.

The next amendment was, on page 50, after line 5, to insert a new section 208, as follows:

SEC. 208. Section 204 of the Flood Control Act of 1948 is hereby amended by adding to the item therein for harbors and rivers in Alaska the following: "and that Federal investigations and improvements of rivers and other waterways in Alaska, for navigation, flood control, hydroelectric power, and allied purposes shall be continued under the jurisdiction of and shall be prosecuted by the Department of the Army under the direction of the Secretary of the Army and the supervision of the Chief of Engineers."

The amendment was agreed to.

The next amendment was, on page 50, after line 14, to insert a new section 209, as follows:

SEC. 209. The Chief of Engineers and the Secretary of the Army are directed to review their previous studies and to report to the Congress the amount of the total cost of the Alamogordo Dam and Reservoir on the Pecos River, N. Mex., which is properly allocable to flood control, in accordance with the provisions of section 7 of the Flood Control Act approved August 11, 1939.

The amendment was agreed to.

The next amendment was, on page 50, line 22, to change the section number from "206" to "210."

The amendment was agreed to.

The next amendment was, on page 51, line 24, to change the section number from "207" to "211."

The amendment was agreed to.

The next amendment was, on page 52, line 11, to change the section number from "208" to "212."

The amendment was agreed to.

The next amendment was, on page 53, line 8, to change the section number from "209" to "213"; and in the same line, after the word "of", to strike out "$995,000,000" and insert "$1,337,000,000."

The amendment was agreed to.

The next amendment was, on page 53, line 16, to change the section number from "210" to "214."

The amendment was agreed to.

The next amendment was, on page 53, line 22, to change the section number from "211" to "215."

The amendment was agreed to.

The next amendment was, on page 54, after line 3, to insert a new section 216, as follows:

SEC. 216. That section 7 of the Flood Control Act approved June 28, 1938, as amended by section 15 of the act approved December 22, 1944, is hereby amended to read as follows: "The Secretary of Agriculture is hereby

authorized in his discretion to undertake such emergency measures for run-off retardation and soil-erosion prevention as may be needed to safeguard lives and property from floods and the products of erosion on any watershed whenever fire or any other natural element or force has caused a sudden impairment of that watershed: *Provided*, That not to exceed $300,000 out of any funds heretofore or hereafter appropriated for the prosecution by the Secretary of Agriculture of works of improvement or measures for run-off and water-flow retardation and soil-erosion prevention on watersheds may be expended during any one fiscal year for such emergency measures."

The amendment was agreed to.

The next amendment was, on page 54, line 20, to change the section number from "212" to "217."

The amendment was agreed to.

The next amendment was, on page 55, line 9, to change the section number from "213" to "218."

The amendment was agreed to.

The next amendment was, on page 55, after line 14, to insert a new section 219, as follows:

SEC. 219. 1. That the purpose of this section is (a) to provide for an integrated and cooperative investigation, study, and survey by a commission created pursuant to this section in connection with, and in promotion of, the conservation, utilization, and development of the land and water resources of the Arkansas-White and Red River Basins except the drainage basin of Cypress Creek (a tributary of Red River, in Texas and Louisiana) in the States of Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma, and Texas in order to formulate a comprehensive and coordinated plan for—

(1) flood control and prevention, including major drainage;

(2) domestic and municipal water supplies;

(3) the improvement and safeguarding of navigation;

(4) the reclamation and irrigation of land, including drainage;

(5) possibilities of hydroelectric power and industrial development and utilization;

(6) soil conservation and utilization;

(7) forest conservation and utilization;

(8) preservation, protection, and enhancement of fish and wildlife resources;

(9) the development of recreation;

(10) salinity and sediment control;

(11) pollution abatement; and

(b) To formulate, within a time fixed herein, a basic, comprehensive, and integrated plan of development of the land and water resources within the area herein described for submission to, and consideration by the President and the Congress, and to make recommendations after adequate study for executing such plan: *Provided*, That it is not the purpose of this section to create any continuing or permanent instrumentality of the Federal Government or to take from, or reassign, the duties and powers of any department or agency of the United States represented on the Commission, except as herein provided.

2. In carrying out the purposes of this section it is the policy of Congress to—

(1) recognize and protect the rights and interests of the States in determining the development of the watersheds of the rivers herein mentioned and their interests and rights in water utilization and control, as well as the preservation and protection of established uses;

(2) protect existing projects and projects under construction whether public or private; and

(3) utilize the services, studies, surveys, and continuing investigational programs of the departments, bureaus, and agencies of the United States;

(4) require that the Federal agencies participating in the preparation of this comprehensive report do so in compliance with existing Federal law governing such agencies.

3. (a) In order to carry out the purposes of this section, there is hereby established a commission to be known as the United States Study Commission on the Arkansas-White and Red River Basins (hereinafter referred to as the "Commission"). The Commission shall be composed of five members who shall be appointed by the President as follows:

(1) One, who shall be a resident of the Arkansas-White and Red River Basins embraced within the States herein mentioned, and who shall not, at the time of his appointment to the Commission, be an official or employee of the United States; and

(2) Four who are representatives of and officially connected with each of the following departments or agencies: Department of the Army, Department of the Interior, Department of Agriculture, and the Federal Power Commission.

(b) One of the members of the Commission shall be designated by the President to serve as Chairman.

(c) In the event of the death, resignation, or removal by the President of any member of the Commission, the vacancy thereby arising shall be filled in the manner herein provided for original appointments to membership on the Commission.

(d) Within 30 days after the appointment of the members thereof and funds have been made available by the Congress, under the authorization contained in this section, the Commission shall organize for the performance of its functions.

(e) The Commission shall elect a Vice Chairman from among its members. Three members of the Commission shall constitute a quorum for the transaction of business.

(f) The Chairman of the Commission, on the advice of the other members of the Commission, shall appoint a staff director. It shall be the duty of the staff director to supervise the formulation of the report to be submitted to the President and the Congress as provided in section 8 of this section, coordinate the staff work, and be responsible for carrying out the policies of the Commission.

(g) Members of the Commission shall report from time to time to their respective departments or agencies on the work of the Commission, and any comments and suggestions pertaining to such work from such sources shall be placed before the Commission for its consideration.

(h) The Governors of the States of Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma, and Texas shall respectively appoint a representative who shall serve as a member of an advisory committee to the Commission. The representatives so appointed shall select a chairman and vice chairman. The members of such advisory committee shall participate in the meetings of the Commission and shall submit the desires and views of such States to the Commission.

(i) The Commission shall cease to exist within 3 months from the date of its submission to the President and the Congress of its final report as hereinafter provided. All property, assets, and records of the Commission shall thereupon be turned over for liquidation and disposition to such agency or agencies in the executive branch as the President shall designate.

4. The Commission is authorized to hold such hearings, sit and act at such times and places, take such testimony, and publish so much of its proceedings and the reports thereon as it may deem advisable; lease, furnish, and equip such office space in the District of Columbia and elsewhere as it may deem necessary; transmit in the mails, free of postage, under cover of a penalty envelope, matters which relate exclusively to the business of the Commission; have printing and binding done in its discretion by establishments other than the Government Printing Office; employ and fix the compensation of such officers, employees, and consultants as it may require; purchase or hire, operate, maintain, and dispose of such vehicles as it may require; request and obtain, upon such terms as shall be mutually agreeable, the assistance and advice of officers and employees of the executive branch of the Government; pay travel and other necessary expenses, in accordance with existing law, incurred by it, or any of its officers or employees in the performance of duties vested in it, and shall have such other powers as are consistent with and reasonably required to perform the functions vested in it by this section. Employees of the departments or agencies from which persons have been appointed to the Commission pursuant to paragraph 3 (a) (2) of this section may be assigned to temporary duty with the Commission upon its request without loss of seniority, pay, or other employee status.

5. (a) Members of the Commission who are appointed thereto pursuant to paragraph 3 (a) (2) of this section shall receive no additional compensation by virtue of their membership on the Commission, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) The member of the Commission appointed under paragraph 3 (a) (1) of this section shall receive compensation of $30 per day when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by him in the performance of such duties: *Provided*, That the aggregate compensation received by him pursuant to this subparagraph shall not exceed $10,000 per annum.

6. In the formulation of a comprehensive and coordinated plan or plans for the control, conservation, and utilization of the waters of the Arkansas-White and Red River Basins except the drainage basin of Cypress Creek (a tributary of Red River, in Texas and Louisiana) for conservation and development of the land resources of such area, for flood control, navigation, reclamation, agriculture purposes, power, recreation, fish, and wildlife, and such other needs as are set forth in subsection (a) of the first paragraph of this section, the Commission shall act in conformity with existing Federal law and shall—

(1) seek to secure maximum public benefits for the region and the Nation consistent with the specific directions contained in paragraph 7 and elsewhere in this section;

(2) utilize the services, studies, surveys, and reports of existing Government agencies and shall encourage the completion of such current and additional studies and investigations by such agencies as will further the purposes of this section, and such agencies are directed to cooperate within the limits of available funds and personnel to the end that the Commission may carry out its functions as expeditiously as possible;

(3) take into consideration the financial, physical, and economic benefits of existing and prospective Federal works constructed or to be constructed consistent with the purposes of this section;

(4) include in its plan or plans estimated costs and benefits; recommendations in accordance with existing law relating to the establishment of pay-out schedules (area-wide or otherwise) taking into account the Federal Government's present and prospective investment in the area; costs reimbursable and nonreimbursable; sources for reimbursement; returns heretofore made from

existing projects and estimates of returns from recommended projects; repayment schedules for water, irrigation, industrial, and other uses; power rates and recommendations for the marketing thereof in such manner as to encourage its most widespread use at the lowest possible rates consistent with the return of capital investment and interest thereon; and estimates of contributions that may be required from power revenues to return reimbursable costs of present and prospective projects that are beyond the ability of water users to pay; and

(5) offer in its plan or plans proposals for the construction and operation of the projects contained therein, and designate the functions and activities of the various Federal departments and agencies in connection therewith consistent with existing law: *Provided,* That no such plan or plans shall include final project designs and estimates.

7. In the formulation of its plan or plans and the preparation of its report to the President and the Congress, the Commission shall comply with the following directives:

(1) The report shall contain the basic comprehensive plan for the development of the water and land resources of the Arkansas-White and Red River Basins except the drainage basin of Cypress Creek (a tributary of the Red River, in Texas and Louisiana) formulated by the Commission in accordance with the provisions, and to accomplish the purposes, of this section.

(2) The Commission and the participating Federal departments and agencies shall comply with the intent, purposes, and procedures set forth in the first section of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes," approved December 22, 1944 (58 Stat. 887).

(3) Proposals for the acquisition of a right to the use of water and the regulation of its appropriation and distribution for domestic, municipal, stock water, irrigation, mining, or industrial purposes, shall be in conformity with applicable State laws.

(4) Any plan shall recognize and give full effect to existing interstate compacts relating to the land and water resources of the basins herein described.

(5) Proposals for the use of navigation and generation of power of waters arising in States lying wholly or partly west of the ninety-eighth meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian of waters for domestic, municipal, stock water, irrigation, mining, or industrial purposes.

(6) Federal projects now constructed and in operation, under construction, authorized for construction, or projects that may be hereafter authorized substantially in accordance with reports currently before Congress, if in compliance with the first section of an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes," approverd December 22, 1944 (58 Stat. 887), shall not be altered, changed, restricted, delayed, or otherwise impeded or interfered with by reason of this section.

8. (a) The Commission is authorized and directed to prepare a final report, within the time as herein provided, for submission to the President and the Congress. Before the Commission takes final action on the approval of such report for submission to the President and the Congress, it shall transmit a copy to each of the departments and agencies of the Federal Government enumerated in paragraph 3 (a) (2) of this section, and to the governor of each of the States enumerated in paragraph 3 (h) of this section. Within 90 days from the date of receipt of such proposed report, the written views, comments, and recommendations of such States and departments and agencies shall be submitted to the Commission. The Commission may adopt in its report to the President and the Congress any recommendation so submitted and change its report accordingly: *Provided,* That the Commission shall transmit to the President and the Congress with its final report the submitted views, comments, and recommendations of such departments, agencies, and States whether or not adopted.

(b) If, within 2 years from the date of its organization, the Commission, after complying with subparagraph (a) of this paragraph, shall have been unable to agree unanimously upon and to submit to the President and the Congress a plan as hereinbefore provided, then it shall, within 6 months thereafter, submit to the President and the Congress, such plan as shall have received the favorable vote of a majority of the members of the Commission: *Provided,* That minority views of any members of the Commission shall also be incorporated in such report.

(c) The final report of the Commission and its attachments shall be transmitted to the Congress by the President, together with his recommendations and comments, within 6 months from its submission to him by the Commission and shall be printed as a House or Senate document.

9. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this section.

The amendment was agreed to.

The next amendment was, on page 67, line 7, to change the section number from "214" to "220."

The amendment was agreed to.

The PRESIDING OFFICER. That concludes the committee amendments.

Mr. LUCAS. Mr. President, this bill was called up a moment ago, and the amendments have been agreed to, but I think the Senate will recall that some time ago I made a statement on the floor of the Senate to the effect that I had discussed the measure with the chairman of the committee, the Senator from New Mexico [Mr. CHAVEZ], who advised me that he did not believe the bill should be taken up until next January, when Congress resumes its session.

The Senate will also recall that some time ago, when we tried to get the bill before the Senate, there was a controversy between the Senator from Washington [Mr. MAGNUSON], who was joined, as I recall, by the Senator from Oregon [Mr. CORDON], over some amendments to which the Senator from New Mexico would not agree. They never got the matter straightened out, as I understand, and I hesitate to let the bill go through under the circumstances.

Mr. MAGNUSON. Mr. President, I should like to explain this matter. I am going to ask that the bill go over. I have no objection to the rivers and harbors bill as such, and the Senator from New Mexico and the committee have done much hard work on it. They have agreed to the amendments; there is no question about that, but it so happens that in our multiple-purpose projects in the great Columbia Basin, we have projects which include power, rivers and harbors, reclamation, and flood control. As a matter of fact, it is pretty hard to separate the functions and the purposes of the projects.

We also had a so-called report, No. 308, which is a combination report of a comprehensive plan worked out after about 7 years of work by the Army engineers and the Bureau of Reclamation, which was available, and which we hoped the committee would authorize. The committee did not see fit to authorize the initial phases of the comprehensive plan, despite the fact that it has authorized 13 other river authorities. That was not the problem here, however. The problem here was the inability to separate the rivers and harbors program from that of reclamation. Technically under the rules of the Senate the Committee on Interior and Insular Affairs is in charge of reclamation items, which are also tied together with rivers and harbors items in the whole Columbia River Basin plan. It was hoped the two matters could be considered together, but it was finally decided that that could not be done within the time remaining.

So, representing our area of the country—and I dislike very much to say this, because the measure contains projects throughout the whole United States—we almost feel duty bound to attempt to straighten out this matter, because it involves our great area. Some joint meetings were held. The Senator from Wyoming kindly consented to bring his entire committee to a meeting which was held the other morning. The Senator from Oregon and other Senators were present. We came to the conclusion that no harm would be done to let this matter go over for about 2 months until January, until we could work out this problem between the two committees respecting the great Columbia River Basin project. We hope we can do so.

The budget estimate for next year's appropriations are now on their way anyway. The only harm delay might result in is that 2 months would pass before we could ask for supplemental appropriations on these authorizations. It is true that in the rivers and harbors bill are contained a great number of projects in which the Pacific Northwest is vitally interested. We hope to be able to work cut the problem. That is why I ask that the bill be passed over.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield if I have any time left.

Mr. MALONE. Let us suppose that early next year, say in January, it should be impossible for these two committees to work out an arrangement satisfactory to both committees. The bill having been referred originally to the Public Works Committee, should not that committee report the bill to the Senate, though cooperating to the best of its ability with the Committee on Interior and Insular Affairs. The junior Senator from Nevada happens to be a member of both committees.

Mr. MAGNUSON. And the Senator from Nevada did much good work on the bill.

Mr. MALONE. But I was not called into any conference which involved the Committee on Interior and Insular Affairs.

Mr. MAGNUSON. Some of the members of the Public Works Committee are

directly interested in the Columbia Valley matter, and Senators from the Pacific Northwest who are members of neither committee were called in.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. MAGNUSON. If the Committee on Public Works will accept the amendment which will be suggested by the Senators from Oregon and myself and by other Pacific Northwest Senators, we will be glad to let the bill go through. But these amendments are going to require some discussion, and probably some of them will be controversial.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. MAGNUSON. My time, I believe, has expired.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MALONE. Mr. President, I ask unanimous consent that the time of the Senator from Washington may be extended for a minute or so in order that I may ask him a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Suppose by January of next year the matters in question shall still be confusing to the other committee. Will we be justified in continually postponing action?

Mr. MAGNUSON. Oh, no; under no circumstances would we be justified in doing so. If this matter cannot be resolved very quickly after the first of the year, the rivers and harbors bill should be passed promptly by all means. I am in favor of its passage, and so is the Senator from Wyoming.

Mr. MALONE. I thank the Senator.

Mr. O'MAHONEY. Is it my understanding that the bill is going over?

The PRESIDING OFFICER. If objection is made.

Mr. GEORGE. Mr. President, before the bill goes over I wish to offer an amendment. Numerous amendments have been offered. I desire to offer another amendment so as to perfect the bill regardless of whether it is considered today or not. I talked with the distinguished chairman in charge of the bill before he left the Senate Chamber and he said my amendment is agreeable to him, if I could obtain the exact estimate from the Board of Army Engineers on an item in the bill on page 23. It is a mere authorization to appropriate the sum of $40,000,000 for the construction of the Hartwell project. I offer an amendment in line 5, page 23, after the words "sum of" to strike out $40,000,000 and insert $68,377,000.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I am going to ask that the bill go over, but in doing so I want it clearly understood that I am not making any objection to the rivers and harbors items which are in the bill. The bill as reported by the committee contains provision for certain Army engineer works in the Columbia River Basin. These works are part of a comprehensive plan worked out by the Bureau of Reclamation as well as the Army engineers. The plan ought to be maintained as a unit. It would be a great mistake, it seems to me, to divide it, and, because of the desirability of preserving unity in the construction as well as in the consideration, and because of the impossibility at this time of going into the details of certain power construction as well as reclamation construction that is desirable, the Committee on Interior and Insular Affairs has generally felt that the matter ought to go over. And so, Mr. President, with that explanatory remark, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The next bill on the calendar will be stated.

FEDERAL LAND-BANK LOANS

The bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HOLLAND. Mr. President, the senior Senator from Louisiana [Mr. ELLENDER] is detained in conference on the agricultural bill. He asked me to file, in connection with House bill 3699, an explanation of the several sections thereof, which I do here and now, and ask that it be printed in the RECORD at this point.

There being no objection, Mr. ELLENDER's statement was ordered to be printed in the RECORD, as follows:

EXPLANATION BY MR. ELLENDER OF H. R. 3699

Section 1 of this bill permits national farm-loan associations to organize and operate in Puerto Rico and Alaska, and will permit loans by these associations at the same rate of interest and for the same term as is permitted in the States. At the present time Puerto Rican farmers must borrow direct from the Federal land bank at Baltimore, and must pay a one-half of 1 percent higher interest rate, with a maximum loan term of 20 years. Information furnished the committee shows that the Baltimore Federal Land Bank program in Puerto Rico has operated satisfactorily, and we believe these farmers can now be placed on an equal basis with farmers in the United States. While no Federal land bank loans have been made up to this time in Alaska, the committee believes it advisable to include this Territory in the pending authorization in order to continue the policy of the Congress to treat Alaska and Puerto Rico on the same legal basis.

Section 2 increases the limitation on the size of Federal land bank loans to any one borrower. Under existing law, loans to any one borrower may not exceed $50,000, and the pending bill simply extends this limitation to $75,000. The House removed the limitation altogether, but the Senate Committee on Agriculture and Forestry believes some ceiling should be retained on this type of loan, and agreed upon the figure of $75,000. The present law directs that any loans in excess of $25,000 must be approved by the Land Bank Commissioner, and that preference be given to loans under $10,000—the pending bill retains those provisions.

Section 3 confirms the recent return to the Treasury of the United States by the Federal land banks of the sum of $189,000,000, which represents funds appropriated to the Federal land banks in the 5 years ended July 10, 1938. The statutory provision under which these funds were made available is repealed. Senators may recall that during the depression the Congress made these funds available to the Federal land banks in order to defer interest and principal payments on land-bank loans to farmers. All of the money has been repaid by the farm-loan associations, and the Federal land bank officials advise us that the money is no longer needed by them.

Section 4 permits several minor simplifications in the bookkeeping system of the land banks, and lifts the requirement that the banks must discharge the lien of record when a mortgage is paid in full.

Section 5 clarifies the status of Alaska, Puerto Rico, and Hawaii by specifically including them in a farm-credit district provided by existing law. Originally, the Congress did not provide for farm-credit loans in the three Territories, but subsequently made certain extensions on a piecemeal basis. The committee was advised that the exact status of the authority to operate in the three Territories is not clearly defined, and section 5 would simply provide a clear-cut directive that would permit all lending institutions under the Farm Credit Administration to operate in Puerto Rico, Alaska, and Hawaii, on the same basis as they operate in the United States.

Mr. SCHOEPPEL. Mr. President, may we have a short résumé of the explanation?

Mr. HOLLAND. Mr. President, I shall be very happy to explain the items. The principal purpose of the bill, as I am advised by the senior Senator from Louisiana—and, incidentally, I sat in at the time of the approval of the bill by the Senate Committee on Agriculture and Forestry, but had not given any further thought to the measure from that time until now—the principal purpose is to allow the installation of national farm loan associations in Puerto Rico and Alaska. Heretofore Puerto Rico has been operating as a part of the territory covered by the Federal Land Bank of Baltimore, but that has proved inconvenient and the history of the operation in Puerto Rico is such as to justify, in the judgment of the committee, the establishment of a Federal land bank for Puerto Rico.

Section 2 provides that the maximum limitation for any loan shall be raised from $50,000 to $75,000. The House bill did away with the $50,000 limitation and imposed no other limitation. But by the Senate committee amendment the limitation on one loan would be simply raised from $50,000 to $75,000.

Section 3 confirms the recent return to the Treasury of the United States by the Federal land banks of the system of the sum of $189,000,000, which represents funds appropriated to the Federal land banks in the 5 years ended July 10,

1938. That constituted, at the time, a revolving fund, but it has since been repaid in its entirety by the present owners of the banks, that is, the growers, the farmers. The bill confirms that, and retires the last of the Federal funds which were advanced for the organization and enlargement of the banks.

Section 4 has to do with some details of the bookkeeping of the banks, and section 5 clarifies the status of Alaska, Puerto Rico, and Hawaii, including them in a single farm-credit district by themselves.

The Senate committee unanimously approved this measure, with the amendments which are reported to the House bill. The House passed the bill several months ago.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with an amendment on page 3, after line 13, to strike out:

Seventh. The amount of loans to any one borrower shall not exceed $25,000 unless approved by the Land Bank Commissioner, nor shall any one loan be for a less sum than $100, but preference shall be given to applications for loans of $10,000 and under.

And in lieu thereof, to insert the following:

Seventh. The amount of loans to any one borrower shall in no case exceed a maximum of $75,000, but loans to any one borrower shall not exceed $25,000 unless approved by the Land Bank Commissioner, nor shall any one loan be for a less sum than $100, but preference shall be given to applications for tions for loans of $10,000 and under.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 5731) to discharge a fiduciary obligation to Iran, was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. DONNELL. By request, I object.

The PRESIDING OFFICER. The bill will be passed over.

COUNTY HOSPITAL AT ALBUQUERQUE, N. MEX., FOR TREATMENT OF INDIANS

The Senate proceeded to consider the bill (S. 2404) authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians, which had been reported from the Committee on Interior and Insular Affairs with amendments.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. ANDERSON. Mr. President, the Senator from Minnesota [Mr. HUMPHREY] has an amendment on the desk to which we are agreeable, and would like to accept. However, the amendment is not in proper order. It reads as an amendment to page 4, line 7. It should be page 4, line 22.

On behalf of the junior Senator from Minnesota [Mr. HUMPHREY] I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico on behalf of the Senator from Minnesota will be stated.

The LEGISLATIVE CLERK. On page 4, line 22, after the word "this" it is proposed to strike out "section" and insert "Act."

The amendment was agreed to.

The PRESIDING OFFICER. Does the Senator from Kansas object to further consideration of the bill?

Mr. SCHOEPPEL. I should like to ask the distinguished Senator from New Mexico with respect to one phase of the bill. Is not the provision for the guarantee of the minimum payment by the Federal Government because of the beds reserved for Indian patients a unique feature of the bill? I should like to have some explanation from the Senator from New Mexico on that point.

Mr. ANDERSON. I will say to the distinguished Senator from Kansas that I do think it is a new and unusual proposal. The problem of what to do with Indian hospitals has perplexed the Southwest for a long time. There is a gradual move to try to integrate the Indians with the rest of the population, and it has been felt desirable in this particular instance, rather than to have a group of small isolated hospitals where nursing service and proper medical service are not available, that there should be one place where many of the Indians could go and where they would be treated with other citizens of the community.

This is an attempt which the Department of the Interior has endorsed, to try to bring them together in community hospitals publicly owned rather than to have a small group of isolated hospitals, very expensive to operate, scattered around the country.

Mr. SCHOEPPEL. In other words, this would be a decided saving of expense in the end?

Mr. ANDERSON. We think it would mean a very substantial saving, not only in expense, but of medical facilities and of those who are engaged in that type of work.

Mr. SCHOEPPEL. A much more skilled type of service would be available to them.

Mr. ANDERSON. Yes.

The PRESIDING OFFICER. The clerk will state the committee amendments.

The first amendment of the Committee on Interior and Insular Affairs was on page 1, line 5, after the words "the sum of", to strike out "$1,800,000" and insert "$1,500,000."

The amendment was agreed to.

The next amendment was, on page 1, line 10, after the words "not less than", to strike out "eighty" and insert "one hundred."

The amendment was agreed to.

The next amendment was, on page 3, line 7, after the numeral "25", to strike out "secs. 452 and the following" and insert "sec. 454."

Mr. ANDERSON. Mr. President, there was an error in printing. The language on page 3, line 7, should read "secs. 452–454."

The PRESIDING OFFICER. Does the Senator offer that amendment to the committee amendment?

Mr. ANDERSON. I offer that amendment to the committee amendment.

The PRESIDING OFFICER. Without objection, the committee amendment will be amended accordingly.

The amendment was agreed to.

The next amendment was, on page 3, line 12, after the word "for", to strike out "eighty beds" and insert "eight per centum of the beds required to be made available."

The amendment was agreed to.

The next amendment was, on page 3, line 20, after the word "contract", to insert:

Provided further, That the authority of the Commissioner of Indian Affairs to make such payments shall expire on June 30, 1954: *Provided further*, That on or before December 31, 1953, the Secretary of the Interior is authorized and directed to report to the Congress his recommendations with respect to the amounts (together with the formula used in arriving at such amounts) to be paid for such purposes after June 30, 1954: *And provided further*, That the Commissioner of Indian Affairs may for temporary periods waive the requirements that one hundred beds always be available for Indians, if for any temporary period such a number is not needed or required, and if in return the operator agrees that the minimum charge should be proportionately reduced.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. PEPPER. Mr. President, I have no objection to the passage of this bill, but I do wish to call the attention of the able Senator from New Mexico to page 2 of the bill, lines 23 and 24, reading as follows. I begin with the beginning of the proviso, a few lines before that:

Provided, That such hospital shall be constructed, operated, and maintained by the county of Bernalillo, State of New Mexico, or its successor operator, in accordance with standards acceptable to the American Hospital Association and the American Medical Association.

I do not know of any other bills which lay down such standards. I was wondering if the Senator would object to inserting, in lieu of those two lines, the language "in accordance with standards prescribed for such hospitals by the State of New Mexico."

Mr. ANDERSON. I would not object to that language, I will say to the distinguished Senator. I was only trying to live up to standards which are common over the United States for Government hospitals.

Mr. PEPPER. The reason I make that suggestion is that the language of the Hill-Burton Act with respect to Federal hospitals is:

Provide minimum standards to be fixed in the discretion of the State.

The States are the ones who lay down the standards. I would be willing to say "shall apply the standards which are applied by the State of New Mexico to other hospitals which receive Federal aid."

Mr. ANDERSON. I regret to say to the distinguished Senator from Florida that I was not aware of the language in the Hill-Burton Act. If that is the language already passed upon by the Congress, I would naturally approve its substitution for the language used in the bill.

Mr. PEPPER. Mr. President, with the permission of the Senator from New Mexico, I should like to offer an amendment to the language in lines 23 and 24 on page 2, so as to read, "in accordance with standards applicable to hospitals which receive Federal assistance for their construction."

Mr. ANDERSON. I wonder if the Senator from Florida would accept the language he just read from the Hill-Burton Act, so as to make lines 23 and 24 read "standards acceptable to the State of New Mexico."

Mr. PEPPER. That is very good. It would then read "in accordance with standards acceptable to the State of New Mexico."

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The LEGISLATIVE CLERK. On page 2, line 23, after the words "acceptable to the", it is proposed to strike out "American Hospital Association and the American Medical Association" and insert "State of New Mexico."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,500,000 for the purpose of cooperating with the county of Bernalillo, State of New Mexico, in the construction of a general hospital at Albuquerque, N. Mex., on land conveyed or to be conveyed to said county by the United States, which will provide and make available when required not less than 100 beds for Indians. The expenditure of any moneys authorized to be appropriated hereunder shall be subject to the condition that the proper authorities of Bernalillo County, State of New Mexico, promptly take the necessary steps under the laws of said State to provide such additional funds as may be required to complete the construction of such hospital, including the provision of regulation equipment in such hospital. Proof of compliance with such condition shall be submitted to the Commissioner of Indian Affairs, who may enter into such contract or contracts with said authorities relating to such hospital as shall be necessary to carry out the provisions of this act.

(b) Actual work on such hospital shall proceed under the direction of the officials of the county of Bernalillo, State of New Mexico, and payment for such work in place shall be made monthly on vouchers properly certified by said officials to the Commissioner of Indian Affairs, whose determination and approval of the proper amount chargeable to any appropriation authorized hereunder shall be final and sufficient for payment thereof: *Provided,* That such hospital shall be constructed, operated, and maintained by the county of Bernalillo, State of New Mexico, or its successor operator, in accordance with standards acceptable to the State of New Mexico and shall be available to all Indians: *Provided further,* That the Commissioner of Indian Affairs shall reimburse the county of Bernalillo, or any successor operator of such hospital, for the care and treatment of Indians eligible under the regulations of the Secretary of the Interior for hospital and medical services who may be admitted to or treated in said hospital under the provisions of the act of April 16, 1934, as amended (U. S. C., title 25, secs. 452–454), at rates not in excess of the average annual per diem cost of operation and maintenance for the entire hospital, but in no event shall the amount of such payment by the Commissioner of Indian Affairs be less than the average annual per diem cost of operation and maintenance for 80 percent of the beds required to be made available. The method of determining average annual per diem cost of operation and maintenance shall be agreed upon between the county of Bernalillo and the Commissioner of Indian Affairs in the contract between them relating to such hospital. Such payments shall be made by the Commissioner of Indian Affairs in the manner and at the times agreed upon in said contract: *Provided further,* That the authority of the Commissioner of Indian Affairs to make such payments shall expire on June 30, 1954: *Provided further,* That on or before December 31, 1953, the Secretary of the Interior is authorized and directed to report to the Congress his recommendations with respect to the amounts (together with the formula used in arriving at such amounts) to be paid for such purposes after June 30, 1954: *And provided further,* That the Commissioner of Indian Affairs may for temporary periods waive the requirements that 100 beds always be available for Indians, if for any temporary period such a number is not needed or required, and if in return the operator agrees that the minimum charge should be proportionately reduced.

SEC. 2. Subject to the guaranteed priority for Indians as hereinbefore provided, no distinction shall ever be made in the admission, accommodation, or treatment of patients in or in connection with such hospital on the basis of race, religion, language, or otherwise, and no segregation of patients on the basis of race, religion, language, or other nonmedical grounds shall ever be allowed, but all persons entitled to admission, accommodation, or treatment therein or in connection therewith shall be admitted, accommodated, and treated in the same manner with equality and without discrimination of any nature whatsoever. The Commissioner of Indian Affairs, or any Indian tribe, a member of which has been aggrieved by a violation of the provisions of this act, or any person aggrieved by such violation shall have a cause of action in mandamus or for injunction to enforce the provisions of this section against the board of county commissioners of the county of Bernalillo, the board of trustees of the Bernalillo County Hospital, or any successor State or local agency operating said hospital. Such action may be brought in the United States District Court for the District of New Mexico, and on complaint of the Commissioner of Indian Affairs, such Indian tribe, or such aggrieved person, the United States attorney for the district of New Mexico, if such complaint appears to be meritorious, shall institute and prosecute, without cost to the complainant, such action against such board, boards, or agency, as may be proper parties. Any such action must be commenced within 1 year from the date of the alleged violation. The remedy provided for in this section shall be in addition to all other remedies provided for in this act or existing at law or in equity.

SEC. 3. The county of Bernalillo may, with the consent of the Commissioner of Indian Affairs, permit such hospital to be operated by the State of New Mexico, or any subdivision thereof, if the laws of said State permit such operation. The financial cooperation provided for herein shall be conditioned upon the inclusion in the contract to be entered into between the Commissioner of Indian Affairs and the proper authorities of Bernalillo County (relating to the construction, operation, and maintenance of such hospital) of a requirement that in the event the county of Bernalillo, or any of the successor operators of such hospital, shall at any time cease or suspend, or be about to cease or suspend, the operation of such hospital, or in the event that the Secretary of the Interior, after such notice and hearing as shall be specified in such contract, shall find that there has been a willful and continuous violation of any of the conditions of section 2 of this act, the Commissioner of Indian Affairs shall enter and take over the administration of such hospital and of all of its equipment and facilites and operate and maintain the same. In the event the Commissioner of Indian Affairs shall take over the administration of such hospital as hereinbefore provided, the Bureau of Indian Affairs shall furnish hospitalization, treatment, and medical service to non-Indians who are qualified to enter and receive services at such hospital under the laws or regulations of the county of Bernalillo, the State of New Mexico, or the applicable local subdivision of said State: *Provided,* That the county of Bernalillo, the State of New Mexico, or subdivision thereof, or the patient, as the case may be, shall reimburse the United States for such services, care, and treatment at rates not in excess of the average annual per diem cost of operation for the entire hospital. Such sums as shall be reimbursed to the United States shall be covered into the Treasury of the United States to the credit of the appropriation from which the hospitalization or medical services are provided, and shall be available for the operation and maintenance of the institution. If at any time after the taking over of the administration of such hospital by the Commissioner of Indian Affairs, the board of county commissioners of Bernalillo County, or the board of trustees of the Bernalillo County Hospital, or their successors, shall establish to the satisfaction of the Secretary of the Interior their willingness and ability to operate and maintain such hospital in accordance with this act and the contract with the Commissioner of Indian Affairs, the Commissioner of Indian Affairs shall return the administration of said hospital, equipment, and facilities to said board of county commissioners of Bernalillo County or the board of trustees of the Bernalillo County Hospital, or their successors, as the case may be, for operation pursuant to the provisions of this act and the terms of the contract with the Commissioner of Indian Affairs.

SEC. 4. In the event that the Bureau of Indian Affairs at the request of the board of county commissioners of Bernalillo County, or the board of trustees of the Bernalillo County Hospital, or their successors, shall supply any personnel, materials, or other resources for the operation of such hospital, the cost thereof, as agreed upon by the Commissioner of Indian Affairs and the county of Bernalillo, or the State of New Mexico, or any of its subdivisions then operating such hospital, shall be deducted from the amount due and payable by the Bureau of Indian Affairs.

SALE OF CERTAIN LAND ON PINE RIDGE RESERVATION, S. DAK.

The bill (H. R. 5105) to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak., was considered, ordered to a third reading, read the third time, and passed.

ISSUANCE OF PUBLIC IMPROVEMENT BONDS BY THE TERRITORY OF HAWAII

The Senate proceeded to consider the bill (H. R. 4686) to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii, which had been reported from the Committee on Insular Affairs with an amendment on page 2, after line 8, to insert a new section 4, as follows:

SEC. 4. Act No. 401 of the Session Laws of 1949 of the Territory of Hawaii entitled "An act relating to public improvements, and the financing thereof, making appropriations for public improvements, providing for the issuance of public-improvement bonds and memorializing Congress to authorize the issuance of public-improvement bonds of the Territory of Hawaii during the years 1949 to 1955, inclusive, without respect to the limitation imposed by the Hawaiian Organic Act, and amending Act 205 of the Session Laws of Hawaii 1947," to the extent approved by the Governor of the Territory of Hawaii on May 27, 1949, is hereby confirmed and ratified: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of said act of said Territory by the legislature thereof, from time to time, to provide for changes in the improvements authorized by said act and for the disposition of unexpended moneys appropriated by said act: *Provided further,* That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ISSUANCE OF FLOOD-CONTROL BONDS BY TERRITORY OF HAWAII AND COUNTY OF HONOLULU

The Senate proceeded to consider the bill (H. R. 4968) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, line 9, after the word "bonds," to insert a colon and the following additional proviso:

Provided further, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress.

The amendment was agreed to.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, this is one of several bills which were passed by the House and endorsed by the Department of the Interior, and unanimously reported by the Committee on Interior and Insular Affairs, to enable the city and county of Honolulu, or the Territory of Hawaii, to issue certain bonds.

This particular bill deals with flood-control bonds for improving drainage and preventing recurrence of floods in Palolo, Kalihi, and Manoa Valleys. The committee has carefully gone into all these issues, and feels that they are justified by the needs in the islands, and that the authorization should be approved.

The Territory of Hawaii has acted favorably, and the Senate is now merely approving the action of the Territorial legislature, with one amendment which the committee has made.

Mr. SCHOEPPEL. I note that the proviso inserted by the committee reads as follows:

Provided further, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress.

Mr. O'MAHONEY. The reason for that proviso was that the language of the bill was broad enough to have permitted the expenditure of the funds on other projects which had not been presented to us.

Mr. SCHOEPPEL. I have no objection. I appreciate the explanation.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUBLIC IMPROVEMENT BOND ISSUE BY HONOLULU, T. H.

The Senate proceeded to consider the bill (H. R. 5459) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, in line 20, after the word "bonds", to insert a colon and the following additional proviso:

Provided further, That the proceeds of the bond issues hereby authorized shall be expenses only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PUBLIC IMPROVEMENT BOND ISSUE BY KAUAI COUNTY, T. H.

The Senate proceeded to consider the bill (H. R. 5490) to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds, which has been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 2, line 16, after the word "bonds", to insert a colon and the following additional proviso:

Provided further, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

BOND ISSUES BY GOVERNMENT OF THE VIRGIN ISLANDS OR MUNICIPALITIES THEREOF

The Senate proceeded to consider the bill (H. R. 4586) to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations, which has been reported from the Committee on Interior and Insular Affairs with amendments, which were, on page 1, in line 3, after the word "That", to strike out "when necessary to anticipate taxes and revenues, and"; on page 2, line 1, after the word "Authority", to insert "or to clear slums, accomplish urban redevelopment or provide low-rent housing"; on page 3, line 18, after the word "section," to strike out "1401 (b) of title 48, United States Code, 1946 edition" and insert "3 of the act of May 26, 1936 (49 Stat. 1372)"; after line 20, to insert a new section 2, as follows:

SEC. 2. The proceeds of the bond issues or other obligations herein authorized shall be expended only for the public improvements set forth in section 1 of this act, or for the reduction of the debt created by such bond issue or obligation, unless otherwise authorized by the Congress.

And at the top of page 4, to insert a new section 3, as follows:

SEC. 3. Bonds or other obligations issued pursuant to this act shall not be a debt of the United States, nor shall the United States be liable thereon.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TERCENTENARY OBSERVANCE OF THE MARYLAND ACT OF RELIGIOUS TOLERANCE

The resolution (S. Res. 106) submitted by Mr. O'CONOR (for himself and Mr. TYDINGS) of April 8, 1949, and reported by the Committee on the Judiciary, was considered and agreed to, as follows:

Resolved, That the Senate of the United States in 1949, reaffirm its devotion to the principle of religious freedom as embodied in and developed from the Maryland act of 1649; and urge upon the people of our Nation that they keep ever in mind the benefits in good will and good citizenship resulting from the general practice of toleration among the many religious, racial, and other groups whose combined contributions have made the United States the mighty leader of the freedom-loving peoples of the world.

The preamble was agreed to.

PATENT FOR BADGE OF THE HOLY NAME SOCIETY

The bill (H. R. 5319) granting a renewal of patent No. 40,029, relating to

the badge of the Holy Name Society, was considered, ordered to a third reading, read the third time, and passed.

DR. THOMAS WALKER BICENTENNIAL HISTORICAL PAGEANT

The resolution (S. Con. Res. 63) submitted by Mr. Chapman, on August 25, 1949, and reported by the Committee on the Judiciary, was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress joins with the legislatures of the States of Kentucky, Virginia, Tennessee, and West Virginia in declaring the wish—

(1) that a bicentennial historical pageant be held in 1950 in such States in celebration of the two hundredth anniversary of the journey of exploration made by Dr. Thomas Walker and his five associates—Ambrose Powell, William Tomlinson, John Hughes, Colby Chew, and Henry Lawless—who left Doctor Walker's home, Castle Hill, near Charlottesville, Va., March 6, 1750, and passed through the region now comprising the Virginia counties of Albemarle, Nelson, Amherst, Bedford, Botetourt, Roanoke, Montgomery, Pulaski, Wise, and Smyth, and on through Sullivan, Hawkins, Hancock, and Claiborne Counties in Tennessee, back into Lee County, Va., through Cumberland Gap and on through the present Kentucky counties of Bell, Knox, Whitley, Laurel, Rockcastle, Jackson, Estill, Powell, Wolfe, Morgan, Johnson, and Martin, and then on through the West Virginia counties of Mingo, Raleigh, Summers, and Greenbrier, and on through Bath and Augusta Counties in Virginia and back to Castle Hill, and of the construction during such journey of the first house west of the Allegheny Mountains near the north bank of the Cumberland River in Knox County, Ky.;

(2) that such pageant be aided by people from all parts of the United States and be participated in by the people individually and through their State and local governments, their schools, churches, clubs, lodges, and other organizations; and

(3) that pageants and exhibits be held at appropriate places along the route taken by Doctor Walker and his associates which will depict the efforts of the early pioneers to carve a Nation out of the wilderness, thus affording the people of the United States an opportunity to increase their knowledge and appreciation of their pioneer forefathers and their successful accomplishment of a difficult and dangerous task.

USE FOR EDUCATIONAL PURPOSES OF CERTAIN LANDS IN KENTUCKY—BILL PASSED OVER

The bill (H. R. 3480) to authorize the Commonwealth of Kentucky to use for certain educational purposes lands granted by the United States to such Commonwealth for State park purposes exclusively, was announced as next in order.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, for the time being, I shall object to consideration of the bill.

I shall be willing to reconsider the bill in January; but I am objecting to its consideration now, as a matter of principle. I think the bill violates a very important principle; in my judgment we cannot establish the precedent of having the property of the United States given to a State government unit for one public use purpose, and then subsequently have the State ask that the property be given to another of its units—in this case, one of the educational institutions in the State—because such a proceeding will simply defeat, by maneuver, the principle which some of us are trying to protect.

I see no reason why the University of Kentucky should not pay a reasonable amount of money for this property. Therefore, until I can study this matter in greater detail and can talk to the two Senators from the State of Kentucky between now and January, I shall object to the bill.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

Mr. O'MAHONEY. Mr. President, I wonder whether the Senator from Oregon is aware of the fact that all the departments concerned have approved the bill as it has been reported by the committee.

Mr. MORSE. I assure the Senator from Wyoming that I am aware of that, not only in connection with this matter, but in connection with a number of other cases of this sort. Certainly someone must call a halt to having the departments of the Federal Government give away the money of the taxpayers. I may add that, come January, I may attempt to call a halt to the practice of having the departments appraise such property; because I have examined some of the appraisals which have been made, and I find that the departments are not attempting to see that the taxpayers get a fair return on such property.

Mr. O'MAHONEY. Let me say that in this case the land already has been transferred to the State of Kentucky. The only issue here is whether it may now be utilized for the 4–H Clubs, under the direction of the University of Kentucky.

Mr. MORSE. I understand that.

Mr. O'MAHONEY. Our committee saw no objection to that utilization.

Mr. MORSE. I think it is obvious that the committee did not see any objection; but the junior Senator from Oregon does. The property was transferred to the State of Kentucky, with a reservation that it would be used for a specific purpose. Now it is desired to use the land for some other purpose. I do not permit them to get by with that.

Mr. CHAPMAN. Mr. President, the Senator from Wyoming [Mr. O'MAHONEY] has stated the purpose of this measure clearly and forcefully.

Several years ago the Federal Government granted to the State of Kentucky 447½ acres of land in the vicinity of Dawson Springs, for the purpose of a State park. Since that time it has been found that the land could be much more beneficially used if it is devoted to 4–H Club purposes.

The land has already been granted to the State of Kentucky, but there was a provision in the grant that if the land ceased to be used for State park purposes, it would revert to the United States.

It is the unanimous opinion of those acquainted with this situation, including the Interior Department, the Veterans' Administration, and the Department of Agriculture—as evidenced by three letters from those agencies, which are filed as a part of the report on the bill—that this land would serve much more beneficial purposes if it were permitted to be used for 4–H Club programs and as a summer camp for the hundreds of boys and girls who participate in the work of the 4–H Clubs, which have accomplished so much for the social and economic benefit of the United States. The 4–H Club movement is one of the greatest organizations for American youth which has ever been begun in this country. It is helping to develop fine citizens, leaders of public opinion, successful farmers, and patriotic Americans, to whose training these 4–H Clubs are of inestimable benefit.

I earnestly hope the junior Senator from Oregon will not object to this bill. The land already has been granted to Kentucky. The only question is whether it will be retained for a State park that is not used as much as other State parks are, or dedicated to the laudable use contemplated by this bill. When devoted to park use, it has been found that this land serves no great beneficial purpose. So the question is whether the land must continue to be used for that purpose, as it will be if this bill is not enacted, or whether the Congress, by its decision, will permit the land to be devoted to the training of these young Americans in the 4–H Clubs.

I hope the Senator from Oregon will not object to such use of this property, title to which already is vested in the State of Kentucky. The use proposed is for the highly beneficial and useful purpose just stated, under the direction of the College of Agriculture of the University of Kentucky, which, after all, is a land-grant college, established under the Land Grant Act of the Federal Congress.

Mr. MORSE. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

CARILLON AT ARLINGTON MEMORIAL AMPHITHEATER

The bill (H. R. 6259) to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead, was considered, ordered to a third reading, read the third time, and passed.

ISLAND BEACH (N. J.) NATIONAL MONUMENT

The Senate proceeded to consider the bill (S. 1583) to provide for the establishment of the Island Beach National Monument, in the State of New Jersey, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, line 6, after the word "property", to insert "not owned by the

United States," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to accept donations of, or to purchase with donated funds, on behalf of the United States, any lands or interests in lands, buildings, structures, and other property not owned by the United States within an area in the State of New Jersey, lying generally along Barnegat Bay, comprising the Borough of Island Beach, together with such adjacent lands and submerged lands as he shall deem to be desirable for the establishment of a national monument. The total area of such national monument, including interests in lands and submerged lands, as established or as enlarged pursuant to this act shall be not more than 13,500 acres.

SEC. 2. Upon a formal determination by the Secretary that sufficient lands in the area are in Federal control to permit the establishment of a suitable national monument, such lands or interests in lands shall be set apart as the "Island Beach National Monument" for the benefit and enjoyment of the people. Thereafter, additional lands or interests in lands may be acquired within the area in the manner described in section 1 of this act and shall become a part of such national monument upon acceptance by the Secretary.

SEC. 3. The administration, protection, and development of such national monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act entitled "An act to establish a National Park Service, and for other purposes," approved August 25, 1916, as amended: *Provided*, That other departments and agencies of the Federal Government shall retain jurisdiction over lands administered by them within the exterior boundaries of such national monument. The jurisdiction of other departments or agencies over any lands described in section 1 of this act may be terminated at the discretion of such departments or agencies by the transfer of such jurisdiction to the Secretary of the Interior for the purposes of such national monument.

Commercial fishing shall be permitted within the exterior boundaries of such national monument in accordance with the laws of the State of New Jersey and subject to such rules and regulations as the Secretary may deem necessary in order to protect such area.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF LAND TO SCHOOL DISTRICT NO. 5, LINN COUNTY, OREG.

The bill (H. R. 6230) to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, it might be argued that this particular bill involves the principle of de minimis. I am sure my senior colleague knows that it is with great hesitancy and regret that I object to this bill. It involves a very small piece of land, approximately eighteen-one hundredths of an acre. However, it is worth something, although I do not know how much.

I could have accepted an offer this afternoon from another Member of the Senate to object to this bill for me; but that is not the way I face an issue, Mr. President. I think the principle is exactly as applicable to this bill as it is to the other bills to which I have raised such objection.

Therefore, I propose to offer an amendment providing that the property be transferred on condition that Linn County pay 50 percent of the fair market value of the property.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield.

Mr. CORDON. Let me say to my colleague that in this instance the eighteen-one hundredths of an acre that is involved will not go to any private use or to any public body. It will go to the public generally, as a part of the right-of-way for a highway. It will be a very thin fraction—perhaps one-one hundredth of an acre—to which the title probably will remain in the school district. Probably the school district will be unwilling to put a fence around that piece of land and make a kink in the line, because that small piece of land is of utterly no use to anybody.

I think my colleague perhaps has not received all the information. The highway in question will become a public street, and it will in fact add value to Uncle Sam's area in the locality. It will put it on a main street, will add to the convenience of the laboratory at this time, and will add to the sales value, should the Government at some future time decide to close its laboratory in Albany; which, I may say parenthetically, I hope it never does, and I understand at the present time there is no such intention.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield.

Mr. O'MAHONEY. I wonder whether the Senator's junior colleague would not be willing to accept an amendment, that the transfer should be made upon the payment of 1 cent.

Mr. WILEY. Let us take up a collection. Here——

Mr. CORDON. Mr. President, this can become humorous. But, as a matter of fact, I want to leave only this other thought. At the present time, the United States has the legal authority to grant rights-of-way over all the unappropriated public domain for highway purposes, and it is granting those rights-of-way, many of them, every year. That power by law does not extend to lands held proprietarily, as this is, or lands after acquired. But the same authority is vested with reference to the public domain. I hope my colleague may see that kind of difference in this situation and others where values are transferred, and, in withdrawing his objection, if he would feel like doing so, establish I think a very salutary precedent for the future, where public highways are concerned.

Mr. MORSE. Mr. President, my senior colleague is always very persuasive, but I think the argument he has just made, after all, goes to the value, whatever the value may be, of the property concerned, which is to be taken into account in the amendment I suggest. If it turns out to be de minimis value, then no one is going to have to pay very much for this property, and I shall be very glad to take the case under further consideration between now and January, if the Senator does not want to accept my amendment. But, as of now, I shall have to apply to this case, as to the others, the 50 percent of fair-market-value amendment.

Mr. CORDON. Mr. President, the senior Senator from Oregon is not in a position to accept or reject an amendment. It is a House bill, which came to the Senate. The senior Senator from Oregon simply looked into the matter at the request of our colleague, Representative ELLSWORTH, from Oregon. I may say I hope that, if the amendment be offered, the Senate will agree to it, in order that the highway construction may go forward.

Mr. MORSE. I send to the desk the amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 1, line 4, after the word "convey", it is proposed to strike out "without payment therefor"; and in line 5, after the word "Oregon" to insert "in consideration of a sum equal to 50 percent of the fair market value."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SETTLEMENT OF CLAIMS RESULTING FROM REQUISITIONING OF FINNISH VESSELS

The joint resolution (S. J. Res. 135) to settle the claims arising out of the requisitioning of Finnish vessels by the United States, was announced as next in order.

Mr. SCHOEPPEL. May we have an explanation of how the funds that are derived will be utilized?

Mr. WILEY. Mr. President, the situation is that pursuant to statutory authority, our Government in 1941 took possession of 16 Finnish vessels. They were owned privately. With the cooperation of the Department of Justice, we finally arrived at a settlement, whereby a claim of $12,549,000 was settled for $5,500,000. It is the judgment of the Committee on Foreign Relations that this wipes out the liability of $12,549,000, that it is a just settlement, and that the joint resolution should pass.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the Government of Finland, out of any money in the Treasury not otherwise appropriated, the sum of $5,500,000 with interest thereon at 4 percent per annum from June 30, 1949, to the date of payment, subject to the agreement of the Government of Finland that such payments shall constitute full satisfaction of obligations of the

United States incident to the requisitioning of the following-named Finnish vessels in 1941 and 1942: *Aagot, Advance, Anja, Asta, Atlas II, Aurora, Delaware, Koura, Kurikka, Kuurtanes, Marisa Thorden, Olivia, Pandia, Saimaa,* and *Wipunen.*

EXTENSION OF TIME FOR COLLECTION OF TOLLS AT MISSOURI RIVER BRIDGE, BROWNVILLE, NEBR.

The bill (H. R. 5674) to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr., was considered, ordered to a third reading, read the third time, and passed.

INCREASE OF RETIRED PAY FOR CERTAIN MEMBERS OF FORMER LIGHTHOUSE SERVICE

The bill (H. R. 5305) to increase the retired pay of certain members of the former Lighthouse Service, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The joint resolution (H. J. Res. 238) to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, was announced as next in order.

Mr. HOLLAND. Mr. President, at the request of the distinguished junior Senator from Georgia [Mr. RUSSELL], who is detained in a conference committee meeting, I have been asked to interpose an objection.

The PRESIDING OFFICER. The joint resolution will be passed over.

RELIEF OF SOUTHERN FIREPROOFING CO.

The Senate proceeded to consider the bill (H. R. 627) for the relief of Southern Fireproofing Co., of Cincinnati, Ohio, which has been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That jurisdiction is hereby conferred upon the United States Tax Court to hear, determine, and render judgment upon the claim of Jacob Lichter and Jennie L. Lichter, partners doing business as Southern Fireproofing Co., of Cincinnati, Ohio, in a claim arising under certain negotiation agreements between them and the Secretary of War (now the Secretary of the Army): *Provided,* That the passage of this act shall not be construed as an inference of liability on the part of the Government of the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

Mr. SCHOEPPEL. Mr. President, may I inquire what disposition was made of Order 1179, House Joint Resolution 238?

The PRESIDING OFFICER. It was passed over.

Mr. SCHOEPPEL. I thank the Presiding Officer.

ACQUISITION BY PUBLIC LIBRARIES OF COPIES OF UNITED STATES LETTERS PATENT

The bill (S. 1739) to amend section 4934 of the Revised Statutes (U. S. C., title 35, sec. 78), as amended, to permit public libraries of the United States to acquire back copies of United States letters patent, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4934 of the Revised Statutes, as amended (U. S. C., title 35, sec. 78), is amended by inserting after "*Provided,* That the Commissioner of Patents may supply public libraries of the United States with such copies as published, for $50 per annum" a colon and the following: "*Provided further,* That the Commissioner of Patents may supply to any public library approved by the Commissioner, which on January 1, 1949, was receiving such copies under the preceding proviso, such copies for any year in which such library did not receive copies under the preceding proviso upon the payment of $50 per year for any such year."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1385. An act providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis Valley project, Colorado;

S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo;

S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce; and

S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2517) directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL were appointed managers on the part of the House at the conference.

INCREASE IN FEE FOR APPEAL TO BOARD OF APPEALS IN THE PATENT OFFICE

The bill (S. 2433) to increase the fee for appeal to the Board of Appeals in the Patent Office was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4934 of the Revised Statutes (United States Code, title 35, sec. 78) is amended by changing the paragraph reading:

"On an appeal for the first time from the primary examiners to the Board of Appeals, $15."

to read as follows:

"On an appeal for the first time from the primary examiners to the Board of Appeals, $25."

SEC. 2. This act shall take effect on the ninetieth day after the date of enactment.

INCREASE IN NUMBER OF EXAMINERS IN CHIEF, UNITED STATES PATENT OFFICE

The bill (S. 2328) to increase the number of examiners in chief in the Patent Office, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. May we have a brief explanation of this measure?

Mr. KILGORE. The bill proposes to increase the force by two and the cost is taken care of out of increased patent fees. The purpose is to expedite the work of the Patent Office, particularly the work of patent appeals. That is the principal effect of the bill. In other words, we now have 2 assistant commissioners instead of 3, and we have 12 examiners in chief, to be appointed by the President, by and with the advice and consent of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. I have no objection.

There being no objection, the Senate proceeded to consider the bill (S. 2328) to increase the number of examiners in chief in the Patent Office, and for other purposes, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "Patents," to strike out the comma and "one first assistant commissioner"; in line 9, after the word "The," where it occurs the second time, to strike out "first assistant commissioner"; on page 2, after line 10, to strike out section 2, as follows:

SEC. 2. Section 4934 of the Revised Statutes (United States Code, title 35, sec. 78) is amended by changing the paragraph reading:

"On an appeal for the first time from the primary examiners to the Board of Appeals, $15."

to read as follows:

"On an appeal for the first time from the primary examiners to the Board of Appeals, $25."

And on page 2, after line 18, to strike out section 3, as follows:

SEC. 3. Section 2 of this act shall take effect on the ninetieth day after date of enactment. So as to make the bill read:

Be it enacted, etc., That section 476 of the Revised Statutes (United States Code, title 35, sec. 2) be amended to read as follows:

"There shall be in the Patent Office a Commissioner of Patents, two assistant commissioners, and twelve examiners in chief, who shall be appointed by the President, by and with the advice and consent of the Senate. The assistant commissioners shall perform such duties pertaining to the office of commissioner as may be assigned to them, respectively, from time to time by the Commissioner of Patents, and the examiners in chief shall serve as members of the board of appeals and may also perform such duties of a comparable nature pertaining to the office of commissioner as may be assigned to them, respectively, from time to time by the Commissioner of Patents. All other officers, clerks, and employees authorized by law for the office shall be appointed by the Secretary of Commerce upon the nomination of the Commissioner of Patents in accordance with existing law."

Mr. DONNELL. Mr. President, will the Senator from West Virginia be kind enough to inform the Senate the reason for striking out the first assistant commissioner?

Mr. KILGORE. I was not a member of the subcommittee. The Senator from Wisconsin [Mr. WILEY] was a member of that committee. The Patent Office was endeavoring to cut expenses, and it was their best estimate of the personnel needed to enable them to keep within their budget.

Mr. DONNELL. I thank the Senator.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF PUBLIC LAW 885, EIGHTIETH CONGRESS

The bill (H. R. 3155) to amend Public Law 885, Eighteth Congress, chapter 813, second session, was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

The Senate proceeded to consider the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes, which had been reported from the Committee on Armed Services, with amendments, on page 2, line 2, after the word "storage", to strike out "$6,800,000" and insert "$2,000,000"; in line 8, after the word "utilities", to strike out "$46,720,000" and insert "$34,253,655"; in line 11, after the word "building", to strike out "$12,645,700" and insert "$9,514,700"; on page 4, line 2, after the word "aircraft", to strike out "$1,000,000" and insert "$300,000"; in line 8, after the word "utilities", to strike out "$28,156,200" and insert "$19,292,880"; in line 11, after the word "vehicles", to strike out "$3,664,600" and insert "$2,472,854"; after line 11, to strike out:

Ladd Air Force Base, Fairbanks, Alaska: Family quarters and utilities, $5,610,000.

After line 13, to strike out:

Naha Air Force Base, Okinawa: Sewage facilities, $1,361,250.

In line 19, after the word "bachelor", to strike out "officer"; in line 21, after the word "plants", to strike out "harbor facilities,"; in line 22, after the word "facilities", to strike out "training" and insert "religious" and on page 5, line 2, after the word "facilities", to strike out "$787,774" and insert "$393,887".

The amendments were agreed to.

Mr. IVES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. IVES. What bill are we acting on now?

The PRESIDING OFFICER. Calendar 1187, the bill H. R. 6303.

Mr. IVES. I thank the Presiding Officer.

Mr. SCHOEPPEL. Mr. President, if my memory serves me correctly, this is one of the measures which the distinguished majority leader stated previously would be on the agenda for consideration by the Senate. I think this is an important bill, too important to pass without going into it further. While I hesitate to object, and I naturally assumed there would be some objection made to the bill, I feel that it should go over for further consideration.

Mr. MYERS. Mr. President, the Senator from Kentucky [Mr. CHAPMAN] is here to explain the bill in detail.

Mr. CHAPMAN. Mr. President, if the Senator will withhold his objection——

Mr. SCHOEPPEL. I withhold my objection.

Mr. CHAPMAN. I should like to take a minute or two to explain the urgent necessity of passing this bill. Earlier in the session both the Senate and House Committees on Armed Services reported authorization bills for military construction both in continental United States and overseas, amounting to approximately $643,000,000. If all the construction had been authorized and could have been carried into effect by appropriations it still would have covered but a small proportion of the construction which is actually needed. As those bills have not come up for consideration and are not expected to be considered by either the House or the Senate during this session of the Congress, the committees, after consulting with the Secretary of Defense, selected certain vital and necessary items pertaining to construction in Okinawa and Alaska. These provisions were selected because of the urgent necessity of starting the construction without delay. The committees reported on the projects that can be initiated immediately and delay in the construction of which would seriously impair our country's national defense.

The House bill authorized for Alaska and Okinawa approximately $204,000,000. The Senate reduced that amount so as to authorize only the bare necessities, which amount to $98,871,922 for Alaska and $69,558,208 for Okinawa.

It will be recalled that last July a typhoon caused very severe damage to our installations in Okinawa. There is an absolute and urgent need for construction without taking any chance on delay. That is the considered judgment of the Secretary of Defense and his military advisers. The committee acted according to that judgment, and we earnestly hope that the Senator will not object to the consideration and passage of this bill.

Mr. SCHOEPPEL. Mr. President, in view of the fact that this is one of the bills mentioned by the distinguished floor leader a few days ago, I feel that sufficient time was given for any Senator to object if he wanted to make a serious objection. Since none has been made, I am inclined to withdraw my objection.

Mr. CHAPMAN. I assure the Senator that I have heard of no opposition to the bill.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6073) to amend section 501 (B) (6) of the Internal Revenue Code, was announced as next in order.

Mr. SCHOEPPEL. Over.

Mr. GEORGE. Mr. President, I should like to inquire who objects to the bill.

Mr. SCHOEPPEL. I have an objection, I will say to the distinguished Senator from Georgia, from a member of the committee who asked me to object, because he wanted an opportunity to go into it further. He received a number of objections. I should be glad to discuss the matter with the Senator privately.

Mr. GEORGE. Is the objection from a member of the committee?

Mr. SCHOEPPEL. I understand the objection comes from a member of the committee.

Mr. GEORGE. The Finance Committee?

Mr. SCHOEPPEL. That is my understanding.

Mr. GEORGE. The Finance Committee disposed of it, and my understanding is that each member of the committee expressly approved the action. I know that each Democratic member of the committee expressly approved it.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MILLIKIN. I wish to say that I polled each member on the Republican side, and they were favorable to the bill.

Mr. MARTIN. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. Yes, I yield; but I cannot understand where an objection would come from.

Mr. MARTIN. The Senator from Colorado polled the committee. I voted in favor of the amendment, but since I have been on the floor this afternoon I have received three requests that the bill be passed over because there are certain things not sufficiently understood. For that reason I am objecting, and it is really very embarrassing to me.

The PRESIDING OFFICER. Objection is heard.

INLAND WATERWAYS CORPORATION

The bill (S. 211) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of

Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended, was announced as next in order.

Mr. IVES. Mr. President, reserving the right to object, I note that yesterday consent was granted to the committee until November 1 to file a final report. I desire very much to study the report, and for that reason I object to consideration of the bill at this time.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. Mr. President, will the Senator from New York withhold his objection for a moment?

Mr. IVES. I shall be glad to withhold my objection for a moment.

Mr. HUMPHREY. This is a bill which authorizes an increase in the capitalization of the Inland Waterways Corporation. I point out that it vitally concerns the development of water transportation in the Midwest, and that unless this measure is approved we shall find the Federal barge lines which afford service are incapable of giving that service.

What is the substance of the Senator's objection—other than the fact that he has not read the report?

Mr. IVES. The Senator from New York may be opposed to the bill, and if he is, he will need more than 5 minutes within which to discuss it.

The PRESIDING OFFICER. Objection has been heard.

ORDER OF BUSINESS

Mr. CORDON. Mr. President, do I correctly understand that we have now finished the calendar?

The PRESIDING OFFICER. Consideration of the regular calendar has been concluded. We shall now consider the list of bills which went to the foot of the calendar.

Mr. CORDON. Objection was made to the consideration of Senate bill 1284, to amend section 6 of the Federal Airport Act, by the Senator from South Carolina, but I am advised by him that he has now withdrawn his objection, which would place the bill in the same category as the other bills.

The PRESIDING OFFICER. The Chair will say to the Senator that it is not included with the bills which went to the foot of the calendar, but by unanimous consent the Chair thinks the Senate would consider the bill.

Mr. CORDON. Mr. President, I ask unanimous consent for the immediate consideration of Calendar 735, Senate bill 1284, to amend section 6 of the Federal Airport Act.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the Senate proceed to the consideration of Senate bill 1284.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to have it noted that I withdraw my objection.

Mr. MYERS. Mr. President, I understood that the agreement was that there would be a regular order for the consideration of bills passed over and that they would be taken up in that order.

The PRESIDING OFFICER. There was a regular order, but the Chair thought that by unanimous consent the Senate could vary the regular order.

Mr. MYERS. I do not object, but I certainly trust and hope that each Senator will not ask unanimous consent for the consideration of some bill in which he is interested, or we shall never be able to follow the regular order, as it was agreed to earlier in the afternoon.

Mr. CORDON. Mr. President, let me say that if I had thought there would be any other objection, or any question, I would not have asked that the bill be brought up at this time, but there was one objection registered, which I was advised had been withdrawn. If there be no other objection, the matter can be handled without any delay. If there is any objection, I shall be happy to have the bill go to the foot of the foot of the calendar.

Mr. DONNELL. Mr. President, the notation that was furnished to me indicated that three Senators had objected. I understand, however, that two of them have withdrawn their objection, and a check will be made as promptly as possible with respect to the third. May I ask, following the language of the Senator from Oregon, that this number go to the foot of the foot of the calendar?

The PRESIDING OFFICER. Without objection, it is so ordered.

VALIDITY OF TITLES TO CERTAIN LANDS

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. When Calendar No. 685, Senate bill 1606, was reached at the beginning of the call this morning, I was not upon the floor, and the attention of the acting chairman of the Committee on the Judiciary, I understand, was diverted.

When this bill was first called upon the calendar some months ago the chairman of the Committee on the Judiciary, the Senator from Nevada [Mr. McCARRAN], asked that it not be acted upon, in order that the Judiciary Committee might have an opportunity to study it. The committee has not had that opportunity.

Mr. DONNELL. Mr. President, my attention was diverted. Will the Senator tell us what bill this is?

Mr. O'MAHONEY. Calendar No. 685, Senate bill 1606, a bill authorizing the Secretary of the Interior to determine the validity of the titles to lands acquired in the administration of the reclamation laws.

My parliamentary inquiry is whether under the agreement with respect to bills at the foot of the calendar I can now move that the vote by which the bill was passed be reconsidered, in order that my understanding with the chairman of the Committee on the Judiciary may be carried out.

The PRESIDING OFFICER. It is the opinion of the Chair, upon the advice of the Parliamentarian, that such a request at the present time would require unanimous consent, in view of the regular order which has been agreed upon.

Mr. O'MAHONEY. Let it come up in the regular order. I wanted the record to show that I desired to make the motion.

CARL PIOWATY AND W. J. PIOWATY

The PRESIDING OFFICER. The first bill on the list to be considered at the foot of the calendar is Calendar No. 382, Senate bill 478, for the relief of Carl Piowaty and W. J. Piowaty.

Mr. SCHOEPPEL. Mr. President, this is a measure which I asked to have put at the foot of the calendar. The situation happens to be that one of the Members of the Senate who is not at the present time in the Chamber considered that there would be an objection made by a Senator, who, I understood, later today had withdrawn the objection. Therefore, I am not at liberty to withdraw my objection, because of those circumstances. I do not know whether the calendar will be called again or not, but if an opportunity were given to do so, I would attempt to try to clear the difficulty on the part of the Senator who today did not know that another objection lodged against the measure would be withdrawn. I would have to object until I could determine that matter fully.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I yield.

Mr. MYERS. Since the author of the bill, the Senator from Florida [Mr. PEPPER], is in the chair, I am wondering if the Senator from Kansas might have time this afternoon to make the inquiry, so that we could pass the bill over to the foot of the calendar, in order that when the Senator from Florida is out of the chair, he may have opportunity to converse with the Senator.

Mr. SCHOEPPEL. I indicated on the first call that I would be glad to do that, but we have not been able to make the determination.

Mr. MYERS. The Senator temporarily in the chair has asked that the bill be passed over temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

VALIDITY OF TITLES TO CERTAIN LANDS

Mr. MYERS. Mr. President, the Senator from Wyoming [Mr. O'MAHONEY] has raised a question about Calendar No. 685, Senate bill 1606. Would that be next in order, or would he have to wait until we had finished with the other measures?

The PRESIDING OFFICER That bill was passed.

Mr. MYERS. And the Senator from Wyoming will have to wait until we complete consideration of the bills passed over before asking unanimous consent to go back to that bill?

The PRESIDING OFFICER. That would be the regular order, unless there was unanimous consent otherwise.

The clerk will call the next order of business passed to the foot of the calendar, Order No. 1008, Senate bill 1353.

G. H. LAZARUS, JR., AND JESSE F. BEWLEY

The LEGISLATIVE CLERK. A bill (S. 1353) for the relief of G. H. Lazarus, Jr. and Jesse F. Bewley.

The PRESIDING OFFICER. There is an amendment to the bill. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 6, after the words "sum of", it is proposed to strike out "$29,400" and to insert "$15,991.15", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to G. H. Lazarus, Jr., and Jesse F. Bewley, of Bowling Green, Ky., the sum of $15,991.15, in full satisfaction of their claim against the United States for compensation for services rendered during the period beginning on May 13, 1941, and ending on December 5, 1944, at the request of certain officers of the United States Army, in the manufacture, transportation, and testing of a gun mount, and for reimbursement of expenses incurred in connection therewith: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, unless the objection lodged with me has been removed, I object to this bill on behalf of the Senator from New Jersey [Mr. HENDRICKSON].

Mr. CHAPMAN. Mr. President, will there be another opportunity during this session to have the bill considered?

The PRESIDING OFFICER. The Chair is not able to inform the Senate. The Chair might suggest that the inquiry be made to the acting majority leader, the Senator from Pennsylvania.

Mr. CHAPMAN. Mr. President, I ask the Senator from Pennsylvania if there will be another opportunity to consider the bill before the expiration of this session of the Congress.

Mr. MYERS. Mr. President, I doubt very much if we will have another call of the calendar, but we did agree earlier this afternoon that bills reported today and not yet on the calendar will be called tomorrow.

The PRESIDING OFFICER. Is there objection to the consideration of Senate bill 1353?

Mr. SCHOEPPEL. Mr. President, I might say that since the colloquy started there has been some indication that the objection previously lodged would be withdrawn. I withdraw my objection.

The PRESIDING OFFICER. Is there further objection?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARL PIOWATY AND W. J. PIOWATY

Mr. DONNELL. Mr. President, will the Chair state what transpired with respect to Order No. 382, Senate bill 478?

The PRESIDING OFFICER. That bill was carried to the foot of the calendar.

Mr. DONNELL. That will be nearer to the bottom, will it not?

The PRESIDING OFFICER. Yes.

PRESENTATION OF HOSPITAL OR DISPENSARY TO PEOPLE OF ST. LAWRENCE, NEWFOUNDLAND

The PRESIDING OFFICER. The next measure passed to the foot of the calendar will be stated.

The joint resolution (H. Res. 230) authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of Saint Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 230) was considered, ordered to a third reading, read the third time, and passed.

INVESTIGATION OF MATTERS AFFECTING THE PRESIDENTIAL ELECTION AND SUCCESSION

The concurrent resolution (S. Con. Res. 14) to investigate matters affecting the Presidential election and succession was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. GREEN. Mr. President, I believe all objections to the concurrent resolution have been withdrawn.

There being no objection, the concurrent resolution (S. Con. Res. 14) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of five Members of the Senate to be appointed by the President of the Senate and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment.

SEC. 2. It shall be the duty of the joint committee to make a full and complete study and investigation of all matters connected with the election of the President and Vice President from the time of the nomination of the President and Vice President, through the time of their election and time of their inauguration until the termination of their respective terms of office, with the purpose of making the law certain as to the Presidential election and succession. These matters shall include, but shall not be confined to, the following:

(1) Whether or not the President and Vice President should be elected by the electoral college, as at present; and if so, whether or not the members should be legally bound to vote in accordance with their instructions.

(2) Whether or not provision should be made for the case where before the election of Presidential electors, or after such time but before the election of President and Vice President, a candidate for the Presidency or for the Vice Presidency dies, declines to run, or in found ineligible to take office if elected.

(3) Whether or not provision should be made for the case of the death of any of the individuals from whom the House of Representatives may choose a President whenever the right of choice shall have devolved upon them, and for the case of the death of any of the persons from whom the Senate may choose a Vice President whenever the right of choice shall have devolved upon them.

(4) How it shall be determined whether the President, or individual acting as President, is unable to execute the powers and duties of the office, and how the duration of such inability shall be determined.

(5) Whether or not provision should be made for an individual to execute the office of President in case of removal, death, resignation, or inability, both of the President and Vice President, where by reason of removal, death, resignation, or inability there is no individual upon whom the powers and duties of such office would otherwise automatically devolve.

(6) Whether there are, or should be, any differences between the status, powers, duties, and privileges of an elected President and any other individual executing the office of President.

SEC. 3. The joint committee shall report to the Senate and House of Representatives the results of its study and investigation together with its recommendations, including drafts of legislation recommended and of any proposed constitutional amendments considered necessary or desirable. The joint committee shall submit its final report to the Senate and House of Representatives not later than December 31, 1950, and thereupon the existence of the joint committee shall terminate.

SEC. 4. For the purposes of this concurrent resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Congress, to employ counsel, clerical, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the joint committee. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made.

AMENDMENT OF HOME OWNERS' LOAN ACT RESPECTING FEDERAL SAVINGS AND LOAN ASSOCIATIONS—BILL PASSED OVER

The bill (S. 2006) to amend the Home Owners' Loan Act of 1933 with respect to Federal savings and loan associations was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. IVES. Mr. President, at the time this bill was taken up this afternoon objection was raised, and the Senator from New York urged that action on the bill be taken at this time. The Senator from New York had understood that hearings which had been conducted in the House on the companion bill had been concluded. The Senator from New York now finds that these hearings have not

been concluded. The Senator from New York in his request that action be taken this afternoon, also noted the report of the committee, which reads as follows, and very briefly:

No request for hearings having been received by the committee, the subcommittee to which the bill was referred considered the measure on August 25 and agreed to report it favorably to the committee with the amendment above set out. When the committee met on September 28 to consider the subcommittee's report, it had a communication of that date from the Home Loan Bank Board requesting that hearings on the bill be arranged. The committee felt that as nearly 4 months had passed since the bill was introduced and the views of the Home Loan Bank Board and other Government agencies were requested, further delay in acting upon the bill could not be justified. The subcommittee's action was therefore approved, with the direction that the comments of the Home Loan Bank Board in its letter of September 28 be appended to the report.

Mr. President, the Senator from New York wants to be reasonable about this matter. The Senator from New York is very desirous of having this particular bill enacted. It is important to the State of New York and to the State banking institutions in the State of New York. The Senator from New York has conferred with the able junior Senator from Washington [Mr. CAIN], who is also interested in the bill, and who, I understand, with the senior Senator from Washington [Mr. MAGNUSON] were those objecting to it this afternoon. The Senator from New York finds that the distinguished junior Senator from Washington has been advised that certain amendments are being proposed by the industry itself, which had not been presented at the time the bill was under consideration by the committee.

The Senator from New York, as he said before, desires to be as fair as possible in this matter in order that all sides may be heard and may be presented in the consideration of the bill. Therefore the Senator from New York, thanking the members of the committee for their previous consideration, and appreciating the attitude on the part of the two distinguished Senators from Washington, declines at this time further to urge the matter.

Mr. CAIN. Mr. President, I should like very briefly to respond to the observations just made by the Senator from New York. Senate bill 2006 rewrites subsection (d) of section 5 of the Home Owners' Loan Act of 1933, and adds a provision regulating the establishment of branches by federally chartered savings and loan associations. I have been advised that the savings and loan business does not object to the legislation on the two subjects, but the bill under discussion has not had the benefit of hearings participated in by representatives of the institutions that will be principally affected and that should have an opportunity to make their views known and to submit drafts.

Mr. President, the industry has presented to the committee a draft of the bill which it requests the committee to consider as a substitute. I think their request is particularly appropriate, and though I obviously cannot speak for the committee, I have a very positive feeling that the committee will want to consider that substitute, will wish to hear all the responsible representatives of the industry, and I have every reason to state, and wish so to do, to the Senator from New York that I think in the very early weeks of the next session the Banking and Currency Committee will hold hearings and take appropriate action on the bill.

Mr. IVES. The Senator from New York thanks the able Senator from Washington.

The PRESIDING OFFICER. The bill will be passed over.

The clerk informs the Chair that that is the last bill on the special-foot calendar.

Mr. CORDON. Mr. President, there is——

The PRESIDING OFFICER. The Chair was about to say that now the extra special-foot calendar bills are to be brought before the Senate for consideration.

AMENDMENT OF FEDERAL AIRPORT ACT

Mr. CORDON. Mr. President, I again call up Senate bill 1284, Calendar No. 735, and ask for its immediate consideration. I am now advised that all Senators who, it has heretofore been rumored, objected to the bill, have definitely and affirmatively withdrawn their objections, and I hope the bill will be passed. I know there is great interest in the proposed legislation and a strong desire to have it acted upon at this session.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1284) to amend section 6 of the Federal Airport Act, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment to add a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That section 6 of the Federal Airport Act is amended by striking out the figure "75" in the first sentence of subsection (a) thereof and inserting in lieu thereof the figure "60".

SEC. 2. Subsection (2) of section 6 (b) of such act is amended by changing the final period thereof to a comma and adding the following new language: "except that a priority shall be granted to projects in a State when the total allocations from the discretionary fund for projects in such State have not amounted to as much as one-fourth of the total amount of the apportionment for such State under subsection (a) of this section."

Mr. CORDON. Mr. President, I offer an amendment in the nature of a substitute for the bill, which I ask to have stated.

The PRESIDING OFFICER. There is an amendment to the bill.

Mr. CORDON. I offer a substitute for the bill.

The PRESIDING OFFICER. The amendment in the nature of a substitute will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That section 6 of the Federal Airport Act is amended by deleting the second sentence of subsection (a) and inserting in lieu thereof the following: "all sums so apportioned for a State shall, during the fiscal year for which they are originally appropriated, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such sums which remains unexpended or unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section." and by adding thereto a new subsection (c) as follows:

"(c) At the expiration of each fiscal year any funds apportioned for a State pursuant to this section which have not been expended or obligated for approved projects located in that State or sponsored by that State or some public agency thereof but located in an adjoining State, shall be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of this section governing the distribution and apportionment of newly appropriated funds."

SEC. 2. All funds apportioned among the States pursuant to subsection (a) of section 6 of the Federal Airport Act out of appropriations for the fiscal years 1947, 1948, and 1949, which, 90 days after the effective date of this act, shall remain unexpended or unobligated for approved projects sponsored by such States or public agencies thereof, shall then be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of said section 6 of the Federal Airport Act governing the distribution and apportionment of subsequently appropriated funds.

Mr. CORDON. Mr. President, on last Wednesday I had the amendment in the nature of a substitute printed in the RECORD, together with an explanatory statement.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Oregon.

The amendment was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I am informed that the House today passed House bill 4239, which is identical with Senate bill 1284. I therefore move that the Senate proceed to the consideration of the House bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4239) to amend section 6 of the Federal Airport Act.

Mr. JOHNSON of Colorado. Mr. President, I move to strike all after the enacting clause in the House bill, and to insert in lieu thereof the text of the Senate bill, as amended.

The PRESIDING OFFICER. The question is on the motion of the Senator from Colorado.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4239) was read the third time and passed.

Mr. CORDON. Mr. President, in connection with this particular matter, I

ask unanimous consent to have included in the RECORD as a part of my remarks a table showing the various items of redistribution and reapportionment which will follow as the result of this legislation, together with an explanatory statement.

There being no objection, the table and the explanatory statement were ordered to be printed in the RECORD, as follows:

EXHIBIT A.—*Effect of the amendment proposed by Senator Cordon to S. 1284 on unobligated balances*

State	3-year merged State apportionment as of June 30, 1949 (1)	Amount under grant agreement as of June 30, 1949 (2)	Amount under grant agreement out of State apportionment as of June 30, 1949 (A)	Unobligated balance as of June 30, 1949 (3)	Portion of unobligated balance available for discretionary use (25 percent, column 3) (4)	Portion of unobligated balance available for reapportionment (75 percent, column 3) (5)	State share of redistributed portion of unobligated balance (population area percent applied to total, column 5) (6)	Gain in State apportionment (column 6—column 3) (7)	Loss in State apportionment (column 3—column 6) (8)	State apportionment from 1950 appropriation (9)	State apportionment available for 1950 (column 6+column 9) (10)
Alabama	$1,533,482	$835,958	$835,958	$697,524	$174,381	$523,143	$245,800	0	$451,715	$517,888	$763,697
Arizona	1,621,948	1,272,071	1,272,071	349,877	87,469	262,408	259,990	0	89,887	547,765	807,755
Arkansas	1,277,278	1,139,607	1,139,607	137,671	34,418	103,253	204,741	$67,070	0	431,363	636,104
California	4,146,387	5,833,989	4,146,387	0	0	0	664,644	664,644	0	1,400,320	2,064,964
Colorado	1,686,680	1,090,545	1,090,545	596,135	149,034	447,101	270,366	0	325,769	569,626	839,992
Connecticut	590,967	260,350	260,350	330,617	82,654	247,963	94,729	0	235,888	199,582	294,311
Delaware	111,979	9,096	9,076	102,883	25,721	77,162	17,950	0	84,933	37,818	55,768
District of Columbia	202,200	0	0	202,200	50,550	151,650	32,412	0	169,788	68,287	100,699
Florida	1,354,349	1,166,104	1,166,104	188,245	47,061	141,184	217,095	28,850	0	457,392	674,487
Georgia	1,708,952	2,519,577	1,708,952	0	0	0	273,937	273,937	0	577,148	851,085
Idaho	1,237,928	867,015	867,015	370,913	92,728	278,185	198,434	0	172,479	418,074	616,508
Illinois	3,145,274	8,128,397	3,145,274	0	0	0	504,171	504,171	0	1,062,223	1,566,394
Indiana	1,512,053	1,609,012	1,512,052	0	0	0	242,375	242,375	0	510,652	753,027
Iowa	1,497,081	2,016,532	1,497,081	0	0	0	239,974	239,974	0	505,595	745,569
Kansas	1,608,825	1,231,802	1,231,802	377,023	94,256	282,767	257,886	0	119,137	543,333	801,219
Kentucky	1,385,346	1,037,700	1,037,700	347,646	86,911	260,735	222,064	0	125,582	467,860	689,924
Louisiana	1,357,123	691,820	691,820	665,303	166,327	498,976	217,540	0	447,763	458,329	675,869
Maine	700,187	118,850	118,850	581,337	145,334	436,003	112,236	0	469,101	236,467	348,703
Maryland	711,727	1,907,775	711,727	0	0	0	114,086	114,086	0	240,365	354,451
Massachusetts	1,429,490	1,172,039	1,172,039	257,451	64,363	193,088	229,140	0	28,311	482,768	711,908
Michigan	2,845,127	2,737,700	2,737,700	107,427	26,857	80,570	455,059	348,632	0	960,858	1,416,917
Minnesota	1,961,453	2,164,842	1,961,453	0	0	0	314,411	314,411	0	662,423	976,834
Mississippi	1,286,097	354,724	354,724	931,373	232,843	698,530	206,155	0	725,218	434,341	640,496
Missouri	2,048,372	2,375,484	2,048,372	0	0	0	328,344	328,344	0	691,778	1,020,122
Montana	2,069,153	443,443	443,443	1,625,710	406,427	1,219,283	331,675	0	1,294,035	698,795	1,030,470
Nebraska	1,396,479	1,507,907	1,396,479	0	0	0	223,848	223,848	0	471,620	695,468
Nevada	1,460,355	916,427	916,427	543,928	135,982	407,946	234,088	0	309,840	493,193	727,281
New Hampshire	269,323	65,040	65,040	204,283	51,071	153,212	43,171	0	161,112	90,956	134,127
New Jersey	1,369,103	1,674,214	1,369,103	0	0	0	219,460	219,460	0	462,374	681,834
New Mexico	1,731,961	455,350	455,350	1,276,611	319,153	957,458	277,624	0	998,987	584,919	862,543
New York	4,788,603	7,644,455	4,788,603	0	0	0	767,588	767,588	0	1,617,210	2,384,798
North Carolina	1,764,743	454,800	454,800	1,309,943	327,486	982,457	282,879	0	1,027,064	595,990	878,869
North Dakota	1,107,053	201,524	201,524	905,529	226,382	679,147	177,455	0	728,074	373,875	551,330
Ohio	2,673,835	2,200,270	2,200,270	473,565	118,391	355,174	428,602	0	44,963	903,009	1,331,611
Oklahoma	1,611,864	1,320,066	1,320,066	291,798	72,949	218,849	258,373	0	33,425	544,359	802,732
Oregon	1,583,303	337,271	337,271	1,246,032	311,508	934,524	253,795	0	992,237	534,714	788,509
Pennsylvania	3,600,288	4,494,050	3,600,288	0	0	0	577,107	577,107	0	1,215,890	1,792,997
Rhode Island	232,418	0	0	232,418	58,104	174,314	37,255	0	195,163	78,493	115,748
South Carolina	979,417	266,965	712,452	178,113	534,339	156,995	0	555,457	330,769	487,764	
South Dakota	1,189,746	839,697	839,697	350,049	87,512	262,537	190,710	0	159,339	401,802	592,512
Tennessee	1,430,555	2,057,160	1,430,555	0	0	0	229,310	229,310	0	483,127	712,437
Texas	3,398,486	3,265,929	3,265,929	132,557	33,139	99,418	865,350	732,793	0	1,823,180	2,688,530
Utah	1,263,194	997,463	997,463	265,731	66,433	199,298	202,484	0	63,247	426,607	629,091
Vermont	233,096	344,748	233,096	0	0	0	37,364	37,364	0	78,721	116,085
Virginia	1,359,311	1,409,000	1,359,311	0	0	0	217,891	217,891	0	459,067	676,958
Washington	1,438,281	1,876,736	1,438,281	0	0	0	230,549	230,549	0	485,737	716,286
West Virginia	889,563	1,183,491	889,563	0	0	0	142,592	142,592	0	300,424	443,016
Wisconsin	1,807,286	2,103,437	1,807,286	0	0	0	289,700	289,700	0	610,358	900,058
Wyoming	1,340,029	67,310	67,310	1,272,719	318,180	954,539	214,800	0	1,057,919	452,556	667,356
Total	77,947,750	76,667,742	60,860,800	17,086,950	4,271,737	12,815,213	12,815,213	6,794,696	11,066,433	27,000,000	39,815,213
						+4,271,737			−6,794,696		
						17,086,950			4,271,737		

STATEMENT OF SENATOR CORDON RE THE PROPOSED AMENDMENT TO S. 1284

I would like to point out that the proposed amendment to S. 1284, which I introduced on October 12, 1949, for myself, the junior Senator from New Jersey [Mr. HENDRICKSON], and the junior Senator from Kansas [Mr. SCHOEPPEL], would not change the present ratio governing the distribution of appropriated funds between the discretionary fund and the apportioned funds. Instead, it would amend the Federal Airport Act to provide that once funds have been apportioned for use within particular States, they shall remain available for such use only during the fiscal year for which they were appropriated, rather than during the entire life of the Federal-aid airport program as is now provided. Under my amendment, at the expiration of each fiscal year all apportioned moneys remaining unexpended or unobligated would be redistributed and reapportioned on the existing 75–25 percent basis exactly in the same manner in which appropriations have been distributed and apportioned in the past. In other words, 25 percent of any unused balance of a State apportionment would go into the discretionary fund and the remaining 75 percent of such balance would be reapportioned among all of the States, including, of course, the State which has an unexpended or unobligated balance.

I would like to emphasize that the amendment contains a provision which provides that any funds apportioned for a State out of the appropriations previously made for the fiscal years 1947, 1948, and 1949, which remain unexpended or unobligated for projects at the expiration of 90 days after the effective date of the proposed act, shall be redistributed and reapportioned on the 75–25 percent basis.

I would like to call the Senate's attention to exhibit A, which has been prepared by the Civil Aeronautics Administration and follows this statement. It shows the fiscal effects of my amendment to S. 1284. Column 1 shows the total amount of apportionment to each State from the appropriations made for fiscal years 1947, 1948, and 1949, or a total of $77,947,750. Column 2 shows the amounts which have been placed under grant agreement in each of the States as of June 30, 1949, amounting to $76,667,742. In column 2A are shown the amounts in dollars of the grant agreements in column 2 which were made from State-apportioned funds. The total of these figures is $60,860,800. Since all available apportioned funds in a State are obligated prior to obligating any discretionary fund in that State, column 2A is equal to the corresponding item in column 1 or column 2, whichever is smaller. In column 3 are shown the unobligated balances, which is the difference between the total State apportionment shown in column 1 and the amount of the State apportionment under grant agreement as shown in column 2A. This unobligated total balance for all States amounts to $17,086,950 as of June 30, 1949.

Column 4 shows the portion of the unobligated balance from each State which would be made available for discretionary use in accordance with the provisions of the amendment, that is, 25 percent of the balance will become available for discretionary use.

In column 5 is shown the portion of the unobligated balance for each State which would be made available for reapportionment and is equal to 75 percent of the amount shown in column 3. In column 6 is shown the share for each State of the reapportioned portion of the total unobligated balance for all States. This is computed by applying the population-area formula, as

specified in the Federal Airport Act, to the total amount available for reapportionment as shown in column 5. In columns 7 and 8 are shown the loss or gain in apportioned funds for each State based on the reapportionment of 75 percent of the total unobligated balance as of June 30, 1949. These figures are determined by comparing column 3 and column 6, since column 3 shows the amount derived from each State for redistribution and column 6 shows the amount which is reapportioned to each State.

Column 10 shows the total amount of State-apportioned funds which would be available for each State during fiscal year 1950. This is computed by adding the State's share of the reapportioned funds as shown in column 6 of the State's regular apportionment (column 9) from $36,000,000 ($27,000,000 State apportionment; $9,000,000 discretionary) appropriated for projects within the States during the fiscal year 1950.

An examination of this procedure, you will observe, reveals that States which are making less than average progress in placing the available fund under grant agreement will lose State-apportioned funds and those States which are showing progress better than average will gain in State apportioned funds.

Generally speaking, those States which gain in State apportionments are the same States which have required the use of discretionary funds. It will be noted that 23 States gain in State apportionment and 26 States, including the District of Columbia, will have their balance of State apportionment reduced.

A careful examination of column 3 of the tabulation shows that a total of 18 States had no unobligated balance of State apportioned funds as of June 30, 1949. These 18 States are: California, Georgia, Illinois, Indiana, Iowa, Maryland, Minnesota, Missouri, Nebraska, New Jersey, New York, Pennsylvania, Tennessee, Vermont, Virginia, Washington, West Virginia, and Wisconsin. All of these States will gain in State apportioned funds upon the enactment of the bill, as amended, the total amount varying from approximately $37,000 for Vermont up to approximately $700,000 each for California and New York.

Four other States, Arkansas, Florida, Michigan, and Texas, which had unobligated balances will receive a greater amount from the reapportionment under the amendment. These amounts vary from approximately $29,000 for Florida to more than $700,000 for Texas.

Twenty-six States and the District of Columbia will have a reduction in the amount of State-apportioned funds, ranging from a loss of $33,000 for Oklahoma to a maximum of $1,294,000 for Montana. Thirteen of these States and the District of Columbia will still have available for the fiscal year 1950 total State-apportioned funds exceeding the entire amount which was placed under grant agreement in that State during the first 3 years of the program. Of the remaining 13 States, all will have an amount of State-apportioned funds available for this fiscal year totaling more than 60 percent of that which they obligated during the first 3 years of the program. It is apparent that this will result in no hardship in those States unless the rate of expenditure on airport projects in such State is sharply increased during this year. This situation is possible in a few States such as Rhode Island, Massachusetts, and Delaware, where the largest potential projects in the State have not been undertaken during the past 3 years. There will, however, be ample funds available in the additional $4,271,000 of discretionary fund to take care of these situations.

I would like to emphasize that this amendment provides more funds for the urgently needed projects than the original bill because it takes away more of the unobligated balance in those States having unusually high balances. For example, under the original bill, Wyoming's State apportionment would have been reduced from $1,792,585 to $1,434,068, while under the proposed amendment the State apportionment of $1,792,585 will be reduced to $667,356, a gain of approximately $750,000 to be applied to projects in other States. Thus, the proposed amendment is considered by persons and organizations which have a vital stake in this legislation to be far more effective than the original bill without jeopardizing the State's right to its share of any appropriation as specified in the Federal Airport Act.

In conclusion, I would like to state once more: this amendment has been endorsed by the Civil Aeronautics Administration and by the aviation associations which have an interest in this bill because it appears to represent a satisfactory solution to the problem of the redistribution to the several States of unobligated Federal funds to further the Federal airport program.

AMENDMENT OF ORGANIC ACT OF TERRITORY OF HAWAII

Mr. O'MAHONEY. Mr. President, this morning by the unanimous action of the Committee on Interior and Insular Affairs, I reported a noncontroversial bill amending the organic act of the Territory of Hawaii. It is House bill 4000. I desire to inquire when that bill will be reached in the regular order.

The PRESIDING OFFICER. The Chair is advised that it will be reached when the calendar is called next. The Chair is also advised that the calendar for bills which were reported today, but had not gone on the printed calendar, will be called tomorrow.

Mr. O'MAHONEY. Then that bill will be called tomorrow.

The PRESIDING OFFICER. That bill will be called tomorrow.

CIVIL RIGHTS

Mr. HUMPHREY. Mr. President, I send to the desk a statement prepared by me on the subject of the accomplishments of the first session of the Eighty-first Congress, and ask unanimous consent to have it printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, in my judgment reasonable men must agree that in its first session the Eighty-first Congress adequately met several tests of its responsibility. We have taken notable steps to safeguard the social and economic welfare of our own people. We have kept faith with the rest of the free world by continuing our program of political and economic aid and supplementing them with necessary military aid. But we have fallen short on several scores, Mr. President, and I wish to speak for a few moments about our most monumental failure. I refer to our failure to act against racial and religious discrimination and the denial of civil rights to millions of our people.

While the world looks to America for moral leadership, we have failed to offer it one of the most meaningful demonstrations of our belief in human dignity and the rights of the individual. The free, democratic way of life is on trial today, and again we have failed to contribute to its defense with concrete proof of our devotion to the rights of man. Civil rights is the supreme test of our integrity as a people, and again we have failed to qualify.

But the American people don't want it that way, Mr. President. They have shown that they are ready to meet the test. The American people voted for a President who meant what he said about civil rights and for a party that had the courage to take an uncompromising stand on this most vital issue of the twentieth century. If this Eighty-first Congress had a mandate for anything, it surely had a mandate to enact the President's civil-rights program.

Millions of people were electrified on a July day last year when the convention of the Democratic Party declared itself firmly and profoundly and came to grips with the problem of civil rights. That convention came out unequivocally in support of its leader, the President of the United States, and in support of his civil-rights program. That convention urged immediate action on four specific proposals:

1. The right of equal treatment in the armed forces;
2. Legislation to abolish the poll tax;
3. A meaningful and effective antilynching bill; and
4. Fair employment practices legislation.

That was an historic convention, and the election which followed was an historic event in American history. With that convention the Democratic Party set itself again as the party of the people and for the liberties and the freedom which distinguishes our democracy from foreign bigotry-ridden prejudiced totalitarian nations. The American people voted for the Democratic Party and for a Democratic President and for the Democratic platform.

With all the forward-looking strides in social and progressive legislation which the Eighty-first Congress has so far taken, the Congress of the United States has failed in its responsibility to enact civil-rights legislation. This is a profound blow to the American people and to the democratic liberties we share. I deeply regret that failure.

Many explanations have been forthcoming as to the reasons for that failure. I have no desire to make the issue of civil rights a partisan political issue. I do not want us to think as Democrats or as Republicans; more important, on this issue we must speak as Americans. I know the blame which my party must carry from the basic division within its ranks on this question.

Lest my colleagues on the other side of the aisle feel a warm glow of self-righteousness, however, let me address them for a moment. Let me remind them of their beautiful words prior to the last election. Let me remind them of the tribute they pay to the Declaration of Independence, to the Constitution, and to "the basic principles of this Republic" to "the equality of all individuals and their right to life, liberty, and the pursuit of happiness." Let me remind them of their pledge for the right of equal opportunity to work and to advance in life, and their pledge that this right should never be limited in any individual because of race, religion, color, or country of origin. That Republican platform stated, "We favor the enactment and just enforcement of such Federal legislation as may be necessary to maintain this right at all times in every part of this Republic." That platform went on, "We favor the abolition of the poll tax as a requisite to voting; we are opposed to the idea of racial segregation in the armed forces of the United States."

Beautiful Republican words: The people of the United States, however, ask, "Did the Republican Party mean those words?" I remind you that early this session we who were pledged to the enactment of the administration's civil-rights program tried to liberalize the Senate rules on the question of cloture.

This was the first step toward ending filibusters and clearing the road for democratic debate and voting on the issue of civil rights. You said you would help. But the rules change that finally passed—a resolution that makes the filibuster even more secure than

before—that rules change bears the name of your distinguished floor leader, the junior Senator from Nebraska.

It would, of course, be foolish for me to overlook the opposition to these proposals within my own party. I know the objections of my southern friends. I respect their convictions, but I am equally convinced that they are dead wrong. As liberal as many of them are on some issues, they are afflicted with a closed mind on the issue of racial discrimination. I appreciate the historical circumstances that lie at the bottom of their feelings. If it were only a matter of prejudice, I might have a different position on this issue. As long as it remains within the workings of a man's mind, prejudice is an individual problem; and we may hope some day to wipe prejudice from the mind of America. But when prejudice becomes an overt act of unfair discrimination against a person because of his race, color, or creed, it is no longer an individual's problem. When a man is denied a job only because he is a Negro, or a Jew, or a Catholic, or because he belongs to any other minority, we have a social problem—a problem for all of society, against which all the people can and must act.

Let me emphasize that the problems of discrimination are by no means confined to the South. My southern colleagues have repeatedly pointed out—and I agree with them—that discrimination takes place in the North, too. It happens all over the country, and that is even more reason for a Federal law to protect the individual's rights everywhere in the United States.

Two years ago this month, a group of eminently qualified American men and women issued a report in their capacity as the President's Committee on Civil Rights. For 2 years the unpalatable facts uncovered by this committee have been spread upon the record for all to see. Lest we forget them, let me cite some of the shameful facts this committee reported—facts which have been a matter of official record for at least 2 years.

For the 11 years immediately preceding the report, there were 44 lynchings in the United States. Not a single person was given the supreme penalty for these crimes, and most of the guilty were not even tried in court.

The poll tax and other ballot restrictions keep millions of people from voting.

Newspaper "help wanted" ads offer jobs for which only whites or gentiles need apply. Job seekers are forced to list their religion on application blanks.

Using any basis of comparison—expenditures, number of teachers, length of school terms—separate but equal schools for Negroes and whites are really unequal and put the Negro at a disadvantage.

And here is one of the effects of job discrimination in plain dollars and cents: The last census showed that the median annual income for the white school graduate was $1,454, compared to $775 for the Negro high-school graduate. Twenty-three out of every 100 white high-school graduates had incomes over $2,000. Only 4 out of every 100 Negro high-school graduates had incomes that high. Here are Negro and white citizens with the same amount of education and training—but discrimination makes sure that the Negro citizen gets less money for his work.

These are not the only fruits of discrimination: disease, delinquency, criminality, illiteracy, social tension, poor health, and racial unrest all spring from this undemocratic practice—strange fruit in this land of freedom and opportunity.

I have heard it argued, Mr. President, that you cannot solve these problems by legislation. Education is the only way, according to the opponents of civil-rights legislation. Well, I am for education; it's easy to be for education, but many of us are too willing to make it the cure for all ills. But let's remember this: racial and religious discrimination, lynching, segregation, disfranchisement of an American citizen because of his color—all of these things are morally wrong. They are truly un-American. They violate the ethics of fair play and equality that we were taught as children and which we teach our children today. Since these practices are wrong, we should make them illegal. We can make it clear that we disapprove of them and that we are putting them outside the law.

I don't deny the value of education. I say we need more education, particularly in the field of human relations. Toward that end I have introduced legislation for the creation of a Civil Rights Commission. But I say that progressive, liberal legislation that gives force to moral principles is itself educational.

The opponents of civil rights ask us to consider State's rights. I do not object to State's rights, if they are accompanied by a genuine regard for State's responsibility. More important, the time has arrived for us to get out of the shadow of State's rights and walk forthrightly into the bright sun of human rights.

For all these reasons, Mr. President, I lament our shameful failure to secure the rights of our oppressed minorities. I lament it, and so do many of my colleagues. But we have not wavered in our determination to make a fight of it—and that fight will be made. The majority leader has said that FEPC will be taken up "early in the next session." I congratulate my friend the distinguished majority leader for that statement. I urge in fact that not only this piece of legislation be taken up early in the next session, but that it be the first bill taken up in the second session of the Eighty-first Congress. I urge and know that the administration will press the fight until the last filibuster is exhausted and until a final, democratic vote has been taken. Not until such a fight has been made can this issue really be settled. And in that fight I promise our majority leader the support of all those who agree that we must act now to redeem ourselves in the eyes of our own people and the rest of the world.

We face one other crucial issue, but this time an executive rather than a legislative civil-rights problem—the end of segregation in the armed forces. This issue has been skirted long enough. This so-called "racial equality policy" is in fact no such "racial equality policy" at all. It is rather a perpetuation of the same undemocratic discrimination and segregation which has patterned our armed forces in the past and which has done so much to alienate for us the friendship of the colored peoples of the world, now striving for a democratic way of life. This policy does not meet the objectives of our President's executive order of last year; it does not meet the principles expressed in the Democratic and Republican platforms. In fact, if I may quote from an editorial in the Washington Post for October 6, 1949: "The new policy purports to do something it does not do in fact—segregated units in themselves frustrate the most efficient use of manpower—the Army will continue to manufacture a Negro problem for itself so long as it employs criteria of race rather than ability anywhere along the line."

I know that the President of the United States is sincere in his objective to eliminate segregation and discrimination in the armed forces. I ask that his stand be strengthened as he opposes all efforts to equivocate that policy. I ask his subordinates in the executive departments to conform to that policy. I ask that we reject the apostles of delay and the counselors of timidity.

Mr. President, America is the hope of the world. In these times of economic, political, and above all, spiritual crises, we cannot and must not evade our responsibility. Our distinguished Vice President made this obligation clear a little more than a year ago when he spoke of Thomas Jefferson. He said: "He did not proclaim that all white or black or red or yellow men are equal; that all Christian or Jewish men are equal; that all Protestants or Catholic men are equal; that all rich or poor men are equal; that all good or bad men are equal. What he declared was that all men are equal."

The totalitarian world challenges America to prove that it means what it says about human freedom and human dignity. Americans are God-fearing men and women. As Americans, we place our faith in the brotherhood of man and the fatherhood of God. As Americans, we have the responsibility—ours is the mission—for the whole 2,000,000,000 members of the human family to proclaim these basic religious and political truths. I know the time is near when America will fulfill that promise of a land where all men are free and equal.

We will have an opportunity to prove ourselves very early in the second session of the Eighty-first Congress. May God give us the strength, the determination, the wisdom, to be worthy and to fulfill that responsibility.

SECOND SUPPLEMENTAL APPROPRIATIONS—REPORT OF A COMMITTEE

Mr. McKELLAR. Mr. President, from the Committee on Appropriations, I ask unanimous consent to report favorably, with amendments, the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, and I submit a report (No. 1195) thereon.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Without objection, the report will be received, and the bill will be placed on the calendar.

Mr. MAGNUSON. Mr. President, I understand that this is the second supplemental deficiency bill.

Mr. McKELLAR. It is.

Mr. MAGNUSON. Does it include items for advance planning for certain emergency Federal buildings? Does the Senator recall that?

Mr. McKELLAR. There was quite a discussion on the subject.

Mr. MAGNUSON. I do not wish to delay the Senator, but it is quite important.

Mr. McKELLAR. It will take only a moment.

The House allowed $12,000,000, and the Senate committee, by a vote, struck it out. It goes to conference, if the Senate agrees to that action.

PRICING PRACTICES—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. O'CONOR. Mr. President, I desire to invite the attention of our colleagues to certain facts in connection with the conference report on Senate bill 1008, a bill to define the application of

the Federal Trade Commission and Clayton Acts, to certain pricing purposes, and for other purposes.

After the Senate has acted twice in favor of this freight-absorption bill and after the House of Representatives has also voiced its approval twice this session in favor of this legislation, the conference report is now submitted with our recommendation that it be adopted.

The overwhelming approval given and repeated by both Houses of the Eighty-first Congress indicates the widespread attitude of the country at large that remedial legislation be passed. At the same time there is every determination on our part to allow no destructive or adverse action which will weaken the Sherman Act, the Clayton Act, or the Robinson-Patman Act.

The conferees appointed by the Senate and House have devoted earnest attention to the effort to reconcile the differences between the two Houses. The first and important section of the bill had been passed unchanged by both Houses and, therefore, the conferees were not required to give any consideration to this main section. On only four points were the views of the two Houses divergent.

The differences between the two Houses were relatively slight. Both had taken affirmative action to provide that sellers, when acting independently and not in collusion should have the right to absorb freight charges and to quote and sell at delivered prices for the purpose of engaging in competition. By joint approval of the first basic issue, they had already decided that freight absorption would only be legalized when the individual acted in good faith in his trade practices.

The second basic issue already decided by affirmative votes of both Houses was that sellers could legally adjust their prices to meet the lower price of their competitors and, if objection were raised to their acts, they would have the right to prove affirmatively that they were acting in good faith.

It was in relation to these basic issues that two different conditions were affixed, each by the Senate and the House.

When the conferees met, they were faced with these diverging amendments, which for identification might be referred to as the Kefauver, or Senate, and Carroll, or House, amendments—of course, referring to the very able Senator from Tennessee [Mr. KEFAUVER] and to Representative CARROLL. The Kefauver amendment provided that a seller acting independently could absorb freight, but added this condition:

Except where the effect of such absorption of freight will be to substantially lessen competition.

The House had approved the same basic principle, but instead of adding the Kefauver amendment, had added this condition:

Except where such absorption of freight would be such that its effect upon competition may be that prohibited by this section.

Most fortunately, we think, the conferees found it possible to merge the two different conditions by using the language of both. Therefore, the version agreed upon in this first amendment is as follows:

Except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition.

We think Senators will have little difficulty in accepting this version, because it is not essentially different from the language approved in the Senate bill as it was passed overwhelmingly in June.

Mr. LONG. Mr. President, will the Senator yield to permit me to ask a question?

Mr. O'CONOR. Mr. President, I should prefer to have my friend the Senator from Louisiana permit me to complete this brief statement, and then I shall be glad to yield for questions.

The PRESIDING OFFICER. The Senator from Maryland declines to yield.

Mr. O'CONOR. Mr. President, in regard to the next amendment, which relates to the possible defenses which a good-faith seller may properly present, the Senate had stated that a price adjustment would be allowable, and then adopted this condition:

Other than a discrimination which will substantially lessen competition.

The House had given approval to the greater portion of the general section; but, instead of adopting the Senate amendment, the House had used this language:

If the discrimination is not such that its effect upon competition may be that prohibited by this section.

The House and Senate conferees did not find it possible to merge as readily the two versions as had been possible in the previous instance. However, in confining our attention to the possible practices which might be attempted, we were determined to adopt language that would be germane to the issues joined. We concluded to remain within the area between the two extremes, and to adopt language identical to that written in the first section of the bill, which is all-inclusive. Therefore, we agreed to this specific condition, worded as follows:

Except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.

This unequivocally reaffirms the determination not to put the stamp of approval on any corrupt or collusive combination or upon any oppressive or monopolistic practices.

This language was placed at the end of the section for purposes of clarity. The Senate conferees receded from their objection to the other amendment in section 3; so no dispute now exists with regard to this question.

The only remaining question relates to the terms finally agreed on in defining the words "the effect may be." The Senate, when it passed the bill, had provided that it must be "substantial and probative evidence" of the specified effect. So it will be seen that the conference report corresponds almost exactly with the Senate bill as it passed here. The House had inserted the words "reasonable probability." In reconciling the differences, we determined that it would be entirely safe, and a proper solution, to adopt the precise language of the Administrative Procedure Act, which, when defining the term, says there should be "reliable, probative, and substantial evidence." These words, already having the sanction of law and of judicial interpretation, provided for us a ready answer in our search for acceptable terminology.

The conferees acted on the belief that the Congress by its previous majority action intends, by this bill, to treat the practice of absorbing freight charges and the practice of quoting or selling at delivered prices as not unlawful per se. We proceed on the theory that a charge of conspiracy or collusive agreement in violation of the antitrust laws should, in order to be established, be founded upon specific proof of the actual existence of a conspiracy or a collusive agreement among those charged therewith.

We have striven to make plain in this act that freight absorption and delivered pricing practices are allowable as legitimate methods of competition, and of securing to each community the advantage of having available to it, on a competitive basis, the products of distant producers, as well as those of nearby producers, and thereby preserving it as a market accessible to more competitors than otherwise would be the case.

Mr. President, let me say in conclusion, and with emphasis, that we stand firm against any joint action by any improper devices to oppress the buying public or to injure competition.

For these reasons, Mr. President, in the light of all the facts, we urge the adoption of the conference report.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MALONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield; and if so, to whom?

Mr. O'CONOR. Mr. President, I had previously promised to yield the floor to the Senator from Nevada, and I do so at this time.

Mr. MALONE obtained the floor.

THE POSITION-CLASSIFICATION AND PAY ACT OF 1949—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina submitted a conference report on the bill H. R. 5931.

(For conference report, see pp. 14809–14816 of House preceedings.)

Mr. JOHNSTON of South Carolina. Mr. President, I ask for the immediate consideration of the report.

The PRESIDING OFFICER. Is there objection to the request for the present consideration of the report?

Mr. CAPEHART. Mr. President, I believe that I should object, for at this time I see no members of the Republican Policy Committee on the floor; and, not myself being a member of the Committee on Labor and Public Welfare, and not seeing any Republican member of the committee present at this time, I believe I should object. Perhaps the conference report might lie over for half an hour.

Mr. LONG. Mr. President, perhaps I could suggest the absence of a quorum.

and then see whether there is objection to the consideration of the conference reports on both the pay bills.

Mr. CAPEHART. Mr. President, not being a member of the committee, and seeing no Republican member of the committee present at this time, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Nevada yield for that purpose?

Mr. MALONE. Mr. President, I doubt that it will be possible to obtain a quorum at this hour in the evening.

Mr. CAPEHART. Mr. President, unless the able Senator from South Carolina knows something about this measure that I do not know, I do not believe I can permit the conference report to be agreed to at this time without objecting, in the absence of a Republican member of the committee.

The PRESIDING OFFICER. The Senator from Indiana objects to the present consideration of the conference report, unless a quorum call is had; and the Senator from Nevada does not yield for the purpose of permitting the Senator from Indiana to suggest the absence of a quorum.

ABOLITION OF BUREAU OF INDIAN AFFAIRS—INTRODUCTION OF A BILL

Mr. MALONE. Mr. President, at this time I am introducing a bill (S. 2726) to abolish the functions of the Bureau of Indian Affairs of the Department of the Interior, to remove the guardianship over Indians and trusteeship over Indian lands, and to repeal the act of June 18, 1934 (48 Stat. 984), as amended.

After approximately 100 years of supervision by the Indian Bureau, many of the Indians in the United States are still virtual prisoners of war. The bill I am introducing is a protest against an outmoded system which perpetuates the limited rights and opportunities of a potentially great people.

Mr. President, 16 years ago the appropriation for the Indian Service was approximately $19,000,000. The budget for the fiscal year 1950 for the Indian Bureau is more than $58,000,000, or an increase of approximately three times in 16 years.

In 1933, the Indian Bureau had about 5,000 employees. In 1948, 16 years later, the Indian Bureau has more than 13,000 employees.

With relatively few exceptions, the individual Indians, as well as the tribes and groups, have few rights which can be exercised without special permission from the Indian Bureau. The Indians are, for the most part, wards of the Government.

The bill I am introducing would make people of the American Indians, giving them the same status as that of the people who have very largely displaced them during the last one and three-quarters centuries.

Mr. President, Indian blood is good blood. If I had any Indian blood in my veins, I would be very proud of it.

The present situation starts the Indian boys and girls out in life with an inferiority complex, born of the fact that they do not have equal opportunities and privileges, as compared to other American citizens.

When an Indian dies, his estate rarely is entirely settled. It is kept under the control of the Indian Bureau, requiring a continuing service. For the most part, housing and sanitary conditions are very bad on the Indian reservations and among the groups of Indians who are under the control of the Indian Bureau and are dependent upon the Indian Bureau for employment.

Mr. President, according to the latest figures, there are approximately 400,000 Indians, including people having some Indian blood ranging all the way from the full-blooded Indian to one two hundred and fifty-sixth Indian; in other words, those in the latter category are white people, not Indians. According to the most reliable figure available, it is estimated there are only approximately 10,000 full-blooded Indians in the United States, in addition to the 60,000 Navajo Indians, who are located largely in Arizona and New Mexico.

It is time that the individual Indians, both men and women, took their places in the community without segregation, except as they themselves may elect to practice it, and have an opportunity to increase their earning power and full opportunity to enjoy what they earn.

Whatever the Government agreement was, the Indians should be paid, whatever land it holds in trust should be divided among them, and whatever land it holds for individuals should be relinquished to such individuals, since under present conditions of supervision it is impossible for people of Indian ancestry to exercise their prerogatives as individuals and to develop in their own way and according to their own individual ability.

There is absolutely no excuse, after 100 years, for insisting on the retention of censorship and supervision over individual Indians or Indian tribes or groups. As a matter of fact, if such supervision and censorship should have been exercised over the people of any other nationality in the United States, their growth and individual development would have been retarded in like manner.

After more than 125 years of operation of the Indian Bureau, it is found that, in certain areas, tribal marriage and divorce laws are illegal. However, in some States they are recognized in contradiction of the law.

And while we recognize the tremendous value of public schools in assimilating immigrant children, it must be realized that at least one-half the Indian children in the United States find it possible to attend only schools maintained by the Indian Bureau, and that a great number of Indian children find it impossible to attend any school.

Approximately one-half million persons make up the Indian population of the United States—about one-fourth of 1 percent of the population of the United States—and it is hard for the average American to realize that special Federal authority over the Indians makes it necessary for a large number of the Indians to confine themselves to reservation life, with its severe restrictions.

A restricted Indian cannot buy, sell, or lease property except with the Indian Bureau's consent, and he cannot have access to his money deposited for him in the Federal Treasury except by a special act of Congress.

He is totally dependent upon the Indian Bureau when he is out of a job, sick, or incapacitated by old age.

He cannot buy, sell, or consume alcoholic beverages, either on or off the reservation.

If he should happen to be a war veteran, he cannot, as a rule, obtain a loan under the GI bill of rights, because his property is tied up in Indian Bureau trusteeship.

He cannot engage in free enterprise on the reservation, because the Indian Bureau has its own specially sponsored corporations to handle business matters for the Indians.

In the case of each individual Indian, it requires an act of Congress in order for him to be freed of the onerous restrictions imposed by the Bureau.

The Congress of the United States, in 1924, declared the Indians to be citizens of this country, yet they have never had the free rights of other American citizens. The only way that they can secure these rights is to remove the two chief obstacles: First, the Indian Bureau; and second, the Reorganization Act of 1934.

The grip of the Indian Bureau has been tightened over the years by its multiplication of favors, such as loans from the Government, appointments to lucrative positions, and other influence. Government paternalism at its worst is strikingly exemplified in the Bureau relationship to the Indian. It has undermined the confidence of the Indian in himself and in the Indian Bureau.

In general, all land belonging to the Indian is restricted. It cannot be bought, sold, leased or otherwise loaned by its Indian owner without the consent of the Indian Bureau. When an Indian dies, the Indian Bureau retains control of his land, instead of dividing it among the heirs, or selling it and dividing the proceeds among the heirs. Therefore, its obligations continue to grow.

The Indian Bureau was originally established to carry out the provisions of the treaty and to bring the advantages of civilization to the Indians. It was created more than 125 years ago. The original objective has long since been discarded, and new, multiple, and unexpected obligations have been assumed by the Bureau instead of providing conditions under which Indians could be educated, assimilated and trained to take their place among the citizens of the United States. The objective has been changed to one of continual supervision and censorship.

It is time that a definite date be set to give the individual Indian full citizenship, and the responsibilities that go with it.

Mr. President, some Senators have discovered there are slum areas in the city of Washington. I may say there are slum areas elsewhere in the country; indeed, wherever we find an Indian reservation, the chances are it is a slum area.

I ask unanimous consent to insert in the RECORD at this point an article from the Nevada State Journal of September 23, 1949. The dispatch simply describes the deplorable condition of an Indian tribe which has a reservation and a restricted area outside the city of Reno, Nev., and which is in terrible shape.

I shall read only a short excerpt from the article:

Federal welfare assistance is demanded for the citizens of Reno-Sparks Indian colony for five improvements in particular.

No. 1 is "decent, modern homes, all construction to conform to a strict building code comparable to FHA standards. Size of the homes to be based on need."

No. 2 is "modern water supply systems supplied by adequate water mains."

No. 3: "Sanitary and modern plumbing installed inside the houses with a sufficient sewage-disposal system."

No. 4: "Home electrification together with sufficient lighting and paving of streets."

No. 5: "Decent recreational facilities for children."

None of those things are available in the restricted Indian area outside Reno, Nev., within a half mile of that city.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INDIAN COLONY PETITION SETS BALL ROLLING—SANITARY CONDITIONS AND STATISTICS ARE LISTED

Starting the ball rolling for their big job of getting adequate housing and utility service, residents of the Reno-Sparks Indian Colony yesterday began circulating petitions asking that conditions on the local reservation be improved.

They are asking all Reno and Sparks residents to aid Colony residents in obtaining the improvements that are desperately needed.

"We, the undersigned, residents of Nevada, protest the present living conditions prevailing in the Reno-Sparks Indian Colony," the petition begins.

It continues to list what is wrong, and what is needed.

THREE INSIDE TOILETS

According to the petition, 71 shacks on Reservation Road house approximately 300 people. For those 300 people there are only three inside toilets. Fifty outside privies are serving at least 282 of the Colony residents. There are no sewer facilities, little or no running water supply, and no fire protection, as a result, the petition continues.

Of the 71 houses, 2 have more than 5 rooms. Nine are one-room shacks, some of which house as many as seven persons. Less than half the 71 houses are served with electricity, and only 13 of them have inside running water. Thirty-seven of the houses have no chimneys.

"Our Government has been pouring millions of dollars into foreign countries for rehabilitation, while right here in our own country the real Americans are being neglected" the petition states.

FIVE REQUESTS

Federal welfare assistance is demanded for the citizens of the Reno-Sparks Indian Colony for five improvements in particular.

No. 1 is "decent, modern homes, all construction to conform to a strict building code comparable to FHA standards. Size of the homes to be based on need."

No. 2 is "modern water supply systems supplied by adequate water mains."

No. 3: "Sanitary and modern plumbing installed inside the houses with a sufficient sewage-disposal system."

No. 4: "Home electrification together with sufficient lighting and paving of streets."

No. 5: "Decent recreation facilities for children."

DETERMINATION

One intelligent, pleasant woman circulating petitions in the downtown area discussed the colony's troubles without rancor, but with quiet determination that something should be provided in the way of Federal assistance.

"It is the younger members of the colony—like myself—who have had schooling and know what things should be like who are asking for this," she said. "Maybe some of the older people didn't care so much, but we do. I want my children to have a nice home so they are not embarrassed to bring their friends there. Both of my children go to Reno schools, and they notice a lot of things about the colony that just aren't right."

The move to improve conditions at the Reno-Sparks colony was begun last month when an improvement committee was formed by residents of the area. The committee will hold its next meeting September 30 in the community house on the reservation. Meanwhile, they are preparing the petitions so that their request for aid will be backed by more than their own 300 signatures.

Mr. MALONE. Mr. President, I ask unanimous consent to introduce out of order the bill I have just described, to abolish the functions of the Bureau of Indian Affairs of the Department of the Interior, to remove the guardianship over Indians and trusteeship over Indian lands.

The VICE PRESIDENT. Without objection, the bill will be received and appropriately referred.

The bill (S. 2726) to abolish the functions of the Bureau of Indian Affairs of the Department of the Interior, to remove the guardianship over Indians and trusteeship over Indian lands, and to repeal the act of June 18, 1934 (48 Stat. 984), as amended, introduced by Mr. MALONE, was read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. MALONE. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a statement describing the bill I have just introduced, and also describing the conditions.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ARGUMENTS ADVANCED FOR THE ABOLITION OF THE INDIAN BUREAU, FEDERAL GUARDIANSHIP OVER INDIANS, AND FEDERAL TRUSTEESHIP OVER INDIAN LANDS

That we still have a serious Indian problem in the United States at the present day, fully 60 years after the final disappearance of the old western frontier, is convincing evidence in itself of the practical failure of the Indian Bureau to perform its delegated function of assimilating the Indians to full American citizenship.

The bill just presented would require that the affairs of the Indians be settled and the Bureau itself abolished at the end of a 10-year period.

The Senate has only recently authorized the appropriation of $88,000,000 for a 10-year program of rehabilitation on the Navajo and Hopi Reservations. The Navajo, it will be recalled, constitute the largest Indian tribe in the United States in point of numbers and also occupy a territory larger than several of our New England States. Here is a tribe with which the Indian Bureau has been in close contact since 1870, yet their assimilation to American life seems to have hardly begun. In education, health, and general welfare this tribe is at the very bottom level, and yet the Indian Bureau has had 80 years in which to improve the conditions of life of these people and assimilate them to white standards of living. Something is obviously wrong.

The Navajo, however, is only one example of failure out of many. Bills embodying similar programs of rehabilitation have recently been introduced in Congress at the behest of the Indian Bureau for four other reservations, authorizing appropriations of large sums over several years and of additional yearly appropriations for administrative purposes. The amounts involved are as follows: $5,500,000 for the Fort Belknap Reservation in Montana, $3,510,000 for Rocky Boy Reservation in Montana, $500,000 for a revival of the long defunct Sisseton-Wahpeton Reservation in North and South Dakota, and $10,000,000 for the Standing Rock Reservation in North and South Dakota, and a proposal by the Indian Bureau of $50,000,000 for the Sioux Indians of North and South Dakota. In general these bills empower Government corporations under the Secretary of the Interior to make loans and engage in other activities. As these loans are repayable up to 40 years from their date of contracting it can be seen that even after loans cease a period of 40 more years is predicated for these organizations. Congress is to appropriate the money, which then passes into the hands of the Secretary of the Interior and his reservation corporations, which evidently expect to operate for a long time into the future.

Nor is this all. A great number of additional programs running over the years are being prepared by the Indian Bureau for introduction as bills in Congresses in the future. The fact that the maintenance of these proposed programs of rehabilitation insures the continuance of the Indian Bureau throughout the foreseeable future is self-evident. The aim of the Bureau seems to be control of political life on each reservation by a "tribal government" and of economic life by a "tribal corporation." It is another case where the hands and arms are Esau's but the voice is Jacob's.

In view of past performance it cannot be assumed, with the Indian Bureau, that if Congress makes larger and larger sums available for a period of 10 or 15 years the Bureau will then gradually work itself out of a job. On the contrary, common sense alone would indicate that with more and more rehabilitation projects and more and more money being appropriated by Congress to be used by the Indian Bureau as it sees fit in overextending loans, this enterprise can grow to truly monstrous proportions. For that is the way of bureaucracy, it feeds and grows but it never voluntarily diminishes or retreats. The history of the Indian Bureau indicates that, contrary to the popular will and the will of Congress, the Indian Bureau has, by a process of crafty dissimulation, contrived to maintain and extend itself long beyond the period of actual need for its existence.

The Indian Bureau was originally established to carry out the provisions of treaties and to bring the advantages of civilization to the Indian. It was created by an order of Secretary of War Calhoun dated March 11, 1824. It took the place of the older Superintendency of Indian Trade, an office created in 1806 and abolished in 1822. The first head of the Indian Bureau, Thomas L. McKenney, had been Superintendent of Indian Trade for some years. In 1832 Congress authorized the President to appoint a Commissioner of Indian Affairs under the Secretary of War and later in 1849 provided for the transfer of the Indian Bureau to the recently organized Department of the Interior.

As time passed and as Indian tribes became less and less like foreign nations and more like unassimilated groups of native-born citizens it became general opinion that the Indian Bureau, like the Freedmen's Bureau organized to aid the rehabilitation of the Negro former slaves after the Civil War, would soon work itself out of a job and thus disappear. The discontinuance of treaty making with Indian tribes in 1871 and the passage of the General (Indian) Allotment Act in 1887 indicated the trend of the times.

But the work of allotment proceeded too slowly and the Indian Bureau, with its constant plea for gradualness and more time, lingered on right into the twentieth century. It lingered on in fact long enough to reach the hysterical days of 1933 and 1934 when the Indian Reorganization Act was passed in a spasm of "must legislation". The Wheeler-Howard or Indian Reorganization Act completely reversed all existing trends in Indian assimilation and turned the clock back to the days when all Indians were members of tribes and decorated themselves with war paint and feather headdresses. Under the provisions of this act "tribes" were authorized to adopt, with the approval of the Secretary of the Interior, tribal constitutions, and were also granted corporation charters by the same authority.

The Secretary of the Interior could add new land to old reservations by purchase and otherwise and could also proclaim new reservations where he felt it was necessary. Any further sale of Indian lands was discouraged and Federal trusteeship over Indian person and property was reasserted by means of loan funds and new organizational devices. This was indeed a major triumph of the Indian Bureau in its fight for continued existence. For through the revival of the tribal system the act gave new implementation to the constitutional proviso in the "commerce clause" which gave Congress a delegated power to regulate trade with the Indian tribes. By its emphasis on the organization of Indians as tribes the act pushed into the background the potentialities of the Indian as an individual citizen undifferentiated from other citizens.

For an extended period from 1928 through 1943, the Senate Committee on Indian Affairs, was conducting very extensive subcommittee hearings at all of the important reservations throughout the United States and Alaska. No stone was left unturned in gathering the facts about conditions of Indian life on reservations and the effect of Bureau administration on Indian person and property. As a partial summary of these hearings, Senate Committee Report No. 310 (78th Cong., 1st sess.) was issued in 1943 recommending the outright abolition of the Indian Bureau and of Federal guardianship over Indians and their property.

Another expression of the will of Congress along the same line took place with the enactment of the Indian Claims Commission Act in 1946. The express purpose of creating this Commission was to wind up all Indian claims against the United States within a period of 10 years. In this way the extension of Federal jurisdiction over Indian matters into the indefinite future was to be curbed.

But where do we really stand in Indian policy today? Have we any assurance that the will of Congress has been communicated in unmistakable terms to the Indian Bureau so that the latter will truly understand that its days are numbered? The answer to this question seems to be "No."

In 1947, after insistence by the Senate Civil Service Committee for a statement from the Indian Bureau on the subject of liberation for the Indians the Bureau presented a specific plan for the withdrawal of Federal supervision over Indians over a period of 10 years or more.

In accordance with the terms of this proposal the Indian reservations or jurisdictions are broken down into three groups depending upon their readiness for removal of Federal control.

Group I consists of those groups that could be immediately released, namely, Flathead, Hoopa, Klamath, Menominee, Mission, Six Nations of New York, Osage of Oklahoma, Turtle Mountain, Potawatomi of Kansas and the Sacramento Agency groups of California.

Group II consists of about 19 jurisdictions which should be able to function with little or no Federal supervision within 10 years.

Group III includes the remainder of the jurisdictions some 35 in all, which would require a period a little longer than 10 years for the complete withdrawal of Federal supervision.

Soon afterward Senator BUTLER of Nebraska, then chairman of the Committee on the Interior and Insular Affairs of the Senate, introduced a number of bills to immediately emancipate from Federal jurisdiction each of the Indian jurisdictions listed in group I. But the Indian Bureau rendered adverse reports on these bills. In the case of the Klamath, for example, the Indian Bureau presented a proposed program in 1948 involving a gradual withdrawal of Bureau powers over a period of 22 years, ending in 1970. This was presented in a series of easy stages, beginning with repeal of the liquor-prohibition acts and with similar removals every few years until it ended up with the full transfer of management of tribal property to the Indians. Evidently when the Indian Bureau mentions "immediate withdrawal" it means a matter of decades. This serves to illustrate the difficulty of obtaining any definite action or assent on the part of the Bureau in the matter of the removal of Federal special supervision over Indian person and property.

An example of this sort goes far to prove that no program for remission of Federal controls over Indians will ever be voluntarily implemented or adhered to by the Indian Bureau. In fact, the observation has been made that the Indian Bureau does not have within itself the power to initiate any movement for the relief of Indians from Federal control and that in reality every such movement has come from the outside. In more general terms it has been stated that the most difficult thing in the world is to remove a system of any kind which is organized to supervise somebody and handle his money and property, so long as the money and the property hold out.

The House Appropriations Committee Report No. 279 (80th Cong., 1st. sess.) in 1947 justified the reduction in the budget for Indian Affairs in the following words:

"It is to be regretted that the Reorganization Act of 1934 has not resulted in the economic freedom of the Indian and that it has not resulted in any reduction in expenditures for its support. In fact, expenditures and support for this group has increased tremendously since the date of enactment of the Reorganization Act.

"Appropriations in the 1933 Interior Department Appropriation Act for the Indian Service totaled nearly $19,000,000. The 1948 budget estimate calls for appropriations amounting to $44,509,520. This comparison is significant and leads the committee to believe that the Congress can expect no constructive advice and assistance from the Bureau of Indian Affairs in the solution of the problem.

* * * * *

"It is urged that the Indian Bureau reorganize and readjust itself with a view to a gradual reduction in activities in succeeding years."

So, we are faced with the reality that Indian Bureau administration today is marked by a continuing drive for increased expenditures. That is one thing and a very bad thing in terms of its ultimate results. But there is still another ominous feature to continuance of the Indian Bureau activities in unabated form, namely, the almost incredible muddle into which the Indian problem has been transformed due to confusion of legal, moral, and land-tenure rights.

In general, all land belonging to Indians is restricted, i. e., it cannot be bought, sold, leased or otherwise handled by its Indian owners without the consent of the Indian Bureau. During the allotment period preceding the Indian Reorganization Act a large part of the Indian lands was allotted to individual Indians. However, whenever these original allottees die the Indian Bureau retains control of the land instead of disposing of it among the heirs or selling it and dividing the proceeds among the heirs. As a result the heirship land total increases all the time with the death of the original allottees and the number of heirs increases. The Indian Bureau rents or leases these lands and doles out the proceeds in small, almost infinitesimal, amounts to the numerous heirs. This makes for a gigantic bookkeeping task which is both expensive and time-consuming, but the waste of the taxpayers' money is of little account to the Bureau as long as it can retain its hold over the Indian property. If these matters were in the hands of local probate courts instead of the Indian Bureau they would be rapidly and effectively disposed of.

Another example of the complex mess into which Indian Bureau practices have gotten the Indian is in tribal marriage and divorce. In some States with sizable Indian populations the validity of tribal marriage and divorce is recognized in contradistinction to State laws. As everybody knows, there are already sufficient differences between the marriage and divorce laws of the 48 States not to add to the confusion by the recognition of the usages of more than 100 Indian tribes. Yet, under the Indian Reorganization Act it is difficult if not impossible for State action to solve these problems.

In our experience of naturalizing aliens in the United States we have come to recognize the tremendous value of the public school in the assimilating of immigrant children. It is startling then, to realize that at least half of the Indian children who are attending school find it possible to attend only schools maintained by the Indian Bureau. Of course a great number of Indian children are not reached by any school and in this case some kind of school is better than none. But the point to be emphasized is that with only half of the Indian children attending public schools assimilation takes place much more slowly and haltingly. Hence the need for public schools for all Indian children and not special schools which imply a kind of special status.

The Indian population of the United States is only a very small minority—approximately half a million persons at most as against the national population total of 140,000,000. Yet, the full anachronism of the special Federal authority over Indians is hard for the average American to comprehend excepting with individual experiences of reservation life. What are these special restrictions of which the Indian complains? The following are some of the outstanding and most disliked encumbrances.

1. A restricted Indian cannot buy, sell, or lease property except with Indian Bureau consent.

2. He cannot have access to his money deposited for him in the Federal Treasury except by act of Congress.

3. He is totally dependent upon the Indian Bureau when he is out of a job, sick, or when incapacitated by old age.

4. He cannot buy, sell, or consume alcoholic beverages either on or off the reservation.

5. If he should happen to be a war veteran he cannot, as a rule, obtain a loan under the GI bill of rights because his property is tied up in Indian Bureau trusteeship.

6. He cannot engage in free and unrestricted business enterprise on the reservations because the Indian Bureau has its own specially sponsored corporations to handle business matters for the Indians.

7. For each individual Indian it takes in most cases a special act of Congress to be freed from the onerous restrictions imposed by the Bureau.

The Indian has never had the full rights of other American citizens even since 1924, when Congress declared him a citizen of the United States (43 Stat. 253). The only way he can get these rights is through removal of the two chief obstacles: (1) The Indian Bureau, and (2) the Indian Reorganization Act of 1934. The latter has had the effect of hiring the Indians with taxpayers' money to stick together in tribes and thus of separating them from the rest of American citizens. Originally organized with a well-meaning intention to protect both white man and Indian the Indian Bureau has come to raise a needless and ruinous barrier between the two races for its own selfish reasons.

The grip of the Indian Bureau has been tightened over the years by its multiplication of favors such as loans from the Government, appointments to lucrative positions, and by other influence. In fact, Government paternalism at its worst is strikingly exemplified in the Bureau relationship to the Indian. It has undermined the confidence of the Indian in himself and in his own resources. How can the moral fiber of new citizens be built up under such conditions?

The only solution which will really cut the Gordian knot, so to speak, and it is a solution which only Congress can effectuate, is to tear up the Indian Bureau by the roots and set our fellow citizens of Indian descent free from the deathlike grip of this "old man of the sea." Only by the abolition of the Indian Bureau, coupled with the repeal of the Indian Reorganization Act, can the Federal Government remove a gross injustice and right an ancient wrong, once and for all.

The Government of the United States should determine definitely what its debt to the Indians amounts to—individually and collectively—pay such debts and allow them to take their place in the communities of this Nation on an even basis with other citizens—they have been on probation long enough.

PRICING PRACTICES—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, and for other purposes.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Baldwin	Hickenlooper	Martin
Capehart	Hill	McFarland
Chapman	Hoey	McKellar
Connally	Ives	Malone
Cordon	Jenner	Neely
Donnell	Johnson, Colo.	Russell
Douglas	Johnston, S. C.	Smith, Maine
Dworshak	Kilgore	Watkins
Ferguson	Long	Wherry

The VICE PRESIDENT. Twenty-seven Senators have answered to their names. There is not a quorum present. The names of the absent Senators will be called.

The legislative clerk called the names of the absent Senators, and Mr. GREEN, Mr. JOHNSON of Texas, Mr. CAIN, Mr. GURNEY, Mr. LEAHY, Mr. PEPPER, Mr. MCMAHON, Mr. MYERS, Mr. WILLIAMS, Mr. O'CONOR, Mr. MILLIKIN, Mr. O'MAHONEY, Mr. KERR, Mr. HAYDEN, and Mr. MCCARTHY answered to their names when called.

The VICE PRESIDENT. Forty-two Senators have answered to their names. There is not a quorum present.

Mr. MYERS. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. MAGNUSON, Mr. KNOWLAND, Mr. LUCAS, Mr. ELLENDER, Mr. AIKEN, Mr. ANDERSON, Mr. THOMAS of Oklahoma, Mr. BRIDGES, Mr. ECTON, Mr. GEORGE, and Mr. YOUNG entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

Mr. MYERS. Mr. President, I inquire what is the pending question?

The VICE PRESIDENT. The question is on agreeing to the conference report on the basing-point bill.

FUTURE OF THE MARINE CORPS

Mr. DOUGLAS. Mr. President, out of order, I ask unanimous consent to have printed in the Appendix of the RECORD an article from the Evening Star on the future of the Marine Corps.

Mr. WHERRY. Mr. President, I am sorry, but I am forced to object to the unanimous-consent request.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the conference report.

Mr. DOUGLAS. Mr. President, I should like to speak on this subject, if I may.

The passage from the Evening Star article which I wished to place in the RECORD reads as follows:

> Gen. Clifton B. Cates, Marine Corps Commandant, told the House Armed Services Committee today economy moves in the Defense Department are cutting marine fighting strength below "the barest minimum requisite for our mission." He said the Army is waging a continuous campaign to "usurp" the Corps' amphibious functions.

In view of the pledge which was made on the floor of the Senate by the chairman of the Armed Services Committee when the unification bill was under consideration, namely that the functions and strength of the Marine Corps were not to be diminished in the slightest, I believe that this testimony of General Cates, as it is given in the preliminary version in the Evening Star tonight, should be given most careful consideration, and that the full testimony of General Cates, which will appear in the morning, should be considered. I think a definite pledge was made on the floor of the Senate that the functions and strength of the Marine Corps would not be impaired—certainly not any more than are the functions of other services. The testimony of General Cates seems to be that such attempts are being made so far as the budget for the year 1950–51 is concerned.

PRICING PRACTICES—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the report.

Mr. DOUGLAS. Mr. President, I wish to begin my remarks on this matter by thanking my colleague the senior Senator from Illinois [Mr. LUCAS], and my colleague the junior Senator from Maryland [Mr. O'CONOR], for seeing to it that we have a chance to debate this conference report, which legalizes the basing point system and other monopolistic practices. The conference report originally was adopted on Saturday night with such supersonic speed that, although the junior Senator from Louisiana [Mr. LONG] and I were standing close to the Chair, we could not hear the question which was stated, and we were startled by the almost instantaneous announcement that the report had been agreed to. But the Senator from Illinois [Mr. LUCAS] and the Senator from Maryland [Mr. O'CONOR] helped to save the situation; and I wish to thank them publicly.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. WHERRY. Did not the Senator from Nebraska also state at that time that he would join in asking that the vote be reconsidered so that the basing-point conference report could be discussed?

Mr. DOUGLAS. I welcome the Senator from Nebraska to the ranks of the virtuous. What he has suggested is correct, and I am delighted to pay tribute to him also.

Mr. WHERRY. I thank the Senator.

Mr. DOUGLAS. I may say that I was somewhat startled, however, by the speed with which the motion to agree to the conference report was declared to be carried; and I think the term "supersonic" is not an exaggeration when applied to that matter.

Mr. President, to my mind this is probably the most important piece of domestic legislation which we have had before us during the present session of Congress. It revises the whole traditional legal policy of the United States against monopoly, and gives to big business the legal means by which it can suppress and strangle competition. This would help to crush out small business; keep prices to the consumer high, and raise them even higher; choke off production and employment; and make the distribution of wealth and income still more unequal. Further, by helping to concentrate production and merchandising in fewer and fewer hands, it would make the maintenance of democracy still more difficult.

These are strong statements, and there will be some who will question them. The

language of the bill as reported by the conference committee seems, at first reading, to be innocent; and it has taken in many thoroughly well-meaning persons and legislators. But I believe it is full of legal booby traps which will enable big business to free itself from the antitrust laws by blowing up any prosecutions started by the Department of Justice; and it lays a mine field for the small-business men of the country, which will make it almost impossible for them to carry on.

Just what is it that this bill, as reported by the conference committee, actually does? The issue has been made much more complicated than it really is, both by the arguments advanced by the proponents of this legislation and by the cumbersome and legalistic phraseology used by some of its opponents, both of which unfortunately tend to bury the real issues under a mountain of governmental "gobbledygook."

But the real issues, Mr. President, are really very simple. Let us see what they are.

Section 1 of the bill legalizes the effects of the basing-point system, which has hitherto been declared illegal by the United States Supreme Court in the Cement and Glucose cases, and by the circuit court in the Steel Conduit case. That decision by the circuit court has not been overruled by the Supreme Court.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. O'MAHONEY. I am quite convinced, if the Senator from Illinois will permit me to say so, that he is mistaken in the last statement he has made. Section 1 of the conference report does not legalize anything which was condemned in the Cement case or in the Rigid Steel Conduit case, as I see it. If it had done so, I never in the world would have supported that section.

It seems to me, Mr. President, that it is very likely that the Senator from Illinois will have much more serious objections to make to other sections of the conference report than the objection he makes to section 1 of the report.

Speaking out of an experience of some years in connection with this matter, let me say that I am satisfied that the bill as originally introduced was intended to, and did, clear up an unnecessary ambiguity in the minds of the people of the United States in regard to this matter. In my judgment it would have been impossible to have had the support of spokesmen for the Department of Justice, in the Antitrust Division, and of spokesmen for the Federal Trade Commission, if the things the Senator from Illinois now says were true. Section 1, of which the Senator now speaks, was approved by sincere opponents of monopoly in both the Antitrust Division of the Department of Justice and the Federal Trade Commission.

The provisions of section 1 would not have had my support if the statements the Senator from Illinois has made were true.

Mr. DOUGLAS. Mr. President, let me say to the Senator from Wyoming, my very good friend, who has a long and honorable record in this entire field, that of course I shall object not only to section 1 of the conference report but also to sections 2, 3, and 4. In fact, I think virtually every feature of the conference report is bad.

But in specifically dealing with section 1 of the report, let me point out that of course the Senator from Wyoming is aware that this section would legalize both the absorption of freight and the system of delivered prices. If we permit the absorption of freight and if we permit delivered prices, we therefore legitimatize the same results as the basing-point system, because the basing-point system involves delivered prices, and also involves the absorption of freight.

Mr. O'MAHONEY. Mr. President, if the Senator will permit me to interrupt him, let me say that his statement is too broad. Delivered prices in themselves are not illegal.

Mr. DOUGLAS. That is correct.

Mr. O'MAHONEY. Freight absorption in itself is not illegal.

Mr. DOUGLAS. That is correct.

Mr. O'MAHONEY. Either one of those practices becomes illegal only when it is used as an instrument to restrain trade or to suppress competition.

Of course, there can be disagreement as to the meaning of words; but I assure the Senator from Illinois that nothing was written into the bill or into the conference report which would or could, in my judgment, legalize freight absorption as an instrument of monopoly or delivered prices as an instrument of monopoly.

Mr. DOUGLAS. Let me ask the Senator from Wyoming if this is his understanding: Suppose a steel company declares its price for steel at Pittsburgh will be, let us say, $80 a ton, and that the prices it will charge in every other locality in the country will be equal to the Pittsburgh price, plus the freight from Pittsburgh to the point in question. So, let us take point X, let us say in Indiana; let us assume that the freight from Pittsburgh to point X is $16 a ton, and the firm therefore quotes a price at point X of $96 a ton—$80 a ton plus $16 a ton for freight. Would not that be legal, under section 1 of the bill before us?

Mr. O'MAHONEY. The Senator is talking about a Pittsburgh-plus system. There is nothing in the bill dealing with that.

Mr. DOUGLAS. Let us say it declares a base price at Harrisburg of $80: Would that be legal, may I ask the Senator?

Mr. O'MAHONEY. Nothing in the bill touches the Pittsburgh-plus system.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am very glad to yield.

Mr. LONG. In order to bring the point clearly into focus, suppose every steel company in America arrived at a price substantially the same. Let us assume that everyone said the charge would be $80 a ton at the plant of the company, and that every company would absorb enough of the freight to match the Pittsburgh delivered price throughout the entire United States. Would they not be able then, in terms of freight absorption, on that basis to work out the Pittsburgh-plus system?

Mr. DOUGLAS. In my judgment they would be. I should like to make the point that, as I read section 1, it would make it legal for an individual firm to fix a base price at a given place. It could then make the price at every other place equal to the base price plus the freight, and to sell to the purchasers, not at the mill, where the goods are produced, but at the points of delivery. Then, one firm having done this, it would be legal for every other firm to charge the same prices to customers in given centers irrespective of where the additional mills are located, so that they also would be selling at delivered prices, which would be identical within given localities with the prices charged by the leading and price-setting company.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. Actually, has not the historical effect of the practice been that, even though it is made to appear the companies are arriving at prices independently, they all arrive at identically the same price every time they bid, no matter where they bid, everywhere in the entire United States; so obviously, on the face of it, the effect has been such that no man in his right mind could say there was not a conspiracy afoot, even though it was impossible in most cases to prove the conspiracy, or to prove where the actual agreement was arrived at?

Mr. DOUGLAS. The Senator from Louisiana is completely correct. In the early debate, on June 1, I believe, the Senator from New Hampshire [Mr. TOBEY] read into the RECORD a long series of identical prices, and on the previous day, in the House, Representative PATMAN, from Texas, also read into the RECORD a long series of identical prices. I quoted some of those in my speech in the Senate on August 10. The Senator will remember the illustration I used of where there were 8 cement companies in the State of Illinois which made bids in each of the 102 counties. These bids were identical within each county. Although there were 916 bids, they were found to be identical down to the last cent, within each county. It was mathematically established that the chance that this was purely accidental was equal to picking one predetermined electron out of the entire universe, or one chance in eight followed by 214 zeros. It will also be remembered that the State of Illinois threw out these bids as indicative of collusion, and that subsequently they were offered these bids by 6 firms for each of the 102 counties. Here there was a total of 612 bids and each of these bids was again identical with the others within each county. But in this case every bid was 15 cents higher than before. The bids were sealed and therefore were supposed to be confidential. The chance of this happening by accident, I believe, would be equivalent to picking out one predetermined atom from the entire universe. There is abundant evidence that in practice, once let the leading firm establish a base point; all the other firms have freight books, and they will take this base price, add the

freights as they find them in the freight book, and they will all arrive at identical prices at given localities.

The prices under the basing-point system will differ between places, but they will be identical in any given place, and competition will disappear.

Section 1 affects this, because if all members of an industry systematically absorb freight—and that is permitted by section 1—they are enabled to match their delivered prices. This destroys price competition and nullifies geographic advantages; which is exactly what the basing-point system itself does.

The monopolies, should the pending bill be passed, could argue that Congress had legalized the consequences; that is, identical prices, by legalizing the means, or freight absorption. They would also argue that, since delivered prices are legalized, where a buyer is not permitted to buy at the mill of the producer but must accept delivery at his place of business, this also permits the basing-point system to be carried into effect.

Section 2 (a) permits sellers to establish either (1) a postage-stamp system of uniform and identical prices, which will be identical all over the country, irrespective of where the goods are produced, or, irrespective of where the goods are sold; or (2) a zone system of prices, in which the prices will be uniform and identical at all places within a broad zone. The difference between the postage-stamp system and the zone system, on the one hand, and the basing point system on the other, is simply this. Under the postage-stamp system prices will be uniform for the country, and in the zone system prices will be uniform within a zone but differing between zones; whereas under the basing-point system we would have a base point, and the prices at other places are equal to the price at the base point plus the freight. They will differ between different places but will be identical for varying firms at any given place. Buyers in any given locality are thus faced with the same situation under all three systems; namely, identical delivered prices with no competition between sellers.

The postage-stamp system or zone system may be justified in the case of trademarked and branded articles where there is a high degree of quality competition between products. Where it is applied to mass-production goods which tend to be almost identical in quality, however, this uniformity of price becomes a means whereby one or two firms in an industry can fix the price and club the independents into following them.

By this method the consumers are deprived of the advantages of lower prices caused by the low costs of some firms and the advantages of convenient location, and hence are forced to pay more than the competitive prices would be. It thus gives the monopolies still another method for legally imposing their will in addition to the basing-point system.

In other words, Mr. President, the basing-point system, the postage-stamp price system, and the zone system are all methods whereby the leading firms in an industry can establish prices, and the others will follow suit, irrespective of where their mills are located or what their costs of production will be. There will be an identity of prices within a given locality, as under the basing-point system; or an identity of prices within a zone, as under the zone system; or an identity of prices over the country as a whole, as under the postage-stamp system. In other words, section 1 and section 2 (a) give to the big industries and to the monopolies of the country the power to dictate what prices shall be, and make it legal for the smaller firms to follow suit and to go along. And they can do this, as I think I shall show, without necessarily getting together in a room. They need not conspire; they need not form any explicit agreement, either written or verbal. They simply know what the leader does, and then they follow the leader; and the effect is the abolition of competitive pricing and virtual defeat of competition as such. They can do this under the present bill by charging delivered rather than f. o. b. prices, by absorbing freight and by meeting in good faith the prices of their alleged competitors who are in reality the price setters—whose lead they loyally follow.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LONG. Actually, is not this what would happen if this bill were passed: Without any suggestion of conspiracy and without any outside evidence that anyone would know anything about, the day after this bill were passed the United States Steel Corp. would probably announce that it was going back to the old pricing methods, and then every other steel company would announce they were going back to their old pricing methods also, and the same old basing-point system which was arrived at by conspiracy would be arrived at again, even though companies acted independently?

Mr. DOUGLAS. I think the Senator has very well stated the precise consequences which would occur if this measure should pass. It would mean the reestablishment of the old basing-point system with the addition of two other possibilities, zone pricing and postage-stamp pricing, so that the leading firms in an industry would have a whole armory of weapons. They are protected by this bill against suits by the Government, and they can say, "We are doing this independently merely to match the prices of our competitors," with the result that competitive prices will disappear.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LONG. As a matter of fact, is it not true that there is nothing whatsoever in the bill which, if arrived at independently, would permit any competitor from even inquiring of his competitor what was being charged, and then charging identically the same price at the delivery point?

Mr. DOUGLAS. The Senator is quite right. In the case of the basing-point system all firms have freight books giving the freight rates from given cities which correspond to the basing point and once a leading firm establishes the price at a basing point, all the other firms then look up the freight rate from the basing point or points to the cities in question, and fix their prices in the city in question at the base price plus the freight from that base point. The firms which buy from them have to take delivery not at the mills which produce the goods, but at the points where they as buyers do business. In other words, the seller does not sell f. o. b., he sells at a delivered price. He does not say to his purchasers, "Come and get it at an equal price for all at the mill." He sells to his purchasers at the points where the purchasers are located. In some cases he will absorb freight and in some cases he will charge more freight than the actual cost of shipping from his point of production to the point where the goods are finally purchased.

Section 2 (b), in the guise of again dealing with freight absorption, gives to big purchasers the power to force unjustified price discounts not based on actual economies, caused by large quantities of sales, but illegitimate discounts which are denied to small retailers or wholesalers.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. LONG. If there is anything that is not legalized in terms of the old Pittsburgh-plus system in section 1, does not section 2 enable them to match the prices on the ground that they are merely meeting competition?

Mr. DOUGLAS. That is correct, because it says that it is not an unlawful discrimination to do so. The point I was trying to develop is that this bill also gives to the big buyer the power to get away from the Robinson-Patman Act. As the Senate well knows, the Sherman Antitrust Act and the Clayton Act were primarily devoted to establishing competition between the producers and the sellers and to prevent monopoly from establishing itself in the field of manufacture. The Robinson-Patman Act, however, was directed not against monopolistic producers and sellers as such but against the influence of monopolistic buyers and to prevent the mass purchasing power of some big retail chains from getting discounts from suppliers based not upon lower cost or quantity sales, but really coming from the mass influence of giving or withholding heavy purchases. Section 2 (b) thus helps to break down the Robinson-Patman Act of 1936, which was designed to check monopoly buying, just as the Clayton Act and the Sherman Act were designed to check monopolistic production and selling.

I shall later develop that point in some detail, but I am merely laying out the general ground work for my argument which will be amplified subsequently.

Section 3 completes the job of repealing the Robinson-Patman Act by permitting a seller to make, and hence for a buyer to receive, a discriminatory price not granted to others, provided only that it is made "in good faith to meet an equally low price of a competitor." This phrase opens up holes in the Robinson-Patman Act wider than those which any

Notre Dame line ever punched. I shall later try to develop that in more detail.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I shall be glad to yield.

Mr. LONG. Does the Senator think anyone could possibly open any greater hole than was opened in the Tulane line last week?

Mr. DOUGLAS. I had always thought that Notre Dame could open bigger holes than could anyone else, until I read this conference report, and then I thought that probably the draftsmen of the act had been misplaced. We should have had them opening up football holes, because no football hole was ever opened wider than the legal hole which has been developed in the Antitrust Act.

Finally, Mr. President, I should like to point out that the change made by the conference committee in section 4D, which seems to be very innocent on its face, is in reality a "sleeper" clause which completely upsets any protection which the small-business man has been given by the Clayton Act and the Robinson-Patman Act. For both of these acts provide that discriminatory acts which substantially lessen competition should be enjoined. In other words, a discriminatory act where "the effect * * * may be substantially to lessen competition" can be enjoined either prior to its commission or prior to the full effect of the act having been carried out. This ability to enjoin the acts in advance of the full effects being realized can now be employed by the Federal Trade Commission and the courts. It can be done on the basis of the test of reasonable probability that a given discriminatory act will lead to the effect either of substantially lessening competition or helping to produce monopoly. This is on the principle of the red traffic light which holds back the north- and south-bound traffic, because if the north- and south-bound autos go ahead at the crossing, they will conflict with the autos going from east to west on the green light. It is well to turn on the red light to prevent the autos from conflicting with those which have been given the green light.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be very glad to yield.

Mr. LUCAS. Mr. President, I advised the Senate this morning that we would go along until approximately 7 o'clock and then take a recess until tomorrow. May I ask the Senator how much longer he expects to speak?

Mr. DOUGLAS. I am not precisely able to tell, because I never know what interruptions may occur. I believe this is such an important issue that it needs to be very thoroughly elucidated and explained, so that the public as well as the Senate can make up its mind upon it.

Mr. LUCAS. Mr. President of course there is no way by which I can keep my colleague from speaking as long as he desires, but I did advise a number of Senators that the Senate would conclude its business at 7 o'clock. I think the RECORD will show that. I thought perhaps the Senator might conclude now, and with the Senate convening at 11 o'clock in the morning, that he might be able to get the floor at that time.

Mr. DOUGLAS. Would I lose my right to the floor if the Senate took a recess until 11 o'clock tomorrow?

Mr. LUCAS. If the Senator got unanimous consent, he would not.

Mr. DOUGLAS. Since it is the desire of my colleague, the Senator from Illinois, in accordance with his previous statement that we should either recess or adjourn at 7 o'clock, if without losing my right to the floor I can resume again at the time the Senate convenes tomorrow morning, I should appreciate that very much. I would be very pleased indeed to have the Senator from Illinois make his motion.

The VICE PRESIDENT. Is the Senator asking unanimous consent?

Mr. DOUGLAS. I am asking unanimous consent that I may have the privilege of the floor when the Senate reconvenes tomorrow.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WHERRY. Mr. President, I should like to ask a question of the majority leader, if the Senator from Illinois will permit.

Mr. DOUGLAS. Certainly.

Mr. WHERRY. I understood it was the intention of the majority leader to have the Senate recess at this time to convene at 11 o'clock tomorrow morning, and I am in total agreement with that. I am wondering if the distinguished majority leader can tell us whether or not he intends to have a night session tomorrow night.

Mr. LUCAS. I presume we had better have a night session, in view of the importance of the argument that is proceeding, involving the basing-point conference report. I presume my colleague will speak at some length, and that the Senator from Louisiana will do likewise.

Mr. DOUGLAS. I have no desire to spin out the argument, but it is extremely important that the great issues which are at stake should be made clear.

Mr. LUCAS. I perfectly understand that, and I know that the Senator cannot make the issue clear in 15 or 20 minutes. It will take some time for him to do that. I know, too, that he will be ably assisted by the junior Senator from Louisiana [Mr. LONG], who usually takes quite some time, also, to explain an important matter of this kind.

Mr. WHERRY. In view of the fact that the distinguished majority leader has stated that when the motion is made to recess it will be to recess until tomorrow at 11 o'clock, and in view of the statement that the majority leader feels a night session will be necessary tomorrow, I should like to say that I shall not object to the unanimous-consent request. I think that is the proper procedure, and I am perfectly agreeable that the distinguished junior Senator from Illinois shall be recognized when the Senate convenes tomorrow morning to continue his speech.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF FEDERAL AIRPORT ACT

Mr. MYERS. Mr. President, this afternoon the Federal airport bill was passed, and I believe the House bill was substituted for the Senate bill. The House bill has not yet come over from the House. Therefore, I ask unanimous consent that the action by which Senate bill 1284 was indefinitely postponed, relating to section 6 of the Federal Airport Act, be reconsidered.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, as I understand, the Senate bill was passed with the idea that there was a House bill on the calendar, but the House bill is not even on the calendar.

Mr. MYERS. That is correct.

Mr. WHERRY. I have no objection whatever to the request.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MYERS. Mr. President, I also ask unanimous consent that the proceedings with reference to House bill 4239 be vacated.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MYERS. Mr. President, I further ask unanimous consent that Senate bill 1284, as amended, be acted on at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Colorado, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to meet during the session of the Senate tomorrow afternoon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REHABILITATION OF NAVAJO AND HOPI TRIBES OF INDIANS—VETO MESSAGE (S. DOC. NO. 119)

The VICE PRESIDENT. The Senate has received a message from the President of the United States, vetoing Senate bill 1407, relating to the Navajo and Hopi Tribes of Indians. In view of the lateness of the hour, the Chair will ask that the message be printed as a Senate document, lie on the table, and printed in the RECORD without being read. This is at the request of the Senator from Arizona [Mr. MCFARLAND]. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

I return herewith, without my approval, the enrolled bill (S. 1407) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

The principal objective of this bill is the establishment of a 10-year program of capital and other improvements for the benefit and rehabilitation of the Navajo and Hopi Tribes of Indians. Appropriations would be authorized for this purpose totaling $88,570,000. Among the principal program goals specified and the amounts provided therefor would be: roads and trails, $20,000,000; school buildings and equipment, and other educational measures, $25,000,000; soil and water conservation and range improvement work, $10,000,000; and completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project, $9,000,000.

I have withheld my approval with reluctance and only after the most careful consideration of all the provisions of S. 1407. The bill contains many meritorious features. In fact, its only objectionable provisions are those of section 9 which, with some qualifications, extend State civil and criminal laws and court jurisdiction to the Navajo-Hopi Reservations which are now under Federal and tribal laws and courts. Section 9 is heavily weighted with possibilities of grave injury to the very people who are intended to be the beneficiaries of the bill. Its many and serious defects outweigh, in my judgment, the merits of the rest of the bill.

In the first place, the meaning of section 9 is obscure. While it seeks to subject the Navajo and Hopi Indians to the civil and criminal laws of the States where their reservations are situated, in certain circumstances and under certain conditions, the details of these circumstances and conditions cannot be determined, with any assurance of legal correctness, from the language of section 9. For example, the right to inherit personal property, such as cattle, sheep, tools, and utensils, is a matter of vital concern to the Navajo and Hopi Indians, as it is to other human beings. The descent of this property upon death is a matter which is now governed by their tribal practices and customs. Section 9 might be construed as abrogating these practices and customs at one fell swoop and imposing upon these Indians a system governing the descent and distribution of personal property which they neither want nor understand. Another matter of vital concern to the Navajo and Hopi Indians is their water rights, since they live in an arid country where water is the most precious of all natural resources. The jurisdiction to adjudicate, project, and enforce these water rights is now vested in the Federal courts where Indian rights are assured of full protection. Section 9 might be construed as transferring plenary power over Indian water rights to the State courts where there is much less assurance of protection for Indian rights, or it might be construed as leaving the existing Federal jurisdiction substantially unimpaired. These two illustrations are far from exhaustive, but they reveal quite plainly that the bill contains serious threats to the basic rights of these Indians, and at best would create a series of legal tangles which only years of expensive litigation could unravel. In the interim, many valuable interests might be lost and much irreparable injury suffered by the Navajo and Hopi peoples.

A second major objection to section 9 is that its avowed purpose of accomplishing a broad-scale extension of State laws to the Navajo and Hopi Reservations is in conflict with one of the fundamental principles of Indian law accepted by our Nation, namely, the principle of respect for tribal self-determination in matters of local government. The Congress and the executive branch have repeatedly recognized that so long as Indian communities wished to maintain, and were prepared to maintain, their own political and social institutions, they should not be forced to do otherwise. One of the most liberal self-government clauses ever written for an Indian tribe appears in section 6 of the enrolled bill. That section declares that the Navajo people shall have "the right to adopt a tribal constitution," which "may provide for the exercise by the Navajo Tribe of any powers vested in the tribe or any organ thereof by existing law, together with such additional powers as the members of the tribe may, with the approval of the Secretary of the Interior, deem proper to include therein," and which "shall authorize the fullest possible participation of the Navajos in the administration of their affairs." It would be inconsistent to enact into law section 9 concurrently with section 6. If either is to be accepted as meaning what it says, the other must be viewed as mainly rhetoric.

Statutes have, of course, been enacted from time to time extending State criminal or civil laws to particular Indian communities. Primarily, these statutes dealt with comparatively small groups, the members of which through long association with neighboring whites, had reached the stage where they were prepared to and wished to be governed by State and local law. The Navajo and Hopi Tribes are not in this category. They are, indeed, the Indians who are probably lease prepared for such a major change.

Ultimate acceptance of State jurisdiction is a logical consequence of our policy of assisting the Indians to develop their natural talents and physical resources in ways that will enable them to participate fully in our free, but vigorously competitive, society. In the long run, this process of adjustment to our culture can be expected to result in the complete merger of all Indian groups into the general body of our population. Yet the desirability of this result is no reason for compelling the Navajos and Hopis to accept legal integration long before they have been prepared for such a consequence through the orderly course of social and economic integration. Premature steps for tribal dissolution have invariably revealed that the process of cultural adjustment cannot be hastened, and may be retarded, by attempts at legal compulsion. For many years more, the lives of the Navajo and Hopi peoples will continue to be governed by the isolation of the country where they live, the facts that four-fifths of them cannot speak English, and that the majority of their children have never been to school, the primitive background of their social concepts, the limitations of their economic resources, and other circumstances which tend to make their tribal governments a necessary instrument for their continued progress in civilization. It would be unjust and unwise to compel them to abide by State laws written to fill other needs than theirs.

In reaching my decision to veto S. 1407, I have been greatly influenced by the attitude of the Navajo Indians toward the bill. The Navajo Tribe includes about 65,000 of the approximately 70,000 Indians affected by S. 1407. They greatly favor the long-range rehabilitation program which the bill proposes. But much as they favor the constructive provisions of the bill, they fear section 9 more. This is indicated by the fact that at a meeting held on October 13, 1949, after final congressional action on the bill, the Navajo Tribal Council, the tribe's governing body, adopted a resolution urging that I veto S. 1407.

In withholding approval from S. 1407, I am glad to note that the principal feature of that measure, the 10-year program of capital improvements provided for in section 1, can be put into effect through normal appropriation procedures. Expenditures for substantially all of the purposes listed in section 1 are authorized by existing laws relating to Indian affairs. The purpose in proposing a special authorization for the 10-year program was to afford the Congress an opportunity to review that program as a whole before appropriation estimates were submitted for the individual items. The Congress, by its action on S. 1407, has now manifested its view that the capital improvements in question should be undertaken at once and prosecuted speedily to completion. Accordingly, I plan to include in the budget for the fiscal year 1951, appropriation estimates that will provide for initiation of the 10-year program. Since statutory authorization for almost all of these items already exists, the failure of S. 1407 to become law will not interpose a legal bar to the appropriation of the necessary funds, although it will result in the loss of some incidental features of S. 1407 that would have been of value to the Indians. I would, of course, be glad to approve a bill that incorporated these features and the other provisions of S. 1407, without the objectionable provisions of section 9, should the Congress see fit to pass such a measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 17, 1949.*

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, October 18, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate October 17, 1949:

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class 1 to the class

of career minister of the United States of America:

Lewis Clark, of Alabama.
John Dewey Hickerson, of Texas.
Edwin A. Plitt, of Maryland.

UNITED STATES DISTRICT JUDGES

Burnita Shelton Matthews, of the District of Columbia, to be United States district judge for the District of Columbia to fill a new position.

James R. Kirkland, of Delaware, to be United States district judge for the District of Columbia to fill a new position.

Charles F. McLaughlin, of Nebraska, to be United States district judge for the District of Columbia to fill a new position.

UNITED STATES ATTORNEY

John P. Cowart, of Georgia, to be United States attorney for the middle district of Georgia. He is now serving in this office under an appointment which expired September 28, 1949.

UNITED STATES MARSHALS

Edward B. Doyle, of Georgia, to be United States marshal for the middle district of Georgia. Mr. Doyle is now serving in this office under an appointment which expired September 28, 1949.

Joseph Henry Young, of Georgia, to be United States marshal for the southern district of Georgia. Mr. Young is now serving in this office under an appointment which expired September 28, 1949.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Edward M. Bosarge, Bayou La Batre, Ala., in place of M. A. Bosarge, resigned.

Elliott D. Sadler, Beatrice, Ala., in place of E. S. Stallworth, resigned.

CALIFORNIA

Grace P. Bue, Klamath, Calif., in place of E. A. Knudsen, resigned.

Michael G. Hernandez, San Joaquin, Calif., in place of A. S. Rusconi, resigned.

FLORIDA

George H. Sadler, Bay Pines, Fla., in place of C. W. McMullen, declined.

Irma A. Cox, Bradenton Beach, Fla., in place of W. L. Longstreth, resigned.

Samuel R. Valliere, Miami, Fla., in place of H. P. Emerson, resigned.

Fred J. Fuchs, Jr., Naranja, Fla., in place of Frances Graham, retired.

Edith M. Cox, Palmetto, Fla., in place of W. H. Cox, deceased.

Eric D. Hartline, South Bay, Fla., in place of M. E. Hartline, retired.

Samuel G. Harrison, Tampa, Fla., in place of J. E. Wall, Sr., retired.

GEORGIA

Osmont V. Barkuloo, Tifton, Ga., in place of I. Y. Conger, retired.

ILLINOIS

Henrietta A. Ditzler, Davis, Ill., in place of E. R. Ditzler, retired.

Francis Marion Owen, East St. Louis, Ill., in place of E. P. Kline, retired.

INDIANA

Damon M. Chesterson, Advance, Ind., in place of C. E. McClaine, deceased.

William W. Moore, Newport, Ind., in place of R. H. Adams, resigned.

IOWA

Tim J. Rohweller, Doon, Iowa, in place of A. G. Ross, resigned.

LOUISIANA

Clyde L. Bibb, Branch, La., in place of R. E. Guilbeau, deceased.

Bernard B. Franques, Opelousas, La., in place of L. S. Haas, deceased.

Edgar S. Burleigh, Port Barre, La., in place of Elmer Wyble, Sr., resigned.

Lillie R. Gammage, Westlake, La., in place of T. M. Fleming, resigned.

MAINE

James R. Blanch, West Enfield, Maine, in place of V. L. Ballard, removed.

MARYLAND

Jeanette H. McCall, Charlestown, Md., in place of D. H. McMullen, resigned.

MASSACHUSETTS

Ralph W. Maggs, Fitchburg, Mass., in place of P. F. Shea, deceased.

Oscar R. Anderholm, Gardner, Mass., in place of H. J. McCormick, deceased.

Samuel F. Knowles, Jr., Rowley, Mass., in place of K. F. Rafferty, deceased.

MICHIGAN

Joseph P. Adamski, Manistee, Mich., in place of E. J. Talbot, deceased.

MISSISSIPPI

Ernest L. York, Benoit, Miss., in place of N. T. Johnson, resigned.

John M. Allred, Collins, Miss., in place of G. B. McIntosh, resigned.

George Martel Bridges, Ethel, Miss., in place of J. H. Middlebrook, resigned.

Rufina W. Gully, Gholson, Miss., in place of M. M. Whittle, retired.

Rusie M. King, Heidelberg, Miss., in place of J. T. Carr, transferred.

Debbie W. Miller, Lauderdale, Miss., in place of S. C. Walker, deceased.

James Q. Pylant, Purvis, Miss., in place of A. M. Avery, transferred.

Clyde T. Furr, Wesson, Miss., in place of A. E. McGee, transferred.

MISSOURI

John H. Richardson, Norwood, Mo., in place of S. E. Burnett, transferred.

NEBRASKA

James W. Boyd, Kearney, Nebr., in place of H. G. Mattson, transferred.

NEW YORK

Kenneth I. Swem, Antwerp, N. Y., in place of W. S. Brown, retired.

Howard D. Nicol, Hammond, N. Y., in place of B. J. Smith, resigned.

Pauline O'Neill, Jefferson Valley, N. Y. Office became Presidential July 1, 1948.

Alice L. Jones, Middle Granville, N. Y. Office became Presidential July 1, 1948.

Mary P. Van de Wal, Schodack Landing, N. Y. Office became Presidential July 1, 1948.

Mertie Blodgett, West Berne, N. Y. Office became Presidential July 1, 1948.

NORTH CAROLINA

Raymond Bowers, Lexington, N. C., in place of Woodrow McKay, resigned.

OREGON

Ernest M. Chandler, Siletz, Oreg., in place of S. E. Kuehn, retired.

PENNSYLVANIA

Gaylord N. Carpenter, Bushkill, Pa., in place of C. H. Beck, removed.

Catharine E. Ottolini, Fallsington, Pa., in place of C. S. Clemens, resigned.

William Lester Davis, Peach Glen, Pa. Office became Presidential July 1, 1948.

Ray L. Hollenbaugh, Strattanville, Pa., in place of G. E. Strattan, retired.

Clarence W. Baumgardner, Windber, Pa., in place of O. J. Shank. Incumbent's commission expired June 18, 1938.

SOUTH CAROLINA

Thomas B. Raines, Landrum, S. C., in place of W. K. Durham, deceased.

TEXAS

Clifford H. Hultquist, Ganado, Tex., in place of I. E. Koonce, resigned.

Raymond L. Toft, Kirkland, Tex., in place of C. E. Perkins, resigned.

VIRGINIA

Virginia D. Shufflebarger, Bluefield, Va., in place of S. H. Barnett, resigned.

Clyde E. Collins, Christiansburg, Va., in place of C. W. Crush, resigned.

Grover E. Orr, Dryden, Va., in place of J. J. Orr, resigned.

Lucy F. Williams, Hollins, Va., in place of G. P. Murray, retired.

Wallace H. Armistead, Mathews, Va., in place of M. B. Garnett, retired.

Earle I. Lipscomb, Schuyler, Va., in place of R. F. Hicks, retired.

WEST VIRGINIA

Wash Hornick, Jr., Anawalt, W. Va., in place of C. E. Sage, removed.

Dorothy M. Albright, Everettville, W. Va., in place of H. A. Christie, resigned.

WISCONSIN

Edward B. Granchalek, Denmark, Wis., in place of R. J. Dufeck, transferred.

HOUSE OF REPRESENTATIVES

MONDAY, OCTOBER 17, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Beneath Thy mighty hand, Almighty God, we humble ourselves. How marvelous is Thy providence. We thank Thee that Thou dost measure Thy justice by love, rather than Thy love by justice.

O Spirit of Truth, move upon us that we may be God-fearing men and women, abounding in good works. Open our eyes that we may understand that whenever we fail to be loving we fail to be wise, and whenever we have been blind to our neighbor we have been blind to ourselves, and when we have pained others we have hurt our own souls.

We commend unto Thee our notable Speaker, the leaders and Members and all who are connected with the Congress. We pray in the name of Him who is our mediator and advocate, Jesus Christ. Amen.

The Journal of the proceedings of Friday, October 14, 1949, was read and approved.

MINIMUM-WAGE LEGISLATION

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight tonight to file a conference report on the bill H. R. 5856.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INTERNATIONAL WHEAT AGREEMENT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6305, an act to give effect to the International Wheat Agreement signed by the United States and other countries, relating to the stabilization of supplies and prices in the international wheat market, with Senate amendments, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ken-

tucky? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL.

PALM BEACH, FLA.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2517, an act directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla., with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, after "lands", insert "for use by said county for recreational or park purposes."

Page 1, strike out lines 10 and 11, and insert:

"SEC. 2. Such lands shall be sold at a price not less than 50 percent of the appraised fair-market value as determined by the Secretary of the Interior: *Provided*, That title to such lands shall revert to the United States upon payment of the purchase price to said county upon a finding by the Secretary of the Interior that for a period of five consecutive years such land has not been used by said county for recreational or park purposes, or that such land or any part thereof is being devoted to other use."

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, as I understand it these amendments specify that the land cannot be sold at less than 50 percent of the appraised value, and if the county does not use it within 5 years it is to be returned to the Federal Government.

Mr. PETERSON. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include the charge to the jury given by Judge Medina, of New York, notwithstanding that it is estimated by the Public Printer to make seven and one-half pages of the CONGRESSIONAL RECORD at a cost of $615.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD in two instances and to include two pieces of extraneous matter.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. MORRISON asked and was given permission to extend his remarks in the RECORD.

LIQUIDATION OF TRUSTS UNDER TRANSFER AGREEMENTS

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, the bill (H. R. 2392) to provide for the liquidation of trusts under transfer agreement with the State Rural Rehabilitation Corporation is to be up for discussion, according to the program, this afternoon. I know some of the Members have had an opportunity to look over this bill over the week end. A number have asked me in connection with these trust funds where their States do not have much money involved. I think the Members from those States would be particularly interested in this particular bill because it means a depletion of Federal funds that were set aside for those purposes. If the Farmers Home Administration loses the use of $50,000,000 of assets, it will mean an increase in the tax load for your particular areas to make up lack of funds.

I do not think this is the time for the Federal Government to be giving away these funds.

The SPEAKER. The time of the gentleman from Minnesota has expired.

EXTENSION OF REMARKS

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD.

Mr. VURSELL (at the request of Mr. ARENDS) was given permission to extend his remarks in the RECORD.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include extraneous matter.

Mr. GROSS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a petition.

Mr. SCRIVNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by Gen. Omar N. Bradley.

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper editorial.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. REES asked and was given permission to extend his remarks in the Appendix of the RECORD and to include extraneous matter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the St. Louis Labor Tribune of September 21.

Mr. FEIGHAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

SPECIAL ORDERS GRANTED

Mr. CRAWFORD asked and was given permission to address the House for 5 minutes today following the legislative business of the day and any special orders heretofore entered.

Mr. BRYSON asked and was given permission to address the House for 15 minutes today following the business of the day and the special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

[Mrs. BOLTON of Ohio addressed the House. Her remarks appear in the Appendix.]

THE PROSPERITY REVENUE ACT

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, the day is coming, in fact is here, now, when we shall have to adopt a new line of thinking with respect to our revenue-producing tax structure, in order to meet the demands of the day and the age in which we live. In my day I have been a tax attorney. I believe I see the handwriting on the wall.

It is time we gave some consideration to new means and different methods of raising revenue.

I could discuss that statement successfully at great length.

Mr. Speaker, H. R. 6135, the Prosperity Revenue Act, is a fundamental approach to the problems which face us. It seeks to remove the cause of our troubles. It has been called a blueprint to freedom, and those who comprehend its spirit and scope are insisting on more details, especially in regard to the distinction between an employee and a contractor, and on the conversion from corporate accounting to trustee's accounting as the solution of the wage and pension problems.

I venture to say that there would be no coal and steel strike now, if we had been operating this year under the Prosperity Revenue Act.

I take pleasure, therefore, in introducing by request a more complete version of the Prosperity Revenue Act, to replace H. R. 6135. I commend it to your serious consideration.

The demand for this new bill will require the printing of many thousands of copies. It will be widely discussed all over the country before we meet again in January.

It is the beginning of something in a line of thinking for which somebody had to be responsible. I assume responsibility, having discussed the elements involved with some of the ablest tax lawyers in this country today.

SECRETARY KRUG'S SUBVERSIVE EFFORTS TO ABOLISH SEGREGATION IN THE DISTRICT OF COLUMBIA

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it looks as if Secretary Krug of the Interior Department is determined to stir up race riots in the District of Columbia.

His order to wipe out segregation in the various playgrounds over which the Department of the Interior has jurisdiction in the city of Washington is nothing in the world but a communistic movement which if carried out is bound to stir race trouble all over the country.

If Mr. Krug is going to carry on that kind of subversive effort he ought to resign—or be impeached.

CALL OF THE HOUSE

Mr. WILSON of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 233]

Abbitt	Elston	Klein
Allen, Calif.	Fenton	Kunkel
Allen, Ill.	Fisher	Larcade
Angell	Furcolo	LeFevre
Barden	Garmatz	Lichtenwalter
Barrett, Wyo.	Gary	Linehan
Bates, Ky.	Golden	Lucas
Bentsen	Gordon	McConnell
Bland	Gorski, Ill.	McGrath
Blatnik	Green	McSweeney
Boggs, La.	Gregory	Mack, Ill.
Bonner	Gwinn	Macy
Buchanan	Hale	Mansfield
Buckley, Ill.	Hall,	Marcantonio
Buckley, N. Y.	Edwin Arthur	Mason
Bulwinkle	Hall,	Miller, Md.
Burke	Leonard W.	Morgan
Byrne, N. Y.	Hand	Multer
Carroll	Harvey	Murdock
Celler	Hays, Ohio	Murphy
Chatham	Hébert	Nixon
Christopher	Heller	Noland
Chudoff	Herlong	Norblad
Cole, Kans.	Hinshaw	Norton
Coudert	Hoffman, Ill.	O'Hara, Ill.
Crosser	Hoffman, Mich.	Patten
Dague	Jackson, Calif.	Pfeifer,
Davenport	James	Joseph L.
Davies, N. Y.	Javits	Pfeiffer,
Dawson	Jenkins	William L.
DeGraffenried	Jensen	Phillips, Calif.
Dollinger	Jonas	Phillips, Tenn.
Dondero	Judd	Pickett
Donohue	Kean	Poulson
Douglas	Kee	Powell
Doyle	Kelley	Rains
Durham	Kennedy	Ramsay
Eaton	Keogh	Regan
Ellsworth	King	Rhodes
Ribicoff	Smathers	Underwood
Richards	Smith, Ohio	Vursell
Riehlman	Steed	White, Idaho
Rogers, Fla.	Stockman	Wier
Roosevelt	Tauriello	Withrow
Sanborn	Taylor	Wolverton
Scott,	Thomas, N. J.	Woodhouse
Hugh D. Jr.	Thompson	Yates
Sikes	Thornberry	
Simpson, Pa.	Towe	

The SPEAKER. On this roll call, 282 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 4295) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MUSEUM AT KLUKWAN, ALASKA

The Clerk called the bill (H. R. 2012) to authorize the erection and operation of a museum at Klukwan, Alaska.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRECIOUS METALS EXPERIMENT STATION AT RENO, NEV.

The Clerk called the bill (H. R. 2386) to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, acting through the Bureau of Mines, is authorized and directed to establish, equip, and maintain a research laboratory at Reno, Nev., for research, investigation, and as a center for information and assistance in matters pertaining to the mining, preparation, metallurgy, use, and conservation of the rare and precious metals of the Sierra Nevada mining region, and pertaining to other problems affecting the mining industry of that region.

SEC. 2. For the purposes of this act the Secretary, acting through the Bureau of Mines, is authorized to acquire land and interests therein; to receive and accept money and property, real or personal, or interests therein, and services as a gift, bequest, or contribution; and may conduct activities or projects in cooperation with any person, firm, agency, or organization, Federal, State, or private. Money so received shall be deposited in the Treasury of the United States in a special fund or funds for disbursement by the Bureau of Mines and shall remain available for the purposes for which received and accepted until expended.

SEC. 3. In order to carry out the purposes of this act there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of (a) $750,000 for the erection and equipment of a building or buildings, including plumbing, lighting, heating, ventilation, general service, experimental equipment and apparatus, the necessary roads, walks, and ground improvements; and (b) $250,000 annually for the maintenance and operation of the experiment station, including personal services, supplies, equipment, and expenses of travel and subsistence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRACTITIONERS BEFORE ADMINISTRATIVE AGENCIES

The Clerk called the bill (H. R. 4446) to protect the public with respect to practitioners before administrative agencies.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DEANE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MILITARY REAL PROPERTY AT FORT LOGAN, COLO.

The Clerk called the bill (H. R. 4548) to provide for the utilization as a national cemetery of surplus Army Department owned military real property at Fort Logan, Colo.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PUBLIC AIRPORTS IN NATIONAL PARKS

The Clerk called the bill (S. 1283) to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in, or in close proximity to, national parks, monuments, and recreation areas, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

AMENDING SECTION 6 OF THE FEDERAL AIRPORT ACT

The Clerk called the bill (H. R. 4239) to amend section 6 of the Federal Airport Act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FOREIGN AGRICULTURAL LABOR

The Clerk called the bill (H. R. 5557) to provide for coordination of arrangements for the employment of agricultural workers, admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SUTTON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DISPOSITION OF MONEYS RECEIVED FROM NATIONAL FORESTS

The Clerk called the bill (H. R. 2419) relating to the disposition of moneys received from the national forests.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VETERANS' ADMINISTRATION HOSPITALS

The Clerk called the bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SETTLEMENT OF CERTAIN PARTS OF ALASKA BY WAR VETERANS

The Clerk called the bill (H. R. 4424) to provide for the settlement of certain parts of Alaska by war veterans.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

POSTAL PAY ACT OF 1945

The Clerk called the bill (S. 1825) to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail-equipment shops.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (f) of section 18 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, as amended, is amended to read as follows:

"(f) Temporary employees in the mail equipment shops paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the quarter following the completion of 1 year's satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position: *Provided*, That no temporary employee shall be paid at a rate higher than that provided herein for the highest automatic grade of the position in which he is employed: *Provided further*, That when a temporary employee is appointed to a regular position in the mail equipment shops, the employee shall be assigned to a salary grade corresponding to his salary as a temporary employee at the time of such appointment. Any fractional part of a year's temporary service accumulated since the last compensation increase as a temporary shall be included with the regular service of a regular employee in determining eligibility for promotion to the next higher grade following appointment to a regular position."

SEC. 2. Any period of continuous satisfactory service as a temporary employee in the mail equipment shops performed by any such temporary employee prior to the effective date of this act shall be creditable for a promotion to the rates of pay of grade 2 of the position in which such temporary employee is employed.

SEC. 3. This act shall become effective at the beginning of the quarter following the date of enactment.

With the following committee amendments:

Page 1, line 9, strike out all of line 9 and line 10 down to and including the word "shall", on page 2, line 1, and insert "Each temporary employee in the mail equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall."

Page 3, line 1, strike out all of line 1 and down to and including the word "employed" in line 2 and insert "to the rate of pay of the second grade provided for a regular employee in the same type of position in which such temporary employee is employed."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN LUIS VALLEY PROJECT, COLORADO

The Clerk called the bill (S. 1385) providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis Valley project, Colorado.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be is enacted, etc., That the excess-land provisions of the Federal reclamation laws shall not be applicable to lands which now have an irrigation water supply from sources other than a Federal reclamation project and which will receive a supplemental supply from the San Luis Valley project, Colorado: *Provided, however*, That in lieu of the acreage limitation contained in such provisions, the lands in such project provided with an additional water supply from said project shall be subject to a limitation of 480 acres: *Provided further*, That the provisions of this act are intended to meet the special conditions existing in the San Luis project, Colorado, and shall not be considered as altering the general policy of the United States with respect to reclamation project land limitations.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JURISDICTION OVER INDIANS IN WISCONSIN

The Clerk called the bill (H. R. 2736) to subject Indians and Indian reservations in the State of Wisconsin to the laws of the State, with certain exceptions.

Mr. REES. Mr. Speaker, reserving the right to object, will the author explain the bill?

Mr. O'KONSKI. Mr. Speaker, this bill merely confers on the State of Wisconsin criminal and civil jurisdiction over Indians in the State of Wisconsin. This bill has been requested by the Indian chiefs of the tribes in the State and the local law-enforcement authorities of Wisconsin.

The bill does not interfere in any way with the fishing an hunting rights on the Indian reservations or with their reservation rights.

The act will not go into effect until and unless at least 25 percent of the eligible voters of the Indian tribes sign a petition and ask for a special election; then a special election must be called by the head of the Department of the Interior and at least half of the eligible voters must vote in favor of this transfer of authority before it goes into effect.

Mr. REES. Does it relate in any way to the legislation which we had on the floor of the House a few weeks ago with respect to the sale of liquor to Indians?

Mr. O'KONSKI. This bill is in no way related to that legislation and in no way authorizes the sale of liquor to the Indians.

Mr. REES. Mr. Speaker, I withdraw my reservation of objection.

Mr. KEEFE. Mr. Speaker, reserving the right to object, for the purpose of the RECORD will the gentleman explain the language which is found in the bill: "including trust or restricted allotments"?

To what does that language refer?

Mr. O'KONSKI. That language refers merely to limiting the authority which is handed over to the civil and criminal courts of the State in order that they can in no way interfere with the trust rights that the Indians have, or with the funds that are coming to them; that authority is not transferred to the court; it remains with the Federal Government.

Mr. KEEFE. The language states:

Jurisdiction is conferred on the State of Wisconsin over offenses committed by or against Indians on Indian reservations, including trust or restricted allotments within the State of Wisconsin.

I am rather anxious to know what that language means.

I understand that the same language is also found in the section which provides for concurrent jurisdiction in civil matters. That is rather broad language, and I would like to be certain as to the meaning of those particular expressions.

Mr. O'KONSKI. To what language does the gentleman refer?

Mr. KEEFE. Let me ask this question: The Menominee Tribe, for example, has to the credit of the tribe somewhere approximating $2,000,000 of tribal funds that have been accumulated as a result of the operations of their sawmill and selective forestry operations. They cannot get control of those funds without coming to the Congress and asking for an allotment out of those tribal funds for various tribal purposes.

That which I am specifically interested in is the fact that that tribe of Indians and all of the Indians in Wisconsin are being denied social-security benefits under the social-security law because it is claimed that they have a deposit with the Federal Government of tribal funds to the extent of about $2,000,000 which are available for purposes of use by the tribe, but which the tribe cannot use until the Congress itself passes legislation making an appropriation. I should like to know whether this language in this bill is broad enough to include jurisdiction by the courts of the State of Wisconsin over those tribal trust funds.

Mr. O'KONSKI. It does not, for this reason: Another section of the law states:

> This section shall not be construed to apply to any Indian of existing, hunting, fishing or trapping rights on trust or restricted allotments, or of any other rights or privileges under Federal laws, agreements, or treaties.

In other words, we definitely exclude that.

Mr. PETERSON. This confers jurisdiction on the State of Wisconsin over offenses. We use that word at the very beginning. There is no provision with reference to other matters.

Mr. O'KONSKI. That is right.

Mr. PETERSON. The phrase "trust and restricted allotments" has to do with areas. We used the word "reservations" then "trust and restricted allotments" where there are certain restrictions. This does not intend to confer jurisdiction upon the State of Wisconsin so far as jurisdiction of tribal rights, or Indian rights or fishing rights are concerned. There was a case that grew out up there where the question arose, where a man killed another, and there was no jurisdiction. It was held the State courts did not have jurisdiction.

Mr. KEEFE. I thank the gentleman from Florida for his explanation. Are we to understand that the use of the words "trust or restricted allotments" applies to trust land or restricted allotments of land?

Mr. PETERSON. That is right, in connection with offenses committed by or against Indians on Indian reservations. Amplifying and explaining that we include trust or restricted allotments. That is with reference to land.

Mr. KEEFE. Very well.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What position does the Bureau of Indian Affairs take on this bill?

Mr. O'KONSKI. They are very favorable to it. They have suggested certain amendments which are included in the bill as reported. Otherwise they endorse it.

Mr. O'SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Nebraska.

Mr. O'SULLIVAN. Does not the enabling act of the State of Wisconsin contain a provision in it that they have equal right to prosecute for crimes? Most enabling acts of the States provide that.

They provide for concurrent jurisdiction. I was wondering whether the law was necessary at all or not?

Mr. O'KONSKI. This bill is necessary in order to accomplish what we want to.

Mr. O'SULLIVAN. Does the gentleman know what the enabling act of the State of Wisconsin provides with reference to giving the United States and the State concurrent jurisdiction?

Mr. O'KONSKI. It does not apply and it cannot apply without this legislation.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it necessary for the State of Wisconsin to pass a law accepting jurisdiction?

Mr. O'KONSKI. No, it is not.

Mr. CASE of South Dakota. This same question rose in my own State. We had a murder case out there, which is presently involved, as a matter of fact. It has been held by one court that the jurisdiction of the State will not apply until the State itself accepts it because in the enabling act or in the organic act jurisdiction was ceded to the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all Indians and Indian reservations in the State of Wisconsin are hereby made subject to the civil and criminal laws and courts of said State of Wisconsin to the same extent as other persons and lands within said State, except that until otherwise provided by Congress no Indian trust lands or other trust property held in trust by the United States Government shall be taxed by the State or by any subdivision thereof; Indians shall not be deprived of their existing hunting, fishing, or trapping rights on their trust lands; and nothing contained in this act shall deprive the Secretary of the Interior or Indian tribal councils of any jurisdiction, authority, or control now or hereafter vested in them over any Indian tribal land or other restricted real or personal property of Indians in said State: *Provided*, That in any civil or criminal case in which the Secretary of the Interior or the United States Attorney General is of the opinion that the United States Government is sufficiently interested, said case may be instituted in or removed to the United States district court for trial or other appropriae proceedings: *Provided further*, That this act shall not extend to the Indian reservations in said State until otherwise provided by Congress or until the Indians of said reservations shall, in a tribal election called by the tribal council for the purpose and at which not less than 50 percent of the qualified electors shall have voted, by a majority of the votes cast, elect to have this act made effective on their reservation.

With the following committee amendment: Strike out all after the enacting clause and insert the following: "That jurisdiction is conferred on the State of Wisconsin in civil actions and proceedings between Indians or between one or more Indians and any other person or persons, within the State of Wisconsin, to the same extent as its courts have jurisdiction in other civil actions and proceedings within the State in accordance with the laws of the State, but nothing contained in this section shall be construed to affect, abridge, or terminate the trust or restrictions against alienation imposed on Indian lands or other property by Federal law, or to permit the taxation, or encumbrance of such lands or property: *Provided*, That the provisions of this section shall not extend to any Indian reservation in said State until a majority of the adult Indians voting at a special election duly called by the Secretary of the Interior, under such regulations as he shall prescribe, shall elect to have it apply. The total vote cast at such special election shall not be less than 50 percent of those entitled to vote. It shall be mandatory for the Secretary of the Interior to call such an election whenever it is requested by the governing body of an Indian reservation or by 25 percent or more of the Indians on said reservation who would be entitled to vote in such an election.

"SEC. 2. Any civil action or proceeding, as to which the Attorney General of the United States determines, upon the recommendation of the Secretary of the Interior, that the United States has an interest, may be instituted in or removed to the United States District Court for trial or other appropriate proceeding.

"SEC. 3. Title 18, United States Code, is amended by inserting immediately following section 3243 of such title, a new section to be designated as section 3244, as follows:

" 'SEC. 3244. Jurisdiction of State of Wisconsin over offenses committed by or against Indians on Indian reservations: Jurisdiction is conferred on the State of Wisconsin over offenses committed by or against Indians on Indian reservations, including trust or restricted allotments, within the State of Wisconsin, to the same extent as its courts have jurisdiction over offenses committed elsewhere within the State in accordance with the laws of the State.

" 'This section shall not deprive the courts of the United States of jurisdiction over offenses defined by the laws of the United States committed by or against Indians on Indian reservations.

" 'This section shall not be construed to deprive any Indian of existing hunting, fishing, or trapping rights on trust or restricted allotments or of any other rights or privileges under Federal laws, agreements, or treaties.

" 'This section shall not extend to any Indian reservation in said State until a majority of the adult Indians voting at a special election duly called by the Secretary of the Interior, under such regulations as he shall prescribe, shall elect to have it apply. The total vote cast at such special election shall not be less than 50 percent of those entitled to vote. It shall be mandatory for the Secretary of the Interior to call such an election whenever it is requested by the governing body of an Indian reservation or by 25 percent or more of the Indians on said reservation who would be entitled to vote in such an election.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to confer civil and criminal jurisdiction on the State of Wisconsin in certain cases involving Indians."

A motion to reconsider was laid on the table.

REMOVING CERTAIN LANDS FROM THE OPERATION OF PUBLIC LAW 545, SEVENTY-SEVENTH CONGRESS

The Clerk called the bill (S. 939) to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Secretary of the Interior to lease for the exploitation of silica sand and other nonmetallic minerals, lands withdrawn by Executive Order No. 5105, dated May 3, 1929," approved May 9, 1942 (56 Stat. 273), is amended by adding at the end thereof the following: "This act shall be effective with respect to any lands so withdrawn only so long as such lands remain so withdrawn."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RADIO LABORATORY BUILDING

The Clerk called the bill (S. 443) to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce.

Mr. CUNNINGHAM. Mr. Speaker, I understand that this bill will come up later under suspension of the rules. I ask unanimous consent, therefore, that it be passed over without prejudice.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Iowa?

There was no objection.

GRANTS FOR MINOR PROJECTS AT MAJOR AIRPORTS

The Clerk called the bill (S. 1282) to authorize grants under the Federal Airport Act for minor projects at major airports, and for other purposes.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TRANSFER OF BUFFALO TO CROW INDIAN TRIBE

The Clerk called the bill (S. 1829) to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to transfer to the Crow Indian Tribe of Montana the equitable title to all the buffalo owned by the United States on the Crow Indian Reservation, Mont., the legal title to such buffalo to be held by the United States in trust for the use and benefit of the Crow Indian Tribe. The Secretary of the Interior is further authorized, in his discretion, to grant to the said tribe the unrestricted title to any or all of such buffalo.

SEC. 2. The Secretary of the Interior is further authorized, in his discretion, to grant to the tribe or tribes of any Indian reservation the unrestricted title to any buffalo now or hereafter held in trust for such tribes and deposit to the credit of such tribes either in their local treasury or in the Treasury of the United States the proceeds of sales of any buffalo previously held for the use and benefit of such tribes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUIDED MISSILE RESEARCH LABORATORY

The Clerk called the bill (S. 2316) to authorize the construction and equipment of a guided missile research laboratory building for the National Bureau of Standards, Department of Commerce.

Mr. CUNNINGHAM. Mr. Speaker, this bill is scheduled to come up later in the day under suspension of the rules; therefore I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMEND FEDERAL AIRPORT ACT—VIRGIN ISLANDS

The Clerk called the bill (S. 2360) to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 (c) of the Federal Airport Act is amended to read as follows:

"(c) For the purpose of carrying out this act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico and the Virgin Islands, annual appropriations amounting in the aggregate to $20,000,000 are hereby authorized to be made to the Administrator over a period of seven fiscal years beginning with the fiscal year ending June 30, 1947. The appropriation for any such fiscal year shall remain available until June 30, 1953, unless sooner expended. Not to exceed 5 percent of any such annual appropriation, as specified in the act making such appropriation, shall be available to the Administrator for necessary planning and research and for administrative expenses incident to the administration of this act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico and the Virgin Islands; and the amount so available shall be deducted from such appropriation for purposes of determining the amount thereof available for grants for projects therein. Of the total amount available for such grants, 45 percent shall be available for projects in the Territory of Alaska, 25 percent shall be available for projects in the Territory of Hawaii, and 25 percent shall be available for projects in Puerto Rico, and 5 percent shall be available for projects in the Virgin Islands."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA AIRPORTS

The Clerk called the bill (S. 2436) to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. ROONEY. I object, Mr. Speaker.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I regret the gentleman from New York saw fit to object to this bill and trust he will withdraw his objection. The passage of S. 2436 at this time is vital to the future defense of Alaska. It has already passed the Senate and failure to pass it in the House before adjournment could well be disastrous to the defense of Alaska and America. Delay in passing this measure will utimately cost the Government much more than is authorized by S. 2436. The failure to pass the bill at this time will result in cessation of work now under construction. It will be necessary to complete the airports already started at Fairbanks and Anchorage or the money already spent will be wholly lost. It will be cheaper to go ahead and complete it now when the contractors and workmen are on the job than to discontinue for a time and then resume work on the projects. We are living in a dangerous period for our national security. Alaska is our Achilles' heel. It is in line of the shortest route for bombers from Europe to the great industrial centers of the Middle West. Time is of the essence insofar as the airports at Anchorage and Fairbanks are concerned. Time is the essence for the safety of America. I do hope the gentleman from New York will withdraw his objection. This bill should pass the House today.

SENECA NATION OF INDIANS OF NEW YORK

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4942) to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians of New York, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. O'SULLIVAN. I object, Mr. Speaker.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I am very grateful to you for recognizing me to ask for the unanimous consent to take from the Speaker's table H. R. 4942, especially after some of my colleagues had heretofore objected to it.

The bill is so meritorious and so necessary to the well-being of the Seneca Nation of Indians that I am of course deeply disappointed that the bill should have met with the disapproval of any of my colleagues.

I am so appreciative of the fact that the Committee on Public Lands, after careful study of the provisions of the bill, reported it out favorably, and that the three official objectors, who are appointed by the minority and majority sides of the House to look into the merits of all bills on the calendar, made no objection to my bill.

I know of no better example in my 31 years of service in the House of Representatives of the extent to which a rule permitting one objection to block legislation can work an injustice than the present objection to H. R. 4942. Such a rule gives the power to one man to thwart the report of a large committee composed of able men who act favorably upon a measure introduced by a Member of Congress dealing solely with affairs of his own district. This rule gives tremendous advantage to a lobbyist who can prevent the passage of legislation notwithstanding the support of the committee having the bill in charge and the great majority of the House of Representatives who are in favor of the legislation. I hope that eventually this rule will be changed, because, as in this instance, it works a tremendous injustice and places the fate of sound legislation in the hands of any person who can be persuaded by a lobbyist to object to meritorious legislation.

While a registered lobbyist has been active in opposing this bill, I do not charge that he has had any contact with the honorable Members who have objected to H. R. 4942, nor do I intimate or infer that he has had contact with them.

I regard the talent on the Public Lands Committee of the highest order and I am sorry that their fine efforts and valuable time consumed on H. R. 4942 should have been thwarted by the objections heretofore made by Members of the House to the passage of H. R. 4942.

I want to call attention to the fact that this bill not only had the favorable action and report of the Public Lands Committee of the House of Representatives, but it also was favorably supported by Mr. Oscar L. Chapman, Under Secretary of the Interior, on August 8, 1949.

Under leave to extend I am inserting, as a part of my remarks, copy of the report, No. 1238, to accompany H. R. 4942, made by the Public Lands Committee of the House of Representatives.

Parties in the Forty-fifth Congressional District of New York interested in this bill have been led to believe that favorable action has been taken on the companion bill, S. 1947, by the Senate Committee on Interior and Insular Affairs, to which it was referred, and that the companion bill has been passed by the Senate. At this point I want to say that this is not true. The Senate Committee on Interior and Insular Affairs has not reported the companion bill and it has not been passed by the Senate.

REGULATING THE COLLECTION AND DISBURSEMENT OF MONEYS OF SENECA INDIANS OF NEW YORK

Mr. MORRIS, from the Committee on Public Lands, submitted the following report (to accompany H. R. 4942):

The Committee on Public Lands, to whom was referred the bill (H. R. 4942) to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians of New York, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

Page 2, line 11, delete the words "United States" and substitute in lieu thereof the following: "Seneca Nation."

Page 2, line 13, delete the words "Commissioner of Indian Affairs" and substitute the following: "comptroller of the State of New York."

Page 2, line 15, delete the words "Commissioner of Indian Affairs" and substitute the following: "comptroller."

Page 3, lines 4 and 5, delete the words "for periods not to exceed 10 years" and substitute the following: "for such purposes and such periods as may be permitted by the laws of the State of New York."

Page 3, between lines 5 and 6, add the following:

"SEC. 5. The Secretary of the Interior is authorized, in his discretion, to transfer to the State of New York or any agency thereof, or to the proper officials of the several tribes any of the official records affecting the Indians of New York State."

Page 3, line 6, delete the figure "5" and substitute in lieu thereof the figure "6."

EXPLANATION OF THE BILL

The over-all purpose of H. R. 4942 is to permit the Seneca Nation to take over the functions now being carried on by the United States and to make it possible for the United States to withdraw from certain operations which it is now carrying on. The Indian Bureau has been maintaining an agency primarily for the collection and distribution of cash funds. This legislation would make the closing of the agency possible at an early date. The agency cannot be closed until these responsibilities can be taken over by the Seneca Nation, State of New York, and the city of Salamanca. The ground on which the city of Salamanca (a town of about 10,000) is built is on the property belonging to the Seneca Nation and leaseholders have been paying rent to said nation.

Under the Ryan Act funds that accrue to the New York Indians of the Seneca Nation must be paid into the Treasury of the United States. The purpose of this bill in effect is to make it possible for these funds to be paid direct to the treasurer of the Seneca Nation. The bill also permits the city of Salamanca to make lump-sum payments direct to the Seneca Nation treasurer. By an act of the Legislature of the State of New York the city is authorized to carry out the above provisions by adding ground rents accruing to the Seneca Nation to its own tax bills as rendered to the individual taxpayers.

The bill further provides an increase of $2,500 in the amount set aside for disposal by the council of the Seneca Nation. All funds remaining after the deduction of this $5,000 for the council shall be distributed to the enrolled members of the nation. The treasurer of the Seneca Nation is required to give bond to the Seneca Nation conditioned upon his faithful performance of the duties herein imposed and in such sum as may be approved by the comptroller of the State of New York and he shall make a report to the said comptroller annually on the first Monday of July.

Section 4 grants authority to the Seneca Nation of Indians to lease lands outside the limits of certain villages for which they have existing authority to make leases, for such purposes and such periods as may be permitted by the laws of the State of New York.

Pertinent comments from the favorable report of the Department of the Interior dated August 8, 1949, by Mr. Oscar L. Chapman, Under Secretary of the Interior, are as follows:

"This will refer to your request for a report on H. R. 4942, a bill to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians of New York, and for other purposes.

"I urge that this bill be given speedy and favorable consideration.

"The bill will permit the Seneca Nation of Indians to assume the responsibility for the collection and disbursement of tribal income accruing from leases of reservation land, and its enactment will relieve the United States of this responsibility.

"Beginning about 1850 non-Indian settlers leased reservation lands from the Seneca Indians without approval by the United States. These leases were purportedly ratified by the State of New York, but such ratification was invalidated by the New York Supreme Court (unreported decision set out in H. Misc. Doc. No. 75, 43d Cong., 2d sess., 1875). The act of February 19, 1875 (18 Stat. 330), ratified the existing leases for a period of not to exceed 5 years and authorized renewal of the leases for a period of 12 years. The act of September 30, 1890 (26 Stat. 558), authorized renewal of the leases for terms of not exceeding 99 years. All leases of reservation lands made under authority of these acts of Congress will expire on February 19, 1991.

"The council of the Seneca Nation now has authority to make leases of reservation lands within the villages established by the act of February 19, 1875, *supra*. The bill will increase the authority of the said council to make leases of reservation land outside of the said villages for periods of not longer than 10 years.

"Section 6 of the act of February 19, 1875, *supra*, provided that the moneys arising from the rentals of the leases authorized should be paid to and be recoverable by the Treasurer of the Seneca Nation and expended 'in the same manner and for the same purposes as are other revenues or moneys belong to said Seneca Nation.' The act of February 28, 1901 (31 Stat. 819), provides that the moneys arising from leases of lands within the reservations of the Seneca Nation shall be paid to and be recovered by the United States Indian agent for the New York Indian Agency. The act further provides for the distribution of the said moneys among the members of the Seneca Nation, after certain deductions.

"There are some 3,000 99-year leases of reservation lands within the village established under the act of February 19, 1875, *supra*, bearing an annual rental of $13,000. In addition, there are several mining leases of reservation lands outside the villages mentioned from which accrues an annual rental varying from $3,000 to $5,000. The collection and disbursement of this money is now the responsibility of the United States, but under the bill that responsibility would be transferred to the Seneca Nation of Indians.

"The great majority of the 99-year leases, having a combined rental of nearly $12,000 is located within the city of Salamanca, N. Y. The city is willing under existing State law to pay to the Seneca Nation the total amount of rental on all the leases with the limits of the city and to assume the task of obtaining reimbursement by collecting from the individual lessees in the city. This will mean that the Seneca Nation will be able to collect the rental from the 99-year leases in the city of Salamanca in a lump sum, leaving less than 200 leases of all other types outside of the city on reservation lands with a total

annual rental of from $3,000 to $5,000 on which separate collections will need to be made. The common council of the city of Salamanca, N. Y., and the council of the Seneca Nation of Indians, acting through its lease committee, have adopted resolutions agreeing to this procedure.

"The bill contains authority whereby the sum available for the tribal council's expenses and management of the tribal business may be increased from $2,500 to $5,000 annually. The council of the Seneca Nation at its annual meeting in 1946 and again in 1948 adopted resolutions requesting the increase. The bill will require the treasurer of the Seneca Nation to distribute the moneys collected by him annually to the enrolled members of the Seneca Nation and to make a report on his collections and disbursements. It will also require the said treasurer to be bonded to the United States to insure performance of his duties.

"In my opinion, the Seneca Nation, through its council, which is elected biennially in accordance with the tribal constitution, is competent to manage its own affairs and to assume the responsibility which will be placed on it by this bill. Enactment of the bill will further the policy of placing the management of tribal affairs in the hands of the tribe and of withdrawing Federal supervision of Indian affairs where possible.

"I suggest three amendments to the bill. Section 4 of the bill does not specify the purposes for which leases may be made and limits the period of any lease to not exceeding 10 years. This period may be too short, particularly as to mineral or other leases requiring extensive development. I believe that section 4 should be amended by striking from lines 4 and 5, page 3, the words 'for periods not to exceed 10 years' and inserting in lieu thereof the words 'for such purposes and for such periods as may be permissible under the laws of the State of New York.' I also suggest that another section be added to the bill, as follows: 'The Commissioner of Indian Affairs is authorized to transfer to the State of New York or any legal subdivision thereof any records now in his possession.' This will permit the transfer to the city of Salamanca or the State of New York such records as may be necessary in connection with any withdrawal of Federal supervision over Indian affairs in that State. I also suggest the following changes in section 3 of the bill: In line 11, page 2, delete the words 'United States' and insert in lieu thereof the words 'Seneca Nation.' In lines 13 and 15 on page 2, delete the words 'Commissioner of Indian Affairs' and insert in lieu thereof the words 'comptroller of the State of New York'."

No expenditure of Federal funds is required by this legislation.

The Committee on Public Lands unanimously recommend that this bill be enacted.

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, the present bill which the distinguished Representative from New York [Mr. REED] feverishly is endeavoring to have passed in the House of Representatives today, known as H. R. 4942, is a bill which seeks to negotiate the collection and distribution of moneys realized from leases made by the Seneca Nation of Indians of New York with individuals in the city of Salamanca, N. Y., and the chief itself, which city is located on the Seneca Indian reservation.

This matter of payment and collection of rentals by the said individuals and city of Salamanca, N. Y., with the Seneca Indian tribe was established by an act of Congress, known as the Ryan Act—chapter 622, thirty-first Statutes, page 819. The Ryan Act was predicated upon the rights established by treaties.

The Seneca Nation was and is one of the Six Nations of Indians composing the Iroquois federation with whom the United States entered into a solemn peace and territorial treaty in 1789.

The rights of the Indians to collect and renegotiate the leases on the property belonging to them by virtue of these treaties was reaffirmed in the case of *United States* v. *Forness*, (37 Fed. Supp. 337), which decision thereafter was affirmed by the Circuit Court of Appeals for the Second District, in the year 1942 (125 Fed. 2d 928).

In this litigation, which was favorable to the Seneca Indians, no further legal proceedings was had, or any effort made to review this decision by certiorari in the Supreme Court of the United States, although the State of New York participated prominently in all phases of the trial of this case.

It is now sought to undo the effect of this decision and accomplish by a back door entry what could not be accomplished through the front door.

There is also pending in the other body a companion bill, known as S. 1947, which is still in committee, because the referendum conducted by the Indians disclosed that of the 699 votes cast by referendum on August the fourth to sixth, 1949, 680 were opposed to S. 1947, and 10 were in favor of it, and 9 did not vote on it at all. Would that the palefaces would vote so well.

The bill which is sought to be passed, H. R. 4942, was reported out of the Public Lands Committee, Indian Division, and put on the Consent Calendar of the House on the pretense that the Indians were unanimously in its favor, and that there was no objection of any kind whatsoever to the passage of this bill. This, however, occurred before the referendum had been taken by the Indians, but after a joint committee hearing on the companion bill, S. 1947, which was held on June 25, 1949, wherein strenuous objection was made by the People's Committee of the Seneca Nation to the passage of the bill in its present form, and wherein a request was made to withhold action pending the afore-mentioned referendum.

It goes without saying, that to permit this bill to be passed by the House of Representatives at this time would be breaking faith with the Seneca Nation, and also be contrary to the spirit but not the letter of the Wheeler-Howard Act, which provides that the consent of Indians and their affirmative participation in legislative and other matters affecting them should be secured. Also it would amount to a repealing by implication of the Ryan Act.

I cannot sit idly by and watch this sort of beneficent injustice be perpetrated upon this Nation of Indians. I have no interest whatsoever in this matter except to do my full part to see that for once some Indians get a square deal.

Of course, as I view the matter, H. R. 4942, and its companion bill, in the other body, S. 1947, are the first "bite" of a contemplated "mouthful" which is proposed to be taken out of the possessions of the Seneca Nation, contrary to all law and morals. It is but the forerunner of H. R. 5135 and its companion bill, S. 197, which unhorses the courts of the United States and confers jurisdiction on the courts of New York State with respect to civil actions by the Indians, or to which Indians are parties, including all claims which they may have against the city of Salamanca, N. Y., and the State of New York, which, if established fairly will be a matter of real financial moment, I am sure.

Would it not be a "fine kettle of fish" to have the claims of the Seneca Nation against citizens of Salamanca, N. Y., and the city of Salamanca, and the State of New York tried in the courts of New York State? Would it not be a "finer kettle of fish" to have the city of Salamanca, N. Y., renegotiate for the Seneca Nation leases to which the city of Salamanca and its citizens are the other parties in interest? That is H. R. 4942 unmasked.

There is a further reason, however, which would impel me not to lend my approval or tacit consent, and that is, as I view this bill, it is a poorly drawn piece of legislation in addition to being an instrument by which the Seneca Indians may be mulcted.

In view of the fact that the People's Committee of the Seneca Nation on August 9, 1949, signed a definite statement in reference to this matter, which I think succinctly states their position, as far as objections are concerned, I wish to set forth, the following summary of their doings in that regard:

H. R. 4942 is inimical to the interests of the Seneca Indians, and by referendum held on the reservations, August 4 to 6, inclusive, over 98 percent of the Indians voting were opposed to this bill.

H. R. 4942 is not emergency legislation.

The Seneca Indians are opposed to H. R. 4942 because:

First. It confers civil jurisdiction over Indian property in the city of Salamanca, N. Y., by going through the "back door" where Congress and the courts have heretofore denied access through the "front door."

Second. It takes away the right of the Seneca Indians to collect money on leases covering the city of Salamanca and deprives the Indian of any benefit that might accrue as a result of the forfeiture of existing leases, contrary to an express opinion by the Federal courts.

Third. It deprives the individual Indians of certain of their property rights, to their financial detriment, without benefit to them.

Fourth. It allows for the squandering of tribal funds by providing that $5,000 of the lease money collected shall be turned over to the president and council without any accounting to the people for its use.

Fifth. It provides for the leasing of land outside village limits, by the nation,

for 10-year periods without making provision for damages accruing thereby to the individual Indian landowner.

Sixth. It is an attempt by the city of Salamanca to obtain civil jurisdiction over the leases in the city in violation of the treaty of 1789.

Seventh. It precludes the Indians from disposing of these leased properties to their best interests and makes their rights to their own property legally subordinate to the interests of the city as determined by city officials.

Eighth. It overrides the decision (on the exact matter) in the case of *U. S.* v. *Forness* (37 F. Supp. 337, 125 Fed. 2d., 928 (2d, C. C. A. 1942)), which upholds the right of the Seneca Indians to collect their lease moneys and manage and control their own property.

Ninth. Congress—Eightieth Congress, first session, S. 1687—rejected a previous attempt by the State of New York to obtain civil jurisdiction.

Tenth. To ignore the result of this referendum is contrary to the spirit of the Wheeler-Howard Act (25 U. S. C. A. 478).

The Seneca Nation does not want this bill passed. The bill has been released by the Public Lands Committee and is to be put up before the House.

The bill as it stands is grossly unfair to the Indians: It violates their treaty rights; it is contrary to statute; it is contrary to the decisions of the Federal courts; it takes away property rights of the Indians and should not be passed in its present form.

DISABILITY RATING SCHEDULE FOR SERVICE-CONNECTED DISABLED VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6301) to provide for parity in awards of disability compensation.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I do so in order that the gentleman might explain the bill.

Mr. RANKIN. Mr. Speaker, this measure is to correct an oversight in the bill passed recently for the increase in compensation for service-connected World War I veterans.

In enacting Public Law 339, which, among other things, creates a new disability rating schedule for service-connected disabled veterans, Congress sought to establish a disability schedule applicable to veterans of all wars.

Due to an error in drafting, certain veterans of World War I, while receiving an increase under Public Law 339, will not be eligible for the new disability schedule based on $150 for total disability. This bill seeks to correct this error.

Approximately 160,000 veterans are affected at a first-year cost of approximately seven and one-half million dollars. The cost will decrease each year thereafter.

The measure is supported by the American Legion, Disabled American Veterans, Veterans of Foreign Wars, and AMVETS.

Mr. MARTIN of Massachusetts. This is a unanimous report of the committee?

Mr. RANKIN. It is a unanimous report of the committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person otherwise eligible for disability compensation under the World War Veterans' Act, 1924, as restored with limitations by Public Law No. 141, Seventy-third Congress, March 28, 1934, as amended, shall be entitled to monthly compensation of $150 if and while the disability is rated as total, and if and while partially disabled an amount having the same ratio of $150 as the degree of his disability bears to the total disability.

SEC. 2. The increases provided by this act shall be effective December 1, 1949.

With the following committee amendment:

Page 1, line 9, strike out "of" and insert "to."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 399) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That JOHN P. SAYLOR, of Pennsylvania, be, and he is hereby, elected a member of the standing committee of the House of Representatives on Public Lands.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING RURAL ELECTRIFICATION ACT—CONFERENCE REPORT

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a conference report on the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

EXPLORATION FOR CRITICAL ORES, METALS, AND MINERALS

Mr. ENGLE of California. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "National Minerals Act of 1949."

SEC. 2. (a) It is the policy of the Congress that every effort be made to stimulate exploration for and conservation of strategic and critical metals and minerals and other essential metals and minerals by private enterprise to supply the industrial, military, and naval needs of the United States, and that every effort be made to encourage the development and maintenance of sources of these metals and minerals within the United States in order to decrease and prevent, wherever possible, a dangerous and costly dependence by the United States upon foreign nations for supplies of such materials. To this end it is the further policy of the Congress that every effort be made to maintain a sound and active mining industry within the United States; to expand exploration for those ores and other mineral substances which are essential to the common defense or the industrial needs of the United States; and to prevent the discontinuance of mine operations under such circumstances as to make it probable that production would not or could not be resumed when needed for the national economy or security.

(b) In carrying out these policies small mining enterprises shall be encouraged to apply for aid under this act, and for this purpose the Secretary of the Interior shall provide small mining enterprises with full information concerning this act, and shall make special provision for expeditious handling of applications for small mining enterprises.

SEC. 3. A Minerals Conservation Board, consisting of the Secretary of the Interior, the Secretary of Defense, the Secretary of Commerce, and the Secretary of the Treasury, is hereby established. The Secretary of the Interior shall be the executive chairman of the Board. The members of the Board may delegate their powers, functions, and duties, including those relating to appeals, to suitable officers of their respective agencies.

SEC. 4. To carry out the policy of this act, the Board shall by regulation determine—

(a) the amount of appropriated money to be allocated to the aid of exploration, on the one hand, and to the aid of conservation, on the other hand;

(b) the amount of appropriated money to be allocated to the aid of exploration for any metal or mineral or group of metals or minerals, as specified by the Board;

(c) the amount of appropriated money to be allocated to the aid of conservation of any metal or mineral or group of metals or minerals, as specified by the Board;

(d) the maximum price or the minimum price, or both, which may be paid for the purchase of any metal or mineral for the conservation: *Provided,* That adequate allowance shall be made for depletion and depreciation in computing costs of operation or maintenance;

(e) the maximum amount or the minimum amount, or both, which may be paid on account of participation in the costs of maintenance for conservation with respect to any metal or mineral;

(f) the maximum amount or the minimum amount, or both, which may be paid to any producer or class of producers on account of exploration for any metal or mineral or group of metals or minerals, and the ratio which the Government's contribution for exploration shall bear to the contribution of any producer or class of producers for exploration;

(g) the particular metals or minerals or ores thereof and specifications therefor that shall be eligible for aid for conservation;

(h) the particular metals or minerals that shall be eligible for aid for exploration; and

(i) the time limits or dates within which contracts for aid for conservation shall terminate.

SEC. 5. (a) The Board shall promulgate such rules and regulations as may be necessary to carry out its functions and duties under this act, and to provide fair and equitable treatment for all applicants for aid.

(b) The Secretary, subject to the rules and regulations of the Board, may prescribe rules and regulations for carrying out the provisions of this act and which must be complied with by applicants for contracts under the provisions of this act.

(c) The Secretary may delegate any of his functions under this act.

(d) All rules and regulations issued under the authority contained in this section shall be published in the Federal Register.

SEC. 6 (a) Any producer may file with the Secretary an application for financial aid in carrying out a specified project for exploration or financial aid to conserve a deposit of ores or minerals. An application to conserve may be either for aid by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from such deposit. The application and the project for aid disclosed by the application must conform to the express policy and provisions of this act and with the rules and regulations of the Board and of the Secretary: *Provided, however,* That simple contracts covering exploration projects shall be awarded upon application to small mines and such contracts shall provide for the payment by the United States of one-half of the total reasonable costs of all tunnels, shafts, winzes, and raises in such a mine if the application or examination discloses that there is a reasonable promise of developing unknown or undeveloped sources of metals or minerals.

(b) The Secretary shall cause qualified mining engineers, geologists, and any other necessary technicians to make examination of and to report on each application, and to certify it to the Secretary either for acceptance, as presented or subject to specified modifications, or for rejection. In the case of a project for exploration, the examining experts shall certify whether the project offers reasonable promise of discovering unknown or undeveloped sources of metals or minerals. In the case of a project for aid to conserve a deposit of ores or minerals, either by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from such deposit, the examining experts, considering economic and practical factors, shall certify whether the project offers reasonable promise of maintaining in stand-by condition or in production, as the case may be, a property the production from which would, in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances as to make it probable that for economic or technical reasons such production would not or could not be resumed when needed for the national economy or security.

(c) The Secretary shall either accept and approve the application, subject to any modification therein which he may require, or he shall reject it: *Provided,* That if the Secretary's action on the application conflicts with the recommendation and certification of the examining experts, he shall refer the application to the Board; and the Board shall either confirm and approve the action of the Secretary, or shall reverse it, or shall direct the Secretary to reconsider it. Confirmation or reversal of the Secretary's action by the Board shall be final, and direction to reconsider shall place the application in the same status it was in before action upon it by the Secretary. If the Secretary accepts the application, either in its original or modified form, the terms of the application and acceptance shall be merged in a formal, written contract. Any applicant who is dissatisfied with the decision of the Secretary upon his application, may at any time within 30 days after receipt of notice of the decision, unless further time is granted by the Board, appeal to the Board, and the Board, as expeditiously as possible, shall review the entire matter, make its findings thereon, and notify the applicant of its decision, which shall be final.

(d) All metals or minerals purchased under the provisions of this section, or such equivalent quantities thereof as may be permitted by the contract with the producer, shall be delivered by the producer to and shall be received by the Administrator of General Services at such places and times as may be provided in the contract. The Secretary shall transfer to the Administrator for the performance of his functions hereunder such funds as the Administrator, with the approval of the Director of the Bureau of the Budget shall determine to be necessary, in addition to any funds appropriated to the General Services Administration, for the proper performance of said functions. The Administrator shall from time to time, and in any event before selling them in the open market, notify the Munitions Board of the inventory of metals or minerals held by him under the provisions of this act and shall continue to hold all metals or minerals received by him under this act until at least 60 days after he has given the Munitions Board notice that they are so held. The Munitions Board may, as long as any such metals or minerals are held by the Administrator, (1) direct the Administrator to transfer any of them to the national security stock pile in accordance with the provisions of the Strategic and Critical Materials Stock Piling Act, as amended (53 Stat. 811, 60 Stat. 596), or (2) within 60 days after such notice from the Administrator direct him to hold any such metals or minerals listed in the notice until 60 days after the next succeeding appropriation for purchases for the stock pile has become available. Unless notified by the Munitions Board to either transfer any of such metals or minerals or to continue to hold them as provided in this subsection, the Administrator shall sell them in the open market if and when open-market prices will return to the Government at least the approximate average price paid by the Government for the metals or minerals, and only in such quantities as will not materially depress the market. No metal or mineral shall be transferred into the national security stock pile under the provisions of this act unless the material has been found to be strategic and critical as provided in the Strategic and Critical Materials Stock Piling Act, and meets established specifications as to quality and degree of refinement or processing, and unless such transfer is consistent with the current stock-piling procurement program of the Munitions Board. All moneys received by the Administrator of General Services from such sales in the open market shall be for deposit in miscellaneous receipts of the Treasury, and any transfer of metals or minerals to the national security stock pile shall be covered by a transfer of funds from appropriations available for purchases for the stock pile to miscellaneous receipts of the Treasury in amounts approximating what the cost of the metals or minerals would have been if purchased in the open market at the time of transfer.

(e) All contracts entered into under the provisions of this section—(1) shall contain an express provision that they are subject to the availability of appropriated money; and (2) may be entered into without regard to sections 3648 and 3709 of the Revised Statutes, as amended, or other provisions of law prescribing the manner of making contracts on behalf of the United States.

(f) No contracts shall be entered into under the provisions of this section for a period exceeding 2 years or after the expiration of 3 years from the effective date of this act.

SEC. 7. As used in this act—

(a) "Secretary," standing by itself, means the Secretary of the Interior.

(b) "Administrator" means the Administrator of General Services.

(c) "Board" means the Minerals Conservation Board.

(d) "Exploration" means exploration in the United States for unknown or undeveloped sources of metals or minerals, including undeveloped extensions of known deposits, conducted from the surface or underground, by surface trenching, core or churn drilling, tunnels, raises, winzes, or shafts, including recognized and sound procedures for obtaining pertinent geological information, and including metallurgical research on processes for the production of such metals or minerals.

(e) "Production" means the production of ores or minerals from mines in the United States, or from tailings, dumps, slags, or residues of such mines, which the Secretary determines would, in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances with respect to each partiular mine as to make it probable that for economic or technical reasons such production would not or could not be resumed when needed for the national economy or security.

(f) "Small mines" means mines or deposits of ores primarily producing or which in the course of conducting an exploration project primarily produce (a) lead, zinc, or copper ores, or ores containing a combination of such metals, the average aggregate monthly production of which does not exceed 100 tons of lead, zinc, and copper metal combined and (b) manganese, mica, chromite, mercury, and tungsten ores and ores of other minerals and metals the average monthly production of which, by quantity, approximates the market value of 100 tons of lead computed and fixed as of the effective date of this act, the quantity limitation for each mineral and metal thereafter to remain unchanged.

(g) "Producer" means any person or persons or legal entity by whom or for whose account and interest exploration, maintenance, or production is to be or is being performed.

(h) "United States", when used in a geographical sense, means the United States and its Territories and possessions.

SEC. 8. This act shall not be construed as superseding or amending the Atomic Energy Act of 1946 (60 Stat. 755), as amended.

SEC. 9. There is hereby authorized to be appropriated not to exceed $80,000,000 annually for carrying out the provisions of this act, including payments to producers for exploration, maintenance, and production, and the costs of administration, such funds to remain available until expended.

SEC. 10. (a) Each producer shall at all times have access to a complete file of all copies of all calculations and analyses and determinations used as a basis for aid under this act, or modification or denial of his application, and shall be furnished a copy of each such analysis.

(b) The Secretary shall make annual reports to Congress on the operations under this act on April 15, 1950, and February 15 of each succeeding year. Such reports shall include current and summary information detailing the activities and results obtained and anticipated pursuant to this act, and such other pertinent information concerning the administration of this act as will enable the Congress to evaluate its administration and the need for amendments and related legislation.

(c) Advance payments may be made for exploration projects, in such amounts and on such terms as the Secretary deems appropriate, where the producer certifies the need for such advance payments as working capital. Advance payments received by operators shall not be commingled with other funds and shall be subject to post-audit.

The SPEAKER pro tempore. Is a second demanded?

Mr. RICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ENGLE of California. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the general objective of this legislation is to develop and maintain the mineral resources in the United States vital to the Nation's security and industrial needs.

Mr. Speaker, the bill S. 2105 has a long legislative history. In the Seventy-ninth Congress we passed a bill relating to the stock piling and incentive payments for the production of critical and strategic minerals and metals, offered by the gentleman from Illinois [Mr. ALLEN]. That bill was vetoed by the President. Since that time we have tried to work out a formula which would meet the general approval of the executive branch of the Government as well as the needs of the industry itself.

During this session of Congress our Committee on Public Lands sent to the Committee on Rules, where it still remains, the bill H. R. 976, which provides for incentive payments to stimulate the production of critical and strategic minerals and metals. That bill was objected to in some particulars by the executive agencies.

The bill now pending before this body, S. 2105, was worked out on the Senate side and has the approval of the executive agencies. It passed the Senate, and has been reported by our committee unanimously with some amendments. This bill is in accord with the views of the President of the United States and also in accord with the recommendations of the Hoover Commission. The President in his budget message of January 10, 1949, said:

> The Federal Government has a responsibility for assuring the adequacy of these resources through intensive surveys, investigations and explorations, fundamental research and sound conservation practices.

In addition, and I emphasize this—

> I recommend legislation which will authorize incentive payments for the exploration and development of strategic and critical minerals.

The Hoover Commission task force has this to say on the same subject:

> A pressing need of the Nation is a more adequate supply of a long list of minerals to support and strengthen our industrial economy and to insure our national security. Hence, encouragement of exploration should be the principal objective of policies dealing with minerals and fuels in the public domain.

That is precisely what this bill does in line with the recommendation of both the President of the United States and of the Hoover Commission.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. H. CARL ANDERSEN. This bill appears to carry an enormous sum of money, $80,000,000 a year, I understand, for 5 years. Is that correct?

Mr. ENGLE of California. It carries not in excess of $80,000,000 a year for a period of 3 years. The bill provides that although the authorization of the bill only runs for 3 years, contracts can be made for 2 years so it would be possible for a mining enterprise to operate under the bill for a period of 5 years.

Mr. H. CARL ANDERSEN. One further question, please. What is there so urgent about this legislation that it cannot go over until January so that we may have ample opportunity to discuss it?

Mr. ENGLE of California. We have been working on this legislation for a period of 9 months. Seventy-five percent of the mines throughout the Nation and especially in the West, are now closed down. Those mines are living in the bare hope that something will be done or authorized by the Congress. That is the reason for the urgency—to keep those people on their feet, to hold those mines open for just a few months longer.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. CASE of South Dakota. Does the gentleman's motion include the amendments as reported by the committee, which include the addition of manganese, mica, chrome, mercury, and tungsten ore?

Mr. ENGLE of California. The motion includes all the amendments in the bill as voted out of the House committee—which includes the amendments referred to.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. ENGEL of Michigan. With reference to the statement that the gentleman made about unemployment, I want to state that 39 out of every 100 workers in the copper-producing sections of Michigan are unemployed right now.

Mr. ENGLE of California. The applications for unemployment compensation are swamping the unemployment agencies.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. ENGLE of California. I yield.

Mr. SHORT. In answer to the question of the gentleman from Minnesota, the reason we do not want to wait until January is not only the fact that many of these mines are shutting down, with the men unemployed, but Congress already has passed a broader measure than this on two different occasions. In the last Congress, the Eightieth Congress, we passed a bill which also passed the other body that was vetoed by the President after we had adjourned and gone home.

Mr. ENGLE of California. I thank the gentleman for his contribution.

The fact is that this is a much more limited measure than those which we have already passed on two different occasions, one of which as I say was vetoed by the President. This bill has the approval of the President, the approval of the Bureau of the Budget, the approval of the Department of the Interior, and the approval, so far as I know, of every executive agency.

It will take just a minute to tell you how this bill operates. Specifically, the bill, S. 2105, as amended, has two immediate major purposes: First, to stimulate the exploration for new or undeveloped sources of minerals and metals within the United States; and second, to promote the conservation of known mineral resources which, because of toppling prices and high costs, as well as the difficulties of operation, are in danger of being permanently lost. This conservation will be accomplished by maintaining either in a stand-by condition or in a partial or total operation properties containing these important minerals or metals.

This bill does not provide any subsidy out of which a miner could make a profit but merely for stand-by maintenance or operation at minimum production to keep these minerals and metals from being lost.

I have previously said that the urgency of this matter relates to the fact that 75 percent of our mines are closed down. In 1940 we had over 8,000 mines in operation in this country. Today we have a little over 2,000 mines, and it is anticipated that those will close unless something is done immediately by this Congress to relieve the situation.

This bill is a very modest proposal to take care of the domestic mines in a stand-by condition so that the ores in the bowels of the earth will not be lost, and at the same time pursue a search for higher grade minerals and metals to prevent the complete dependence of this Nation on foreign importation in the event of war.

Mr. PETERSON. Mr. Speaker, will the gentleman yield for a question?

Mr. ENGLE of California. I yield.

Mr. PETERSON. With reference to the urgency of this matter, many of those mines, if action is not taken, will have fallen roofs, and they will be filled with water and will be forever lost to actual mining.

Mr. ENGLE of California. That is true. Some of those mines are as deep as two or three thousand feet. Those mines fill with water, the timbers break down, and unless something is done to maintain them in a stand-by condition or on a minimum-production basis, the minerals and metals in those mines will be forever lost as a national resource to this country.

In closing, Mr. Speaker, this bill is approved by the President, the Bureau of the Budget, the Department of the Interior, the Senate, the Senate committee, our own Committee on Public Lands, and now is and reportedly has been sponsored by Republican as well as Democratic authors. I hope it will be passed.

The SPEAKER pro tempore. The time of the gentleman from California has again expired.

Mr. RICH. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, your Rules Committee has endeavored in good faith to cooperate with the leadership of this House in the advancement of its legislative program. Bringing up this bill under suspension of the rules is shocking to me. It violates what I understand was an agreement to let this measure pass over until the beginning of next year. The

Rules Committee has not capriciously turned down an application for a rule. It has patiently and sympathetically heard all that the advocates of the measure have had to say. When last before the committee, during the latter part of the week just passed, the committee passed up this matter with the understanding that it would be taken up in January, which I was assured was satisfactory to Members of Congress urging the legislation and to representatives of the small miners who would be benefited thereby. It has none of the characteristics of such an emergency as that the situation would be aggravated by the matter going over until January, when it could be taken up in an orderly sort of way—in a manner that would give Members of the House an opportunity to impress upon the measure their views.

What are you proposing to do here? You are proposing to authorize the appropriation of $400,000,000 for the relief of small miners, and to do it under suspension of the rules, which means without full debate. It should not be considered in this way. You ought to let it pass over and take it up under a rule, which I am confident the Rules Committee would grant, and then do with it as you in your judgment think should be done. The bill in its present form is not satisfactory to many people or to a majority of this body. They should be given time to acquaint themselves with all of its provisions and to the extent that it subjects the Treasury to being operated upon by the beneficiaries of the bill.

The SPEAKER pro tempore. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. RICH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, the gentleman from Georgia in describing the situation that has existed before the Rules Committee I am convinced describes it accurately. It is a fact that upon Friday afternoon last the Rules Committee held hearings on this bill and on other bills for the extension of Federal aid to schools and colleges of the United States at a cost of $275,000,000, and this bill we anticipated would cost the Federal Treasury perhaps well over $300,000,000.

Regardless of the virtues of these individual bills calling for Federal aid, may I remind the House that some few days before the House began its informal recess which commenced, as I recall, on the 25th of August, I took it upon myself to state to the House the deep concern felt by the members of the Committee on Rules at the drift or trend of legislation which if enacted would greatly increase the future financial commitments of the United States Government.

This is but a single instance of additional commitments.

The committee has not been hostile to to each and every one of these bills, but rather has been concerned as to finding out where we are going. We are in a deficit now; the Federal Treasury shows a deficit of $1,400,000,000 in the first 3 months of the present fiscal year. If we multiply this figure by four, we may see the Federal Treasury in the red something like $6,000,000,000 at the end of this present fiscal year. And yet there seems to be no pause whatsoever in increasing the commitments of the Federal Government. One after another—it is a veritable parade—bills passing over the top of the Rules Committee table. We in the Rules Committee recognize that we have not now the same discretion we had under the old rule. In this particular case we are not even given a day's opportunity to reconsider, if we wanted to. Without any warning whatsoever and to the complete surprise of the members of the Committee on Rules who were assured last week that there would be no more rules suspensions in this session, this bill is called up under suspension. We welcomed the statement that there would be no more suspensions because we felt that it indicated a pause—stop, look, and listen—on the part of the leadership of the House. But apparently that is all thrown out of the window and we are going to go on with this thing, commit the Government to hundreds and hundreds of millions of dollars of expenditures for goodness knows how many years. May I once again appeal to the House to stop, look, and listen?

Mr. BENNETT of Michigan. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Is it not a fact that the Committee on Rules on previous occasions in the Eightieth Congress reported out this particular legislation, bills even broader than the present one?

Mr. WADSWORTH. It is a fact that the Committee on Rules of the Eightieth Congress reported favorably on similar legislation, but it must be remembered that the Eightieth Congress wound up leaving the Federal Treasury with a surplus.

Mr. BENNETT of Michigan. The fact is it reported out this legislation, and the House of Representatives passed it twice.

Mr. WADSWORTH. It reported out legislation with respect to this subject; but today we have an entirely different situation facing us financially.

Mr. BENNETT of Michigan. But the House passed the bill twice. It is not something new.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. ENGLE of California. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, the ability of the United States to prosecute a future war successfully, to provide for the essential civilian and industrial requirements during a war emergency, and to eliminate the inflationary shortages that generally occur for several years as an aftermath of a war will depend upon a large and steady flow of minerals and metals from the mines of the United States.

The domestic mining industry has deteriorated to such a degree, that should war commence tomorrow, the needs of the Nation could not possibly be met. Every man, woman, and child would pay an incalculable price—possibly that of freedom itself—for the folly of a national policy that has led to the virtual extinction of vital segments of our mining industry and the impossibility of developing others.

The Committee on Public Lands has gathered conclusive evidence that, given adequate time and encouragement, the United States is fully capable of developing a mining industry that can produce 100 percent of the Nation's total requirements of manganese for several hundred years or more; 25 percent of its requirements of chromite for 100 years or more; 100 percent of its tungsten and mercury requirements for an indefinite period; and possibly 25 percent of its mica—excluding ground and scrap mica—requirements.

The record shows that in 1941 and 1944 there were approximately 400 and 500 mines, respectively, in the United States producing manganese, chromite, tungsten, and mercury, and there probably were several hundred small mica mines in operation during this period. All but a few of these mines are now closed and abandoned. Estimates obtained from the United States Bureau of Mines indicate that in the first half of 1949, shipments of manganese chromite, tungsten, and mercury were made by a total of only 37 producers. No mica mines are known to have made any shipments during the first half of 1949; the domestic production of any 135 tons for the period probably was obtained primarily as a byproduct of feldspar or other mining operations.

It is known that many of the 37—estimate—producers or shippers accounted for during the first half of 1949 have closed their mines in recent months and that a number of the remainder will be compelled to close unless conditions improve—which appears unlikely. Today, there probably are not more than 25 mines in the United States actively producing manganese, chromite, tungsten, mercury, and mica, and probably not more than a dozen will be operating by January of next year.

In summary, of some 700 or 800 mines producing tungsten, mercury, mica, manganese, and chromite in the United States in 1941 and 1944, only 25 or so continue to make some shipments.

Instead of the 12 or more mines which may be producing these 5 highly strategic minerals and metals in January, there should be 2,500 or more of such mines in operation, well equipped and manned, and able to meet the needs of the United States during an emergency. Stalin, himself, could not have planned and executed a program for the disintegration of the American mining industry more effectively than what has taken place. Let no one be deluded into thinking that our mines can be brought to life and new deposits developed after the United States has been attacked. The experiences of the mining industry and the mineral and metal shortages during and following World War II disprove such ability. Mine labor and equipment shortages, as well as the time

element, prohibit the effective reopening of closed and abandoned mines and the developments of idle mineral resources.

This bill proposes to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals. It is proposed to do this by two methods, either by participating in the costs of maintaining the property in stand-by condition, or by purchasing all or any part of the metals or minerals resulting from mining of a deposit.

Simple contracts will be drawn up upon application, where it is found advisable under the provisions of this bill to maintain a mine or produce a strategic material.

Our mining industry in this country finds itself in a serious condition. Hundreds of mines have closed down, and thousands of men are out of work. This situation is brought about by various causes, but it is a fact that has to be faced. Our Subcommittee on Mines and Mining of the Public Lands Committee has brought out two previous bills to help solve this difficulty. One was vetoed by the President and one rests at the present time before the Rules Committee.

There are various courses that can be pursued to correct this situation: A protective tariff or quota would give our domestic mining industry an opportunity to exist. The strategic materials that are available in this country could be purchased for our stock piling under the buy-American clause. However, that is not being done, except in a very minor way. We could give tax incentives, or we could follow the course proposed in the bill vetoed by the President and the one now before the Rules Committee. However, we must be realistic and face the situation that confronts the mining industry. It is not a theory—it is a fact—the mines are closing down, and men are out of work.

If we allow the development of our strategic materials to be killed, the inevitable result will be that the prices of these materials will go up and the ultimate cost will be more than that of this bill. We went through that experience a few years ago with rubber, and certainly we will face the same situation again with these materials, if we do not take measures that will prevent this country being placed in a position where we can be taken advantage of. This bill will help certain of the mines that produce strategic materials to be maintained in a stand-by condition until a more sound solution can be found for this serious problem. The sponsors of this bill admit that it is not the solution they would like to bring before this House, but we face a very critical situation in the industry, and this seems to be the only solution that will be acceptable to the administration and that can be passed at this time.

It is the hope of our Mines and Mining Subcommittee of the Public Lands Committee of this Congress that it can bring in more sound legislation. However, to face the present situation and meet the emergency, we ask favorable consideration of this bill.

Salient statistics on tungsten, mercury, mica, manganese, and chromite mining in the United States

[Data obtained from the U. S. Bureau of Mines and compiled by the Public Lands Committee, U. S. House of Representatives, Oct. 14, 1949]

	1941	1944	1948	1949 (first half)
Manganese:	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Consumption	1,310,458	1,595,098	1,538,398	747,272
Imports	1,562,133	1,157,932	1,256,597	609,531
Percent of imports to total new supply	94.7	82.4	90.6	93.1
Domestic mine shipments	87,794	247,616	131,100	45,300
Percent of domestic mine shipments to consumption	6.6	15.5	9.1	6.8
Number of domestic producers or shippers	91	133	[1] 7	[1] [2] 9
Chromite:				
Consumption	800,402	848,449	875,033	416,955
Imports	1,115,292	848,390	1,542,076	583,625
Percent of imports to total new supply	98.7	94.9	99.8	99.9
Domestic mine shipments	14,259	45,629	3,619	264
Percent of domestic mine shipments to consumption	1.7	5.4	.43	.06
Number of domestic producers or shippers	41	144	5	[2] [3] 2
Tungsten (in terms of concentrates containing 60 percent WO_3):				
Consumption	17,500	20,100	9,300	4,300
Imports	12,107	19,330	7,931	5,912
Percent of imports to total new supply	65	65	66	77
Domestic mine shipments	6,567	10,283	4,005	1,810
Percent of domestic mine shipments to consumption	37.5	50	43.1	42.1
Number of domestic producers or shippers	68	112	27	[2] [4] 18
Mercury:	*Flasks*	*Flasks*	*Flasks*	*Flasks*
Consumption	44,800	42,900	46,253	18,000
Imports	7,740	19,553	31,951	37,413
Percent of imports to total new supply	15	34	69	93
Domestic mine shipments	44,921	37,688	14,388	2,900
Percent of domestic mine shipments to consumption	100	87.5	31.1	16.1
Number of domestic producers or shippers	197	102	20	[1] [5] 8
Mica (other than ground or scrap mica):	*Pounds*	*Pounds*	*Pounds*	*Pounds*
Consumption	11,980,933	15,373,261	11,016,742	[6]
Imports	9,314,480	13,849,948	10,746,700	[6]
Percent of imports to total new supply	77.7	90.1	97.5	[6]
Domestic shipments	2,666,453	1,523,313	270,042	[6]
Percent domestic shipments to consumption	22.3	9.9	2.5	[6]
Number of domestic producers or shippers	Unknown	Unknown	Unknown	[6] [7]

NOTE.—All notations are those of the committee.

[1] One producer of metallurgical grade manganese, who commenced production during World War II, now accounts for approximately 98 percent of the total manganese ore mined in the United States. This mine operated by the Anaconda Copper Mining Co. is a byproduct operation inasmuch as the manganese is mined in conjunction with its copper and zinc mining operations conducted at Butte, Mont., and otherwise could not be mined at the prices which have prevailed for manganese. Except for several very small producers of battery-grade ore the remaining producers represent sporadic and abortive operations.

[2] Estimated.

[3] The fact that there were 2 shippers of chromite during the first half of 1949 does not mean that 2 mines were in operation. A mere 264 tons of total productions would indicate that shipments were made from reworking mine dumps or from material previously mined and stored on the surface.

[4] Although approximately 18 producers shipped tungsten ores and concentrates during the first half of 1949 it is reported that all but a few of these mines have closed or greatly curtailed productions.

[5] Except for several small sporadic operations the 8 mercury producers or shippers recorded for the first half of 1949 have either closed their mines entirely or continued efforts to save the mines from abandonment and ruin through curtailed production and extraction of the richest portions of ore bodies.

[6] Although the Bureau of Mines has never canvassed the domestic mica mines, it is believed that current production primarily results as a byproduct of feldspar mining operations and from accumulations obtained by farmers and prospectors from outcrops and shallow pits

[7] Not available

Mr. BENNETT of Michigan. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. The gentleman knows that during the last war this Government spent millions and millions of dollars in a frantic and desperate effort to get this ore but it continued to be in short supply all during the war simply because during the depression many of these mines closed down. We are going to run into exactly that same situation again unless something of this sort is done to conserve these mines.

Mr. D'EWART. All our mercury mines have already closed down. This Government recently made a contract which will result in the importation of 85,000 flasks of mercury.

The SPEAKER pro tempore. The time of the gentleman from Montana has expired.

(Mr. D'EWART asked and was given permission to revise and extend his remarks and include a table.)

Mr. RICH. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. ENGLE of California. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, S. 2105 provides a system of incentives to encourage private industry to explore and conserve deposits of strategic, critical, and essential mineral resources. The bill differs from other legislation passed by this body in that it includes all of the minerals necessary for our national defense and well-being.

The executive agencies of our Government realize that something must be done to replace the minerals which were used during two world wars and which have largely depleted the mineral resources of the Nation. Present economic conditions are such that without the passage of this act, little or nothing can be accomplished in this field. The condition of the mining industry is not the result of anything done by the industry but rather by action of Congress itself. If a solution is to be forthcoming, it must be by action of Congress.

In addition to the exploration features, the bill is intended to prevent the continued destruction of our mineral resources by allowing mines which cannot

be operated under present conditions to be disintegrated, flooded, and destroyed. Many of these mines today are being operated at a loss pending the passage of this act. Operators know what happens to a mine when it closes down. It not only involves the costly process of retimbering and unwatering the mines but it means rehiring and retraining personnel which in many instances will take years. It is not like running a grocery store or some other business establishment which can be reopened overnight. It requires years of work and effort plus large expenditures.

If our Government can send millions of dollars to Mr. Tito for the purpose of rebuilding his mines under the guise of national security, then certainly we are justified in giving some attention to our own mines which are in distress here in the United States. Thousands of employees are awaiting the decision of Congress on this measure. Hundreds of wires and letters have been received from those who know most about the critical condition which confronts the mining industry. It is not a local concern; it is a national issue. True, while we have been giving much attention to the farming industry with price supports which in effect are making the costs of mining higher than ever before, and while we have been financing many manufacturing plants, most recently the Kaiser-Frazer automobile factory, we have been neglecting the very industry which furnishes ingredients for all manufactured items in the capital goods class and also the machinery for our farms and other lines of business.

The mining industry is not asking for a profit—it is simply asking the Congress to maintain it in condition so that it can survive the present destruction until perhaps some of the policies of our Government will be changed or an emergency may arise which will require immediate production of minerals which were so badly needed in order to bring victory in the recent World War.

This act should not be confused with the present stock-piling law which simply provides for the purchase of materials for stock-piling purposes. The policy of our Government has been to buy metals at the lowest price which in many instances naturally is in foreign countries where production costs are comparatively cheap and wage scales low. The ores, metals or concentrates, are transported in subsidized ships to American shores where they are sold in competition with the products of our own mines.

Only the large integrated mining companies with their smelters and refineries can compete with this foreign competition and therefore stock-piling contracts are not made with the little producers covered by this law. These are the fellows who are being run out of business through no fault of their own. They are the ones who usually, however, take the risks necessary to bring into production the new mines. If the Congress of the United States fails to take this action now, we need have no hope for the rebuilding of our mineral reserves for our national security. We will take the more costly course and perhaps the more dangerous course of relying upon foreign production to maintain our economic production which may be cut off by submarine warfare in 24 hours.

During the last war 54 out of 60 ships carrying minerals to our shores were sunk by German submarines. Russian submarines are said to be more efficient and more numerous. We released thousands of men from the armed services at the time they were most needed in the armed services to our mines to produce the metals which were necessary for victory. Are we to make the same costly mistake again?

Much has been said about the appropriation covered in this legislation. It is but a fraction of the amount spent for other defense items. The cost of saving the mining industry of the United States is about equal to the cost of one battleship and does not provide any percentage to anyone. The appropriation here made should not be confused with similar appropriations made in former bills considered by this Congress, for much of the money appropriated will be used to purchase metals which will be placed in a buffer stock pile subject to call by the national defense agencies. In the event that they are not needed for this purpose, they then can be sold in the open market at "at least the approximate average price paid by the Government" in such quantities "as will not materially depress the market."

Thus it is quite possible that the Government will realize a profit from the purchase and sale of the metals here saved from loss under the provisions of this act. While it is true that above-market prices will be paid for metals purchased from marginal mines in order to keep them from closing down, no provision is found in the bill for a profit to the miner. In fact the depreciation of equipment and depletion of the mine is all that can be hoped for. With respect to these two items it is clear that the Government could not expect mining officials to violate the law by entering into a contract to sell capital assets for less than the recognized book value used for tax purposes. Therefore, the technical objection to this provision has been eliminated by those in Government who evidently believe in production for production's sake without a profit. These are the same people who, by the way, are recommending to the Congress that we guarantee foreign investments in foreign mines by using taxpayers' money. These are also the same people who urge the expenditures of taxpayers' money for production of minerals bought under ECA and other programs. They are the same ones who believe in lowering taxes for foreign investors, and, in other words, they are the ones who favor help for foreign production of minerals with additional burdens on domestic mining with no recognition of the distress in which the industry finds itself.

From both the standpoint of our domestic economy and our national defense, this bill is needed, and though it could be improved, I feel it should pass. It will bring some measure of relief to our distressed domestic mining industry and will add to our national strength.

Mr. BENNETT of Michigan. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BENNETT of Michigan. I subscribe fully to everything the gentleman has said. Up in the northern peninsula of Michigan, where I come from, we have some of the world's deepest copper mines, some as deep as 9,000 feet. During the depression just before the last war, two of those large mines were closed because the price of copper had gone so low. When the war came, the War Production Board sent its men to northern Michigan to find ways and means of reopening these mines. They were filled with water. It would have cost millions and millions of dollars and an unlimited amount of time to reopen them. That vast supply of copper was lost to the war effort. This bill will prevent that from happening in case we get into trouble again.

Mr. SHORT. The gentleman is speaking the absolute truth. It has been my pleasure to visit and speak in the gentleman's district. I am acquainted with the great copper-mining industry up there, just as I am with the lead and zinc mining down in our tri-State area of Missouri, Kansas, and Oklahoma. The same thing applies not only to the gentleman's district and my district, that tri-State region, but it applies likewise to Arizona, Utah, Montana, California, Colorado, and practically all the Western States.

As the gentleman pointed out and as I have already observed, on two different occasions we have passed legislation more liberal than this measure. One of those bills even passed both Houses in the Eightieth Congress, but was vetoed by the President 3 or 4 days after the Congress had adjourned.

Opponents say there is no emergency about this. The fact of the matter is, it is 4 years overdue. We have been fighting for this for a long time. Every day closes mines and creates unemployment.

I thank the gentleman from California for yielding to me, and I especially thank the gentleman from Pennsylvania who was so generous to yield to one who is opposed to his own views.

Mr. RICH. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include the testimony of Captain Jacobs on stock piling copper, when he appeared before our committee. He is the member of the Munitions Board in charge of stock piling.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGEL of Michigan. Mr. Speaker, I am intensely interested in S. 2105, which is before the House today. This bill provides for a subsidy on copper. I am interested because of the fact that the Upper Peninsula and particularly

the copper area has one of the highest unemployment records in Michigan and in the United States. I received in this morning's mail the pamphlet issued by the Michigan Unemployment Compensation Commission entitled "Michigan's Labor Market." On page 2 I find the following unemployment record:

Upper Peninsula, 17.6 percent. Upper Peninsula areas with the highest relative volume of unemployment are Calumet, 39.2 percent; L'Anse, 33.2 percent; Ontonagon, 32.1 percent; and Newberry, 26.4 percent.

It will be noted that 39.2 percent of the workers in Calumet are unemployed, 33.2 percent of the workers in L'Anse, 32.1 percent of the workers in Ontonagon, and 26.4 percent of the workers in Newberry are unemployed. This is the highest level of nonfarm unemployment in this area since January. Calumet, the area in which more than 39 out of every 100 workers are unemployed, is in the copper area. I am informed that out of 5,000 copper workers in this area, only 400 are employed.

COPPER AND WHEAT

This House recently passed a bill providing for an international wheat agreement. Under this agreement the Government will buy wheat at $2.14 a bushel and sell it at $1.80, or at a loss of 34 cents a bushel. We are paying hundreds of millions of dollars in subsidies on potatoes, cotton, corn, and other farm commodities. We are doing so to keep the farmer at work and to give him a decent return for the work that he does in producing these crops. I have been and shall continue to support any reasonable program along this line. If it is logical to pay subsidies for the support of the farmer, it is equally logical to pay subsidies to keep these 5,000 workers in the copper mines in Michigan and workers in other copper mines employed. I cannot see how anyone can justify supporting one program without supporting the other. It is much cheaper to pay a subsidy of several cents a pound on copper and keep these men employed, than it is to support them on relief, which we will have to do unless this bill is passed.

COPPER AND NATIONAL DEFENSE

Mr. Speaker, I want to discuss this question from a national defense point of view. I have been a member of the Military Subcommittee of the Appropriations Committee since January 3, 1937, and am intensely interested in national defense. During the war there was such a great shortage of copper that we had to make our pennies out of iron instead of copper. We discovered that because of the fact that certain copper mines in the Upper Peninsula could not be operated at a profit, these mines had been closed and abandoned. The pumps had been pulled out and the mines were filled with water. I am informed that when the Government considered reopening these mines, they were told it would cost millions of dollars to reopen them and that it would take several years to do so and this copper was forever lost to national defense. We are spending hundreds of millions of dollars for stock piling critical items. The argument right now before the Armed Services Conference Committee on military appropriations is over whether we should reduce contract authorization for stock piling by $275,000,000. The Economic Cooperation Administration is spending millions more for copper and other items.

On August of this year the subcommittee on national military establishment appropriations, of which I am a member, had before it the Munitions Board which has charge of the stockpiling program. Capt. T. D. Jacobs, United States Navy, Chief of the Stock Piling Division, Office of Materials Resources, was one of the witnesses. I ask unanimous consent that his testimony on copper procurement be inserted in the RECORD at the conclusion of my remarks. On page 9 of this testimony we find the following:

Mr. ENGEL. Is not the best copper stock pile you can have an operating copper mine in this country?

Captain JACOBS. That is one of the best stock piles that we can have. We must have that production.

Mr. ENGEL. You must have our copper mines operating. If these mines are closed down and water once gets into them, they are through, are they not?

General SPALDING. That is right, in some cases.

This testimony disclosed that copper was 23½ cents a pound a year ago and dropped to 17⅝ cents a pound. Again I quote the testimony:

Mr. ENGEL. Suppose that those copper mines close and go out of business, which some of them probably will, then you would lose that source of domestic production, would you not?

Captain JACOBS. If they were to close permanently we would.

Mr. ENGEL. Of course, putting 5,000 men on relief, which is what will happen (if these mines are closed), will be much more costly than paying the differential between 17 cents and the operating cost of that mine.

Mr. WALSH. There is no question about that.

Major General Spalding is the Acting Director for Industrial Programs, and Mr. Walsh is apparently Captain Jacob's expert on the subject. This testimony is very interesting. In my judgment, it is absolutely essential and necessary that these copper mines be kept operating from a national defense point of view. They make up the best stockpile we can have. Copper we mine in America cannot be sunk on the high seas. When we take into consideration the cost of procuring this copper in foreign countries, the cost of transportation and particularly the fact that we are throwing out of employment thousands of copper miners and losing the purchasing power of the dollar that goes overseas, there can be no question about the passage of this bill. The dollar we spend overseas does not always come back.

COPPER AND ECA

The Economic Cooperation Administration purchased hundreds of millions of pounds of copper during the last year running into millions of dollars. In the face of this situation less than 30 percent of the copper purchased was mined in the United States and 70 percent in foreign countries. It seems to me it is just silly to buy hundreds of millions of pounds of copper overseas, give that copper away and then argue about spending a few cents a pound on a copper subsidy program to keep these thousands of copper miners working.

I have supported the subsidy on copper for years and shall continue to do so. It does not make sense to me to close down the copper mines of America and throw thousands of workers on relief. Thirty-nine out of every 100 workers in the Michigan copper area are unemployed right now. How can we justify purchasing copper in foreign countries at a savings of a few cents a pound when it will cost us many times the amount of savings we make to keep our own copper workers on the relief roll. If there ever was a penny-wise, pound-foolish policy, this is it.

The following was taken from the testimony given before the Military Subcommittee of the Appropriation Committee by members of the Munitions Board on August 9, 1949:

COPPER PROCUREMENT

Mr. ENGEL. Now, let me get this straight about copper. The reason you are buying copper is because you are afraid that in time of war you are not going to be able to obtain it because of the hazards of transportation.

Captain JACOBS. We do take into account a certain amount from overseas.

Mr. ENGEL. You are afraid that you are not going to get copper, period.

Captain JACOBS. We are afraid that we would not have enough copper for the whole war.

Mr. ENGEL. We have some copper mines in the United States.

Captain JACOBS. Yes.

Mr. ENGEL. There are 5,000 workers in the copper country in Michigan who are practically unemployed because they cannot compete with the low price of copper. When the price dropped they stopped producing. I think at the last report there were 400 working. The other workers are going to be on relief.

Is not the best copper stock pile you can have an operating copper mine in this country?

Captain JACOBS. That is one of the best stock piles that we can have. We must have that production.

Mr. ENGEL. You must have our copper mines operating. If these mines are closed down and water once gets into them, they are through, are they not?

General SPALDING. That is right, in some cases.

Mr. ENGEL. Then that source of copper supply in wartime is gone.

Now, do you take into consideration in purchasing this copper overseas the fact that t[illegible] best stock pile would be an open and operating copper mine; secondly, the fact that while it might cost you more per pound to buy that copper and keep that mine going, in the final analysis it will cost you more to transport it from overseas in case of an emergency if that copper mine were closed down forever?

Captain JACOBS. We certainly take that into consideration. We think that a healthy and active mining industry in the United States is one of our greatest assets in time of an emergency, and we have in the past tried to purchase copper from our domestic producers to the greatest possible extent. We call them in under Public Law 395, and they did give us an allocation. We are purchasing domestic copper at the present time.

Mr. ENGEL. That is right, but when you purchase that copper you purchase it at the market price, and if those mines cannot meet

the market price you cannot go above the market price can you?

Captain JACOBS. I think if there is an established market price, the Buy America Act does not apply. However, I would like to have Mr. Walsh confirm that.

Mr. ENGEL. What do you pay for copper now?

Captain JACOBS. It is about 17⅝ cents a pound.

Mr. ENGEL. How much was copper a year ago?

Captain JACOBS. Twenty-three and one-half cents a pound.

Mr. ENGEL. Now, that differential in price has been such as to close down some of the copper mines in Michigan and elsewhere in the country. They are operating a limited operation, if any at all.

Captain JACOBS. I think that is true.

Mr. ENGEL. Suppose that those copper mines close and go out of business, which some of them probably will, then you would lose that source of domestic production in this country, would you not?

Captain JACOBS. If they were to close permanently we would.

Mr. ENGEL. I am talking about the mines like the Calumet-Hecla Co. have in Michigan.

Take, for example, a particular mine and your operating cost is so much. We will say it is 22 cents a pound. We want that mine to keep going. We will pay 22 cents a pound to keep that mine going despite the fact that the price has dropped to 17 cents. Could you do that under the present law?

Captain JACOBS. I will have to ask Mr. Walsh if he can give us an interpretation of the Buy America Act. I am not familiar enough with the legal implications of the law.

Mr. WALSH. Under the provisions of the Strategic and Critical Materials Stock Piling Act (Public Law 520, 79th Cong.), there would appear to be no legal objection to purchasing any strategic or critical item produced by a high cost of production mine at a purchase price in excess of normal market price in order to keep such a mine in production which would otherwise be forced to close down because of its inability to produce high-cost metal during a period of low market prices. Situations of this type, however, exist throughout the mining industry and are equally applicable to all types of strategic and critical materials. Therefore, if the Government should purchase a particular item at a price in excess of the prevailing market price at the time of purchase in order to keep a particular high cost of production mine in operaton, or if it should purchase such item at prices in excess of the prevailing market price at the time of purchase from all high-cost production producers of that item, the Government would be placing itself in a position whereby it could not refuse to purchase any necessary strategic and critical mineral at a price in excess of the prevailing market price whenever similar conditions existed. To enter upon such a procurement program would be tantamount to engaging in a program of direct subsidy for the entire mining industry of the United States.

Mr. ENGEL. Of course, putting 5,000 men on relief, which is what will happen, will be much more costly than paying the differential between 17 cents and the operating cost of that mine.

Mr. WALSH. There is no question about that.

Mr. ENGEL. So, in the final analysis, we would be saving money if we did it. The question is if we can save money by doing that and at the same time keep those copper mines going so as to retain the home supply, which, after all, as you say, is the best stock pile that we can have. It seems to me it would be common sense to do it. Will you look into that matter for me, Mr. Walsh?

Mr. WALSH. Yes.

Mr. RICH. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, I hope very much the rules will not be suspended on this bill. It has been stated in the first place that this is a bill that came over from the Senate. That is not correct. Certain amendments have been made to this bill. I want to point out two of them. They are of the utmost importance.

There has been stricken out of this bill a provision for repayment to the United States Treasury in the event profits are made out of new exploration financed by the United States Treasury. That has been stricken out of the bill, so there can be no recovery for the Government under these subsidies.

The second provision is to add to this bill innumerable other minerals. The bill that came over from the Senate took care of lead, zinc, and copper. Now we take care of manganese, mica, chromite, mercury, and tungsten ores and ores of other minerals and metals the average production of which, by quantity, approximates the market value of 100 tons of lead.

Mr. Speaker, this bill provides for a subsidy for the production of these minerals. We have just been told that 6,000 mines were out of production. Eighty million dollars is provided in this bill, and the average is $13,000 per mine for new exploration and to keep a mine open.

It is a perfectly ridiculous figure. Here is what the Secretary of Interior says about trying to estimate the cost of this subsidy. He says:

> It is obviously impossible to make any estimate in advance as to what operation might be eligible for financial aid, or what application might be made to the Government. Under those circumstances no estimate is attempted on the probable cost of carrying out the provisions of this bill.

Obviously all of us are terribly sympathetic to the miners who are out of work. On the other hand I cannot recall, when the textile workers in Massachusetts or the workers in shoe factories were unemployed, that anybody suggested that we should begin to subsidize the textile or shoe industries. If we begin now out of sympathy for the unemployed to subsidize every private industry in this country which has unemployment—if we begin to do that as a matter of national defense, then we are in serious future difficulties.

Today the Stock Piling Act has money enough. This does not provide 1 penny to buy further minerals for stock-piling. Prices are certainly pretty low so that they could be purchased. This does not add one single bit of copper or lead or zinc or any of the other rare materials that the Stock Piling Act would enable us to obtain, except for the rare metals that have been added in this bill and which have nothing to do with the Senate bill as it came to us. The primary materials considered in this bill are lead, zinc, and copper, and their added production would not change the Stock Piling Act in the least.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

Mr. RICH. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, if the membership of the House will note, this bill was presented in the other body on October 11. If you will read the recommendations by the Secretary of the Interior and the Acting Secretary of the Budget, you will see that those letters were dated August 15. In other words, they do not apply at all to this bill. This bill was presented October 11. I understand the President of the United States does not recommend that this legislation be passed. Who does?

The fact of the matter is that as far as strategic materials are concerned we have provided money to the Government to purchase all that is necessary. They are doing that without any difficulty. If you will take notice, you will see that this legislation does not place this matter in the hands of a board which is already set up, but instead they are establishing a new board, the Minerals Conservation Board.

The Secretaries of the Interior, Commerce, Treasury, and the Secretary of Defense are to be on that board. You heard the gentleman from Mississippi here this morning say something about one of these Secretaries. You are now going to put the power into the hands of the Secretaries to dispose of this $80,000,000 a year for 3 years as they see fit, more regimentation, more government by bureaus. Three times eighty is 240—that is $240,000,000 to buy materials when we have already made appropriations to take care of strategic materials in great abundance. No scarcity of any materials today.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. TABER. Are they going to pay that $240,000,000 out of the deficit?

Mr. RICH. Well, I do not know where they are going to get the money. I have tried to find out, but there is no way of ascertaining in this administration where you are going to get the money. It just is not possible because they are going in the red all the time, and they are not going to have any money to appropriate for this—I do not know what to call it unless it is deficit financing. It seems to me when you go out and try to subsidize everybody for everything and then take mines that are not operating and managing those to make a profit on the high prices of copper, lead, and zinc, as we have had in the last 2 or 3 years, it is about time that we stopped. It is long time passed that we should have tried to economize just a little or at least to the extent of a balanced budget.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. NICHOLSON. Under this bill it gives $3,000,000 or $4,000,000 to the mines. What are they going to do about the textile States in the East?

Mr. RICH. Well, you might just as well subsidize the textile industry. It seems to me you and I are behind the times if we do not get a bill in here to advocate subsidizing the textile industry. However, I would not be a party to any such bill as that.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. TABER. Is the price so low because the tariff has been reduced on imports?

Mr. RICH. Well, the price is low and the tariff has been reduced. We reduced the tariff on copper from Chile. If the Members on the Democratic side of the House were so interested in trying to protect American industry and American labor and American mines, they would stop voting for these subsidies and would ask the President to put on tariffs instead of taking them off. These reciprocal trade agreements will put the American manufacturer and labor out of business.

I was talking to a man on the street who came from a town near Mercersburg, Pa., who said that the ECA canceled an order for machine tools which they had to keep them running for the next 6 months and gave it to factories in England and France in order to keep them in employment over in Europe. The men up at Waynesboro, Pa., had to sit on the side lines or try to get on the dole or under some relief from the Government in some way because our Government took their jobs and gave them to Europeans. Who are we for?

Mr. LEMKE. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. LEMKE. I am glad to know that my friend from Pennsylvania did not vote for the appropriations for billions of dollars to foreign nations and then refuse to give it to the people of our own Nation.

Mr. RICH. Well, I am against those foreign nations and I am glad the gentleman is. I believe in America, first, last, and all the time, but I believe in America doing business in a good, sound business way. The prices of copper, lead, and zinc are the highest they have ever been in this country except during the war. It seems to me that if they are unable to operate mines on the prices they are getting today, you are just sticking your nose in the ground after something that you will not be able to find, and it will cost the taxpayers of this country more money than you will ever be able to get. It is not worth it.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

Mr. ENGLE of California. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Speaker, I hope this bill will pass today. It is desperately necessary for the survival of a large segment of the American mining industry. This bill is not a relief measure. It is not a measure strictly to provide employment for people, although many miners in this country are unemployed, and this bill would make their jobs secure. Its primary purpose is to assure the continued operation of those mines so that if we should get into another war these vital resources will be available to us. I just stated to the House a few minutes ago that in 1939, because of the depressed market price of copper, a number of our mines in Michigan could not afford to operate and they closed down. Shortly after that the war struck, and the War Production Board then sent swarms of men from Washington into northern Michigan frantically trying to reopen those mines. Some of the mines were 9,000 feet deep. They were filled with water. There was not enough time to get them open to get that supply of copper so that it could be used in the war. We do not want to get into that trouble again. Congress has not hesitated to approve legislation granting billions of dollars in subsidies to foreign countries. By comparison this bill is picayunish. Its total cost will not exceed $80,000,000 per year. This cost is trivial, Mr. Speaker, when you realize it will be the means of saving a great industry and providing employment for thousands of loyal and faithful American miners.

The copper industry of this country has no tariff protection against the importation of copper mined by cheap labor in foreign countries. Moreover, under the ECA program during the last year, millions of dollars of foreign copper was purchased at subsidized prices, while 75 percent of the mining industry in the United States is about to fold up. If Congress does not stop this stupid policy an important segment of this industry will be completely closed and millions of workingmen will be unemployed.

There is a desperate need for this legislation if the domestic mining industry is to survive and if we are to conserve an adequate supply of the Nation's critical metals and minerals for the day they may be needed most. No one has yet discovered a way to fight wars without copper and lead. All this legislation does is to assure that this country have an adequate stock pile of these metals, if and when trouble comes again.

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ENGLE of California. Mr. Speaker, I yield the remainder of my time to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am as much in favor of economy as the gentleman from Pennsylvania [Mr. RICH] or the gentleman from New York [Mr. TABER] or the gentleman from Massachusetts [Mr. HERTER] or anyone else. I do not have any mines in my district, but I have my own mind made up to the effect that this bill deserves favorable consideration by this body. If you gentlemen had been present at the Committee on Rules meeting when the evidence was being presented in support of this bill, you would agree with me that it is my duty, and I owe it to the House, to ask for favorable action hereon.

Mr. Speaker, we are aiding the farmers and we are aiding all the other industries, but we are doing nothing for the mining industry or the miners, who are in very bad shape. Many of the mines in the West are being flooded; thousands of men are out of work as a result thereof; these people need relief. After all, this is not an appropriation; it is an authorization, and I am sure that if the Appropriations Committee feels it can reduce the amount asked for, it will do so.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. COX. As a member of the Committee on Rules, was the gentleman agreeable to letting this measure pass over until January? And does he not recall that when the vote was taken on the question that he did not vote against postponement? Does the gentleman not recall that he turned to me and said that he wanted to give opportunity to a certain member of the committee in order for him to express his opinion?

Mr. SABATH. I will answer the gentleman. I was at all times in favor of giving these people relief as the prevailing conditions are very serious. However, when I realized that the gentlemen who do not come from the West but who come from the South and East were not in favor of granting a rule on this bill, I concluded that we might as well let it go over because it was impossible for me to have your vote or the votes of the majority of the other members of our committee.

Yes, we are appropriating millions of dollars to aid the farmers in the form of subsidies, grants-in-aid, and the like; we are appropriating millions of dollars to save other industries, as I said before, but unfortunately, the West, producing the majority of our great Nation's wealth, is forgotten about, due to the lack of interest on the part of you gentlemen from the East and South.

I believe this bill will tend to save this country a great deal of money, because it will bring about production of ores that are in great demand and it will create much needed stock piles. The result is obvious, for it will not be necessary for us to spend millions of dollars importing these much-needed ores from other sections of the world at the expense of American laboring men and American mines.

I therefore ask for a vote on this bill, for I sincerely believe it deserves favorable consideration by the membership today.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired; all time has expired.

The question is on the motion of the gentleman from California that the rules be suspended and that the bill be passed.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 76, noes 41.

Mr. ENGLE of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present. The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 176, nays 118, not voting 138, as follows:

[Roll No. 234]

YEAS—176

Addonizio	Halleck	O'Brien, Mich.
Albert	Hart	O'Hara, Minn.
Allen, La.	Havenner	O'Konski
Anderson, Calif.	Hays, Ark.	O'Neill
Aspinall	Hedrick	O'Sullivan
Bailey	Hill	Patman
Baring	Holifield	Patterson
Barrett, Pa.	Holmes	Perkins
Beckworth	Hope	Peterson
Bennett, Mich.	Horan	Philbin
Biemiller	Howell	Poage
Blackney	Hull	Polk
Bolling	Irving	Potter
Bosone	Jackson, Wash.	Price
Bramblett	Jacobs	Priest
Breen	Jenison	Rabaut
Bryson	Johnson	Rankin
Burdick	Jones, Ala.	Redden
Burnside	Jones, Mo.	Rodino
Burton	Jones, N. C.	Rooney
Canfield	Karst	Sabath
Carnahan	Karsten	Sadowski
Carroll	Keefe	Saylor
Case, S. Dak.	King	Scudder
Cavalcante	Kirwan	Secrest
Chelf	Kruse	Shafer
Combs	Lane	Sheppard
Cooley	Lanham	Short
Cooper	LeCompte	Sims
Crawford	Lemke	Smith, Kans.
Crook	Lesinski	Smith, Wis.
Davis, Wis	Lind	Spence
Deane	Lovre	Staggers
Denton	McCarthy	Stigler
D'Ewart	McDonough	Stockman
Dingell	McGregor	Sullivan
Dolliver	McGuire	Sutton
Doughton	McKinnon	Tackett
Durham	McMillan, S. C.	Teague
Eberharter	Mack, Wash.	Thomas, Tex.
Elliott	Magee	Tollefson
Engel, Mich.	Mahon	Trimble
Engle, Calif.	Marsalis	Velde
Evins	Marshall	Wagner
Fernandez	Martin, Iowa	Walsh
Flood	Merrow	Weichel
Ford	Meyer	Welch
Frazier	Michener	Werdel
Fugate	Miles	White, Calif.
Gillette	Miller, Calif.	Wickersham
Gilmer	Mills	Williams
Gore	Mitchell	Willis
Gorski, Ill.	Monroney	Wilson, Okla.
Gorski, N. Y.	Morris	Withrow
Granahan	Morrison	Wolcott
Granger	Moulder	Woodruff
Grant	Murdock	Worley
Gross	Nelson	Zablocki
Hagen	Norblad	

NAYS—118

Abernethy	Curtis	Latham
Andersen, H. Carl	Davis, Ga.	Lodge
	Davis, Tenn.	Lyle
Andresen, August H.	Delaney	Lynch
	Fallon	McCulloch
Andrews	Feighan	McMillen, Ill.
Arends	Fellows	Madden
Auchincloss	Fogarty	Martin, Mass.
Bates, Mass.	Forand	Miller, Nebr.
Battle	Fulton	Morton
Beall	Gamble	Murray, Tenn.
Bennett, Fla.	Gathings	Murray, Wis.
Bishop	Gavin	Nicholson
Boggs, Del.	Goodwin	Norrell
Bolton, Md.	Gossett	O'Toole
Bolton, Ohio	Graham	Pace
Brehm	Hall, Edwin Arthur	Passman
Brooks		Preston
Brown, Ga.	Hall, Leonard W.	Quinn
Brown, Ohio		Reed, Ill.
Burleson	Harden	Reed, N. Y.
Byrnes, Wis.	Hardy	Rees
Camp	Hare	Rich
Carlyle	Harris	Rivers
Case, N. J.	Heffernan	Rogers, Mass.
Chesney	Herter	Sadlak
Chiperfield	Heselton	St. George
Church	Hoeven	Sasscer
Clemente	Huber	Scott, Hardie
Clevenger	Jennings	Scrivner
Cole, Kans.	Kean	Simpson, Ill.
Cole, N. Y.	Kearney	Smith, Va.
Colmer	Kearns	Stanley
Corbett	Keating	Stefan
Cotton	Kerr	Taber
Cox	Kilburn	Talle
Cunningham	Kilday	Van Zandt
Vorys	Whitten	Wilson, Tex.
Wadsworth	Whittington	Winstead
Walter	Wigglesworth	Young
Wheeler	Wilson, Ind.	

NOT VOTING—138

Abbitt	Gregory	Norton
Allen, Calif.	Gwinn	O'Brien, Ill.
Allen, Ill.	Hale	O'Hara, Ill.
Angell	Hand	Patten
Barden	Harrison	Pfeifer, Joseph L.
Barrett, Wyo.	Harvey	
Bates, Ky.	Hays, Ohio	Pfeiffer, William L.
Bentsen	Hébert	
Bland	Heller	Phillips, Calif.
Blatnik	Herlong	Phillips, Tenn.
Boggs, La	Hinshaw	Pickett
Bonner	Hobbs	Plumley
Boykin	Hoffman, Ill.	Poulson
Buchanan	Hoffman, Mich.	Powell
Buckley, Ill.	Jackson, Calif.	Rains
Buckley, N. Y.	James	Ramsay
Bulwinkle	Javits	Regan
Burke	Jenkins	Rhodes
Byrne, N. Y.	Jensen	Ribicoff
Cannon	Jonas	Richards
Celler	Judd	Riehlman
Chatham	Kee	Rogers, Fla.
Christopher	Kelley	Roosevelt
Chudoff	Kennedy	Sanborn
Coudert	Keogh	Scott, Hugh D., Jr.
Crosser	Klein	
Dague	Kunkel	Sikes
Davenport	Larcade	Simpson, Pa.
Davies, N. Y.	LeFevre	Smathers
Dawson	Lichtenwalter	Smith, Ohio
DeGraffenried	Linehan	Steed
Dollinger	Lucas	Tauriello
Dondero	McConnell	Taylor
Donohue	McCormack	Thomas, N. J.
Douglas	McGrath	Thompson
Doyle	McSweeney	Thornberry
Eaton	Mack, Ill.	Towe
Ellsworth	Macy	Underwood
Elston	Mansfield	Vinson
Fenton	Marcantonio	Vursell
Fisher	Mason	Whitaker
Furcolo	Miller, Md.	White, Idaho
Garmatz	Morgan	Wier
Gary	Multer	Wolverton
Golden	Murphy	Wood
Gordon	Nixon	Woodhouse
Green	Noland	Yates

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Nixon and Mr. Hinshaw for, with Mr. Taylor against.

General pairs until further notice:

Mr. Rogers of Florida with Mr. Hugh D. Scott, Jr.
Mr. Sikes with Mr. Harvey.
Mr. Ribicoff with Mr. Jonas.
Mr. Gordon with Mr. Wolverton.
Mr. Linehan with Mr. Vursell.
Mr. McGrath with Mr. Jackson of California.
Mr. Doyle with Mr. Jenkins.
Mr. Herlong with Mr. Hale.
Mr. Morgan with Mr. Kunkel.
Mr. Burke with Mr. Lichtenwalter.
Mr. Noland with Mr. Mason.
Mr. Buchanan with Mr. Plumley.
Mr. Bonner with Mr. Hoffman of Michigan.
Mr. Abbitt with Mr. Jensen.
Mr. Richards with Mr. Phillips of California.
Mr. Blatnik with Mr. James.
Mr. Thompson with Mr. Phillips of Tennessee.
Mr. Murphy with Mr. Judd.
Mr. Regan with Mr. Allen of Illinois.
Mr. Hébert with Mr. Barrett of Wyoming.
Mr. Kelley with Mr. Coudert.
Mr. Harrison with Mr. Miller of Maryland.
Mr. Green with Mr. LeFevre.
Mr. Chudoff with Mr. Simpson of Pennsylvania.
Mr. Mansfield with Mr. Dague.
Mr. Garmatz with Mr. Dondero.
Mr. Byrne of New York with Mr. Elston.
Mr. Tauriello with Mr. William L. Pfeiffer.
Mr. Heller with Mr. Poulson.
Mr. Dollinger with Mr. Sanborn.
Mr. Vinson with Mr. Smith of Ohio.
Mrs. Woodhouse with Mr. Towe.
Mr. Yates with Mr. Hoffman of Illinois.
Mr. Whitaker with Mr. Gwinn.
Mr. Buckley of Illinois with Mr. Fenton.
Mr. O'Brien of Illinois with Mr. Angell.
Mr. McSweeney and Mr. Allen of California.
Mr. Multer with Mr. Eaton.
Mr. Keogh with Mr. Hand.
Mr. Patten with Mr. Ellsworth.
Mr. Roosevelt with Mr. McConnell.
Mr. Bates of Kentucky with Mr. Golden.
Mr. Wood with Mr. Macy.
Mr. Boggs of Louisiana with Mr. Riehlman.

Mr. JONES of North Carolina and Mr. DOUGHTON changed their vote from "no" to "aye."

Mr. BROOKS changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

The doors were opened.

EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1232) to increase the equipment maintenance allowance payable to rural carriers, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. REES. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. MURRAY of Tennessee. Mr. Speaker, this bill will increase the equipment-maintenance allowance of rural carriers by 1 cent a mile. The cost of the bill is $4,500,000. This increase represents the second increase since 1943, at which time the equipment-maintenance allowance was established at 6 cents. The other increase was an increase of 1 cent, effective in March 1948.

The increase which this bill provides will bring the equipment-maintenance allowance into line with the increased costs that have been experienced by rural carriers from 1943 to the present time. This increase is in line with increases recently approved for Government employees using their own vehicles. You will recall this increase for other Government employees was 2 cents a mile and making the present rate for these other Government employees 7 cents a mile.

There has always been a differential between the mileage allowance of rural carriers and other Government employees. The reason for this differential is the type of roads over which rural carriers have to travel, the requirement that they maintain daily schedules, and the fact that they do not receive an increased daily allowance when there are detours on their regular route or when they make personal delivery of parcels, c. o. d., and registered mail.

While the Post Office Department has given an unfavorable report on the bill, much of the objection of the Postmaster General has been removed by the committee amendment. The committee amendment reduces the increase from 2 cents a mile to 1 cent and eliminates

the minimum allowance of $3.50 per day, which would have thrown way out of line the equipment allowance of short routes as compared with long routes. For example, in the case of a 20-mile route, we would have been paying an equipment-maintenance allowance of 17½ cents a mile as compared with 8 cents a mile on the longer routes.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. The rural carriers now have to pay double what they did for parts, and so forth, previous to the war?

Mr. MURRAY of Tennessee. That is correct.

Mr. NICHOLSON. Has that been taken into consideration?

Mr. MURRAY of Tennessee. Yes. I may say that in 1943 the rural carriers were only getting 5 cents a mile for maintenance. The Congress raised that to 6 cents a mile, then last year raised it from 6 cents to 7 cents, and this bill raises it to 8 cents.

Mr. REES. Mr. Speaker, I withdraw my reservation of objection.

Mr. FULTON. Mr. Speaker, reserving the right to object, should there not be a minimum in this legislation below which an employee's payment should not go per day? If the law is set up this way, it is simply 8 cents a mile straight and you may find somebody receiving a very small amount per day. Is there a variation in payment as to the roads covered between good roads or bad roads or mountain roads?

Mr. REES. I may say to the gentleman that that matter was considered by the committee but it was impossible to work out a formula by which a mail carrier on an improved road would be paid any diffierent from one who worked on a dirt road. We just could not work it out. The Post Office Department advised us that it had tried to work out some kind of a formula that would be helpful but could not do it.

Mr. FULTON. Was a minimum of any kind considered?

Mr. REES. Consideration was given to that matter.

Mr. FULTON. Why was the minimum completely stricken out instead of just reducing the minimum from $3.50?

Mr. REES. The minimum that the gentleman is talking about is the minimum for those who have very short mail routes. That was because of the, well, more or less objection by certain members of the committee in an effort to get this legislation through, and because especially of the cost of the minimum. If you will read the report you will find that at the rate of $3.50 per day it would cost considerable money. It is because of the cost that it was left out.

Mr. FULTON. May I say in conclusion that I am sorry that the minimum has been struck out, because at that rate, for a 6-day week, it would only cost $21 a week, and that is very little compensation for an employee to live on in these days.

Mr. REES. I will say to the gentleman that that will be taken up in conference when the committee of conference meets.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (e) of section 17 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service, to establish uniform procedures for computing compensation; and for other purposes", approved July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended to read as follows:

"(e) In addition to the salaries provided in this section, each carrier in the rural delivery service shall be paid for equipment maintenance a sum equal to (1) 9 cents per mile per day for each mile or major fraction of a mile scheduled or (2) $3.50 per day, whichever is the greater. Payments for equipment and maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers."

SEC. 2. This act shall become effective on the first day of the first month following the date of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert "That subsection (e) of section 17 of the act of July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended to read as follows:

"'(e) In addition to the salaries provided in this section, each carrier in the rural delivery service shall be paid for equipment maintenance a sum equal to 8 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment and maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.'

"SEC. 2. The amendment made by this act shall take effect on the first day of the first calendar month beginning after the date of enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read a third time, and passed.

The title was amended so as to read: "A bill to increase the allowance for equipment maintenance of rural carriers by one cent per mile per day for each scheduled mile or major fraction thereof."

A motion to reconsider was laid on the table.

COMPENSATION OF CERTAIN EMPLOYEES IN POSTAL SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4285) to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this only affects about 50 new men.

Mr. MURRAY of Tennessee. That is correct.

This legislation is intended to place in the proper salary grade a few postal employees who because of their status as substitutes have not received the full benefits intended for them under Public Law 577 of the Seventy-ninth Congress—McCormack Act. The McCormack Act was intended to give veterans whose names were on a register and who were denied appointments in the postal service because they were in the military service credit for seniority and salary purposes from the time the next lower eligible on the same register was appointed. Subsequent legislation gave postal employees on the rolls prior to July 1, 1945, four additional grades when they received their regular appointments.

In cases where a lower eligible was given a regular appointment and no vacancy for a regular appointment for the returning veteran now exists, the veteran remains in a substitute status and is at a salary disadvantage of approximately $400. This bill is intended to correct this salary inequity but will not change the status of the employees affected from that of substitute. Employees in the Railway Mail Service are not included under the bill. They received full credit because in such instances they could be appointed as a surplus clerk, thus giving them a regular status and the salary grade to which they were entitled.

This is completely in harmony with the intent of the McCormack Act and will correct a situation that could not be foreseen at the time of the passage of that law.

The cost of this bill is very small and will be less than $10,000. This bill will directly affect approximately 50 employees in the postal service. The legislation is recommended by both the Post Office Department and the Bureau of the Budget.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of the first section of the act entitled "An act to provide benefits for certain employees of the United States who are veterans of World War II and lost opportunity for probational civil-service appointments by reason of their service in the armed forces of the United States," approved July 31, 1946, is hereby amended by inserting before the proviso in such subsection the following: "*Provided*, That the grade, time in grade, and rate of compensation of any person so appointed to a position in the postal field service shall, at the time this act first applies to such person, be not less than the grade, time in grade, and rate of compensation of the lower eligible (whether a substitute or regular employee) receiving the highest automatic rate of compensation at such time, but such adjustment in grade, time in grade, and rate of compensation shall not affect the status of such person as a substitute or regular employee:".

SEC. 2. The amendment made by this act to such act of July 31, 1946, shall take effect as of August 1, 1946, but shall not apply in the

case of any person who has been separated from the postal service prior to the date of enactment of this act.

With the following committee amendment:

Page 2, line 16, insert:

"SEC. 3. This act shall not apply to employees of the railway mail service."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RADIO BUILDING FOR NATIONAL BUREAU OF STANDARDS

Mr. PRIEST. Mr. Speaker, I move to suspend the rules and pass the bill, S. 443, to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized to be constructed and equipped for the National Bureau of Standards a suitable radio laboratory building, together with necessary utilities and appurtenances thereto, under a limit of cost of $4,475,000: *Provided,* That such limit of cost may be exceeded or shall be reduced by an amount equal to the percentage increase or decrease, if any, in construction costs generally dating from March 1, 1948, as determined by the Federal Works Administrator.

SEC. 2. The Secretary of Commerce is authorized to acquire, by purchase, condemnation, or otherwise (including transfer with or without compensation from Federal agencies), such lands, estates in lands, and appurtenances thereto as may in his opinion be necessary or desirable for the construction of buildings to house activities of the National Bureau of Standards: *Provided,* That the site therefor shall be selected after consultation with the Director of the National Bureau of Standards.

SEC. 3. There are hereby authorized to be appropriated to the Secretary of Commerce, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided,* That such sums so appropriated, except such part thereof as may be necessary for the incidental expenses of the Department of Commerce, shall be transferred to the Public Buildings Administration in the Federal Works Agency.

The SPEAKER pro tempore. Is a second demanded?

Mr. DOLLIVER. I demand a second.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, this bill, which passed in the other body some time ago, authorizes the construction and the equipping of a radio laboratory building for the National Bureau of Standards. The cost of the building will be approximately $4,475,000, and that would include $360,000 for special equipment. A very large amount of very special equipment is needed in this type of laboratory. The site of the laboratory has not yet been determined, but I might state to the House that it is understood it will not be built in connection with the Bureau of Standards existing buildings; that it will probably not be built in the District of Columbia but very near by in order that personnel might be used without any considerable travel distance.

May I say, Mr. Speaker, that the need for this bill comes about because the Bureau of Standards has since early in World War II been doing a great deal of their basic research in radio-wave propagation for all of the armed services. This bill is urgently requested not only by the Department of Commerce but by the General Services Administration and by the National Military Establishment.

We have letters in the report from all of these agencies in which they urge the importance of this building for this particular purpose.

Mr. Speaker, the Bureau of Standards presently operates a radio laboratory that was built in 1918. It will accommodate a very small working group that has been studying radio-wave propagation in connection with guided missiles and a great many other of the national defense matters where special study of radio waves is required. This building, however, is not adequate, and has not been for some time. As a matter of fact, various groups of those working on these projects at the present time are scattered about in three or four different places, so it seems to the committee the building is in every way justified by the circumstances.

As I said, the purpose of the building is to meet this additional space need for this particular research that is needed at this particular time. This proposed building would have a total of 1,700,000 cubic feet of space. It will require a number of special features, and I point this out because of the idea which might be indicated that the size of this building would hardly justify a price of $4,000,000. It will be necessary to shield electrostatically about one-third of the building above the ground. Rooms in this particular portion of the laboratory would require special temperature and humidity controls. Many of the rooms will require elaborate sets of coaxial and wave-guide fittings. Most of the building will require a copper roof over it, which in turn will have to be covered with a protective tile wearing surface. All of this special equipment and these special adaptations that will be necessary to make this laboratory suitable for the purpose it is supposed to accomplish will require a cost beyond the average building cost. The total cost is about $4,475,000, and it has the approval of the Bureau of the Budget, the Department of Commerce, and the Military Establishment as well.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Arkansas.

Mr. HARRIS. As a member of the Committee on Interstate and Foreign Commerce who served with the gentleman, I can also tell the House that this bill comes here with the unanimous approval of that committee, and with the statement from the Department that it is a matter of emergency. I trust that the House will accept the legislation as is. May I ask my distinguished colleague, who has worked on this and other important legislation so diligently, if it is not a fact that the laboratory and technical work necessary to be done by the Bureau of Standards is in great part in behalf of the military services of our country?

Mr. PRIEST. That is quite correct. It is urgently requested. The Bureau of Standards has been doing a great deal of this work. It has done special research in radio waves for the armed services since early in World War II.

Mr. DURHAM. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. DURHAM. Is there any money provided here which they can expend this year on this building? That is, on the 1949–50 budget?

Mr. PRIEST. It is my understanding there is not. I checked this morning. The appropriation is not available unless there is a discretionary fund that I know nothing about. My answer would be that the funds are not available at this time.

Mr. DURHAM. I certainly hope that the people who have charge of selecting the site of this building will realize the importance of the building and the equipment as well as the cost involved. I hope they take into consideration the type of research that will go on in this building and not locate the building where it may be subject to bombing or anything else. That, of course, will certainly be very bad.

Mr. PRIEST. I agree with the gentleman. May I say to the gentleman, however, that the location of a site will be determined by the Chiefs of Staff of the Military Establishment with particular emphasis on the point the gentleman has just made.

Mr. DURHAM. That is, for security reasons.

Mr. PRIEST. That is right, for security reasons.

Mr. DOLLIVER. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield.

Mr. DOLLIVER. Is it not a fact, also, that this radio laboratory will have a considerable impact on, and be of value to, the private radio industry as well as to the armed services?

Mr. PRIEST. That is unquestionably true.

Mr. DOLLIVER. In other words, the researches that are proposed to be made will be of civil as well as military importance.

Mr. PRIEST. That is certainly true.

Mr. Speaker, there is one point that I might explain.

This bill refers on page 1, lines 10 and 11, to the Federal Works Administrator, and on page 2, lines 17 and 18, to the Public Buildings Administration in the Federal Works Agency. The Federal Property and Administrative Services Act of 1949, approved June 30, 1949, abolished the Federal Works Agency, the Public

Buildings Administration, and the Office of Federal Works Administrator. It transferred the functions of the first two to the General Services Administration and those of the Administrator to the Administrator of General Services.

Apparently through an oversight, when the Senate considered this bill in August no amendments were offered to substitute "Administrator of General Services" and "General Services Administration" for "Federal Works Administrator" and "Public Buildings Administration in the Federal Works Agency."

In view of the legislative situation the Committee deems it inadvisable to propose amendments at this time which, if adopted, would require the bill to be further considered in the Senate. It is intended, however, that the provisions relating to the Federal Works Agency and the Public Buildings Administration be interpreted as though the substitution of Administrator of General Services and General Services Administration had been made, and it is believed that this construction can and should be adopted in the circumstances.

Mr. LEONARD W. HALL. Mr. Speaker, we have no requests for time on this side. I have no objection to the passage of the bill.

The SPEAKER. The question is on the motion of the gentleman from Tennessee that the rules be suspended and the bill passed.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

AMENDING FEDERAL AIRPORT ACT

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 4239) to amend section 6 of the Federal Airport Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is simply what is known as the recapture of funds bill and does not discriminate against any other airport in the country.

Mr. BECKWORTH. That is correct. There is no opposition whatsoever by any interested group as is disclosed on page 14291, third column, of the October 12, 1949, CONGRESSIONAL RECORD.

Mr. MARTIN of Massachusetts. The gentleman's committee are unanimously in favor of this bill?

Mr. BECKWORTH. Yes; that is true. I feel I am accurate when I state there is no opposition within our committee to the bill as amended.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. FULTON. Mr. Speaker, we have a partially completed airport in the city of Pittsburgh. Does this in any way affect the funds or the authorization with respect to that airport?

Mr. BECKWORTH. Not at all—I can assure the gentleman of that fact.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the Federal Airport Act is amended by striking out the figure "75" in the first sentence of subsection (a) thereof and inserting in lieu thereof the figure "60."

Mr. BECKWORTH. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: Strike out all after the enacting clause and insert the following: "That section 6 of the Federal Airport Act is amended by deleting the second sentence of subsection (a) and inserting in lieu thereof the following: 'All sums so apportioned for a State shall, during the fiscal year for which they are originally appropriated, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such sums which remains unexpended or unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section.'

"SEC. 2. Such section 6 is further amended by adding at the end thereof a new subsection as follows:

"'REDISTRIBUTION AND REAPPORTIONMENT

"'(c) At the expiration of each fiscal year any funds apportioned for a State pursuant to this section which have not been expended or obligated for approved projects located in that State or sponsored by that State or some public agency thereof but located in an adjoining State, shall be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of this section governing the distribution and apportionment of newly appropriated funds.'

"SEC. 3. All funds apportioned among the States pursuant to subsection (a) of section 6 of the Federal Airport Act out of appropriations for the fiscal years 1947, 1948, and 1949, which, 90 days after the effective date of this act, shall remain unexpended or unobligated for approved projects sponsored by such States or public agencies thereof, shall then be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of such section 6 governing the distribution and apportionment of subsequently appropriated funds."

The amendment was agreed to.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I am convinced that the passage of H. R. 4239, as now amended, is constructive action in the interest of a sound aviation program. The existence of substantial amounts of unused apportionments in certain areas, with practically no probability that they can be used within any reasonable time, leaves idle funds which are greatly needed for urgent airport development in other areas.

It is most gratifying that the solution proposed by the present amendment has been developed through the cooperation of the bodies and officials most vitally concerned. Among those endorsing the bill in its present form are the Airport Advisory Committee, the National Association of State Aviation Officials, the American Municipal Association, the American Association of Airport Executives, the United States Conference of Mayors, the Civil Aeronautics Administration and, so far as I have been able to ascertain, the individual heads of all the State aviation bodies which are most directly concerned. Without duplicating material which is already in the RECORD, but for convenient reference, I call attention to statements, letters, and telegrams with reference to this amendment in the RECORD of October 12, beginning at page 14291.

I think it is appropriate, also, to express appreciation for this action to the membership of the House in connection with the development and improvement of Logan International Airport at Boston, Mass. Previously the House recognized the emergency nature of development at that airport and passed unanimously House Joint Resolution 338, permitting the inclusion of the Logan Airport project in the program for the fiscal year 1950. This, also passed the other body and met with the approval of the President. It is Public Law 298 of this session. The passage today of this amended resolution will serve to make possible the purpose of that law. The sound development of the Logan International Airport at Boston is not only of importance in terms of transatlantic and domestic air traffic but it can be of great importance in terms of our over-all national defense. Both the Congressional Air Policy Committee and the President's Air Policy Commission emphasized the great importance to the welfare of the country, as a whole, of the development of airports such as Logan.

The entire Massachusetts delegation has been united in its constant efforts to be of assistance in this connection, and I know that I am speaking for them when I express this word of appreciation to the acting chairman of the House Committee on Interstate and Foreign Commerce, to all the members of that committee, and to the Members of the House, as a whole, for their cooperation in this matter. I hope that similar action will be taken promptly in the other body so that the amended resolution can become law within a very short time.

The SPEAKER. The question is on the passage of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AIR ENGINEERING DEVELOPMENT CENTER

Mr. DURHAM, from the Committee on Armed Services, submitted a conference report and statement on the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, for printing in the RECORD.

GUIDED-MISSILE RESEARCH LABORATORY BUILDING

Mr. SADOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2316) to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be constructed and equipped for the National Bureau of Standards a research laboratory building, suitable for use as a guided-missile laboratory, together with necessary utilities and appurtenances thereto, under a limit of cost of $1,900,000: *Provided,* That such limit of cost may be exceeded or shall be reduced by an amount equal to the percentage increase or decrease, if any, in construction costs generally dating from June 1, 1948, as determined by the Federal Works Administrator: *Provided, further,* That such limit of cost shall not be exceeded by more than 10 percent.

SEC. 2. The Secretary of Commerce is authorized to acquire, by purchase, condemnation, or otherwise (including transfer with or without compensation from Federal agencies), such lands, estates in lands, and appurtenances thereto as may in his opinion be necessary or desirable for the construction of a building to house activities of such laboratory for the National Bureau of Standards: *Provided,* That the site therefor shall be selected after consultation with the Director of the National Bureau of Standards.

SEC. 3. There are hereby authorized to be appropriated to the Secretary of Commerce, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act: *Provided,* That such sums so appropriated, except such part thereof as may be necessary for the incidental expenses of the Department of Commerce, shall be transferred to the Public Buildings Administration in the Federal Works Agency.

The SPEAKER. Is a second demanded?

Mr. DOLLIVER. Mr. Speaker, I demand a second.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Michigan [Mr. SADOWSKI] is recognized for 20 minutes.

Mr. SADOWSKI. Mr. Speaker, S. 2316 authorizes the construction and equipment of a research laboratory building for the National Bureau of Standards suitable as a guided-missile laboratory at a cost of approximately $1,900,000, exclusive of land. Site of the building has not yet been determined, but it is not expected to be located within the present grounds of the Bureau in Washington. Section 2 of the bill authorizes the acquisition of a site.

SPONSORS OF BILL

The bill has been approved by the Secretary of Commerce, General Services Administration, and the National Military Establishment Research and Development Board.

NEED FOR BUILDING

The Bureau has been requested by the Department of the Navy to expand the guided-missile research work which it has conducted since early World War II. During this period laboratory research and experimental work have been conducted in quonset huts and other makeshift arrangements. Since the Navy now intends to utilize the Bureau's facilities indefinitely, the Bureau considers it essential to have a permanent building in order to pursue the work in a more effective and efficient manner.

DESCRIPTION OF BUILDING

The proposed building will have a subbasement, basement, two stories, and a tower. Its gross area will be 60,300 square feet and a volume of 900,000 cubic feet. There will be several shielded rooms, acoustic ceilings in offices, and a 5-ton crane in basement. More details are stated on page 6 of House Report No. 1413.

DUPLICATION OF GUIDED-MISSILE RESEARCH WORK

The Bureau of Standards is not the only agency carrying on guided-missile research. This work is also being done by the Air Force, Department of the Army, and by the Navy. However, each agency is working on different types of missiles, namely, those suitable for launching from aircraft, from land, and from aboard ship, as well as on short-range and long-range missiles.

The Bureau of Standards' work has been devoted largely to research on design structures, electronic studies which deal with guidance and control of the missile, and certain chemistry studies dealing with fuel for propulsion. Its work has been specialized for Navy purposes under guidance of the Bureau of Ordnance of the Department of the Navy.

Mr. DOLLIVER. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. MCDONOUGH].

(Mr. MCDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include extraneous matters.)

Mr. DOLLIVER. Mr. Speaker, a second was demanded in order that the bill might be explained. I have no requests for time and no objection to the bill.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill (S. 2316).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

ADDITIONAL BENEFITS FOR POSTMASTERS, OFFICERS, AND EMPLOYEES IN THE POSTAL FIELD SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report—filed October 15, 1949—on the bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employes in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes.

The Clerk read the title of the bill.

CONFERENCE REPORT (H. REPT. NO. 1448)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) in the case of employees (except employees paid on an hourly basis) for whom additional grades for faithful and meritorious service are not provided in the Act of July 6, 1945, as amended (Public Law 134, 79th Cong.), there are hereby established three additional grades. Each such employee promoted to each such additional grade shall receive an increase in compensation of $100 per annum. Each such employee shall be promoted (1) to the first such additional grade after three years of faithful and meritorious service in the highest automatic grade, (2) to the second such additional grade after five years of such service in the first additional grade, and (3) to the third such additional grade after seven years of such service in the second additional grade. No such employee shall be promoted to the first such additional grade unless he has rendered not less than thirteen years of service in the postal field service.

"(b) In the case of employees for whom only two additional grades for faithful and meritorious service are provided in such Act of July 6, 1945, as amended, there is hereby established a third additional grade. Each such employee promoted to such third additional grade shall receive an increase in compensation of $100 per annum. Each such employee who performs faithful and meritorious service for seven years in the higher additional grade provided in such Act of July 6, 1945, as amended, shall be promoted to such third additional grade. No such employee shall be promoted to such third additional grade unless he has rendered not less than twenty-five years of service in the postal field service.

"(c) In recognition of longevity of service—

"(1) the basic annual compensation of (A) each postmaster at a post office of the first, second, or third class, and (B) each officer or employee to whom such Act of July 6, 1945, as amended, applies, who is in a single salary grade with no provision for automatic promotion, shall be increased by $100, and

"(2) the basic annual compensation of each postmaster at a post office of the fourth class shall be increased by 5 per centum,

upon completion by such postmaster, officer, or employee of thirteen, eighteen, and twenty-five years of service, respectively. Such increases in compensation shall be in addition to all other compensation to which such postmaster, officer, or employee may be entitled. For the purposes of this subsection, all service heretofore or hereafter rendered in the postal field service by such postmaster, officer, or employee shall be credited.

"SEC. 2. (a) Each employee in the postal field service on the day before the day on which this Act takes effect, whose original appointment to a regular position was to a grade lower than grade 3 under such Act of July 6, 1945, as amended, and who has not progressed to grade 3, shall, as of the effective date of this Act, be placed in grade 3.

"(b) Each person whose original appointment to a regular position in the postal field service is made on or after the effective date of this Act shall be placed in grade 3 at the time of such appointment.

"(c) Each substitute or temporary employee in the postal field service on the day before the day on which this Act takes effect, whose original appointment was to a grade lower than grade 3 under such Act of July 6, 1945, as amended, and who has not progressed to grade 3, shall be placed in grade 3 as of the effective date of this Act or as of the date he shall have been on the roll for an aggregate period of one year, whichever date is the later.

"(d) Each person whose appointment to a substitute or temporary position in the postal field service is made on or after the effective date of this Act shall be placed in grade 3 as of the date of his appointment or as of the date he shall have been on the roll for an aggregate period of one year, whichever date is the later.

"(e) Each officer or employee in the postal field service shall have credited to him, for purposes of promotion to any of the meritorious or longevity salary grades of his position established under this Act or such Act of July 6, 1945, as amended, all periods of service performed by him prior to July 1, 1945, for which he has not heretofore received credit for purposes of promotion.

"SEC. 3. (a) All postmasters, officers, and employees in the postal field service whose rates of compensation are prescribed by such Act of July 6, 1945, as amended, shall receive additional compensation at the rate of $120 per annum: *Provided*, That employees paid on an hourly or part-time basis shall receive additional compensation at the rate of 2½ cents per hour: *Provided further*, That postmasters at post offices of the fourth class shall receive additional compensation at the rate of a sum per annum equal to 5 per centum of their basic annual compensation.

"(b) Subsection (a) shall not apply to skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

"SEC. 4. This Act shall take effect on the first day of the first pay period which begins after the date of its enactment."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows: In lieu of the amended title proposed by the Senate amendment, amend the title so as to read: "An Act to provide additional compensation and other benefits for postmasters, officers, and employees in the postal field service."

TOM MURRAY,
JAMES C. DAVIS,
JOHN BELL WILLIAMS,
EDWARD H. REES,
HAROLD C. HAGEN,
Managers on the Part of the House.

OLIN D. JOHNSTON,
RUSSELL B. LONG,
HUBERT H. HUMPHREY,
WILLIAM LANGER,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4495) to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

The differences between the House bill and the substitute agreed to in conference are noted in the following statement:

The first section of the House bill amended section 6 of the Act of July 6, 1945, as amended (Public Law 134, 79th Cong.), so as to increase the annual leave of postmasters, officers, and employees in the postal field service from 15 to 20 days. Such leave was to be cumulative up to 60 days and to be credited at the rate of 1⅔ days for each month of actual service. The Senate amendment contained no such provisions. The conference substitute omits the annual-leave provisions of the House bill.

Section 2 (a) of the House bill established three additional grades for faithful and meritorious service for those employees in the postal field service who are not paid on an hourly basis and for whom no additional grades are provided under existing law. Each such employee was to be promoted to the first additional grade after 3 years of faithful and meritorious service in the highest automatic grade, to the second additional grade after 5 years of such service in the first additional grade, and to the third additional grade after 7 years of such service in the second additional grade. Each employee was to receive an increase in compensation of $100 per annum for each promotion to an additional grade.

Section 2 (b) of the House bill established a third additional grade for faithful and meritorious service for those employees for whom only two additional grades are provided under existing law. Each such employee was to be promoted to the newly established third additional grade after 7 years of faithful and meritorious service in the higher of the two additional grades now provided by law. Each employee promoted to the third additional grade was to receive an increase in compensation of $100 per annum.

The Senate amendment contained no such provisions.

Subsections (a) and (b) of the first section of the conference substitute are the same as subsections (a) and (b) of section 2 of the House bill with the following exceptions: (1) No employee to whom subsection (a) of the first section of the conference substitute applies shall be promoted to the first of the three newly established additional grades unless he has completed 13 years of service in the postal field service, and (2) no employee to whom subsection (b) of the first section of the conference substitute applies shall be promoted to the newly established third additional grade unless he has completed 25 years of such service.

Section 3 (a) of the House bill provided that each employee in the postal field service on the day before the effective date of the bill who was originally appointed to a grade lower than grade 3 under the act of July 6, 1945, as amended, and who has not reached grade 3 shall be placed in grade 3 as of the date the bill takes effect. Section 3 (b) of the House bill provided that each person originally appointed in the postal field service on or after the effective date of the bill shall be placed in grade 3 at the time of his appointment.

The Senate amendment limited these provisions to regular employees in the postal field service.

The conference substitute retains (in sec. 2) the provisions of the Senate amendment and adds two subsections as follows:

Subsection 2 (c) of the conference agreement provides that each substitute or temporary employee in the postal field service on the day before the effective date of the bill, whose original appointment was to a grade lower than grade 3 under the act of July 6, 1945, as amended, and who has not reached grade 3, shall be placed in grade 3 as of the effective date of the bill or as of the date he shall have been on the roll for an aggregate period of 1 year, whichever date is the later.

Subsection (d) of the conference substitute provides that each person appointed as a substitute or temporary employee in the postal field service on or after the effective date of the bill shall be placed in grade 3 as of the date of such appointment or as of the date he shall have been on the roll for an aggregate period of 1 year, whichever date is the later.

Section 2 (c) of the House bill provided that each officer or employee in the postal field service shall be credited for promotion to any of the meritorious salary grades of his position established under the act of July 6, 1945, as amended, with all service performed by him before July 1, 1945, if he has not heretofore received credit for such service for promotion purposes.

The Senate amendment contained no such provision.

Subsection (e) of section 2 of the conference substitute is intended to have the same effect as section 2 (c) of the House bill except that the conference substitute (1) has restated section 3 (c) of the House bill in the interests of simplification and clarification of policy, and (2) has made it clear that each person in the new meritorious or longevity grades established under subsections (a) and (b) of the first section of the conference substitute shall have credit, for promotion to any of such new meritorious and longevity grades, for all service rendered prior to July 1, 1945, for which he has not heretofore received credit for promotion purposes.

Section 4 of the House bill provided the following increases in rates of compensation: (1) An increase of $150 per annum for postmasters, officers, and employees in the postal field service paid on an annual basis and whose compensation rates are prescribed by the act of July 6, 1945, as amended; (2) an increase of 5 cents per hour for employees paid on an hourly or part-time basis; and (3) an increase of 5 percent of their annual basic compensation for fourth-class postmasters.

The first section of the Senate amendment provided increases (1) of $100 per annum for such postmasters, officers, and employees paid on an annual basis, (2) of 2½ cents per hour for hourly and part-time employees, and (3) of 2½ percent of their annual basic compensation for fourth-class postmasters.

In lieu of the compensation increases provided by the House bill and the Senate amendment, section 3 of the conference substitute provides increases (1) of $120 for such postmasters, officers, and employees paid on an annual basis, (2) of 2½ cents per hour for hourly and part-time employees, and (3) 5 percent of their annual basic compensation for fourth-class postmasters.

Section 5 (a) of the House bill authorized the Postmaster General to prescribe a uniform dress for the following postal employees: City- and village-delivery letter carriers, special-delivery messengers, motor-vehicle employees, custodial guards, elevator operators, and watchmen. The Postmaster General was required to furnish uniforms to employees for whom he prescribed a uniform dress, at a cost of not more than $100 a year for each employee, and, if he deemed it in the interest of the postal service, he could permit any or all such employees to purchase uniforms individually and could reimburse each such employee in an amount not in excess of $100 a year, for the cost of the uniform so purchased.

Section 5 (b) of the House bill amended section 1730 of title 18 of the United States Code to extend the existing penal provisions of such section, covering the unauthorized wearing of the uniforms of letter carriers, to the unauthorized wearing of the uniforms

of the additional groups of employees for whom the Postmaster General prescribed a uniform dress under section 5 (a) of the House bill.

The provisions of section 5 of the House bill, relating to uniforms of postal employees, are not contained in either the Senate amendment or in the conference substitute.

The committee of conference recommends a modification of the title of the bill to conform to the provisions of the bill as agreed to in conference.

TOM MURRAY,
JAMES C. DAVIS,
JOHN BELL WILLIAMS,
EDWARD H. REES,
HAROLD C. HAGEN,
Managers on the Part of the House.

STATEMENT ON H. R. 4495, A BILL TO PROVIDE ADDITIONAL BENEFITS FOR POSTMASTERS, OFFICERS, AND EMPLOYEES IN THE POSTAL FIELD SERVICE, BRINGING UP THE CONFERENCE REPORT

Mr. MURRAY of Tennessee. Mr. Speaker, the report of the conferees on H. R. 4495, a bill giving certain benefits to postmasters, officers, and employees in the field service of the postal service retains in most respects the provisions of the bill as it passed the House.

The major exceptions are (a) the elimination of the provision for an increase in annual leave of 5 days, and (b) the provision of uniforms or uniform allowances up to a maximum of $100 per year per employee for those postal employees required to wear them.

The conference agreement retains the provision of three longevity grades for those classes of postal employees who are not now entitled to any, and one longevity grade for those now entitled to two. A limitation was agreed to which requires that such employees must have a minimum of total postal service for the longevity grades established by this section of 13, 18, and 25 years, respectively.

The House provision was retained in the conference report for longevity pay increases of 5 percent for fourth-class postmaster and $100 for other postmasters and supervisors at the end of 13, 18, and 25 years of service, counting all years of postal service.

Under the conference agreement regular employees presently in the service and those appointed in the future to regular positions will be placed in grade 3. Substitute and temporary employees will be placed in grade 3 after 1 year of service.

Section 3 (c) of the House bill provided that each officer or employee in the postal field service shall be credited for promotion to any of the meritorious salary grades of his position established under the act of July 6, 1945, as amended, with all service performed by him before July 1, 1945, if he has not heretofore received credit for such service for promotion purposes.

The Senate amendment contained no such provision.

Subsection (e) of section 2 of the conference substitute is intended to have the same effect as section 3 (c) of the House bill except that the conference substitute, first, has restated section 3 (c) of the House bill in the interests of simplification and clarification of policy; and, second, has made it clear that each person in the new meritorious or longevity grades established under subsections (a) and (b) of the first section of the conference substitute shall have credit, for promotion to any of such new meritorious and longevity grades, for all service rendered prior to July 1, 1945, for which he has not heretofore received credit for promotion purposes.

Section 4 of the House bill provided the following increases in rates of compensation: First, an increase of $150 per annum for postmasters, officers, and employees in the postal field service paid on an annual basis and whose compensation rates are prescribed by the act of July 6, 1945, as amended; second, an increase of 5 cents per hour for employees paid on an hourly or part-time basis; and, third, an increase of 5 percent of their annual basic compensation for fourth-class postmasters.

The first section of the Senate amendment provided increases, first, of $100 per annum for such postmasters, officers, and employees paid on an annual basis; second, of 2½ cents per hour for hourly and part-time employees; and, third, of 2½ percent of their annual basic compensation for fourth-class postmasters.

In lieu of the compensation increases provided by the House bill and the Senate amendment, section 3 of the conference substitute provides increases, first, of $120 of such postmasters, officers, and employees paid on an annual basis; second, of 2½ cents per hour for hourly and part-time employees; and, third, of 5 percent of their annual basic compensation for fourth-class postmasters.

As H. R. 4495 passed the House it would have cost approximately $178,000,000. As amended by the Senate the cost of the benefits were reduced to approximately $51,000,000. Under the conference substitute benefits are granted to postal employees in increased annual pay and longevity amounting to approximately $115,000,000.

The conference report was unanimously agreed to upon the part of the managers of the House and I hope it will be adopted by the House without opposition.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REVISION OF CLASSIFICATION ACT OF 1923 AS AMENDED

Mr. MURRAY of Tennessee. Mr. Speaker, I call up the conference report—filed October 15, 1949—on the bill (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes.

The Clerk read the title of the bill.

CONFERENCE REPORT (H. REPT. NO. 1447)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Classification Act of 1949.'"

"TITLE I—DECLARATION OF POLICY

"SEC. 101. It is the purpose of this Act to provide a plan for classification of positions and for rates of basic compensation whereby—

"(1) in determining the rate of basic compensation which an officer or employee shall receive, (A) the principle of equal pay for substantially equal work shall be followed, and (B) variations in rates of basic compensation paid to different officers and employees shall be in proportion to substantial differences in the difficulty, responsibility, and qualification requirements of the work performed and to the contributions of officers and employees to efficiency and economy in the service; and

"(2) individual positions shall, in accordance with their duties, responsibilities, and qualification requirements, be so grouped and identified by classes and grades, as defined in section 301, and the various classes shall be so described in published standards, as provided for in title IV, that the resulting position-classification system can be used in all phases of personnel administration.

"TITLE II—COVERAGE AND EXEMPTIONS

"SEC. 201. (a) For the purposes of this Act, the term 'department' includes (1) the executive departments, (2) the independent establishments and agencies in the executive branch, including corporations wholly owned by the United States, (3) the Administrative Office of the United States Courts, (4) the Library of Congress, (5) the Botanic Garden, (6) the Government Printing Office, (7) the General Accounting Office, (8) the Office of the Architect of the Capitol, and (9) the municipal government of the District of Columbia.

"(b) Subject to the exemptions specified in section 202, and except as provided in sections 204 and 205, this Act shall apply to all civilian positions, officers, and employees in or under the departments.

"SEC. 202. This act (except title XII) shall not apply to—

"(1) the field service of the Post Office Department, for which the salary rates are fixed by Public Law 134, Seventy-ninth Congress, approved July 6, 1945, as amended and supplemented;

"(2) the Foreign Service of the United States under the Department of State, for which the salary rates are fixed by the Foreign Service Act of 1946, as supplemented by Public Law 160, Eighty-first Congress, approved July 6, 1949; and positions in or under the Department of State which are (A) connected with the representation of the United States to international organizations; or (B) specifically exempted by law from the Classification Act of 1923, as amended, or any other classification or compensation law;

"(3) physicians, dentists, nurses, and other employees in the Department of Medicine and Surgery in the Veterans' Administration, whose compensation is fixed under Public Law 293, Seventy-ninth Congress, approved January 3, 1946.

"(4) teachers, school officers, and employees of the Board of Education of the District of Columbia, whose compensation is fixed under

the District of Columbia Teachers' Salary Act of 1947, as supplemented by Public Law 151, Eighty-first Congress, approved June 30, 1949; and the chief judge and the associate judges of the Municipal Court of Appeals for the District of Columbia, and of the Municipal Court for the District of Columbia;

"(5) officers and members of the Metropolitan Police, the Fire Department of the District of Columbia, the United States Park Police, and the White House Police;

"(6) lighthouse keepers and civilian employees on lightships and vessels of the Coast Guard, whose compensation is fixed under authority of section 432 (f) and (g) of title 14 of the United States Code;

"(7) employees in recognized trades or crafts, or other skilled mechanical crafts, or in unskilled, semiskilled, or skilled manual-labor occupations (except such employees in positions to which the Classification Act of 1923, as amended, now applies, the duties of which involve the maintenance and operation of public buildings and associated equipment or the performance of work in scientific or engineering laboratories as aides to scientists or engineers), and employees in the Bureau of Engraving and Printing the duties of whom are to perform or to direct manual or machine operations requiring special skill or experience, or to perform or direct the counting, examining, sorting, or other verification of the product of manual or machine operations, whose compensation shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates;

"(8) officers and members of crews of vessels, whose compensation shall be fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates and practices in the maritime industry;

"(9) employees of the Government Printing Office whose compensation is fixed under Public, Numbered 276, Sixty-eighth Congress, approved June 7, 1924;

"(10) civilian professors, lecturers, and instructors at the Naval War College and the Naval Academy whose compensation is fixed under Public Law 604, Seventy-ninth Congress, approved August 2, 1946, senior professors, professors, associate and assistant professors, and instructors at the Naval Postgraduate School whose compensation is fixed under Public Law 303, Eighteth Congress, approved July 31, 1947; and the Academic Dean of the Postgraduate School of the Naval Academy whose compensation is fixed under Public Law 402, Seventy-ninth Congress, approved June 10, 1946;

"(11) aliens or persons not citizens of the United States who occupy positions outside the several States and the District of Columbia;

"(12) the Tennessee Valley Authority;

"(13) the Inland Waterways Corporation;

"(14) the Alaska Railroad;

"(15) the Virgin Islands Corporation;

"(16) the Central Intelligence Agency;

"(17) the Atomic Energy Commission;

"(18) Production Credit Corporations;

"(19) Federal Intermediate Credit Banks;

"(20) the Panama Railroad Company;

"(21) teachers, school officers, and members of the Police and Fire Departments of the Panama Canal whose rates of compensation are fixed by the Governor of the Panama Canal with reference to the rates of compensation for similar positions in the municipal government of the District of Columbia;

"(22) employees who serve without compensation or at nominal rates of compensation;

"(23) employees none or only part of whose compensation is paid from appropriated funds of the United States: *Provided*, That with respect to the Veterans' Canteen Service in the Veterans' Administration, the provisions of this paragraph shall be applicable only to those positions which are exempt from the Classification Act of 1923, as amended, pursuant to Public Law 636, Seventy-ninth Congress, approved August 7, 1946, as amended;

"(24) employees whose compensation is fixed under a cooperative agreement between the United States and (A) a State, Territory, or possession of the United States, or political subdivision thereof, or (B) a person or organization outside the service of the Federal Government;

"(25) student nurses, medical or dental interns, residents-in-training, student dietitians, student physical therapists, student occupational therapists, and other student employees, assigned or attached to a hospital, clinic, or laboratory primarily for training purposes, whose compensation is fixed under Public Law 330, Eightieth Congress, approved August 4, 1947, or section 14 (b) of Public Law 293, Seventy-ninth Congress, approved January 3, 1946, as amended by Public Law 722, Eightieth Congress, approved June 19, 1948;

"(26) inmates, patients, or beneficiaries receiving care or treatment or living in Government agencies or institutions;

"(27) experts or consultants, when employed temporarily or intermittently in accordance with section 15 of Public Law 600, Seventy-ninth Congress, approved August 2, 1946;

"(28) emergency or seasonal employees whose employment is of uncertain or purely temporary duration, or who are employed for brief periods at intervals;

"(29) persons employed on a fee, contract, or piece work basis;

"(30) persons who may lawfully perform their duties concurrently with their private profession, business, or other employment, and whose duties require only a portion of their time, where it is impracticable to ascertain or anticipate the proportion of time devoted to the service of the Federal Government;

"(31) positions for which rates of basic compensation are individually fixed, or expressly authorized to be fixed, by any other law, at or in excess of the maximum scheduled rate of the highest grade established by this Act.

"SEC. 203. The Civil Service Commission, hereinafter referred to as the 'Commission', is authorized and directed to determine finally the applicability of sections 201 and 202 to specific positions, officers, and employees.

"SEC. 204. (a) The classes of employees whose compensation is authorized by section 3 of the Legislative Pay Act of 1929, as amended (46 Stat. 38; 55 Stat. 615), to be fixed by the Architect of the Capitol without regard to the Classification Act of 1923, as amended, are authorized to be compensated without regard to this Act.

"(b) This Act shall not apply to any officer or employee of the Office of the Architect of the Capitol whose compensation is fixed by any other law.

"(c) Sections 202 and 203 shall not apply to the Office of the Architect of the Capitol.

"SEC. 205. Title X of this Act shall not apply to (1) the Administrative Office of the United States Courts, (2) the Library of Congress, (3) the Botanic Garden, (4) the Government Printing Office, (5) the Office of the Architect of the Capitol, and (6) the municipal government of the District of Columbia.

"TITLE III—BASIS FOR CLASSIFYING POSITIONS

"SEC. 301. For the purposes of this Act, the term—

"(1) 'position' means the work, consisting of the duties and responsibilities, assignable to an officer or employee;

"(2) 'class' or 'class of positions' includes all positions which are sufficiently similar, as to (A) kind or subject-matter of work, (B) level of difficulty and responsibility, and (C) the qualification requirements of the work, to warrant similar treatment in personnel and pay administration; and

"(3) 'grade' includes all classes of positions which (although different with respect to kind or subject-matter of work) are sufficiently equivalent as to (A) level of difficulty and responsibility, and (B) level of qualification requirements of the work, to warrant the inclusion of such classes of positions within one range of rates of basic compensation, as specified in title VI.

"SEC. 302. (a) Each position shall be placed in its appropriate class. The basis for determining the class in which each position shall be placed shall be the duties and responsibilities of such position and the qualifications required by such duties and responsibilities.

"(b) Each class shall be placed in its appropriate grade. The basis for determining the grade in which each class shall be placed shall be the level of difficulty, responsibility, and qualification requirements of the work of such class.

"SEC. 303. No appropriated funds shall be used to pay the compensation of any officer or employee who places a supervisory position in a class and grade solely on the basis of the size of the group, section, bureau, or other organization unit or the number of subordinates supervised. Such factors may be given effect only to the extent warranted by the work load of the organization unit and then only in combination with other factors, such as the kind, difficulty, and complexity of work supervised, the degree and scope of responsibility delegated to the supervisor, and the kind, degree, and character of the supervision actually exercised.

"TITLE IV—PREPARATION AND PUBLICATION OF STANDARDS

"SEC. 401. (a) The Commission, after consultation with the departments, shall prepare standards for placing positions in their proper classes and grades. The Commission is authorized to make such inquiries or investigations of the duties, responsibilities, and qualification requirements of positions as it deems necessary for this purpose. In such standards the Commission shall (1) define the various classes of positions that exist in the service in terms of duties, responsibilities, and qualification requirements; (2) establish the official class titles; and (3) set forth the grades in which such classes have been placed by the Commission. At the request of the Commission, the departments shall furnish information for and cooperate in the preparation of such standards. Such standards shall be published in such form as the Commission may determine.

"(b) The Commission shall keep such standards up to date. From time to time, after consultation with the departments to the extent deemed necessary by the Commission, it may revise, supplement, or abolish existing standards, or prepare new standards, so that, as nearly as may be practicable, positions existing at any given time within the service will be covered by current published standards.

"(c) The official class titles so established shall be used for personnel, budget, and fiscal purposes, but this requirement shall not prevent the use of organizational or other titles for internal administration, public convenience, law enforcement, or similar purposes.

"TITLE V—AUTHORITY AND PROCEDURE

"SEC. 501. (a) Notwithstanding section 502, the Commission shall have authority, which may be exercised at any time in its discretion, to—

"(1) ascertain currently the facts as to the duties, responsibilities, and qualification requirements of any position;

"(2) place in an appropriate class and grade any newly created position or any position coming initially under this Act;

"(3) decide whether any position is in its appropriate class and grade; and

"(4) change any position from one class or grade to another class or grade whenever the facts warrant.

The Commission shall certify to the department concerned action taken by the Commission under paragraph (2) or (4). The department shall take action in accordance with such certificate, and such certificate shall be binding on all administrative, certifying, pay roll, disbursing, and accounting officers of the Government.

"(b) Any employee or employees (including any officer or officers) affected or any department may request at any time that the Commission exercise the authority granted to it under subsection (a) and the Commission shall act upon such request.

"SEC. 502. (a) Except as otherwise provided in this title, each department shall place each position under its jurisdiction and to which this Act applies in its appropriate class and grade in conformance with standards published by the Commission or, if no published standards directly apply, consistently with published standards. A department may, whenever the facts warrant, change any position which it has placed in a class or grade under this subsection from such class or grade to another class or grade. Such actions of the departments shall be the basis for the payment of compensation and for personnel transactions until changed by certificate of the Commission.

"(b) The Commission shall, from time to time, review such number of positions in each department as will enable the Commission to determine whether such department is placing positions in classes and grades in conformance with or consistently with published standards.

"SEC. 503. Whenever the Commission finds under section 502 (b) that a position to which this Act applies is not placed in its proper class and grade in conformance with published standards or that positions for which no standards have been published are not placed in classes and grades consistently with published standards, it shall, after consultation with appropriate officers or employees of the department concerned, place each such position in its appropriate class and grade and shall certify such action to the department. The department shall take action in accordance with such certificate, and such certificate shall be binding on all administrative, certifying, pay roll, disbursing, and accounting officers of the Government.

"SEC. 504. (a) Whenever the Commission finds that any department is not placing positions in classes and grades in conformance with or consistently with published standards, it may revoke or suspend in whole or in part the authority granted to the department under section 502 and require that prior approval of the Commission be secured before an action placing a position in a class and grade becomes effective for pay roll and other personnel purposes. Such revocations or suspensions may be limited, in the discretion of the Commission, to (1) the departmental or field service, or any part thereof; (2) any geographic area; (3) any organization unit or group of organization units; (4) certain types of classification actions; (5) classes in particular occupational groups or grades; or (6) classes for which standards have not been published.

"(b) After all or part of the authority of the department has been revoked or suspended, the Commission may at any time restore such authority to the extent that it is satisfied that subsequent actions placing positions in classes and grades will be taken in conformance with or consistently with published standards.

"SEC. 505. (a) No position shall be placed in Grade 16 or 17 of the General Schedule except by action of, or after prior approval by, the Commission. At any one time there shall not be more than three hundred positions in Grade 16 of the General Schedule and not more than seventy-five positions in Grade 17 of the General Schedule.

"(b) No position shall be placed in or removed from Grade 18 of the General Schedule except by the President upon recommendation of the Commission. There shall not be more than twenty-five positions in such grade at any one time.

"SEC. 506. The Commission may (1) prescribe the form in which each department shall record the duties and responsibilities of positions to which this Act applies and the places where such records shall be maintained, (2) examine these or any other pertinent records of the department, and (3) interview any officers or employees of the department who have knowledge of the duties and responsibilities of such positions and information as to the reasons for placing a position in any class or grade.

"TITLE VI—BASIC COMPENSATION SCHEDULES

"SEC. 601. There are hereby established the following basic compensation schedules for positions to which this Act applies:

"(1) A 'General Schedule', the symbol for which shall be 'GS', in lieu of the professional and scientific service, the clerical, administrative, and fiscal service, and the subprofessional service specified in section 13 of the Classification Act of 1923, as amended; and

"(2) A 'Crafts, Protective, and Custodial Schedule', the symbol for which shall be 'CPC', in lieu of the crafts, protective, and custodial service specified in such section.

"SEC. 602. (a) The General Schedule shall be divided into eighteen grades of difficulty and responsibility of work, as follows:

"General schedule

"Grade GS–1 includes all classes of positions the duties of which are to perform, under immediate supervision, with little or no latitude for the exercise of independent judgment, (1) the simplest routine work in office, business, or fiscal operations, or (2) elementary work of a subordinate technical character in a professional, scientific, or technical field.

"Grade GS–2 includes all classes of positions the duties of which are (1) to perform, under immediate supervision, with limited latitude for the exercise of independent judgment, routine work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring some training or experience; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–3 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, somewhat difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work of limited scope in a professional, scientific, or technical field, requiring in either case (A) some training or experience, (B) working knowledge of a special subject matter, or (C) to some extent the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–4 includes all classes of positions the duties of which are (1) to perform, under immediate or general supervision, moderately difficult and responsible work in office, business, or fiscal operations, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) a moderate amount of training and minor supervisory or other experience, (B) good working knowledge of a special subject matter or a limited field of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in accordance with well-established policies, procedures, and techniques; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–5 includes all classes of positions the duties of which are (1) to perform under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special subject matter or of office, laboratory, engineering, scientific, or other procedure and practice, and (C) the exercise of independent judgment in a limited field; (2) to perform, under immediate supervision, and with little opportunity for the exercise of independent judgment, simple and elementary work requiring professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing but requiring little or no experience; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–6 includes all classes of positions the duties of which are (1) to perform, under general supervision, difficult and responsible work in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable training and supervisory or other experience, (B) broad working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–7 includes all classes of positions the duties of which are (1) to perform, under general supervision, work of considerable difficulty and responsibility along special technical or supervisory lines in office, business, or fiscal administration, or comparable subordinate technical work in a professional, scientific, or technical field, requiring in either case (A) considerable specialized or supervisory training and experience, (B) comprehensive working knowledge of a special and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science, involved, and (C) to a considerable extent the exercise of independent judgment; (2) under immediate or general supervision, to perform somewhat difficult work requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, (B) previous experience, and (C) to a limited extent, the exercise of independent technical judgment; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–8 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical or supervisory lines in office, business, or fiscal administration, requiring (A) considerable specialized or supervisory training and experience, (B) comprehensive and thorough working knowledge of a specialized and complex subject matter, procedure, or practice, or of the principles of the profession, art, or science involved, and (C) to a considerable extent the exercise of independent judgment; or (2) to perform other work of equal

importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–9 includes all classes of positions the duties of which are (1) to perform, under general supervision, very difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized training and considerable specialized, supervisory, or administrative experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a special and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; (2) with considerable latitude for the exercise of independent judgment, to perform moderately difficult and responsible work, requiring (A) professional, scientific, or technical training equivalent to that represented by graduation from a college or university of recognized standing, and (B) considerable additional professional, scientific, or technical training or experience which has demonstrated capacity for sound independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–10 includes all classes of positions the duties of which are (1) to perform, under general supervision, highly difficult and responsible work along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) somewhat extended specialized, supervisory, or administrative training and experience which has demonstrated capacity for sound independent work, (B) thorough and fundamental knowledge of a specialized and complex subject matter, or of the profession, art, or science involved, and (C) considerable latitude for the exercise of independent judgment; or (2) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–11 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision and with wide latitude for the exercise of independent judgment, work of marked difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated important attainments and marked capacity for sound independent action or decision, and (B) intimate grasp of a specialized and complex subject matter, or of the profession, art, or science involved, or of administrative work of marked difficulty; (2) with wide latitude for the exercise of independent judgment, to perform responsible work of considerable difficulty requiring somewhat extended professional, scientific, or technical training and experience which has demonstrated important attainments and marked capacity for independent work; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–12 includes all classes of positions the duties of which are (1) to perform, under general administrative supervision, with wide latitude for the exercise of independent judgment, work of a very high order of difficulty and responsibility along special technical, supervisory, or administrative lines in office, business, or fiscal administration, requiring (A) extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and attainments of a high order in specialized or administrative work, and (B) intimate grasp of a specialized and complex subject matter or of the profession, art, or science involved; (2) under general administrative supervision, and with wide latitude for the exercise of independent judgment, to perform professional, scientific, or technical work of marked difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and attainments of a high order in professional, scientific, or technical research, practice, or administration; or (3) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–13 includes all classes of positions the duties of which are (1) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility along special technical, supervisory, or administrative lines, requiring extended specialized, supervisory, or administrative training and experience which has demonstrated leadership and marked attainments; (2) to serve as assistant head of a major organization involving work of comparable level within a bureau; (3) to perform, under administrative direction, with wide latitude for the exercise of independent judgment, work of unusual difficulty and responsibility requiring extended professional, scientific, or technical training and experience which has demonstrated leadership and marked attainments in professional, scientific, or technical research, practice, or administration; or (4) to perform other work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–14 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with wide latitude for the exercise of independent judgment, work of exceptional difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and unusual attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute major professional, scientific, technical, administrative, fiscal, or other specialized programs, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–15 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with very wide latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as head of a major organization within a bureau involving work of comparable level; (3) to plan and direct or to plan and execute specialized programs of marked difficulty, responsibility, and national significance, along professional, scientific, technical, administrative, fiscal, or other lines, requiring extended training and experience which has demonstrated leadership and unusual attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–16 includes all classes of positions the duties of which are (1) to perform, under general administrative direction, with unusual latitude for the exercise of independent judgment, work of outstanding difficulty and responsibility along special technical, supervisory, or administrative lines which has demonstrated leadership and exceptional attainments; (2) to serve as the head of a major organization involving work of comparable level; (3) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of unusual difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated leadership and exceptional attainments in professional, scientific, or technical research, practice, or administration, or in administration, fiscal, or other specialized activities or (4) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–17 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is of a high order among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute professional, scientific, technical, administrative, fiscal, or other specialized programs of exceptional difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated exceptional leadership and attainments in professional scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"Grade GS–18 includes all classes of positions the duties of which are (1) to serve as the head of a bureau where the position, considering the kind and extent of the authorities and responsibilities vested in it, and the scope, complexity, and degree of difficulty of the activities carried on, is exceptional and outstanding among the whole group of positions of heads of bureaus; (2) to plan and direct or to plan and execute frontier or unprecedented professional, scientific, technical, administrative, fiscal, or other specialized programs of outstanding difficulty, responsibility, and national significance, requiring extended training and experience which has demonstrated outstanding leadership and attainments in professional, scientific, or technical research, practice, or administration, or in administrative, fiscal, or other specialized activities; or (3) to perform consulting or other professional, scientific, technical, administrative, fiscal, or other specialized work of equal importance, difficulty, and responsibility, and requiring comparable qualifications.

"(b) The Crafts, Protective, and Custodial Schedule shall be divided into ten grades of difficulty and responsibility of work, as follows.

"Crafts, protective, and custodial schedule

"Grade CPC–1 includes all classes of positions the duties of which are to run errands, to check parcels, or to perform other light manual tasks with little or no responsibility.

"Grade CPC–2 includes all classes of positions the duties of which are to handle desks, mail sacks, and other heavy objects, and to perform similar work ordinarily required of unskilled laborers; to pass coal; to clean office rooms; to perform regular messenger work with little responsibility; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–3 includes all classes of positions the duties of which are to perform, under immediate supervision, custodial, or office labor work with some degree of responsibility; to operate paper-cutting, canceling, envelope-opening, or envelope-sealing machines; to fire and keep up steam in low-pressure boilers used for heating purposes, and to clean boilers and oil machinery and related apparatus; to operate passenger automobiles or light-duty trucks; to pack goods for shipment; to work as leader of a group of charwomen; to perform messenger work and do light manual or office-labor tasks with some responsibility; to carry important documents from one office to another, or attend the door and private office of a public officer; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–4 includes all classes of positions the duties of which are to perform, under general supervision, custodial work of a responsible character; to guard office or storage buildings; to supervise and direct a force of unskilled laborers; to fire and to keep up steam in high-pressure boilers and to operate other equipment used in connection with such boilers; to perform general, semi-mechanical, new, or repair work requiring some skill with hand tools; to work as craft or trade helper; to operate heavy-duty trucks, semitrailers, or tractor trailers; to operate a passenger automobile for a department head or officer of comparable rank; to attend the door of a private office of a department head or officer of comparable rank; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–5 includes all classes of positions the duties of which are to guard property of great value while in transit; to supervise the operation and maintenance of a low-capacity heating plant and its auxiliary equipment; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–6 includes all classes of positions the duties of which are to have immediate direction of a detachment of building guards, to perform the work of a skilled mechanic; to repair office appliances; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–7 includes all classes of positions the duties of which are to assist in the general supervision of a force of building guards; to work as leader of a group of skilled mechanics; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–8 includes all classes of positions the duties of which are to have general supervision over a force of building guards; to supervise the operation of a mechanical shop; to direct skilled mechanics and other employees engaged in the operation and maintenance of equipment providing heating, ventilating, air conditioning, power, and sanitation in one or more public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–9 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a public building; or to assist in the direction of such employees when engaged in similar duties in a group of buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"Grade CPC–10 includes all classes of positions the duties of which are to direct supervisory and office assistants, mechanics, guards, elevator operators, laborers, janitors, and other employees engaged in the custody, maintenance, and protection of a group of public buildings; or to perform other work of equal difficulty and responsibility and requiring comparable qualifications.

"SEC. 603. (a) Except as provided in subsection (c) (2), the rates of basic compensation with respect to officers, employees, and positions to which this Act applies shall be in accordance with the schedules of per annum rates contained in subsections (b) and (c) (1).

"(b) The compensation schedule for the General Schedule shall be as follows:

Grade	Per annum rates						
GS–1	$2,200	$2,280	$2,360	$2,440	$2,520	$2,600	$2,680
GS–2	2,450	2,530	2,610	2,690	2,770	2,850	2,930
GS–3	2,650	2,730	2,810	2,890	2,970	3,050	3,130
GS–4	2,875	2,955	3,035	3,115	3,195	3,275	3,355
GS–5	3,100	3,225	3,350	3,475	3,600	3,725	3,850
GS–6	3,450	3,575	3,700	3,825	3,950	4,075	4,200
GS–7	3,825	3,950	4,075	4,200	4,325	4,450	4,575
GS–8	4,200	4,325	4,450	4,575	4,700	4,825	4,950
GS–9	4,600	4,725	4,850	4,975	5,100	5,225	5,350
GS–10	5,000	5,125	5,250	5,375	5,500	5,625	5,750
GS–11	5,400	5,600	5,800	6,000	6,200	6,400	
GS–12	6,400	6,600	6,800	7,000	7,200	7,400	
GS–13	7,600	7,800	8,000	8,200	8,400	8,600	
GS–14	8,800	9,000	9,200	9,400	9,600	9,800	
GS–15	10,000	10,250	10,500	10,750	11,000		
GS–16	11,200	11,400	11,600	11,800	12,000		
GS–17	12,200	12,400	12,600	12,800	13,000		
GS–18	14,000						

"(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:"

Grade	Per annum rates						
CPC–1	$1,510	$1,570	$1,630	$1,690	$1,750	$1,810	$1,870
CPC–2	2,120	2,190	2,260	2,330	2,400	2,470	2,540
CPC–3	2,252	2,332	2,412	2,492	2,572	2,652	2,732
CPC–4	2,450	2,530	2,610	2,690	2,770	2,850	2,930
CPC–5	2,674	2,754	2,834	2,914	2,994	3,074	3,154
CPC–6	2,900	2,980	3,060	3,140	3,220	3,300	3,380
CPC–7	3,125	3,225	3,325	3,425	3,525	3,625	3,725
CPC–8	3,400	3,525	3,650	3,775	3,900	4,025	4,150
CPC–9	3,775	3,900	4,025	4,150	4,275	4,400	4,525
CPC–10	4,150	4,275	4,400	4,525	4,650	4,775	4,900

"(2) Charwomen working part time shall be paid at the rate of $2,400 per annum, and head charwomen working part time at the rate of $2,540 per annum.

"(d) Whenever payment is made on the basis of a daily, hourly, weekly, biweekly, or monthly rate, such rate shall be computed from the appropriate annual rate specified in subsection (b) or (c) by the method prescribed in section 604 (d) of the Federal Employees Pay Act of 1945.

"SEC. 604. (a) For the purpose of making initial adjustments to the classification grades provided in this Act, positions which are required to be compensated in accordance with this Act and which were immediately prior to the effective date of this title in the professional and scientific service, the subprofessional service, the clerical, administrative, and fiscal service, or the crafts, protective, and custodial service of the Classification Act of 1923, as amended, are hereby allocated to corresponding grades of the General Schedule or the Crafts, Protective, and Custodial Schedule as set forth below:

Service and grade of the Classification Act of 1923, as amended				Corresponding new grade	
Professional and scientific service	Subprofessional service	Clerical, administrative, and fiscal service	Crafts, protective, and custodial service	General schedule	Crafts, protective, and custodial schedule
	1			GS–1	
	2	1		GS–1	
	3	2		GS–2	
	4	3		GS–3	
	5	4		GS–4	
1	6	5		GS–5	
	7	6		GS–6	
2	8	7		GS–7	
		8		GS–8	
3		9		GS–9	
		10		GS–10	
4		11		GS–11	
5		12		GS–12	
6		13		GS–13	
7		14		GS–14	
8		15		GS–15	
			1		CPC–1
			2		CPC–2
			3		CPC–3
			4		CPC–4
			5		CPC–5
			6		CPC–6
			7		CPC–7
			8		CPC–8
			9		CPC–9
			10		CPC–10

"(b) The rates of basic compensation of officers and employees to whom this Act applies shall be initially adjusted as follows:

"(1) In all cases where the number of pay rates within a grade specified in this Act is the same as in the corresponding grade of the Classification Act of 1923, as amended, employees shall have the same relative pay rate of the new grade, except as provided in paragraphs (2), (3), and (11) of this subsection.

"(2) Employees in grade 1 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the first, first, second, third, fourth, fifth, and sixth rate, respectively, of grade 1 of the General Schedule.

"(3) Employees in grade 2 of the subprofessional service immediately prior to the effective date of this title, at the first, second, third, fourth, fifth, sixth, and seventh rate shall have the second, third, fourth, fifth, sixth, seventh, and seventh rate, respectively, of grade 1 of the General Schedule.

"(4) Employees in grade 1 of the crafts, protective, and custodial service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, third, fourth, sixth, and seventh rate, respectively, of grade 1 of the Crafts, Protective, and Custodial Schedule.

"(5) Employees in grades 2 and 3 of the crafts, protective, and custodial service immediately prior to the effective date of this title, shall have the same relative pay rate of the first six rates of grades 2 and 3, respectively, of the Crafts, Protective, and Custodial Schedule.

"(6) Employees in grade 4 of the professional and scientific service and grade 11 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and sixth rate, respectively, of grade 11 of the General Schedule.

"(7) Employees in grade 5 of the professional and scientific service and grade 12 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 12 of the General Schedule.

"(8) Employees in grade 6 of the professional and scientific service and grade 13 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fourth, and fifth rate, respectively, of grade 13 of the General Schedule.

"(9) Employees in grade 7 of the professional and scientific service and grade 14 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first, second, third, fourth, and fifth rate shall have the first, second, third, fifth, and sixth rate, respectively, of grade 14 of the General Schedule.

"(10) Employees in grade 8 of the professional and scientific service and grade 15 of the clerical, administrative, and fiscal service immediately prior to the effective date of this title, at the first and second rate of the grade shall have the third rate of grade 15 of the General Schedule.

"(11) Employees receiving a rate of basic compensation, authorized by law, immediately prior to the effective date of this title, in excess of the appropriate new rate of the grade as determined under paragraphs (1) to (10), inclusive, may continue to receive such rate so long as they remain in the same position and grade, but when any such position becomes vacant, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.

"SEC. 605. Any increase in rate of basic compensation by reason of the enactment of this title shall not be regarded as an 'equivalent increase' in compensation within the meaning of section 701.

"TITLE VII—STEP-INCREASES

"SEC. 701. (a) Each officer or employee compensated on a per annum basis, and occupying a permanent position within the scope of the compensation schedules fixed by this Act, who has not attained the maximum scheduled rate of compensation for the grade in which his position is placed, shall be advanced in compensation successively to the next higher rate within the grade at the beginning of the next pay period following the completion of (1) each fifty-two calendar weeks of service if his position is in a grade in which the step-increases are less than $200, or (2) each seventy-eight calendar weeks of service if his position is in a grade in which the step-increases are $200 or more subject to the following conditions:

"(A) That no equivalent increase in compensation from any cause was received during such period, except increase made pursuant to section 702 or 1002;

"(B) That his current efficiency rating is 'good' or better than 'good';

"(C) That the service and conduct of such officer or employee are certified as being otherwise satisfactory by the department; and

"(D) That the benefit of successive step-increases shall be preserved, under regulations issued by the Commission, for officers and employees whose continuous service is interrupted in the public interest by service with the armed forces or by service in essential non-Government civilian employment during a period of war or national emergency.

"(b) The term 'good' as used in this title shall have the same meaning as when used in the systems of efficiency rating established pursuant to title IX of this Act.

"SEC. 702. (a) Within the limit of available appropriations and in accordance with standards promulgated by the Commission, each department is authorized, subject to prior approval by the Commission (except as provided in subsection (b)), to make additional step-increases as a reward for superior accomplishment, but no officer or employee shall be eligible for more than one such additional step-increase within each of the time periods specified in section 701 (a).

"(b) The Commission is authorized to delegate to any department the authority to make the additional step-increases provided for in this section, without prior approval in individual cases by the Commission. The Commission may withdraw or suspend such authority whenever review of such actions by the Commission indicates that standards promulgated by the Commission have not been observed, and may restore such authority whenever it is satisfied that subsequent actions will be taken in conformance with such standards.

"(c) Each department shall report to the Commission all actions taken under this section, together with the reasons therefor. The Commission shall submit an annual report to Congress covering the numbers and types of actions taken under this section.

"SEC. 703. (a) Subject to subsection (b), and as a reward for long and faithful service, each department shall grant an additional step-increase (to be known as a longevity step-increase) beyond the maximum scheduled rate of the grade in which his position is placed, to each officer or employee for each three years of continuous service completed by him at such maximum rate or at a rate in excess thereof authorized by this section without change of grade or rate of basic compensation except such change as may be prescribed by any provision of law of general application.

"(b) (1) No officer or employee shall be entitled to a longevity step-increase while holding a position in any grade above grade 10 of the General Schedule.

"(2) No officer or employee shall receive a longevity step-increase unless his current efficiency rating is 'good' or better than 'good,' and his service and conduct are certified as being otherwise satisfactory by the department.

"(3) No officer or employee shall receive more than one longevity step-increase for any three years of continuous service.

"(4) Each longevity step-increase shall be equal to one step-increase of the grade in which the position of the officer or employee is placed.

"(5) Not more than three successive longevity step-increases may be granted to any officer or employee.

"(6) The officer or employee shall have had, in the aggregate, not less than ten years of service in the position which he then occupies, or in positions of equivalent or higher class or grade.

"(c) When an officer or employee, receiving basic compensation at a rate in excess of the maximum scheduled rate for his grade under section 604 (b) (11), section 1105 (b), or any other provision of law, is eligible for his first longevity step-increase beyond the maximum rate of such grade he shall—

"(1) receive total basic compensation which is equal to the basic compensation at the maximum scheduled rate for his grade plus such first longevity step-increase, or

"(2) continue to receive compensation at such rate in excess of the maximum scheduled rate for his grade, if the compensation at such rate is higher than the total basic compensation specified in paragraph (1).

"In case any such officer or employee receiving compensation under paragraph (2) is eligible for a subsequent successive longevity step-increase, he shall—

"(A) receive the same total basic compensation which he would be entitled to receive after such subsequent longevity step-increase, if his total basic compensation had, at the time he was eligible for his first longevity step-increase, been determined under paragraph (1), or

"(B) continue to receive compensation under paragraph (2) if such compensation is higher than the total basic compensation specified in paragraph (A).

"SEC. 704. In computing length of service for the purposes of this title, service immediately preceding the effective date of this title shall be counted toward (1) one step-increase under section 701 and one additional step-increase under section 702, or (2) longevity step-increases under section 703, as the case may be.

"SEC. 705. This title shall not apply to the compensation of persons appointed by the President by and with the advice and consent of the Senate.

"TITLE VIII—GENERAL COMPENSATION RULES

"SEC. 801. All new appointments shall be made at the minimum rate of the appropriate grade.

"SEC. 802. (a) The rate of basic compensation to be received by any officer or employee to whom this Act applies shall be governed by regulations issued by the Commission in conformity with this Act when—

"(1) he is transferred from a position to which this Act does not apply;

"(2) he is transferred from any position to which this Act applies to another such position;

"(3) he is demoted to a position in a lower grade;

"(4) he is reinstated, reappointed, or reemployed;

"(5) his type of appointment is changed;

"(6) his employment status is otherwise changed; or

"(7) his position is changed from one grade to another grade.

"(b) Any officer or employee who is promoted or transferred to a position in a higher grade shall receive basic compensation at the lowest rate of such higher grade which exceeds his existing rate of basic compensation by not less than one step-increase of the grade from which he is promoted or transferred. If, in the case of any officer or employee so promoted or transferred who is receiving (1) one or more longevity step-increases under section 703, or (2) basic compensation at a rate in excess of the maximum scheduled rate for his grade under section 604 (b) (11), section 1105 (b), or any other provision of law, there is no rate in such higher grade which is at least one step-increase above his existing rate of basic compensation, he shall receive (A) the maximum scheduled rate of such higher grade, or (B) his existing rate of basic compensation, if such existing rate is the higher.

"SEC. 803. The Commission shall make a study of the problem of additional compensation for hazardous employments and submit a report to Congress not later than one year from the date of enactment of this Act, setting forth its findings and such recommendations as it may deem advisable for a future policy and plan with respect to additional compensation for hazardous employments.

"TITLE IX—EFFICIENCY RATINGS

"SEC. 901. (a) The Commission shall establish and may revise uniform systems of efficiency rating for the appraisal of the service of officers and employees in positions in the classes and grades provided by this Act. Such systems shall set forth degrees of efficiency which shall constitute ground for (1) the recognition of outstanding performance, (2) the granting of increases in the rate of compensation, (3) continuance at the existing rate of compensation, (4) decrease in the rate of compensation of officers and employees who at the time are above the middle rate for the grade in which their positions are placed, and (5) removal from the position or dismissal from the service.

"(b) Each department shall rate in accordance with such systems the efficiency of each officer or employee under its jurisdiction. Ratings shall be open to inspection by representatives of the Commission and by officers and employees of the department in accordance with regulations issued by the Commission. Each officer or employee shall have the right to inspect the detailed report of his own rating.

"(c) Reductions in compensation, removals from positions, or dismissals from the service

shall be made by the departments whenever the efficiency ratings warrant.

"SEC. 902. (a) There shall be established in each department one or more boards of review each of which shall be composed of three members. One member, who shall serve as chairman, shall be designated by the Commission; one member shall be designated by the department concerned; and one member shall be designated by the officers and employees of the department concerned in such manner as may be determined by the Commission.

"(b) Alternate members shall be designated in the same manner as their respective principal members. The boards of review shall meet at the call of their respective chairmen for the purpose of considering and passing upon the merits of such efficiency ratings assigned to officers and employees as may be submitted to such boards of review as hereinafter provided.

"(c) Any officer or employee shall, upon written request to the chairman of the appropriate board of review of his department, be entitled as a matter of right to a hearing and a review by such board of review of his efficiency rating. At the hearing the officer or employee, and such representative as he may designate, and such representatives of the department as may be designated by the department, shall be afforded an opportunity (1) to submit orally or in writing any information deemed by the board of review to be pertinent to the case, and (2) to hear or examine, and reply to, any such information submitted to such board by other parties. After any such hearing the board may make such adjustment in any such efficiency rating as it may find to be proper.

"SEC. 903. The Commission shall make a study of efficiency rating systems in the Federal service and submit a report to Congress on or before February 1, 1950, setting forth its findings as to the operation and administration of such systems and such recommendations (including specific recommendations for legislation) as it may deem advisable.

"TITLE X—MANAGEMENT IMPROVEMENT PLAN AND AWARDS

"SEC. 1001. (a) In accordance with regulations issued and administered by the Director of the Bureau of the Budget, each department shall make systematic reviews of the operations of each of its activities, functions, or organization units, on a continuing basis.

"(b) The purposes of such reviews shall include, among other things, (1) determining the degree of efficiency and economy in the operation of the department's activities, functions, or organization units, (2) identifying the units that are outstanding in those respects, and (3) identifying the supervisors and employees whose personal efforts have caused their units to be outstanding in efficiency and economy of operations.

"SEC. 1002. (a) In each department there shall be established an Efficiency Awards Committee, the membership of which shall be designated by the head of the department.

"(b) It shall be the duty of the Efficiency Awards Committee (1) to identify those supervisors and employees within the department whose superior accomplishments have contributed to outstanding efficiency and economy in administration, and (2) to award to such supervisors and employees, subject to the approval of the head of the department and to the limitations of subsection (c), cash awards or increases in rates of basic compensation which, in the judgment of the Committee, are commensurate with their demonstrated superior accomplishments: *Provided, however,* That the total amount of such awards or increases to any group of supervisors and employees shall not exceed 25 per centum of the estimated saving to the Government due to their superior accomplishments.

"(c) Any such cash award or any such increase in rate of basic compensation shall not exceed an amount equal to three times the step-increase of the applicable grade. Any such increase in rate of basic compensation shall be at one, two, or three times the step-increase of the applicable grade and shall be in lieu of any additional compensation as a reward for superior accomplishment under section 702.

"(d) An award under this title shall be given due weight in qualifying and selecting employees for promotion to positions in higher grades.

"SEC. 1003. The Bureau of the Budget shall maintain control of the program set forth in this title and shall annually report the results of such program to Congress, with such recommendations as it may deem advisable.

"TITLE XI—GENERAL PROVISIONS

"SEC. 1101. The Commission is hereby authorized to issue such regulations as may be necessary for the administration of this Act.

"SEC. 1102. The Commission shall prepare and submit to the President an annual report with respect to the rates of compensation under, and the administration of, this Act. The President shall submit an annual report to Congress which shall contain, among other matters, such recommendations, based upon the report of the Commission, as he may deem advisable.

"SEC. 1103. In the administration of this Act, there shall be no discrimination with respect to any person, or with respect to the position held by any person, on account of sex, marital status, race, creed, or color.

"SEC. 1104. Nothing in this Act shall be construed to affect the application to officers and employees to whom this Act applies of the veteran-preference provisions in the Civil Service Act, as amended, and the Veterans' Preference Act of 1944, as amended.

"SEC. 1105. (a) Except as provided in subsection (b)—

"(1) titles VI, VII, VIII, and XII shall take effect on the first day of the first pay period which begins after the date of enactment of this Act;

"(2) all other provisions of this Act shall take effect upon enactment.

"(b) With respect to any position which, immediately prior to the date of enactment of this Act, is not subject to the Classification Act of 1923, as amended (including positions in grade 9 of the professional and scientific service or in grade 16 of the clerical, administrative, and fiscal service referred to in section 13 of such Act), but to which this Act applies, this Act shall take effect on a date specified by the Commission, but not later than the first day of the first pay period which begins after six months following the date of enactment of this Act. An officer or employee occupying any such position on such effective date, and receiving basic compensation at a rate in excess of the appropriate rate of the grade in which such position is placed, shall continue to receive basic compensation without change in rate until (1) he leaves such position, or (2) he is entitled to receive basic compensation at a higher rate by reason of the operation of title V or VII. When such position is vacated by such officer or employee, the rate of basic compensation of any subsequent appointee shall be fixed in accordance with this Act.

"(c) Employees of the Bureau of Engraving and Printing to whom section 202 (7) applies shall continue to receive compensation at the rates prescribed for the Clerical-Mechanical Service by the Classification Act of 1923, as amended, until their compensation shall have been fixed in accordance with the provisions of such section.

"SEC. 1106. (a) Whenever reference is made in any other law to the Classification Act of 1923, as amended, such reference shall be held and considered to mean this Act. Whenever reference is made in any other law to a grade of the Classification Act of 1923, as amended, such reference shall be held and considered to mean the corresponding grade shown in section 604 of this Act.

"(b) The application of this Act to any position, officer, or employee shall not be affected by reason of the enactment of subsection (a).

"SEC. 1107. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"TITLE XII—MISCELLANEOUS PROVISIONS

"SEC. 1201. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

"'SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives, or of any Production Credit Corporation, Production Credit Association, or Bank for Cooperatives shall be paid compensation at a rate in excess of $13,000 per annum.'"

"SEC. 1202. The following laws and parts of laws are hereby repealed:

"(1) The Classification Act of 1923, as amended;

"(2) Public Resolution Numbered 36, Sixty-eighth Congress, approved June 7, 1924 (43 Stat. 669);

"(3) Public, Numbered 555, Seventieth Congress, approved May 28, 1928 (45 Stat. 776), as amended;

"(4) Public, Numbered 523, Seventy-first Congress, approved July 3, 1930 (46 Stat. 1003), as amended;

"(5) Sections 505, 506, 507, 508, and 509 of the Economy Act, approved June 30, 1932 (47 Stat. 416);

"(6) Sections 3, 4, 5, 6, and 7 of Public, Numbered 880, Seventy-sixth Congress, approved November 26, 1940 (54 Stat. 1212), as amended;

"(7) Public Law 200 (except section 6 thereof), Seventy-seventh Congress, approved August 1, 1941 (55 Stat. 613);

"(8) Public Law 694, Seventy-seventh Congress, approved August 1, 1942 (56 Stat. 733);

"(9) Title IV of the Federal Employees Pay Act of 1945, approved June 30, 1945 (59 Stat. 298); and

"(10) Sections 2 and 12 of the Federal Employees Pay Act of 1946, approved May 24, 1946 (60 Stat. 216, 219).

"SEC. 1203. Section 604 (d) of the Federal Employees Pay Act of 1945, as amended, is amended to read as follows:

"'(d) (1) Hereafter, for all pay computation purposes affecting officers or employees in or under the executive branch, the judicial branch, or the District of Columbia municipal government, basic per annum rates of compensation established by or pursuant to law shall be regarded as payment for employment during fifty-two basic administrative workweeks of forty hours.

"'(2) Whenever for any such purpose it is necessary to convert a basic monthly or annual rate to a basic biweekly, weekly, daily, or hourly rate, the following rules shall govern:

"'(A) A monthly rate shall be multiplied by twelve to derive an annual rate;

"'(B) An annual rate shall be divided by fifty-two or twenty-six, as the case may be, to derive a weekly or biweekly rate;

"'(C) A weekly or biweekly rate shall be divided by forty or eighty, as the case may be, to derive an hourly rate; and

"'(D) A daily rate shall be derived by multiplying an hourly rate by the number of daily hours of service required.

"'(3) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.'"

"SEC. 1204. All laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency."

And the Senate agree to the same.

TOM MURRAY,
JAMES H. MORRISON,
GEORGE P. MILLER,
EDWARD H. REES,
ANTONI N. SADLAK,
Managers on the Part of the House.

OLIN D. JOHNSTON,
RUSSELL B. LONG,
FRANK P. GRAHAM,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5931) to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill strikes out all of the House bill after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment, and that the Senate agree to the same.

Except for the differences noted in the following statement, the conference substitute is substantially the same as the House bill.

The House bill provided that the short title be "Classification Revision Act of 1949". The short title in the Senate amendment is "Position-Classification and Pay Act of 1949". The short title proposed by the conference substitute is "Classification Act of 1949".

Section 202 (2) of the House bill exempted from the coverage of the bill positions in or under the Department of State which both are (A) connected with the representation of the United States to international organizations, and (B) specifically exempted by law from the Classification Act of 1923, or any other classification or compensation law. Section 202 (2) of the conference substitute is the same as the Senate amendment and exempts from the coverage of the bill positions in or under the Department of State which meet either of the conditions specified in the House bill.

With respect to the General Schedule, the table below shows existing grades and rates of compensation; the grades and rates of compensation prescribed in the House bill, the Senate amendment, and the conference substitute; and the differences between existing rates and the rates prescribed in the conference substitute. An examination of columns 2 and 4 of the table will disclose the differences between the House bill and the conference substitute with respect to the rates of the respective grades.

GENERAL SERVICE (GS) SCHEDULE

GRADE GS–1 (EXISTING GRADES SP–1, SP–2, AND CAF–1)

Existing rates (1)	House rates (2)	Senate rates (3)	Conference substitute rates (4)	Conference substitute increases over existing rates (5)
$2,020	$2,186	$2,200	$2,200	$180.00
$2,086	2,186	2,200	2,200	114.00
$2,152	2,266	2,280	2,280	128.00
$2,218	2,346	2,360	2,360	142.00
$2,284	2,426	2,440	2,440	156.00
$2,350	2,506	2,520	2,520	170.00
$2,423.04	2,586	2,600	2,600	176.96
$2,498.28	2,666	2,680	2,680	181.72
$2,573.52	2,666	2,680	2,680	106.48

GRADE GS–2 (EXISTING GRADES SP–3 AND CAF–2)

$2,284	$2,384	$2,450	$2,450	$166.00
$2,350	2,464	2,530	2,530	180.00
$2,423.04	2,544	2,610	2,610	186.96
$2,498.28	2,624	2,690	2,690	191.72
$2,573.52	2,704	2,770	2,770	196.48
$2,648.76	2,784	2,850	2,850	201.24
$2,724	2,864	2,930	2,930	206.00

GRADE GS–3 (EXISTING GRADES SP–4 AND CAF–3)

$2,498.28	$2,600	$2,700	$2,650	$151.72
$2,573.52	2,680	2,780	2,730	156.48
$2,648.76	2,760	2,860	2,810	161.24
$2,724	2,840	2,940	2,890	166.00
$2,799.24	2,920	3,020	2,970	170.76
$2,874.48	3,000	3,100	3,050	175.52
$2,949.72	3,080	3,180	3,130	180.28

GRADE GS–4 (EXISTING GRADES SP–5 AND CAF–4)

$2,724	$2,824	$3,000	$2,875	$151.00
$2,799.24	2,904	3,080	2,955	155.76
$2,874.48	2,984	3,160	3,035	160.52
$2,949.72	3,064	3,240	3,115	165.28
$3,024.96	3,144	3,320	3,195	170.04
$3,100.20	3,224	3,400	3,275	174.80
$3,175.44	3,304	3,480	3,355	179.56

GRADE GS–5 (EXISTING GRADES SP–6, CAF–5, AND P–1 IN HOUSE BILL AND CONFERENCE SUBSTITUTE; THE SENATE BILL INCLUDES THESE AND, IN ADDITION, SP–7 AND CAF–6)

$2,974.80	$3,075	$3,100	$3,100	$125.20
$3,100.20	3,200	3,225	3,225	124.80
$3,225.60	3,325	3,350	3,350	124.40
$3,351	3,450	3,475	3,475	124.00
$3,476.40	3,575	3,600	3,600	123.60
$3,601.80	3,700	3,725	3,725	123.20
$3,727.20	3,825	3,850	3,850	122.80
$3,852.60	----------	[1] 3,975	----------	----------
$3,978	----------	[1] 4,100	----------	----------
$4,103.40	----------	[1] 4,225	----------	----------

[1] For present incumbents only—not a scheduled rate

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–7; SENATE GRADE GS–6 (EXISTING GRADES SP–8, CAF–7, AND P–2; SENATE BILL ALSO INCLUDES CAF–8)

$3,727.20	$3,827	$3,850	$3,825	$97.80
$3,852.60	3,952	3,975	3,950	97.40
$3,978	4,077	4,100	4,075	97.00
$4,103.40	4,202	4,225	4,200	96.60
$4,228.80	4,327	4,350	4,325	96.20
$4,354.20	4,452	4,475	4,450	95.80
$4,479.60	4,577	4,600	4,575	95.40
$4,605	----------	[1] 4,725	----------	----------
$4,730.40	----------	[1] 4,850	----------	----------
$4,855.80	----------	[1] 4,975	----------	----------

[1] For present incumbents only—not a scheduled rate.

GENERAL SERVICE (GS) SCHEDULE—Continued

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–6 (NO CORRESPONDING SEPARATE GRADE IN SENATE BILL; EXISTING GRADES SP–7 AND CAF–6 IN HOUSE BILL AND CONFERENCE SUBSTITUTE)

Existing rates (1)	House rates (2)	Senate rates (3)	Conference substitute rates (4)	Conference substitute increases over existing rates (5)
$3,351	$3,451	----------	$3,450	$99.00
$3,476.40	3,576	----------	3,575	98.60
$3,601.80	3,701	----------	3,700	98.20
$3,727.20	3,826	----------	3,825	97.80
$3,852.60	3,951	----------	3,950	97.40
$3,978	4,076	----------	4,075	97.00
$4,103.40	4,201	----------	4,200	96.60

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–8 (EXISTING GRADE CAF–8; NO CORRESPONDING SEPARATE GRADE IN SENATE BILL)

$4,103.40	$4,200	----------	$4,200	$96.60
$4,228.80	4,325	----------	4,325	96.20
$4,354.20	4,450	----------	4,450	95.80
$4,479.60	4,575	----------	4,575	95.40
$4,605	4,700	----------	4,700	95.00
$4,730.40	4,825	----------	4,825	94.60
$4,855.80	4,950	----------	4,950	94.20

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–9; SENATE GRADE GS–7 (EXISTING GRADES CAF–9 AND P–3; SENATE BILL ALSO INCLUDES CAF–10)

$4,470.60	$4,600	$4,600	$4,600	$120.40
$4,605	4,725	4,725	4,725	120.00
$4,730.40	4,850	4,850	4,850	119.60
$4,855.80	4,975	4,975	4,975	119.20
$4,981.20	5,100	5,100	5,100	118.80
$5,106.60	5,225	5,225	5,225	118.40
$5,232	5,350	[1] 5,350	5,350	118.00
$5,357.40	----------	[1] 5,475	----------	----------
$5,482.80	----------	[1] 5,600	----------	----------
$5,608.20	----------	[1] 5,725	----------	----------

[1] For present incumbents only—not a scheduled rate.

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–10 (EXISTING GRADE CAF–10; NO CORRESPONDING SEPARATE GRADE IN SENATE BILL)

$4,855.80	$5,000	----------	$5,000	$144.20
$4,981.20	5,125	----------	5,125	143.80
$5,106.60	5,250	----------	5,250	143.40
$5,232	5,375	----------	5,375	143.00
$5,357.40	5,500	----------	5,500	142.60
$5,482.80	5,625	----------	5,625	142.20
$5,608.20	5,750	----------	5,750	141.80

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–11; SENATE GRADE GS–8 (EXISTING GRADES CAF–11 AND P–4)

$5,232	$5,400	$5,400	$5,400	$168.00
$5,482.80	5,600	5,650	5,600	117.20
$5,733.60	5,800	5,900	5,800	66.40
$5,984.40	6,000	6,150	6,000	15.60
----------	6,200	----------	6,200	----------
$6,235.20	6,400	6,400	6,400	164.80

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–12; SENATE GRADE GS–9 (EXISTING GRADES CAF–12 AND P–5)

$6,235.20	$6,400	$6,400	$6,400	$164.80
$6,474.60	6,600	6,650	6,600	125.40
$6,714	6,800	6,900	6,800	86.00
$6,953.40	7,000	7,150	7,000	46.60
$7,192.80	7,200	7,400	7,200	7.20
----------	7,400	----------	7,400	----------

GENERAL SERVICE (GS) SCHEDULE—Continued

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–13; SENATE GRADE GS–10 (EXISTING GRADES CAF–13 AND P–6)

Existing rates (1)	House rates (2)	Senate rates (3)	Conference substitute rates (4)	Conference substitute increases over existing rates (5)
$7,432.20	$7,600	$7,600	$7,600	$167.80
$7,671.60	7,800	7,850	7,800	128.40
$7,911	8,000	8,100	8,000	89.00
$8,150.40	8,200	8,350	8,200	49.60
$8,389.80	8,400	8,600	8,400	10.20
	8,600		8,600	

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–14; SENATE GRADE GS–11 (EXISTING GRADES CAF–14 AND P–7)

$8,509.50	$8,800	$8,800	$8,800	$290.50
$8,808.75	9,000	9,050	9,000	191.25
$9,108	9,200	9,300	9,200	92.00
	9,400		9,400	
$9,407.25	9,600	9,550	9,600	192.75
$9,706.50	9,800	9,800	9,800	93.50

HOUSE AND CONFERENCE SUBSTITUTE GRADE GS–15; SENATE GRADE GS–12 (EXISTING GRADES CAF–15 AND P–8)

	$10,000	$10,000	$10,000	
	10,250		10,250	
$10,305	10,500	10,500	10,500	$195.00
$10,330	10,500	11,000	10,500	170.00
	10,750		10,750	
	11,000		11,000	

The existing Classification Act does not contain any grades or rates comparable to the following:

Existing rates (1)	House rates (2)	Senate rates (3)	Conference substitute rates (4)	Conference substitute increases over existing rates (5)
	House grade GS–16		Grade GS–16 [2]	
	$11,500		$11,200	
	11,750		11,400	
	12,000		11,600	
	12,250		11,800	
	12,500		12,000	
	House grade GS–17	Senate grade GS–13	Grade GS–17 [2]	
	$13,000	$11,500	$12,200	
	13,250	12,000	12,400	
	13,500	12,500	12,600	
	13,750		12,800	
	14,000		13,000	
	House grade GS–18		Grade GS–18 [2]	
	$15,000		$14,000	

[2] Section 505 of the conference substitute provides that at any one time there shall not be more than 300 positions in Grade GS–16, not more than 75 positions in Grade GS–17, and not more than 25 positions in Grade GS–18.

The crafts, protective, and custodial schedule is the same in the conference substitute as in the House bill.

Section 804 (a) and (b) of the Senate amendment authorized the Civil Service Commission to establish schedules of pay differentials for employments in which the employee is inherently exposed in the performance of assigned duties to unusual danger of loss of life, crippling injury, or disabling disease. Such pay differentials were to be added to the rates of basic compensation set forth in title VI of the Senate amendment, but no such pay differential was to exceed 50 percent of the rate of basic compensation otherwise applicable. Section 804 (c) authorized and directed the Commission to study the problem of additional compensation for hazardous employments and to report to Congress, not later than 1 year from the date of enactment of the bill, its findings and recommendations for formulating a future policy and plan for dealing with the problem. The House bill contains no such provisions.

Section 803 of the conference substitute omits the provisions of section 804 (a) and (b) of the Senate amendment relating to the establishment of pay differentials, but retains the provision in section 804 (c) of the Senate amendment authorizing and directing the Commission to study the problem of additional compensation for hazardous employments and to submit to Congress its findings and recommendations.

Title IX of the House bill continued existing efficiency rating provisions. Title IX of the Senate amendment would replace these with new provisions for performance rating plans, and eliminate existing provisions for efficiency rating boards of review. The conference substitute is the same as the House bill except that a new section (sec. 903) is added which requires the Civil Service Commission to make a study of efficiency rating systems in the Federal service and submit a report to Congress on or before February 1, 1950, setting forth its findings as to the operation and administration of such systems and such recommendations (including specific recommendations for legislation) as it may deem advisable.

Title X of the Senate amendment provides a specific program for increasing efficiency and promoting economy in the Federal service. An explanation of the title by sections follows:

Section 1001: Under regulations issued and administered by the Director of the Bureau of the Budget, each department is required to make systematic reviews, on a continuing basis, of each of its activities, functions, or organization units. Among other things, such reviews are to determine operational efficiency and economy of each activity or unit and identify the supervisors and employees whose personal efforts have caused their units to be outstanding in these respects.

Section 1002: This section sets up the machinery for rewarding such supervisors and employees. The head of the department appoints an efficiency awards committee, which identifies those supervisors and employees whose superior accomplishments have contributed to outstanding efficiency and economy in administration. Subject to the approval of the head of the department, the committee may reward such supervisors and employees either by cash awards or by increases in rates of basic compensation, commensurate with their demonstrated superior accomplishments.

On a group basis, the total of the awards shall not exceed 25 percent of the estimated savings to the Government due to their superior accomplishments.

On an individual basis, the award may not exceed three times the step increase of the supervisor's or employee's grade.

Any such award takes the place of any reward for superior accomplishment under section 702 of the bill.

Section 1013: This section requires the Bureau of the Budget to maintain control of the program set forth in title X, and to report the results annually to Congress, with such recommendations as it may deem advisable.

This title was not contained in the House bill. Title X of the conference substitute is the same as title X of the Senate amendment. Under section 205 of the conference substitute this title is made inapplicable to (1) the Administrative Office of the United States Courts, (2) the Library of Congress, (3) the Botanic Garden, (4) the Government Printing Office, (5) the Office of the Architect of the Capitol, and (6) the municipal government of the District of Columbia.

Section 1101 of the House bill amended the Federal Employees Pay Act of 1945, the Federal Employees Pay Act of 1946 and the Postal Rate Revision and Federal Employees Salary Act of 1948 to establish the maximum compensation payable by reason of such acts at $10,500 instead of $10,330. This provision is omitted from the conference substitute.

The Senate amendment contained a provision amending section 66 of the Farm Credit Act of 1933 so as to increase from $10,000 to $12,500 the maximum per annum compensation payable to certain officers and employees under the Farm Credit Administration. The House bill did not contain such a provision.

Section 1201 of the conference substitute amends section 66 of the Farm Credit Act of 1933 so as to increase from $10,000 to $13,000 the maximum per annum compensation that may be paid to any director, officer, or employee of the Central Bank for Cooperatives or of any production credit corporation, production credit association, or bank for cooperatives.

The Senate amendment amends section 604 (d) of the Federal Employees Pay Act of 1945 in two respects: (1) It adds to the existing rules for converting one rate of compensation to another rate of compensation the rule that an annual rate shall be divided by 26 to derive a biweekly rate and the rule that a biweekly rate shall be divided by 80 to derive an hourly rate, and (2) it provides that all rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The House bill contained no such provision. Section 1203 of the conference substitute is the same as the Senate amendment.

TOM MURRAY,
JAMES H. MORRISON,
GEORGE P. MILLER,
EDWARD H. REES,
ANTONI N. SADLAK,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, the conference report represents a compromise of the differences in the two versions of the classification bill (H. R. 5931) of the two bodies.

The pay schedule adopted in the conference report follows the House schedule in all of the CPC grades, and in

grades 8, 9, 10, 11, 12, 13, 14, and 15 of the general schedule.

The Senate rates were accepted in grade 1 which are $14 more than the House rates in each step within such grade. The Senate rates were adopted in grade 2 which are $66 more in each step within such grade. The rates adopted in grade 3 are $50 more than the House rates at each step within such grade. The rates agreed upon in grade 4 are $51 more at each step within such grade. In grade 5 the conference report contains the Senate rates which are $25 more than the House rates. The pay rates are $1 less than the House rates in each step within grade 6. In grade 7 the conference agreement contains rates $2 less than the House bill.

The conference report retained grades 16, 17, and 18 of the House bill but provided substantially lower pay rates, except at grade 18 which remained at $14,000. Grade 16 in the conference report provides pay rates between $11,200 and $12,000; and grade 17 provides pay rates between $12,200 and $13,000. The conference substitute provides a limitation on the number of positions in grade 16 of 300, grade 17 of 75, and grade 18 of 25, and retained the provision in the House bill that the Civil Service Commission is to allocate the positions in grades 16 and 17, and in grade 18 the President, upon recommendation of the Civil Service Commission, is to allocate such positions.

The conference report adopted the following provisions which were not contained in the House bill:

First. Title X, which provides a procedure for granting increases in compensation or cash awards to employees who, in the judgment of an efficiency awards committee in the departments and agencies, make outstanding contributions to greater efficiency and economy in their respective departments or agencies. Such cash awards or salary increases are not to exceed an amount equal to three times the step increase of the grades in which they are working. The Bureau of the Budget is to maintain control of the program and submit reports to the Congress annually.

Second. A provision authorizing and directing the Civil Service Commission to study the problem of additional compensation for hazardous employment and submit to the Congress its findings and recommendations.

Third. A provision requiring the Civil Service Commission to make a study of efficiency-rating systems in the Federal service and to submit a report to Congress on or before February 1, 1950, setting forth its findings, together with such recommendations as it may deem advisable.

Fourth. A provision amending the Farm Credit Act of 1933 so as to increase from $10,000 to $13,000 the maximum compensation that may be paid to any director, officer, or employee of the Central Bank for Cooperatives or of any production credit corporation, production credit associations, or bank for cooperatives.

Fifth. A provision amending the Federal Employees Pay Act of 1945 in two respects: (a) adding to the existing rules for converting one rate of compensation to another rate of compensation the rule that an annual rate shall be divided by 26 to derive a biweekly rate, and the rule that a biweekly rate shall be divided by 80 to derive an hourly rate; and (b) providing that all rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

The cost of the conference report is $124,340,000, as compared with the House bill which cost $100,500,000 annually.

The average salary increase for the 885,000 employees covered under the provisions of the conference report is $140.50, as compared with the average salary increase under the House bill of $113.60.

The conference report was unanimously agreed to upon the part of the managers on the part of the House and I hope that now it will be adopted by the House without objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, the conference report which is before the House for consideration is a result of a compromise between the House and Senate. The conference report retains most of the provisions of the House bill; however, higher rates of compensation were provided in the four lower grades, with which I agree.

I do not believe, however, that the provision in the conference report providing pay rates in excess of $12,500 is justified at this time.

At the time this bill was considered by the House, I proposed the elimination of the two higher grades which provided pay rates of $13,000 and $14,000 per annum, and the establishment of a ceiling of $12,000. My amendment was defeated by only four votes. During the conference I made a similar proposal. A compromise was finally agreed upon which limited the number of positions in the three higher grades above $11,000 per annum to 300 for grade 16, with pay rates between $11,200 and $12,000; 75 for grade 17 with pay rates between $12,200 and $13,000; and 25 for grade 18 with a pay rate of $14,000.

The conference report contains several provisions which were not in the House bill. Title X, which was sponsored by Senator LONG, provides a procedure for granting increases in compensation or cash awards to employees in the executive departments or agencies who make outstanding contributions for greater efficiency or economy in their respective departments or agencies. I share with Senator LONG his desire to provide greater efficiency and economy in Government, and trust that title X will prove to be workable and that the suggestions of employees in our Government will be given greater consideration than they are at the present time. The conference report authorizes and directs the Civil Service Commission to study the present efficiency-rating system and the problem of additional compensation for hazardous employment and to submit to Congress its findings and recommendations regarding these problems.

The Hoover Commission on the Organization of the Executive Branch of the Government made certain recommendations with respect to a simplification and modernization of the Classification Act of 1923. This study was begun by the Post Office and Civil Service Committee of which I had the honor of being chairman during the Eightieth Congress. The bill under consideration is a result of this study, and I am pleased that the Hoover Commission endorses many of its provisions.

The cost of the conference report is $124,340,000, which is $24,000,000 above the cost of the House bill. However, the average increase in salary for the 885,000 employees covered by the bill is $140.50, as compared with the average salary increase under the House bill of $113.60.

Although I shall not object to the consideration of the conference report at this time because I endorse the objective of the legislation in revising the antiquated and outmoded definitions and procedures, I do not believe that this legislation should be used as a vehicle through which to give large and hidden increases of several thousand dollars to employees who are now making $8,000 to $10,000 per annum.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from Connecticut, a valued member of our committee.

Mr. SADLAK. I want to join the gentleman in what he said. Certainly this is a major bill, inasmuch as it affects some 885,000 workers in the Government service. I want also to stress the point that this is the first major revision of the Classification Act in 26 years.

Mr. REES. I appreciate the contribution of the gentleman from Connecticut, one of the valued members of our committee. I believe the House committee did an exceptionally good job in working out the classification standards in this bill. I believe the conference report, with the exception of the lifting of the ceilings above $12,000 is a satisfactory report. It is probable that after the act has been put into effect, inequities will be disclosed.

I want to pay tribute to the members of the conference committee on the part of the House who helped to work out a final draft of this legislation. They include our distinguished chairman, the gentleman from Tennessee [Mr. MURRAY], also the gentleman from Louisiana [Mr. MORRISON], the gentleman from California [Mr. MILLER], the gentleman from Connecticut [Mr. SADLAK] who has just spoken, and the distinguished gentlewoman from New York [Mrs. ST. GEORGE]. I am glad to have been associated with them in working out this legislation.

Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this time in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

(Mr. FULTON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Detroit News and part

of the testimony of J. T. Sanders, legislative counsel of the National Grange.)

Mr. FULTON. Mr. Speaker, in the conference report on the bill H. R. 4495 there was eliminated, first, the uniform allowance for postal employees of $100. Second, there was a cut in the pay increase from $150 to $120. Third, there was stricken out the 5 days' increased vacation time, reducing proposed annual leave from 20 days to 15 days.

May I ask the chairman of the Committee on Post Office and Civil Service whether this is the end of the streetcar line for the postal employees, or whether in the next session of Congress the committee plans to have further hearings on these items that have been stricken from the House bill and the conference report?

I would like to know generally what the committee plans for the coming year in respect to these items for postal employees. May I ask the chairman of the House Post Office and Civil Service Committee, the gentleman from Tennessee [Mr. MURRAY], to give us a statement on that?

Mr. MURRAY of Tennessee. How do I know what the committee is going to do next year? We have been as busy as we can be all this year trying to get through many bills. We have not had time to map out any program for next year. I do not know where the gentleman's so-called streetcar line ends.

Mr. FULTON. The committee has certainly come up with certain things that it thought were good and that have now been stricken out. Do you intend to press them further, or will this be the end of them as far as the committee is concerned?

Mr. MURRAY of Tennessee. Let me say that the Senate passed a bill for postal employees costing $51,000,000. The House passed a bill costing $178,000,000. The conferees had to reach some middle ground, some compromise, so we came halfway with the Senate and made the cost of the bill $115,000,000, just exactly half of the difference between the House and Senate versions.

Mr. FULTON. Do you intend to go the other half, or is this the end of the streetcar line? That is all I am asking. Is this the end for this committee?

Mr. MURRAY of Tennessee. The committee will be functioning next year and will still try to be fair in the matter, and at the same time protect the taxpayers of America.

Mr. FULTON. Do I understand that you now have no plans on any one of the three things that have been stricken out of the House bill, that is, the uniform allowance, the postal pay raise, and the increased vacation time?

Mr. MURRAY of Tennessee. I think I have answered the gentleman sufficiently. All matters pertaining to legislation before our committee will be given fair, due, and considerate attention next year.

Mr. FULTON. Do I understand the gentleman to say it will be done next year by his committee?

Mr. MURRAY of Tennessee. I decline to reply further to the gentleman from Pennsylvania.

Mr. FULTON. I am sorry the gentleman declines to reply further, because the committee certainly has these things within their province. We who are interested in the Government service, including the postal employees, certainly should have what the gentleman and his committee plan to do, at the time these bills are passed.

Mr. MURRAY of Tennessee. I might as well ask the gentleman what his committee expects to do next year about certain matters before it. I think the gentleman is trying to place me as chairman of the committee in a rather unfair position.

Mr. FULTON. I would not say unfair. But I certainly think that an explanation is due the Congress and the postal employees when the House in conference gives up its positions that the House committee thought were good, and then the chairman of the Post Office Committee refused to make any statement whatever as to what he is going to do as to those vital matters in the future. That is all.

Mr. REES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, the conference report on H. R. 4495, a bill which gives increased benefits to postmasters, officers, and employees in the field service of the postal service, retains substantially the provisions of the bill as it passed the House. The managers on the part of the House, with respect to this measure, approached the conference with the objective of maintaining the position of the House with respect to these increased benefits for postal employees, having in mind the fact that in its original form it had received the endorsement of almost every Member of this House.

The conference report eliminates two of the major provisions of the House bill: (a) The provision for an increase in annual leave for postal employees of 5 days. At the present time postal employees receive 15 days of annual leave. Other Federal employees receive 26 days; (b) the provision which would have given a uniform allowance to those postal employees required to wear uniforms of $100 per year. Both of these provisions concern subject matter which relates to employees in the Government generally, and it is the intention of the two committees to make a thorough study of both annual leave and uniform allowance next session.

In the bill as approved by the conference, there are contained many benefits for the postal employees which they have sought for a long time. The provision of the House bill establishing three additional longevity grades for faithful and meritorious service for those employees in the postal field service who are not paid on an hourly basis, and for whom no such grades are provided under existing law, was retained with a limitation requiring that employees to be eligible for such grades must serve a minimum of 13, 18, and 25 years respectively. There are a small group of employees who presently receive two such longevity grades. The provision of the House bill giving them one additional grade is retained by the conference report, with a provision that to be eligible for such third grade, the employee must have served a minimum of 25 years in the postal service. These provisions, adding the additional longevity grades for these employees, will place all employees in the postal service having automatic grades on the same level, in that all will have three longevity grades in addition to their automatic promotions. The provisions in the House bill setting up three longevity grades for postmasters and supervisors are retained in the conference report in the same form as they appeared in the House bill.

Both the House and Senate bills provided for eliminating the first two grades for all regular employees. In addition the House bill would have eliminated the first two grades for substitute employees. This was an amendment which I offered on the floor of the House. Under the conference report there was a modification of this provision, so that as it now appears, regular employees who are not a grade lower than three, prior to the effective date of this bill, will be placed in grade 3. Those receiving regular appointments after the passage of this bill will be placed in grade 3. Substitute and temporary employees will be placed in grade 3 after 1 year of service.

The provision of the House bill which permits the employees to count all of their past service toward their longevity grades is retained in the conference agreement. However, the language has been changed to clarify the particular section in which this provision appears. The conference substitute, first, has restated section 3 (c) of the House bill in the interests of simplification and clarification of policy; and second, has made it clear that each person in the new meritorious or longevity grades established under subsections (a) and (b) of the first section of the conference substitute shall have credit, for promotion to any of such new meritorious and longevity grades, for all service rendered prior to July 1, 1945, for which he has not heretofore received credit for promotion purposes.

The House bill provided the following increases in rates of compensation: First, an increase of $150 per annum for postmasters, officers, and employees in the postal field service paid on an annual basis and whose compensation rates are prescribed by the act of July 6, 1945, as amended; second, an increase of 5 cents per hour for employees paid on an hourly or part-time basis; and, third, an increase of 5 percent of their annual basic compensation for fourth-class postmasters.

The first section of the Senate amendment provided increases, first, of $100 per annum for such postmasters, officers, and employees paid on an annual basis; second, of 2½ cents per hour for hourly and part-time employees; and, third, of 2½ percent of their annual basic compensation for fourth-class postmasters.

In lieu of the compensation increases provided by the House bill and the Senate amendment, section 3 of the conference substitute provides increases, first, of $120 for such postmasters, officers, and employees paid on an annual basis; second, of 2½ cents per hour for hourly and part-time employees; and, third, of 5 percent of their annual basic compensation for fourth-class postmasters.

Mr. Speaker, not all of the provisions in the House bill have been retained. It should be observed, however, that in order to secure legislation on this subject matter, it was necessary to make some compromise. I think it is fair to observe, also, that in view of the fact that the Senate measure did not afford nearly as much relief for postal employees that this is a fair compromise.

Among other provisions not included in the Senate bill were the items of uniform allowance and increases in annual leave. In all probability these matters will be taken up at a later date. Considering the fact that the Bureau of the Budget and the Post Office Department were not inclined to support H. R. 4495 as originally written, it seems to me that postal employees should be reasonably well satisfied with this legislation.

Mr. MURRAY of Tennessee. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FOREST RECREATIONAL RESOURCES

Mr. GRANGER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2419) relating to the disposition of moneys received from the national forests, as amended.

The Clerk read as follows:

Be it enacted, etc., That the fourteenth paragraph under the heading "Forest Service" of the act of March 4, 1913, as amended by section 212 of the Department of Agriculture Organic Act of 1944 (U. S. C., 1946 edition, title 16, sec. 501) is hereby amended by adding at the end thereof the following new sentence: "Ten percent of all moneys received from each national forest during each fiscal year shall be available at the end thereof to be expended by the Secretary of Agriculture for the development, maintenance, and operation of national forest recreational resources and areas, including wildlife resources."

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 235]

Abbitt	Blatnik	Celler
Allen, Calif.	Boggs, La.	Chatham
Allen, Ill.	Bolling	Christopher
Andresen, August H.	Bonner	Chudoff
Angell	Boykin	Coudert
Barden	Buchanan	Crosser
Barrett, Wyo.	Buckley, Ill.	Dague
Bates, Ky.	Buckley, N. Y.	Davenport
Bentsen	Bulwinkle	Davies, N. Y.
Bland	Burke	Dawson
	Byrne, N. Y.	DeGraffenried
Dollinger	Kennedy	Phillips, Tenn.
Dondero	Keogh	Pickett
Donohue	Kilburn	Poulson
Doyle	Klein	Powell
Eaton	Larcade	Rains
Ellsworth	LeFevre	Ramsay
Elston	Lichtenwalter	Regan
Fenton	Linehan	Rhodes
Fisher	Lucas	Ribicoff
Furcolo	McConnell	Riehlman
Garmatz	McGrath	Rogers, Fla.
Gary	McSweeney	Roosevelt
Gilmer	Mack, Ill.	Sanborn
Golden	Mack, Wash.	Scott, Hugh D., Jr.
Gordon	Macy	Sikes
Green	Mansfield	Simpson, Pa.
Gregory	Marcantonio	Smathers
Gwinn	Mason	Smith, Ohio
Hale	Miller, Md	Steed
Hand	Miller, Nebr.	Tauriello
Harvey	Morgan	Taylor
Hays, Ohio	Morton	Teague
Hébert	Multer	Thomas, N. J.
Heller	Murphy	Thompson
Herlong	Murray, Wis.	Thornberry
Hinshaw	Nixon	Towe
Hoffman, Ill.	Noland	Underwood
Hoffman, Mich.	Norton	Vursell
Irving	O'Brien, Ill.	Whitaker
Jackson, Calif.	O'Hara, Ill.	White, Idaho
James	Pace	Wier
Javits	Patten	Withrow
Jenkins	Pfeifer, Joseph L.	Wolverton
Jonas	Pfeiffer, William L.	Woodhouse
Judd	Phillips, Calif.	Yates
Kee		
Kelley		

The SPEAKER. On this roll call, 295 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to include, as part of my remarks on the bill H. R. 4942, the report of the committee, and insert it in the RECORD at that point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

FOREST RECREATIONAL RESOURCES

The SPEAKER. Is a second demanded?

Mr. KEEFE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. GRANGER. Mr. Speaker, the bill H. R. 2419, introduced by the distinguished gentleman from Arkansas [Mr. TACKETT], has for its purpose the setting aside of certain forest reserve funds for recreational purposes.

I know objections are going to be raised to this bill because it will be contended that such a provision in this bill would bypass the Committee on Appropriations. There is some justification for such a complaint.

The Members will recall that during the CCC days throughout all the national forests of the country there were developed certain recreational areas, campgrounds, or places for fishing expeditions, hunting, and so forth. Since those days no funds have been made available for the maintenance of any of these facilities. There has been an annual appropriation, it is true, but it has been entirely inadequate to rehabilitate or to furnish any of these facilities.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from New York.

Mr. KEATING. May I inquire, if the appropriation was inadequate, would not the proper way to approach the problem be to ask for an additional appropriation rather than to pass a bill of this kind?

Mr. GRANGER. During all the years these facilities have been deteriorating, many Members of the Congress have gone to the Department and to the Bureau of the Budget to try to have appropriations made that would in some way furnish thees facilities to a limited degree. Until this very hour we have not been able to do it. When we go to the Committee on Appropriations they say, "This is what the Bureau of the Budget recommends," and that is true. That is all we have been able to get out of the Committee on Appropriations. As the gentleman well knows, it is difficult to get funds that have not been approved by the Bureau of the Budget.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from New York.

Mr. TABER. Has the gentleman ever appeared before the Committee on Appropriations on these items?

Mr. GRANGER. Many, many times, with many Members from various States of the Union.

Mr. TABER. Of course, the gentleman realizes that if he was not satisfied with what the committee did he could come on the floor and make a case with an amendment in an orderly way.

Mr. GRANGER. Yes, I know the way to do it, but I know it is very difficult to get it done. I think this money is absolutely necessary. It is a necessity in nearly every district of the country where there is a national forest. I hope this House will pass this legislation so that these funds may be made available.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield to the gentleman from Nebraska.

Mr. STEFAN. Is it the intent to take 10 percent of the income of the national forests and use that for recreational purposes? How much money would that amount to a year?

Mr. GRANGER. It is not contemplated under this bill and the interpretation that has been put on it by the department that it would in any way interfere with any funds that have already been allocated, such as the 25 percent for schools and a certain amount for roads.

Mr. STEFAN. Who is going to do the accounting of that? What control would the Congress have over those funds? How much would it be each year?

Mr. GRANGER. It is estimated that this might rise as high as $3,000,000 a year, which is a very small amount.

Mr. STEFAN. Does not the gentleman believe all that money should be recovered into the Treasury, and that he should then come to Congress and ask Congress to appropriate each year, in order that there would be some control over that appropriation?

Mr. GRANGER. I would be very glad to get it, but we have not been very successful in getting anything.

Mr. FULTON. If we continue that practice, to set aside and specifically earmark tax money without going through the regular tax procedure in the Congress and of appropriating money—if we carry this further, are we not going to get into trouble and has not President Truman on the Democratic side said that that was against his policy?

Mr. GRANGER. I do not know what the President said, but he will have an opportunity to express his views at the proper time.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. GRANGER. I yield.

Mr. CASE of South Dakota. This is not tax money, is it?

Mr. GRANGER. No; these are receipts from the forests.

Mr. CASE of South Dakota. This is not a matter of setting up a revolving fund out of money collected by taxation, is it?

Mr. GRANGER. No, sir; it is receipts coming from the Forest Service from the sale of lumber and grazing fees and other sources of revenue from the forests.

Mr. FULTON. Is not this a charge against the citizenry for the use of these facilities and is that not the same as taxes?

Mr. GRANGER. Absolutely, you have said something there. I will say to the gentleman it is a tax against all the people of the country and about 99 percent of them are not getting any of the advantages.

Mr. FULTON. Why do you not go through the regular procedure instead of breaking down the procedure of the House here?

Mr. GRANGER. I tried to explain to the gentleman, as best I can, why. It is because we have not been able to do what the gentleman suggests.

Mr. Speaker, I reserve the balance of my time.

Mr. KEEFE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I think the distinguished gentleman who preceded me has been very frank. Evidently there is a purpose on the part of people who are overzealous in their efforts to spend more for recreation in the national forests to get the money by completely ignoring the regular appropriation process. The chairman very frankly says they have not been able to get it through the ordinary procedures which ought to be followed by the Congress before money is taken out of the Public Treasury.

So they have found this way of assuring to the Secretary of Agriculture and to him alone the authority to spend 10 percent of all the receipts from the national forests each fiscal year. The amount may be tremendously high, depending on the sale of lumber and stumpage, and so forth, out of the national forests, in each year. By voting for this, if the Congress elects to do so, you are completely eliminating the control of the Congress over that fund which ought to flow and does now flow into the Treasury of the United States.

Let us see what the situation is. The Government of the United States owns over 220,000,000 acres of timberland. They are managed by the Forestry Department of the Department of Agriculture. It is selling timber, posts, pulpwood, and many other products. There is a tremendous revenue which last year amounted to about $32,000,000. Those funds go into the Treasury of the United States. While they are not tax funds, they are, nevertheless, revenue which the Bureau of the Budget figures on when the President makes up his budget. Each year there is included in each appropriation bill an item for this specific purpose. The Department of Agriculture goes to the Bureau of the Budget. What is the Bureau of the Budget? Why, that is the President of the United States. That is an arm of the President. They go to that arm of Government which is run for the purpose of advising the President. The Bureau of the Budget determines that such-and-such an amount is the amount which ought to be expended for the next fiscal year for recreation in the national forests.

Last year they recommended an appropriation of $1,100,000. That recommendation of the Bureau of the Budget comes to the Congress. Finally, the appropriation bill comes to the floor of Congress, and every Member has a right to come before the committee that is considering that bill and, not receiving satisfaction there, has a right to stand up on the floor of the House and ask that that amount be increased, thus preserving the integrity of the appropriating processes of the Congress and thus preserving, if you please, the control of the Congress over the money in the Treasury of the United States.

What is asked here is that Congress completely abdicate its authority. I am not speaking for the Appropriations Committee except as it is an instrument created under the rules of the Congress of the United States. They are asking that the Congress itself abdicate its right to even question the amounts that shall be expended in any year for this purpose, and are asking you to irretrievably set aside 10 percent of these receipts, whatever they may be, for these purposes. I think it is utterly wrong to bind the hands of the Congress and future Appropriations Committees in this way.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ROONEY. I wish to say to the distinguished gentleman from Wisconsin that I agree with every word he is saying.

Mr. KEEFE. I will say that the gentleman from New York [Mr. ROONEY] has had wide experience on the Appropriations Committee dealing with this very item.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Arkansas.

Mr. TACKETT. I would like to ask the gentleman whether he agrees or disagrees with the theory that 25 percent of the money from forest areas be retained for school purposes.

Mr. KEEFE. I agree with that. I agree with it because that is an entirely different situation, and I do not want to be in the position, because we do not have the time to go into the debate, of discussing the difference between this appropriation for recreation purposes and an appropriation for schools; and the gentleman knows they are not parallel at all. I do not yield further to the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Wisconsin will recall that each and every year, as far as he and I know, the Subcommittee on Appropriations for the Department of Agriculture has always listened very carefully to any testimony given to us on behalf of the recreational aims of the forestry department. I think if such a bill as this is passed it simply means that some other division of forestry, such as forest roads and trails, or access roads, may have to suffer. It means that control of these Treasury funds is lost to the Appropriations Committee and the Congress.

Mr. KEEFE. All I want to say is this: that I am strongly for the development of recreational facilities in the national forests and parks. My record as a consistent supporter of the Civilian Conservation Corps and the National Youth Administration in the work which they did, as many of you will remember, is well known. I vigorously and consistently supported that program which many people opposed. I did it because I believed in the protection, preservation, and development of recreational areas in the national forests. But in this time, when these revenues are flowing into the National Treasury, are you going to tie your own hands and say, "No; we should not look into this matter at all. We should raise this appropriation by one fell swoop from $1,300,000 to $3,000,000, and not question it"? If that is the way the Congress wants to proceed, you will have an opportunity to do so this afternoon. I cannot vote for any proposal that does that thing under the circumstances.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HORAN. As I understand, this bill would deny Congress the right carefully to analyze and consider requests of the Forest Service for appropriations.

Mr. KEEFE. It absolutely would; you bind yourself absolutely and irretrievably if you pass this bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Iowa.

Mr. GROSS. I wonder if the gentleman would help me a little; I notice on page 3 of the report a letter from the Secretary of Agriculture reporting favorably on this bill, and then I see what appears to be a contradictory statement in the last sentence on page 4.

Mr. KEEFE. I think I know what the gentleman's question is. It is a rather strange thing; we find the Secretary of Agriculture, Mr. Brannan, reporting favorably upon this legislation because he is the fellow who is going to have this money to scatter around and give it to people and places that he wants to. But when you come to the end of the report from the Secretary he very clearly says

that this bill is not approved by the Bureau of the Budget and is not in accordance with the President's program. Read it.

I sincerely trust that you will vote against suspension of the rules and against this bill.

Mr. GRANGER. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Speaker, this is not a last-minute effort to try to slip through a piece of legislation. You know, this is my first session up here and I have not the necessary contacts. I can assure you folks that I wrote this bill and that it was not the Secretary of Agriculture or anyone else who wrote it. If there is something wrong, then I did it all. But I am glad to know that you folks think my bill a smart piece of legislation.

Mr. Speaker, there are 220,000,000 acres in the forest lands of the United States, which is one-tenth of all the land area of the Nation. Each man, woman, and child in this country owns 1¼ acres of Federal forest lands. Seventy-seven million people, more than half the people in the United States, visited the forest areas in 1938. We all recall the millions, and millions, and millions of dollars that were spent back in the CCC and WPA days trying to build up the forest areas for recreational purposes. All you have got to do is to go to the forest area in your own district to find that it is dilapidated. That is true of all the forest areas. Those moneys have been spent and not a thing in the world is being done to try to take care of the assets.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. In just a minute.

Only $1,100,000 has been appropriated to take care of the national forests. The bill that I have introduced would bring in approximately $3,200,000 a year, because there were $32,000,000 worth of timber sold from the forest areas last year. I want you to remember that there are forest areas in 38 of the 48 States. I know this bill is going to be defeated because I cannot muster the necessary two-thirds majority. I will admit that, but those of you who get up here and say you are for these recreational areas remember that you killed this bill.

Let me tell you something else. I wrote this bill to provide that 10 percent of all the money received from each of the national forests during each fiscal year shall be available at the end thereof to be expended by the Secretary of Agriculture for recreational purposes within that particular national forest. In order to meet some of the arguments that have been made here, we put in an amendment providing that the money could be spent by the Department of Agriculture within any of the forest areas of the United States. It would mean more to me to have the bill as I originally wrote it because more money would be spent in the State of Arkansas. However, I am not trying to be selfish. I know this money should be spent all over the United States in order to give the poor people an opportunity to have a little recreation. The opponents are in effect arguing that only the rich are supposed to have opportunity for recreation in this country and it is only proper to dish out funds for that purpose.

Mr. Speaker, 10 percent of certain funds at this time, as voted by the older Members of the Congress, goes to the roads within my county and within your county. Someone has said today that the money will be taken away from the forest trails and so forth, but you know very well that funds for forest trails are obtained in the same way that my bill provides funds for recreation facilities. As a matter of fact, I copied my bill from that act. I was not smart enough to think up this piece of legislation. That is the true fact. This bill provides no new methods. You older Members established the precedent. Actually, the opponents dislike the Secretary of Agriculture, yet the excuse is made that this bill would be a bad appropriation measure.

Are you going to say that 25 percent of the forest funds shall not go to your schools? By virtue of legislation just like this bill, you provided forest funds for your schools. The Secretary of Agriculture dishes that money out. It is maintained here that the Appropriations Committee should be the only one to dish it out. Why, if that were the case, the schools in my little State would not get a dime. We would not get a single appropriation if we did not have a piece of legislation like this. We would not get anything from Congress and you know it. We only have seven Members from Arkansas voting here in the Congress. What we get we get the hard way. You are against the Secretary of Agriculture and that can be the only reason in the world for opposing this bill.

How can you be for recreational facilities, how can you favor helping the poor people have a little pleasure, and yet oppose a measure that was exactly copied from previous legislation that you older Members of Congress passed? Then, of all things, to say that this particular piece of legislation is being slipped through is ridiculous. I am highly amused at your statements. Can you imagine a little 'ole peckerwood from Arkansas, who has been here hardly long enough to even get the floor, being able to slip something by this Congress. That would be great, though. I wish my people thought I was that smart—that I could come up here and in my first term slip something over on the Congress. Why, I do well to get the floor. That has been my only privilege. I shall always be thankful to the Speaker for giving me that opportunity.

But let me say, Mr. Speaker, that there is going to be some other legislation killed around here after I learn some of the procedure that is being practiced today by a group that is killing a good piece of legislation as a means of fighting the Secretary of Agriculture.

Mr. KEEFE. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, I deeply appreciate the humor of the gentleman from Arkansas. I take it that his speech was intended to be humorous because in the report on his bill, despite the fact he says that the forest resources, as far as recreation is concerned, are all gone, he takes great pride in saying that 77,000,000 visits were made by people of this country into the national forests this past year. You cannot hang on to both horns of this dilemma, as the gentleman is trying to do.

Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I want to say at the outset that I am sure there is not a Member of this House who does not appreciate the fine spirit of our colleague, the gentleman from Arkansas [Mr. TACKETT]. He has on occasions, stood up like the true American he is, and taken a position in opposition to his own party leadership. Yes, Mr. Speaker, he fought like the good statesman that he is. I have the highest regard for him and am sure I bespeak the sentiments of a great majority of his colleagues.

But, in this instance, I think the gentleman from Arkansas [Mr. TACKETT] is asking us to embark on a program that would be of far-reaching consequence. If we would set this pattern of taking this amount of money from the receipts of the Forest Service, then certainly we would be just as much entitled to take revenue from the oil leases and the mineral leases, and so forth, for similar purposes and there would be no end to it.

Mr. Speaker, we have a National Park Service which is doing a mighty wonderful job in furnishing recreation centers, resorts, and playgrounds for the people of America. In most every large forest area we have now a national park. Well over a hundred national parks and monuments have been established. I am pleased to say that since the Subcommittee on Appropriations for the Department of the Interior, of which I am a member, insisted several years ago that more free-camping space be made available in these parks, the National Park Service has exerted great effort to make more free-camping space available for the benefit of the poorer people who attend these parks with their families. I am quite sure the National Park Service will in due time furnish good and sufficient recreational centers in every section of our country, in addition to the many State parks located in every State of the Union.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I just wanted to ask the gentleman this question: So far as the national park system and the national monuments are concerned, they are provided for by appropriations from this Congress to the Department of the Interior.

Mr. JENSEN. That is right; and I must add that some of our national parks are self-supporting. In fact, a few of them make a profit for the Federal Government.

Mr. KEEFE. They do not get any funds out of this particular source that is sought to be obtained here.

Mr. JENSEN. Not at all. I am simply making the point that the National Park Service are doing their level best and they are succeeding in furnishing fine recreational centers to the people of America, and at rates which the people of every income group can afford, which has been the goal set by Congress and the

National Park Service, so I see no particular need for the bill now before the House.

Mr. GRANGER. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I yield myself 1 minute to observe the great generous attitude of the Committee on Appropriations on their willingness to make appropriations for recreational facilities. We want to call to their attention the fact that when the next appropriation bill is up, we certainly will be there to ask these generous gentlemen for adequate appropriations.

Mr. Speaker, I ask unanimous consent to withdraw the motion I previously made to suspend the rules.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

LET'S DO SOMETHING ABOUT IT

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, it is significant that every speaker on the Tackett bill has professed his belief in and support for better public use of the national forests. All of the objections voiced have been against the idea of creating a revolving fund where expenditures would not be subject to annual review by Congress.

Acting on this unanimity of opinion, I shall offer a bill which would not be open to the objection that has been raised and which will permit the good purposes sought by the Tackett bill to be accomplished.

Before setting forth the possible text of such a bill, however, I should like to make an observation regarding the difference between national parks and national forests.

It is true, as the gentleman from Iowa [Mr. JENSEN] has pointed out, that the National Parks are doing a very fine piece of public service. Public use and appreciation of our national parks is rightfully growing. Parks have a proper place and I would not detract from it in the least.

It would be a mistake, however, in my opinion for us to rely solely upon the national parks for our public playgrounds. Or, to put it the other way, I think it would be a mistake either to close our national forests to recreational use or to turn the forests into parks.

Bear in mind that parks are parks—they are not open to the multiple uses of the forests. You do not graze cattle in the parks. You do not explore for minerals in the parks. You do not have homesteads and headquarter ranches within park boundaries. You do not log and cut timber in the parks. But these things are permitted in national forests consistent with the principle of multiple use and maximum benefit which guides forest policy.

And I would simply point out that if we were to serve the recreational needs of our people by turning the national forests into parks, it would be far more expensive than anything proposed here today. Not 10 percent but 100 percent of the revenues from grazing, lumbering, and cabin sites would be lost to the Federal revenues and you would have a complete, unmodified charge upon the Treasury for the development of facilities beyond what is proposed in the Tackett bill where facilities built for recreational use may also serve a double purpose.

Water development, for example, may provide fishing grounds as well as water for both livestock and wildlife grazing in the forest. The improvement of livestock water is one of the best ways, in my opinion, to increase the usefulness of the forests because better water facilities means better distribution of grazing as anyone with any knowledge of grazing knows.

With all the interest shown here today in the proposition to improve the recreational facilities in the national forests, I think it would be a mistake to drop the subject even though there is opposition to the creation of a revolving fund out of receipts, as proposed by the Tackett bill. The purpose can be accomplished and annual congressional review provided by a direct program authorizing appropriations.

Therefore, I shall offer a bill for such a purpose tomorrow, about as follows:

A bill to develop water resources and recreational facilities in the national forests

Be it enacted, etc., That the Secretary of Agriculture be, and he hereby is, authorized and directed to institute a 5-year program of improvement and conservation designed to increase the public service of the national forests. Funds appropriated under the authority of this act may be used for the development and maintenance of water resources and recreational facilities. The water resources herein provided for may be for the benefit of livestock grazing on the forest as well as wildlife and recreational purposes.

SEC. 2. To carry out the purposes of this act, there are hereby authorized to be appropriated the following amounts:

For fiscal year ending June 30, 1951, the sum of $2,000,000.

For fiscal year ending June 30, 1952, the sum of $3,500,000.

For fiscal year ending June 30, 1953, the sum of $4,000,000.

For fiscal year ending June 30, 1954, the sum of $3,500,000.

For fiscal year ending June 30, 1955, the sum of $2,000,000.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in five instances and include various extraneous material.

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Baltimore Evening Sun.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. JOHNSON asked and was given permission to extend his remarks in the RECORD.

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD and include an address.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

PERSONAL ANNOUNCEMENT

Mrs. DOUGLAS. Mr. Speaker, I was unavoidably detained on official business and was not present to vote on the bill S. 2105. I should like the RECORD to show that had I been here I would have supported this bill.

FILING OF CONFERENCE REPORTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that in the event agreement is reached on any bill in conference the conferees may have until midnight tonight to file a conference report thereon.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LINEHAN (at the request of Mr. CHESNEY), for 1 day, on account of official business.

To Mr. BUCKLEY (at the request of Mr. CHESNEY), for 3 days, on account of official business.

To Mr. O'HARA of Illinois (at the request of Mr. CHESNEY), for an indefinite period, on account of illness.

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 15 minutes.

NATIONAL BIBLE WEEK

Mr. BRYSON. Mr. Speaker, the week of October 17 through 23 has been designated as National Bible Week. Millions of people around this troubled world will give special emphasis to the reading of their Bibles upon the ninth observance of this significant event. High Government officials, along with church and educational leaders, will be stressing the importance of turning again to the Scriptures, wherein they will find the solutions to world problems. Apparently other efforts to secure permanent and lasting peace have failed. Our only hope is to be found in the Bible.

In the language of my fellow South Carolinian, Dr. R. C. Lee, president of the Southern Baptist Convention, "The Book, above and beyond all books as a river is beyond a rill in reach, as the sun is beyond a tallow dip in brightness, as Niagara is beyond a mud puddle in glory, is the Bible—the Wonderful Word of God. This marvelous Book, possessing the wonders of self-authentication, validated by the Holy Spirit with a divine certainty and with a divine conviction which is incommunicable by reason and impervious to the assaults of doubt, is the miracle Book of diversity in unity, the Book inexhaustive in adequacy, the Book regenerative in power, personal in application, inspired in totality. And this Book, which has for its theme Jesus Christ, son of man without sin and Son of God with power, walks more bypaths, knocks at more doors and speaks to more people in their mother tongue than any other book this world has ever known.

Great service to the glory of God and the good of mankind render those who put this

Book, with all its truths and wonders, before the eyes and in the hearts and in the minds of people.

The social and economic principles of the Bible have made America great and will keep her great.

Righteousness exalteth a nation; but sin is a reproach to any people. (Proverbs 14: 34.)

Righteousness and sin are correctly defined and discussed in the Bible, and we are taught to seek the one and shun the other. Incomparable lessons of truth and beauty await us in the Holy Scriptures whether as individuals we come to them for personal help or as statesmen we seek guidance in national and international problems. The destruction of one ancient people is attributed by a Bible prophet to "pride, fulness of bread, and abundance of idleness" and failure to "strengthen the hand of the poor and needy"—Ezekiel 16: 49. Another ancient empire, noted for its atrocities, elicited this prophetic rebuke:

Woe to the bloody city; it is all full of lies and robbery; * * * Behold I am against thee, saith the Lord of hosts. (Nahum 3: 1–5.)

This was ancient Assyria, and it went to its well deserved doom. It does not pay to have the Lord God of hosts against us. Those nations which have led the world in liberty and progress are those nations where the Bible has had the widest influence.

Blessed is the nation whose god is the Lord. (Psalm 33: 12.)

These nuggets of social and economic wisdom from the Book of Proverbs are good for both individuals and nations.

Pride goeth before destruction, and an haughty spirit before a fall. (Proverbs 16: 18.)

He that withholdeth corn, the people shall curse him; but blessing shall be upon the head of him that selleth it. (Proverbs 11: 20.)

Wealth gotten by vanity shall be diminished; but he that gathereth by labour shall increase. (Proverbs 13: 11.)

If we take the Bible as our guide we shall be able to say "Thy Word is a lamp unto my feet, and a light unto my path"—Psalm 119: 105. It has been well said of the Bible that it is a stream in which the little child may wade with safety and the largest elephant may swim with ease. It is adapted to all classes, ages, and conditions of men.

One scholar gave these three reasons why he believed and appreciated the Bible:

First, I am a man. I am going somewhere. Tonight I am a day nearer the grave than I was last night. I have read all that infidel books can tell me. They shed not one solitary ray upon the darkness. They shall not take away the only guide and leave me stone blind.

Second, I had a mother. I saw her go down the dark valley where I am going, and she leaned upon an unseen Arm as calmly as a child goes to sleep on the breast of its mother. I know that this was not a dream.

Third, I have three motherless daughters (and he said it with tears in his eyes); they have no protector but myself. I would rather kill them than to leave them in this sinful world if you blot out from it all the teachings of the Bible.

I have just returned from an extended tour of Europe, where I stopped in the leading hotels. Unlike hotels in our country, no Bibles are to be found in the rooms. I visited the book stores and book stalls in the world's great capital cities and was shocked to note how few Bibles were on display. Great cathedrals point their ancient spires heavenward, some covering entire city blocks. I attended services in Westminster Abbey in London, Notre Dame in Paris, St. Peter's in Rome; but something seems to be lacking in the life of Europe. One wonders whether it could be the Bible.

In conclusion may I give you these lines from Evangelist Dale Crowley:

The Bible has the answer,
It's the word of life and light;
There's no groping in the darkness
When your way is always bright.

The Bible has the answer,
It's the compass and the chart;
You'll have the right directions
When God's word is in your heart.

The Bible has the answer,
You'll have joy and vict'ry, too,
As you walk the pilgrim's pathway
With the guide that's always true.

The Bible has the answer,
It's the book that shows the way,
It reveals the Christ of glory
Who can change your night to day.

The Bible has the answer,
Send the word o'er land and sea;
It's the message of salvation,
It's the power to make men free.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. CRAWFORD] is recognized for 5 minutes.

THE PHILIPPINE REPUBLIC

Mr. CRAWFORD. Mr. Speaker, while the good people of the United States have extended independence to the good people of the Philippines, we still have some rather substantial obligations in that part of the world. It is a fact that our Army of Occupation is still in Japan. The United States and its good people and the Congress still have a problem in connection with the march of communism in the Far East and across the face of the earth. From the latest reports we have, it appears that southern China will soon be within the camp of the Communists of that section of the world. We also have reports to the effect that the city on the eastern shore of China which is the gateway to Formosa will probably soon be under the control of the Communists of China. That will probably open a direct route to Formosa. It so happens that Formosa lies almost directly between Japan and the Philippine Islands.

Only a short time ago the Congress of the United States made an appropriation which the President can use according to his discretion, substantially, at least, in connection with Korea, the Philippines, and other areas. Therefore, we may be giving more direct support to the Philippine people from the standpoint of national defense within the very near future.

My main reason for bringing this subject to the RECORD today is that in Manila and throughout the Philippines within the next few days there will be held a general election. It is certainly the hope of the Members of this body, that that general election move in a direction which will be friendly to the people and the policies and the ideals and institutions of the United States.

I understand there will be participating in the contest in the Philippines a gentleman who has not heretofore proved too friendly to the United States. There are plenty of facts in the record. I know, of course, that the Department of State is very familiar with all of the developments. We here in Congress who have been fairly close to the Filipino people in recent years have some facts which have been presented to us. I certainly hope that our State Department and the White House will not disburse funds which have recently been made available until after the election and after we know the returns and the result of that election. It would not be well for us to put strength into the hands of our enemy, and knowingly.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. STEFAN. Mr. Speaker, the country should know that here in Washington today there are Filipinos lobbying for the election of a particular candidate in the Philippine Islands. It has always been the policy of the United States not to interfere with any orderly election in any foreign country. That is the policy of the United States toward the Philippine Islands today. I think it is very unseemly for a national of the Philippine Islands to come here to the Capital of the United States to lobby for any candidate in the Philippine Islands.

Mr. CRAWFORD. I agree with what the gentleman has just said and am very much obliged to him for making that comment. We can go one step further and say that it is a fact that our editorial writers, our columnists, and radio commentators in many instances are being approached to put out publicity in favor of this unfriendly person.

Mr. STEFAN. Mr. Speaker, if the gentleman will yield further, I think the Filipino people should know that the American people are very friendly to them and are sympathetic with their objective to have a free republic. We want the Philippine people to know that we are not in any way interfering with their orderly and free elections. We are hopeful that whoever they elect will be a man who will bring the Philippine Republic up to the ideals of Manuel Quezon and other great patriots who have passed on.

Mr. CRAWFORD. I agree with the gentleman in those remarks. At the same time the United States must look after its defenses first. In this worldwide program that we are now carrying on, the taxpayers of America have an interest in all of the appropriations which we make. We should so direct our energies and the expenditure of the people's money so that over-all and constitutionally speaking the United States will be protected first so that it may lend strength to these other people who appreciate freedom and want to be able to carry on their own affairs with some degree of liberty and protection.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that

that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson;

S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes;

S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project, and for other purposes; and

S. 2226. An act relating to the compensation of certain employees of the Panama Canal.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on October 14, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 160. An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended;

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 1689. An act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 5268. An act to amend certain provisions of the Internal Revenue Code; and

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Tuesday, October 18, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

993. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 13, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of, the Ouachita River and tributaries, Arkansas and Louisiana, made pursuant to several congressional authorizations listed in the report; to the Committee on Public Works.

994. A communication from the President of the United States, transmitting a proposed provision pertaining to the Housing and Home Finance Agency, Office of the Administrator (pursuant to sec. 3 of Public Law 52, 81st Cong.), Alaska Housing Act (H. Doc. No. 377); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILES: Committee on Public Lands. H. R. 5936. A bill authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; with an amendment (Rept. No. 1449). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. H. R. 2960. A bill to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; without amendment (Rept. No. 1450). Ordered to be printed.

Mr. DURHAM: Committee of conference. S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic windtunnel facilities and the establishment of an Air Engineering Development Center; without amendment (Rept. No. 1451). Ordered to be printed.

Mr. MILLER of California: Committee on Post Office and Civil Service. H. R. 2945. A bill to readjust postal rates; with an amendment (Rept. No. 1452). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee of conference. H. R. 5856. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; with an amendment (Rept. No. 1453). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 6451. A bill to amend section 1 of the Expediting Act of February 11, 1903, as amended; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6452. A bill to regulate the preparation, manufacture, sale, and distribution of kosher products in the District of Columbia; to establish a Board of Kosher Meat and Food Control; and for other purposes; to the Committee on the District of Columbia.

By Mr. PLUMLEY:

H. R. 6453. A bill to equalize taxes; to provide adequate social-security benefits for all American citizens; to solve both the wage problem and the pension problem; to untax private enterprise and thus stimulate efficient production and full employment; to cut the hidden sales taxes out of prices and reduce the high cost of living; to provide incentive pay for Government employees to raise the efficiency and reduce the cost of government; to collect enough revenue to balance the budget, retire the national debt, and in due course revalue the dollar; to make the tax rate automatically adjustable to stabilize our economy on a rising standard of living; and to correct the two basic faults of capitalism, remove the cause of socialization, and achieve honest and general economic freedom; to the Committee on Ways and Means.

By Mr. SABATH:

H. R. 6454. A bill to authorize the appointment of two additional district judges for the northern district of Illinois; to the Committee on the Judiciary.

By Mr. BREHM:

H. R. 6455. A bill to provide for a national cemetery in the State of Ohio; to the Committee on Public Lands.

By Mr. McCARTHY:

H. R. 6456. A bill to amend section 7 of the act of June 25, 1910, with respect to the rate of interest payable on postal-savings deposits; to the Committee on Post Office and Civil Service.

By Mr. DINGELL:

H. J. Res. 381. Joint resolution to clarify the application of the existing excise tax imposed on certain fans under section 3406 (a) (3) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. DURHAM:

H. Con. Res. 147. Concurrent resolution authorizing the Joint Committee on Atomic Energy to have printed 50,000 copies of Senate Report No. 1169; to the Committee on House Administration.

By Mr. O'HARA of Minnesota:

H. Res. 400. Resolution authorizing and directing the House Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, to make a full and complete study and investigation of the production, transportation, refining, and distribution of petroleum products; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUGUST H. ANDRESEN:

H. R. 6457. A bill for the relief of William B. Buol; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 6458. A bill for the relief of Maj. Roy E. Bevel; to the Committee on the Judiciary.

By Mr. FERNANDEZ:

H. R. 6459. A bill for the relief of Nicolas T. Theodorou; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 6460. A bill for the relief of the Reverend Dimitri Athanas Hacudi; to the Committee on the Judiciary.

By Mr. MEYER:

H. R. 6461. A bill for the relief of Jirina Zizkovsky; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 6462. A bill for the relief of Sachiko Iwai; to the Committee on the Judiciary.

H. R. 6463. A bill for the relief of Mrs. Shikaju Nakashima; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1539. Mr. GRAHAM presented a petition of 79 residents of Beaver, Beaver County, Pa., urging the enactment of legislation to prohibit the broadcasting of liquor advertising over radio stations, which was referred to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, OCTOBER 18, 1949

(Legislative day of Monday, October 17, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Harry E. Brooks, pastor, First Methodist Church, Waymart, Pa., offered the following prayer:

Our God and Heavenly Father, who through the ages hast been a rock on which our people have builded their faith

with surety, and hast engendered hope in the hearts of those who have trusted Thy power to redeem, we thank Thee for Thy graciousness to the founding fathers, and we praise Thee for preserving their children in justice and equity through the momentous intervening years. Grant that our faith may be no less than that of our sires. May we be able to say with the Psalmist of old:

"There is no king saved by the multitude of an host: A mighty man is not delivered by much strength."

Our hope is in Thee, Thou God of our salvation. Let Thy blessing rest upon our country in these rapidly changing days. Bless, we pray, the President of the United States, that he may indeed be endowed with extraordinary wisdom. Bless his associates. Bless, we pray Thee, this august body; bless the Vice President, the officers of the Senate, and every Member thereof. Grant, we pray Thee, that through Thy guidance and wisdom the business of this day may be expedited, and may patience and consideration, courage, and fearless decision characterize the accomplishment of this occasion. Impart to us Thy holy peace, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, October 17, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1232. An act to increase the equipment maintenance allowance payable to rural carriers; and

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail-equipment shops.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2386. An act to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.;

H. R. 2736. An act to confer civil and criminal jurisdiction on the State of Wisconsin in certain cases involving Indians;

H. R. 4239. An act to amend section 6 of the Federal Airport Act;

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II; and

H. R. 6301. An act to provide for parity in awards of disability compensation.

LEAVE OF ABSENCE

On request of Mr. CAPEHART, Mrs. SMITH of Maine was excused from attendance on the session of the Senate today.

CALL OF THE ROLL

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Baldwin	Graham	O'Conor
Capehart	Ives	Saltonstall
Cain	Jenner	Schoeppel
Donnell	Johnson, Colo.	Thomas, Utah
Douglas	Knowland	Watkins
Downey	Long	Wherry
Dworshak	McKellar	Williams
Ferguson	Martin	
George	Myers	

The VICE PRESIDENT. A quorum is not present. The Secretary will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. AIKEN, Mr. ANDERSON, Mr. CHAPMAN, Mr. ELLENDER, Mr. GURNEY, Mr. LEAHY, Mr. NEELY, Mr. THOMAS of Oklahoma, and Mr. YOUNG answered to their names when called.

The VICE PRESIDENT. A quorum is not present.

Mr. O'CONOR. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. HAYDEN, Mr. O'MAHONEY, Mr. HOLLAND, Mr. LUCAS, Mr. MALONE, Mr. ECTON, Mr. FULBRIGHT, Mr. GREEN, Mr. CONNALLY, Mr. LODGE, Mr. KEM, Mr. MCMAHON, Mr. PEPPER, Mr. JOHNSON of Texas and Mr. HICKENLOOPER entered the Chamber and answered to their names.

Mr. BRIDGES, Mr. CORDON, Mr. HILL, Mr. JOHNSTON of South Carolina, Mr. KERR, Mr. KILGORE, Mr. LANGER, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCFARLAND, Mr. MILLIKIN, Mr. MORSE, Mr. RUSSELL, and Mr. THYE also entered the Chamber and answered to their names.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] is absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT] and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. TAFT] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from New York [Mr. DULLES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Maine [Mrs. SMITH], the Senator from Kansas [Mr. REED] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Under the agreement entered before the taking of the recess yesterday, the Senator from Illinois [Mr. DOUGLAS] is entitled to the floor.

Mr. MCKELLAR. Mr. President, will the Senator yield to me, without losing the floor?

Mr. DOUGLAS. I yield, if it may be understood that I shall not lose the floor by doing so.

The VICE PRESIDENT. The Chair suggests to the Senator from Illinois that if it is agreeable to the Senate to permit the Senator to yield without losing the floor, perhaps it might be well to have the Senator do so now, so that Senators who wish to make insertions in the RECORD or to present routine matters may be allowed to do so at this time. Otherwise, requests for such purposes no doubt would be made at various times during the day; so perhaps we might as well handle such matters at this time, if that is agreeable.

Mr. DOUGLAS. Certainly.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF DISPLACED PERSONS ACT—PETITION

Mr. BALDWIN. Mr. President, I present for appropriate reference a telegram in the nature of a petition, signed by Dr. C.-E. A. Winslow, retired professor, Yale University, and sundry other officials of religious and fraternal organizations, concerning the displaced-persons bill, and I ask unanimous consent that it be printed in the RECORD, with the signatures.

There being no objection, the telegram was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, with the signatures attached, as follows:

NEW HAVEN, CONN., *October 15, 1949.*

Hon. RAYMOND BALDWIN,
Senate Office Building,
United States Senate,
Washington, D. C.

We undersigned citizens of New Haven are deeply interested in bringing displaced persons to the United States from Europe and are heartily in favor of the Celler bill now before the Senate. We respectfully re-

quest you to read this telegram into the CONGRESSIONAL RECORD with signatures.

Dr. C.-E. A. Winslow, Retired Professor, Yale, and Public Health State Housing Authority; James Cooper, Attorney; Rev. David N. Beach, Pastor, Center Church; Rev. Robert L. Tucker, Pastor, First Methodist Church, and President, New Haven Council of Churches; Prof. Maurice R. Davie, Professor of Sociology, Yale; Rev. Charles M. Kavanaugh, Pastor, Blessed Sacrament Roman Catholic Church; Elsa Montgomery; Mrs. Charles Howland; William J. Cousins, Attorney; Mrs. William Burns; Rev. Edward Gradeck, Pastor, Lithuanian Roman Catholic Church; Joseph Rourke, Secretary-treasurer, Connecticut State Federation of Labor; Mrs. William P. Ladd; Patricia K. Ritter, Connecticut State Interracial Commission; George J. Ritter, Executive Director, State-County-Municipal Employees, AFL; Rev. C. Lawson Willard, Rector, Trinity Church, Vice Chairman, New Haven Committee on Displaced Persons.

THE CIVIL-RIGHTS PROGRAM—RESOLUTION OF NATIONAL BAPTIST CONVENTION, LOS ANGELES, CALIF.

Mr. DOWNEY. Mr. President, I present for appropriate reference a resolution adopted by the National Baptist Convention, Inc., at its annual session at Los Angeles, Calif., on September 6–11, 1949, and signed by 52 members, of the committee, relating to the civil-rights program, and I ask unanimous consent that it be printed in the RECORD with the signatures.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, with the signatures attached, as follows:

RESOLUTION OF CIVIL RIGHTS

LOS ANGELES, CALIF., *September 7, 1949.*

Mr. President and members of the National Baptist Convention, Inc., United States of America, we, a group of members numbering 52 submit the following resolution:

"Whereas the President of the United States has repeated, espoused, and championed the causes of the minority groups in a civil-rights program: FEPC, poll taxes, and other denied constitutional guaranties.

"The President just recently declared before the National Democratic Committee that there are two things in his life for which he is more proud than anything else: that he was elected without the industrial East (New York) and the solid South (meaning the solid South opposed his human-rights program).

"Whereas we have observed very closely the office holders in the Senate known as the Dixiecrats, who revolted the President's civil-rights program, and some Republicans of the Senate joined their efforts in defeating every effort to bring before Congress that which would lead to a vote for civil rights.

"It is high time for the leaders of the Negro people, especially the ministers, who are the prophetic voices of God, charged by the Spirit of God, to speak boldly in the defense of justice, and with the responsibility resist all forms of oppression, and to preach universal good will and global brotherhood.

"We want the world to know that we have no sympathy for any movement to overthrow this, our Government of the United States of America by violence. We have not even any foreign interest in any Government outside of the United States of America, or in any other form of government, but we are determined that the democracy of the United States work the same for the Negro in every State of the Union—North, South, East, and West—with full and equal rights to the Negro.

"We agree with Dr. Sandy Ray, chairman of our Social Service Commission of the National Baptist Convention:

" 'If calling for the practical application of the principles of the Constitution of the United States for all citizens, constitutes subversive activity, we are all guilty.

" 'If the claim that all of the benefits and privileges of a democratic society should be extended to all of the members of that society, constitutes subversive activity, then we are all guilty.

" 'If seeking to break down discrimination and segregation in housing, in education, in hotels, restaurants, travel, and employment, health facilities and extend equal opportunities to all citizens, regardless of race, creed, or national origin, is a move to overthrow the Government, we are guilty, and, may we add, doubly guilty.

" 'If our protest against police brutality, search and seizure without warrants and injustice in courts constitute disloyalty, we are guilty.'

"We, therefore, feel that the civil-rights program which has been publicized and awaits an opportunity to be placed before Congress includes all of the above constitutional rights of minority people of the United States.

"We further feel that now they are belated and hindered by filibusters and what-not, and that further delay will hinder the progress of civilization and impose the condemnation of God, therefore it should have the immediate consideration of Congress, regardless of party affiliations.

"We, the National Baptist Convention, Incorporated of the United States, feel that the program of the gospel of the Lord Jesus Christ is the program of God the Father and is none other than the program of civil rights as has been publicized before the Nations and the United States of America.

"We, therefore, commend the President of the United States and all Senators of any party of the Senate and Congress who have sought to present such legislation, and we pray God's blessings upon you that you may continue to carry on until victory has been won.

"We want you to know that the National Baptist Convention represents over 4,000,000 votes that are behind our civil-rights program and we shall use our influence to support for office only those who believe and pledge themselves to stand up for the civil-rights program as has been expressed in these statements, the civil-rights document now in your hand.

"We urge the enactment of the following civil-rights legislation:

"1. Establishment by the Government of an active aggressive campaign to defend and enforce civil rights and liberties: housing, education, enforcement of the abolition of discrimination in all branches of the armed forces.

"2. Establishment of fair employment practices.

"3. Abolition of the poll tax as a requirement for voting.

"4. Enactment of a Federal antilynching law.

"5. Elimination of discrimination within civic and professional groups.

"6. As a Christian group we denounce the activities of the Ku Klux Klan with or without hoods, and call upon our attorney general to prosecute this, and all other lawless groups which intimidate citizens without due process of law.

"The major theme of our Nation is national security. We do not believe that security can be based purely upon economic, military and statesmanship basis. We believe that moral and spiritual values must undergird our national security. It is a moral and spiritual responsibility of a democracy to extend the privileges of that democracy to all of its citizens."

A. Wendell Ross, Chairman, Los Angeles, Calif.; Sandy F. Ray, New York, N. Y.; George H. Crawley, Sr., Baltimore, Md.; John E. Nance, St. Louis, Mo.; W. H. Jeringan, Washington, D. C.; S. D. Ross, Detroit, Mich.; James F. Wertz, Charlotte, N. C.; L. K. Jackson, Gary, Ind.; M. L. Ramsome, Charleston, Va.; E. Huntley, St. Louis, Mo.; Valley V. Stokes, Maryland; Alexander Gregory, West Virginia; Benjamin J. Perkins, Cleveland, Ohio; Simion Williamson, Maryland; Leroy Bowman, Annapolis, Md.; W. L. Clayton, Maryland; G. W. Reed, Kansas City, Mo.; N. W. Whitt, Selma, Ala.; R. C. Campbell, Boonville, Mo.; W. A. Sparks, Kansas City, Mo.; S. Y. Nelson, Texas; E. T. Brown, Tennessee; T. Moore King, Joliet, Ill.; M. K. Curry, Jr., Wichita Falls, Tex.; G. W. Lucas, Toledo, Ohio; Calvin Perkins, Birmingham, Ala.; D. A. Holmes, Kansas City, Mo.; George H. Sims, New York, N. Y.; J. Carl Mitchel, West Virginia; Atty. A. T. Walden, Atlanta, Ga.; J. R. Davis; Marshall A. Talley, Indianapolis, Ind.; J. Franklin Walker, Cincinnati, Ohio; Jonathan L. Caston, Los Angeles, Calif.; W. P. Whitfield, Edwards, Miss.; William H. Ballen, Louisville, Ky.; R. C. Woods, Hot Springs, Ark.; James M. Bracy, St. Louis, Mo.; W. Louis Petty, Chicago, Ill.; J. H. Jackson, Chicago, Ill.; L. A. Pinkston, Atlanta, Ga.; D. J. Benefield, New York, N. Y.; Robert L. Rollins; W. H. Thompson, Baltimore, Md.; Thomas H. Houston, Washington, D. C.; A. J. Payne, Baltimore, Md.; J. B. Reid; William Holmes, Atlanta, Ga.; J. L. Moore, Illinois; E. C. Smith, Washington, D. C.; Roland Smith, Little Rock, Ark.; S. C. Taylor, Pennsylvania.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOWNEY, from the Committee on Public Works:

H. R. 6109. A bill granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes; without amendment (Rept. No. 1198).

By Mr. CONNALLY, from the Committee on Foreign Relations:

S. J. Res. 133. Joint resolution authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican War; without amendment (Rept. No. 1199).

By Mr. KILGORE, from the Committee on the Judiciary:

S. 849. A bill for the relief of certain persons who, while serving as members of the Army Nurse Corps, were commissioned as officers in the Army of the United States but were not paid the full amounts of pay and allowances payable to officers of their grade and length of service; with amendments (Rept. No. 1200).

By Mr. McMAHON, from the Joint Committee on Atomic Energy:

S. 2668. A bill to amend the Independent Offices Appropriation Act for the fiscal year 1950; with an amendment (Rept. No. 1201).

AMENDMENT OF CONSTITUTION RELATING TO ELECTION OF PRESIDENT AND VICE PRESIDENT—INDIVIDUAL VIEWS (PT. 2 OF REPT. NO. 602)

Mr. FERGUSON. Mr. President, as a member of the Committee on the Judiciary, I submit individual views on the

joint resolution (S. J. Res. 2) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, and I ask that they be printed.

The VICE PRESIDENT. The views submitted by the Senator from Michigan will be received and printed.

FAIR EMPLOYMENT PRACTICE COMMISSION—PERMISSION TO FILE INDIVIDUAL VIEWS

Mr. HILL. Mr. President, I ask unanimous consent to file my individual views at a subsequent date on Senate bill 1728, to prohibit discrimination in employment because of race, color, religion, or national origin.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As an executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Interstate and Foreign Commerce.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Mrs. Eugenie Anderson, of Minnesota, to be Ambassador Extraordinary and Plenipotentiary to Denmark; and

Lewis Clark, of Alabama; John Dewey Hickerson, of Texas; and Edwin A. Plitt, of Maryland, Foreign Service officers for promotion from class 1 to the class of career minister.

By Mr. McMAHON, from the Joint Committee on Atomic Energy:

Robert LeBaron, of the District of Columbia, to be chairman of the Military Liaison Committee to the Atomic Energy Commission.

By Mr. KILGORE, from the Committee on the Judiciary:

Robert L. Russell, of Georgia, to be judge of the United States Court of Appeals for the Fifth Circuit, vice Samuel H. Sibley, retired;

Wayne G. Borah, of Louisiana, to be judge of the United States Court of Appeals for the Fifth Circuit, vice Elmo Pearce Lee, Sr., deceased;

George Earl Hoffman, of Florida, to be United States Attorney for the northern district of Florida; and

Rex Bryan Hawks, of Oklahoma, to be United States marshal for the western district of Oklahoma, vice Dave E. Hilles.

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

James M. Mead, of New York, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1948.

By Mr. JOHNSON of Texas, from the Committee on Interstate and Foreign Commerce:

Mon C. Wallgren, of Washington, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1954.

By Mr. RUSSELL, from the Committee on Armed Services:

Harry George Armstrong and sundry other officers for promotion in the United States Air Force;

Franklin L. Bowling and sundry other persons for appointment in the United States Air Force; and

Walter F. Cornnell and sundry other officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCHOEPPEL (for himself and Mr. REED):

S. 2728. A bill to grant permanent residence to Jirina Zizkovsky; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2729. A bill for the relief of Leon Gregory Britanisky, his wife and minor children; to the Committee on the Judiciary.

S. 2730. A bill to provide for the designation of the body of water formed by the dam on Polecat Creek near Heyburn, Okla., as Lake Heyburn; to the Committee on Public Works.

By Mr. LANGER:

S. 2731. A bill to create a Government Inter-Agency Recreation Committee from the present Voluntary Committee, to plan, organize, and maintain a recreation program among Federal employees, to establish a Federal Recreation Center in the District of Columbia, and for other purposes; and

S. 2732. A bill for the relief of Helmuth Russow and Volker Harpe; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2733. A bill for the relief of Hilda Betty Smallwood; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself, Mr. HAYDEN, Mr. CHAVEZ, Mr. MCFARLAND, and Mr. ANDERSON):

S. 2734. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOWNEY:

S. 2735. A bill for the relief of Mrs. Vernon B. Rasmussen; and

S. 2736. A bill for the relief of Fred M. Stein (also known as Frederick Meyer Stanislawsky); to the Committee on the Judiciary.

By Mr. RUSSELL (for Mr. TYDINGS):

S. 2737. A bill to amend Public Law 626, Eightieth Congress relating to the Army Institute of Pathology Building; to the Committee on Armed Services.

By Mr. IVES (for Mr. DULLES) (by request):

S. 2738. A bill for the relief of Stanislaw Monseu and Jerzy (George) Pill; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2739. A bill to provide for a national cemetery at Vancouver, Wash.; to the Committee on Interior and Insular Affairs.

By Mr. GRAHAM:

S. 2740. A bill to provide for the consideration upon its merits of the claim of the Dize Awning & Tent Co., of Winston-Salem, N. C., for allowance of the amortization deduction provided for by section 124 of the Internal Revenue Code; to the Committee on the Judiciary.

By Mr. LUCAS:

S. 2741. A bill for the relief of Stephania Ziegler, Anna Hagl, and Theresia Tuppinger; to the Committee on the Judiciary.

By Mr. FERGUSON:

S. 2742. A bill for the relief of Orlando Portale; to the Committee on the Judiciary.

By Mr. THYE:

S. 2743. A bill for the relief of Albino Braiuca; and

S. 2744. A bill for the relief of Anton Ljubicic; to the Committee on the Judiciary.

PRINTING OF MANUSCRIPT ENTITLED "FEDERAL SCHOLARSHIP AND FELLOWSHIP PROGRAMS AND OTHER GOVERNMENT AIDS TO STUDENTS"

Mr. MAGNUSON submitted the following resolution (S. Res. 189), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document the manuscript entitled "Federal Scholarship and Fellowship Programs and Other Government Aids to Students," prepared by the Legislative Reference Service, Library of Congress, October 1949.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. McKELLAR submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

"INCREASED PAY FOR LEGISLATIVE EMPLOYEES

"That (a) each officer or employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 5 percent of the aggregate rate of his basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, and section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948.

"(b) The provisions of section 603 (b) of the Federal Employees Pay Act of 1945, as amended, section 7 (b) of the Federal Employees Pay Act of 1946, as amended, and section 303 (c) of the Postal Rate Revision and Federal Employees Salary Act of 1948 shall not apply to officers and employees subject to the provisions of this section or to employees in the offices of Senators, but (except as provided in subsection (d)) no such officer or employee shall, by reason of any provision of such acts or of this section be paid with respect to any pay period basic compensation, or basic compensation plus additional compensation, at a rate in excess of $10,846 per annum.

"(c) (1) The basic compensation of the administrative assistant to a Senator shall be charged against the aggregate amount authorized to be paid for clerical assistance and messenger service in the office of such Senator.

"(2) The aggregate amount of the basic compensation authorized to be paid for clerical assistance and messenger service in the office of each Senator is hereby increased by $11,520.

"(3) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears under the heading 'Clerical Assistance to Senators' in the Legislative Branch Appropriation Act, 1947 (60 Stat. 390; U. S. C., title 2, sec. 60f), is amended to read as follows: '*Provided further*, That no salary shall be fixed under this paragraph at a basic rate of more than $5,280 per annum, except that the salary of one employee other than the administrative assistant, in the office of each Senator may be fixed at a basic rate of not more than $6,720 per annum and the Salary of the administrative assistant to each Senator may be fixed at a basic rate of not more than $8,400 per annum.'

"(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses) are hereby increased by 5 percent.

"(e) This section shall take effect on the first day of the first month which begins after the date of its enactment."

Mr. McKELLAR submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, the following amendment, namely:

"ASSISTANCE TO THE REPUBLIC OF KOREA

"For expenses necessary to continue assistance to the Republic of Korea during the period October 15, 1949, to February 1, 1950, at the same rate and under the same terms and conditions as in the fiscal year 1949, pending the enactment of legislation outlining the terms and conditions under which further assistance is to be rendered, $30,000,000: *Provided*, That all obligations incurred during the period between October 15, 1949, and the date of enactment of this act in anticipation of such appropriation and authority are hereby ratified and confirmed if in accordance with the terms thereof: *Provided further*, That this appropriation shall be consolidated and merged with the appropriation for economic assistance to the Republic of Korea made by Public Law 343, approved October 10, 1949, and such consolidated appropriation may be used during the period October 15, 1949, to February 1, 1950: *Provided further*, That not to exceed $675,000 of such consolidated appropriation shall be available for administrative expenses during such period."

Mr. McKELLAR also submitted two amendments intended to be proposed by him to House bill 6427, making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notices.)

Mr. McKELLAR subsequently said: Mr. President, a few moments ago I filed notices of motions to be made for a suspension of the rule. I forgot to ask unanimous consent that the rule may be waived so that the amendments that were agreed to yesterday by the committee may be in order.

The VICE PRESIDENT. It is in reference to the 1-day requirement; is it not?

Mr. McKELLAR. I ask a waiver of that.

The VICE PRESIDENT. Is there objection to the request?

Mr. CAPEHART. Mr. President, what is the request?

Mr. McKELLAR. It is a request in connection with two amendments to the appropriation bill. They were unanimously reported, and they are correct.

Mr. CAPEHART. No objection.

The VICE PRESIDENT. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 18, 1949, he presented to the President of the United States the following enrolled bills:

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1285. An act providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis Valley project, Colorado;

S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo;

S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce; and

S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands.

OUTLOOK AND PROBLEMS FACING THE OIL INDUSTRY—ADDRESS BY SENATOR SCHOEPPEL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an address regarding the outlook and the problems facing the oil industry, delivered by Senator SCHOEPPEL at the annual dinner of the Oil Industry Information Committee, in Baltimore, Md., which appears in the Appendix.]

INTERPARLIAMENTARY UNION CONFERENCE—REPLY OF SENATOR FERGUSON TO CHARGES MADE BY A COMMUNIST MEMBER OF THE FINNISH DELEGATION

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD the reply made by him to charges made by a Communist member of the Finnish delegation to the Interparliamentary Union Conference at Stockholm, Sweden, which appears in the Appendix.]

ADDRESS BY SENATOR MYERS AT CONVENTION OF THE ATLANTIC DEEPER WATERWAYS ASSOCIATION

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by him at the Thirty-seventh Annual Convention of the Atlantic Deeper Waterway Association, at the Bellevue-Stratford Hotel, Philadelphia, Pa., October 6, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR MYERS AT THE ROCHESTER, PA., CENTENNIAL

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by him at the Rochester Centennial, Rochester, Pa., on September 1, 1949, which appears in the Appendix.]

FOREIGN POLICY OF THE UNITED STATES—ADDRESS BY HON. HERBERT H. LEHMAN

[Mr. MYERS asked and obtained leave to have printed in the RECORD a radio address on the subject of foreign policy, delivered by Hon. Herbert H. Lehman in New York City, October 12, 1949, which appears in the Appendix.]

ADDRESS BY PRIME MINISTER PANDIT NEHRU AT A CONVOCATION IN HIS HONOR AT COLUMBIA UNIVERSITY

[Mr. GRAHAM asked and obtained leave to have printed in the RECORD the address delivered by Pandit Jawaharlal Nehru at a convocation in his honor at Columbia University, on October 17, 1949, which appears in the Appendix.]

THE FARM BILL — TELEGRAM FROM DOOLY COUNTY BANKERS AND DOOLY COUNTY FARM BUREAU

[Mr. GEORGE asked and obtained leave to have printed in the RECORD a telegram on the subject of the 90 percent parity for farm prices, from the Dooly County bankers and Dooly County Farm Bureau, Vienna, Ga., which appears in the Appendix.]

DISPLACED-PERSONS LEGISLATION

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a letter from Mrs. Willard Hurst, of Madison, Wis., regarding displaced-persons legislation which appears in the Appendix.]

WHO IS TO BLAME?—EDITORIAL FROM THE INDIANAPOLIS TIMES

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Who Is To Blame?" published in the Indianapolis Times, October 12, 1949, which appears in the Appendix.]

A MIAMIAN IN ISRAEL—ARTICLES BY JUDGE GEORGE E. HOLT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a series of articles entitled "A Miamian in Israel," written by Judge George E. Holt, and published in the Miami (Fla.) Herald of July 11–17, 1949, which appears in the Appendix.]

THE TOWNSEND PLAN

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Maybe Townsend Plan Would Be Better Than the Strikes," written by John W. Love, and published in the Cleveland Press of September 29, 1949, which appears in the Appendix.]

RECORD OF THE LUTZ, FLA., POST OFFICE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Lutz Post Office Has Outstanding Record," published in the Lutz (Fla.) Post of August 12, 1949, which appears in the Appendix.]

THE GENERAL WELFARE — EDITORIAL FROM DAYTONA BEACH (FLA.) NEWS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "The General Welfare," published in the Daytona Beach (Fla.) Evening News, which appears in the Appendix.]

MONOPOLIZATION IN THE USED COTTON BALING MARKET—LETTER BY HARRY I. RAND

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a letter on the subject of the growing trend toward monopolization in the used cotton baling market, written by Mr. Harry I. Rand, dated October 12, 1949, which appears in the Appendix.]

EGG MESS BABY OF AGRICULTURAL DEPARTMENT—ARTICLE BY ROBERT P. VANDERPOEL

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an article entitled "Egg Mess Baby of Agricultural Department," written by Robert P. Vanderpoel, financial editor, published in a Chicago newspaper, October 14, 1949, which appears in the Appendix.]

PENNSYLVANIA WEEK—NEWSPAPER ARTICLES

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "Pennsylvania Week," published in the Philadelphia Inquirer, October 16, and

an article entitled "State Farmers Claim 13 Firsts," published in the Harrisburg News, October 15, which appear in the Appendix.]

TRIBUTE TO SENATOR GRAHAM BY SENATOR DOUGLAS AND THE GASTONIA (N. C.) GAZETTE

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an editorial from the Gastonia (N. C.) Gazette for September 23, 1949, and a statement by himself, paying tribute to Senator GRAHAM, which appear in the Appendix.]

CIVILIAN DEFENSE AND THE ATOM—EDITORIAL FROM THE WASHINGTON STAR

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Civilian Defense and the Atom," from the Washington Evening Star of October 17, 1949, which appears in the Appendix.]

CONVICTION OF 11 COMMUNISTS—STATEMENT BY SENATOR CAPEHART

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared on the conviction of 11 Communists, together with their biographies.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, the conviction of the 11 Communists in New York Federal court last week should not lull this Nation into a feeling of security against the subversive elements in this country.

On the contrary, the evidence which led to the convictions should serve to alert all Americans to the activities of individuals and groups with designs upon the overthrow of this Government.

Those who participated in the successful prosecution of the 11 Communists are to be commended for the work that was done; the acquisition of necessary evidence; preparation of the evidence, and the presentation of the case to the court.

However, the very trial itself, despite the damning evidence against the 11 men who would overthrow this Government, brought to light the fact that there are citizens in this Nation who would come to the defense of such traitors.

It was to be expected that outright Communists and many fellow travelers would offer their help toward the defense of the 11 Communists on trial, but the organization of the so-called National Nonpartisan Committee to Defend the Rights of the 11 Communist Leaders resulted in membership of people not previously suspected of harboring kind thoughts toward Communists of this stripe.

One of these was a judge in my own State. I am not unmindful of the fact there are Communists in Indiana, just as there are in most other States of the Union, but I must admit surprise at the fact they had support in the person of one charged with administering justice under the laws of a republic.

His name was linked as cochairman of the committee with that of Paul Robeson, recognized as one who hates the very Government he has lived and succeeded under.

Speaking of names, Mr. President, I think it should be of interest to every American to read the biographies of the 11 men convicted in New York.

In those biographies it will be found that all but two used many aliases during their Communist activities. That is a common practice among Communists.

These are the brief biographical sketches of the 11 convicted men as published by the New York Times:

"EUGENE DENNIS

"The general secretary of the Communist Party of the United States, Dennis is 44 years old and lives at 420 West One hundred and nineteenth Street with his wife and two sons.

"He was born in Seattle as Francis Eugene Waldron. According to the Government, he has also been known as Frank Waldron, F. E. W. Dennis, Gene Dennis, Paul Eugene Walsh, and Milton.

"Dennis was sentenced to a year in jail and fined $1,000 last year for contempt of Congress after refusing to testify before the House Committee on Un-American Activities. The sentence has been upheld by the United States Circuit Court, but Dennis has been free on bail pending appeal to the Supreme Court.

"Under the name of Frank Waldron, he was arrested three times in 1930, charged with suspicion of criminal syndicalism, but the complaints were dismissed.

"Dennis attended the University of Washington in 1925–26. An official biography issued by the party is vague about his early party life. It merely says he joined the party in the twenties, organized workers and unemployed in California and went to China in the thirties.

"He visited Moscow in 1930, became Wisconsin secretary of the party in 1935, went to Spain in 1937, was elected to the party's national committee in New York in 1939 and became general secretary in 1946.

"JACK STACHEL

"Stachel, the party's national director of agitation, propaganda, and 'education,' is 49 years old, is married and lives at 203 West Ninety-fourth Street. He has also been known, according to the Government, as Jacob Abraham Stachel, Jankel Stachel, Jacob Zunser, and Moses Brown.

"Stachel was arrested last year in alien deportation proceedings, but has been free on bail pending hearings. He was born in Oberlin, Galicia, then part of the Austro-Hungarian Empire, later part of Polish territory and now part of the Soviet Union. He came to this country in 1911.

"He joined the Communist Party when it was known as the Workers Party and became an organizer for the Young Communist League in 1924. In the 1930's he led big demonstrations of the unemployed as the party's Detroit organizer. He was at one time its general secretary. He was elected to the national board in 1945.

"IRVING POTASH

"Vice president of the International Fur and Leather Workers, CIO, and manager of its Furriers Joint Council, Potash is 47 years old and lives with his wife and daughter at 89 Thayer Street.

"He was born in Kiev, Russia, and came here in 1913. Arrested last year in alien deportation proceedings, he has been free on bail pending hearings.

"Potash served a jail sentence in 1920 after pleading guilty to criminal anarchy on charges of helping to organize the Communist Party and the Communist International. Beginning in 1940 he served 2 years in Lewisburg Penitentiary for conspiracy to influence and intimidate witnesses in a trial in which he had been a defendant. He went to Moscow in 1931 to attend the Lenin school for the training of party leaders.

"JOHN WILLIAMSON

"Williamson, national labor secretary, is 46 years old and lives at 4500 Broadway. He is married and has two sons. According to the Government, he is also known as John Beattie Williamson, John Miller, and Johnny.

"Williamson says he was born in San Francisco, but the Government says he was born in Scotland. He was arrested last year and has been free on bail in alien deportation proceedings.

"In 1919 he took part in the Seattle general strike. He joined the party in 1922 and served as an official of the Young Communist League until 1929. In 1927 he went to Moscow as a delegate to the Young Communist International.

"He has been a member of the party's national committee since 1930. He was Illinois organization secretary from 1930 to 1933 and Ohio organizer from 1933 to 1940. He has held various party posts in New York since 1941.

"GUS HALL

"Hall, Ohio chairman of the party, is 39 years old, and lives in Cleveland with his wife and two children. He was born in Virginia, Minn., as Arvo Mike Halberg. According to the Government, he has also used the names of Arvo Gust Halberg, Arvis Hallberg, Gus Hallberg, Alvo Halberg, Arvo Kustaa Halberg, Arvie Halbert, Gaspar Hall, John Hollberg, and John Howell. His parents, born in Finland, were charter members of the Communist Party in the United States.

"In 1937 Hall was indicted in Warren, Ohio, on the charge of possessing and using explosives in the Little Steel strike. He pleaded not guilty, but later withdrew this plea and pleaded guilty to a lesser charge, malicious destruction of property, and was fined $500 and costs.

"He served a 90-day jail sentence in Youngstown, Ohio, in 1941, for misrepresenting the contents of a nominating petition and for forgery on two counts.

"Hall joined the party in 1927 and in 1931 went to Moscow, where he attended the Lenin Institute and stayed until 1933. After his return from Russia he worked as an organizer in Minnesota and then in Ohio, first for the Young Communist League and later for the party.

"In World War II he served as a machinist's mate in the United States Navy. He was elected to the party's national committee in 1945 and to the national board and as Ohio chairman in 1947.

"ROBERT G. THOMPSON

"Thompson, the party's New York State chairman, is 34 years old and lives at 39–40 Forty-sixth Street, Sunnyside, Queens. He is married and has two children. His wife, Leona, has been educational director and press director of the party in Queens County.

"Thompson testified at the trial that he had also been known as Roberto Tomes, Bob Condon, and Robert Johnson, but could not remember all the other names he had used.

"He was arrested on a charge of vagrancy in Communist Party headquarters at Oakland, Calif., in 1934, in connection with the San Francisco general strike, but was acquitted. He served a 2-month jail sentence in Paris in 1938 for overstaying his visa.

"Thompson was born in Fruitdale, Oreg. He joined the party in 1933. He went to Moscow in 1935 to attend the Young Communist International Congress and stayed in Russia until 1937, when he went to Spain as commander of the Canadian Battalion in the International Brigade.

"Returning to this country in 1938, he became secretary of the Young Communist League for Ohio. In World War II he won the Distinguished Service Cross as a staff sergeant with the Thirty-second (Red Arrow) Division in New Guinea. He became a member of the party's national board in 1945.

"CARL WINTER

"Winter, the party's Michigan chairman, is 43 years old and lives in Detroit. His parents were born in Russia. His wife is the daughter of Alfred Wagenknecht, a charter member of the party in the United States.

"Winter testified at the trial that his right name was Carl Weisberg, but he had also been known as Philip Carl Weisberg. He was born in Pittsburgh and was brought up in Cleveland. He joined the Young Communist

League in 1922 as a charter member and the Communist Party in 1925.

"He came to New York in 1925 and spent 2 years at City College. From 1928 to 1931 he was employed as a draftsman by the New York City board of transportation. In 1931 he became a full-time party functionary and assumed leadership of the Unemployed Councils of Greater New York. He organized and led the eastern column of the 1931 and 1932 hunger marches on Washington.

"Winter went to Europe on party business in 1933 and made eight trips to Russia in the next 2 years. In 1935 he attended the Seventh World Congress of the Communist International in Moscow.

"He returned to this country in 1935 and held various party posts in Cleveland, Los Angeles and elsewhere until he became Michigan chairman in 1945.

"GILBERT GREEN

"Illinois chairman of the party, Green is 43 years old, married, and lives in Chicago. He testified at the trial that his real name was Gilbert Greenberg, that he had also been known as George Gilbert, and that he had used more false names than he could remember.

"Green was born in Chicago. He joined the Young Communist League in 1924, and the party soon afterward. He came to New York in 1929 for the league, which he headed from 1932 to 1939. During that period he made annual trips to Russia. In 1935 he was a delegate to the Comintern's Seventh World Congress in Moscow and became a member of the executive committee of the Comintern and the Young Communist International.

"He became a member of the national committee in New York in 1939 and from 1941 to 1945 he was New York State chairman. He became Illinois chairman in 1945. He was elected to the national board in 1944, dropped in 1945, and reinstated in 1947.

"HARRY WINSTON

"Winston, national organizational secretary, is 35 years old and lives at 1809 Seventh Avenue with his wife and 2-year-old child.

"He was born in Hattiesburg, Miss., and joined the Young Communist League and then the party in 1931. He was a league delegate to the 1932 'hunger march' on Washington. As a Negro, he was then sent to Harlem as a league organizer. He made trips to Moscow in 1933 and 1937.

"Winston served in various league posts in New York and Cleveland until he was inducted into the Army in 1942. After his discharge in 1945 he became a member of the national committee. He was named organizational secretary and member of the national board in 1946.

"BENJAMIN J. DAVIS, JR.

"Davis is chairman of the party's legislative committee. He is 46 years old and lives at 1 West One Hundred Twenty-sixth Street. He was arrested and fined $11 for disorderly conduct in Atlanta, Ga., in 1923. In New York City in 1935 he was arrested on a charge of disorderly conduct and was found not guilty.

"Davis was born in Dawson, Ga., son of a Negro newspaper publisher who was a Republican national committeeman. He was graduated from Amherst College in 1925 and from Harvard Law School in 1928.

"He joined the Communist Party in 1933 while counsel for Angelo Herndon, Negro Communist, who was the party's organizer in Atlanta. He came to New York in 1934 and in 1936 joined the staff of the Daily Worker, party organ. In 1942 he became secretary of the party's Harlem division. He became president in 1946 of the company that publishes the Daily Worker.

"Davis was elected to the New York City Council in 1943, was reelected in 1945, and is now up for reelection again.

"JOHN GATES

"Gates, editor of the Daily Worker, is 36 years old and lives at 4518 Forty-second Street, Long Island City, with his wife, Lillian, who is secretary of the party's State legislative bureau.

"Gates was fined $50 and costs in Warren, Ohio, in 1933 for trying to make a public speech without a permit, and was sentenced to jail for 30 days in New Castle, Pa., in 1934, for passing out 'literature.'

"He testified at the trial that his 'birth certificate' name was Isriel Ragenstrich, but that his real name was Saul Regenstreif. Born in New York City, he was graduated from De Witt Clinton High School in 1930 and attended City College from 1930 to 1932.

"He joined the Young Communist League in 1931 and the party in 1933. After working as a league organizer in Ohio, he went to Spain in 1937 as political commissar in the Abraham Lincoln Brigade. Returning to this country, he became 'educational' director of the league.

"After serving in the United States Army in World War II, he became national director of the party's veterans' committee. In 1947 he was made editor of the Daily Worker."

RECOGNITION OF COMMUNIST REGIME IN CHINA—LETTER BY SENATOR KNOWLAND

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter I have addressed to Mr. Henry E. North, president of the San Francisco Chamber of Commerce.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 13, 1949.

Mr. HENRY E. NORTH,
President, San Francisco Chamber of Commerce,
San Francisco, Calif.

DEAR MR. NORTH: I have your letter of October 7 enclosing a statement of policy from the World Trade Committee of the San Francisco Chamber of Commerce which was approved by your board on directors on October 6, 1949, together with a copy of the news release of October 10, 1949.

It is my belief that the proposal of the San Francisco Chamber of Commerce relating to recognition of the Communist regime in China is not in the best interests of the people of that country, the peace of the world, or our own national security. I have opposed and I shall continue to oppose the recognition of the Communist regime in in China as long as they have not complied with the basic requirements for recognition. De facto power is not alone to be considered.

Woodrow Wilson refused to recognize the revolutionary government of Mexico which took over following the political murder of President Francisco Madero and his Vice President. Secretary of State Stimson refused to recognize the Japanese puppet government established in Manchuria though there is no question that it exercised de facto power in that area.

If and when the great powers of the world recognize the Communist regime it will open up every Chinese Embassy and consulate to additional espionage and fifth column agents. It will give to the Soviet bloc an additional vote on the Security Council at a critical period in the history of the world.

I recognize the fact that there are many business groups, British and American, who believe that you can do business with communism. There were many who felt that you could do business with the warlords of Japan and with Nazi Germany. Some of the scrap iron and oil that went out from Pacific coast ports not only was used to destroy life and property in the country of our historic friend, China, but some of it was used against us to destroy American life and property at Pearl Harbor December 7, 1941, and thereafter. If there was ever a case where commercial transactions were paid in blood money, this was it. While I recognize the fact that your board of directors has already taken action in this matter, I hope that in the major interests of national security in this age of the airplane and the atom, the board will reconsider its decision in a matter which is of vital concern to the future of this country. Communism is fundamentally opposed to private property and will destroy it at the first opportunity. They may temporarily tolerate it until they are in a better position to digest the same.

On numerous occasions businessmen have complained that men in public life compromise principles. The recognition of Communist China at this time, the letting down of our historic friend the non-Communist Government of China will not only, in my judgment, contribute to the collapse of opposition to the Communist dictatorship in that country but will contribute to the overwhelming of southwest Asia and ultimately India. Toward this end the action of the board of directors of the San Francisco Chamber of Commerce will have made a partial contribution.

In case you have not seen it, I am enclosing an article from the New York Times of yesterday (October 12, 1949) relating to the establishment of another Communist satellite nation in eastern Germany. Both in the article and in the accompanying pictures you will see that the Communists in eastern Germany give chief recognition to Joseph Stalin and Mao Tse-Tung.

Also, for the information of you and your board of directors, I am enclosing a release I have received from an official United States Government agency giving the text of a radio broadcast by the Communist news agency of China in which Mao Tse-tung sends greetings to the Communists of America. I hope the entire text will be read at the next meeting of your board.

International communism is global in character. It will do very little good to save 240,000,000 western Europeans from going behind the iron curtain while we are helping to pave the way for 1,000,000,000 people of Asia to be taken into the Soviet orbit. The enclosures in question are a clear indication, I believe, that the Communists throughout the world stand by their friends while at times we appear to be willing to abandon ours.

With best personal regards, I remain,
Sincerely yours,

WILLIAM F. KNOWLAND.

MAO ANSWERS UNITED STATES COMMUNIST LEADERS

PEKING, October 7.—Chairman Mao Tse-tung sent the following telegram yesterday in reply to the message of greetings from William Foster and Eugene Dennis, leaders of the Communist Party of the United States of America:

"Dear Comrade Foster, Comrade Dennis, and all comrades of the national committee of the Communist Party of the United States, thank you very much for your warm greetings on the founding of the People's Republic of China. Please convey my thanks to all members of the Communist Party of the United States and to all people in America who love peace and justice and who harbor good will toward the Chinese people.

"What you said is true. The victory of the Chinese people is a victory over imperialism; first of all, over American imperialism. This victory is part of the outcome of the general struggle waged by the working class and progressive mankind in the world against the world imperialist

camp. American Communists and all sincere democratic elements are fighting shoulder to shoulder with the Chinese people in this struggle.

"American Communists occupy a particularly glorious position in their heroic fight to assist the just cause of the Chinese people and to oppose the reactionary imperialist policy of the United States toward China. Although the American reactionary Government is savagely persecuting the Communist Party of the United States and American progressive forces and is trying 11 leaders of the Communist Party of the United States—Comrade Eugene Dennis, John Williamson, Henry Winston, Jacob A. Stachel, Benjamin Davis, Earl Winter, Robert G. Thompson, John Gates, Charles A. Doyle, Gilbert Green, and Gus Hall—facts have, however, shown that it is the Communist Party of the United States and American progressive forces who are in the right, that it is their Chinese friend who has won victory, and that it is the present imperialist Government of the United States which has violated justice and has met with decisive defeat.

"This fact cannot but encourage all democratic forces in the world which are temporarily in the oppressed position and cannot but educate the peoples throughout the world who are still temporarily under the rule and deception of the reactionaries.

"Long live the friendship between the Chinese and American people.

"MAO TSE-TUNG.

"OCTOBER 6, 1949."

EMERGENCY SCHOOL FACILITIES—STATEMENT OF THOMAS D. BAILEY

Mr. PEPPER. Mr. President, I ask unanimous consent to incorporate in the body of the RECORD, in connection with the bill passed yesterday providing Federal assistance for the provision of emergency school facilities, a statement by the State superintendent of public instruction of Florida, showing the construction school needs of Florida.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATE OF FLORIDA,
DEPARTMENT OF EDUCATION,
Tallahassee, June 3, 1949.

Mr. EDGAR FULLER,
Executive Secretary, National Council of Chief State School Officers,
Washington, D. C.

DEAR MR. FULLER: In reply to your recent letter requesting information concerning serious need for school facilities in one or more Florida school districts, I am glad to send you the information below.

Florida has a county-unit system of school organization; so the information given is for counties rather than for small districts. I have selected two counties which are different in character and each of which is fairly typical of a number of other counties.

Broward County is in the lower east coast, "Gold Coast" section adjoining the Miami area. It is among the wealthier counties of Florida, but is facing very grave school building problems because of rapid growth in school membership in this area in the past few years.

Figures in this office show that average daily attendance in Broward County increased from 6,027 in 1943–44 to 10,226 in the first 2 months of 1948–49. Percentage of increase for each of the last 4 years has been 12.6 percent, 18.4 percent, 11.4 percent, and 7.9 percent, respectively. The last figure represents only the first 2 months of 1948–49 and does not include attendance for any of the peak months of the tourist season when attendance is highest.

An attempt was made to carry a $6,000,000 bond issue in Broward County in recent weeks, which would have helped meet some accumulated building needs; however, the bond issue failed, partly, it is believed, because property in the county is heavily taxed. In spite of its considerable wealth, Broward County faces almost insuperable difficulties in financing urgently needed school buildings.

Broward County is typical of several other counties; for example, our largest and wealthiest county, Dade (Miami), which estimates show will need twenty to twenty-five million dollars worth of new school buildings in the next 10 years to take care of growth alone, without considering accumulated needs estimated at $25,000,000.

Another county which is typical of a considerable number of counties in Florida is Madison, which adjoins the Georgia line. This is a rural county with a static school population. School plant facilities for white children are just fair, and the county could well spend at least $300,000 to provide minimum adequate facilities for white schools which have a membership of about 1,760 this year. However, the critical problem in this case arises from the fact that practically no standard school plant facilities at all exist for the approximately 1,800 Negro pupils. Only 11 standard classrooms for Negroes are in use in the county, and these are in frame buildings. Negro schools are held in churches, lodge halls, and other makeshift buildings. At least $600,000 would be necessary to provide the barest kind of adequate facilities for Negro schools. The economy of the county is almost exclusively agricultural, which means that there is only a limited amount of taxable wealth to provide school facilities. If the county devoted every cent that might be available from both State and local sources for 20 years, it would be impossible to provide urgently needed school facilities for all the children in the county. The county is typical of at least a dozen others.

Florida has recently completed a school building survey program in which school plant facilities in every county in Florida were inspected and evaluated in terms of adequacy for the school program and the number of children to be served. Estimates were made of amounts necessary to provide minimum adequate school facilities for all the children. I am enclosing herewith a sheet which shows the estimates for each county and for the State as a whole. It should be emphasized that most of these estimates are for very low minimum facilities, minimum as to actual space and minimum or medium as to type of construction. In many cases the estimates were cut below what would be reasonably adequate, in order to come within the possibility of financing a building program under the Florida minimum foundation program. You will note that the needs for the State as a whole amount to nearly $140,000,000, which does not take into account growth of school population which is occurring at such a rapid rate in some parts of the State. If growth in population is taken into consideration, estimates of amounts necessary to meet needs in the next 10 years amount to upwards of $200,000,000. People who have considered the matter carefully believe this estimate to be conservative in view of an increase in school population in the last 2 years of 37,000 pupils. Of course, all estimates of cost are subject to downward revision if building costs decline.

I hope that this gives you information that you can use.

Cordially yours,

THOMAS D. BAILEY.

[From Florida School Bulletin for October 1949]

ATTENDANCE

1. Enrollment and attendance in Florida schools continue to increase as the larger classes of children resulting from the high wartime and postwar birth rates enter school and move into the upper grades replacing smaller classes whose members were born during the depression years. The increase now is most marked in the elementary grades but will soon be felt in high school.

2. Reports show that average daily attendance in 1948–49 in Florida schools, grades 1–12 was 389,324, an increase of 20,737 over the average daily attendance of 368,587 reported in 1947–48. This is an increase of 5.6 percent.

3. The evidence is that this increase will continue in the year 1949–50, perhaps at an even higher rate. Reports by superintendents from all but four counties show that at the opening of school this fall enrollment was 7.88 percent higher than at the opening of the 1948–49 school term.

This increase in school enrollment is not uniform throughout the State. Many counties have little increase, while two or three actually show a decline. Other counties have hundreds or thousands more children than they had last year.

The great increase in some counties has created very serious conditions of overcrowding which require the utmost ingenuity on the part of school boards, superintendents, principals, and teachers to provide facilities and services for the children. Double sessions unfortunately have become necessary in some schools owing to lack of classrooms.

Postwar years find the Florida school system facing a very great need for new school buildings and for renovation and alterations of existing school buildings. This results from the large increase in the number of school children and long years of neglect and failure to provide facilities when needed. The school plant survey program carried on from 1947 to 1949 in which school plants in every school system in the State were inspected and evaluated for their adequacy in housing the pupils and providing for the school program showed that $140,000,000 worth of buildings and alterations were needed to house children now in school without providing for the rapid growth in school population. A conservative estimate of the amount needed in the next 10 years to take care of present enrollment and provide for growth is $175,000,000 to $200,000,000.

This expenditure is needed as the result of obsolete and dilapidated buildings which must be replaced, the increased birth rate, the rapid influx of new population into Florida, shifts of population within the State, the changes in the school program, new services to be performed and new groups to be served by the school program, and modernization requirements for heating, lighting, and sanitation.

Estimate of school building needs in Florida based on school surveys made under supervision of the State department of education from 1947 to 1949, April 1949

	White	Negro	Total
Alachua	$1,420,600	$1,547,900	$2,968,500
Baker	230,800	106,300	337,100
Bay	2,020,000	370,000	2,390,000
Bradford	285,600	393,600	679,200
Brevard	469,840	395,280	865,120
Broward	1,440,000	4,009,000	5,449,000
Calhoun	482,048	175,680	657,728
Charlotte	66,500	20,500	87,000
Citrus	167,760	179,424	347,184
Clay	520,700	81,600	602,300
Collier	295,520	94,300	389,820
Columbia	875,000	282,500	1,157,500
Dade	[1] 15,000,000	[1] 10,000,000	[1] 25,000,000
De Soto	329,760	180,040	509,800
Dixie	251,750	2,500	254,250
Duval	[2] 10,186,950	[2] 8,952,300	[2] 19,139,250
Escambia	2,903,480	1,255,550	4,159,030
Flagler	172,896	128,640	301,536
Franklin	67,360	25,675	93,035

[1] Estimate based on figure supplied by county superintendent's office. Does not include estimate of $20,000,000 to $30,000,000 for prospective growth in school membership in next 10 years.

[2] Estimate based on figure supplied by county superintendent's office, and on 1945 survey by Reynolds, Smith & Hills, engineers and architects.

Estimate of school building needs in Florida based on school surveys made under supervision of the State department of education from 1947 to 1949, April 1949—Con.

	White	Negro	Total
Gadsden	$481,790	$1,386,596	$1,868,386
Gilchrist	133,000	48,400	181,400
Glades	231,360	53,760	285,120
Gulf	269,000	148,600	417,600
Hamilton	176,800	434,400	611,200
Hardee	841,860	67,500	909,360
Hendry	430,960	87,840	518,800
Hernando	139,600	93,960	233,560
Highlands	479,100	397,200	876,300
Hillsborough	2,372,200	10,420,300	12,792,500
Holmes	588,200	55,800	644,000
Indian River	295,800	165,200	461,000
Jackson	1,318,400	1,499,090	2,817,490
Jefferson	204,000	937,600	1,141,600
Lafayette	177,780	37,440	215,220
Lake	650,700	576,040	1,226,740
Lee	1,329,500	333,600	1,663,100
Leon	715,600	1,449,550	2,165,150
Levy	376,472	431,000	807,472
Liberty	192,540	14,400	206,940
Madison	320,200	616,160	936,360
Manatee	1,343,800	677,500	2,021,300
Marion	869,400	1,322,000	2,191,400
Martin	264,600	159,410	424,010
Monroe	379,400	87,900	467,300
Nassau	549,800	343,160	892,960
Okaloosa	815,000	107,000	922,000
Okeechobee	40,500	49,540	90,040
Orange	4,335,060	2,228,800	6,563,860
Osceola	383,200	204,300	587,500
Palm Beach	2,033,460	1,831,600	3,865,060
Pasco	973,000	166,640	1,139,640
Pinellas	3,961,000	1,449,000	5,410,000
Polk	3,966,720	1,344,966	5,311,686
Putnam	584,860	616,800	1,201,660
St. Johns	363,600	543,500	907,100
St. Lucie	855,640	560,000	1,415,640
Santa Rosa	634,356	198,720	833,076
Sarasota	520,500	220,200	740,700
Seminole	406,960	855,396	1,262,356
Sumter	128,000	397,100	525,100
Suwannee	730,600	705,150	1,435,750
Taylor	213,800	480,000	693,800
Union	262,656	108,480	371,136
Volusia	892,520	972,030	1,864,550
Wakulla	98,400	79,900	178,000
Walton	645,916	62,560	908,476
Washington	581,966	321,760	903,726
Total	75,746,140	63,748,337	139,494,477

THIRTIETH ANNIVERSARY OF THE INTERNATIONAL LABOR ORGANIZATION

Mr. THOMAS of Utah. Mr. President, since the month of October marks the thirtieth anniversary of the International Labor Organization, I ask unanimous consent to have inserted in the RECORD a statement which I have prepared in commemoration of this event.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This month marks the thirtieth anniversary of the International Labor Organization. The first International Labor Conference, which convened 30 years ago in Washington, created a sound institution which has continued to grow during the turbulent three decades which followed. While other major international agencies passed from the scene, it survived the chaos of World War II. Because of its realistic approach and its strong organization, it has become increasingly active and effective. Today, as a specialized agency of the United Nations, the ILO is as youthful and as stirring with hopes as when it started.

The ILO has kept abreast of the times. It has adjusted its programs to meet the realities of changing world situations and needs. From its deliberations there has grown a monumental code of international labor standards. With changing economic and social conditions throughout the world, the ILO has recently placed increasing emphasis on rendering technical assistance to its member governments. It is now engaged, for example, in practical programs designed to relieve the serious manpower problems which so directly affect world economic development and progress. Needless to say, the United States, which has embarked upon far-reaching programs leading toward these objectives, has a vital interest in the success of these ILO programs which complement our own direct efforts.

The vitality and realistic approach of the ILO can be accounted for, in large part, by its composition. It is unique among major international organizations in that management and labor, as well as the governments, are directly and independently represented in the ILO. They guide its programs with a high degree of realism. Their cooperation on problems of common interest has helped to open up new channels for international understanding.

Fifteen years ago, the Congress of the United States examined the principles and achievements of the ILO and, by unanimous vote, approved our membership. This decision has been fully vindicated by all the events which followed. Today we see more clearly than ever before that—to quote from the ILO Constitution—

"Lasting peace can be established only if it is based on social justice,"

and that, as stated in their Philadelphia Declaration of 1944—

"Poverty anywhere constitutes a danger to prosperity everywhere."

The ILO is coming to grips with important problems that affect us all. The degree to which it is effective in the solution of economic and social problems which might otherwise lead to international conflict, and the degree to which it is effective in raising working and living standards throughout the world, is of real and immediate concern to us. Its activities contribute to increased world-wide prosperity and benefit countries with higher standards by raising the standards of other countries competing with them in world markets.

In view of the achievements of the ILO during the past 30 years, and as a matter of enlightened self-interest, the United States should now, more than ever before, take advantage of the opportunity presented through the ILO to participate effectively in the attainment of its objectives—world peace based on social justice.

PRICING PRACTICES—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, and for other purposes.

The VICE PRESIDENT. If there be no further routine matters, the Chair recognizes the Senator from Illinois.

Mr. DOUGLAS. I ask unanimous consent that my assistant, Mr. Wallace, may be permitted to sit beside me during the course of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The question is on agreeing to the conference report on Senate bill 1008, the so-called basing-point bill.

Mr. DOUGLAS. Mr. President, before I begin the formal discussion of this subject, I should like to read certain telegrams which I have just received from various business and other organizations throughout the country, protesting against the conference report, and opposing the bill, S. 1008, which is now before us. First let me read a telegram from Mr. Harold O. Smith, Jr., executive vice president of the United States Wholesale Grocers Association, Inc., from Washington, D. C., addressed to me, reading as follows:

We earnestly urge you to reject conference report on S. 1008 because it nullifies the bills passed by the Senate and House, saps the effectiveness of the Robinson-Patman Act, places an insuperable burden of proof on the Federal Trade Commission in price discrimination cases, sacrifices small businesses, and plays into the hands of big monopolistic organizations.

I now desire to read another telegram from Mr. Victor Postillion, president of the Gasoline Retailers' Association of Metropolitan Chicago, room 311, 8 North Ogden Avenue, Chicago, Ill., addressed to me:

DEAR SENATOR: Senate bill 1008 in its present form repeals the Robinson-Patman Act and nullifies the Clayton Act. In the interest of all small-business men please defeat this bill. It is vicious to the interest of the small retailer.

I should also like to read another telegram from the National Congress of Petroleum Retailers, Rankin Peck, president, 205 East Adams Avenue, Detroit, Mich., addressed to me:

DEAR SENATOR: We urge you to vote against bill S. 1008, which would repeal Robinson-Patman Act. Without a law against price discrimination the independent gasoline dealer will quickly become a thing of the past. S. 1008 would legalize any and all price discrimination whenever two or more suppliers met the discriminatory price. Big buyers can always get two suppliers to give them special prices which can be used to bankrupt their small competitors. S. 1008 is a bill to turn all the business of the country over to the monopolies. This bill, S. 1008, will also reverse the decision of a *Standard Oil Company* v. *Federal Trade Commission* now on appeal to Supreme Court from unanimous decision of the United States Seventh Circuit Court of Appeals.

Now, may I read still another telegram from A. J. Hayes, president of the International Association of Machinists, an organization which I believe has about 500,000 members, addressed to me:

S. 1008 would repeal Robinson-Patman Act, destroy effectiveness of Federal Trade Commission, and nullify Clayton Act. I respectfully urge that you speak and vote against S. 1008.

I have an earlier telegram from a large business firm in my city, the Hoover Food Products Corp., 1043 West Randolph Street, Chicago, addressed to me, which reads as follows:

We urge you reject subcommittee version of new form of delivered pricing bill, S. 1008, and insist that the Judiciary Committee give further thoroughgoing study to the bill, including public hearing. Bill in present form would kill Robinson-Patman Act and injure all independent merchants.

Mr. President, I think that during the course of the day a great many more telegrams will be received by the Senator from Louisiana [Mr. LONG] and myself, and at an appropriate period we shall see that the attention of the Senate is invited to these telegrams. It is very refreshing that the businessmen and the labor groups of the country are waking up to precisely what is contained in this conference report. I hope very much that in the course of the debate we may make clear to the Senate and to the country how completely this bill, as now

proposed, would violate the American tradition and principle of free competition.

CONFERENCE REPORT ON S. 1008 DEFECTIVE IN EVERY FEATURE

Mr. President, in the few minutes in which I had the floor near the conclusion of yesterday's session I tried to lay out the groundwork of the argument which the junior Senator from Louisiana and I hope to develop. I pointed out that the conference report is defective in virtually every feature. I pointed out that section 1, taken in conjunction with sections 2 and 3, legalizes the basing-point system. I should like to show that this bill, by permitting delivered prices, permitting the absorption of freight, and permitting one competitor to charge the same price which other alleged competitors are charging, legalizes three essential features of the basing-point system.

S. 1008 WOULD LEGALIZE THE BASING-POINT SYSTEM

What is the basing-point system? It is a system in which a price leader charges a price at a given city which it chooses as its base point, and then at other cities charges a price equal to the price at the base point plus the freight. The price leader does not permit the buyer to buy the goods at the factory gate of the producer. It does not permit the buyer to buy f. o. b. It insists that the buyer must take the goods as delivered, and it charges a set freight rate even though the goods may move by water or by truck. The delivered price, therefore, is an essential feature of the basing-point system.

Then, after the price leader has established this set of country-wide prices based upon a given city, with freight rates added, the other firms follow suit and charge, in given localities, prices identical to those charged by the price leader. This will bring differing prices between localities—I emphasize that—but identical prices within a given locality. This is made entirely legal by S. 1008, because it would be thoroughly legal to absorb freight to meet an equally low price of a competitor in good faith. That is contained in the first clause of section 2 (b). It, therefore, becomes legal for the price leader to establish its price over the country, and it becomes legal for every other firm to charge identically the same price and to match the prices of the price leader in each and every locality throughout the country. The result is uniformity of prices and the abolition of competition.

In the next place, it is definitely stated in the bill that the freight may be absorbed. I emphasize that fact. Under the delivered-price system, or the basing-point system, as I have said before, the buyer is not permitted to purchase goods at the factory gate of the producer. The seller insists that he must take the goods delivered at the point where the buyer is located, and the seller absorbs the freight. That is the third ingredient in the basing-point system.

Therefore, this bill legalizes each of the essential features of the basing-point system. It legalizes delivered prices; it legalizes the meeting by other firms of the price of the leader, and, therefore, it legalizes a uniform network of country-wide prices, and it legalizes the absorption of freight. The basing-point system is, in its essence, a delivered-price system, with all the other firms in the industry meeting the prices of the price leader. That is all the basing-point system is. This bill, by legalizing each and every feature of the basing-point system, legalizes the basing-point system itself.

S. 1008 LEGALIZES OTHER WEAPONS OF MONOPOLIES

Mr. President, this bill goes even further. It legalizes, in section 2 (a) two additional pricing systems which monopolies can use, because section 2 (a) provides:

> To quote or sell at delivered prices if such prices are identical at different delivery points or if differences between such prices are not such that their effect upon competion may be that prohibited by this section.

What does that mean? It means that the so-called postage-stamp system of pricing, or the zoning system of pricing, is also legalized in section 2 (a) so that a company can charge the same price all over the country, no matter where it is manufacturing its products. It may also charge the same price within one zone, but may charge differing prices in another zone.

In section 2 (b) it is legal for other firms to charge identical prices, provided they do it "in good faith."

In other words, Mr. President, a network is now laid by this bill, in a measure, by which the big firms of the country can lay down the prices for the country as a whole, and the smaller firms, afraid of price reprisals on the part of bigger firms, will be forced into line, and the Federal Government will be powerless to step in and try to protect competition. The means are furnished whereby the big industries of the country can strangle competition, and the Federal Government will have its hands shackled and tied and will be prohibited from stepping in to protect the channels of competition.

S. 1008 WOULD REVERSE OUR PRESENT ANTI-TRUST POLICIES

Mr. President, this is a reversal of the entire policy of this Government which began, in 1890, with the passage of the Sherman Act, which continued in 1913 with the passage of the Federal Trade Commission Act and the Clayton Act, which was continued still further, in 1936, by the passage of the Robinson-Patman Act. I beg Senators to consider carefully the steps which we have taken, because—and I do not exaggerate—the whole industrial future of the Nation is at stake. We may today take steps which will reverse the whole policy of this country. I urge, in all seriousness, that the solemnity of this occasion should be fully appreciated.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I shall be very glad to yield to the Senator from Louisiana for a question only.

Mr. LONG. Is it not true that in many major industries only a few major corporations control all production, and it is possible to form a conspiracy under the basing-point system which it is almost impossible to prove? Is it not true that in the case of copper about three companies produce 99 percent of all copper, and in steel eight large companies produce 90 percent of the steel?

Mr. DOUGLAS. The Senator from Louisiana is completely correct on that point. When the Temporary National Economic Committee some 10 years ago made their report, under the chairmanship of our distinguished colleague, the Senator from Wyoming [Mr. O'MAHONEY], they showed that in a very great number of industries three or four firms would control 65 percent of the output. Instead of production being diffused evenly among a large number of small firms, there would be three or four big firms which would produce 65, 75, or 80 percent of the production, and the remaining firms would take the fringe of one-third, one-fourth, or one-fifth. Three or four firms dominate most of the mass production industries, and the others are afraid of them. They are afraid generally to compete lest the big firms start local price cutting.

I hope that the Senator from Louisiana can perhaps read into the RECORD at a convenient time what some of these industries are. As I remember them, they are, roughly, steel, copper—and of course aluminum was a perfect monopoly with one concern at one time, now there are only three firms in the industry; tin, electrical machinery, telephone equipment, and glass.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Illinois yield to the Senator from Louisiana?

Mr. DOUGLAS. I yield for a question.

Mr. LONG. I ask the Senator if the study of the Concentration of Production Facilities of 1947, made by the Federal Trade Commission, did not show that in the matter of tin cans and other tinware, just two companies, the American Can Co. and the Continental Can Co., manufactured 92.1 percent of all production.

Mr. DOUGLAS. That, of course, is absolutely correct. There are many other industries in which substantially similar results could be shown, the glass industry, for instance.

Mr. LONG. Is it not true also that the same report showed that in the case of copper smelting and refining, eight companies had 100 percent of the business?

Mr. DOUGLAS. There were only eight companies, and the three big companies, I am told, have about 65 percent or 70 percent of the business.

Mr. LONG. Did not the same study show that in the case of primary steel, eight large corporations controlled 69.3 percent of all production?

Mr. DOUGLAS. That is correct. There were United States Steel, Jones & Laughlin, Bethlehem, Republic, Youngstown, Inland, and others.

Mr. LONG. Is it not true that if the pending bill were passed legalizing freight absorption and the other incidental things which are legalized in the bill, these large corporations could go back to their old practice of arriving at identical prices, possibly without con-

spiracy, but even if their action was the result of a conspiracy, it would be almost impossible to prove, and regardless of whether they were in conspiracy or not, the effect on the American public would be the same, would it not?

Mr. DOUGLAS. I am glad the Senator from Louisiana has made the point that the concentration in most of the major industries is in such a small number of hands that they can reach an identity of prices without formal conspiracy.

On this point, if the Senator from Maryland will permit me, I should like to say that his statement of yesterday, which appeared on page 14777 of the RECORD, does not quite cover the point, when he said:

> We proceed on the theory that a charge of conspiracy or collusive agreement in violation of the antitrust laws should, in order to be established, be founded upon specific proof of the actual existence of a conspiracy or a collusive agreement among those charged therewith.

The Senator from Louisiana is completely correct. These firms are now so few in number that they can reach substantial identity of action without having prior conspiracy. As I have said over and over again, they have rate books and freight books. Let the price leader establish a base price at a given city, then all the other firms have to do is to look up their freight books and see what the freight rates are from a particular city used as the basing point to any other city in the country. They set the same delivered prices, and they can do this, as I have said, without signing a formal compact, without meeting in a room, nor do they even have to talk on the golf course. So that this alleged safeguard, that the proposed law "shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice" is totally insufficient. Identical prices can be arrived at in the absence of conspiracy.

ENFORCEMENT OF LAWS SHOULD BE BASED ON PREVENTION OF BAD EFFECTS

Mr. President, I am not a lawyer, but some years ago I read Oliver Wendell Holmes' book The Common Law, and in that book Holmes pointed out that more and more the law tended to ask people to know the effects of their actions, and it is the effect of acts toward which we should move. We should give to the law the power to restrain acts where the effect of such acts is likely to restrain competition.

Here on the floor of the Senate we assume, and I think rightly so, that we are all men of good will, and that none of us has any evil designs on another, and when we differ, it is not from a difference in motives. I am never one who believes we should try to find bad motives on the part of one who differs with us, but that rather we should judge things by the effect of the measures proposed. Similarly, in the case of these combinations, we should judge the effects of the delivered price system, of freight absorption, and of charging identical prices. The effects of all those things are the removal and the disappearance of competition. When competition is destroyed and private monopoly takes its place, there ensue dire consequences which will hurt the country.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question only.

Mr. FULBRIGHT. If the conference report shall be rejected, is it the Senator's opinion that this whole matter would go over to January to be further considered? Would that be the effect?

Mr. DOUGLAS. I am a very frank man, at least I hope I am.

Mr. FULBRIGHT. I am sure the Senator is.

Mr. DOUGLAS. I will therefore say to the Senator from Arkansas that it is my intention to move, at the conclusion of my speech, that we postpone consideration of this conference report until January 20 of next year.

THE BILL REALLY REPEALS THE ROBINSON-PATMAN ACT

Mr. President, this bill not only legalizes the basing point system, the postage stamp system of pricing, the zone system of pricing, and therefore gives to industrial monopolies the power to check competition, but it directly strikes at the Robinson-Patman Act. All Senators are aware of the fact, of course, that the Sherman Act and the Clayton Act were primarily designed to protect competition in the field of manufacturing and to prevent producers and processors from ganging up on the public and upon their fellow producers and processors. The Robinson-Patman Act on the other hand was primarily designed to protect the small retailer from the pressure exerted by huge mass buyers. In other words, it was designed to prevent abuses of monopolistic buying from hurting the channels of trade.

Mr. LONG. Mr. President, will the Senator yield for a question only?

Mr. DOUGLAS. I am glad to yield to the Senator from Louisiana.

Mr. LONG. Is it not true that in many respects the Robinson-Patman Act not only protected the small merchant against monopoly, but in many cases protected him against the enormous economic power of a mass purchaser?

Mr. DOUGLAS. That is correct.

Mr. LONG. A mass purchaser, such as a chain store, making great purchases, could get discounts so great that it would be impossible for independent merchants not receiving such discounts to compete.

Mr. DOUGLAS. Yes. As I remember the wording of the Robinson-Patman Act, its purpose was not merely to prevent monopolistic practices, but was also to prevent discriminating practices—

> Where the effect of such discrimination may be substantially to lessen competition.

Mr. LONG. Mr. President, will the Senator yield for another question?

Mr. DOUGLAS. If I may finish, I shall then yield to the Senator from Louisiana.

In other words, the purpose of the Robinson-Patman Act was to preserve the full flow of competition and not only to prevent it from being destroyed but from being lessened.

I now yield to the Senator from Louisiana.

Mr. LONG. Did not the Robinson-Patman Act also liberalize the definition of "injury to competition"? Whereas the Clayton Act had previously provided that in order to restrain the practice of discrimination among purchasers it must be shown that it substantially injured competition, meaning competition in a general sense, the Robinson-Patman Act recognized that that language was not adequate, and that it was necessary also to protect the individual competitor, which caused language to be inserted in the Robinson-Patman Act providing not only against practices the effect of which may be to lessen competition, but also against discriminatory practices which may injure the actual competitors.

Mr. DOUGLAS. Yes. And that is logical also, because how does one destroy competition unless one also unfairly destroys competitors? It was not the purpose of the Robinson-Patman Act to keep everyone in business, but it was the purpose to protect individual businessmen from unfair competition, just, as a matter of fact, I think it was the purpose of the Clayton Act to protect individual producers from being undersold by regional price cutting for the purpose of driving a competitor out of business.

Mr. LONG. Mr. President, will the Senator yield for a further question at that point?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. LONG. Is it not true that under the Clayton Act, before the Robinson-Patman Act was passed, it was completely possible that the A & P might be given a huge discount, and an individual merchant across the street might not receive such a discount? Let us assume the A & P was receiving a 15-percent discount on a large line of goods and that the independent across the street, with a 20-percent gross mark-up was receiving no discount. Under the definition established by the Clayton Act the fact that one individual merchant would be driven out of business because of discrimination against him could not be shown as being a discrimination which injured competition, in a general sense. That made it necessary for the Robinson-Patman Act to provide that if an individual merchant were driven out of competition, the test would be whether the discrimination injured the individual competitor of the business which was receiving the discriminatory discount.

Mr. DOUGLAS. Yes, except, of course, the Robinson-Patman Act permitted discounts which were based on actual economies that the seller realized from the sale of a large quantity of goods to the individual purchaser. But the act did mean that the seller could only make a price cut in favor of A & P to the degree to which he actually realized economies. A & P could not turn the heat on the seller to get a reduction in excess of the actual economies realized from the sale of a large quantity of goods to the individual purchaser. It was that and that only at which the Robinson-Patman Act struck. Misunderstanding on that point has been rife and should be corrected.

Mr. LONG. Will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. LONG. Did not the Robinson-Patman Act go beyond simply making it unlawful for the big chain store to receive a discount, and made it unlawful for a purchaser to put similar pressure on the supplier to grant such illegal discounts?

Mr. DOUGLAS. Yes. The fault in these cases was not on the part of the seller but really on the part of the buyer. The buyer would say, "Now if we will buy so many carloads from you we would like to have you give us a price." I believe the record in some of these cases indicates that, first, the big buying firm would take, say, 20 percent of the seller's output, and receive a slight commission; then take 40 percent, and perhaps receive the same commission. Then they would say, "Why, you are such a fine fellow, we will take all your output, everything, and you will not have to worry at all what is going to happen to you. You can sell all your goods to us." The seller would do that and cut his connections with the other firms, and the next year the buyer would say, "We will cut your price 30 or 40 percent," and the poor supplier would say "No, no, don't do that." But the buyer had him.

I never like to use abusive analogies, and so there is no reflection upon any of the persons involved, but the behavior of these big chain outfits was very frequently similar to that of the spider which invited the fly to come into its parlor. The fly ventured in, and took step after step, and the spider was very enticing, and finally the spider pounced. Now it is precisely that which the history of a good many of these big purchasers in connection with the small suppliers has evidenced. Of course, in those cases it is the purchaser who is primarily responsible for the discrimination, and not the poor supplier who finds himself cut off and adrift from his previous connections with only this one market available for him. It is that fellow whom we are stepping in to protect against himself and against the enticement of the spider by preventing him from engaging in discriminatory pricing.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question only.

Mr. HILL. Does the Senator recall the illustration of the banyon tree which William Jennings Bryan used in his great speech against the tariff bill on the floor of the House of Representatives, when he was a Member of that body? Does the Senator from Illinois recall how Mr. Bryan told the story of the banyan tree?

Mr. DOUGLAS. I may say to the Senator from Alabama, without interrupting him, that my acquaintance with the oratory of William J. Bryan begins only with the Coliseum speech of 1896, or the Cross of Gold speech.

Mr. HILL. Does the Senator mean that his knowledge of William Jennings Bryan began only when the Senator arrived at adulthood?

Mr. DOUGLAS. It began only with the Coliseum Cross of Gold speech. But I want to hear the Senator tell Mr. Bryan's story of the banyan tree.

Mr. HILL. I trust the Senator from Illinois realizes that I was speaking only in good humor and in jest.

Mr. DOUGLAS. I ask the Senator to give us the story of the banyan tree.

Mr. HILL. The Senator probably recalls the simile used by Mr. Bryan when he spoke of the banyan tree.

Mr. DOUGLAS. No, I do not.

Mr. HILL. At the very center of the great limbs of this tree is found a fruit with a very enticing, tempting juice which greatly attracts the appetite of the native who lives in the region where the banyan tree grows. Mr. Bryan described how the native would climb up into the tree, thinking that he was to partake of this wonderful, spicy juice, this delectable, delicious juice of the fruit of the tree. He described how when the native climbed up into the tree to obtain this wonderful, delectable, fruit, the great, powerful limbs of this tree would close in on him and crush the native unto death.

The Senator from Illinois is describing something exactly similar to the native's experience with the banyan tree, is he not?

Mr. DOUGLAS. What the Senator has said about the banyan tree affords an even more graphic illustration than the time-worn analogy of the spider and the fly which I have brought forth. But both analogies are applicable. The big buyers can lure the small suppliers on, giving them favorable terms at first, giving them increased orders, and getting them more and more in their power, and then they can finally close in on them. The small supplier who is then stripped of his previous contacts can do nothing else than go along. He winds up, not as an independent businessman, but as a vassal and a serf to the big monopolistic buyer.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield.

Mr. LONG. Is it not true that if the old chain store practices, which existed prior to the Robinson-Patman Act, had continued much longer, not only would the independent supplier have found himself at the mercy of the chains, but he would have found that all his prior customers would have been driven out of business by the big buyers, so that he would have nowhere else to go? He would have no prospective purchasers in the event the big retail firms decided to cut him off.

Mr. DOUGLAS. I think we should realize that some of the low prices which the chains have charged have not been due to operating economies, but rather to the illicit advantages which mere size has given to them in squeezing down their suppliers. It is those abuses against which the Robinson-Patman Act was designed to operate. I say further that the Robinson-Patman Act was an act to preserve the competitive structures in distribution and in merchandising, just as the Sherman Act and the Clayton Act were designed to preserve competition in the field of manufacturing and processing. The two go together. When we strike at all three of these acts, when we tie the hands of the Government and allow bigness to crush smallness by unfair competition, then we increase the concentration of wealth, and the country is headed for a sharper division of classes.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question only.

Mr. CAPEHART. Does the Senator believe in the Miller-Tydings Act?

Mr. DOUGLAS. The Senator from Indiana usually brings up the question of the Miller-Tydings Act. I do not know why he is trying to probe my mind on the Miller-Tydings Act.

Mr. CAPEHART. The question is very simple. Does the Senator believe in the Miller-Tydings Act?

Mr. DOUGLAS. I have reservations with respect to the Miller-Tydings Act; but the Miller-Tydings Act is not under discussion this afternoon. It would be just as appropriate for the Senator from Indiana to ask me what I thought of Canasta as to ask me what I think of the Miller-Tydings Act. It is not involved here at all. S. 1008 which we are now discussing does not affect it.

Mr. CAPEHART. Does the Senator know that the Miller-Tydings Act protects the drug retailers and denies any one of them the right to sell trademarked mechandise below the list price of the manufacturer?

Mr. DOUGLAS. Yes. I have the Miller-Tydings Act before me. It is Public Law No. 314, of the Seventy-fifth Congress.

Mr. CAPEHART. Does the Senator agree that as a result of the Miller-Tydings Act the Government has denied the druggists of America the right to pass on to the consumers lower prices should they care to do so?

Mr. DOUGLAS. I shall be very glad to discuss the subject with the Senator from Indiana on some pleasant evening out in the Midwest, when we can get together in the autumn of the year.

Mr. CAPEHART. Does the Senator realize that in one instance he is talking about protecting one segment of industry, namely, the manufacturers? I thought he might likewise be interested in protecting the consumers of America and the public against excessively high drug prices.

Mr. DOUGLAS. If the Senator from Indiana wishes to introduce a bill to repeal the Miller-Tydings Act, I am sure the junior Senator from Illinois will be very glad to give it careful consideration. But it is not an immediate subject for debate.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. LONG. In effect, would it not be fair to make the point that actually the Miller-Tydings Act does no more for retail druggists than the basing-point system is doing for all the large monopolies of America? If we consider the difference between the two concepts, in terms of eliminating competition on prices, at least one promotes local home ownership of business, whereas the other promotes monopolistic control of business.

Mr. DOUGLAS. I think the observation of the Senator from Louisiana is, as usual, pertinent and apt.

Mr. President, I think we should look at the way in which section 2 (B) of the bill could be used to give price discriminations to large buyers. That arises from the fact that the seller, under section 2 (B), is specifically permitted "to absorb freight to meet the equally low price of a competitor in good faith."

If the seller is permitted to absorb freight, he can give what is apparently merely the absorption of freight, but what is in reality a price discrimination.

For example, take a firm in Indianapolis selling to a firm in Minneapolis. The firm in Minneapolis is, let us say, a big concern. The firm in Indianapolis will sell to that concern, but will absorb the freight. That is a price concession. It will be virtually impossible to detect, because when the case is brought in, and it is said, "You are selling to X in Minneapolis lower than you are selling to Y in the same city," the answer will be, "No; we are not selling lower. We are merely absorbing freight."

So the power given to absorb freight is really a direct legitimization of a price discrimination. So we move away from the violations of the Sherman and Clayton Acts which I have been discussing heretofore, to direct breaches in the Robinson-Patman Act. This breach is made even greater by section 3 of the bill, which permits discriminatory prices between buyers provided they are made "in good faith to meet an equally low price of a competitor."

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. LONG. Does not section 3 to all intents and purposes simply have the effect of putting the Clayton Act back the way it was before the Robinson-Patman Act was passed to close the loopholes, especially by eliminating the so-called good-faith defense?

Mr. DOUGLAS. I think it goes back even beyond the Clayton Act. I think this takes us back beyond the Sherman Act, as a matter of fact. This is a plunge back into the dark ages of big industry before any antitrust laws were passed.

Mr. LONG. Is it not true also that no hearings were really held on the effect of section 3, because section 3 was offered as a substitute on the Senate floor, to which the Kefauver amendment was immediately accepted? On the House side an even stronger amendment, namely, the Carroll amendment, was offered, to protect small business. It is only now that we are considering section 3 in its full glory. It would virtually destroy the Robinson-Patman Act.

Mr. DOUGLAS. Before I came down here I read George Norris' autobiography. I remember that George Norris said that he had found there were three Houses—the Senate, the House, and the conference committee. Strange and wonderful things can be done in conference committees. I know that the Legislative Reorganization Act somewhat limited the powers of conference committees. I will say to my good friend from Maryland [Mr. O'CONOR] that I have been turning over in my mind for a couple of days the question whether I should raise a point of order in connection with section 3, on the ground that the conference committee exceeded the latitude permitted to under the Legislative Reorganization Act. However, I wanted to discuss these questions on their merits, and not raise technical difficulties. I believe that technically it is probable that the conference committee would be upheld. I hope the Senator from Maryland will excuse me for saying that I do not think it can be upheld morally, because the mandate given to the conference committee under the Kefauver and the Carroll amendments was really to prevent discrimination. But the committee then introduced this other clause, which, as I shall show, more or less sweeps away all powers of protecting businesses against discrimination.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question only.

Mr. CAPEHART. Does the Senator agree that an individual seller, acting individually, should have the right to pay all the freight, absorb freight, or equalize freight?

Mr. DOUGLAS. I know precisely where the Senator is going to try to lead me, because he will say that if A can do it individually and if B can do it individually and if C can do it individually and if D can do it individually, then why cannot everyone do it; if it is all right for each of them to do it individually, then why is it not all right for all of them to do it? I say that an individual, isolated action is one thing; and joint or concurrent action is another. I say it is all right in an isolated case, divorced from others; yes. But it is not all right as part of a general plan in industries producing standardized goods not subject to quality competition, or where the effect might be to destroy competition.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. CAPEHART. Does the Senator from Illinois know that the Federal Trade Commission at the moment maintains that each seller has a right to equalize freight, absorb freight, or pay all the freight?

Mr. DOUGLAS. As I understand the situation, the Federal Trade Commission does not raise this question in an individual case, provided it is not part of a general plan or designed to eliminate competition.

Mr. CAPEHART. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. Does the Senator from Illinois know of any Member of the Senate or of any one of the conferees on the part of the House who wishes to do anything but permit individual sellers to absorb freight, equalize freight, or pay all the freight? Does the Senator know of a single Member of the Senate or of any of the conferees on the part of the House who wants in any way to permit conspiracy or coercion to exist or have effect in the setting of prices, whether it be done by absorbing freight, equalizing freight, or setting prices in any way?

Mr. DOUGLAS. That is not really the question. It is not a question of whether the parties concerned get their heads together; but the question is whether unified action of this sort is good for the United States.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. Does the Senator from Illinois feel that if three people are in a given industry, they should be denied the right to pay the freight on their merchandise, when shipping it to various points in the United States? Suppose there are only three persons in a given industry, and suppose each one of them wishes to pay the transportation costs on everything he manufactures and sells. Should not each of them have the right to do so?

Mr. DOUGLAS. I think we must get all the facts in the case before we reach any decision in regard to that matter.

Mr. CAPEHART. I have stated all the facts.

Mr. DOUGLAS. No; there are three or four variables with which we deal in such a case; and we cannot consider just one of them all by itself. Suppose each one of those persons absorbs the freight, and suppose all three of them have an identity of prices before delivery and an identity of delivered prices. What would the Senator from Indiana say about that?

Mr. CAPEHART. I think that is the point that confuses the Senator from Illinois.

Mr. DOUGLAS. I think there is someone else who is confused in this case; but that is all right.

Mr. CAPEHART. The bill we are considering has to do with transportation costs, whereas the Senator from Illinois wishes, it seems, to talk about the base price of the seller. The base prices of the three sellers in the case I have mentioned might be the same or they might be different; yet all of them could be paying the total freight costs on what they shipped. I think that is where the confusion comes in regard to this measure.

My understanding of the bill and of the intention all the way through in this connection has simply been that in the absence of conspiracy, the individual seller will be permitted, acting independently, to pay the freight, absorb the freight, or equalize freight. If the bill does not permit that, then I am confused about it.

Mr. DOUGLAS. I believe, then, that if the Senator from Indiana will be patient, and will continue to exercise the broadmindedness which characterizes him, I shall be able to convince him; and when we reach the point of voting, I hope he will be on my side.

Mr. CAPEHART. Mr. President, since the Senator from Illinois questions my ability to understand what he says, I suggest that he stick 100 percent to the subject. If he will do that, I think we can understand his point, but not if he is going to talk about basing points and

other matters, which in my opinion have nothing to do with what we are trying to do in connection with this measure.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I am glad to yield for a question, although I would like to say that I believe my earlier remarks demonstrated how this bill does affect the basing-point system by legalizing the main ingredients of the basing-point system.

Mr. LONG. In the first place, if we were merely trying to legalize freight absorption, even down to the point of legalizing the basing-point practice, would not it be true that it could be legalized without having in the bill a section such as section 3? Is it not true that the basing-point system and freight absorption could be legalized without having in the bill a section like section 3, which would have the effect of striking the Robinson-Patman Act off the statute books?

Mr. DOUGLAS. Oh, yes.

Mr. LONG. For example, would not it be possible to legalize freight absorption, and at the same time that is done prevent discrimination to occur as between individual buyers within a given community? In other words, if there were two wholesalers in a given area, would not it be possible to permit freight absorption in shipments to one of them, only if the other received the same consideration?

For example, a man in my part of the country who was handling canned goods might be paying $390 per carload in freight charges; and his gross profit might be only $100. Obviously, the absorption of that freight bill for his competitor only would put him out of business.

Could not the law have been drawn so as to permit the basing-point system, but yet not to include a section such as section 3, which would permit discriminations which would run an individual competitor out of business?

Mr. DOUGLAS. That is correct.

It so happens that I object both to the basing-point section and to section 3. I should like to discuss section 3 in due course.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. LONG. Is not this the Senator's position: He is objecting to the basing-point system on the grounds, first, that it prevents the development of new enterprise in the country; and, second, that it robs the American consumers? And is not he objecting to section 3 and to the parts of the bill which repeal parts of the Robinson-Patman Act, on the ground that it would enable a favored purchaser to run the individual competitor out of business?

Mr. DOUGLAS. That is correct, although there are even more bad aspects to the basing-point system. I also think that it is ultimately unhealthy to have retailing dominated by large chains, because I think the maintenance of small business is very valuable for political democracy; for the more widely diffused is property, the more independence and freedom people have.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. LONG. Is it not true that, in line with the Senator's thinking in regard to these matters, the maintenance of the antitrust laws and restraining the enormous enterprises which are competing with the very small enterprises have the effect of saving a certain amount of home ownership of local business, as compared to absentee ownership, absentee landlordism, and absentee control of industry and business?

Mr. DOUGLAS. That is absolutely correct.

Now, Mr. President, if I may discuss section 2B, section 3, and section 4, a little bit more thoroughly, I shall appreciate it.

SECTION 2B—FREIGHT ABSORPTION

Section 2B of S. 1008 deals with freight absorption. In considering what changes this section would make in the law, it should first be noted how this section of the bill relates to the previous section. It has already been pointed out that section 2A would confer unreserved legality upon postage stamp and limited zone prices, and that it would confer substantially unreserved legality—insofar as the law against discrimination is concerned—upon basing point and unlimited zone prices. Each of these methods of pricing contains some amount of discrimination, since in any practice of averaging freight costs the seller charges some phantom freight to his nearby customers and absorbs a corresponding amount of freight when selling to his distantly located customers. Thus it may be observed that each of the pricing methods upon which some exemption from illegality would be given by section 2A would remain subject to the restraints of the present law only by virtue of the fact that each method involves freight absorption.

SWEEPING EXEMPTIONS UNDER SECTION 2B

But after conferring, in section 2A, certain exemptions upon freight absorption as practiced in a variety of specific pricing methods, the bill would confer, in section 2B, certain exemptions to freight absorption in general. Thus, a seller who is charged with committing an illegal price discrimination under this bill would be confronted with the question whether he should exercise his exemption under the specific pricing method he might be using, or under the exemption for freight absorption in general, as provided under section 2B. Except for postage stamp and limited zone prices, he would find the exemptions under section 2B more sweeping.

EVEN SMALL PROTECTION OF CARROLL AMENDMENT OMITTED

As S. 1008 passed the House, section 2B contained the so-called Carroll amendment. This amendment would have continued to make discriminations carried out through freight absorption (and phantom freight) illegal where the effect of the discrimination would in reasonable probability be that specified in the present law. The conferees have, however, struck out the Carroll amendment and substituted the following language:

> Except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition.

This language would make two drastic changes in the existing law. First, it would limit possible illegality to only one of the effects specified in the existing law—namely, "to substantially lessen competition."

That is it would not cover the effect on the competitor, but only the effect upon competition. Second, it would further limit even such possible illegality by the introduction of the new term "will be." I read again:

> That its effect upon competition will be to substantially lessen competition.

WOULD MAKE IT NECESSARY TO PROVE A FUTURE EVENT

Thus if this language should become law, the Federal Trade Commission could issue no order against discriminations carried out through freight absorption unless it could prove as a positive certainty that the discrimination would have the future effect of a substantial lessening of competition. Since it is not within the province of mankind to prove that a future event of this kind will absolutely take place—that it will take place, that it must take place, that it inevitably will take place—the effect of this language would be to legalize any and all discriminations carried out by means of freight absorption irrespective of either the past or the reasonably probable future effects of the discriminations. And "reasonably probable" has been the standard used by the Commission and the courts up to date.

WOULD PERMIT PRICE DISCRIMINATION

Under a literal interpretation of this language of section 2B, a seller would be free to absorb any and all freight charges to some customers, while refusing to absorb any freight charges to other customers located in the same town. For instance, a steel mill located in Chicago could still absorb all the freight charges on shipments to certain large fabricators in Denver, while refusing to absorb any freight charges to smaller competing fabricators in Denver. Since freight charges are an item of major importance in the delivered cost of steel, one may imagine that such a discrimination in favor of the large fabricators in Denver would soon put the smaller competitors there out of business. It could be done under the guise of freight absorption given to one, not to the other, but really through a price discrimination.

FREIGHT ABSORPTION CAN BE USED TO STIFLE COMPETITION AS WELL AS PHANTOM FREIGHT

I know there are those who say that freight absorption itself, as the distinguished Senator from Indiana has implied, is innocent because it does not involve phantom freight charges. Of course, not all freight absorption results in monopolistic competition, but it can be used as a major weapon of the trusts to control prices and stifle competition. This is not merely my opinion, but it has been enunciated by the Federal courts.

I want to read from an opinion in the Bond Crown & Cork Co. against the Federal Trade Commission case, decided by the United States Court of Appeals of the Fourth Circuit, on August 22, 1949, less than 2 months ago. The opinion was handed down by Judge John Parker. I think we all know who Judge Parker is. Judge Parker is a judge in the fourth circuit, who was nominated by President Hoover for membership on the United States Supreme Court. He was rejected by the Senate in 1930, on the ground that he was too conservative a judge to sit on the Supreme Court—rejected by a Senate in the days of Herbert Hoover, as being too conservative. Incidentally I think the Senate then made a mistake. But I shall not go into that, because I think Judge Parker has shown himself to be a very distinguished jurist. But this is not a radical judge speaking. This is not a judge prejudiced against business. This is a conservative judge whom one of our most conservative Presidents thought worthy to be a member of the Supreme Court.

What does Judge Parker say? I quote from pages 13 and 14 of the opinion:

> It is argued that the case here is distinguishable from the Cement Institute case because no "phantom freight" is involved; but there is involved freight absorption, resulting in equal delivered prices by all manufacturers selling in a given locality and unequal net returns to the manufacturers from sales to customers in different localities. So far as the questions before us are concerned, there can be no difference between phantom freight and freight absorption.

SECTION 3 OF S. 1008 VIRTUALLY NULLIFIES THE ROBINSON-PATMAN ACT

Mr. President, I should like now to discuss section 3 of the bill. Section 3 would virtually nullify the Robinson-Patman Act amendment to the Clayton Act. It would reestablish the good-faith defense, and by so doing it would place beyond the law any and all price discriminations of a seller, no matter how great and how destructive of small business it was, so long as another seller met, or offered to meet, the discriminatory price. Where a single seller made a discrimination having the specified monopolistic effects, and was not meeting the price of another seller in so doing, the Federal Trade Commission could issue a complaint. A cease and desist order might even be issued, provided it could find out about the discrimination and issue its order before another seller met, or offered to meet, the discriminatory price. But once another seller met or offered to meet the discriminatory price, the discrimination of neither seller could be stopped, even though the Commission could discover which of several sellers had initiated the discrimination. The fact that a second seller was meeting or offering to meet the discriminatory price would make the discrimination of both sellers currently legal.

In other words, all that is necessary is for a big purchaser to put the squeeze on one supplier. If he is able to get that supplier to make a discriminatory price in its favor, then every other firm is legally entitled to make a similar price discrimination, and the big buyer is similarly entitled to receive those discriminations. Once a supplier, no matter how small, makes this price discrimination, the gates are wide open and everyone can discriminate.

"GOOD FAITH" IS NO PROTECTION

That is not all, Mr. President. The bill provides:

> By showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor—

And so forth. What is the meaning of this phrase "good faith"? Suppose a big purchaser, a big retail chain, says to a supplier, "Look here. Supplier A has agreed to give us a 15-percent discount. You had better give us a 15-precent discount as well." It would not be necessary that supplier A actually had given a discount to the chain. There might be a slight terminological inexactitude in the representation which the big buyer gave to the supplier; it might not actually be true. But if the second supplier merely thought it was true, then it could be said that, in good faith, he was trying to meet the price of a competitor, that he was proceeding in good faith, even though he was the first to make the concession. Nevertheless, because he thought someone else had made a prior concession, that would justify him.

It can be seen how in any court of law, I will not say a sharp attorney, but an able attorney, could say, "My client thought he was merely matching the discounts given by other suppliers. He was proceeding in good faith." His discrimination would then become a legal act, so far as he was concerned, and a legal act so far as the buyers were concerned.

ROBINSON-PATMAN ACT AIMED AT CORRECTING "GOOD FAITH" ABUSES

It seems that the Congress which passed the Robinson-Patman Act 13 years ago was primarily concerned with correcting the abuses which the good-faith defense had created, as the Senator from Louisiana observed, in the prohibitory language of the Clayton Act. In reviewing the legislative history of this act in the Standard Oil Co. of Indiana case, the United States Court of Appeals for the Seventh Circuit pointed out the position of the good-faith defense under the old Clayton Act, and observed:

> But since large buyers could always get such price meeting by suppliers to justify a discrimination in price in their favor, the purpose of the act to avoid such discrimination was easily evaded.

The same court also pointed out that the chairman of the House conferees on the Robinson-Patman bill (I assume that was Representative PATMAN himself) had explained the purpose of modifying the old "good faith" defense, and quoted his explanation on the floor of the House as follows:

> It is to be noted, however, that this does not set up the meeting of competition as an absolute bar to a charge of discrimination under the bill. It merely permits it to be shown in evidence. This provision is entirely procedural.
>
> If this proviso were construed to permit the showing of a competing offer as an absolute bar to liability for discrimination, then it would nullify the act entirely at the very inception of its enforcement, for in nearly every case mass buyers receive similar discriminations from competing sellers of the same product.

That language is found in the CONGRESSIONAL RECORD, June 15, 1936, at page 9418.

ROBINSON-PATMAN ACT AIMED AT PRICE CUTS NOT BASED ON ECONOMICS

What was said 13 years ago of the ability of large buyers to obtain from two or more suppliers discriminatory price quotations in their favor is no less true today. The tendency of sellers to grant special price concessions to large buyers is one of the most widely observed characteristics of business behavior. Such tendencies to grant special price concessions to large buyers do not arise merely from the seller's prospect of a cost saving in selling to the large buyer. It comes because of mass offers of mass prices exerted by the big buyers who can take away a large share of the business of the supplier and therefore tend to run him out of business.

The present law, the Robinson-Patman Act, is not intended to discourage price discriminations which are justified by differences in the costs of supplying different sellers, because the cost defense is always a complete and final defense against a charge of price discrimination. A price discrimination which is indefensible on any grounds is that which goes beyond cost savings and permits large buyers to drive small buyers out of business.

PRICE CUTS BASED ON REAL SAVINGS NOT QUESTIONED

The individual seller may well reason that the prospect of an increase in the volume of his business which would result for his sales to a large buyer will result in cost savings by a further spreading of his overhead costs. But it is the total volume of business, the orders of sellers, both large and small, which justifies overhead and permits the economies of mass production. It is not just the orders of the large buyers which do these things.

Just as the good-faith defense would justify price discriminations by which large buyers put small buyers out of business, it would also justify discriminations by which large sellers put small sellers out of business. When a large seller, with national sales outlets, makes a special low price in one particular territory, at least one other seller will usually meet this special price. In this case, the good-faith defense would exempt the discriminations from a cease-and-desist order, even though the result was to drive out of business small competing sellers having only local or regional sales outlets.

I am afraid, therefore, that this section may invalidate a part of the Federal Trade Commission Act which was designed to prevent unfair trade practices, and one of those unfair trade practices is regional price cutting. This bill may permit regional price cutting, because

so long as it was matched by a small competitor, the big man could allege that he was simply trying to meet the price of the small competitor.

SECTION 3 HELPS BIGNESS BY HURTING SMALL BUSINESS

It is interesting to note that the Wall Street Journal of October 13 expressed the opinion that the "real relief for industry" contained in this bill lies in the good-faith defense which would be established by section 3. I should like to ask, "For what section of industry? Relief for big industry, or relief for small industry?" Section 3 is certainly not a measure to help small industry or small buyers; it is a measure to help big buyers and big sellers.

SECTION 4D WILL HINDER ENFORCEMENT OF ROBINSON-PATMAN AND CLAYTON ACTS UNTIL AFTER THE DAMAGE IS DONE

Mr. President, I desire to call attention to a little understood passage in section 4D of the proposed bill, namely:

> The term "the effect may be" shall mean that there is reliable, probative, and substantial evidence of the specified effect.

Those seem to be very innocent words, but I should like to point out, in the first place, that this section 4D is not merely a modification of the bill, but it is a definition of what the effects may be of the Clayton Act and the Robinson-Patman Act. If we pass section 4D we are fundamentally modifying the whole procedure under the Clayton and the Robinson-Patman Acts.

The Clayton Act, as modified by the Robinson-Patman Act, gave to the Federal Trade Commission the power to issue cease-and-desist orders, and to thereby virtually enjoin acts which, if carried out, might have a reasonable probability of reducing or eliminating competition in the future. Notice the wording of the Robinson-Patman Act on this score. It is declared unlawful to discriminate "where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them."

In other words, the Robinson-Patman Act looked to the future, it looked to the effects of action. It said, "Is there a reasonable possibility that in the future these acts of discrimination, if carried out, will result in a substantial lessening of competition or in unjustifiable injury to individual competitors?" It did this because it wanted to head off these evils before they occurred.

In my brief remarks last night I used the analogy that this previous interpretation was similar to a traffic light. The red light holds back traffic, let us say, going from north to south, while permitting the traffic going from east to west to move. The red light is put up so that north- and south-bound traffic will not collide with east- and west-bound traffic. The purpose is to prevent accidents, and it is a good idea.

DAMAGE SHOULD BE PREVENTED BEFORE IT OCCURS—SECTION 4D ALLOWS DAMAGE TO PRECEDE ENFORCEMENT AFTER IT IS TOO LATE

Mr. President, the provision in the bill is that the term "may be" shall mean only that there is—and listen to this—"reliable, probative, and substantial evidence of the specified effects." That means that these acts can only be proceeded against after they have occurred, and not restrained before they occur.

This point is of fundamental importance. It means that the Federal Trade Commission is prevented from going into a situation where there is price discrimination and where the chain stores are gaining somewhat at the expense of retailers. Under this bill it would be prevented from going in and restraining these acts because it could not be proved that these effects have yet occurred.

The Federal Trade Commission must instead wait until after competitors have been driven out of business, it must wait until after competition has been destroyed, it must wait until after injury has been committed, before it can proceed. Suppose a verdict is then obtained; that is small consolation to the individual businessman who has been put out of business, it is small consolation to the consumer who finds himself faced with a monopoly.

Mr. President, I do not say that the lawyers who wrote this clause are sharp—there may be some objection to that—but I will say that they were extremely able.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield only for a question.

Mr. LONG. Is it not true that what this amendment proposes to do is to change the law which prevents discrimination while the competitor is still in business, to make it work so that it will close the stable door after the horse has been stolen, so that the man who is in danger of injury will have to wait until after he has been injured before he can obtain aid?

Mr. DOUGLAS. That is the effect, and it is one of the jokers in the bill. It must be proved that the effect has occurred, not merely that there is a reasonable probability that it will occur but that it actually happened.

Mr. President, I had thought that one of the functions of the administrative laws of this country was not merely to punish the guilty after crime had been committed, but to prevent guilty acts from occurring. That is certainly one of the bases of the whole law of equity. It is certainly one of the bases of the whole law of injunction. It is certainly one of the bases of the series of cease-and-desist orders which our administrative tribunals are permitted to issue to prevent the processes of monopoly from going so far as to eliminate the individual businessman and substantially lessen the processes of competition upon which the consuming public depends in order to get goods at relatively low prices.

Mr. President, all this would be swept away. The Federal Trade Commission could proceed only after the harm had been done, after the injury had been inflicted. Then, if the buyer or seller can prove that a price discrimination has been made by another seller, there will be no ground for action, or if one seller thinks that a lower price has been given by another seller, this will remove any ground for action, or if a discrimination is proved, it can be alleged that it is not a discrimination, but an absorption of freight.

Mr. President, I say that sections 2 (b), 3, and 4 (d) of S. 1008 would repeal the Robinson-Patman Act, and we would go back to prior to the Clayton Act, and give to the big retailing chains of the country the power to obtain by the predatory force of mass buying, illegal price discriminations which would permit them to undersell small businesses which in other respects would be able to hold their ground.

THE REAL ISSUE: PRESERVATION OF THE AMERICAN SYSTEM OF COMPETITION AGAINST THE GROWING POWER OF MONOPOLY

Mr. President, I hope that as we discuss this measure the Members of the Senate and the citizens of the country may realize what the issues really are. The issues are the preservation and the protection of the American system of competition against the growing power of monopoly. Monopoly has made great gains in this country, but its growth has been restrained by the laws of this Nation. Ineffective as the Sherman Act, the Clayton Act, the Robinson-Patman Act have been, nevertheless they have held back the process of monopoly. They have preserved a much larger field of competition than would otherwise have existed. They have therefore contributed to a wider distribution of property and a wider distribution of business opportunity than would have been the case had they not existed.

Compare the United States with Great Britain. Great Britain was a country which did not have any laws prohibiting combinations, which did not have any laws restraining monopoly; which permitted business to operate as it willed. Great Britain was a country whose economists gave lip service to the theory of competition and who based their economic theories upon competition. But Great Britain was also a country in which the practice of competition had virtually died out.

Unrestrained by law in Great Britain the banks consolidated until five private banks controlled the entire banking resources of Great Britain. There were only four railroads in Great Britain. There was only one chemical firm, only two or three tobacco concerns, not more than half a dozen breweries in Great Britain. There were only a few distillers there. There were only three big milling concerns and two cocoa concerns in Great Britain. In line after line the ownership industries of Great Britain had become concentrated in fewer and fewer hands.

UNRESTRAINED MONOPOLIES LEAD TO SOCIALISM OR FASCISM

In those industries in which there were 20, 30, 40, 50, or 60 firms in the twenties

and the thirties they began to get together in price combinations. They got together to fix prices, and when prices are fixed output is restricted. That was done in coal. It was done in textiles. It was done in steel. Great Britain finally wound up as a completely cartelized country, despite the fact that its economists still talked about competition, and wrote textbooks about how prices would be fixed under competition, and how the national product would be divided under competition between the claimants of industry. Great Britain, without legislation, even though with verbal adherence to competition, went the way of Germany toward cartels.

Germany had neither legislation nor intellectual adherence to the principles of competition. Germany has always believed in the administrative state or the police state. Germany had already developed and legalized cartels, under which control over industry was in the hands of a few men. Great Britain followed suit.

I ask you, What has been the fate of those countries? The fate of Germany was that when industry became concentrated in a few hands those industrialists then decided that they should take over the government. That was one, although, of course, not the only stream which fed the Nazi movement. The industrialists did not want to have government interfere with them.

In Great Britain, where the owners of industry were more gentle than the owners of industry in Germany, the British employers did not follow the German pattern. But the British people faced this issue: Were they going to have a private monopoly or a public monopoly? They chose, at least provisionally, that with all the faults of a public monopoly, it was better to have public monopoly than private monopoly if they had to have monopoly. They felt that they could at least have a greater degree of control through the ballot over public monopoly than they would have over private monopoly, because, being poor people, they did not own the shares of industry.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Illinois yield to the Senator from Alabama?

Mr. DOUGLAS. I yield.

Mr. HILL. Does not the Senator think that one of the great dangers resulting from passage of the bill is that it would be taking a long step toward socialism? The Senator has said that if there is to be monopoly in this country, the people are going to insist that it not be private monopoly for the benefit of a very few but that it shall be public monopoly for the benefit of the people.

Mr. DOUGLAS. The Senator from Alabama has stated both the issue and the danger. If we have private industry concentrated in a few hands. we either invite the owners of industry to take over the State or we invite the people to take over the industry, and I want to make it clear that I am equally opposed to both. Mr. President, I am equally opposed to both, because I believe that competition is the best course for us to follow.

Mr. HILL. Will the Senator yield to me again?

Mr. DOUGLAS. I am glad to yield.

Mr. HILL. I will say that I join with the Senator. I am equally opposed to both private monopoly and Government monopoly. What the Senator is standing here so valiantly fighting against now is monopoly in any form.

Mr. DOUGLAS. That is correct.

Mr. HILL. Be it private monopoly or Government monopoly.

Mr. DOUGLAS. One of the ironical things about the whole situation is that while we stand here and fight to preserve competition, to preserve the ability of American businessmen to be free to produce and to sell, to try to put business on the basis of efficiency and not merely to meekly follow along after the big leader, we find that the very interests which in some cases we are seeking to protect, do not want that protection. Even though we are trying to save the very life of competition which they say they want, and even though we are trying to preserve their future by removing from them the possibility that as they become more and more monopolized, the industries will be taken over, we are nevertheless fought by some of those whom we would help.

One of the ironical features of the whole matter is that those who really struggle to preserve the competitive system are denounced by many of those who give verbal adherence to that system.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. HILL. Has the Senator from Illinois had the opportunity to examine the recent report of the Federal Trade Commission captioned "The Concentration of Productive Facilities"?

Mr. DOUGLAS. I have seen that report, but I would ask unanimous consent that the Senator from Alabama may be permitted to——

Mr. HILL. I do not wish to interrupt the Senator's speech, but I wondered if the Senator recalled that in that report it was brought out that 46 percent, almost one-half of the total net capital assets of all manufacturing corporations in the United States in 1947, was concentrated in the 113 largest manufacturers? These manufacturing corporations, each with assets in excess of $100,000,000, owned $16,093,000,000 of net capital assets. The Department of Commerce reports that in 1946 there were 101,739 manufacturing concerns making tax returns. In other words, of 101,739 manufacturing concerns 113 of them owned 46 percent of the total net capital assets of all manufacturing corporations in the United States.

Mr. DOUGLAS. I should say that the figures given by the distinguished Senator from Alabama are completely correct. They indicate that in spite of all our efforts we have already gone far along the road to monopoly. I believe that we should try to arrest the drift, to reverse it, and to decrease the power of the big monopolies. But this bill would accelerate the unfortunate trend. The bill would take away the protection which the law gives to the competitive system. It would take away the ability of the state to maintain the system of competition, and turn over competition, bound and shackled, to the monopolists of the country.

Mr. HILL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question.

Mr. HILL. Would not the Senator say that what the bill does is to have the Government open the door for the very monopoly against which the Senator speaks so eloquently?

Mr. DOUGLAS. That is correct.

Mr. President, I now make a motion to recommit the conference report to the conference committee, with the request that it report on the bill on January 20, 1950.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERR in the chair). The motion to recommit is not in order at this time, the House having acted upon the conference report.

Mr. DOUGLAS. Mr. President, I move that consideration of the conference report on Senate bill 1008 be postponed until January 20, 1950.

The PRESIDING OFFICER. That motion is in order.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	McKellar
Anderson	Hickenlooper	McMahon
Baldwin	Hill	Magnuson
Bridges	Holland	Malone
Cain	Ives	Martin
Capehart	Jenner	Millikin
Chapman	Johnson, Colo.	Morse
Connally	Johnson, Tex.	Myers
Cordon	Johnston, S. C.	Neely
Donnell	Kem	O'Conor
Douglas	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Dworshak	Knowland	Russell
Ecton	Langer	Saltonstall
Ellender	Leahy	Schoeppel
Ferguson	Lodge	Thomas, Utah
Fulbright	Long	Watkins
George	Lucas	Wherry
Graham	McCarthy	Williams
Green	McFarland	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to postpone further consideration of the conference report on Senate bill 1008, the so-called basing-point bill, to January 20, 1950.

Mr. O'CONOR. I move that the motion of the Senator from Illinois be laid on the table.

Mr. SALTONSTALL. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The motion is not debatable.

Mr. WHERRY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. WHERRY. Mr. President, I just entered the Chamber. I understand that the distinguished Senator from Illinois [Mr. DOUGLAS] has moved to postpone the further consideration of the conference report to January 20, 1950.

The PRESIDING OFFICER. And the Senator from Maryland [Mr. O'CONOR] has moved that that motion be laid on the table.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the senior Senator from Kansas [Mr. REED]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Oklahoma [Mr. THOMAS] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Maine [Mr. BREWSTER]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Maine would vote "yea."

I announce that on this vote the Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Ohio would vote "yea."

I announce further that on this vote the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Alabama would vote "nay," and the Senator from Minnesota would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], who is necessarily absent, is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Maine would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent.

The Senator from Ohio [Mr. BRICKER], who is absent on official business with leave of the Senate, is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Tennessee would vote "nay."

The Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "yea."

The Senator from New York [Mr. DULLES] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Minnesota [Mr. THYE] who is detained on official business, is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from Alabama would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

The Senator from New Jersey [Mr. HENDRICKSON], who is absent by leave of the Senate, is paired with the Senator from Ohio [Mr. TAFT], who is necessarily absent. If present and voting, the Senator from New Jersey would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Maine [Mrs. SMITH], who is absent by leave of the Senate, is paired with the Senator from South Dakota [Mr. GURNEY], who is detained on official business. If present and voting, the Senator from Maine would vote "nay," and the Senator from South Dakota would vote "yea."

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from Kansas [Mr. REED] is absent by leave of the Senate and his pair has been previously announced by the Senator from Texas [Mr. JOHNSON].

The result was announced—yeas 29, nays 29, as follows:

YEAS—29

Baldwin	Jenner	Martin
Bridges	Johnson, Colo.	Millikin
Cain	Kem	Myers
Capehart	Kerr	O'Conor
Chapman	Knowland	Saltonstall
Cordon	Lodge	Schoeppel
Donnell	Lucas	Watkins
Dworshak	McCarthy	Wherry
Ecton	McFarland	Williams
Hickenlooper	McMahon	

NAYS—29

Aiken	Green	McKellar
Anderson	Hayden	Magnuson
Connally	Hill	Malone
Douglas	Holland	Morse
Downey	Ives	Neely
Ellender	Johnston, S. C.	O'Mahoney
Ferguson	Kilgore	Pepper
Fulbright	Langer	Russell
George	Leahy	Thomas, Utah
Graham	Long	

NOT VOTING—38

Brewster	Dulles	Gurney
Bricker	Eastland	Hendrickson
Butler	Flanders	Hoey
Byrd	Frear	Humphrey
Chavez	Gillette	Hunt
Johnson, Tex.	Robertson	Thye
Kefauver	Smith, Maine	Tobey
McCarran	Smith, N. J.	Tydings
McClellan	Sparkman	Vandenberg
Maybank	Stennis	Wiley
Mundt	Taft	Withers
Murray	Taylor	Young
Reed	Thomas, Okla.	

The VICE PRESIDENT. On this vote the yeas are 29 and the nays are 29. Inasmuch as the Chair would vote in the negative, his vote is not necessary to defeat the motion. Therefore the motion is lost.

Mr. LONG subsequently said: Mr. President, I move that the Senate reconsider the vote by which the consideration of the conference report on Senate bill 1008 was postponed until January 20, 1950.

Mr. HILL. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama to lay on the table the motion of the junior Senator from Louisiana.

The motion to lay on the table was agreed to.

Mr. O'MAHONEY. Mr. President, I am very happy that the Senate has not laid this motion on the table. As the Senator who originally introduced the language of the bill which became S. 1008 and went to conference, I wish briefly to tell the Senate why I believe the motion of the Senator from Illinois should be agreed to, and why the legislation should be allowed to go over until January for further consideration.

SERIOUS TECHNICAL DEFECT IN CONFERENCE REPORT ON S. 1008

Mr. President, we all know the difficulties under which the Senate is now laboring. There are so many committee meetings and so many conferences going on that Senators find it difficult to stay upon the floor of the Senate and listen to the debates. But even under those circumstances, I feel that I must call the attention of the Senate to a serious and important technical defect which appears in the pending conference report. In my opinion, failure to remedy this defect would result only in the defeat of the objectives of the legislation if the conference report should be agreed to.

I have only the greatest admiration for the work of the chairman of the conferees, the Senator from Maryland [Mr. O'CONOR]. I know that he tried his best to work out a bill which would attain the objectives expressed by the author of the bill when it was introduced. Those objectives were: First, to maintain the vigor of the antitrust laws; and, secondly, to clear up by statutory enactment what I conceived to be an unnecessary interpretation of the dicta of the Supreme Court in the Cement decision.

In order to do that the bill provided in technical language, of course, that delivered prices and freight absorption, when practiced by industrialists independently, without collusion or monopolistic agreement of any kind, were not in violation of the law. To do this it was necessary to make clear that where freight absorption itself or delivered prices by themselves did not have the

specific effect of violation of the antitrust law, they were not illegal. So it became necessary to define in the bill the meaning of the words "the effect may be," because in the Clayton Act as it was originally passed, these words were inserted for the express purpose of giving to the Federal Trade Commission the power, the authority, and the duty of determining whether or not the effect of certain acts, discrimination in prices, and agreements to absorb freight, for example, might have the effect of substantially lessening competition when they were adopted by collusive methods. In other words, this language expressed the purpose of the Clayton Act, which was to provide a system of preventing monopolistic practices.

So the definition which was written into the bill as originally introduced was couched in language intended to reaffirm the decisions on this point rendered by the Supreme Court and the other Federal courts over a period of 20 years. That definition in the bill as introduced was to the effect that the words "the effect may be" meant that the reasonable and probable results of the acts in controversy would be substantially to lessen competition.

INADVERTENT DEFINITION DOES NOT EXPRESS INTENTION OF CONGRESS

Through a number of inadvertences, which it is unnecessary to go into now the definition was changed upon the floor of the Senate when the bill was first passed. I have before me the record of that day's debate, and will be very glad to include it in my remarks if necessary. That debate clearly shows that there was an inadvertent mistake in adopting language intended to embody the long-standing interpretation of those words. That mistake was cleared up when the House acted upon the bill, and the definition which appeared in section 4 (D) was written by the House as follows:

> The term "the effect may be" shall mean that there is reasonable probability of the specified effect.

When the conferees acted, however, Mr. President, they abandoned that language and returned to the inadvertent language of the Senate amendment with an additional word, so that it reads now in the conference report:

> The term "the effect may be" shall mean that there is reliable, probative, and substantial evidence of the specified effect.

When the chairman of the conferees was good enough to let me know what the action had been, I immediately pointed out that the result of that definition would be to amend the Clayton Act in other sections, that it would amend other provisions of that law, and thereby would bring about a result which was never intended. The conferees were good enough to give consideration to that statement of mine. But instead of changing the definition they undertook to reach the desired result by a statement in the report of the conferees which sought to limit the application of the definition to the amendments embodied in S. 1008. This is the language which was introduced into the report of the managers on the part of the House and, as filed in the House, is now before us:

> The conference committee in all their deliberations have construed the definitions in section 4 as applying only to the defined terms where they appear in this act. Thus, for example, the definition of the phrase "the effect may be" will apply to this phrase as used in section 2 (b) of the Clayton Act as hereby amended, and as used in the proviso which this act adds to section 2 (a) of the Clayton Act, but will not apply to the same phrase or any similar phrase used elsewhere in section 2 (a) or in any other portion of the Clayton Act.

MEANING OF DEFINITION NOT CHANGED BY CONFERENCE REPORT

Mr. President, every lawyer who has studied statutory construction knows that it has been the undeviating rule of the Supreme Court that an enactment of Congress will be interpreted as meaning what it says, and not as meaning something else which may be set forth in a report or in debate. The rule of the Supreme Court and of all courts is that the words of a statute, if they are unambiguous, will be construed as meaning what they say, and that the court will not attempt by extrinsic evidence to change the plain meaning of words. It is only when the words are ambiguous that the courts will go to any outside evidence, to any statement in any report, to any statement upon the floor, to explain the meaning of a statute.

So, Mr. President, since that is the rule, and I shall be able to demonstrate it clearly in a moment, these words of the conferees are absolutely without effect, because the language of the definition is so clear that nobody can misunderstand it:

> The term "the effect may be" shall mean that there is reliable, probative, and substantial evidence of the specified effect.

Now, that definition, thus written in clear words which are incapable of misunderstanding, will be read into every section of the Clayton Act if this conference report is approved.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. On what authority does the Senator say it will be read into all other sections, if this particular measure does not purport to amend or repeal other sections? Does the Senator understand my question?

Mr. O'MAHONEY. Will the Senator repeat his question?

Mr. FERGUSON. I say, what is the authority for saying that the words will affect the meaning of every section of the Clayton Act, if this particular measure does not purport to repeal or to amend the other sections?

Mr. O'MAHONEY. Because the Court will define these words in the same way in every section of the Clayton Act, and particularly is that true with respect to section 2 (a).

Mr. FERGUSON. Well——

Mr. O'MAHONEY. The Senator will pardon me for continuing, because we are interested here in getting at the root of this difficulty. The bill before us amends section 2 (a) of the Clayton Act. Section 2 (a) of the Clayton Act is the section which prohibits price discriminations. I call to the attention of the Senate the fact that section 2 of the pending bill amends section 2 (a), not by changing its language, but by adding a new proviso at the end of the section. Now, in reading section 2 (a) of the Clayton Act as it now stands in the law, we find in the first sentence of that section the words "where the effect of such discrimination may be substantially to lessen competition." By the conference report we are asking the Court to say that in section 2 (a) of the Clayton Act the words "the effect may be" in one sentence of section 2 (a) mean one thing and in another sentence at the end of the same section mean something else which this bill does not attempt to express. That is a construction which, in my opinion, cannot possibly stand. And I base that argument, Mr. President, on the fact——

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes, indeed.

Mr. FERGUSON. Are there Supreme Court decisions interpretative of this law which holds those words to mean something other than the conference report definition?

Mr. O'MAHONEY. Yes. The decisions of the Court for some 20 years have held that the words "the effect may be" mean the reasonable probability of such an effect.

Mr. FERGUSON. Would the conference report alter the meaning of those words?

Mr. O'MAHONEY. It would.

Mr. FERGUSON. Does the Senator think there is enough ambiguity in the language to cause the Court to say, "We will use the language of the report to aid us in the construction of the legislative intent"?

Mr. O'MAHONEY. No. I say that there is not enough ambiguity.

Mr. FERGUSON. Then the words in the report do not mean a thing?

Mr. O'MAHONEY. In my judgment, the words in the report mean nothing.

Mr. FERGUSON. That is what I am getting at. If there are clear Supreme Court decisions construing those words to mean a certain thing, which the Senator now says is true, the mere fact that the report indicates there is an ambiguity which it is desired to have construed in a certain way certainly would not affect the Supreme Court decisions.

Mr. O'MAHONEY. The Supreme Court will not go to the report, because if it should go to the report it would say, "If the Congress had meant to do it, it should have done it in the act itself."

Mr. President, the rule for which I am contending has been clearly laid down over and over again, but I think it important that there should be in the record several quotations which I have obtained from responsible authorities with respect to the point I am now urging.

Only last year Associate Justice Robert H. Jackson, of the Supreme Court, wrote an article for the American Bar Association Journal on the meaning of statutes.

The title of his article was "The Meaning of Statutes: What Congress Says or What the Court Says." I quote the following language from Associate Justice Jackson:

I, like other opinion writers, have resorted not infrequently to legislative history as a guide to the meaning of statutes. I am coming to think it is a badly overdone practice, of dubious help to true interpretation and one which poses serious practical problems for a large part of the legal profession. The British courts, with their long accumulation of experience, consider Parliamentary proceedings too treacherous a ground for interpretation of statutes and refuse to go back of an act itself to search for unenacted meanings. They thus follow Mr. Justice Holmes' statement, made, however, before he joined the Supreme Court, that "We do not inquire what the Legislature meant, we ask only what the statute means." (American Bar Association Journal, July 1948, The Meaning of Statutes: What Congress Says or What the Court Says, by Robert H. Jackson, Associate Justice of the Supreme Court of the United States.)

I do not know how the point could be put into more explicit and plain language. Congress must be interpreted as meaning what it says, and not as having the power by some statement outside the law to change the plain meaning of the words contained in the law. The function of the Congress is to draft the law. The function of the court is to interpret the law.

SUPREME COURT REFERS TO LEGISLATIVE REPORT ONLY WHEN LANGUAGE IS AMBIGUOUS

Here we have the rule of interpretation which has been followed, so far as I can learn, not only in the British courts, as Justice Jackson pointed out in his article, but in our own Supreme Court and in our own Federal courts. We do indeed, as Justice Jackson said, resort to extrinsic language occasionally, but only when the law is written in ambiguous words. This was the point of view which was expressed by the Supreme Court in United States against Shreveport Grain & Elevator Co., a decision rendered in 1932. It is to be found in 387 U. S., at page 77. Listen to the language of the Supreme Court:

Our attention is called to the fact that the House Committee on Interstate and Foreign Commerce, in reporting the bill which afterward became the act in question, agreed with the view that the authority to make rules and regulations was confined to the establishment of tolerances and exemptions, and that the Senate Committee on Manufactures reported to the same effect. In proper cases such reports are given consideration in determining the meaning of a statute, but only where that meaning is doubtful. They cannot be resorted to for the purpose of construing a statute contrary to the natural import of its terms.

Here is a plain, expressive declaration by the Supreme Court of the United States that where the words in the statute are unambiguous they control, and not the language of a report.

There is a notable case on this point which obtained a great deal of publicity at the time the decision was handed down since it involved one of those offenses which receive great publicity—a charge under the Mann Act. This act was presented in the House of Representatives by the distinguished Republican floor leader, a Representative from Illinois. He announced his purpose when he introduced the bill, to prohibit transportation in interstate commerce for the white slave traffic. He declared his purpose to be to suppress commercialized vice in interstate commerce, and it was expressly stated that that was the only purpose of that act. But the language of the statute, after the prohibition, contained the phrase, "to become a prostitute or to give herself up to debauchery, or to engage in any other immoral practice." In spite of the fact that the act was known as the White Slave Traffic Act, and that the report clearly described the conditions of commercialized vice sought to be controlled, the court gave the words "any other immoral practice" their ordinary meaning, and refused to consider any legislative history.

I refer to the case of *Caminetti* v. *United States* (242 U. S., at p. 470). The case was decided in 1917. Again we are dealing with congressional reports. The Court said:

Reports to Congress may aid the courts in reaching the true meaning of the Legislature in cases of doubtful interpretation; but, as we have already said—and it has been so often affirmed as to become a recognized rule—when words are free from doubt they must be taken as the final expression of the legislative intent and may not be added to or subtracted from by considerations drawn from titles or designations, names or reports accompanying their introduction, or from any extraneous sources. In other words, the language being plain, and not leading to absurd or wholly impractical consequences, it is the sole evidence of the ultimate legislative intent.

Who can deny that it would be utterly absurd to have the words "the effect may be" mean one thing in one sentence of section 2 (a) and something else in another sentence of the same section? That is an absurdity so great that Members of the Senate who, like myself, sought to clarify the misunderstanding that arose from the country-wide propaganda which followed the Cement decision would do well to vote for the postponement of the consideration of this question.

If consideration is not postponed I shall vote against the report, although S. 1008 comes here because I introduced the original text.

FEDERAL COURTS NOW SAY NONCOLLUSIVE FREIGHT ABSORPTION AND DELIVERED PRICING ARE LEGAL

When I introduced the bill I made it clear and explicit, so that no one could misunderstand, that in my opinion no law in this land had ever condemned the independent, noncollusive adoption of delivered prices in the merchandising of goods, or the absorption of freight. I sought merely to place a statement to that effect in the law of the land, so that the misunderstanding could be cleared away. Now, however, we have a measure which not only does not clear away the misunderstanding, but creates new sources of misunderstanding.

However, I think the effort to secure the enactment of this proposed legislation has not been wholly futile. It will be recalled that this bill was passed by the Senate on June 1, 1949. It passed the House of Representatives on July 7, 1949. Since that time, there has been a great deal of discussion about the matter, all over the United States. Many newspaper articles and magazine stories have been published about the meaning of this language.

Finally, on August 22 of this year, the United States Court of Appeals for the Fourth Circuit, in the case of Bond Crown & Cork Company against Federal Trade Commission, handed down a decision which in my opinion bears out exactly the interpretation I have always placed upon the Federal Trade Commission Act and the Clayton Act. I shall read one or two excerpts from that opinion, and I ask unanimous consent that the entire opinion may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. BALDWIN in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. O'MAHONEY. Mr. President, let me read the following language from that decision:

Innocent explanations are offered as to each of the circumstances relied on by the Commission, and if it were permissible to consider each of the circumstances out of connection with the others, there would be much force in the argument of the petitioners.

That was the argument that the independent use of a practice was not forbidden by the law.

I read further:

When all of the circumstances are considered together, as they must be, however, there can be no question as to their sufficiency to support the findings and conclusions of the Commission. The standardization of product, for example, would be innocent enough by itself—

Mr. President, I ask all Senators to observe with care this language—

but not when taken in connection with standardization of discounts and differentials, publication of prices with agreements not to charge less than a minimum under patent license agreements affecting practically the entire industry, the freight equalization which we have described and such uniformity of prices throughout the industry as to leave no price competition of any sort anywhere. The practice of freight equalization might be all right if used by the manufacturers individually, but not when used in connection with standardization of product, patent control, price publication, and uniformity of discounts and trade practices in such way as to destroy price competition.

Mr. President, I have not the slightest doubt in my mind that freight equalization, standing alone, or delivered prices, standing alone, are in no danger of prosecution either on the part of the Federal Trade Commission or on the part of the Department of Justice.

There are many quotations which I could make; but I do not desire to prolong this discussion unnecessarily. However, I wish to make it clear why this matter became of such great interest to me that I ventured to introduce the proposed legislation which now is before the Senate. There are two primary reasons.

NECESSITY OF FREIGHT ABSORPTION IN WESTERN INDUSTRIES

One of them is that in the West we have a sugar-beet industry. The sugar beets are refined in the West, and the product is sold, sometimes at delivered prices, sometimes by means of freight absorption. I have never hesitated to tell the refiners that so long as they were not engaged in collusive practices, freight absorption and delivered prices were completely legal.

Then, Mr. President, there was discovered in my State a great natural deposit from which sodium carbonate, sodium bicarbonate, and soda ash may be manufactured. A large company wished to invest millions of dollars in the development of that natural deposit, but the company felt that it would be impossible to risk the investment of millions of dollars in the enterprise if freight absorption or delivered prices by themselves were prohibited by law. Mr. Robert D. Pike is the scientist who has been chiefly responsible for the development of the process by which this natural resource can be utilized. I took him before the Capehart committee in November 1948 in order that he might testify with respect to this question. I asked him there, in that public hearing, if it was the intention or desire of his group to enter into any agreements or any other monopolistic practice. He said that it was not the intention. Thereupon I said to him what I say here and what I have said in all these discussions: "So long as you are acting independently and in good faith, so long as you are not making agreements to suppress competition or to restrain trade, you need have no fear."

But, Mr. President, if by adopting this conference report in the form in which it has come to us, including the definition which I have discovered, we should be successful in writing this new definition into the law, we would be opening the door to monopolistic practices and we would be doing precisely what we do not want to do, namely, we would be locking up the natural resources of the West in the hands of monopolists. We would be putting the consumers of the country into the hands of monopolists who do wish to use freight absorption and delivered prices in connection with collusive agreements in restraint of trade.

So, Mr. President, the opportunity is presented to us to let this matter go over until the next session of Congress, and then to work out the matter in the manner in which I am certain the Senate unanimously desires that it should be worked out.

Mr. President, I ask that in addition to the text of the decision of Judge Parker in the Fourth Circuit Court of Appeals in the case of Bond Crown & Cork Co. against Federal Trade Commission, there may be printed in the RECORD at the conclusion of my remarks a letter which I wrote on October 14 to Mr. Pike in respect to the situation which here confronts us and the meaning of the Supreme Court decision.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. O'MAHONEY. So, Mr. President, I express the sincere hope that the motion to postpone consideration will be agreed to, so that we shall not add confusion to the situation existing here in the closing hours of the session of Congress.

EXHIBIT 1

No. 5817—ARMSTRONG CORK COMPANY, A CORPORATION, AND JOSEPH C. FEAGLEY, INDIVIDUALLY AND AS A DIRECTOR OF CROWN MANUFACTURERS ASSOCIATION OF AMERICA, PETITIONERS, AGAINST FEDERAL TRADE COMMISSION, RESPONDENT

ON PETITIONS FOR REVIEW OF AN ORDER OF THE FEDERAL TRADE COMMISSION—ARGUED JUNE 14, 1949. DECIDED AUGUST 22, 1949—BEFORE PARKER, SOPER AND DOBIE, CIRCUIT JUDGES

Roger A. Clapp (Albert E. Donaldson and Hershey, Donaldson, Williams & Stanley on brief) for petitioners in No. 5814; H. Bartow Farr (Willkie, Owen, Farr, Gallagher & Walton; Helmer R. Johnson, and Semmes, Bowen & Semmes on brief) for petitioner in No. 5813; Frank B. Ingersoll (Rex Rowland, and Smith, Buchanan & Ingersoll on brief) for petitioners in No. 5817, and Donovan R. Divet, special attorney, Federal Trade Commission, (W. T. Kelley, general counsel; Walter B. Wooden, associate general counsel, and James W. Cassedy, associate general counsel, Federal Trade Commission, on brief) for respondent.

Chief Judge John J. Parker, circuit judge:

"These are petitions to review and set aside an order of the Federal Trade Commission finding that the petitioners have been parties to a conspiracy and combination in restraint of trade constituting an unfair method of competition in violation of section 5 of the Federal Trade Commission Act (38 Stat. 719, 15 U. S. C. sec. 45) and commanding them to cease and desist from carrying out any "planned common course of action" with respect to certain acts and practices found to be involved in the conspiracy. The petitioners are corporations engaged in manufacturing crown bottle caps, a trade association of these manufacturers and certain individuals holding office either in the corporations or the association. The Commission in its brief filed in this court consents that its order be vacated as to the individual petitioners, and no further attention need be given to them. The manufacturing corporations and the association ask that the order be vacated because not based on sufficient findings and because the findings are not supported by substantial evidence.

"The case was heard before a trial examiner, who filed a report recommending that the Commission find that there had been no conspiracy in restraint of trade or unfair trade practice in violation of the Trade Commission Act and that it dismiss the petition. Exceptions were filed to this report, and the Commission made a complete finding of facts covering every aspect of the case and reached the conclusion that a combination and conspiracy in restraint of trade did exist and that a cease-and-desist order should issue. The findings of the Commission are that the manufacturing petitioners control 85 percent of the business in question, that there is no price competition of any sort among them, but that absolute uniformity of prices and discounts has prevailed since 1938; that, through their association they considered uniform pricing techniques and a uniform contract in the year 1928, and that, although this uniform contract was not adopted, its provisions have been followed by petitioners; that through the association petitioners have worked out a standardization of product so that even in the matter of decoration the product of all petitioners is precisely the same; that in connection with patent licensing agreements the petitioner Crown Cork & Seal Co., which was the largest manufacturer of crown bottle caps, furnished lists of its prices to all the other petitioners for a period of many years and ceased only a short while before the institution of this proceeding; that such license agreements provided that the licensees should not sell at prices lower than those of Crown Cork & Seal Co.; and that all of the manufacturing petitioners follow the uniform practice of equalizing the freight on shipments, with the result that the cost of goods plus freight is the same at any given point anywhere in the United States, no matter from which of petitioners the purchase is made. Upon these facts the Commission found the existence of the conspiracy charged in the following language (thirteenth finding):

" 'The Commission is of the opinion that in the circumstances shown to exist an understanding or agreement under which the respondents acted and still act in concert may be inferred. The intention of the parties participating in the meeting of respondent association, held on July 24, 1928, for all members of the association to sell their products at one and the same price and under identical terms and conditions is clearly evident from the minutes of that meeting. The subsequent use by all such parties of the general pricing plan then formulated, including the schedules of deductions, additions, and differentials, and the adoption of such plan by all of the other respondent manufacturers, with the resulting uniformity in prices, terms, and conditions of sale as among all such manufacturers, indicates just as clearly an intention of all of the parties to continue in effect the original understanding. In the opinion of the Commission, there is a direct connection between this understanding and the admitted efforts of the respondents to standardize their products to such an extent that a prospective purchaser would have no choice in the realm of coloring, lettering, and decorations as between the products of any two manufacturers; and the concurrent use by all of the respondent manufacturers of the freight-equalization plan serving to maintain identical delivered prices for all purchasers at any given destination, adds materially to the combination of circumstances showing a deliberate and concerted effort on the part of the respondents to completely remove effective competition as among the sellers of crown bottle caps and discs used in connection therewith. Considering, in addition, the price-fixing provisions of the various license agreements, all of which exceeded the legitimate rights of the licensors to protect themselves in the enjoyment of the fruits of their inventions, the sum of all the other incidents referred to in the foregoing paragraphs, the Commission has no difficulty in concluding, and therefore finds, that the respondents have in fact entered into and have engaged in and carried out an understanding, agreement, combination, or conspiracy among themselves to restrain and suppress competition in the sale of their products. While the record does not show that each of said respondents has participated in all of the activities relied on to establish said understanding, or agreement, each has acted in concert and cooperation with one or more of the others in doing and carrying out some of the acts and practices herein set forth in furtherance of the understanding or agreement common to them all.'

"We think there can be no question but that this finding supports the order of the Commission and we think it equally clear that it, in turn, is supported by the findings as to evidentiary facts which precede it and by the evidence in the case.

"Crown bottle caps are the closures for bottles used by the brewing and bottling industry. They consist of metal shells enclosing cork discs and have long been substantially identical in construction and dimension. The Crown Cork & Seal Co.,

one of the petitioners, manufactures approximately 50 percent of those produced in this country and the other petitioners approximately 35 percent. In 1925 the trade association was organized and most of the petitioners were members of it. One of the first things that it did was to bring about more complete standardization of product in that, by agreement of the manufacturers, the decoration of the caps was made uniform, so that those sold by all manufacturers were identically the same. Another matter discussed at an early meeting of the association was the technique of arriving at prices with a view of having uniformity throughout the industry in the schedules of deductions, additions, and differentials from base prices. This was to be incorporated in a standard form of contract; and, while the standard form was never adopted, the evidence is that throughout the industry there is as much uniformity in the deductions, additions and differentials allowed from base prices as if it had been adopted. No form of contract of any sort is used, but sales are made informally by correspondence or oral negotiation; and it appears that no written contract is needed, in view of the uniformity that has been attained throughout the industry with respect to matters which a contract would ordinarily embrace within its terms.

"There is no proof of any express agreement to charge uniform base prices; but the evidence shows that since 1938 the prices of all the manufacturing petitioners have been the same. Prior to 1938, there were but few changes, the same price, with minor variations, was charged by all, and, when changes in prices were made, they were made by all at about the same time. In 1933 Crown Cork & Seal granted licenses under patents which it held to most of the other manufacturing petitioners; and in connection with these licenses they agreed not to sell at a less price than that which Crown Cork & Seal established. It is significant that, in connection with these licenses, Crown Cork & Seal furnished a list of its prices to the licensees, who were under agreement not to sell for less. In the case of petitioner Gutman, where mutual licensing followed the adjustment of patent litigation, there was an exchange of prices, although neither party used the patents of the other. Not until 1941, shortly before the institution of the proceeding before the Commission, was this furnishing of prices discontinued. Its continuance over so long a period of time furnishes adequate explanation of the uniformity of prices attained. The Commission has found that, when it was discontinued, it was no longer necessary to maintain uniformity. Certainly, there have been no changes in prices of bottle caps since that time, notwithstanding the fluctuations in the prices of all other commodities. The question which arises with respect to these patent agreements is not whether a patentee may exact an agreement as to prices from a licensee who uses the patent, but whether such agreements under the circumstances here appearing support the charge of conspiracy to destroy competition and fix prices throughout the industry. See *United States* v. *U. S. Gypsum Co.* (333 U. S. 364).

"The freight equalization practice to which reference has been made goes back at least as far as 1921. That practice is to sell the bottle caps f. o. b. the plant of the manufacturer with an agreement that the purchaser shall be credited with the difference between freight actually paid and that which would have been paid if purchase had been made from the nearest manufacturer. This practice has all the vice of the basing-point system in that the purchaser pays the same delivered price, whatever manufacturer he purchases from, and the manufacturer must absorb the freight differential, so that the net selling price which he receives is different for different customers, depending upon their location. The effect of this practice in destroying competition and its importance in establishing the existence of the conspiracy charged is well stated by the Commission in its ninth finding, from which we quote as follows:

"'This uniformity in base prices, together with the concurrent use by all the respondent manufacturers of the freight-equalization plan, inevitably means that a purchaser at any given locality will be required to pay exactly the same delivered price for crown bottle caps regardless of the manufacturer from which he purchases. It is undisputed that since 1938, at least, it has been impossible for any purchaser at any location to obtain crowns from any respondent manufacturer for a less price or on better terms than the prices charged or the terms imposed by any other respondent manufacturer. Even on privately decorated crowns the extra charges made by all of the respondent manufacturers have been the same. * * * Thus every respondent manufacturer is informed at all times of both the prices and the terms of sale quoted and offered by all of the others. In addition to knowledge of the base prices of all of the other respondent manufacturers, each such respondent manufacturer knows that every other respondent manufacturer uses the plan of equalizing freight with the location of the manufacturer nearest the purchaser. It knows, too, that by the use of this plan each will be able to deliver its products to every purchaser at any given destination for exactly the same delivered price as others using the plan, and thus all users of the plan will be able to present to a prospective purchaser a condition of matched prices in which such purchaser is deprived of any choice on the basis of price. * * * In order to produce such matched prices sellers of crowns must, at numerous destinations, accept net receipts for their products varying in amount according to the freight absorbed as a result of the closer proximity to the purchaser of some other seller. Each participant in the use of the plan consciously intends that no attempt be made to exclude any seller of crowns from the natural freight-advantage territory of another, and by the use of the plan invites other sellers to share the available business in his natural market in return for similar treatment for itself in the trade territories of all other participating sellers. The price rigidity existing in the crown bottle cap industry since 1938, and the failure of prices of crown bottle caps to respond in any way to changing conditions of supply and demand are not consistent with the existence of effective competition. The complete standardization of crowns as a result of the admitted efforts made by respondents, and other circumstances showing an overriding desire on the part of the respondents to present to a prospective customer as completely a united front insofar as products, prices, and terms of sale are concerned, indicate the total absence of such competition. When, as in this industry, the price of the seller nearest the purchaser is always accepted by other sellers and there is no bargaining on any basis between buyers and sellers, fundamental requirements of a true competitive market are lacking and prices are not the result of market action in the economic sense, but are mere expressions of an artificial and monopolistic price structure.'

"Innocent explanations are offered as to each of the circumstances relied on by the Commission, and if it were permissible to consider each of the circumstances out of connection with the others, there would be much force in the argument of the petitioners. When all of the circumstances are considered together, as they must be, however, there can be no question as to their sufficiency to support the findings and conclusions of the Commission. The standardization of product, for example, would be innocent enough by itself, but not when taken in connection with standardization of discounts and differentials, publication of prices with agreements not to charge less than a minimum under patent license agreements affecting practically the entire industry, the freight equalization which we have described and such uniformity of prices throughout the industry as to leave no price competition of any sort anywhere. The practice of freight equalization might be all right if used by the manufacturers individually, but not when used in connection with standardization of product, patent control, price publication and uniformity of discounts and trade practices in such way as to destroy price competition. As in the case of most conspiracies to restrain trade and destroy competition, there is no direct evidence of any express agreement to do what the law forbids; but no such evidence is required, nor is the Commission required to accept the denials of those charged with the conspiracy merely because there is no direct evidence to establish it, for it is well settled that 'The essential combination or conspiracy may be found in a course of dealings or other circumstances as well as in any exchange of words' (*Fort Howard Paper Co.* v. *Federal Trade Com'n* (7 Cir. 156 F. 2d 899, 905)). Where, as here, the evidence is sufficient to support the findings of the commission, it is for that body, and not the courts, to say what conclusions are to be drawn from it (*Federal Trade Com'n* v. *Standard Education Society* (302 U. S. 112, 117); *Federal Trade Com'n* v. *Algoma Lumber Co.* (291 U. S. 67, 73)).

"And the rule just stated is no different, as some of the petitioners seem to think, because the trial examiner reached a conclusion different from that of the Commission (*N. L. R. B.* v. *Laister Kauffmann A. Corp.* (8 Cir. 144 F. 2d 9, 16–17)). It is the Commission, not the trial examiner, that is charged with ultimate responsibility for finding the facts and it is the Commission's findings and order that we are authorized to review under the express limitation that 'the findings of the Commission as to the facts if supported by evidence shall be conclusive' (15 U. S. C. 45 (d)). In point is *Beard-Laney Co.* v. *United States* (73 F. Supp. 27, 33). In that case, it appeared that the order of a hearing division of the Interstate Commerce Commission had been reversed on rehearing and it was argued that the usual rules for review of orders of the Commission should not be applied for that reason. In answering this contention, the special statutory court of three judges said: 'The rules to be applied in reviewing the order of the Commission are not different because that order resulted from a reversal of a prior decision of the hearing division upon a petition for rehearing. The fact that a rehearing was granted shows that the questions involved were carefully considered and the ultimate decision of the division, which received the approval of the Commission, was the final and definitive action of the Commission, which is what we are authorized to review; and it is to be reviewed in the same way and under the same limitations as other reviewable orders. We may not substitute our judgment for that of the Commission because upon a rehearing and fuller consideration of the facts it has arrived at a different conclusion from that which its hearing division had first expressed (*Lang Transp. Co.* v. *United States, D. C.* (75 F. Supp. 915, 925))."

"There has been a great deal of argument with regard to the practice of freight equalization. It should be noted in this connection, however, that the question in this case is, not whether such practice may be enjoined as constituting of itself an unfair trade practice, but whether it may be considered along with the other facts and circumstances to which we have adverted as tending to establish the conspiracy and combination in restraint of trade, which is the only charge of the complaint. We think that it was properly considered for that purpose (*Federal*

Trade Com'n v. *Cement Institute* (333 U. S. 683); *Triangle Conduit & Cable Co.* v. *Federal Trade Com'n* (7 Cir. 168 F. 2d 175); *Milk & Ice Cream Can Institute* v. *Federal Trade Com'n* 152 F. 2d 478)). As was well said by Judge Major of a similar freight equalization plan in the case last cited:

" 'It is argued, perhaps correctly, that such a freight system had long been employed by industry so that members thereof might deliver their product at the same price. In fact, the Commission recognizes that this freight equalization plan was used by petitioners prior to the organization of the Institute. Such being the case, the fact still remains that it was employed by petitioners for the purpose of fixing the delivered price of their product and by such use price competition was eliminated or at any rate seriously impaired. On the face of the situation, it taxes our credulity of belief, as argued, that petitioners employed this system without any agreement or plan among themselves.'

"Whether viewed as an unfair trade practice in itself, or as evidence of the existence of a conspiracy, we see no practical distinction between the freight equalization practice here involved and the multiple-basing-point system before the Supreme Court in *Federal Trade Commission* v. *Cement Institute*, supra (333 U. S. 684). Both result in identity of prices and diversity of net returns. In speaking of the single-basing point system, which had been condemned in *Corn Products Co.* v. *Federal Trade Com'n* (324 U. S. 726), and *Federal Trade Com'n* v. *Staley Co.* (324 U. S. 746), the Supreme Court, in the *Cement Institute* case, pointed out the results that flow from that system, saying: "One is that the 'delivered prices' of all producers in every locality where deliveries are made are always the same regardless of the producers' different freight costs. Another is that sales made by a nonbase mill for delivery at different localities result in net receipts to the seller which vary in amounts equivalent to the 'phantom freight' included in, or the 'freight absorption' taken from the 'delivered price'." The court then pointed out that "the multiple and single systems function in the same general manner and produce the same consequences—identity of prices and diversity of net returns. Such differences as there are in matters here pertinent are therefore differences of degree only." The same is true of the freight equalization practice here under consideration.

"It is argued that the case here is distinguishable from the *Cement Institute* case because no 'phantom freight' is involved; but there is involved freight absorption, resulting in equal delivered prices by all manufacturers selling in a given locality and unequal net returns to the manufacturers from sales to customers in different localities. So far as the questions before us are concerned, there can be no difference between phantom freight and freight absorption. (See 333 U. S. at 725.) Another argument is that the case here is distinguishable because there is no prohibition of the purchaser's taking delivery at the point of manufacture and thus eliminating freight altogether; but, so far as appears, no one has ever availed himself of this right, and the distinction does not seem to be one of any practical value. We need not decide, however, whether the freight-equalization practice here involved constitutes of itself an unfair trade practice or whether it may be condemned as systematic price discrimination in violation of section 2 of the Clayton Act, as amended by the Robinson-Patman Act (49 Stat. 1526, 15 U. S. C. 13), as was held of the multiple-basing-point system in the *Cement Institute* case, as those questions are not before us. The practice unquestionably constitutes evidence to be considered, along with other facts and circumstances, as tending to establish the conspiracy charged; and that was the only purpose for which it was considered by the Commission.

"We conclude the discussion on the sufficiency of the evidence by adverting again to the indisputable fact that through the business practices followed by petitioners it has resulted that in an industry of which they control 85 percent there has been no price change in 10 years and absolutely no price competition whatever. The product has been so standardized that there is no choice of any sort between the products of different producers, and a purchaser anywhere in the country can purchase at the same price including freight from any producer. It is argued that all this is the result of the free play of economic forces, but the Commission did not think so; and this is just the sort of question that Congress intended the Commission to decide. As was said by the Supreme Court of a similar argument in the *Cement Institute* case:

" 'The Commission did not adopt the views of the economists produced by the respondents. It decided that even though competition might tend to drive the price of standardized products to a uniform level, such a tendency alone could not account for the almost perfect identity in prices, discounts, and cement containers which had prevailed for so long a time in the cement industry. The Commission held that the uniformity and absence of competition in the industry were the results of understandings or agreements entered into or carried out by concert of the institute and the other respondents. It may possibly be true, as respondents' economists testified, that cement producers will, without agreement express or implied, and without understanding explicit or tacit, always and at all times (for such has been substantially the case here) charge for their cement precisely, to the fractional part of a penny, the price their competitors charge. Certainly it runs counter to what many people have believed, namely, that without agreement, prices will vary—that the desire to sell will sometimes be so strong that a seller will be willing to lower his prices and take his chances. We therefore hold that the Commission was not compelled to accept the views of respondents' economist witnesses that active competition was bound to produce uniform cement prices.'

"Petitioners contend that even though the order of the Commission be upheld, the fifth paragraph, which relates to the practice of freight equalization, should be stricken therefrom on the ground that it will interfere with the independent use of the practice of freight equalization by petitioners individually. The prohibitions of paragraph 5 have application, however, only to acts done in carrying out a 'planned common course of action, understanding, agreement, combination, or conspiracy.' We dealt with the question here involved in *American Chain & Cable Co.* v. *Federal Trade Com'n* (4 Cir. 139 F. 2d 622), where petitioner had suggested to the Commission, without success, that it clarify a similar order by inserting a declaration that nothing therein was intended to prevent a manufacturer from independently continuing to engage in a given course of action. In affirming the action of the Commission, this court, speaking through Judge Soper, after pointing out the history of the present form of the order and the fears of arbitrary action entertained by the petitioner, said:

" 'It does not seem to us that the order needs further clarification. It is of course true that a cease and desist order must be certain and unambiguous in its prohibitive terms because businessmen must operate under it at their peril. * * * But, there can be no doubt that to sustain a charge of violation of the order in this case it must be shown that the prohibited acts have been performed as the result of an agreement or conspiracy, or as the result of a common course of action, that has been agreed upon or planned between two or more persons. If, as the result of such agreement or plan, the petitioners continue to cooperate in a common course of action which has been found to violate the statute, they make themselves liable to the prescribed penalties; and they have no just cause for complaint if in appraising the evidence in any case the triers of fact seek to determine whether there is any relation or connection between their past illegal acts and the conduct under examination. If such a relation or connection is found it may properly be condemned as a continuance of an unlawful conspiracy. Of course, the influence of changed business conditions must be taken into account in reaching a decision; but there is no reason to believe that the Federal Trade Commission will fail in its duty in this respect or that the courts will hesitate to modify or reverse an order that is based on inferences not supported by the evidence.'

"As we have already indicated, the Commission consents that its order be modified so as to eliminate the individual petitioners. We think it should be modified, also, to eliminate its application to cork discs. There is no sufficient evidence of any conspiracy or combination in restraint of trade with respect to cork discs, and no finding sufficient to support the application of the order to dealings therein. The evidence discloses that most of the manufacturers of crown bottle caps manufacture the cork discs which they use; and the inclusion of the latter commodity in the order does not seem to have any practical significance.

"The order of the Commission will be modified by striking therefrom the names of L. C. McAuliffe, E. J. Costa, Joseph C. Feagley, and Benno Cohn and by striking the words "or cork discs" from the main body of the order and from the paragraph No. 1; and, as so modified, the order of the Commission will be affirmed and enforced.

"Modified and as so modified affirmed and enforced."

EXHIBIT 2

UNITED STATES SENATE,
Washington, D. C., October 14, 1949.

Mr. ROBERT D. PIKE,
Gurley Building,
Stamford, Conn.

DEAR MR. PIKE: Because of your deep concern with the possible results of the conference committee amendments upon the enactment of my bill to clarify the legality of the individual use of delivered pricing and freight absorption, I feel it would be helpful again to review the legislation in the light of its purpose.

This is desirable in order to avoid the confusing technical criticisms which both proponents and opponents of the measure are raising in the heated atmosphere of the closing days of Congress. At this time particularly, we need to exercise both good will and intelligence as a means to guide our actions and avoid the pitfalls of the technical legalistic approach which through the medium of unsupported assertions concerning possible judicial constructions of the language of the Clayton Act is again being used to becloud the issue.

You will recall that when you appeared before the Capehart Committee on November 30, 1948, I stated to you publicly, for the record, that any delivered pricing system independently used in the Green River trona operations, which would give due allowance to the geographical situation of your buyers, would not and could not be regarded as a violation of law. There has never been any law or decision which held the contrary, nor has a complaint ever been brought by the Federal Trade Commission involving freight absorption and delivered prices which did not also involve collusion or bad faith. However, at that time, and to an even greater

degree after the split decision of the Supreme Court in the *Rigid Steel Conduit* case, businessmen and their legal advisers felt that the point was not sufficiently certain to justify business decisions involving large investments of capital.

My bill, as introduced in the Senate, was offered to resolve that uncertainty immediately after the Rigid Steel Conduit decision. Its purpose, overwhelmingly agreed to, was, first to preserve the vigor of the antitrust laws, and secondly, to give certainty to the interpretation of the law as expressed by the Federal Trade Commission and the Department of Justice that freight absorption and delivered pricing are not per se illegal. The bill which I introduced and the bill as reported by the Judiciary Committee of the House attained those objectives and each substantive section served to assure businessmen that the Federal Trade Commission Act, the Clayton Act, and the judicial interpretations of the words of general meaning in those acts would continue to have the same meaning they have had for more than 20 years. In other words, the law was to remain unchanged, but the uncertainty stemming from dicta in recent decisions was to be avoided.

If, however, Congress is unable for any reason to agree upon the bill as amended in the conference, I am confident that the decisions of the Federal courts and the course of action of both the Federal Trade Commission and the Department of Justice will continue to support the view that freight absorption and delivered prices are not in themselves illegal.

This confidence is immeasurably strengthened by a decision of the United States Court of Appeals for the Fourth Circuit, announced on August 22, 1949, in the case of *Bond Crown & Cork Co.* v. *Federal Trade Commission*. This decision has received none of the widespread publicity accorded to the dicta of the *Cement* and *Rigid Steel Conduit* cases. It has not been broadcast by any of those who would have sought to convince producers that the *Cement* and *Rigid Steel Conduit* cases now require f. o. b. pricing or uniform mill net pricing. The decision is so important, however, that it ought to be known to you and your associates as well as to all others who in good faith desire to absorb freight or establish delivered prices without violation of the antitrust laws.

The opinion in this case was written by Chief Judge John J. Parker. It states:

"There has been a great deal of argument with regard to the practice of freight equalization. It should be noted in this connection, however, that the question in this case is, not whether such practice may be enjoined as constituting of itself an unfair trade practice, but whether it may be considered along with the other facts and circumstances to which we have adverted as tending to establish the conspiracy and combination in restraint of trade, which is the only charge of the complaint. We think it was properly considered for that purpose" (p. 12).

"The practice of freight equalization might be all right if used by the manufacturers individually, but not when used in connection with standardization of product, patent control, price publication, and uniformity of discounts and trade practices in such way as to destroy price competition" (p. 10).

"Petitioners contend that even though the order of the Commission be upheld, the fifth paragraph, which relates to the practice of freight equalization should be stricken therefrom on the ground that it will interfere with the independent use of the practice of freight equalization by petitioners individually. The prohibitions of paragraph 5 have application, however, only to acts done in carrying out a "planned common course of action, understanding, agreement, combination or conspiracy" (pp. 15–16).

It is true, of course, that the second quotation above is, strictly speaking, a dictum, but if the *Cement* and *Rigid Steel Conduit* cases really had the legal effect attributed to them in the publicity which followed their publication in 1948, this language could not possibly have been used by the court, nor indeed, would the court have denied the striking of the fifth paragraph of the order above referred to in the manner in which it was done.

In other words, the United States Court of Appeals for the Fourth Circuit on August 22, 1949, after the Supreme Court had acted i the *Cement* and *Rigid Steel Conduit* cases, and after I had introduced S. 1974, said just what I said to you on November 30, 1948, that where freight absorption and delivered prices do not involve conspiracy, combination or practices intended to restrain trade and suppress competition, the Federal Trade Commission can issue no order or complaint because they are not a violation of law.

With every good wish.

Sincerely yours,

JOSEPH C. O'MAHONEY.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] to postpone further consideration of the conference report to January 20, 1950.

Mr. SALTONSTALL. Mr. President, I should like to ask the Senator from Maryland whether, in his opinion, it would be advisable to suggest the absence of a quorum before the motion is acted upon? So far as I know, we on this side of the aisle think it unnecessary.

Mr. O'CONOR. I know of no reason why it would be necessary, I may say to the Senator from Massachusetts.

The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois [Mr. DOUGLAS].

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, anounced that the House had passed, without amendment, the following bills of the Senate:

S. 509. An act to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O–17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes; and

S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6303) to authorize certain construction at military and naval installations, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, and that the House had agreed to the Senate amendment numbered 99 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1385. An act providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis project, Colorado;

S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo;

S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce;

S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands;

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 2186 An act providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska;

H. R. 2369. An act to authorize an appropriation to complete the International Peace Garden, North Dakota;

H. R. 2517. An act directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3718. An act for the relief of George Seeman Jensen;

H. R. 3816. An act for the relief of Alexis Leger;

H. R. 4059. An act to clarify exemption from taxation of certain property of the Na-

tional Society of the Sons of the American Revolution;

H. R. 4090. An act to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico;

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.;

H. R. 5170. An act to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation;

H. R. 5305. An act to increase the retired pay of certain members of the former Lighthouse Service;

H. R. 5319. An act granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society;

H. R. 5489. An act to ratify and confirm act 251 of the Session Laws of Hawaii, 1949;

H. R. 5674. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead;

H. J. Res. 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy;

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen;

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia;

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

NOMINATION OF MON C. WALLGREN TO BE MEMBER OF FEDERAL POWER COMMISSION

Mr. JOHNSON of Texas. Mr. President, I am very happy to announce to the Senate that, a few moments ago, the Senate Committee on Interstate and Foreign Commerce unanimously approved the President's nomination of Mon C. Wallgren to be a member of the Federal Power Commission. There were 10 members of the committee present or represented by proxy, and there were 10 votes cast to report favorably the nomination to the Senate. I now submit the report to the Senate.

The PRESIDING OFFICER. Without objection, and as in executive session, the report will be received, the nomination will be placed on the Executive Calendar.

Mr. JOHNSON of Texas. Mr. President, this, in my opinion, is a fine appointment, which is in the public interest.

The nominee has been honored, frequently and highly, by the people of the State of Washington. He has served in the House of Representatives, he has served in the Senate, and he has served as Governor of his State.

Never during his long tenure in public office has Mon Wallgren worn the brand of the private power lobby. Instead, the great Bonneville and Grand Coulee projects of the Northwest stand as a monument to his forceful and tireless leadership here in Congress.

Contrary to the propaganda that was spread over the country during the recent Senate consideration of another nominee to the Federal Power Commission, Mon Wallgren's appointment and his approval by the Interstate Committee is a final and definite answer to the "wolf-cries" that the power lobby would take over the Commission if Leland Olds were not confirmed.

The nominee's long and rich experience as a legislator in the House and Senate, and his service as an executive in the office of Governor, have taught him where the writing of law ends and where administration of the law begins. I am sure that Mon Wallgren understands the pitfalls and the folly of one-man law—and we shall have no more of that with Mon Wallgren on the Commission.

I am sure also, because of what I know of the nominee, that with Mon Wallgren on the Commission the era of backbiting and gossip, the era of fear and intimidation, the era of selfish power-seeking will come to an end. Mon Wallgren will have the respect of his colleagues and his staff, and I am sure he will return that respect in full measure.

I cannot speak for other Senators, but insofar as the junior Senator from Texas is concerned, I wish to congratulate the President for making the appointment. Mon Wallgren will serve the public interest well.

If anyone wishes to force competitive bidding for securities of natural-gas companies, that is all right with me. I am introducing a bill to bring this about. if anyone wishes to extend Federal jurisdiction over production and gathering of natural gas. I have no objections to the case for such extension being presented fairly and properly to the Congress, where it can be decided on merit.

I do object—and the Senate, by its vote last week, objects—to such matters being settled outside the halls of Congress by ambitious, designing men who seek to take the legislative powers into their own hands. I do not believe Mon Wallgren is such a man.

It was my privilege to sit as a member of the Armed Services Committee earlier this year when hearings were held on Governor Wallgren's nomination to the National Security Resources Board. While he was not approved for that position, objection were based almost entirely on his lack of a military background to cope with the many complex security questions presented to that agency.

I am confident Mon Wallgren will be an excellent member of the Federal Power Commission. I hope that the Senators will give their advice and consent promptly to this nomination.

LEAVE OF ABSENCE

Mr. MARTIN asked and obtained consent to be absent from the Senate for the remainder of the day.

TRANSSONIC AND SUPERSONIC WIND TUNNEL FACILITIES—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I submit the conference report on Senate bill 1267, the bill to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind tunnel facilities and the establishment of an Air Engineering Development Center. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 8, and 9, and agree to the same.

Amendment numbered 6: That the Senate recede from its disagreement to the amendment of the House numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "after consultation with the Committees on Armed Services of both Houses of the Congress,"; and the House agree to the same.

Amendment numbered 7: That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SEC. 103. (a) The Committee is hereby authorized to expand the facilities at its existing laboratories by the construction of additional supersonic wind tunnels, including buildings, equipment, and accessory construction, and by the acquisition of land and installation of utilities.

"(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed $136,000,000.

"(c) The facilities authorized by this section shall be operated and staffed by the Committee but shall be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. Such tests shall be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time shall be made in accordance

with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs."

And the House agree to the same.

RICHARD B. RUSSELL,
LYNDON B. JOHNSON,
CHAN GURNEY,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

CARL T. DURHAM,
LANSDALE G. SASSCER,
O. CLARK FISHER,
DEWEY SHORT,
LESLIE C. ARENDS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. SALTONSTALL. Mr. President, reserving the right to object—and I shall not object, because I am in favor of the report—will the Senator who is in charge of the report be willing to explain it briefly?

Mr. JOHNSON of Texas. Mr. President, as the bill passed the Senate, $150,000,000 was authorized for the National Advisory Committee for Aeronautics. The House reduced that figure. The conference report agrees on $136,000,000, or $14,000,000 less than the amount which was in the bill when it passed the Senate. For the Air Engineering Development Center the Senate bill authorized $150,000,000. The House reduced it to $100,000,000, and the Senate conferees accepted the House figures. The Senate bill provided $4,440,000 for wind tunnels to be constructed at various universities, with a limitation to 13. The House removed the limitation, increased the figure to $10,000,000, and the Senate accepted the House proposal. The net result, I may say to the distinguished and able Senator from Massachusetts, is that the bill now authorizes approximately $60,000,000 less than the Senate bill authorized, but the Senate conferees thought we had better take that since it was a matter of taking that or nothing.

Mr. SALTONSTALL. Under the report a larger number of universities are permitted to engage in the program. Is that correct?

Mr. JOHNSON of Texas. That is correct. There is no limitation.

Mr. SALTONSTALL. And there is placed entirely in the scientific board the choosing of the universities. Is that correct?

Mr. JOHNSON of Texas. Dr. Compton is the head of it.

Mr. HILL. Mr. President, if the Senator will yield, I inquire how much is the over-all amount reduced?

Mr. JOHNSON of Texas. Approximately $60,000,000. That is satisfactory, I may say, to all the agencies concerned.

Mr. HILL. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to place in the RECORD at this point a statement commenting on the details and necessity of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. JOHNSON OF TEXAS

The Senate bill provided authorization for NACA to construct small supersonic wind tunnels at 13 educational institutions at a cost of not to exceed $4,440,000. The House amended this provision to authorize $10,000,000 for this purpose, and removed the limit on the number of wind tunnels. The Senate receded to the House on this amendment.

The Senate authorized $150,000,000 for the construction of supersonic wind tunnels at the three NACA laboratories. The House amended this section to authorize $60,000,000 for the construction of four supersonic wind tunnels of a specific size at NACA laboratories. The conferees agreed to authorize $136,000,000 for the construction of wind tunnels at NACA laboratories, the type and size to be determined by the technical experts of NACA.

With regard to title II, the Senate bill provided authorization for $150,000,000 for the Department of the Air Force to establish an Air Engineering Development Center which would include all the facilities for the research and testing of supersonic aircraft. The House reduced the amount authorized to $100,000,000 and the Senate receded to the House amendment. The amount authorized by the House is sufficient to provide the initial installations, and if more funds are required to complete the installations Congress will have the opportunity to review the request in the light of future needs.

Mr. President, as the Senators know, we have some experimental airplanes that will fly 1,000 miles an hour; we have others with a 10,000-mile nonstop flying range.

This is all very good. Such facts make nice headlines. But the simple truth of the matter is that none of our present aircraft are good enough. We are playing a cruel joke on ourselves and on the public when we pretend that we are the only people on earth who can build 1,000-mile-an-hour airplanes. Other nations can build better planes and we have reason to believe that other nations are already building better planes.

The era of subsonic military aircraft—planes that fly slower than the speed of sound—is at an end. If ever the fate of the world is again decided by aerial conflict, the aircraft involved will fly at supersonic speeds—faster than the speed of sound. Scientifically, though, we are mere babes in the supersonic wilds. We have only learned how much we have to learn.

Without adequate wind-tunnel research facilities, we can learn nothing more about this strange new world of supersonic flight. Our security will be tied to planes as obsolete as the model T.

The air battles of tomorrow will be decided in the wind-tunnels of today.

We are whistling in the dark if we pretend we can build an adequate air force by adding new gadgets and new tinsel to aircraft models that were barely good enough in World War II.

Our present-day aircraft is becoming obsolete.

Our research facilities already are obsolete.

We simply must have better planes. To have those planes, we must adopt this report and provide our military and civilian technicians with the research facilities that are desperately needed to develop better planes.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the conference report was considered and agreed to.

Mr. JOHNSON of Texas. Mr. President, I want to say to the distinguished Senator from Tennessee [Mr. MCKELLAR], I am hopeful, before the session adjourns, that his committee may have a budget estimate and provide an appropriation with which to start the program. The junior Senator from Texas is convinced by the testimony offered by Dr. Compton, the secretary for the Air Forces, Mr. Symington, and other distinguished men in this field, that immediate action is required.

Mr. MCKELLAR. Mr. President, I may say to the Senator that yesterday the Appropriations Committee authorized me to offer an amendment, the purpose of which would be to place in the bill such an appropriation as was requested by the Department when its budget estimate was sent in. I am told a budget estimate will probably be sent in within the next hour or two, providing $6,000,000 cash and $24,000,000 in contract authorizations. When that is received, I shall offer the amendment to the appropriation bill. I hope it will come in.

Mr. JOHNSON of Texas. I commend the Senator from Tennessee [Mr. MCKELLAR]. No Member of the Senate has been more diligent in forwarding this legislation than has the Senator from Tennessee.

Mr. MCKELLAR. I thank the Senator.

CLASSIFICATION OF POSITIONS AND RATES OF COMPENSATION OF CERTAIN FEDERAL EMPLOYEES — CONFERENCE REPORT

The PRESIDING OFFICER. The Senator from Oregon [Mr. MORSE] has the floor.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from South Carolina?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I submit the conference report on House bill 5931, the Classification Act of 1949. I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read.

The report was read.

(For conference report, see pp. 14809–14816 of House proceedings of Oct. 17, 1949.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I inquire whether this is a unanimous report? Was the report signed by all the conferees?

Mr. JOHNSTON of South Carolina. It is not a unanimous report. The Senator from North Dakota [Mr. LANGER] did not sign it. The amount provided was not sufficiently high to suit him. But he does not oppose the passage of the bill.

Mr. SALTONSTALL. I shall not object to the report. I hope, however, the Senator will explain it briefly.

Mr. JOHNSTON of South Carolina. Mr. President, under the conference report the additional expenditure will be $124,340,000, which is $28,000,000 less than the bill called for which was passed by the Senate. The bill as passed by the Senate would have cost $152,350,000. If there are any particular questions, I shall be glad to answer them,

but of course it is a reclassification bill, and there are a great many details in it, as Senators can well appreciate.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SALTONSTALL. Does the Senator believe the bill embraced in the conference report is a fair bill, considering the entire subject matter?

Mr. JOHNSTON of South Carolina. I believe the five conferees who signed the report thought it was the best bill they could get, and that it is reasonable in every way.

Mr. SALTONSTALL. How does it compare with the amounts in the bill passed by the Senate, and the amounts in the bill as passed by the House?

Mr. JOHNSTON of South Carolina. As I stated a moment ago, it is $28,000,000 less than the amount contained in the bill which passed the Senate. The House bill, as the Senator will recall, called for an expenditure of $100,500,000. It is therefore approximately between the amounts approved by the two Houses.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

ADDITIONAL BENEFITS FOR CERTAIN POSTMASTERS, OFFICERS, AND EMPLOYEES OF THE POSTAL SERVICE—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit the conference report on House bill 4495 to provide postal employees' benefits. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read.

The report was read.

(For conference report, see p. 14807 of House proceedings of Oct. 17, 1949.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON of South Carolina. The conference report provides a flat increase for each individual of approximately $120 more. The bill passed by the Senate provided $100. The House bill called for $150 increase.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

INCREASE IN EQUIPMENT MAINTENANCE ALLOWANCE TO RURAL CARRIERS

The Chair laid before the Senate the amendments of the House of Representatives to the bill (S. 1232) to increase the equipment maintenance allowance payable to rural carriers, which were to strike out all after the enacting clause and insert:

That subsection (e) of section 17 of the act of July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended to read as follows:

"(e) In addition to the salaries provided in this section, each carrier in the rural delivery service shall be paid for equipment maintenance a sum equal to 8 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment and maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers."

SEC. 2. The amendment made by this act shall take effect on the first day of the first calendar month beginning after the date of enactment of this act.

Amend the title so as to read: "An act to increase the allowance for equipment maintenance of rural carriers by 1 cent per mile per day for each scheduled mile or major fraction thereof."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the House of Representatives.

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina please explain the bill?

Mr. JOHNSTON of South Carolina. Mr. President, this bill, as it passed the Senate, would pay rural carriers 9 cents a mile, or a minimum of $3.50 a day. The House struck out the $3.50 minimum allowance and reduced the mileage allowance from 9 cents to 8 cents a mile.

Mr. SALTONSTALL. What is provided in the present law?

Mr. JOHNSTON of South Carolina. The present law provides 7 cents a mile. The amendment increases it 1 cent a mile in an endeavor to offset the increased cost of operating automobiles.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the House.

The amendments were agreed to.

PROMOTIONS FOR TEMPORARY EMPLOYEES OF MAIL EQUIPMENT SHOPS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1825) to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops, which were, on page 1, to strike out lines 9 and 10, and on page 2 strike out line 1 and insert "(f) Each temporary employee in the mail equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall,"; and on page 2, to strike out lines 22 and 23, inclusive, and insert "to the rate of pay of the second grade provided for a regular employee in the same type of position in which such temporary employee is employed."

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate concur in the amendments of the House.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SALTONSTALL. As I understand, these amendments simply perfect a bill which has already passed this body. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

The purpose of the bill was to provide promotions for temporary employees of the mail-equipment shops. The bill also provides that any period of continuous satisfactory service of a temporary employee in the mail-equipment shops performed prior to the effective date of the proposed act shall be creditable for a promotion to the rates of pay of grade 2 of the position in which such temporary employee is employed.

The Post Office Department estimates the annual cost of the bill to be $14,000. The Postmaster General made a favorable report thereon as introduced in the Senate, and the Senate bill was reported on by other agencies and met with the program of the President.

However, the House amended the Senate bill by striking the following language from the original bill, lines 9, 10, page 1, and line 1, page 2: "(f) Temporary employees in the mail-equipment shops paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall," and inserting in lieu thereof the following language: "Each temporary employee in the mail-equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall."

The House also struck out lines 1 and 2 on page 3 reading: "to the rates of grade 2 of the position in which such temporary employee is employed" and inserted in lieu thereof "to the rate of pay of the second grade provided for a regular employee in the same type of position in which such temporary employee is employed."

Both House amendments were clarifying amendments which will not add to the cost of the bill but insures that such temporary employees will go to grade 3 under House bill 4495.

The Senate recedes from its original bill and accepts the bill as amended in the House.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

CHANGES IN OPERATION OF VILLAGE-DELIVERY SERVICE IN SECOND-CLASS POST OFFICES—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1479) to discontinue the operation of village-delivery service in second-class post offices, to transfer village carriers in such offices to the city-delivery service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House.

OLIN D. JOHNSTON,
HUBERT H. HUMPHREY,
ZALES N. ECTON,
Managers on the Part of the Senate.

TOM MURRAY,
RAY W. KARST,
EDWARD H. REES,
Managers on the Part of the House.

Mr. JOHNSTON of South Carolina. I ask unanimous consent for the immediate consideration of the conference report.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. SALTONSTALL. Mr. President, did only a majority of the conferees sign the report?

Mr. JOHNSTON of South Carolina. They all signed it.

Mr. SALTONSTALL. Is it a unanimous report by the conferees of both branches?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. President, I move the adoption of the conference report.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market.

The message further announced that the House had agreed, without amendment, to the concurrent resolution (S. Cong. Res. 60) to print as a document a manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–1949," relating to American international relations.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Cooley, Mr. Pace, Mr. Poage, Mr. Hope, and Mr. August H. Andresen were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 5361) for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy, in which it requested the concurrence of the Senate.

ANALYSIS OF SECTIONS 2, 3, AND 4 OF CONFERENCE REPORT ON SENATE BILL 1008—BASING-POINT BILL

Mr. MORSE. Mr. President, prior to the recent adoption of the motion to postpone until January 20, 1950, action on Senate bill 1008, I had planned to speak on that bill this afternoon, setting forth my analysis of sections 2, 3, and 4 thereof. In view of the fact that action has been postponed for further consideration until January 20, I shall not take the time of the Senate to make the speech which I intended to make, but I should like to have my remarks made a part of the RECORD, so that they can be considered in connection with the debate which will take place in January.

Therefore, I ask unanimous consent to have my speech printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY WAYNE MORSE ON BASING-POINT ISSUE—ANALYSIS OF SECTIONS 2, 3, AND 4 OF CONFERENCE REPORT ON S. 1008

Sections 2, 3, and 4 of S. 1008 would make far-reaching changes in sections 2a and 2b of the Clayton Act, as amended by the Robinson-Patman Act. Each of these sections of the bill deals with questions of price discrimination, and each section is closely interrelated with all the others. For instance, although an individual section seems to modify existing law with respect to particular forms of price discrimination, actually each successive section makes still further modifications with respect to the forms dealt with in the previous section.

Because of the interrelationships between each of the sections, it may be well to take up first a change which would be brought about by section 4D in the definition of certain key words which appear in the other sections. The key words are in the phrase "the effect may be." The significance of a law which would define these words in a manner contrary to their usual meaning may be explained as follows:

Under the present law all price discriminations are not illegal. On the contrary, only those discriminations are illegal which have the specified effects set out in section 2 (a) of the Clayton Act, as amended by the Robinson-Patman Act. The illegal discrimination is, in the language of the law, "where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition." By prohibiting discriminations having the specified effect in terms of the language "the effect may be," the Congress adopted one of the stated purposes of the Clayton and Robinson-Patman Acts, which was to create a law to check the creation of monopoly before the ultimate achievement of monopoly. The phrase "may be" has served this purpose by virtue of the fact that the courts have normally interpreted it to mean "reasonable probability." Thus, under the present law, the FTC may issue a cease-and-desist order against a discriminatory practice which, if continued, would, in reasonable probability, have the monopolistic effects specified in the law.

Moreover, S. 1008 as passed by the House embraced the normal meaning of the term "the effect may be"; section 4D of the House version of the bill specifically defined this phrase to mean "reasonable probability." The conference report on the bill has, however, eliminated this long-standing meaning of the term, and has substituted language which would define the phrase to mean that there must be "reliable, probative, and substantial evidence of the specified effect." The consequence of this language would be to substitute for a law which prohibits discriminations that have the reasonable probability of substantially lessening competition, a law which would prohibit only discriminations which had already resulted in a substantial lessening of competition. Such a law as this might be compared to a traffic law which made it illegal for motorists to run through stop signs only if, after having run through a stop sign, the motorist found that his act had caused a substantial accident, as it would be only after the accident had occurred that its effect could be established by "reliable, probative, and substantial evidence."

ANALYSIS OF SECTION 2

The present law, in prohibiting discriminations of certain specified effects, makes no distinction between discriminations appearing directly in the quoted prices of goods, and those made indirectly by the seller's paying varying amounts of freight charges. Section 2A of the bill as passed by the House would have added language to section 2 (a) of the Clayton Act to make it specifically legal for a seller "to quote or sell at delivered prices if such prices are identical at different delivery points, or if differences between such prices are not such that their effect on competition may be that prohibited by this section." The language of this section of the bill has not been changed by the conferees, although the import of this language has, of course, been radically changed by the conferees' definition of the phrase "the effect may be" which has been substituted in section 4D of the bill. Changes in the present law which would be brought about by section 2A may be summarized as follows:

1. Delivered prices which are identical at all delivery points would be legal under any circumstance, no mater what their effect upon competition. This would be true under the conference report of S. 1008, as it would be under the House version of the bill. Delivered prices coming under this heading are of two types. The first is the so-called postage-stamp price, whereby a commodity sells for one delivered price all over the country. The second type is a limited form of zone prices. Such zone prices are those which come about when the sellers located in various parts of the country establish a single delivered price throughout the particular zone in which each seller markets his products. This form of zone price is distinguished from other zone prices only in that no individual seller, or no individual mill of a seller, sells in more than one zone.

Thus, if either version of the bill should be passed into law, any commodity at all could be sold on either the postage-stamp or limited-zone system; and such selling would not be subject to legal challenge, no matter how great the freight costs and no matter how much the adoption of such a practice might disrupt the basic industries of the country. For instance, if the steel companies should decide to designate the whole country as a single zone and quote one delivered price throughout the country, this practice would

not be open to legal challenge—except, of course, upon the possible grounds that the various sellers had conspired to adopt this practice. But even as to the latter possibility, it might be observed that if one of the largest corporations in this industry, having mills in various parts of the country, should adopt such a method of selling, the other producers could hardly avoid following suit. If it should happen that the postage-stamp method of pricing became the practice of this industry, or in any of several other basic industries, the disruptive effects upon the location of industry in the country could hardly be foretold.

2. Delivered prices which are different at different delivery points would be subject to legal challenge if they are discriminatory and if the effect may be that specified by the present law. But in such situations the restrictive definition of the term "the effect may be," as contained in section 4D, has a particular bearing. Such discriminations would be subject to a cease-and-desist order, provided the specified effects could be proved by reliable, probative, and substantial evidence. Thus, unlimited-zone prices, basing-point prices, and other variations of these systems would not be subject to a charge of illegal price discrimination until after a sufficient number of businesses had been destroyed that the effect of the discriminatory practice could be established as probative evidence.

Section 2B of S. 1008 deals with freight absorption. In considering what changes this section would make in the law, it should first be noted how this section of the bill relates to the previous section. It has already been pointed out that section 2A would confer unreserved legality upon postage-stamp and limited-zone prices, and that it would confer substantially unreserved legality—insofar as the law against discrimination is concerned—upon basing-point and unlimited-zone prices. Each of these methods of pricing contains some amount of discrimination, since in any practice of averaging freight costs the seller charges some phantom freight to his nearby customers and absorbs a corresponding amount of freight when selling to his distantly located customers. Thus, it may be observed that each of the pricing methods upon which some exemption from illegality would be given by section 2A, would remain subject to the restraints of the present law only by virtue of the fact that each method involves freight absorption.

But after conferring, in section 2A, certain exemptions upon freight absorption as practiced in a variety of specific pricing methods, the bill would confer, in section 2B, certain exemptions to freight absorption in general. Thus, a seller who is charged with committing an illegal price discrimination under this bill would be confronted with the question whether he should exercise his exemption under the specific pricing method he might be using, or under the exemption for freight absorption in general, as provided under section 2B. Except for postage-stamp and limited-zone prices, he would find the exemptions under section 2B more sweeping.

As S. 1008 passed the House, section 2 (b) contained the so-called Carroll amendment. This amendment would have continued to make discriminations carried out through freight absorption (and phantom freight) illegal where the effect of the discrimination would in reasonable probability be that specified in the present law. The conferees have, however, struck out the Carroll amendment and substituted the following language: "Except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition." This language would make two drastic changes in the existing law. First, it would limit possible illegality to only one of the effects specified in the existing law, namely, "to substantially lessen competition." Second, it would further limit even such possible illegality by the introduction of the new term "will be." Thus, if this language should become law, the Federal Trade Commission could issue no order against discriminations carried out through freight absorption unless it could prove as a positive certainty that the discrimination would have the future effect of a substantial lessening of competition. Since it is not within the province of mankind to prove that a future event of this kind will absolutely take place, the effect of this language would be to legalize any and all discriminations carried out by means of freight absorption irrespective of either the past or the reasonably probable future effects of the discriminations. Under a literal interpretation of this language of section 2 (b), a seller would be free to absorb any and all freight charges to some customers, while refusing to absorb any freight charges to other customers located in the same town. For instance, a steel mill located in Chicago could still absorb all the freight charges on shipments to certain large fabricators in Denver, while refusing to absorb any freight charges to smaller competing fabricators in Denver. Since freight charges are an item of major importance in the delivered cost of steel, one may imagine that such a discrimination in favor of the large fabricators in Denver would soon put the smaller competitors there out of business.

ANALYSIS OF SECTION 3

However far reaching the changes in existing law which would be brought about by sections 2A and 2B of S. 1008, these would be overshadowed by the changes contained in section 3 of this bill. This may be understood from the fact that each successive section of the bill provides successively greater exemptions to the present law against discriminations. Section 2A, as has been observed, would provide exemptions for freight absorption and phantom freight in the case of postage-stamp price systems and limited-zone price systems. Section 2B would provide exemptions for discriminations carried out through freight absorption and phantom freight in general. Finally, section 3 would provide certain exemptions for discriminations in general, whether the discriminations are carried out indirectly by manipulations of freight charges, or whether they are carried out by quite direct means, such as through quantity discounts. These exemptions would be brought about by giving the so-called good-faith defense the status of an absolute and complete defense under section 2 (b) of the Clayton Act, as amended by the Robinson-Patman Act.

With respect to the so-called good-faith defense, the bill drafted by the conferees differs from the bill passed by the House in that the conferees have removed the so-called Carroll amendment. Similarly, the bill drafted by the conferees is different from the bill passed by the Senate in that the conferees have eliminated the so-called Kefauver amendment. In lieu of the language of the Carroll amendment on the one hand, or the Kefauver amendment on the other hand, the conferees have substituted a general qualifying clause which reads as follows: "Except that this shall not make lawful any combination, conspiracy, or collusive agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice." While the language of this qualifying clause has some tone-qualities that are quite laudable, and while it would doubtless have some relevance if included in amendments to the Sherman Act, it is only irrelevant and extraneous language insofar as the law against price discrimination is concerned. On the other hand, both the Kefauver and Carroll amendments relate specifically to questions of what price discriminations sellers can and cannot engage in.

WHAT IS THE GOOD-FAITH DEFENSE?

Section 3 of S. 1008 provides that a seller may justify his discrimination, and thus avoid a cease-and-desist order, by showing that the discrimination "was made in good faith to meet the equally low price of a competitor." It also provides that the burden of showing justification shall be upon the person charged with a violation. But what is this burden? What does a seller have to do in order to show that his price discrimination was made in "good faith to meet the lower price of a competitor?"

As the courts have construed the term "good faith," the first and simplest way in which a seller can show justification is to show that the lower price of the competitor did in fact exist. This means that if the seller charged with an illegal discrimination can show that his competitor had in fact made the quotations at the lower price, his burden of showing justification is satisfied. Where does the question of "good faith" enter into this burden? It enters in this way: If the seller charged with a violation cannot show that the lower price of the competitor did in fact exist, then he may establish justification by showing that he acted in "good faith" in believing that such a lower price did exist. This meaning of the term "good faith" is clear from the Supreme Court's decision in the Staley case (324 U. S. 746). In this case the Court said: "Section 2b does not require the seller to justify price discriminations by showing that in fact they met a competitive price. But it does place on the seller the burden of showing that the price was made in good faith to meet a competitor's." In order to establish good faith, according to this decision, the seller is merely required "to show the existence of facts would lead a reasonable and prudent person to believe that the granting of a lower price would in fact meet the equally low price of a competitor." This is the whole length and breadth of the seller's burden of establishing "good faith." No question of the discriminator's belief as to what the effect of the discriminations will be—whether they substantially lessen competition, destroy smaller buyers, tend to creat a monopoly—no such question enters the matter. He establishes "good faith" merely by showing a basis for believing that his discriminatory price would meet the price offered by a competitor.

Of course, if the Federal Trade Commission can show that discriminations in prices are made as a result of an illegal agreement or conspiracy among the competitors, then the "good faith" defense is overruled. Such, for example, was the outcome in the *Cement Institute* case. When the Federal Trade Commission proved that the discriminations in cement prices were inherent in the price system maintained by agreement and collusion among the cement manufacturers, the Supreme Court ruled that the defendants could not justify the discriminations on the ground that they were acting in good faith. But the seller's burden of showing "good faith" does not extend to the task of proving that his discriminatory price was not pursuant to a conspiracy or collusive agreement with his competitors. On the contrary, the burden of proving conspiracy—and therefore the absence of good faith—must necessarily be borne by the Commission. It is for this reason that the language concerning "combination, conspiracy, or collusive agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice" which the conferees have put into section 3 of the bill, in lieu of the Carroll or Kefauver amendments, neither adds nor detracts anything from the other language contained in this section of the bill. The most that this extraneous language could mean is that price discriminations which substantially lessen competition could be found to be illegal under the Clayton Act, provided sellers charged with a violation could be proved to be in violation of the Sherman Act. Conversely, it would also mean that where two or more sellers are meeting one another's price, or have "good faith" reason to believe

that they are meeting one another's price, these sellers could never be in violation of the Clayton Act unless it could first be proved that they are in violation of the Sherman Act. This raises a question, of course, as to why the conferees have proposed to retain on the books a semblance of the law against discrimination when the presumption of their bill is that the Sherman Act is adequate to the purpose of preventing practices which "substantially lessen competition or tend to create a monopoly, or to injure, destroy, or prevent competition."

THE DEATH WARRANT FOR SMALL BUSINESS

Section 3 of S. 1008 would make a virtual nullity of the Robinson-Patman Act amendment to the Clayton Act. By reestablishing the "good faith" defense, it would place beyond the law any and all price discriminations of a seller—no matter how great and how destructive of small business—so long as another seller met, or offered to meet, the discriminatory price. Where a single seller made a discrimination having the specified monopolistic effects, and was not meeting the price of another seller in so-doing, the Federal Trade Commission could issue a complaint with some possibility that a cease-and-desist order might eventuate provided it could find out about the discrimination and issue its order before another seller met, or offered to meet, the discriminatory price. But once a second seller met or offered to meet the discriminatory price, the discrimination of neither seller could be stopped, even though the Commission could discover which of the several sellers had initiated the discrimination—the fact that a second seller was meeting or offering to meet the discriminatory price would make the discrimination of both sellers currently legal.

It seems that the Congress which passed the Robinson-Patman Act was primarily concerned with correcting the nullity which the "good faith" defense had made of the prohibiting language of the old Clayton Act. In reviewing the legislative history of this act in the *Standard Oil of Indiana* case, the United States Court of Appeals for the Seventh Circuit pointed out the position of the "good faith" defense under the old Clayton Act, and observed: "But since large buyers could always get such price meeting by suppliers to justify a discrimination in price in their favor, the purpose of the act to avoid such discrimination was easily evaded." This court also pointed out that the chairman of the House conferees on the Robinson-Patman bill had explained the purpose of modifying the old "good faith" defense, and quoted his explanation on the floor of the House as follows:

"It is to be noted, however, that this does not set up the meeting of competition as an absolute bar to charge of discrimination under the bill. It merely permits it to be shown in evidence. This provision is entirely procedural.

"If this proviso were construed to permit the showing of a competing offer as an absolute bar to liability for discrimination, then it would nullify the act entirely at the very inception of its enforcement, for in nearly every case mass buyers receive similar discriminations from competing sellers of the same product." (CONGRESSIONAL RECORD, June 15, 1936, p. 9418.)

What was said then of the ability of large buyers to obtain from two or more suppliers discriminatory price quotations in their favor, is no less true today. The tendency of sellers to grant special price concessions to large buyers is one of the most widely observed characteristics of business behavior. Such tendencies to grant special price concessions to large buyers do not arise merely from the seller's prospect of a cost saving in selling to the large buyer. The present law is not intended to discourage price discriminations which are justified by differences in the costs of supplying different sellers—the cost defense is always a complete and final defense against a charge of price discrimination. The price discrimination which is philosophically indefensible on any grounds is that which goes beyond cost savings and permits large buyers to drive small buyers out of business. The individual seller may well reason that the prospect of an increase in the volume of his business which would result for his sales to a large buyer will result in cost savings by a further spreading of his overhead costs. But it is the total volume of business—the orders of sellers—both large and small—which justifies overhead and permits the economies of mass production. It is not just the orders of the large buyers which do these things.

Just as the "good faith" defense would justify price discriminations by which large buyers put small buyers out of business, it would also justify discriminations by which large sellers put small sellers out of business. When a large seller, with national sales outlets makes a special low price in one particular territory, at least one other seller will usually meet this special price. In this case, the "good faith" defense would exempt the discriminations from a cease and desist order, even though the result was to drive out of business small competing sellers having only local or regional sales outlets.

In commenting on the conference report on S. 1008, the Wall Street Journal of October 13 expressed the opinion that the "real relief for industry" contained in this bill lies in the "good faith" defense which would be established by section 3. It is of pointed significance that this journal, which is conceded to be in touch with certain segments of business thinking, should look upon such a modification of the law as "relief for industry." Since a modification of the law on price discrimination which means a "relief" for some members of industry must necessarily mean a stricture for other members, it is not difficult to surmise which members of industry would gain the relief and which would gain the stricture. Plainly, S. 1008 is a bill for big business and a bill which would destroy small business.

(Mr. MORSE addressed the Senate. After having spoken for a little while, he yielded to various Senators for action on conference reports and other business. His speech appears entire at a subsequent place in today's RECORD.)

MILITARY ESTABLISHMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President——

The VICE PRESIDENT. The Senator from Oregon has the floor. Does he yield to the Senator from Arizona?

Mr. MORSE. Mr. President, I yield to the Senator from Arizona for the purpose of presenting a conference report.

Mr. HAYDEN submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 73, 74, 77, and 81.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 100 and agree to the same.

The committee of conference report in disagreement amendment numbered 99.

ELMER THOMAS,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
Managers on the Part of the Senate.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

Mr. HAYDEN. Mr. President, I move that the Senate agree to the conference report.

Mr. SALTONSTALL. Mr. President, is this the conference report on the military appropriation bill?

Mr. HAYDEN. This is the conference report on the national military appropriation bill for 1950.

Mr. SALTONSTALL. I suggest the absence of a quorum.

Mr. MORSE. Mr. President, may it be understood——

The VICE PRESIDENT. The Senator from Massachusetts has not been recognized for the purpose of suggesting the absence of a quorum. The Senator from Arizona [Mr. HAYDEN] had the floor. Will the Senator yield?

Mr. HAYDEN. Let me discuss the matter with the Senator.

Mr. SALTONSTALL. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Is not the presentation of the conference report at this time a question of unanimous consent, or did the Senator move the consideration of the report?

The VICE PRESIDENT. The Senator made a motion.

Mr. SALTONSTALL. I understood the Senator did make a motion.

The VICE PRESIDENT. It is a privileged matter, and the Senator moved that the report be agreed to. That is the question before the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator from Arizona yield for a question?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I suggested the absence of a quorum, because this is a very substantial appropriation bill, and it has been a matter of great controversy, on which there are differences of opinion. I believe Senators should at least be notified that the report is being considered, even if there is no objection to it.

Mr. HAYDEN. The point is, what can they do about it? We have arrived at a place where, as I see it, there is nothing to do but to agree to this conference report. If the Senator feels that there might be some possible action taken different from that, I would not object to the calling of a quorum, but does the Senator really believe it will make any difference?

Mr. SALTONSTALL. Will the Senator yield?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I would say most respectfully to the Senator from Arizona that, sitting on this side of the aisle as the assistant minority leader, I do not care to take the responsibility of having a bill of this character, of such widespread interest, and carrying the amount of money involved in the bill, go through without at least having a quorum called. If it is not in order to ask for a quorum call at this time, I hope that the Senator from Arizona will defer his motion until the Senator from Oregon has concluded his remarks.

Mr. HAYDEN. That was the next question I was about to mention. The Senator from Oregon was kind enough to yield to me on the condition that this matter would be disposed of promptly. Is the Senator from Oregon willing to have a quorum called?

The VICE PRESIDENT. The Senator from Oregon yielded to the Senator from Arizona to make a motion. That does not mean that the Senator from Arizona can yield to the Senator from Massachusetts for the purpose of making a point of no quorum unless the Senator from Oregon is willing to yield for that purpose.

Mr. MORSE. Mr. President, I now ask unanimous consent that I be allowed to yield for the purpose of a quorum call for the disposition of this conference report, with the understanding that after the disposition of the conference report I shall be allowed to take the floor and proceed with my speech.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

Now, does the Senator from Arizona yield to the Senator from Massachusetts to make the point of no quorum?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	McMahon
Anderson	Hickenlooper	Magnuson
Baldwin	Hill	Malone
Bridges	Holland	Millikin
Cain	Ives	Morse
Capehart	Jenner	Myers
Chapman	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Conor
Cordon	Johnston, S. C.	O'Mahoney
Donnell	Kem	Pepper
Douglas	Kerr	Russell
Downey	Kilgore	Saltonstall
Dworshak	Knowland	Schoeppel
Ecton	Langer	Thomas, Okla.
Ellender	Leahy	Thomas, Utah
Ferguson	Lodge	Thye
Fulbright	Long	Watkins
George	Lucas	Wherry
Graham	McCarthy	Williams
Green	McFarland	Young
Gurney	McKellar	

The VICE PRESIDENT. A quorum is present.

Mr. HAYDEN. Mr. President, I have moved the adoption of the conference report.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. Will the distinguished Senator from Arizona tell us very briefly the amount of the appropriation? As I understand, the issues between the House conferees and the Senate conferees which were left undecided from a previous conference concerned the procurement of aircraft and the building up of stock piles.

Mr. HAYDEN. That is correct.

The amount of the bill as passed by the House was $15,909,116,800. The amount of the bill as passed by the Senate was $14,790,380,478. As agreed to in conference, the bill now amounts to $15,535,-863,148.

The items in disagreement related to the Air Force.

There was a cash appropriation in the House version, to which we did not agree, of $15,266,000. There was contract authority for aircraft of $577,755,000. Then there was an additional rescission of Air Corps funds amounting to $6,635,000. So the total difference between the two bodies on the aircraft program was $741,306, and the Senate conferees receded.

With respect to Senate amendment No. 99, which provided for a rescission of $275,000,000, we agreed in conference to make the rescission $100,000,000, and the House has adopted an amendment to that effect.

I ask that the Chair lay before the Senate the action of the House on Senate amendment No. 99.

The VICE PRESIDENT. That will have to await agreement on the conference report.

Mr. SALTONSTALL. Mr. President, I realize that this conference report must be adopted if the military program is to go ahead. On the other hand, I respectfully call attention to the fact that the Senate adopted a so-called 48-air-group plan, which was recommended in the first instance by the President of the United States and by the Secretary of Defense.

The plan which has now been adopted is bigger than that recommended by the Commander in Chief and his chief assistant. The plan as it was adopted by the Senate called for an amount of $3,600,000,000 worth of procurement of airplanes in the Navy and the Army, if my memory is correct. That was to pay for past contract authority, to grant new contract authority, and for cash appropriations.

If my information is correct, no estimates can be made as to what the new plan, as now recommended, may call for. At least it will call for $3,600,000,000 for next year, that is the fiscal year 1951, and probably even more if carried through, with no definite estimates given to us for years to come.

I discussed this question with the officers of the Office of the Secretary of Defense when the bill was in conference. The figures I give now are figures which are not so confidential that they cannot be stated here. They relate to procurement. I should like to put them in the RECORD at this time, because they show, it seems to me, particularly in connection with the discussions now proceeding before the House Armed Services Committee—discussions as to the relative merits of the B–36 bomber and the super-aircraft carrier, and as to the general strategy and tactics of the military with respect to the defense of the country—how we now are appropriating vast sums of money and are increasing the number of aircraft for procurement, without knowing just where we are headed, particularly because of this very considerable controversy.

As I say, I should like to read a brief statement relative to Air Force procurement.

Mr. FERGUSON. Mr. President, before the Senator does so, I wonder whether he will yield for a question.

Mr. SALTONSTALL. I yield.

Mr. FERGUSON. Is it not possible, however, for the President of the United States, who has charge of the expenditure of this sum of money, to determine not to spend the full amount, even though it is appropriated, if in his judgment it is to the best interests of the services not to spend the full amount appropriated?

Furthermore did not the President indicate that he did not want the full amount; and therefore would not it be his duty not to spend the additional amount appropriated?

Mr. SALTONSTALL. Mr. President, I answer the first question in the affirmative. I am not so clear about the answer to the second question. If the Congress appropriates the money, it seems to me it is perfectly proper for the President to believe that his judgment has been overriden by the Congress, and it is perfectly proper for the President then to follow the judgment of the Congress. However, none of us can know definitely about that matter. I do not think that is a fair responsibility to place upon the President.

Mr. FERGUSON. After all, is it not the responsibility of the President to determine, after the Congress appropriates the money, whether he should use it in that particular year, inasmuch as we are not specifying the kind of planes or weapons which should be purchased?

Mr. SALTONSTALL. Personally, of course, I hope the President will not spend it unless he can be sure just what the future military program is; I hope the President will not spend it unless the discussions now going on before the House committee make more clear what our policy is to be. Until the President is absolutely clear about that matter, I hope he will not spend all the money; but it seems to me we are thus putting an extremely great burden upon him, whereas perhaps we ourselves should shoulder that burden to a greater degree.

Mr. FERGUSON. But is it not true that the President has experts to assist him in determining the kind of weapons the United States should have for its defense? Moreover, in view of the fact that the President advised the Congress that he wanted only so much money, in view of the further fact that there has been so much conflict in Congress over this question, and particularly since the exact number of aircraft to be included

within 58 groups is not defined—there is no statement or exact definition that there must be so many aircraft in a particular group—would not the President have the discretion to determine what kind of weapons should be provided and what should be the size of the groups during the remainder of this fiscal year?

Mr. SALTONSTALL. The President certainly has that discretion; and as one citizen of this country, I pray that he will exercise it properly.

Mr. KNOWLAND. Mr. President, will the Senator yield

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. I think the able Senator from Massachusetts will agree that one of the problems with which the Congress has been confronted has been the differences of opinion which have been presented to the Congress by various persons who presumably are competent. Last year the President's Air Policy Board was appointed; it was a very outstanding Board of American citizens who presumably made a very careful study of the defense needs of the Nation. They suggested that the minimum requirements for the national defense would include a 70-group program for the Air Force, and they presented that recommendation to the Congress as an official document. At the time when testimony on the universal military training bill was being taken before the Senate Armed Services Committee, of which the able Senator from Massachusetts is a member, the Secretary for Air Force, at that time Mr. Symington, in answer to questions by members of the committee, indicated that, at least last year, the Defense Establishment, or at least his part of it, had not changed its opinion that a 70-group air force program would be necessary.

So it is a little difficult for the Congress, in performing its constitutional function of providing the necessary funds for the defense of the country, to have those charged with responsibility for such matters to blow first hot and then cold; to be told first that 70 groups are needed, and then the next year to be told by an official group that only 48 groups are needed, particularly inasmuch as 48 groups would be a reduction from the number we now have.

As the Senator knows, I would be inclined to be more favorably disposed toward the action taken by the House, because I think we should determine a policy, and then should stick to it. I do not think we should be wedded either to 78 groups or 58 groups or 40 groups, but I do not think any of the armed forces establishments should propose both peaks and valleys, so to speak, in making their recommendations relative to our military procurement needs, so that from year to year we do not know what kind of defense program we are to have.

Mr. SALTONSTALL. Mr. President, of course, the term "air group" is a very loose one. I cannot go back of the figures, because I do not have sufficient knowledge to be able to do that, but I think they show that in some categories the President's plan, as submitted, lives up to the so-called Finletter report for the 70-group air force.

My only point is that I think we wish to make sure where we are going, so far as we can make sure, in connection with the matter of the aircraft procurement program and all other military programs. I think we must consider the financial side, as well, so as not to get ourselves committed to such a large program on the military side of our entire budget, that it will be a financial burden perhaps to a greater degree than we can carry in a peacetime economy.

Mr. President, the President's budget, as revised, which the Senate adopted as regards Air Force procurement, calls for 1,636 aircraft. The House raised this by a dollar value of $561,000,000 for aircraft procurement, equaling 869 additional aircraft.

The other figures, stated by the Senator from Arizona [Mr. HAYDEN], relate to other categories, as I understand; and I cannot go into them.

Mr. HAYDEN. That is correct.

Mr. SALTONSTALL. The latest figures available in the Defense Establishment show that it is not intended to use any of this money to purchase bombers of any kind, and therefore the addition of this money would not improve the planned strategic bombing strength of the Air Force. As I have said, these figures and this information come from the Secretary of the National Defense Establishment, not from the Air Corps, which may differ with some of these statements.

It does add 474 fighters, as indicated in the latest available figures; but I wish to point out that, of the fighters scheduled to be purchased with this money, over half of them cannot be put on procurement in fiscal 1950, and possibly not even in 1951, as the models are still in the experimental and evaluation stage, and are not yet ready to be produced in volume. It also adds, according to the latest figures, an indicated 164 transports and 231 trainers.

As regards strategic bombing and reconnaissance strength, the President's budget calls for a greater number of aircraft in this category than the so-called Finletter 70-group program. It is a fact that under the procurement program indicated to implement the President's budget, the same number of strategic bombers are indicated for procurement as are necessary to support the 70-group program. It is also a fact that the groups so equipped are at their ultimate strength in planes per group, with pipe-line planes also becoming available. Future years' procurement of nominal amounts of heavy bombers will provide the necessary aircraft for attrition purposes and to keep these groups at full strength.

The current inventory figures for the Air Force show clearly that they have an adequate number of planes on hand to implement not only the 70-group program, but a considerable number of groups in addition. The planes are similar to those being utilized in the present operational groups.

The President's budget would provide for a reasonably modern 48-group air force in terms of new equipment.

One point that should be borne in mind when projecting an Air Force in terms of groups and planes is the rising cost of various types of airplanes. For instance, the B–17, which was our prewar bomber, cost approximately $333,000. The Finletter Commission in contemplating the 70-group program was thinking in terms of the B–29 plane, which cost approximately $680,000. The modern bomber of the B–36 type costs in the neighborhood of $3,400,000, and none of the above costs include spares or spare parts. Therefore, as we increase the number of groups and the number of planes, the cost factor becomes of increasing significance. A similar comparison of prewar fighters with current fighters is of great significance. The F–51, which was the best of the prewar fighters, cost $67,000. The F–86, which is the best of the operating jets, costs $260,000, whereas some of the fighters projected for procurement out of the 1950 budget cost $881,000. These are the net fly-away costs per plane.

Mr. President, I am heartily in sympathy with the idea of having a proper Air Force, and I hope we shall have it. I hope the unfortunate discussion and difference of opinion which is now being aired in the House committee will come to an end as soon as possible. We all want to protect our security in this country. We all want to have the necessary military strength. What we want to consider is just how to make certain that the financial condition of our Government and our country can support the military strength for which we are appropriating funds. My only reason for rising at this time is to state that I believe sincerely that we should follow the President's recommendations in this important regard, so far as we can. He is the Commander in Chief. I believe also that his judgment in this instance meets with the general conditions of our economy and the needs of our military. Of course we can go forward as fast as we can with all kinds of needs of our Military Establishment. They always want new equipment. They will always need new equipment. But what we want to do is to give them the most essential equipment, and do it in a way that will be for the best interest of our security.

Mr. President, I shall not vote against the conference report, because I know it is useless; we must put it through. But I do believe that we should consider very carefully now and in the future whether we are providing one branch of the service with funds at the expense of other branches to such a degree that our military strength may become too heavy a load for us to bear in a peacetime economy, considering all the other needs of the country.

Mr. KNOWLAND. Mr. President, I call to the Senate's attention at this time, and ask to have printed as a part of my remarks, the leading article appearing in this week's issue of United States News and World Report, under the heading "Truth about Soviet air force: now the biggest in the world." I ask that the entire article be printed as a part of my remarks. But I invite the attention of the Senate to two or three paragraphs in

the article, which I think are of vital importance with respect to air strength. It says:

Air strength of Russia, on the basis of information now available, is formidable and growing.

In numbers, Russia's air force totals about 15,000 first-line planes. That's reported by Gen. Omar Bradley, chairman of the United States Joint Chiefs of Staff. In addition, the Soviets have 10,000 more planes in reserve. This compares with Air Force strength in United States of 9,400 active planes, 9,100 planes in reserve. Soviet power is about the same as the combined strength of the United States Air Force and Navy air arm.

Of those 15,000 first-line Soviet planes, British intelligence sources give this breakdown—

It then gives a break-down as between bombers and fighters. It also goes on to say, under the heading of "Plane types":

Plane types of Russia are described by United States and British experts as being at least as good as Western types in the fighter-plane field, not so far advanced in the bomber field.

The article concludes:

Over all, the evidence is that Russia's Air Force must be considered able to do anything to the United States that the United States Air Force is able to do to Russia. When Russia gets an adequate stock pile of atom bombs, in the opinion of qualified experts in Great Britain and United States, this country's advantage in the air is likely to be gone.

I merely wish to say, Mr. President, before we act on the report, that the facts stated in the article I believe are substantially correct. I say that as a member of the Armed Services Committee, as well as of the Appropriations Committee and the Joint Committee on Atomic Energy. But I also want to point out to the Senate, because I think both the Congress and the country should have it clearly in mind, that, so far as I know, there was not a single plane which was designed after Pearl Harbor that saw fighting service in World War II, in the lapse of a period of approximately 4 years. We simply cannot get an air force overnight. At least a period of 4 years, and in some instances more than that, must elapse between the time of the designing of a plane and the time it is ready for combat use. In this day of the airplane and the atom, I do not believe that this Nation will ever dare get caught with a second-best air force. If we have a plane which is just a few miles slower or a little less effective than the plane of the enemy, we are sending American men out with tremendous odds against them.

For that reason, though I recognize the problems as raised by the able Senator from Massachusetts, I think in the long run, with the facts that were presented recently by the President of the United States, regarding the atomic development in Russia, this country should not be left with anything less than a 58-group air force.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD at this point, following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUTH ABOUT SOVIET AIR FORCE: NOW THE BIGGEST IN THE WORLD—WITH ATOM BOMBS, COULD DO ANYTHING UNITED STATES CAN

Russian air force is the biggest in the world, and growing. Long-range, atom-carrying bombers are getting new emphasis.

Main strength is in tactical craft to support land armies. Jet fighters, guided missiles for defense are strong, too.

Soviet air planning, up to now, has been aimed at protecting the homeland. But bombers big enough to hit the United States are on hand, ready for active duty.

This fact gradually is being accepted by top military planners of the United States: The air force of Russia, already powerful, can do to the United States what the United States Air Force can do to Russia once both nations are equipped with a stock pile of atomic bombs.

A claim is made by the United States Air Force that its bombers, carrying atom bombs, can destroy Russian cities and industries, and may be able to win a war alone. If the claims of air planners in the United States are correct, then the reverse could apply and a well-developed Russian air force could destroy American cities and industries and might, by itself, win a war.

The truth about Russia's air force, as a result, is beginning to take on high importance for this country. Military services of the United States and of nations associated with this country are starting to appraise carefully the strength of Russia in the air. Essential facts about present Soviet air power are coming to light.

Air strength of Russia, on the basis of information now available, is formidable and growing.

In numbers, Russia's air force totals about 15,000 first-line planes. That's reported by Gen. Omar Bradley, Chairman of United States Joint Chiefs of Staff. In addition, the Soviets have 10,000 more planes in reserve. This compares with Air Force strength in the United States of 9,400 active planes, 9,100 planes in reserve. Soviet power as about the same as the combined strength of the United States Air Force and the Navy air arm.

Of those 15,000 first-line Soviet planes, British intelligence sources give this breakdown:

Big bombers, of the type that could reach the United States from bases in Russia, account for 750 to 1,000 four-engine aircraft. One Soviet bomber division, the largest, specializes in Arctic flying and operates from Siberian bases.

Interceptor planes, jet propelled and far faster than B–36 bombers of the United States, account for another 1,000 planes in an independent Fighter Command. Sole function of these aircraft is to intercept western bombers that may try to reach Soviet cities and industrial areas.

Fighters and fighter bombers, however, comprise most of the present Soviet Air Force. There now are 12 tactical "air armies of about 1,000 planes each, under direct authority of Russian Army commanders. Their prime purpose is to furnish air support for Soviet land forces, but these planes also are available for use against bombers that attack Soviet cities and defense installations.

Coastal defense planes, under command of the Soviet Navy, account for the remaining 1,000 planes. This force is designed primarily to guard Soviet ports and coast lines from air attack.

Missiles for antiaircraft use also add to the Russian Air Force's defensive strength. Chief of the United States Navy's guided-missile operation, Capt. John H. Sides, discloses that the Russians have an antiaircraft missile able to knock down aircraft flying at an altitude of 65,000 feet from distances 31 miles away. That missile, with a proximity fuse, a radar homing device, and a top speed of 1,700 miles an hour, was captured from the Germans 4 years ago, when it was within a year or two of final development. They—not long-range missiles—are getting the emphasis in Russia's guided-missile program.

Airmen—pilots, gunners, and ground crews in Russia's present air force—are estimated by General Bradley at about 600,000 men. That's nearly 50 percent more than the strength of the United States Air Force.

That, in brief, is the picture of Russia's new air force, as drawn by responsible officials in United States and Britain. It shows, too, 500 air regiments equipped largely with postwar planes, adding up, numerically, to the biggset single air force in the world.

Strategic air power, neglected in the past, is beginning to be stressed moderately in this air force. New Soviet bombers, apparently copies of the United States B–29, have a probable range of 4,500 miles or more. With that range, traveling one way, those bombers could reach any point in the United States from bases in Siberia.

The Russians now have at least 8 of these planes, big enough to carry the atom bomb, for every city in the United States with a population of 100,000 or over. Soviet military leaders have not threatened use of their bombers to knock out the United States, but, with an adequate stock pile of bombs, they can counter the United States moves in strategic warfare.

Tactical air power, rather than bombers, is getting the big emphasis, nonetheless. Two-thirds of Soviet air strength is in planes for the support of armies, as artillery to push ahead of land forces. Concept of Russia's military planners is that the prize of future war is Europe. Idea is this: Armies that can overrun and occupy Europe will win the war. Tactical air power is vital in that operation, and thus is getting priority.

Defensive strength against enemy bombers, however, is growing fast. According to British estimates, the Russians have 1,500 to 2,000 fast jet fighters in squadrons, with the prime mission of shooting down any bomber attack on the homeland. That force is said to be growing at the rate of 200 planes a month. These planes are more heavily armed than the United States or British jet fighters. To get advance warning, a vast network of radar installations is under construction around Russian industrial areas. And a series of anti-aircraft-missile installations is reported being built near major cities.

Plant types of Russia are described by United States and British experts as being at least as good as western types in the fighter-plane field, not so far advanced in the bomber field. As examples:

Jet fighters and interceptors are faster than standard western models. Russia's new Yak jet fighter was tracked by radar over Korea at better than 600 miles an hour. The latest Yak model is reported to be in the 650-mile-an-hour class. This plane, possibly the fastest plane in use by any of the world's air forces, is thought to have a power plant based on the British Nene jet engine, sold to Russia in 1948.

German influence shows up in other fighter types. The two jet research planes pictured on page 13 closely resemble the wartime product of German jet experts now working in Soviet research centers.

Jet bombers, too, are being developed. The Ilyushin four-jet bomber now is in production. Its four underslung jet engines resemble those on the United States Boeing B–47 jet bomber, while its fuselage is shaped

like that of the Martin Marauder. It has limited range, could reach western Europe, but not the United States.

Long-range bombers, of the Russian TU-70 type, appear to be copied from B-29's interned in Russia during the war. New, bigger models, however, are believed to be in the development stage.

What it adds up to is this:

Emphasis in Russia's postwar air force shows the direction of Soviet war planning. That emphasis is on tactical air power for support of big land offensives, not on fleets of long-range bombers for an atomic war against western cities primarily.

Capabilities of Soviet air power, however, are basically the same as those of United States air power. Bombers with sufficient range and size, and in sufficient quantity, are available to carry an atomic attack to United States centers, just as American B-36's could carry such an attack to Russian targets. Air defense in Russia, too, is strong enough to require serious attention.

Strength of that air force, primarily, is in its new-model fighter-bombers for support of the army, its growing fleets of fast interceptor planes, and its superiority in numbers that could control the skies over Europe in the event of war.

Weakness in some fields is evident, too. Soviet bomber pilots lack the know-how gained by United States fliers in World War II. Radar equipment, captured from the Germans, is good, but production of such technical equipment in Russia is slow. Quality of plane production, other than jet, is believed to be inferior to western standards.

Over-all, the evidence is that Russia's Air Force must be considered able to do anything to the United States that the United States Air Force is able to do to Russia. When Russia gets an adequate stock pile of atom bombs, in the opinion of qualified experts in Great Britain and United States, this country's advantage in the air is likely to be gone.

Mr. LANGER. Mr. President, can the distinguished Senator from Arizona tell us whether, in the bill as covered by the conference report, there is any limitation as to profits of any of the companies engaged in manufacturing for the national defense?

Mr. HAYDEN. There is a general statute, of which the Senator is well aware, providing for the renegotiation of all construction contracts. All we do in an appropriation bill is not to legislate with respect to the type of contract. We provide the money for it, but there is a general renegotiation act that is on the statute books.

Mr. LANGER. But aside from the Renegotiation Act, there is no limit as to the percentage of profits that any one of the companies may make, is there?

Mr. HAYDEN. I have never seen any limitation of that kind in any of our annual appropriation bills.

Mr. CORDON. Mr. President, I did not sign the conference report, although I was a member of the conference. I feel that it is the duty of one selected to sit in conference to represent, first, the viewpoint of the House or the Senate, as the case may be, which appoints him; second, to recognize that all law is compromise, and to reach a compromise decision wherever it can reasonably be done. Consequently, I feel that my action in this instance justifies my making a short statement as to my reason for taking the action I did.

Mr. President, let me say at the outset that nothing I say is intended to be critical either of the conferees on the part of the Senate or of those on the part of the House. Both sides labored diligently. Both sides had firm and fixed views, and sought to maintain them. The final concession of my colleagues, while in effect an abject surrender of the Senate's position on the bill, was nevertheless from their viewpoint the thing to do under the circumstances then existing. I have no criticism because their views and mine were not in accord.

I want to say, Mr. President, that in this instance I could not join with them in their decision, because, to my mind, it was not only a complete surrender of the Senate's rights in legislation, but it was—and this is vastly more important—a repudiation of all we have sought to do in the unification of our armed services and the building of a single national defense establishment. Last year we passed the basic framework for unification. This year we strengthened that framework. Last year there were differences of opinion expressed before the Appropriations Committee as to what amount of money should be appropriated and for what purpose. This year there was such difference of opinion expressed. To the contrary, at one of the earliest meetings of the Senate Appropriations Committee there were present the heads of all the services—the Secretary of National Defense, the Secretaries of the Army, Air Force, and Navy—and the Secretary of Defense inquired of all those present representing the national defense establishment, "Are you all in accord with this budget? If not, now is the time to say so." There was no objection registered, Mr. President. I therefore think that not only were we authorized to conclude but, in my humble opinion, we were required to conclude that in the unification and coordination program agreement had been reached for the creation of a single over-all Military Establishment; that there was agreement as to what the component parts should be; that there was agreement as to how much money should be spent this year, and how much contract authority was needed this year in order to implement the basic-defense program. That was all before the committee. The committee acted upon that testimony, and there was no testimony adverse to it. It adopted the program as it was given to it. It made certain provisions for a reduction in funds to be made if, as, and when those reductions could be made in connection with the use of the funds in instances of overlapping, in cases of duplication, and the like, which could be collected and result in savings. Otherwise the committee presented to the Senate the program of the defense establishment as submitted by the President of the United States.

Mr. President, to my mind the greatest duty a legislative organization can owe to the Executive whose obligation it is to implement the law is to give the Executive the vision and opportunity to do the job. So far as I am concerned, at this time the case is that of arm-chair strategists versus the defense establishment, and the former prevail.

I frankly say, Mr. President, that I do not know whether we need a 48-group air force, a 58-group air force, a 70-group air force, or a 370-group air force, and I undertake to say that there is no Senator who does know, and there is no Member of the House who does know. It is a highly intricate proposition. We have an Air Force, an Army, a Marine Corps, and a Navy. An integration of those activities, so as to make the greatest possible use of the military establishment, necessitated the bringing about of unification. At the first opportunity the Senate had to back up its own bill, it repudiated it. For that reason, Mr. President, I cannot support the conference report.

Mr. GURNEY. Mr. President, I am one of the conferees who sat for weeks with the House conferees, representing the Senate version of the bill, which provided for approximately $741,000,000 less than did the House version. I should have been much more pleased if the conference had been able to adopt the Senate version of the bill. I say that because I personally believe we would better defend the Nation if we would postpone buying the present type of airplanes and keep our money in the bank. If we get into trouble, we can buy more modern, faster, and more advanced types of airplanes and depend upon our American productive capacity to turn them out. In any war we might possibly get into, if we were to get into trouble at this moment, we would not be starting off with any inferior-type planes, because I think our planes at the moment are equal to or better than the planes of any other nation in the world. I believe we have enough of them so that we can properly defend the United States. I think having money in the bank, or money unexpended, thereby decreasing the load on the taxpayers, would have been the better course to follow.

Nevertheless, as between the House and the Senate—and the House certainly showed how it stood by its vote of 300 to 1, or 300 to 0, whichever it was—it is merely a squabble between the two Houses of the Congress. When it comes to the point when Congress is about to adjourn I think it is better to agree on the larger figure, because I believe Congress and the people of the United States want to show to the world that when the defense of our country and the things for which we stand are in the balance, both factions, if there are factions when it comes to national defense, are on the side of unity, on the side of those who believe we will throw every ounce of our resources into a fight to maintain the principles for which we have fought in many wars.

Therefore, Mr. President, I was one of those who signed the report, and I recommend its adoption.

The VICE PRESIDENT. The question in on agreeing to the conference report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4146, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 18, 1939.

Resolved, That the House agrees to Senate amendment No. 99 to the bill (H. R. 4146)

making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, with an amendment as follows: In lieu of the sum stated in line 15 of said amendment insert "$100,000,000."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate No. 99.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. The Senator from Oregon has the floor.

Mr. LUCAS. Will the Senator yield for an announcement?

Mr. MORSE. I yield.

Mr. LUCAS. Before Senators leave, and before the Senator from Georgia moves the consideration of House bill 6301, I should like to advise Senators that we are going to proceed to a call of the calendar. We will first have a roll call. There are a few bills which came on the calendar yesterday with no reports, and we could not take them up under the rule, but I think we may take them up today. So we will have a call of the calendar before we adjourn, but it will be very short.

I do not believe we will have a night session, in view of the fact that the basing-point arguments have all terminated and action on the conference report has been postponed. It does not look as if any Senator desires to talk long on any conference reports or bills. Consequently the Senate will probably get away this evening at about 6 o'clock.

The Army bill has been agreed to, and it is now in the House. I am advised that the House will consider it the first thing tomorrow, and it will come to the Senate from the House. Then we will proceed to consider the conference report on the agricultural bill. There is another conference report to be considered, on the wheat-agreement measure, which should not take much time. The rural telephone bill conference report is ready to be taken up almost any time, as well as the minimum-wage bill conference report.

It seems to me we should conclude the session by tomorrow evening, if we do not run into too lengthy discussion of the nominations which the President has sent to the Senate, and I understand that the discussion will not be long. I hope at least that the session will conclude tomorrow night.

Mr. WHERRY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. Protecting my right, I yield.

Mr. WHERRY. I wish to ask the majority leader, in view of the announcement he has made, if he does not also mean that if it is necessary to have a night session tomorrow night there will be a night session in order to complete the work if possible.

Mr. LUCAS. The Senator states the fact correctly.

PARITY IN AWARDS OF DISABILITY COMPENSATION

Mr. GEORGE. Mr. President, I report favorably from the Committee on Finance the bill (H. R. 6301) to provide for parity in awards of disability compensation, and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 6301) to provide for parity in awards of disability compensation, and for other purposes.

Mr. GEORGE. Mr. President, this is a bill which passed the House this morning, for the purpose of correcting what is a typographical error in the omnibus pension bill which we passed a few days ago. It does not change the meaning or sense of the bill, but it does, by correcting this error, include a group of totally disabled and partially disabled veterans of World War I whose disabilities were service-connected. It protects their rights.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

SECOND SUPPLEMENTAL APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 6427, the supplemental appropriation bill for 1950.

The VICE PRESIDENT. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that amendments of the committee be first considered.

The VICE PRESIDENT. Without objection, it is so ordered, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Legislative Branch," on page 1, after line 8, to insert:

SENATE

For payment to Carolin H. Miller, widow of Bert H. Miller, late a Senator from the State of Idaho, $12,500.

The amendment was agreed to.

The next amendment was, at the top of page 2, to insert:

CONTINGENT EXPENSES OF THE SENATE

Joint Committee on the Economic Report: For an additional amount for salaries and expenses of the Joint Committee on the Economic Report, $22,360.

The amendment was agreed to.

The next amendment was, on page 2, after line 12, to insert:

INCREASED PAY FOR LEGISLATIVE EMPLOYEES

That (a) each officer or employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 5 percent of the aggregate rate of his basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, and section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948.

(b) The provisions of section 603 (b) of the Federal Employees Pay Act of 1945, as amended, section 7 (b) of the Federal Employees Pay Act of 1946, as amended, and section 303 (c) of the Postal Rate Revision and Federal Employees Salary Act of 1948 shall not apply to officers and employees subject to the provisions of this section or to employees in the offices of Senators, but (except as provided in subsection (d)) no such officer or employee shall, by reason of any provision of such acts or of this section be paid with respect to any pay period basic compensation, or basic compensation plus additional compensation, at a rate in excess of $10,846 per annum.

(c) (1) The basic compensation of the administrative assistant to a Senator shall be charged against the aggregate amount authorized to be paid for clerical assistance and messenger service in the office of such Senator.

(2) The aggregate amount of the basic compensation authorized to be paid for clerical assistance and messenger service in the office of each Senator is hereby increased by $11,520.

(3) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears under the heading "Clerical assistance to Senators" in the Legislative Branch Appropriation Act, 1947 (60 Stat. 390; U. S. C., title 2, sec. 60f), is amended to read as follows: "*Provided further*, That no salary shall be fixed under this paragraph at a basic rate of more than $5,280 per annum, except that the salary of one employee, other than the administrative assistant, in the office of each Senator may be fixed at a basic rate of not more than $6,720 per annum and the salary of the administrative assistant to each Senator may be fixed at a basic rate of not more than $8,400 per annum".

(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses) are hereby increased by 5 percent.

(e) This section shall take effect on the first day of the first month which begins after the date of its enactment.

The amendment was agreed to.

The next amendment was, on page 4, after line 12, to insert:

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

Changes and improvements, Capitol power plant: Toward carrying out the changes and improvements authorized by H. R. 6281, $950,000, to be expended by the Architect of the Capitol under the direction of the House Office Building Commission: *Provided*, That

the availability of this appropriation is contingent upon the enactment into law of said H. R. 6281.

The amendment was agreed to.

The next amendment was, under the heading "Funds appropriated to the President—mutual defense assistance," on page 6, after line 2, to insert:

ASSISTANCE TO THE REPUBLIC OF KOREA

For expenses necessary to continue assistance to the Republic of Korea during the period October 15, 1949, to February 1, 1950, at the same rate and under the same terms and conditions as in the fiscal year 1949, pending the enactment of legislation outlining the terms and conditions under which further assistance is to be rendered, $30,000,000: *Provided*, That all obligations incurred during the period between October 15, 1949, and the date of enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof: *Provided further*, That this appropriation shall be consolidated and merged with the appropriation for economic assistance to the Republic of Korea made by Public Law 343, approved October 10, 1949, and such consolidated appropriation may be used during the period October 15, 1949, to February 1, 1950: *Provided further*, That not to exceed $675,000 of such consolidated appropriation shall be available for administrative expenses during such period.

The amendment was agreed to.

The next amendment was, under the heading "Independent offices—General Services Administration—Public Buildings Administration," on page 8, after line 9, to strike out:

For expenses necessary for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized and provided for by title I of the act of June 16, 1949 (Public Law 105), and by the act of May 25, 1926 (44 Stat. 630), as amended, including personal services in the District of Columbia, $12,000,000, to remain available until expended: *Provided*, That not to exceed $600,000 of the foregoing appropriation shall be available for administrative expenses.

Mr. HOLLAND. Mr. President, there is one item on which I desire to be heard, the item on page 8, lines 10 to 19. I ask the distinguished chairman of the Committee on Appropriations if it is agreeable to him to let that item be passed over until we have completed the other committee amendments.

Mr. McKELLAR. I have no objection.

The VICE PRESIDENT. The amendment will be passed over.

Mr. WHERRY. Mr. President, I want to bring up a small amendment before the bill is passed. If I may do so, I shall appreciate it.

Mr. McKELLAR. Certainly.

The VICE PRESIDENT. Is it an amendment to an amendment that is in the bill?

Mr. WHERRY. No.

Mr. McKELLAR. After the committee amendments have been agreed to we will take it up.

The VICE PRESIDENT. The clerk will proceed to state the amendments of the committee.

The next amendment was, on page 8, after line 24, to strike out:

For the construction, without regard to section 3709 of the Revised Statutes, of a temporary office building on Government-owned land at Suitland, Md., including cafeteria facilities and the installation or extension of utilities as may be necessary, and for the administration, protection, and maintenance of said building during fiscal year 1950, $3,500,000.

The amendment was agreed to.

Mr. O'CONOR. Mr. President, in connection with the pending bill and particularly with reference to the committee amendment striking out the provision for the construction of a building at Suitland, Md., I ask unanimous consent to have printed in the RECORD a brief statement prepared by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR O'CONOR

Taking of a national census is a mammoth job. It must be skillfully organized and, even at its best, it will be an expensive undertaking, requiring the utmost supervision for an efficient job. At its worst, it could be infinitely more expensive than need be.

The House Appropriations Committee, after a thorough study of the matter, came to the conclusion that the proposed establishment of part of the Census force away from its present location at Suitland, Md., and I quote from the report, "was not an economical and practical solution of the problem." And it would ignore the fact that recent reductions in force have put a big dent in employment in the suburban area of Maryland.

It was for this reason that the House Appropriations Committee reported the bill with an appropriation of $3,500,000 for construction of a building at Suitland, Md., to house the additional employees needed.

Altogether, census officials advise, there would be necessary approximately 8,000 additional employees, or possibly as many as 8,500, particularly if it were necessary to divide the force and house some of them in another location.

As previously mentioned, the headquarters of the entire Census Bureau are now established at Suitland, Md. Two permanent buildings there afford office space for approximately 2,500 workers. All the central files are there, all the permanent facilities for tabulating returns are there, all their trained employees, many of whom would be called upon for supervisory work, are located at Suitland.

In preparation for the great number of trained card-punch operators who would be required for the census tabulation, a training program was established some time ago in the District of Columbia schools. All the persons who have had the benefit of this training and who would thereby be particularly suitable for census work, are available for work in Suitland, and, of course, would have to be transferred or from a new training program hurriedly set up to establish the needed reservoir of trained operators.

Where the entire operation could be concentrated most effectively and inexpensively at Suitland, establishment of a portion of the work and workers elsewhere would mean that at least several hundred of the supervisors and technical people would have to be sent there. They would either be separated from their families for long periods and would add to the housing troubles in another area.

There is, so the census people advise, a plentiful supply of the types of personnel necessary on hand in the Suitland area. There is, moreover, a definite advantage, they point out, in having all the work done in one place, under central supervision, without the need of moving key personnel back and forth.

It is emphasized additionally that the relatively short period of time involved, with peak operations lasting only six to twelve months, would hardly justify the movement of personnel and the tremendous shifting of office facilities which operation in a new area would require, with its resultant inconvenience and disruption of the work of the Veterans' Administration there.

For all these reasons, it would seem that maximum efficiency of operation and a minimum of expense would be insured by concentrating all the census work at Suitland, and I urge that this be the decision made.

The next amendment was, on page 9, after line 6, to insert:

Salaries and expenses, public buildings and grounds outside the District of Columbia: For an additional amount for "Salaries and expenses, public buildings and grounds outside the District of Columbia," without regard to section 322 of the act of June 30, 1932 (40 U. S. C. 278a), as amended, $870,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Community Facilities," on page 9, line 20, after the numerals "1955", to strike out "$1,000,000" and insert "$2,000,000"; in line 21, after the word "exceed", to strike out "$125,000" and insert "$250,000"; and on page 10, line 1, after the word "exceed", to strike out "$4,000,000" and insert "$8,000,000."

The amendment was agreed to.

The next amendment was, on page 10, line 20, after the word "agencies", to strike out "$7,000,000" and insert "$7,500,000"; and in line 21, after the word "exceed", to strike out "$100,000" and insert "$250,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Rural Electrification Administration—Salaries and expenses," on page 13, line 12, after the word "expenses", to strike out "$600,000" and insert "$700,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of Defense—Department of the Air Force—Acquisition and construction of real property," on page 17, after line 16, to insert:

For an additional amount for "acquisition and construction of real property," to enable the Secretary of the Air Force to carry out the purposes of the Act of March 30, 1949 (Public Law 30, 81st Cong.), $17,000,000, to be available until expended, and in addition thereto, the Secretary of the Air Force is authorized to enter into contracts for the purposes of said Act of March 30, 1949, in an amount not to exceed $33,000,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior—Bureau of Reclamation—Reclamation fund," on page 18, after line 3, to insert:

The following sums are appropriated out of the reclamation fund created by the act of June 17, 1902, as follows.

The amendment was agreed to.

The next amendment was, on page 18, after line 3, after the amendment just above stated, to strike out:

GENERAL OFFICES

Salaries and expenses (other than project offices): For an additional amount, fiscal year 1949, for "Salaries and expenses (other than

project offices)", for obligations legally incurred but not otherwise provided for, $8,581.68.

The amendment was agreed to.

The next amendment was, on page 18, after line 12, to insert:

CONSTRUCTION

San Luis Valley project, Colorado, $250,000.

The amendment was agreed to.

The next amendment was, on page 18, after line 17, to insert:

GENERAL FUND, UTILIZATION OF SALT WATER

For expenses necessary for conducting with the cooperation of other Federal agencies and through contracts with private firms and universities, laboratory investigations and pilot-plant tests for development of economically feasible means of utilizing salt water for irrigation and municipal purposes, $150,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, at the top of page 19, to strike out:

NATIONAL PARK SERVICE

MISSISSIPPI RIVER PARKWAY

For expenses necessary for a survey to determine the feasibility of constructing a national parkway along the route of the Mississippi River, as authorized by the act approved August 24, 1949 (Public Law 262), including personal services in the District of Columbia, purchase of not to exceed five passenger motor vehicles, and printing and binding, $150,000, to remain available until June 30, 1951.

Mr. O'MAHONEY. Mr. President, I hope this committee amendment may be disagreed to. The Committee on Interior and Insular Affairs at this session of Congress passed on the Mississippi Parkway authorization bill without any division. The bill was passed by both Houses of the Congress and has the support of Senators and Representatives from States along the entire route of the Mississippi River.

I am a member of the Committee on Appropriations, but unfortunately, because of the pressure of other business, I was not present at the time this amendment was considered, so that I did not have the opportunity of explaining why the provision should remain in the bill. I understand from the chairman of the committee that the provision lost by a very narrow margin.

Mr. McKELLAR. It lost by 5 to 3. I do not care to explain how Senators voted.

Mr. O'MAHONEY. That is not necessary.

Mr. McKELLAR. The chairman is not as interested in the amendment as he might be.

Mr. O'MAHONEY. I have understood from various sources that the chairman of the committee has supported the action of the House committee, and that would mean, I take it, that he would agree with what I am seeking to do now.

Mr. McKELLAR. That is correct.

Mr. O'MAHONEY. Let me say that the report of the Committee on Interior and Insular Affairs has recommended, and I understand this will be the policy of the executive branch, that the plans be so drafted as to provide income by way of tolls. Toll ways and toll parkways all over the United States have been more than successful in bringing in revenue to pay for construction of parkways of this kind. I sincerely hope that the committee amendment may be rejected.

Mr. FULBRIGHT. Mr. President, is this to be passed over as the amendment was a while ago?

Mr. McKELLAR. No. I think we had better pass on it now.

Mr. FULBRIGHT. I wish to support the position of the Senator from Wyoming. The bill authorizing this survey passed, merely authorizing the use of the money to determine whether or not the parkway should be built, and where. As the Senator will notice, the amount was $150,000, as carried in the provision as the bill passed the House. The budget estimate for this item was $250,000, so it has already been cut nearly 50 percent from the amount allowed by the Bureau of the Budget. I hope the Senate will reject the amendment.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 19, lines 1 through 10.

The amendment was rejected.

The VICE PRESIDENT. The Secretary will state the next committee amendment.

The next amendment was, on page 19, after line 10, to insert:

NATIONAL PARK SERVICE

PHYSICAL IMPROVEMENTS

For an additional amount for "Physical improvements, National Park Service," to remain available until expended, $175,000; and appropriations under this head shall be available for construction of a swimming pool, including buildings and other necessary appurtenances, in Fort Stanton Park, District of Columbia.

The amendment was agreed to.

The next amendment was, on page 19, after line 18, to insert:

Appropriations available to the National Park Service for the fiscal year 1950 shall be available for the purchase of five passenger motor vehicles in addition to the number specified in the Interior Department Appropriation Act, 1950.

The amendment was agreed to.

The next amendment was, under the subhead "Fish and Wildlife Service—Salaries and expenses," on page 20, line 9, after the word "fishes", to strike out "$167,000" and insert "$101,000."

The amendment was agreed to.

The next amendment was, on page 20, after line 11, to strike out:

Funds appropriated for the fiscal year ending June 30, 1950, to the Fish and Wildlife Service shall be available for the purchase of five passenger motor vehicles in addition to those authorized in the Interior Department Appropriation Act, 1950.

The amendment was agreed to.

The next amendment was, under the heading "Post Office Department—Office of the Fourth Assistant Postmaster General," on page 22, line 22, after the word "service," to strike out "$5,000,000" and insert "$7,700,000."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments, except the one passed over on page 8, which will be stated.

The LEGISLATIVE CLERK. On page 8, after line 9, it is proposed to strike out:

For expenses necessary for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized and provided for by title I of the act of June 16, 1949 (Public Law 105), and by the act of May 25, 1926 (44 Stat. 630), as amended, including personal services in the District of Columbia, $12,000,000, to remain available until expended: *Provided*, That not to exceed $600,000 of the foregoing appropriation shall be available for administrative expenses.

Mr. HOLLAND. Mr. President, I hope Senators will give attention to the committee amendment on page 8. The House language would appropriate $12,000,000, to remain available until expended, for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized and provided for by title I of the Act of June 16, 1949 (Public Law 105), which Congress passed in June, and by a little tag-end of a prior authorization of 1926, which has not yet been appropriated and realized.

Mr. President, I wanted to call to the attention of the Senate the fact that this is the only measure under which we can have any planning, any acquisition of sites, for Federal buildings outside the District of Columbia, to constitute the backlog or a list of plans available for construction in the event we reach a time when we can engage in some public works.

Mr. President, I am told by the secretary of the committee that only seven of the 21 members of the Appropriations Committee could be present at the time this particular action was taken, and that those present were divided upon this action.

I have here the supplemental budget request of the President, which came in in July, just a few weeks after the passage of the act I just referred to.

I close my brief remarks by calling to the attention of the Senate the fact that even at this time $82,000,000 of public works are actually under construction in the District of Columbia and in Bethesda, and at the same time there are only two Federal buildings which are being added to materially outside the District of Columbia, one building at Nashville, now under construction, and an additional story on the post-office building in Los Angeles.

It seems to me we would be taking a backward step and not at all going forward with the program of the Senate and of the House under Public Law 105, if we were to strike out this appropriation, and I hope the committee amendment may be rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 8, beginning in line 10 through line 19. [Putting the question.] The "noes" seem to have it.

Mr. KNOWLAND. Mr. President, I ask for a division.

The VICE PRESIDENT. A division is called for.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

Mr. WHERRY. Mr. President, if the yeas and nays are to be had on this amendment, I think we should have a quorum call.

The VICE PRESIDENT. Let it be first ascertained whether a sufficient number of Senators second the request for the yeas and nays. Is the request for the yeas and nays sufficiently seconded?

The yeas and nays were not ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. KNOWLAND. I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendment on page 8, after line 9.

Mr. KNOWLAND. Mr. President, before the vote is taken, let me say that I suggested the absence of a quorum so that members of the Appropriations Committee might be present.

If the committee amendment is not adopted, $12,000,000 will be added to the bill. It is the feeling of at least the majority of those who voted in committee yesterday that this is an item which does not need to be in the third supplemental appropriation bill this year, and could be presented at the beginning of the next session of Congress with more adequate testimony than was presented to us.

Mr. HOLLAND. Mr. President, since there are now Senators present who were not in the Chamber when the subject was previously discussed, let me say briefly that this is a first appropriation of $12,000,000 on a $40,000,000 authorization which was made by this same Congress back in June. A supplemental budget item, which I hold in my hand, came in in July. It provides for the beginning of the program of site acquisition for post offices, customs houses, quarantine stations, and Public Health Service hospitals. We are far behind with them. We have had no building in any of those fields since before the war.

I merely wish to call attention briefly to the fact that at present $82,000,000 worth of Federal buildings are being constructed in the District of Columbia and nearby Bethesda, whereas we are constructing only two Federal buildings outside the District, one at Nashville, and an additional story on the post office at Los Angeles.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. Does the Senator refer to the bill which provides that there shall be one public building in each of the 435 congressional districts?

Mr. HOLLAND. In effect, the $40,000,000 authorization act provides that in addition to some suspended projects which have not yet been carried out under former authorizations, a sufficient number of additional sites are to be acquired for post offices so that there will be one post office site in each of the congressional districts throughout the Nation.

Furthermore, it provides for the much needed acquisition of some customs house sites, United States Public Health hospital sites, and quarantine sites. This work has been in the doldrums since before the war started. This is by way of beginning to create a small backlog of badly needed Federal construction. It seems to me that the appropriation should be in the bill.

Mr. FERGUSON. Mr. President, the Senator from Michigan moved in committee that this item be stricken from the bill. He certainly feels that at this late date in the session it should not be included in this bill. It should go into the regular appropriation bill.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the justification appearing on pages 25 and 26 of the committee slip sheets, which clearly indicates that there is no justification for these sites.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SITES AND PLANNING, PUBLIC BUILDINGS OUTSIDE THE DISTRICT OF COLUMBIA

For expenses necessary for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized and provided for by title I of the act of June 16, 1949 (Public Law 105), and by the act of May 25, 1926 (44 Stat. 630), as amended, including personal services in the District of Columbia, $12,000,000, to remain available until expended.

HOUSE ACTION

The House approved the full amount of the foregoing estimate of $12,000,000 but placed the following limitation on administrative expenses: ": *Provided*, That not to exceed $600,000 of the foregoing appropriation shall be available for administrative expenses."

HOUSE REPORT

"The committee is including in the bill a budget estimate of $12,000,000 for the purpose of carrying into effect the provisions of title I of Public Law 105 of the Eighty-first Congress. Title I of the act authorizes an appropriation of $40,000,000 for the acquisition of sites and preparation of plans for approximately 375 new projects and for the completion of the acquisition of sites for approximately 200 previously authorized building projects which were deferred because of the recent war. The amount contained in the bill is believed to be sufficient to carry on the program during this fiscal year."

HOUSE DOCUMENT 259

Title I, Public Law 105, authorizes the appropriation of $40,000,000 for the acquisition of sites and the preparation of plans and specifications for public buildings projects outside the District of Columbia.

Provision is made for preconstruction activities only with the intent of accumulating a shelf of projects which could be placed under construction at such time as the Congress may deem appropriate. Additional legislation will be required before any of the projects can be placed under construction.

It is contemplated that the $40,000,000 authorized will cover acquisition of sites and preparation of plans for approximately 375 new projects and will complete site acquisition and preparation of plans for approximately 200 previously authorized building projects which were deferred in 1940 in the interest of national defense.

The initial work on the program during 1950 will require an estimated $12,000,000 of which approximately three-fourths will be required for site purchase.

JUSTIFICATION

Title I of Public Law 105, approved June 16, 1949, entitled "Public Buildings Act of 1949," authorizes the appropriation of $40,000,000 for the acquisition of sites, for making investigations and studies, and for preparation of drawings and specifications for public-buildings projects outside the District of Columbia.

The act authorizes preconstruction activities only. It would provide a shelf of projects which could be placed under construction at such time as conditions may warrant and the Congress may deem appropriate. Additional legislation will be required before any of the projects can be placed under construction.

The last public-buildings program authorized by the Congress was approved on June 1, 1938. During World War II, and in the national defense period preceding it, construction was limited to the provision of buildings essential to the war effort. Consequently, except for a very few emergent projects, no public buildings have been constructed outside metropolitan Washington for almost 9 years. During this time the population of the country has increased approximately 11 percent and there has been considerable expansion in post-office functions, particularly with respect to parcel post. The Federal space problem has been aggravated further by extensive shifts of population. Conditions have also made it necessary to continue in use buildings that were obsolete long before the war although their operation and maintenance costs are disproportionately high.

When general public buildings construction was stopped in 1940, approximately 200 previously authorized projects were deferred in the interest of national defense. The act contemplates the completion of preconstruction work on these deferred projects and the acquisition of sites and preparation of drawings and specifications for approximately 375 new projects. Drawings and specifications for a new project cannot be developed until the site therefor has been acquired. Therefore, the initial work load for the fiscal year 1950 will involve the selection of sites followed, in turn, by the preparation of drawings and specifications in progressively increasing numbers as acquisition proceeds.

It is recommended that an appropriation of $12,000,000 be approved for the 1950 fiscal year to permit initiation of the program authorized by Public Law 105. Of this amount, it is estimated that $8,700,000 will be required for site acquisition and that $3,300,000 will be needed for the preparation of drawings and specifications.

Funds available for obligation

Appropriation or estimate	$12,000,000

OBLIGATIONS BY ACTIVITIES

1.	Site acquisition	$8,700,000
2.	Design	3,300,000
	Total obligations	12,000,000

OBLIGATIONS BY OBJECTS

02	Travel	$75,000
04	Communication services	3,000
06	Printing and reproduction	25,000
07	Other contractual services	2,932,000
	Services of other agencies	500,000
08	Supplies and materials	10,000
09	Equipment	30,000
10	Lands	8,425,000
	Total obligations	12,000,000

Mr. FERGUSON. If we have reached the point of legislating to furnish a site and a building in every congressional district, when some, I am sure, may require two buildings and some none, it indicates that all we are trying to do in Congress is to satisfy Members of Congress by providing public buildings in the respective districts.

Last year the Senate voted to try to save some expenditures. We did not build the Senate Office Building. I know, as other Senators know, that we need an office building, but we felt that the time had come when we could economize, at least upon that particular building.

Now, it is proposed to authorize the acquisition of sites. Once the sites are obtained, I cannot imagine any Congress stopping the erection of the buildings.

I am not saying that some of these buildings are not needed; but we should not enter into a wholesale program and determine that every congressional district must have a building. We should not say that every district must have something in the flood-control bill, and something in the reclamation bill. If we once establish that policy in Congress, there will be no limit to spending. I hope this item will not be placed back in the bill.

Mr. McKELLAR. Mr. President, if the Senator will read the language on page 25 of the committee sheets, he will find that this money is merely for the purpose of acquiring sites.

Mr. FERGUSON. That is exactly it; but once we acquire the sites, we must erect buildings. What is the use of the Government owning land and taking it off the tax rolls if we do not erect buildings?

Mr. McKELLAR. The Senator will recall that yesterday when we voted in committee I voted in favor of this provision, but I stand by the committee's action.

Mr. CAIN. Mr. President, I should like to suggest for the information of the Senate a point which has not previously been referred to, and that is that a public buildings site and acquisition planning bill was unanimously approved by the Senate in the Eightieth Congress. So far as I know—and I think I am correctly informed—the pending bill, to which we are addressing ourselves, is almost identical with the bill which had the unanimous support and approval of this body.

Mr. McKELLAR. The Senator is correct.

Mr. CAIN. Let me say to the Senator from Tennessee that I am interested in a remark made by the distinguished Senator from Michigan, who said that it seemed to him as though the bill were designed to provide at least one public building for each congressional district.

Unfortunately, but truly, the fact of the matter is that in every single congressional district in America there is a need for more than one public building of one kind or another. All of us on the Public Works Committee might wish that that were not the case, but because it is the case, and because we sought to anticipate the needs of the future, both Democrats and Republicans on the committee unanimously approved this legislation. We feel, as I know the chairman of the Appropriations Committee feels, that if we do not approve this legislation now by making available some appropriations, we are only delaying the day when a comparable bill to the one before us must be approved. A delay will mean much greater cost.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. FERGUSON. Mr. President, I think that certain language at the bottom of page 25 of the justification slip is very significant:

> Additional legislation will be required before any of the projects can be placed under construction.

Mr. CAIN. Mr. President, let me suggest that, if I understand the matter correctly, additional legislation, in terms of dollars to be appropriated, will be necessary, for these moneys are to be used only to acquire sites when they can be secured at a reasonable figure.

Mr. McKELLAR. That is correct.

Mr. CAIN. And for the designing of plans, against the day when perhaps we shall have what is known as a recession, or perhaps when we shall have more money to be made available for public buildings than is the case today.

Mr. McKELLAR. That is correct.

Mr. FERGUSON. Do I correctly understand the chairman of the committee to say now that buildings can be erected on any of these sites without further legislation?

Mr. McKELLAR. Oh, no; there must be legislation for the purpose. It depends on what we call "legislation."

Mr. FERGUSON. What does the Senator from Tennessee call "legislation"?

Mr. McKELLAR. There will have to be legislation authorizing it.

Mr. FERGUSON. But not appropriations made?

Mr. McKELLAR. And appropriations, too. Post offices cannot be built without appropriations.

Mr. CAIN. Mr. President, my understanding, as a member of the committee, is that after a site has been secured and after a plan for the building has been agreed upon and designed, it then will be necessary to authorize the construction of a specific item on a specific site. But it is obvious to all of us that no buildings can possibly be constructed anywhere until, first, a site has been secured and, second, a plan has been agreed upon.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 8, after line 9, to strike out certain language.

The amendment was rejected.

The VICE PRESIDENT. There is another committee amendment to be considered. It will be stated at this time.

The LEGISLATIVE CLERK. On page 22, in line 22, under the heading "Office of the Fourth Assistant Postmaster General," it is proposed to strike out "$5,000,000" and insert "$7,700,000."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

Mr. SALTONSTALL. Mr. President, I should like to ask a question of the chairman of the committee.

Mr. McKELLAR. Perhaps the amendment should be read first, if that is agreeable to the Senator from Massachusetts, or perhaps I should explain the amendment beforehand. As all of us recall, the House and the Senate have passed the bill and subsequently have adopted the conference report relating to the experimental wind tunnel, and that measure has been sent to the President. The committee has authorized me to offer this amendment, provided an estimate relative to that measure shall be submitted to us.

The estimate which has been received, instead of being in the authorized amount of $100,000,000, is in the amount of only $30,000,000, $6,000,000 of which is in cash and $24,000,000 is in contract authority. The committee has authorized me to offer the amendment, and it is a committee amendment. I now ask that the amendment be stated; and I add that the amendment is offered following the receipt of the budget estimate.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, after line 16, it is proposed to insert the following:

> For an additional amount, subject to the enactment of S. 1267, Eighty-first Congress, for "acquisition and construction of real property," to enable the Secretary of the Air Force, subject to the approval of the Secretary of Defense, to carry out the purposes of S. 1267, Eighty-first Congress, $6,000,000, to be available until expended, and in addition thereto, the Secretary of the Air Force is authorized to enter into contracts for the purposes of S. 1267, in an amount not to exceed $24,000,000.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SALTONSTALL. Is not this item included in the big appropriation bill which was passed?

Mr. McKELLAR. It was included in it, but the money has never actually been appropriated. This amendment is the appropriation for the item.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. WHERRY. Is not the amendment offered at this time for the reason that previously the budget estimate had not been received?

Mr. McKELLAR. Yes; but now a budget estimate in the amount of $30,000,000 has been received.

The VICE PRESIDENT. The question is on agreeing to the committee amendment, on page 17, after line 16.

The amendment was agreed to.

Mr. McKELLAR. That completes the committee amendments, Mr. President.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a further question?

Mr. McKELLAR. Certainly.

Mr. SALTONSTALL. The amendment which has just been adopted is the so-called wind-tunnel amendment, is it not?

Mr. McKELLAR. That is correct.

Mr. SALTONSTALL. On page 17 of the bill as printed is an amendment concerning radar screens. My question relates to radar screens, not to wind tunnels. Is this amendment now a part of the big appropriation bill?

Mr. McKELLAR. That amendment was put in the regular Military Establishment appropriation bill, and has been adopted. I shall move to strike out the language on page 17, between lines 17 and 24, both inclusive. I now so move, Mr. President.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHERRY. When the committee acted favorably on this amendment, it was with the understanding that if the wind-tunnel amendment were adopted as part of the military appropriation bill, this amendment would be stricken out. Is that not correct?

Mr. McKELLAR. Yes; it was with that understanding.

The VICE PRESIDENT. First, it will be necessary to reconsider the vote by which the committee amendment on page 17, in lines 17 to 24, was agreed to.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the vote by which that committee amendment was agreed to be reconsidered.

The VICE PRESIDENT. Is there objection? Without objection, the vote by which the amendment on page 17 was agreed to is reconsidered.

The question now is on agreeing to the committee amendment on page 17, in lines 17 to 24.

The amendment was rejected.

Mr. McKELLAR. I thank the Chair.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. McMAHON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, after line 22, it is proposed to insert:

STATE DEPARTMENT

For payment to the Government of Finland in settlement of claims arising out of the requisitioning of Finnish vessels by the United States, $5,500,000, together with interest thereon at 4 percent per annum from June 30, 1949, to the date of payment: *Provided*, That the funds made available by this paragraph shall be subject to the agreement of the Government of Finland that such payment shall constitute full satisfaction of obligations of the United States incident to the requisitioning of the following-named Finnish vessels in 1941 and 1942: *Aagot, Advance, Anja, Asta, Atlas II, Aurora, Delaware, Koura, Kurikka, Kuurtanes, Marisa Thorden, Olivia, Pandia, Saimaa,* and *Wipunen.*

Mr. McMAHON. Mr. President, the Foreign Relations Committee, through its chairman, the Senator from Texas [Mr. CONNALLY], authorized me to appear before the Appropriations Committee's subcommittee for the purpose of explaining why we had unanimously approved a joint resolution to pay the Finnish Government the sum of money set forth in the amendment, namely, $5,500,000.

After Pearl Harbor, there were 16 Finnish ships in our harbors. Under act of Congress, we seized those ships. The Government of Cuba seized one small ship, and later turned it over to us. Most of those ships were sunk during the war, in the service of the United States Government.

After the war ended, Finland signed a peace treaty with Russia and allied governments, the treaty providing that Finland would waive all claims of any kind on Russia or its allies. The United States refused to take advantage of that clause in the peace treaty, and specifically cabled the Finns, for whom we have a traditional affection, that we would not hide behind that clause of the treaty, but that we were open to negotiations leading to the settlement of their claim against us.

Those negotiations dragged on, until the Finns finally started suit in the Court of Claims for $12,000,000. Since the suit was begun, the claim has been settled by the Department of Justice for $5,500,000.

The Department of Justice and the State Department are very much in favor of this appropriation item.

Yesterday the Senate, during the call of the calendar, passed the authorizing joint resolution, which, as I have indicated, had been unanimously approved by the Foreign Relations Committee.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. McMAHON. I yield to the Senator from Arizona.

Mr. HAYDEN. But at the time when this matter was under consideration by the Senate Committee on Appropriations, either the Senate had not passed the joint resolution or the Appropriations Committee did not know the joint resolution had been passed, so there was no authority for the Appropriations Committee to provide at that time for this appropriation. It is my understanding that, under the rule, a measure authorizing this amount of money having been passed by the Senate, the amendment is now in order to the appropriations bill.

Mr. McMAHON. I thank the Senator.

I may add that the money appropriated under this amendment probably will in large measure come back to the United States Treasury in the form of interest and principal payments on the World War I debt which Finland owes the United States, that debt being the only First World War debt, as all of us know only too well, which is being discharged.

I would regard, and I think the other members of the Foreign Relations Committee, particularly the chairman, would regard, favorable action by the Senate on this amendment, as an excellent gesture of good will to a grand little country that in the past few years the Communists have been trying their best to shove down the well, but without success.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McMAHON. I yield to the Senator from Michigan.

Mr. FERGUSON. I should merely like to have the RECORD clear on this item. Is it true that the matter is now before the Court of Claims?

Mr. McMAHON. It is true. The Finns filed a suit for $12,000,000. But since that time a settlement has been negotiated by the Department of Justice, in the amount of $5,500,000.

Mr. FERGUSON. I merely want to read one sentence from the letter of the Assistant Attorney General, Mr. H. G. Morrison, the letter being dated October 7, 1949, and being addressed to the Secretary of State:

> In the event the congressional action should set aside the defense asserted, or to be asserted, by the United States in the litigation now pending in the Court of Claims, it is the Department's view that the sum proposed in settlement would not be in excess of the probable judgment of the Court of Claims.

What is the defense, or what are the defenses, under the treaty?

Mr. McMAHON. Does he speak specifically about the defense being under the treaty?

Mr. FERGUSON. Yes; in one other sentence, he does.

Mr. McMAHON. The defense under the treaty is, as I have indicated, that Finland waived her right to claim damages for any reason, when they signed the treaty, which Russia dictated. As I understand, the State Department, for reasons which I am sure are sufficiently obvious, sent a cable to the Government of Finland saying, "We do not intend to take advantage of this kind of business." That was done I believe because we rightfully assumed it had been done under great pressure, and we simply would not take advantage of it.

There is another defense. When we took the ships, they were subject, if they put to sea, to being captured by the British, or by one of the other belligerent nations, and therefore they had less value than, let us say, if they had been flying the flag of Argentina, a neutral, in which event they could have plied the seas without any trouble whatever. But, as I understand from the witnesses who testified before the Foreign Relations Committee, the Department of Justice has agreed on $5,500,000 as a fair settlement.

Mr. FERGUSON. Then, as I understand, the Senator indicates that cooperation under the treaty with Russia, the United States, Finland, and other countries, was at least obtained by coercion on the part of the Russian Government, and therefore we, in equity and good conscience, believed that this particular provision of the treaty should not be enforced or used as a defense in the Court of Claims. That is what it amounts to, is it not?

Mr. McMAHON. That is correct. I may say to the Senator, I think it is a perfect defense to this claim. But the State Department is specifically desirous of waiving the defense and of settling the claim on an equitable basis.

Mr. FERGUSON. So when Congress passes the appropriation, if it does pass it, we shall be saying in effect that, in equity and good conscience, we do not believe the provision of the treaty should

be enforced, and it is the same as repealing that provision of the treaty, is it not?

Mr. McMAHON. That is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I desire to ask the Senator from Connecticut another question. Is there a suit against the United States Government by the private owners of the vessels? If so, is there any assurance that, if we pay the money to the Government of Finland, the claim against the United States Government by the private shipowners will be liquidated or satisfied or withdrawn.

Mr. McMAHON. The Government of Finland has, I understand, taken an assignment of any rights the private owners may have. Of course we cannot be required to pay twice for the same ships. After all, let us assume that such an unlikely event should occur, that they should go ahead with their law suit. If that such occur, the Congress would not appropriate the money twice.

Mr. FERGUSON. In order that the record may be clear, it is the Senator's opinion, is it not, that when the settlement is made, the assignment should be examined so that we shall get a full satisfaction of all claims, whether it be on the part of the Government or on the part of the private shipowners?

Mr. McMAHON. It is my understanding we are paying for the ships. The ships are specifically named in the appropriation, and when they are paid for that ends it. They are only to be paid for once.

Mr. FERGUSON. I merely wanted to have the record clear, so that those who may pay over the money will obtain proper satisfaction from all parties concerned, and from anyone who may be in any way interested, in order that there may be a complete satisfaction.

Mr. McMAHON. That is correct.

Mr. BRIDGES. Mr. President, I send to the desk an amendment, and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, after line 4, it is proposed to add a new section, as follows:

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

Compensation of the Superintendents of the House and Senate Press and Radio Galleries shall be at the basic rates of $5,820 per annum and the Superintendents of the House and Senate Periodical Galleries at the basic rates of $4,500 per annum. Basic compensation of the assistants in each of the House and Senate Press and Radio Galleries shall be, one position at $4,500, one at $2,940, one at $2,940 and one at $2,100 per annum: *Provided*, That if there are only three assistants in a gallery, this does not authorize the employment of additional personnel at $2,100 per annum.

Mr. McKELLAR. Mr. President, the amendment offered by the Senator from New Hampshire did not come before the committee and was not passed on by the committee. I cannot speak for the committee on it, but so far as I am concerned personally I have no objection to it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

The VICE PRESIDENT. The bill is still open to amendment.

Mr. JOHNSON of Colorado. Mr. President, I desire to refer to a statement contained in the committee report, on page 7. It makes reference to lines 16, 17, 18, and 19 on page 22 of the bill. It pertains to money which is being paid for carrying the mail by air. I desire to read this part of the report, and then make some brief comments on it:

To the recipient air lines: The committee is of the opinion that the Civil Aeronautics Authority Act of 1938 should be amended so as to provide for the payment of this subsidy under its present designation and thus to relieve the Post Office Department from being required to carry the items as a part of its appropriation.

The committee intends to make a study of the administration of the subsidy provision of the Civil Aeronautics Act of 1938, as amended, with a view to recommending legislation which will divorce subsidy from legitimate air-mail transportation costs so that the true picture can be made available to the American people.

What I wanted to say to the chairman of the committee and to the members of the committee is this: The Senate Committee on Interstate and Foreign Commerce has been carrying on an investigation of this very subject for many months past. We have held long hearings. We are at the present time continuing our investigations and hope to have for the Senate an interim report on this very point when the Senate reconvenes. But what I wanted to suggest to the Senate is that whatever study is made of the subject—and I am glad the study is being made; I am glad the Appropriations Committee realizes the necessity for such study—I want the Appropriations Committee and my committee to operate so that we shall not plow the same ground twice and that there will be no duplication. We have made considerable progress in this whole matter, and we should like nothing better than to have the Appropriations Committee work with us. We have a considerable staff devoting all its time to this subject.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I shall yield first to the chairman of the Appropriations Committee, and then I shall yield to the Senator from Michigan.

Mr. McKELLAR. Mr. President, the committee has authorized the chairman to appoint a subcommittee to look into the question. Of course if the Committee on Interstate and Foreign Commerce has looked into it, makes a report, and the report is satisfactory, there will probably be no further action of any kind taken. But I assure the Senator from Colorado that the Appropriations Committee at all times will be delighted to cooperate in this matter, which is a vital matter. It should be looked into, and I am glad the Senator's committee is doing it.

Mr. JOHNSON of Colorado. I was sure the Senator's answer would be as he has made it.

I now yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I think a short explanation should be made concerning the matter. It involves approximately $61,000,000, and the Senator from Michigan feels that he should make an explanation on the floor to the able Senator who is chairman of the committee. More than a year ago, during the last session of Congress, the Appropriations Committee sent to the Committee on Expenditures in the Executive Departments an inquiry, and a suggestion that an investigation should be made of this very question. The Senator from Michigan at that time was chairman of a subcommittee. An investigation was started and a report was made to the Appropriations Committee, but the investigation has not been carried on.

The Senator from Michigan was not advised that the able Senator's committee was making its own investigation. I felt that the time had come when the Appropriations Committee should continue its own investigation, because the service is costing millions of dollars every year. A subsidy is given to an air line to cover any deficit in that air line's expenditures. In other words, no control is had of the air lines by the Congress or by the Federal Government, and if it should go into the red for any reason whatever—it may be extravagant in the purchase of land where its ticket offices are located; it may be extravagant in the serving of high-priced meals; it can use the money for any purpose, and after it is used, and it finds itself in the red and that it has been "deficit spending," Congress must appropriate money as a subsidy to pay off the deficit.

The Senator from Michigan felt that the time had come when something should be done. The investigating committee had not completed its work, and it was felt that the Appropriations Committee should continue.

So I hope the Appropriations Committee will cooperate and allow a continuation of the investigation at an early date. Something should be done, because this situation has been going on for many years under a blind subsidy from the Post Office Department to the air lines.

Mr. JOHNSON of Colorado. Mr. President, I should like to say that we shall have some very interesting and important information for the Appropriations Committee when we return in January. We have explored the subject at great length, and shall continue to do so. We shall have a report. If it is found necessary to do anything about the matter before Congress reconvenes, we hope that the Committee on Appropriations will let our committee work with it.

Mr. McKELLAR. I assure the Senator that that will be done. A subcommittee will probably not be appointed until January. We shall be glad to have the Senator's report and go over it carefully. I hope it will be so thorough and

so satisfactory in every way that we shall not have to go into the matter further.

Mr. JOHNSON of Colorado. I hope it will be that kind of a report.

I yield now to the Senator from North Dakota.

Mr. LANGER. Mr. President, frankly I am very much puzzled by the statements made by the distinguished senior Senator from Colorado. I hold in my hand a copy of the La Follette-Monroney Act. It provides that the Committee on Post Office and Civil Service shall have jurisdiction of the entire postal service, including the railway mail service, ocean mail, and the pneumatic tube service. In other words, it gives the Committee on Post Office and Civil Service full jurisdiction of everything pertaining to the Post Office Department.

We find in the bill appropriations for the field service, Office of the Postmaster General——

Mr. JOHNSON of Colorado. Just a moment——

Mr. LANGER. And for the Chief Inspector and for the Office of the Second Assistant Postmaster General——

Mr. JOHNSON of Colorado. If the Senator will wait a moment——

Mr. LANGER. The Senator from Colorado yielded. If he does not want to answer, that is all right. I was going to ask him how the Committee on Interstate and Foreign Commerce had any jurisdiction of those questions.

Mr. JOHNSON of Colorado. The committee has no jurisdiction of post office matters. It has jurisdiction of aviation matters. Under the law of 1938 the Post Office Department has been paying to air lines certain subsidies which have been mentioned. That is the only part of it in which the committee is interested. That is the only part of it which we are investigating. We are not investigating any of the items which the Senator has mentioned. We are not investigating any of the amounts involved in those offices for any purpose whatsoever. All we are doing is trying to find out about the operation of the air lines in the United States, and why it is that the Treasury has to pay out $125,000,000 a year to them. The amount is increasing rapidly. We want to know why it is that the airlines cannot operate without a subsidy, simply on a compensatory mail payment.

Mr. LANGER. Mr. President, will the Senator now yield for 2 minutes, without interrupting me?

Mr. JOHNSON of Colorado. Yes, I yield.

Mr. LANGER. When the entire question of air-mail postage came up it was referred to the Committee on Post Office and Civil Service. We spent days going over the matter to ascertain whether the rate should be raised or whether it should be lowered. All of a sudden we now find that the entire domestic air mail service, involving a sum of $22,564,000, is being considered by another committee.

We hear much about deficits. Yet, Mr. President, the Committee on Post Office and Civil Service has nothing to say as to how much shall be paid for space. It has nothing to say as to how much shall be set aside to be paid for air mail or air parcel post. Apparently there is a conflict somewhere in the jurisdiction of the committees. Certainly both committees cannot have jurisdiction of the same subject.

Mr. JOHNSON of Colorado. I do not think there is any conflict at all. If there is, we shall not have any difficulty with regard to it, because we want the Committee on Post Office and Civil Service to meet all its responsibilities. But the Committee on Interstate and Foreign Commerce does have a responsibility, so far as air lines are concerned. What we are trying to find out is how much of the postal pay is compensatory pay, how much of it is subsidy, and why.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. JOHNSON of Colorado. Yes.

Mr. LANGER. In the bill there is an additional amount for vehicle service, $7,700,000. By no stretch of the imagination can I possibly see how under the La Follette-Monroney Act, any other committee than the Committee on Post Office and Civil Service can have jurisdiction over that matter.

Mr. JOHNSON of Colorado. Mr. President, I agree completely with what the Senator has said.

Mr. WHERRY. Mr. President, in a colloquy in which the Senator from Michigan was engaged, I think with either the Senator from Colorado or the chairman of the committee, the question came up as to the total amount of the appropriations annually. I should like to give the figures for the RECORD.

In this bill, line 17, page 22, the additional amount is $15,692,000 for foreign air-mail service for the fiscal year 1950. The regular appropriation is already $45,308,000, which makes a total for the year of an even $61,000,000.

Referring now to page 22, line 19, domestic air mail service, the appropriation asked for in this bill, which we are about to allow, is $22,564,000. In the regular appropriation we allowed $41,753,000, making a total of $64,317,000, or a grand total for both services for the year 1950 of $125,317,000.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. Is it not possible that we will have to pay even a greater amount later, when the authorities audit their books and ascertain what their real loss might be for this particular year?

Mr. WHERRY. That is true. What I have read is the amount that it is contemplated might be lost, but it will grow.

Mr. President, I was a member of the subcommittee and the full committee which wrote the bill, and I supported the motion for an investigation by a subcommittee of the Committee on Appropriations. Since coming to the floor of the Senate and hearing the statement of the distinguished Senator from Colorado, that the Committee on Interstate and Foreign Commerce is working upon this matter, and also that the Post Office Department is investigating, I am not so sure that what we are asking will not be covered in those investigations, if they are made, and I understand they will be made. I think that will suffice for what the Committee on Appropriations wanted to learn. We are asked to make these blanket appropriations, and it is very difficult to justify something of this kind without getting more information than we have. So I wish to thank the distinguished Senator from Colorado for his statement relative to the investigation. I also desire to commend the chairman of the Committee on Appropriations. One thing I should like to stress is that I am in total agreement with the Senator from Michigan in saying that something should be done, and certainly if it is not done in January, and if it cannot be done in conjunction with the committee, before another appropriation is asked for, I hope if these other investigations are not concluded, we will have more information than we have had to justify the appropriation of this much money annually.

Mr. McKELLAR. Mr. President, under the conditions named, certainly the subcommittee will be appointed, and the investigation made. I think it was the unanimous feeling of all the members of the Committee on Appropriations that this matter needed investigation.

Mr. BRIDGES. Mr. President, I send an amendment to the desk and ask that it be stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 22, line 22, before the semicolon insert a colon and the following: "*Provided*, That in carrying out the purposes of this act the President shall seek joint action on the part of participating nations to obtain an immediate stoppage of dismantling and destruction of industrial plants within, and their removal from, the occupied areas of western Germany pending completion of the study undertaken pursuant to section 115f of Public Law 472, Eightieth Congress, as amended by Public Law 327, Eighty-first Congress."

Mr. McKELLAR. Mr. President, I ask the Vice President, Is that amendment in order on an appropriation bill?

The VICE PRESIDENT. If the Senator makes the point of order——

Mr. McKELLAR. I make the point of order. I do not think it should be put on this bill. We will have trouble with it if it is put on the bill this late in the session.

The VICE PRESIDENT. The Chair does not think it is in order on an appropriation bill, and therefore sustains the point of order.

Mr. BRIDGES. Mr. President, of course many things that are done here perhaps are not in order, and I think this amendment raises an issue which on this particular bill can well be discussed, and I should like to have consent to explain the amendment for about 2 minutes.

The VICE PRESIDENT. The Chair had no desire to cut the Senator off.

Mr. BRIDGES. I ask for 2 minutes to explain the amendment.

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. BRIDGES. Mr. President, when the ECA law was passed by Congress this year there was included in the bill a provision, agreed to by both Houses and signed by the President, which is now the law of the land, providing that a further study be made into the dis-

mantling problem. It was a compromise provision, which seemed finally to have the approval of both the House and the Senate in a bipartisan way.

The pending bill includes money for implementing the sending of arms to Europe, and the amendment I am offering merely authorizes the President to confer with the countries which are engaged in dismantling and taking things from Germany, to get an agreement to stop dismantling until the provisions of the ECA Act can be carried out.

We are appropriating over a billion dollars for aid abroad. We say we must build up a strong western Europe in order to withstand the ravages and the advances of communism in Europe. If we are to put up American money, as we have been doing, and to provide somewhat for the coordinated defense of western Europe, and I offer no apologies for it, because I supported it, whether it is for economic aid or, as in this case, military aid, because I think it is essential—I believe it is, to say the least, stupid and asinine to tear down the ability of one of the countries in western Europe to sustain itself, and to help take itself off the backs of the American taxpayers.

Mr. President, this amendment is merely an authorization to the President to secure the cooperation of the powers engaged in dismantling, to hold up on it until there is an opportunity to carry out the provisions of the ECA law.

I feel very strongly on this matter, and though a point of order has been raised, and it may do no good, I think we should have an opportunty to vote on it, and I appeal from the decision of the Chair.

The VICE PRESIDENT. The Chair has held that the amendment is legislation on an appropriation bill, and therefore not in order, and the question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. FERGUSON. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, I ask unanimous consent to withdraw the suggestion of the absence of a quorum, and that the order for the calling of the roll may be rescinded, so that we may have a division on the pending question.

The VICE PRESIDENT. Without objection, the procedings under the quorum call will be vacated.

Mr. WHERRY. I call for a division on the appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the decision of the Chair stand as the judgment of the Senate? A division has been called for.

On a division the ruling of the Chair was sustained.

The VICE PRESIDENT. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6427) was read the third time, and passed.

Mr. MCKELLAR. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MCKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

The VICE PRESIDENT. The Senator from Oregon [Mr. MORSE] still has the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LUCAS. I ask unanimous consent that the Senator from Oregon may yield the floor for the presentation of conference reports, with the understanding that he may resume the floor when the conference reports are disposed of.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MORSE. I appreciate that request on the part of the Senator from Illinois.

RURAL TELEPHONES—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a conference report on the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read.

(For conference report, see p. 14943 of House proceedings for October 18, 1949.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

AMENDMENT OF FEDERAL FARM LOAN ACT

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. HOLLAND. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. HOLLAND, Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HICKENLOOPER, and Mr. THYE conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1284. An act to amend section 6 of the Federal Airport Act; and

S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; and

H. R. 5184. An act to prove contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings; and

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public-improvement bonds.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 2386. An act to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.; and

H. R. 2736. An act to confer civil and criminal jurisdiction on the State of Wisconsin in certain cases involving Indians; to the Committee on Interior and Insular Affairs.

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II;

to the Committee on Post Office and Civil Service.

H. R. 6301. An act to provide for parity in awards of disability compensation; to the Committee on Finance.

H. R. 5361. An act for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy; to the Committee on Armed Services.

INTERNATIONAL WHEAT AGREEMENT—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a conference report on the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The conference report was read.

(For conference report, see today's House proceedings on pp. 14946–14947.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, may we have an explanation of the report? On what points did the conferees agree?

Mr. JOHNSTON of South Carolina. The House language provided for a penalty of three times the value of the cargo. The Senate amended that language and made the penalty the actual value of the cargo. The conferees agreed that the penalty should be twice the value of the cargo. Also the conferees inserted the word "willful" so the provision was that the act must be a willful one. That was one of the main points of agreement.

Mr. BRIDGES. There were no other major agreements?

Mr. JOHNSTON of South Carolina. Two or three very minor agreements were entered into.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF FAIR LABOR STANDARDS ACT—CONFERENCE REPORT

Mr. PEPPER. Mr. President, I submit a conference report on the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The report was read.

(For conference report, see pp. 14925–14928 of House proceedings for October 18, 1949.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the report.

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a summary in detail of the provisions of the bill to provide for the amendment of the Fair Labor Standards Act of 1938, as amended, agreed to in conference. The conference agreement adopts the approach of the Senate amendment, amending only certain sections of the act, rather than of the House bill, which would have reenacted the entire statute, as amended.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PEPPER. Mr. President, I also call attention at this time to the language in the conference report, at the bottom of page 16, beginning with the last new paragraph on that bill, and concluding with the words, just before the heading "Industry Committees for Puerto Rico and the Virgin Islands" on page 17, as follows:

It is the unanimous opinion of the committee of conference that the duties of the Solicitor of Labor are of such a nature that his position should receive the highest possible rate of compensation under the new legislation revising the Classification Act (H. R. 5931).

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BRIDGES. Was an amendment agreed to in conference which would exclude labor employed in woods and forestry operations, including pulpwood?

Mr. PEPPER. Yes. I will say that if the employer has less than 12 employees then those employees engaged in the cutting of the timber and the transportation of the logs either to the mill or to the terminus for transportation, are exempt from both the minimum-wage provision and the maximum-hours provision of the bill. That would include pulp operations in the woods.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FERGUSON. I did not catch what it was the Senator offered for the RECORD. Before I could get on my feet it was ordered to be printed in the RECORD.

Mr. PEPPER. It was a statement about the history of the various provisions of the law.

Mr. FERGUSON. Is it intended that that should become such a part of the record as to be considered by a court in interpreting the language of the law?

Mr. PEPPER. The House managers inserted some language in the report, and this was put in to reflect the general point of view of the Senate committee upon the historical background of the legislation.

Mr. FERGUSON. It is not a personal statement from the Senator from Florida?

Mr. PEPPER. It is a statement of the Senator from Florida, but conformable to the views of the Senate conferees, and prepared by the staff of the Senate committee.

Mr. FERGUSON. Should it not be laid before the Senate now?

Mr. PEPPER. I shall be very glad to do so. It is a rather lengthy document. The committee felt that there should be some sort of legislative background of the various provisions, especially because the House conferees incorporated their own views on the subject.

Mr. FERGUSON. Have all the Senate conferees agreed to this statement? Have they agreed that it should be in the language in which it is? It might be used by the court as a means of interpreting a section of the law which might be ambiguous.

Mr. PEPPER. The language was prepared for presentation, reflecting the views of the Senate conferees and those participating on behalf of the Senate, by Mr. Shroyer, on behalf of the Senator from Ohio [Mr. TAFT], and Mr. Lazarus, the committee clerk, and others who have participated all along in the reflection of the views of the members of the Senate committee on this subject.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. I should like to ask the Senator from Florida what the conference report does concerning the fishing industry?

Mr. PEPPER. In respect to the fishing industry, the language of the House bill was admittedly ambiguous. It applied the minimum-wage provisions, but did not apply the overtime provisions of the law to fishing. Finally, after this matter was considered for quite a while in conference, what the conferees agreed upon was to apply the minimum-wage provisions of the law to employees engaged in the canning of sea-food products or aquatic life, but to exempt such employees from the overtime provisions of the law.

Mr. SALTONSTALL. What about the processors of fish?

Mr. PEPPER. The processing of fish is not made subject to coverage. It is only the canning of fish to which the legislation applies. All other fishery employees or sea-food processing employees are exempt, as the present law exempts them. We extend the present law only with respect to the canning of sea-food products, and that only as to the minimum-wage provisions, and not as to the overtime provisions.

Mr. SALTONSTALL. As I understood, the House language included the processing of fish, but the Senate version did not.

Mr. PEPPER. It did not.

Mr. SALTONSTALL. So the conferees eliminated it.

Mr. PEPPER. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I do not think we should rush these conference reports through unless Senators have an opportunity to interrogate Members who are presenting them. I am not a member of the Committee on Labor and Public Welfare, but I think I have a general knowledge of what the Senate did. I have been a member of committees which have written reports in conferences. We have always felt that a conference report had considerable bearing on the interpretation of the law. The Senator from Michigan raised several questions which

I would have asked relative to the conference report, and I do not care to go over that ground. However, I heard the Senator from Florida state that Mr. Shroyer, I believe, represented the Senate conferees in the conference with the managers on the part of the House, and that he agreed with the House managers to the statement which the Senator from Florida asked unanimous consent to place in the RECORD.

Mr. PEPPER. I find now, by reference to the counsel of the committee, Mr. Lazarus, that I was unintentionally in error in my statement that Mr. Shroyer had participated in the drafting of the report.

Mr. WHERRY. In order to shorten it, let me say that I do not doubt the Senator's statement at all. However, in the absence of the Senator from Ohio [Mr. TAFT], whom the Senator from Florida mentioned, I feel that we should have a little time to examine the statement which the Senator had printed in the RECORD. I do not want to ask the Senate to listen to the reading of it if it is a long statement. Would the Senator object to reconsideration of the action taken by the Senate in ordering the statement to be printed in the RECORD, so as to permit us to examine the statement, resubmitting it at a later date? I am speaking now only of the statement which accompanied the report.

Mr. PEPPER. So far as the Senator from Florida is concerned, the Senator from Nebraska is at liberty to examine the statement in any detail he wishes. To state the matter fully, it was felt by the Senate staff that the House conferees, in writing a certain section of the language applicable only to the House conferees, had not given the background of the various sections in the way the Senate conferees understood it. It was felt that the point of view which has generally prevailed in the Senate committee should also be a part of the record, rather than that we should go back and quarrel with the House conferees. We did not feel like intervening in the writing of their report. Two of our staff members sat in, but it was pretty generally understood that the House Members wanted to write the language in their own way. Our staff felt that it was only proper that the record should contain the general point of view and the historical background on the basis of which the Senate committee dealt with this question. Rather than go back and ask the House conferees to change their language, we merely submitted for consideration the general point of view of Senators on the subject.

Mr. WHERRY. Mr. President, I ask unanimous consent that that part of the action which the Senate took in granting unanimous consent to the Senator from Florida to insert this statement in the RECORD along with the conference report be rescinded, so that Senators may be given ample time to study the statement. Overnight is sufficient time for me. Then if the Senator will renew his request after members of the Committee on Labor and Public Welfare have had an opportunity to examine it, I think there will be no trouble about it.

Mr. PEPPER. Very well.

Mr. WHERRY. I do not think there will be any difficulty about it at all, but I should like very much to have that privilege, because I believe that the statement of the historical background might be used by the court in interpreting the law itself. If it is, I think we should have the opportunity to look it over.

The VICE PRESIDENT. Is there objection to the withholding of the material referred to?

Mr. PEPPER. Mr. President, reserving the right to object, I understand that the Senator from Nebraska limits his request to the material which I obtained unanimous consent to have printed in the RECORD, and does not include consideration of the conference report itself.

Mr. WHERRY. That is correct.

Mr. PEPPER. I readily join in the request.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska [Mr. WHERRY]. The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, I am sorry that I was not in the Chamber when the Senator from Florida explained the amendment regarding logging and forestry products.

Mr. PEPPER. If I may, I will explain it again.

Mr. MAGNUSON. I have read the report. I should like to have the Senator from Florida correct me if I am not correct in my understanding that the bill represents a modified version, as between the House and Senate, and that the bill now exempts those who are engaged in purely logging operations in the woods. I understand that operators employing not more than 12 workers engaged only in hauling the logs and doing the work in the woods are exempted.

Mr. PEPPER. That is correct. Cutting the logs in the woods and transporting the logs from the place where they are cut to the mill, or to the terminus for transportation, are exempted. Basically we accepted the House language, except that we eliminated sawmills, which are engaged in processing, and we included pulp operations, which had not been included in the House language. So when the employer has fewer than 12 employees, the work of the employees in the woods, in cutting and hauling the logs intended for pulp mills, is exempted from both the minimum-wage and the maximum-hours provisions of the law.

Mr. MAGNUSON. I still do not agree with that, but I wanted to be perfectly clear.

Mr. PEPPER. We did the best we could in the conference.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FULBRIGHT. I wish to ask one question on the last point discussed. The usual practice is that the same crew is engaged in logging for a sufficient time to get a yard of logs, and then they come in and manufacture them. How would the law apply to them?

Mr. PEPPER. The employment which would be exempt under the conference report is only the woods part of the employment. The exemption would not apply when the worker was engaged in cutting the logs in the sawmill, or in the processing of the logs into pulp in the pulp mill.

Mr. FULBRIGHT. Let me ask one other question, if the Senator will yield: What did the conference committee do with regard to the exemption of cotton gins and warehouses and compresses, which amendment was offered by the Senator from Mississippi [Mr. STENNIS], I believe, and was adopted by the Senate?

Mr. PEPPER. On that matter, essentially, the Senate conferees receded at the insistence of the House conferees, and the Senate amendment was deleted by the conferees, leaving the law as it is today—in other words, as the Wage-Hour Administrator says, in the case of cotton gins exempting about 90 percent of the cotton gins which are in the area of production. In other words, the processing of agricultural commodities which occurs within the area of production is at the present time exempt from the minimum-wage and maximum-hours provisions of the law.

The matter of the area of production is a very difficult one. It has been difficult of administration. The first definition laid down by the Wage and Hour Administrator was eliminated by the courts. Definitions which were subsequently devised have not, themselves, been altogether satisfactory.

There has been a general desire, both by those who favor the extension of this law and by those who did not favor the law at all, to have the definition modified and improved. I think it is the consensus of opinion of the conferees that they hope the Wage and Hour Administrator will constantly endeavor to improve the definition of "area of production," and, especially in the case of cotton, that he will apply it as liberally as possible.

Mr. FULBRIGHT. In regard to this matter, did the conferees make any statement relative to what the Wage and Hour Administrator should do?

Mr. PEPPER. What I have just stated was the general opinion. I do not recall any express statement to that effect; but it was the general opinion in the conference that that should be done.

Mr. FULBRIGHT. Did the conferees also leave out the amendment of the House of Representatives which provided that the Secretary of Agriculture should define the "area of production"?

Mr. PEPPER. The House conferees receded from that provision, for it was felt by the entire conference, after consideration, that it would be better to have the administration of the "area of production" provision in the Wage and Hour Administration, where it has been, rather than to divide the authority in this field between the Wage and Hour Administration, under the Secretary of Labor, and the Secretary of Agriculture. We were influenced in that decision by a letter communicated to both the Senate and the House committees by the Secretary of Agriculture, saying that he did not think it would be appropriate for him to have the jurisdiction, that he did not welcome it, and that he had collaborated with, and would continue to collaborate with, the Secretary of Labor in working out this matter.

Mr. FULBRIGHT. Does not the Senator think it significant that both Houses took action designed to change the present method, and indicating that a change was desired by both Houses, but that they approached it from a different angle, one amendment showing dissatisfaction on the part of the House with the present arrangement, and the other—the Senate amendment—specifically giving exemption to those in counties where cotton is produced. For example, in the largest cotton-producing county in the United States, namely, Mississippi County, Ark., which is the most prolific cotton-producing county, among those of comparable area, the town of Blytheville is not exempt. As the Senator from Florida knows, any warehouse in a town having a population of more than 2,500 persons is not exempt. So warehouses in that town are not exempt.

So the act which the court has not held invalid has not brought about an exemption in the case of that particular industry.

It seems to me now that the conferees have acted, something more definite should be said on the part of the managers for the Senate, so as to direct, so far as they can do so, the Wage and Hour Administrator to do something in this field, since both Houses of Congress have evidenced dissatisfaction with what is being done.

As a matter of fact, this item just misses being subject to a point of order, because the two Houses approached it in a somewhat different way, and the amendments are not to the same section of the bill.

Mr. PEPPER. I am glad the Senator has clearly used the word "miss" there, because it is a very clear miss.

Mr. FULBRIGHT. Yes; it just misses.

Mr. PEPPER. The House had done nothing with respect to the matter in which the Senate is now interested, namely, cotton gins and compresses, as regards an exemption. The Senate did adopt an amendment providing an exemption for those operations. The House had agreed to a general administrative provision to the effect that the Secretary of Agriculture, instead of the Secretary of Labor or the Wage-Hour Administrator, should administer the area of production; but there was no mention of area of production in the Senate amendment, as I recall. So the two amendments were not the same at all.

Mr. FULBRIGHT. The Senator from Florida may not be acquainted with this matter; but an amendment similar to the one adopted in the House was prepared—and I joined in it; and the junior Senator from Mississippi was to offer it, and I was the cosponsor of it. After the bill came here, an amendment was offered and adopted in the Senate, and we, thinking of course that that amendment would receive favorable attention by the conferees, did not press the other amendment. But the objective of both amendments is exactly the same. The House amendment was designed to achieve the same purpose, namely, to get a reasonable definition of "area of production," which would have some application to this industry. That was the whole reason for the amendment. I think the Senator will find in the legislative history that those interested in cotton were the ones who then supported the House amendment.

So the real objective of both amendments was the same; but the two amendments were offered as two different methods of achieving it.

Mr. PEPPER. Mr. President, I am quite sympathetic with the Senator from Arkansas and with other Senators who share his view about the "area of production" definition and about having it gradually improved in the course of administration. I think all of us are sympathetic in that connection, as regards having that done. But obviously we shall have to struggle with that in the years ahead, and shall have to struggle with the question of whether we shall allow the "area of production" provision at all, or whether it will be withdrawn totally, or whether the "area of production" will be exempt.

But the fact that there have been so few suits questioning the rules that have been adopted in recent years, as contrasted with the situation in former years, indicates that progress is being made. We hope they will continue to improve the definition.

Mr. FULBRIGHT. Mr. President, I am sorry the conferees did not accept the Senate amendment. The Senate adopted it, of course.

Mr. PEPPER. The Senate did adopt it; but when we got into conference, those interested in other agricultural commodities felt that those commodities were being discriminated against; and the House conferees would not agree to this item.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

Pursuant to an unanimous-consent agreement of October 19 the following discussion and statements were ordered to be printed at this point in the RECORD:

Mr. PEPPER. Mr. President, it will be recalled that at the time I presented the conference report on the Fair Labor Standards bill I submitted some material which would be considered as showing something of the understanding of the Senate conferees about what was included in the conference report. It was requested that the document presented be withdrawn until an opportunity could be had for its examination by some who were not fully satisfied about it. That was, of course, done with my cheerful concurrence.

Now I reoffer the statement, not on behalf of all the conferees, because two of the conferees will speak for themselves if they care to do so, or through their representatives, or through their chosen spokesmen. I offer the statement, which I now again tender on behalf of three of the Senate conferees, being a majority of the Senate conferees, who were the principal sponsors of the bill, and who were active in the conference, namely, the chairman of the Committee on Labor and Public Welfare, the distinguished Senator from Utah [Mr. THOMAS], the ranking Democratic member of the committee in the conference, the eminent Senator from Montana [Mr. MURRAY], and the senior Senator from Florida, who was also one of the sponsors of the bill, and was chairman of the subcommittee which handled the legislation in the committee.

Let it be clearly understood that the statement only expresses the views of the named three Senators as to what is the meaning of the language adopted by the conference. I say that that is done only because the RECORD contains no statement on behalf of the Senate conferees, whereas the House conferees submitted a rather lengthy statement on the part of the House Members.

The majority of the Senate conferees thought it only appropriate that their views as Senate conferees should also appear in the RECORD. I ask that the statement be received, and that it appear in the permanent RECORD, immediately following the adoption of the conference report by the Senate.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Reserving the right to object, I will say that it was the majority leader, the junior Senator from Nebraska, who objected to the inclusion of the statement which the distinguished Senator from Florida told the Senate gave the historical background upon which, according to the contention of the junior Senator from Nebraska, an interpretation might be made. It was offered in behalf of the Senate conferees.

I am not a member of the Committee on Labor and Public Welfare. There is present the senior Senator from Missouri [Mr. DONNELL], who will speak for himself in a moment. I do not wish to object to this statement, but in view of the fact that Mr. Shroyer, who the Senator from Florida suggested, was acting for one member of the committee, has given his approval, I want the RECORD to show that Mr. Shroyer has examined the report, and I now have been asked to object to the report if it is offered in any way on behalf of the Senate conferees with any idea that it is the sense of the Senate conferees that the statement is to be used as a basis for interpreting the law, based upon the historical background.

I am not objecting if the statement is being offered as an individual statement by the Senator from Florida, the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. MURRAY]. If that is the offer that is being made, and the statement is not to be controlling so far as the interpretation is concerned, and if it is not to be regarded as a report of conferees, then I think there is no harm in receiving it. In other words, I shall not object if, as I understand, the senior Senator from Florida offers it only as a statement of individual Senators. If that is all it amounts to, I see no objection to it. Certainly they would have a right to file such a statement at any time.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. Mr. President——

Mr. WHERRY. Just a moment. I have not finished. Let me conclude.

I do not want to grant unanimous consent if the statement is offered for any other purpose on the part of the Senate conferees, or with the idea that it is to be

a guide for those who may later interpret the act. If it is offered on the basis of being merely a statement by individual Senators, I shall not object.

Mr. PEPPER. Mr. President, I would not want to deceive the Senator. I should like an opportunity to make a statement in that connection.

Mr. MORSE. Mr. President, I should also like to make a statement.

Mr. PEPPER. If the Senator will bear with me a moment, I shall be glad to yield to the Senator from Oregon.

The Senator from Missouri [Mr. DONNELL] has already informed me that he is prepared to offer to the Senate a statement on behalf of the Senator from Ohio [Mr. TAFT]. A moment ago I stated that the Senator from Ohio and the Senator from Vermont [Mr. AIKEN], who was the other conferee, would speak, if they chose to do so, through their chosen spokesman. I did not purport to speak on behalf of anyone except the Senator from Utah, the Senator from Montana, and the Senator from Florida. Those individuals do constitute a majority of the Senate conferees. I wish to make it very clear—I do not want to sail under false colors—that we feel that the Senate conferees have the right to express their views as to what is the meaning of the legislation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Florida. I think the remarks of the Senator from Nebraska raise a very undesirable precedent on the floor of the Senate. We are dealing here with a conference report. We are dealing with the remarks, the opinions, and the views of the majority of the Senate conferees set out in their report on the bill as it came out of conference. As a matter of legislative history, those views may become of great importance in the future interpretation of the law by the courts of the land.

I wish to say to my friend from Nebraska that I am not at all interested in whether or not the views of a majority of the Senate conferees on any bill are acceptable to or are agreed to by any staff member of any committee of the Senate. Mr. Shroyer may be acting for the Senator from Ohio [Mr. TAFT] but he cannot act for the Senator when it comes to having his views bind the Senate when this conference report prepared by a majority of the Senate conferees at the time that the Senate accepts the report of interpretation as it is now submitted by the Senator from Florida [Mr. PEPPER]. I am not interested in what Mr. Shroyer's views are with respect to this report. I am interested in what the majority of the Senate conferees say about the minimum wage bill in their report on it.

Mr. WHERRY. Mr. President——

Mr. MORSE. I will not yield at this point.

I wish to say to the Senator from Florida that when a majority of the Senate conferees make a report as to their views with respect to a bill which is being reported by the conferees, that report should stand on its own footing. I hope the time will never come when the leader on the Republican side of the aisle raises objection to a unanimous consent request for the filing of such a report, after it has been made available to Senators, as the Senator from Florida has made it available, and once an opportunity has been given to examine the report. It is the report of the majority of the conferees. It is not the report of the individual conferees.

I consider it quite improper to lay down any such condition as is being laid down in regard to permitting the Senator from Florida to file the report of the conferees. Any attempt to require that this report be filed as the individual views of the Senate and not as a report of the Senate conferees would be a bad precedent. Particularly do I object to having the opinion of some staff member presented here as being of any influence in determining the legal implications and interpretations of the bill. Therefore, if the Senator from Nebraska is not willing to give unanimous consent to have this report filed, as the report of the majority of the Senate conferees, I shall move that it be filed.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I gladly yield to the Senator from Nebraska.

Mr. WHERRY. I am not sure that the distinguished Senator from Oregon was in the Chamber when the request was made.

Mr. MORSE. I was present.

Mr. WHERRY. My understanding from the senior Senator from Florida was that he had contacted Mr. Shroyer. That is how his name entered into the discussion. I also understand that Mr. Shroyer, speaking for the Senator from Ohio [Mr. TAFT], was agreeable to the report. Is that correct?

Mr. PEPPER. The Senator is correct, in that I first mentioned the name of Mr. Shroyer. I stated that I had been advised by the staff members that Mr. Shroyer had collaborated in the preparation of the report, and was in agreement with what it contained. Later my attention was called to the fact that Mr. Shroyer had not participated in the preparation of the report, and therefore could not be said to have concurred in it. Then I stated on the floor that I was in error in the information which I received, and concurred in the request of the Senator from Nebraska that the report be withdrawn to allow time and opportunity for Senators to examine it.

Last evening, and again this morning, Mr. Shroyer did go over the report with members of the staff. I do not wish to make a statement on behalf of Mr. Shroyer, or on behalf of his principal, the Senator from Ohio [Mr. TAFT]. There was what I would term a "small difference" as to one limited segment of the report, and attention will be called to that by the Senator from Missouri [Mr. DONNELL] speaking on behalf of the Senator from Ohio. He will express his views with respect to a certain portion of the report.

When the courts and the Administrator subsequently come to consider this subject, they will have the CONGRESSIONAL RECORD in the Senate and in the House. They will have the statement of the House managers. They will have the statement of the majority of the Senate conferees; and they will have the individual statement of the Senator from Ohio, to the extent he desires to offer it. If the Senator from Vermont [Mr. AIKEN] cares to make any statement, that will be available. All of it, taken together, will constitute part of the historical background of the legislation.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I deeply appreciate the explanation of the Senator from Florida. That clarifies completely the statement which was made about the staff member.

I am not laying down any such requirement as is alleged by the junior Senator from Oregon. In view of the last statement made by the Senator from Florida, that this statement will go in the RECORD as a statement of the majority of the conferees, I have no objection to it on that ground. I do not care whether it is the statement of three conferees or five.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McFARLAND. These statements were not read or presented before the conference report was adopted, were they?

Mr. PEPPER. They were submitted after the conference report was adopted.

Mr. McFARLAND. So they could not be considered as having been adopted by the Senate as an interpretation of the conference report. Therefore I do not see why there should be any objection to three Senators, five Senators, or any other number of Senators, filing their views as to the meaning of this legislation, because it is definitely clear that the statement is not adopted by the Senate as its interpretation.

Mr. PEPPER. Just as the statement of the managers of the conference on the part of the House shows their opinion, this would show the opinion of the majority of the conferees on the part of the Senate.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. Does the Senator from Florida agree with me as a lawyer that, nevertheless, the filing of this report by a majority of conferees will be of value so far as the legislative history of the bill is concerned when the courts come to interpret any dispute which may arise as to any alleged ambiguity within the law?

Mr. PEPPER. The courts, in the interpretation of legislation, take into account the entire historical background, and the surroundings of the enactment of the legislation.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. PEPPER. I yield to the Senator from California.

Mr. KNOWLAND. I think it should be made clear that there is some difference—and I think the Senator from Florida will agree with me—between a statement of the House managers or the

Senate conferees which is printed in advance, and which is available to Members of the House or the Senate before they vote on the acceptance of the conference report, and a statement which is filed, as the Senator from Arizona has pointed out, after the Senate has acted, which Senators obviously could not have taken into consideration in determining whether or not they should vote for the conference report. In the normal course of procedure the statement of the conferees, if printed, would be available to each Member of the Senate and the House prior to action.

This is a statement which was brought in, obviously, after the Senate had already acted on the conference report; and therefore the statement could not in any degree have influenced the Senate in its decision on the conference report.

Mr. PEPPER. Mr. President, there may be a distinction in degree such as that which has been indicated by the Senator from California; but I doubt whether the Members of the Senate came any nearer reading what the managers on the part of the House said than they did in respect to reading this statement. An effort has been made to have this read, and no doubt others have read it.

The only value either one has is the value which we may ascribe to what the author of an instrument says was in his mind when he wrote it.

Since the House conferees stated what was in their minds when they agreed to the conference report, the Senators I have named thought it only appropriate that what was in their minds when they agreed to the conference report should be made manifest. That is the only point I make in connection with this matter.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. The Senator from Florida has referred to what he considers a distinction in degree between what is now being tendered to the Senate and what was presented by the managers of the conferees on the part of the House prior to the taking of action by the Senate on the conference report. I am not at all prepared to agree that this is merely a distinction in degree. It appears to me that there may be, and doubtless is, a very substantial difference in the actual legal effect of the two documents, and not merely a distinction in degree. To my mind, the Senator from California has very clearly indicated the probable legal difference between the two documents.

However, it appears to me that we are not called upon, here on the floor of the Senate, this evening, to undertake to define whether the statement now presented to us shall be considered the legislative history of the conference report. That will be determined later on, doubtless, if occasion arises, by the appropriate tribunal, perhaps by a court which might pass upon that matter. Personally, I have no objection to having the Senate receive the statement the Senator from Florida has presented. Of course, its legal effect will be a matter for subsequent determination.

The fact is, as I see it, simply that the Senator from Florida, in behalf of himself, the Senator from Utah, and the Senator from Montana, has presented a certain statement, and has asked that it be received by the Senate.

Mr. PEPPER. That is correct.

Mr. DONNELL. Personally, I have no objection to having that done; but I wish to make it as clear as I can that I am making no concession or admission or statement as to whether the legal effect of that document is merely one which differs by some distinction in degree from the legal effect of the document the House conferees had presented.

Mr. President, reference has been made by the Senator from Florida to the attitude of the senior Senator from Ohio [Mr. TAFT] with respect to this matter. While I take it that the Senate has not yet accepted the document presented by the Senator from Florida, I shall proceed, in what I shall say—which will be very brief, I promise—upon the theory that it is accepted; and it may be that as a matter of formally making the record, I shall wish to repeat these two sentences after the Senate has acted upon the request.

I hold in my hand a typewritten statement on behalf of the senior Senator from Ohio [Mr. TAFT]. This typewritten statement reads as follows:

> I cannot agree with the "Summary in Detail of the Provisions of the Bill 'To provide for the amendment of the Fair Labor Standards Act of 1938'," as placed in the RECORD by Senator PEPPER. I do not believe that its treatment of the provision defining the term "produced", the provisions placing reasonable safeguards upon the authority of the Administrator to sue for the collection of back pay, and certain sections of the provisions defining the retail and service exemption constitute an accurate statement of the intent of the conferees or the legal effect of the words of the amendments.

Mr. President, I have read that typewritten statement in behalf of the senior Senator from Ohio. I think that is all I care to say at the moment.

Mr. PEPPER. Mr. President, I ask unanimous consent that immediately following the statement I have asked to have incorporated in the RECORD, there appear the statement of the able Senator from Ohio [Mr. TAFT], which has just been read by the Senator from Missouri [Mr. DONNELL]. I make that request as a modification of my original request.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I shall not object to the additional request just made, in view of the situation as it now presents itself; and I shall not object to the request for printing in the RECORD the statement submitted by the Senator from Florida. In all fairness to the Senator from Florida, I think the statement should be placed at the point suggested. I should like to ask whether the Senator will permit a unanimous-consent request to be made, as follows: That if the Senator from Ohio wishes to extend his remarks at this point in the RECORD, he may do so before the permanent RECORD for this session is printed.

Mr. PEPPER. Certainly; Mr. President, I modify my request accordingly, so that if the Senator from Ohio desires to modify or extend his statement, it shall appear in the permanent RECORD immediately following the statement I am offering in behalf of the majority Senate conferees; and, furthermore, if the Senator from Vermont [Mr. AIKEN] wishes to file a statement expressing his views, I also modify my request to include a request that such statement by the Senator from Vermont appear in the permanent RECORD following the statement of the Senator from Ohio, which will immediately follow the one which I hope will appear on my behalf, as I have presented it this evening.

Mr. DONNELL. Mr. President, if the Senator will yield, let me say that in fairness to the Senator from Florida and to the other two Senators mentioned, I think I should have stated that the statement I have referred to has been presented by the Senator from Florida, the Senator from Utah, and the Senator from Montana; and also I think that I should state this fact—which I omitted to mention, but which does appear—namely, that the Senator from Florida, the Senator from Utah, and the Senator from Montana are conferees on the part of the Senate in connection with this measure.

Mr. PEPPER. The principal sponsors in the Senate of this legislation.

Mr. DONNELL. Mr. President, I am not prepared to say whether the word "principal" is proper or is not proper; but they were sponsors of it; and the facts will speak for themselves.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Arizona.

Mr. McFARLAND. In order that the RECORD may be correct, I think this discussion should appear immediately after and along with the filing of the statement.

Mr. PEPPER. I thank the Senator; and, Mr. President, I modify my original request by asking that the entire discussion, when concluded, likewise appear at the conclusion of the adoption of the conference report on yesterday.

The VICE PRESIDENT. Is there objection to the modified request of the Senator from Florida?

Mr. MORSE. Mr. President, reserving the right to object, I wish to ask several questions, if the Senator from Florida will yield to me.

Mr. PEPPER. I yield.

Mr. MORSE. First of all, is this report, on behalf of three Senators who are filing it, who were the majority Senate conferees on this bill, being filed by those three Senators jointly in their capacity as Senate conferees on this bill? That is my question.

Mr. DONNELL. Mr. President, will the Senator yield at this point, before response is made by him to that question?

Mr. PEPPER. I am glad to yield.

Mr. DONNELL. I should like to state that I am not conceding at all that these Senators are still conferees. The conference report has been acted upon, and I am not at all certain that their legal status at this moment is that of conferees. They were conferees, and that is

what I stated. I inadvertently used the word "are" a few moments ago, but they were conferees, and they were three conferees out of five, as I understand the situation.

Mr. PEPPER. Mr. President, I thank the able Senator from Missouri for his legal contribution to improve the accuracy of the statement regarding the situation.

In answer to the Senator from Oregon, I say the statement which was tendered is the statement of the understanding of the conference report, agreed to by the three Senators who were, until the conference report was adopted, the majority of the conferees on the part of the Senate.

Mr. MORSE. My second question is this: Is the report which the Senator from Florida is now filing, the report which the three majority members of the Senate conferees had prepared and were ready to submit to the Senate at the time when the conference report was submitted to the Senate?

Mr. PEPPER. It is.

Mr. MORSE. My next question: Is it not true that this report would have been submitted to the Senate, had it not been for the fact that the minority leader objected, at the time when the conference report itself was presented to the Senate, to the submission of this report, prepared by the three Senate majority conferees, at that time, until the Senate as a whole or until those interested in the report could take a look at it? Is not that a correct statement of fact?

Mr. PEPPER. Let me answer in this way: The Senator from Florida, in presenting the conference report, tendered the statement in question as the expression of the conferees. The statement was accepted by the Senate, at the request of the Senator from Florida. Subsequently, the able Senator from Nebraska requested, by unanimous consent, that the statement be withdrawn, so that an opportunity for its examination might be given; and the Senator from Florida concurring, unanimous consent was given. I think that is literally what occurred.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from California?

Mr. PEPPER. I yield.

Mr. KNOWLAND. So that the RECORD may not be confused, I should like it to be clearly shown that the statement which the able Senator from Florida offered was not offered until after the Senate had by its action adopted the report, and that the statement went in after the conference report had been adopted. Is that not correct?

Mr. PEPPER. Mr. President, I stated a while ago in answer to a question by the able Senator from Arizona that the statement was tendered after the Senate adopted the conference report.

Mr. WHERRY. That is correct.

Mr. PEPPER. Frankly, I do not know whether I am correct about that or not.

Mr. WHERRY. That is correct.

Mr. PEPPER. After trying to refresh my recollection about the matter, my present impression is that at the time the conference report was offered, the Senator from Florida presented the statement in question—now, I am not sure about it; so the RECORD had better speak for itself—and also called attention to a certain quoted part of the report, calling attention to the opinion of the conferees that the labor solicitor should receive the highest classification possible. I do not recall—the RECORD had better speak for itself—as to whether that was done before the conference report was adopted.

I think I can now refresh my friend's recollection. He will recall, I think, that it was probably done before the conference report was adopted, because when the Senator from Nebraska raised the question, as the Senator from Florida now remembers, the Senator from Florida asked whether the Senator from Nebraska would allow us to go ahead and have the conference report adopted, and then let the statement be withdrawn, but not to hold up the adoption of the conference report. I believe, now, as I look back on the matter, that is literally what happened. But, Mr. President, I do not think it makes any difference.

Mr. WHERRY. No.

Mr. PEPPER. But this is not intended to bind the Senate. It is simply the expression of what was in the minds of the Senate conferees when the conference report was agreed to, because the Senate conferees thought it only fair that the RECORD should contain their views, since the RECORD already contained a lengthy statement by the managers on the part of the House. That is all it purports to be—what the majority of the Senate conferees thought they were doing when they agreed to the conference report. It is not conclusive. It is simply evidence of the meaning of the words.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. I agree with the Senator from Florida that the RECORD should speak for itself. I do not think our discussion this evening as to what transpired a day or so ago would be conclusive.

Mr. PEPPER. Certainly. I have it here before me, and I prefer to let the RECORD speak for itself.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Utah?

Mr. PEPPER. I am glad to yield to the chairman of the committee.

Mr. THOMAS of Utah. There is not much that can be added to the discussion, but I think it should be said, if it has not been said, that the courts will examine the record, and the judges will interpret the law. We may trust to their correct interpretation. I do not think the courts will ever ask us what we meant. This much should be said: The report was filed by the managers on the part of the House of Representatives, in keeping with a rule of the House. We do not have such a rule, and because we do not, the chairman of the conference suggested we prepare a report, and that it be offered at the time the conference report was submitted in the Senate. That was done.

Mr. President, in asking that the report be prepared, we were following exactly the same custom, the same habit, not necessarily a rule, that was followed when the Fair Labor Standards Act became law. That act required a lengthy conference. It consumed a long time. It will be found of course that the House conferees had their report. I was chairman of the conference, as author of the bill, and I suggested that the Senate conferees also have a report. The report was offered by myself, after the conference report was received and adopted, and without any question at all the Senate of the United States accepted the report as coming from me, on a unanimous-consent request. That is what happened in 1938, and that is what I at least assumed would happen in 1949.

If I may judge from the way in which the courts have interpreted the law and the way in which they have turned to the RECORD, they would turn to that report. On many occasions there have been letters asking for various interpretations, because, as everyone knows, the Fair Labor Standards Act was not only highly controversial but was extremely new so far as the legislative history of the United States was concerned. It still remains so, although the Supreme Court of the United States has sustained it in practically every case that has come before it.

Mr. MORSE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Oregon?

Mr. PEPPER. I yield.

Mr. MORSE. Mr. President, reserving the right to object, I want to point out to the Senator from Florida that we never know how important a discussion such as we are having tonight over the legislative history of a bill may prove to be in the future, when that bill is under litigation. Therefore, I want to ask the Senator from Florida this question——

The VICE PRESIDENT. Does the Senator from Florida yield for a question?

Mr. PEPPER. I yield.

Mr. MORSE. Within the experience of the Senator from Florida has he noted in the Senate that on many occasions when a conference report on a bill is approved by the Senate, the report of the conferees, if the report is filed at the time, frequently is not read to the Senate when the Senate adopts the conference report?

Mr. PEPPER. There is no doubt.

Mr. MORSE. Is not that a common practice in the Senate?

Mr. PEPPER. That is correct.

Mr. MORSE. Is it not true that when the Senator from Florida appeared on the floor of the Senate yesterday afternoon with the report of interpretation of a majority of the Senate conferees he was ready and willing at that time to file as a part of the conference report on the bill a report of interpretation by the majority of the Senate conferees?

Mr. PEPPER. That is correct.

Mr. MORSE. And that he withdrew the report bearing upon the conferees interpretation of the bill and conference action thereon because of the objection that had been raised by the minority leader, until such time as the report could be inspected by other Members of the Senate, so that they might have the courteous privilege of filing, if they wished, a dissenting view as to the interpretations of the majority of the Senate conferees?

Mr. PEPPER. That is correct. And may the Senator from Florida add that today, I was speaking to one of the conferees, the Senator from Vermont [Mr. AIKEN] asking whether he cared to make any report. He replied, "I have not had a chance to study the matter, and I do not care to submit anything now." But he added in the conversation, "That sort of statement of interpretation is exactly the same sort of thing I did one time when I was offering a bill that was passed by the Senate." I do not recall whether it was a similar piece of legislation.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. I should like to have the RECORD clear that there is no admission made that an ex parte conversation between the Senator from Vermont and the Senator from Florida is any part of the legislative history or is to be entitled to any consideration as such.

Mr. PEPPER. Does the Senator imply that he will claim the benefit of the hearsay rule?

Mr. DONNELL. It would certainly be similar, if not identical.

Mr. MORSE. Mr. President, reserving the right to object, I want to yield, first, to the Senator from Missouri, if he has not finished.

Mr. DONNELL. I have finished for the moment.

Mr. MORSE. Mr. President, I want to say to the Senator from Florida that because I think these conference reports on the interpretation of a bill are sometimes of the greatest importance, so far as I can, in the future, if we are going to run the danger of this type of a situation, I am not going to join in the acceptance of a conference report unless the report of interpretation is filed at the same time. If any question is going to be raised as to the legal status of the report simply because the majority of the conferees withheld filing their report of interpretations until after the Senate took action on the bill as recommended by the conference then I must insist in the future that any report by a majority of the conferees must be filed before the Senate takes action on the bill reported out of conference.

I think it is unfair to lay down the condition which the minority leader is suggesting tonight when as a matter of courtesy this report was withheld a few hours until Members of the Senate could take a look at it. It is not fair at a later time to raise a question as to what is the legal status of the report of interpretation when we all know that the report was offered at the same time the Senate acted on the bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Florida?

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SHORT TITLE

The conference agreement adopts the title "Fair Labor Standards Amendments of 1949" included in both the House bill and the Senate amendment.

FINDINGS AND DECLARATION OF POLICY

The conference agreement adopts the provision of the House bill which amended subsection (b) of section 2 of the act by referring to the power of Congress under the Constitution to regulate commerce with foreign nations as well as commerce within the several States. This technical change was made in conjunction with the change made in subsection (b) of section 3 defining the term "commerce," which is hereinafter discussed.

DEFINITIONS

Section 3 of the act, relating to definitions, is unchanged by the conference agreement except that definitions of the terms "commerce," "produced," and "oppressive child labor" are amended and new definitive language is provided for the terms "resale" and "hours worked."

Commerce: The definition of "commerce" in section 3 (b) of the act now covers outgoing foreign commerce "from any State to any place outside thereof" in addition to interstate commerce "among the several States." It does not cover incoming foreign commerce. The conference agreement adopts the provisions of the House bill which amended the definition by substituting the word "between" for the word "from" and the word "and" for the word "to," so that the definition would cover foreign commerce "between any State and any place outside thereof." The effect of the amendment is to eliminate inequalities under the act between employees engaged in foreign commerce based on whether the flow of such foreign commerce is out of a State rather than into it. The amendment will, for example, place employees of importers on an equal footing with employees of exporters under the act.

Produced: Section 3 (b) of the conference agreement amends section 3 (j) of the present act by rewording the clause of the definition which now provides that an employee employed "in any process or occupation necessary to the production" of goods shall be deemed engaged in the production of such goods. The conference agreement inserts the words "closely related" before the words "process or occupation" and substitutes the words "directly essential" for the word "necessary" in the quoted clause, so that the clause, as amended, refers to an employee employed "in any closely related process or occupation directly essential to the production" of the goods.

The amendment made by the conference agreement is intended to provide a more specific guide than does the word "necessary" with respect to the relationship which a process or occupation must have to the production of goods in order for an employee employed in such a process or occupation to be brought within the coverage of the act as an employee engaged in production of such goods.

This change in language does not, however, exclude from the coverage of the act any employees engaged in commerce (as "commerce" is defined in section 3 (b) of the act, as amended by section 3 (a) of the conference agreement), or any employees actually employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on goods for such commerce. All such employees are entitled to the benefits of the act, except as otherwise specifically provided therein. The change in the language of section 3 (j) relates only to those employees not engaged in the foregoing activities, whose coverage under the act has depended in the past on whether their work was "necessary" to the production of goods for interstate or foreign commerce.

What is necessary to production has been the subject of litigation in many hundreds of cases in the courts, and varying interpretations of the meaning of the term as applied in particular fact situations may be found in the decisions. The language of the conference agreement should provide more certainty in this field. It adopts the standard of closely related which the Supreme Court has supplied in most of its decisions interpreting coverage. This language is descriptive of activities which, although not an integral part of the productive operations, have a relationship to production which may reasonably be considered close as distinguished from remote and tenuous. Its reference to activities directly essential to production does not, as did the House bill, require that the activities be indispensable to production. Rather, the conference agreement contemplates activities which directly aid production in a practical sense by providing something essential to the carrying on in an effective, efficient, and satisfactory manner of operations which are part of an integrated effort for the production of goods. Such directly essential activities are to be distinguished from those which are only indirectly essential to production, such as the procurement of land for a new factory or the manufacture of brick for its buildings.

The definition in the present act provides no clear cut-off preventing extension of the coverage of the Act to employees of an enterprise purely local in nature who may incidentally perform some work having a remote or tenuous relationship to the operations of a producer of goods for interstate commerce. It might be argued, for instance, that employees of a local real estate firm renting apartments or dwelling houses to tenants, some of whom are employees of a factory producing goods for interstate commerce, are doing work necessary or even essential to such production because the factory workers could not perform their work without a place to live. Such work would not be closely related and directly essential to production, within the meaning of the conference agreement, and it would therefore be clear that coverage of the real estate firm's employees could not be predicated on the rental of living quarters to factory workers. Of course, this does not mean that the language of the conference agreement withdraws from coverage employees engaged in operating or maintaining living facilities for employees of a producer of goods for interstate commerce, in situations where living facilities such as food and lodging are provided as a means of assuring continued and efficient production and the furnishing of such facilities is therefore closely related and directly essential to production, as in *Consolidated Timber Co.* v. *Womack* (132 F. (2d) 101 (C. A. 9)); *Hanson* v. *Lagerstrom* (133 F. (2d) 180 (C. A. 8)); *Basik* v. *General Motors Corp.* ((Mich. Sup. Ct.), 19 N. W. (2d) 142.)

Typical of the classes of employees whose work is closely related and directly essential to production, within the meaning of section 3 (j) as amended by the conference agreement, are the following employees performing tasks necessary to effective productive operations of the producer:

1. Office or white-collar workers. *Borden Co.* v. *Borella* (325 U. S. 679); *Roland Electrical Co.* v. *Walling* (326 U. S. 657); *Meeker Cooperative* v. *Phillips* (158 F. (2d) 698) (C. A. 2); *Walling* v. *Friend* (156 F. (2d) 429

(C. A. 8)); *Hertz Driveurself Stations* v. *U. S.* (150 F. (2d) 923 (C. A. 8)).

2. Employees repairing, maintaining, improving or enlarging the buildings, equipment, or facilities of producers of goods. *Roland Electrical Co.* v. *Walling*, 326 U. S. 657; *Kirschbaum* v. *Walling* (316 U. S. 517); *Borden Co.* v. *Borella* (325 U. S. 679); *Walling* v. *McCrady Construction Co.* (156 F. (2d) 932 (C. A. 3)); *Walling* v. *Mid-Continent Pipe Line Co.* (143 F. (2d) 308 (C. A. 10)); *Bowie* v. *Gonzales* (117 F. (2d) 11 (C. A. 1)); *Bozant* v. *Bank of New York* (156 F. (2d) 757 (C. A. 2)).

3. Plant guards, watchmen, and other employees performing protective or custodial services for producer of goods. *Walton* v. *Southern Package Corp.* (320 U. S. 540); *Wantock* v. *Armour & Co.* (323 U. S. 126); *Walling* v. *Sondock* (132 F. (2d) 77 (C. A. 5)); *Engebretson* v. *Albrecht* (150 F. (2) 602 (C. A.7)); *Slover* v. *Wathen* (140 F. (2d) 258 (C. A. 4)); *Shepler* v. *Crucible Steel Co.* (140 F. (2d) 371 (C. A. 3)); *Walling* v. *Thompson* (65 F. Supp. 686 (D. C. Calif.)).

The work of such employees is, as a rule, closely related and directly essential to production whether they are employed by the producer of goods or by someone else who has undertaken the performance of particular tasks for the producer.

The work of employees of employers who produce or supply goods or facilities for customers engaged within the same State in the production of other goods for interstate commerce may also be covered as closely related and directly essential to such production. This would be true, for example, of employees engaged in the following activities:

1. Production of tools, dies, designs, patterns, machinery, machinery parts, mine props, industrial sand, or other equipment used by purchaser in producing goods for interstate commerce. *Holland* v. *Amoskeog Machine Co.* (44 F. Supp. 884 (D. C. N. H.)); *Tormey* v. *Kiekhafer Corp.* (76 F. Supp. 557 (E. D. Wis.)); *Walling* v. *Amidon* (153 F. (2d) 159 (C. A. 10)); *Walling* v. *Hamner* (64 F. Supp. 690 (W. D. Va.)); *Roland Electrical Co.* v. *Walling* (326 U. S. 657).

2. Producing and supplying fuel, power, water, or other goods for customers using such goods in the production of different goods for interstate commerce. *Reynolds* v. *Salt River Valley Water Users Asso.* (143 F. (2d) 863 (C. A. 9)); *Phillips* v. *Meeker Coop. Light and Power Asso.* (158 F. (2d) 698 (C. A. 8)); *Lewis* v. *Florida Light and Power Co.* (154 F. (2d) 751 (C. A. 5)); *West Kentucky Coal Co.* v. *Walling* (153 F. (2d) 152 (C. A. 6)).

3. Industrial laundry work for customers engaged in manufacturing, mining, or other production of goods for interstate commerce. *Koerner* v. *Asso. Linen Suppliers Laundry* (279 Ap. Div. 986, 62 N. Y. S. (2d) 774).

The foregoing examples are illustrative, but not exhaustive, of the classes of employees now covered as engaged in processes or occupations "necessary to production" who would remain covered as engaged in activities "closely related" and "directly essential" to production.

Oppressive child labor: Under the conference agreement, the definition of "oppressive child labor" in section 3 (1) of the act is amended to include within that term parental employment of a child under 16 years of age in an occupation found by the Secretary of Labor to be hazardous for children between the ages of 16 and 18 years. This provision was contained in substantially the same form in both the House bill and the Senate amendment, except that the House bill substituted the Administrator of the Wage and Hour Division for the Secretary of Labor. The conference agreement adopts the language of the Senate bill. This provision closes a loophole in the present definition under which a parent or person standing in place of a parent, who may not employ his child in a hazardous occupation if between 16 and 18 years of age, is permitted to employ the child in such an occupation until he becomes 16 years of age.

Resale: Both the Senate amendment and the House bill added a new partial definition of the term "resale" as used in the act. This definition, which appears in section 3 (d) of the conference agreement, is the same as that in the Senate amendment. The effect of this provision is discussed hereafter in connection with the amended sections 13 (a) (2) and 13 (a) (4) of the act, relating to retail and service establishments.

Hours worked: The House bill added a new subsection (o) under which it was provided that time excluded from measured working time during a workweek by the express terms of or by custom or practice under a bona fide collective bargaining agreement applicable to a particular employee was to be excluded in determining whether or not the employee was paid in accordance with section 6 or 7 of the act. The Senate amendment contained no such provision. The conference agreement adopts the provision of the House bill but limits its application to time spent in changing clothes or washing (including bathing) at the beginning or end of each workday.

ADMINISTRATION

Section 4 (a) of the act is amended by the conference agreement by increasing the salary of the Administrator of the Wage and Hour Division from $10,000 to $15,000 per annum. This provision was contained in the House bill.

SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

The conference agreement amends section 5 of the act by limiting its application to the appointment of special industry committees to recommend the minimum rate or rates of wages to be paid under section 6 of the act to employees in Puerto Rico and the Virgin Islands engaged in commerce or in the production of goods for commerce.

The conference agreement follows the provisions of the House bill. In order to preserve existing orders of the Administrator restricting industrial homework in certain industries in the United States outside of Puerto Rico and the Virgin Islands, the conference agreement provides that a new subsection is to be added to section 11 of the act under which all existing regulations or orders of the Administrator relating to industrial homework would be continued in full force and effect, and the Administrator would be authorized to issue such regulations and orders regulating, restricting, or prohibiting industrial homework as are necessary to prevent the circumvention or evasion of, and to safeguard, the minimum wage rate prescribed by the act.

MINIMUM WAGES

The House bill struck out of the provisions of subsection (a) of section 6 paragraphs (1) through (4) and substituted for these paragraphs a new provision under which every employer would be required to pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at a rate of not less than 75 cents per hour. The House bill also deleted subsection (b) of section 6, the effective date provision applicable to the original 25-cent minimum, which has become obsolete. The Senate amendment made almost identical changes in subsection (a) of section 6. The conference agreement adopts the provisions of the Senate bill.

The House bill also made the following changes in subsection (c) of section 6 with respect to employees in Puerto Rico or the Virgin Islands: the minimum-wage rates established by existing wage orders for employees in Puerto Rican and Virgin Islands industries were continued in effect unless and until superseded by a wage order issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5; and the rates prescribed in any such order were made applicable to every employee in any Puerto Rican or Virgin Islands industry covered by such order who is within the coverage of and not exempt under the provisions of the act, as amended by the bill, including employees who either were not covered by the law as it existed prior to such amendment or were exempted from its application, but who are brought within the application of the law by the bill. The Senate amendment provided that existing wage-order rates for employees in Puerto Rico and the Virgin Islands should continue in effect until superseded by a wage order issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5. The conference agreement adopts the provisions of the House bill with respect to the scope and effect of existing wage orders for employees in Puerto Rican and the Virgin Islands industries but retains the lettering of the Senate bill.

MAXIMUM HOURS

The conference agreement makes extensive revisions of section 7 of the act relating to maximum hours and overtime compensation, by including a definition of regular rate and other provisions affecting the application of the overtime compensation requirements of the act. The conference agreement generally follows the provisions of the House bill. It includes the provision of the Senate amendment extending the overtime exemption provided by subsection (c) to include the first processing of buttermilk into dairy products, a provision also contained in the House bill. The general requirement of the present act, that employment in excess of 40 hours in a workweek shall be compensated at a rate not less than one and one-half times the regular rate at which the employee is employed, is retained. This requirement applies, as under the present act, to employees engaged in commerce or in the production of goods for commerce, except those specifically exempted. Obsolete provisions of the present section 7 and the provision relating to the effective date of the maximum hours provisions of the 1938 act are deleted.

Semiannual and annual employment agreements: Under the conference agreement, section 7 (b) (1) of the act, providing a partial exemption from the overtime pay requirement of section 7 (a) for employees employed under collective-bargaining agreements limiting employment to 1,000 hours in any period of 26 consecutive weeks, is amended by inserting "one thousand and forty hours" in lieu of "one thousand hours." This will permit employment under such agreements for an average workweek of 40 hours during any 26-week period. This provision is adopted from the House bill.

The conference agreement modifies the provisions of section 7 (b) (2) of the act, relating to guaranteed annual employment plans established by bona fide collective bargaining, to provide for greater flexibility. The annual employment guaranteed can be either 2,080 hours (the present figure) or a lesser figure down to a minimum either of 1840 hours or of 46 normal workweeks of not less than 30 hours per week. The exemption from overtime pay for hours worked up to 12 a day or 56 a week will not, as at present, be lost for the entire year with respect to an employee who must be worked at the end of the year for a few hours beyond the present 2,080-hour limit. The conference agreement permits employment in excess of the annual period guaranteed, up to a maximum of 2,240 hours, if not less than time and one-half the regular rate is paid for all hours worked in excess of the guaranteed period which are also in excess of 40 in the workweek or in excess of 2,080 hours in the contract year. This provision is adopted from the House bill.

Section 7 (c) hours exemptions for processing of farm products: The conference

agreement leaves unchanged the hours exemptions provided by section 7 (c) of the act, except for adding buttermilk to the commodities listed in the hours exemption provided for the first processing of milk, cream, skimmed milk or whey into dairy products. Such a provision was contained in both the House bill and the Senate amendment.

Regular rate and crediting of overtime pay: The conference agreement adopts the House provision for a new subsection (d) to section 7, defining "regular rate," as drawn, except for a revision of paragraph (3) of subsection (d). The conference agreement adopts, as a new subsection (g), the crediting provision contained in subsection (g) of the House bill specifying the payments excluded from regular rate which may be credited toward the overtime compensation required by the act.

The conference agreement defines "regular rate" as all renumeration for employment except certain specified types of payments. Each of the seven subdivisions of subsection (d) provides a separate, carefully defined exclusion from regular rate. The classes of payments excluded under the first four subdivisions are not creditable toward overtime payments required by section 7 of the act since they are not payments made for overtime hours worked.

Payments excluded from regular rate and not creditable as overtime pay—section 7 (d) (1), (2): The conference agreement adopts the language of the House provisions excluding from the regular rate (1) bona fide gifts and payments in the nature of gifts made at Christmas time or on other special occasions under specified conditions, and (2) payments which are not made as compensation for hours of employment including payments for occasional periods when no work is performed due to vacation, holiday, illness, failure of the employer to provide sufficient work, and payments as reimbursement for traveling or other expenses under certain conditions.

Section 7 (d) (3): Clause (a) of this subsection of the conference agreement provides for the exclusion from the regular rate of certain sums paid at the sole discretion of the employer in recognition of services performed during a given period of time, and not paid pursuant to a prior contract, agreement, or promise causing the employee to expect such payments regularly. The House bill had the same provision.

The conference agreement, in clauses (b) and (c) of this subsection, provides for the exclusion from the regular rate of certain payments made pursuant to bona fide profit-sharing plans or trusts and of talent fees paid to radio and television performers. These provisions were contained in the House bill. The conference agreement makes these exclusions, but adds language giving the administrator authority to issue appropriate regulations defining the bona fide profit-sharing plans or trusts pursuant to which payments may be made to employees without increasing the regular rate, and regulations defining talent fees. Under the conference agreement, similar provision is made in clause (b) for regulations permitting the exclusion from the regular rate of payments made by employers pursuant to bona fide thrift or savings plans. Such plans were not expressly mentioned in the House provision. The exclusion of such payments is consistent with the spirit and purpose of the act.

Section 7 (d) (4): The conference agreement adopts the language of the House provision excluding from the regular rate contributions irrevocably made by an employer to a trustee or third person pursuant to a bona fide plan for providing old age, retirement, life, accident, or health insurance or similar benefits. This exclusion recognizes that the benefits received by employees as a result of the employer's contributions under such plans are generally received at periods when no work is being performed for the employer, rather than as compensation for hours worked.

Payments excluded from "regular rate" and creditable as overtime premiums—section 7 (d) (5), (6), (7); section 7 (g): The provisions of section 7 (d) (5), (6), and (7), and section 7 (g) of the conference agreement are all adopted from the House bill. Under section 7 (d) (5), overtime premiums paid for hours worked in any day or workweek because such hours are in excess of 8 in a day or 40 in a workweek or in excess of the employee's normal working hours or regular working hours, as the case may be, are expressly excluded from the employee's regular rate of pay. Section 7 (g) provides for the crediting of such premiums toward statutory overtime compensation due for work in excess of 40 hours. In addition, section 7 (d) (6), (7) and 7 (g) continue in effect the provisions of section 7 (e) of the present act (added by act of July 20, 1949, Public No. 177, 81st Cong., 1st sess.) prescribing standards under which extra compensation provided by premium rates of time and one-half or more for work on certain days or at certain hours of the day or week could be excluded from an employee's regular rate and credited as an overtime premium. The conference agreement, following the House bill, expressly places premium pay for work on "regular days of rest" in the same category in section 7 (d) (6) as premium pay for work on Saturdays, Sundays, and holidays. "Regular days of rest" are not mentioned expressly in the present section 7 (e) (1), which deals with work on Saturdays, Sundays, and holidays.

As explained later in this statement under the heading "Retroactive Provisions," the provisions of section 7 (e) of the present act, as retained in section 7 (d) (6), (7) and 7 (g) of the conference agreement, will continue to have retroactive effect as provided in section 2 of the act of July 20, 1949 (Public, No. 77, 81st Cong., 1st sess.).

Contract pay plans: Section 7 (e) of the conference agreement contains a provision that no employer shall be deemed to have violated subsection (a) by employing an employee for a workweek in excess of 40 hours if he is employed pursuant to a bona fide individual contract or collective bargaining agreement, if his duties necessitate irregular hours of work, and the contract or agreement specifies a regular rate of pay not less than the legal minimum and compensation at not less than one and one-half times such rate for the hours worked in excess of 40, and, if, in addition, the contract provides a weekly guaranty of pay for not more than 60 hours based on the rates so specified.

Overtime pay based on rate not obtained by averaging straight-time earnings for workweek: The House bill (sec. 7 (f)) permitted overtime payments for hours worked in excess of 40 in a workweek to be made, subject to certain specified conditions, at time and one-half the bona fide hourly or piece rates applicable to the work performed during such overtime hours. Under this provision employers and employees could agree, in advance of the performance of work, to calculate overtime pay for such work by increasing the applicable hourly or piece rate for a given kind of work by 50 percent during the hours worked after 40 in the workweek, rather than by paying time and one-half the average hourly straight-time earnings for the workweek. This provision of the House bill is adopted in the conference agreement, with two changes: (1) an employment agreement of the type specified in the House provision meets the requirements of this subsection when overtime pay is so calculated for the total number of hours worked by the employee in such workweek in excess of 40 hours, even though some of the hours for which overtime pay is received are worked within the first 40 hours. This makes it unnecessary to recompute the amount due under the statute at the end of the workweek where it is clear that overtime pay, as permitted under this subsection, has been paid for a number of hours of work equivalent to the number worked after 40; (2) an additional clause (3) is inserted, permitting computation of overtime pay at a rate not less than one and one-half times a basic rate established by agreement (which may remain constant from workweek to workweek), if the basic rate so established is authorized by regulation of the Administrator as being substantially equivalent to the average hourly earnings of the employee, exclusive of overtime premiums, in the particular work over a representative period of time.

WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

The House bill limited the application of the provisions of section 8 of the act to industries in Puerto Rico and the Virgin Islands engaged in commerce or in the production of goods for commerce and made necessary clarifying changes in its subsections to carry out this purpose. Subsection (a) stated the policy of the act to reach an objective of a 75-cent minimum wage for such industries as rapidly as economically feasible without substantially curtailing employment. Subsection (b) specified that the minimum-wage rates which a special industry committee recommends, and the Administrator approves, were not to give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico or the Virgin Islands. Except for technical changes made necessary by raising the statutory minimum to 75 cents an hour, subsections (c) and (d) of section 8 setting forth the standards and procedures to govern the issuance of wage orders outside of Puerto Rico and the Virgin Islands, were to be the same as under the present act. Since the House bill contained no provisions for the appointment of industry committees to recommend minimum-wage rates with respect to employees in industries in the United States outside of Puerto Rico and the Virgin Islands, subsection (e) of section 8 was no longer necessary and was, therefore, omitted from the House bill. Subsection (f) was retained as subsection (e).

The Senate amendment made no changes in section 8 of the act except to insert the figure "75 cents an hour" for the figure "40 cents an hour" wherever it was used in its several subsections. Under the provisions of the Senate amendment the special industry committee procedures insofar as they were applicable to Puerto Rico's and the Virgin Islands' industries were to be used with a view to bringing the minimum rates in the islands as rapidly as economically feasible up to the 75-cent objective.

The conference agreement adopts the provisions of the House bill. The conference agreement fixes the attainment of a 75-cent minimum in each industry in Puerto Rico and the Virgin Islands, or the highest minimum rates up to that amount, which, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry and will not give the industry in the islands a competitive advantage over the industry in the United States outside of the islands, as the objectives to be sought in wage order proceedings under section 8 of the act.

As is noted elsewhere, the conference agreement provides for adding a new subsection to section 11 under which existing orders of the Administrator restricting industrial homework in a number of industries, which were originally issued under subsection (e) of section 8 of the act, are continued in full force and effect.

INVESTIGATIONS, INSPECTIONS, RECORDS, AND HOME WORK REGULATIONS

The conference agreement adds to section 11 a new subsection (d) under which all existing regulations or orders of the Admin-

istrator relating to industrial home work are continued in full force and effect. The Administrator is authorized to issue such regulations and orders regulating, restricting, or prohibiting industrial home work as are necessary to prevent the circumvention or evasion of, and to safeguard, the minimum wage rate prescribed by the act. The effect of this provision has been explained above in connection with the discussion of the changes made by the conference agreement in sections 5 and 8 or the act.

Consistent with the addition of this new subsection, the title of section 11 has been changed by the conference agreement to read "Investigations, Inspections, Records, and Home Work Regulations."

With respect to the authority of the Secretary of Labor to make investigations and inspections under the child-labor provisions of the act, the conference agreement follows the Senate amendment and leaves unchanged existing law relating to the administration and enforcement of these provisions.

CHILD-LABOR PROVISIONS

The conference agreement follows the House bill, but not the language used in that bill, in adding a proviso to section 12 (a) of the act which would relieve an innocent purchaser of goods produced in an establishment where oppressive child labor was employed. The Senate amendment has contained no similar provision in this connection, but the language of the proviso adopted by the conference agreement is similar to the language used in the Senate amendment of section 15 (a) (1) of the act, discussed hereafter.

The conference agreement follows the Senate amendment and makes no change in existing law with respect to the authority of the Secretary of Labor, or his authorized representatives, to make investigations and inspections under the child-labor provisions and to institute actions for injunctions under section 17 for violations of those provisions.

The House bill provided a new section 12 (b) which directly prohibited the employment of oppressive child labor in commerce or in the production of goods for commerce. The Senate amendment contained identical language as section 12 (c). The conference agreement includes this language as section 12 (c).

EXEMPTIONS

General statement: The Senate amendment substantially revised section 13 (a) (2) of the act relating to retail and service establishments, amended the exemption for children engaged in agricultural activities, amended section 13 (a) (11) relating to telephone switchboard operators, and added exemptions for certain employees engaged in the processing of cotton and cottonseed, for children on radio and television programs, for outside buyers of poultry, eggs, cream, and milk, for newsboys delivering to the consumer, for employees of nonprofit or sharecrop irrigation systems, for home workers engaged in sewing softballs and baseballs, for employees engaged in the first processing of buttermilk, and for employees of certain contract telegraph agencies.

The House bill substantially revised section 13 (a) (2) of the act relating to retail and service establishments, amended section 13 (a) (5) relating to fisheries and sea-food employees, section 13 (a) (8) relating to small newspapers, section 13 (a) (10) the so-called area of production exemption, and added new exemptions affecting employees employed by taxicab companies, children on radio and television programs, by contract telegraph agencies, in logging and sawmilling, in the first processing of buttermilk, by nonprofit agricultural irrigation systems, and rural home workers. The House bill also amended section 13 (b) (2) insofar as carriers by air are concerned by eliminating only the minimum wage exemption.

The provisions of the conference bill are as follows:

Retail and service establishments and related exemptions: The conference agreement clarifies the scope of the present retail or service establishment exemption by providing new language in lieu of that now contained in section 13 (a) (2) of the act. The language of the conference agreement as contained in sections 13 (a) (2), 13 (a) (3), and 13 (a) (4) is based on, and is in substantially the same form as, the provisions which were contained in the Senate amendment.

Section 13 (a) (2) of the conference agreement provides an exemption from both the wage-and-hour provisions of the act with respect to any employee of a retail or service establishment which derives more than 50 percent of its annual dollar volume of sales of goods or services from sales made within the State where it is located. Primarily interstate businesses such as mail-order houses or other establishments whose sales to customers outside the State account for 50 percent or more of its annual dollar volume would continue to be nonexempt under this provision. A local retail or service establishment whose sales made within the State amounted to more than 50 percent of its annual dollar volume would not lose the exemption merely because some of these sales were made to customers engaged in interstate commerce or in the production of goods for commerce. Nor would the exemption be lost because such sales included items not in stock and ordered from another State for the local customer.

The conference agreement defines the term "retail or service establishment," as used in the above exemption, to mean an establishment 75 percent of whose annual dollar volume of sales of goods or of services (or of both) comes from sales which (a) are not for resale and (b) are recognized as retail sales of goods or services in the particular industry.

The term "resale" is used in its ordinary sense to include resale in the same or an altered form. However, the partial definition of "resale" in section 3 (n) of the conference agreement, previously referred to, limits this meaning in one particular situation by providing that the sale of goods to be used in residential or farm building construction, repair, or maintenance is not a sale for resale if such sale is one recognized as a bona fide retail sale in the industry. The language of this provision is the same as that of the House bill (sec. 3 (1)), except that the conference agreement adopts the proviso added by the Senate amendment which is intended to limit the exception provided by section 3 (n) to sales, such as those normally made by essentially retail establishments as distinguished from sales made by wholesalers or representatives of jobbers, for residential and farm building purposes and to leave in the category of sales for resale quantity sales by a dealer acting, in fact, as a wholesaler or a jobber's representative. It is not the intent of the conference agreement to remove from the category of sales for resale such sales, for example, as sales of lumber to a contractor to build a whole residential subdivision.

It is the intent of the conference agreement to place on each employer claiming the exemption the burden of showing that 75 percent of the particular establishment's sales are not for resale and are recognized as retail in the particular industry. It is expected that the Administrator will investigate the facts in particular industries and determine what sales are recognized as retail in such industries. While it is expected that the Administrator will give due weight to the views of trade associations, both in the wholesale and retail fields, the conference agreement does not contemplate that the interpretation of any interested group should be regarded as controlling. Due weight should be given, for example, to the actual practice in the industry. The soundness of the Administrator's conclusions may be tested in the courts.

The conference agreement exempts establishments which are traditionally regarded as retail. Establishments which are not ordinarily available to the general consuming public (such as the motor-carrier repair affiliate considered in *Boutell* v. *Walling* (327 U. S. 463)), and establishments which do not now have the exemption because the selling or servicing in which they are engaged is not considered to be retail (such as banks, insurance companies, credit companies, newspapers, telephone companies, gas and electric utility companies, telegraph companies, etc.) will not become retail or service establishments under the provisions of the conference agreement. Nor does the conference agreement change the status of chain-store warehouses or central offices (such as those held nonexempt in *Phillips* v. *Walling*, 324 U. S. 490), or of establishments selling industrial goods and services to manufacturers engaged in the production of goods for interstate commerce and to other industrial and business customers (such as the establishment held nonexempt in *Roland Electric Co.* v. *Walling* (326 U. S. 657), or of firms renting or maintaining loft or office buildings (such as those held nonexempt in *Kirschbaum* v. *Walling* (316 U. S. 517)).

Section 13 (a) (4) of the conference agreement provides that any employee employed in an establishment which otherwise qualifies as an exempt retail establishment under the tests explained above and is recognized as a retail establishment in the particular industry notwithstanding that goods sold by the establishment are made or processed therein, shall be exempt from the wage and hour provisions if more than 85 percent of the establishment's sale of goods so made or processed, as measured by its annual dollar volume, are made within the same State.

The conference agreement differs somewhat from both the House bill and the Senate amendment. The House bill did not contain the proviso requiring 85 percent of the sales to be made within the State. The Senate amendment added such a proviso, but the proviso referred to 85 percent of the establishment's total annual dollar volume of sales. The proviso in the conference agreement refers to 85 percent of the annual dollar volume of sales of goods made or processed in the establishment. The conference agreement thus prevents such an establishment from receiving the benefit of an exemption while engaging in a large amount of manufacturing for interstate commerce.

This provision is intended to exempt only retail establishments, not factories. The goods must be made or processed at the establishment in which they are sold in order for the exemption to apply. There is no exemption for employees making or processing goods in a manufacturing establishment merely because the goods will ultimately be sold at retail in a retail establishment. Under the present law (*Phillips* v. *Walling* (324 U. S. 490)) a retail establishment means a single physically separate place of business which possesses the characteristics of a retailer and does not mean an entire business enterprise. The conference agreement in no way changes the meaning of the term "establishment." Typical of the establishments which may qualify for exemption under this provision are small bakeries selling locally at retail which bake on the store premises, and local drug stores which may compound some proprietary medicines for retail sale in the same establishment.

Section 13 (a) (3) of the conference agreement adopts the identical language of the House bill and the Senate amendment providing an exemption from both the wage-and-hour provisions of the act for any employee of an establishment engaged in laundering, cleaning, or repairing clothing or fabrics. To qualify for the exemption, however, more than 50 percent of the establishment's annual dollar volume of sales of such services must come from sales made within the State and 75 percent of such annual dollar volume must be derived from services to customers who are not engaged in a mining, manufacturing, transportation, or communications business. Under this provision of the conference agreement, industrial laundries which, directly or through an intermediary, serve customers engaged in manufacturing, mining, communications and transportation businesses do not qualify for any exemption where more than 25 percent of their gross annual income is derived from such industrial laundry work. The conference agreement does, however, exempt employees of a commercial laundry serving such customers as barbers, beauty parlors, doctors' offices, hotels, restaurants and the like, even though the laundry does not perform any ordinary retail services for private individuals, provided its income from customers engaged in manufacturing, mining, comunications and transportation businesses does not exceed 25 percent of its gross annual income.

Fish canning: The House bill continued the wage and hour exemption contained in section 13 (a) (5) of the present act with respect to employees engaged in catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, etc., but eliminated the exemption with respect to the processing and canning of fish and extended the 14-workweek partial overtime exemption contained in section 7 (b) (3) of the present act to any industry engaged in the first processing or canning of fish in their raw or natural state. The Senate amendment continued the complete exemption presently contained in the act. The conference agreement adopts substantially the provisions of the House bill by continuing the present wage and hour exemption contained in section 13 (a) (5) of the act with the exception of canning, and, instead of granting a partial overtime exemption as provided in the House bill, the conference agreement grants a complete overtime exemption with respect to any employee employed in the canning of any kind of fish, shellfish, or other aquatic forms of animal or vegetable life, or any byproduct thereof. This overtime exemption is contained in section 13 (b) (4). Under the conference agreement "canning" means hermetically sealing and sterilizing or pasteurizing and has reference to a process involving the performance of such operations. It also means other operations performed in connection therewith such as necessary preparatory operations performed on the products before they are placed in cans, bottles, or other containers to be hermetically sealed, as well as the actual placing of the commodities in such containers. "Canning" also includes subsequent operations such as the labeling of the cans or other containers and the placing of the sealed containers in cases or boxes whether such subsequent operations are performed as a part of an uninterrupted or interrupted process. It does not include the placing of such products or byproducts thereof in cans or other containers that are not hermetically sealed which comes within the complete exemption contained in section 13 (a) (5).

Irrigation workers: The House bill added a new wage and hour exemption as section 13 (a) (16) with respect to any employee employed in connection with the operation and maintenance of ditches, canals, reservoirs, or waterways not owned or operated for profit, which are used exclusively for supply and storing of water for agricultural purposes. The Senate amendment provided an identical exemption as an additional clause to the agricultural exemption contained in section 13 (a) (6) of the present act but added language extending the exemption to such projects operated on a share-crop basis. The conference agreement adopts the Senate amendment as section 13 (a) (6).

Small newspapers: The House bill amended section 13 (a) (8) of the act relating to weekly or semiweekly newspapers by increasing the permitted circulation of an exempt newspaper from 3,000 to 5,000, by extending the exemption to dailies and by permitting the major part of the circulation to be not only within the county where printed and published, but also in counties contiguous thereto, whether or not within the same State. The exemption was renumbered section 13 (a) (9). The Senate amendment made no change in existing law. The conference agreement follows the House bill except that the permitted circulation is limited to 4,000. The numbering of the present section 13 (a) (8) is retained.

Area of production: The House bill amended section 13 (a) (10) of the act by transferring the authority to define "area of production" from the Administrator to the Secretary of Agriculture and renumbered the exemption as section 13 (a) (11). The conference agreement follows the Senate amendment which made no change in existing law. The numbering of the present section 13 (a) (10) is retained.

Small telephone exchanges: The House bill made no change in existing law with respect to the wage and hour exemption provided by section 13 (a) (11) of the act for switchboard operators employed in public telephone exchanges which have less than 500 stations but renumbered this exemption as section 13 (a) (12). The conference agreement adopts the Senate amendment which increased the number of stations to 750, and retains the numbering of the present section 13 (a) (11).

Taxicabs: The House bill added a new section 13 (a) (13) to the act which provided a wage and hour exemption for any employee of an employer engaged in the business of operating taxicabs. The Senate amendment made no change in existing law in this respect. The conference agreement adopts the House provision but renumbers the exemption as section 13 (a) (12).

Contract telegraph agencies: Both the House bill as well as the Senate amendment added a new wage and hour exemption for any employee or proprietor in a retail or service establishment as defined in the amended section 13 (a) (2) with respect to whom the wage and hour provisions would not otherwise apply who are engaged in handling telegraph messages for the public under an agency or contract arrangement with a telegraph company if the telegraph message revenue of the agency does not exceed $500 a month. The conference agreement adopts this provision which is numbered as section 13 (a) (13).

Logging and sawmilling: The House bill added a wage and hour exemption as section 13 (a) (15) of the act which applies to any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing, processing, transporting, or sawing logs or other forestry products in and about a saw mill if the number of employees employed by the employer in forestry or lumbering operations does not exceed 12. The Senate amendment made no change in existing law in this respect. The conference agreement follows the House bill but limits the applicability of the exemption to employees employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by the employer in such forestry or lumbering operations does not exceed 12. The exemption is numbered as section 13 (a) (15).

Air carriers: The House bill eliminated the minimum-wage exemption now provided in section 13 (a) (4) of the act for any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act, and continued the maximum hour exemption as section 13 (b) (3) of the act. The Senate amendment made no change in existing law in this respect. The conference agreement adopts the House provision as section 13 (b) (3).

Outside buyers of poultry and dairy products. The House bill made no change in existing law with respect to outside buyers of poultry or dairy products. The Senate amendment added a maximum hour exemption as section 13 (f) of the act, which applies to any individual employed as an outside buyer of poultry, eggs, cream, or milk in their raw or natural state. The conference agreement adopts the Senate amendment as section 13 (b) (5).

Child labor: Section 13 (c) of the existing law makes the child-labor provisions inapplicable with respect to employees employed in agriculture while not legally required to attend school and with respect to any child employed as an actor in motion pictures or theatrical productions. The House bill broadened the exemption for actors by extending it to performers and by adding the words "or in radio or television productions" after the words "motion pictures or theatrical productions," but it made no change in existing law in the provision relating to agriculture. The Senate amendment was identical with the House bill with respect to the child-labor exemption relating to actors in motion pictures or theatrical productions. The Senate amendment also changed the child-labor agricultural exemption by substituting for the words "while not legally required to attend school" the language "outside of school hours for the school district where such employee is living while he is so employed." The conference agreement adopts the provisions contained in both the House bill and the Senate amendment which broadens the child-labor exemption applicable to motion pictures and theatrical productions and also adopts the Senate amendment with respect to the child-labor agriculture exemption. The present numbering of this section is retained.

Newspaper carrier boys: The House bill provided no special exemption for newsboys. The Senate amendment added an exemption as section 13 (e) of the act which provided a complete minimum wage, maximum hour and child-labor exemption with respect to any employee engaged in the delivery of newspapers to the customer. The conference agreement adopts the Senate provision as section 13 (d).

LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

The conference agreement follows the House bill in not effecting extensive changes in the provision in section 14 of the present act which permits the employment of messengers employed exclusively in delivering letters and messages at subminimum rates, under regulations or orders of the Administrator as described in that section. The conference agreement, however, follows the Senate amendment in substituting the word "primarily" for "exclusively" in the abovementioned clause of section 14 of the present act.

PROHIBITED ACTS

The conference agreement adopts the language of the Senate amendment, which provided for the addition of language to section 15 (a) (1) designed to make it lawful for an innocent purchaser in good faith of goods produced in violation of the act to sell

such goods in commerce. The House bill contained a somewhat similar provision. This provision protects an innocent purchaser from an unwitting violation, and from having goods which he has purchased in good faith tied up from shipment in commerce by a "hot goods" injunction. An affirmative duty is imposed upon him to ascertain that the goods in question were produced in compliance with the act, and he must have secured written assurance to that effect from the producer of the goods. The requirement that he must have made the purchase in good faith is comparable to similar requirements imposed on purchasers in other fields of law, and is to be subjected to the test not only of honest intention, but also of what a reasonable prudent man, acting with due diligence, would have done in the circumstances.

Section 15 (a) (5) is amended to add to prohibited acts violation of regulations of the Administrator regarding industrial home work pursuant to section 11 (d).

PENALTIES

Both the Senate amendment and the House bill add to section 16 a new subsection (c) authorizing the Administrator to supervise the payment of the unpaid minimum wages or overtime compensation owing to any employee or employees under section 6 or section 7 of the act and provided that agreement by any employee to accept such payment should, upon payment in full, constitute a waiver of any right he might have under section 16 (b). The Senate amendment authorized the Administrator at the request or with the consent of any employee to bring an action to recover any unpaid minimum wages or unpaid overtime compensation owing to such employee under section 6 or section 7 of the act. It was provided that the Administrator might join in one cause of action the claims of any employees similarly situated who consented thereto. It was also provided that the consent of any employee to the bringing of any such action constituted a waiver of any rights he might have under section 16 (b) unless the action were dismissed without prejudice upon motion by the Administration. The Senate amendment also contained a provision that the authority given to the Administrator in section 16 (c) should not be construed as affecting in any way the equitable jurisdiction of the courts under section 17. The conference agreement adopts the Senate amendment in revised form.

The conference agreement omits from section 16 (c) the provision authorizing the Administrator to join in one cause of action the claims of employees similarly situated who consent thereto. Under the conference agreement for purposes of suits under this section the rules of civil procedure of the district courts of the United States are unaffected as to actions brought by the Administrator to collect back wages and apply as in any other civil actions brought in the district courts of the United States. In like manner, the rules applicable to civil actions in the courts of the several States and Territories will apply to actions brought by the Administrator in the courts of such States and Territories under section 16 (c).

The conference agreement intends that the 2-year statute of limitations provided in the Portal-to-Portal Act of 1947 shall be applicable to suits under section 16 (c).

In place of the provision deleted from the Senate amendment to which reference has been made, the conference agreement inserted a proviso to the effect that the authority of the Administrator to bring such actions under section 16 (c) shall not be used in any case involving an issue of law which has not been settled finally by the courts. Jurisdiction over such actions or proceedings involving such issue of law is denied to the courts. It is not the intention of the conferees to withdraw decision of the question of jurisdiction under this provision from the court. Thus, the mere raising of a legal issue in a pleading would not bar the court from determining the issue of jurisdiction of an action involving a legal issue as to which, in its judgment, an issue of law shall have been finally decided by a court. Furthermore, such court would have authority to make a determination that an issue of law was not involved even though such an issue had been raised in the pleadings. The proviso is intended to preclude the Administrator from pioneering new law or bringing test cases under the provisions of section 16 (c). It is not intended, however, to preclude the Administrator from instituting, or the court from taking jurisdiction, on the basis of existing legal precedence under the Fair Labor Standards Act of 1938, as amended, except to the extent that they are changed by the amendments made by the conference agreement.

INJUNCTION PROCEEDINGS

The Senate amendment changed section 17 of the act to include a more precise description of the United States courts having jurisdiction of actions to restrain violations. The legal effect of both versions was the same. The conference agreement adopts the Senate version with a proviso to the effect that no court shall have jurisdiction, in any action brought by the Administrator to restrain violations of section 15, to order payment to employees of unpaid minimum wages or unpaid overtime compensation or an additional equal amount as liquidated damages. This proviso has been inserted in section 17 of the act in view of the provision of the conference agreement contained in section 16 (c) of the act which authorizes the Administrator in certain cases to bring suits for damages for unpaid minimum wages and overtime compensation owing to employees at the written request of such employees. It is not intended that if the Administrator brings an action under section 16 (c) he is thereby precluded from bringing an action under section 17 to restrain violations of the act. Similarly, the bringing of an injunction action under section 17 will not preclude the Administrator from also bringing in an appropriate case an action under section 16 (c) to collect unpaid minimum wages or overtime compensation owing to employees under the provisions of the law. Nor is the provision intended in any way to affect the court's jurisdiction or authority in contempt proceedings for enforcement of injunctions issued under section 17 for violations occurring subsequent to the issuance of such injunctions. It is intended to deprive the courts of jurisdiction to exercise their equity power to order back wages in purely injunctive actions, as was done in *McComb* v. *Scerbo* (C. A. 2; 17 Labor Cases, par. 65, 297).

MISCELLANEOUS AND EFFECTIVE DATE

Effective date: Section 16 (a) of the conference agreement provides that, except for the amendment made by section 4 of the conference agreement which is to take effect upon the date of its enactment, the fair labor standards amendments of 1949 shall become effective 90 days from the date of enactment thereof. This is, in effect, a compromise between the House bill which provided for an effective date of 60 days from the date of enactment (except that the provisions of section 7 were to take effect from and after the date of enactment) and the Senate amendment which provided that its amendments to the Fair Labor Standards Act should become effective upon the expiration of 120 days from the date of enactment thereof.

Portal-to-Portal Act: Section 16 (b) of the conference agreement adopts the Senate provision, amended to exclude the provisions of section 3 (o) of the conference agreement (defining hours worked) from the operation of this section. Under the Senate amendment, except for the provision added by the Senate amendment dealing with the date for commencement of actions brought by the Administrator with respect to claims for unpaid minimum wages or overtime compensation owing to employees under the act, no amendment made by the new act should be construed as amending, modifying, or repealing any provision of the Portal-to-Portal Act of 1949. The House bill contained a similar provision but did not provide for any exceptions.

Existing orders: Section 16 (c) of the conference agreement follows the House bill (except that in accordance with the conferees' decision to make no change with respect to the administration of the act the references to the Secretary of Agriculture contained in the House bill have been changed to references to the Secretary of Labor) in providing that the orders, regulations, and interpretations of the Administrator or of the Secretary of Labor, and agreements entered into by them, in effect on the date of enactment of the fair labor standards amendments of 1949 should remain in effect, except to the extent that they are inconsistent with the provisions of the amendment or might from time to time be amended, modified, or rescinded in accordance with the provisions of such amendments. The Senate amendment did not contain any provisions dealing with this matter.

Existing liabilities: Section 16 (d) of the conference agreement follows the House bill in providing that penalties or liabilities with respect to any act or omission occurring prior to the effective date of the fair labor standards amendments of 1949 should not be affected by any amendment made therein, except that after 2 years from such effective date no action was to be instituted under section 16 (b) with respect to any liability accruing thereunder for any act or omission occurring prior to the effective date. Under this provision the rights and liabilities for past acts are unaffected, the rights of the United States in respect to criminal prosecutions and of employees under section 16 (b) will be saved, and the injunctions previously issued by the courts under section 17 retain their validity except to the extent that the acts or omissions on which the injunctions were based are no longer unlawful under or prohibited by the amendments made by the conference agreement. The 2-year limitation provision as to section 16 (b) actions is similar to section 6 of the Portal-to-Portal Act of 1947. The Senate amendment did not contain such a provision.

Retroactive provisions: Section 16 (e) of the conference agreement follows the approach of the House bill in giving retroactive effect to sections 7 (d) (6), 7 (d) (7), and 7 (g) of the Fair Labor Standards Act of 1938, as amended by the conference agreement. Under this provision, which is identical in effect to section 2 of Public Law 177, Eighty-first Congress, first session, no employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended, in any action or proceeding commenced prior to or on or after the effective date of the conference agreement on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to July 20, 1949 (the effective date of Public Law 177, 81st Cong., 1st sess.), if the compensation which would have been payable therefor had sections 7 (d) (6), 7 (d) (7) , and 7 (g) of the Fair Labor Standards Act of 1938, as amended by the conference agreement, been in effect at the time of such payment. The Senate amendment contained no such provision.

Repeal of Public Law 177, Eighty-first Congress, first session: Section 16 (f) of the conference agreement contains a new provision repealing the Act of July 20, 1949, which is no longer necessary in view of the incorporation of the substance of section 1 of that act in sections 7 (d) (6), 7 (d) (7), and 7 (g) of the Fair Labor Standards Act

of 1938, as amended by the conference agreement, and, further, in view of the incorporation of section 2 of that act in section 16 (e) of the conference agreement.

Statement submitted by the Senator from Ohio [Mr. TAFT].

On October eighteenth Senator PEPPER submitted a statement expressing the views of a majority of the Senate conferees as to the intentions of the conference which prepared the conference report on the Minimum Wage bill. It seems to me that this report was prepared in the first instance by the attorneys for the Wage-Hour Administration in an effort on their part to retain jurisdiction in various fields which the conference report clearly intended to take away from them. The Wage-Hour Administration for years has been trying to extend its jurisdiction beyond the field provided by Congress and is now trying to nullify the present Congressional action.

The conference committee never considered this statement, or summary, nor was there ever any meeting of the Senate conferees to consider or discuss it. My own view is that the report and the act finally adopted speaks for itself. I am quite certain that the conclusions of the report submitted by the senior Senator from Florida as to the intentions of the conferees are incorrect in many important particulars, and that the report of the House Managers is much closer to their actual intentions.

Since other individual views have been submitted, however, I have prepared a partial discussion of some of the points at issue and submit it herewith.

Considered in its entirety the summary submitted by the senior Senator from Florida does not state what the amendments are intended to accomplish. Its approach is a negative one of pointing out what the amendments are not intended to accomplish. This is especially true with respect to those amendments which were introduced to limit the coverage of the Act as interpreted by the Administrator and the courts. For example, the retail and service establishment exemption adopted by the overwhelming vote of the Senate was intended to prevent the Administrator and the courts from asserting coverage over those retail and service businesses on the main streets of America which were never intended to be covered when the original Act was written in 1938.

Likewise the conferees agreed to a redefinition of the term "produced" intending to prevent extension of coverage to such operations as "window cleaning" and "grass cutting" on the farfetched theory that such operations are "necessary" to the production of goods. We specifically authorized "Belo" type contracts because the Administrator, refusing to accept the decision of the Supreme Court which had held such plans to be in conformity with the Act, had made a series of attempts to modify or overrule that case. The summary, prepared in the office of the Administrator, in many instances seeks to confirm those very interpretations of coverage which the conferees were seeking to reverse.

PRODUCED

The conferees in their meetings had before them a memorandum setting forth specific cases showing the extreme lengths to which the Administrator and the courts had gone in interpreting the term "produced." The conferees were in agreement that such cases should be overruled. The cases discussed and the agreement of the conferees are set forth in detail at pp. 14–15 of the Statement of the Managers on the Part of the House.

During the meetings of the conference committee the House conferees insisted that the definition of the term contained in the House bill be agreed to. They yielded only to the extent of agreeing to substitute the words "directly essential" for the word "indispensable" in the definition. It was understood by both the House and Senate conferees, however, that the definition as finally agreed to was intended to have a substantially limiting effect upon the coverage of the Act as heretofore interpreted by both the Administrator and the courts. Nothing is more clear than that there would never have been any conference agreement on a minimum wage bill, had the Senate conferees not agreed to such narrowing of the Act's coverage.

The summary, however, in effect states that the redefinition of "produced" has not had the effect of cutting down the coverage of the Act at all, but has merely provided a more specific guide and created more certainty as to coverage. His summary concedes only that under the redefinition, coverage is not to be extended to the following activities or employees:

1. Procurement of land for a new factory.
2. Manufacture of bricks or new factory buildings.
3. Employees of a local real-estate firm renting apartments or dwelling houses to tenants, some of whom are employees of a factory producing goods for interstate commerce.

But no change in the definition was needed to assure that the Act would not be extended to such activities or employees, since neither the Administrator nor the courts had ever held or even hinted that such activities or employees were covered.

The summary is chiefly concerned with pointing out that the redefinition of "produced" has done no more than to confirm all outstanding interpretations of such term—both administrative and judicial. For example, it cites *Consolidated Timber Co.* v. *Womack*, 132 F. (2d) 101 (C. C. A. 9); *Hanson* v. *Lagerstrom*, 133 F. (2d) 120 (C. C. A. 8) and *Basik* v. *General Motors Corp.*, 311 Mich. 705, 19 N. W. (2d) 142, as authority for the proposition that coverage has not been withdrawn from "employees engaged in operating or maintaining living facilities for employees of a producer of goods for interstate commerce, in situations where living facilities such as food and lodging are provided as a means of assuring continued and efficient production." The employees in such cases were cook-house employees in a lumber camp and cafeteria workers in an industrial plant, providing eating facilities for employees engaged in producing goods for interstate commerce. There may be situations where such services are "closely related" and "directly essential" but the conferees never intended to create such broad coverage as the quoted passage indicates.

I am in agreement with the summary that under the redefinition of "produced" the Act continues to apply to office workers, plant guards, watchmen and maintenance workers of the primary employer engaged in producing goods for commerce as well as to production employees of tool and die concerns and public utilities furnishing things without which the primary employer could not conduct his business. Many of the cases the summary cites, however, go far beyond the situations to which I have just referred. For example, it cites:

1. *Roland Electrical Co.* v. *Walling*, 326 U. S. 657—*office* employees of a firm, which made, repaired or maintained machinery for customers within the State who used same in producing goods for interstate commerce.

2. *Meeker Cooperative* v. *Phillips*, 158 F. (2d) 698 (C. C. A. 8)—*office* employees of an electric-power company supplying electrical energy to customers within the State for use by the latter in producing goods for interstate commerce.

3. *Borden* v. *Borella*, 325 U. S. 679—employees maintaining, servicing and guarding an office building owned by an interstate manufacturing company and occupied primarily by its executive and administrative offices.

4. *Walling* v. *McCrady Construction Co.*, 156 F. (2d) 932 (C. C. A. 3)—employees of a construction company some of whom were engaged in constructing new facilities for existing interstate manufacturing plants.

5. *Bozant* v. *Bank of New York*, 156 F. (2d) 787 (C. C. A. 2)—custodial and maintenance employees of an office building occupied by lawyers, brokers and banks. Coverage was asserted as to the custodial and maintenance employees because the banks prepare, execute or validate bonds, shares of stock etc. some of which move out of the State.

6. *Tormey* v. *Kiekhafer Corp.*, 76 F. Supp. 557 (E. D. Wis.)—employees doing research and experimental work for an interstate manufacturer. Their work was abandoned and no new or improved products were shipped in commerce as a result of their activities.

7. *Walling* v. *Hamner*, 64 F. Supp. 690 (W. D. Va.)—employees of a sawmill operator who produced and sold mine props within the State to supply companies, which in turn sold them also within the State to interstate-coal companies for use in producing coal for interstate commerce. The employer also made mine props for a coal company within the State which produced coal that it transformed into coke and shipped out of the State.

RETAIL AND SERVICE ESTABLISHMENTS AMENDMENTS

The summary states that the retail and service establishment exemption provided by the amended Section 13 (a) (2) is not intended to apply to establishments which are not ordinarily available to the general consuming public, citing *Boutell* v. *Walling*, 327 U. S. 463, which involved a repair garage serving exclusively an affiliated interstate motor carrier. I agree that the rule of the *Boutell* case is not changed by the amendment made to Section 13 (a) (2), because the establishment involved in that case is the same as the repair department operated by the interstate-motor carrier itself and its servicing would not be recognized as retail in the industry. The conferees intended, however, that the exemption should apply to any establishment meeting the tests set forth in the amended Section 13 (a) (2) regardless of its location, whether in an industrial plant, an office building, a railroad depot, a government park, etc., even though arguably establishments so located are not ordinarily available to the general consuming public. See p. 25 of the House Managers statement which sets forth the agreement of the conferees on this matter.

In its discussion of the 13 (a) (4) amendment the summary states:

"The goods must be made or processed at the establishment *in which* they are sold in order for the exemption to apply." (Italics added.)

This statement appears susceptible of being construed to mean that although an establishment is otherwise exempt under Section 13 (a) (4), it might lose its exemption unless all the goods it makes or processes are sold across the counter, dock or platform of said establishment. Such an interpretation would be inconsistent with the intent of the conferees. Exemption is not to be denied an establishment under Section 13 (a) (4) because it sells substantial quantities of the goods it makes or processes through driver salesmen rather than across the counter, dock or platform.

This is only a partial statement of my disagreement with the summary prepared by the Wage-Hour Administration.

Mr. LUCAS obtained the floor.

Mr. DONNELL. Mr. President, will the Senator from Illinois yield for just a moment?

Mr. LUCAS. I yield.

Mr. DONNELL. Mr. President, I stated a few moments ago that I might want to reread these two sentences, because they refer to a "summary" placed in the RECORD by the Senator from Florida [Mr. PEPPER]. At the moment I read this statement the document had not been placed in the RECORD. Therefore, on behalf of the senior Senator from Ohio [Mr. TAFT], I make this statement:

I cannot agree with the summary in detail of the provisions of the bill to provide for the amendment of the Fair Labor Standards Act of 1938 as placed in the RECORD by Senator PEPPER. I do not believe that its treatment of the provisions defining the term "produced," the provisions placing reasonable safeguards upon the authority of the Administrator to sue for the collection of back pay, and certain sections of the provisions defining the retail and service exemption constitutes an accurate statement of the intent of the conferees or the legal effect of the words of the amendments.

PURCHASE OF CERTAIN INDIAN LANDS—CONFERENCE REPORT

Mr. KERR. Mr. President, I submit a conference report on the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, North Dakota, and for other related purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2 and to the amendment of the Senate to the title of the joint resolution, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter inserted by the Senate amendment, insert the following: "That, if within six months from the date of its enactment the Three Affiliated Tribes of the Fort Berthold Reservation accept the provisions of this Act by an affirmative vote of a majority of the adult members, the sums herein provided for shall be made available as herein specified; and all right, title and interest of said tribes, allottees and heirs of allottees in and to the lands constituting the Taking Area described in section 15 (including all elements of value above or below the surface) shall vest in the United States of America.

"SEC. 2. The fund of $5,105,625 appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, Eightieth Congress), shall not lapse into the Treasury as provided therein, but shall be available for disbursement under the direction of the Commissioner of Indian Affairs, Bureau of Indian Affairs, United States Department of the Interior (hereinafter called the 'Commissioner') for the following purposes:

"(a) Payment for tribal and allotted Indian lands and improvements, including heirship interests, and values above and below the surface, within the Taking Area;

"(b) Costs of relocating and reestablishing the members of the tribes who reside within the Taking Area; and

"(c) Costs of relocating and reestablishing Indian cemeteries, tribal monuments, and shrines within the Taking Area.

Any unexpended balance remaining from the said fund of $5,105,625 after the completion of the purposes set forth in subsections (a), (b), and (c) shall remain in the Treasury to the credit of the tribes.

"SEC. 3. There is hereby established a board of appraisal which shall consist of one member designated by the Secretary of Agriculture, one member designated by the Secretary of the Interior, and one member designated by the Chief of Engineers. It shall be the duty of the board to prepare an appraisal schedule of the tribal and individual allotted lands and improvements, including heirship interests, located within the Taking Area. In the preparation thereof, the board shall determine the fair value of the land and improvements, giving full and proper weight to the following elements of appraisal: Value of any tract of land, whether full interest or partial interest, including value of standing timber, mineral rights, and the uses to which the lands are reasonably adapted. Upon completion of the said schedule of appraisal it shall be submitted to the Chief of Engineers.

"SEC. 4. Upon receipt of such schedule of appraisal by the Chief of Engineers, he shall transmit to the tribal council the schedule of appraisal in its entirety and such portions of the said schedule to individual Indians as relate to their respective interests. The tribal council and the interested individual Indians shall have ninety days from the date of receipt of such schedule of appraisal in which to present to the Commissioner their objections, if any, for consideration and action thereon.

"SEC. 5. The right of the tribes and of the allottees and heirs of allottees to accept or reject the appraisal covering their respective property is reserved to them. Upon the rejection of the appraisal affecting the lands or the respective interests, the Department of the Army shall institute proceedings in the United States District Court for North Dakota for the purpose of having the just compensation for such property judicially determined. Any judgment entered against the United States in such proceedings shall be charged against the said fund of $5,105,625: *Provided*, That if said sum should be inadequate to cover the purposes provided for in section 2 (a), (b) and (c) hereof, and such judgments as may be obtained in such proceedings, then the amount in excess of the said fund of $5,105,625 shall be paid out of the $7,500,000 provided for in section 12 hereof.

"SEC. 6. In all proceedings instituted in accordance with section 5 of this Act, individual members of the tribes may request the Commissioner of Indian Affairs to designate attorneys of the Bureau of Indian Affairs to represent them.

"SEC. 7. The amount determined to be due the individual allottees and other individual Indians shall be deposited to the credit of such individual Indians in their individual Indian money accounts.

"SEC. 8. The tribes and the members thereof may salvage, remove, reuse, sell, or otherwise dispose of all or any part of their improvements within the Taking Area without any deduction therefor in the appraisal schedule to be prepared by the Commissioner, subject to the condition that the district engineer, Garrison district, may not enter for the purpose of clearing the said improvements until at least October 1, 1952, and subject further to the condition that the district engineer shall serve notice of such purpose at least three months prior thereto.

"SEC. 9. The tribes and the members thereof shall have the privilege of cutting timber and all forest products and removing sand and gravel, and may use, sell, or otherwise dispose of the same until at least October 1, 1950, without any deduction therefor in the appraisal schedule to be prepared by the Commissioner, subject to the condition that the said date may be adjusted to a later date by the Chief of Engineers on the request of the Commissioner, and subject to the further conditions that the district engineer, Garrison district, shall serve notice of clearing at least three months prior thereto.

"SEC. 10. The tribes and the members thereof may remove, sell, or otherwise dispose of lignite until such date as the district engineer, Garrison district, fixes for the impoundment of waters.

"SEC. 11. The district engineer, Garrison district, will give notice at least six months in advance of the date on or after which impoundment of waters may begin, and no damage for loss of life or property due to impoundment of waters on or after the date specified in said notice may be claimed. The date established by such notification will not be earlier than October 1, 1952.

"SEC. 12. In addition to the $5,105,625 appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, 80th Cong.), the further sum of $7,500,000 less any part thereof that may be required to cover balance due said tribes or allottees or heirs as provided for in section 5 hereof shall, upon acceptance of the provisions of this Act by the tribes, be placed to the credit of the tribes in the Treasury of the United States, which sums notwithstanding anything contained in this Act to the contrary shall be in full satisfaction of: (1) all claims, rights, demands, and judgments of said tribes or allottees or heirs thereof arising out of this Act and not compensated for out of the said $5,105,625; (2) and of all other rights, claims, demands, and judgments of said tribes, individual allottees or heirs thereof, of any nature whatsoever existing on the date of enactment of this Act, whether of tangible or intangible nature and whether or not cognizable in law or equity in connection with the taking of said land and the construction of said Garrison Dam Project.

"SEC. 13. The fund of $5,105,625, appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, 80th Cong.), and the fund provided for by section 12 of this Act shall bear interest at 4 per centum per annum from the date of acceptance of this Act until disbursed. No part of either of such funds shall be used for payment of the fees or expenses of any agent, attorney, or other representative of any individual Indian or tribe.

"SEC. 14. When electric power is available from Garrison Dam Project, the said Three Affiliated Tribes and the members thereof shall have equal rights and privileges on an equal basis which are accorded the persons, cooperative associations, and others by the Rural Electrification Act of 1936 and all Acts amendatory thereof or supplemental thereto as fully as if said Tribes and members thereof were named in said Rural Electrification Act of 1936.

"SEC. 15. The Taking Area is described as follows:

"PART A—WITHIN RESERVATION BOUNDARIES

"Beginning at the Northwest corner of Section 6, Township 150 North, Range 93 West of the 5th P. M.; thence East to the West sixteenth line; thence South to the East and West quarter line; thence East to

center of said Section; thence South to South quarter corner; thence East to the"; and the Senate agree to the same.

ROBERT S. KERR,
ERNEST W. MCFARLAND,
ZALES N. ECTON,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

TOBY MORRIS,
JOHN R. MURDOCK,
WESLEY A. D'EWART,
WILLIAM LEMKE,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

THE CALENDAR

Mr. LUCAS. Mr. President, yesterday I announced that we would have a call of the calendar, beginning with Calendar No. 1191, Senate bill 1019, which is the beginning of the bills which were reported on October 17.

I now ask unanimous consent, if the Senator from Oregon will permit——

The VICE PRESIDENT. The Senator from Oregon has the floor. Does he yield for this purpose?

Mr. MORSE. Mr. President I am very happy to yield to the Senator from Illinois for this purpose, if my rights are protected.

Mr. LUCAS. I thank the Senator; and I ask unanimous consent that that be understood.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Calendar No. 1191, Senate bill 1019. I thank the Senator from Oregon for his kindness in this connection.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object—and let me say that I wish to comply with the request made by the majority leader—I wish to say that I am wondering whether there is on the calendar any measure which will necessitate a quorum call. I do not wish to suggest the absence of a quorum.

Mr. LUCAS. I suggest to the minority leader that we proceed now with the call of the calendar.

Mr. WHERRY. Very well.

Mr. LUCAS. And in the event that some Senator who is not here during the call desires to object to any of these bills or other measures, I will make a motion, tomorrow, to reconsider.

Mr. WHERRY. That is fair enough; and, of course, it is understood that any Senator can make objection to the the consideration of any of these measures, because they are on the Consent Calendar.

Furthermore, if a bill is passed and the Senator who might have objected is not here, it is my understanding the majority leader states he will tomorrow move to reconsider.

Mr. LUCAS. I shall move to reconsider, and have action taken by the Senate, tomorrow, if possible.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois to proceed to the call of the calendar, beginning with the number indicated?

Mr. SCHOEPPEL. Mr. President, I think it was definitely understood, as the majority leader will recall, with respect to some of the Senators who were here yesterday, that they expressly wanted a quorum call in the event the calendar was called. I certainly should want to object unless that is done.

Mr. LUCAS. I withdraw my motion, for the moment, Mr. President.

HEADQUARTERS OF THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The VICE PRESIDENT. The Chair suggests it was agreed yesterday that the joint resolution (S. J. Res. 128) be taken up, and it would probably have priority over the calendar, in view of the agreement. Is it desired to take up the resolution? It has relation to the United Nations. The Senator from Florida [Mr. PEPPER] is interested in it.

Mr. PEPPER. Is that the FAO?

The VICE PRESIDENT. It is Senate Joint Resolution 128.

Mr. PEPPER. No objection has been interposed to it, I believe. I ask unanimous consent that the Senate proceed to the consideration of the joint resolution.

The VICE PRESIDENT. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 128) to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters, and for related purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution which had been reported from the Committee on Foreign Relations, with amendments, on page 2, line 6, after the word "Columbia", to strike out "or in New York City,"; in line 7, after the word "in", to strike out "the" and insert "its"; in the same line, after the word "vicinity", to strike out "of either"; on page 3, line 9, after the word "payments", to insert "in currency of the United States which is legal tender for public debts on the date such payments are made"; and on page 5, line 25, after the word "headquarters", to insert "in the city of Washington, District of Columbia, or its vicinity", so as to make the joint resolution read:

Resolved, etc., That the President is authorized to lend to the Food and Agriculture Organization of the United Nations (hereinafter referred to as the Organization) sums not to exceed in the aggregate $7,000,000. The President shall conclude an agreement with the Organization covering the loan herein authorized, which agreement shall incorporate the pertinent requirements contained in this joint resolution, and such additional requirements as the President may deem necessary to protect the interests of the Government of the United States. Such sums shall be expended only as authorized by the Organization for the construction and furnishing of the permanent headquarters of the Organization in the city of Washington, D. C., or in its vicinity, including the necessary architectural and engineering work, landscaping, and other appropriate improvements to the land and approaches and for other related purposes and expenses incident thereto.

SEC. 2. Such sums may be advanced by the Government of the United States upon the request of the Director General or other duly authorized officer of the Organization and upon the certification of the architect or engineer in charge of construction, countersigned by the Director General or other duly authorized officer, that the amount requested is required to cover payments for the purposes set forth in section 1 of this joint resolution which either (a) have been made at any time by the Organization, or (b) are due and payable, or (c) it is estimated will become due and payable within 60 days from the date of such request. All funds advanced under the authority of this joint resolution shall be receipted for on behalf of the Organization. All sums not used by the Organization for the purposes set forth in section 1 shall be returned to the Government of the United States when no longer required for said purposes. No amounts shall be advanced hereunder after January 1, 1954, or such later date, not later than June 30, 1959, as may be agreed to by the President.

SEC. 3. As a condition to the receipt of this loan or any part thereof, the Organization shall agree to repay without interest to the Government of the United States the principal amounts of all sums advanced hereunder in 30 approximately equal annual payments, in currency of the United States which is legal tender for public debts on the date such payments are made, beginning not later than 1 year after date of occupancy of the permanent headquarters, but in no event later than January 1, 1954, and continuing until the entire amount advanced has been repaid, except that the Organization may at any time make repayments to the Government of the United States in amounts in excess of such equal annual installments.

SEC. 4. The Organization shall agree, before any funds are made available by loan under this joint resolution for the construction of the permanent headquarters, that the land on which the construction is to take place, whether by the Government of the United States or otherwise, and the buildings thereon or to be constructed thereon, shall be made subordinate and subject to the first lien of the Government of the United States for the repayment of said loan. The Organization shall not, without the consent of the President, sell or otherwise dispose of all or any part of such land and buildings while any indebtedness incurred under the loan herein authorized is outstanding and unpaid. The Organization shall agree not to dispose of said lands and buildings at any time without first offering to dispose of the property to the Government of the United States on terms as favorable as those offered to others.

SEC. 5. The President is authorized to convey to the Organization in fee simple without cost part or all of the remaining portion of the former animal-disease station near Bethesda, Md., consisting of approximately 32 acres as a site for the permanent headquarters of the Organization. The President is further authorized to exchange such tract for a suitable tract of land in the city of Washington, D. C., or its vicinity, not owned by the Government, which may be offered by the Maryland National Capital Park and Planning Commission in exchange therefor, on such terms and conditions as the President may determine, and to convey to the Organization such substituted tract. After a suitable site has been made available under this joint resolution for the headquarters site, any part or all of the above-described animal-disease station tract remaining may be conveyed by the President to the Mary-

land National Capital Park and Planning Commission for park, playground, or parkway purposes, but if the tract at any time shall not be used for any of such purposes title thereto shall revert to the United States.

SEC. 6. Notwithstanding the provisions of any other law, the President is further authorized upon request of the Organization to utilize the facilities of the United States Government for the construction and furnishing in whole or in part of the headquarters of the Organization on the tract of land which is selected for such purpose under the terms of this joint resolution. For such work the President may, in such manner as may be agreed upon with the Organization, utilize funds available pursuant to this joint resolution for the loan to the Organization. Before any such funds may be utilized the President shall have concluded the agreement provided for in section 1 hereof. The President may allocate funds made available hereunder to any department, agency, or independent establishment of the Government for direct expenditure for the purposes of this section, and such expenditure may be made under the authority herein contained or under the authority governing similar expenditures of the department, agency, or independent establishment to which the funds are allocated.

SEC. 7. The Organization may use the loan provided by this joint resolution to establish its permanent headquarters in the city of Washington, District of Columbia, or its vicinity, jointly with one or more other specialized agencies of the United Nations, either in the same building or at the same site. The Organization may also offer for this joint purpose any site made available under section 5 of this joint resolution. The land and buildings in any such joint headquarters shall also be made subject to the provisions of section 4 hereof, except that in lieu of the lien required by section 4, the President may accept such other security for the loan which he may deem equally adequate.

SEC. 8. (a) There is hereby authorized to be appropriated to the Department of State, out of any money in the Treasury not otherwise appropriated, the sum of $7,000,000 to accomplish the purposes of this joint resolution. Amounts received in repayment of such loan shall be deposited and covered into the Treasury of the United States as miscellaneous receipts.

(b) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to subsection (a) of this section, to make advances not to exceed in the aggregate $3,500,000 to carry out the provisions of this joint resolution and of the loan agreement referred to in section 1 in such manner, and in such amounts, as the President shall determine, and no interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose. The Reconstruction Finance Corporation shall be repaid, without interest, for advances made by it hereunder, from funds made available for the purposes of this joint resolution and of the loan agreement set forth in section 1.

SEC. 9. The President may carry out any of his functions under this joint resolution through such officers and agencies of the Government as he may designate.

The amendments were agreed to.

The VICE PRESIDENT. That completes the committee amendments. The joint resolution is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

LEAVE OF ABSENCE

Mr. THYE asked and was granted leave to be absent from the Senate after this evening.

AMENDMENT OF INDEPENDENT OFFICES APPROPRIATION ACT

Mr. McMAHON. Mr. President, I ask unanimous consent that the Senate take up for immediate consideration Senate bill 2668, which is a bill to amend the Independent Offices Appropriations Act, in respect to a provision pertaining to atomic energy. I may add that the bill has the unanimous approval of the Joint Committee on Atomic Energy. The ranking Republican member [Mr. HICKENLOOPER] is, I believe, in the Chamber. The Senator from Colorado [Mr. MILLIKIN] is also present. It was unanimously reported to the Senate.

The VICE PRESIDENT. The bill has just been reported today, and is not on the calendar. Will the Senator send to the desk a copy, so the clerk may state the bill by title and it can be ascertained whether there is objection.

Mr. WHERRY. Mr. President, I am in complete sympathy with what the distinguished Senator from Connecticut is attempting to do, but I am quite satisfied that the majority leader, if we cannot finish the calendar tonight, will probably have it called tomorrow, and I should like not to be in a position, if we grant the request with reference to this bill, to have to grant similar requests in the case of a great many bills that are in the same category. I do not want to have to object. What I should like to have the distinguished Senator do is to ask that it be brought up for consideration tomorrow at the time we have a call of the calendar.

Mr. McMAHON. If I thought I could get it through the House, that would be quite all right with me.

Mr. WHERRY. I think that is possible.

Mr. McMAHON. I should like to call the Senator's attention to his statement that this is in the same category as a great many other bills. Unfortunately it is not. The amendment, I may say to the Senator, is designed to accelerate by from 3 to 4 months the construction program of the Atomic Energy Commission. I merely want to make sure that the adjournment of Congress will not result in the program being delayed for 3 or 4 months. I feel confident the Senator from Nebraska would not want that to happen.

Mr. WHERRY. Mr. President, I inquire who has the floor?

Mr. McMAHON. I have the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. WHERRY. I may have gone a little too far in saying it is in the category of a good many other bills. I did not have in mind the merits of the bill. I recently objected to another Senator's request to take up another bill, which has not been reported, but on which he says there is unanimous agreement. I asked whether he would not do that tomorrow, and he said he would. That is what I meant when I said the Senator's bill was at least in the category of many other bills. I assure the distinguished Senator from Connecticut we are going to have to go through many transactions tomorrow, on bills similar to this. I shall be glad to remain here until the business is consummated, so far as I am concerned.

The VICE PRESIDENT. Is that agreeable to the Senator from Connecticut?

Mr. McMAHON. I should very much like to have, and I do not mind taking it, the friendly advice of the Senator from Colorado, who understands the situation.

Mr. MILLIKIN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. McMAHON. I yield.

Mr. MILLIKIN. I should like to make one suggestion to the distinguished minority leader. In my opinion the passage of the bill by both Houses of Congress is very important to the national security. If the Senator can find it possible to give this bill special attention at this time, in order to assure its passage by the House, I believe it would be a service to the country.

Mr. WHERRY. Mr. President, I do not want in any way to hold up the passage of any bill which should be passed. I merely say, if this bill can be expedited tomorrow, and I am satisfied that it can be, I should much prefer to have it handled in the regular way. If the majority leader will state now on the floor of the Senate that difficulties might arise so that it could not be handled between the two Houses it might make a difference. But I submit I am doing my level best to be fair to every Senator who has made similar requests. While I realize the importance of the measure, I think it could go over until tomorrow. We can remain here until these important measures are passed. I do not want to be arbitrary. I want to be fair about it. If that is not fair I do not know what fairness is.

Mr. LUCAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Illinois?

Mr. McMAHON. I yield.

Mr. LUCAS. In view of what the Senator from Colorado said about the importance of the measure, which coincides with what the distinguished Senator from Connecticut says, I hope that my good friend from Nebraska will let this one bill be acted on tonight, so it can go to the House. I presume that tomorrow we shall be able to get the bill through. I do not know what the condition in the House is. I know the House is going to consider the conference report on the farm bill tomorrow, and get it to the Senate as fast as possible. After the conference report on the farm bill comes in, we shall be pretty close to the conclusion of the business of the session, in view of the way we are now moving along with conference reports. I may say to the distinguished minority leader,

I think the bill of the Senator from Connecticut constitutes an exception to the ordinary bill for which consideration might be sought at this time. I agree with him in everything he says with respect to the ordinary bill which might be called up; but, the bill having been unanimously reported by the committee, which is in possession of information which no other Member of the Senate can have because of the secrecy of the meetings; and in view of what the distinguished Senator from Colorado says, that this bill is vital to the defense and security of the Nation, if something happened to delay it 3 months, we might all be sorry for it.

I feel that under the circumstances this bill ought to be passed.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. HICKENLOOPER. Mr. President, I want to say that this bill proposing an amendment to the Independent Offices Appropriation Act is of very great importance. I believe there will be no difficulty in getting it through the House of Representatives. Certainly there should be no possible objection. It is entirely possible that the bill may pass tomorrow as easily as today, but I join with the Senator from Connecticut in saying that I think it is vital that this bill be passed. I am hoping that an exception may be made in this case, without making an exception to the rule, which is, I think, a very good one, of not pulling bills out of the hat and passing them except in the regular order. I assure the Senate that I would not make any suggestion of this kind if I did not think this bill was of unique importance in the atomic program, and I should hate to think that any delay or accident might prevent its passage.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. WHERRY. My opinion is that if it is so important as the distinguished Senator from Connecticut says it is, there is no reason for the Senate and the House to adjourn tomorrow until it is passed. That is my position. I think a dozen Senators have made similar requests. I ask the distinguished Senator not to press it tonight. We do not want it to appear that there is any objection to it. If he will ask for its consideration the first thing tomorrow morning, no doubt it will pass and go to the House and be handled in the regular order. That is the sensible way to do it.

Mr. McMAHON. Mr. President, I shall not press it on the assurance of the minority leader that he will cooperate tomorrow. I want to assure the Senate that this bill is important enough for the Congress to stay in session until it is passed, because 4 months' difference in time in the construction of facilities and installations might well be the difference between whether the Senator from Nebraska and I may be here.

Mr. WHERRY. I agree with the Senator. I am just as anxious that the bill be passed as he is.

Mr. McMAHON. Mr. President, I withdraw my request.

Mr. LUCAS. Mr. President, I should like to have the calendar called, but I suppose we cannot do so unless we first have a quorum call.

I should like to plead with my friend from Kansas [Mr. SCHOEPPEL]. We have almost a quorum present now. I doubt if we can get more Members in the morning after a quorum call. I think we can pass these measures in a short time, and I should like, after the quorum call tomorrow, to invite attention to the fact that we did pass these bills, and then if any Senator who was not present this evening desires to have a bill reconsidered, certainly that would protect the Senator from Kansas and other Senators. There could not be any breach of faith under those circumstances, because Senators would be fully protected under that sort of an arrangement.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CORDON. Why not include that arrangement in the unanimous-consent request?

Mr. LUCAS. I shall be very happy to include it in the unanimous-consent request. I hope my friend will agree to that, because we may be very busy all day tomorrow. I hope the Congress can adjourn tomorrow night. That is why I am pushing along now. I stated that we would have a night session, but the debate upon the so-called basing-point bill went by the wayside. Consequently we are here trying to finish as many of the conference reports as we can.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. In view of the statement made by the distinguished majority leader, I desire to make it crystal clear that I do not want to break faith with a number of Senators who are not present at this time and who were specifically informed that there would be a quorum call before a call of the calendar. I do not know what the objections of those Senators may be. I am merely trying to carry out my responsibility and keep faith with them. If those Senators can be protected, I would not have any objection to withdrawing my objection.

Mr. WHERRY. Mr. President, will the Senator yield for an observation?

Mr. LUCAS. I yield.

Mr. WHERRY. There are several bills which do not have reports accompanying them. By tomorrow morning I suppose all the reports will be here. That is one feature of the situation to which I think I should call attention.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Cordon	Fulbright
Anderson	Donnell	George
Baldwin	Douglas	Graham
Bridges	Downey	Green
Cain	Dworshak	Gurney
Capehart	Ecton	Hayden
Chapman	Ellender	Hickenlooper
Connally	Ferguson	Hill
Holland	Long	O'Mahoney
Ives	Lucas	Pepper
Jenner	McCarthy	Russell
Johnson, Colo.	McFarland	Saltonstall
Johnson, Tex.	McKellar	Schoeppel
Johnston, S. C.	McMahon	Thomas, Okla.
Kem	Magnuson	Thomas, Utah
Kerr	Malone	Thye
Kilgore	Millikin	Watkins
Knowland	Morse	Wherry
Langer	Myers	Williams
Leahy	Neely	Young
Lodge	O'Conor	

The VICE PRESIDENT. A quorum is present.

Mr. McMAHON. Mr. President, with reference to the bill we were discussing before the suggestion was made of the absence of a quorum, that is, the amendment to the independent offices appropriation bill having to do with the atomic energy appropriation, I have talked with the Senator from Nebraska [Mr. WHERRY], the minority leader, who informs me that inasmuch as a quorum has been called and developed he feels relieved from his obligation to object to any bill coming up, no matter what it is. So I now ask unanimous consent that the Senate proceed to the consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2668) to amend the Independent Offices Appropriation Act for the fiscal year 1950.

Mr. McMAHON obtained the floor.

Mr. CORDON. Mr. President, will the Senator from Connecticut yield?

Mr. McMAHON. For what purpose?

Mr. CORDON. I desire to ask the Senator a question.

Mr. McMAHON. I shall be glad to yield to the Senator from Oregon.

Mr. CORDON. Has the committee made a written report on the bill on which the Senator seeks to have action?

Mr. McMAHON. Yes, the report is on file with the clerk. It is with the bill.

Mr. CORDON. May I ask the Senator, if it is convenient, to include the written report in the RECORD?

Mr. McMAHON. I ask unanimous consent that the report be printed at this place in my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the report (No. 1201) was ordered to be printed in the RECORD, as follows:

The Joint Committee on Atomic Energy, to whom was referred the bill (S. 2668) to amend the Independent Offices Appropriation Act for the fiscal year 1950, having considered the same, report favorably thereon with an amendment and recommend that the bill do pass.

The Independent Offices Appropriation Act, 1950, contains the following language relating to construction projects of the Atomic Energy Commission:

"*Provided further*, That no part of this appropriation or contract authorization shall be used—

"(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

"(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

"(C) to continue any community facility construction project whenever the currently

estimated cost thereof exceeds the estimated cost included therefore in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committees of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term 'construction project' includes the purchase, alteration, or improvement of buildings, and the term 'budget' includes the detailed justification supporting the budget estimates: *Provided further*, That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy."

At the time this provision was being considered by the Congress, the Atomic Energy Commission expressed concern to this committee that the restrictive effect on construction might well seriously impede the Commission in moving forward with all necessary speed with its construction projects.

In recent hearings with this committee and in a letter dated October 12, 1949, from the Chairman of the Commission, the Commission has expressed its continued deep concern about the restrictive effect of the construction provision and has stated that its experience, to date, in working under the construction provision has reinforced its view that continuing in effect the construction provision for noncommunity buildings is inconsistent with the urgent needs of the atomic energy program for speed.

It is the belief of the Joint Committee on Atomic Energy that the construction provision unduly emphasizes the importance of and desirability of obtaining firm cost estimates on Atomic Energy Commission technical construction projects which are used to make the product for which the Commission is responsible. This committee and the Congress expect the Atomic Energy Commission to drive ahead with its essential construction projects with all possible dispatch. With this principle as our guide, we recognize that speed is primary.

The committee fully recognizes that many atomic energy facilities possess unique characteristics and, in fact, are of a type that have never before been built. Furthermore, the committee is impressed by the fact that it is necessary in many cases, in order to obtain the necessary drive, to proceed immediately with construction in situations where time permits only the preparation of incomplete plans and specifications. In addition, the committee is fully aware that it is necessary during various stages of atomic energy construction projects to adapt the structure to allow the incorporation of equipment and the employment of new ideas not contemplated when the construction project was begun.

The McMahon Act itself states of atomic energy, "It is a field in which unknown factors are involved." The truth of this statement is certainly demonstrated by the necessities of atomic energy construction projects.

It is the firm conviction of this committee that the Commission should drive ahead with all possible speed with its essential construction projects and should not be required to wait for firm engineering plans and specifications to be drawn up before proceeding with vitally needed construction. We must face up to the fact that in the field of atomic energy, in order to assure the atomic energy supremacy of this Nation, cost must be subordinated to getting the job done speedily.

For these reasons the joint committee believes that the present construction provision should not be applicable to those construction projects of the Commission which are necessary in the interest of the common defense and security. Accordingly, the joint committee proposes the following amendment to the existing construction provisions which will have the effect of eliminating the provision insofar as it relates to those construction projects of the Commission which it certifies to the Director of the Bureau of the Budget to be necessary in the interest of the common defense and security, and further providing that the Director of the Bureau of the Budget concurs therein.

Mr. WHERRY. Mr. President, I want the RECORD to show that inasmuch as a quorum call has been had, and that it is agreeable to call the calendar, I think now is the proper time for the distinguished Senator to ask for the consideration of the bill, having met all the requirements, so far as having Senators present is concerned.

Mr. McMAHON. Mr. President, the amendment suggested to the independent offices bill is to that part of it which introduces a legislative rider and restriction upon the spending of money by the Atomic Energy Commission for new construction and new facilities.

The amendment which was adopted when the independent offices bill was under consideration was well-intentioned by the Senate and by the Committee on Appropriations, in fact, I might add that I stated, when the matter was under consideration, that so far as I could see the Commission could live with the provision which is now in the law.

Experience and further testimony before the joint committee have demonstrated beyond a shadow of doubt that this restrictive provision which requires the Commission to submit exact estimates to the Bureau of the Budget on facilities which have never before been built may well result in a delay of 3 to 4 to 6 months in the construction of those facilities.

The reason for that is quite obvious when one stops to think about it. If the Commission can go ahead when they have part of a project designed and put it into construction, and then design as they go along, they can make better speed than if they have to have exact estimates down to the last copper nail. Of course, under the provision in the appropriation act the contractors would not venture to estimate until they had figure down to the last T-square.

The subject was considered by the committee very carefully, and after considerable deliberation the committee unanimously adopted an amendment providing that the restrictive provisions in the appropriation act should not apply to technical facilities to be used in the production of the end product of the Commission. In other words, if schools or other facilities were involved, then the exception would not apply. It would apply only to the technical production facilities of the Commission.

What do we require the Commission to do? Under the amendment we require the Commission to certify to the Director of the Bureau of the Budget that immediate construction or immediate continuation of construction is necessary to the national defense and security. Then we further provide that the Director of the Bureau of the Budget must agree that such certification by the Commission is definite.

Mr. President, I hope that the Senate will agree to the committee amendment and pass the bill.

Mr. MILLIKIN. Mr. President, perhaps it is no secret that I am not satisfied with the Commission's conduct of its fiscal affairs. It is somewhat painful to me to be confronted with an amendment which tends to loosen what I conceive to be proper normal controls over the spending of public funds. In order to satisfy myself and other members of the joint committee, in order to satisfy themselves, conducted extensive questioning into the need for a loosening of controls in this field.

In a word, without going into details, the Commission is confronted with the task of carrying on vitally important tasks in somewhat unknown and experimental areas and with speed which does not permit of the type of detailed advance planning associated with normal construction work.

Frankly when the original restrictions were adopted I thought they were a good thing. I too thought that the Commission could live under those restrictions without slowing necessary progress. As a result of the hearings held I reached the conclusion that this was questionable, that much of the planning, designing, detailed drawings, specifications, and so forth, would have to be developed as they go along. There is no alternative to it, unless we wish to lose very valuable time in this subject of superimportance. I hope the amendment will have the full support of the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment to Senate bill 2668, which will be stated.

The LEGISLATIVE CLERK. On page 1, line 9, after the word "facilities" it is proposed to strike out "whose immediate construction or whose immediate continuation of construction the Commission certifies to the Director of the Bureau of the Budget to be necessary to the national defense and security." and insert "(1) if the Commission certifies to the Director of the Bureau of the Budget that immediate construction or immediate continuation of construction is necessary to the national defense and security, and (2) if the Director agrees that such certification is justified."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The question is on the engrossment and third reading of the bill.

The bill (S. 2668) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the sentence in title I, Public Law 266, Eighty-first Congress, pertaining to appropriations for the use of the Atomic Energy Commission is hereby amended by striking out the period at the end thereof, inserting a colon, and adding the following new clause: "*Provided further*, That the two foregoing provisos shall have no application with respect to technical

and production facilities (1) if the Commission certifies to the Director of the Bureau of the Budget that immediate construction or immediate continuation of construction is necessary to the national defense and security, and (2) if the Director agrees that such certification is justified."

EFFECT OF POLICIES OF ECA ON UNEMPLOYMENT

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, after the Congress adjourns and before the final issue of the RECORD for this session is published, correspondence I am having with officials of the Economic Cooperative Administration and others as to the effect of its policies on unemployment in this country, together with my comments thereon.

This correspondence relates in part to conferences Representative JOHN MCCORMACK and I have had with the President and with the ECA Administrator on this subject.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

REHABILITATION OF NAVAJO AND HOPI INDIANS

Mr. McFARLAND. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, without amendment, the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, and I submit a report, No. 1202, thereon.

Mr. O'MAHONEY. Mr. President, there is a veto message from the President of the United States on the desk, which was transmitted to the Senate in connection with a bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians, which was unanimously passed by the Senate. The veto message states that the President reluctantly withheld his consent to the bill, and that the veto is based upon the contents of section 9 of the bill as it passed the two Houses. Section 9 was added in the House of Representatives, not in the Senate. It provides that the Indians of these two tribes should become subject to the laws of the States. It was upon the ground that that provision should not be approved that the President vetoed the bill. In compliance with the Constitution, the veto message came to the Senate, because this was the house in which the measure originated.

The Committee on Interior and Insular Affairs, which unanimously reported the bill, instead of asking for a vote upon the veto message, as would be the proper procedure, decided that the better course would be to eliminate the objectionable language, which is the amendment that was added in the House of Representatives.

So in accordance with that understanding the bill was reintroduced, without the objectionable section. A favorable report has been filed. Therefore, Mr. President, instead of having the veto message laid before the Senate for a vote, I ask unanimous consent that the new bill, S. 2734, as unanimously and favorably reported by the Committee on Interior and Insular Affairs may be considered and passed. I am doing this because if it passes tonight it will be passed in the same form in the House tomorrow.

There is, I think, practically unanimous agreement that the rehabilitation of the Navajo and Hopi Tribes ought to be carried forth without delay.

So, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 2734.

The VICE PRESIDENT. Is there objection?

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. If unanimous consent is granted, what disposition will result with respect to the veto message, if any?

The VICE PRESIDENT. The veto message will then be referred to the committee.

Mr. O'MAHONEY. Yes.

Mr. LUCAS. Mr. President, I have no objection, unless it will take some time. A quorum call was just had for the sole purpose of calling the calendar. I do not want to be placed in the position of having to suggest the absence of a quorum before we take up the call of the calendar.

Mr. WHERRY. Reserving the right to object, Mr. President, does the language of the bill which is now reintroduced with the status of a new bill, contain the identical language, with the exception of the deletion of the one section, as when we passed the bill in the Senate on a prior occasion?

Mr. O'MAHONEY. With the exception that certain appropriations authorized there, which were reduced in the House, have been accepted by our committee.

Mr. WHERRY. That is the point I am making. In other words, the Senate at one time passed the bill containing the section which was the basis for the veto?

Mr. O'MAHONEY. No. It never passed it with that section in the bill, except upon agreeing to the conference report.

Mr. WHERRY. I see. So that we have already acted upon the bill which has been presented?

Mr. O'MAHONEY. That is correct.

Mr. WHERRY. Is this the bill that requires a considerable appropriation? I think I remember the bill. I am not quarreling with that.

Mr. O'MAHONEY. May I ask the Senator from Arizona what the amount of the appropriation was?

Mr. McFARLAND. It totaled $88,570,000.

I should like to correct a statement just made. The Senate version was slightly changed in conference. This bill contains the language of the conference report with the objectionable features of the bill eliminated.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. WATKINS. Mr. President, I served on the conference committee, and a year ago I was chairman of the Indian subcommittee of the Senate committee. We have gone over this matter thoroughly. We have had extensive hearings on it. I am convinced that the measure is absolutely necessary to keep faith with these Indians.

Mr. O'MAHONEY. I thank the Senator from Utah.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to further the purposes of existing treaties with the Navajo Indians, to provide facilities, employment, and services essential in combating hunger, disease, poverty, and demoralization among the members of the Navajo and Hopi Tribes, to make available the resources of their reservations for use in promoting a self-supporting economy and self-reliant communities, and to lay a stable foundation on which these Indians can engage in diversified economic activities and ultimately attain standards of living comparable with those enjoyed by other citizens, the Secretary of the Interior is hereby authorized and directed to undertake, within the limits of the funds from time to time appropriated pursuant to this act, a program of basic improvements for the conservation and development of the resources of the Navajo and Hopi Indians, the more productive employment of their manpower, and the supplying of means to be used in their rehabilitation, whether on or off the Navajo and Hopi Indian Reservations. Such program shall include the following projects for which capital expenditures in the amount shown after each project listed in the following subsections and totaling $88,570,000 are hereby authorized to be appropriated:

(1) Soil and water conservation and range improvement work, $10,000,000.

(2) Completion and extension of existing irrigation projects, and completion of the investigation to determine the feasibility of the proposed San Juan-Shiprock irrigation project, $9,000,000.

(3) Surveys and studies of timber, coal, mineral, and other physical and human resources, $500,000.

(4) Development of industrial and business enterprises, $1,000,000.

(5) Development of opportunities for off-reservation employment and resettlement and assistance in adjustments related thereto, $3,500,000.

(6) Relocation and resettlement of Navajo and Hopi Indians (Colorado River Indian Reservation), $5,750,000.

(7) Roads and trails, $20,000,000.

(8) Telephone and radio communication systems, $250,000.

(9) Agency, institutional, and domestic water supply, $2,500,000.

(10) Establishment of a revolving loan fund, $5,000,000.

(11) Hospital buildings and equipment, and other health conservation measures, $4,750,000.

(12) School buildings and equipment, and other educational measures, $25,000,000.

(13) Housing and necessary facilities and equipment, $320,000.

(14) Common service facilities, $500,000.

Funds so appropriated shall be available for administration, investigations, plans, construction, and all other objects necessary for or appropriate to the carrying out of the provisions of this act. Such further sums as may be necessary for or appropriate to the

annual operation and maintenance of the projects herein enumerated are hereby also authorized to be appropriated. Funds appropriated under these authorizations shall be in addition to funds made available for use on the Navajo and Hopi Reservations, or with respect to Indians of the Navajo Tribes, out of appropriations heretofore or hereafter granted for the benefit, care, or assistance of Indians in general, or made pursuant to other authorizations now in effect.

SEC. 2. The foregoing program shall be administered in accordance with the provisions of this act and existing laws relating to Indian affairs, shall include such facilities and services as are requisite for or incidental to the effectuation of the projects herein enumerated, shall apply sustained-yield principles to the administration of all renewable resources, and shall be prosecuted in a manner which will provide for completion of the program, so far as practicable, within 10 years from the date of the enactment of this act. An account of the progress being had in the rehabilitation of the Navajo and Hopi Indians, and of the use made of the funds appropriated to that end under this act, shall be included in each annual report of the work of the Department of the Interior submitted to the Congress during the period covered by the foregoing program.

SEC. 3. Navajo and Hopi Indians shall be given, whenever practicable, preference in employment on all projects undertaken pursuant to this act, and, in furtherance of this policy, may be given employment on such projects without regard to the provisions of the civil-service and classification laws. To the fullest extent possible, Indian workers on such projects shall receive on-the-job training in order to enable them to become qualified for more skilled employment.

SEC. 4. The Secretary of the Interior is authorized, under such regulations as he may prescribe, to make loans from the loan fund authorized by section 1 hereof to the Navajo Tribe, or any member or association of members thereof, or to the Hopi Tribe, or any member or association of members thereof, for such productive purposes as, in his judgment, will tend to promote the better utilization of the manpower and resources of the Navajo or Hopi Indians. Sums collected in repayment of such loans and sums collected as interest or other charges thereon shall be credited to the loan fund, and shall be available for the purpose for which the fund was established.

SEC. 5. Any restricted Indian lands owned by the Navajo Tribe, members thereof, or associations of such members, or by the Hopi Tribe, members thereof, or associations of such members, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, or business purposes, including the development or utilization of natural resources in connection with operations under such leases. All leases so granted shall be for a term of not to exceed 25 years, but may include provisions authorizing their renewal for an additional term of not to exceed 25 years, and shall be made under such regulations as may be prescribed by the Secretary. Restricted allotments of deceased Indians may be leased under this section, for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the act of July 8, 1940 (54 Stat. 745; 25 U. S. C., 1946 ed., sec. 380). Nothing contained in this section shall be construed to repeal or affect any authority to lease restricted Indian lands conferred by or pursuant to any other provision of law.

SEC. 6. In order to facilitate the fullest possible participation by the Navajo Tribe in the program authorized by this act, the members of the tribe shall have the right to adopt a tribal constitution in the manner herein prescribed. Such constitution may provide for the exercise by the Navajo Tribe of any powers vested in the tribe or any organ thereof by existing law, together with such additional powers as the members of the tribe may, with the approval of the Secretary of the Interior, deem proper to include therein. Such constitution shall be formulated by the Navajo Tribal Council at any regular meeting, distributed in printed form to the Navajo people for consideration, and adopted by secret ballot of the adult members of the Navajo Tribe in an election held under such regulations as the Secretary may prescribe, at which a majority of the qualified votes cast favor such adoption. The constitution shall authorize the fullest possible participation of the Navajos in the administration of their affairs as approved by the Secretary of the Interior and shall become effective when approved by the Secretary. The constitution may be amended from time to time in the same manner as herein provided for its adoption, and the Secretary of the Interior shall approve any amendment which in the opinion of the Secretary of the Interior advances the development of the Navajo people toward the fullest realization and exercise of the rights, privileges, duties, and responsibilities of American citizenship.

SEC. 7. Notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter placed to the credit of the Navajo Tribe of Indians in the United States Treasury shall be available for such purposes as may be designated by the Navajo Tribal Council and approved by the Secretary of the Interior.

SEC. 8. The Tribal Councils of the Navajo and Hopi Tribes and the Indian communities affected shall be kept informed and afforded opportunity to consider from their inception plans pertaining to the program authorized by this act. In the administration of the program, the Secretary of the Interior shall consider the recommendations of the tribal councils and shall follow such recommendations whenever he deems them feasible and consistent with the objectives of this act.

SEC. 9. Beginning with the quarter commencing July 1, 1950, the Secretary of the Treasury shall pay quarterly to each State (from sums made available for making payments to the States under sections 3 (a), 403 (a), and 1003 (a) of the Social Security Act) an amount, in addition to the amounts prescribed to be paid to such State under such sections, equal to 80 percent of (1) the total amounts expended during the preceding quarter by the State, under the State plans approved under the Social Security Act for old-age assistance, aid to dependent children, and aid to the needy blind, to Navajo and Hopi Indians residing within the boundaries of the State on reservations or an allotted or trust lands, with respect to whom payments are made to the State by the United States under sections 3 (a), 403 (a), and 1003 (a), respectively, of the Social Security Act, not counting so much of such expenditure to any individual for any month as exceeds the limitations prescribed in such sections, reduced by (2) the total amounts paid to such State by the United States for such quarter under sections 3 (a), 403 (a), and 1003 (a) of the Social Security Act with respect to such Indians.

SEC. 10. (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Navajo-Hopi Indian Administration (hereinafter referred to as the "committee"), to be composed of three members of the Committee on Interior and Insular Affairs of the Senate to be appointed by the chairman thereof, not more than two of whom shall be from the same political party, and three members of the Committee on Public Lands of the House of Representatives to be appointed by the chairman thereof, not more than two of whom shall be from the same political party. A vacancy in the membership of the committee shall be filled in the same manner as the original selection. The committee shall elect a chairman from among its members.

(b) It shall be the function of the committee to make a continuous study of the programs for the administration and rehabilitation of the Navajo and Hopi Indians, and to review the progress achieved in the execution of such programs. Upon request, the committee shall aid the several standing committees of the Congress having legislative jurisdiction over any part of such programs, and shall make a report to the Senate and the House of Representatives, from time to time, concerning the results of its studies, together with such recommendations as it may deem desirable. The Commissioner of Indian Affairs at the request of the committee, shall consult with the committee from time to time with respect to his activities under this act.

(c) The committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisoble. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this subsection.

(d) The committee is authorized to appoint and, without regard to the Classification Act of 1923, as amended, fix the compensation of such experts, consultants, technicians, and organizations thereof, and clerical and stenographic assistants as it deems necessary and advisable.

(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, to be disbursed by the Secretary of the Senate on vouchers signed by the chairman.

ERNEST J. JENKINS—VETO MESSAGE (S. DOC. NO. 120)

The VICE PRESIDENT. The Senate has received a message from the President of the United States vetoing Senate bill 377, a bill for the relief of Ernest J. Jenkins. In view of the situation in the Senate, the Chair will ask that the message be printed in the RECORD without being read, and referred to the Committee on the Judiciary.

There being no objection, the veto message was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

To the Senate:

I am returning without my approval S. 377, a bill for the relief of Ernest J. Jenkins.

The bill would direct the payment of $10,000, out of general funds in the Treasury, to Ernest J. Jenkins, of New Brunswick, Ga., in full satisfaction of his claim against the United States for compensation for loss of earnings and for expenses incurred as a result of personal injuries sustained in an airplane crash on October 8, 1942, while on active duty with the Civil Air Patrol * * *.

Mr. Jenkins was a member of that brave and patriotic group of civilian volunteer pilots who, organized as the Civil Air Patrol, rendered invaluable services in the defense of this country in World

War II. These pilots furnished their own aircraft and, apart from the payment of expenses for the use of their planes and a small subsistence allowance, received no compensation for their services. On the date stated in the bill, while Mr. Jenkins was taking off on a coastal patrol mission, his plane crashed from an altitude of 300 feet and he sustained severe injuries.

To meet, among other things, the risk of injury or death incurred in civilian defense—including duty in the Civil Air Patrol which, at that time, was a unit under the Office of Civilian Defense and later was transferred to the War Department—the President had established a Civilian War Benefits program, financed originally from emergency funds (now out of annual appropriations) and administered by the Federal Security Agency. Mr. Jenkins filed a claim under that program, has received in cash benefits, as of September 30, 1949, at the rate of $85 per month, an aggregate amount of $5,143.92, and has obtained hospitalization and medical benefits to date in the sum of $9,446.09, so that total expenditures in his behalf so far have reached at least $14,590.01. He is still on the benefit rolls and will continue to receive benefits subject to the availability of appropriations and continued loss of earning capacity and subject to continued evaluation of the extent of disability. If this bill should become law, however, any right to further benefits under that program would be extinguished.

I appreciate the motives of equity and of patriotism which prompted the Congress to pass this bill, and agree that the benefits paid under that program are inadequate. It is by no means clear, however, that to cut Mr. Jenkins off from all further benefits, medical and otherwise, by means of this lump-sum payment, would do justice to him, while on the other hand it is clear that to single him out for special treatment in this fashion would discriminate against and deny equal justice to others who may have suffered equally or worse.

The records of the Civil Air Patrol indicate that over 50 of its members lost their lives and somewhat less than 100 were injured on its missions in World War II. Benefits are still being paid under the civilian war benefits program to the dependents of 33 members who were killed and to 4 members who were injured. Recognizing that private legislation in this one case only would be discriminatory, the committee reports suggest that "if there are any other cases of this type it is to be hoped that they will be brought to the attention of Congress as quickly as possible so that any charge of discrimination that may be leveled at Congress can be quickly and adequately disposed of." I would doubt, however, that those so discriminated against would consider this a sufficient answer. If, in a substantial number of cases, existing law does not afford them justice, they ought not to be required to come to Congress as petitioners to seek individual relief by the hazardous process of private legislation but ought to be able to look to legislation, general in terms, under which they would be entitled as of right to just compensation upon terms equally applicable to all those similarly circumstanced. In the second place, a system of periodical benefits, as in the case of persons injured or killed in military service or in civilian Government employment, has been found to be more beneficial in the long run to the persons involved, and socially more desirable, than the method of lump-sum payment here employed.

We are not concerned merely with the cases now on the rolls. Only July 1, 1946, by act of Congress (60 Stat. 346, 36 U. S. C., sec. 201 et seq.), Civil Air Patrol was incorporated as a permanent organization, and on May 26, 1948, by Public Law 557, Eightieth Congress, it was established as a volunteer civilian auxiliary of the United States Air Force in aid of the noncombatant mission of the Air Force. In the performance of that mission there is necessarily ever present the risk of injury or death. In order to meet that risk by an orderly system of compensation, I would favor extending the benefits of the Federal Employees' Act to members of the patrol. That act provides a system of disability and death benefits for Federal civilian employees. On October 6, 2 days after the passage of the private relief bill now before me, the Congress passed H. R. 3191, a bill extending, improving, and very substantially liberalizing the Compensation Act, thus making the extension of the benefits of that act to members of the patrol more than ever appropriate. Such an extension could, and I believe should, also cover prospectively the cases of members of the patrol injured or killed prior to its enactment.

In view of the above considerations, I feel constrained to return S. 377 without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 18, 1949.*

The VICE PRESIDENT. The veto message will be referred to the Committee on Interior and Insular Affairs.

THE CALENDAR

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bills on the legislative calendar, beginning with Calendar No. 1191, Senate bill 1019.

The VICE PRESIDENT. Without objection, it is so ordered.

The clerk will state the first bill in order.

CARL J. FREUND AND PAULINE H. FREUND

The bill (S. 1019) conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon any claim arising out of personal injuries sustained by Carl J. Freund and Pauline H. Freund, his wife, of Seattle, Wash., was announced as first in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. CORDON. Mr. President, reserving the right to object, I should like to inquire of the sponsor of the bill as to the necessity for conferring jurisdiction in a case of a tort action. My understanding is that the Congressional Reorganization Act carries the provision for the trial of such tort actions as a matter of right.

Mr. KILGORE. Mr. President, as the sponsor of the measure I will undertake to answer the question. In connection with such bills we have always been striving, wherever possible, to confer jurisdiction on the Court of Claims. When the claimants are too far away, we wish to confer jurisdiction on a Federal court to determine the facts and report back to the Senate in order that we may intelligently act upon cases respecting which we are not satisfied or fully assured in our own minds that a claim is fully justified. The purpose of the bill is to allow the district court to determine whether there is a claim, and if so, to recommend how much should be paid.

Mr. CORDON. Will the Senator answer further as to the basis of objection of the War Department to the legislation?

Mr. KILGORE. The claim arises out of a collision. It occurred before the Federal Court of Claims Act became effective, and could not be settled under the Federal Court of Claims Act. Therefore we would confer jurisdiction on the court to determine whether or not the claimants should be paid.

Mr. CORDON. I note that the provision is "to confer jurisdiction to hear, determine, and render judgment."

Mr. KILGORE. Yes. We give them a chance, as we have done frequently in the past, to proceed and render a judgment, just like the Court of Claims would render it.

Mr. CORDON. One other question. Does the bill itself establish any liability, or establish facts by legislative fiat?

Mr. KILGORE. No. The bill specifically states that it does not admit anything. In other words, the bill does not acknowledge liability or anything else. We leave that up to the court to determine. It is for the court to determine whether or not there is a claim, and if so, whether or not it is a just claim under the Federal Torts Act.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the jurisdiction conferred upon the United States District Court for the Western District of Washington by subsection (b) of section 1346, title 28, United States Code, is hereby extended to a civil action, which may be commenced not later than 1 year after the enactment of this act, asserting any claim or claims of Carl J. Freund and Pauline H. Freund, his wife, of Seattle, Wash., against the United States for money damages arising out of personal injuries sustained by them in a collision between their automobile and a United States Army truck at the intersection of Olga Street and Thirty-eighth Avenue SW., Seattle, Wash., on April 23, 1944. Except as otherwise provided in this act, all provisions of law applicable in and to such subsection, and applicable to judgments therein and appeals therefrom, are hereby made equally applicable in respect of the civil action authorized by this act.

Mr. DONNELL. Mr. President, I know that it was the desire of the Judiciary Committee to include the safeguarding clause, by which we do not admit liability. But I cannot find it in the bill.

Mr. KILGORE. Mr. President, I am mistaken. In this bill we placed the case specifically under the Federal Torts Act. Therefore there is no admission of liability.

Mr. DONNELL. Mr. President, would the Senator have any objection, after the committee amendment is disposed of, to an amendment to the effect that nothing contained in the bill does or shall constitute any admission of liability by the United States Government?

Mr. KILGORE. Not in the slightest degree.

Mr. DONNELL. Would that meet the point of the Senator from Oregon?

Mr. CORDON. Yes.

The VICE PRESIDENT. The committee amendment is in the form of a substitute, striking out all after the enacting clause. The amendment of the Senator from Missouri would have to be offered to the committee amendment.

Mr. DONNELL. Is this the appropriate place to offer the amendment?

The VICE PRESIDENT. It is.

Mr. DONNELL. I respectfully offer the amendment, to appear immediately at the conclusion of the committee amendment as set forth. My amendment would read as follows:

Provided, however, That nothing in this act does or shall constitute an admission of liability on the part of the Government of the United States of America.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF EMPLOYEES OF THE ALASKA RAILROAD FOR OVERTIME

The bill (H. R. 219) to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed, was considered, ordered to a third reading, read the third time, and passed.

REQUIREMENT OF UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN (NORTHERN DIVISION) TO SIT FOR PART OF ITS TERM AT FLINT, MICH.

The bill (S. 1747) to require the United States District Court for the Eastern District of Michigan (northern division) to sit during part of its term at Flint, Mich., was considered, order to be engrossed for a third reading read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of section 102 (a) (2) of title 28 of the United States Code is hereby amended to read as follows: "Court for the northern division shall be held at Bay City, Port Huron, and Flint."

EDNA A. BAUSER

The bill (S. 1916) for the relief of Edna A. Bauser, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edna A. Bauser, postmaster at Bunker Hill, Ill., the sum of $366.71, in full satisfaction of her claim against the United States for reimbursement for the expenses incurred by her in providing temporary quarters for the post office following a tornado which destroyed the former quarters: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MITSUE SHIGENO

The Senate proceeded to consider the bill (S. 2114) for the relief of Mitsue Shigeno, which was read, as follows:

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Mitsue Shigeno, Tokyo, Japan, the Japanese fiancée of Carrol Louis Klotzbach, a citizen of the United States and an honorably discharged veteran of World War II, and that Mitsue Shigeno may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find that the said Mitsue Shigeno is coming to the United States with a bona fide intention of being married to said Carrol Louis Klotzbach, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Mitsue Shigeno, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Mitsue Shigeno, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Mitsue Shigeno as of the date of her entry into the United States, upon the payment by her of the required fees and head taxes.

Mr. CORDON. Mr. President, may I inquire what is the nature of the relief? I do not have the bill before me. We are not equipped with full information on the bill. The calendar does not indicate whether it is money relief or other relief.

Mr. HOLLAND. Mr. President, is this inquiry with reference to Senate bill 2114?

Mr. CORDON. Yes.

Mr. HOLLAND. This is a bill to permit the admission to the United States of a Japanese girl to marry a member of the naval personnel, formerly a Marine, who is engaged to her. If she is not married within 3 months, she will be deported.

She has been investigated, and she and her people are found to be of good character.

Mr. CORDON. I have no objection.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

SYSTEM FOR THE TREATMENT AND REHABILITATION OF YOUTHFUL OFFENDERS—BILL PASSED OVER

The bill (S. 2609) to provide a system for the treatment and rehabilitation of youth offenders, to improve the administration of criminal justice, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. KILGORE. Mr. President, I am very glad to explain the bill.

The bill has a history of 5 or 6 years, during which time it has been worked on by the American Bar Association special committee, by the conference of circuit judges of the United States, by the American Law Institute, and various other organizations, including the Senate Judiciary Committee. It has been circularized to all the judges of the Federal courts, and finally, after 4 years' work, the bill comes before us for consideration.

The bill does not take away from the court any of its powers, but does give to the judges, in cases involving Federal offenses, the right to refer an offender under the age of 24 years to the Department of Justice for a period of 4 years, during which time the Parole Board of the Department of Justice would place the offender in a Federal institution for careful examination and study to determine whether or not he could be reformed, and if possible to reform him. He could not be held for longer than 4 years unless the judge should sentence him to a longer term than 4 years, in which event the Parole Board could hold him for the full length of the judge's sentence.

It is estimated that this system would cost the Government $85,000 the first year. After that time the cost will run to about $185,000 by the end of 5 years.

The bill involves only three additional members of the Parole Board, a little stenographic help, and probably a few physicians to make examinations in Federal institutions. It does not entail any additional construction. Eventually it may involve forestry camps, such as exist in California.

This system has been in use in England since 1894. The bill is patterned on the English system. It has been in use in California for a number of years, as well as in Minnesota, Wisconsin, New Jersey, and Massachusetts, and has been found highly successful in those States.

As I say, we worked out all the wrinkles over a period of about 4 years. The bill is endorsed by the National Grange, and by all the other agricultural organizations, by the American Legion, and other veterans' organizations, and, as I said before, is approved by the American Bar Association, which had a committee studying the question for 2 years.

The reason for trying to get the bill through as soon as possible is the situation we now have with relation to veterans in that age group who are getting

into trouble. The courts would like to have the system, since it does not interfere with their handling of the criminal, but gives them an additional facility to aid in trying to straighten out the offender.

Mr. JOHNSTON of South Carolina. Mr. President, I notice that this is a Senate bill. Unless we can get very fast action in the House, it will not be passed this year. It may be passed next year. I think there is too much in the bill for us to pass it on the call of the calendar. I think we should look into the question a little more than we have an opportunity to do this evening. For that reason, I am compelled to object.

The VICE PRESIDENT. Objection is heard. The bill will be passed over.

EDMEA PACHO

The bill (H. R. 1028) to legalize the admission into the United States of Edmea Pacho was considered, ordered to a third reading, read the third time, and passed.

QUARTERS FOR THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF GEORGIA, AT BRUNSWICK, GA.

The bill (H. R. 3793), to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia, was considered, ordered to a third reading, read the third time, and passed.

KONSTANTINOS YANNOPOULOS

The bill (H. R. 4042) for the relief of Konstantinos Yannopoulos, was considered, ordered to a third reading, read the third time, and passed.

QUARTERS FOR THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF GEORGIA, AT THOMASVILLE, GA.

The bill (H. R. 5191) to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia was considered, ordered to a third reading, read the third time, and passed.

ITZCHAK SHAFER

The bill (H. R. 5354) for the relief of Itzchak Shafer was considered, ordered to a third reading, read the third time, and passed.

HERMINIA RICART

The bill (H. R. 6007) for the relief of Herminia Ricart was considered, ordered to a third reading, read the third time, and passed.

MODIFICATION OR CANCELLATION OF CERTAIN ROYALTY-FREE LICENSES GRANTED TO THE GOVERNMENT BY PRIVATE HOLDERS OF PATENTS

The Senate proceeded to consider the bill (S. 2128) to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder which has been reported from the Committee on the Judiciary with an amendment, on page 2, line 1, after the word "the", to strike out "amendment, modification, or", so as to make the bill read:

Be it enacted, etc., That, notwithstanding any other provision of law, the head of any department or other agency in the executive branch of the Government which during World War II entered into any contract or agreement with the holder of any privately owned patent or any right thereunder whereby such holder granted to the United States, without payment of royalty, any license under such patent or right, is authorized, upon application of the grantor of such license, to enter into such supplemental contract or agreement for the cancellation of the contract or agreement by which such license was granted as the head of such department or agency shall deem to be warranted by equities existing by reason of changes in circumstances occurring since the granting of such license.

Mr. SCHOEPPEL. Mr. President, may we have a brief explanation of this measure?

Mr. KILGORE. Mr. President, the Senator from Michigan [Mr. FERGUSON] and the Senator from Illinois [Mr. DOUGLAS] went over the bill very thoroughly, as did also the Senator from Missouri [Mr. DONNELL], I believe.

Mr. DOUGLAS. Mr. President, is there any member of the Judiciary Committee who would prefer to make a statement on the bill? If not, I should be glad to explain it.

The bill is designed to meet the following situation: During the war a number of private businesses as a patriotic contribution to the war effort gave to the Government the right to use patents without fee and without compensation under certain royalty-free license agreements. Now they find that under the terms of many of these license agreements, it is impossible to cancel them until the war has been officially declared at an end by a Presidential proclamation or by act of Congress.

The bill as originally introduced provided that the department or agency heads could enter an agreement to amend, cancel, or modify such license agreements. As I understand it, the Judiciary Committee has stricken out the words "amendment, modification, or" so that as amended the bill will merely give these Government officers authority to agree to cancel these royalty-free license agreements where the officer in question deems such action warranted by the equities existing by reason of changes in circumstances since the original granting of the license by these private firms.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF PATENTS OF PERSONS SERVING IN THE ARMED FORCES DURING WORLD WAR II

The bill (H. R. 4692) to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Reserving the right to object, Mr. President, may we have a brief explanation of the bill?

Mr. KILGORE. Mr. President, the bill applies only to patents belonging to members of the Armed Services, who, during the war, could not use the patents because the operation of the patents was completely suspended because of the war. The bill therefore will provide that the loss of time on that account, out of the 17 years' life of the patent, be compensated for.

An identical bill was passed following World War I.

This measure does not apply to the owner of a patent who has received royalties; such a case is excluded. The bill applies only to cases in which there has been a suspension of the operation of the patent because of military operations during the war.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 14, after the word "equaling", to strike out "twice."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SALE OF SHIPYARD FACILITIES AT ORANGE, TEX.

The joint resolution (H. J. Res. 373), relating to the sale of certain shipyard facilities at Orange, Tex., was considered, ordered to a third reading, read the third time, and passed.

MERIT CO.

The Senate proceeded to consider the bill (S. 1027) for the relief of the Merit Co., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 6, after the figures "$47,427", to insert "less appropriate tax adjustments to the extent that the taxpayer has benefited from this loss in computing his Federal excess-profits tax and income tax liability for any year", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Merit Co., of Chicago, Ill., the sum of $47,427 less appropriate tax adjustments to the extent that the taxpayer has benefited from this loss in computing his Federal excess-profits tax and income tax liability for any year, in full satisfaction of its claim against the United States for additional compensation for work performed and materials furnished by it under purchase orders Nos. 5C-8010 and 5C-14717 (contract NOy-8173/8175), which were placed with it by the Bureau of Yards and Docks of the Navy Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in

connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 187) favoring a review of the policy of dismantling German industrial establishments was announced as next in order.

Mr. PEPPER and other Senators. Over.

The VICE PRESIDENT. Objection being made, the resolution will be passed over.

IMPROVEMENTS TO THE CAPITOL POWER PLANT

The bill (H. R. 6281) to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF FORT DES MOINES, IOWA, TO THE STATE OF IOWA—BILL PASSED OVER

The bill (H. R. 4569) authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation?

Mr. HOLLAND. Mr. President, I shall be glad to yield for this purpose to my colleague the Senator from Washington [Mr. CAIN], who also is a member of the Public Works Committee.

Mr. CAIN. Mr. President, in the absence of the Senator from California [Mr. DOWNEY], who was to discuss this measure, I shall make the following statement:

The bill as amended simply authorizes the transfer of about 640 acres of land with improvements thereon, known as the Fort Des Moines Army Post, now owned by the Federal Government. This property has been declared surplus by the Federal Government; and the State of Iowa, which formerly owned the property, and gave it to the Federal Government about the year 1901, desires to have it returned now for use by its National Guard, and for other purposes.

The land involved was originally in the possession of the State of Iowa, which gave it, for reasons of national security, to the Federal Government. The Federal Government has now declared the property surplus, and is willing and desirous of returning it to its original owners.

Mr. MORSE. Mr. President, I suspect that the bill has a great deal of merit to it; for example, as pointed out by the Senator from Washington, the land originally was given to the Federal Government by the State of Iowa. I understand that part of the use of the land, if it is returned to the State of Iowa, will be for National Guard purposes; and to the extent that that is true, this case falls within the pattern of the procedure established with respect to the transfer of California land.

However, Mr. President, we have before the Senate several other cases involving the transfer of fort property, which originally was donated by the State concerned to the Federal Government, such as the property at Salt Lake City, in which the Senator from Utah [Mr. WATKINS] is very much interested; and the Fort Wayne property, at Detroit, Mich., in which the senior Senator from Michigan [Mr. VANDENBERG] and the junior Senator from Michigan [Mr. FERGUSON] are very much interested.

It happens that I intend to be in Des Moines, Iowa, on Saturday of this week; and while there I wish to give this my personal inspection.

I do not think 2 months or so delay between now and January will greatly inconvenience the State of Iowa in regard to this matter.

Therefore, for the time being, I object.

The VICE PRESIDENT. Objection is heard.

Mr. HICKENLOOPER. Mr. President, will the Senator withhold his objection until I can make a brief observation?

Mr. MORSE. I withhold the objection.

Mr. HICKENLOOPER. As was stated by the Senator from Washington, Mr. President, this land was originally given by the State of Iowa to the Federal Government for the establishment of Fort Des Moines, about 1901.

The only improvements which have been put on this land by the Federal Government have been officers' quarters and enlisted men's barracks, a parade ground, and certain storage and depot facilities customary around a fort.

During the recent war the WAC training barracks were erected there. They are jerry-built structures of a temporary nature. The Government has abandoned this property; it is surplus. The Government is not operating Fort Des Moines any more. About three-quarters of the entire area is nothing but fenced-in farm land. There are no permanent facilities which could reasonably be used at this time under any program of the Federal Government. A housing project now is using the temporary quarters, under contracts with the city of Des Moines; and the State of Iowa proposes to carry out those contracts, and to continue the housing project, but eventually to use all the land for National Guard purposes and other public purposes.

I believe there is no substantial loss to the Federal Government in this matter. The State of Iowa furnished the land, in the first place; and I believe there will be no donation of existing facilities which could conveniently or economically be used at this time by the Federal Government.

I merely make this statement for the RECORD. I thank the Senator from Oregon for withholding the objection until I could make this statement.

Mr. MORSE. Mr. President, the statement the Senator from Iowa has made will be very helpful in connection with the further consideration of this matter, and I thank him for presenting it.

Mr. President, I object to the present consideration of the bill.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

Mr. CAIN. Mr. President, let me say that I am grateful to the Senator from Oregon for his willingness to examine the project in Iowa in the near future; and I think that willingness on his part will result in the early passage of the bill.

The VICE PRESIDENT. Objection has been made, and the bill has been passed over.

The clerk will state the next measure on the calendar.

DISPOSAL OF CERTAIN WITHDRAWN PUBLIC TRACTS OF LAND

The bill (S. 1543) to authorize the disposal of withdrawn public tracts too small to be classed as a farm unit under the Reclamation Act, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in accordance with the provisions of this act and notwithstanding the provisions of any other law, the Secretary of the Interior, hereinafter styled the Secretary, is authorized, in connection with any Federal irrigation project for which water is available, and after finding that such action will be in furtherance of the irrigation project and the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplemental thereto, hereinafter styled the Reclamation Act, to dispose of any tract of withdrawn public land which, in the opinion of the Secretary, has less than sufficient acreage reasonably required for the support of a family and is too small to be opened to homestead entry and classed as a farm unit under the Reclamation Act.

SEC. 2. The Secretary is authorized to sell such land to resident farm owners or resident entrymen, on the project upon which such land is located, at prices not less than that fixed by independent appraisal approved by the Secretary, and upon such terms and at private sale or at public auction as he may prescribe: *Provided*, That such resident farm landowner or resident entryman shall be permitted to purchase under this act not more than 160 acres of such land, or an area which, together with land already owned or entered on such project shall not exceed 160 irrigable acres.

SEC. 3. After the purchaser has paid to the United States all the amount on the purchase price of such land, a patent shall be issued. Such patents shall contain a reservation of a lien for water charges when deemed appropriate by the Secretary, and reservations of coal or other mineral rights to the same extent as patents issued under the homestead laws and also other reservations, limitations, or conditions as the Secretary may deem proper.

SEC. 4. The moneys derived from the sale of such lands shall be covered into the reclamation fund and be placed to the credit of the project on which such lands are located.

SEC. 5. The Secretary of the Interior is authorized to perform any and all acts and to make rules and regulations necessary and proper for carrying out the purposes of this act.

BILL PASSED OVER

The bill (S. 1728) to prohibit discrimination in employment because of

race, color, religion, or national origin, was announced as next in order.

Mr. JOHNSTON of South Carolina and other Senators. Over.

The VICE PRESIDENT. The bill will be passed over.

Mr. LUCAS. Mr. President, may I ask about the situation regarding Senate bill 1728?

Mr. JOHNSTON of South Carolina. Mr. President, that bill has just been called on the calendar, and I objected to it.

The VICE PRESIDENT. Objection having been made, the bill has been passed over.

AMENDMENT OF HAWAIIAN ORGANIC ACT RELATIVE TO DISQUALIFICATION OF LEGISLATORS

The bill (H. R. 4000) to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF SECOND SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATIONS ACT, 1943

The bill (H. R. 5934) to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. That completes the calendar.

ESTABLISHMENT AND OPERATION OF RARE AND PRECIOUS METALS EXPERIMENT STATION AT RENO, NEV.

Mr. O'MAHONEY. Mr. President, the House of Representatives has passed and sent to the Senate, either yesterday or perhaps earlier today, House bill 2386, to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. Is the Senator from Wyoming referring to a measure not in connection with the calendar?

Mr. O'MAHONEY. This is in the nature of a measure in connection with the calendar call.

Mr. DONNELL. May I inquire, with the Senator's permission, about Calendar No. 382, Senate bill 478, for the relief of Carl Piowaty and W. J. Piowaty? I thought it was to come up today.

The VICE PRESIDENT. No order to that effect has been entered.

Mr. DONNELL. I was inquiring about that bill, Senate bill 478, Calendar 382. Was it not passed over during the call of the calendar yesterday, until today?

Mr. PEPPER. Mr. President, it was a part of the carry-over of the calendar until today. Let me say that the solicitude of the able Senator from Missouri [Mr. DONNELL] is not comparable to the continuing solicitude of the Senator from Florida about Mr. Piowaty.

So I wonder whether it might not be possible today, as one of the happy, concluding incidents of this session, to have the bill passed without objection.

The VICE PRESIDENT. No order has been entered making the bill a special order for consideration. It will have to come up with other bills on the calendar.

The Senator from Wyoming has the floor.

Mr. O'MAHONEY. Mr. President, if the Senator will permit me to complete my statement, I think that will help me to clarify the matter to which I have begun to refer.

I was speaking of a bill which was passed by the House of Representatives. The bill provides for the operation of a rare and precious metals experiment station at Reno, Nev.

The office of the Senator from Nevada [Mr. MCCARRAN] advised me earlier in the day that the distinguished Senator from Nevada had telephoned from overseas, asking that request be made of me to see whether this bill, which was passed yesterday by the House of Representatives, could be considered by the Senate today.

I have consulted the members of the committee, and they are willing that I lay this unanimous-consent request before the Senate.

The request therefore is that the bill, instead of being referred to the committee for action, may be considered by the Senate now. The bill authorizes the expenditure necessary to reestablish the station on the lands of the University of Nevada. An appropriation in the sum of $750,000 is authorized for the erection and equipment of the building, with an appropriation of $250,000 annually for maintenance and operation of the experiment station. Therefore it will be necessary, even if the bill shall become law, for appropriations to be made. So, Mr. President, on behalf of the Senator from Nevada, I make this unanimous-consent request.

The VICE PRESIDENT. Is there objection?

Mr. CORDON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Oregon?

Mr. O'MAHONEY. I yield.

Mr. CORDON. Mr. President, as a member of the Committee on Interior and Insular Affairs, I am familiar with the bill, as it had tentative though not full consideration by our committee. The bill would establish a needed laboratory of the Bureau of Mines in Nevada to take the place of a smaller and inadequate structure that is now used. That is requested by the present Bureau of Mines, and I join with the distinguished Senator from Wyoming in requesting consideration of the House bill.

The VICE PRESIDENT. Is there objection?

Mr. FULBRIGHT. Mr. President, reserving the right to object, calendar order 1156, the bill (H. R. 5731) to discharge a fiduciary obligation to Iran, was on the call of the calendar objected to by the Senator from North Dakota, who is not now present. I merely want to serve notice that, at the first opportunity tomorrow, if there is opportunity, I wish to move to bring up the bill. It is a very small bill, and I think when it is explained to the Senator from North Dakota there will be no objection.

The VICE PRESIDENT. Is there objection to the consideration of House bill 2386?

Mr. SALTONSTALL. Mr. President, if I may ask the Senator from Wyoming, did I understand him to say it will require $250,000 annually to maintain the experiment station?

Mr. O'MAHONEY. The bill authorizes an appropriation of $250,000 annually to maintain the station.

Mr. SALTONSTALL. Did I correctly understand the Senator to say the bill contains authority to appropriate, as well as authority to authorize?

Mr. O'MAHONEY. No; it is merely an authorization. I say appropriations would have to be granted, to carry out the authorization either for the erection of the station or for its maintenance. So that that would have to go through the ordinary budgetary procedure. It is merely an authorization bill.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Missouri?

Mr. O'MAHONEY. I yield.

Mr. DONNELL. Will the Senator tell us, then, why there is any great urgency about the passage of the bill at this time, if an appropriation would be necessary in order to make it effective?

Mr. O'MAHONEY. That is true of any authorization bill. I am merely reciting to the Senate that the chairman of the Committee on the Judiciary has made this telephonic request to me from overseas to present the request to the Senate. I was going to say that I have secured the consent of the Committee on Interior and Insular Affairs to make the request. We have just heard the Senator from Oregon say he is familiar with the matter, and that such laboratory or experiment station, in his opinion, should be established.

Mr. DONNELL. Mr. President, reserving the right to object, did I correctly understand the Senator from Oregon to say the committee had not completed its consideration of the bill?

Mr. CORDON. Not to the extent of reporting it.

Mr. DONNELL. Mr. President, we, therefore, do not have the benefit of the recommendations of the committee at this time.

Mr. CORDON. That is correct.

Mr. DONNELL. Mr. President, with all due respect to our good friend who is in Europe, for whom I personally have the greatest respect, it appears to me that there is no real urgency for the passage of the bill. Obviously it is highly improbable that an appropriation would be made during the present session, and, therefore, inasmuch as no harm will be done by the bill's going over, and since the committee has not given us the benefit of its report, I respectfully object.

CARL PIOWATY AND W. J. PIOWATY

The VICE PRESIDENT. The Chair wishes to correct a statement he made a while ago about Calendar 382, Senate bill 478. There seemed to have been no order, the Chair stated, in regard to it, but the RECORD discloses it was agreed yesterday that the bill could be called along with other bills on the calendar. But there was no special order made of it.

Mr. PEPPER. Mr. President, I do not insist upon the bill being considered now. I have talked with the Senator from Kansas. He said he had not been able to satisfy certain of the Senators present.

Mr. LUCAS. Mr. President, if the Senator will yield, here is a bill that has been on the calendar ever since the beginning of the session. No one has pleaded more eloquently than the Senator from Florida for the relief of Carl Piowaty and W. J. Piowaty. He has been persistent and persevering. I told the Senator from Florida that before final adjournment I would call up this bill for him. I hope those on the other side of the aisle will allow Carl and Will to get a little relief here, as well as the Senator from Florida. [Laughter.]

Mr. PEPPER. Mr. President, if the Senator will yield, I suspect the principal relief will be to the Senate. I think Senators are pretty well acquainted with both the Piowatys.

Mr. LUCAS. That may be true; but I have heard this bill debated on the floor of the Senate, and I honestly believe there is merit in the contention made by the able Senator from Florida that these two gentlemen are entitled to relief. If we cannot get the bill through on the calendar call tomorrow, I assure my friend I am going to move to take it up.

Mr. PEPPER. I appreciate the statement by the able majority leader. It involves only $8,000 for the two men. We merely felt as a matter of principle they were entitled to the relief.

Mr. President, I desire to submit a conference report——

Mr. DONNELL. Mr. President, before the Senator does that, I think I am correctly informed that objection made on this side to the relief of the Piowatys, and of the Senator himself, has been withdrawn. Am I correct in that?

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. DONNELL. I beg pardon. I misunderstood what was stated. There is objection on this side to Calendar 382, Senate bill 478.

Mr. PEPPER. We will discuss it, and perhaps by tomorrow we can reconcile the differences.

PURCHASE OF AUTOMOBILES OR OTHER CONVEYANCES BY DISABLED VETERANS—CONFERENCE REPORT

Mr. PEPPER. Mr. President, I submit a conference report on the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The conference report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

CLAUDE PEPPER,
LISTER HILL,
WAYNE MORSE,
Managers on the Part of the Senate.

J. E. RANKIN,
A. LEONARD ALLEN,
OLIN E. TEAGUE,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. PEPPER. Mr. President, if I may make a brief statement about this matter, the Congress in 1947 enacted legislation under which the United States Government would contribute $1,600 to a veteran who, through service connection, had sustained the loss of one or both feet. The Eighty-first Congress amended the 1947 law to provide that veterans of World War II—and the 1947 bill applied only to veterans of World War II—should have received $1,600 toward the purchase of an automobile, if they had service-connected disability, not only causing them the loss of one or both feet, but if they were for all practical purposes blind, as the result of service injuries, or if they lost the use of, or lost one or both hands. Upon the recommendation of the Committee on Labor and Public Welfare the bill was passed. It included three classes of beneficiaries, two new ones in addition to those covered by the 1947 bill.

The House of Representatives adopted the Senate bill, adding the two new classes of coverage, but extended the bill to cover World War I veterans as well as World War II veterans. So the amendment which was in conference was the amendment added to the bill by the House, adding World War I veterans to the coverage. The conferees met a second time upon this measure, and, finally, when it became apparent to a majority of the Senate conferees that we would probably get no bill at all if we did not accept the House amendment, because of the insistence of the House conferees upon their amendment, a majority of the conferees of the Senate agreed to recommend to the Senate that the Senate accept the House amendment.

The effect of the House amendment is to add approximately 10,000 beneficiaries to the benefited classes at an added cost of approximately $9,000,000, instead of the bill costing approximately $16,000,000 as the Senate passed it, giving $1,600 toward the purchase of an automobile to a veteran of World War II, who, through service injuries, was blind, or lost the use of or lost both feet, or lost the use of or lost both hands. As the House has amended the bill, it would cover those three classes, and would cover World War I veterans as well as World War II veterans.

I add only that there is a precedent for the inclusion of World War I veterans in this restricted class of beneficiaries. It is to be found in a bill which passed this Congress and which presumably has been signed by the President in which we provided up to $10,000 for the adaptation of a home so that it would accommodate a wheel-chair veteran, who, either through the loss of the use of legs to such a point that he had to use a wheel chair, or because of injuries sustained to his spinal column, or because of injuries to the brain, he had to be confined to a wheel chair. If he were confined to a wheel chair for purposes of locomotion in his home, the United States Government would allow him $10,000 for the adaptation of his home to the use of a wheel chair. That included World War I veterans as well as World War II veterans.

There were five conferees on the part of the Senate, the Senator from Alabama [Mr. HILL], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Ohio [Mr. TAFT], and myself. The Senate conferees divided three to two. The Senator from Alabama, the Senator from Oregon, and the Senator from Florida agreed, feeling we would not get a bill, in view of the insistence of the House conferees upon their amendment, unless we accepted their amendment. That is the judgment of the majority of the conferees.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. DOUGLAS. Mr. President, I should like to make a brief preliminary statement on this matter, if I may.

The proposal to give automobiles to crippled veterans began 3 years ago with the granting of automobiles to veterans of World War II who either had suffered amputation or loss of use of one or both legs, and were assigned automobiles to enable them to move about and also to assist in their vocational rehabilitation. That was a very worthy act.

Congress has already passed a bill extending the same privilege to those veterans who have not already applied. Approximately 20,000 have been given automobiles, at a total cost of approximately $32,000,000.

The pending bill, both in the form in which it was passed by the Senate and in the form which is recommended by the conference committee, goes far beyond that point, because it extends the granting of automobiles at $1,600 each not merely to those who have lost one or both legs or the use of their legs, but also to the blind. There are 1,400 of

such veterans of World War II. It extends the grant not only to those who have lost the use of both hands, but to those who have lost the use of one hand. There are 3,700 such cases. The grant is extended also to those who have lost the use of one hand. There are 4,200 of the latter cases.

So we are providing automobiles for approximately 8,000 additional veterans at a total additional cost of approximately $12,600,000.

The bill went to the House, and the House promptly proceeded to put into the same category those who had been similarly injured in World War I, a total of 5,700 cases, involving an additional expense of $9,000,000 to the $16,000,000 provided in the Senate bill, or a total of $25,000,000, which it should be remembered will be added to the original cost of $32,000,000.

I will say that the Senator from Ohio [Mr. TAFT] and I felt that this matter had been carried too far. We were both sympathetic with the idea of vocational rehabilitation. We were both sympathetic to caring for veterans who had been severely disabled and who found it difficult to move about. When the matter originally came up we felt it should not be extended to those who had lost the use of a hand, because the loss of the use of a hand in warfare does not primarily interfere with the ability of a person to move about on foot or to ride on streetcars or busses.

I am speaking for myself, and I think I am also speaking for the Senator from Ohio, when I say I believe it has been carried too far. We are extending the same grants to veterans of World War I, 30 years after the fact, when certainly it will not help in vocational rehabilitation, since that has presumably been completed.

I should like to submit for the RECORD an analysis of this subject which I have made. I am not certain whether the Senator from Ohio will join me in this analysis, so I am merely offering it in my own behalf. I offer it for the information and guidance of the Senate and, I hope, also of the executive department.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

STATEMENT IN RE S. 2115

BASIC LAW

The purchase of automobiles by the Federal Government for certain disabled veterans was first authorized by Public Law 663 of the Seventy-ninth Congress. The provisions of that law were intended to be in effect for only 1 year. However, the program was extended for an additional year by Public Law 161, Eightieth Congress, and for a third year by Public Law 904 of the Eightieth Congress.

The original law contained definite restrictions which confined the eligible class to those veterans of World War II entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle. The presence of such restrictions makes it clear that the basic purpose of that enactment was to provide rehabilitative assistance to returning veterans, assistance of a type that would contribute fundamentally to the readjustment of those veterans to civilian life. It was believed that the automobile so furnished would aid in the rehabilitation of those extreme cases where the mobility of the veteran had been seriously restricted or destroyed, due to injury to, or loss of, the lower limbs. Furthermore, the requirement of the basic law that the veteran must obtain an operator's license clearly indicates that the automobile to be provided was intended as a type of a prosthetic appliance to aid in the personal rehabilitation of the veteran.

THE SENATE VERSION OF S. 2115

Now S. 2115 as it passed the Senate very greatly increased the scope of handicapping conditions which would make veterans eligible to receive an automobile under this program. It extended eligibility to all World War II veterans who have lost, or lost the use of, one or both hands or one or both feet and to the blind as defined in the bill. This in itself constitutes a very great liberalization—a liberalization which represents an almost complete abandonment of the basic philosophy which sustained the original program.

The program encompassed by the Senate version of S. 2115, while not so unrestrained and far-reaching as the House version of that bill, represents a complete departure from the basic legislative policy behind this program, and the inauguration of an entirely different policy, which, if carried to its logical conclusion may well result in the Federal Government's furnishing an automobile to any veteran who incurred a wartime disability.

In considering this matter it must be remembered that the automobile which S. 2115 proposes to furnish the veteran is but a small item in the total scale of benefits which this Government is now providing its disabled veterans. At the present time these veterans are eligible for increased rates of compensation ranging from $97 to $360 per month. These veterans are also eligible for benefits in the form of prosthetic appliances, hospitalization, medical care, vocational rehabilitation training, and additional compensation for certain dependents.

Moreover, the benefits for blind veterans also include trained seeing-eye dogs and certain mechanical and electrical equipment designed to assist in overcoming the handicap of blindness.

It should be clearly noted that in an official report submitted to the chairman of the House Committee on Veterans' Affairs on S. 2115 as it passed the Senate, the Veterans' Administration pointed out that all the liberalizations contained in the bill were of dubious merit—that they might in fact serve to deter rather than to aid the rehabilitation of many of the veterans covered by the proposed legislation.

Another point which should be borne in mind in the consideration of this matter is that the present law has been in effect for a period of 3 years without change, and that Public Law 343, Eighty-first Congress, dated October 10, 1949, provides for the extension of that law until June 30, 1950, thus preserving a continuity of the original program and the original philosophy behind that program.

Because most of the twenty-odd thousand veterans who qualified under the basic law have already been furnished an automobile by the Government, the estimated cost of extending the present program would be only about $352,000, whereas the estimated cost of adopting the Senate version of S. 2115 would be $16,000,000, while the estimated cost of adopting the House version would total $25,120,000.

Economy certainly is not the fundamental issue involved in a question of this type, but surely the saving of fifteen to twenty-five million dollars is not to be taken lightly, particularly when the agency most concerned with the administration of the program advises the Congress that the outlay which it contemplates may constitute a disservice rather than a service to the veteran concerned.

THE HOUSE VERSION OF S. 2115

In its consideration of S. 2115, the House of Representatives not only ratified and affirmed the broad digressions from basic policy contained in the Senate bill, but it compounded those digressions by extending the contemplated program to include veterans of World War I, on the dubious theory of nondiscrimination.

The program of providing for automobiles for amputees, designed as it was as a rehabilitation measure to aid the veterans of the late war to readjust to civilian life, did not in any way contemplate the extension of that program to veterans of World War I. At the time this program was adopted most veterans of World War I had already spent more than 25 years in civilian life, and it is only reasonable to assume that their adjustment to civilian life, if ever it was to be realized, must certainly have been realized in that quarter century.

Moreover, a considerable number of World War I veterans have already reached the retirement age, and certainly do not require the readjustment assistance contemplated by the House amendment. Indeed, to be consistent in its theory of nondiscrimination the House would of necessity have been obliged to extend the coverage of this bill to all American veterans, not merely those of World Wars I and II.

Of course the whole thesis of nondiscrimination as among the veterans of various wars is dangerous. The history of Federal legislation in the field of veterans' affairs clearly shows that with each successive war the Federal Government has both broadened the scope and increased the size of the benefits extended to veterans. The GI bill of rights, with its educational provisions, subsistence allowances, on-the-job training, and other benefits was undreamed of in the days of World War I. The veterans of the Spanish-American war did not receive any bonus such as was paid to World War I. Nor has any bonus as yet been authorized for the veterans of World War II. And so it goes.

Now if at this late date, we are to undertake to achieve a nondiscriminatory treatment of all veterans, we are faced with an impossible task, both economically and administratively. Yet, if the philosophy of the House amendment to this bill prevails, we shall see a continuous extension of all veterans' programs to a degree undreamed of, and involving expenditures beyond calculation.

The fact is that neither logic nor merit supports the House amendment. The amendment represents only a further retreat from the basic policy on which this program was founded. Either this program is to remain a valid rehabilitation measure, or it is to become a vehicle whose sole purpose is the constant and expanding disposition of favors. The amendment which the House has adopted, in addition to representing a complete departure from basic policy, represents also a new expenditure of $9,000,000 by the Federal Government. A similar amendment at a later time on another bill can only mean increased expenditures. If we are to retain any sense of integrity and any pretense of adherence to sound policy in veterans' affairs programs, the amendment adopted by the House must be rejected.

In order that the Senators may note for themselves the scope of the extensions contemplated by both the Senate and the House versions of this bill, the following table has been prepared, showing the present law, the contemplated changes, and the comparative costs involved:

Comparison of present law with S. 2115 as it passed the Senate and as amended by the House

Present law			S. 2115 (Senate version)			S. 2115 (House version)		
1. Covers only World War II veterans. 2. Provides 1 auto only to veteran. 3. Not exempt from creditors. 4. Government pays up to $1,600 per auto. Veteran cannot pay difference. 5. Must have operator's license. 6. Eligibility: (1) Loss or loss of use of 1 or both legs at or above ankle.			1. Same as present law. 2. Same. 3. Exempt from creditors. 4. Government pays $1,600 per auto. Veteran can pay difference. 5. No operator's license required. 6. Eligibility: (1) Loss or permanent loss of use of 1 or both feet. (2) Loss or permanent loss of use of 1 or both hands. (3) Permanent impairment of vision of both eyes (20/200).			1. Includes both World War I and II veterans. 2. Same. 3. Same as Senate bill. 4. Same as Senate bill. 5. Same as Senate bill. 6. Eligibility: Same as Senate bill.		
7. Number and class of eligibles, and estimated cost:			7. Number and class of eligibles, and estimated cost:			7. Number and class of eligibles, and estimated cost:		
Type	Number	Cost	Type	Number	Cost	Type	Number	Cost
(1) Foot cases	220	$352,000	(1) Same, plus 9,780 new World War II cases as follows:			(1) Same as Senate bill, plus 5,700 new World War I cases as follows:		
			(2) Blind	1,400	$2,240,000	(2) Blind	700	$1,120,000
			(3) Loss of hand	3,700	5,920,000	(3) Loss of hand	970	1,552,000
			(4) Loss of use of hand	4,200	6,720,000	(4) Loss of use of hand	875	1,400,000
			(5) Loss of both hands	100	160,000	(5) Loss of both hands	5	8,000
			(6) Loss of use of both hands	100	160,000	(6) Loss of use of both hands	25	40,000
			(7) Loss of one hand plus loss of use of other hand.	50	80,000	(7) Loss of one hand plus loss of use of other hand.	10	16,000
			(8) Combination of hand and foot disabilities.	230	368,000	(8) Combination of hand and foot disabilities.	215	304,000
						(9) Foot cases	2,900	4,640,000
			Total new cases	9,780	15,648,000	Total new cases	5,700	9,120,000
Summary: New cases Estimated cost	220 $352,000		[1] 10,000 [2] $16,000,000			[1] 15,700 [2] $25,120,000		

[1] Includes 220 cases covered by existing law.
[2] Includes $352,000 covered by existing law.

In addition there is attached hereto a copy of the official report of the Veterans' Administration on S. 2115 as it passed the Senate which was submitted to the chairman of the House Veterans' Affairs Committee. I am confident that a careful perusal of these documents will greatly aid the Senate and the executive in reaching a sound decision on this matter.

VETERANS' ADMINISTRATION,
Washington, D. C., August 4, 1949.

Hon. JOHN E. RANKIN,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.

DEAR MR. RANKIN: Reference is made to your recent request for a report on S. 2115, Eighty-first Congress, an act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

The purpose of the bill is to authorize the Administrator of Veterans' Affairs to pay an amount not to exceed $1,600 in total or partial payment of the purchase price of an automobile or other conveyance being purchased by any World War II veteran entitled to compensation under laws administered by the Veterans' Administration for any of the following:

(a) Loss or permanent loss of use of one or both feet;

(b) Loss or permanent loss of use of one or both hands;

(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20° in the better eye.

The bill would limit the veteran's entitlement to one automobile or other conveyance, and specifically preclude any liability by the Government for repairs, maintenance, replacement, or damages incident to its use. In addition, it would be provided that any vehicle furnished pursuant to this bill, if enacted, or Public Law 663, Seventy-ninth Congress, would be exempt from the claims of creditors and would not be liable to attachment, levy, or seizure by or under any legal or equitable process. The veteran would be required to make application within 3 years after date of enactment or 3 years after date of discharge, if discharged subsequent to enactment.

The First Supplemental Appropriation Act, 1947, Public Law 663, Seventy-ninth Congress, approved August 8, 1946, as extended, among other things, authorized the Administrator to pay the total purchase price of an automobile or other conveyance properly equipped at a cost not to exceed $1,600, for any World War II veteran entitled to compensation under laws administered by the Veterans' Administration for the loss, or loss of use, of one or both legs at or above the ankle. Public Law 663 also provided that to be eligible a veteran must be a licensed operator and be able to operate such a vehicle in a manner consistent with his own safety and the safety of others. The act specifically precluded any liability for the repair, maintenance, or replacement of such vehicle.

Numerous bills designed to provide liberalizations of this benefit have been introduced since the enactment of Public Law 663, Seventy-ninth Congress. One such bill, S. 1391, Eightieth Congress, which was substantially similar to the subject bill, was reported favorably by the Senate Committee on Labor and Public Welfare on July 2, 1947 (S. Rept. No. 418), and was passed by the Senate as amended by that committee on July 19, 1947. The bill was pending in the House of Representatives at the time the Eightieth Congress adjourned sine die.

The limitations contained in Public Law 663, as extended, which confine the eligible class to veterans of World War II entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle, suggest that the basic purpose of such enactment was to provide rehabilitative assistance to returning veterans who sustained a material impairment of mobility by injuries to the lower limbs. The requirement of an operator's license also suggests that it was intended that the conveyance be regarded as something in the nature of an additional prosthetic appliance for the direct use of the veteran.

The inclusion of veterans with disabilities involving the upper limbs raises the question as to whether the problem of mobility, referred to above, is present to a serious degree. Many such veterans can move about with relative ease, despite some difficulties which may occasionally occur in crowds. Although it may be urged that the operation of an automobile would contribute to the restoration of normal self-confidence of veterans in this class, there are other effective methods available under existing laws for accomplishing the same result, particularly in connection with the process of physical or vocational rehabilitation training available to such veterans. Furthermore, some veterans in this category would be qualified under the present bill but, being unable to drive, could not derive the same psychological stabilization which might be supposed to flow from the operation of the vehicle.

With respect to the proposed inclusion of veterans with impaired vision, it is possible that the development of initiative and self-reliance, both of which are regarded as essential to the basic welfare of such veterans, might be retarded in some instances by encouraging such a veteran to become habituated to his own automobile as a primary means of transportation, which automobile would normally of necessity be operated by another person. It is also observed that the broad definition of visual defects contained in the bill would include a substantial number of veterans less than totally disabled, who can see well enough to move about with reasonable safety and rapidity.

The bill would also dispense with the requirement that the veteran be qualified to operate the vehicle. Such a result would appear to be contrary to the theory that a conveyance should be provided by the Government for the personal operation of the veteran as something in the nature of an additional prosthetic appliance. With the removal of this limitation, there would cease

to exist one of the primary reasons for confining the benefit to a selected disabled group, and other veterans with disabilities precluding successful operation of a vehicle, who are not included in this type of legislation, might feel discriminated against.

In considering S. 2115 it is felt that certain general considerations should also be taken into account. For example, it is important to remember that veterans encompassed by the bill are eligible at the present time for increased compensation rates ranging as high as $318 and $360 per month. In addition, they are eligible for other liberal benefits in the form of prosthetic appliances, hospitalization, medical care, vocational rehabilitation training, and additional amounts of compensation for certain dependents, pursuant to Public Law 877, Eightieth Congress, approved July 2, 1948, for cases involving a disability of not less than 60 percent. Other special benefits for blind veterans include trained seeing-eye or guide dogs and certain mechanical and electrical equipment considered as aiding in overcoming the handicap of blindness.

Although any enactment of further legislation in this field is a matter of basic policy for the Congress to determine, it is believed that any proposal to extend such benefits to additional selected classes of disabled veterans presents the fundamental question whether the necessities of those to be benefited are peculiar and urgent in relation to the benefit proposed. Then, too, it is quite possible that any enlargement of the original theory of the benefit provided by Public Law 663, Seventy-ninth Congress, might serve to inaugurate a legislative policy which, by logical progression, could ultimately result in the supplying of automobiles to less seriously disabled veterans.

With respect to the fiscal effect of the bill, it is not possible to present a complete estimate of cost, inasmuch as the requirements pertaining to impairment of vision contained in section 1 (c) do not conform to those used in the Schedule for Rating Disabilities now in effect. While it is possible to identify the approximate number of veterans eligible under the definition used in the bill, it is believed that a small, additional, indeterminate number of veterans would also be eligible. Then, too, it is not known how many additional veterans of World War II on Army and Navy retirement rolls could qualify under the bill.

It is estimated (based on those receiving benefits from the Veterans' Administration) that approximately 10,000 World War II veterans would currently be eligible under the provisions of the bill. The cost of furnishing automobiles or other conveyances to these 10,000 veterans at $1,600 per vehicle would approximate $16,000,000. Included in the 10,000 World War II veterans are an estimated 220 veterans who are expected to become eligible because of the loss, or loss of use of, one or both legs at or above the ankle. Should the authority under Public Law 663 be extended for another year such veterans could qualify under the extension without regard to the enactment of S. 2115.

There would, in all probability, be further expenditures incident to the enactment of this measure in subsequent years, as additional veterans of World War II are discharged from the service or otherwise become eligible for the benefits in question. However, it is believed that such additional cost would be relatively small.

The following advice was recently furnished by the Director, Bureau of the Budget, with respect to a similar report on a substantially similar bill, S. 1425, Eightieth Congress:

"It is noted that your proposed report points out that the limitations contained in Public Law 663, approved August 8, 1946, suggests that the basic purpose of providing automobiles and other conveyances for disabled veterans was to provide rehabilitative assistance to returning veterans who sustained a material impairment of mobility by injuries to the lower limbs. Furthermore, the cost estimates are not the controlling factors in this case. More important, we feel, is the statement contained in the report to the chairman of the House Committee on Veterans' Affairs relative to similar legislation of the Eightieth Congress transmitted to this office by your predecessor on April 15, 1947, that the matter must be considered in relation to 'the welfare of veterans generally and reasonable obligations of the Government to veterans as a whole * * *. It would seem manifestly unwise to inaugurate a legislative policy which by logical progression, and in order to avoid discrimination, might ultimately demand that all seriously disabled veterans be supplied with automobiles in addition to compensation and other benefits.'

"You are advised that for these and other reasons set forth in the proposed report the enactment of this legislation cannot be considered to be in accord with the program of the President.

"In addition, may I refer to the Bureau's letter of June 29 respecting S. 807 in which we stated our belief that provision of special, nonmonetary benefits which will not assist the veteran to surmount his disability is equally applicable to the provisions of S. 1425 insofar as they pertain to the blind, who obviously are incapable of personal operation of the motor vehicles."

Sincerely yours,

O. W. CLARK,
Deputy Administrator,
(For and in the absence of the Administrator.)

The VICE PRESIDENT. The question is on agreeing to the conference report.

The conference report was agreed to.

GRAND TOTAL OF APPROPRIATIONS BY THE EIGHTY-FIRST CONGRESS, FIRST SESSION

Mr. FERGUSON. Mr. President, I assume that the last appropriation bill for this session has been passed. I should like to state that I have obtained from the Appropriations Committee the grand total of regular, annual, supplemental, deficiency, miscellaneous acts, and permanent appropriations by the Eighty-first Congress, first session. It amounts to $46,490,036,699.28. To this should be added cash and contract authorizations amounting to $4,501,413,298, or a total of $50,991,449,997. 28.

Mr. FERGUSON subsequently said:

Mr. President, in line with what I previously indicated by placing in the RECORD the amount of appropriations for this year, I call to the attention of the Senate a statement made by Dr. Nourse, in connection with his resignation. I understand he is resigning, whether or not his resignation is accepted by the President.

In a speech delivered by him before the National Retail Farm Equipment Association today he criticized Government acceptance of "deficit spending as a way of life." He said he foresees economic progress ahead "much greater than the quite creditable record of the past." But he voiced "real concern" over some present-day trends which he said imperil progress. He implied criticism of the high farm price-support program and other administration policies in these words:

I am uneasy when I see farmers demanding stimulative prices while the Government accumulates gigantic surplus holdings, pays subsidies and deficits, and imposes marketing quotas.

I am not happy when I see the Government slipping back into deficits as a way of life in a period when production and employment are high, instead of putting its financial house in order and husbanding reserves to support the economy if less prosperous times overtake us.

I think it is well that we ponder in these closing hours of the Congress the remarks of the financial adviser of the President and the Congress of the United States.

The Senator from Michigan on many occasions has attempted to have deficit spending checked, and has asked the President to check deficit spending, even if the Congress were unable to do so. Now the flag of warning is waved at us by Dr. Nourse. We may even call it writing in the sky which all should heed. While the Senator from Michigan agrees with Dr. Nourse that great progress can be made by America, and by the world, yet such progress cannot be made on the basis of deficit spending. We can progress if we will exercise some economic sense. That has not been shown by the present administration nor by the present Congress.

INVESTIGATION OF ATOMIC ENERGY COMMISSION — AUTHORITY TO FILE MINORITY VIEWS

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent that members of the Joint Committee on Atomic Energy who disagree with the committee report on the recent investigation of the Atomic Energy Commission be authorized to file their views with the Senate at any time, and that if said views are filed after the adjournment of Congress and prior to the final printing of the RECORD for this session, said views may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

TRANSACTION OF EXECUTIVE BUSINESS

Mr. PEPPER. Mr. President, I move that the Senate, as in executive session, proceed to the consideration of the Executive Calendar, beginning with the treaty on the calendar.

Mr. MORSE. Mr. President, I object to that.

The VICE PRESIDENT. Does the Senator from Oregon yield for the purpose of the Senate going into executive session?

Mr. MORSE. No, Mr. President.

Mr. PEPPER. Mr. President, would the Senator from Oregon allow the consideration of the Executive Calendar as in executive session? I do not know of anything on the calendar of a controversial nature. If we may consider the Executive Calendar, I think it would take less than 5 minutes, including the consideration of the treaty.

Mr. MORSE. Mr. President, protecting my rights, I yield.

The VICE PRESIDENT. Without objection, the Executive Calendar will be considered as in executive session.

Mr. PEPPER. Beginning with the treaty.

The VICE PRESIDENT. Beginning with the first order of business on the calendar.

PROTOCOL PROLONGING THE INTERNATIONAL AGREEMENT REGARDING THE REGULATION OF PRODUCTION AND MARKETING OF SUGAR

The Senate, as in Committee of the Whole, proceeded to consider the Protocol, Executive F (81st Cong., 1st sess.), a protocol dated in London August 31, 1948, prolonging for 1 year after August 31, 1948, the international agreement regarding the regulation of production and marketing of sugar, signed at London on May 6, 1937, which was read the second time, as follows:

PROTOCOL

Whereas an International Agreement regarding the Regulation of the Production and Marketing of Sugar (hereinafter referred to as "the Agreement") was signed in London on 6th May, 1937;

And whereas by a Protocol signed in London on 22nd July, 1942, the Agreement was regarded as having come into force on 1st September, 1937, in respect of the Governments signatory of the Protocol;

And whereas it was provided in the said Protocol that the Agreement should continue in force between the said Governments for a period of two years after 31st August, 1942;

And whereas by further Protocols signed in London on 31st August, 1944, and 31st August, 1945, 30th August, 1946, and 29th August, 1947, it was agreed that, subject to the provisions of Article 2 of the said Protocols, the Agreement should continue in force between the Governments signatory thereof for periods of one year terminating on 31st August, 1945, 31st August, 1946, 31st August, 1947, and 31st August, 1948, respectively;

Now, therefore, the Governments signatory of the present Protocol, considering that it is expedient that the Agreement should be prolonged for a further term as between themselves, subject, in view of the present situation, to the conditions stated below, have agreed as follows:—

ARTICLE 1

Subject to the provisions of Article 2 hereof, the Agreement shall continue in force between the Governments signatory of this Protocol for a period of one year after 31st August, 1948.

ARTICLE 2

During the period specified in Article 1 above the provisions of Chapters III, IV and V of the Agreement shall be inoperative.

ARTICLE 3

1. The Governments signatory of the present Protocol recognise that revision of the Agreement is necessary and should be undertaken as soon as the time appears opportune. Discussion of any such revision should take the existing Agreement as the starting-point.

2. In the event of an agreement based on such revision coming into force before 31st August, 1949, the present Protocol shall thereupon terminate.

3. For the purposes of such revision due account shall be taken of any general principles of commodity policy embodied in any agreements which may be concluded under the auspices of the United Nations.

ARTICLE 4

Before the conclusion of the period of one year specified in Article 1, the contracting Governments, if the steps contemplated in Article 3 have not been taken, will discuss the question of a further renewal of the Agreement.

ARTICLE 5

The present Protocol shall bear the date 31st August, 1948, and shall remain open for signature until 30th September, 1948, provided, however, that any signatures appended after 31st August, 1948, shall be deemed to have effect as from that date.

In witness whereof the undersigned, being duly authorised thereto by their respective Governments, have signed the present Protocol.

Done in London on the 31st day of August, 1948, in a single copy which shall be deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, and of which certified copies shall be furnished to the signatory Governments.

For the Government of the Union of South Africa:
LEIF EGELAND.
For the Government of the Commonwealth of Australia:
JOHN A. BEASLEY.
For the Government of Belgium:
G. WALRAVENS.
For the Government of Brazil:
MARIO GUIMARÃES
For the Government of Cuba:
JULIO A. BRODERMANN.
Subject to a reservation that the Republic of Cuba will have the right to withdraw from the Agreement, at any time, giving notice to the Government of the United Kingdom, as depository of the Protocol, of the intention to withdraw ninety (90) days in advance.
For the Government of Czechoslovakia:
B. G. KRATOCHVÍL.
For the Government of the Dominican Republic:
A. PASTORIZA.
For the Government of the French Republic:
J. C. H. DE SAILLY.
For the Government of the United Kingdom of Great Britain and Northern Ireland:
ERNEST BEVIN.
For the Government of Hayti:
F. DUVIGNEAUD.
Ad referendum.
For the Government of the Netherlands:
A. BENTINCK.
For the Government of Peru:
M. GRAU P.
For the Government of the Republic of the Philippines:
R. J. FERNANDEZ.
For the Government of Poland:
A. SZEMINSKI.
For the Government of Portugal:
MIGUEL D'ALMEIDA PILE.
For the Government of the Union of Soviet Socialist Republics:

For the Government of the United States of America:
L. W. DOUGLAS.
Subject to ratification.
For the Government of the Federal People's Republic of Yugoslavia:
Dr. FRANC KOS.

Certified a true copy.
[FOREIGN OFFICE LONDON SEAL]
E. J. PASSANT
Librarian and Keeper of the Papers for the Secretary of State for Foreign Affairs.

The VICE PRESIDENT. The protocol is open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate.

The protocol was reported to the Senate without amendment.

The VICE PRESIDENT. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, Eighty-first Congress, first session, a protocol dated in London August 31, 1948, prolonging for 1 year after August 31, 1948, the international agreement regarding the regulation of production and marketing of sugar, signed at London May 6, 1937.

The VICE PRESIDENT. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the protocol is ratified.

The clerk will now proceed to state the nominations on the Executive Calendar.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Vincent C. Burke, of Kentucky, to be Deputy Postmaster General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. PEPPER. I ask that the nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Coast Guard nominations are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Kenneth T. Adams to be Assistant Director.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the postmaster nominations are confirmed en bloc, and, without objection, the President will be immediately notified of all confirmations of today.

That completes the Executive Calendar.

Mr. PEPPER. Mr. President, I wish to thank the able Senator from Oregon for his cooperation.

Mr. MORSE. I am glad to cooperate.

PROGRAM FOR THE EVENING

Mr. WHERRY. Mr. President, will the Senator from Oregon yield that I may ask a question of the acting majority leader?

Mr. MORSE. I yield.

Mr. WHERRY. I should like to ask the acting majority leader whether there is to be any more business transacted by the Senate tonight.

Mr. PEPPER. No. At the request of the majority leader, it is my purpose to move that when the Senate takes a recess, that it be until 12 o'clock noon tomorrow.

The VICE PRESIDENT. Does the Senator make that request now?

Mr. PEPPER. I do.

Mr. JOHNSTON of South Carolina. No bills are to be taken up?

Mr. PEPPER. There is to be no further business, except the address of the Senator from Oregon.

The VICE PRESIDENT. Without objection, it is ordered that when the Senate concludes its business today, it recess to meet at 12 o'clock noon tomorrow.

Mr. MORSE. Mr. President, may I have unanimous consent that the introduction of my speech earlier today will

be taken out of the place where it occurred and that the interruptions and the other business transacted by the Senate shall precede my entire speech?

The VICE PRESIDENT. The Senator from Oregon asks unanimous consent that his address be printed in continuity. Is there objection? The Chair hears none, and it is so ordered.

RESPONSIBILITY OF OFFICERS OF TRADE-UNIONS FOR PROTECTING FINANCIAL INTERESTS OF MEMBERS

Mr. MORSE. Mr. President, I wish to take a few minutes to address myself to the subject of the responsibility of the officers of trade-unions for protecting the financial interests of members of the union, insofar as honest administration of union funds is concerned.

I believe, Mr. President, that my record in the Senate of the United States speaks for itself, and that I have demonstrated that I am a friend of the legitimate rights of organized labor. I think my record speaks for itself in showing my belief in free trade-unionism. In fact, Mr. President, I believe that free trade-unionism is an inseparable part of the democratic processes in our country. I believe that if the time shall ever come when the reactionary forces in America who would like to destroy free trade-unionism shall prevail, we shall have lost freedom in America, because I do not think democracy can survive in any country where the right of workers to organize in free trade-unionism is denied to them by their government.

I point out a truth which has been pointed out by many others many times in the past, that in all totalitarian governments, one of the first citadels of freedom which dictators destroy is the system of free trade-unionism. Incidentally, I may say to the business forces of America that the record of totalitarian governments is perfectly clear, in that it shows that once free trade-unionism is destroyed, the next institution of freedom which is destroyed is a free-enterprise economy. In other words, a business system itself functioning primarily upon a corporate enterprise system cannot survive in a country in which the freedom of the workers to organize into free unions and bargain collectively with employers with respect to wages, hours, and conditions of employment, is denied to free workers by any government.

I say that by way of preface to the subject I am going to discuss this afternoon, Mr. President, because I think it is fitting and proper that the RECORD restate this conviction of mine that free trade-unionism is an inseparable part of our democratic system and our democratic society.

However, the rights of workers organized into free trade-unions carry with them definite responsibilities and obligations on their part, and particularly on the part of the officers of the unions. In my judgment, all friends of the free trade-union movement do not serve well the interests of free trade-unionism if they ever gloss over or fail to take the steps they can take to check any corruption, mismanagement or dishonesty on the part of trade-union officials in respect to the obligations of the union officials to their rank-and-file membership.

Mr. President, I have never hesitated in the past, any more than I am hesitating now, nor shall I hesitate in the future, to make very clear to the leaders of trade-unionism in this country that as a Member of the United States Senate I shall never countenance any dereliction of duty on the part of union officials toward the rights of the rank-and-file members. Thus, this afternoon I wish to direct the attention of the Senate for a few minutes to the general subject of the responsibility of the officials of trade-unions to protect the rights of the members of the unions in an honest administration of the financial affairs of the unions.

I wish to call attention to an editorial which appeared in an issue of the Trade Unionist under date of October 1, 1949. The Trade Unionist is the official organ of the Central Labor Union, Building Trades Council of the District of Columbia. I ask unanimous consent to have printed in the RECORD at this point the editorial caption of this trade-union paper setting forth the membership of the executive council of the American Federation of Labor, and also setting forth the name of the editor of the paper, and its place of publication, as those facts appear in the October 1 edition of the paper.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

The Trades Unionist, published each Saturday in the interest of organized labor since 1896. John B. Colpoys, 1912–44, 720 Fifth Street NW.; Fred S. Walker, manager, phone National 3915.

Entered in the Post Office at Washington, D. C., as second-class mail matter.

Official organ of Central Labor Union, affiliated with A. F. of L., Building Trades Council, Allied Printing Trades Council, Union Label League.

The Trades Unionist will not be responsible for opinions of correspondents. If you do not get your paper, drop a postal to the editor, and he will see that you do. All matter intended for publication must be received not later than Wednesday noon to insure publication.

Executive council, American Federation of Labor: William Green, president; George Meany, secretary-treasurer; William L. Hutcheson, carpenters; Matthew Woll, photo-engravers; Joseph N. Weber, musicians; George M. Harrison, railway clerks; Daniel J. Tobin, teamsters; Harry C. Bates, bricklayers; W. D. Mahon, streetcar men; William C. Birthright, barbers; William C. Doherty, letter carriers; David Dubinsky, garment workers; Charles J. McGowan, boilermakers; Herman Winter, bakers; Daniel W. Tracy, electricians.

(At this point Mr. MORSE yielded to several Senators for the consideration of conference reports and the transaction of other business.)

Mr. MORSE. Mr. President, I wish to say to both the majority and minority leaders that I have been very happy in cooperating with them this afternoon in postponing my remarks until this hour, because the primary purpose of my address is merely to make a record of the points I wish to raise in regard to the subject of the address, which is the responsibility of union officials to protect the financial interests of the members of their unions in respect to the funds of the organizations.

As I had pointed out, I wish to call the attention of the Senate to what I consider to be a very fine editorial which appeared in the October 1 issue of the Trades Unionist, an A. F. of L. paper which is the official organ of the Central Labor Union, affiliated with the A. F. of L. Building Trades Council and the allied building trades councils of the District of Columbia area.

The title of the editorial is "Can It Happen Here?" The editorial reads as follows:

CAN IT HAPPEN HERE?

Anyone who criticizes the government in certain countries in Europe can expect the worst. Secret police will pick them up in the early hours of a morning and the next stop is a concentration camp.

Sometimes, if the offender is highly placed, there may even be a "trial," a trial of the kind held in those countries, whereby the accused is convicted beforehand; but the result is the same; concentration camp, or death.

In this country members of an organization or stockholders in a company or corporation have certain rights, and one of those rights is the privilege of knowing what is happening to the affairs of the outfit. Another right is the privilege of criticizing the officials. Here we can even ball out the officials of our Government; we can petition the President and Congress, and we can pillory them if they fail to respond to our wishes. This is the American way.

It appears, however, that members of a labor union cannot criticize its international union officials without retaliation and reprisal. The offense appears to be so heinous that such international officials can be mollified only by the most drastic punishment of the local union which offends.

A local union here in Washington is now being "tried" by international officials, and if found guilty will, according to report, have its charter lifted, which means the international officials will "take over" and operate the local, thus depriving local officials and members of control of their own union.

This has been done before by this international union under a former president, and perhaps he was justified because of pernicious activities of local officials. But for the offense with which this particular local union is charged, such a penalty approaches persecution and appears to be clearly an attempt to deprive union members of their God-given right of free speech—the right to holler when they believe something is wrong; the right to gripe when they are dissatisfied, whether justified or not.

Let's hope this affair will not reach the stage where some of us might think Stalin and his Politburo has branched out to America.

I submit, Mr. President, that the editorial I have just read, printed in the Trades Unionist, an A. F. of L. paper, very rightly calls attention to what I think is a very serious problem existing in certain sections of American trade unionism today, a policy on the part of some unions of to all intents and purposes taking away any effective use of free speech in criticising the officials of their international union, or resorting to due processes of law when they reach the conclusion that the officials of their union are guilty of gross misconduct in protecting the financial interests of the rank and file of the union, or other types

of gross conduct to which the law would be applicable if action were brought, except for a certain socalled union constitutional limitation placed upon the rank and file of the union.

I am very glad, Mr. President, that the Trades Unionist carried this editorial, because as I interpret the editorial it refers specifically to the International Printing Pressmen and Assistants' Union of North America in respect to the attitude which the international officers of that union are taking concerning the so-called Washington Local No. 1 branch of that union.

I want to discuss tonight, Mr. President, the financial policies of the International Printing Pressmen and Assistants' Union of North America on the basis of a record which has been made in respect to that union since some months ago I raised in the Senate Committee on Labor and Public Welfare the question as to whether or not a subcommittee of that committee should be appointed to make inquiry into allegations which members of the committee and I in particular had received that the international officers of that union—at least some past officers of that union—had been guilty of a misuse, and in fact a misappropriation of the funds of that union which, after all, belonged to the rank and file members.

Mr. President, when I raised that point in the meeting of the Senate Committee on Labor and Public Welfare one of my colleagues on the committee said that he had great admiration for the courage of the Senator from Oregon in making the suggestion that we proceed with an inquiry into the financial affairs of this union. I laughed, and I responded to him by saying, "I do not know what courage it takes to raise a question as to whether or not the allegations concerning the misuse and misappropriation and embezzlement of funds belonging to the rank-and-file members of the Pressmen's Union are true." I asked him "What courage does it take to raise a question as to whether we should proceed with an investigation to find whether or not those funds had been misused by the officers of this union?"

This member of the Senate committee then went on to discuss his background of knowledge of some of the financial history of this union. When he finished I said, "The Senator satisfies me that by all means we ought to proceed to make inquiry as to whether or not the individual members of this union have been properly protected in the past by their international officers in respect to their funds."

It was agreed, Mr. President, that I should make further inquiry into the matter and report back to the committee at a later time.

But in the meantime, before I was ready to make a report, the House Committee on Education and Labor appointed a subcommittee which proceeded to conduct some investigations into union practices, and among those investigations was an inquiry into the financial practices of the Pressmen's Union and the charges that the funds of the Pressmen's Union were being misused, or had been misused. In view of that formal inquiry having been started, Mr. President, I took the position in the Committee on Labor and Public Welfare, and so advised the chairman of the committee, the Senator from Utah [Mr. THOMAS], that pending the outcome of the House committee inquiry I would postpone asking for further action on my suggestion that the Senate committee look into the same problem.

The House inquiry, Mr. President, was conducted by a subcommittee of the House Committee on Education and Labor, headed by Representative ANDREW JACOBS of the Eleventh District of Indiana.

I had never met Mr. JACOBS until this year. I had never talked with him until a few months ago. But I wish to say for the RECORD this evening that few men have impressed me more favorably in this session of Congress than the Representative from the Eleventh District of Indiana. He is a lawyer. He is a man with a fine labor-law background and practice. He is a man who can stand on his record as a friend of the legitimate rights of labor; but he is a man who recognizes that the friends of labor fail labor if they do not protest practices on the part of labor which are not in the interest of labor, and which violate the true idealism of free unionism in this country. Representative JACOBS is such a man. He has refused to permit anyone to deter him in his investigation, as chairman of the House subcommittee, into union practices which are bringing discredit upon the house of labor.

Representative JACOBS has had somewhat the same experience as has the junior Senator from Oregon, in that he has been attacked by those in the labor movement who are guilty of performing a disservice to the American labor movement when they try to get protection for either a continuation of such practices or a hush-hushing of any investigation dealing with practices which violate the best traditions and the legitimate rights of American trade unionism.

Under date of October 4, 1949, I received the following letter from Representative JACOBS:

HOUSE OF REPRESENTATIVES,
Washington, D. C., October 4, 1949.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I am transmitting herewith a copy of my statement, which was made in the record of my subcommittee hearings on August 1, 1949. At this hearing it was disclosed that George Googe and other international officers had threatened to penalize Pressmen's Local, No. 1, here in Washington, because they had objected to the manner in which international affairs had been managed, or rather mismanaged.

I also enclose a copy of my letter to the Honorable JOHN LESINSKI, chairman of the House Committee on Education and Labor, in response to his order dissolving the subcommittee.

Most sincerely,

ANDREW JACOBS.

It is very interesting, Mr. President, that while the subcommittee was in the process of making its investigation the chairman of the House Labor Committee dissolved the subcommittee. The first paragraph of Mr. JACOBS' letter to Representative LESINSKI under date of September 28, 1949, is very interesting. It reads as follows:

DEAR MR. CHAIRMAN: I am in receipt of and acknowledge your letter of August 31, 1949, which purports to dissolve the Subcommittee on Union Democracy. I had heard, but disbelieved, you were intending this action. George L. Googe, vice president of International Printing Pressmen and Assistants Union of North America, had boasted in my district that this subcommittee would soon be emasculated.

This occurred a week before you took action in the matter.

The next paragraph reads as follows:

That George L. Googe was enabled to enter my district with this advance information is utterly amazing in the light of circumstances surrounding Mr. Googe. As you known, Mr. Googe, as vice president of the Pressmen's Union, admitted before this committee, of which I was, or perhaps am, chairman, that he moved the 1948 convention of the Pressmen's Union to pay the defaulted income tax for George L. Berry, deceased, the president of that international. The record otherwise disclosed that George L. Berry had "chain smoked" his misappropriations from the international treasury over a period of 30 years and that his affluence necessitating the payment of this defaulted tax bill resulted from such misappropriations and further actually resulted in his being convicted of tax evasion.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the entire letter from Representative JACOBS to Representative LESINSKI.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 28, 1949.

Hon. JOHN LESINSKI,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: I am in receipt of and acknowledge your letter of August 31, 1949, which purports to dissolve the Subcommittee on Union Democracy. I had heard, but disbelieved, you were intending this action. George L. Googe, vice president of International Printing Pressmen and Assistants Union of North America, had boasted in my district that this subcommittee would soon be emasculated.

This occurred a week before you took action in the matter.

That George L. Googe was enabled to enter my district with this advance information is utterly amazing in the light of circumstances surrounding Mr. Googe. As you know, Mr. Googe, as vice president of the pressmen's union, admitted before this committee, of which I was, or perhaps am, chairman, that he moved the 1948 convention of the pressmen's union to pay the defaulted income tax for George L. Berry, deceased, the president of that international. The record otherwise disclosed that George L. Berry had "chain smoked" his misappropriations from the international treasury over a period of 30 years and that his affluence necessitating the payment of this defaulted tax bill resulted from such misappropriations and further actually resulted in his being convicted of tax evasion.

Another amazing circumstance is that when the legislative reporter returned a typewritten manuscript of Mr. Googe's testimony, these admissions were omitted. This matter was duly and seasonably referred to the Department of Justice by the undersigned.

The next amazing circumstance was that because certain locals and individual members of the pressmen's union took a dim view of the conduct of Mr. Googe and his associates in falsely reporting that $422,000 misappropriated by Mr. Berry had been repaid, only to have this claim proven false by our subcommittee, and insisted upon the recovery of this money, Mr. Googe and his associates threatened to revoke the charters of these complaining locals.

Inasmuch as our subcommittee felt that it was its duty to bring to the attention of the full committee and the House such undemocratic practices for illustrative legislative purposes, I, with the authority of the members serving under my chairmanship, subpenaed the records disclosing such threats. I was, of course, disappointed, Mr. Chairman, that you saw fit to criticize me in full committee for issuing this subpena and particularly so since you did not take it up with me in advance.

Despite that criticism, you will recall that this subcommittee had a vote of confidence, better than 2 to 1, when, over your opposition, the committee voted out a resolution to provide us with a subcommittee staff.

Despite that amazing chain of circumstances, I still did not believe on August 25, when so informed, that George Googe could be in possession of such knowledge regarding the impending dissolution of this subcommittee, which was withheld from me as chairman of this subcommittee and as an elected representative of one of the most populous districts in the United States.

However, it is quite apparent that a week later you confirmed the knowledge of this individual, who lent his cooperation to the concealment of past misappropriations from the fund of which he was a moral trustee and to the further misappropriation of almost $27,000 to pay the prime defaulter's income tax on his ill-gotten gains.

You will understand, sir, that I have made no charges; rather I have stated the cold, unvarnished facts of the case. However, your action has posed some rather perplexing questions. First of all, you requested a report from the subcommittee. Perhaps in the years that you have served in Congress you have acquired knowledge with which I am not blessed and hence can inform me as to how a committee that is dissolved can function, even to the point of making a report.

You stated to me verbally that the committee had no further work to do. The facts of the case are that notwithstanding the vast volume of correspondence which came to this subcommittee, you never furnished me with clerical help with which to answer it. My office staff works long hours and diligently upon the work coming in from my own district. Accordingly, I needed help with which to do this work and at first you promised to assist in getting such help, but later opposed the appropriation, but were defeated by your committee better than two to one. Much of this mail remains unanswered and just today I had an inquiry from one party who wrote us and desires to have some documents returned. The question is can I act in the capacity of chairman to return the documents, and, inasmuch as they were addressed to me as chairman, would you expect me to delegate the authority to you to handle this correspondence?

I have come to no definite conclusion in regard to these matters, nor have I been able to ascertain where you acquired the authority to dissolve this or any other subcommittee. It is doubtful if you have authority to establish such subcommittees as were established, but it is obvious that they were ratified, particularly mine on July 29, when an appropriation for a staff was approved by the membership of the full committee.

The full committee never gave you any authority to dissolve and destroy all of the processes of the House Committee on Education and Labor. The House Committee on Education and Labor is not your committee, your institution, nor a puppet organization to which you hold a fee simple title. It is a part of the processes of the Congress of the United States and the membership of that committee is vested with the final authority as to what action shall be taken.

Accordingly, this letter will advise you that I am not at this time acquiescing in the dissolution of this subcommittee. If you will call a meeting of the full committee, I will gladly abide the majority decision. If you do not do so forthwith upon the receipt of this letter, I will convene the members of this subcommittee and I will then be guided by their decision as to whether or not the subcommittee should accept your unilateral and unconfirmed action in the matter. In the meantime, it is my personal request to you that the mail received by this subcommittee which has been duly and legally filed in the offices of the full committee, be not disturbed nor handled by anyone except under my direction. Since the mail was directed to me, I have some interest in how it is to be handled. But as to that matter, as in all things, I am willing to abide the democratic decision of my colleagues on the committee.

I request that you inform me of your views upon the several matters mentioned herein. I further inform you that I will not consider this letter as answered except in writing.

I remain,

Very truly yours,

ANDREW JACOBS.

Mr. MORSE. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement made by Representative ANDREW JACOBS before the subcommittee on the subject of union democracy on August 1, 1949.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ANDREW JACOBS (DEMOCRAT), ELEVENTH DISTRICT, INDIANA, BEFORE SUBCOMMITTEE ON UNION DEMOCRACY AUGUST 1, 1949

Some weeks ago we had deemed the inquiry into the Pressmen's Union completed; and it was so announced. Accordingly, an explanation is due as to why its officials have been recalled.

First, I think it is clear that this inquiry disclosed misuse of this union's funds, particularly by two of its officials now deceased. These incidents extended over many years. In the course of those years, the president, George L. Berry, commingled his financial affairs with those of the union. A considerably more detailed investigation than is the responsibility of this subcommittee would be required to untangle and render a true and accurate accounting of those affairs.

Primarily, this subcommittee is concerned only with determining whether this union membership was, or is being coerced when it attempts or attempted to govern its union. Protests by citizens or members of an organization are a part of the force by which the governed control their government. If protests can be beaten down by economic coercion, then there is no brake on misconduct. Economic coercion is a powerful weapon.

For example, if a union hierarchy can capriciously cancel the union status of protestants there will generally be no protesters. This is no different than a State political machine which can, on any day, raise or reduce the salaries of those public officials who wield local political power.

Wealth is power, and to the worker, political or private, his salary or wages is generally his only wealth. Whoever controls his income, controls him. This is simple economic a, b, c's.

The necessity for workers to organize is admitted by all enlightened persons. Workers want and need their unions, but they want them to be honest, decent, and democratic, as indeed most of them are. A man who works is usually honest. If he wasn't, he wouldn't work. He wants his union officials to be honest. If they aren't, they will waste his union resources and perhaps even sell him out to his employer at the bargaining table.

Now the evidence disclosed misconduct upon the part of the deceased president of this union. It also convinced me that economic compulsion was practiced by him to beat down protests against his misconduct. This was spread in this record to illustrate the necessity for remedial legislation.

The primary duty and responsibility to seek any recovery of assets from the estate of the union's late president rests upon the officers of the international. But it appears that certain subordinate bodies, including local 1, entertain doubt as to whether or not the officials are pursuing the matter in good faith. In this regard I express no opinion, but it is noteworthy that the report of these international officers to the subordinate bodies stated that the sum of $422,000 had been repaid by Mr. Berry's playing card company; whereas they admitted before us that such was not true. Furthermore, this board, composed, in the main, or the same men apparently approved of the forgiveness of $86,000 of debt from the playing card company on the union. I mention this to indicate that local 1 is not wholly unwarranted in its apprehension.

Under the law, if the officers charged with the responsibility of protecting an organization's interests fail to so do in good faith, members may take action by showing the proper court such lack of action and good faith. Whether this apprehension is or is not well founded is for such court, not this subcommittee to say. But the subcommittee is gravely concerned with any economic compulsion to prevent any members from procuring a judicial determination of such good faith or lack thereof.

It is just such compulsion as that that this subcommittee conceives to be its duty to examine and design legislation to remedy. Therefore, when it was brought to my notice that subsequent to our last hearings, some communications between these international officers and local members might contain threats of revocation of local 1's charter, which, if true, is indeed economic compulsion, I felt that such facts, whatever they are should be spread upon this record for our information and guidance in the discharge of our duties. I therefore called them back duces tecum with those communications.

I feel it would be proper to further state that I believe I am aware of the concern of the average worker for his union. I am mindful that under existing law, he voted almost unanimously in favor of union security; the industrial closed shop. In that regard, I agree with him. He needs and deserves that protection. But I am also mindful that existing law does not meet this problem. The present approach is negative; it offers the worker—in fact almost invites him to abandon his union to escape any such abuses as are here disclosed. But it gives the worker no protection in his efforts to remain in his union and correct such abuses.

It is my considered judgment that the latter approach is the correct one, and in failing to so provide, Congress has missed one of the good points in labor legislation.

Let me say that this statement is not partisan. I vainly recommended this approach to Members of the Eightieth, but just as vainly to the Seventy-ninth and Eighty-first Congresses, they being of my own political faith. The reasons for rejection or nonconsideration of this approach lie buried in the minds of other men. I cannot with certainty plumb the depth of their thinking. But I do know that if there was less political

ping-pong played there would be more time available to consider these questions.

Again, there are those who claim it is political suicide to advocate such a measure and to investigate, as we are, to demonstrate the necessity for such is to detonate a political atom bomb. I'm too stupid politically to know the answer to this claim. I just know that I have faith in the American people; that I think the American worker wants a union and an honest one—and that as the representative of all the people, it is my duty to help him keep his honest unions and correct the dishonest ones; not destroy them.

I believe also in the intelligence of the union member, and in his ability to discern what we are trying to do as distinguished from devices designed to destroy his unions. But it is sometimes disheartening to try to carry the load alone with just my good associates on the subcommittee.

The legislative process works as a three-horse team. On three occasions I have vainly endeavored to interest the men high in the executive branch of Government in an objective and well-considered approach to these problems. The so-called upper House of this Congress, exercising its right to free and unlimited coinage of words, finds no time to even consider this problem. Does not the Senate have as much responsibility as we? Is not a problem posed for at least some consideration when working men have evidenced their need and desire for unions, and they receive no protection in trying to make their unions good, honest, and responsive to their will?

I wonder if it ever occurred to the Senate Labor Committee that had it used such a democratic approach as is suggested here that perhaps many of the unwarranted restrictions in existing law might have been repealed? Perhaps not. But I respectfully suggest to it and the Executive that a mite of objective thinking would go a long, long way toward properly solving some of our difficulties.

At least the Senate Labor Committee wouldn't have to dodge every time you said "BOB TAFT."

Mr. MORSE. Mr. President, one has only to read this statement to have ample proof of the soundness of the personal commendation I uttered a few minutes ago in respect to Representative JACOBS. Representative JACOBS and his subcommittee have performed a great service to American trade-unionism by bringing to light the financial manipulations of the international officers of the Pressmen's Union.

I wish to make perfectly clear here and now that I am satisfied that the misappropriation of funds by Mr. Berry, former president of this union and former Member of the United States Senate, in no way typifies the financial practices of American Federation of Labor unions. I am satisfied that the international officers of the Pressmen's Union who have been parties to Berry's financial manipulations, which in my judgment have constituted embezzlement, are not representative of American Federation of Labor officials generally.

A word about Mr. Googe. From what Representative JACOBS says, he not only apparently made the statements which he made in Indiana, but down in Tennessee at the so-called Pressmen's Home, Mr. Louis Lopez, who at the time was legislative representative for the Pressmen's Union, and who had been called down there by the international officers, along with officers of Washington Local No. 1, was told by Mr. Googe at the so-called trial which was given those officers to determine whether or not their conduct justified disciplinary action on the part of the international officers, as I have reported to the Senate Committee on Labor and Public Welfare, that he had taken care of MORSE. Googe named certain Democratic Senators and said in the presence of Lopez that a Democratic Senator had called the Democratic members of the Senate Committee on Labor and Public Welfare and had received from them assurance that MORSE would be blocked in any attempt to put through the Senate Committee on Labor and Public Welfare his proposed investigation of the Pressmen's Union.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. Not at this point. I will yield in a moment. I wish to complete my statement.

That is the statement which Mr. Lopez reported was made by Mr. Googe in Tennessee at the time that the officers of the local union and Mr. Lopez were called before the international officers for a so-called trial. I reported that to the Senate Committee on Labor and Public Welfare, as it was my duty to report it. I wish to say for the RECORD that I am completely satisfied, from the conversations I had with my colleagues on the committee at the time, that there is no basis whatsoever in fact for Googe's reported statement in Tennessee.

It is that type of statement which satisfies me as to the complete unreliability of Mr. Googe, just as I am satisfied that another incident involving another official of this union has no basis in fact; I refer to the counsel of the Pressmen's Union, a man by the name of John S. McLellan. He was reported to have called from the Hamilton Hotel, in this city, and to have said that there was in the room with him at that time a very prominent Federal judge—whom he named—and to have said, "I want you to know that if further steps are taken in regard to the investigation of this union, this Federal judge, who is right here, is going to see that a stop is put to it," and he is said to have purported to say over the telephone, "Isn't that so, Judge?" And then he is said to have purported to relate the judge's answer, although no judge was put on the telephone. I wish to say that any members of the officialdom of the Pressmen's Union, who use tactics such as that are performing a great disservice not only to the rank and file members of the union but to all rank and file members of organized labor.

Under date of July 27, 1949, after I had raised this question in the Senate Committee on Labor and Public Welfare in regard to whether we should go into an inquiry concerning the handling of the funds of this union, I received the following letter from Mr. Googe:

DEAR SENATOR MORSE: I have endeavored to reach you a number of times since the Louie Lopez dinner at the Mayflower Hotel but have not been successful. Mr. Lopez informed me some time ago that you have informed him that the matter of your motion for a special subcommittee of the Senate Labor, Education, and Public Welfare Committee would not be taken up by you.

Mr. President, I digress to say that is a false statement on the part of Mr. Googe; I say that, based upon a statement made to me by Mr. Lopez, in which Mr. Lopez told me he never made any such statement to Mr. Googe.

Of course, had Mr. Lopez ever made any such statement to Mr. Googe, his statement would have been false, because at no time has the Senator from Oregon ever said he would not proceed with the investigation or with his request for an investigation of the financial affairs of the Pressmen's Union; but in view of the fact that the House subcommittee was proceeding with an investigation, it seemed to the Senator from Oregon that it was only courteous to wait to see whether or not the matter would be adequately handled on the House side; and if it was, then no good purpose could be served by rethreshing the straw on the Senate side. Those of my colleagues on the Committee on Labor and Public Welfare who have ever talked to me about this matter privately, know that at no time did the junior Senator from Oregon ever intend to drop his proposal to find out what the facts are concerning the financial affairs of the Pressmen's Union.

I yield now to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the Senator from Oregon is completely correct when he says he never proposed to drop this investigation. The reason why the Senate committee did not act was simply that a comparable investigation was started at the House end of the Capitol.

But I am sure the Senator from Oregon will also agree that the same motive which animated him also animated the Democratic members of the Senate Committee on Labor and Public Welfare.

Mr. MORSE. I wish to make that perfectly clear, Mr. President. Not only that; but now that the Senator from Illinois has raised that point, I think it is perfectly proper for me to amplify a little on the discussion which took place in the Senate Committee on Labor and Public Welfare. We were in executive session. Several Democratic members of that committee—although I shall not name them—made very clear to the Senator from Oregon that a service would be rendered if the facts in respect to the financial affairs of this union were brought to public light. One of the members of that committee dwelt at some length upon some of the problems which existed while he was in the Senate, as a Member of this body, in respect to a former international president of the union, now deceased, Mr. Berry; and that member of our committee went on to say that while Mr. Berry was in this body, questions were constantly being raised in conversation around the Senate, in regard to the financial practices of that union under the leadership of Mr. Berry. During the course of that discussion some of the members on the Democratic side of the committee brought to light a great many facts concerning the history of that union about which the Senator from Oregon was not aware. As a result of that discussion—participated in, I think it would be proper to say, at that stage

of our meeting, Mr. President, and led by some Democratic members of our committee—the junior Senator from Oregon was even more convinced that the public interest demanded bringing the spotlight and searchlight of inquiry to bear upon the financial manipulations of the union leadership.

I want the Senator from Illinois and the Senator from Florida [Mr. PEPPER] to know—and I would say the same if every other Democratic member of that committee were on the floor at this time—that I deeply appreciate the attitude they took at that committee meeting in regard to the position of the junior Senator from Oregon.

I mention this purported conversation with a Democratic Senator, which Mr. Googe claimed took place, because I was incensed at the injustice that that purported conversation did to my Democratic colleagues on the Senate Committee on Labor and Public Welfare—and, not only that, but the great injustice it did to the Democratic Senator who, so Mr. Googe reported to Mr. Lopez, was supposed to have called up the Democratic members of the Senate Committee on Labor and Public Welfare.

Mr. President, I am equally incensed at what I think was the malicious injustice done by the counsel of that union in his conversation, which I have recited, in respect to the incident allegedly involving a Federal judge.

Now I proceed with Mr. Googe's letter of July 27:

On yesterday, in your office, Mr. Peterson informed me that you were still considering the matter of bringing up your motion. I was astounded at this information because I thought the Jacobs committee hearing in the House had smeared our organization to the satisfaction of our opponents.

Mr. President, I digress to say that I did not dignify Mr. Googe's letter with an answer, because of the sentence I have just read. From that sentence, it is perfectly obvious that Mr. Googe was insinuating that the proposal I was making for an inquiry into the financial transactions of the pressmen's union constituted a smear. From the date of the receipt of that insulting letter, Mr. President, I have paid no attention to Mr. Googe, as far as concerns dignifying any attempt on his part to get a response from me to any communication from him or to any attempt to confer with me personally. Mr. President, I am satisfied that his record in the handling of this matter is a distinct disservice to the rank and file membership of the pressmen's union.

His letter proceeds as follows:

An investigation by Senate subcommittee will be practically a repetition of what we have gone through already.

Mr. JACOBS, after adjourning the pressmen's union hearing, sine die, on July 6 has changed his mind and had a subpena served upon me today to appear before his committee again, August 1. I would appreciate your letting me know whether you have decided to drop the matter in the Senate committee or whether you propose to push your motion for a Senate investigation. I can be reached at my home in Atlanta, Ga., tomorrow. I will return to the Hamilton Hotel in Washington next Friday morning where I will be through Tuesday, August 2, and would deeply appreciate your advice.

With kind personal regards, I am,

Respectfully,

GEORGE L. GOOGE,
Vice President.

On the basis of such information as I have in regard to Mr. Googe's participation in the attempted discipline of Washington Local No. 1, as far as I am concerned he seeks to rationalize and excuse what I think constitutes an inexcusable misuse of union moneys belonging to the rank and file of that union, and what Mr. Googe ought to be doing, along with the other officers of that union, is to take every possible legal recourse to protect the funds of that union in the interests of the owners of those funds, the members.

Furthermore, he should be showing the leadership that a labor leader ought to manifest, by urging such reforms within the constitution of the union as will really bring to the members of the union, the democratic processes and the democratic safeguards that ought to be considered their basic rights.

Mr. President, I now come to a report that was sent to the members of the Washington Printing Pressmen's Union No. 1, by the officers of the pressmen's union:

DEAR SIRS AND BROTHERS: The following official communication, which is self-explanatory, has been addressed to the officials of your local union.

"Washington Printing Pressmen's Union No. 1,

"Mr. James S. Judge, President,

"Mr. Edward P. Best, Secretary."

Giving the address—

"GENTLEMEN: Please take notice that on September 21, 1949, at 10 o'clock in the forenoon, at the Administration Building of the International Printing Pressmen's and Assistants' Union of North America, Pressmen's Home, Tenn., a hearing will be held before the board of directors of the International Pressmen's and Assistants' Union of North America, at which time you are directed to appear and show what cause, if any you have, why the charter of the Washington Printing Pressmen's Union No. 1 should not be revoked, suspended, or other disciplinary action taken in accordance with the constitution and laws of the International Printing Pressmen's and Assistants' Union of North America, as revised and adopted in September 1948, for charged violations of such constitution and laws as hereinafter specified.

"Please take further notice that the board of directors of the International Printing Pressmen's and Assistants' Union of North America, acting under the authority vested in them by the constitution and laws of the International Printing Pressmen's and Assistants' Union of North America, have on information and belief preferred charges against Washington's Printing Pressmen's Union No. 1, of violating the following sections of the constitution and laws of the International Printing Pressmen's and Assistants' Union of North America—

I want particularly to call the Senate's attention to these articles of the constitution:

"Article 22, section 9: Recourse to courts of law. If any subordinate union, or any member of a subordinate union, shall disregard any provision of the constitution or laws of the international union pertaining to appeals, initiative, referendum, or recall, and shall seek adjustment or settlement of its or his claim, conditions, or controversy by or through means of any suit, action, or proceeding of any kind or character whatsoever, in any court of law or equity, either Federal, Provincial, State, county, or municipality, without having first exhausted its or his remedies as provided for in and by said constitution and laws of the international union, he shall thereby be automatically expelled from the international union, without notice, and shall thereby forfeit any and all rights and benefits in the international union."

Mr. President, I digress from the letter for a moment to make a few comments on the constitutional provisions of the pressmen's union. There are two sides, Mr. President, to this constitutional provision. Historically our American trade-unions originated and developed pretty much on the theory that they were lodges, fraternities, or organized brotherhoods, organized by men of good will and interested in mutual economic problems in the belief free workers ought to have the right to organize and bargain collectively for the improvement of their wages, hours, and conditions of employment. Much of their business was transacted in strict executive session, within the lodge, as we say, and of course any organization has the right to expect from its membership loyalty to the objectives of the organization. In the early days, a great many trade-union constitutions included articles somewhat similar to article 22 of the pressmen's union constitution. In those days, unions were confronted with the great problem of employer spies and stooges and professional dissenters, who worked their way into the union for the purpose of weakening it and causing the officials of the union a great deal of trouble, creating dissension and seeking to serve the employer by means of such underhanded, deceitful, spying techniques.

Of course, Mr. President, in the days when the trade-unions were weak, in the days when officials of trade-unions had to be constantly on guard against such nefarious practices on the part of employers working through their labor spies and stooges, it was understandable that a trade-union would seek to protect itself from such disturbers of the best interests of the union, from men who had gotten in, under false pretenses, and were attempting by devious methods to break down the morale and the organization of the unions; I understand that.

In those days unions were relatively small compared with the far-flung union organization which now exists in America. They were compact little units of democracy working in accordance with democratic processes, and the membership of the union was usually present at the meetings in large numbers, and there was illustrated in those union meetings a good old American town-hall direct-democracy system.

We must face the realities which confront us today, Mr. President. The fact is that many American unions are very large institutions, both in terms of membership, in terms of the number of local unions which form the international, and in terms of the financial assets of the

union. I suppose it is true that many of our international unions, measured in terms of financial assets, economic power and influence, are much more powerful than are many substantial American corporations. I mean no unfavorable comparison, Mr. President, when I say for descriptive purposes that it is true that American unionism has taken on a great many of the characteristics of big business enterprise; and necessarily and desirably so, Mr. President, because our economy has changed remarkably since the early days of the formation of our small unions. Take the great carpenters' union, and other building trades unions—in fact, we can take any one of the major AFL unions or the major CIO unions, and we are dealing with great organizations of labor which have not only tremendous responsibilities to their rank-and-file membership, but tremendous responsibilities to the Nation, also. In fact, if I were to name the great educational institutions of America, I should not only name Harvard, Columbia, Yale, Princeton, Michigan, Chicago, Northwestern, and all the other great formal institutions of education in this country, but I should name, Mr. President, the great trade-unions of America. I think of the job which David Dubinsky has done with his garment workers not only in educating the members in regard to problems of collective bargaining but in developing an organization which has served as a great educational institution in democracy. I should have to put his union alongside outstanding educational institutions if I had to list the educational forces in America which make the belief and conviction of the American people and the strength of democratic processes secure for the future of my country. I should name not only Dubinsky's union—I use it only as an example—but I should say the same of every major AFL union, of every major CIO union, such as the great steel workers union. Yes, Mr. President, I would say it also of the United Mine Workers of America, irrespective of differences arising in regard to certain policies and points of view of the leader of that organization. We cannot go into the coal towns of America without recognizing, and one should appreciate the fact, that the United Mine Workers of America has, after all, brought an understanding of democratic processes and principles to the coal miners and their families over the years, has performed a magnificent service in lifting the standard of living of the members of that union, and also in enlightening them to a better understanding of the great benefits they are privileged to enjoy and to share in a free society in which a free trade-union can exist and prosper.

So, Mr. President, when I talk about article 22 of the constitution of the pressmen's union, I mean to make perfectly clear that I understand its historical origins and that I recognize the need for a provision in every union constitution that will protect the union from planted stooges and from employer spies who have worked their way into the union for the purpose of stirring up dissension. But I should also want to make clear, Mr. President, that the economic changes which have taken place in America since the early days of unionism, the bigness of unions just as the bigness of corporations, make it imperative that unions take the steps necessary to revise constitutions in order to guarantee to the membership democratic processes that will protect them against international officers who develop a great power over the union, almost dictatorial in nature, and, in the use of that power, place themselves in a position in which they can do great injury to the financial interests of the members of the union through a misappropriation or misuse, or even embezzlement, of the funds of the union, as I think was the case in the pressmen's union under the leadership of Mr. Berry.

Therefore, Mr. President, I believe the time has come when American trade-union constitutions, with such a provision as article 22 of the pressmen's union in them, should be so modified as to provide a review of and a check upon the officers of the union by a reasonable judicial process which will permit the courts charged with administering the law of this land to pass judgment on whether the procedures of the union really in effect give to the membership of the union or the protestors in the membership of the union, who are acting in good faith, adequate protection of their rights.

I say that with special reference to the pressmen's union, because as this case unfolds we are going to see that article 22 has served as an effective barrier blocking the membership of the union from taking those steps at a time when taking them would have been most effective in protecting their rights. The cumbersome machinery of this union guarantees the passage of so much time from the time the members in the first instance feel that their financial interests are not being adequately protected until all the processes of the machinery of the union can be gone through, that article 22, which on its face seems plausible enough, really in practice amounts to a denial of adequate protection of the rights of the members of the union.

Let me note again what it says. They shall not take any action or proceeding of any kind or character whatsoever, in any court of law or equity, either Federal, Provincial, State, county, or municipality, without having first exhausted its or his remedies as provided for in and by said constitution and laws of the international union, shall thereby be automatically expelled from the international union, without notice, and shall thereby forfeit any and all rights and benefits in the international union.

If they violate that section, what is the penalty? They are automatically expelled. Therefore what is the power of this union over its membership under this article? It is the power of determining their economic livelihood. We are dealing here for the most part with what we call a closed-shop union. If one of these pressmen is expelled from the union, in most instances his best form of making an economic living is taken away from him.

Mr. President, I very well know that the suggestion I now make will not be acceptable, at least at first, to a great many officials in all affiliations of American trade-unions—CIO, A. F. of L., brotherhoods, and independents. The question I must answer in respect to this problem is, What ought to be done in promoting sound public policy? So I raise the question whether or not in this modern day, with American trade-unions having all the guaranties and protections which are theirs under the law, it is good public policy to continue a prohibition in a union constitution under which a free American citizen, a member of that union, who in good faith, is satisfied that the international officers are guilty of gross misconduct in the handling of the financial affairs of that union, and after a reasonable attempt to secure protection of his rights and interests within the union within a reasonable period of time, can be denied the right to go to the courts and in accordance with due process of law, have his financial interests protected, or, if he does go to court, be confronted with the cold, hard fact that he will be kicked out of the union and from then on be denied the right to seek his economic livelihood in that one branch of labor endeavor in which he is best qualified, and for which he has trained and prepared himself over the years.

I question whether today, with union organization what it has become in America, it is good and sound public policy to permit American unions to exercise such tremendous power over the economic livelihood of fellow citizens as is allowed by the provisions of article 22 of this union.

The facts in this case show that the procedures of the union itself, its practices in regard to conventions, its procedures for checking international business, make it possible for international officers who do not want to follow democratic processes to promote delays in hearing grievances to such a point that the membership in fact has no protection under article 22. It takes years to get through the procedure of the union up to the final international convention, which may be held as infrequently as once every 4 or 5 or 10 years.

Mr. President, I think democratic processes are vital to the members of American unions. I think a system of government by law is essential to protecting freedom and liberty of every American citizen, those who belong to unions and those who do not. It is so essential that we protect our system from any form of tyranny that I am willing to say, as a defender of free trade-unionism, that the guaranties of due process of law should prevail for the benefit of members of the union, too, and that whenever a constitutional provision of a union tends to place a limit upon the exercise of a citizen's right to due process of law, then that provision of that union's constitution ought to be modified.

Thus I would suggest, Mr. President, in discussing this particular section of

the pressmen's constitution, that not only this union but other unions as well, in order to demonstrate to the American people that there is no basis in fact for a widespread criticism that American unions do not follow democratic processes, should adopt a procedure by which, in the case of the type of the grievance which has been complained about in respect to the handling of the pressmen's union funds, an appeal can be made to a judicial officer outside the union for a review of the question as to whether or not the procedures of the union are adequate under the facts and circumstances of the individual case to protect the complainant who charges that his financial interest in the funds of the union or his interest in any other affair of the union are being violated and transgressed by the officers of the union.

I believe, Mr. President, that a procedure worked out on the basis of the principle I have just enunciated would be sound public relations on the part of American unions, because it would be an effective answer to the general charge and criticism that we so frequently hear and which my experience in regard to labor relations in this country shows by and large is an unfair criticism—but nevertheless it prevails—that the rank and file member, as far as the practicalities are concerned, has no adequate protection of his democratic rights within most trade-unions.

Such an article as article XXII in the pressmen's union's constitution which I have read, can be abused, and I am satisfied that it has been abused in this union with respect to the prosecution of complaints concerning the misuse of the funds of the union.

I continue with the letter of September 8 sent out by the officers of the International Printing Pressmen and Assistants' Union of North America to the members of the Washington local:

Article XXX, section 7, which reads in part as follows:

"Article XXX, section 7. Obligation. Subordinate unions shall adopt the following obligation:

"I, _____ solemnly and sincerely pledge my honor that I will not reveal any business or proceedings of any meeting of this union, or any other subordinate union to which I may hereafter be attached, except to those whom I know to be members in good standing; and that I will, without equivocation or evasion, abide by the constitution and laws and the adopted scale of prices.

"I furthermore promise that I will not apply to the courts for redress in any manner concerning or affecting the organization without first appealing to the officers, board of directors and the convention of the International Printing Pressmen's and Assistants' Union of North America, as provided by the constitution and laws thereof.

"Article XXX, section 45. Appeals for financial aid. No appeal for financial aid shall be made by any one subordinate union to any other subordinate union until approval thereof by the board of directors shall have been first obtained.

"Article XXX, section 59. False charges. Any member of a subordinate union who does any act or thing, or makes any statement, that is, or may be, injurious to, or that reflects on the honesty or integrity of, any member, or makes any charge or claim that any member or officer is or has been using the funds or properties of the international union, or of a subordinate union, or appropriating the same to his own use, and does not produce proof to sustain such charges or claim, shall be fined not more than $200, or suspended, or expelled, as the board of directors may determine."

Sincerely and fraternally—

Signed by the board of directors of the International Printing Pressmen and Assistants' Union of North America.

Mr. President, I ask unanimous consent that the entire letter may be printed at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL PRINTING PRESSMEN AND ASSISTANTS' UNION OF NORTH AMERICA,
Pressmen's Home, Tenn., September 8, 1949.
To the Members of Washington Printing Pressmen's Union No. 1.

DEAR SIRS AND BROTHERS: The following official communication, which is self-explanatory, has been addressed to the officials of your local union:

"WASHINGTON PRINTING PRESSMEN'S UNION No. 1,
"Mr. JAMES S. JUDGE, *President*,
"Mr. EDWARD P. BEST, *Secretary*,
"*704 Carpenters Building*,
"*1003 K Street NW., Washington, D. C.*

"GENTLEMEN: Please take notice that on September 21, 1949, at 10 o'clock in the forenoon, at the Administration Building of the International Printing Pressmen's and Assistants' Union of North America, Pressmen's Home, Tenn., a hearing will be held before the board of directors of the International Printing Pressmen and Assistants' Union of North America, at which time you are directed to appear and show what cause, if any you have, why the charter of the Washington Printing Pressmen's Union No. 1 should not be revoked, suspended, or other disciplinary action taken in accordance with the constitution and laws of the International Printing Pressmen and Assistants' Union of North America, as revised and adopted in September 1948, for charged violations of such constitution and laws as hereinafter specified.

"Please take further notice that the board of directors of the International Printing Pressmen and Assistants' Union of North America, acting under the authority vested in them by the constitution and laws of the International Printing Pressmen and Assistants' Union of North America, have on information and belief preferred charges against Washington Printing Pressmen's Union No. 1, of violating the following sections of the constitution and laws of the International Printing Pressmen and Assistants' Union of North America:

"'Article XXII, section 9. Recourse to courts of law. If any subordinate union, or any member of a subordinate union, shall disregard any provision of the constitution or laws of the international union pertaining to appeals, initiative, referendum, or recall, and shall seek adjustment or settlement of its or his claim, differences or controversy by or through means of any suit, action or proceedings of any kind or character whatsoever, in any court of law or equity, either Federal, Provincial, State, county, or municipal, without having first exhausted its or his remedies as provided for in and by said constitution and laws of the international union, shall thereby be automatically expelled from the international union, without notice, and shall thereby forfeit any and all rights and benefits in the international union.'

"Article XXX, section 7, which reads in part as follows:

"'Article XXX, section 7. Obligation. Subordinate unions shall adopt the following obligation:

"'I, _____ solemnly and sincerely pledge my honor that I will not reveal any business or proceedings of any meeting of this union, or any other subordinate union to which I may hereafter be attached, except to those whom I know to be members in good standing; and that I will, without equivocation or evasion, abide by the constitution and laws and the adopted scale of prices.

"'I furthermore promise that I will not apply to the courts for redress in any manner concerning or affecting the organization without first appealing to the officers, board of directors and the convention of the International Printing Pressmen and Assistants' Union of North America, as provided by the constitution and laws thereof.

"'Article XXX, section 45. Appeals for financial aid. No appeal for financial and shall be made by any one subordinate union to any other subordinate union until approval thereof by the board of directors shall have been first obtained.

"'Article XXX, section 59. False charges. Any member of a subordinate union, who does any act or thing, or makes any statement that is, or may be, injurious to, or that reflects on the honesty or integrity of any member, or makes any charge or claim that any member or officer is or has been using the funds or properties of the international union, or of a subordinate union, or appropriating the same to his own use, and does not produce proof to sustain such charges or claim, shall be fined not more than $200, or suspended, or expelled as the board of directors may determine.'"

Sincerely and fraternally,

J. H. DE LA ROSA,
S. S. MAYTED,
C. V. ERNEST,
A. J. DI ANDRADE,
WALTER J. TURNER,
GEORGE L. GOOGE,
WM. H. MCHUGH,
Constituting the Board of Directors of the International Printing Pressmen and Assistants' Union of North America.

Mr. MORSE. The point I wish to make, Mr. President, is that constitutional provisions such as those set out in the September 8 letter of the officers of the International Pressmen's Union to the officers of the Washington Local No. 1, have a very plausible and a meritorious side to them. If a union in fact operates as a democratic organization, if a union in fact proceeds to live up to the spirit and the intent and the ideals of its constitution, then the rights and interests of the rank and file members will be protected. I do not deny that. But I point out, Mr. President, that such broad powers in a constitution given to a group of international officers, or as in the case of the pressmen's union given to Mr. Berry, can be used as weapons for dictatorship over the members of the union. In my judgment that is the type of a union leader Mr. Berry was. He ran his union with an iron hand. His will prevailed. Over the years he did not brook opposition. He was in a position to use the procedures of the constitution I have just outlined to silence or to beat down any threatened dissension within the union, and if any local union did start to take any steps to challenge his leadership or raise any question as to the business practices of the union and the use of the funds by the president of the union, quick discipline was meted out, and the local was made to understand very quickly that its charter would be jerked.

Therefore, Mr. President, what I am pleading for tonight is a recognition on the part of the American unionists themselves that not only from the standpoint of their public-relations standing with the American public but also from the standpoint of their own interests in protecting democratic processes within their union, they ought to recognize that the modern trade-union is quite a different type of union from the little local brotherhoods and lodges and fraternities which characterized the American trade-union movement back in the 1870's, the 1880's, and the 1890's.

At this point I wish to make and emphasize one of the major points of this speech, and that is that American trade-unions are now charged with a public interest. They no longer are private lodges. They no longer, in the old sense, are fraternities of workers. They no longer are merely brotherhoods of coworkers seeking to advance their economic interests and their social relations. American trade-unions have become charged with a public interest. I think they are inseparable, just as the great corporations of the country are inseparable, from our American way of life. If we do irreparable damage to the American trade-unions, we do irreparable damage to free trade-unionism in America and to the free-enterprise system represented by the great business organizations of America, and we also do irreparable damage to political freedom, to our system of political democracy, because the interwoven, interrelated, interknit relationship between our economy and our political institutions is such that we cannot separate one element from the other.

I believe that the great guarantees and principles which we call the democratic process must manifest themselves in all our American institutions in order to preserve freedom in our country as a whole. If these principles of freedom are not functioning within the trade-unions and within the business organizations, and among our farm organizations, if those principles of freedom are not manifesting themselves in all American institutions, then we have the beginning of the undermining of the great structure of free government in a free society in our country.

I have said to labor unions for many years, as I have talked to them—and I have dwelt on it at great length in personal conversations with American union leaders—that the greatest strength of the American labor movement should be a constant demonstration of democracy put to work in our labor organizations. If American trade-unions will always put into practice the principles of democratic processes and will constantly demonstrate to the American people that they are organized for and exist for the improvement of the welfare of the workers in accordance with the highest ideals and traditions of our system of democracy, they will not have to worry about public support for their legitimate rights in the field of free collective bargaining.

On the other hand, if they permit a growth of the feeling which now exists in this country to a degree beyond which I think it is good for labor to have it exist, that some of the leaders of some unions are more concerned about concentrating greater power in the officials of the union than they are in seeing to it that the welfare of the rank-and-file members always receives first consideration, then the American trade-union movement is bound to find itself in conflict with and in contest with public opinion.

My colleagues have heard me say this before, but I want to repeat it tonight in connection with the particular problem I am raising. In 1947 American labor found itself outside the framework of public opinion. There is no doubt about the fact that in January, February, and March 1947 there was the widespread view among the American people that some drastic labor legislation should be passed, controlling what was said at the time—almost in slogan form—to be the abuses of organized labor. When we talked to individuals who commented in those terms and tried to pin them down to just what it was they thought ought to be covered in such legislation, and to say specifically just what it was they thought were union abuses, they usually became rather vague and not quite as dogmatic as they were when they first told us, "What we need is some labor legislation with teeth in it."

When we asked them, "What is it that you want to chew with this legislation?" they found it somewhat difficult to be specific. But by and large they were specific on one common complaint, and that complaint was that they thought too many officers of too many unions exercised too much control over the rank-and-file members of the unions, and that the policies of the unions were not being determined to a sufficient degree by the members thereof.

Even that charge was an overgeneralization. It was a blanket charge which many critics made. Many of them were for various selfish reasons professional critics of organized labor, and were anti-labor in bias. Most of those charges were not applicable to most American trade-unions. But there was a considerable body of fact in support of the charges. I believe that most of the criticism in January, February, and March of 1947, by those who wanted the Congress to pass drastic antilabor legislation, could not be substantiated in fact. On the other hand, I would be less than honest if I did not point out, as I did at that time, that some modifications of the Wagner Act were needed, because in my judgment the Wagner Act violated the principle that the rules of the game should apply to both teams which play it. As the Presiding Officer knows, I have always stood, on the floor of the Senate, in connection with labor legislation, for the view that we should pass labor legislation which gives to both employers and workers the same procedural rights and guaranties in respect to prosecuting charges of unfair labor practices practiced by one on the other, be it the employer on the union or the union on the employer.

At our hearings in 1947, I said to the labor leaders, as they appeared before the Labor Committee, "What specific recommendations do you have to make in regard to labor legislation?"

Their attitude can be summed up by saying that they told us they did not want any legislation at all; they did not think any legislation was necessary; they were opposed to any legislation.

I tried to get them to see that by taking that attitude they were not helping their friends in Congress—and by "their friends," I mean those who wanted to protect the legitimate rights of labor, just as we wanted to protect the legitimate rights of business and also the legitimate rights of the public. I tried to get them to see, as the official records of those hearings will show, that they were going to get some legislation; and I remember that I said, in effect, at one of the hearings, "You are going to get legislation more drastic than needs to be passed, and some of us probably will find ourselves faced with the necessity of making the choice of voting for or against legislation more drastic than would be the case if you would agree to have legislation which would protect your rights, but at the same time would protect the need of the public for such legislation"—but legislation much less drastic than the legislation the labor baiters in the country wanted to have passed at that time.

Mr. President, you know what the record shows in that connection. We did not get that help from the labor leaders—with the result that the Taft-Hartley law was passed.

I shall always be proud, not only of my vote against the Taft-Hartley law but of my fight against its passage. I would incorporate in the RECORD tonight, by reference, Mr. President, in order to show my position, every argument I used against the Taft-Hartley law in 1947; and I say I would not change a single word in those arguments.

The Congress of the United States in 1947 did a great disservice to American workers by passing the Taft-Hartley law; and I stand for its repeal, and I have fought for its repeal, and I shall continue to fight for its repeal.

In this session of Congress, I have stood against a continuation of the Taft-Hartley law on the statute books. I have tried to cooperate in this session of Congress in working out a modification of the Thomas bill which, by and large, is a bill in the right direction, as far as fair labor legislation is concerned.

However, the history of this Congress shows that a combination of forces in the Senate of the United States made it impossible to enact a bill which called for the repeal of the Taft-Hartley law, or to secure the adoption of modifications of the Thomas bill at this session of Congress.

In the 1950 session, I will again be found among those who will be working for and voting for a repeal of the Taft-Hartley law, but also, Mr. President, working for and voting for the type of legislation which, since 1947, I have advocated on the floor of the Senate, which advocacy by me of such legislation constitutes my record on labor issues; and

that record will be the record on which I shall ask, as far as the labor issue is concerned, for the endorsement of a majority of the voters of my State, when I am up for reelection.

I have said these things about labor legislation because I wish to say to the rank-and-file members of the pressmen's union and to the rank-and-file members of every other union in this country—A. F. of L., CIO, railroad brotherhoods, independents, and mine workers—that I intend to continue to vote with labor when I consider labor is right in regard to the merits of any issue; and I intend to continue to vote against labor—as I have done ever since I have been in the Senate—whenever I am convinced that labor is wrong on some issue. I propose to exercise an honest independence of judgment on the facts presented to me in connection with proposed labor legislation, when I come to vote on it.

Mr. President, I am that type of friend of labor. I say to labor that that is the only type of friend who can be of true service to labor in the Congress. If what labor wants is a stooge or a puppet or someone who will vote at the dictates of labor, then labor should recognize that what it is dealing with is a dishonest man. If a man who, when serving in the Congress of the United States, would vote in accordance with the dictates of labor or of the National Association of Manufacturers or of any professional group or of any farm group or of any other special interest group, then the members of that group should know they are dealing with an intellectually dishonest man, and they should not trust him or have any respect for him or want to carry on any relations with him.

In making my criticism of certain practices which I think have developed in the pressmen's union, my plea to the pressmen's union and to its international officers and to the rank-and-file members is that they proceed now to take the steps necessary to clean up the finances of the union and to modify the procedures of the union so that it will be a labor organization which will meet the test of the type of democracy in trade-unions for which I have been arguing.

One of the first things the union should do is make clear that in the procedures provided for in the constitution of the union, there will be a modification which will not deny due process of law to the members as the result of long delays on the part of those responsible for calling conventions. I say that, because if that union had proceeded expeditiously in that matter, the Berry financial manipulations would have been cleared up years ago. If the members of the union in convention assembled had made very clear that they wanted all the business transactions of the union to be an open book, then some of the abuses, which I am satisfied from the record exist in the union's financial affairs, would never have arisen to bring discredit upon it.

Now, Mr. President, what about some of the financial transactions? I ask unanimous consent to have inserted at this point in my remarks the contents of a little pamphlet entitled "Questions and Answers"—questions about the national policy committee of locals and members affiliated with the International Pressmen's Union. It is signed by Archie France, temporary chairman, and Harry Wendrich, temporary secretary and treasurer.

The PRESIDING OFFICER (Mr. SALTONSTALL in the chair). Is there objection?

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS ABOUT THE NATIONAL POLICY COMMITTEE OF LOCALS AND MEMBERS AFFILIATED WITH THE I. P. P. AND A. U. OF N. A.

1

Question. What is the national policy committee?

Answer. It is a committee composed of locals and members of the I. P. P. & A. U. of N. A. who voluntarily join it and contribute to its purpose.

2

Question. What is the purpose of the national policy committee?

Answer. The purpose of the national policy committee is to take the necessary action to recover funds and property belonging to the international estimated at nearly a million dollars. A second purpose of the committee is to aid in bringing about a more democratic union.

3

Question. Who estimated the national policy committee?

Answer. The national policy committee was established by members of the I. P. P. & A. U. of N. A.

4

Question. Why was the national policy committee established?

Answer. In official hearings conducted by a subcommittee of the Committee on Labor and Education of the United States House of Representatives, facts were disclosed from which it appeared:

(a) That funds of the international union in the amount of at least $850,000 and probably more had been diverted to the personal profit of Berry and another former officer of the union.

(b) That the incumbent international board of directors were incapable of making a thorough independent investigation into the facts, and further that they were not disposed to take vigorous legal action to recover hundreds of thousands of dollars in cash and valuable property rightfully belonging to the union. (These disclosures are set forth in full detail in a pamphlet containing the report of the investigating committee of local No. 1.)

When these facts became obvious, the national policy committee was formed to protect the interests of the international, its locals and members.

5

Question. Why cannot the incumbent international board of directors protect the interest of the membership?

Answer. The incumbent board members are mostly men who owe their position to Berry and who it appears from present evidence, in one way or another participated in the transactions which must be challenged. Whether they profited or not, and we do not on present facts, say they did, it is certain that they cannot make an independent investigation into their own conduct, or be expected to take vigorous legal action. They have taken some action but only under great pressure, and then only for a minute part of the funds involved. They have filed claims against the Berry estate for only $82,566.16; they are in the process of settling the $800,000 claim against the International Playing Card and Label Corp. for an utterly inadequate sum. As further proof of their incompetency to act independently, there is the fact that the attorney for the board of directors was Berry's attorney and was named as a beneficiary in Berry's will.

6

Question. Why do the international board of directors attack the national policy committee?

Answer. The attacks of the international board of directors upon the national policy committee are further proof of their inability to represent the membership against the Berry estate. The national policy committee has taken a simple position: All the facts concerning the use of union funds by Berry should be placed before the courts and a judicial determination secured concerning the rightful ownership of properties in the Berry estate paid for out of union funds.

7

Question. Why is independent legal action necessary to protect the interest of international, local, and members?

Answer. Legal action is necessary because legal proceedings are now pending in which a decision as to the rightful owners of property and funds in the Berry estate will be made, namely the probate proceedings on the Berry will. The union must intervene in these probate proceedings and state its full claim; otherwise, unless objections are made, the probate court may validate the will and transfer the funds and property to the persons named in the will. The union must intervene to assert its claim to the property which was paid for by union funds and in addition file a claim for all other sums of money taken from the union treasury and used by Berry for his personal profit. The committee intends to ask the board of directors to file a claim covering the entire Berry estate, but because the board has not itself taken this step during the almost 9 months which have passed since the probate of the will, the committee does not expect the board to take such action. The committee must therefore, be ready to take independent legal action.

8

Question. Why must immediate legal action be taken?

Answer. Legal action must be taken almost at once because the probate proceedings described above are now pending and the deadline for filing claims is October 6, 1949. Furthermore, the international board of directors have filed a claim for only a minute part, $82,566.16, and are proposing to settle the claim against the International Playing Card & Label Co. Unless action was taken before the deadline, the union will forfeit its right to present its claims.

9

Question. Why is the national policy committee seeking funds?

Answer. The national policy committee is seeking funds from members and locals to meet expenses. No officers of the committee are being paid. These expenses are mainly legal expenses. Lawyers are needed to make the investigation into the facts and to take the necessary legal action. Only lawyers can unravel and analyze the facts involved in this matter which includes loan transactions, organization of corporations and probate of wills. The committee is in touch with most reputable and experienced lawyers.

10

Question. How much money does the national policy committee require?

Answer. It is not possible to say what the full amount may be—at least $10,000 is needed for legal, court, and printing expenses. The secretary-treasurer of the committee is bonded and a full accounting will be made for every penny.

11

Question. Can the international board of directors lawfully expel or suspend any local or member for joining the national policy committee?

Answer. The international board of directors cannot lawfully expel or suspend any local or member for joining the national policy committee and any attempt by the board of directors could be enjoined. This is the opinion of reputable attorneys. They have advised that union members have a fundamental right to make an independent investigation into these facts and to take all necessary and proper legal action. (A copy of this opinion will be sent on request.)

12

Question. Is the national policy committee violating the provision of the constitution prohibiting going to court without first seeking redress from the board of directors and a convention?

Answer. No. The national policy committee is not violating the prohibition of the constitution against going to court without first seeking redress from the board of directors or a convention. The national policy committee intends to ask the board of directors to act but has no expectation that the board will do so. In view of the necessity for action before October 6, 1949, we are advised that the right to an appeal to the next convention of the international union need not be exercised.

13

Question. Why cannot the questions be left to a convention?

Answer. The questions cannot be left to a convention because the next regular convention will not be held until 1952 which will be much too late for reasons given above. A special convention cannot be called easily or quickly, because there is no provision in the international constitution for a special convention. Moreover, the questions concerning the funds and property of the union cannot be settled by any convention. A union convention cannot decide whether the union has a rightful claim to funds and property in the Berry estate; that question can only be decided by the courts, upon a full and aggressive presentation of all the facts, on behalf of the union. Legal action on the property rights of the union is independent of any convention. Amending the international constitution to make our union more democratic and to prevent mismanagement in the future, is another matter. The national policy committee will also act on these problems, but independent legal action on the past affairs is a separate matter requiring immediate action now.

14

Question. Is the national policy committee violating the provision of the constitution prohibiting the solicitation of funds without approval of the board of directors?

Answer. No; the national policy committee is not violating the prohibition against soliciting funds without approval of the board of directors. The prohibition cannot be construed to prevent the membership of the union from taking independent necessary legal action to protect the rights of the union, in a matter on which the board of directors are incompetent and prejudiced. We are so advised by legal opinion mentioned above. We have a right to take legal action, legal action costs money and we must have the right to raise the money, where the board of directors wrongfully object to legal action.

15

Question. Will the purposes and action of the national policy committee hurt the international union?

Answer. The purposes and action of the national policy committee will not hurt the international union. On the contrary, the purpose and action of the committee will strengthen and preserve the union. The committee is not taking legal action against the international union. Its legal action is on behalf of the international union and for its benefit. The committee is challenging the past actions of Berry which were detrimental to the union; it is challenging the incumbent board of directors for failing to take aggressive independent action to protect the interests of the international union, its locals and members. But this union is bigger than any individual official and criticism of past or present officials is not criticism of the union. A democratic union depends upon the ability of the membership to control its affairs. Under a dictator, no one could criticize the dictator.

16

Question. What is there to gain by joining the national policy committee and contributing to its expenses?

Answer. A contribution to the national policy committee is an investment of a few dollars by each member to recover what may amount to nearly a million dollars of funds and property rightfully belonging to the international, its members and locals. If the members and locals of this union do not support the national policy committee, no one will. Even if we never collect a penny, we will at least clean up an old mess. It is up to us to protect and preserve our union, so that we shall continue to grow bigger and stronger with complete faith in our leaders instead of doubt.

If you want to help preserve your union, join the national policy committee. It's up to you. Send your contribution today. Tear off the back of this leaflet and fill out the coupon. You will receive a certificate of association in the national policy committee. Act now.

NATIONAL POLICY COMMITTEE,
ARCHIE FRANCE,
Temporary Chairman.
HARRY WENDRICH,
Temporary Secretary-Treasurer.

Mr. HARRY WENDRICH,
Temporary Secretary-Treasurer, National Policy Committee of Locals and Members of the I. P. P. and A. U. of N. A., Room 406, 207 Market Street, Newark, N. J.

DEAR SIR AND BROTHER: It is my desire to become an associate member of the national policy committee and I therefore enclose herewith $_____.

Name_____
Street_____
City and State_____
(This information will remain confidential unless otherwise specified.)

Mr. MORSE. Let us now take a very quick résumé of the steps that have been taken in connection with the allegations concerning the financial affairs of the union.

First. A House Labor Subcommittee on Democracy in Unions went into the International Pressmen's and Assistants' Union situation, developing at open hearings charges similar to those I presented to the Senate committee when I requested appointment of a subcommittee.

Second. Although Representative ANDREW JACOBS, chairman of the subcommittee, outlined to the committee's chairman a further course of action, the subcommittee was abolished. Mr. JACOBS has publicly charged that the committee was abolished at the behest of George Googe, international vice president of the pressmen's union. He has said that Mr. Googe announced in Indianapolis that the subcommittee was dead a full week ahead of the formal announcement.

Third. Once the subcommittee was abolished the international union moved against Washington Local No. 1, one of two locals which demanded an investigation into charges that the union's funds had been misused. When the subcommittee was in force, Representative JACOBS had warned the international officers against attempting to move against any local or individual who had testified concerning the activities of the late George L. Berry and other international officers.

Fourth. The Washington local and the Essex County, N. J., local have formed a national policy committee to sue the international union and to act against the estate of the late George Berry in an attempt to recover among other items a million dollar playing card and label company which was organized with the interest-free use of almost $900,000 of union funds. An estimated half of that sum still is outstanding.

Fifth. With the abolition of the subcommittee the international officers have moved against the Washington and Essex County locals. They summoned officers of the locals to Pressmen's Home, Tenn., to show cause why disciplinary action should not be taken against them.

Sixth. Louis Lopez, international representative of the union, has been fired. Subsequently he was nominated as a candidate for the presidency of local No. 1 here in Washington, and is at present a candidate for that position.

I pause, Mr. President, to say that I served for 2 years on the War Labor Board with Mr. Lopez, who was one of the alternate labor members of the Board. I do not know how many cases we sat in together, but there were scores of them. Labor could not have had a representative in its cases before the War Labor Board more determined to see to it that the legitimate rights of labor were protected; but he at the same time, as did the other labor members of the Board, as well as the employer members of the Board, recognized that the public interest had to be placed first and receive primary consideration by the Board in each and every case that came before us.

We were at war, and the one primary question that we had to find the answer to in each labor case during the war was, "What fair settlement of this case is necessary, to promote the most effective prosecution of the war?" As I said, in some decisions, Mr. President, we did not find time always, because of the great speed with which we had to work on those cases, to find an answer to all the contentions made in them. We would find the time, in peacetime, for trying to determine the cases on the basis of a judicial determination of the various issues. But we did, Mr. President, with the cooperation of the employer and labor members of the Board, do justice in each case, fulfilling our primary obligations, namely, to get the case settled in accordance with what would promote the most successful prosecution of the war in respect to the individual labor dispute. Louis Lopez, of the Pressmen's Union, was one of the great labor statesmen who worked shoulder to shoulder with the employer members of

the Board, the other labor members of the Board, and the public members of the Board. On many occasions when the decision came down adverse to labor, and Louis Lopez dissented in the case, his voice was always among the first to be heard, to say, "The Board has spoken, and now we must stand unanimously and united in seeing to it that the decision of the Board in this case is enforced."

Some of those enforcement cases, Mr. President, were exceedingly difficult. I know whereof I speak, because I served as the compliance officer of the Board. It was my task to have to carry out the enforcement policies of the Board, even including the preparation of papers for the President to sign, calling either for seizure or for some other presidential action. Because of my association with Louis Lopez on the War Labor Board, I have an exceedingly high regard for him, and I know that he seeks to promote the democratizing of American unionism in whatever segments of the labor movement democratizing is needed. Because he is joined with members of Local No. 1 in raising questions as to the management of the pressmen's union funds, and suggesting that legal action ought to be taken to protect the members of the pressmen's union, in a recovery of all funds that can be recovered through legal action, he is being subjected to censure and discipline on the part of the international officers of the pressmen's union.

Seventh. In summation, Mr. President, of what is happening in regard to this matter, the locals have formed a national policy committee which is raising money to proceed with legal action against the international and the Berry estate, and to forestall the international's taking over the locals under a stewardship through legal action.

Eighth. Representative JACOBS is leading a fight in the House Labor Committee against the proposal to dissolve the subcommittee. He also quipped recently that the House has been carrying the ball on the investigation, while the boys in the Senate have squatted on their haunches and ducked the problem. As I told Mr. JACOBS, that is not a very apt description of what we have done, because we have been waiting in the Senate for the House subcommittee to complete its investigation of the pressmen's union, believing that if the investigation proceeded to its ultimate conclusion there would be no need on the part of the Senate committee to proceed with any further investigation.

Mr. President, the case history of the pressmen's union investigation, I think, shows a clear-cut case of a union president, Mr. Berry, using the funds of the organization for his own purposes. I think the investigation has brought out that the union even paid $25,000 in income-tax penalties for Berry; that he owed the union some $60,000 for farm equipment purchased with union money but delivered to his personal farms; that the $900,000 to organize and operate the International Playing Card Co., of Rogersville, Tenn., was used interest-free without protest from the other officers of the union, many of whom held office under Berry.

I think, Mr. President, that the attitude of the international officers since the Jacobs subcommittee was abolished demonstrates the often-made charge that the rank and file has no voice in the activities of some unions. Here is a case of a local preparing to sue the Berry estate to recover union funds.

The international contends the action is a violation of the union's constitution and moves against the local. The international insists that the local must follow the chain of appeal outlined in the constitution if it legally is to move against the Berry estate.

The constitution provides that the chain of appeal is to the international officers, then to the union's infrequent conventions. If this course were followed, the statute of limitations would run on any attack on the Berry estate. Also the union's international officers, principally the secretary-treasurer and president, were officers under Berry while the international lawyer was a beneficiary in the will left by Berry.

Mr. President, I understand it is true that the international officers, since Washington Local No. 1 has made clear its intentions to proceed with legal action, have instituted some legal procedure. But I understand there is a question as to whether the actions which it proposes to file or has filed are broad enough to encompass the full protection of the rank-and-file membership in the alleged wrongdoings of Berry while he was president of the union.

Bearing on the attitude of local No. 1 in respect to this case, Mr. President, I ask unanimous consent to have printed at this point in my remarks the contents of a pamphlet entitled "Progress Report of Special Committee of Washington Pressmen's Local No. 1 Appointed To Investigate and Protect the Interest of the Members in the Will of Our Late President George L. Berry."

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

PROGRESS REPORT OF SPECIAL COMMITTEE OF WASHINGTON PRESSMEN'S LOCAL NO. 1 APPOINTED TO INVESTIGATE AND PROTECT THE INTEREST OF THE MEMBERS IN THE WILL OF OUR LATE PRESIDENT GEORGE L. BERRY

In March, the membership of Local No. 1 was shocked to hear a national radio broadcast advising the pressmen's union to investigate the will of our late President George Berry. The broadcast was followed by newspaper articles hinting at financial manipulations by the late President Berry with pressmen's union funds.

Preliminary discussions among members of the local union resulted in a decision by Local No. 1 to appoint a committee charged with the duty of determining once and for all whether the stories and radio broadcasts were worthy of a committee of our union investigating further.

Such discussions resulted in the following action: "A motion was made that we go on record and send a wire to the international demanding the rights of the members of the international be protected. The motion was amended to appoint a committee of three to investigate and protect the interests of the membership regarding the will of our late President George L. Berry. Amendment and motion unanimously carried."

A wire was immediately dispatched to President J. H. de la Rosa, advising him of the action which had been taken by local No. 1. In reply to our wire the following wire was received from President de la Rosa:

"Your wire received. Radio broadcast unfounded in my opinion and should be given least possible publicity. This office has no comment to make other than to our membership which is: This matter will be handled by our home trustees and board of directors to protect any interest our membership may have in the matter.

"Kindest regards,

"J. H. DE LA ROSA."

ONE HUNDRED THOUSAND DOLLARS LOST

This subject became the topic of much newspaper publicity and was also followed by other broadcasts of radio commentators. Due to the publicity which reflected the manipulation of many hundreds of thousands of dollars of our union's funds a subcommittee of the House Labor and Education Committee, which was set up to investigate undemocratic practices within unions, subpenaed certain members of the international and local pressmen's unions to gather pertinent information to suggest legislation.

The hearings before the subcommittee developed startling testimony and shocking facts concerning the operations of our union. Our oldest international officers left the presentation of their side of the story in the hands of Vice President Googe, one of the most recent international officials.

As a matter of courtesy, the committee awaited the results of the investigation by the board of directors and home trustees as promised by President de la Rosa in his wire, even though the committee had received, without solicitation, letters from the Boston Newspaper Printing Pressmen's Union No. 3; Seattle Printing Pressmen & Assistants' Union No. 39; Indianapolis Printing Pressmen's Union No. 17; San Francisco Printing Pressmen & Assistants' Union No. 24; Essex County Printing Pressmen & Assistants' Union No. 31; Oakland Printing Pressmen & Assistants' Union No. 25; Columbia Printing Pressmen & Assistants' Union No. 27; Charlotte (N. C.) Local No. 131, and numerous individuals pledging wholehearted support and cooperation to this committee, looking toward an independent investigation to protect the interests of our membership.

On the afternoon of our regular meeting date, May 23, we received a report of the board of directors and the home trustees of the International Printing Pressmen's and Assistants' Union of North America to the membership. Vice President Googe attended our meeting that evening and gave a report on the findings of the board of directors and home trustees. He read from the report on page 28, as follows: "Your board of directors and home trustees have acted promptly and effectively in all matters involving the interest of the membership. Our actions have resulted in payment of every dollar in full invested in the International Playing Card & Label Co. resulting in collection of the balance of $422,984.50." Vice President Googe informed the membership that of these funds $200,000 had been set aside in a trust fund to cover payment of pensions.

Brother France asked Vice President Googe how the $200,000 was allocated. Vice President Googe appeared surprised and said it was all principal as there could be no interest since the fund was so recently set up.

Brother France explained to Vice President Googe that under the bylaws that no pensions could be paid from that fund as the bylaws stated that pensions must be paid from interest only.

Following is an excerpt from the international bylaws: Article XVII, section 1, page 73—

"said payments in all respects to be borne specifically from interest accruing from the

principal, it being clearly defined that pension payments shall in no instance involve an encroachment upon the permanent principal established for the payment of pensions."

Vice President Googe said there had been a resolution changing that article. Brother France informed him that his information was from the revised and adopted edition of constitution and laws of September 1940 and that there was no record in the report of the convention of 1948 of a resolution changing this matter.

Vice President Googe said he would have to look further into this matter. We have received no report to date.

Brother Lescure stated to Vice President Googe that he noted that the international union loaned about $900,000 to the card and label company and received no interest. At 2 percent this money would have returned $18,000 a year. For a period of 20 years this would have drawn over $300,000 in cash for the union. Had this been placed in the pension fund we feel sure they could have paid more than $3 a week to the pensioners.

In view of this interest-free use of $900,000 of our money, Brother Googe was asked why at a very late date, did the board of directors see fit to enter a charge against the union for $4,000 a year, a total of $88,000, for organization expenses which was supposed to be the cost of maintaining one organizer.

Why did it take the board of directors over 20 years to finally decide that this sum of money should be paid, and paid retroactively?

Mr. Googe replied it was money well spent.

Referring to the report of the board of directors and home trustees mailed to the members the latter part of May, we wish to direct your attention to paragraph 2 of the contract with the Playing Card & Label Co. as set forth on page 9 which refers to credits to interest and principal and reads as follows:

"(2) That upon the payment of $1,000 per month on the option price that the said International Playing Card & Label Co., Inc., is to be given credit in proportion to said monthly payments of ownership to the degree represented in said payments and thus a reduction in said rental and interest now being paid on the basis of $1,000 per month shall be reduced, and that the stock collateral for the support of said amount shall be returned and released to the degree of $1,000 per month payment."

This conflicts with the paragraph (b) at the bottom of page 13 which clearly sets forth there is no intention upon the part of the board of directors to collect interest. This paragraph reads as follows:

"(b) It has not been the purpose nor is it the purpose now, according to the terms of the agreement and amended agreements, approved by previous conventions, to draw interest upon the moneys advanced by the international union in this respect. The proposition is simply tht the moneys advanced representing principal shall be fully paid to the international union and that all items paid, irrespective of their classification by and through payments, are to be regarded as the principal over-all as it relates to the indebtedness of the cooperation to the International Printing Pressmen's and Assistants' Union of North America."

It is inconceivable how two printed statements in the same small report can be so contradictory.

Brother France asked Vice President Googe why the account of the International Playing Card & Label Co. with the I. P. P. and A. U. of N. A. on page 14 of the board of directors' report showed only the years 1929 through 1939 when the International Playing Card & Label Co. was incorporated in 1926. During the infancy and incorporation, the buying of ground, buildings, and machinery there is, as a matter of fact, quite an expense. Therefore, what amount had the international union put into the concern in the years 1926 and 1929. To this Vice President Googe replied he did not know and that he would have to find out. The committee has not been advised by Vice President Googe to date.

After perusing the report of the board of directors and home trustees and examining the explanations of Vice President Googe concerning said report, the committee of No. 1 felt that the report and Vice President Googe's explanations were far from satisfactory, therefore they sent the following letter to President de la Rosa:

WASHINGTON, D. C., *May 28, 1949.*

Mr. J. H. DE LA ROSA,
President and Chairman of the Board of Directors, International Printing Pressmen's and Assistants' Union of North America,
Pressmen's Home, Tenn.

DEAR SIR AND BROTHER: The special committee appointed by Printing Pressmen's Local No. 1 of Washington, D. C., has received and carefully perused the report issued by the board of directors and home trustees in which they set forth their actions and findings. There are certain statements and omissions in said report we would like to have cleared up, as follows:

(a) The report does not answer serious charges made concerning the late President Berry's use of union funds. Neither does the report give a complete picture of what steps are being taken to protect the union in the future against such instances as the late Joseph C. Orr's indebtedness to the union in the sum of $69,623.22 and President Berry's involvement to the extent, according to the report, of $61,069.28 for Riverview Farm account.

(b) The committee is especially concerned that the board of directors of the international union, many of whom held office under the late President Berry, advanced no explanation concerning:

1. How the late Mr. Orr was able to withdraw $175 per month for 12 years without attracting attention of the board of directors, or the auditors, when it is mandatory that the president countersign all checks issued.

2. Why the union's board of directors and the firm of auditors hired by the union were unable to determine for a period of 4 years the extent to which President Berry became involved with union funds in the purchase of equipment for his personal farm. The report states on page 20 that "the attention of the board of directors and the home trustees was called to the communication dated May 17, 1944, from George L. Berry to the J. D. Cloud & Co., auditors, in which the late President Berry requested 'that when such an audit had been completed and a final conclusion reached that he would "liquidate" or his estate shall be responsible for it on the occasion of my death.'" The committee is not clear on the date the board of directors was advised of the letter's existence or why it would require such a length of time to determine the amount President Berry was indebted to the union.

3. The committee would like to know whether those members of the board of directors, including the secretary-treasurer, had knowledge of the late President Berry's farm-equipment transactions and the late Mr. Orr's misuse of union funds. If so, the committee would like to know why more prompt action was not taken to recover the sums mentioned in the report.

4. The committee also would like to know the extent to which the international union is involved in the payment of inheritance taxes, State and Federal, on any portion of the estate of the late President Berry and whether the terms of the George L. Berry endowment relating to the payment of $2,100 annually to Mrs. Berry are being carried out.

(c) The committee would like to challenge the payment of $88,000 to the International Playing Card & Label Co., Inc., at $4,000 a year, for organizational expenses. The committee would like to point out that the company, a privately operated organization headed by the late President Berry, had use of almost $900,000 of union funds interest free, whereas at the rate of only 2 percent per annum the union could have collected $18,000 a year if such funds had been invested for the benefit of the International during the lengthy time the money was being used by the playing-card company.

(d) The committee also would like to determine whether the Playing Card Co. maintained its payments on life insurance in the amount of $150,000 on the life of the late President Berry. In this connection the committee notes the union's board of directors and the home trustees failed to include item "e" of the president's report to the thirty-fourth convention.

Item "e" read as follows: "The International Playing Card & Label Co. is paying (thus relieving the International Printing Pressmen's and Assistants' Union of the payments) the premiums upon the $150,000 life insurance carried on the writer as the president of the International Printing Pressmen's and Assistants' Union and upon my death the $150,000 will be paid to the International Printing Pressmen's and Assistants' Union of North America. Meantime, as stated, the premiums are being met by the International Playing Card & Label Co. and of course, when the $150,000 is paid it will be a part of the liquidation of the real estate now in the process of purchase."

The committee notes that on pages 13 and 14 of the report the item "e" was not included, although all other sections of the president's report to the thirty-fourth convention relating to the playing-card company were included. In this connection the commitee would like to know whether the $150,000 insurance policy was paid to the union and if it is included in the $249,000 item the report shows as having been paid the union under the heading "Property option payments and payments on note."

(e) The committee notes that on page 14 of the report, the directors show the union's account with the playing-card company during the period from 1929 through 1939. The committee understands the company was organized in 1926 and would like to know what union funds were expended between 1926 and 1929 and whether payment has been made by the company to the union for any such sums.

(f) The committee would like to have a detailed record of whether any officers or employees of the union, past or present, are beneficiaries under the will of the late President Berry and, if they are, the committee would like to know the extent of their participation in the directors' investigation into this matter.

(g) The committee also notes that the investigation did not go into the question of whether stock held by the late President Berry actually was the property of the union. The committee notes that testimony during President Berry's trial for tax evasion in 1948 in Federal court at Nashville revealed that stock purchased with union money was issued in the name of the late President Berry.

(h) For all of the above-mentioned reasons, the committee of local No. 1 feels that out of fairness to the union's membership and officers, an independent investigation should be launched to determine:

1. Whether the union has any hope of recovering interest or a share of the International Playing Card & Label Co.

2. Whether responsibility for the lax financial operation of the international in connection with the late President Berry's farm account and the late Mr. Orr's withdrawals can be fixed.

3. Whether other charges not discussed in the report of the board of directors and home trustees should be investigated.

Awaiting your reply, we are,

Sincerely and fraternally,

ARCHIE FRANCE,
Chairman.
LEWIS W. THOMAS, Sr.,
Committee Member.
LEO L. LESCURE,
Committee Member.

At the opening session of the hearings conducted by the subcommittee of the House Committee on Education and Labor, the first person called upon for a statement was International President J. H. de la Rosa. He read the following statement into the record:

Congressman ANDREW JACOBS, a Democrat, the subcommittee's chairman, told President de la Rosa that he could proceed and here is our president's statement:

"Mr. DE LA ROSA. Thank you, Mr. Chairman. I am here in response to a subpena, and I will say that I assumed the office of president in 1948. If there are any questions, I should like to defer those to Vice President Googe, if it is agreeable to the committee.

"Mr. JACOBS. Go ahead.

"Mr. DE LA ROSA. That is my statement, Mr. Chairman."

Subsequently it was developed in these hearings that the $422,984.50 has not been received and therefore the statements of Vice President Googe to the meeting of local No. 1 were not accurate and the committee quotes this information from the transcript of the above-mentioned hearings (p. 248, line 6 through line 5 on p. 252):

"Mr. JACOBS. Has that $422,000 been paid back? There was a balance of $422,984.50, according to this report the officers made to the membership. Has that been paid back?

"Mr. MCHUGH. Well, of course, Mr. Chairman, all of that money wasn't advanced at one time. It was over a period of years.

"Mr. JACOBS. I understand.

"Mr. MCHUGH. And the four-hundred-and-some-odd-thousand dollars coming to us has not been paid to us.

"Mr. JACOBS. You have not actually received that money?

"Mr. MCHUGH. No, sir; that is right.

"Mr. JACOBS. But your report shows you have.

"Mr. MCHUGH. I don't think it shows that, sir.

"Mr. JACOBS. Let us see. We have it already. I may be in error. Look on page 28 of the report of the officers to the membership, and under conclusion it states: 'Your board of directors and home trustees have acted promptly and effectively in all matters involving the interests of the membership. Our actions have resulted in $1,000 a month for a term of 99 years. This money will be used in improvements, development, and maintenance of the sanitorium.'

"Now, by that, do you think you told the membership you had collected the $422,984.50?

"Mr. MCHUGH. No, sir; the paper that was presented and the paper that was supposed to secure the money and make the cash available, and we were satisfied it would be, however, that sale held the title to the property until such time, until that money is paid, and they do say they are going to be able to raise it.

"Mr. JACOBS. The point I am getting at, I want to be fair with you, and I want to criticize with you the fact that this table shows, because you are my neighbor, but the fact remains that here is a report of the officers of this union sent out to the membership, and they tell the membership that: 'Our actions have resulted in the payment of every dollar in full invested in the International Playing Card & Label Co. represented in the collection of the balance of $422,984.50.'

"Now when you told the membership that, didn't you think the membership was entitled to believe that sum of money had been received?"

(Here is Secretary-Treasurer McHugh's answer:)

"Mr. MCHUGH. That is right, and we were satisfied that money would be paid before this was——

"Mr. MCLELLAN (chief counsel for I. P. P. and A. U. of N. A., interposing). Mr. Chairman may I refer you to page 18 of that report, sir. That is dealing with, specifically, this transaction.

"Mr. JACOBS. All right, I have page 18.

"Mr. MCHUGH. In the investment quoted there under paragraph 1 you see the investment of the International Playing Card & Label Co. amounted to $893,638.97. Under paragraph 1 the international union is to recover the sum you mentioned.

"Mr. JACOBS. Wait a minute on number 18.

"Mr. MCHUGH. That will be found under paragraph 2.

"Mr. JACOBS. Paragraph 2?

"Mr. MCHUGH. Yes, sir.

"Mr. JACOBS. The international union is recovering $893,638.97, as per statement on page 13."

SECRETARY-TREASURER M'HUGH EXPLAINS

"Mr. MCHUGH. I direct the chairman's attention to the fact that the report sets out on the appraisal of this company for the liquidation of this indebtedness and sets out the tendency of this company to offer all this, or pay a sum of money, and it is obvious by the statement the international union is recovering this sum of money.

"Mr. JACOBS. Where is the language? On page 13?

"Mr. MCHUGH. No, sir; I didn't make any further reference to the approach.

"Mr. JACOBS. Well, it is there, No. 2, marked reference to page 13. You just stated an item on page 13.

"Mr. MCHUGH. Yes, on page 13. That is an incorrect reference. That should be page 15. It shows the result of the audit.

"Mr. JACOBS. Oh, yes, I see. I think you are right. That is a typographical error.

"Mr. MCHUGH. Yes, sir.

"Mr. JACOBS. All right. That shows a balance unrecovered of $422,984.50. Now that is what the auditor reported.

"Mr. MCHUGH. That is right.

"Mr. JACOBS. Don't you think that anyone who would back this report, it would seem that you might have an auditor's report that showed that there was $422,000 due the international, and when you turn back over there to page 28 and read 'payment of every dollar in full invested in the International Playing Card & Label Co. in the collection of the balance of $422,984.50,' that they would assume from that statement that you had reported that you had collected that money? Don't you think so, Mr. McLellan? You are a lawyer.

"Mr. MCLELLAN. No, sir, I don't.

"Mr. JACOBS. You are a lawyer, Mr. McLellan, don't you think so?

"Mr. MCLELLAN. No, sir.

"Mr. JACOBS. Well, at any rate, the money is not in the coffers of the union now?

"Mr. MCLELLAN. No, sir.

"Mr. JACOBS. Then, whoever examines the report will have to judge for themselves whether this is a forthright report."

(In explanation of No. 1 under item "h" of the letter on pages 6 to 8 to President de la Rosa, we feel that since it was entirely international union money that was used to finance the International Playing Card & Label Co., this latter company is entirely the property of the union and since the hearing before the House Labor and Education Committee has developed the fact the union was the sole investor, our belief is further substantiated. The committee quotes from the transcript of this hearing—p. 241, line 22 through p. 242, line 13).

"Mr. JACOBS. So far as you know all of the money that went to finance this playing-card company came out of the union treasury?

"Mr. MCHUGH. I would say yes.

"Mr. JACOBS. Would you say so far as you know?

"Mr. MCHUGH. So far as I know.

"Mr. JACOBS. Do you have any reason to believe there was any money from any other source that went into the financing of the playing-card company?

"Mr. MCHUGH. I would not know.

"Mr. JACOBS. In determining whether or not it was a good risk or loan, whether it was a good risk, would it not have been pertinent for you to have found out whether there was other money going in it or whether or not yours was the sole investment?

"Did you make any investigation at all at that time?

"Mr. MCHUGH. No, sir."

Page 59, line 6, through line 12:

"Mr. JACOBS. Is there not any reason why, if the international union owned the playing-card company, could it not take it and sell it as an asset?

"Mr. GOOGE. If we owned it and had any claim in it, which we did not have——

"Mr. JACOBS. You think you do not have—I wish I was not in Congress, and they would hire me to recover it for them."

Page 56, line 11, through line 21.

"Mr. MORTON (a Republican member of the subcommittee of the House Committee on Labor and Education). There seems to be considerable doubt as to just who owned the projects for a time. After the hydroelectric company became broke it became clear to the delegates that it belonged to the union. The hydroelectric company was a white elephant, so it belonged to the union. The playing-card company started making money and upon Mr. Berry's death it was found that the playing-card company was a profitable company, and we find the stock owned by various associates, wife, and what not. I think that is rather significant, and I am trying to figure in my Kentucky way how I can get into a business like that."

(In explanation of item "c" in the committee's letter to President de la Rosa we quote from the transcript from the afore-mentioned hearings p. 85, line 10, through line 18, p. 87:)

"Have you any knowledge or any reason to believe that there is today anything wrong with the way your union is being run, and I am speaking from the standpoint of democracy in the union?

"Is your constitution so implemented that the men get their rights and the members get their rights as guaranteed to them in your constitution which I read last night?

"Mr. LESCURE. I would not say that they were.

"Mr. MORTON. You would not say that they were?

"Mr. LESCURE. I would not say that they were.

"Mr. MORTON. You would not say so?

"Mr. LESCURE. No, I think not.

"Mr. MORTON. That is a rather general statement. Can you show us any concrete evidence?

"Mr. LESCURE. We think there is need for revision. For instance, I can cite an instance that came out in regard to handling money last year and on page 66 of our by-laws, article XIV, entitled 'Disposal of Funds,' section 1:

" 'When the amount of money in the treasury comprised of funds equal $5,000, all said moneys in excess of $3,000 may be invested by the president and secretary-treasurer with the approval of the board of directors in the name of the International Printing Pressmen's and Assistants' Union in the United States and Canadian Government bonds or first mortgage bonds or other good investments wherever the interest upon the money

can be secured in excess of that offered by the banks.'

"Mr. MORTON. Now, Mr. Lescure, do you think that is a fair provision in the bylaws?

"To illustrate that——

"Just a moment, I am not arguing whether the bylaws are good or bad, but if you think so and the majority think so, can you change those bylaws?

"Mr. LESCURE. That I think is the procedure in regard to the bylaws that takes place within our international union.

"Mr. MORTON. So that in a democratic America here your membership are opposed to certain bylaws and they are now going to change that?

"Mr. LESCURE. We hope so. Would you allow me to complete my statement in regard to this?

"Mr. MORTON. Yes, sir.

"Mr. LESCURE. Now that definitely says that money cannot be used in excess of certain amounts unless it can draw interest greater than paid by the banks.

"Now there was taken over $5,000 of our money and loaned out to the International Playing Card & Label Co., and interest free, and then the Board of Directors turned around and say that we owe them $4,000 a year for the cost of an organizer, and computed on a retroactive basis of 22 years, would amount to $88,000.

"Now I cannot understand or by what reasoning anyone can say they can take $900,000 interest free and then charge us for that money over a period of 22 years at the rate of $4,000 a year for that money.

"If that money were invested for the union at a 2-percent basis, it would amount to $18,000 a year or over a period of 20 years would amount to $360,000.

"Mr. MORTON. In that case, of course, the Board or whoever was responsible for advancing that money violated the provisions, apparently, of your bylaws which you have just read."

Page 100, line 13, through page 102, line 19:

"Mr. WERDEL. Well, let us assume that we have a completely democratic system in the pressmen's union. Do you personally feel as the result of your investigation that if some of the activities of Mr. Berry were truthfully submitted to the total membership of the union that they would by a secret ballot condemn them?

"Mr. LESCURE. I do.

"Mr. WERDEL. Even though it were explained to them that certain organizational activities were accomplished which would have cost a little more than if they were accomplished differently?

"Mr. LESCURE. Yes, I think so.

"Mr. WERDEL. Well, I am happy to hear you say that. Now we have faced the situation insofar as the pressmen are concerned that they have made certain admissions and we have certain indebtedness in the past which probably will be controlling evidence in any claim that they have to certain properties now in the name of Mr. Berry or his estate, and at the same time, his estate is so confused by unusual business contacts that the Department of Internal Revenue can hardly do anything but take advantage of certain presumptions which make his estate insolvent, and it is a hopelessly confused mess because it was not done according to certain definite business principles.

"Mr. LESCURE. Well, as I understand the bylaws and the will of the late George L. Berry he interwove his personal affairs into the international. I don't only fear the insolvency of the funds as they stand now, but I fear if we ever get on our feet again, unless drastic changes are made, that we don't know but what these defunct companies don't come back if we start to building a new treasury and some might put a claim against us.

"I fear it from that angle.

"Mr. WERDEL. I don't blame you for those fears, but the fact we must face today in Congress in disputes on which there is a difference of opinion on each side is that the methods that were needed to organize during the belligerent life of Mr. Berry in behalf of your union have accomplished a result which presents a different situation today, and the strife between individual unions is such that every individual man can have the power that Mr. Berry had of pitting union against union. It is a disadvantage, certainly to the workingman, and I think we will agree that the union in the hands and under the control of one man is far more effective in any kind of fight than one operated entirely along democratic lines.

"Mr. LESCURE. Yes, sir.

"Mr. WERDEL. Not only is it of interest to your union, but is of interest to the public and all unions that we have some kind of definite set of rules under which the men who are individual members of the union can control their own decision and their own actions, as those men are also men who support our country.

"I am sure that nobody on the committee here is particularly interested in hearing all the gory details of what has happened in the pressmen's union, except that it is a background and gives us a knowledge of what will result and can result if another man accepts and uses the power as Mr. Berry did."

(In explanation of No. 3 under term "h" in the committee's letter to President de la Rosa, we wish to show that the convention of 1948 was deceived and misled into believing according to the officers' report on page 13 that the amount of President Berry's income tax to be paid was $2,587.25 and that amount was for the year of 1939. The report further states that President Berry offered a plea of innocence for 1940 and 1941 and that the Government accepted the plea and the charges were dismissed. But such was not the case. Under indictment No. 1 in the District Court of the United States for the Middle District of Tennessee, President Berry owed income tax of $2,773.06. Under the second count, he owed income tax in the amount of $7,519.61 and under the third count he owed income tax in the amount of $14,226.73.

As per statement from the Internal Revenue Department "The previous day, he had paid to the collector $26,930.47 in full payment of additional taxes, penalties, and interest for the 3 years covered by the indictment."

In th financial statement of September 1 to November 30, 1948, in the right-hand column next to the last item on page 9, it very clearly shows where the $26,960.47 was disbursed which was illegal and contrary to the resolution adopted at the 1948 convention. To further substantiate this misappropriation exposure, the committee quotes facts brought out in the hearing of the House Labor and Education Committee—page 50, line 20 through line 17 on page 51:

"Mr. JACOBS. Are you familiar with an item in the financial report of your union for September 1, 1948? September 1 to November 30, 1948, near the bottom of the page, cancellation of $25,000 note. That is on September 14 and reimbursement of $1,960.47, amount due, which note having been placed in escrow, and that approval by said convention having been given, the notice herewith cancels $26,960.47. That represents a note Mr. Berry gave the union for $25,000 at the time he paid his income tax?

"Mr. GOOGE. That is correct.

"Mr. JACOBS. And I assume he took $1,900 of his own money and added $25,000 and paid the sum of $26,000 or, twenty-six-thousand-and-some-odd dollars?

"Mr. GOOGE. That is my presumption, too, Mr. Chairman.

"Mr. JACOBS. I want to ask you, as vice president of the organization, do you think the union should have paid that?

"Mr. GOOGE. I do not only think they should not have paid it, but I think my colleagues will agree with me, and for that reason the board of directors held up obligation on our books of some $24,000 in order to protect the interests. We had no right to pay his personal income tax other than based on his actual legitimate per diem and expenses under the constitution and bylaws of the international union."

In spite of the admission of Vice President Googe and the expression of his opinion that his colleagues would not agree, the board of directors still has not taken any action against the secretary-treasurer for illegally disbursing this amount of money.

We are of the opinion that our international board of directors is illegally constituted for the reasons set forth hereinafter.

At the convention held in 1948 on the third day, September 1, the president brought to the attention of the convention the suggestion of an additional vice president to represent the specialty workers. Regardless of the procedure pursued at the convention in the appointment of the vice president, we wish to call attention to the constitution and bylaws, page 86, sections 4 and 5:

"SEC. 4. Amendments involving increased taxation or increase of death benefits shall be submitted to referendum: *Provided, however,* That in case of necessity the convention shall have the power and authority to determine temporarily any change in respect to increase or decrease in taxation, or in the amount of death benefits or of strike benefits.

"SEC. 5. The convention shall be the sole judge of whether or not such necessity exists, and its determination and declaration thereof shall be conclusive and final. A two-thirds vote of the delegates voting thereon shall be required to determine and declare the existence of such necessity. The convention shall, by majority vote of the delegates voting thereon, determine the date on which any such amendment adopted by it shall go into effect. Such amendments adopted by the convention shall, however, be submitted to referendum for the purpose of determining whether the same shall become permanent, or whether the same shall only be in force during the period between conventions."

Inasmuch as the salary and expenses of a vice president are reflected very definitely in the taxation and inasmuch as there was an increase of 40 cents per month in taxation and there was not a referendum held on either of the actions, it very clearly shows that the board is illegally constituted, because this vice president who was illegally placed in office voted on the member of the board to be elevated to the presidency and also on the person to fill the vacancy created by this elevation. Even if the board should maintain that the specialty workers vice president was elected by a referendum, it would still be illegal because the voting was confined strictly to specialty workers and that in itself is a violation of the law.

Do you, the membership, care to try to continue under the direction of an illegally constituted board of directors? Especially since instead of clarifying matters they increase the uncertainty in the minds of the members relative to the financial structure of the international union?

We wish to show further an opinion volunteered by the chairman of the subcommittee of the House Labor and Education Committee during the testimony of Brother France wherein he advised obtaining counsel to straighten out this muddle:

Page 590, line 16 through page 591, line 13:

"Mr. FRANCE. The bylaws forbid us to go to court without having exhausted all of our power within the union, to have this thing investigated and brought about.

"Mr. JACOBS. May I say to you at that point that I used to be considered, and may be again before too long, will be considered a lawyer. You will find upon examination

of the law of the land that that is applicable only to a limited extent. The rights that an organization has under the law of the land, such as its rights to property, and applying to this particular case, the property that might be found in the Berry estate, which is impressed with a constructive trust and thus belongs to the printing pressmen's union, does not require the exhaustion of remedies within the organization. I think that you will find that would be the law. But that is neither here nor there. That is up to you folks, to get the advice you rely upon from your own lawyers.

"But I think that any rights that you have under the law of the land, you can exercise without exhausting your remedy. Or if your remedy is too delayed, you may resort to the courts.

"Mr. McCLELLAN. You mean, if the remedy appears to be inadequate under all of the circumstances?

"Mr. JACOBS. If it is inadequate, and delay is one of the inadequacies. I think that is very well stated."

Page 596 line 23 through line 1 on page 597:

"Mr. FRANCE. We do not have an attorney sitting beside us to guide us, Mr. Chairman.

"Mr. JABOBS. I am not plugging for my profession, but if you want to get anywhere, you had better get one."

Your committee feels that we have presented the high lights of this investigation. We believe that we have shown the need of retaining counsel and realize it is beyond the scope of one local union to handle. We, therefore, desire the membership to give serious thought to permitting us to organize a national committee. The locals who have volunteered their support can be the basis of the temporary national committee to solicit the support of all locals to proceed to take the steps necessary to protect the interest of the membership in the matters involved.

Kindly submit any inquiries or communications to the chairman.

Sincerely and respectfully submitted.

ARCHIE FRANCE,
Chairman.
LEO L. LESCURE,
Committee Member,
LEWIS W. THOMAS, Sr.,
Committee Member.

Mr. MORSE. Mr. President, I understand that a special committee of local No. 1 of the International Printing Pressmen's and Assistants' Union of North America has demanded an independent investigation of the financial affairs of the international union as they are related to the late President George L. Berry.

The committee's decision was reached after reading a New York Herald Tribune News Service report in the Washington Post which summarized the 32-page Report of the Board of Directors and the Home Trustees of the International Printing Pressmen's and Assistants' Union of North America to the Membership.

When the committee did not receive copies of the report it requested the author of the story to loan the committee a copy which he had in his possession. After an inspection of the report the committee concluded:

(a) That the report did not answer serious charges made concerning the late President Berry's use of union funds. Neither did the report give a complete picture of what steps are being taken to protect the union in the future against such instances as the late Joseph C. Orr's indebtedness to the union in the sum of $69,623.22 and Mr. Berry's involvement to the extent, according to the report, of $61,069.28.

(b) The committee, I understand, is especially concerned that the board of directors of the international union, many of whom held office under the late President Berry, advanced no explanation concerning:

First. How the late Mr. Orr was able to withdraw funds of the international union during the period he was its secretary-treasurer without being challenged by the late President Berry, the auditors, or other members of the international's board of directors.

Second. Why the union's board of directors and the firm of auditors hired by the union were unable to determine for a period of 4 years the extent to which Mr. Berry became involved with union funds in the purchase of equipment for his personal farm. The report states on page 20 that "the attention of the board of directors and the home trustees was called to the communication dated May 17, 1944, from George L. Berry to the J. D. Cloud & Co. in which the late Mr. Berry requested that when such an audit had been completed and a final conclusion reached that he would liquidate or his estate shall be responsible for it on the occasion of my death." The committee is not clear on the date the board of directors was advised of the letter's existence or why it would require such a length of time to determine the amount Mr. Berry was indebted to the union.

Third. The committee would like to know whether those members of the board of directors, including the secretary-treasurer, had knowledge of the late Mr. Berry's farm equipment transactions and the late Mr. Orr's misuse of union funds. If so, the committee would like to know why more prompt action was not taken to recover the sums mentioned in the report.

Fourth. The committee also would like to know the extent to which the international union is involved in the payment of inheritance taxes, State and Federal, on any portion of the estate of the late Mr. Berry and whether the terms of the George L. Berry endowment relating to payment of $2,100 annually to Mrs. Berry are being carried out.

(c) The committee, I understand, would like to challenge the payment of $88,000 to the International Playing Card & Label Co., Inc., at $4,000 a year, for organizational expenses. The committee would like to point out that the company, a private organization headed by the late Mr. Berry, had the interest-free use of almost $900,000 of union funds. At the rate of 2 percent per annum the union could have collected $18,000 a year if such funds had been invested for the benefit of the international during the lengthy time the money was being used by the company.

(d) The committee also would like to determine whether the playing card company maintained its payments on life insurance in the amount of $150,000 on the life of the late Mr. Berry. In this connection the committee notes the union's board of directors and the home trustees failed to include item "e" of the president's report to the thirty-fourth convention.

Item "e" read as follows:

The International Playing Card & Label Co. is paying (thus relieving the International Printing Pressmen's and Assistants' Union of the payments) the premiums upon the $150,000 life insurance carried on the writer as the president of the International Printing Pressmen's and Assistants' Union and upon my death the $150,000 will be paid to the International Printing Pressmen's and Assistants' Union of North America. Meantime, as stated, the premiums are being met by the International Playing Card & Label Co. and, of course, when the $150,000 is paid it will be a part of the liquidation of the real estate now in the process of purchase.

I understand the committee is also concerned about the fact that on pages 13 and 14 of the report the item "e" was not included, although all other sections of the president's report to the thirty-fourth convention relating to the playing-card company were included. In this connection the committee would like to know whether the $150,000 insurance policy was paid to the union and if it is included in the $249,000 item the report shows as having been paid the union under the heading of "Property option payments and payments on note."

(e) The committee notes that on page 14 of the report, the directors show the union's account with the playing-card company during the period from 1929 through 1939. The committee understands the company was organized in 1926 and would like to know what union funds were expended between 1926 and 1929 and whether payment has been made by the company to the union for any such sums.

(f) The committee would like to have a detailed record of whether any officers or employees of the union, past or present, are beneficiaries under the will of the late Mr. Berry and, if any are, the committee would like to know the extent of their participation in the director's investigation into this matter.

(g) The committee also notes that the investigation did not go into the question of whether stock held by the late Mr. Berry actually was the property of the union. The committee notes that testimony during Mr. Berry's trial for tax evasion in 1948 in Federal court at Nashville revealed that stock purchased with union money was issued in the name of the late Mr. Berry.

(h) For all of the above-mentioned reasons, the committee of local 1 feels that out of fairness to the union's membership and officers an independent investigation should be launched to determine:

1. Whether the union has any hope of recovering interest or a share of the International Playing Card & Label Co.

2. Whether responsibility for the lax financial operations of the international in connection with the late Mr. Berry's farm account and the late Mr. Orr's withdrawals can be fixed.

3. Whether other charges not discussed in the report of the board of directors and home trustees should be investigated.

I agree, Mr. President, that local No. 1 is following a perfectly proper course of action in asking the international officers to take the steps to protect the financial interests of the rank and file which local No. 1 has suggested to the international officers, as I have just related.

From the reports of the officers of the international union to the thirty-fourth

convention of the International Printing Pressmen's and Assistants' Union of North America we can find some very interesting statements. This convention was held at the Pressmen's Home, Tenn., August 30 through September 4, 1948. I ask to have excerpts from the reports of the officers of that convention inserted at this point in my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From reports of officers to the thirty-fourth convention of the International Printing Pressmen's and Assistants' Union of North America (held at Pressmen's Home, Tenn., August 30 through September 4, 1948)]

On page 16 of the president's report by George Berry, under the subheading of "Favorable investments."

"It is not my purpose to refer in detail to our investments in Canadian and United States savings bonds. They will be reflected in the report of the secretary-treasurer along with reference to other investments which I wish to mention herein.

"Mention is made here because it is my desire that the delegates to the convention and the membership at large may know that we have as judiciously as possible, and I believe as advantageously as possible, handled our moneys, and I wish to make the following reference:

"1. Our cash reserve has been somewhat reduced. This has been offset by profitable expenditures in our new technical trade-school building. We have the value and our money has been economically invested.

"2. We are the major stockholder in the Citizens Union Bank of Rogersville, Tenn., with branch banks at Church Hill and Bulls Gap, Tenn. The writer is the chairman of the board of that bank and played some part in the consolidation of the two banks at Rogersville into what is now the Citizens Union Bank. Our organization for all practical purposes controls the bank. Based upon population, it is one of the 17 strongest banks in the United States. At the close of business December 31, 1947, the total resources of the Citizens Union Bank of Rogersville, including its branch banks, amounted to $10,319,098.35. From the stock we hold in the Citizens Union Bank of Rogersville we have consistently received 20-percent dividends.

"3. We own a substantial block of stock in the Planters Warehouses, Inc., of Rogersville, which handle approximately 9,000,000 pounds of tobacco annually. They are located in the center of the famous burley-tobacco area. We have received a dividend of 20 percent upon this stock.

"4. In the matter of the International Playing Card & Label Co., of Rogersville, Tenn., the records will indicate that the contracts between this corporation and the board of directors and the home trustees of the international union were confirmed by the last convention. All the moneys due the International Printing Pressmen's and Assistants' Union have been paid, and the corporation is now gradually purchasing the real estate and will continue to do this on the basis of agreements in existence as amended by the board of directors and home trustees from time to time. The principle in this relationship is dual in its character, to wit:

"(a) The International Playing Card & Label Co. has been a substantial contributor to our organization campaign in other plants producing similar products. Scores of plants have been organized as a result of the influence of this corporation.

"(b) It has not been the purpose, nor is it the purpose now, according to the terms of the agreement and amended agreements, approved by previous conventions, to draw interest upon the moneys advanced by the international union in this respect. The proposition is simply that the moneys advanced representing principal shall be fully paid to the international union and that all items paid, irrespective of their classification by and through payments, are to be regarded as the principal over-all as it related to the International Printing Pressmen's and Assistants' Union of North America.

"(c) The principal in various classifications has been paid covering the total amount due the International Printing Pressmen's and Assistants' Union except as it relates to the real estate which is now being purchased, and every dollar of that principal will be paid.

"(d) Upon the full payment of all the moneys due on real estate the International Printing Pressmen's and Assistants' Union of North America, through the Printing Pressmen's and Assistants' Union Home, will receive $1,000 per month in perpetuity, which money is to be allocated to the institutions at Pressmen's Home, Tenn.

"(e) The International Playing Card & Label Co. is paying (thus relieving the International Printing Pressmen's and Assistants' Union of the payments) the premiums upon the $150,000 life insurance carried on the writer as the president of the International Printing Pressmen's and Assistants' Union, and upon my death the $150,000 will be paid to the International Printing Pressmen's and Assistants' Union of North America. Meantime, as stated, the premiums are being met by the International Playing Card & Label Co., and, of course, when the $150,000 is paid it will be a part of the liquidation of the real estate now in the process of purchase.

"The foregoing itemizations are being made for the record, so there may be no misunderstanding. They are all in accordance with agreements made by the board of directors and home trustees of the union and ratified by convention action."

Mr. MORSE. Mr. President, it is not pleasant to raise on the floor of the Senate such serious allegations concerning the management of the financial affairs of an American union. I wish to reemphasize that I am satisfied, on the basis of my broad knowledge of the operations of American trade-unionism, that the situation which has developed within the pressmen's union over the years with respect to its financial affairs is not at all representative of the manner in which the financial affairs of American trade unions are managed.

When such a situation as this develops, and when the interests of the rank-and-file members have not been protected by the international officers of the union, then I say that it is important that attention be called to such mismanagement of funds, because unless cases such as this are corrected, then well-managed unions, unions in which most meticulous care is exercised in operating the finances of the unions are going to be subject to blanket criticism from the public that the financial affairs of unions generally are so mismanaged that they become rackets.

This charge that the finances of any American unions are so managed that the interests and rights of the members thereof are not adequately protected already is part of the propaganda of labor baiters and antilabor forces. As a friend of organized labor I am proud to say here tonight, Mr. President, that I am satisfied there is no basis in fact for 99 percent of the criticism of American trade-unions in respect to the management of their finances. But in order to protect that good record it is essential that the friends of organized labor, both in and out of the unions, take the type of position I have taken in connection with this pressmen's union, namely, let us find out what the facts are, and let us insist that if it is true, as I believe a prima facie case has already been shown to exist indicating that it is true, that the international officers of this union in the past have mismanaged the finances of this union, then let us take the steps necessary to see to it that such a wrong cannot be repeated, and let us insist that steps be taken to right the wrongs already committed against the rank-and-file members of this union to the extent they can be righted.

Let us make very clear to the international officers of the union that American public opinion will not sanction and support the type of discriminatory and disciplinary action which it apparently has under serious consideration with respect to Washington Local No. 1, because the members of Washington Local No. 1, have dared, in a spirit of good union citizenship, as well as good American citizenship, to challenge the policies followed by the international officers of this union in respect to righting wrongs which allegedly have been committed against the members of the pressmen's union.

Now, Mr. President, since this incident has arisen I have received a great many communications from rank-and-file members of the pressmen's union. It has been somewhat frightening and exceedingly disappointing and in no small degree alarming to note the uniform pattern in these communications where a member of the union dared to sign his name—a pattern of the use of language in which the writer urged me not to forget that he was writing in the strictest of confidence and that if the international officers were aware of the criticisms of their policies which the writer had set down in his letter, the writer feared that serious disciplinary action would be taken against him.

I have received enough such communications to know that a great many men within that union are satisfied that a house cleaning is needed in respect to the business affairs of the union, and they are greatly indebted to Representative JACOBS and to the junior Senator from Oregon for discussing the problems of this union before appropriate committees of the Congress, and they are hopeful that as a result of the attention which we have focused upon this case such recommendations and advice as the Washington Local No. 1, has given for cleaning up the affairs of this union and making it a more democratic organization, will be followed.

I not only have received communications in which the writers have signed their names, but have written them under the strictest injunction of confidence, but I have received a good many communications to which no names were signed.

I now offer for the RECORD, Mr. President, one such communication which is very typical. It could be multiplied by others. I ask unanimous consent to have it printed at this point in my remarks.

There being no objection, the telegram referred to was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 19, 1949.*
Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

We wish to take this opportunity of thanking and commending you for your courageous action in bringing to the attention of the Senate Labor Committee the matter involving the finances of the International Printing Pressmen's and Assistants' Union of North America. We believe that the rank and file of the membership of our international union is most desirous of having an impartial group such as you have proposed make a thorough investigation of not only our financial status but also our undemocratic bylaws. Please be assured of our complete cooperation and support.

ARCHIE FRANCE, *Chairman,*
LEO L. LESCURE,
LEWIS W. THOMAS,
Committee Appointed by Local Union No. 1 for the Investigation of the Late George L. Berry's Will.

Mr. MORSE. Mr. President, I want to be perfectly fair to the international officers of this union because I think they have inherited, so to speak, an awful mess. They have a great opportunity of service they can perform not only for this particular union, but for trade-unionism in general by proceeding fearlessly and courageously to take whatever legal steps can be taken to salvage for the members of this union every dollar that can be salvaged legally out of the Berry estate, and then make a frank, factual report to the members as to just what did happen in respect to the management of the financial affairs of the union, what the international officers have done to correct it, and what they propose to recommend for adoption as safeguards that will forever protect the membership from a repetition of such gross mismanagement of the funds of the union.

In fairness to the international officers of the union I will say that I think they are acting in good faith when they reply to the charges that have been made against them that they do not think the situation is as bad as the allegations would seem to indicate. And so in fairness to them, Mr. President, I ask unanimous consent to have published at this point in my remarks a telegram which the general counsel for the union, Mr. McLellan, sent under date of May 19 to David McConnell, of the New York Herald Tribune, who was the correspondent who first raised newspaper questions concerning the financial affairs of this union.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PRESSMEN'S HOME, TENN., *May 19, 1949.*
DAVID MCCONNELL,
New York Herald Tribune,
Washington Bureau,
Washington, D. C.:

Here follows press release of President J. H. de la Rosa. Report to membership referred to in such release has previously been sent Washington members of local unions and undoubtedly you can get a copy from one of the officers of local unions. "President J. H. de la Rosa, of the International Printing Pressmen's and Assistants' Union of North America, commented today in reference to statements by a columnist appearing in the daily press on April 5 and 6, 1949, and to those of subsequent dates as well as to the statement to Senator WAYNE MORSE, of Oregon, that a Senate investigation committee should be appointed for the purpose of probing the financial transactions of George L. Berry, deceased president of the International Printing Pressmen's and Assistants' Union, with such international union, President de la Rosa said, 'Upon assuming the presidency of the international union I regarded it as a normal function of my office to cause to be made a complete audit of books, accounts, and records of the international union and this investigation was instituted in the month of December 1948. It has now been completed and a printed report covering the findings of this investigation was mailed on Tuesday, May 17, 1949, to each of the more than 75,000 members of this international union. These vicious and unwarranted attacks came during the course of this investigation and specific attention was directed by the two firms of auditors employed by my office to the transaction mentioned in the press. These items, along with other items, are dealt with fully in this report and reveal in the most striking manner inaccuracies contained in the statements of the columnist who has been known as an enemy of labor. He has caused to be printed false and incorrect misinformation for reasons best known to himself. For example, his charge that the union owned the International Playing Card & Label Co., and that when Mr. Berry willed this property to persons other than the union it stood to cost the union $1,000,000 is false and baseless as is clearly shown by this report. His reference to property owned by the union in Canada and which he charges Mr. Berry bought out of union funds and then sold back to the union is a further malicious and false accusation. The thought is inescapable, however, that the purpose of this attack is to weaken, if possible, the confidence of the membership of this international union in its officers, and thereby weaken the international union itself. It is the same old divide and conquer theory often used by other paid propaganda artists. As president of this international union, I have pledged myself to the membership to continue in effect those policies which have made possible the growth of this organization from one of insignificance to one of the largest printing trades-unions in the world. I reaffirm that pledge. As to the proposed investigation by the Senate committee, reportedly suggested by Senator MORSE, I can only say that an investigation by such Senate committee would be more than welcome. The records are clear, our books are open, we have nothing to fear or hide. I am certain that the confidence of our membership in the policies and principles for which the international union has stood and under which the membership has prospered will not be shaken by the untrue remarks of a columnist whose hypocritical expression of interest in the membership of this international union, or any other labor union, is more than humorous. The detailed report of the board of directors and home trustees of the International Printing Pressmen's and Assistants' Union of North America follows, and you are urged to compare the facts in this report to the fiction written by the columnist.'"

JOHN S. MCLELLAN,
General Counsel, I. P. P. & A. U. of N. A.

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed the particular newspaper story written by Mr. McConnell, and published in the Wednesday, May 18, 1949, issue of the New York Herald Tribune, which gave rise to the telegram which Mr. McLellan sent to Mr. McConnell.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

BERRY'S USE OF PRESSMEN FUNDS IS FACING SENATE INVESTIGATION—MORSE CHARGES THAT LATE UNION CHIEF BUILT PERSONAL FORTUNE BY INVESTING WORKERS' DUES

(By David McConnell)

WASHINGTON, May 17.—The Senate Labor and Public Welfare Committee received today a motion for a thorough investigation of charges that the late George L. Berry manipulated funds of the International Printing Pressmen's Union, which he headed, to build for himself a large personal fortune.

Senator WAYNE MORSE, Republican, of Oregon, asked for appointment of an investigating subcommittee of three Members to go into all ramifications of the case.

While the primary purpose of the subcommittee would be to learn what became of the dues paid by the pressmen, the larger goal would be to determine whether new legislation is needed to protect all unions against mismanagement of trust and welfare funds.

Senator MORSE, emphasizing that he was proceeding from help-labor motives, told the committee it was his belief the 75,000 rank-and-file members of the pressmen's organization are entitled to protection against any future milking of the union's treasury such as may have occurred in the past.

He called for complete reforms to protect the rank and file and told the committee that the union's constitution is so tightly drawn that it prevents a local or a member from obtaining relief from injustices or stopping financial manipulations such as those attributed to Mr. Berry.

While he stressed that most unions are above criticism, Senator MORSE is reported to have told the committee that an investigation of Mr. Berry's use of pressmen's union money indicates that some strengthening Federal laws may be required to protect unions against misuse of their funds by officers.

Senator ELBERT D. THOMAS, Democrat, of Utah, the committee chairman, asked Senator MORSE to submit a memorandum on the matter for consideration at a later date by the group.

Senator MORSE began his request for an investigation by asserting that available records, information obtained from persons associated with the union, and court records left no doubt that Mr. Berry freely used union money to make investments highly profitable to himself.

During almost an hour of discussion this morning, Senator MORSE outlined to the committee allegations concerning the relationship between the union and Mr. Berry, who was virtually the czar of the organization from 1907 until his death in 1948, as follows:

1. That Mr. Berry used an estimated $700,000 in union funds without interest to found and build up the International Playing Card & Label Co., of Rogersville, Tenn. The company, which now does over $1,000,000 a year in business was kept afloat in its early days almost entirely by funds from the treasury of the pressmen's union. The financial transactions were negotiated by Mr. Berry as president of the union, and Mr. Berry as president of the playing-card company.

2. Mr. Berry was ordered by the Federal court in Knoxville, Tenn., to return $165,000 of union funds which he had misused, according to the judge, to develop a hydroelectric company in Tennessee. The union's board of directors, which Mr. Berry headed, voted to forgive the debt.

3. In at least one case the union's directors voted to reimburse Mr. Berry for a personal loan of $5,000 which he had made to the now defunct Nashville Times. Mr. Berry

lost all but $500 of the loan when the paper went into bankruptcy in 1939.

4. That on several occasions Mr. Berry made stock purchases, ostensibly for the union and playing-card company, with funds of both organizations, but the shares were issued in his name.

5. The union's directors approved payment by the union for Mr. Berry of $26,930.47 assessed him as back taxes for the period from 1939 through 1941 on income from both the union and playing-card company.

Many union members did not protest Mr. Berry's use of union funds because he had stated publicly that upon his death he planned to leave his estate to the pressmen's organization. The bulk of his property, including the valuable playing-card company and bank stock, was left to others than the union.

Since his death, officers of the international, many of whom served under Mr. Berry, have been conducting an investigation to attempt to determine the extent of the involvement between the estate and the union. Although the membership has been promised a detailed report, none has been forthcoming.

A man who ruled the international union with an iron hand, Mr. Berry was idolized by the membership. His actions were rarely questioned until after his death, when it developed that the union treasury had played such a large part in the multiple Berry transactions.

Aiding Mr. Berry in maintaining firm control was the union constitution, which provides that no members may discuss business of the organization except to other members in good standing. The member also promises not to seek relief in courts without first:

"Appealing to the officers, board of directors, and the convention of the International Printing Pressmen's and Assistants' Union of North America, as provided by the constitution and laws thereof."

Senator MORSE told the Senate Labor Committee that the union has held only two conventions since 1928—in 1940 and 1948. He said that a member or local union would be wary of lodging a complaint because of the length of time needed to press it through to the ultimate point of appeal, the convention.

Senator MORSE also told the committee that the president and board of directors have extensive authority to take over operation of a local union, revoke membership cards, and generally discipline offending locals or their members.

Mr. Berry laid the ground work in 1926 for his greatest single venture with union funds, when he organized the International Playing Card & Label Co. The concern specializes in printing labels for canned goods and tobacco products.

Mr. Berry himself reported to the 1940 convention of the union at Pressmen's Home, Tenn., that the money was used free of interest.

He said: "It has not been the purpose, now, according to the terms of the agreement and amended agreements, approved by previous conventions, to draw interest upon the moneys advanced by the international union in this respect."

More of the story developed in 1948 when Mr. Berry pleaded nolle contendere in Federal court at Nashville to an indictment charging him with fraudulently evading income-tax payments in 1939. He received a probated sentence of 1 year and 1 day plus a $10,000 fine.

In hearing a summary of the charges before passing sentence, Federal Judge Elmer D. Davies was told by Earl A. Anderson, an agent of the Bureau of Internal Revenue, that Mr. Berry claimed to have advanced hundreds of thousands of dollars to get the playing-card company started.

He told Judge Davies that the money was not available on the basis of internal-revenue checks on Mr. Berry's income, but said "money was available from the union and the union was pouring in huge sums to finance the purchase of the printing presses and things like that."

In discussing some of Mr. Berry's transactions, Mr. Anderson also testified that the former union head had claimed the playing-card company owed him $160,000 for money he had spent between 1926 and 1939. In 1939, Mr. Anderson said, Mr. Berry had the company give him a note for $72,567.22 as the unpaid balance on his alleged over-all personal advances.

Mr. Anderson said that Revenue Bureau figures showed that during the same period Mr. Berry received in income $75,062.24 with which he purchased "numerous farms, acquired bank stock, things like that, and lived."

The playing-card-company case was one of several companies cited by Senator MORSE to show the uncontrolled use of union funds by Mr. Berry. He told the committee there are reports the Berry estate was so entangled with union affairs that after Mr. Berry's death the organization's headquarters at Pressmen's Home, Tenn., found several of their trucks and cars registered in Mr. Berry's name.

Mr. MORSE. Mr. President, I also ask unanimous consent to have published at this point in my remarks a statement which might be called a statement of defense or explanation, which Mr. de la Rosa, president of the pressmen's union, sent to the Committee on Labor and Public Welfare in explanation of the international officers' position in relation to the allegations which I presented to the Senate Committee on Labor and Public Welfare, based upon the McConnell story at the time that I suggested that we ought to consider the advisability of appointing a subcommittee to look into the financial affairs of the union. I think it is only fair that the union's defense, as prepared by Mr. de la Rosa, president of the union, be printed as a part of this speech. I am perfectly willing to let the defense submitted by Mr. de la Rosa speak for itself. In my opinion as a lawyer I think it is pretty much what we lawyers call a plea of confession and avoidance.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATE LABOR AND PUBLIC WELFARE COMMITTEE, FILED BY INTERNATIONAL PRINTING PRESSMEN'S AND ASSISTANTS' UNION OF NORTH AMERICA

This memorandum is submitted in order to clarify and make known the facts respecting certain charges heretofore made by radio commentators and newspaper columnists dealing with the manner in which George L. Berry, deceased president of the International Printing Pressmen, administered union funds during his 40-year term of office.

Many of the allegations previously made have been answered in detail in a 32-page printed report which has been distributed to the more than 75,000 members of this international union.

Subsequent to the issuance of the foregoing report, additional charges requiring an explanation have appeared in the New York Herald Tribune under a Washington, May 17, date line. In this same article it is reported that this committee, on the motion of Senator WAYNE MORSE, is considering interesting itself in the financial dealings of the late Mr. Berry with the union to the extent of considering an investigation by this committee of such transactions. Charges appearing in this article, a copy of which is appended to this memorandum, will be answered seriatim insofar as such charges are specific and capable of being answered.

1. The union's constitution: It has been charged that the constitution of the union is so written as to prevent a member from obtaining relief from any character of action by its officers although the officers may act in a high and an arbitrary manner and to the detriment of the general membership. This charge is simply unsupported by fact. The union's constitution is open to amendment by majority vote of the delegates voting thereon at any convention of the international union. Article XXV, section I, page 85, constitution and laws. Conventions are held quadrennially. Many amendments were introduced at the last convention of the international union and approved by the convention, resulting in new or revised laws. Between conventions any local union has the right to file with the board of directors any proposition, including proposed amendments to the constitution and laws, after having obtained the endorsement of 5 percent of the chartered local unions in 15 States or Provinces. After such condition precedent has been met, the board of directors is required to submit such proposition for a referendum vote to the general membership. Article XX, section 1. The general members of the union are well protected against abuses by officers during their 4-year term of office by those provisions of the constitution which permit the recall of the elected officers upon a proper petition endorsed by 100 local unions from 25 State or Provinces. This remedy is, of course, in addition to the regularly held elections which occur every 4 years. While it is true that the union's law prevents recourse by a member to courts of law or equity in respect to a grievance arising within the framework of the union until the member's remedies under the union's constitution and law have been exhausted, this provision is not only reasonable but is in accord with the decisional law in a number of States which require persons affiliated with associations such as labor unions to exhaust their administrative remedies prior to recourse to the courts, and is a standard provision contained in the constitution and laws of practically all national and international unions.

The officers of our international union are not elected at conventions; they are elected by referendum vote of the membership every 4 years, for a 4-year term. Candidates are nominated by referendum vote at the meetings of unions in December. A candidate, to receive the nomination for president and secretary, must in the primary nomination referendum receive the endorsement of a majority of the members of 10 percent of the chartered subordinate unions in good standing from 15 different States and Provinces—that is, 10 percent of the unions in 25 percent of the States and Provinces. The requirement for nomination of the office of vice president is 5 percent of the majority attending the union meeting in 25 percent of the States and Provinces.

A candidate for office has 46 months to campaign to receive this minimum support in the nominations referendum. Those nominated have an additional 2 months to campaign for the referendum election the following February. Our election laws are based on the principles involved in the United States Government's Federal Constitution and the system of representation in the United States Senate itself. We are sure, if and when the Congress of the United States and the several States change the system of representation and election in our Federal Government structure, the pressmen's union will continue to conform to the successful precedent established by our Federal Government itself.

A copy of the union's constitution and laws is appended to this memorandum for the information of the members of the committee.

2. The International Playing Card & Label Co.: The charge is made that Mr. Berry used $700,000 in union funds without interest to found and build the International Playing Card & Label Co. The framework of this corporation in its most minute detail is set out fully in the report to the membership referred to previously, which report is attached to this memorandum. Very briefly, the facts relative to the union's investment in the International Playing Card & Label Co. may be summarized as follows:

(a) The corporation was formed as a union enterprise for the purpose of assisting the union to organize competitive non-union-label printing concerns.

(b) The corporation was always a distinct and separate entity from the union because the union could not officially interest itself in the label-printing business.

(c) To assist the company to accomplish its purpose, the union invested in the company the sum of $893,000 in the period 1926–39. The company has and will repay the union the sum of $893,000 in the period 1939–49.

(d) The union has now organized 80 percent of the label-printing industry as contrasted with practically no organized label-printing concerns when the company was started.

(e) The company pays to the union $1,000 per month for charitable purposes, which payments are to continue for a term of 99 years, beginning in 1950.

From the standpoint of organizational activity and expense incident thereto it doesn't take much investigation to see that the investment was an excellent one from the union's point of view. The purpose of the company, namely, the organization of the non-union-label printing concerns, was accomplished; the union is recovering every cent of its capital investment; and in addition, the company is paying the union $12,000 per year, such payments covering a span of 99 years.

3. Reference is made to a lawsuit in which the then board of directors of the union, including the late Mr. Berry, were involved in 1921. The charge is made that Mr. Berry was ordered by the district court to return $165,000 of union funds which he had allegedly misused. The suit was brought by a dissident group of local unions on the theory that the union's board of directors, not Mr. Berry personally, had no right to use union funds for constructing a hydroelectric company which was to furnish power for the operation of the institutions at Pressmen's Home. The district court held with the faction of local unions, but the judgment of the court was forgiven not by the board of directors, as charged, but rather by the delegates to the 1922 convention of the international union, they representing all of the members of the international union whose money was involved. It goes without saying that since the money belonged to the members, it was theirs to do with as they saw fit.

4. The Nashville Times: Reference is made to the investment by Mr. Berry in the Nashville Times, a defunct newspaper located in Nashville, Tenn. This newspaper employed members of the union. Mr. Berry has left records indicating that he made the investment in order to continue the paper in operation, thereby providing employment for members of the international union. He did not make the investment personally, but rather as the nominee or agent of the international union and, therefore, it was perfectly proper for the union rather than Mr. Berry to stand the loss when the paper went into bankruptcy, for it was the union—not Mr. Berry—who stood to profit by the investment.

5. The blanket charges made that Mr. Berry made stock purchases ostensibly for the union with its funds but had shares of stock issued in his name. We are not apprized of what stock purchases are involved in these charges and, therefore, are unable to make any specific answer.

6. The period between conventions of the international union: Senator MORSE has represented to the committee that this international union has held only two conventions since 1928, to wit, 1940 and 1948. The facts contained in this charge are true—the inferences are not. The 1928 convention of the international union discussed the advisability of having conventions quadrennially instead of biennially because of the fact that officers were elected by a referendum vote every 4 years. Conventions of the international union cost the international in excess of $250,000. All expenses are borne by the international, including traveling expenses of the delegates from the 48 States and the Canadian Provinces. These factors persuaded the 1928 convention to amend the law to require conventions every 4 years. Accordingly a convention was due to be held in 1932. In this year the Nation was in the throes of the worst depression it has ever experienced. The cost of holding a convention with many of the members out of work was prohibitive. Nevertheless, the matter was submitted to a vote of the membership, and the members voted overwhelmingly against having a convention. In 1936 the same situation prevailed, but again the matter was submitted to a referendum vote, and the vote was overwhelmingly against holding a convention. In 1940 a convention was held. In 1944 the Nation was engaged in a war, and the transportation problems and Federal regulations resulting from the war made necessary the postponement of the convention. However, the matter was submitted to a vote of the membership, and the members voted against holding the convention themselves. In 1948 the convention was held. The inference that the officers of the union have arbitrarily refused to hold conventions is clearly without foundation.

7. The charge that the trucks and cars owned by the union are registered in Mr. Berry's name is simply untrue. This matter has been investigated, and all trucks and cars owned by the union are registered in the union's name.

8. The charge is made that the union's directors approved payment by the union for Mr. Berry of $26,930.47, assessed against him as back taxes for the period 1939–41. The then board of directors of the union, at a meeting held in Springfield, Ohio, in June 1942, adopted a resolution under which the board of directors elected to resist any attempt by the Bureau of Internal Revenue to classify as taxable income the constitutional expense allowance made for officers and representatives of the union, amounting at that time to $9 per day. This resolution was subsequently approved by the 1948 convention of the international union. The expenditure for the back taxes assessed against Mr. Berry was paid under authority of this resolution and the action of the 1948 convention. However, it appears that items other than the constitutional per diem were involved in this payment, and the board of directors of the international union have withheld payment of the sum of $24,830.77, owing by the international union to Mr. Berry at the time of his death, in accordance with the equity of any claim the international union may have against the estate of the late Mr. Berry (minutes, board of directors' meeting, April 26, 1949).

The officers of this international union, individually and personally, have welcomed an investigation by any representative group having authority to make such investigation.

Our organization has grown from a mere handful of pressroom artisans with no assets, to the largest and strongest international union of printing trades craftsmen and assistants throughout the world. We operate the largest technical trade school operated by a private agency, much less a trade-union, in the world; we operate a sanatorium for the infirm of our organization, and other humanitarian institutions. The collective-bargaining policy of this international union is based upon the principles of collective bargaining, conciliation, mediation, and arbitration. We have an international arbitration agreement with the American Newspaper Publishers' Association, covering the newspaper publishing industry. We likewise have an international arbitration agreement with the Printing Industry of America, Inc., union shop section, covering book, magazine, and commercial printing throughout this country. Because of these agreements and the inviolate policy of arbitration there have been practically no strikes in the commercial, book, and magazine printing industry, and only two strikes of short duration in the newspaper publishing field in many years. Our revenue from dues paid by the membership has been far below the average in our industry, notwithstanding the benefits available to the membership, in addition to our high standard of wages, hours, and working conditions procured for those employed under our jurisdiction without loss of employment and hence income occasioned by strike or lockouts.

J. H. DE LA ROSA, *President.*

Mr. MORSE. Mr. President, I am satisfied on the basis of the evidence which was brought out before the House subcommittee, on the basis of the report of the international officers themselves, that we are dealing here with a union which is in sorry need of a house cleaning so far as its financial practices are concerned, and a union which I think can also stand a great amount of democratizing of its procedure.

I close my speech by reiterating a point I made earlier, namely: I do not think that the policies and affairs of the pressmen's union, as brought out by the House investigation, are at all representative of the practices of unions affiliated with the American Federation of Labor or with any of the other great labor organizations of this country. Rather, I think we are dealing here with the exceptional and individual case of a union which has been victimized by some international officers who have not kept faith with the high traditions, ideals, and purposes of free trade-unionism in America. In order to preserve and protect the good name of American free trade-unionism, I say that it is essential that such abuses as I believe have existed in the management of the funds of the pressmen's union be corrected, and that it be made very clear to the American public that labor itself can be counted upon to defend the democratic rights and heritages of the rank-and-file members of American free trade-unions.

RECESS

Mr. DOUGLAS. Mr. President, in accordance with the order previously entered, I now move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 9 o'clock and 21 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Wednesday, October 19, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 18 (legislative day of October 17), 1949:

FEDERAL TRADE COMMISSION

James M. Mead, of New York, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1948.

FEDERAL POWER COMMISSION

Mon C. Wallgren, of Washington, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1954.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 18 (legislative day of October 17), 1949:

POST OFFICE DEPARTMENT

Vincent C. Burke to be Deputy Postmaster General. (New position authorized in sec. 2 of Reorganization Plan No. 3 of 1949.)

UNITED STATES COAST GUARD

TO BE LIEUTENANTS (JUNIOR GRADE)

Jason S. Kobler
David R. Permar

COAST AND GEODETIC SURVEY

Kenneth T. Adams to be Assistant Director of the Coast and Geodetic Survey.

POSTMASTERS

ARIZONA

Emil L. Turner, Jr., Chandler.

CALIFORNIA

Thomas B. Thomson, Azusa.
Hilda C. Briscoe, Balboa Island.
Walter C. Upton, Barstow.
Monte F. Inskeep, Buena Park.
Frances V. Butler, Clements.
Floyd W. Patterson, Coyote.
Thomas H. Ellis, Jr., Cutten.
Ruby E. Sportsman, Fellows.
Clarence L. Batten, Fortuna.
Cecil E. Bolt, Fowler.
John R. Daugherty, Hamilton City.
Ellen I. Fitzgerald, Happy Camp.
Nancy E. Jameson, Huron.
Earl W. Johnston, Ivanhoe.
Chester O. Jern, Kingsburg.
Mabel M. Brown, Lemoore.
Anselmo G. Escobar, Mecca.
Charles V. Schessler, Moffet Field.
George H. Gaskins, Oleum.
William L. Myers, Palm Desert.
John F. Fixa, San Francisco.
Hamil L. Arthurs, San Marcos.
Gilbert Cobarubia, Sloughhouse.
Lucille E. Palmer, Sonoma.
Edwin O. King, Sonora.
Albert J. Cesario, South Dos Palos.

CONNECTICUT

Joseph S. Kovaleski, Pequabuck.
Helen S. McElyea, Quaker Hill.
Peter P. McLaughlin, Jr., Wallingford.

FLORIDA

Edith M. Cox, Palmetto.
Samuel G. Harrison, Tampa.

GEORGIA

Andrew J. Kingery, Cochran.

ILLINOIS

Pearl Caswell, Ashland.
James C. Davidson, Orland Park.
Joseph J. Sawicki, Posen.
Amor A. Lauer, Sublette.

INDIANA

Donald L. Stanford, Brookston.
Raymond C. Mendenhall, Cambridge City.
John W. Woertz, Elizabeth.
John F. Huffer, Mulberry.

IOWA

Lawrence L. Hagie, Osceola.

KANSAS

Donald L. Zeigler, Hoisington.

KENTUCKY

James R. Trimble, Adairville.
Lois Abbott Morgan, Bedford.
Gladys S. Lindon, Blue Diamond.
H. Logan Webb, Guthrie.
Daniel Boone Logan, Pineville.

LOUISIANA

Carlos J. Turner, Dry Prong.
Lucie D. Wanersdorfer, Lettsworth.

MARYLAND

Lionell M. Lockhart, Capitol Heights.

MICHIGAN

Carl J. Mayer, Chelsea.
Beatrice C. Wright, Fairgrove.
Max C. Woodard, Lakeview.
George L. Stockwell, Pontiac.
Thomas J. Curiston, Waltz.
Vernon C. White, Wells.

MINNESOTA

Donald E. Nordby, Odin.

MISSISSIPPI

John M. Kendrick, Edwards.
Clarence C. Gill, McCall Creek.

MISSOURI

Helen L. Cross, Avondale.
Ross Leslie Tribble, Hallsville.
Alexander F. Sachs, Kansas City.
John E. Cole, Powersville.
Lester L. Lantz, Sheridan.
John Wilson Mitchell, Thayer.

NEBRASKA

Karla D. Timperley, Irvington.
Alice M. Olsen, Ruskin.

NEW JERSEY

Frank B. Harker, Lawrenceville.
Clarence R. Shover, Medford.
Irving R. Bogert, Pine Brook.
Edward Collins, Stelton.

NEW MEXICO

John Pershing Jolly, State College.

NEW YORK

Walter S. Amo, Clayton.
Lester A. Rockwell, Delanson.
Clarence G. Pilon, Faust.
Floyd A. Bernhardt, Kenoza Lake.
Donald S. Jackson, Skaneateles Falls.
William J. Alexander, Sonyea.
Daniel J. Costello, Troy.

NORTH CAROLINA

Wayne W. Parker, Atlantic.
Wade D. Brewer, Bennett.
Jesse J. Barbour, Benson.
William L. Whitley, Murfreesboro.

NORTH DAKOTA

Norman V. Simmons, Glenburn.
Christ J. Haman, Towner.

OHIO

Robert E. Flack, Bloomville.
Allen M. Rowe, Columbus.
Carlyle W. Coykendall, Newtown.
McClellen T. Fetty, Rayland.

OKLAHOMA

Bussie R. Corbus, Commerce.
Bennie Stephens, Lawton.

PENNSYLVANIA

John F. Nally, Carbondale.
Joseph F. Moran, Chinchilla.
William J. Stratford, Forest City.
Richard F. Albright, Kulpsville.
Raymond A. Thomas, Philadelphia.
Mildred E. Thomas, Shelocta.
James A. Reilly, Uniontown.

SOUTH CAROLINA

Cecelia W. Nixon, Cherry Grove Beach.
John A. Richardson, Cross Hill.
E. Calvin Clyde, Jr., Effingham.
James H. Lovelace, Glendale.
Thomas B. Raines, Landrum.
Mary L. Long, Pomaria.
Harry J. Gillespie, Seneca.
Rosa E. Bridgeman, Whitney.

SOUTH DAKOTA

Katherine H. Holtzman, Stephan.

TENNESSEE

Charles K. McDowell, Friendsville.

TEXAS

James L. Inabnet, Evant.

WEST VIRGINIA

Anna R. Ruiz, Dehue.
Guido Cavallo, Galloway.
Paul E. Miller, Jr., Kearneysville.
Herbert B. Dews, Oak Hill.
Robert F. Wildey, Tams.
Hazel I. Jackson, Wharton.
Charles A. Wilson, Widen.
Florence M. Raines, Winding Gulf.

WYOMING

Alma Lukas, Kortes Dam.

HOUSE OF REPRESENTATIVES

TUESDAY, OCTOBER 18, 1949

The House met at 12 o'clock noon.

Rev. John F. Hurley, S. J., Catholic Welfare Organization, Manila, Philippine Islands, offered the following prayer:

We pray Thee, O God of might, wisdom, and justice, by whose authority laws are enacted, assist with Thy holy spirit of counsel and fortitude these chosen Representatives of the people of our beloved country.

Let the light of Thy divine wisdom direct the deliberations of this Eighty-first Congress.

May all the laws framed for our rule and government by these good Congressmen preserve tranquillity of order, promote our national happiness, and perpetuate for generations of unborn Americans the blessing of equal liberty. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 2186. An act providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska;

H. R. 2369. An act to authorize an appropriation to complete the International Peace Garden, North Dakota;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3718. An act for the relief of George Seeman Jensen;

H. R. 3816. An act for the relief of Alexis Leger;

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4090. An act to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico;

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.;

H. R. 5170. An act to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation;

H. R. 5305. An act to increase the retired pay of certain members of the former Lighthouse Service;

H. R. 5319. An act granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society;

H. R. 5489. An act to ratify and confirm act 251 of the Session Laws of Hawaii, 1949;

H. R. 5674. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead;

H. J. Res. 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy;

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen;

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia;

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 627. An act for the relief of Southern Fireproofing Co. of Cincinnati, Ohio;

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes;

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5184. An act to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes;

H. R. 5459. An act to enable the legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5490. An act to enable the legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public improvement bonds;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.; and

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 1175. An act to amend the Home Owners' Loan Act of 1933 with respect to mutual savings banks;

S. 1284. An act to amend section 6 of the Federal Airport Act;

S. 1353. An act for the relief of G. H. Lazarus, Jr., and Jesse F. Bewley;

S. 1583. An act to provide for the establishment of the Island Beach National Monument, in the State of New Jersey, and for other purposes;

S. 1739. An act to amend section 4934 of the Revised Statutes (U. S. C., title 35, sec. 78), as amended, to permit public libraries of the United States to acquire back copies of United States letters patent, and for other purposes;

S. 2205. An act to authorize the Commissioners of the District of Columbia to provide for the removal of sludge;

S. 2317. An act to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for emergency school construction to school districts overburdened with enrollments resulting from defense and other Federal activities, and for other purposes;

S. 2328. An act to increase the number of examiners in chief in the Patent Office, and for other purposes;

S. 2364. An act to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Logan, Colo.;

S. 2365. An act to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia;

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians;

S. 2433. An act to increase the fee for appeal to the Board of Appeals in the Patent Office;

S. J. Res. 135. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States;

S. Con. Res. 14. Concurrent resolution to investigate matters affecting the Presidential election and succession; and

S. Con. Res. 63. Concurrent resolution relating to the holding in 1950 of the Dr. Thomas Walker Bicentennial Historical Pageant.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–11.

CONFERENCE REPORTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that during the remainder of this week it shall be in order to consider conference reports at any time they are reported, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

JOSE LAUREL AS A CANDIDATE FOR THE PRESIDENCY OF THE PHILIPPINES IN THE NATIONAL ELECTION — FORMER PRESIDENT ROXAS EXONERATED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I am informed from unimpeachable sources that Jose Laurel has an excellent reputation as a jurist. Since the days of General Wood, however he has been generally recorded as being anti-American.

After the liberation of Manila, possibly March 1945, a radio intercept from Yamashita to the Imperial Government of Tokyo was received at MacArthur's headquarters. Yamashita advised that he proposed to fly the puppet-government—he used the word "puppet"—officials to Tokyo and that he had confi-

dence in all of them except Roxas. This intercept convinced General MacArthur that Roxas was not a collaborationist. After Roxas escaped from Japanese control in Baguio, he disclosed that when Laurel declared war on the United States the Japanese directed him to convene the upper and lower houses and have his declaration ratified.

Roxas himself advised members of the assembly to absent themselves from Manila so that a quorum could not be found. As a result, Laurel's declaration was not ratified.

Yamashita was interviewed by the Criminal Investigating Corps on the 25th of September 1945, and he went over the written record of his testimony with care. Yamashita declared that the Philippine puppet officials were opportunists and would be subservient to any foreign power in control of the Philippines. He said that Laurel was pro-Japanese and subservient to Japanese authority because the Japanese had made him president. As for Roxas, Yamashita said he had not determined whether or not he was pro-American but he was positive that Roxas was anti-Japanese.

EXTENSION OF REMARKS

Mr. CASE of South Dakota was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include certain letters and excerpts.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD in four instances and to include letters and articles.

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today after the legislative business of the day and any other special orders heretofore entered.

STEWART AIRFIELD, NEWBURGH, N. Y.

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, it has just come to my attention that the Department of the Air Force is about to declare, as surplus, Stewart Airfield, near Newburgh in my district.

This airfield has only just been completed within the last 2 years at a cost of $29,422,000 for new equipment alone. It is the largest field in the district by all odds.

Most important, it is the field where the cadets from the Military Academy at West Point could get their flight training. Where will they get it now? Oh, I suppose a new field will be built for West Point by leveling off either Mount Beacon or Storm King. This would be quite an engineering feat and of course the expense need not be considered.

Mr. Speaker, we have been appropriating money in the first session of the Eighty-first Congress like drunken sailors and no one dare question the necessity for any appropriation for the armed services. The folly of abandoning Stewart Field, a brand new, modern installation complete with fine brick buildings, barracks, officers' quarters, executive offices, and so forth, at this time, when, certainly our cadets need the field for their training should be investigated.

I hope I have been misinformed but I fear not. We must wake up to the fact that waste and inefficiency go hand in hand. This move, if carried out, will be a new step in our own dismantling program; and the Congress would do well to look into these situations and not allow millions of dollars worth of buildings and equipment to be declared surplus, given away, or sold for about half a cent on the dollar.

EXTENSION OF REMARKS

Mr. COTTON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the New Hampshire Morning Union of October 13, 1949.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in four separate instances and in each to include extraneous matter.

Mr. GOSSETT asked and was given permission to extend his own remarks in the RECORD on the subject of oil imports.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MONRONEY asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and to include extraneous matter.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include an article entitled "The Forgotten Pensioner."

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a tribute to the late Hon. Richard Welch, of California.

Mr. ELLIOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MEYER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. McMILLAN of South Carolina asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

A BILL TO PROHIBIT SENDING OF BLASPHEMOUS MATTER THROUGH THE MAIL

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, I have just introduced a bill to prohibit the sending of blasphemous matter through the mail.

My attention has been called to the increased amount of this material that is passing through the mails at the present time. I am also informed of the inability of the Post Office Department to prevent the sending of this kind of material through the mail.

The present law prohibits the sending of indecent and obscene matter, but it is silent with respect to blasphemous material. Certainly the mails must not be used to desecrate our Creator.

ANNOUNCEMENT

The SPEAKER. A great many consent requests are going to be made today for the consideration of House bills with Senate amendments and for the consideration of legislation. The Chair desires to state that the Chair is going to consider conference reports first, as many of them are of vital importance.

Mr. MARTIN of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. Does that mean that the Private Calendar is to be called after the consideration of the conference reports?

The SPEAKER. No; the Private Calendar will be called first. There are but four bills on the calendar.

LEAVE OF ABSENCE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Louisiana [Mr. BROOKS], may be granted leave of absence for 4 days on account of illness in his family.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include certain excerpts from the RECORD and from the stenographer's notes, and also from a statement I made before the Senate committee.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

WARRANT OFFICER CHESTER A. DAVIS

The Clerk called the first bill on the Private Calendar (S. 509) to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired), is hereby advanced

on the retired list of the United States Marine Corps to the grade of lieutenant colonel, the highest grade held by him during World War I: *Provided*, That no increase of active or retired pay or allowances shall result from the passage of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. KENNETH D. NICHOLS

The Clerk called the bill (S. 1560) to authorize the appointment of Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized, by and with the advice and consent of the Senate, to appoint Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and to enter his name upon the Army promotion list in the place it would occupy had it not been removed therefrom by virtue of his appointment as professor of the United States Military Academy and had he been selected for promotion to the permanent grade of colonel, Regular Army, at the same time as those officers who were selected for promotion to such grade and whose names were listed in General Orders No. 11, Department of the Army, promulgated February 2, 1948: *Provided*, That all service performed by the said Kenneth D. Nichols in the capacity of professor (lieutenant colonel) of the United States Military Academy shall be deemed to have been service in the permanent grade of lieutenant colonel, Regular Army, for all purposes, and that all service performed by the said Kenneth D. Nichols, in the capacity of professor (colonel) of the United States Military Academy shall be deemed to have been service in the permanent grade of colonel, Regular Army, for all purposes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCISCAN FATHERS OF CALIFORNIA

The Clerk called the bill (S. 1660) providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed to convey by quitclaim deed, to the Franciscan Fathers of California, a body corporate, subject to the conditions provided for in section 2 of this act, the tract of land lying within the Hunter-Liggett Military Reservation, in the county of Monterey, State of California, containing 40 acres more or less, described substantially as follows:

Beginning at station 16 of the Mission San Antonio de Padua Grant recorded in book A of patents on pages 416 and the following, in the office of the county recorder, Monterey County, Calif.; thence north thirty-seven degrees thirty minutes west six hundred feet, more or less, to the center line of the bed of the Mission Creek; thence following the center line of the bed of said creek in a generally southwesterly direction approximately three thousand and two hundred feet to the point where the center line of the bed of said creek intersects with the north side of the bridge over said creek; thence south fifty-seven degrees no minutes east seven hundred and ten feet, more or less, to station 6 of the above referred to patent; thence along the old boundaries fifty-seven degrees no minutes east three hundred and thirty feet to station numbered 7 of said patent; thence north seventy-seven degrees forty minutes east approximately eight hundred and seventy-five feet to station 9 of said patent; thence along old boundaries north forty-nine degrees fifteen minutes east eighty-nine and one-tenth feet to station 10 of said patent; thence continuing said course six hundred and forty-five feet, more or less, to a point designated as station 10A; thence north nineteen degrees thirty-four minutes west one thousand four hundred and seventy feet, more or less, to station 15 of said patent; thence continuing along same course along the old boundaries nineteen degrees thirty-four minutes west a distance of five hundred eighty and five-tenths feet to station 16 of said patent, the true point of beginning, excepting therefrom the thirty-three and nineteen one-hundredths acre tract commonly known as the Mission San Antonio now owned by the Franciscan Fathers and as described in the patent from the United States of America to Joseph S. Alemany, Bishop of Monterey, dated May 1, 1862, and recorded June 29, 1874, in volume A of patents, Monterey County records, at page 416.

SEC. 2. The tract of land authorized to be transferred by the first section of this act shall be conveyed for a consideration to be determined by the Secretary of the Army, which shall be not less than the appraised fair market value of such land; and the deed of conveyance shall (1) except and reserve to the United States a permanent easement for the existing water main which traverses such land and the right to keep, maintain, and enlarge the same for the convenience of the United States; and (2) contain such additional terms, reservations, exceptions, and conditions as may be determined by the Secretary of the Army to be necessary to safeguard the interests of the United States, and any leasehold interests in such land.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES G. McCORMACK, CAPTAIN, MEDICAL CORPS

The Clerk called the bill (H. R. 5361) for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Charles G. McCormack, captain, Medical Corps, United States Navy, file No. 49290, retired December 1, 1947, and recalled to active duty June 1, 1948, be reinstated to the active list of the Regular Navy.

His position on the lineal list shall be reduced by the period of time (6 months) spent on inactive duty after being placed on the retired list.

With the following committee amendments:

Page 1, line 4, strike out "49290" and insert in lieu thereof "59290."

Page 1, strike out lines 7 to 9 and insert in lieu thereof the following:

"The Secretary of the Navy shall assign him a position on the lineal list and a running mate which are appropriate to Captain McCormack's length of active naval service."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. MAHON submitted the following conference report and statement on the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 4146)

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council the National Security Resources Board, and for military functions administered by the National Military Establishment, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 73, 74, 77, and 81.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 100, and agree to the same.

The committee of conference report in disagreement amendment numbered 99.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBT. L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

ELMER THOMAS,
CARL HAYDEN,
RICHARD B. RUSSELL,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the further conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment, for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF THE AIR FORCE

Amendment No. 73, relating to contract authority for the construction of aircraft and related procurement, authorizes $1,992,755,000 as proposed by the House instead of $1,415,000,000 as proposed by the Senate.

Amendment No. 74, relating to special procurement, appropriates $134,477,000 as proposed by the House instead of $126,139,000 as proposed by the Senate.

Amendment No. 77, relating to maintenance and operations, appropriates $1,199,792,000 as proposed by the House instead of $1,068,864,000 as proposed by the Senate.

Amendment No. 81, relating to research and development, appropriates $233,000,000 as proposed by the House instead of $215,000,000 as proposed by the Senate.

REDUCTION IN APPROPRIATIONS

Amendment No. 99 is reported in disagreement.

Amendment No. 100 reduces certain specific appropriations carried in the bill by the sum of $238,584,366 instead of approving the Senate proposal to give the Secretary of Defense blanket authority to reduce appropriations by $433,968,611.

AMENDMENT IN DISAGREEMENT

The following amendment is reported in disagreement:

GENERAL PROVISIONS

Amendment No. 99 relates to reductions from appropriations and other funds and contract authority. The House managers will move to recede and concur with an amendment.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBT. L. F. SIKES,
CLARENCE CANNON,
ALBERT J. ENGEL,
CHARLES A. PLUMLEY,
Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H. R. 4146) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

Mr. MAHON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we have come to the final stages of the appropriation bill for the National Military Establishment. Congress has a tremendous and inescapable responsibility in connection with the Military Establishment. Under article I of the Constitution the Congress is empowered to raise and support armies, to provide and maintain a Navy, and to declare war. There is, of course, no way for Congress to avoid its responsibility in connection with national security. In writing the bill we did our best and the final chapter is now being written.

There were only two items in disagreement, finally, between the House and the Senate. One had to do with the Air Force and the other had to do with stock piling.

On the Air Force controversy the Senate receded from its position, the House made no concessions, and the Congress today will authorize funds for a so-called 58-group air-force program. This is a victory for the House position. It is a step toward the 70-group program which has been authorized by the Congress, supported by all members of our committee, and which is a part of the law of the land. I earnestly hope that our efforts in this matter will promote peace and security. The House expects this program to move forward.

Mr. Speaker, with respect to stock piling, the House had to make some concessions. I can say that, generally speaking, the bill is the House bill almost to the dotting of an "i" and the crossing of a "t." But, we did make some concessions in stock piling in order to have a bill passed at this session of the Congress for funds for the Army, Navy, and Air Force. The other body had placed in the bill some language which would prohibit the long-range purchase program for critical materials abroad. The House, by a roll-call vote a few days ago, repudiated that language, and I wish now again here in this report to repudiate that language. The restrictive language has not been accepted. In other words, the Munitions Board will be empowered to continue that long-range program for the purchase of important and critical materials from abroad.

The other body, in the bill, provided that there should be a rescission of $275,000,000 on the stock-piling program which had previously been approved by the Congress and the President. The House did not willingly agree that there should be any rescission. The position stated by Members of the House when this matter was before the House a few days ago is unchanged. We would have preferred that not one dollar be rescinded from this important program of stock piling. However, in order to get a bill, it was agreed by the managers on the part of the House that we would tolerate a rescission of $100,000,000 in the stock-piling program. In other words, instead of having about $800,000,000 plus for stock piling in the fiscal year 1950, the sum will be $100,000 less.

It is a regrettable situation. It is a step in the wrong direction, in my opinion. I think the stock piling matter should never have been handled by this subcommittee because jurisdiction over the stock-piling program is in the subcommittee presided over by the gentleman from Virginia [Mr. GARY], on the Treasury and Post Office Appropriations. Nevertheless, we did the best we could with what we had.

Mr. Speaker, this, as far as I know, closes the books on the appropriation bill for the Military Establishment for the fiscal year 1950.

Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. CANFIELD], who has been so much interested in the stock-piling program and who has done everything in his power to assist the House conferees on the bill.

Mr. CANFIELD. Mr. Speaker, I hold in my hand a copy of last night's Star. The Berryman cartoon on page 1 shows the Navy and Air Force fighting while Joe Stalin stands in the background complacently smoking his pipe and saying "Maybe I'll be able to pick up the pieces after it is over."

Mr. Speaker, Berryman should have another figure in that cartoon; there should be a picture of the Congress pulling the props out from under the stock pile and adjourning to hurry home.

Mr. Speaker, I was one of the 305 Members of this Chamber who voted on the 10th of October to back up our conferees' position. That position was: "Do not take any money away from the stock pile." Had the other House chosen to put the matter to a vote, what Senator would have voted to cut the stock pile? I was one of 305 who voted to maintain our defenses of strategic materials. Not one Member of this House voted to the contrary.

This day, October 18, 1949, is very likely to be remembered as the day the Congress voted for a 58-group air force, voted for military aid overseas. Fifteen billion five hundred million dollars for military defense and $1,314,000,000 more to arm other nations, and on this very same day committed the prodigious blunder of taking away $100,000,000 from the stock pile of strategic materials.

Is this logical? Is it logical to expand our current inventories of defense at the expense of the long-range security of our country? What is the meaning of a big air force if we lack sufficient aluminum, manganese, copper, chrome, tin, and all the other materials needed to back it up?

Think back to the 23d of September when the President announced that Russia had the atomic bomb. What did the President also do on that day? He sent letters to the House and Senate asking us not to cut the stock-pile appropriation. Does any Member of this body doubt that these two actions were related?

Mr. Speaker, I want to go on record, and there will be others in this chamber who also want to go on record, as being unalterably opposed to this compromise. It is not logical, it is not prudent, it is not expedient, it is not in the best interest of the national security.

Mr. Speaker, we were caught short in World War I. We were caught short again in World War II. The cost of our lack of materials was great—in time, in billions of dollars, yes, even in lives. I do not want to gamble again with our national security. We can afford to spend this $100,000,000, but we cannot afford to gamble our security.

We have the time now to be safe. We have had a long session. Understandably, the Members of Congress are anxious to go home. But let us not depart until we have fully met this responsibility.

Mr. RIVERS. Mr. Speaker, will the gentleman from Texas yield?

Mr. MAHON. I yield to my good friend from South Carolina, a member of the powerful House Committee on Armed Services.

Mr. RIVERS. Mr. Speaker, I congratulate the gentleman on the wonderful work that the conferees have done in finally bringing a bill to this body from the other body. For the record I want to ask the chairman of the subcommittee some questions. I will go along with him and I know the Membership of the House will gladly vote for the 58-group air force. I think it is justified and necessary. In the opinion of the outstanding chairman, the gentleman from Texas, with reference to the appropriation for the Navy, does this bill guarantee to the Navy and Marine Corps an adequate Air Force, as well as an amphibious force for the Marine Corps, barring interference from high authority in the Pentagon?

Mr. MAHON. This bill authorizes the appropriation of about $4,200,000,000 for the Navy. When we add contract authorizations it comes to about $5,000,000,000. This money is appropriated for specific purposes. It is not appropriated in a lump sum. Some of it is appropriated for the Marine Corps, for the air arm of the Marine Corps, and for the air

arm of the Navy. These requests for funds were made by representatives of the National Military Establishment. The funds were given to the National Military Establishment by the Congress upon the urgent appeal of the National Military Establishment, and, insofar as the committee is concerned, with the view that the program outlined by the Establishment to the Congress will be carried out.

Mr. RIVERS. The great Committee on Appropriations, for whom we all have great esteem and in whom we have great confidence, has investigating committees; is that not true?

Mr. MAHON. We have some investigators attached to our staff.

Mr. RIVERS. May I have the assurance, as well as the other Members of the House, that nobody in the Pentagon will interfere with the orderly running of the Marine Corps in the program that the Marine Corps has outlined to the great Committee on Appropriations?

Mr. MAHON. Of course, the Members of our committee cannot guarantee what will happen within the executive branch of the Government or in the Pentagon Building. What we have done is to take the testimony and the facts as they were given to us. We have acted upon that testimony and upon those facts, certainly with the implied understanding that the program, as outlined to us, would positively be carried out.

The bill provides a specific program for the Marine Corps, which program certainly should be carried out and, in my opinion, will be carried out, as well as the naval program and the program for the air arm of the Navy.

Mr. RIVERS. Does the gentleman think it would be fair to the Congress and to the Nation that after making representations to the gentleman's committee and after the Congress gives them the money, that by circumvention or by budget control in the Pentagon Building they should prevent the carrying out what the gentleman has outlined to us now?

Mr. MAHON. I do not think it would be proper for the will of Congress on matters of policy to be circumvented. I would not object, as I know other Members would not object, to any reasonable economies in Government. But economy is one thing, and the abandonment of a policy and program of the Congress another thing.

Mr. RIVERS. Does the gentleman think that cutting the Marine Corps would be an act of economy?

Mr. MAHON. No, that would be a major policy step and, in my opinion, the Marine Corps will not be abandoned.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ENGEL of Michigan. May I inform the gentleman that the items in this bill pertaining to the Marine Corps are specifically set forth. On page 68 he will find the item "Marine Corps pay, additional compensation, $190,000,000." He will find there "General expenses," and they are specifically set forth and tied down as much as we could tie them down.

If those amounts are interfered with, it will be in spite of what the committee has done, and the Congress, and it will be under some authority other than that contained in this bill.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. RIVERS. The committee on which I hold membership, the Armed Services Committee, had before it yesterday the Commandant of the Marine Corps, who said, in substance, that the Marine Corps had a dagger stuck at its heart, and that it faced annihilation as a combat force.

Mr. ENGEL of Michigan. I have taken the position that it is the job of Congress to specify what becomes of this money. That was the fight we had in the committee, not to give away any of that authority.

Mr. RIVERS. That is right, and I congratulate the gentleman on his stand.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. DINGELL. All I want to say is that all of this discussion here now is superfluous. The Congress is the boss, and what the Congress says, so shall it be. So we need not worry about the Marine Corps or the Navy or the Army. If we will do our duty Pentagon will respond. We are not helpless in the matter. The Congress can always take care of the situation.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I am glad to yield to the gentleman from Montana who has expressed a special concern about the stock-piling program.

Mr. D'EWART. In the gentleman's statement with regard to funds for stock piling, the gentleman said these funds would be used to acquire certain materials abroad. The gentleman did not wish to be understood that the "buy American" clause would be ignored?

Mr. MAHON. I thank the gentleman for calling that important matter to my attention. Some of these materials in the stock-piling program are domestically produced, some are of foreign origin, and the committee expects that the "buy American" law will be strictly adhered to.

I now yield 1 minute to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. I thank the gentleman for yielding me this time.

I just wish to state that we are surrendering about $100,000,000 rescission of our program for stock piling strategic and critical materials for our protection in event of a war emergency, and the testimony shows that even if we get all this program through, without any cut at all, we will still reach only 50 percent of our yardstick of stock piling of strategic and critical materials. To me the $100,000,000 reduction is a serious cut down. We are settling for less than 50 percent of adequate protection for our Nation on strategic and critical materials. I know that the House conferees have done a grand job in fighting for the full stock-pile program. I say we should get the full amount of the present appropriation, without any rescission. To me the stock-pile program is point 1 of national defense. It is the point we start from. It is to this stock pile that we must turn to get the materials to make new weapons to replace those weapons that may be outmoded tomorrow. We must keep our eye on the ball and put first things first in national defense.

I see the gentleman from North Carolina [Mr. DURHAM] here. He and I have worked for 10 years trying to build up an adequate stock pile. I want to go on record now as standing for a full, adequate stock pile of critical and strategic materials. I yield to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. I appreciate the gentleman from Iowa [Mr. MARTIN] yielding to me for the purpose of my stating again my viewpoints on the importance which I believe the stock-piling program is to our national defense and to the security of our country.

To my knowledge, the gentleman from Iowa [Mr. MARTIN] has given much of his time and thought to this subject, and the record will show this to be a fact. He and I worked together at length on this problem during the years 1939, 1940, and 1941, and I am glad today to see the Members of this body conscious of the stock-piling program.

A few weeks ago this committee yielded its time to several Members to appear before it in the interest of the stock-piling program. Although we have made tremendous improvement in this program under Public Law 520, I will not feel content until this program is 100 percent complete. It is an investment that we must not neglect.

Mr. MARTIN of Iowa. The gentleman from New Jersey [Mr. CANFIELD] I notice is present. He has done outstanding service also in helping to build adequate stock piles. I yield to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. The chairman of this subcommittee has just stated that is exactly his position, as enunciated to this House last week.

Mr. MARTIN of Iowa. I know that Chairman MAHON, of the subcommittee, and the other House conferees have done yeomen's service for the foremost point in national defense; that is, an adequate stock pile of strategic and critical materials.

Mr. MAHON. I thank the gentleman for his statement. Let me say that the most important thing that has been done with respect to stock piling was the elimination of that language which would have prevented the long-range contract. Every Member of this House who was present on the roll-call vote the other day made his position clear with respect to stock piling. As far as I am concerned, that is still the position of the members of the committee and my position and the Members of the House. We did the best we could.

Mr. MARTIN of Iowa. I commend you highly for the service you have rendered to our Nation's defense.

Mr. MAHON. I thank the gentleman.

I now yield to the gentleman from Michigan [Mr. ENGEL] 1 minute.

Mr. ENGEL of Michigan. Mr. Speaker, in order to have a complete record let me state that this bill contains the following sums for stock piling for the fiscal year 1950: Cash, $275,000,000; cash to liquidate prior year's contract authority, $250,000,000; new contract authority, $250,000,000. In other words, the bill contained a total of $775,000,000, of which $525,000,000 is cash and $250,000,000 contract authority.

The committee conceded $100,000,000 on the contract authority which reduced the total amount of cash and contract authority from $775,000,000 to $675,000,000. That is the picture as it is now.

Mr. MAHON. And as reflected in the bill before us and in the Treasury-Post Office appropriation bill which became the law earlier in the year.

Mr. ENGEL of Michigan. That is right.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mrs. ROGERS of Masachusetts. Does the gentleman believe that the Congress will adjourn without continuing the construction of the U. S. S. *United States*, the supercarrier? It has been indicated recently from many sources that this carrier should be constructed, and at once. January they feel is too late; every day counts.

Mr. MAHON. The bill before us contains no funds for the construction of the supercarrier and there is no parliamentary way whereby the bill can be changed at this time. Some supplemental action, of course, might possibly be taken by Congress, but of this I have no knowledge.

Mrs. ROGERS of Massachusetts. I hope very much that the gentleman will aid in the construction of the carrier.

CALL OF THE HOUSE

Mr. WILSON of Indiana. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 236]

Abbitt	Dondero	Hope
Allen, Ill.	Donohue	Irving
Andresen, August H.	Eaton	Jackson, Calif.
	Ellsworth	Jenkins
Angell	Furcolo	Jennings
Barrett, Wyo.	Garmatz	Jonas
Bates, Ky.	Gary	Judd
Bentsen	Gathings	Kelley
Bland	Gilmer	Kennedy
Blatnik	Golden	Keogh
Brooks	Gordon	Klein
Buckley, Ill.	Grant	Larcade
Buckley, N. Y.	Green	LeFevre
Bulwinkle	Gregory	Lyle
Byrne, N. Y.	Gwinn	Macy
Carnahan	Hale	Mansfield
Carroll	Hall, Leonard W.	Marcantonio
Celler		Marshall
Chatham	Harvey	Mason
Christopher	Hays, Ohio	Miller, Md.
Chudoff	Hébert	Morrison
Cooley	Heffernan	Moulder
Crosser	Herlong	Multer
Davenport	Hinshaw	Murphy
Davies, N. Y.	Hoffman, Ill.	Murray, Wis.
DeGraffenried	Hoffman, Mich.	Nixon
Noland	Regan	Taylor
Norrell	Ribicoff	Thomas, N. J.
Pace	Rogers, Fla.	Thomas, Tex.
Patten	Roosevelt	Thompson
Pfeiffer, William L.	Sanborn	Thornberry
	Sheppard	Towe
Phillips, Calif.	Smathers	Underwood
Poage	Smith, Ohio	Vursell
Poulson	Staggers	Wadsworth
Powell	Stanley	Whitaker
Rains	Steed	White, Idaho
Redden	Tauriello	Withrow

The SPEAKER. On this roll call, 317 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON PUBLIC LANDS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Lands may sit today during the session of the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATION BILL, 1950

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 99: On page 101, strike out all of line 24, down to and including line 9, on page 102, and insert:

"SEC. 701. Amounts available from appropriations and other funds, and contract authority, are hereby reduced in the sums hereinafter set forth, such sums (except contract authority) to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act, except as otherwise indicated:

"DEPARTMENT OF THE NAVY

"Repair facilities, Navy, $21,448,439;

"Naval procurement fund, $150,000,000 to be derived from amounts advanced to such fund for the purpose of settlement of war contracts under the Contract Settlement Act of 1944.

"TREASURY DEPARTMENT

"Strategic and critical materials (unfinanced contract authority), $275,000,000. (Second Deficiency Appropriation Act, 1949; Treasury and Post Office Departments Appropriation Act, 1950.)"

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 99 and concur therein with an amendment as follows: In lieu of the sum stated in line 15 of said amendment insert "$100,000,000."

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

The motion was agreed to.

A motion to reconsider was laid on the table.

TRANSSONIC AND SUPERSONIC WIND-TUNNEL FACILITIES

Mr. DURHAM. Mr. Speaker, I call up the conference report on the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DURHAM]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1451)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 8, and 9, and agree to the same.

Amendment numbered 6: That the Senate recede from its disagreement to the amendment of the House numbered 6, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "after consultation with the Committees on Armed Services of both Houses of the Congress,"; and the House agree to the same.

Amendment numbered 7: That the Senate recede from its disagreement to the amendment of the House numbered 7, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"SEC. 103. (a) The Committee is hereby authorized to expand the facilities at its existing laboratories by the construction of additional supersonic wind tunnels, including buildings, equipment, and accessory construction, and by the acquisition of land and installation of utilities.

"(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed $136,000,000.

"(c) The facilities authorized by this section shall be operated and staffed by the Committee but shall be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. Such tests shall be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time shall be made in accordance with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs."

And the House agree to the same.

CARL T. DURHAM,
LANSDALE G. SASSCER,
O. CLARK FISHER,
DEWEY SHORT,
LESLIE C. ARENDS,
Managers on the Part of the House.

RICHARD B. RUSSELL,
LYNDON B. JOHNSON,
CHAN GURNEY,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1267) to promote the national defense by authorizing a unitary plan for the construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

The Senate passed S. 1267 relating to a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center. The House amended S. 1267 by limiting the construction of facilities at educational institutions to the continental limits of the United States; by increasing the authorization for educational wind tunnels and deleting the number to be constructed; by reducing the authorization for the National Advisory Committee for Aeronautics from $150,000,000 to $60,000,000, directing the manner in which the $60,000,000 was to be spent and providing that such facilities should be made available to industry protesting experimental models in connection with the development of aircraft and missiles; by requiring the NACA to submit semiannual reports to the Congress covering the selection of educational institutions and contracts with said institutions; and, by reducing the authorization for the Air Engineering Development Center from $150,000,000 to $100,000,000.

Amendment No. 1: This amendment required that the wind-tunnel facilities authorized to be constructed at educational institutions be located at educational institutions within the continental limits of the United States. The Senate recedes.

Amendment No. 2: The Senate bill limited the number of transsonic and supersonic wind tunnels to be constructed at educational institutions to a total of 13. The House amendment eliminated the Senate limitation on the number of such tunnels. The Senate recedes.

Amendment No. 3: The amendment provided that the transsonic or supersonic wind tunnels to be constructed at educational institutions be "of a size, design, and character adequate for the efficient conduct of experimental work in support of long-range fundamental research." The Senate recedes.

Amendment No. 4: This amendment specified that the wind tunnels to be constructed at educational institutions shall be located at such institutions within the continental United States. The Senate recedes.

Amendment No. 5: The Senate bill imposed a limitation of $4,440,000 upon the cost of wind tunnels to be constructed at educational institutions. The House amendment raised the limit to $10,000,000. The Senate recedes.

Amendment No. 6: This amendment required that the approval of the Committees on Armed Services of both Houses of the Congress be obtained by the National Advisory Committee for Aeronautics before it could transfer the title to any wind-tunnel facility to the educational institution at which such facility might be constructed. The conference agreement requires that the Committee consult with the Committees on Armed Services of both Houses of the Congress before making any such transfer of title.

Amendment No. 7: The Senate bill authorized the National Advisory Committee for Aerontuaics, in implementation of the unitary plan for the construction of transsonic and supersonic wind-tunnel facilities, to expand the facilities at its existing laboratories by the construction of additional wind tunnels, including buildings, equipment, utilities, and accessory construction, and the acquisition of not to exceed 500 acres of land at the Langley Aeronautics Laboratory, Langley Air Force Base, Va., at a total cost of not to exceed $150,000,000.

The House amendment authorized the Committee to expand the facilities at its existing laboratories by the construction of additional supersonic wind tunnels, including buildings, equipment, and accessory construction, and by the acquisition of land and installation of utilities. The amendment, however, specified that the expansion should occur at the Committee's laboratories at Moffett Field, Calif., and Langley Air Force Base, Va. It provided for the construction of one 2- by 2-foot supersonic wind tunnel and one 4- by 4-foot supersonic wind tunnel at each of such laboratories, and imposed limitations on the amounts to be spent for each such wind tunnel. The amendment provided for the acquisition of 500 acres of land at Langley Air Force Base, Va., and authorized the expenditure of a limited amount of money for the construction of utilities at the laboratories mentioned. The amendment imposed a limitation of $60,000,000 upon the funds to be expended in expansion of the laboratories but authorized the National Advisory Committee for Aeronautics to vary upward by 5 percent the cost of particular items involved in the expansion program provided the total cost was kept within the $60,000,000 limitation. It further provided that the facilities authorized to be constructed should be operated and staffed by the Committee but should be available primarily to industry for testing experimental models in connection with the development of aircraft and missiles. The tests were required to be scheduled and conducted in accordance with industry's requirements and allocation of laboratory time was required to be made in accordance with the public interest, with proper emphasis upon the requirements of each military service and due consideration of civilian needs.

The conference agreement authorizes the Committee to expand its facilities at existing laboratories by the construction of additional supersonic wind tunnels at a total cost of not to exceed $136,000,000. It does not specify the particular laboratories which may be expanded. It adopts the provisions of the House amendment with respect to the use of the facilities authorized to be constructed and with respect to the manner in which tests shall be scheduled and conducted in such facilities.

Amendment No. 8: The Senate bill contained a general authorization for the appropriation of such sums as might be necessary to carry out the purposes of title I of the bill. The House amendment eliminates the general authorization for appropriations and inserts in lieu thereof a provision requiring the National Advisory Committee for Aeronautics to make semiannual written reports to the Congress with respect to its activities and accomplishments in carrying out title I of the bill. The Senate recedes.

Amendment No. 9: The Senate bill authorized the appropriation of not to exceed $150,000,000 to be expended for the establishment and for initial construction, installation, and equipment of the Air Engineering Development Center. The House amendment reduced the sum authorized to not to exceed $100,000,000. The Senate recedes.

CARL T. DURHAM,
LANSDALE G. SASSCER,
O. CLARK FISHER,
DEWEY SHORT,
LESLIE C. ARENDS,
Managers on the Part of the House.

Mr. DURHAM. Mr. Speaker, this bill was fully explained when it was before the House recently.

Originally, the Senate bill carried an authorization of $311,000,000. The House amended S. 1267, reducing the amount to $176,600,000. The conference agreement permitted $252,600,000. The final reduction from the original legislation as the Senate sent it to the House was $58,400,000.

The conferees were unanimous. The Senate agrees to one of the most important amendments to this bill, that is the increase for educational facilities for the training of young men for this highly technical field of education. The Senate agreed to the AEDC facility reduction from $150,000,000 to the figure of $100,000,000. This in no way will delay this important project.

The Armed Services Committee has made a very intensive study of the NACA operations and facilities and have found this agency developing a sound and progressive program in the field of subsonic, transsonic, supersonic, and hyposonic wind-tunnel facilities.

This plan carried in this measure is known as the unitary plan. The entire Military Establishment will be serviced in this high and technical field by this program as well as our private industrial operations and educational institutions.

Mr. Speaker, I have no further requests for time and move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZATION OF CONSTRUCTION AT MILITARY AND NAVAL ESTABLISHMENTS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6303) to authorize construction at military and naval installations, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The SPEAKER. The Chair will permit this request to be submitted, but the Chair stated earlier in the day that the Chair would not recognize any Members to submit consent requests until the conference reports had been agreed to.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, strike out "$6,800,000" and insert "$2,000,000."

Page 2, line 8, strike out "$46,720,000" and insert "$34,253,655."

Page 2, line 11, strike out "$12,645,700" and insert "$9,514,700."

Page 4, line 4, strike out "$1,000,000" and insert "$300,000."

Page 4, line 9, strike out "$28,156,200" and insert "$19,292,880."

Page 4, line 12, strike out "$3,664,600" and insert "$2,472,854."

Page 4, strike out lines 13 and 14.

Page 4, strike out lines 15 and 16.

Page 4, line 20, strike out "officer."

Page 4, line 22, strike out "harbor facilities."

Page 4, line 23, strike out "training" and insert "religious."

Page 5, line 2, strike out "$737,774" and insert "$393,887."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FAIR LABOR STANDARDS AMENDMENTS OF 1949

Mr. LESINSKI. Mr. Speaker, I call up the conference report on the bill H. R. 5856 to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1453)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Fair Labor Standards Amendments of 1949'.

"DECLARATION OF POLICY

"SEC. 2. Section 2 (b) of the Fair Labor Standards Act of 1938, as amended, is amended to read as follows:

"'(b) It is hereby declared to be the policy of this Act, through the exercise by Congress of its power to regulate commerce among the several States and with foreign nations, to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.'

"DEFINITIONS

"SEC. 3. (a) Section 3 (b) of such Act is amended to read as follows:

"'(b) "Commerce" means trade, commerce, transportation, transmission, or communication among the several States or between any State and any place outside thereof.'

"(b) Section 3 (j) of such Act is amended to read as follows:

"'(j) "Produced" means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this Act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any closely related process or occupation directly essential to the production thereof, in any State.'

"(c) Clause (1) of section 3 (l) of such Act is amended to read as follows: '(1) any employee under the age of sixteen years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of sixteen years in an occupation other than manufacturing or mining or an occupation found by the Secretary of Labor to be particularly hazardous for the employment of children between the ages of sixteen and eighteen years or detrimental to their health or well-being) in any occupation,'.

"(d) Section 3 of such Act is further amended by adding at the end thereof two new paragraphs as follows:

"'(n) "Resale" shall not include the sale of goods to be used in residential or farm building construction, repair, or maintenance: *Provided*, That the sale is recognized as a bona fide retail sale in the industry.

"'(o) Hours Worked.—In determining for the purposes of sections 6 and 7 the hours for which an employee is employed, there shall be excluded any time spent in changing clothes or washing at the beginning or end of each workday which was excluded from measured working time during the week involved by the express terms of or by custom or practice under a bona fide collective-bargaining agreement applicable to the particular employee.'

"ADMINISTRATOR

"SEC. 4. Section 4 (a) of such Act is amended by striking out '$10,000' and inserting in lieu thereof '$15,000'.

"SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 5. Section 5 of such Act is amended to read as follows:

"'SEC. 5. (a) The Administrator shall as soon as practicable appoint a special industry committee to recommend the minimum rate or rates of wages to be paid under section 6 to employees in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce, or the Administrator may appoint separate industry committees to recommend the minimum rate or rates of wages to be paid under section 6 to employees therein engaged in commerce or in the production of goods for commerce in particular industries. An industry committee appointed under this subsection shall be composed of residents of such island or islands where the employees with respect to whom such committee was appointed are employed and residents of the United States outside of Puerto Rico and the Virgin Islands. In determining the minimum rate or rates of wages to be paid, and in determining classifications, such industry committees and the Administrator shall be subject to the provisions of section 8.

"'(b) An industry committee shall be appointed by the Administrator without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Administrator shall designate as chairman, a like number of persons representing employees in the industry, and a like number representing employers in the industry. In the appointment of the persons representing each group, the Administrator shall give due regard to the geographical regions in which the industry is carried on.

"'(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Administrator shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

"'(d) The Administrator shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Administrator to furnish additional information to aid it in its deliberations.'

"MINIMUM WAGES

"SEC. 6. (a) Section 6 (a) of such Act is amended by striking out subparagraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"'(1) not less than 75 cents an hour;'.

"(b) Such section 6 (a) is further amended by striking out '(5)' and inserting in lieu thereof '(2)'.

"(c) Section 6 (c) of such Act is amended to read as follows:

"'(c) The provisions of paragraph (1) of subsection (a) of this section shall be superseded in the case of any employee in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce only for so long as and insofar as such employee is covered by a wage order heretofore or hereafter issued by the Administrator pursuant to the recommendations of a special industry committee appointed pursuant to section 5: *Provided*, That the wage order in effect prior to the effective date of this Act for any industry in Puerto Rico or the Virgin Islands shall apply to every employee in such industry covered by subsection (a) of this section until superseded by a wage order hereafter issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5.'

"MAXIMUM HOURS

"SEC. 7. Section 7 of such Act is amended to read as follows:

"'SEC. 7. (a) Except as otherwise provided in this section, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce for a workweek longer than forty hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

"'(b) no employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

"'(1) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than one thousand and forty hours during any period of twenty-six consecutive weeks; or

"'(2) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that during a specified period of fifty-two consecutive weeks the employee shall be employed not more than two thousand two hundred and forty hours and shall be guaranteed not less than one thousand eight hundred and forty hours (or not less than forty-six weeks at the normal number of hours worked per week, but not less than thirty hours per week) and not more than

two thousand and eighty hours of employment for which he shall receive compensation for all hours guaranteed or worked at rates not less than those applicable under the agreement to the work performed and for all hours in excess of the guaranty which are also in excess of forty hours in the workweek or two thousand and eighty in such period at rates not less than one and one-half times the regular rate at which he is employed; or

"'(3) for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature,

and if such employee receives compensation for employment in excess of twelve hours in any workday, or for employment in excess of fifty-six hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

"'(c) In the case of an employer engaged in the first processing of milk, buttermilk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cottonseed, or in the processing of sugar beets, sugar-beet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into sirup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

"'(d) As used in this section, the "regular rates" at which an employee is employed shall be deemed to include all remuneration for employment paid to, or on behalf of, the employee, but shall not be deemed to include—

"'(1) sums paid as gifts; payments in the nature of gifts made at Christmas time or on other special occasions, as a reward for service, the amounts of which are not measured by or dependent on hours worked, production, or efficiency;

"'(2) payments made for occasional periods when no work is performed due to vacation, holiday, illness, failure of the employer to provide sufficient work, or other similar cause; reasonable payments for traveling expenses, or other expenses, incurred by an employee in the furtherance of his employer's interests and properly reimbursable by the employer; and other similar payments to an employee which are not made as compensation for his hours of employment;

"'(3) Sums paid in recognition of services performed during a given period if either, (a) both the fact that payment is to be made and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period and not pursuant to any prior contract, agreement, or promise causing the employee to expect such payments regularly; or (b) the payments are made pursuant to a bona fide profit-sharing plan or trust or bona fide thrift or savings plan, meeting the requirements of the Administrator set forth in appropriate regulations which he shall issue, having due regard among other relevant factors, to the extent to which the amounts paid to the employee are determined without regard to hours of work, production, or efficiency; or (c) the payments are talent fees (as such talent fees are defined and delimited by regulations of the Administrator) paid to performers, including announcers, on radio and television programs;

"'(4) contributions irrevocably made by an employer to a trustee or third person pursuant to a bona fide plan for providing old-age, retirement, life, accident, or health insurance or similar benefits for employees;

"'(5) extra compensation provided by a premium rate paid for certain hours worked by the employee in any day or workweek because such hours are hours worked in excess of eight in a day or forty in a workweek or in excess of the employee's normal working hours or regular working hours, as the case may be;

"'(6) extra compensation provided by a premium rate paid for work by the employee on Saturdays, Sundays, holidays, or regular days of rest, or on the sixth or seventh day of the workweek, where such premium rate is not less than one and one-half times the rate established in good faith for like work performed in nonovertime hours on the other days; or

"'(7) extra compensation provided by a premium rate paid to the employee, in pursuance of an applicable employment contract or collective-bargaining agreement, for work outside of the hours established in good faith by the contract or agreement as the basic, normal, or regular workday (not exceeding eight hours) or workweek (not exceeding forty hours), where such premium rate is not less than one and one-half times the rate established in good faith by the contract or agreement for like work performed during such workday or workweek.

"'(e) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of forty hours if such employee is employed pursuant to a bona fide individual contract, or pursuant to an agreement made as a result of collective bargaining by representatives of employees, if the duties of such employee necessitate irregular hours of work, and the contract or agreement (1) specifies a regular rate of pay of not less than the minimum hourly rate provided in section 6 (a) and compensation at not less than one and one-half times such rate for all hours worked in excess of forty in any workweek, and (2) provides a weekly guaranty of pay for not more than sixty hours based on the rates so specified.

"'(f) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of forty hours if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, the amount paid to the employee for the number of hours worked by him in such workweek in excess of forty hours—

"'(1) in the case of an employee employed at piece rates, is computed at piece rates not less than one and one-half times the bona fide piece rates applicable to the same work when performed during nonovertime hours; or

"'(2) in the case of an employee performing two or more kinds of work for which different hourly or piece rates have been established, is computed at rates not less than one and one-half times such bona fide rates applicable to the same work when performed during nonovertime hours; or

"'(3) is computed at a rate not less than one and one-half times the rate established by such agreement or understanding as the basic rate to be used in computing overtime compensation thereunder: *Provided*, That the rate so established shall be authorized by regulation by the Administrator as being substantially equivalent to the average hourly earnings of the employee, exclusive of overtime premiums, in the particular work over a representative period of time;

and if (1) the employee's average hourly earnings for the workweek exclusive of payments described in paragraphs (1) through (7) of subsection (d) are not less than the minimum hourly rate required by applicable law, and (ii) extra overtime compensation is properly computed and paid on other forms of additional pay required to be included in computing the regular rate.

"'(g) Extra compensation paid as described in paragraphs (5), (6), and (7) of subsection (d) shall be creditable toward overtime compensation payable pursuant to this section.'"

"WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

"SEC. 8. Section 8 of such Act is amended to read as follows:

"'SEC. 8. (a) The policy of this Act with respect to industries in Puerto Rico and the Virgin Islands engaged in commerce or in the production of goods for commerce is to reach as rapidly as is economically feasible without substantially curtailing employment the objective of the minimum wage prescribed in paragraph (1) of section 6 (a) in each such industry. The Administrator shall from time to time convene an industry committee or committees, appointed pursuant to section 5, and any such industry committee shall from time to time recommend the minimum rate or rates of wages to be paid under section 6 by employers in Puerto Rico or the Virgin Islands, or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce in any such industry or classifications therein.

"'(b) Upon the convening of any such industry committee, the Administrator shall refer to it the question of the minimum wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this Act. The committee shall recommend to the Administrator the highest minimum wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry, and will not give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico and the Virgin Islands.

"'(c) The industry committee shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of that prescribed in paragraph (1) of section 6 (a)) which (1) will not substantially curtail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classifications, and in determining the minimum wage rates for such classifications, no classifications shall be made, and no minimum wage rate shall be fixed, solely on a regional basis, but the industry committee and the Administrator shall consider among other relevant factors the following:

"'(1) competitive conditions as affected by transportation, living, and production costs;

"'(2) the wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and

"'(3) the wages paid for work of like or comparable character by employers who

voluntarily maintain minimum wage standards in the industry.

No classification shall be made under this section on the basis of age or sex.

"'(d) The industry committee shall file with the Administrator a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Administrator, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Administrator disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

"'(e) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Administrator finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give to interested persons general notice of such issuance.

"'(f) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give general notice to interested persons'."

"INVESTIGATION, INSPECTIONS, RECORDS, AND HOMEWORK REGULATIONS

"SEC. 9. Section 11 of such Act is amended by adding at the end thereof the following new subsection:

"'(d) The Administrator is authorized to make such regulations and orders regulating, restricting, or prohibiting industrial homework as are necessary or appropriate to prevent the circumvention or evasion of and to safeguard the minimum wage rate prescribed in this Act, and all existing regulations or orders of the Administrator relating to industrial homework are hereby continued in full force and effect.'

"CHILD-LABOR PROVISIONS

"SEC. 10. (a) Section 12 (a) of such Act is amended to read as follows:

"'(a) No producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within thirty days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That any such shipment or delivery for shipment of such goods by a purchaser who acquired them in good faith in reliance on written assurance from the producer, manufacturer, or dealer that the goods were produced in compliance with the requirements of this section, and who acquired such goods for value without notice of any such violation, shall not be deemed prohibited by this subsection: *And provided further*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.'

"(b) Section 12 of such Act is further amended by adding at the end thereof the following new subsection:

"'(c) No employer shall employ any oppressive child labor in commerce or in the production of goods for commerce.'

"EXEMPTIONS

"SEC. 11. Section 13 of such Act is amended to read as follows:

"'SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee employed by any retail or service establishment, more than 50 per centum of which establishment's annual dollar volume of sales of goods or services is made within the State in which the establishment is located. A "retail or service establishment" shall mean an establishment 75 per centum of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry; or (3) any employee employed by any establishment engaged in laundering, cleaning or repairing clothing or fabrics, more than 50 per centum of which establishment's annual dollar volume of sales of such services is made within the State in which the establishment is located: *Provided*, That 75 per centum of such establishment's annual dollar volume of sales of such services is made to customers who are not engaged in a mining, manufacturing, transportation, or communications business; or (4) any employee employed by an establishment which qualifies as an exempt retail establishment under clause (2) of this subsection and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes at the retail establishment the goods that it sells: *Provided*, That more than 85 per centum of such establishment's annual dollar volume of sales of goods so made or processed is made within the State in which the establishment is located; or (5) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing (other than canning), marketing, freezing, curing, storing, or distributing the above products or byproducts thereof; or (6) any employee employed in agriculture or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, or operated on a share-crop basis, and which are used exclusively for supply and storing of water for agricultural purposes; or (7) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (8) any employee employed in connection with the publication of any weekly, semiweekly, or daily newspaper with a circulation of less than four thousand the major part of which circulation is within the county where printed and published or counties contiguous thereto; or (9) any employee of a street, suburban, or interurban electric railway, or local trolley or motorbus carrier, not included in other exemptions contained in this section; or (10) any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products; or (11) any switchboard operator employed in a public telephone exchange which has not more than seven hundred and fifty stations; or (12) any employee of an employer engaged in the business of operating taxicabs; or (13) any employee or proprietor in a retail or service establishment as defined in clause (2) of this subsection with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month; or (14) any employee employed as a seaman; or (15) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed twelve.

"'(b) The provisions of section 7 shall not apply with respect to (1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or (2) any employee of an employer subject to the provisions of part I of the Interstate Commerce Act; or (3) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or (4) any employee employed in the canning of any kind of fish, shellfish, or other aquatic forms of animal or vegetable life, or any byproduct thereof; or (5) any individual employed as an outside buyer of poultry, eggs, cream, or milk, in their raw or natural state.

"'(c) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, or to any child employed as an actor or performer in motion pictures or theatrical productions, or in radio or television productions.

"'(d) The provisions of sections 6, 7, and 12 shall not apply with respect to any employee engaged in the delivery of newspapers to the consumer.'"

"LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

"SEC. 12. Section 14 of such Act is amended by striking out in clause (1) the word 'exclusively' and inserting in lieu thereof the word 'primarily'.

"PROHIBITED ACTS

"SEC. 13. (a) Section 15 (a) (1) of such Act is amended by adding at the end thereof the following: 'and except that any such transportation, offer, shipment, delivery, or sale of such goods by a purchaser who acquired them in good faith in reliance on written assurance from the producer that the goods were produced in compliance with the requirements of the Act, and who acquired such goods for value without notice of any such violation, shall not be deemed unlawful.'

"(b) Section 15 (a) (5) of such Act is amended by inserting after 'section 11 (c)' the following: 'or any regulation or order made or continued in effect under the provisions of section 11 (d)'.

"PENALTIES

"SEC. 14. Section 16 of such Act is amended by adding at the end thereof the following new subsection:

"'(c) The Administrator is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or section 7 of this Act, and the agreement of any employee to accept

such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. When a written request is filed by any employee with the Administrator claiming unpaid minimum wages or unpaid overtime compensation under section 6 or section 7 of this Act, the Administrator may bring an action in any court of competent jurisdiction to recover the amount of such claim: *Provided,* That this authority to sue shall not be used by the Administrator in any case involving an issue of law which has not been settled finally by the courts, and in any such case no court shall have jurisdiction over such action or proceeding initiated or brought by the Administrator if it does involve any issue of law not so finally settled. The consent of any employee to the bringing of any such action by the Administrator, unless such action is dismissed without prejudice on motion of the Administrator, shall constitute a waiver by such employee of any right of action he may have under subsection (b) of this section for such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. Any sums thus recovered by the Administrator on behalf of an employee pursuant to this subsection shall be held in a special deposit account and shall be paid, on order of the Administrator, directly to the employee or employees affected. Any such sums not paid to an employee because of inability to do so within a period of three years shall be covered into the Treasury of the United States as miscellaneous receipts. In determining when an action is commenced by the Administrator under this subsection for the purposes of the two-year statute of limitations provided in section 6 (a) of the Portal-to-Portal Act of 1947, it shall be considered to be commenced in the case of any individual claimant on the date when the complaint is filed if he is specifically named as a party plaintiff in the complaint, or if his name did not so appear, on the subsequent date on which his name is added as a party plaintiff in such action.'

"INJUNCTION PROCEEDINGS

"SEC. 15. Section 17 of such Act is amended to read as follows:

" 'SEC. 17. The district courts, together with the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, and the District Court of the Virgin Islands shall have jurisdiction, for cause shown, to restrain violations of section 15: *Provided,* That no court shall have jurisdiction, in any action brought by the Administrator to restrain such violations, to order the payment to employees of unpaid minimum wages or unpaid overtime compensation or an additional equal amount as liquidated damages in such action.'

"MISCELLANEOUS AND EFFECTIVE DATE

"SEC. 16. (a) The amendments made by this Act shall take effect upon the expiration of ninety days from the date of its enactment; except that the amendment made by section 4 shall take effect on the date of its enactment.

"(b) Except as provided in section 3 (o) and in the last sentence of section 16 (c) of the Fair Labor Standards Act of 1938, as amended, no amendment made by this Act shall be construed as amending, modifying, or repealing any provision of the Portal-to-Portal Act of 1947.

"(c) Any order, regulation, or interpretation of the Administrator of the Wage and Hour Division or of the Secretary of Labor, and any agreement entered into by the Administrator or the Secretary, in effect under the provisions of the Fair Labor Standards Act of 1938, as amended, on the effective date of this Act, shall remain in effect as an order, regulation, interpretation, or agreement of the Administrator or the Secretary, as the case may be, pursuant to this Act, except to the extent that any such order, regulation, interpretation, or agreement may be inconsistent with the provisions of this Act, or may from time to time be amended, modified, or rescinded by the Administrator or the Secretary, as the case may be, in accordance with the provisions of this Act.

"(d) No amendment made by this Act shall affect any penalty or liability with respect to any act or omission occurring prior to the effective date of this Act; but, after the expiration of two years from such effective date, no action shall be instituted under section 16 (b) of the Fair Labor Standards Act of 1938, as amended, with respect to any liability accruing thereunder for any act or omission occurring prior to the effective date of this Act.

"(e) No employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended (in any action or proceeding commenced prior to or on or after the effective date of this Act), on account of the failure of said employer to pay an employee compensation for any period of overtime work peformed prior to July 20, 1949, if the compensation paid prior to July 20, 1949 for such work was at least equal to the compensation which would have been payable for such work had section 7 (d) (6) and (7) and section 7 (g) of the Fair Labor Standards Act of 1938, as amended, been in effect at the time of such payment.

"(f) Public Law 177, Eighty-first Congress, approved July 20, 1949, is hereby repealed as of the effective date of this Act."

And the Senate agree to the same.

JOHN LESINSKI,
AUGUSTINE B. KELLEY,
ADAM C. POWELL, JR.,
SAMUEL K. MCCONNELL, JR.,
WALTER E. BREHM,
Managers on the Part of the House.

ELBERT D. THOMAS,
JAMES E. MURRAY,
CLAUDE PEPPER,
ROBERT A. TAFT,
GEORGE D. AIKEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5856) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the House bill and the Senate amendment. The substitute agreed to in conference is explained below.

SHORT TITLE

Both the House bill and the Senate amendment provided that it was to be cited as the "Fair Labor Standards Amendments of 1949." The conference agreement adopts this title.

FINDINGS AND DECLARATION OF POLICY

The House bill amended subsection (b) of section 2 of the act by referring to the power of Congress under the Constitution to regulate commerce with foreign nations as well as commerce among the several States. This technical change was made in conjunction with the change made in subsection (b) of section 3 defining the term "commerce," which is hereinafter discussed. No such provision was included in the Senate amendment of the House bill. The conference agreement adopts the House provision.

DEFINITIONS

Section 3 of the act, relating to definitions, is unchanged by the conference agreement except that definitions of the terms "commerce," "produced," and "oppressive child labor" are amended and new definitive language is provided for the terms "resale" and "hours worked."

Commerce: The definition of "commerce" in section 3 (b) of the act now covers outgoing foreign commerce "from any State to any place outside thereof" in addition to interstate commerce "among the several States." It does not cover incoming foreign commerce. The House bill amended the definition by substituting the word "between" for the word "from" and the word "and" for the word "to," so that the definition would cover foreign commerce "between any State and any place outside thereof." The Senate amendment did not contain any provision amending this definition. The conference agreement adopts the House provision. The effect of the amendment is to eliminate inequalities under the act between employees engaged in foreign commerce based on whether the flow of such foreign commerce is out of a State rather than into it. The amendment, will, for example, place employees of importers on an equal footing with employees of exporters under the act.

Produced: The House bill amended the definition of "produced" in section 3 (j) by inserting the words "closely related" before the words "process or occupation" and substituting the word "indispensable" for the word "necessary". The Senate amendment left the definition of "produced" as contained in the present law unchanged. The bill as agreed to in conference follows the House bill except that the words "directly essential" are substituted for the word "indispensable".

Coverage under the act for a large category of employees is determined by the definition of the term "produced". The definition is divided into two parts. The first part, which the conference bill leaves unchanged, covers any employee "producing, manufacturing, mining, handling, transporting, or in any other manner working on * * * goods." Thus the first part covers employees engaged in actual production activities as opposed, for example, to employees engaged in maintenance, clerical, or custodial work. The second part of the present definition, covering any employee engaged in "any process or occupation necessary to the production" of goods, has been interpreted by the Administrator and the courts to cover employees of many local merchants, because some of the customers of such merchants are producing goods for interstate commerce. It has made no difference that the merchants sell their goods locally and that such goods do not become a part or ingredient of the goods produced by any of their customers (*McComb* v. *Deibert* (E. D. Pa. 1949), 16 Labor Cases Par. 64,982.) The courts have also held the act applicable to employees engaged in maintaining and repairing private homes and dwellings where such homes and dwellings are being leased by interstate producers to their employees. Coverage of the act has also been extended to employees of an independently owned and operated restaurant located in a factory (*McComb* v. *Factory Stores,* 81 F. Supp. 403 (N. D. Ohio 1948)).

Under the bill as agreed to in conference an employee will not be covered unless he is shown to have a closer and a more direct relationship to the producing, manufacturing, etc., activity than was true in the above-cited cases. On the other hand, the proposed changes are not intended to remove from the act maintenance, custodial, and clerical employees of manufacturers, mining companies,

and other producers of goods for commerce. Employees engaged in such maintenance, custodial, and clerical work will remain subject to the act, notwithstanding they are employed by an independent employer performing such work on behalf of the manufacturer, mining company, or other producer for commerce. All such employees perform activities that are closely related and directly essential to the production of goods for commerce.

The bill as agreed to in conference also does not affect the coverage under the act of employees who repair or maintain buildings in which goods are produced for commerce (*Kirschbaum* v. *Walling*, 316 U. S. 517) or who make, repair, or maintain machinery or tools and dies used in the production of goods for commerce. Likewise, employees of public utilities, furnishing gas, electricity or water to firms within the State engaged in manufacturing, producing, or mining goods for commerce, will remain subject to the act. All the employees mentioned in this paragraph are doing work that is closely related and directly essential to the production of goods for commerce.

The following are some examples of cases in which the Administrator and the courts will no longer be able to hold the act applicable because the activities involved in such cases are not closely related or directly essential to production:

1. A local fertilizer company engaged in selling all of its fertilizer to local farmers within the State for use on land on which sugarcane is grown, which cane is then sold to sugar mills within the State and processed into raw sugar which is sent out of the State (*McComb, Administrator* v. *Super-A Fertilizer Works*, 165 F. (2d) 824 (C. C. A. 1)).

2. Employees of a quarry engaged in mining and processing stone for local use in the construction of a dike located in the same State and who transport such rock from the quarry to the construction site, where the construction of the dike would have the effect of preventing an oil field that produced oil for commerce from being flooded (*Schroeder* v. *Clifton*, 153 F. (2d) 385 (C. C. A. 10); cert. den., 328 U. S. 858).

3. Employees of a local window-cleaning company doing business wholly within the State but many of whose customers are engaged in interstate commerce or in the production of goods for interstate commerce (*Martino* v. *Michigan Window Cleaning Company*, 327 U. S. 173; reh'g den., 327 U. S. 816).

4. Employees of a local independent nursery concern whose duties include mowing the lawn around the plant of a customer within the State engaged in producing goods for interstate commerce (1944–45 W. H. Man., p. 125).

5. Employees of a local architectural firm whose activities include the preparation of plans for the alteration of buildings within the State which are used to produce goods for interstate commerce (1944–45 W. H. Man., pp. 138–139).

6. Employees of a local exterminator service firm, who work wholly within the State exterminating roaches and other pests in private houses, apartments, hotels, barber shops, colleges, hospitals, and also in buildings within the State used to produce goods for interstate commerce (3 C. C. H., Labor Law Reporter, 4th ed., No. 25, 150.385).

All such employees, as well as the employees of the merchant selling his goods locally and employees engaged in providing residential, eating, or other living facilities for factory workers, are quite clearly not performing any activities that are closely related or directly essential to the production of goods.

Oppressive Child Labor: Under the bill as agreed to in conference, the definition of "oppressive child labor" in section 3 (1) of the act is amended to include parental employment of a child under 16 years of age in an occupation found by the Secretary of Labor to be hazardous for children between the ages of 16 and 18 years. This provision was contained in substantially the same form in both the House bill and the Senate amendment, except that the House bill substituted the Administrator of the Wage and Hour Division for the Secretary of Labor, who is responsible under the present law for administration of the child-labor provisions. The conference agreement adopts the language of the Senate amendment. This provision closes a loophole in the present definition under which a parent or person standing in place of a parent, who may not employ his child in a hazardous occupation if between 16 and 18 years of age, is permitted to employ the child in such an occupation until he becomes 16 years of age.

Resale: The House bill in section 3 (1) declared that "resale" shall not include the sale of goods to be used in residential or farm building construction, repair, or maintenance. The Senate amendment added a proviso that the sale must be recognized as a bona fide retail sale in the industry. The conference agreement adopted the Senate amendment. Under the conference agreement a sale of building materials to a building contractor for use in residential or farm construction is not intended as a sale for resale within the meaning of section 13 (a) (2) provided that it is recognized as a bona fide retail sale in the industry.

Hours worked: The House bill section 3 (o) added a partial definition of the term "hours worked." The Senate amendment did not contain an amendment on this subject. The conference agreement adopts the House provisions with an amendment. Under the section as passed by the House, for the purposes of the minimum wage and maximum hours provisions of the act, there would be excluded from "hours worked" any time spent by the employee which was excluded from measured working time under a bona fide collective-bargaining agreement applicable to him or custom or practice thereunder. The conference agreement limits this exclusion to time spent by the employee in changing clothes and cleaning his person at the beginning or at the end of each work day.

ADMINISTRATOR

The House bill amended section 4 of the act by changing its title to read "Administration" instead of "Administrator", by increasing the salary of the Administrator of the Wage and Hour Division to $15,000 per annum and by adding a new subsection (e) providing a defense to any alleged violation of the act with respect to "any act done or omitted in good faith in conformity with any written regulation, order or interpretation of the Administrator or the Secretary of Agriculture, as the case may be," notwithstanding the subsequent amendment, rescission or invalidation of such regulation, order or interpretation. Section 4 was not otherwise changed. The Senate amendment made no changes in section 4 of the act.

The conference agreement follows the provisions of the Senate amendment with respect to the act's administration, except that the salary of the Administrator is fixed at $15,000 per annum.

The conference agreement omits the provision for a "good faith" defense since its subject matter is covered in sections 9 and 10 of the Portal-to-Portal Act of 1947.

The present act does not contain any provision relative to the compensation of the Solicitor of Labor, and neither the House bill nor the Senate amendment contained such a provision. In agreeing to the amendment increasing the salary of the Administrator to $15,000 annually, it was the unanimous agreement of the conferees that the salary of the Solicitor of Labor should be increased to a like figure. It is through the Solicitor and his staff that the Administrator brings actions under section 17 of the act and will bring the actions for recovery of unpaid minimum wages and unpaid overtime compensation which are authorized by the new section 16 (c) contained in the conference agreement. The conference agreement omits a provision equalizing the salary of the Solicitor of Labor with that of the Administrator only because of a parliamentary situation which the committee has been advised might subject the conference agreement to a point of order if such a provision were included. It is the unanimous opinion of the committee of conference that the duties of the Solicitor of Labor are of such a nature that his position should receive the highest possible rate of compensation under the new legislation revising the Classification Act (H. R. 5931).

INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

The House bill amended section 5 of the act by limiting its application to the appointment of special industry committees to recommend the minimum rate or rates of wages to be paid under section 6 of the act to employees in Puerto Rico or the Virgin Islands engaged in commerce or in the production of goods for commerce. The Senate bill made no changes in section 5 of the act.

The conference agreement follows the provisions of the House bill. In order to preserve existing orders of the Administrator restricting industrial homework in certain industries, the conference agreement provides that a new subsection is added to section 11 of the act under which all existing regulations or orders of the Administrator relating to industrial homework are continued in full force and effect, and the Administrator is authorized to issue such regulations and orders regulating, restricting, or prohibiting industrial homework as are necessary to prevent the circumvention or evasion of, and to safeguard, the minimum wage rate prescribed by the act.

MINIMUM WAGE

The House bill provided that every employer would be required to pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at a rate of not less than 75 cents per hour. The Senate amendment made almost identical changes in subsection (a) of section 6. The conference agreement adopts the provisions of the Senate amendment.

The House bill also made the following changes in subsection (c) of section 6: The minimum wage rates established by existing wage orders for employees in Puerto Rican and Virgin Islands industries were continued in effect unless and until superseded by a wage order issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5; and the rates prescribed in any such order were made applicable to every employee in any Puerto Rican or Virgin Islands industry covered by such order who is within the coverage of and not exempt under the provisions of the act as amended by the House bill, including employees who either were not covered by the law as it existed prior to such amendment or were exempted from its application, but who were brought within the application of the law by the House bill. The Senate amendment provided that existing wage order rates for employees in Puerto Rico and the Virgin Islands should continue in effect until superseded by a wage order issued pursuant to the recommendations of a special industry committee appointed pursuant to section 5. The conference agreement follows the provisions of the House bill with respect to the scope

and effect of existing wage orders for employees in Puerto Rican and the Virgin Islands industries.

MAXIMUM HOURS

General explanation: The House bill completely revised section 7 of the act relating to maximum hours and overtime compensation, including a definition of "regular rate" and other provisions affecting the application of the overtime compensation requirements of the act. The Senate amendment left section 7 unchanged except for the extension of the overtime exemption provided by subsection (c) to include the first processing of buttermilk into dairy products, a provision also contained in the House bill. The conference agreement follows the provisions of the House bill except as hereafter noted. The general requirement of the present act, that employment in excess of 40 hours in a workweek shall be compensated at a rate not less than 1½ times the regular rate at which the employee is employed, is retained. This requirement applies, as under the present act, to employees engaged in commerce or in the production of goods for commerce, except those specifically exempted. Obsolete provisions of the present section 7 and the provision relating to the effective date of the maximum hours provisions of the 1938 act are deleted.

Semiannual and annual employment agreements: Under the House bill, section 7 (b) (1) of the act, providing a partial exemption from the overtime pay requirement of section 7 (a) for employees employed under collective-bargaining agreements limiting employment to 1,000 hours in any period of 26 consecutive weeks, was amended by inserting "one thousand and forty hours" in lieu of "one thousand hours." This would permit employment under such agreements for an average workweek of 40 hours during any 26-week period. The conference agreement adopts the House provision.

The House bill modified the provisions of section 7 (b) (2) of the act, relating to guaranteed annual employment plans established by bona fide collective bargaining, to provide for greater flexibility. The annual employment guaranteed could be either 2,080 hours (the present figure) or a lesser figure down to a minimum either of 1,840 hours or of 46 normal workweeks of not less than 30 hours per week. The exemption from overtime pay for hours worked up to 12 a day or 56 a week would not, as at present, be lost for the entire year with respect to an employee who must be worked at the end of the year for a few hours beyond the present 2,080-hour limit. The House bill permitted employment in excess of the annual period guaranteed, up to a maximum of 2,240 hours, if not less than time and one-half the regular rate is paid for all hours worked in excess of the guaranteed period which are also in excess of 40 in the workweek or in excess of 2,080 hours in the contract year. The conference agreement adopts the provisions of the House bill.

Fourteen workweek hours exemption for first processing and canning of fish: The House bill added to section 7 (b) (3) of the act a partial exemption from the overtime pay requirements for employees in industries engaged in the first processing or canning of fish in the raw or natural state. This provision was added in lieu of the complete wage and hour exemption provided in section 13 (a) (5), which is discussed below. The conference agreement substitutes for the House provision a new overtime exemption for canning of fish in section 13 (b) discussed below.

Section 7 (c) hours exemptions for processing of farm products: The conference agreement leaves unchanged the hours exemptions provided by section 7 (c) of the act, except for adding buttermilk to the commodities listed in the hours exemption provided for the first processing of milk, cream, skimmed milk or whey into dairy products. Such a provision was contained in both the House bill and the Senate amendment. The seasonal exemption for the first processing of agricultural or horticultural commodities within the "area of production" was changed in the House bill by transferring the authority to define "area of production" from the Administrator to the Secretary of Agriculture. The Senate amendment did not make this change. The conference agreement leaves this authority in the Administrator.

"Regular rate" and crediting of overtime pay: The House bill added a new subsection (d) to section 7 of the act containing a comprehensive statutory definition of "regular rate," and a new subsection (g) specifying the payments excluded from "regular rate" which may be credited toward the overtime compensation required by the act. The Senate amendment contained no such provisions. The conference agreement (sec. 7 (d) adopts the House provisions defining "regular rate" except for revisions of paragraph (3) of subsection (d) indicated below. The conference agreement adopts the crediting provision contained in subsection (g) of the House bill.

The House bill defined "regular rate" as all remuneration for employment except certain specified types of payments. The conference agreement adopts this approach. Each of the seven subdivisions of subsection (d) is intended to provide a separate, carefully defined exclusion from "regular rate." Accordingly, a payment excluded under any one subdivision would not be deemed part of the "regular rate" by reason of the fact that such payment may not be excluded by the language of any other subdivision. The classes of payments excluded under the first four subdivisions are not creditable toward overtime payments required by section 7 of the act.

Payments excluded from "regular rate" and not creditable as overtime pay—Section 7 (d) (1), (2): The conference agreement adopts the language of the House provisions excluding from the "regular rate" (1) bona fide gifts and payments in the nature of gifts made at Christmas time or on other special occasions under specified conditions, and (2) payments which are not made as compensation for hours of employment, including payments for occasional periods when no work is performed due to vacation, holiday, illness, or failure of the employer to provide sufficient work, and including payments as reimbursement for traveling or other expenses under certain conditions.

Section 7 (d) (3): Clause (a) of this subsection of the House bill provided for the exclusion from the "regular rate" of certain sums paid at the sole discretion of the employer in recognition of services performed during a given period of time, and not paid pursuant to a prior contract, agreement, or promise causing the employee to expect such payments regularly. The conference agreement adopts the House provision.

The House bill, in clauses (b) and (c) of this subsection, provided for the exclusion from the "regular rate" of certain payments made pursuant to bona fide profit-sharing plans or trusts and of "talent fees" paid to radio and television performers. The conference agreement makes these exclusions, retaining the numbering of the House bill, but adding language giving the Administrator authority to issue appropriate regulations defining the bona fide profit-sharing plans or trusts pursuant to which payments may be made to employees without increasing the "regular rate," and defining "talent fees." Under the conference agreement, similar provision is made in clause (b) for regulations permitting the exclusion from the "regular rate" of payments made by employers pursuant to bona fide thrift or savings plans. Such plans were not expressly mentioned in the House provision.

Section 7 (d) (4): The conference agreement adopts the language of the House provision excluding from the "regular rate" contributions irrevocably made by an employer to a trustee or third person pursuant to a bona fide plan for providing old-age, retirement, life, accident, or health insurance or similar benefits.

Payments excluded from "regular rate" and creditable as overtime premiums—Section 7 (d), (5), (6), (7); section 7 (f): Under the House bill (section 7 (d) (5)), overtime premiums paid for hours worked in any day or workweek because such hours are in excess of 8 in a day or 40 in a workweek or in excess of the employee's normal working hours or regular working hours, as the case may be, were expressly excluded from the employee's regular rate of pay. Section 7 (g) of the House bill provided for the crediting of such premiums toward statutory overtime compensation due for work in excess of 40 hours. In addition, section 7 (d) (6), (7), and 7 (g) of the House bill continued in effect the provisions of section 7 (e) of the present act (added by act of July 20, 1949, Public Law 177, 81st Cong., 1st sess.). These provisions, which constituted a partial definition of "regular rate" in Public Law 177, are repeated here solely because section 7 (d) is intended to constitute a more comprehensive definition of "regular rate." Although by reason of their textual relation to other provisions of the bill, sections 7 (d) (6) and 7 (d) (7) differ slightly in wording from Public Law 177, they are intended to solve the identical problems which Public Law 177 was intended to solve, and the discussion and specific examples set forth in House Report No. 121 and Senate Report No. 402, accompanying H. R. 858, are applicable to sections 7 (d) (6) and 7 (d) (7). The provision of the House bill corresponding to section 7 (e) (1) of the present amended act expressly placed premium pay for work on "regular days of rest" in the same category under that provision as premium pay for work on Saturdays, Sundays, holidays, and sixth or seventh days of the workweek. "Regular days of rest" are not mentioned expressly in the present section 7 (e) (1). The conference agreement adopts the language of the House provision.

As explained later in this statement under the heading "Retroactive provisions," the provisions of section 7 (e) of the present act, as retained in section 7 (d) (6), (7), and 7 (g) of the conference agreement, will continue to have retroactive effect as provided in section 16 (e) of the conference agreement which replaces section 2 of the act of July 20, 1949 (Public Law 177, 81st Cong., 1st sess.).

Contract pay plans: The House bill (sec. 7 (e)) contained a provision specifically providing that no employer should be deemed to have violated the overtime provisions of the act by employing any employee for a workweek in excess of 40 hours if such employee was employed pursuant to either a bona fide individual contract, or a collective-bargaining agreement, if the duties of such employee necessitated irregular hours of work, and the contract or agreement (1) specified a regular rate of pay of not less than the minimum hourly rate provided in the act, and compensation at not less than one and one-half times such rate for all hours worked in excess of 40 in any workweek and (2) provided a weekly guaranty of pay for not more than 60 hours based on the rates so specified. The conference agreement adopts the House provision.

Overtime Pay Based on Rate Not Obtained by Averaging Straight-Time Earnings for Workweek. The House bill (Section 7 (f)) permitted overtime payments for hours worked in excess of 40 in a workweek to be made, under specific conditions, at time and one half the bona fide hourly or piece rates applicable to the work performed during such overtime hours. Under this provision, employers and employees could agree,

in advance of the performance of work and subject to specified conditions, to calculate overtime pay for such work by increasing the applicable hourly or piece rate for a given kind of work by 50% during the hours worked after 40 in the workweek, rather than by paying time and one-half based on average hourly straight-time earnings for the workweek. The Senate amendment contained no such provision. The conference agreement adopts the House provision, with two modifications. The first modification makes it possible for such an employment agreement to meet the requirements of this subsection whenever overtime pay is so calculated for the total number of hours worked by the employee in such workweek in excess of 40 hours, even though some of the hours for which overtime pay is received fall before the 40th hour. This makes it unnecessary to recompute the amount due under the statute at the end of the workweek where it is clear that overtime pay as permitted under this subsection has been paid for a number of hours of work equivalent to the number worked after 40. The second modification is the addition to the House provision of a new clause (3), permitting the computation of overtime pay at a rate not less than one and one-half times a basic rate established by agreement (which may remain constant from workweek to workweek) if such basic rate is authorized by regulation of the Administrator as being substantially equivalent to the average hourly earnings of the employee, exclusive of overtime premiums, in the particular work over a representative period of time.

WAGE ORDERS IN PUERTO RICO AND THE VIRGIN ISLANDS

The House bill limited the application of the provisions of section 8 of the act to industries in Puerto Rico and the Virgin Islands engaged in commerce or in the production of goods for commerce and made necessary clarifying changes in its subsections to carry out this purpose. Subsection (a) stated the policy of the act to reach an objective of a 75-cent minimum wage for such industries as rapidly as economically feasible without substantially curtailing employment. Subsection (b) specified that the minimum-wage rates which a special industry committee recommends, and the Administrator approves were not to give any industry in Puerto Rico or in the Virgin Islands a competitive advantage over any industry in the United States outside of Puerto Rico or the Virgin Islands. Except for technical changes made necessary by raising the statutory minimum to 75 cents an hour, subsections (c) and (d) of section 8, setting forth the standards and procedures to govern the issuance of wage orders, were to be the same as under the present act. Subsection (e) of section 8 of the present act was omitted from the House bill because it served no purpose in such bill. Subsections (f) and (g) of the present act were retained as subsections (e) and (f).

The Senate amendment made no changes in section 8 of the act except to insert the figure "75 cents an hour" for the figure "40 cents an hour" wherever it was used in its several subsections. The conference agreement adopts in substance the provisions of the House bill.

As is noted elsewhere, the conference agreement provides for adding a new subsection to section 11 under which existing orders of the Administrator restricting industrial home work in a number of industries, which were originally issued under subsection (f) of section 8 of the present act, are continued in full force and effect.

ATTENDANCE OF WITNESSES

The House bill amended section 9 of the act relating to attendance of witnesses by making a technical correction therein and by taking away from the Secretary of Labor subpena powers vested in him by Reorganization Plan No. 2 of 1946 in connection with administration and enforcement of the child-labor provisions of the act. The Senate amendment made no changes in section 9.

The conference agreement follows the Senate amendment in this respect, leaving unchanged the act's provisions relating to attendance of witnesses.

COURT REVIEW

The House bill amended section 10 of the act relating to court review of Puerto Rican and Virgin Islands industry wage orders issued by the Administrator under section 8 of the act by inserting in subsection (a) thereof the requirement that the Administrator's findings of fact on which such orders are based must be supported by "a preponderance of the evidence" rather than by "substantial evidence," as at present. In addition, the House bill made certain technical corrections in section 10. The Senate amendment made no changes in section 10. The conference agreement follows the Senate amendment in this respect and leaves unchanged existing law relating to court review of industry wage orders.

INVESTIGATIONS, INSPECTIONS, RECORDS, AND HOME-WORK REGULATIONS

The House bill made changes in section 11 which transferred to the Administrator of the Wage and Hour Division the authority of the Secretary of Labor to make investigations and inspections under the child-labor provisions of the act. The Senate amendment made no changes in section 11. The conference agreement follows the Senate amendment in this respect and leaves unchanged existing law relating to administration and enforcement of the child-labor provisions, including investigations and inspections.

The conference agreement adds to section 11 a new subsection (d) under which all existing regulations or orders of the Administrator relating to industrial homework are continued in full force and effect. The Administrator is authorized to issue such regulations and orders regulating, restricting, or prohibiting industrial homework as are necessary to prevent the circumvention or evasion of, and to safeguard, the minimum wage rate prescribed by the act. The effect of this provision has been explained above in connection with the discussion of the changes made by the conference agreement in sections 5 and 8 of the act. Consistent with the addition of this new subsection, the title of section 11 has been changed by the conference agreement to read "Investigations, inspections, records, and homework regulations."

CHILD-LABOR PROVISIONS

The House bill added a proviso to section 12 (a) of the act which would relieve a purchaser of goods produced in an establishment where oppressive child labor was employed, if such purchaser could prove that he was without knowledge of the employment of oppressive child labor and acted in good faith in reliance on written assurance from the producer, manufacturer, or dealer that the goods were produced in compliance with the child-labor provisions. The Senate amendment contained no similar provision. The conference agreement follows the House bill in this respect but adopts language similar to the Senate amendment of section 15 (a) (1) of the act, discussed below.

The House bill eliminated the provisions of section 12 (b) of the act which authorizes the Secretary of Labor, or his authorized representatives, to make investigations and inspections under the child-labor provisions and to institute actions for injunctions under section 17 for violations of the child-labor provisions. The House bill, in section 11 (a), transferred such authority to the Administrator. The Senate amendment made no change in the existing law. The conference agreement follows the Senate amendment and makes no change in existing law in this respect.

The House bill provided a new section 12 (b) which directly prohibited the employment of oppressive child labor in commerce or in the production of goods for commerce. The Senate amendment contained identical language as section 12 (c). The conference agreement includes this language as section 12 (c).

EXEMPTIONS

General statement: The House bill substantially revised section 13 (a) (2) of the act relating to retail and service establishments, amended section 13 (a) (5) relating to fisheries and sea-food employees, section 13 (a) (8) relating to newspapers, section 13 (a) (10) relating to the processing of agricultural commodities, and added new exemptions affecting employees of taxicab companies, certain telegraph agencies, forestry, logging, and sawmill operators, nonprofit agricultural irrigation companies, and rural home workers. The House bill also amended section 13 (a) (4) relating to carriers by air and enlarged the child-labor exemption contained in section 13 (c). The Senate amendment also substantially revised section 13 (a) (2), amended section 13 (a) (11) relating to telephone-switchboard operators, and added exemptions for certain employees of agricultural irrigation companies and telegraph agencies, employees engaged in the processing or storing of cotton or the processing of cottonseed, employees engaged as home workers in sewing baseballs, and outside buyers of poultry, eggs, cream, and milk. The Senate amendment also exempted newsboys from the wage, hour, and child-labor provisions, and further enlarged the child-labor exemption. Each provision of the House bill and the Senate amendment is discussed below.

Retail and service establishments: Both the House bill and the Senate amendment contained an identical amendment providing for an exemption for retail and service establishments (sec. 13 (a) (2)). The amendment was continued in the conference agreement.

The amendment (sec. 13 (a) (2)), agreed to in conference clarifies the existing exemption by defining the term "retail or service establishment" and stating the conditions under which the exemption shall apply. This clarification is needed in order to obviate the sweeping ruling of the Administrator and the courts that no sale of goods or services for business use is retail. See *Roland Electrical Co.* v. *Walling* (326 U. S. 657); *McComb* v. *Diebert* ((E. D. Pa. 1949) 16 Labor Cases, par. 64,982); *McComb* v. *Factory Stores* (81 F. Supp. 403 (N. D. Ohio 1948)).

Under paragraph (2) of section 13 (a) as agreed to in conference an establishment is an exempt retail or service establishment if it meets three tests:

First, over 50 percent of the establishment's sales by annual dollar volume of goods or services must be made within the State in which the establishment is located. The requirement that the greater part of the selling or servicing be in intrastate commerce found in the present law is eliminated because of the tendency of the courts to hold that many sales or services made or performed within a State are not intrastate sales or services. See *Kirschbaum* v. *Walling* (316 U. S. 517, 526); *Boutell* v. *Walling* (327 U. S. 463, 467). Under the new test, if the sales are made within the State in which the establishment is located, it is immaterial that the sales (*a*) are made pursuant to prior orders from customers, (*b*) contemplate the purchase of goods by the establishment from outside the State to fill customers' orders, or (*c*) are made to customers who are engaged in interstate commerce or in the production of goods for interstate commerce. In this connection, see *Walling* v. *Jacksonville Paper Co.* (317 U. S. 564).

The second test provides that in order for an establishment to be exempt not less than 75 percent of its annual dollar volume of sales of goods or services (or of both) must not be for resale. In other words, at least three-fourths of the goods or services (or both) sold must be to purchasers who do not buy for the purpose of reselling. Normally, goods are to be considered as sold for resale even though the purchaser sells them in an altered form. In section 3 (n) there is a special definition of the word "resale" which is applicable in the case of building materials. This has been discussed above.

The third test provides that 75 percent of the establishment's annual dollar volume of sales of goods or services (or of both) must be recognized in the particular industry as retail sales or services. Under this test any sale or service, regardless of the type of customer, will have to be treated by the Administrator and courts as a retail sale or service, so long as such sale or service is recognized in the particular industry as a retail sale or service. Thus, the sale by a farm implement dealer of farm machinery to a farmer will be retail if the sale is recognized as retail in such industry. So, too, sales by the grocery store, the hardware store, the coal dealer, the automobile dealer selling passenger cars or trucks, the clothing store, the dry goods store, the department store, the paint store, the furniture store, the drug store, the shoe store, the stationer, the lumber dealer, etc., whether made to private householders or to business users, will be retail, so long as they are recognized as retail sales or services in such industries. Likewise, sales or services of hotels, restaurants, barber and beauty shops, repair garages, filling stations and the like, whether made or rendered to private householders or to business customers, will be retail so long as they are recognized as retail sales or services in such industries.

The location of the establishment, whether in an industrial plant, an office building, a railroad depot, or a Government park, etc., will make no difference in the application of the exemption. So long as the establishment meets the tests described above, it will be excluded from the minimum wage and overtime provisions of the act.

Up to 25 percent of the establishment's annual dollar volume of sales of goods or services (or of both) may consist of sales for resale and sales that are not recognized as retail sales or services in the particular industry without loss of the exemption.

Paragraph (2) of section 13 (a) of the conference agreement does not exempt large mail-order houses which make most of their sales to out-of-State customers. Nor does it exempt warehouses and central offices of chain-store systems. The employees in such warehouses and central offices are not employed "by" any single retail or service establishment in the chain but rather by the chain itself. Since, however, the exemption does apply to any employee employed "by" an exempt retail or service establishment, it is applicable to employees of an exempt retail or service establishment working in a warehouse operated by and servicing such establishment exclusively, whether or not the warehouse operation is conducted in the same building as the selling or servicing activities. For the same reason, the exemption applies to collectors, repair and service men, outside salesmen, merchandise buyers, consumer survey and promotion workers, and delivery men employed by an exempt retail or service establishment, although they do most of their work away from the establishment. The exemption, however, does not apply to any manufacturing activities since any such activities, when conducted by a retail establishment, if exempt, are intended to be exempt under section 13 (a) (4) discussed below. This does not mean, however, that an exempt retail or service establishment will lose its exemption under section 13 (a) (2) if it engages in some incidental work in the nature of processing in connection with its sales and services, e. g., a grocery may grind coffee, a drug store may prepare prescriptions; a restaurant may process food; a clothing store may make alterations in suits; or a repair garage may grind valves.

The amendment does not exempt banks, insurance companies, building and loan associations, credit companies, newspapers, telephone companies, gas and electric utility companies, telegraph companies, etc., because there is no concept of retail selling or servicing in these industries. Where it was intended that such businesses have an exemption one was specifically provided by the law (sec. 13 (a) (8) (exemption for small newspapers), sec. 13 (a) (11) (exemption for switchboard operators of small telephone exchanges)). The amendment also does not exempt an establishment engaged in the sale and servicing of manufacturing machinery and manufacturing equipment used in the production of goods, because the sale and servicing of such equipment have never been recognized as retail selling or servicing in the industry which distributes or services that type of equipment.

Laundries: Both the House bill and the Senate amendment contained an identical amendment exempting certain laundries, section 13 (a) (3). The amendment is continued in the conference agreement.

Paragraph (3) of section 13 (a) of the conference agreement grants a specific exemption to laundries and establishments engaged in laundering, cleaning, or repairing clothing or fabrics. This exemption contains two limitations. First, over 50 percent of the establishment's annual dollar volume must be derived from the sales of such services within the State in which it is located. Second, 75 percent of such volume must be derived from the sales of such services to customers who are not engaged in a mining, manufacturing, transportation, or communications business.

The first limitation means that the laundry or cleaning establishment must be primarily engaged in serving customers within its State. If it is primarily engaged in serving customers outside the State of its location, it will not be exempt.

Under the second limitation, no laundry or cleaning establishment will be exempt if more than 25 percent of its business is with such customers as factories, mines, railroad companies, or bus companies. Thus, laundries whose customers consist principally of interstate business, such as a laundry furnishing linens to Pullman trains, will not be exempt. So also, industrial laundries or linen supply companies, more than 25 percent of whose sales of services are to mining, manufacturing, transportation, or communications business organizations, will be unable to qualify for the exemption and will, as at present, remain subject to the act.

On the other hand, the laundry or dry cleaner will be exempt if it meets the two limitations discussed above, whether it launders towels or other linen for barber or beauty shops, doctors' or dentists' offices, or schools, hospitals, restaurants, or hotels, or for the housewife.

Retail establishments making or processing goods: The House bill contained an exemption from the wage and hour provisions of the act for any employee employed by an establishment which qualifies as a retail establishment under section 13 (a) (2) and is recognized as a retail establishment in the particular industry notwithstanding that such establishment makes or processes the goods that it sells. The Senate amendment added a proviso to such exemption to the effect that more than 85 percent of the establishment's annual dollar volume of sales of goods or services must be made within the State in which the establishment is located. The bill as agreed to in conference (sec. 13 (a) (4)) adopts the House bill as amended by the Senate amendment with three changes. First, it is made clear that the establishment must qualify as an "exempt" retail establishment under section 13 (a) (2). Second, the reference to "services" contained in the Senate amendment is stricken and in lieu thereof there are substituted the words "so made or processed." Third, the goods which the exempt establishment makes or processes must be made or processed at the establishment which sells the goods. An establishment will be exempt under this provision of the conference bill if it meets the following six tests:

1. Over 50 percent of its annual dollar volume of sales of goods must be made within the State in which the establishment is located.

2. Seventy-five percent of its annual dollar volume of sales of goods must not be for resale.

3. Seventy-five percent of its annual dollar volume of sales of goods must be recognized as retail sales in its industry.

4. The establishment must be recognized as a retail establishment in its industry.

5. More than 85 percent of the establishment's annual dollar volume of sales of goods which it makes or processes must be made within the State in which the establishment is located.

6. The goods which the exempt establishment makes or processes must be made or processed at the establishment which sells the goods. This test will be met despite the fact that there is a physical dividing line between the manufacturing portion of an establishment and the selling portion such as a partition, wall, etc. For example, a bakery will meet the test even though it bakes its bread and pastries in a back room and sells same in a front room of its establishment.

This exemption will apply typically to bakery establishments which bake the breads and pastries which they sell, ice plants which manufacture the ice they sell, and ice cream parlors or candy kitchens which make their own ice cream or candy.

As in the case of the exemption provided by section 13 (a) (2) the exemption here applies to any employee employed "by" rather than "in" the establishment. Consequently, the following types of employees of an establishment which meets the tests set forth above will also be exempt, even though they may do most of their work outside the establishment: bill collectors, outside repair and service men, outside salesmen, merchandise buyers, consumer survey and promotion workers and delivery men.

Fish canning: The House bill contained a 14-workweek exemption from the overtime provisions of section 7 of the act for any industry engaged in the first processing or canning of fish in the raw or natural state. The Senate amendment had no comparable provision. The House bill continued the exemption contained in existing law with respect to fish, shellfish, etc., with the exception that the processing and canning of the products and byproducts specified in the exemption would not have applied to fish. The Senate amendment continued the exemption contained in existing law. The conference agreement (a) strikes out the 14-workweek exemption contained in the House bill; (b) continues the exemption contained in section 13 (a) (5) of the present law with the exception of canning; and (c) transfers the canning exemption from section 13 (a) of the act to section 13 (b), which has the effect of exempting the canning of any kind of fish, shellfish, or other aquatic forms of animal or vegetable life, or any byproduct thereof, from the overtime provisions of the act but not from the minimum wage requirements. Under the conference agreement "canning" means hermetically sealing and sterilizing or pasteurizing and has reference to a process involving the performance of such operations. It also means other

operations performed in connection therewith such as necessary preparatory operations performed on the products before they are placed in bottles, cans, or other containers to be hermetically sealed, as well as the actual placing of the commodities in such containers. Also included are subsequent operations such as the labeling of the cans or other containers and the placing of the sealed containers in cases or boxes whether such subsequent operations are performed as a part of an uninterrupted or interrupted process. It does not include the placing of such products or byproducts thereof in cans or other containers that are not hermetically sealed as such an operation is "processing" as distinguished from "canning" and comes within the complete exemption contained in section 13 (a).

Irrigation workers: The House bill added a new wage-and-hour exemption as section 13 (a) (16) which applied to any employee employed in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, which are used exclusively for supply and storing of water for agricultural purposes. The Senate amendment provided an identical exemption as an additional clause in section 13 (a) (6) with the exception that language was added permitting the employer to operate on a share-crop basis. The conference agreement follows the Senate amendment and includes the exemption in section 13 (a) (6).

Small newspapers: The House bill amended section 13 (a) (8) of the act relating to weekly and semiweekly newspapers by increasing the permitted circulation of an exempt newspaper from 3,000 to 5,000, by extending the exemption to dailies and by permitting the major part of the circulation to be not only within the county where printed and published, but also within counties contiguous thereto, whether or not within the same State. The exemption was renumbered section 13 (a) (9). The Senate amendment made no change in existing law. The conference agreement follows the House bill but reduces the circulation from 5,000 to 4,000 and retains the numbering of the present section 13 (a) (8).

"Area of production": The House bill amended section 13 (a) (10) of the act by transferring the authority to define "area of production" from the Administrator to the Secretary of Agriculture. The exemption was renumbered section 13 (a) (11). The Senate amendment made no change in existing law. The conference agreement follows the Senate amendment in this respect and leaves the present law unchanged, and retains the numbering of the present section 13 (a) (10).

Small telephone exchanges: The House bill made no change in existing law with respect to the wage-and-hour exemption provided by section 13 (a) (11) of the act for switchboard operators employed in public telephone exchanges which have less than 500 stations, but renumbered this exemption as section 13 (a) (12). The Senate amendment increased the number of stations to not more than 750. The conference agreement adopts the Senate provision, and retains the numbering of the present section 13 (a) (11).

Taxicabs: The House bill added a new section 13 (a) (13) to the act which provided a wage-and-hour exemption for any employee of an employer engaged in the business of operating taxicabs. The Senate amendment made no change in existing law in this respect. The conference agreement follows the House bill but renumbers the exemption as section 13 (a) (12).

Contract telegraph agencies: The House bill added a new wage-and-hour exemption as section 13 (a) (14) of the act for any employee or proprietor in a retail or service establishment as defined in the amended section 13 (a) (2) with respect to whom the wage-and-hour provisions would not otherwise apply, who is engaged in handling telegraph messages for the public under an agency or contract arrangement with a telegraph company if the telegraph message revenue of the agency does not exceed $500 a month. The Senate amendment added substantially the same exemption as section 13 (a) (12) of the act. The conference agreement adopts the House provision but renumbers the exemption as section 13 (a) (13).

Logging and sawmilling: The House bill added a wage-and-hour exemption as section 13 (a) (15) of the act which applied to any employee employed in planting and tending trees, cruising, surveying, or felling timber, or in preparing, processing, transporting, or sawing logs or other forestry products in and about a sawmill if the number of employees employed by the employer in forestry or lumbering operations does not exceed 12. The Senate amendment made no change in existing law in this respect. The conference agreement adopts the House provision but excludes from the exemption sawmill and other operations in connection with processing of logs or other forestry products. The exemption covers the woods operations and extends through the preparing and transporting of logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal. To be exempt, an employee must be employed by an employer who has not more than 12 employees in forestry or logging operations.

Cotton and cottonseed: The Senate amendment added a new wage-and-hour exemption as section 13 (a) (13) of the act which applied to employees of any employer engaged in ginning, storing, or compressing of cotton or in the processing of cottonseed, with the proviso that such employees must be employed in, about, or in connection with such operations which are conducted in any county in which cotton is produced as shown in the most recent annual cotton-production report of the Bureau of the Census. The House bill contained no such provision. The conference agreement follows the House bill and makes no change in existing law in this respect.

Rural home workers: The House bill added a new wage-and-hour exemption as section 13 (a) (17) of the act which applied to any home worker in a rural area who is not subject to any supervision or control by any person whomsoever, and who buys raw material and makes and completes any article and sells the same to any person, even though the article is made according to specifications and the requirements of a single purchaser. The Senate amendment contained no such exemption. The conference agreement follows the Senate amendment in this respect.

Home work on baseballs: The House bill contained no specific exemption for home workers employed in sewing baseballs and softballs. The Senate amendment contained such an exemption. The conference agreement follows the House bill in this respect.

Air carriers: The House bill eliminated the minimum-wage exemption now provided in the act for any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act, but continued the maximum-hour exemption as section 13 (b) (3) of the act. The Senate amendment made no change in existing law in this respect. The conference agreement adopts the House provision.

Outside buyers of poultry and dairy products: The House bill made no change in existing law with respect to outside buyers of poultry or dairy products. The Senate amendment added a maximum hour exemption as section 13 (f) of the act, which applied to any individual employed as an outside buyer of poultry, eggs, cream, or milk in their raw or natural state. The conference agreement follows the Senate amendment but numbers the exemption as section 13 (b) (5).

Child labor: Section 13 (c) of the existing law makes the child-labor provisions inapplicable with respect to employees employed in agriculture while not legally required to attend school as well as with respect to any child employed as an actor in motion pictures or theatrical productions. The House bill made no change in existing law in the provision relating to agriculture but broadened the exemption for actors by extending it to performers and by adding the words "or in radio or television productions" after the words "motion pictures or theatrical productions." The Senate amendment changed the child labor agriculture exemption by substituting for the words "while not legally required to attend school" the language "outside of school hours for the school district where such employee is living while he is so employed." The Senate amendment was identical with the House bill with respect to the child-labor exemption relating to actors and performers in motion pictures or theatrical productions, or in radio or television productions. The conference agreement adopts the Senate amendment with respect to the child labor agriculture exemption and adopts the provisions contained in both the House bill and the Senate amendment which broadens the child-labor exemption applicable to motion pictures and theatrical productions, and radio or television productions.

Newspaper carrier boys: The House bill provided no special exemption for newsboys. The Senate amendment added an exemption as section 13 (e) of the act which provided a complete minimum-wage, maximum-hour, and child-labor exemption with respect to any employee engaged in the delivery of newspapers to the consumer. The conference agreement adopts the Senate provision but renumbers the exemption as section 13 (d).

LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

Clause (1) of section 14 of the present act permits the employment "of messengers employed exclusively in delivering letters and messages" at subminimum rates, under regulations or orders of the Administrator as prescribed in section 14. The House bill made no change in existing law. The Senate amendment substituted for the above-quoted language the words "and of minor messengers under 18 years of age employed primarily in delivering letters and messages." The conference agreement follows the House bill but adopts that provision of the Senate amendment which substituted the word "primarily" for "exclusively" in the existing provision.

PROHIBITED ACTS

Both the House bill and the Senate amendment added language to section 15 (a) (1) designed to make it lawful for a purchaser in good faith of goods produced in violation of the act to sell such goods in commerce. The conference agreement (sec. 13 (a)) inserts in section 15 (a) (1) a proviso containing the language of the Senate amendment. This provision protects an innocent purchaser from an unwitting violation and also protects him from having goods which he has purchased in good faith ordered to be withheld from shipment in commerce by a "hot goods" injunction. An affirmative duty is imposed upon him to assure himself that the goods in question were produced in compliance with the act, and he must have secured written assurance to that effect from the producer of the goods. The requirement that he must have made the purchase in good faith is comparable to similar requirements imposed on purchasers in other fields of law, and is to be subjected to the test of what a reasonable, prudent man, acting with due diligence, would have done in the circumstances.

The conference agreement also provides in section 13 (b) that regulations or orders of the Administrator under the provisions of the new section 11 (d), dealing with industrial homework, may be enforced in the same manner as the Administrator's record-keeping regulations (sec. 15 (a) (5)).

PENALTIES

Both the House bill and the Senate amendment added a new subsection (c) to section 16 authorizing the Administrator to supervise the payment of unpaid minimum wages or overtime compensatnon due under the act, and providing that agreement by any employee to accept such payment should, upon payment in full, constitute a waiver of his rights under section 16 (b). The Senate amendment, in addition, authorized the Administrator, at the request or with the consent of the employee, to sue for any back wages due, and provided that the Administrator might join in one cause of action the claims of any employees similarly situated who consented thereto. The Senate amendment also provided that the consent of any employee to the bringing of any such action constituted a waiver of his rights under section 16 (b), unless the action be dismissed without prejudice on motion of the Administrator. The Senate amendment also provided that nothing in the subsection should affect the equitable jurisdiction of the courts under section 17. The Senate amendment also made the Portal-to-Portal Act 2 year statute of limitations applicable to such actions brought by the Administrator. The conference agreement adopts the Senate amendment in revised form.

The conference agreement omits from section 16 (c) in the Senate amendment the provision that the Administrator may sue for wages due at the request or with the consent of the employee making the claim. In its place the conference agreement substitutes a requirement that the Administrator can sue for such unpaid minimum wages or unpaid overtime compensation only on the written request of the employee. The conference agreement adds a proviso to prevent the Administrator from using the authority granted in this section to bring test cases involving new or novel questions of law. The Administrator may use his authority under this section to bring a suit for an employee only in cases where the law has been settled finally by the courts. The proviso is not intended, however, to preclude the Administrator from instituting suits or the court from taking jurisdiction on the basis of existing legal precedents under the Fair Labor Standards Act of 1938 as amended, except to the extent that they are changed by the amendments made by the conference agreement. While the conference agreement omits the provision that the Administrator could join in one cause of action the claims of any employees similarly situated who consented thereto, it is the intention of the conferees under the conference agreement that the Rules of Civil Procedure of the district courts of the United States relating to joinder of parties will apply to actions brought by the Administrator under section 16 (c) as such rules would be applicable in any other civil actions brought in the district courts of the United States. In like manner, the rules as to joinder of parties applicable to civil actions in the courts of the several States and Territories will apply to actions brought by the Administrator in the courts of such States and Territories under section 16 (c).

INJUNCTION PROCEEDINGS

The House bill adopted the language of section 17 of the act without change. The Senate amendment altered this section to include a more precise description of the United States courts having jurisdiction of actions to restrain violations. The legal effect of both versions was the same. The conference agreement adopts the Senate version with a proviso to the effect that no court shall have jurisdiction, in any action brought by the Administrator to restrain violations of section 15, to order payment to employees of unpaid minimum wages or unpaid overtime compensation or an additional equal amount as liquidated damages. This proviso has been inserted in section 17 of the act in view of the provision of the conference agreement contained in section 16 (c) of the act which authorizes the Administrator in certain cases to bring suits for damages for unpaid minimum wages and overtime compensation owing to employees at the written request of such employees. Under the conference agreement the proviso does not preclude the Administrator from joining in a single complaint causes of action arising under section 16 (c) and section 17. Nor is it intended that if the Administrator brings an action under section 16 (c) he is thereby precluded from bringing an action under section 17 to restrain violations of the act. Similarly, the bringing of an injunction action under section 17 will not preclude the Administrator from also bringing in an appropriate case an action under section 16 (c) to collect unpaid minimum wages or overtime compensation owing to employees under the provisions of the law. Nor is the provision intended in any way to affect the court's authority in contempt proceedings for enforcement of injunctions issued under section 17 for violations occurring subsequent to the issuance of such injunctions. The provision, however, will have the effect of reversing such decisions as *McComb* v. *Scerbo* ((C. C. A. 2) 17 Labor Cases No. 65, 297), in which the court included a restitution order in an injunction decree granted under section 17.

RELATION TO OTHER LAWS

The House bill reenacted, but did not change the provisions of section 18 of the act. The Senate amendment made no change in this section. The conference agreement also leaves unchanged the provisions of this section.

SEPARABILITY OF PROVISIONS

The House bill reenacted but did not change section 19 of the act. The Senate amendment made no change in this section. The conference agreement leaves unchanged the provisions of this section.

MISCELLANEOUS AND EFFECTIVE DATE

Effective date: The House bill provided that the Fair Labor Standards Amendments of 1949 should take effect upon the expiration of 60 days from the date of the enactment thereof, except that the provisions of section 7, relating to overtime compensation, were to be in full force and effect from and after the date of enactment thereof. The Senate amendment provided that its amendments to the Fair Labor Standards Act should become effective upon the expiration of 120 days from the date of enactment thereof. Section 16 (a) of the conference agreement provides that except for the amendment made by section 4 of the conference agreement which is to take effect upon the date of its enactment, the Fair Labor Standards Amendments of 1949 shall become effective 90 days from the date of enactment thereof.

Portal-to-Portal Act: The House bill (sec. 3 (d)) provided that no amendment made by the new act should be construed as amending, modifying, or repealing any provision of the Portal-to-Portal Act of 1947. The Senate amendment contained an identical provision (sec. 9 (b)) but added an exception with respect to the last sentence of section 16 (c) of the act added by the Senate amendment, dealing with the date for commencement of actions brought by the Administrator with respect to claims for unpaid minimum wages or overtime compensation owing to employees under the act. Section 16 (b) of the conference agreement adopts the Senate provision, amended to exclude the provisions of section 3 (o) of the act from the operation of this section.

Existing orders: The House bill (sec. 3 (b)) provided that orders, regulations, and interpretations of the Administrator or of the Secretary of Labor, and agreements entered into by the Administrator or the Secretary of Labor, in effect under the act on the date of enactment of the Fair Labor Standards Amendments of 1949 should remain in effect as orders, regulations, interpretations, or agreements of the Administrator or the Secretary of Agriculture, as the case might be, except to the extent that any such order, regulation, interpretation, or agreement might be inconsistent with the provisions of the amendments or might from time to time be amended, modified, or rescinded by the Administrator or the Secretary of Agriculture, as the case might be, in accordance with the provisions of such amendments. The Senate amendment did not contain any provisions dealing with this matter. Section 16 (c) of the conference agreement follows the provisions of the House bill with respect to this matter, except that in accordance with the decision by the conferees to make no change with respect to administration of the act the references to the Secretary of Agriculture contained in the House bill have been changed to references to the Secretary of Labor.

Existing liabilities: The House bill (sec. 3 (c)) provided that penalties or liabilities, with respect to any act or omission occurring prior to the effective date of the fair labor standards amendments of 1949, should not be affected by any amendment made therein, except that after 2 years from such effective date no action was to be instituted under section 16 (b) with respect to any liability accruing thereunder for any act or omission occurring prior to the effective date. The Senate amendment contained no such provision. Section 16 (d) of the conference agreement adopts the House provisions. This provision will save the rights of the United States in respect to criminal prosecutions and of employees under section 16 (b). Penalties and liabilities for past acts are unaffected; also, injunctions previously issued by the courts under section 17 retain their validity, except to the extent that the acts or omissions upon which the injunctions were based are no longer unlawful under or prohibited by the amendments made by the conference agreement. The 2-year limitation provision is similar to section 6 of the Portal-to-Portal Act of 1947.

Retroactive provisions: The House bill (sec. 3 (e)) expressly gave retroactive effect to sections 7 (d) (6), 7 (d) (7), and 7 (g), by adding language identical in effect to that of section 2 of the act of July 20, 1949 (Public Law 177, 81st Cong., 1st sess.). The Senate amendment contained no such provision. The conference agreement follows the approach of the House bill in this respect.

Section 16 (e) of the conference agreement provides that no employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended, in any action or proceeding commenced prior to or on or after the effective date of the conference agreement on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to July 20, 1949 (the effective date of Public Law 177, 81st Cong., 1st sess.), if the compensation paid prior to that date for such work was at least equal to the compensation which would have been payable therefor had sections 7 (d) (6), 7 (d) (7), and 7 (g) of the Fair Labor Standards Act of 1938, as amended by the conference agreement, been in effect at the time of such payment.

Repeal of Public Law 177, Eighty-first Congress: Section 16 (f) of the conference agreement contains a new provision repealing the act of July 20, 1949 (Public Law 177, 81st

Cong., 1st sess.). The substance of section 1 of said act has been incorporated in section 7 (d) (6), 7 (d) (7), and 7 (g) of the Fair Labor Standards Act of 1938, as amended by the conference agreement. Section 2 of said act is likewise no longer necessary in view of the language contained in section 16 (e) of the conference agreement.

JOHN LESINSKI,
AUGUSTINE B. KELLEY,
ADAM C. POWELL, Jr.
SAMUEL K. MCCONNELL, Jr.,
WALTER E. BREHM,
Managers on the Part of the House.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to yield 30 minutes to the gentleman from Pennsylvania [Mr. MCCONNELL].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, the conference report on H. R. 5856, the bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, represents a compromise of the differences between the bill as passed by the House of Representatives and the amendments thereto adopted by the Senate.

The conference report provides that effective 90 days after its enactment every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce a minimum wage of 75 cents an hour. This provision was included both in the bill passed by the House and in the amendment passed by the Senate.

The conference report provides that effective 90 days after the date of its enactment no employer shall employ any oppressive child labor in commerce or in the production of goods for commerce. This provision was included both in the bill passed by the House and in the amendment passed by the Senate.

The conference report contains a definition of "regular rate" which clarifies and strengthens the overtime compensation provisions of the act. Such a definition was included in the bill as passed by the House and has been carried over with certain changes indicated in the statment of the managers on the part of the House.

The conference report brings within the coverage of the minimum-wage provisions employees of carriers by air and employees employed in the canning of fish, shellfish, or other aquatic forms of animal or vegetable life, or any byproduct thereof. The substance of these provisions was contained in the bill as passed by the House.

The conference report not only preserves existing orders of the Administrator restricting industrial homework in certain industries in the United States outside of Puerto Rico and the Virgin Islands but authorizes the Administrator to issue such regulations and orders regulating, restricting, or prohibiting industrial homework as are necessary to prevent the circumvention or evasion of, and to safeguard, the minimum-wage rate prescribed by the act.

All of these provisions are highly significant constructive steps in the development of a sound Federal Fair Labor Standards Act.

The conference report makes changes in a number of the provisions of the act relating to coverage and exemptions. In substance, it follows the provisions of the House bill in adding new exemptions affecting employees employed by taxicab companies, employees of contract telegraph agencies, and employees of nonprofit agricultural irrigation systems. In addition, it follows the House amendments in changing the exemptions of small newspapers and children employed on radio and television programs. The conference report adds new overtime exemptions which were contained in the Senate amendment are provided for outside buyers of poultry and dairy products. It enlarges again as provided in the Senate amendment the exemptions for telephone switchboard operators.

At this point I want to make this statement: The House through an amendment offered by the gentlewoman from California [Mrs. DOUGLAS] reduced the exemption of operators from 750 to 500, but the Senate raised the exemption again, and we have agreed to accept it. It provides as in the Senate amendment that newsboys delivering newspapers to the consumer shall be exempt from the minimum wage, overtime, and child-labor provisions of the act.

With respect to the definition of produced which was included in the House bill but not in the Senate amendment, the conference agreement contains a compromise provision. The language of the conference agreement should provide clearer guides to employers and employees of concerns which are on the border line between covered and noncovered activities and this is its primary intention.

The principal thing this bill does is the relation to the standard 75-cent wage, to which both the House and the Senate agreed. In effect, this is what it does. It raises the wages of about 1,500,000 people. If you take the average of only a million people and bring it down to the lowest possible amount of wages per week, if you will take only 8 hours at 35 cents for 5 days a week, it will amount to about $14 a week. At 50 weeks per year that will bring it up to $700 per year raise in wages. If you take into consideration 1,000,000 people, it is not $300,000,000, it is $700,000,000.

It will also affect those that are not covered because employees will attempt always to get jobs where the wages are higher. The effect of this bill will be that within 90 days employees in this country will receive at least a billion dollars more in wages than they are receiving today.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCONNELL. I yield myself such time as I may need.

The SPEAKER. The gentleman from Pennsylvania is recognized.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MCCONNELL. I yield.

Mr. NICHOLSON. Under this agreement reached by the House and the other body with reference to Puerto Rico and the Virgin Islands, will the minimum rate of pay there be 75 cents an hour?

Mr. MCCONNELL. No. The rates would be recommended by the industry committees of Puerto Rico and the Virgin Islands. They determine them.

Mr. NICHOLSON. May I ask the gentleman what the rate is there and whether or not they can compete with labor in our own country at that rate?

Mr. MCCONNELL. I am not sure what the rates are at the present time. Does any member of our committee know the rates at the present time in Puerto Rico? There was some discussion of it but I have forgotten just what the rates are.

Mr. LESINSKI. In Puerto Rico the rates vary. The industrial committees handle that. The bill does not cover that top 75-cent minimum.

Mr. MCCONNELL. Yes, but what are the rates at the present time?

Mr. LESINSKI. Forty cents, some 25 cents, some 17 cents. That is why we are making the investigation this winter.

Mr. MCCONNELL. I would say to the gentleman from Massachusetts that the highest rate at the present time would not be above 40 cents.

Mr. NICHOLSON. So that under the Senate amendment which the House is agreeing to we are agreeing that they will get 17 cents an hour in the Virgin Islands and in Puerto Rico?

Mr. MCCONNELL. No. They have industry committees in Puerto Rico. They have their meetings and make recommendations to the Administrator. The Administrator is supposed to bring the rates up to the minimum rate of the Fair Labor Standards Act, which we are now passing on, as soon as feasible. He has to be guided by conditions in Puerto Rico and the Virgin Islands to determine whether they can really pay that much. It is really left to his discretion.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. MCCONNELL. I yield.

Mr. KEARNS. It is my understanding that the minimum wage in Puerto Rico now is 26 cents and that they do not want it any higher for fear that the needle-point industry will be wiped out completely if they have higher wages. That is the big problem down there.

Mr. MCCONNELL. I thank the gentleman.

Mr. Speaker, a subcommittee of the Committee on Education and Labor will be traveling to Puerto Rico on November 10 with the express purpose of looking into the minimum-wage situation in Puerto Rico and the Virgin Islands.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. MCCONNELL. I yield.

Mr. JAVITS. As the act is now incorporated in the conference report, is there a declaration of policy that the Administrator shall seek, insofar as practicable, to bring the minimum wage in the Virgin Islands and Puerto Rico up to the continental standard?

Mr. MCCONNELL. Words generally to that effect; that is correct.

Mr. Speaker, I favor the conference report. It has not been an easy job to bring together all the diverse viewpoints in connection with the Fair Labor

Standards Act. I think Members of the House, from the previous discussions which we have had here, realize that it is a complicated and very far-reaching act. It has not been easy, as I said, to bring the conferees' viewpoints together and achieve the type of bill which would be satisfactory to all Members on the floor of the House.

I think we have done a good job. There are parts of this report that I do not agree with, but, as a whole, I am satisfied with what we have secured.

The conference report resembles much more closely the bill that the House passed than it does the Senate bill. While the statement of the House managers accompanying the report sets forth in detail an explanation of the amendments agreed upon in conference, I wish to call the attention of the House to some of the principal changes which the conference bill makes in the present law.

First—and this is important—the coverage of the act for a large number of employees is dependent upon the definition of "production of goods for commerce." A substantial change has been made in this definition which will have the effect of preventing the Administrator and the courts from extending the coverage to occupations which are not closely related and directly essential to production.

For example, the Administrator and the courts will not be able to cover such employers as local merchants, window cleaners, local nurseries, architects, exterminator companies, and local fertilizer companies. On the other hand, all employees engaged in the manufacturing, mining, or producing of goods for interstate commerce will continue to be covered by the law. So will employees who are engaged in performing maintenance, clerical, and custodial work for interstate producers.

There has been quite a bit of confusion in connection with the word that was put in by the House, "indispensable." I would like to call your attention to this fact: Under the present act's definition of "produced," it is said that employees are engaged in production who are employed in producing, manufacturing, mining, handling, or working on goods in any other manner or in any process or occupation necessary to production. It is only with that one small part of the definition "or in any process or occupation necessary to production" that we are concerned. For instance, Congress, when it passed the act in 1938, thought that the word "necessary", was a clear indication of intent. But, while it seems clear enough on the surface, nevertheless the Administrator and, later, the court decisions, have been expanding it beyond what was the original intent of Congress. In other words, they were bringing under coverage of the act people employed to clean windows, or to mow the lawns at factories by calling them necessary to production. We did not say when we put in the word "indispensable" in order to stop this incorrect expansion of coverage that the worker personally and individually had to be indispensable. In other words, an indispensable worker. We did not say that, and there has been confusion in the reports concerning it. We said that the occupation had to be indispensable to production in connection with any process or occupation incidental to or flowing in the stream of interstate commerce. Let us make that clear.

The conferees felt that the word "indispensable" was too rigid, and so we substituted the words "directly essential", meaning that it was our intention that those in the direct flow of production in interstate commerce should be covered, and not side occupations that were not directly essential in producing goods.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. JAVITS. Will the gentleman tell us what the difference is between the word "indispensable" and the words "directly essential," if the gentleman thinks there is any difference?

Mr. McCONNELL. Personally, I do not think there is a great deal of difference between the two.

Mr. JAVITS. Did the conferees think there was?

Mr. McCONNELL. The conferees seemed to feel that "directly essential" was a little less harsh than "indispensable."

Mr. JAVITS. A less restrictive word.

Mr. McCONNELL. A less restrictive word is what they apparently believed. What the gentleman believes would be the correct definition in this connection, would determine his position in this matter.

Mr. JAVITS. Would it be fair to say, therefore, that the words "directly essential" in the above phrase was a compromise between "necessary" and "indispensable"?

Mr. McCONNELL. I would say it was approached in that light. In order to clarify what was meant we stated the types of employees right in the statement, accompanying the conference report, who would not be affected by the words "closely related" and "directly essential." We have tried to clarify it as much as possible.

Mr. JAVITS. That is on page 15.

Mr. McCONNELL. There are borderline cases we did not choose to speak about; the courts will have to settle them.

Mr. JAVITS. I thank the gentleman.

Mr. McCONNELL. One thing has occurred that is very regrettable. Right after we passed the House bill the report was circulated throughout the country that a million employees would be taken out from the coverage of the act by the use of the word "indispensable" and certain exemptions. I make the statement here, and I make it very strongly, that the million figure could never be verified; it was purely a guess. We are all privileged to guess, and I would guess less than one-half of that. But word was circulated that a million workers would be taken out from coverage by the changes in the word "indispensable" and certain exemptions.

I want it very definitely understood, and I have had some estimates of it, that the use of the words "directly essential" and "closely related" will take out from coverage of the act less than 200,000 workers.

Mr. D'EWART. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. D'EWART. If this conference report is adopted and becomes law what will happen to the employees of resort hotels in national parks? Will it bring them within the provisions of the act?

Mr. McCONNELL. I believe the hotels in the national parks are under private management and with regard to their employees would be subject to the same provisions as any other hotel throughout the country; they will be subject to the exemptions that are written in the act.

Mr. D'EWART. And if these exemptions become law would any officials of the executive branch of the Government have any right to issue exemptive orders placing employees in resort hotels in the national parks under the provisions of the minimum wage law as amended?

Mr. McCONNELL. The gentleman means will it take them out from under coverage of the act?

Mr. D'EWART. Yes.

Mr. McCONNELL. I would say "No."

Mr. D'EWART. I thank the gentleman.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. SMITH of Wisconsin. In the matter of exemptions, did the conferees consider the question of exempting profit-sharing industries? And if so what action was taken?

Mr. McCONNELL. Does the gentleman mean profit-sharing plans or industries?

Mr. SMITH of Wisconsin. I mean instances where the industrial concerns share their profits with their employees.

Mr. McCONNELL. Profit-sharing plans?

Mr. SMITH of Wisconsin. Yes.

Mr. McCONNELL. Yes; provided they conform to the regulations of the Administrator. Under certain provisions we have placed in the amendment they would not have payments under those plans credited to the regular rate of pay.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield.

Mr. FORD. I notice that the conference report recedes from the position of the House as far as the right of the Administrator to institute suit for back wages is concerned. Will the gentleman explain why the House conferees receded on that proposition?

Mr. McCONNELL. About the most controversial question the conference had to deal with was whether the Administrator should be given the right to sue for back pay. While I, personally, was much opposed to giving the Administrator this right, we found that the Administrator under the existing law in effect already had that right. In other words, the injunction section which was being used by the Administrator to seek back wages under a case known as the Scerbo case. This was because the courts have gone along with the contention that when he brought suit for an injunction he could collect back pay as part of the injunction suit. While the bill gives the Administrator a right to

bring suit for back pay on behalf of employees, we have placed various limitations upon that right.

First. The Administrator can bring the suit only at the written request of the employee.

Second. The Administrator may not bring a mass action on behalf of numbers of employees. It has to be by individual written request.

Third. If the Administrator sues on behalf of an employee he may collect only the unpaid wages and overtime and the employee is debarred thereafter from himself suing for an equal amount as liquidated damages.

Fourth. The Administrator may collect only for a 2-year period the same as when the employee sues himself.

Fifth. The Administrator may sue only in cases where the law has been finally settled by the courts. He may not sue in test cases involving novel questions of law. Thus wherever under this bill a change has been made in existing law the meaning of such changes cannot be tested out in a back-pay suit brought by the Administrator.

Sixth. The Administrator may not collect back pay as part of an injunction order restraining future violations of the act.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Ohio.

Mr. BURKE. I would like to address myself to the words "directly essential." I should like to get the opinion and the thinking of the conferees on those particular words as they apply to specific and concrete examples. For instance, do the conferees think that those words would not remove from coverage or would retain in coverage such employees in a factory as factory-service employees, millwrights, maintenance electricians, tool and die makers, sweepers, and what not?

Mr. McCONNELL. I realize the gentleman has just returned from a committee hearing in Boston and possibly has not had a chance to read the statement connected with this report. It is set forth very clearly that we consider they are covered.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Michigan.

Mr. FORD. In the first line on page 11 of the conference report there is this proviso:

Provided, That this authority to sue shall not be used by the Administrator in any case involving an issue of law which has not been settled finally by the courts, and in any such case no court shall have jurisdiction over such action or proceeding initiated or brought by the Administrator if it does involve any issue of law not so finally settled.

Can the gentleman tell us what that means?

Mr. McCONNELL. We tried to cover that in the statement on page 32:

The Administrator may use his authority under this section to bring a suit for an employee only in cases where the law has been settled finally by the courts. The proviso is not intended, however, to preclude the Administrator from instituting suits or the court from taking jurisdiction on the basis of existing legal precedents under the Fair Labor Standards Act of 1938 as amended, except to the extent that they are changed by the amendments made by the conference agreement.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. First, I want to congratulate the committee for having raised the minimum wage from 40 to 75 cents. I think that under all the circumstances the committee has done a very creditable piece of work, although I am disturbed by some of the reports that I have heard that many of the workers in the canneries have been taken out from under the provisions of the act. Could the gentleman from Pennsylvania tell me whether or not that is true?

Mr. McCONNELL. I thought that we had for the first time put fish canneries, under the minimum-wage section; but continued the overtime exemption, and there are no changes in the other cannery provisions that I am aware of. Am I correct? I notice the committee counsel is shaking his head, so that is correct.

Mrs. NORTON. I am very glad to know that because I am advised that many workers were taken out that were formerly under the act.

Mr. McCONNELL. None have been taken out, and the fish-cannery workers have been put under the wage section. They are now under the minimum-wage section.

Mrs. NORTON. I thank the gentleman for the information, and again I want to congratulate the committee for raising this minimum wage from 40 to 75 cents in a Democratic administration.

Mr. McCONNELL. I might say to the gentlewoman who has just spoken that if there had been no votes for it by the Republicans, there would have been no 75-cent rate.

Mrs. DOUGLAS. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentlewoman from California.

Mrs. DOUGLAS. Would the gentleman please tell me why the conferees did not agree to the amendment which I offered in the House, which was overwhelmingly passed, to protect the women telephone operators?

Mr. McCONNELL. All I can say to the gentlewoman from California in that connection is that there was no insistence on the part of the Senate for the House provision. The general feeling, I would say, of a large proportion of the conferees, or at least a majority of the conferees, was that it should be 750 rather than 500. An amendment was proposed by one of the conferees which would have changed the whole basis of exemptions in the past. It may have been a good idea; I do not know, but it was a brand-new thought presented to us and it was never discussed. We were afraid to accept that amendment, and I will say, in going from 500 to 750, that the majority feeling of the conferees was that they should be raised to 750.

Mrs. DOUGLAS. I know the amendment of which the gentleman speaks. It clarifies the issue somewhat, because it shows that the concern, in the first place, was not over small companies, to protect them, but was to lessen the coverage of minimum wage, and a study of the figures makes it very clear that it is the big companies that will be mostly affected by the change that has been made in the minimum wage.

Mr. McCONNELL. Well, that has never been established, I will say to the gentlewoman from California.

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Massachusetts.

Mr. HERTER. The gentleman knows that I was very much interested in protecting the sanctity of collective-bargaining agreements entered into in good faith in determining working time by employees, and offered an amendment in order to clarify that situation. I notice that the conferees have amended that amendment in a way that is entirely unobjectionable to me, but I also notice on page 16 of the report, in discussing the amendment made, the words "hours worked," are used a number of times and are put in quotation marks.

In view of the fact that sections 6 and 7 of the bill to which the definition would apply never contained the particular words, "hours worked," I am wondering whether those quotation marks have any special significance.

Mr. McCONNELL. They have no special significance except it is a referral to the term that was used in the report itself. There are no quotation marks around the "hours worked" in the report. These were put in the statement because they refer to the term in the report.

Mr. HERTER. I gather then that is merely a reference to a heading that appears at the beginning of the explanation?

Mr. McCONNELL. That is right.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McCONNELL. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. The gentleman from Pennsylvania realizes the concern about how the Administrator has used the injunction power, which was referred to in the hearings on the minimum-wage bill. The gentleman stated that he found in conference that the Administrator had the power under the 1938 act. Does the gentleman have any data or statistics to show whether or not he ever used that power, or is the gentleman concerned in the rewording of the act how he would exercise the power in the future?

Mr. McCONNELL. The Administrator has used that power. The Scerbo case is a very good example of it. I believe there were some other suits. I do not recall the names of the cases at the moment. The Scerbo case was one definite instance where they have used it.

Mr. KEARNS. Then the gentleman is satisfied that good judgment will be used by the Administrator in the future?

Mr. McCONNELL. The whole trend in connection with the injunction section, section 17 of the act, has in recent months been to use it for suits to collect back wages.

One of the most troublesome features of the Federal wage-and-hour law has been the question of the meaning of the regular rate of pay upon which overtime is based. It has given rise to thousands of lawsuits including the recent overtime-on-overtime cases. For the first time the act will contain a comprehensive definition of regular rate of pay. Among other things the bill incorporates the provisions of the recently enacted overtime-on-overtime law together with its retroactive aspects. With certain modifications the conference bill also makes express provision for the Belo type of overtime compensation.

The bill broadens the prohibition against child labor by directly forbidding the employment of child labor in interstate commerce or in the production of goods for interstate commerce.

There has been incorporated in the bill a complete clarification of the exemption for retail and service establishments and for laundries. In addition, the bill provides for the exemption of bakeries, ice plants, candy kitchens, ice cream parlors, and other retailers who make or process their own products.

Mr. LESINSKI. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, I did not sign the conference report. That does not indicate that I am out of line with the major portion of the conference report. My main reason for not signing the conference report was that there is a provision left in whereby the Administrator may bring suits in the nature of civil actions for back wages, which, in my opinion, is inviting trouble and dissension.

To me that is a type of departure that I could not give approval. I could not get the consent of my mind to go along with saying that an administrator or a Cabinet officer could employ the might and power of this Government, together with its vast legal talent, and so forth, to bring a civil action against one citizen for the benefit of another citizen.

I have always felt that we in America should keep the civil courts open to every citizen. The courthouse is a symbol of protection of the rights of freemen. Every man should have a right to sue without having his Government join in on one side or the other. I could not give my approval to that action.

Language was put in that restricted the bringing of these suits. Everyone who gave serious thought to it wanted some restrictive language which, to my mind, was a clear indication that we were all toying with something we felt was dangerous and should not be incorporated in the act. Of course, we were confronted with the expansion of the act by the Administrator in the so-called Scerbo case. It took the Administrator about 8 or 10 years, according to one of the officials of that Department, to figure out that they had the possible right to bring in a civil action through the back door, through injunction procedure. Therefore, they used it. That was not in line with the wishes of this Congress, and the Congress very definitely had expressed itself that way.

Now, it put your conferees in this position. We were confronted with the problem of trying as best we could to find some language that would limit the activities of our Administrator, and, as best we could, hold him within the language of the Congress, which is not the most desirable position to be in. I have always felt that an administrator was, or should be, a man who was selected to put into operation and carry out the acts of Congress, and the wishes of Congress, but we were confronted with a far different problem than that.

As to the discussion of the words "directly essential," that language grew out of putting the word "indispensable" into the section dealing with production. I think this is a fair statement to make: The only reason in the world why the House conferees incorporated "directly essential" in place of "indispensable" was that we thought it was just as strong, if not a little stronger. It was not with the idea of giving to the Administrator more power. We wanted to use some language that would be a warning to him: "This far you can go and no farther." That was my reason for going along with the language "directly essential."

The SPEAKER. The time of the gentleman from North Carolina [Mr. BARDEN] has expired.

Mr. LESINSKI. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. BARDEN. Just one more word with reference to the question of suits. Under the language now contained in the bill some officials of the Department feel that it is almost impossible to find a case that could qualify and be started. Thinking that probably that is true I will go along and vote for the conference report. But had the language remained as it was placed in the bill by the Senate I would be up here arguing that the conference report be sent back to the conferees.

If there is a man in this House who has had more differences with the wage-hour set-up than I have had I would like to know about it. I have had right much contact with them; I have differed with them in many, many instances, but let me say that I believe the Wage-Hour Administration at this time is very definitely an improvement over what it has been for the last 10 years. They are taking a more reasonable attitude. I think they are finding out that after all their mission is to carry out the wishes of Congress, and not to reform or rewrite the law by regulations and wide interpretations.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. LUCAS. Will the gentleman explain to the House why the conferees accepted the definition of primary area of production by the Administrator rather than as determined by the Secretary of Agriculture?

Mr. BARDEN. There are some things you just have to do when you are in a conference. The conferees did not feel that that particular provision was of sufficient importance to lock the conference; and I think probably that is what would have happened had we insisted upon it further. But, if the gentleman will recall, the fact is that there never has been much tendency on the part of the Administrator to try to define the area of production. The House put the change in thinking that maybe a change would be good, and there is not much strong argument between the two gentlemen; certainly, not of sufficient importance to lock a conference.

Let me say just another word about the administration of the wage-and-hour law. I believe the improvement in the administration is coming about as the result of a better type of personnel in the department. I cannot at this time resist the desire to pay a just tribute to the Solicitor of the Labor Department, Mr. Tyson. He is doing a good job and I think he is taking his work very seriously and has a very keen desire to operate within the boundaries fixed by Congress. It was the wish of the entire conference committee that his salary should be in line with that of the Administrator. But we did not have the authority to write it in. I say to you frankly, Mr. Speaker, that it should be corrected. His salary happens to be $10,000, yet he is the man who tells the $15,000 man what he can do and what he should do. It looks out of line and I hope the House will eventually correct it.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BATES of Massachusetts. May I ask the gentleman the reason for the conferees not continuing the fisheries provision as it was passed by the House? As contained in the conference report, does it apply only to canning and not to the processing of fish?

Mr. BARDEN. This bill puts canning of fish under wages but not under hours; that, too, was a compromise.

Mr. LESINSKI. Mr. Speaker, I yield 3½ minutes to the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Speaker, this is a conference report on a very technical piece of legislation and, of course, it could be discussed and debated at length.

However, it seems to me that since industry hails it as the best piece of legislation which has ever been enacted upon this subject, while Secretary of Labor Tobin says it is a "notable advance", that we should feel elated and rest on our oars. I feel that no more need be said if it is acceptable to both industry and the Secretary of Labor. This is certainly somewhat of a phenomena in labor-management relations and the report should be accepted.

Mr. Speaker, I understand that a motion to recommit is to be offered with instructions to raise the exemption of small newspapers, weeklies and dailies, to 5,000. If the Members want to kill this bill, just agree to that motion. We were forced to yield to the Senate on that and drop the figure from 5,000 to 4,000 if we were to include the small daily newspapers. The Senate was willing to leave the figure at 5,000 provided we applied it only to the weekly newspapers. I understand in some sections of the country there are

many small dailies who will be benefited if their exemption remains. Now, if you want to kill the bill, recommit it with the provision raising the figure to 5,000. Of course, I realize that the motion is to be offered as a delaying tactic in the hope that we may yet get a farm bill passed before we adjourn. I am in favor of farm legislation being enacted but it should arrive under its own power and on time, and not carried in on the back of this legislation. I saw that happen once and it proved to be no good.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BREHM. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The old exemption was 3,000 on weeklies?

Mr. BREHM. That is correct.

Mr. CASE of South Dakota. Do I understand the compromise agreement provides for 4,000 for both weeklies and dailies?

Mr. BREHM. Yes; and it is a good compromise. We have raised the exemption by 1,000, which includes the small dailies. There are many more things in the report which would more nearly justify a motion to recommit than this one item.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. BREHM. I yield to the gentleman from Ohio.

Mr. BURKE. Does it not also extend, as the House bill did, the exemptions to circulation within contiguous counties?

Mr. BREHM. It is the exact provision that was contained in the House bill, with the exception that 5,000 was changed to 4,000.

Mr. BURKE. It is really an extension of the exemption?

Mr. BREHM. That is the way the House passed it. May I say a word about "indispensable"? We felt if that word were kept in, many folks now legitimately covered by being engaged in commerce or the production of goods for commerce by the act, not just covered because of some arbitrary ruling by the Secretary, might be taken out. We felt that many folks are certainly necessary, they are directly essential, and we want them covered by provisions of the act. We condemned past rulings of the Secretary for including people under coverage who were not even necessary to production, to say nothing of being essential or indispensable.

I heartily agree that the fellow cutting grass or doing any other task should receive a decent living wage. However, in my opinion, it is dishonest for anyone to attempt to secure good wages for him by subterfuge. If he comes under provisions of the act, then all well and good, but if his occupation is not necessary or directly essential or closely related to the subject with which we are dealing, then his increase should be brought about in some other legitimate manner rather than by attempting to stretch the meaning of Congress and cover him under provisions of this act.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. LESINSKI. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, I regret that so much time has been consumed that there is only a very short time remaining to explain my motion to recommit the conference report for the purpose of maintaining intact the House provisions relating to exemptions for country newspapers of 5,000 circulation or under.

Originally, the House bill contained exemptions for these country weekly and daily papers up to 5,000 circulation, providing they circulated in one or more adjacent counties. The Senate version did not contain any new exemptions and if the Senate version had prevailed, all country dailies would have been under the act, and only those country weeklies of 3,000 or under in circulation would be exempted.

Obviously, the conferees have secured some small concession from the Senate, but not enough I feel for the House to abandon its position for exemptions up to 5,000 in circulation.

The country press of 5,000 or less circulation is truly little business. They are in the same category as all the other little retail and service establishments that this Congress is exempting from the act. Their income is limited by the advertising that small merchants can buy.

The competitive position of the press in this country depends in large degree upon the survival of these independently owned small newspapers. Whether weekly or daily, the hours must necessarily be long.

They cannot produce their papers on a 40-hour week, they cannot find available workers for extra shifts. They cannot afford to pay $1.12 for overtime help.

These small newspapers are the training schools for our great journalists. Almost every newspaperman breaks into journalism through this route. They train thousands of beginners both in writing and in printing. As these employees become more proficient, they leave the country press and migrate to larger papers in metropolitan centers as trained newspapermen and printers.

This bill will compel many of these small newspapers to greatly restrict the flow of beginners and learners. Even though there are administrative provisions for such employment at below the 75-cent-per-hour rate, the red tape and records are such that I fear much of the training now given beginners on country papers will be ended.

The effect of this inclusion of these small papers will be, in most rural communities, to place only the newspapers under the act—while every other retail and service establishment they serve will be exempted. Many will either curtail employment, particularly of trainees, or sell out to larger newspapers. American journalism will lose either way.

I feel certain that if this House will send this bill back for further conference on the country newspaper exemption alone, that the Senate will yield—and approve the House version. It is worth another conference to see. I would like to support this legislation. I want to see action this session on it—but surely there is yet time for another conference so that the House exemption can be maintained and these small papers given a better chance to survive.

Mr. LESINSKI. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LUCAS].

Mr. LUCAS. Mr. Speaker, if I were to stand up here and say I am entirely pleased with this bill as it has been reported back to us I would be deceiving the Members; I would be practicing deception. I am not pleased with it, although I think the conferees have done a splendid job in working out the very best provisions that may be applicable to our economy and yet protect the workingmen and the decent employers of this country.

I want to commend each and all of the conferees, collectively and individually. You cannot take a bushel of rotten apples and a bushel of good apples and compromise between them without getting one or two rotten apples. And we have one or two rotten apples in this conference report. I do not like them, but I think that perhaps with wise administration they will not work such an abuse on our economy as to warrant our fighting the adoption of this conference report.

Many words have been spoken about this power to sue. I fear it; I fear it very, very much. I doubt that any pure Anglo-Saxon form of government, or any government for that matter, should have the power to bring suit in behalf of a private individual against another individual. That power should always rest with the individual, for, if he will not protect himself, then he does not deserve protection. But, this power to bring suit is so limited by the conference report that I feel that these limitations will still give protection which the workingman deserves and which business and industry require for the fair administration of this act.

As to "indispensable" and "directly essential," which caused some concern to many of my fellow Members, I stand for "indispensable." It think it is a word that will not need much litigation in order to define it, and I felt that when the House adopted such a word that it made clear its desire that the Administrator should not use the "necessary-to-production" theory in order to go out and cover people under this act who were not originally intended to be covered by the Congress which enacted the first law. But, "directly essential" connotes "indispensable." I do not mean to say that they mean the same thing, or that they do not mean the same thing, but I believe that those words will state unequivocally to the Administrator that, "You shall not use this act to carry the coverage of the law out into the fields which are foreign to the intent of Congress." So I believe that "directly essential" may answer our purpose.

I am extremely gratified that the conferees in their report used examples and cases in explaining "directly essential," which I used in my argument during

general debate on this bill, for "indispensable." So I think that our intent is very closely allied.

Yes, my fellow Members, I recommend the passage of this conference report. It is not what we all desire. Some of you desired to put more power into the hands of the Administrator; a much greater power. The Senate bill provided for such power in the hands of the Administrator so as to make him a virtual dictator over all American business. The House very clearly demonstrated that it did not want such power to rest in the hands of the Administrator. I am made happy, of course, by the diligence exercised by our conferees in conference, retaining so many of the best provisions of the so-called Lucas bill.

I think that our defining of retail and service establishments is worthy and commendable. I want to commend the conferees for their clarification of the provision exempting retail establishments that make or process the goods that they sell. I think that that clarification should allay any concern which may have been held by some of my fellow Members of the House.

Yes, fellow Members, I recommend the adoption of this conference report.

Mr. LESINSKI. Mr. Speaker, I hope that the Members will vote against any recommittal of this conference report on the grounds stated by the gentleman from Oklahoma. In the old bill we exempted weeklies and semiweeklies up to 3,000 and the conference agreed on 4,000, including dailies. We have gone as far as we possibly could to exclude the small country newspaper.

Mr. Speaker, I hope the House will vote down the motion to recommit.

Mr. McCONNELL. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. COMBS. Mr. Speaker, in spite of the fact that I believe in a high minimum wage and introduced a bill last May which would have provided a 75-cent minimum wage with a provision for flexible adjustment to meet special conditions, I cannot support the conference report.

When the so-called coalition substituted the Lucas bill for the Lesinski bill I voted against the Lucas substitute. And after it was adopted I voted against the bill on final passage.

I voted against the bill, not because it provided a 75-cent minimum wage but because of what I regarded as defects that were so serious that I could not approve the bill with such provisions in it.

I have read the conference report as it appears in today's RECORD and also have listened to the explanation of the conference agreement as made by the conferees during the debate. In my judgment, the conferees have not succeeded in eliminating the most objectionable features of the bill. I feel it would be better to reject the report and attempt to get a better minimum-wage law at the next session of Congress.

I do not intend what I have said as criticism of our conferees. They have doubtless done the best they could under the circumstances. Some of the most serious defects in the proposed legislation existed in both the Senate bill and the House bill and as a consequence were not, under the rules, subject to amendment by the conferees. No doubt the conferees, who support the conference report, feel that since to adopt the report would result in raising the minimum wage from the ridiculously low 40 cents, as at present, to the substantial amount of 75 cents per hour justifies acceptance of the report although I am sure that some of them are as opposed to some of the provisions as I am. Personally, I take a different view and believe there is more bad than good in the bill.

In the first place, the pending bill if adopted will remove perhaps 200,000 or more workers from coverage, who are now covered, and they are mostly workers who need the protection of the law the most. And yet, the pending bill, although it contains many exemptions, too many in fact, fails to provide exemptions for certain marginal types of industries that are small and largely local in nature and which afford employment to workers who without it could obtain no employment at all. It fails completely to make provisions for businesses and industries located along State lines and which, although purely local in nature, are, because of their location, engaged technically in interstate commerce and as a consequence subjected to wage and hour regulation, while a similar business or industry a few miles away in competition is not subject to minimum wage and hour regulation. In the past this has given rise to administrative difficulty and to the harassment of honest employers. This is of grave concern to border cities such as Texarkana, Orange, Tex., and others.

However, by far the most serious defect of the pending bill, as is true of the present law, is its failure to provide suitable administrative machinery. During the debates on minimum wage a lot of criticism was leveled at the Wage and Hour Administrator because in the past it has been difficult in many instances for an employer to know whether he was or was not subject to the wage and hour law and the Administrator could not tell him. The result was that many honest employers, who felt they were not covered, were later held in court cases to be subject to it and thus subjected to severe penalties through no fault of their own.

The only way to avoid that situation is to lodge rule making and rule interpreting powers in the Administrator of the wage and hour law. It would then be possible for an employer to get an opinion at any time as to whether or not he is covered, and to contest it in court if he cared to. But in any case he would be protected against retroactive penalties in case he should be held to be subject to the law. Also the Wage and Hour Administration should be made in fact an integral part of the Department of Labor. We can have no adequate administration of the wage and hour law until these things are done. The pending bill does not do these things nor does it provide any means for an employer to determine whether or not he is subject to the law until he establishes it by court suit, which may take years as well as much expense.

On top of that, the pending bill would change the language and the formula of the law in very important respects making for new interpretation; past cases will be no real guide. Thus to enact the pending bill will, in my judgment, give rise to innumerable lawsuits and long litigation. It will cause loss and harassment to both employer and employee; it will subject the Wage and Hour Administrator and the Department of Labor to severe criticisms for conditions and difficulties in the administration of the law which they are powerless to avoid or correct. The result of all this may well be that the Fair Labor Standards Act will be undermined and seriously affected as a result of the adverse criticisms and objections to it.

I repeat, I favor a high minimum wage and I favor a Fair Labor Standards Act that is in truth and in fact fair and just, a law which is clear and one which can be administered fairly and justly and a law which will afford protection to some millions of workers who need it most and who will have no protection whatever under the pending bill.

Let others do as they may, I cannot support such a measure as the present bill. I prefer to continue to work for a sound and a just law rather than to compromise what I consider to be vital principles underlying and fundamental to any sound wage and hour law.

Mr. MICHENER. Mr. Speaker, I shall vote for this conference report. In view of the promises made by the administration in the last campaign, this minimum-wage bill must be a great disappointment to its sponsors. In other words, the bill in no way approaches that which its advocates promised and visualized. On the other hand, the bill is undoubtedly a disappointment to those fundamentally opposed to a national minimum-wage law. In short, neither side is a complete victor. This usually is the case in closely contested legislation. A minimum-wage law is now on the statute books, and this type of legislation is a permanent part of the law of the land, whether we like it or not. The die has been cast, and from here on out there must be remedial amendments to the end that as much good as possible come from the law. The Congress must spell out insofar as practical the formula under which the law is to be administered. No law is better than its administration, and up to date the administration of the minimum-wage law has been faulty in many particulars. It has occurred to me that the administrators of this law have used their powers to write policy rather than to interpret the law as intended by the Congress. Undoubtedly every Member here has had experience with the unreasonable manner in which the authorities have at times attempted to impose their philosophy upon industry, big and little business, far and wide, regardless of what seemed to some of us as plain directions in the

law. In these circumstances, I have been especially gratified today to hear members of the conference committee speak so highly of those who are at the moment administering the minimum-wage law.

There are undoubtedly instances where the imposition of the minimum wage provided in this conference report will work a hardship. On the other hand, there are instances where the increase in the minimum wage is justified and necessary if certain small industries in certain sections of the country are to continue.

The Senate passed its bill expressing its views as to proper amendments. The House passed its bill writing into the law amendments which to it seemed advisable. The House bill and the Senate bill do not agree. We must always assume that each body acts in good faith. Under these circumstances, there can be no law unless the differences between the House and the Senate are composed. That is the very arduous task of the conferees. There must be a compromise in most legislation or there will be no legislation, because honest men do not all think alike on given subjects. Indeed, we would never have had the Constitution of the United States had not our forefathers in their wisdom been willing to compromise. So it is with a conference committee and, while this bill does not suit me entirely, I assume there is not a soul among us who, if he had his way, would not make some changes which to him would be improvements. On the whole, however, the conferees are agreed that this is the best compromise obtainable and, with the modifications of the Senate bill and the House bill, the conference report will make a better law out of the present act. The die-hards must remember that patience is a virtue, and that another session of the Congress will soon convene. If it is demonstrated that additional changes are needed, the field is wide open.

In closing, I want to congratulate the conferees on their understanding of the job they had to do and the tolerance displayed by all of them, their varied views on labor legislation notwithstanding.

Mr. STEFAN. Mr. Speaker, I favor the motion of the gentleman from Oklahoma in order to give the weekly newspapers some real consideration. I have many weekly newspapers in my district. Many of them are exempt under this bill but I fear that the bill may eventually work a hardship on some of these newspapers when they attempt to increase their circulation. I believe the exemption should be raised from 4,000 to 5,000 circulation or more. The weekly newspapers in the 24 counties which I represent have rendered a great service to our country in time of emergency. They always render a great service to the communities in which they circulate. The weekly newspapers have given a large amount of free space to Government emergency programs at times when other publications were being paid for such service. The weekly newspapers did not complain. I feel they are the greatest medium of information we have in my district. Most of them are operated by their owners and the students from our schools and universities are given an opportunity of apprenticeship. Many of these students have become great writers and editors because of their first experience as printer's devils and apprentices in the small print shops and weekly newspapers. By no stretch of the imagination should these newspapers come under the requirements of this legislation. Instead of lowering the circulation requirements in this bill the circulation maximum should be increased in order to encourage the editors of weekly newspapers to enlarge their fields.

Mr. FORD. Mr. Speaker, I wish to indicate my strong opposition to the proposed provisions in the fair labor standards amendments of 1949 which will permit the Administrator to institute suit on behalf of employees for alleged underpayments or for alleged nonpayments. In my opinion the Administrator does not need this authority to effectuate the purpose of the minimum-wage maximum-hour law. Furthermore, the granting of this power is extremely dangerous as a precedent for it means the Administrator may now in effect hold a gun in the back of a small employer and say, "Pay or else." This newly granted or to-be-granted right may well ruin financially a number of small-business men and deprive many employees of jobs.

According to the House conferees the amendments in this regard are so worded that no unlimited right to sue is given the Wage and Hour Administrator. For example, Representative BARDEN, one of the conferees, claims section 14 (c) is extremely restrictive. An analysis of that provision does indicate certain controls over the activities of Government officials but I contend this authority should never be granted in the first instance. It is the old story, "Just let the camel get his nose under the tent." Once the foot is in the door before long the door is wide open. I predict that this specific provision will cause considerable trouble. If by chance the Administrator and his assistants abuse this authority, section 14 (c) will unquestionably be amended in the future.

A statement issued on February 2, 1949, by W. S. Singley, regional director of the Wage and Hour and Public Contracts Division, United States Department of Labor, says that 54 percent of the back wages found due by inspectors was not paid by employers. One word of caution before accepting this statement as an unquestioned fact. Under present procedures, an agent of the Wage and Hour Administrator makes an investigation in a particular plant. This investigator then makes certain findings as to what is allegedly owed by the employer to his employees. The figures used by Mr. Singley are the total of all such investigations. We must remember, however, that the determinations by the wage-hour inspectors are not judicial findings. No court or jury has said that all of the 54 percent is actually a debt. The 54 percent is only an administrative determination. Where payments were not made by employers there is normally a question of law or fact which is in dispute. I, therefore, say Mr. Singley's facts are deceptive.

Further, I contend it is not necessary to give the Wage and Hour Administrator the right to sue employers to obtain restitution even where the facts indicate a violation of the act. Under the law now on the books an employee, if he claims his employer has violated the minimum-wage maximum-hour statute, can start suit himself and if he prevails in the courts the employee receives the amount of his proven claim plus an equal amount as damages. In addition, the court, under the law, can and does award a reasonable attorney fee to the employee's counsel. Remember the attorney fee does not come out of the employee's claim. The attorney fee is an additional penalty to the employer.

The court reports indicate that there is ample incentive for an attorney to handle a wage-hour case for an employee under the present law. Take the following cases as actual examples: In Williams et al., against Atlantic Coast Line Railroad, District Court of North Carolina, the employees proved claims totaling $2,895. The court awarded the employees' attorney $500. In Cohn against Decca Distributing Co., United States District Court, Eastern District of Pennsylvania, the employee recovered $3,004.60 and the attorney was awarded a fee of $500 in addition which did not come out of the plaintiff's claim. In Reck against Zarnocay, New York 1941; Superior Court, New York, the employee recovered $1,448, and the attorney was awarded a fee of $500.

These cases and the thousands of others clearly indicate that where an employee has a justifiable claim he can get restitution and furthermore such cases can and will be handled by competent attorneys without the Federal Government intervening as a third party. The giving of this additional authority may well mean hundreds of new Federal employees, for the Government cannot undertake this work without extra help. At a time when we are trying to reduce the Federal pay roll, it is most unwise to add additional burdens of any sort. On the economy ground alone we should oppose this provision in the proposed amendments.

In closing, let me say, that although the House members of the conference seem convinced that no harm will result from this new authority, I am not in favor of any such extension of this sort. It is not necessary for the protection of employees and will, in addition, increase our Federal tax burden substantially by the employment of hundreds and maybe thousands of new employees by the Wage and Hour Division of the Department of Labor. I voted for the House bill as originally passed and the terms of the conference report are fair except for this specific provision. A sound minimum-wage and maximum-hour law, with a 75-cent minimum wage is required, but I cannot approve of this new authority for the Wage and Hour Administrator and his aides.

Mr. LESINSKI. Mr. Speaker, the conference agreement makes changes in

a number of provisions of the act relating to coverage and exemptions. The effect of these provisions is as follows:

DEFINITION OF "PRODUCED"

The changes in section 3 (j) defining the term "produced" do not affect the coverage of employees engaged in commerce or in the actual production of goods for commerce, but they do draw a more precise line, in the field of those activities which are related in varying degrees to the production of goods for commerce, between activities which are covered and those which are not covered. It is clear, for example, that, under the new definition, coverage of the act in this field does not extend any farther than the courts have interpreted it to extend under the language of the present definition. The amended section gives the courts a more specific guide as to the intention of Congress; it does not, however, radically revise the coverage of the act as it has been interpreted by the courts in the past.

Employees engaged in activities which are several degrees or stages removed from the production of goods for commerce cannot be said to be engaged in a process or occupation closely related thereto. For example, employees of a dealer who sells sawmill equipment to a producer of mine props, which are sold to a mine within the same State producing coal for commerce, would not be sufficiently closely related to the production of the coal to come within the coverage of the act.

On the other hand, the employees of the mine prop producer, in such a situation, would be covered under the conference agreement, as would employees engaged in numerous other activities which are directly essential to production, whether they are employed directly by the producer or by a second employer. For example, employees engaged in such activities as the following for a producer for commerce, even though not employed by him, would still be entitled to the benefits of the act under the revised definition unless specifically exempted by some other provision: Office workers engaged in keeping books, filing, handling correspondence, advertising, promoting sales, and so forth; repair, maintenance, and custodial workers caring for or working on equipment, buildings, and facilities of the producer; producing or furnishing equipment, machinery, and supplies which are used in production; producing or supplying power, water, fuel, and similar utilities to a producer.

EXEMPTIONS

The conference agreement adopts two provisions of the House bill which brought within the coverage of the act groups of employees who heretofore have been exempt from its provisions.

First. The existing minimum wage exemption applicable to the canning of fish, shellfish, and other aquatic forms of animal or vegetable life or any by-product thereof is eliminated but the overtime exemption for employees engaged in this work is continued. The statement of the managers on the part of the House explains the effect of this change.

Second. The minimum-wage exemption which has been applicable to employees of carriers by air subject to the provisions of title II of the Railway Labor Act is eliminated but the overtime exemption for these employees is continued.

The conference report contains more precise clarifying language defining the scope of the present retail and service establishment exemption—section 13 (a) (2) of the act. This exemption is contained in three clauses numbered (2), (3), and (4) in the conference agreement. Both the House bill and the Senate amendment provided for these three clauses. The language of the clauses as they are contained in the conference agreement is substantially the same as the language of the Senate amendment.

The effect of the amendments to section 13 (a) (2) provided for in the conference agreement is explained in the statement of the Managers on the Part of the House. Several of the statements which are made, however, may well be amplified and clarified. For example, the reference to *Roland Electrical Co.* v. *Walling* (326 U. S. 657), should not mislead anyone into concluding that the conferees intended to reverse or nullify that decision. This is clear from the following statement in the conference report:

> The amendment also does not exempt an establishment engaged in the sale and servicing of manufacturing machinery and manufacturing equipment used in the production of goods, because the sale and servicing of such equipment have never been recognized as retail selling or servicing in the industry which distributes or services that type of equipment.

The same is true of *Boutell* v. *Walling* (327 U. S. 463). The conference agreement does not change the status, insofar as the retail or service exemption is concerned, of establishments which are not ordinarily available to the general consuming public.

The provisions of section 13 (a) (4) do not make retail establishments of manufacturing establishments merely because such establishments have, or create, a retail outlet in the same building. The section does not permit the tail to wag the dog, and the nature of the establishment is still controlling. If it is not a retail establishment it is not exempt, even though it meets all the other tests.

The conference agreement adds to section 14 (a) (6), the exemption contained in the present act for employees employed in agriculture, a new exemption for employees employed in connection with the operation and maintenance of ditches, canals, reservoirs, or waterways not owned or operated for profit, or operated on a share-crop basis, which are used exclusively for supply and storing of water for agricultural purposes. A similar provision was included in the House bill.

The House bill extended the exemption for weekly and semiweekly newspapers, contained in section 13 (a) (8) of the act, by extending the exemption to dailies, by increasing the permitted circulation of any exempt newspaper from 3,000 to 5,000, and by permitting the major part of the circulation to be not only within the county where printed and published, but also in any county contiguous thereto whether or not within the same State. The conference agreement contains the same exemption but reduces the permitted circulation of an exempt newspaper from 5,000 to 4,000.

The conference agreement contains a new wage-and-hour exemption, which was provided for in the House bill, for any employee of an employer engaged in the business of operating taxicabs.

The House bill, as well as the Senate amendment, provided a new wage-and-hour exemption for any employee or proprietor in an exempt retail or service establishment engaged in handling telegraph messages for the public under an agency or contract arrangement with a telegraph company if the telegraph message revenue does not exceed $500 a month.

The House bill added a new wage and hour exemption for employees employed in logging and saw milling where the number of employees employed by the employer in forestry or lumbering operations did not exceed 12. The conference agreement provides a minimum wage and overtime exemption for employees employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad or other transportation terminal. Thus, the conference agreement excludes from the exemption saw mill and other operations in connection with processing of logs or other forestry products. To be exempt, an employee must be employed by an employer who has not more than 12 employees in forestry or logging operations.

The conference agreement also contains additional exemptions which were provided for in the Senate amendment but not in the bill passed by the House. These include:

First. An overtime exemption for individuals employed as outside buyers of poultry, eggs, cream or milk in their raw or natural state.

Second. A minimum wage, overtime, and child-labor exemption for newspaper boys engaged in the delivery of newspapers to the consumer.

Third. In addition, the conference agreement enlarges the exemption for switchboard operators to make it applicable in the case of switchboard operators employed in public telephone exchanges which have less than 750 stations, as compared with 500 stations, as under the present law.

Finally, the conference agreement modifies the child labor agricultural exemption contained in the present law by substituting for the words "while not legally required to attend school," the language "outside of school hours for the school district where such employee is living while he is so employed." It also broadened the exemption with respect to child actors by extending it to performers as well as actors and to radio and television productions, as well as motion pictures and theatrical productions.

The conference agreement omits the minimum wage and overtime exemptions

for employees of employers engaged in ginning, storing, or compressing of cotton or in the processing of cottonseed and for homeworkers employed in sewing baseballs and softballs, both of which were provided in the Senate amendment, and the exemption for rural homeworkers which was contained in the House bill.

ADMINISTRATION

With respect to the administration of the act, the conference agreement retains the present law in this respect. Thus, the authority of the Administrator of the Wage and Hour Division to define "area of production" for purposes of the exemptions contained in sections 7 (c) and 13 (a) (1) is retained. Authority with respect to the administration and enforcement of the child-labor provisions remains in the Secretary of Labor as under existing law. The Solicitor of Labor and his staff will continue to have the responsibility on behalf of the Administrator to bring actions under section 17 of the act and the new actions for recovery of unpaid minimum wages and unpaid overtime compensation provided for under the new section 16 (c).

The conference report authorizes the Administrator to supervise the payment of the unpaid minimum wages or overtime compensation owing to any employee or employees under section 6 or 7 of the act. It is provided that the agreement by any employee to accept such payment shall, upon payment in full, constitute a waiver of any right he may have under section 16 (b) of the act. This provision was included both in the bill as passed by the House and in the amendment passed by the Senate. It is also provided in the conference report, as was provided in the Senate amendment, that the Administrator may at the written request of any employee bring an action to recover any unpaid minimum wages or unpaid overtime compensation owing to such employee under section 6 or section 7 of the act. The conference agreement contains a proviso that the Administrator may not use this authority to test novel issues of law, since he may not use his authority under section 16 (c), and the courts may not take jurisdiction, in any case involving an issue of law where there has not been a final judgment on the issue in any court. The proviso does not prevent the Administrator from bringing suits, or the court from taking jurisdiction, where there are existing legal precedents under the Wage and Hour Act of 1938, except, of course, to the extent that these precedents are changed by the amendments made in the conference agreement.

Also, the omission of specific authorization to the Administrator to join the claims of several employees in one cause of action does not prohibit such joinder. Where, under part IV of the Federal Rules of Civil Procedure, relating to parties, a single action by the Administrator on behalf of more than one employee is permitted, such an action is proper. The conferees had no intention of burdening the courts, employers, and the Administrator with a multiplicity of suits, when one action would accomplish the purpose with proper safeguards for the interests of all concerned. Therefore, the Rules of Civil Procedure control this question in the district courts of the United States, as do the rules of procedure respectively applicable in the several States and Territories.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

Mr. MONRONEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. MONRONEY. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MONRONEY moves to recommit the conference report to the conference committee with instructions to the managers on the part of the House to further insist upon the House provisions for the exemption of employees of newspapers of circulation of 5,000 or under.

Mr. BREHM. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BREHM. If I understood the gentleman from Oklahoma correctly, he said he was opposed to the bill in its present form. If I understand the rules correctly, that is incorrect. He is either opposed to it or he is for it. I wonder if the gentleman will state his position?

The SPEAKER. If the gentleman is opposed to the bill in its present form he would be opposed to it. However, if some other Member had asked to qualify to submit a motion to recommit, and said he was absolutely opposed to the bill, unequivocally, as a gentleman said the other day, then of course the Speaker would recognize him.

The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. NICHOLSON) there were—ayes 131, noes 19.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF FEDERAL FARM LOAN ACT

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes," with a Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COOLEY, PACE, POAGE, HOPE, and AUGUST H. ANDRESEN.

EXTENSION OF REMARKS

Mr. POTTER (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD.

PROVIDING FOR RURAL TELEPHONES

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1450)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 14, 17, and 19, and agree to the same.

Amendments numbered 10, 11, 12, and 13: That the House recede from its disagreement to the amendments of the Senate numbered 10, 11, 12, 13, and agree to the same with an amendment as follows:

Rearrange the order of words in lines 7, 8, 9, 10, and 11 (page 4) so that the amendment reads on those lines: "That for a period of one year from and after the effective date of this title applications for loans received by the Administrator from persons who on the effective date of this"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

Beginning with the comma on page 5, line 1, strike out everything before the period in line 5; in line 12 (page 5) strike out the numerals "25" and substitute in lieu thereof "40"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

On page 6, line 5, immediately before the word "systems", insert the word "or"; strike out the word "or" where it appears in that line and insert in lieu thereof the words "providing reasonably adequate"; page 6, line 6, put a period after the word "therefrom" and strike out the rest of the sentence; so that the amendment will read (beginning on line 2, page 6) "no loan shall be made under this section unless the Administrator shall determine (and set forth his reasons

therefor in writing) that no duplication of lines, facilities, or systems providing reasonably adequate services will result therefrom."; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

On page 6, line 22, strike out the words "and wire connections"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

On page 7, line 7, strike out "(1)"; in line 9, after the word "inhabitants", change the comma to a period, insert closing quotation mark, and strike out the rest of the sentence; and the Senate agree to the same.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
GEORGE GRANT,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
REID F. MURRAY,
Managers on the Part of the House.

ELMER THOMAS,
ALLEN J. ELLENDER,
SCOTT W. LUCAS,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendments Nos. 1, 7, and 15: These amendments strike from the House bill the general authority to make loans for the purpose of refinancing existing indebtedness of telephone companies eligible for loans. Limited authority to use loans for the purpose of refinancing is contained in the latter part of the Senate amendment No. 15 (p. 5, lines 5–13), as amended in conference. This amendment, as agreed upon by the conferees, provides that not to exceed 40 percent of any loan made under the authority of this legislation may be used by the recipient for refinancing existing indebtedness. The amendment agreed to establishes the principle that loans shall not be used for the sole purpose of giving rural telephone companies the advantage of the low interest rate provided in the bill but that a part of such loans may be used for refinancing where such refinancing is necessary to furnish and improve telephone service in rural areas and where the major portion of the loan is to be used for actual physical improvement or extension of facilities.

Amendments Nos. 2, 3, 4, and 5: These amendments make section 12 of the Rural Electrification Act applicable to loans made under the authority of this bill. Section 12 provides that—

"* * * the payment of interest or principal shall not be extended more than five years after such payments shall have become due. * * *"

Amendments Nos. 6 and 9: These amendments eliminate "public bodies" from the list of those persons and agencies eligible to obtain loans under the bill and entitled to a preference in making such loans. The purpose of these amendments is to prevent the making of loans to municipalities and other governmental units from the State to the local level. It is not the intention to bar rural electrification or telephone cooperatives, which may be incorporated under State laws even though they are technically "public bodies," from obtaining loans. It is the understanding of the committee of conference that the words "or who may hereafter provide telephone service" (p. 3, lines 19 and 20) are not intended to preclude the making of loans to new companies or cooperatives who are otherwise eligible but who are not yet at the moment of application actually engaged in the telephone business.

Amendments Nos. 8 and 14: These amendments eliminate "consolidation" as one of the purposes for which loans may be made. By striking this word from the bill it is the intention of the committee of conference to eliminate the authority for the making of loans merely for the purpose of consolidating two or more telephone companies, even though rural telephone service might be improved thereby. It is not the intention of the committee of conference to prohibit a number of existing rural telephone companies, systems, or lines from combining voluntarily, forming a new company or association, and receiving a loan for the improvement of telephone service in their combined areas. It is the understanding of the committee of conference that the word "acquisition" includes authority for loans for the purpose of the acquisition of one company by another or of lines or facilities, where such acquisition is merely incidental to the main purpose which must be the improvement or extension of rural telephone service.

Amendments Nos. 10, 11, 12, and 13: These four amendments are all concerned with the temporary preference given existing telephone companies for obtaining loans under the bill. As amended by the committee of conference, this preference sentence provides that for a period of 1 year after the effective date of the legislation, when two or more applications are received covering telephone service to substantially the same subscribers, the application, if any, from the person then engaged in providing the telephone service to those subscribers shall be considered and acted upon before action is taken upon any other application covering substantially the same subscribers. The similar sentence in the House bill had merely extended to existing telephone companies a period of 6 months in which to submit applications before any other applications would be received. It did not require that the Administrator act upon those applications before acting upon any conflicting applications. The provision agreed to by the committee of conference extends the preference period to 1 year and requires that during that time the Administrator must take action upon the applications of existing companies before he can consider any conflicting applications. It is to be noted that this provision will be operative only in the case of those States where State law does not now or hereafter confer jurisdiction over areas of telephone service upon a public utility commission or similar body. In States where telephone companies are or may be so regulated there will be no opportunity for conflicting applications.

Amendment No. 15: This amendment, as agreed to by the committee of conference, has been discussed in connection with amendments Nos. 1 and 7. As adopted by the Senate, the first five lines of this amendment contained a provision undertaking to limit the size of the telephone companies eligible for loans. The committee of conference has recommended that the Senate recede from this portion of amendment No. 15.

Amendment No. 16: The subject matter dealt with in this amendment is the provision prohibiting loans for the establishment of duplicating telephone systems in those States where State law does not at the time require certificates of convenience and necessity for the establishment of a telephone system and there is, therefore, the legal possibility of duplication. The amendment agreed to by the committee of conference adds the requirement that, in determining there will be no duplication of telephone systems resulting from the loan, the Administrator must set forth his reasons therefor in writing and strikes out the provision making the Administrator's finding final.

The House bill prohibited loans which would result in duplication of "telephone service" to subscribers already receiving adequate and reliable telephone service. The amendment agreed to by the committee of conference prohibits the making of loans which will result in "duplication of lines, facilities, or systems, providing reasonably adequate services".

Amendments Nos. 17, 18, and 19: In the Senate amendment of the House language of the section defining "telephone service," language was used which would have prevented the making of loans for the development of radio telephone communications in rural areas. This has been amended by the committee of conference so that the amendment as adopted by the conferees permits, as did the House bill, the making of loans for the extension of rural telephones both by conventional wire circuits and with the use of radio telephones, except in that field subject to regulation by the Federal Communications Commission under section 3 (o) of the Communications Act of 1934, as amended.

Amendment No. 20: The definition of "rural area" embodied in this amendment is essentially the same as that now contained in the Rural Electrification Act.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
REID F. MURRAY,
Managers on the Part of the House.

Mr. POAGE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the conference report on the rural telephone bill involves several rather minor changes in the bill from the form in which it passed the House. The other body made some changes which the conferees on the part of the House felt could not be accepted. But we do feel that after discussion we have been able to come back to the House with a rather fair agreement relative to the items in disagreement. You will note from the report that the House receded from a number of amendments. Most of these involve rather minor items. The first one is to strike out the word "refinancing." The bill as the House passed it provided that money might be loaned for refinancing of telephone exchanges. The conference report provides that up to 40 percent of the loan can be spent for refinancing, but not in excess of that amount. That enables the small telephone company which does not have the facilities to carry on a reasonably good system to extend its lines and at the same time to improve its system. But it prohibits the making of loans primarily for refinancing the system and simply to enable somebody to get a lower interest rate. It does, however, allow a loan which involves some refinancing and some new construction. We felt that that was a reasonable change in the bill.

The amendments on page 3, amendments 2, 3, 4, and 5, simply make section 12 of the basic Rural Electrification Act applicable to this bill.

Amendment No. 6, on page 3, is new language placed in the bill by the Senate. It has the effect of striking out "public bodies", such as cities as potential borrowers. But the report will show that it was the agreement of the conferees that this should in no way impair the right of cooperatives or districts, even though they were organized under State law, from borrowing money. It is not intended to exclude electric cooperatives even in those States where they may technically be considered "public bodies."

Amendments 8 and 14 relate to eliminating the word "consolidated," so as to prevent the making of loans which are primarly for the purpose of consolidating existing systems. The whole purpose of this bill is to try to bring telephone service to rural areas, where it is not now available. We accepted the Senate amendment with the understanding that it would not prohibit loans simply because two or more systems voluntarily united into one system to apply for a loan which would improve or extend rural service.

The Senate proposed an amendment to limit loans to telephone systems that did not have more than 2,500 subscribers in rural areas. We felt that that would be a mistake, because we felt that our purpose was to get telephones, regardless of who brought them in, and it was not our function to say who should supply the telephones. Rather it was our function to see that the people in rural areas were to have telephones. So we struck out the limitation that the loan could not be made to a company that did not provide more than 2,500 connections. Under this bill any company, including the Bell companies, can borrow if it will supply new or improved service to rural people.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. McDONOUGH. Is the source of all these funds the Reconstruction Finance Corporation?

Mr. POAGE. No. It is from the REA.

Mr. McDONOUGH. And what is the term of the loan?

Mr. POAGE. Thirty-five years or less. That is, it is up to 35 years, exactly the same as the present REA Act.

This bill does not relate to the terms of a loan or, for that matter, to the form of a loan, other than to say that the REA may make loans for this purpose, in addition to the purposes for which it already makes loans.

The SPEAKER. The time of the gentleman from Texas [Mr. POAGE] has expired.

Mr. POAGE. Mr. Speaker, I yield myself five additional minutes.

Mr. McDONOUGH. And what rate of interest is charged?

Mr. POAGE. Two percent.

Mr. McDONOUGH. This money can be loaned to an existing telephone company in an area for the purpose of extending its lines further than the present capital of the company would permit?

Mr. POAGE. That is right.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. RICH. There are a great many telephone companies in the country that are in bad shape financially, and have been so for some time. Is it the purpose of the REA to make loans to those companies in order to put them on their feet, and assume the responsibility of the loans?

Mr. POAGE. The purpose of the amendment that I just explained, which restricts the making of loans for refinancing, is to prevent any abuse along these lines.

Mr. RICH. The amendment is not for the purpose of bailing out a lot of broken-down companies?

Mr. POAGE. That is right. That is why we restricted REA from making these loans solely for refinancing.

Mr. RICH. If they are unable to furnish people with telephone service, then the chances are that they are liable to be sold out, and then they might be refinanced?

Mr. POAGE. Well, I would say that the bill provides that they cannot make a loan, more than 40 percent of which will be used for refinancing. Of course, in a great many rural systems it is obvious that the need is not simply to extend the lines but to provide better service than they now have. As you know, many of our rural systems are merely whoop-and-holler systems.

Mr. RICH. What I want to find out is whether you expect to bail out everybody who has been in poor business.

Mr. POAGE. No; we do not expect to.

Mr. RICH. That is what we have been doing. Everybody who ever started in business and could not make a go of it has come to the Government, wanting the Government to bail them out. I want to know if there is anything in this bill that will bail anybody out and keep them in the telephone business.

Mr. POAGE. That is exactly the reason we put in the amendment here to prevent the very sort of thing the gentleman describes. I think it is well cared for in the bill. At the same time the report leaves the door open for some assistance along this line.

Mr. McCORMACK. Will the gentleman yield?

Mr. POAGE. I yield to the distinguished majority leader.

Mr. McCORMACK. As a matter of fact, this bill is dynamic democracy in action; it strengthens family life in the rural areas. It is the exercise of the power of government consistent with the way of life we all believe in and which the gentleman from Pennsylvania [Mr. RICH], believes in. It is a very constructive piece of legislation whose objective is similar to the objective of rural electrification. Certainly no one can say that it is other than living and dynamic democracy in operation.

Mr. POAGE. I think the gentleman from Massachusetts has very well expressed it.

Mr. LICHTENWALTER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. LICHTENWALTER. Originally when the bill was before the House there were several amendments offered increasing the amount of the interest rate to I believe 2.5 or 3 percent because at that time it was stated on the floor that for long-term money the Government was paying 2.07 percent.

Mr. POAGE. That is about right.

Mr. LICHTENWALTER. And I believe that an amendment offered at that time increasing the rate from 2.5 to 3 percent was defeated.

Mr. POAGE. That is right.

Mr. LICHTENWALTER. Can the gentleman tell me if there is anything in the conference report changing the rate of interest?

Mr. POAGE. No; there is not; it stays in the bill just as it was passed in the House.

Mr. LICHTENWALTER. And the rate still remains at 2 percent under the conference report?

Mr. POAGE. That is right.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. COLMER. As I understand, having gotten in here belatedly, the conference report is in substance the bill introduced by the distinguished gentleman from Texas.

Mr. POAGE. I consider it very close to the original bill. I do not think we have made any material or harmful change.

Mr. COLMER. I wish to say that the distinguished gentleman from Texas should have the compliments of the rural people of this country for the fine service he has rendered.

Mr. POAGE. I thank the gentleman for his kind words and appreciate the support he and other Members of the House have given me.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. RICH. I wish to say to the majority leader that I do not want him to confuse me in this respect with democracy in operation. I believe in democracy and am interested in trying to take care of and help the American people, but I do not want anybody to think I am going so far in this democracy attitude that I want to socialize this country. I am against socializing America in any sense. I do not want to take over the telephones; I do not want to take over the coal mines; I do not want to take over the railroads. But I am afraid you are headed in that direction, and I do not want anybody to point to me with the idea that I am for socialized democracy in that sense. I am against socializing this country. I want the majority leader to bear that in mind.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield.

Mr. McCORMACK. As a matter of fact, everything the Democratic Party has advocated for the past 16 or 18 years has been to strengthen the way of life so strongly advocated by the gentleman from Pennsylvania. This country is in a much stronger position as a result of the leadership and policies of the last 16 or 18 years, policies which my friend from Pennsylvania always has opposed but which he finally though reluctantly accepts because he realizes, after much thought, that the very policies we advocate are for the best interest of our

country. So my friend from Pennsylvania should never have any doubt that I will have any fear about him.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. POAGE. Not for the moment; I have another matter to speak about.

Mr. Speaker, this bill as it now stands provides a means whereby any telephone company as well as any cooperative that wants to provide rural service to people who are not now served, can make a loan which will help them provide that service to those areas. It does not single out any company; it applies to all.

I hope the conference report will be adopted.

Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Speaker, I favor and will vote for the approval of this conference report on H. R. 2960 which will provide for the financing of the extension of rural telephones. When this bill was first up in the House for passage I was under the wrong impression of its intent and consequently voted against its passage. Since that time I have found out that it is a very meritorious bill and will provide much needed telephone service to the rural areas and be financed under a reasonable loan program from REA funds which are repayable in 35 years. The plan under this bill is not socialistic, nor is it patronizing; it does provide a businesslike manner to extend telephone service to rural areas which will be a great asset in extending interstate commerce and provide better communications throughout the Nation. I am glad to have the opportunity of registering my support of this conference report and of H. R. 2960 to correct my vote against H. R. 2960 when it passed the House the first time.

Mr. POAGE. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I am in favor of the adoption of this conference report. As has been explained by the able gentleman from Texas [Mr. POAGE], the author of this measure, the Senate made a number of amendments to the House bill. Some of these amendments, if retained, would have seriously restricted operations under the bill. The conferees have in my opinion resolved the conflicts in the two bills in such a way as present to the House a workable measure which during the next few years will bring adequate and satisfactory telephone service to a large part of our rural population.

Not only will this bill bring telephone service to communities and farm homes which have never enjoyed it before, but it will result in the rejuvenation of many inadequate and outworn phone systems now in existence. It will enable farmers to carry on their business in an up-to-date way and bring to the farm home one of the great blessings of modern civilization. Of course, all this will take time, but a real start will be made by the adoption of this conference report.

Mr. POAGE. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Speaker, I feel this is as good an agreement as can be reached and I wish to compliment the conferees on a very good job. May I repeat here a few of the remarks I made when the REA telephone bill passed the House on July 13:

The telephone is more of a necessity in the farm home than it is in the village. It is a great comfort and satisfaction to rural people to know that if they need a doctor in an emergency they have a telephone close at hand. In this day of almost complete mechanization on the farm, it is also comforting to know that if a combine breaks down, the farmer can step to the telephone and find out where he can obtain the necessary repairs instead of traveling many useless miles looking for a dealer who has the parts he needs.

We need only to consider the splendid record of repayment of loans by our REA associations to know that the loans made available under this legislation will have the same record of reimbursement.

Mr. POAGE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

INTERNATIONAL WHEAT AGREEMENT

Mr. SPENCE submitted the following conference report and statement on the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market:

CONFERENCE REPORT (H. REPT. NO. 1455)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act shall be known as the 'International Wheat Agreement Act of 1949'."

"SEC. 2. The President is hereby authorized, acting through the Commodity Credit Corporation, to make available or cause to be made available, notwithstanding the provisions of any other law, such quantities of wheat and wheat-flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement of 1949 signed by Australia, Canada, France, the United States, and Uruguay, and certain wheat importing countries (hereinafter called 'International Wheat Agreement'). Nothing herein shall be construed to preclude the Secretary of Agriculture, in carrying out programs to encourage the exportation of agricultural commodities and products thereof pursuant to section 32 of Public Law 320, Seventy-fourth Congress, as amended, from utilizing funds available for such programs in such manner as, either separately or jointly with the Commodity Credit Corporation, to exercise the rights, obtain the benefits, and fulfill all or any part of the obligations of the United States under the International Wheat Agreement or to preclude the Commodity Credit Corporation in otherwise carrying out wheat and wheat-flour export programs as authorized by law. Nothing contained herein shall limit the duty of the Commodity Credit Corporation to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in making available or causing to be made available wheat and wheat-flour hereunder. The pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the Act of July 16, 1943 (57 Stat. 566), shall not be applicable to domestic wheat and wheat-flour supplied to countries which are parties to the International Wheat Agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat-flour financed by the Economic Cooperation Administration on or after August 1, 1949, and up to and including June 30, 1950, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts. Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat-flour. There are hereby authorized to be appropriated such sums as may be necessary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it.

"SEC. 3. (a) The President is hereby further authorized to take such other action, including prohibiting or restricting the importation or exportation of wheat or wheat-flour and to issue such rules or regulations which shall have the force and effect of law, as may be necessary in his judgment in the implementation of the International Wheat Agreement.

"(b) All persons exporting or importing wheat or wheat-flour or selling wheat or wheat-flour for export shall report to the President such information as he may from time to time require and keep such records as he finds to be necessary to enable him to carry out the purposes of this Act. Such information shall be reported and such records shall be kept in accordance with such regulations as the President may prescribe. For the purposes of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the President is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as are relevant to transactions under the International Wheat Agreement and are within the control of any such person.

"(c) Any person failing to make any report or keep any record as required by or pursuant to this section 3, or making any false report or record or knowingly violating any rule or regulation of the President issued pursuant to this section 3 shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $1,000 for each violation.

"(d) Any person who knowingly and willfully exports wheat or wheat-flour from the United States, or who knowingly and willfully imports wheat or wheat-flour into the United States for consumption therein, in excess of the quantity of wheat or wheat-

flour permitted to be exported or imported, as the case may be, under regulations issued by the President shall forfeit to the United States a sum equal to two times the market value at the time of the commission of any such act, of the quantity of wheat or wheat-flour by which any such exportation or importation exceeds the authorized amount which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"(e) The district courts of the United States and the District Court of the United States for the District of Columbia shall have jurisdiction of violations of this Act or the rules and regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by this Act or the rules and regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this Act or rules and regulations thereunder, or to enjoin any violation of such Act or rules and regulations, may be brought in any such district wherein the defendant is found or is a resident or transact business. The remedies, fines, and forfeitures provided for in this Act shall be in addition to, and not exclusive of, any of the remedies, fines, and forfeitures under existing law.

"(f) Any power, authority, or discretion conferred on the President by this Act may be exercised through such department, agency, or officer of the Government as the President may direct, and shall be exercised in conformity with such rules or regulations as he may prescribe.

"(g) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including the necessary expenses and contributions of the United States in connection with the administration of the International Wheat Agreement.

"(h) Funds appropriated under authority of this Act may be used for the purchase or hire of passenger motor vehicles, for printing and binding, for rent and personal services in the District of Columbia and elsewhere without regard to the limitation contained in section 607 (g) of the Federal Employees Pay Act of 1945, as amended, and for the employment of experts or consultants or organization thereof, on a temporary basis, by contract or otherwise, without regard to the Classification Act, at rates not in excess of $50 per diem.

"(i) The functions exercised under authority of this Act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of sections 3 and 10 thereof.

"(j) The term 'person' as used in this section shall include the singular and the plural and any individual, partnership, corporation, association, or any other organized group of persons."

And the Senate agreed to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
JOHN C. KUNKEL,
Managers on the Part of the House.

OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
MILTON R. YOUNG,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6305) to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference recommended that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment and that the House agree to the same.

In general the conference substitute follows the language of the House bill. The differences between the conference substitute and the House bill are indicated below.

The House bill provided that the pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the act of July 16, 1943, would not be applicable to domestic wheat and wheat-flour supplied to countries which are parties to the international wheat agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949. The House bill also provided that where prices in excess of the international wheat agreement have been paid for such wheat and wheat-flour financed by the Economic Cooperation Administration on and after August 1, 1949, the Secretary of Agriculture or the Commodity Credit Corporation would be authorized to reimburse the Economic Cooperation Administration for such excess amounts. The Senate amendment contained similar provisions but limited the waiver of the pricing restrictions and reimbursing provisions to a period ending June 30, 1950. The conference substitute contains the Senate limitations.

With respect to the authority of the President to examine books, papers, records, correspondence, contracts, documents, and memoranda the House bill limited such examinations to those which the President has reason to believe are relevant to transactions eligible for recording under the international wheat agreement. The Senate amendment did not limit such examinations to transactions eligible for recording under the international wheat agreement. The conference substitute provides that the President is authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as are relevant to transactions under the international wheat agreement.

The House bill provided that any person who knowingly exports or imports wheat or wheat-flour in excess of the quantity of wheat or wheat-flour permitted to be exported or imported would forfeit to the United States a sum equal to three times the market value of the quantity of wheat or wheat-flour which exceeded the amount authorized to be exported or imported. The Senate amendment reduced the forfeiture to an amount equal to the market value of the excess. The conference substitute makes the forfeiture an amount equal to two times the market value of the excess and provides that the forfeiture shall only apply to importations or exportations knowingly and willfully made.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
JOHN C. KUNKEL,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (H. R. 6305) to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

Mr. SPENCE. Mr. Speaker, the area of disagreement between the House and Senate was of very narrow compass. There are no material changes in the bill.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EMPOWERING SPEAKER TO DECLARE RECESS AT ANY TIME

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time the balance of this week for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. EBERHARTER. Mr. Speaker, reserving the right to object, I wonder if the majority leader would care to clear up much of the speculation which is causing a lot of confusion on the floor. There is a good deal of talk going around that there is a possibility of adjourning today. So we see little groups gathered around different places discussing that subject.

Mr. McCORMACK. May I say to the gentleman that at 2 o'clock I made inquiry as to when the conference report on the farm bill would be ready and I was informed it would take about 6 hours, which would mean about 8 o'clock tonight. Later I spoke with the majority leader of the Senate as to whether or not the Senate could adjourn today or would have to sit on tomorrow. The information I received was that the Senate could not adjourn before tomorrow. The gentleman may draw his own conclusions from that statement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FEDERAL COOPERATIVE FORESTRY PROGRAMS

Mr. GRANGER. Mr. Speaker, I call up the conference report on the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Utah?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1446)

The committee of conference on the disagreeing votes of the two Houses on the

amendments of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
W. K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

ALLEN J. ELLENDER,
SPESSARD L. HOLLAND,
GEORGE AIKEN,
EDWARD J. THYE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2296) to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out sections 4 and 5 of the bill.

Section 4 provided for an extensive program of direct technical assistance to farmers and woodland owners in planning, managing, and marketing timber. The purpose of the section was to provide a program of technical assistance particularly to small forest owners designed to supplement the educational, reforestation, and fire protection programs provided for elsewhere in the bill.

Section 5 of the bill repealed the act of May 18, 1937, known as the Cooperative Farm Forestry Act or the Norris-Doxey Act.

The committee of the conference failed to agree at its first meeting and met again after a period of approximately 6 weeks, during which efforts were made by the managers on the part of the House to amend section 4 of the bill in a manner which might be acceptable to the committee of the conference. At the second meeting of the committee of the conference it was apparent that there was no immediate possibility of working out a satisfactory amendment to section 4 of the bill. Although most of the members of the committee of the conference expressed their desire of working out a program which would provide technical assistance to small-forest owners, it appeared that there was not sufficient basis in committee hearings for developing further legislation for that purpose at this time.

In order, therefore, to obtain the benefits of the legislation embodied in the other sections of the bill, while developing more fully that necessary to effectuate the program proposed in section 4, the managers on the part of the House have agreed to accept the Senate amendment to this bill, striking out all of section 4.

The elimination of section 4 requires also the striking from the bill of section 5, repealing the Norris-Doxey Act. If section 4 had remained in the bill, the Norris-Doxey Act would have been unnecessary. Certain work is being carried on under that act, however, which should be continued without interruption until such time as it can be replaced by other legislation.

HAROLD D. COOLEY,
W. R. POAGE,
WALTER K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

Mr. GRANGER. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Speaker, I feel that very substantial progress is being made here today by the adoption of this conference report. It represents the result of years of work on both sides of the aisle for a sound, comprehensive forestry program in this Nation.

There is one thing about the conference report, however, that to me is disappointing, and what I say certainly is no reflection on the distinguished gentleman from Utah or any member of his committee. I speak of the elimination of section 4, which is the section dealing with farm forestry or technical assistance to forest landowners. That highly important section was in the bill when it passed the House, but it was eliminated in the other body. I know that the gentleman from Utah and his conference committee made every possible effort to have it included before bringing this report to us.

However, I think the House, having been interested in that particular section, would welcome some information as to what the future might hold for the farm-forestry program. I wonder if the gentleman would comment on the possibility of bringing that section out in a separate bill when we come back in January and in that way secure this needed adjunct to a well-balanced forestry program.

Mr. GRANGER. I will say to the gentleman from Florida that it is the intention of the committee to again introduce section 4 as an individual bill, and we have assurance from certain Members of the other body who were opposed to it that they would cooperate with the House in the passage of the legislation.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

A DECADE OF AMERICAN FOREIGN POLICY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (S. Con. Res. 60) and ask for immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941–49," prepared at the request of the Senate Foreign Relations Committee by the staff of the committee and the Department of State, be printed as a Senate document, and that 1,000 additional copies shall be printed for the use of the Committee on Foreign Relations of the Senate.

Mr. RICH. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will the gentlewoman explain what this concurrent resolution does?

Mrs. NORTON. It is to print as a Senate document with 1,000 additional copies printed for the use of the Senate Committee on Foreign Relations, the manuscript entitled "A Decade of American Foreign Policy." I presume the gentleman is anxious to know the cost.

Mr. RICH. American Foreign Policy?

Mrs. NORTON. Yes. That is the name of the manuscript.

Mr. RICH. I wish the gentlewoman would find out from the Foreign Relations Committee if they are ever going to have any policy that will be for America.

Mrs. NORTON. This is definitely for America.

Mr. RICH. I hope so, because they are too foreign to suit me.

The SPEAKER. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a speech by Hon. Alf. M. Landon.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include certain newspaper material.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the RECORD.

Mr. ZABLOCKI asked and was given permission to extend his remarks in the RECORD on the commemoration of the one hundredth anniversary of the death of Chopin.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in three instances and include excerpts.

Mr. BLAND (at the request of Mr. FUGATE) was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. WHITE of California asked and was given permission to address the House for 30 minutes today at the conclusion of the legislative program of the day and following any special orders heretofore entered, and also to revise and extend his remarks.

POSTAL RATES

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to file minority views on H. R. 2945, a bill to readjust postal rates.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

COMMON-TRUST FUNDS

Mr. MCMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1580) concerning common-trust funds and to make uniform the law with

reference thereto. I may say, Mr. Speaker, that it is my intention to offer as an amendment the provisions of the bill H. R. 3571, already passed by the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, what is the difference between the two bills?

Mr. McMILLAN of South Carolina. I do not think there is any difference at all. It is the same bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF COMMON-TRUST FUNDS

SECTION 1. Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of section 11 (k) of the Federal Reserve Act, as amended (12 U. S. C. 248 (k)), pertaining to the collective investment of trust funds by national banks, establish common-trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common-trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationships, and if, in the case of cofiduciaries, the bank or trust company procures the written consent of its cofiduciaries to such investment.

COURT ACCOUNTINGS

SEC. 2. Unless ordered by a court of competent jurisdiction the bank or trust company operating such common-trust funds is not required to render a court accounting with regard to such common trust funds; but it may, by application to the United States District Court for the District of Columbia, secure approval of such accounting on such conditions as the court may establish.

UNIFORMITY OF INTERPRETATION

SEC. 3. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those States which enact the Uniform Common-Trust Fund Act.

SHORT TITLE

SEC. 4. This act may be cited as the "Uniform Common-Trust Fund Act."

SEVERABILITY

SEC. 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

REPEAL

SEC. 6. All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

TIME OF TAKING EFFECT

SEC. 7. This act shall take effect July 1, 1949, and shall apply to fiduciary relationships then in existence or thereafter established.

Mr. McMILLAN of South Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McMILLAN of South Carolina: Strike out all after the enacting clause of the bill and insert the provisions of H. R. 3571, as follows:

"SECTION 1. Establishment of common-trust funds: Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of section 11 (k) of the Federal Reserve Act, as amended (12 U. S. C. 248 (k)), pertaining to the collective investment of trust funds by national banks, establish common-trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common-trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of cofiduciaries, the bank or trust company procures the written consent of its cofiduciaries to such investment.

"SEC. 2. Taxability of common-trust funds: (a) A common trust fund, as herein defined, shall not be subject to any tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, as amended, and for the purpose of said act shall not be deemed to be a corporation.

"(b) The net income of a common trust fund shall be computed in the same manner and on the same basis as in the case of an individual. Each participant in a common trust fund shall include, in computing its net income its proportionate share of the net income of such fund, whether or not distributed to it, and the amount so included in the net income of a participant shall be taxable to such participant, or its beneficiaries, in the manner and to the extent provided in title IX of the District of Columbia Income and Franchise Tax Act of 1947, as amended, as if any amount not distributed to the participant during its taxable year actually had been so distributed.

"(c) No gain or loss shall be realized by a common trust fund upon the admission or withdrawal of a participant, or upon the admission or withdrawal of any interest of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by such participant.

"(d) Every bank or trust company maintaining a common-trust fund shall make a return under oath for the taxable year of such fund.

"(e) If the taxable year of a common trust fund is different from that of a participant therein, the proportionate share of the net income of such fund to be included in computing the net income of such participant for its taxable year shall be based upon the net income of such fund for its taxable year ending within the taxable year of such participant.

"SEC. 3. Court accountings: Unless ordered by a court of competent jurisdiction the bank or trust company operating such common-trust funds is not required to render a court accounting with regard to such common-trust funds; but it may, by application to the United States District Court for the District of Columbia, secure approval of such accounting on such conditions as the court may establish.

"SEC. 4. Uniformity of Interpretation: This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those States which enact the Uniform Common-Trust Fund Act.

"SEC. 5. Short title: This act may be cited as the 'Uniform Common-Trust Fund Act.'

"SEC. 6. Severability: If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

"SEC. 7. Repeal: All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

"SEC. 8. Time of taking effect: This act shall take effect September 1, 1949, and shall apply to fiduciary relationships then in existence or thereafter established."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN of South Carolina. Mr. Speaker, I request this time for the purpose of giving the Members of the House a brief statement concerning the activities of the House District Committee during the first session of the Eighty-first Congress.

Our committee has held extensive hearings on numerous bills and have reported and successfully passed 39 bills including the District sales tax and a number of other bills calculated to improve conditions here in the District of Columbia.

I am certain there is no committee on Capitol Hill that works as hard and as harmoniously as the House District Committee. All bills introduced by the minority members of our committee have received the same consideration as the bills introduced by the majority.

I want to take this opportunity to thank the members of the House District Committee and the Members of the House for their excellent cooperation since I was selected as chairman of this committee. I am inserting in the RECORD a list of bills passed by our committee during the first session of the Eighty-first Congress:

BILLS REPORTED BY DISTRICT OF COLUMBIA COMMITTEE IN EIGHTY-FIRST CONGRESS, FIRST SESSION

S. 135: To provide for daylight-saving time in the District of Columbia.

House Joint Resolution 302: Clarification legislation to assure certain retired employees automatic payment of salary increase in connection with H. R. 3088.

House Joint Resolution 337: Clarification legislation to extend time of payment to certain property owners granted relief by law in the Eightieth Congress.

S. 973: Colonial Dames—exempt from payment of tax.

S. 1125 (identical to H. R. 3370): Amends law to provide support for wife and minor children during time suit is pending (support pendente lite).

S. 1132 (identical to H. R. 3364): Amends law to change the time within which a caveat may be filed after will is probated.

S. 1127 (identical to H. R. 3369): Amends law to change method of serving notice for probate of will.

S. 1129 (identical to H. R. 3367): Merely corrective—substituting the word "complaint" for the word "petition" in divorce actions.

S. 1133 (identical to H. R. 3363): Authorizes appointment of counsel in annulment cases.

S. 1134 (identical to H. R. 3365): Adds annulment actions to those for which constructive service by publication may be used.

S. 1135 (identical to H. R. 3366): This new subchapter provides a simplified procedure in the settlement of small estates.

H. R. 1370: Provides for appointment of three additional judges of municipal court.

H. R. 1757: Amends and extends the District of Columbia rent-control law until June 30, 1950.

S. 1918 (similar to H. R. 4706): This increases the amount of contracts from $1,000 to $3,000 which a contracting officer is authorized to approve.

H. R. 2021: Provides increased pensions for widows and children of deceased police and firemen.

H. R. 2056: Requires doctors practicing in the District be citizens of the United States.

H. R. 2104: Provides restrictions on stop-payment orders to banks.

H. R. 2437: Corrects certain inequities now existing in salaries and placement credit in the schools of the District of Columbia.

H. R. 2799: Liberalizes and reduces the withholding of funds to assure completion of contracts.

H. R. 2886: Removes the starlings from wild-bird protection.

H. R. 3088: Provides increase in basic salary for police, firemen, and certain employees of the Board of Education.

H. R. 3343: Provides a modified form of the Uniform Business Corporation Act for the District of Columbia.

H. R. 3347: Sales tax—failed of passage.

H. R. 3368: Identical to S. 1130—Increases the maximum sum allowable out of assets of decedents estate as a preferred charge for funeral expenses.

H. R. 3571 (identical to S. 1580): Authorizes establishment and investment of common trust funds by banks and similar institutes and investment of funds as fiduciaries in interest.

H. R. 3704: Establishes sales tax and compensatory use tax increases income, real-estate tax, and liquor tax.

H. R. 3901: Increases judges salaries.

H. R. 3910: Stop-gap legislation of 30 days—rent control pending passage of H. R. 1757.

H. R. 3967: Authorizes continuation of child day-care centers on a reduced scale.

H. R. 4059: Exempts property of Sons of American Revolution of national and Federal tax.

H. R. 4237: Declares optometry to be a profession; establishes standards.

H. R. 4381: Provides paid sick leave to teachers in District schools.

H. R. 4393: Brings certain life-insurance provisions into uniformity with fire and casualty act, specifically prohibits assessment life insurance companies, provides for guaranty of foreign investments.

H. R. 4394: Enlarges field of group life insurance to include smaller groups and differentiates between individual and group policies insofar as accident and health policies are concerned.

H. R. 4408: Grants to members of park police day off each week in lieu of Sunday.

H. R. 4705: Places the probation office of United States court for the District of Columbia under same statutory provisions as other districts, register of wills under District of Columbia courts, fiscal and administrative matters of Commission on Mental Health to Administrative Office of United States Courts.

H. R. 4749: Removes the District of Columbia residence requirement for membership on Commission of Mental Health to afford a wider selection of personnel for membership.

H. R. 5912: Authorizes ABC Board to issue special licenses to certain holders of class C retailers license to enable them to extend credit.

FEDERAL AID FOR SCHOOL FACILITIES

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2317) to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning Statewide programs of school construction; and to authorize grants for emergency school construction to school districts overburdened with enrollments resulting from defense and other Federal activities, and for other purposes, and ask for its present consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES. Mr. Speaker, I want to congratulate the gentleman on bringing out the bill S. 2317. It is needed in numerous areas throughout the country. We in the State of Washington are fully aware of the need and recommend its approval. We have many towns contiguous to the great works at Hanford, Wash., that are involved in tremendous expansion of population; we have many towns involved in the impact of big irrigation and reclamation projects throughout the State; and we likewise have towns in the eastern and western parts of the State involved in increased population due to war works and war projects. I congratulate the gentleman on bringing up the bill. I am supporting the measure.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON of Ohio. In the Twenty-second Ohio District we have a very good demonstration of the need for this type of legislation where the Government came in during the war and where the wartime factors have brought populations that are not indigenous. The Federal Government's activities have taken a great deal of property off the tax rolls and created a very serious situation. This bill will relieve that situation and we will look forward to the results of the survey with a great deal of interest.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, may I inquire of the gentleman from West Virginia whether this, applying to Federal installations, would include military installations?

Mr. BAILEY. That is true.

Mr. COLMER. In other construction, but not for the operation of the schools.

Mr. BAILEY. That is exactly right.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Speaker, I wish to congratulate the gentleman from West Virginia on bringing out this bill. I have personal knowledge of the situation that exists which makes this an emergency measure. I hope there will be no objection to the bill; I hope it will be passed.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. I wonder, Mr. Speaker, if the Members realize just how far-reaching this legislation will be? Not only just a few places in the United States have war installations, but we also have in addition under operations of the Interior Department and the Army engineers many places where Federal employees have moved in and, of course, are crowding the school facilities. If we adopt this bill today, requests for such funds by the hundreds will be made. We can expect to spend not just $10,000,000 as this bill provides, but billions of dollars.

This is an outgrowth, Mr. Speaker, of this monstrous Government of ours which is sprawling and spreading all over America. If we approve this kind of legislation in haste in the dying days of Congress, we will be making a sad mistake. I can readily understand why many Members of the House want it, it is of great importance to their people and to the taxpayers of their community where overcrowded conditions exist but if we start out on this kind of over-all legislation the end is not in sight and you know it. Oh, yes; the Federal Government will pay the bill; that is the old, old story. I will venture to say that if this bill is permitted to go through the Congress today it will cost in the final analysis not 10 million, not 100 million, but billions of dollars to support in years to come. Certainly it should not be adopted at this time. I say, bring each project request to Congress in the regular manner and let each project request for funds stand or fall on its own merits.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, the Sixth Congressional District of California exemplifies what this legislation is trying to do and refutes in big part the things which the gentleman from Iowa has just stated. In my own city of Alameda, 54 percent of the area of the town is presently in the hands of the Federal Government. This land has been taken off the tax roll in the war effort. Two thousand acres of it is in the naval air station at Alameda. The rest of it is reserved for the Maritime Commission. A heavy burden has been placed upon that community.

In the city of Richmond, Calif., over 60 percent of the population is in war-housing units owned by the Federal Government which pays inadequate or no taxes at all to the city for school purposes.

This bill is overdue, it is one of equity and should be passed at this time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. May I ask the gentleman from West Virginia, Is it not true in most of these cases you are taking a survey of 70 to 80 percent of the taxable area which oftentimes is occupied by Government installations?

Mr. BAILEY. That is true.

Mr. MONRONEY. Is it not true also that the various school districts have bonded themselves to the very limit and have exhausted all State aid in an effort to supply educational facilities to the children in these areas?

Mr. BAILEY. That is true.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, I object to the consideration of this bill at the present time.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman withhold that objection for a moment?

Mr. NICHOLSON. I withhold the objection for the time being.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Speaker, may I ask the gentleman from West Virginia in connection with this bill, Does it provide any study or consideration of the Government paying in lieu taxes in these areas that they now occupy instead of assuming the obligation of providing facilities in the areas that it now occupies?

Mr. BAILEY. May I say to the gentleman this present legislation that we have up for consideration now does not provide that, but as chairman of the subcommittee holding hearings, I am going into all of the critical areas and collect that information as a basis for writing permanent legislation.

Mr. McDONOUGH. Does the present bill provide for any study in the areas that the Government now occupies as forest reserves in addition to other occupations?

Mr. BAILEY. It does.

Mr. McDONOUGH. Is the gentleman familiar with legislation now before the Congress for the Government assuming a reasonable rate of in-lieu taxes for occupying land and facilities in States and counties?

Mr. BAILEY. I am aware of that legislation.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Speaker, I want to congratulate the gentleman for bringing this legislation to the floor at this time for consideration. It is much needed and meritorious legislation and, as I see it, the bill meets an obligation which the Government has, particularly in those areas where the Government has taken large portions of tax property off the tax rolls. I appreciate the fact that the bill comes to the floor under unusual circumstances, but I trust that because of the urgent need of the schools in many areas there will be no objection raised to the consideration of the measure at this time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. I would like to ask the gentleman from West Virginia whether Connecticut or any of the New England States are included in this potential or possible survey?

Mr. BAILEY. Yes. I would like to say to the gentleman that a hearing was held in the city of Boston yesterday in which several installations from Rhode Island, Massachusetts, and Maine were presented before the committee on this very same question.

Mr. SADLAK. Would the gentleman answer this question then? In the event additional industries are removed from the New England area, call them war or defense industries, to other parts of the United States, and if this measure, S. 2317, was to pass, would this bill then provide Federal funds to build schools in the particular areas to which such industries were removed from Connecticut or New England in order to take care of the children of the workers who would also be removed to the new industry location?

Mr. BAILEY. That is true.

Mr. SADLAK. In that case, inasmuch as my State now provides the schools and schooling in my district without Federal assistance, I will object to the measure at the proper time.

Mr. HEDRICK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from West Virginia.

Mr. HEDRICK. I would like to ask the gentleman from West Virginia relative to the money lost through flood-control dams by way of taxes, with hundreds of acres being taken over for flood-control dams and the taxes lost to those counties; would this cover that proposition?

Mr. BAILEY. I would like to answer my colleague from West Virginia by saying in numerous instances the Government, by acquiring sites for reclamation projects and flood-control dams, have taken a major part of the assessable property in that particular school district, leaving them without money to meet the impact of additional employees brought into those governmental activities.

Mr. HEDRICK. I thank the gentleman.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. MITCHELL. Mr. Speaker, I hope the gentleman from Massachusetts will not object. This bill is to meet an emergency and the emergency is great.

On July 21 I introduced H. R. 5718, which is the companion to the bill now under consideration (S. 2317). On August 1, in a speech on the floor of the House, I attempted to outline the very real need for the passage of the original legislation. The facts and figures which I cited on that day are pertinent to today's discussion.

Because the proposal under consideration provides that emergency funds may be advanced by the Reconstruction Finance Corporation, an appropriation is not required at this time. If favorable action is taken today, immediate steps can be taken to relieve the crowded and unhealthy conditions under which millions of our children are seeking education.

There are three basic causes for the current classroom shortage.

The increased national birth rate is one of the major reasons for the school shortage. The Census Bureau has determined that in 1957, the school population will be greater by 8,000,000 than it was in 1948. By 1951, only 3 years away, there will be 2,400,000 more school children than in 1948.

A second reason for crowded schools is the great population shift during the recent war. West Coast States were particularly affected by large-scale migration. My State of Washington increased 43.3 percent in a period of 8 years, while California increased 45.2 percent, and Oregon 49.2 percent. This has resulted in severely overcrowded schools.

But the factor that has created the greatest problem in schools in Washington State is the Federal Government's defense and other activities. Whole towns and cities have sprung up to support these Federal projects and have placed an impossible burden on local schools. For example, the Federal Works Agency found that in the State of Washington, 3,100,407 more square feet of schoolroom floor space is needed to provide adequately for the State's children; about one-third of this, or 1,502,367 square feet of floor space, is needed primarily because of Federal activities.

In Bremerton, which is the location of the Puget Sound Navy Yard and various related activities, there is dire need for 40 new classrooms to add to or to replace basement, obsolete, and temporary Federal building space now in use at a high maintenance cost.

It is estimated the school-population increase will make necessary an additional 67 classrooms now, while in 1950–51 Bremerton will need 118½ rooms. Here, as in other places, the property-tax limit long since has been reached. The Federal Government is the school district's only possible additional source of aid.

The schools on Bainbridge Island are equally crowded. The district is bonded to its legal limit. A special building-fund levy of 20 mills was voted in 1948, 28 mills in 1949, and 28 mills has been voted for 1950. The local elementary school is only partially constructed. Even when completed, the building will care for only a 2-year school-population increase.

In the State of Washington there is another and peculiar cause for the current lack of classrooms. This is the earthquake of April 13 of this year. The State superintendent of public instruction, Pearl A. Wanamaker, on May 10, submitted a comprehensive report of earthquake damages sustained by school buildings in the State of Washington. The repair or replacement cost is estimated to be $7,235,300.

The National Education Association, after surveying representative communities in 1947, found that one out of four cities were teaching children in buildings officially condemned. In fact, one out of every five schools now in use was

built in the 1800's. This partially explains why fires in our Nation's outmoded schools cost more than $1,000,000 in a single month of 1948. Three thousand Seattle children are attending elementary schools in portable or temporary buildings. Surely it is our obligation to provide better school facilities than these.

Although the educational responsibility rests primarily with State and local communities, Nation-wide factors have combined to create a national problem that local communities are unable to meet financially. Measured coldly in dollars and cents, our national purse can better afford to alleviate this situation than to let it continue another year.

The bill under consideration would attack the school on just two fronts. First, it would provide for $1,000,000 in Federal funds to be used by State education agencies for a survey of public-school-building needs. Second, it would authorize an appropriation to the respective school agencies for the construction of public elementary and secondary schools.

In addition the bill would authorize $10,000,000 in RFC advances to meet the special emergency school-building needs of areas burdened with defense and other Federal activities.

We are faced today with a problem involving our Nation's greatest resource: the youth of our land. We must give this problem the attention which it so keenly merits. It is our opportunity and obligation to provide adequate schools. This is an obligation which can and must be met partially by passing the proposal before us.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. NICHOLSON. I object, Mr. Speaker.

AUTHORIZING THE CITY AND COUNTY OF HONOLULU, T. H., TO ISSUE BONDS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4966) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds, with a Senate amendment thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 19, after "bonds", insert ": *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt, unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this amendment is one of a number of amendments that the Senate has included in various bills. The English specialists of the Senate have added this language to the bill, but it does not change the bill at all.

Mr. PETERSON. That is correct. The bill as it passed the House spelled out the purpose for which the bonds were to be issued, and then they merely say that they shall be for that authorized purpose, or a reduction of the debt. While I am on my feet, for the purpose of saving time, the subsequent bills which I will bring up are of the same type.

Mr. MARTIN of Massachusetts. How many are there?

Mr. PETERSON. There are six of them.

Mr. MARTIN of Massachusetts. And they all have the same amendment?

Mr. PETERSON. Yes. One has to do with the Virgin Islands.

Mr. MARTIN of Massachusetts. And none of them change the text of the bill.

Mr. PETERSON. That is right, sir.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PUBLIC-IMPROVEMENT BONDS BY THE TERRITORY OF HAWAII

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4686) to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2. after line 8, insert:

"SEC. 4. Act No. 401 of the Session Laws of 1949 of the Territory of Hawaii entitled 'An act relating to public improvements, and the financing thereof, making appropriations for public improvements, providing for the issuance of public-improvement bonds and memorializing Congress to authorize the issuance of public-improvement bonds of the Territory of Hawaii during the years 1949 to 1955, inclusive, without respect to the limitation imposed by the Hawaiian Organic Act, and amending Act 205 of the Session Laws of Hawaii 1947,' to the extent approved by the Governor of the Territory of Hawaii on May 27, 1949, is hereby confirmed and ratified: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of said act of said Territory by the legislature thereof, from time to time, to provide for changes in the improvements authorized by said act and for the disposition of unexpended moneys appropriated by said act: *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HONOLULU, T. H.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4968) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 3, line 9, after "bonds", insert ": *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HONOLULU, T. H.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5459) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 20, after "bonds", insert ": *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COUNTY OF KAUAI, T. H.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5490) to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 16, after "bonds", insert ": *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HONOLULU, T. H.

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4967) to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 20, after "bonds", insert ": *Provided further*, That the proceeds of the bond issues hereby authorized shall be expended only for authorized public improvements or for reduction of the debt unless otherwise approved by the Congress."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

VIRGIN ISLANDS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4586) to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "when necessary to anticipate taxes and revenues, and."

Page 2, line 1, after "Authority", insert "or to clear slums, accomplish urban redevelopment or provide low-rent housing."

Page 3, lines 17 and 18, strike out "1401 (b) of title 48, United States Code, 1946 edition" and insert "3 of the act of May 26, 1936 (49 Stat. 1372)."

Page 3, after line 18, insert:

"SEC. 2. The proceeds of the bond issues or other obligations herein authorized shall be expended only for the public improvements set forth in section 1 of this act, or for the reduction of the debt created by such bond issue or obligation, unless otherwise authorized by the Congress."

Page 3, after line 18, insert:

"SEC. 3. Bonds or other obligations issued pursuant to this act shall not be a debt of the United States, nor shall the United States be liable thereon."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

VETERANS' EDUCATION AND TRAINING AMENDMENTS OF 1949

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2596) relating to education or training of veterans under title II of the Servicemen's Readjustment Act (Public Law 346, 78th Cong., June 22, 1944).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman from Texas whether this legislation has been considered by the President of the United States?

Mr. TEAGUE. The gentleman from Pennsylvania has in his hand a report which says that the President is opposed to this legislation; is that correct?

Mr. RICH. That is right. Let me read that. This comes from Carl R. Gray, Jr., Administrator of the Veterans' Administration:

Advice has been received from the Bureau of the Budget that the enactment of the proposed legislation would not be in accord with the program of the President.

I may not always agree with the administration. But there are some things about this legislation which ought to be considered and considered carefully. I feel that bringing it up at this time when the Congress is thinking more of getting home than they are of sitting here and carefully considering legislation which comes before them is not the proper thing to do. I do not believe this is the time to consider this legislation. I think you ought to wait until January when your committee can report the bill out after giving it careful and timely consideration.

Then the Congress would know what is going on. The membership, in my opinion, is in no frame of mind to consider this legislation.

Mr. TEAGUE. I do not know where Mr. Gray received his information. But I can say to the gentleman from Pennsylvania that I have received telephone calls from the White House which would indicate to me that the President is not against this bill.

So far as this bill not having been considered it is true that our committee has not had hearings on the bill. But it is also true that the other body has had extensive hearings. I sat in on a number of those hearings. The committee reported this bill unanimously and it was passed by the other body unanimously.

Mr. RICH. I was told no later than yesterday that when it comes to the other body considering a lot of these bills they never have any hearings on them.

Mr. TEAGUE. So far as this bill is concerned, I sat in on a number of the hearings on the bill.

Mr. RICH. I am not criticizing the other body. I am just telling what I have heard. If that is the case, what might have been the case with a lot of this legislation. I think this is a poor time to bring up this legislation.

I do not want to do anything that is going to hinder or injure one veteran who has had war service and who needs an education. I want to help him, but I think we are doing things now that we should not.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. McCORMACK. Might I say that this bill is aimed to meet an unfortunate situation. The appropriation bill passed last year contained a legislative amendment for the purpose of meeting a problem that had arisen by reason of many of these unnecessary schools that had developed under the GI bill. That was all right, but the Veterans' Administration interpreted that amendment contrary to the intent of Congress. They put into operation a regulation which was retroactive to some time in June 1946, saying that on and after such date certain courses were not vocational, whether or not in fact they were vocational; is that not correct?

Mr. TEAGUE. That is correct.

Mr. McCORMACK. That has brought about a most unsatisfactory situation. The Veterans' Administration made a serious mistake. This bill is aimed to meet that particular problem. That is my understanding of it.

Mr. RICH. I am informed that the regulation has been modified so that it is now in accord with the intent of Congress. I would like to ask the majority leader if you are criticizing the Veterans' Administration now?

Mr. McCORMACK. To the extent that my observations constitute an assertion that they acted contrary to the intent of Congress, of course I am criticizing them.

I would go further and say, if you want criticism, that I do not like the military spirit which has existed in the Veterans' Administration for the past 3 or 4 years. That is a civilian organization, meant for veterans, and they should not be subjected to a military spirit. We expect that in the Army when we are serving in the military forces, but we do not expect it in the Veterans' Administration.

Mr. RICH. Just remember this is your administration.

Let me ask you this: When Mr. Gray, Administrator of Veterans' Administration, says that this is against the President's program, are you in favor of the President's program or against it?

Mr. McCORMACK. The gentleman's statement is to the effect that this bill is against the program. As a matter of fact, the rider put on the appropriation bill in the last Congress was a good one. It was aimed at getting a good result, but it was abused. That was against the intent of Congress. This bill is a matter of simple justice. It is true what the gentleman from New York [Mr. TABER] told you, and we have corrected it, but the fact is they put the regulation in and they are liable to change it again. This bill will carry out the intent of Congress.

Mr. RICH. Let me ask you one thing further. Do you think the House is now in the right frame of mind to consider this? Would it not be better to carry this over until January, when we can give it every consideration and see that it is properly handled? Does the gentleman say that this House is in good order and in good decorum?

Mr. McCORMACK. In my opinion, the House is always in good decorum.

Mr. RICH. I do not agree with the gentleman, Mr. Speaker, and I will have to object.

The SPEAKER. Objection is heard.

CLAIMS ARISING OUT OF REQUISITIONING OF FINNISH VESSELS BY THE UNITED STATES

Mr. KEE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 376) to settle the claims arising out of the requisitioning of Finnish vessels by the United States.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the Government of Finland, out of any money in the Treasury not otherwise appropriated, the sum of $5,500,000 with interest thereon at 4 percent per annum from June 30, 1949, to the date of payment, subject to the agreement of the Government of Finland that such payments shall constitute full satisfaction of obligations of the United States incident to the requisitioning of the following-named Finnish vessels in 1941 and 1942: *Aagot, Advance, Anja, Asta, Atlas II, Aurora, Delaware, Koura, Kurikka, Kuurtanes, Marisa Thorden, Olivia, Pandia, Saimaa,* and *Wipunen.*

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. KEE]?

Mr. SMITH of Wisconsin. Mr. Speaker, reserving the right to object, this matter was considered only today by the Committee on Foreign Affairs of the House. The resolution was dropped into the hopper last Friday. It calls for an authorization in excess of $5,000,000 to settle a claim that the Finnish Government has against us for loss of ships which we seized during the war. It dates back to 1941.

I am going to object, because I believe, first, that this resolution should not be presented at this time. We have not had sufficient time to consider it, and we should not, in the closing minutes of this session, spend $5,000,000, or more, with hardly any consideration. If we do, it seems to me we are remiss in our responsibilities to our constituents. We have become altogether too careless in authorizing large expenditures and $5,000,000 is a lot of money.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I explain to the House what this bill is about? This bill provides for the payment to our good friend Finland of $5,500,000 for ships which we requisitioned from Finland, ships that were in our ports and which we requisitioned at the beginning of the war. They were a very great advantage to us. There are claims of $12,500,000 that have been made by Finnish ship owners for these ships. In settlement of these claims and because the governor of the Bank of Finland says there is an immediate necessity to enable Finland to meet its just obligations, that she have this payment, the bill is introduced.

May I say to the membership that it is my bill. We members of the committee have studied this. I have worked on the report. We had to bring it up quickly, of course, because there have been strikes in Finland and other difficulties which have run their dollar balances down.

Two million, six hundred thousand dollars of this fund is already set aside in our Treasury to pay these claims. So only $2,900,000 of new money is required.

Shall we by false economy cut off our own friend when we give Yugoslavia, a Communist government, $20,000,000 and send her a new $3,000,000 steel mill? A revolution started yesterday in Albania. We have the chance up in the northern part of Europe to help one of the peoples who have stood by us and let us have her ships to operate.

Mr. NORBLAD. Mr. Speaker, I should like to join in urging action at the earliest possible moment on this bill.

Our Government has an obligation to the Finnish Government arising out of our requisitioning these ships which should have been paid long ago. Despite the fact that this payment has been delayed I can think of no better time to do so than now.

The Finnish Government is making a gallant struggle to stay on the side of democracy and free governments and needs all the help it can get. Payment of this recognized obligation will place their treasury in an immeasurably better position to continue this fight this winter. We know that their fiscal condition is not the best and this injection into their economy could make a great difference in their ability to continue their fight with full vigor.

Mr. SMITH of Wisconsin. Mr. Speaker, the gentleman from Pennsylvania cannot impose responsibility on the Republican Party for what I may do in this matter. It is my responsibility and not that of my party.

I repeat, this matter is before the House without due and proper consideration. We are in the position of having the State Department come to the Committee on Foreign Affairs on very short notice and saying, "We must have this." It is an old, old custom as far as the State Department is concerned.

Mr. Speaker, I object.

AMENDING FEDERAL AIRPORT ACT

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1284) to amend section 6 of the Federal Airport Act.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this is similar to the bill we passed on yesterday with but minor changes that do not alter the intent of the bill.

Mr. BECKWORTH. The gentleman is exactly right. The House has already passed this identical bill with the exception that about four grammatical changes are made.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. STEFAN. Mr. Speaker, reserving the right to object, will the gentleman explain the changes?

Mr. BECKWORTH. They are grammatical in nature. For instance, on page 1 of the House bill a capital "A" is changed to a small "a."

Mr. STEFAN. Are they merely to correct grammatical errors that do not in any way change the import of the bill?

Mr. BECKWORTH. The amendments do not change the meaning of the legislation whatsoever.

Mr. STEFAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the Federal Airport Act is amended by deleting the second sentence of subsection (a) and inserting in lieu thereof the following: "all sums so apportioned for a State shall, during the fiscal year for which they are originally appropriated be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such sums which remains unexpended or unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section." and by adding thereto a new subsection (c) as follows:

"(c) At the expiration of each fiscal year any funds apportioned for a State pursuant to this section which have not been expended or obligated for approved projects located in that State or sponsored by that State or some public agency thereof but located in an adjoining State, shall be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of this section governing the distribution and apportionment of newly appropriated funds."

SEC. 2. All funds apportioned among the States pursuant to subsection (a) of section 6 of the Federal Airport Act out of appropriations for the fiscal years 1947, 1948, and 1949, which, 90 days after the effective date of this act, shall remain unexpended or unobligated for approved projects sponsored by such States or public agencies thereof, shall then be redistributed and reapportioned in accordance with the requirements of subsections (a) and (b) of said section 6 of the Federal Airport Act governing the distribution and apportionment of subsequently appropriated funds.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BELLE FOURCHE IRRIGATION DISTRICT, AND OTHERS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5184) to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 6, after line 22, insert:

"SEC. 7. In the event expenditures are made by the United States for rehabilitation and betterment work as contemplated by the terms of the contracts approved by sections 2, 3, and 5 of this act, payments made to the United States in reduction of the respective construction charge obligations thereunder shall be applied annually against such expenditures until an amount equal thereto shall have been returned to the United States."

Page 6, line 23, strike out "7" and insert "8."

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, personally I was for that bill. May I ask the gentleman from Arizona to explain the Senate amendments?

Mr. MURDOCK. Mr. Speaker, the Senate amendments simply provide a fuller coverage for the treatment of these contracts, assuring repayment to the Government. May I ask the gentleman from South Dakota [Mr. CASE] to make any further explanation?

Mr. CASE of South Dakota. Mr. Speaker, all that is involved here are two Senate amendments, one changing a section number and the other is to insert a section relating to two or three paragraphs of the bill which provides that in case the United States expends any money for rehabilitation or betterment it shall be repaid and shall be put upon a reimbursable basis. There is no objection to the Senate amendments, because they certainly protect the Treasury of the United States much more and should be concurred in.

Mr. MARTIN of Massachusetts. It puts the proposition on a more businesslike basis?

Mr. CASE of South Dakota. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COUNTY HOSPITAL AT ALBUQUERQUE, N. MEX.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2404) authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. MURDOCK. Mr. Speaker, this bill provides for the construction of a hospital in New Mexico for Indians.

Mr. MARTIN of Massachusetts. Do I understand this bill merely provides that the Indians shall have first chance in that hospital?

Mr. MURDOCK. That is right.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,500,000 for the purpose of cooperating with the county of Bernalillo, State of New Mexico, in the construction of a general hospital at Albuquerque, N. Mex., on land conveyed or to be conveyed to said county by the United States, which will provide and make available when required not less than 100 beds for Indians. The expenditure of any moneys authorized to be appropriated hereunder shall be subject to the condition that the proper authorities of Bernalillo County, State of New Mexico, promptly take the necessary steps under the laws of said State to provide such additional funds as may be required to complete the construction of such hospital, including the provision of regulation equipment in such hospital. Proof of compliance with such condition shall be submitted to the Commissioner of Indian Affairs, who may enter into such contract or contracts with said authorities relating to such hospital as shall be necessary to carry out the provisions of this act.

(b) Actual work on such hospital shall proceed under the direction of the officials of the county of Bernalillo, State of New Mexico, and payment for such work in place shall be made monthly on vouchers properly certified by said officials to the Commissioner of Indian Affairs, whose determination and approval of the proper amount chargeable to any appropriation authorized hereunder shall be final and sufficient for payment thereof: *Provided*, That such hospital shall be constructed, operated, and maintained by the county of Bernalillo, State of New Mexico, or its successor operator, in accordance with standards acceptable to the State of New Mexico and shall be available to all Indians: *Provided further*, That the Commissioner of Indian Affairs shall reimburse the county of Bernalillo, or any successor operator of such hospital, for the care and treatment of Indians eligible under the regulations of the Secretary of the Interior for hospital and medical services who may be admitted to or treated in said hospital under the provisions of the act of April 16, 1934, as amended (U. S. C., title 25, secs, 452–454), at rates not in excess of the average annual per diem cost of operation and maintenance for the entire hospital, but in no event shall the amount of such payment by the Commissioner of Indian Affairs be less than the average annual per diem cost of operation and maintenance for 80 percent of the beds required to be made available. The method of determining average annual per diem cost of operation and maintenance shall be agreed upon between the county of Bernalillo and the Commissioner of Indian Affairs in the contract between them relating to such hospital. Such payments shall be made by the Commissioner of Indian Affairs in the manner and at the times agreed upon in said contract: *Provided further*, That the authority of the Commissioner of Indian Affairs to make such payments shall expire on June 30, 1954: *Provided further*, That on or before December 31, 1953, the Secretary of the Interior is authorized and directed to report to the Congress his recommendations with respect to the amounts (together with the formula used in arriving at such amounts) to be paid for such purposes after June 30, 1954: *And provided further*, That the Commissioner of Indian Affairs may for temporary periods waive the requirements that 100 beds always be available for Indians, if for any temporary period such a number is not needed or required, and if in return the operator agrees that the minimum charge should be proportionately reduced.

SEC. 2. Subject to the guaranteed priority for Indians as hereinbefore provided, no distinction shall ever be made in the admission, accommodation, or treatment of patients in or in connection with such hospital on the basis of race, religion, language, or otherwise, and no segregation of patients on the basis of race, religion, language, or other nonmedical ground shall ever be allowed, but all persons entitled to admission, accommodation, or treatment therein or in connection therewith shall be admitted, accommodated, and treated in the same manner with equality and without discrimination of any nature whatsoever. The Commissioner of Indian Affairs, or any Indian tribe, a member of which has been aggrieved by a violation of the provisions of this act, or any person aggrieved by such violation shall have a cause of action in mandamus or for injunction to enforce the provisions of this section against the Board of County Commissioners of the County of Bernalillo, the board of trustees of the Bernalillo County Hospital, or any successor State or local agency operating said hospital. Such action may be brought in the United State District Court for the District of New Mexico, and on complaint of the Commissioner of Indian Affairs, such Indian tribe, or such aggrieved person, the United States attorney for the district of New Mexico, if such complaint appears to be meritorious, shall institute and prosecute, without cost to the complainant, such action against such board, boards, or agency, as may be proper parties. Any such action must be commenced within 1 year from the date of the alleged violation. The remedy provided for in this section shall be in addition to all other remedies provided for in this act or existing at law or in equity.

SEC. 3. The county of Bernalillo may, with the consent of the Commissioner of Indian Affairs, permit such hospital to be operated by the State of New Mexico, or any subdivision thereof, if the laws of said State permit such operation. The financial cooperation provided for herein shall be conditioned upon the inclusion in the contract to be entered into between the Commissioner of Indian Affairs and the proper authorities of Bernalillo County (relating to the construction, operation, and maintenance of such hospital) of a requirement that in the event the county of Bernalillo, or any of the successor operators of such hospital, shall at any time cease or suspend, or be about to cease or suspend, the operation of such hospital, or in the event that the Secretary of the Interior, after such notice and hearing as shall be specified in such contract, shall find that there has been a willful and continuous violation of any of the conditions of section 2 of this act, the Commissioner of Indian Affairs shall enter and take over the administration of such hospital and of all of its equipment and facilities and operate and maintain the same. In the event the Commissioner of Indian Affairs shall take over the administration of such hospital as hereinbefore provided, the Bureau of Indian Affairs shall furnish hospitalization, treatment, and medical service to non-Indians who are qualified to enter and receive services at such hospital under the laws or regulations of the county of Bernalillo, the State of New Mexico, or the applicable local subdivision of said State: *Provided*, That the county of Bernalillo, the State of New Mexico, or subdivision thereof, or the patient, as the case may be, shall reimburse the United States for such services, care, and treatment at rates not in excess of the average annual per diem cost of operation for the entire hospital. Such sums as shall be reimbursed to the United States shall be covered into the Treasury of the United States to the credit of the appropriation from which the hospitalization or medical services are provided, and shall be available for the operation and maintenance of the institution. If at any time after the taking over of the administration of such hospital by the Commissioner of Indian Affairs, the Board of County Commissioners of Bernalillo County, or the board of trustees of the Bernalillo County Hospital, or their successors, shall establish to the satisfaction of the Secretary of the Interior their willingness and ability to operate and maintain such hospital in accordance with this act and the contract with the Commissioner of Indian Affairs, the Commissioner of Indian Affairs shall return the administration of said hospital, equipment, and facilities to said Board of County Commissioners of Bernalillo

County or the board of trustees of the Bernalillo County Hospital, or their successors, as the case may be, for operation pursuant to the provisions of this act and the terms of the contract with the Commissioner of Indian Affairs.

SEC. 4. In the event that the Bureau of Indian Affairs at the request of the Board of County Commissioners of Bernalillo County, or the board of trustees of the Bernalillo County Hospital, or their successors, shall supply any personnel, materials, or other resources for the operation of such hospital, the cost thereof, as agreed upon by the Commissioner of Indian Affairs and the county of Bernalillo, or the State of New Mexico, or any of its subdivisions then operating such hospital, shall be deducted from the amount due and payable by the Bureau of Indian Affairs.

Mr. MURDOCK. Mr. Speaker, I desire to offer several amendments. Inasmuch as they relate to the same matter I ask unanimous consent that they may be considered en bloc.

The SPEAKER. Is there objection to this request of the gentleman from Arizona?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. MURDOCK:

Page 4, strike out all of section 2.

Page 5, strike out the word "SEC. 3" and insert in lieu thereof "SEC. 2."

Page 7, strike out the words "SEC. 4" and insert in lieu thereof "SEC. 3."

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to make a brief announcement for the benefit of the Members of the House. The conference report on the farm bill will be brought up tomorrow. It cannot be brought up this evening. The Senate will not be in position to adjourn before tomorrow, so the conference report will be brought up at that time.

Mr. Speaker, I think I can say with complete confidence now that the Congress will adjourn tomorrow.

Mr. MARTIN of Massachusetts. Would the gentleman desire to meet earlier tomorrow?

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING THE TARIFF ACT OF 1930

Mr. KEAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2585) to amend the Tariff Act of 1930, to provide for exemption from duty of certain metallic impurities in tin ores and concentrates when such impurities are not recovered.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That (a) paragraph 391 of the Tariff Act of 1930 is hereby amended by inserting the word "tin" after the comma following the world "gold" in the first proviso of that paragraph.

(b) Paragraph 393 of the Tariff Act of 1930 is hereby amended by inserting a comma and the word "tin" after the word "lead" in the first proviso of that paragraph.

(c) This act shall be effective as to merchandise entered for consumption, or withdrawn from warehouse for consumption, on and after the thirtieth day after the enactment of this act.

Mr. KEAN. Mr. Speaker, the purpose of this bill is to exempt from duty the lead and zinc impurities contained in tin ore if the lead and zinc are not actually recovered.

Under present law there is no duty on such nonrecoverable metals contained in copper, gold, or silver ore.

All this bill would do would be to add the word "tin" to the present exemption for such impurities in these other metals.

There is substantially no tin ore produced in the United States and our entire supply must come from abroad. All such ores and concentrates, and particularly most of those available to an American smelter, which must come from the Western Hemisphere, carry a small amount of other metals as impurities, including frequently lead and zinc.

These impurities are present in such small quantities that they cannot be economically recovered. Nevertheless, under existing wording of the tariff law these small quantities of unrecoverable metals are dutiable.

This is a burden on the tin smelter for which he receives no offset advantage whatsoever.

Enactment of this legislation will have no effect on the present competitive situation with respect to lead and zinc, nor is it significant from the point of view of revenue.

The committee has received favorable reports from the Tariff Commission and other interested Government agencies.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLUE GRASS ORDNANCE DEPOT, RICHMOND, KY.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2290) to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand that this bill has been unanimously reported by the Committee on Armed Services.

Mr. KILDAY. That is correct.

Mr. MARTIN of Massachusetts. It is a minor matter relating to cemetery plots.

Mr. KILDAY. Yes. It calls for an expenditure of $6,100 for commitments made by the bureau.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection?

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $6,100 is hereby authorized to be appropriated to be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for the relocation of, and the making of necessary improvements in, the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an address delivered by his colleague, the gentlewoman from Ohio [Mrs. BOLTON].

Mr. PICKETT asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Mobile Register.

Mr. MITCHELL asked and was given permission to revise and extend his remarks on S. 2317, and also to extend his remarks in the RECORD.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include three letters.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in four instances and include extraneous material.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD.

Mr. MURRAY of Wisconsin asked and was given permission to extend his re-

marks in the RECORD and include paragraphs from the Washington Farmletter.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include extraneous material.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD.

ALASKA AIRPORTS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, page 14791 of the CONGRESSIONAL RECORD for yesterday contains the correct statement that the Clerk called the bill (S. 2436) to amend the act entitled "An act to authorize the construction, protection, operation, and maintenance of public airports in the Territory of Alaska," and that upon such call on the Consent Calendar I objected to the passage of it.

At that point in the proceedings my esteemed friend, the distinguished gentleman from Iowa [Mr. CUNNINGHAM], for whom I have the highest regard, asked unanimous consent to extend his remarks in the RECORD. This morning I was surprised to find the statement that he regretted that I saw fit to object to this bill and that he trusted I would withdraw my objection to it. He said:

> The passage of S. 2436 at this time is vital to the future defense of Alaska. It has already passed the Senate and failure to pass it in the House before adjournment could well be disastrous to the defense of Alaska and America.

My friend further said:

> It will be necessary to complete the airports already started at Fairbanks and Anchorage or the money already spent will be wholly lost.

He also said:

> Time is of the essence insofar as the airports at Anchorage and Fairbanks are concerned. Time is the essence for the safety of America.

I must now rise to dispute in toto these statements made by the gentleman from Iowa.

I want you to understand that there is no Member of this House for whom I have greater respect than the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I wish to say to my distinguished colleague and friend from New York that when I made my remarks yesterday I had before me testimony given before the Committee on Interstate and Foreign Commerce. I now understand that an entirely different kind of testimony was given before the Subcommittee on Appropriations of which the distinguished gentleman from New York is chairman.

If I had the information which the gentleman from New York had, I probably would have taken the same action he did. The question was on the facts presented to two different committees. The facts as given to one committee indicated that it was necessary for national defense. That is why I made the statement I did. The facts presented to the subcommittee of the Committee on Appropriations, of which subcommittee the distinguished gentleman from New York is chairman, were entirely contrary and at variance to the testimony given before the Committee on Interstate and Foreign Commerce.

I wish to say here and now that I know of no more patriotic man in the House than the gentleman from New York, [Mr. ROONEY]. I am sure he would vote for national defense and do everything he could at any time for the security of America. My remarks for the defense of America were based on a different set of facts than those that the gentleman from New York has.

Mr. ROONEY. Mr. Speaker, I sincerely thank the gentleman from Iowa. He has always been eminently fair.

I wish to call the attention of the House at this time to certain testimony before our Subcommittee on Appropriations only last week, on October 12, 1949, wherein the following questions were asked concerning these airports, and the following answers given by Dr. Donald W. Nyrop, who is Deputy Administrator of the Civil Aeronautics Administration for Operations:

> Mr. ROONEY. This, at the moment, is not an integral part of the defense plan; is that correct?
>
> Mr. NYROP. That is right; yes, sir.
>
> Mr. ROONEY. These are strictly civil airports?
>
> Mr. NYROP. That is right.

Mr. Speaker, the sum of $13,000,000 has already been authorized by the Congress for the construction of these two airports at Anchorage and Fairbanks. Originally, in hearings on the second deficiency bill for 1948, the Civil Aeronautics Administration came before the Committee on Appropriations and claimed that these two airports were absolutely and vitally necessary insofar as national defense was concerned. Thereafter the Civil Aeronautics Administration completely changed their plans. Instead of 8,000-foot runways for these two airports, they would reduce them to 7,000-foot runways. They, however, expanded the plans for administration buildings and hangars. They came before us only last week with plans under which they would cut down one of the runways at Anchorage to 4,500 feet, and the width from 200 to 150 feet, while they would increase to $1,260,000 the cost of an administration building and to $2,289,200 the cost of a hangar and shop at Anchorage.

We know that a B–36 cannot land or take off on a runway less than 9,200 feet long. A Boeing 337 cannot use a 4,500-foot strip. But the Civil Aeronautics Administration proposes to increase the size of the administration buildings at both Anchorage and Fairbanks. Mind you, they plan an administration building costing $1,260,000 at Anchorage, where the population is less than 14,000 people. They plan to increase the size of hangars, although in the entire Territory of Alaska the Civil Aeronautics Administration does not now have more than 12 or 13 airplanes. They claimed, "We need this $4,500,000 right away." They attempted to hurriedly jam this through in the closing days of this session when the fact is that it is impossible to construct anything in Alaska until next June. The construction season runs only from June until October. The only frost-free months at Anchorage are from June to October and at Fairbanks normally from mid-June through September.

The Civil Aeronautics Administration on August 23 last appeared before the Subcommittee on Transportation of the Committee on Interstate and Foreign Commerce and gave the members certain figures with reference to allocation of the requested additional funds.

Thereafter, and only last week, before our Subcommittee on Appropriations, they scandalously reversed their figures. I am talking now of a reversal such as one in which they said they needed $106,330 for clearing the Anchorage site before the Committee on Interstate and Foreign Commerce, and then came before us and said they really needed only $5,200 for clearing. They testified before us they needed $1,669,620 additional for the hangar and shop at Anchorage, as compared with $517,920 which they requested of the Committee on Interstate and Foreign Commerce. This whole matter of construction of airports at Anchorage and Fairbanks has been as badly bungled as any operation by any Government agency ever was. They relocated runways at great additional expense and after silly mistakes.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I yield to my distinguished friend, the gentleman from Massachusetts.

Mr. NICHOLSON. May I ask the distinguished Member from New York whether last year we did not put a bill through the House so that we could have adequate air forces in Alaska?

Mr. ROONEY. That is so, but I am not talking about air forces or national defense. I am talking about two civil airports for the benefit of the commercial air lines.

Listen to this testimony before the Committee on Appropriations last week:

> Mr. ROONEY. Is it not the fact that the beneficiary of the bounty of the United States taxpayers at these two airports is the commercial lines that fly into Anchorage and Fairbanks?
>
> Mr. NYROP. Yes; I think that is right.

And listen to this:

> Mr. ROONEY. How many people fly in and out of the airport at Anchorage in a day?
>
> Mr. NYROP. I do not have that, Mr. Chairman.
>
> Mr. ROONEY. Do you not think that is highly important information in connection with building an administration building to cost $1,260,000?
>
> Mr. NYROP. Yes, sir; I think it is.

Mr. Speaker, the statement of my distinguished friend from Iowa that delay in passing S. 2436 will ultimately cost the Government much more money and that the present work would have to cease is also incorrect. The ranking minority member of our subcommittee,

the learned and capable gentleman from Nebraska [Mr. STEFAN], elicited the following pertinent testimony:

Mr. STEFAN. So that whatever is being spent, whatever is being done, is not being wasted at all?

Mr. NYROP. No, sir.

Mr. STEFAN. So whether you get the $4,500,000 now or later, the work will go on?

Mr. NYROP. Yes, sir.

Mr. Speaker, in conclusion let me say that I am as much interested in the development of Alaska as any Member of this House. I have traveled the Territory extensively. But I am not going to idly sit by and see millions of dollars of the taxpayers' money wasted on such "shenanigans" as the new plans of the Civil Aeronautics Administration for these two strictly civil airports.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. PRICE asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Post of Sunday.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD.

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech given by Mr. Justice Jackson on the Nuremberg trials. The speech itself exceeds the limit allowed, and I have an estimate from the Public Printer that it will cost $369. I ask unanimous consent that the extension may be made notwithstanding.

The SPEAKER. Notwithstanding, and without objection, the extension may be made.

There was no objection.

Mr. LATHAM asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. LICHTENWALTER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WILSON of Indiana asked and was given permission to extend his remarks in the RECORD and include a series of telegrams from farm leaders in his congressional district in Indiana in regard to the proposed agricultural legislation.

CIVIL-RIGHTS LEGISLATION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the remarks of the gentleman from California [Mr. WHITE] about what was in the platform of the Democratic Party recalled to my mind a great plank in the platform of the Democratic Party, a plank upon which the President placed so much emphasis during his campaign. That is the civil-rights plank.

I think it is very interesting, at the close of this first session of the Eighty-first Congress to read the box score after these great protestations about civil rights, as to just what was acomplished—no more than in the Eightieth Congress; and it is fair to add, too, that the Republican platform also promised civil-rights action.

This is the publication of the official record of the first session of the Eighty-first Congress:

The legislation for a Fair Employment Practices Commission has been reported to the House by the Committee on Education and Labor, and not acted on, either in the House or the Senate. It rests in a pigeonhole, just as it has all through this session.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. Yes, I yield.

Mr. NICHOLSON. Does not the gentleman from New York think that the people who hire labor have a right to discriminate a little bit?

Mr. JAVITS. I do not think discrimination on account of race, creed, color, or national origin has anything to do with employment for skill or fitness, and it is inconsistent with the liberties guaranteed by our Constitution to make it a consideration.

I would like to point out to the gentleman that we have an effective State commission against discrimination at work in New York State under a State FEPC law and that this legislation has worked out fairly and has not hurt any employer, while enormously helping employees. On the contrary, it has improved all employee-employer relations in New York State.

Poll tax, as a qualification for voting, passed the House and was not acted on in the Senate.

Antilynching legislation was reported out by a Senate committee. No action was taken on it, either in the House or in the Senate.

The provision for District home rule is on a discharge petition on the Speaker's desk, and nothing has happened to that, either in the House or in the Senate.

In the address of the President to the Congress on the State of the Union on January 5, 1949, the President said:

The driving force behind our progress is our faith in our democratic institutions. That faith is embodied in the promises of equal rights and equal opportunities which the founders of our Republic proclaimed to their countrymen and to the whole world. The fulfillment of this promise is among the highest purposes of government. The civil-rights proposals I have made to the Eightieth Congress I now repeat to the Eighty-first Congress. They should be enacted in order that the Federal Government may assume the leadership and discharge the obligations clearly placed upon it by the Constitution.

And the President added:

I stand squarely behind those proposals.

I think, Mr. Speaker, that in view of the failure of action on the whole civil-rights issue in this session of the Congress it would be fair to say that we are looking to a second session in which action should be taken. That is underlined by the words of the President himself, made on October 29, 1948, in a speech in New York's Harlem—which knows that civil-rights legislation is needed better than any spot in the United States. The President said:

It is easy to talk about unity, but it is the work that is done for unity that really counts.

I think the burden there is on Congress and on the President together to see that in the next session it is not just words but that it is work that is done for unity that really will count.

Mr. Speaker, I think it is only fair as we assess what we have done that we assess what we have not done; and we have not righted this gross injustice to at least the 10 to 12 percent of Americans who are Negroes, and to other Americans who are of Spanish, Mexican, Greek, Italian, and other national extraction, or who are Catholic or Jewish and who also suffer in various parts of the country under the lash of discrimination in respect to employment and in respect to equality of economic opportunity. This first session, by not eliminating the poll tax as a bar to voting in any State, and by not making lynching a violation of the Federal Code, has done nothing about these very vital questions, too, which are concerned with whether our democracy really means what it says.

Mr. Speaker, as a member of the Committee on Foreign Affairs, I have noted that there is no more potent argument in the Communist propaganda line against the United States than the argument that this great constitutional democracy does not mean what it says so long as it tolerates these discriminations within its own borders.

Mr. Speaker, I think I join with many Members of the House in the fervent hope, in the expectation, and in the pledge that we do something in the second session about this great trilogy of civil-rights bills.

CONVERSATION BETWEEN TWO MEN

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I suppose there is some irritation that attaches to almost any position a man might occupy. For me, the present is no exception. The frequent appearances on the floor of the gentleman from New York [Mr. JAVITS] with his civil-rights statements remind me of something I heard in a moving-picture house downtown a few months ago. Two men were talking and one said to the other, "You know, I am so tired of my job I don't know what to do."

The second man asked, "What is there about your job that you don't like?" and the first man said, "Having to look at a horse all the time."

The second replied, "Why, that's funny; I can't think of anything more pleasant to look at than a horse."

"But," said the first man, "oh, but you see I drive a dray."

WORLD FEDERATION

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House

for 30 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, I was very grateful to the distinguished chairman of the House Committee on Foreign Affairs and to the members of the committee for the opportunity accorded to me of testifying in support of the world-federation resolution on October 12, 1949. I believe consideration of the resolution is vital to the welfare of our Nation, and I was very happy to join with the other 104 Representatives, including a majority of the members of the committee, in introducing it. According to the Christian Science Monitor the group sponsoring this resolution on world federation is "the most sizable legislative bloc ever to sponsor a major foreign-policy measure" in the history of the United States Congress. Its nonpartisan supporters represent a geographic and political cross section of the United States. The resolution reads as follows:

It is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law.

I should like to emphasize the fact that it is not proposed to bypass or shunt aside or weaken the United Nations in any way whatsoever. As stated in the resolution, it is our purpose to strengthen that organization to the end that it may maintain peace in a more effective manner.

The United Nations Charter is the result of the concentrated and consecrated exertions of many great men and of years of effort. It has been subscribed to and is binding upon 59 nations of the world, including all the big powers. Its promulgation in 1945 signalized a mighty triumph in a cooperative international attempt to draw the outlines of a world order which would be worthy of the allegiance of plain people everywhere. I think it can be said that the Charter has won and still maintains that allegiance.

The United Nations is at the root of world federation and any growth toward an effective federation would have to take place in terms of the United Nations. That, it seems to me, is a matter of plain fact.

There is a contagious tendency on the part of some people to think that because the United Nations has not been able quickly to resolve some of the problems placed before it, it has proved itself unfit for its serious responsibilities toward the world community and should be discarded and a new beginning made; but let us examine the record for a few minutes and see if we are ready to eliminate this instrument forged so laboriously and painstakingly at San Francisco four short years ago.

From its very inception the United Nations, and in particular its central organ, the Security Council, has been faced with crises affecting almost every area of the world. The briefest kind of review is impressive in its indication of the extent and range of delicate and explosive situations with which the Council has dealt.

In the first place, almost before it could complete its organization, the United Nations was asked to decide what should be done about the control of atomic energy. It does not take much imagination for an ordinary citizen without scientific knowledge to visualize the infinite complexities which surround this major problem of our generation. Furthermore, the Security Council has had to consider how to get the Soviet Union to withdraw its troops from Iran; how to persuade the French and British to withdraw from Syria and Lebanon; what to do about relations with Spain; how to stop the war between the Greek people and the Greek Communist rebels; how to settle the bitter dispute between the Republic of Indonesia and the Dutch Government; what to do about the long-standing and complex problem of Palestine; how to get India and Pakistan to come to agreement on matters in dispute between them and so avoid a war involving 400,000,000 people; how to get Big-Four agreement on Berlin.

These are by no means all of the items appearing on the Council's agenda.

A critic could say that it is not enough to point to such a list and state that the Security Council pondered and considered and discussed these situations. He could say that he has read in newspapers often enough about failures to agree in the Council and that everybody knows that any one of the Big Five, and in most instances a particular one, can keep the Council from taking any substantive action even when majority opinion is in favor of such action. He could point triumphantly to the veto, that dramatic bit of business which always makes the headlines and provides a staccato emphasis to the lack of big power unanimity.

Nevertheless, a careful examination of each of the cases enumerated, an examination which looks below the headlines and takes each case on its merits and in its proper context of fact and history, would demonstrate beyond a doubt that the Security Council has been able to deal in a highly constructive manner with many situations, within the powers it has been accorded, which might otherwise have increased international tensions to an unbearable degree.

The Council successfully induced the Soviet Union to withdraw its troops from Iran, a situation which could have become the cause of war. British and French troops were withdrawn from Syria and Lebanon as the result of a strong expression of views by the Council. The rebellion in Greece, because of the efforts of the United Nations backed by the cooperation of the United States, has not erupted into a Balkan wildfire. In Indonesia a war that had already begun and might have grown to major proportions, with serious implications for the relations between western Europe and all colonial peoples, has been contained and is on the way to peaceful solution. Without the influence of the Council the free dominions of India and Pakistan might by now have been in the midst of a most bitter and sanguinary struggle. In that vital area of contending interests where Israel has grown into a nation a measure of stability prevails which the United Nations has had a major share in establishing.

It is indeed difficult to imagine what circumstances would be today without the Charter and the peace-producing organization it brought into existence. Any impartial and objective balance sheet would bear testimony to the fact that in a postwar world as full of politically explosive situations as a Fourth of July celebration peace has in many instances been promoted and maintained because the nations of the world were acting collectively to produce agreement and to induce the will to agree.

The major purpose of the United Nations, however, is not to struggle frantically to maintain peace when war threatens or to search for methods of quenching it after it has broken out. It is rather to remove the causes of war before war comes to a head. The first chapter of the Charter lists the following purpose:

To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion.

World War II left a sad residue of international problems of an "economic, social, cultural, or humanitarian character." Hordes of refugees had to be cared for. Thousands of children were left homeless and destitute. Hunger and destruction and disease followed in the wake of one of mankind's most devastating cataclysms.

Many of the pressing postwar needs have already been met through the United Nations. Refugees have been resettled although thousands are yet nationless. The International Children's Emergency Fund, established under the auspices of the United Nations, has brought life and health to helpless children who otherwise would have grown, if at all, into maimed and stunted adults. Cooperative projects have been successfully carried out to reestablish lines of communication and transportation disrupted by the war and to reactivate productive industry.

In addition, within its limited resources of budget and personnel, the United Nations and its specialized agencies have forged ahead in attacks on other major problems included within the compass of the purpose above quoted. The four postwar years have witnessed a rapid multiplication of instruments for constructive international action. An idea of the vast scope and variety of these activities can be gained by a simple listing of a few of the specialized agencies attached to the United Nations.

The Food and Agriculture Organization is actively engaged in helping to achieve one of the basic objectives of humankind—freedom from want. Its history is inspiring reading.

Recently Surgeon General Leonard Scheele, of the United States Public

Health Service, stated that "of the estimated world population of 2,200,000,000, more than a billion annually suffer from disease, much of it chronic, much of it preventable, and a high percentage curable." The World Health Organization, one of the newer specialized agencies, is mobilizing world-wide campaigns to stamp out such diseases as malaria, cholera, tuberculosis, and venereal disease.

The International Labor Organization is unremitting in its efforts to improve labor conditions and to protect the worker.

The Educational, Scientific and Cultural Organization undertakes to promote understanding between peoples and to maintain, increase and diffuse knowledge.

The signing of the charter of the International Trade Organization marked an epoch-making advance in United Nations action toward expanding world trade.

The convention of the International Civil Aviation Organization, according to its preamble, lays down certain principles and arrangements in order that international civil aviation may be developed in a safe and orderly manner and that international air transport services may be established on the basis of equality of opportunity and operated soundly and economically.

In the prewar years the idea was prevalent that the defense of the rights of the individual was a matter which was wholly within the domestic jurisdiction and wholly the responsibility of the national state. During and since the war it has come to be recognized that extensive and tyrannous curtailment of fundamental freedoms anywhere is a potential menace to the world community. The postwar years have witnessed a great world-wide movement for the extension and protection of human rights and simultaneously the launching of organized attacks against these rights and freedoms.

The United States traditionally has sought to preserve the right of the individual to be protected in his life and property, in his freedom to choose his employment, in his freedom to express his thoughts and to profess his religion.

The Charter, as I have noted above, is designed not only to protect one state from another but to promote the protection of individuals in their rights and freedoms. The United Nations has sought to implement Charter provisions by creating commissions and committees for joint study of methods to develop such protection and for the formulation of relevant conventions to be adopted by member nations. The Commission on Human Rights of the Economic and Social Council has already drafted the first international convenant on human rights which it is hoped will in time become part of the law of many nations. Other conventions are in the process of formulation. Every such endeavor of the United Nations is sure to receive the wholehearted support of our Government and this Congress.

Another of the programs currently under discussion by the Economic and Social Council deals with technical assistance for the development of resources in backward areas. The United Nations offers through its organs and agencies many facilities for the successful evolution of such a program. Legislation now before Congress envisages channeling funds to the United Nations to be used in this manner. Certainly the development of this aspect of American foreign policy would yield rich returns in the growth of friendly relations between states, the raising of world standards of living, and the promotion of prosperity and stability.

The United Nations is the world's agency for advancing the welfare of the many millions of dependent peoples. It is interesting to visit a session of the Trusteeship Council and listen to the searching inquiries made of administering authorities on every aspect of their guardianship over non-self-governing peoples.

In the General Assembly members from 59 nations discuss any and all questions within the broad scope of the Charter. In the Assembly, as in all the other organs and agencies of the United Nations with the exception of the Security Council, there is no publicity-getting veto. Any real international legislative body of the future will draw heavily upon the experience and the methods of procedures evolved by the General Assembly during the course of its deliberations.

May I say again that the critics who would destroy the United Nations in order to erect another organization from its ruins are not serving the cause of peace. We have gone one step forward. We must secure that step while we search the patch for a roadmark to the next step.

In equal manner, the cause of peace is not served by those United Nations devotees who maintain that the Charter is perfect and cannot be modified; or those who, on the other hand, claim that the Charter reflects the realities of the world political situation and that any attempt to strengthen it will result in the destruction of the United Nations. To all such firm opponents of any change I would say that the Charter is a living instrument that can be made to grow and develop and meet the challenge of the perilous conflicts of our day. It is by inaction and refusal to strengthen the Charter that it could be destroyed. It is by bypassing the United Nations in fact and in deed that it could be made to die. This, surely, is the greatest present danger to the organization.

The weakness of the Charter which we should seek to remove is this: The completely effective functioning of the United Nations as a security power—the United States, the Soviet Union, China, France, and Great Britain. The United Nations Charter does not provide for security against aggression based on enforceable law agreed upon by and above all powers, big and small; it does not limit big-power sovereignty to subservience to such law; and it does not provide for adequate authority for the enforcement of such law.

The first and foremost issue placed before the United Nations, that of atomic energy, has not been resolved. It would be fruitless, indeed, to attempt to devise any effective plan for atomic control outside of a framework of enforceable law binding on the big powers; but the Charter was never designed to provide for that kind of law.

The offer of the United States Government to turn over to a world authority our present monopoly secrets on the bomb and to yield sovereignty to the extent of allowing international control over atomic energy is proof that wise men realize the necessity of an effective world authority forever to prevent a conflict involving the use of this terrifying weapon.

In the days of our grandfathers there was no pressing necessity for a political organization which would maintain peace among the powerful nations of the earth. Wars were not so destructive and not so universal but that they could still be used as an ultimate method of settling disputes. In those days mankind could afford to wait for a few years or decades, perhaps, maybe even for a century or so for the gradually emerging shapes of world government.

Not so since Hiroshima and Nagasaki and Bikini. The nature of World War II and the development of weapons of mass destruction would make of any future war a desolate and irreparable catastrophe for both victor and vanquished. We have guarded jealously our secret of how to make atomic bombs, knowing at the same time that the day would come inevitably when there would be a headline in a newspaper to tell us that our secrets are secret no longer. That day has come.

Military leaders have told us that there is no defense against atomic warfare. We must realize that when rival nations have the bomb, it is impossible for either of them to win a war, in any traditional sense of the term. There is no possibility of a true preponderance of power by any one nation or of the balances of power which have sometimes kept a precarious peace in the past, because beyond a certain point destructive force will tend to be equalized. When a potential aggressor has 10,000 atom bombs there will be little security in any other nation's having 20,000.

The history of postwar developments charts a mounting fever of controversies between the United States and the Soviet Union with little hope of permanent better relations in our present almost politically anarchistic society of nations. Each is forced to depend for its illusory safety primarily upon an expansion of bases designed to push away the threat of aggression from its inner citadels, upon mounting armaments and restrictive alliances. The paths before each, in this shrunken world, lie in two opposite directions: an international rule of law where nations are accountable equally before the law, as embodied in some form of world government, or world conquest by one or the other. The latter is a course not many Americans would want to ponder.

Clearly, our present United Nations Charter was not meant to cope with the realities of existing circumstances. But it can be strengthened to become an adequate instrument.

Let me run over a few of the main reasons for world federation:

First. Obviously the first reason is the fact that war between great powers is obsolete as a method of settling disputes since victor and vanquished are hurtled into common disaster.

One physical world has made one political world a necessity. No insulation is adequate against an aggressor armed with atomic weapons.

World federation would provide for a settlement of those inevitable disputes, which are bound to arise between nations, on the basis of justice and under law, and would diminish the threat of world wars.

Second. The United States cannot continue to shoulder the burdens, which will increase, or trying to maintain peace through an illusory preponderance of power or to buy peace through subsidies. Dispersion of the responsibilities for peace, through a world federation, would bring with it a sharing of these attendant burdens. If we continue in our present course we will have to take the role of world policeman—alone—as well as go on with our relief program indefinitely. We are now spending around six billion a year for foreign reconstruction and fifteen billion a year on preparations for war. That is something to think about.

Third. National governments, either singly or through balances of power, are no longer able to protect the lives and property of their citizens. Sovereignty in the modern world is a fiction. In the twentieth century any real security lies in effective international cooperation.

Fourth. No nation, or selected group of nations, has a monopoly of wisdom. No nation, or group of nations, should or will be allowed to make the rules of peace for all. Only through a world federation will it be possible for all the peoples to make the rules under which peace will be maintained.

Regional arrangements such as the Rio and Atlantic Pacts, although effective within their limits, cannot assure world peace under law since the danger prevails that regional blocks will only prove to be stronger and more destructive units in the old, precarious game of power politics. We must attempt a world federation open to all nations in order to guard against such an eventuality.

Fifth. One of the prime objectives of American policy since the days of the founding fathers has been to protect the fundamental freedoms of its people and to encourage and promote free institutions in other lands. World federation, based upon principles of law and justice, would safeguard these freedoms more effectively than our present course of trying to build preponderant military strength. A world of big power sovereignties will put a premium on totalitarianism. A world of mounting armaments will place a premium on regimentation and restriction of liberties. On the other hand, an international order where peace with justice is enforced under law will provide a climate for the maintenance and propagation of the freedoms which we value above all else.

The attitude of the Soviet Union is a major consideration in any discussion of world federation. Legally speaking any strengthening of the United Nations Charter into a federation is subject to the veto of the Soviet Union. Practically speaking, a federation in which the Soviet Union did not participate would lose much of its value.

It is difficult to judge with any degree of certainty what Soviet reaction would be to a genuine, concrete proposal along this line. We have been told upon good authority that the reaction would probably be in the negative. That, however, is a matter of speculation which only a fact could put a period to.

Certainly the U. S. S. R. would have much to gain from a secure peace based upon law which it had helped to evolve. Two wars in 30 years have inflicted paralyzing wounds upon the Soviet economy. World federation and the attendant channeling of efforts toward productive and peaceful ends would enable the Soviet people to increase immensely their standards of living.

Furthermore, there have been sharp reversals in Soviet foreign policy in the past. There could be a reversal in policy toward international cooperation. Soviet leaders must eventually come to know that the Russian people would welcome the opportunity to participate more fully in the community life of the nations.

We should also remember that the much-vaunted Soviet participation in the United Nations is due in large measure to the influence and persuasion of the United States and to its own perhaps reluctant realization that, possibly quite apart from any friendly or good-neighborly motives, it was in its interest to participate. If a preponderant majority of the nations of the world were to support a federation based upon just and enforceable law, the Soviet might be constrained to follow where it would not lead and join where it would not sponsor.

There should be a great deal of discussion on the nature of a world federation. Only in this way can its possibilities be explored and an evaluation made of all the factors involved.

Many people fear that a world federation would mean the imposition of foreign rule upon this country. However, a federation of limited powers to prevent aggression would only control those aspects of international affairs which have to do with the maintenance of peace and prevention of aggression. Every nation would remain in control of its own internal affairs.

Would a world federation be practicable? History indicates that it would. Federal systems have operated, and are operating, despite differences in the constituent states of language, race, geography, culture, economic systems, and religions.

I suggest that in order to become a federation the United Nations would have to be strengthened along the following main lines:

First. The General Assembly would have to be reconstituted into a legislative branch and given powers to enact laws to implement the functions of the federation.

Second. An executive agency and independent courts would have to be established to administer, interpret, and enforce those laws.

Third. There would have to be some kind of control over scientific activities capable of being directed toward mass destruction.

Fourth. A world federation would have to have at its disposal such armed forces as would be necessary to enforce its laws and provide security for all.

Fifth. In order to be assured of funds it would have to have the authority to raise revenue independent of national taxation on a uniform, equitable basis.

The belief that federation is necessary is widespread throuhout the United States. As far back as 1941 the State Legislature of North Carolina approved a resolution endorsing its principles and before the end of World War II, 12 other State legislatures had passed similar resolutions.

With the advent of atomic warfare the federalist movement gained impetus counting in its ranks, among others, some of the Nation's foremost scientists. Aroused public concern was mirrored by President Truman in January 1946, when, only a few months after the signing of the United Nations Charter, he made the following statement in a message to Congress:

> The United Nations Organization now being established represents a minimum essential beginning. * * * It is important that nations come together as states in the Assembly and in the Security Council. * * * But this is not enough. Our ultimate security requires more than a process of consultation and compromise. It requires that we begin now to develop the United Nations Organization as the representative of the world as one society.

By July 1947, many Members of Congress had become convinced that action should be taken to attempt amendment of the Charter. Resolutions were introduced in both Houses urging the calling of a General Conference of United Nations to make the United Nations capable of enacting, interpreting, and enforcing world law to prevent war.

In May 1948, the House Committee on Foreign Affairs held hearings for 2 weeks to consider the relationship of the United States to the United Nations. The bill reported out by the committee included a paragraph calling for consultations with other members concerning the need for and possibility of so amending the Charter as to enable the United Nations more effectively to prohibit and prevent aggression or other breaches of the peace. During the course of the hearings former Secretary of State Marshall had this to say on revision of the Charter:

> We are not opposed to amendment of the Charter in principle. If the proposed amendments had the following characteristics, we would be able to support it; that it genuinely strengthens and facilitates the work of the United Nations; that it is strongly supported by the Congress and the American people with full knowledge of its implications for the United States; and that negotiations with other governments indicate that there is reasonable support for it in the United Nations.

The people of the United States have indicated in numerous and varied efforts their belief that the United Nations must

be strengthened into a federation. Public-opinion polls argue strong popular support.

The Congress must put itself unequivocally on record as favoring such a course. With the support of the Congress and the American people the President and his Secretary of State will be free to initiate conversations with other members of the United Nations and propose federation as our fundamental objective.

There are reasons to believe that such a proposition would find a ready welcome. The stages are high for all to see—and for all to win.

Our time is short. We cannot, even if we would, leave to some other generation the thorny task of organizing a peaceful world, based on enforceable law. What we can do we must.

EQUAL RIGHTS

Mr. NICHOLSON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NICHOLSON. Mr. Speaker, I just heard the gentleman from New York tell what the Constitution does. I am of the opinion, Mr. Speaker, and have been ever since I was born, that this country gives everybody an equal opportunity regardless of race, religion, or thought; and everybody stands up for principles of that kind. Speaking for myself, personally, I think that every boy or girl born in this country, regardless of where he or she may come from or who he or she came from has an equal opportunity and we have guaranteed that under the Constitution.

We have people running around trying to stir up race prejudice in this country. We people who have any intelligence at all decry that because this country, of all the countries that have ever existed, has given everyone an equal opportunity.

The Declaration of Independence and the foreground of our Constitution have given us that right and we have taken advantage of it. Many of us come from poor people, poorer than the gentleman from New York or poorer than anybody who sits in this body; yet people elect us to come to the Congress to look after their interests.

The way to do that is not to raise race prejudice, not to bring forth the idea that somebody is better than you are, because nobody is as long as you obey the laws and the statutes that govern us. In other words, we believe in not hurting each other, minding our own business, and trying to get somewhere in this country that has given us so much.

OUTLAWING THE COMMUNIST PARTY

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, as early as March 7, 1949, I introduced H. R. 3290 the provisions of which, when enacted into law, would outlaw the Communist Party. It is to be regretted that no favorable action has yet been taken on this measure. In view of the sinister and destructive methods resorted to by the Communist Party, surely there can be no reasonable objection to outlawing those who would overthrow our Government.

The recent conviction of the Communist leaders in the United States District Court of New York, with the abundant evidence adduced at the trial, should convince the most skeptical that it is now later than we think.

I call this important matter to the attention of the House with the hope that others may join me to the end that those committed to the destruction of our free way of living be driven from our shores.

Following is a copy of the bill to which I refer:

H. R. 3290

A bill to outlaw the Communist Party

Be it enacted, etc., That from and after the date of the approval of this act it shall be unlawful for any individual knowingly and willfully to become or remain a member of the Communist Party. As used in this section, the term "Communist Party" means the political party now known as the Communist Party of the United States of America, whether or not any change is hereafter made in such name.

SEC. 2. Any alien who is found to be a member of the Communist Party shall, without delay, be taken into custody and deported from the United States.

SEC. 3. Whoever violates any provision of the first section of this act shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for not more than 10 years, or by both such fine and imprisonment.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include a sermon recently made by Rabbi Abraham J. Klansner.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills, a joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1175. An act to amend the Home Owners' Loan Act of 1933 with respect to mutual savings banks; to the Committee on Banking and Currency.

S. 1253. An act for the relief of G. H. Lazarus, Jr., and Jesse F. Bewley; to the Committee on the Judiciary.

S. 1583. An act to provide for the establishment of the Island Beach National Monument, in the State of New Jersey, and for other purposes; to the Committee on Public Lands.

S. 1739. An act to amend section 4934 of the Revised Statutes (U. S. C., title 35, sec. 78), as amended, to permit public libraries of the United States to acquire back copies of United States letters patent, and for other purposes; to the Committee on the Judiciary.

S. 2205. An act to authorize the Commissioners of the District of Columbia to provide for the removal of sludge; to the Committee on the District of Columbia.

S. 2317. An act to authorize grants to the States for surveying their need for elementary and secondary school facilities and for planning State-wide programs of school construction; and to authorize grants for emergency school construction to school districts overburdened with enrollments resulting from defense and other Federal activities, and for other purposes; to the Committee on Education and Labor.

S. 2328. An act to increase the number of examiners in chief in the Patent Office, and for other purposes; to the Committee on the Judiciary.

S. 2365. An act to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia; to the Committee on the District of Columbia.

S. 2433. An act to increase the fee for appeal to the Board of Appeals in the Patent Office; to the Committee on the Judiciary.

S. J. Res. 135. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States; to the Committee on Foreign Affairs.

S. Con. Res. 14. Concurrent resolution to investigate matters affecting the presidential election and succession; to the Committee on Rules.

S. Con. Res. 63. Concurrent resolution relating to the holding in 1950 of the Dr. Thomas Walker Bicentennial Historical Pageant; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 2186. An act providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska;

H. R. 2369. An act to authorize an appropriation to complete the International Peace Garden, North Dakota;

H. R. 2517. An act directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3718. An act for the relief of George Seeman Jensen;

H. R. 3816. An act for the relief of Alexis Leger;

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4090. An act to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico;

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.;

H. R. 5170. An act to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation;

H. R. 5305. An act to increase the retired pay of certain members of the former Lighthouse Service;

H. R. 5319. An act granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society;

H. R. 5489. An act to ratify and confirm act 251 of the Session Laws of Hawaii, 1949;

H. R. 5674. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead;

H. J. Res. 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of Saint Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy;

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen;

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia;

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1385. An act providing that excess-land provisions of the Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the San Luis project, Colorado;

S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo;

S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce; and

S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for project in the Virgin Islands.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, October 19, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

995. A letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to amend section 3 (b) of the Armed Forces Leave Act of 1946, as amended, and for other purposes"; to the Committee on Armed Services.

996. A letter from the Secretary of Defense, transmitting a letter by the Acting Secretary of the Army recommending the enactment of a proposed draft of legislation entitled "A bill to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building"; to the Committee on Armed Services.

997. A letter from the Acting Secretary of Commerce, transmitting a draft of a bill entitled "A bill to amend an act of May 27, 1935," together with statements of purpose and need for legislation; to the Committee on Interstate and Foreign Commerce.

998. A letter from the Attorney General, transmitting the cases of Inga Risteigen and Gunhild Risteigen, file Nos. A-6279244 and A-6279243 CR 23977, and requesting that they be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

999. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal, and lists or schedules covering records proposed for disposal, by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee of conference. H. R. 4146. A bill making appropriations for the National Security Council, the Natural Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 1454). Ordered to be printed.

Mr. SPENCE: Committee of conference. H. R. 6305. A bill to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; without amendment (Rept. No. 1455). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. Senate Concurrent Resolution 60. Concurrent resolution to print as a document a manuscript entitled "A Decade of American Foreign Policy: Basic Documents, 1941-49," relating to American international relations; without amendment (Rept. No. 1456). Ordered to be printed.

Mr. KEE: Committee on Foreign Affairs. House Joint Resolution 376. Joint resolution to settle the claims arising out of the requisitioning of Finnish vessels by the United States; without amendment (Rept. No. 1457). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 6464. A bill to facilitate the allotment of lands, and the administration thereof, in the reservation of the Agua Caliente Band of Mission Indians in Riverside County, Calif., and the administration of restricted lands on such reservation, and for other purposes; to the Committee on Public Lands.

Mr. CASE of South Dakota:

H. R. 6465. A bill to develop water resources and recreational facilities in the national forests; to the Committee on Agriculture.

By Mr. MORRIS:

H. R. 6466. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; to the Committee on Public Lands.

By Mr. REES:

H. R. 6467. A bill to prohibit the sending of blasphemous matter through the mail; to the Committee on Post Office and Civil Service.

By Mr. BUCHANAN:

H. R. 6468. A bill to extend the time for completing the construction of a free highway bridge across the Monongahela River in Allegheny County, Pa.; to the Committee on Public Works.

By Mr. BURLESON:

H. R. 6469. A bill to amend the Tariff Act of 1930 to limit importations of petroleum and petroleum products; to the Committee on Ways and Means.

By Mr. DURHAM:

H. R. 6470. A bill to amend the Independent Offices Appropriation Act for the fiscal year 1950; to the Committee on Appropriations.

By Mr. HALE:

H. R. 6471. A bill to amend subsection (f) of section 12 of the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. KEARNS:

H. R. 6472. A bill to provide for the coinage of gold $10 pieces; to the Committee on Banking and Currency.

By Mr. MITCHELL:

H. R. 6473. A bill making an appropriation for the construction in Mount Rainier National Park of improvements and facilities necessary for the full utilization and enjoyment of such park by the public; to the Committee on Appropriations.

By Mr. MURRAY of Tennessee:

H. R. 6474. A bill to authorize and direct the Postmaster General to prescribe, by regulation, the fees which shall be charged for special services; to the Committee on Post Office and Civil Service.

H. R. 6475. A bill to amend the Postal Rate Revision and Federal Employees Salary Act of 1948 to provide for the consideration of claims for the payment of certain postal notes filed later than 1 year from the last day of the month of issue; to the Committee on Post Office and Civil Service.

By Mr. PATTEN:

H. R. 6476. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; to the Committee on Public Lands.

By Mr. SIMPSON of Pennsylvania:

H. R. 6477. A bill to amend section 3250 (1) (5) of the Internal Revenue Code, and for other purposes; to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 6478. A bill to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building; to the Committee on Armed Services.

H. R. 6479. A bill to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes; to the Committee on Armed Services.

H. R. 6480. A bill to revise title 18, United States Code, entitled "Crimes and Criminal Procedure"; to the Committee on Armed Services.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: memorial of the legislature of the Territory of Hawaii, requesting the return of Fort Armstrong to the Territory of Hawaii; to the Committee on Armed Services.

Also, memorial of the legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to reactivate the former Civilian Conservation Corps through the Federal Security Agency, for the purpose of providing employment and vocational training for youthful residents of the Territory of Hawaii; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLLING:

H. R. 6481. A bill for the relief of Albert Beraha; to the Committee on the Judiciary.

By Mrs. BOSONE:

H. R. 6482. A bill for the relief of Antonio Artolozaga Euscola; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

H. R. 6483. A bill for the relief of Helmuth Assmas Balthasar Russow and Volker Harpe; to the Committee on the Judiciary.

By Mr. CLEMENTE:

H. R. 6484. A bill for the relief of the United Transformer Corp.; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 6485. A bill for the relief of Jodeene Lehrman; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 6486. A bill for the relief of Dr. Frederick Daniel McDade; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 6487. A bill for the relief of Novak Zuber; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 6488. A bill for the relief of Solomon Salti and Fortunee Sarfati de Salti; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6489. A bill for the relief of the United Transformer Corp.; to the Committee on the Judiciary.

By Mr. McGUIRE (by request):

H. R. 6490. A bill for the relief of Margarita Funakura; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. R. 6491. A bill for the relief of Abdul Goni; to the Committee on the Judiciary.

H. R. 6492. A bill for the relief of Eshad Ali; to the Committee on the Judiciary.

H. R. 6493. A bill for the relief of Entaz Ali; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 6494. A bill for the relief of Georgette Charalambo Harrison; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 6495. A bill for the relief of Rosa Puzzo; to the Committee on the Judiciary.

By Mr. PLUMLEY:

H. R. 6496. A bill for the relief of Giuseppe Omati; to the Committee on the Judiciary.

H. R. 6497. A bill for the relief of Tonino Maggiani; to the Committee on the Judiciary.

H. R. 6498. A bill for the relief of Vincenzo Andreani; to the Committee on the Judiciary.

H. R. 6499. A bill for the relief of Lambruno Sarzanini; to the Committee on the Judiciary.

H. R. 6500. A bill for the relief of Mario Pucci; to the Committee on the Judiciary.

H. R. 6501. A bill for the relief of Alessandro Costa; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 6502. A bill for the relief of Ernest (Erno) Reimann and Mrs. Dora Banffy Reimann; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 6503. A bill for the relief of Mrs. Hedvika Kohler-Rausch; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 6504. A bill for the relief of Karel Kase; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 6505. A bill to legalize the entry of Mrs. David Munson Osborne, nee Janet Mary Tole, a native of New Zealand to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1540. Mr. GRAHAM presented a memorial of the Lawrence County Pomona Grange of Lawrence County, Pa., opposing all subsidies and floor prices and wages, in the belief that they are against the true principles of democracy, which was referred to the Committee on Agriculture.

SENATE

WEDNESDAY, OCTOBER 19, 1949

(Legislative day of Monday, October 17, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, for the beauty which fills the earth and the love that hallows our homes and the joy that springs from work well done, we thank Thee, the source of all gladness. We bow with the confession that through this crucial period we have been, at best, unprofitable servants. Now unto Thy holy keeping we commit ourselves and all that we have done and said during these momentous times, in this forum of the Nation.

Wilt Thou bless and strengthen all that here has been worthily done, as these servants of the people have followed flickering lights in a dark hour. Pardon and overrule what has been done unworthily, or done amiss.

And now may the Lord bless us and keep us. May the Lord make His face to shine upon us and be gracious unto us. May the Lord lift up the light of His countenance upon us, and give us peace, peace in our own hearts, peace in this dear land of ours and peace throughout all the earth, now and evermore. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, October 18, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6427) making supplemental appropriations for the fiscal years ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. KIRWAN, Mr. TABER, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the bill (S. 2404) authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 1580) concerning common-trust funds and to make uniform the law with reference thereto, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 2585) to amend the Tariff Act of 1930 to provide for exemption from duty of certain metallic impurities in tin ores and concentrates when such impurities are not recovered, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4495. An act to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes; and

H. R. 5931. An act to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended, and for other purposes.

CALL OF THE ROLL

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	McMahon
Anderson	Hill	Magnuson
Baldwin	Hoey	Malone
Brewster	Holland	Martin
Bridges	Ives	Millikin
Byrd	Johnson, Colo.	Morse
Cain	Johnson, Tex.	Myers
Capehart	Johnston, S. C.	Neely
Chapman	Kem	O'Conor
Connally	Kerr	O'Mahoney
Cordon	Kilgore	Pepper
Donnell	Knowland	Russell
Downey	Langer	Saltonstall
Dworshak	Leahy	Schoeppel
Ecton	Lodge	Smith, Maine
Fulbright	Long	Thomas, Utah
George	Lucas	Watkins
Graham	McCarthy	Wherry
Gurney	McFarland	Williams
Hayden	McKellar	Young

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], and the Senator from Oklahoma [Mr. THOMAS] are absent on official committee business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New York [Mr. DULLES], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON], the Senator from Indiana [Mr. JENNER], and the Senator from Minnesota [Mr. THYE] are absent on official committee business.

The Senator from Ohio [Mr. TAFT] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF DEFENSE (S. DOC. NO. 121)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $6,000,000, and contract authorization amounting to $24,000,000, for the Department of Defense, fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Attorney General, withdrawing the names of Inga Risteigen and Gunhild Risteigen from a report relating to aliens whose deportation was suspended more than 6 months ago, transmitted to the Senate on July 1, 1949; to the Committee on the Judiciary.

SPECIAL STATISTICAL STUDIES BY COMMERCE DEPARTMENT

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend an act of May 27, 1935 (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

AUDIT REPORT ON VETERANS CANTEEN SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Veterans Canteen Service for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF MARITIME COMMISSION UNDER MERCHANT SHIP SALES ACT

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, a quarterly report of that Commission on its activities and transactions under the Merchant Ship Sales Act of 1946 for the period July 1, 1949, through September 30, 1949 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS

Petitions were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 13

"Concurrent resolution requesting the return of Fort Armstrong to the Territory of Hawaii

"Whereas Fort Armstrong in Honolulu, T. H., is no longer of any military value to the United States; and

"Whereas said Fort Armstrong is located at the mouth of Honolulu Harbor in such a position that a large portion thereof could be used for the improvement of the wharfage, pier, and warehousing facilities of Honolulu Harbor: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-fifth Legislature of the Territory of Hawaii in special session assembled (the Senate concurring), That the Congress of the United States be and it is hereby respectfully requested to return said Fort Armstrong to the jurisdiction and control of the Territory of Hawaii; and be it further

"Resolved, That duly certified copies of this concurrent resolution be forwarded to the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to the Delegate to Congress from Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Public Works:

"House Concurrent Resolution No. 14

"Concurrent resolution requesting the Congress of the United States to reactivate the Civilian Conservation Corps in the Territory of Hawaii

"Whereas the economy of the Territory of Hawaii is suffering from serious unemployment; and

"Whereas employment and vocational opportunities for the youthful residents of the Territory are limited; and

"Whereas there is great need for useful public-works projects in the Territory, and particularly in the development and protection of the island forest reserves and other recreational areas; and

"Whereas Territorial revenues are at present incapable of adequately financing such necessary work or to fully execute a program for vocational training in conjunction therewith: Now, therefore, be it

"Resolved by the House of Representatives of the Twenty-fifth Legislature of the Territory of Hawaii, convened in special session (the Senate concurring), That the Congress of the United States be and it is respectfully requested to reactivate the former Civilian Conservation Corps through the Federal Security Agency, for the purpose of providing employment as well as vocational training for youthful residents of the Territory of Hawaii who are unemployed and in need of employment through the performance of useful public works in connection with the conservation and development of the natural resources of the Territory; and be it further

"Resolved, That certified copies of this concurrent resolution be forwarded to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, and to the Delegate to the Congress from Hawaii."

A letter in the nature of a petition from the National Citizens' Committee for United Nations Day, Washington, D. C., signed by Melvin D. Hildreth, chairman, National Capital observance committee, relating to the observance of United Nations Day (with accompanying papers); to the Committee on Foreign Relations.

DOWNGRADING POSITIONS AT NAVAL POWDER FACTORY, INDIAN HEAD, MD.

Mr. O'CONOR. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by Secretary of the Navy Frank P. Knox Post, No. 233, the American Legion, Indian Head, Md., and a letter from Raymond A. Burke, State veterans preference chairman, the American Legion, Department of Maryland, regarding downgrading of positions at the Naval Powder Factory located at Indian Head.

The charge is made that the procedures adopted are in direct violation of the Veterans Preference Act of 1944.

There being no objection, the resolution and letter were referred to the Committee on Post Office and Civil Service

and ordered to be printed in the RECORD, as follows:

RESOLUTION OF SECRETARY OF THE NAVY FRANK P. KNOX POST, NO. 233, THE AMERICAN LEGION, INDIAN HEAD, MD.

By unanimous vote of this post at its regular meeting held October 7, 1949, the following resolution was adopted:

"*Be it resolved,* That the Secretary of the Navy Frank Knox Post, No. 233, of the American Legion, Department of Maryland, go on record as protesting the contemplated change of ratings and/or reduction in compensation of veterans employed at the Naval Powder Factory, Indian Head, Md.; be it further

"*Resolved,* That this post believes that the Veterans Preference Acts are being flagrantly violated by the administrative official of this establishment."

We appeal to Secretary of the Navy Matthews to have this matter investigated.

HAROLD H. CHANDLER,
Commander,
Indian Head, Md.

HARMOND A. KLASS,
Adjutant,
Indian Head, Md.

LA SOCIETE DES QUARANTE HOMMES ET HUIT CHEVAUX, LE GRANDE VOITURE DE MARYLAND, INC.,
October 17, 1949.

The Honorable HERBERT O'CONOR,
United States Senator,
Washington, D. C.

MY DEAR SENATOR: I respectfully call attention to accompanying resolution passed by the Secretary of the Navy Frank Knox Post No. 233, of the American Legion at Indian Head, Md., October 8, 1949, and my letter to Secretary of the Navy, the Honorable Francis Matthews, dated October 10, 1949.

I attended a rally Saturday, October 15, 1949, held at Indian Head, Md., of 100 war veterans protesting the proposed change of jobs and reduction in compensation of war veterans at the naval powder factory, at Indian Head, Md.

At the present time, men employed at the powder factory in many phases of work as outlined in accompanying notice to Ralph J. Malone, dated September 26, 1949, have all been listed as powder factory attendants.

Under the proposed set-up on new positions a few veterans have been promoted but the majority have been reduced to $1.06 per hour. the great majority of men reduced are veterans. Nonveterans are being promoted, others are retaining their positions and some reduced.

This is in direct violation of the Veterans Preference Act of 1944.

Sunday, October 16, 1949, at a regular meeting held at Indian Head, Md., the Southern Maryland District of the American Legion composed of fifty posts unanimously adopted a resolution protesting said reduction of veterans and requested the Secretary of the Navy to investigate the procedure followed by officials at Indian Head, Md., powder factory.

At a time when the Congress of the United States has seen fit to increase wages due to the high cost of living, surely this is no time to lower the standards of living of our veterans who served that our Nation might survive.

I respectfully request your aid to prevent this reduction.

With kindest personal regards, I remain,
Very truly yours,

RAYMOND A. BURKE,
State Veterans Preference Chairman, the American Legion, Department of Maryland.

RETIREMENT RIGHTS FOR EMPLOYMENT-SECURITY EMPLOYEES—RESOLUTION OF INTERSTATE CONFERENCE OF EMPLOYMENT SECURITY AGENCIES

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a resolution adopted by the Interstate Conference of Employment Security Agencies, in New York, on September 26–30, 1949, relating to retirement rights for employment-security employees.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

The Interstate Conference of Employment Security Agencies, at its annual meeting in New York, on September 26–30, 1949, adopted the following resolution:

"RESOLUTION RELATING TO RETIREMENT RIGHTS FOR EMPLOYMENT-SECURITY EMPLOYEES

"Whereas a substantial number of employees in the employment-security program have been employed in both Federal and State jurisdiction and by such service have gained retirement rights in a State or Federal system; and

"Whereas there are employment-security employees employed in States that have no State retirement laws, and there are employed in such States a substantial number of employees who at one time were in Federal employment and earned Federal retirement credits, and others who have no retirement rights, either Federal or State; and

"Whereas it is in the public interest that provision be made for adequate retirement benefits for all employment-security employees: Now, therefore, be it

"*Resolved,* That the appropriate committee of the conference be assigned the responsibility of (1) further exploring possibilities of securing adequate retirement benefits for employment-security employees in States that have no retirement laws, and (2) promoting to the extent feasible State and Federal legislation that will provide reciprocal arrangements under which Federal and State employees with employment in both Federal and State jurisdictions will be given an opportunity to combine retirement credits in one system.

"Adopted by conference September 27, 1949."

REPORT AND RECOMMENDATIONS OF MARINE CORPS MEMORIAL COMMISSION

Mr. HAYDEN. Mr. President, on behalf of the Senator from Illinois [Mr. DOUGLAS] I ask unanimous consent to have printed in the RECORD the report and recommendations of the Marine Corps Memorial Commission appointed under Public Law 327, of the Eightieth Congress, which was received by the President of the Senate Thursday, October 6, 1949, and referred to the Committee on Rules and Administration.

There being no objection, the report and recommendations were ordered to be printed in the RECORD, as follows:

MARINE CORPS MEMORIAL COMMISSION,
Chicago, Ill., September 1, 1949.

The PRESIDENT OF THE SENATE,
Senate Office Building,
Washington, D. C.

DEAR SIR: In accordance with section 6 of Public Law 327, Eightieth Congress, approved August 4, 1947, we send, herewith, a report of the Marine Corps Memorial Commission, including our recommendations for congressional action.

Cordially yours,

JOSEPH DALE PROBST,
Chairman.

MARINE CORPS MEMORIAL COMMISSION REPORT TO THE EIGHTY-FIRST CONGRESS OF THE UNITED STATES OF AMERICA

Section 1, authority: Public Law 327—Eightieth Congress, chapter 449—first session, Senate Joint Resolution 112, as follows:

"Joint resolution to establish a commission to formulate plans for the erection in Grant Park, Chicago, Ill., of a Marine Corps memorial

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby established a commission, to be known as the Marine Corps Memorial Commission, and to be composed of three Commissioners to be appointed by the President of the United States. The Commission shall consider and formulate plans for the erection upon a suitable site in Grant Park, in the city of Chicago, Ill., of an appropriate memorial to the members of the United States Marine Corps who have given their lives in the service of their country.

"SEC. 2. The Commission may accept from any source, public or private, money or other property for use in carrying out its functions under this joint resolution; and is authorized to cooperate with interested public and private organizations in carrying out such functions.

"SEC. 3. Upon the request of the Commission, the heads of the Federal departments or agencies may designate such personnel of their respective departments or agencies, or of the Marine Corps, as the case may be, as may be necessary to assist in carrying out the purposes of this joint resolution.

"SEC. 4. Members of the Commission shall serve without compensation except that their actual expenses in connection with the work of the Commission may be paid from any funds available for the purposes of this joint resolution, or acquired by other means herein authorized.

"SEC. 5. The members of the Commission shall select one of their number as chairman and another as secretary.

"SEC. 6. The Commission shall report its recommendations to Congress at the earliest practicable date.

"Approved August 4, 1947."

On November 24, 1947, the President of the United States appointed the following Commissioners: Joseph D. Probst, Joseph J. McCarthy, and John L. Spiczak, all of Chicago, Ill. They selected Joseph D. Probst as Chairman and Joseph J. McCarthy as Secretary. The Commission has been actively engaged in its functions since then, and is now rendering this report to the Congress.

Section 2, background and history: In examining the reasons for the Marine Corps Memorial, the Commission found that thousands of families of Marines from the Chicago area felt slighted in the lack of an appropriate memorial to their kin who gave the supreme sacrifice in the service of the corps. It was pointed out that a large percentage of the corps was recruited in the Chicago area. It was further pointed out that Chicago had honored other branches of the services by memorials such as Navy Pier and Soldiers Field. It was also found that State and municipal bodies were also in favor of a Marine memorial but had not acted thus far, beyond an enabling bill for a site. This was House bill No. 780 in Senate, Sixty-third General Assembly, State of Illinois, which passed June 30, 1943 and approved by the Governor July 23, 1949. It provided that "The Chicago

Park District may permit the erection by the Marine Corps League of a proper and suitable memorial building or monument to the members of the United States Marine Corps who have been killed in action in the various wars in which the Marine Corps has participated."

The Marine Corps League, a veterans organization chartered by the Congress of the United States, has been the principal civic group endeavoring to crystallize plans for the Marine Corps Memorial. The Commission further found that the memorial envisioned was to be a suitable building containing a memorial rotunda with bronze honor rolls to the valorous dead, where periodical memorial services would be held. It is also to contain an exhibit hall of Americana related to the famous Corps throughout its history since 1775, planned as an inspirational spectacle of Americanism.

In addition, it was felt that the memorial serve an even more useful and practical purpose, that of providing armory features for the training of Marine Reserves and further, to house all Marine activities in the Chicago area including recruiting.

One of Chicago's leading architectural firms has prepared plans for this memorial and these plans have been approved by the Director, Division of Reserve, Headquarters, United States Marine Corps, Washington, D. C., in a letter dated February 3, 1948. Thus the memorial would also serve a vital function in national defense.

Section 3, information: In checking with United States Marine Headquarters in Washington and the United States Marine Reserve units in Chicago, the Commission confirmed the desirability of centralizing various Marine Corps offices and facilities in Chicago, wherein these branches would be moved out of leased and other Government building space, and centralized for greater efficiency in the memorial building. The Reserve component of the Ninth Marine Battalion, along with a weapons company, would have facilities for adequate training in a suitable drill hall and classrooms and proper storage space for equipment. Suitable office space would also be included.

Since a centralized site was of prime importance and because the foregoing Public Law No. 327 designated Grant Park, the Commission conferred with the Chicago Plan Commission and the Chicago Park District. As a result of several meetings over the past 18 months, the Chicago Plan Commission in a letter dated May 19, 1949, recommended four sites, two of which were centrally located and the other two were outlying, from 4 to 6 miles away from central Chicago. Of the two central sites—one is at the south foot of Navy Pier, belonging to the Bureau of Rivers and Harbors of the Chicago Department of Public Works. It is intended for future harbor requirements. The site is accessible by automobile but parking facilities are inadequate and the only access by public transit is via Grand Avenue. The other central site is in the Y of the Chicago River, Wolf Point, which is privately owned and valued at $838,000, and would require expensive and difficult development.

In view of this, the Commission again conferred with the Chicago Park District and was told that no land was available except south of Twenty-third Street, which was also an inaccessible locality. The matter of a site in Grant Park was again reviewed and in view of the Illinois Supreme Court decision (*South Park* v. *Ward & Co.*) it was pointed out that a land site could not be deeded by the park district. The Commission noted that a State naval armory was built on the lake adjoining the shore of Grant Park at Randolph Street and that the Columbia Yacht Club structure was also on the shore adjoining the park, just beyond the naval armory. The park district pointed out that these structures were not legally in Grant Park, that these sites were permitted by the War Department, since they own the navigable waters adjoining the shores off Grant Park. The Chicago Park District pointed out that if the War Department granted off-shore site for the Marine Corps Memorial, between Monroe Street and Jackson Boulevard, it would provide the finest possible site, available to all forms of transportation, adjacent to the huge Grant Park parking lot and recreation fields. In this event, the park district would cooperate in the approaches to the memorial.

In discussion concerning this site, the Commission found it eminently satisfactory and agreeable to the United States Marine Corps and Reserve, the Marine Corps League, and to the thousands of families of marines, who believe a prominent site as this will do full justice to the memory of their loved ones and constitute a fitting tribute in the city of Chicago on the shores of Lake Michigan.

Section 4, recommendations: In pursuance of its duties under Public Law 327, as cited previously, the Commission hereby states that there is a just obligation to erect a memorial to the large number of marines from the Chicago area who were killed in action, and further, that it is in keeping with public policy that this memorial be forever useful in fulfilling the urgent need for training Reserve Marines, while at the same time providing needed facilities for centralized Marine Corps activities in the Chicago area, all to be housed in this memorial building.

The plans herewith for the building described depict a monumental structure 250 feet by 275 feet which, with suitable environs and approaches, would require a minimum area of approximately 4 acres. The Commission recommends that the War Department allocate a site for this space off the shore of Lake Michigan fronting on Grant Park between Monroe Street and Jackson Boulevard, and permit a land fill upon which the Marine Corps Memorial will be built, facing the city of Chicago.

Since the greater active use of the building will be vested in an arm of the United States naval forces, the Commission recommends that the Congress appropriate the necessary funds for the land fill and the erection of the Marine Corps Memorial. The United States Marine Corps has agreed to accept the armory facilities and considers Grant Park shore site as highly satisfactory, and further, will assume maintenance of the armory out of allowable Marine Reserve appropriations, as covered in the Commandant of the Marine Corps' letter dated May 22, 1946.

The Commission has been advised by competent architectural and construction authorities that the land fill, building, and environs will not exceed $15,000,000 in cost and, therefore, the Commission recommends that this sum be appropriated by the Congress for this purpose. The Commission recommends that the construction be supervised by the Federal Works Agency and any moneys which may be remaining after completion of the Marine Corps memorial project shall be returned to the Treasurer of the United States. The Commission further recommends that moneys contributed by private sources toward the cost of the Marine Corps Memorial be set aside in a special fund for the purpose of providing such interior furnishings as may be desirable.

The Commission further recommends that the present Marine Corps Memorial Commission be continued as an active liaison to the Congress to report progress as may be necessary until the final purposes of the joint resolution of the Congress has been fulfilled and completed.

Respectfully submitted.

JOSEPH DALE PROBST,
Chairman, Marine Corps Memorial Commission.

Approved:

JOSEPH J. MCCARTHY, CMH.,
Secretary, Marine Corps Memorial Commission.

JOHN L. SPICZAK,
Commissioner, Marine Corps Memorial Commission.

SEPTEMBER 1, 1949.

REPORT ON ECA OPERATIONS IN FRANCE (S. REPT. NO. 1203)

Mr. CONNALLY. Mr. President, the Senator from Nevada [Mr. MCCARRAN] is chairman of what is known as the watchdog committee with relation to the ECA. He is in Europe, as Senators know. At his request, I am submitting a report by his staff concerning the ECA operations in France. The report is not unanimous on the part of all the members of the committee. Representatives CANNON, KEE, and VORYS have expressed no opinion on the matter, but a majority of the committee, including Representative TABER, of New York, have joined in the report. I ask unanimous consent to submit the report on behalf of the Senator from Nevada [Mr. MCCARRAN].

The VICE PRESIDENT. Without objection, the report will be received and printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. AIKEN:

S. 2745. A bill for the relief of Marie De Champourcin; to the Committee on the Judiciary.

(Mr. JOHNSON of Texas introduced Senate bill 2746, to amend section 12 of the Natural Gas Act, as amended, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 2747. A bill relating to the renewal of contracts for the carrying of mail on star routes; to the Committee on Post Office and Civil Service.

By Mr. RUSSELL (for Mr. TYDINGS):

S. 2748. A bill to revise title 18, United States Code, entitled "Crimes and Criminal Procedure"; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 2749. A bill to amend section 12 (c) of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

S. 2750. A bill to authorize and direct the conveyance of a certain tract of land in the State of Connecticut to the North Stonington Volunteer Fire Company; to the Committee on Agriculture and Forestry.

(Mr. MALONE introduced Senate bill 2751, to eliminate excise taxes first imposed since

the beginning of World War II and to reduce other excise taxes to the rates in effect at the beginning of such war, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. IVES (for Mr. DULLES) (by request):

S. 2752. A bill for the relief of Maria Kulikowska Pill;

S. 2753. A bill for the relief of Peter Bela Koren and Marianne Rose Endrenyi;

S. 2754. A bill for the relief of Victoria Zaharia Hillel;

S. 2755. A bill for the relief of Magda Erdossi;

S. 2756. A bill for the relief of Sandor Brunauer and Maria Kaplar Brunauer;

S. 2757. A bill for the relief of Maria Monseu and minor children; and

S. 2758. A bill for the relief of Janos Brody and certain other aliens; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 2759. A bill to amend the Civil Aeronautics Act of 1938 with respect to the regulation of domestic air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER:

S. 2760. A bill to amend the Social Security Act to provide unemployment benefits for Federal employees, and for other purposes; to the Committee on Finance.

S. 2761. A bill to promote a better public understanding of the pertinent facts concerning leprosy; to extend opportunities to obtain treatment, vocational rehabilitation, and employment to persons afflicted with this disease; to discourage use, by Federal agencies, and all outside organizations and individuals, of the word "leper"; to provide for essential medical research on leprosy; to establish a National Advisory Council on Leprosy; and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2762. A bill to provide greater security for veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, in the granting of hospitalization and out-patient treatment by the Veterans' Administration; to the Committee on Labor and Public Welfare.

S. 2763. A bill to provide for the erection of a memorial to the enlisted men of the Medical Department of the Army who served in World War II; to the Committee on Rules and Administration.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 2764. A bill to provide for the creation of a memorial park at Tampa in the State of Florida, to be known as the Spanish War Memorial Park, and for other purposes; to the Committee on Interior and Insular Affairs.

(Mr. MALONE introduced Senate bill 2765, to amend certain provisions of the Securities Act of 1933, and section 3 of the Securities and Exchange Act of 1934, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

AMENDMENT OF NATURAL GAS ACT

Mr. JOHNSON of Texas. Mr. President, I introduce for appropriate reference a bill which will subject interstate natural gas companies to further regulation in the public interest and the interest of both investors and consumers.

The bill would amend the Natural Gas Act to prohibit the issuance of securities by natural gas companies without the prior approval of the Federal Power Commission.

At present, the Commission can scrutinize the initial financing of natural gas facilities as part of the power for issuing certificates of public convenience and necessity. But there this scrutiny ends. There is no scrutiny of financing undertaken prior to an application for a certificate nor for refinancing after the certificate has been issued. Thus, there is a regulatory gap in which neither the States nor the Federal Government have authority.

I do not think it is in the public interest for such a regulatory gap to remain open inviting the disaster of ill-advised financing.

Securities of interstate natural gas companies are marketed widely to many investors throughout the Nation. Since their activities extend over many States, effective State regulation is difficult and often impossible. Under the circumstances, it is possible for securities to be issued on the basis of asset values which have no reasonable relationship to present or prospective earning power. So the way is open to the dumping of excessively speculative securities in commerce. This leads to burdensome capital structures which prevent voluntary and justified rate reductions for the consumers. We don't want the consumer to be penalized by our negligence in providing—or failing to provide—incomplete and inadequate regulation.

I am advised that such evils do not now exist in the interstate gas industry, but the history of the electric utility industry provides us with some horrible examples of evils arising from such a situation. We had to pass the Public Utility Holding Company Act of 1935 to meet that situation, and the Securities and Exchange Commission has spent the past 15 years repairing the damage caused in the electric utility industry by the wild, unregulated period ending in 1932.

An ounce of prevention is worth a pound of cure. This bill I am introducing represents an ounce of prevention which will make a more drastic future cure unnecessary.

The bill (S. 2746) to amend section 12 of the Natural Gas Act, as amended, was read twice by its title and referred to the Committee on Interstate and Foreign Commerce.

EAST COAST SHIP & YACHT CORP.—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. BALDWIN submitted the following resolution (S. Res. 190), which was referred to the Committee on the Judiciary:

Resolved, That the bill (S. 620) entitled "A bill for the relief of the East Coast Ship & Yacht Corp.," now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal, or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

READJUSTMENT OF POSTAL RATES—AMENDMENT

Mr. JOHNSTON of South Carolina submitted an amendment intended to be proposed by him to the bill (S. 1103) to readjust postal rates, which was ordered to lie on the table and to be printed.

EDUCATIONAL FUNCTIONS OF FEDERAL GOVERNMENT IN SINGLE AGENCY—AMENDMENTS

Mr. MORSE submitted amendments in the nature of a substitute, intended to be proposed by him to the bill (S. 656) to coordinate the educational functions of the Federal Government in a single agency; to define its organization, powers, and duties; and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

AMENDMENT OF INTERNAL REVENUE CODE—AMENDMENTS

Mr. PEPPER submitted amendments intended to be proposed by him to the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 2585) to amend the Tariff Act of 1930 to provide for exemption from duty of certain metallic impurities in tin ores and concentrates when such impurities are not recovered, was read twice by its title, and referred to the Committee on Finance.

SURVEY OF LEGISLATION PASSED BY THE SENATE IN THE EIGHTY-FIRST CONGRESS, FIRST SESSION

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a survey or summary of the principal legislation passed by the Senate during the Eighty-first Congress, first session. I also ask that the summary be printed as a Senate document.

Mr. WHERRY. I appreciate the observation by the distinguished Senator, and I am not going to object to it. I think it should be done, on the basis on which it has always been done heretofore.

Mr. LUCAS. It is in accordance with the custom which has been followed for a long time.

The VICE PRESIDENT. Is there objection?

There being no objection, the summary was ordered to be printed in the Appendix, and also to be printed as a Senate document.

LEAVE TO PRINT FOLLOWING FINAL ADJOURNMENT

Mr. LUCAS. I also ask unanimous consent that Senators be given leave to have matters printed in subsequent issues of the Appendix of the RECORD, following the adjournment of Congress. That is the usual customary resolution.

The VICE PRESIDENT. Without objection it is so ordered.

REORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT—ADDRESS BY SENATOR McCLELLAN

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a radio address in the nature of a progress report on the Hoover Commission recommendations, delivered by Senator MCCLELLAN, October 14, 1949, which appears in the Appendix.]

CELEBRATION OF SEVENTY-FIFTH ANNIVERSARY OF WELLESLEY COLLEGE—ADDRESS BY SENATOR GRAHAM

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the address delivered by Senator GRAHAM on the occasion of the seventy-fifth anniversary celebration of the founding of Wellesley College, which appears in the Appendix.]

THE USAGE OF FERTILIZERS AND TAG INFORMATION—ADDRESS BY FRED J. WOODS

[Mr. HOLLAND asked and obtained leave to have printed in the RECORD an address entitled "The Usage of Fertilizers and Tag Information," delivered by Fred J. Woods, before the Florida County Agents' Association at the annual agricultural extension conference, Gainesville, Fla., October 19, 1949, which appears in the Appendix.]

NANTUCKET SOUND DISASTER—ARTICLES BY STANLEY EAMES

[Mr. LODGE asked and obtained leave to have printed in the RECORD two articles by Stanley Eames, regarding the recent Nantucket Sound disaster, which appear in the Appendix.]

MAINE'S VETERANS' LAWS

[Mrs. SMITH asked and obtained leave to have printed in the RECORD a résumé of Maine's veteran laws, as compiled by John S. McPherson, National Service Officer of the Disabled American Veterans, Togus, Maine, which appears in the Appendix.]

FEDERAL CHARTERS TO SAVE FREE ENTERPRISE—ARTICLE BY SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an article prepared by him, entitled "Federal Charters to Save Free Enterprise," recently published in the Wisconsin Law Review, which appears in the Appendix.]

AID FOR THE PHYSICALLY HANDICAPPED—ADDRESS BY SENATOR NEELY

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Senator NEELY at the fifth annual observance of National Employ the Physically Handicapped Week luncheon on October 3, 1949, which appears in the Appendix.]

HOOSIER SALESMAN—ARTICLE ON SENATOR CAPEHART

[Mr. ECTON asked and obtained leave to have printed in the RECORD an article entitled "Hoosier Salesman," referring to Senator CAPEHART, published in the Reporter magazine of October 25, 1949, which appears in the Appendix.]

WORLD GOVERNMENT—STATEMENT BY CORD MEYER, JR.

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address on World Government by Cord Meyer, Jr., which appears in the Appendix.]

NEW YORK HERALD TRIBUNE FORUM

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD the program of the New York Herald Tribune Forum, which appears in the Appendix.]

BASING POINT LEGISLATION

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article on basing point legislation, by W. K. Kelsey from the Detroit News of October 18, 1949, which appears in the Appendix.]

PANDIT NEHRU VISITS US

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Pandit Nehru Visits Us," from the Washington Evening Star of October 12, 1949, which appears in the Appendix.]

NEHRU'S PROSPECTUS FOR INDIA'S ECONOMY—ARTICLE BY THOMAS P. KROCK

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Nehru's Prospectus for India's Economy," by Thomas P. Krock, from the Washington Post of October 14, 1949, which appears in the Appendix.]

NEHRU VIEWS ASIATIC PACT AS PREMATURE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Nehru Views Asiatic Pact as Premature" by Ferdinand Kuhn, from the Washington Post of October 15, 1949, which appears in the Appendix.]

NEHRU'S VISIT

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Nehru's Visit," from the Washington Post of October 15, 1949, which appears in the Appendix.]

ATOMIC ENERGY—STATEMENT BY HARRISON BROWN

[Mr. McMAHON asked and obtained leave to have printed in the RECORD a statement regarding atomic energy by Harrison Brown, of the Institute of Nuclear Studies, University of Chicago, which appears in the Appendix.]

CHALLENGE TO FREEDOM—ADDRESS BY WALTER W. CENERAZZO

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an address entitled "Challenge to Freedom," delivered by Walter W. Cenerazzo, national president, American Watch Workers Union, before the Illinois-Eastern Iowa District Convention of Kiwanis International, at Chicago, Ill., on September 20, 1949, which appears in the Appendix.]

FEDERAL CHARTERS TO REGULATE BUSINESS?—INTERVIEW WITH SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an interview on Federal charters engaged in by himself with the editors of United States News and World Reports, published in the issue of October 14, 1949, which appears in the Appendix.]

ADDRESS BY THE VICE PRESIDENT AT THE AIRPORT REDEDICATION, BARKLEY FIELD, PADUCAH, KY.

Mr. CHAPMAN. Mr. President, it was my pleasure and privilege recently to witness a remarkable demonstration by some 15,000 citizens of Kentucky, Missouri, Tennessee, Illinois, and Indiana, in a magnificent tribute to a beloved Kentuckian and eminent American statesman, the Vice President of the United States. It was primarily a personal tribute by citizens of western Kentucky to an illustrious native son. The airport of Paducah, the Vice President's home city, was renamed Barkley Field in honor of the distinguished President of the Senate, ALBEN W. BARKLEY. I ask unanimous consent to have included at this place in the RECORD the able, interesting, and informative address which Vice President BARKLEY delivered on that memorable occasion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am profoundly grateful for the signal honor done me by the city of Paducah and the county of McCracken in the naming of this airport as Barkley Field. It was a thing of pleasure for me to collaborate with the city and county authorities and the Federal Government in the establishment of this airfield, and, of course, I share with you the sincere hope that it may become increasingly useful to air transportation and to the community, of which Paducah is the center.

When I consider the location of the airport and my long residence in McCracken County from boyhood, and my association with former owners of the tracts now included in the airfield and with the people of McCracken County generally over a period of half a century, many precious memories arise in my mind when I compare what has happened, not only to us, but to all the world, during the period of which I speak.

I wish also to thank the junior chamber of commerce for its gracious act in arranging this celebration and dedication. This is but an example of the service they seek to render to the city of Paducah and the entire community in western Kentucky.

The story of aviation is a thrilling chapter in the history of travel and transportation, and in the history of warfare as well.

Forty-five years ago last December 17 the first flight of an airship was made by the Wright brothers, Wilbur and Orville Wright, at Kitty Hawk, N. C. It is difficult to realize that in such a short span of time, compared to the life of the world or of its inhabitants—no more than half of a long lifetime—has elapsed since man was not only unable to fly, but even ridiculed the very idea that such a thing would be possible

In fact, a very learned astronomer and physicist had, less than 2 months before the Wright brothers' first flight, published an article stating conclusively that flying with a machine heavier than air was an impossibility. At the very moment when this statement was being distributed Wilbur and Orville Wright were preparing their machine for its first trials.

After three seasons at Kitty Hawk, during which the Wrights perfected their gliders, they were ready to attempt power flight. Late in September of 1903 they set out again for Kitty Hawk, assembled the new machine with the engine and propellers which they had developed and built in Dayton, and started the tests and adjustments necessary for an actual flight.

The morning of December 17, 1903, dawned with a bitter wind blowing over the desolate sand dunes of that isolated stretch of North Carolina coast. Puddles of rain water standing in hollows about their camp were covered with ice. Not very auspicious weather for a first flight in a strange machine, but the Wright brothers had for some time been feeling a nostalgic longing to be home in Dayton for Christmas. They waited for improvement in the weather as long as their impatience would allow, but the strong, cold wind of this day held steady, and at 10 o'clock they made up their minds—they would make the trial regardless of the weather.

Before an audience of three men from the Kill Devil Lifesaving Station, one other man, and a boy, preparations for the trial were completed, although with difficulty because of the biting wind. Under their arrangement of taking turns at tests, the first trial fell to Orville, and he took his place in the machine. It was a dramatic moment in the history of the world, but it is doubtful if those present realized its significance. The motor roared, the two propellers whirled, the wire holding the airplane was released, and

the machine started slowly forward on its launching track. After a 40-foot run it lifted into the air and took off in the first successful power-driven flight in all history. The first flight covered 120 feet and ended without mishap. To quote Orville Wright's own words in his written account:

"The flight lasted only 12 seconds, but it was nevertheless the first in the history of the world in which a machine carrying a man had raised itself by its own power into the air in full flight, had sailed forward without reduction of speed, and had finally landed at a point as high as that from which it started."

With Orville and Wilbur Wright alternating as pilots, three other flights were made to greater distances on that memorable occasion.

On the 17th of last December I was honored by the invitation to participate in the ceremony accepting for the people of America the very same machine that proved on these wind-swept dunes that man was not barred by natural law from the air lanes overhead.

The idea for a great separate National Air Museum, originating with General Arnold, distinguished commander of the Army Air Forces during the late war, was made a reality by Congress when it passed a bill establishing such a bureau under the Smithsonian Institution. This was approved by the President on August 12, 1946, 100 years and 2 days after the act of 1846 that established the Smithsonian itself. The collections in aviation assembled by the far-sighted policy of the Smithsonian, and the generous participation of many public-spirited Americans is now in the custody of the National Air Museum.

General Arnold knew, better than most, the swift pace of change and development in aircraft, and saw that unless provision was made for preservation of important types, they would be thrown aside as they were superseded and thus be lost to future generations of students and engineers.

Response of the Air Forces, the Army, and the Navy, of aircraft manufacturers, and of others who have been approached in the interests of preventing loss of valuable specimens, has been most generous and gratifying. And a large amount of vitally important aeronautical material is now in hand awaiting a suitable building for its preservation. This will include the present collection as an epitome of the development of human flight, beginning with the earliest experiments, and continuing to turbo-jet and rocket planes of this modern day, with provision for expansion into the unpredictable imaginings of the scientists and engineers of tomorrow.

Events of the moment often may not be evaluated as to their effect on the future until the passage of years. It has been a far cry from the assembly of strips of woods, of canvas and of metal by two enthusiastic and inspired young men in Dayton, to the great research laboratories in aviation of the Government and of private industry today where thousands of persons are employed, or to the vast factories for the assembly of modern aircraft under a capital investment of many millions of dollars. And equally far from the first flight of the Wright brothers along the sea-level dunes of Kitty Hawk to modern air travel in the upper air. Yet, all this has come in the period of less than half a century.

Besides providing a new and faster means of travel, the airplane today is doing all sorts of jobs that would have exceeded the wildest flights of fancy in aviation's early days. Planes equipped with special devices during the late war sprayed whole islands in the Pacific theater with insecticide, making these malaria-infested areas safe from a health standpoint for American soldiers. In peacetime, large acreages of cotton and other crops are likewise treated by airplanes to control insect damage. Airplanes serve as flying ambulances; aid in forest-fire control; fly mercy missions in the far north and elsewhere, wherever emergency medical and other supplies are needed; do rescue jobs on land and sea; speed emergency mail and freight to their destinations; and perform many other services too numerous to mention.

Their wartime service is too well known to need comment. Orville Wright, however, did not like to think of the airplane as an instrument of destruction. He preferred to consider its prime function that of linking the nations of the earth together—of making the peoples of the world better known to one another, and thus eventually an aid in achieving peace on earth.

If, at the time of that historic event of 45 years ago, the possibility of human flight was unbelievable, life today without air transport is equally unthinkable. Phenomenal progress has been made in safety, speed, carrying capacity, distances flown, and all other aspects of air travel. In 1946, the year the National Air Museum was established, 31 domestic air lines in the United States of America flew more than 327,000,000 air miles and carried over 12,000,000 passengers. Did the Wright brothers envision the growth of such a colossus on that cold December day at Kitty Hawk in 1903? Or did they foresee the push-button flying that last year enabled a pilotless plane to traverse the Atlantic with no human hands at the controls; the penetration of the supersonic barrier at speeds beyond that of sound; or the blind flying and landing controlled by radar and other devices? Undoubtedly they did not, but they did see what most other men of their time could not see—the possibility of human flight—and they had the courage and perseverance to make their dream come true.

In their studies and experiments Wilbur and Orville Wright solved the problems of control in flight, designed an efficient propeller, and built their own four-cylinder gasoline engine sufficiently light in weight to serve their purpose. Many of their experiments were made in an ingenious wind tunnel with which they worked for months investigating aerodynamic forces on glider wings of different types. Through these careful scientific invesigations came their success.

The late Dr. George W. Lewis, for 25 years Director of Aeronautical Research for the National Advisory Committee for Aeronautics, in speaking on the fortieth anniversary of the first flights, made the following important statement:

"Naturally there is a great difference between the scientific research equipment and techniques of today, and those of 1903. However, the philosophy and technical approach today follows a pattern laid down by the Wright brothers four decades ago. Aeronautical progress now is but a continuation of their work. For this guidance, we should be everlastingly appreciative."

All Americans and all liberty-loving peoples have been thrilled during the last year by the marvelous work of the Berlin airlift, conducted by American and British aviators, with some assistance from the French. For one whole year a city of 2,500,000 people were fed and clothed and warmed by this incredible service of the airplanes in the cold war, forced upon us by the Soviet Union. For the time being the tenseness of this situation has been somewhat relieved, but it is a glorious thing for Americans to realize they had the ingenuity and courage to overcome what was thought to be an insuperable obstacle to the preservation of the life of the people of a great city which had been practically destroyed by the ravages of war.

When I was in Berlin during last Christmas, I was thrilled by the knowledge that out of their meager pay the American soldiers, in and out of the Air Force, contributed to the enjoyment of Christmas dinner by 2,000,000 German children. This demonstrated that the American soldier retains his humanity and his sense of proportion and propriety in his uniform, as well as in his civilian garb.

We hail aircraft as an instrument of greater knowledge of the conditions existing in the world. We hail it as a source of defense in time of war, if war should come. We hail it as a means of transportation and travel, and the shipment of mail and freight during times of peace. Since the end of the war, I have myself crossed the Atlantic Ocean 14 times by air to attend international conferences and on other phases of public business.

I am sure you share the hope that I am bold enough to express that someday the airplane and all that it implies, and all that it may produce, shall work toward the cementing of the nations and the peoples of the world for peace and harmony and the development of their natural resources, and their individual and collective aspirations.

And I congratulate the city of Paducah and the county of McCracken and all those who have had a part in the development of this beautiful airfield here in our midst, and I wish for it that development and expansion in the future which will make our community a center of travel, of culture, and of human understanding.

PROCEDURES FOLLOWED BY TERRITORIES IN CONNECTION WITH ADMISSION INTO THE UNION

Mr. CORDON. Mr. President, the Territory of Hawaii, through its Territorial legislature, has passed an act providing for the holding of a constitutional convention in the Territory. At first thought, one might feel that act was most unusual, inasmuch as there has been no action by the Congress of the United States to provide for admission of the Territory of Hawaii to statehood. However, Mr. President, as a matter of fact, that act is in line with precedent. Fifteen of the Territories of the United States called constitutional conventions and adopted their constitutions in advance of any congressional action leading to statehood. Not many persons, I suspect, are aware of that fact. Those States are Arkansas, California, Florida, Idaho, Iowa, Kansas, Kentucky, Maine, Michigan, my own State of Oregon, Tennessee, Vermont, Texas, West Virginia, and Wyoming.

The Territory of Hawaii, through its legislative reference bureau, has made a digest in reference to this particular matter. I believe the digest is very informative and instructive. Therefore, I ask unanimous consent to have it printed at this point in the RECORD as a part of my remarks, for the benefit of those who may be interested in the subject.

There being no objection, the digest was ordered to be printed in the RECORD, as follows:

PROCEDURES FOLLOWED BY STATES ADMITTED INTO THE UNION WITHOUT CONGRESSIONAL ENABLING ACTS

Fifteen States[1] have entered the Union without the aid of enabling acts. As a result of popular and official sentiment in favor of statehood and of the failure of Congress to pass enabling acts in their cases, these States successfully pressed for statehood without this prior authorization. In the typical case, the Territorial government prceeeded

[1] Arkansas, California, Florida, Idaho, Iowa, Kansas, Kentucky, Maine, Michigan, Oregon, Tennessee, Vermont, Texas, West Virginia, and Wyoming.

to call for an election of delegates to a convention for the purpose of forming a constitution and a State government. Upon drafting a constitution this document was submitted to the people of the Territory for ratification, and upon receiving a favorable vote was forwarded to the Congress of the United States for approval with the petition that the Territory be admitted into the Union as a State. In the case of each of the States referred to congressional approval was obtained in the form of an act of admission which either granted statehood immediately, or was conditioned upon the acceptance by the people of the Territory of certain requirements specified in the act. Two States [2] as early as 1791 and two others [3] as recently as 1890 acquired statehood through congressional acts of admission after drafting constitutions in the absence of enabling acts.

CALLING OF CONVENTION

In at least five [4] of the States the constitutional convention was called by the terms of an act of the Territorial legislature. The States of Kentucky and Maine were erected out of territory lying within the borders of Virginia and Massachusetts, respectively, and the election of delegates to a constitutional convention in their cases resulted from acts passed by the General Assembly of Virginia and the General Court of Massachusetts, which granted permission to the people in Kentucky and Maine to proceed in petitioning Congress for recognition as separate States. In four States [5] the constitutional convention was called by gubernatorial proclamation. In West Virginia the constitutional convention was held pursuant to the provisions of an ordinance passed by the Second Convention of the People of Northwestern Virginia which was created after the State of Virginia seceded from the Federal Union.[6]

These acts of Territorial and State legislatures, gubernatorial proclamations, and the convention ordinance in West Virginia set the date for the election of delegates to a constitutional convention and specified the time and place for the convention. Generally they described the election procedure to be followed, the qualifications of voters, and included provision for the apportionment of members to the constitutional convention.

ORGANIZATION OF CONVENTION

The delegates after assembling at the appointed time and place, in each case proceeded to organize the convention and form a constitution and a State government. After completing the work of drafting a State constitution this document in the case of at least 11 [7] of the States was submitted to the people for ratification or rejection in accordance with the requirements of the acts or proclamations calling the convention, or by direction of the convention itself. Following ratification, the constitution and supporting documents were forwarded to the National Government for approval and an attempt made to obtain speedy admission into the Union.

PRESENTATION OF CONSTITUTION TO CONGRESS

There was no uniformity in the manner in which the State constitutions were presented to the National Government. In some cases they were submitted to the Congress. In Iowa, for example, the act of the Territorial legislature calling the constitutional convention specified "that said constitution and form of State government shall, if ratified at the election specified in the fifth section of this act, be presented to the Congress of the United States, at the next ensuing session thereof, for admittance into the Union upon an equal footing with the original States." [8] But in Florida it was provided "that on the adoption of a constitution for the State of Florida, the convention shall transmit an authenticated copy thereof to the President of the United States, to the Presiding Officer of both Houses of Congress, and to the Delegate from Florida." [9] California affords an example of still another method. According to one source,[10] provision was made by the constitutional convention for transmittal to the military commander and de facto Governor of California of a copy of the constitution with the request that he forward this copy to the President of the United States.

CONGRESSIONAL ACTION

The action taken by the National Government in the cases of the different States varied with the temper of the Congress and the President and with the conditions in the Nation at the time the different applications for statehood were made. Seven States [11] obtained outright approval of their constitutions and were unconditionally admitted into the Union on an equal footing with the other States by acts of Congress approved by the President. Texas was admitted by a joint resolution of Congress passed on December 29, 1845.[12] The others were granted statehood but the acts of admission in each case specified that statehood would become effective upon the acceptance by the people of these States of certain conditions enumerated in the acts. Generally, these conditions were concerned with the disposition of public lands. In Michigan's case the condition precedent to full statehood involved popular acceptance of the congressional settlement of the boundary controversy between Michigan and the State of Ohio.[13] West Virginia was required to amend its constitution to provide for the gradual abolition of slavery.[14] None of these States, however, was refused admission into the Federal Union on account of its forming a constitution and State government without the prior authorization of a congressional enabling act.

Two other matters of importance remain to be considered. One is related to the status of the areas petitioning for statehood between the time they adopted constitutions and the time they were admitted into the Union. The other is concerned with the financing of the conventions that formed the constitutions and the State governments.

INTERIM STATUS

Nine [15] of the areas mentioned were organized Territories prior to their admission into the Union. Four States [16] were erected from the territory within the jurisdiction of other States. California was an unorganized area under the supervision of a United States military commander who served as de facto governor, and Texas was an independent republic. Usually, the government that was functioning in the Territory at the time statehood was petitioned for, continued to exercise its jurisdiction until the Territory was admitted as a State and a State government established under the approved constitution. California, Michigan, Oregon, and Tennessee provide exceptions to this general rule.

In California, the constitution was approved by the people at an election held on November 13, 1849, and at the same time a governor, lieutenant governor, members of the legislature and other State officers were elected.[17] The first legislature met at San Jose on December 15, 1849, authorized a loan of $200,000 [18] and provided for a system of taxation.[19] The legislature passed an act fixing the jurisdiction of the courts and rather comprehensive acts governing criminal and civil procedure.[20] The State was organized and began to function exactly as though it were a part of the Union. The legislature elected Senators to the United States Senate and sent them with Representatives to Washington to urge the admission of California into the Union as a State.[21] This was followed by the passage of an act of admission which was approved by the President on September 9, 1850.[22]

In Michigan the constitution was ratified by the people at an election held in October 1835. At the same time, under the authorization of the constitutional convention the people elected a complete slate of State officers and directed these officials to proceed to organize the government of the proposed State. In addition to these State officers, a representative to Congress was elected, and the State legislature when it convened on November 2, 1835, the date set by the constitution, elected two United States Senators. No general legislative program was undertaken at this time, and the legislature adjourned on November 14. On February 1 of the following year the legislature reconvened and continued its deliberations through the months of February and March but failed to take any determined action either in regard to enacting a program of legislation or to advancing the cause of statehood. The controversy over the admission of Michigan by this time was centered in the dispute with the State of Ohio over the location of the southern boundary. The act of Congress approved June 15, 1836 (5 Stat. L. 49–50), admitting Michigan into the Union settled the boundary between Michigan and Ohio and made acceptance of

[2] Kentucky and Vermont.
[3] Idaho and Wyoming.
[4] Florida, Iowa, Michigan, Oregon, and Tennessee.
[5] California, Idaho, Texas, and Wyoming.
[6] See Lewis, Virgil A. How West Virginia Was Made. Charleston: News-Mail Co., 1909.
[7] California, Florida, Idaho, Iowa, Kansas, Maine, Michigan, Oregon, Texas, West Virginia, and Wyoming.
[8] Ch. 37, sec. 3, of an act of the Council and House of Representatives of the Territory of Iowa, providing for the election of delegates to a convention to form a constitution and State government approved January 17, 1846.
[9] Sec. 9 of "An act to call a convention for the purpose of organizing a State Government"; passed January 30, 1838; approved February 2, 1838; Enrolled Acts, 1838; printed acts, 1888, pp. 8, 9; DuVal's Compilation, pp. 433, 434, as cited by the Florida State Library, Florida Becomes a State. Tallahassee: Florida Centennial Commission, 1945, pp. 119–122.
[10] Browne's Debates in the Convention of California, 1850, p. 473, as cited by Rockwell Dennis Hunt, The Genesis of California's First Constitution (1846–49). Baltimore: The Johns Hopkins Press, 1895, p. 53.
[11] Florida, Idaho, Kentucky, Maine, Tennessee, Vermont, and Wyoming.
[12] 9 Stat. L. 108. Texas was an independent republic prior to the time of admission into the Union and acquired statehood at the time of its annexation to the United States.
[13] 5 Stat. L. 49–50; June 15, 1836.
[14] 12 Stat. L. 633; Dec. 31, 1862.
[15] Arkansas, Florida, Idaho, Iowa, Kansas, Michigan, Oregon, Tennessee, and Wyoming.
[16] Kentucky was within the borders of the State of Virginia; Maine in Massachusetts; Vermont in New York; and West Virginia in Virginia.
[17] Bancroft, History of California, XXIII, 311–314, as cited by the California State Senate, Constitution of the State of California, compiled by Paul Mason, Sacramento; California State Printing Office, 1947, pp. 316–317.
[18] Journals of the California Legislature, 1850, pp. 630, 640, 650, as cited by the California State Senate, op. cit., pp. 316X317.
[19] Statutes of 1850, p. 54, as cited by the California State Senate, op. cit., pp. 316–317.
[20] Statutes of 1850, p. 275, as cited by the California State Senate, idem. pp. 316–317.
[21] Ibid., pp. 316–317.
[22] 9 Stat. L. 452.

this settlement by the people of Michigan acting through their delegates in convention as the condition precedent to the admission of Michigan as a State. The legislature met again on July 11, 1836, to deliberate on the question of a constitutional convention. Legislation was enacted providing for an election of delegates to a convention to consider the matter presented by the act of Congress, and thereafter, the legislature left the work of achieving statehood to the conventions that were elected for this purpose. The second convention elected finally accepted the boundary settlement made by Congress and the message of its assent was forwarded to the President who submitted it to Congress. An act (5 Stat. L. 144) was then passed by Congress and approved by the President on January 26, 1837, admitting Michigan into the Union as a State.[23]

Oregon followed a course of action similar to California and Michigan. The constitution formed by the constitutional convention was submitted to and ratified by the people of Oregon at an election held on November 9, 1857. Schedule 6 of the constitution anticipating early action by Congress admitting Oregon as a State provided that should the constitution be ratified a special election should be held on the first Monday in June 1858 for the election of members of the legislative assembly, a Representative to Congress, and State and county officers. It provided further, that a special session of the State legislative assembly should be convened on the first Monday of July 1858 which should proceed to elect two Senators to the United States Senate and make other provisions as necessary to complete the organization of the State government. Action was taken pursuant to the provisions of this schedule, and in addition to electing a full list of State officers there were elected a Territorial governor and members of the house and council of the Territorial legislature. Although congressional assent to admission was not forthcoming the State legislature assembled at Salem on July 5, 1858. The session, however, lasted only 4 days and practically nothing was accomplished except the election of two United States Senators. An abortive effort was made on September 13, 1858, to assemble the State legislature, but doubt was expressed as to the legality of its existence and as few members appeared for the session it was adjourned sine die. The question remained as to which of Oregon's two governors was in authority and this was settled by the acquiescence of the State governor to the Territorial governor's continuing to function. On December 6, 1858, the last Territorial legislature assembled pursuant to the old provisions of Territorial law. The act conditionally admitting Oregon into the Union (11 Stat. L. 383) was passed by Congress and approved by the President on February 14, 1859. When news of this event reached Oregon, the State governor called the State legislature into special session to consider the conditions precedent to admission. The legislature convened on May 16, 1859, accepted the conditions and adjourned on June 4, 1859. The first regular session of the Oregon State Legislature did not convene until September 10, 1860.[24]

In regard to the experience of Tennessee while in interim status one writer has said:

"Conceiving that by the adoption of the constitution a State had been brought into being capable of acting before and regardless of admission into the Union, the president of the convention was directed to issue writs for the election of a governor and members of a general assembly. John Sevier was elected Governor and the first general assembly met at Knoxville on March 28, 1796. William Blount and William Cocke were elected by the general assembly as Senators in the Federal Congress. Two districts were laid off from which two Representatives in the lower House of Congress should be elected in August following. Four Presidential electors were chosen: Joseph Greer,, Daniel Smith, Hugh Nielson, and Joseph Anderson. A number of statutes of general and permanent nature were passed, and a corps of State officials were elected. The session lasted 20 days and covered a part of the period in which Congress had under consideration the admission of the State." [25]

Four months after the State government was formed, Congress passed an act [26] admitting Tennessee into the Union and this was approved by the President on June 1, 1796.

FINANCING THE CONSTITUTIONAL CONVENTIONS

The constitutional conventions in five of the States [27] were financed by funds appropriated for this purpose by the Territorial or State governments. The expenses of the convention in one State [28] were paid in full by moneys appropriated from the United States Treasury, and in the case of another State,[29] these expenses were defrayed both by Federal and Territorial funds. No information was obtainable on the payment of the expenses of the constitutional conventions in the other States but in the absence of any evidence of a Federal appropriation having been made therefor, it appears that these expenses were assumed by their Territorial or State governments.

In California the members of the constitutional convention voted themselves a $16 per diem allowance and $16 for every 20 miles of travel. The president was compensated by a per diem allowance fixed at $25.[30]

The other officers of the convention were provided for by per diem allowances ranging from that of the secretary at $28 to that of the page at $4.[31] Ten thousand dollars was voted to the stenographic reporter under a contract to furnish printed copies of the convention proceedings.[32]

In Florida the law enacted by the Territorial legislature calling the constitutional convention provided "that the members of the convention shall receive as compensation the same rates as then allowed to members of the legislative council and that the expenses of the convention shall be paid out of the Territorial treasury if no appropriation shall be made by Congress for that purpose." [33] At that time members of the Territorial council received $3 each per day during their attendance in council and $3 for every 20 miles traveled, to be estimated from the member's place of residence to and from the seat of government.[34] Although not determined conclusively, it appears that the expenses of the convention, which amounted to $20,000, were paid by the Territorial government. The 1839 session of the legislative council passed a revenue measure increasing the tax rates on land and slaves in order to provide additional revenues needed to defray the increased obligations of the Territorial government, which included the expense of the constitutional convention.[35]

The law of the Territory of Iowa calling a constitutional convention provided, in part, "that the members of said convention be entitled to $3 for every 20 miles traveled to and from the place of holding said convention, and $3 per diem for their services, to be paid in the way and manner as may hereafter be provided for the legislative assembly of the Territory or State of Iowa." [36] In the following year the general assembly of the State of Iowa directed that the auditor of State be required to audit and allow the expenses incurred by the convention and that certificates of the amount of these expenses, signed by the president of the convention and countersigned by its secretary, be taken as conclusive evidence of indebtedness to the holder. The auditor was further required to issue his warrant upon the treasurer of the State for the amount specified in the certificates.[37]

It appears that the expenses of the Michigan constitutional convention, including the services performed by the delegates, were paid out of the Territorial treasury. Section 1 of an act passed by the Territorial legislative council entitled "An act to defray the expenses of holding a convention to form a constitution and State government" [38] provided that "the mileage and pay of the delegates which may hereafter assemble for the purposes contemplated in the act entitled 'An act to enable the people of Michigan to form a constitution and State government,' approved January 26, 1835, shall be chargeable to and paid out of the Territorial treasury: *Provided,* That the convention assembled shall by resolution fix the daily pay and mileage to which delegates thereto shall be entitled; and the amount due each delegate shall be ascertained and paid from the Territorial treasury upon the certificate of the presiding officer of said convention." Section 5 of the same act [39] provided for the payment of the stationery, printing, and other contingent expenses of the convention, a sum not exceeding $2,000 is hereby appropriated from the Territorial treasury, to be paid on the certificate of the presiding officer of the said convention. The convention, when convened to draft a constitution, did not

[23] Harold M. Dorr, the Michigan Constitutional Conventions of 1835–36, Ann Arbor; the University of Michigan Press, 1940, pp. 32–52. This writer adds that the action of the Territory of Michigan in electing a complete slate of State officers and representatives to Congress proved displeasing to the President who immediately placed another person in charge of Territorial affairs, the former Territorial Governor having been elected as Governor of the State of Michigan. The activation of the State government resulted in increased congressional opposition to statehood for Michigan and that body refused to admit or recognize the Senators and Representatives from Michigan. As no provision had been made in the last election for the selection of a Territorial delegate, Michigan found herself at this critical time without representation of any sort in Congress.

[24] State of Oregon, The Oregon Constitution, edited by Charles Henry Carey, Salem: State printing department, 1928, pp. 40–56.

[25] Samuel C. Williams, The Admission of Tennessee Into the Union, Nashville: The Tennessee Historical Commission, 1945, pp. 13–14. On p. 24 of this same work the author notes that the United States Senate refused to seat the Senators-elect from Tennessee and they were compelled to return home to seek reelection by the State legislature, Tennessee by this time having been admitted into the Union.

[26] 1 Stat. L. 491.

[27] By territory: Florida, Michigan, and Oregon; by State: Iowa; it is not clear in which category California falls.

[28] Idaho.

[29] Wyoming.

[30] Browne's Debates in the Convention of California, 1850, pp. 289–292, as cited by Rockwell Dennis Hunt, op. cit., p. 52.

[31] Idem, p. 52.

[32] Idem, p. 53.

[33] Sec. 10 of "An act to call a convention for the purpose of organizing a State government," passed January 30, 1838, approved February 2, 1838, Enrolled Act, 1838; Printed Acts, 1838, pp. 8, 9; DuVal's Compilation, pp. 433, 434, as cited by Florida State Library, op. cit., pp. 119–122.

[34] 4 Stat. L. 164.

[35] Florida State Library, op. cit., p. 68.

[36] Ch. 37, sec. 10, of "An act of the Council and House of Representatives of the Territory of Iowa, providing for the election of delegates to a convention to form a constitution and State government," approved January 17, 1846.

[37] Res. No. V of the General Assembly of the State of Iowa, approved January 7, 1847.

[38] Michigan Territorial Laws, III, 1410–1411.

[39] Ibid.

hesitate to exercise legislative powers. It fixed the compensation of its members and officials and appropriated money to defray the expense of fitting up the convention hall and to compensate persons for the use of committee rooms.[40]

In Oregon an effort was made by the Territorial legislature in February 1858, to procure from Congress an appropriation to pay for the expenses of the constitutional convention but this was unsuccessful. The Territorial legislature of 1858–59 finally passed a bill directing payment of the expenses of the convention.[41] This act[42] specified that the auditor of the Territory be required to examine, audit, and allow upon proper certification the expenses of the constitutional convention upon the basis of like expenses paid to members of the Territorial legislature for similar services. The treasurer of the Territory was authorized and required to pay upon the warrants of the auditor the sums, as audited, for per diem and mileage of the members, for printing, services of clerks and other employees, and for other incidental expenses of the convention.

Among the States considered in this report the two most recently admitted into the Union[43] were supplied with Federal funds to pay in full or in part the expenses of their constitutional conventions. In the case of Idaho, the congressional act[44] admitting Idaho into the Union included provision in section 15 for $28,000 to be appropriated from the United States Treasury for the payment of the expenses of the constitutional convention. Members of the convention were reimbursed for their services pursuant to the terms of this section under the same rules and at the same rates as are now provided by law for the payment of Territorial legislatures and for elections held therefor and thereunder.

The constitutional convention in Wyoming was financed by both Territorial and Federal moneys. Through an act[45] passed by the council and house of representatives of the Territory of Wyoming and approved by the Territorial Governor on March 14, 1890, $820.50 was appropriated from the Territorial treasury to pay the employees of the constitutional convention and an additional $1,189.46 was appropriated to pay the costs of printing and other incidental expenses of the convention. Section 15 of the act of admission[46] in the case of Wyoming appropriated from the United States Treasury $30,000 to defray the expenses of the convention and for the payment of the members thereof.

SUMMARY OF RESOLUTIONS RELATING TO THE UNITED NATIONS, WORLD FEDERATION, AND RELATED MATTERS

Mr. THOMAS of Utah. Mr. President, the chairman of the Foreign Relations Committee, the distinguished Senator from Texas [Mr. CONNALLY], has appointed me chairman of a subcommittee to handle and to hold hearings on all resolutions dealing with amendments to the United Nations and to other world organizations, including, of course, suggestions for world federation, and matters relating to it. The hearings will be held next January. Because of the general interest in the hearings and because of the fact that so many of the bills, resolutions, and other measures carry the names of many Senators, I ask unanimous consent that a summary or outline which I have prepared of the resolutions and other measures before the subcommittee be made a part of my remarks at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF RESOLUTIONS RELATING TO THE UNITED NATIONS, WORLD FEDERATION, AND RELATED MATTERS

The following resolutions have been referred to the subcommittee which has been set up to consider various measures pending before the Foreign Relations Committee dealing with the United Nations, the federation of Europe, and related matters. The members of the subcommittee are Senator THOMAS (Utah), chairman, Senator GREEN, Senator MCMAHON, Senator WILEY, and Senator SMITH (New Jersey).

1. Senate Concurrent Resolution 12, introduced by Mr. FULBRIGHT and Mr. THOMAS of Utah on January 31, 1949, sets forth the principle that Congress favors the political federation of Europe. The resolution makes clear that there is no intention of imposing any particular form of political or economic association upon the people of Europe.

2. Senate Concurrent Resolution 52, introduced by Mr. THOMAS of Utah for himself and Mr. DOUGLAS on July 8, 1949, favors an agreement supplementary to the United Nations Charter, under which UN members would pledge themselves to come to the aid of the victim of attack—if the Security Council is prevented from fulfilling its duties—when requested by a two-thirds vote of the General Assembly, including three of the permanent members of the Security Council. The resolution reaffirms the faith of the Congress in the United Nations and requires that the proposed agreement: (1) shall be based on article 51 of the Charter and shall not in any way impair the right of self-defense; (2) shall provide for the forces each signatory is to maintain for the immediate use of the United Nations; (3) shall specify that those signatories, who are members of the Security Council, will take steps to remove from the agenda of the Security Council matters pertaining to a threat to or a breach of the peace, or act of aggression when the Security Council is prevented from fulfilling its duties; and (4) shall take effect when ratified by a majority of the United Nations including three permanent members of the Security Council.

3. Senate Concurrent Resolution 56, introduced by Mr. TOBEY for himself and 18 other Senators on July 26, 1949, resolves that it is the sense of the Congress that the United States should support and strengthen the United Nations, and should seek its development into a world federation open to all nations with limited powers adequate to preserve peace through the enactment and enforcement of world law.

4. Senate Concurrent Resolution 57, introduced by Mr. KEFAUVER for himself and 19 other Senators on July 26, 1949, requests the President to invite the democracies which sponsored the North Atlantic Treaty to name delegates to meet in a federal convention to explore how far their peoples, and the peoples of such other democracies as the convention may invite to send delegates, can apply among them, within the framework of the United Nations, the principles of free federal union.

5. Senate Resolution 133, introduced by Mr. SPARKMAN for himself and 10 other Senators on July 8, 1949, proposes to implement the North Atlantic Treaty in part by revising the United Nations Charter so as to eliminate the veto and avert an armaments race. The resolution further provides for the creation of an international police force under the Security Council and the World Court. If these proposals are vetoed by a permanent member of the Security Council, a world pact for mutual defense is proposed within the United Nations open to all nations.

The resolution would also implement the North Atlantic Treaty by establishing an international contingent recruited from the smaller sovereign states, and stationed either in western Germany or in the smaller states, which would act as auxiliary to the national armed forces of the participating member states. It would be equipped by the military assistance program contemplated under article 3 of the North Atlantic Treaty and would be organized and commanded by the special defense committee to be established under article 9. The committee could act only on the affirmative vote of six of the seven member states.

6. Senate Resolution 134, introduced by Mr. FLANDERS and Mr. TAFT on July 14, 1949, urges the President to extend the Monroe Doctrine to western Europe on such terms as will best meet the present emergency and serve as a continuing support for the objectives of the United Nations.

STATEMENT OF THE INVESTIGATIONS SUBCOMMITTEE OF THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. HOEY. Mr. President, I ask unanimous consent to insert in the Appendix of the edition of the RECORD which is to be printed following the adjournment, a statement on behalf of the Subcommittee on Investigations of which I am chairman, of the Committee on Expenditures in the Executive Departments.

The VICE PRESIDENT. Without objection, it is so ordered.

HOSPITAL FOR TREATMENT OF INDIANS AT ALBUQUERQUE, N. MEX.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2404) authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians, which were on page 4, to strike out lines 8 to 25, inclusive, and on page 5, strike out lines 1 to 13, inclusive; on page 5, line 14, strike out "Sec. 3" and insert: "Sec. 2", and on page 7, line 21, strike out "Sec. 4" and insert "Sec. 3."

Mr. MCFARLAND. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

UNIFORM LAW CONCERNING COMMON-TRUST FUNDS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1580) concerning common-trust funds and to make uniform the law with reference thereto

---

[40] Harold M. Dorr, op. cit., p. 16.

[41] Oregon State, op. cit., p. 37. See also note 16.

[42] From the laws of the Territory of Oregon enacted during the tenth regular session of the legislative assembly, begun December 8, 1858; concluded January 22, 1859, p. 40.

[43] Idaho on July 3, 1890, and Wyoming on July 10, 1890.

[44] 26 Stat. L 215; July 3, 1890. In a proclamation made by the Territorial Governor of Idaho on May 11, 1889, it was stated that the convention will undoubtedly fix its own per diem and mileage and that of its employees. Their certificates of service and expenditure will be filed with the Territorial secretary, and Congress will doubtless follow its own precedents in providing for the payment thereof.

[45] Chapter 56 of the session laws of Wyoming, 1890.

[46] 26 Stat. L 222; July 10, 1890.

which was to strike out all after the enacting clause and insert:

SECTION 1. Establishment of common-trust funds: Any bank or trust company qualified to act as fiduciary in the District of Columbia may, subject to such rules and regulations as may be promulgated from time to time by the Board of Governors of the Federal Reserve System under the provisions of section 11 (k) of the Federal Reserve Act, as amended (12 U. S. C. 248 (k)), pertaining to the collective investment of trust funds by national banks, establish common-trust funds for the purpose of furnishing investments to itself as fiduciary, or to itself and others as cofiduciaries; and may, as such fiduciary or cofiduciary, invest funds which it lawfully holds for investment in interests in such common-trust funds, if such investment is not prohibited by the instrument, judgment, decree, or order creating such fiduciary relationship, and if, in the case of cofiduciaries, the bank or trust company procures the written consent of its cofiduciaries to such investment.

SEC. 2. Taxability of common-trust funds: (a) A common trust fund, as herein defined, shall not be subject to any tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, as amended, and for the purpose of said act shall not be deemed to be a corporation.

(b) The net income of a common-trust fund shall be computed in the same manner and on the same basis as in the case of an individual. Each participant in a common-trust fund shall include, in computing its net income its proportionate share of the net income of such fund, whether or not distributed to it, and the amount so included in the net income of a participant shall be taxable to such participant, or its beneficiaries, in the manner and to the extent provided in title IX of the District of Columbia Income and Franchise Tax Act of 1947, as amended, as if any amount not distributed to the participant during its taxable year actually had been so distributed.

(c) No gain or loss shall be realized by a common-trust fund upon the admission or withdrawal of a participant, or upon the admission or withdrawal of any interest of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by such participant.

(d) Every bank or trust company maintaining a common-trust fund shall make a return under oath for the taxable year of such fund.

(e) If the taxable year of a common-trust fund is different from that of a participant therein, the proportionate share of the net income of such fund to be included in computing the net income of such participant for its taxable year shall be based upon the net income of such fund for its taxable year ending within the taxable year of such participant.

SEC. 3. Court accountings: Unless ordered by a court of competent jurisdiction the bank or trust company operating such common-trust funds is not required to render a court accounting with regard to such common-trust funds; but it may, by application to the United States District Court for the District of Columbia, secure approval of such accounting on such conditions as the court may establish.

SEC. 4. Uniformity of interpretation: This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of the District of Columbia with the law of those States which enact the Uniform Common-Trust Fund Act.

SEC. 5. Short title: This act may be cited as the "Uniform Common-Trust Fund Act."

SEC. 6. Severability: If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect the other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SEC. 7. Repeal: All acts or parts of acts which are inconsistent with the provisions of this act are hereby repealed.

SEC. 8. Time of taking effect: This act shall take effect November 1, 1949, and shall apply to fiduciary relationships then in existence or thereafter established.

Mr. JOHNSTON of South Carolina. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PRIEST, Mr. SADOWSKI, and Mr. O'HARA were appointed managers on the part of the House at the conference.

AMENDMENT OF FEDERAL FARM LOAN ACT—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a conference report on House bill 3699, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: Change the figure "$75,000" to "$100,000"; and the Senate agree to the same.

ALLEN J. ELLENDER
(By S. L. H.),
OLIN D. JOHNSTON,
SPESSARD L. HOLLAND,
EDWARD J. THYE,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

Mr. HOLLAND. Mr. President, the conference report is unanimously agreed to by the conferees on the part of both Houses. The only effect of the report is to raise the maximum limit of loans from farm loan banks from $75,000 to $100,000. I ask for the approval of the report.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

FAREWELL STATEMENT BY SENATOR BALDWIN

Mr. BALDWIN. Mr. President, this is the last session the junior Senator from Connecticut will attend as a Member of the United States Senate. On December 17, I expect to take the oath as a justice of the Supreme Court of Connecticut, and I shall tender my resignation at that time. Before I take my leave, however, there are just a few words of appreciation that I should like to say.

I wish to express to you, Mr. President, my profound thanks for the kindly, understanding consideration which you personally have always shown to me. It has been one of the rare and most pleasant experiences of my lifetime to have known you and to have shared with the Senate the opportunity of enjoying your kindly and genial association.

I wish to express my most sincere thanks, too, to all the officers of the Senate, to my distinguished friend the able senior Senator from Illinois [Mr. LUCAS], the leader in the Senate of the majority party; to my distinguished friend the able junior Senator from Nebraska [Mr. WHERRY], the leader in the Senate of my own party; to the clerks of the Senate; to the secretaries; and to all the staff. They have always been most willing and helpful to one who, I must confess, has often needed their help.

To my colleagues in the Senate, I say that I shall always hold you in high esteem and treasure your friendship. You have ever been friendly, helpful, understanding. I wish that the people of the country might know, as I have come intimately to know, how earnest, sincere, conscientious, and able you are. You have given a new and broader meaning to the word "work." Your manner of dealing with your colleagues has demonstrated a richer import to the term "integrity." You have added a shining luster to the word "politician"—a term which all too many of our fellow citizens

fail to understand. Honest political and personal disagreements there will always be. But so long as this body maintains its integrity, understanding, and democracy—and I mean everything that word implies—to which all of you have so ably contributed, this, our Republic, I know, with God's grace, will endure. I have had an experience here that will serve me well in the public service to which I go.

It has been a memorable experience to have been associated with you, for I know of no finer group of men anywhere, in any walk of life. I shall miss these daily associations.

I can only say to you, from my heart, thanks for all you have been to me and have done for me. The door of the little salt-box house in Stratford, which I call home, will always be gladly opened to welcome any of you who can come to the old Yankee State of Connecticut.

Thank you very much. [Applause.]

TRIBUTES TO SENATOR BALDWIN

Subsequently, the following tributes were paid to Senator BALDWIN:

Mr. McMAHON. Mr. President, I was at the White House conferring with the President of the United States earlier today when the junior Senator from Connecticut [Mr. BALDWIN] spoke about his prospective resignation from the Senate of the United States. I am grateful for the reference he made to me. I have since had the privilege of reading his remarks.

The Senator and I have been friends for more than 20 years. I have not only an affection for him, but a profound respect for his integrity and his ability, for his patriotism, and for his devotion to his country, his State, and his family. I am sure he takes with him to the supreme court of our State the most genuine and heartfelt wishes for a long and honorable career on the bench. We all wish him happiness in the years to come.

Mr. LUCAS. Mr. President, I desire to join my colleague the senior Senator from Connecticut [Mr. McMAHON], who just delivered the brief tribute to his distinguished colleague [Mr. BALDWIN], who is serving perhaps his last day in the United States Senate. I am very grateful to the junior Senator from Connecticut for the kind remarks he made about me in his brief address to the Senate earlier today.

During the time I have served as majority leader of the Senate I have had many occasions to discuss various problems with the junior Senator from Connecticut, and while he and I did not always agree upon various measures which have been before the Senate, I have found him at all times to be a gentleman, one of the old school, if I may say so, courteous, kind, tolerant, and fair, one whose integrity could not be questioned.

I am sure that all Members of the Senate, irrespective of their political affiliations, regret to see the distinguished Senator leave this body. I think I speak for all my colleagues on this side of the aisle, as well as other Senators, when I say that we wish for him every success in his new venture, in his continued political career. We are certain that his experience in this great legislative body will be of immeasurable value to him as he ponders over the innumerable questions which will be before him for decision as a member of the Supreme Court of Connecticut.

Mr. SALTONSTALL. Mr. President, as a New Englander and as one who worked with the Senator from Connecticut for a period of 4 years while we both occupied the office of Governor in our respective States, and who has worked with him here in the Senate, I wish to add my word of best wishes for him in his future career as a member of the judiciary.

In New England we have a New England governors' conference, which meets a number of times during the year. The junior Senator from Connecticut was always helpful and creative. He was of assistance to all of us in arranging our thoughts and putting them on paper. He was always sincere, with no sign of partisan politics entering in any way into the discussion of various issues. I feel that he has approached the issues in the Senate in the same way that he did as Governor of Connecticut. He was a governor of all the people of the State, and not a partisan governor. He has a fine mind, unimpeachable integrity, and a heart of gold. I am confident that the people of Connecticut will benefit from his decisions as a member of their highest court.

Mr. DONNELL. Mr. President, I should like to have the RECORD show that at the moment I am occupying the seat of the minority leader. In that capacity, and also individually, I desire to say something with respect to our friend and colleague the junior Senator from Connecticut.

It has been my privilege to know him, as it has been the privilege of the distinguished Member of the Senate who now occupies the Chair [Mr. O'CONOR], for a number of years. He served with distinction as Governor of his State. He came to my own State upon one occasion. As I recall upon the occasion of our first meeting he demonstrated his ability as an orator and as a distinguished public servant by evidencing to an audience of Missourians, most clearly, his fine comprehension of the issues which were then before the country.

We are all familiar with his gracious personality. We are familiar also with many of his other qualities. His courage has been demonstrated frequently upon the floor of the Senate. His intelligence has been established beyond the slightest peradventure of doubt. His integrity stands unchallenged.

It was my privilege to be with him several years ago on Mackinac Island at the time of a certain notable conference in which he was a participant. On that occasion the reverence which our good friend has for nobler and finer things of life, exemplified in religion, was, in an incident I recall, very noticeable.

I am sure that we shall greatly miss him. We believe that in his departure to enter into a judicial capacity he will carry with him the same ability, the same integrity, the same courage, and the same graciousness which have characterized him here.

I take pleasure at this time in extending cordial best wishes to him. Yet it is with a note of sadness that I do so, because not only I, but other Members of the Senate, will miss him very greatly.

Mr. PEPPER. Mr. President, I should like the privilege of associating myself with the sentiments which have just been expressed on both sides of the aisle upon the unhappy departure from the membership of this body of the distinguished Senator from Connecticut. It is one of the sad experiences we have when we who have enjoyed long and happy association here must be separated for any reason, even if those who leave go voluntarily to satisfy something that is very meaningful to them.

In this case we shall be particularly conscious of a very keen loss when the Senator from Connecticut forsakes his colleagues here and takes up the completion of his political cycle by entering upon distinguished judicial service. Not all of us in our public life have had the opportunity of running the gamut of all three branches of our system of government, the executive, the legislative, and the judicial.

It has already been mentioned that the junior Senator from Connecticut served with distinction as governor of his great State. We know from personal experience and knowledge of the eminence with which he has discharged his high task in the United States Senate. We know that he will continue to crown himself with added honors when he assumes the mantle of the judiciary and departs from these somewhat controversial halls to the quiet cloisters of the court.

We want him to know that he will carry with him our warm affection, as he has had it here. He carries also our great admiration for high qualities of character, competence, and courage which he has so often and so gallantly manifested in the Senate. He has our hearty good wishes and, so far as we may extend them, our prayerful hopes for many more years of distinguished and useful public service.

Mr. IVES. Mr. President, this is a statement which I hoped I never would have to make in the Senate. I do not wish to dignify it by the term "speech." It is not because the subject of my remarks is not deserving of anything I may say regarding him, because he is more than deserving, but because of the circumstances under which I say it.

It so happens that the distinguished junior Senator from Connecticut and I arrived in the Senate at the same time, as a result of the same election. Probably no Member of the Senate has been more active in matters of legislation in which the Senator from New York has been interested than has the Senator from Connecticut. It has been my good fortune to work closely with him on many questions of importance, not only to the two of us personally but to the country.

The Senator from New York learned long ago to recognize the great qualities which the distinguished Senator from Connecticut possesses. Recognizing those qualities, the Senator from New York cannot begin at this time to express the deep regret he feels at the decision of the Senator from Connecticut to retire from this great legislative body. However, the Senator from Connecticut has made his decision. He has made it on the basis of what he considers to be the wiser course. I can only say that I hope that in the future—and I am sure it will be true in the future—he will enjoy the deep respect and affection of those who are to be associated with him that he has enjoyed among his colleagues during his sojourn in the Senate. He came to the Senate already a distinguished man. He leaves the Senate a more distinguished man. He has been a great credit to the Senate and a great credit to the State of Connecticut.

In closing, I can only wish for him, as has already been expressed on the floor of the Senate, the best that can possibly lie ahead for him in whatever activity he may be engaged in the future.

Mr. WHERRY. Mr. President, I wish to join my colleagues in the tributes they are paying to our colleague, RAY BALDWIN, of Connecticut. It was my first impulse, earlier today, when he gave us his farewell message, to rise and say then what I should like to say now. But I felt that the applause at that time, which was spontaneous in the Senate, spoke for itself. Certainly there is no higher tribute, I think, which can be paid, certainly no tribute in words could be higher, than the tribute paid to our colleague earlier today when the Members of the Senate applauded him, following his remarks.

I, too, should like to state that it has been a great pleasure to work with the Senator from Connecticut. He has been courteous, he has been fair, he has been a gentleman all the way through.

I, too, should like to say that, for more than one reason, I hate to see him leave the Senate.

I extend to him my very best wishes as he goes to his new judicial position. I am sure he will be a credit to the high office he is about to assume as he has been to the Senate of the United States.

To RAY BALDWIN and his family we extend our best wishes. I know that I am joined by the Senator from Missouri [Mr. DONNELL], the acting minority leader, when I say that RAY BALDWIN has the best wishes of all of us as we congratulate him upon the new work he undertakes and as we express our regret at losing him from the Senate of the United States.

Mr. MILLIKIN. Mr. President, as chairman of the Republican Conference of Senators, and for myself personally, I wish to associate myself with all the fine things which have been said by Senators in tribute to the Senator from Connecticut. We regret to lose him here; but we are heartened by knowing that he is going to another and equally important field of service to his State and his country. Under our political system service on either the Federal bench or the State bench contributes to the welfare of the country if the judge is courageous, balanced in judgment, learned in the law, is industrious, and is a patriotic citizen. Senator BALDWIN is all of those things. He has displayed those qualities as Governor and Senator and he will continue to display them in his tenure on the bench of the highest court of Connecticut.

That court is known as one of our great State courts. It has been a firm upholder of the United States Constitution and of its own system of laws in Connecticut. Senator BALDWIN'S service here in the Senate has given him additional qualifications for the next phase of his inspiring career.

He will bring his own luster to a bench which already is lustrous. We wish him the best of good fortune there. We sincerely regret his departure from the Senate.

Mr. RUSSELL. Mr. President, I was not on the floor earlier today when the distinguished Senator from Connecticut delivered his remarks; but I would feel recreant to every impulse of my being if I did not at least rise and lay the poor flower of my tribute alongside the beautiful bouquets which have been fashioned by my colleagues.

It has been my privilege to serve with Senator RAY BALDWIN on the Committee on Armed Services. He is a great Senator and a great American. He is endowed with the understanding, the knowledge, and the courage which have enabled him to have the distinguished public career which has marked all his public services.

The Senate's loss will be the gain of the judiciary in his own State. I am sure he will adorn the bench with the same sense of justice, fairness, and courage that has been demonstrated in his work here.

He will be missed from the Senate, but we wish him all Godspeed and happiness in the position he will assume.

Mr. LUCAS. Mr. President——

Mr. BALDWIN. Mr. President, will the Senator yield for just a moment?

The VICE PRESIDENT. Will the Senator from Connecticut permit the Senate to indulge the Chair for just a moment while the Chair joins with the Senators who have expressed their high opinion of the Senator from Connecticut and their deep regret at his departure.

In my capacity as a Senator, I came in contact intimately with the Senator from Connecticut. In my capacity as minority leader, I came in contact with him; and in my capacity, now, as President of the Senate, I have done so. I have enjoyed and relished an intimate association with the Senator from Connecticut. His rare charm, personally, has endeared him to me in a peculiar way. While congratulating the Governor of Connecticut upon appointing the Senator to the bench of that great State, I must join other Senators here, on both sides of the aisle, if I may do so, in expressing my personal regret at his departure, my deep personal admiration and affection for him, and my profound good wishes for him, in whatever he may undertake, in whatever field he may seek to exercise his great abilities and his great personality, in the years to come.

Mr. LODGE. Mr. President, I should like to join those who are saying a word of greeting to our comrade from Connecticut; to tell him how much I have enjoyed my service with him here, the regard I have formed for his high principles, his integrity, his sense of duty to his fellow man, and to assure him that in the new field into which he is about to enter he carries all my best wishes for health, happiness, and success.

Mr. BALDWIN. Mr. President, I simply wish to say that all of you have rewarded me far beyond my just deserts. I wish now, with a very full heart, to thank all of you very, very much.

ORDER OF BUSINESS

Mr. MALONE obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. LUCAS. May I inquire about how long the Senator expects to speak?

Mr. MALONE. About 15 minutes.

Mr. LUCAS. I had hoped we might get to the calendar, and take care of three bills which were reported yesterday. Then, after that, I was going to move to proceed to the consideration of the Executive Calendar. It is my understanding that the conference report on the farm bill, which must first be acted upon in the House, will not reach the Senate until about 3 o'clock. I had hoped we might get all preliminary matters of this kind out of the way before the conference report on the farm bill came to the Senate. I believe when we finish the farm bill, it may be the last business of the Senate.

Mr. WHERRY. Mr. President, will the Senator from Nevada yield so that I may make an inquiry of the distinguished majority leader?

Mr. MALONE. I yield.

Mr. WHERRY. Does the majority leader think the conference report on the supplemental appropriation bill will reach the Senate ahead of the conference report on the farm bill?

Mr. LUCAS. I think it may, though it may be after the report on the farm bill reaches the Senate. But I merely make the announcement in the hope we may get to the Executive Calendar as soon as possible.

LAST EDITION OF RECORD FOR FIRST SESSION OF EIGHTY-FIRST CONGRESS

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. MALONE. I yield.

Mr. HICKENLOOPER. Do I correctly understand that the RECORD will only be printed tomorrow; that is, today's RECORD—and that the Appendix will be continued?

Mr. LUCAS. The Senator is correct.

Mr. HICKENLOOPER. In other words, anything to go into the RECORD itself will have to go in today. Is that correct?

The VICE PRESIDENT. The Chair might state it is customary to have another edition of the RECORD printed, 10 days or so after the adjournment of the Congress.

Mr. WHERRY. Mr. President, it is my understanding, if my memory serves me correctly, that in the next edition of the RECORD an announcement will be made by the chairman of the Subcommittee on Printing of the Rules Committee, and it will state when the last edition is to be printed. Am I correct about that?

The VICE PRESIDENT. The chairman of the Joint Committee on Printing has printed on the face of the RECORD in black type when the last RECORD will be published.

Mr. WHERRY. So that Senators will be notified by that insertion, as to the last day for the submission of matters for the final volume. Is that correct?

The VICE PRESIDENT. That is correct.

INVESTIGATION OF ATOMIC ENERGY COMMISSION—AUTHORITY TO FILE MINORITY VIEWS

Mr. HICKENLOOPER. Mr. President, if the Senator will yield further, I may say I obtained unanimous consent to have a report of the minority views of the Joint Committee on Atomic Energy, in connection with the investigation, filed and printed. I obtained that consent yesterday, and if the RECORD of today is to be the final regular RECORD, and another daily edition is not to be printed, then I shall have to change my request to include insertion of the minority views in the Appendix of the RECORD. Mr. President, if I may, I amend my request of yesterday to include insertion either in the RECORD, or in the Appendix of the RECORD, whichever may be better.

The VICE PRESIDENT. Without objection, the request will be modified to the extent indicated.

Mr. HICKENLOOPER. I thank the Chair.

CERTAIN FUNCTIONS AND ACTIVITIES OF COMMERCE DEPARTMENT

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate recede from its amendments.

The motion was agreed to.

REPEAL OF WARTIME EXCISE TAXES

Mr. MALONE. Mr. President, the junior Senator from Nevada intends to introduce a bill which, if passed, would repeal the wartime excise taxes.

LESSEN THE TAX LOAD

It is time to consider lessening the tax load on the people who can least afford to pay taxes—the load of wartime excise taxes, many of which are paid by farm girls, shop girls, stenographers, young married couples, traveling salesmen, and persons trying to establish a business. They take the bulk of the load, and it falls where it can least be afforded.

REPEAL EXCISE TAXES IMPOSED SINCE 1941

The bill offered by the junior Senator from Nevada will repeal the wartime excise taxes imposed since 1941.

In addition to the excise taxes which I am presently seeking to repeal, the entire present tax structure should be reorganized to encourage new capital investment, especially to provide an incentive for new risk capital investment. Oppressive taxes are stifling business and industrial development.

INDIVIDUAL—NOT CORPORATION—PAYING THE TAXES

There must be a final realization of the individual citizens of this Nation—regardless of his financial status—that he is paying his full share of the cost of every appropriation that is made by the Congress of the United States—before he will demand that the administration who recommends it and the Congress which passes stop spending ourselves into a form of government that we would not vote for.

INDIRECT TAXING AGENCIES

The State legislatures and the Congress of the United States have utilized the public utilities and the corporations of the Nation as indirect tax collectors from an unsuspecting public for 50 years, through special levies and through the simple expedient of raising the State valuations.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an excerpt from the New York Journal of Commerce of August 8, 1949, showing tax collections of $54,000,000,000, which sets a new record.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

TAX COLLECTIONS OF $54,000,000,000 SET NEW RECORD

WASHINGTON, August 7.—The Nation's total tax bill last year surpassed all others, even the previous peak war year of 1945, and Federal, State, and local governments took in $54,000,000,000 from their citizens, or $372 for every person in the United States.

The per capita figure is high enough, but misleading, since obviously the average amount paid by the much smaller number of actual taxpayers was considerably higher.

ONE MILLION DOLLARS OVER 1945 HIGH

The previous high year for tax collections was 1945 when all fiscal units received $53,000,000,000. In 1947, the aggregate was $49,000,000,000 or $344 per capita.

These are net figures, after deduction of refunds.

The data is supplied by the Commerce Department's Census Bureau, in a special report.

ROLE OF SPECIAL LEVIES

Illustrative of the major part in the tax structure now played by special levies such as sales taxes on gasoline, liquor, and tobacco, which President Truman now confirms cannot be reduced until next year after much research by the Treasury, is the $12,100,000,000 from all sales and gross receipts taxes and customs paid in last year. This was 7 percent more than in 1947, and 113 percent more than in 1942. It was the second largest single source of all Government revenue.

First was income taxes, amounting to $19,800,000,000, more than one-third of all Government revenue, most of which was collected by the Federal Government.

Third was corporation income taxes, which yielded $10,300,000,000, somewhat above 1947, but one-third less than as paid by business in 1945.

UNITED STATES GETS BIGGEST SHARE

Nearly three-fourths of the 1948 tax total, or $274 a person, represented net Federal tax collections, with State governments receiving $53 per capita and local governments the remaining $45 of taxes a person.

Taxes made up 95 percent of the $57,300,000,000 total of governmental revenue in 1948. Fees and other miscellaneous charges and nontax revenue provided the remaining $2,700,000,000.

Federal revenue in 1948 was up $3,000,000,000 from the previous year's level, though still below its peak amount of $43,400,000,000 for 1945. Revenue of State and local governments continued to increase rapidly, reaching nearly $17,900,000,000 in 1948, as compared with $15,300,000,000 in 1947 and $119,400,000,000 in 1942.

These figures for State and local governments include their Federal aid receipts, which amounted to $1,500,000,000 in 1948.

HOW UNITS FARED

Because of financial grants and tax sharing between the Federal Government, State and local governments, each level finally has for its own spending a different amount than it collects directly in taxes and charges. Taking account of such transfers, the Federal Government had 69 percent of all governmental revenue in 1948 "for its own purposes," the States 12 percent, and local governments 19 percent.

Property taxes continued as the largest single source of local government revenue, yielding them nearly $5,900,000,000 in 1948. Addition of State revenue from property taxes—a type of levy the Federal Government does not impose—shows total 1948 collections of $6,100,000,000 from this source.

This indicates a rise in property tax revenue of 11 percent from 1947 and of 35 percent from 1942, the Census Bureau said.

TAX TRANSFERRED TO INDIVIDUAL CITIZEN

Mr. MALONE. Mr. President, when a special tax, through any expedient or subterfuge, is placed upon a corporation, it is immediately transferred to the individual citizen through an additional price for things he must buy.

If the tax is placed on corporations or business partnerships, the bread companies add it to the price of a loaf of bread, the textile companies add it to the price of the cloth used to make clothing and other necessities, the crockery producers add it to the price of dishes, and the transportation companies add it to the freight and passenger fares which each individual must pay—it makes no difference if he buys only the food to keep him alive, the clothes he must have, or ships his bed roll from one station to another, he is loaded with his share of the tax.

FAVORITE STATEMENT—TAXES DO NOT COST ANYTHING

The favorite political statement, that the additional appropriations and expenditures will come from higher taxes on corporations and business organizations, amounts to a horrible deceit upon a helpless public, long bewildered by the sleight-of-hand tactics practiced by an administration whose only objective is to remain in power.

COST OF DOING BUSINESS PAID FIRST

The cost of doing business is always paid first, and the additional tax on business profits is passed on to the individual citizen to cover the additional cost of government.

Taxes in this Nation have been increasing so rapidly during the past 20 years that they are seriously threatening and restricting the everyday lives of the people and jeopardizing and destroying the necessary ambition and hope for the future in a free America.

I ask unanimous consent to have inserted in the RECORD, at this point, in my remarks, a recent editorial entitled "Perpetuity."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PERPETUITY

Once upon a time in the Indian principality of Lakhtar a tax of eight annas was levied upon all the residents thereof. The tax was to defray the upkeep costs of the official ceremonial elephant. In neighboring Sayla there was a like levy.

Years ago both elephants died, and with changing times and customs they were not replaced. But people were accustomed to the tax and the princely treasuries could find other uses for the funds. So the residents continued to pay their annual annas.

Lakhtar and Sayla have now been swallowed up in the Saurashtra Union, where there are no ceremonial elephants either. Saurashtra has just raised the elephantine tax by one rupee.

East is East and West is West, but nowhere do tax gatherers rest.

Mr. MALONE. Mr. President, let us glance briefly at the growth of taxes in our country during the past 20 years. Taxes, Federal, State, and local, have increased from $10.2 billion dollars in 1929 to $54.1 billion dollars in 1947. This is an increase of over 400 percent in 18 years.

While taxes have been increasing by 400 percent what has happened to the national income? The national income grew from $95,000,000,000 in 1929 to $218,000,000,000 in 1947, or an increase of 129 percent.

In other words, taxes have been increasing over three times as fast as the individual income of the American taxpayer. And no relief is in sight.

In 1929 Federal, State, and local taxes combined equalled 10.8 percent of the net national product. In 1947 they equaled 24.8 percent of the net national product. In other words, the average American pays $25 to the Government in taxes out of every $100 he makes.

Let us look at what that means. With taxes what they are today, the individual American has $75 to spend. With no taxes he would have $100, which is one-third more than he has now.

PUBLIC NOT AWARE OF SUBTERFUGE

The individual citizen is not fully aware of how much of his income is being taken from him in taxes. The Government has figured out so many ways of abstracting money from the citizen's pocketbook without his knowing it that surprisingly little protest is heard.

For example, how many average American taxpayers, or, for that matter, how many Senators, realize that 100 taxes are paid to the Government in the production of an egg? Let us analyze this more fully.

100 TAXES ON PRODUCTION OF AN EGG

The grocer pays 14 Federal, State, and local taxes. The trucker pays 20 taxes. The egg wholesaler pays 17 taxes. The poultry farmer who brings the egg to the city wholesaler pays at least 10 Federal, State, and local taxes. The feed store who sold the farmer his poultry feed pays 14 different taxes. The railroad that delivered the feed pays another 11 taxes. The milling corporation pays another 14 taxes, making altogether 100 taxes on an egg from hen to breakfast table. Is it any wonder that eggs in the summer of 1949 were selling for 89 cents a dozen—the highest summer prices ever charged in the history of our country? And eggs are only one example.

ONE BILLION DOLLAR TAX ON CIGARETTES

Last year individual citizens paid over $1,000,000,000 in excise taxes to the Federal Government alone on cigarettes. This does not include what was paid to State governments in taxes on cigarettes. State taxes average 3½ cents per pack of cigarettes.

The same situation exists with respect to alcoholic beverages. It has been estimated that the American consumer of whisky pays $2.10 tax for each fifth of blended whisky he buys.

Thus present excise taxes on cigarettes and liquor practically double the price paid by the consumer.

RAPID GROWTH IN EXCISE TAXES

While taxes of all kinds have grown rapidly since 1933, perhaps no important tax has grown as rapidly as excise taxes.

In 1933 total revenue from excise taxes amounted to less than $1,000,000,000—$839,000,000, to be precise. In 1948 revenue from excise taxes amounted to $7,400,000,000. This is an increase of 789 percent.

It is high time that taxes be cut, that extravagant Government spending be eliminated, and that a stop be put to our own excesses, as well as the wasteful financing of the wild socialistic experiments in England and other countries at our expense.

We have poured nearly $10,000,000,000 of ECA funds into western Europe during the past 2 years. And what do we have to show for it? Even leading European statesmen say the ECA program has failed to achieve its objectives.

The time has come to lighten the tremendous burden now shouldered by the American taxpayer, and to reduce taxes to a reasonable level once more.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial from the Mineral County Independent-News of April 11, 1949, entitled "War Tax Penalties."

The PRESIDING OFFICER (Mr. HOEY in the chair). Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WAR TAX PENALTIES

During the war, nearly 8 years ago, a 15-percent tax was added to all train, bus, and plane fares, principally to discourage civilian travel.

It was not the primary purpose of the tax to raise revenue. The original reason for imposing it has long since ceased to exist. Like all taxes, once they have been established, it is almost impossible to get rid of them.

Today this penalty on travel not only works a hardship on commercial carriers at a time when business is slowing up, but it is affecting vacation travel and all activities which benefit from tourist business. It is a burden on parents of students who are traveling to school; on people visiting relatives; on people who must travel because of illness in the family, accidents, and death; on individuals attending conferences and business meetings of various kinds; and on traveling for health and recreation.

The tax has been repealed on travel to foreign countries receiving Marshall-plan aid. Several weeks ago Canada, which imposed a similar 15-percent tax during the war, dropped it.

Reasons for repealing the penalty tax on personal travel apply with equal force to the 3-percent tax on freight shipments. Such a tax is discriminatory to the common carriers by rail or highway because shippers who buy their own trucks and furnish their own transportation, escape it. It penalizes producers who must ship their products long distances to markets in competition with those situated closer to consumers.

It is high time the people begin to demand that wartime taxes and restrictions be eliminated in favor of peacetime policies that tend to encourage industry and pay rolls. A good place to begin is to remove the wartime penalty tax on all such necessities as passenger and freight rates.

Mr. MALONE. Mr. President, I wish to introduce a bill which will repeal wartime excise taxes and war excise tax rates imposed by the Revenue Act of 1943. I ask unanimous consent to introduce the bill to be properly referred, and request that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, the bill will be received, appropriately referred, and printed in the RECORD.

There being no objection, the bill (S. 2751) to eliminate excise taxes first imposed since the beginning of World War II and to reduce other excise taxes to the rates in effect at the beginning of such war, was referred to the Committee on Finance, and ordered to be printed in the Record, as follows:

Be it enacted, etc., That this act may be cited as the "Excise Tax Reduction Act of 1949."

SEC. 2. Repeal of war excise taxes and war excise tax rates imposed by the revenue act of 1943.

(a) Section 1650 of the Internal Revenue Code (war tax rates of certain miscellaneous taxes), as amended, is hereby amended by inserting immediately after the words "Revenue Act of 1949" the following: ", and ending on the first day of the first month which begins more than 20 days after the date of enactment of the Excise Tax Reduction Act of 1949."

(b) Sections 1651 (retailers' excise tax on luggage, etc.), 1652 (leases, conditional sales, existing contracts, etc.), and 1653 (articles classifiable under more than one section) of the Internal Revenue Code are hereby repealed.

(c) Section 302 (b) (2) of the Revenue Act of 1943 (period applicable to increase of tax with respect to billiard and pool tables and bowling alleys), as amended, is hereby amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and continuing through June 30, 1950."

(d) Section 309 (b) of the Revenue Act of 1943 (relating to draw-back on distilled spirits), as amended, is hereby amended by inserting immediately after the words "Revenue Act of 1943" the following: ", and ending on the first day of the first month which

begins more than 20 days after the date of enactment of the Excise Tax Reduction Act of 1949."

(e) The term "rate reduction date" as used in chapter 9A of the Internal Revenue Code (relating to war taxes and war tax rates) means the first day of the first month which begins more than 20 days after the date of enactment of this act.

(f) The provisions of subsection (b) shall be effective on and after the first day of the first month which begins more than 20 days after the date of enactment of this act.

SEC. 3. Repeal of excise taxes first imposed by the Revenue Act of 1942.

(a) (1) Section 1804 (b) of the Internal Revenue Code (tax on certain insurance policies) is hereby repealed.

(2) The provisions of paragraph (1) of this subsection shall be applicable to the making, continuing, or renewal of contracts occurring on or after the first day of the first calendar month, which begins more than 20 days after the date of enactment of this act.

(b) (1) Subchapter E of chapter 30 of the Internal Revenue Code (tax on transportation of property) is hereby repealed.

(2) The provisions of paragraph (1) of this subsection shall be effective on and after the first day of the first calendar month which begins more than 20 days after the date of enactment of this act.

SEC. 4. Reduction in the rates of certain excise taxes to those in effect prior to World War II.

(a) Section 3406 (a) (4) of the Internal Revenue Code (manufacturers' excise tax on photographic apparatus) is amended (1) by striking out "25 percent" and inserting in lieu thereof "10 percent", and (2) by striking out "15 percent" and inserting in lieu thereof "10 percent."

(b) Section 3267 (a) (2) and (3) (relating to rate of tax on gaming devices) is amended by striking out "$100" and inserting in lieu thereof "$50."

(c) Section 2800 (a) (1) of the Internal Revenue Code (rate of tax on distilled spirits generally) is amended by striking out "$6" and inserting in lieu thereof "$4."

(d) Section 2800 (a) (3) of the Internal Revenue Code (rate of tax on imported perfumes containing distilled spirits) is amended by striking out "$6" and inserting in lieu thereof "$4."

(e) Section 3150 (a) of the Internal Revenue Code (rate of tax on fermented malt liquors) is amended by striking out "$7" and inserting in lieu thereof "$6."

(f) Section 3030 (a) (1) (A) of the Internal Revenue Code (rate of tax on still wines) is amended (1) by striking out "10 cents" and inserting in lieu thereof "8 cents," (2) by striking out "40 cents" and inserting in lieu thereof "30 cents," and (3) by striking out "$1" and inserting in lieu thereof "65 cents."

(g) Section 3030 (a) (2) of the Internal Revenue Code (rates on sparkling wines, liqueurs, and cordials) is amended (1) by striking out "10 cents" and inserting in lieu thereof "7 cents" and (2) by striking out "5 cents" and inserting in lieu thereof "3½ cents."

(h) Section 2000 (c) of the Internal Revenue Code (relating to the tax on cigars and cigarettes) is amended to read as follows:

"(c) Cigars and cigarettes: Upon cigars and cigarettes manufactured in or imported into the United States, which are sold by the manufacturer or importer, or removed for consumption or sale, there shall be levied, collected, and paid the following taxes:

"(1) Cigars: On cigars of all descriptions made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, 75 cents per thousand;

"On cigars made of tobacco, or any substitute therefor, and weighing more than 3 pounds per thousand, if manufactured or imported to retail at not more than 5 cents each, $2 per thousand;

"If manufactured or imported to retail at more than 5 cents each and not more than 8 cents each, $3 per thousand;

"If manufactured or imported to retail at more than 8 cents each and not more than 15 cents each, $5 per thousand;

"If manufactured or imported to retail at more than 15 cents each and not more than 20 cents each, $10.50 per thousand;

"If manufactured or imported to retail at more than 20 cents each, $13.50 per thousand.

"Whenever in this subsection reference is made to cigars manufactured or imported to retail at not over a certain price each, then in determining the tax to be paid regard shall be had to the ordinary retail price of a single cigar in its principal market.

"(2) Cigarettes: On cigarettes made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, $3.25 per thousand;

"Weighing more than 3 pounds per thousand, $7.80 per thousand; except that if more than 6½ inches in length they shall be taxable at the rate provided in the preceding paragraph, counting each 2¾ inches (or fraction thereof) of the length of each as one cigarette.

"The tax imposed by this subsection is in addition to any import duties imposed upon imported cigars and cigarettes."

(i) Section 3413 of the Internal Revenue Code (tax on lubricating oils) is amended by striking out "6 cents" and inserting in lieu thereof "4½ cents."

(j) Section 3465 (a) (1) (A) of the Internal Revenue Code (tax on telephone toll service) is amended by striking out "20 percent" and inserting in lieu thereof "10 percent."

(k) Section 3465 (a) (1) (B) of the Internal Revenue Code (tax on telegraph, cable, and radio messages) is amended by striking out "15 percent" and inserting in lieu thereof "10 percent."

(l) Section 3465 (a) (2) (A) of the Internal Revenue Code (tax on leased wires) is amended by striking out "15 percent" and inserting in lieu thereof "5 percent."

(m) Section 3469 (a) (relating to tax on transportation of persons) and section 3469 (c) (relating to tax on seats or berths) are amended by striking out "10 percent" and inserting in lieu thereof "5 percent."

(n) All of the provisions of this section, except subsection (b), shall be effective on and after the first day of the first month which begins more than 20 days after the date of enactment of this act. Subsection (b) of this section shall be effective on and after July 1, 1950.

SEC. 5. Amendment of code provision relating to floor stocks refunds on distilled spirits, wines and cordials, and fermented malt liquors

Section 1656 (a) of the Internal Revenue Code (relating to floor stocks refunds) is amended by striking out "if section 1650 and the 1944 floor stocks taxes had not been applicable," and inserting in lieu thereof "under the tax rates in effect immediately prior to the enactment of the Revenue Act of 1942."

THE EFFECT OF REPEAL OF WARTIME EXCISE TAXES

Mr. MALONE. Mr. President, the effect of the passage of this bill on tax collections is shown in exhibit 1, which I submit for the RECORD. This exhibit lists the excise taxes to be affected, the sources which would be affected, the present rates, the rates in effect December 7, 1941, estimated collections for the full year under the present law, and then, under the proposed reduced rates, the estimated reductions for a full year. I submit that as exhibit 1, and ask that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

Estimated reduction in excise-tax collections if rates were reduced to those in effect on Dec. 7, 1941, and if new taxes imposed since that date were repealed [1]

[In millions of dollars]

Sources which would be affected	Present rates	Rates in effect Dec. 7, 1941	Estimated collections, full year		Estimated reductions, full year [1]
			Present law	Reduced rates	
Liquor taxes:					
Distilled spirits	$9 per proof gallon [2]	$4 per proof gallon [3]	[3] 1,300.0	[3] 622.8	677.2
Wines	15 cents to $2 per wine gallon; 10 cents to 15 cents per ½ pint.	8 cents to 65 cents per wine gallon; 3½ to 7 cents per ½ pint.	65.0	35.0	30.0
Fermented malt liquors	$8 per barrel	$6 per barrel	700.0	532.0	168.0
Occupational taxes, nonbeverage manufacturers	$25 to $100 per annum	None	.2		.2
Total, liquor taxes			2,065.2	1,189.8	875.4
Tobacco taxes:					
Small cigarettes	$3.50 per thousand	$3.25 per thousand	1,270.0	1,180.0	90.0
Large cigarettes	$8.40 per thousand	$7.80 per thousand	[4]	[4]	[4]
Cigars	$2.50 to $20 per thousand	$2 to $13.50 per thousand	40.0	22.0	18.0
Total, tobacco taxes			1,310.0	1,202.0	108.0

See footnotes at end of table.

Estimated reduction in excise-tax collections if rates were reduced to those in effect on Dec. 7, 1941, and if new taxes imposed since that date were repealed [1]—Continued

[In millions of dollars]

Sources which would be affected	Present rates	Rates in effect Dec. 7, 1941	Estimated collections, full year		Estimated reductions, full year [1]
			Present law	Reduced rates	
Documentary stamp taxes: Foreign life, sickness, etc., insurance policies, reinsurance policies.	1 cent per dollar of premium	None	(5)	None	
Manufacturers' excise taxes:					
Electric light bulbs and tubes	20 percent	5 percent	27.0	7.0	20.0
Lubricating oils	6 cents per gallon	4½ cents per gallon	75.0	57.0	18.0
Luggage	None; retailers' tax of 20 percent	10 percent		9.0	+9.0
Photographic apparatus	15 to 25 percent	do	42.0	25.0	17.0
Total, manufacturers' excise taxes			144.0	98.0	46.0
Retailers' excise taxes:					
Jewelry	20 percent except 10 percent on certain watches and alarm clocks.[6]	10 percent	200.0	121.0	79.0
Fur articles	20 percent with exceptions	do	58.0	32.0	26.0
Luggage, handbags, wallets, etc	20 percent	None; 10 percent manufacturers' tax.	75.0		75.0
Toilet preparations	do	10 percent	93.0	49.0	44.0
Total, retailers' excise taxes			426.0	202.0	224.0
Miscellaneous taxes:					
Admissions:					
General	1 cent for each 5 cents or major fraction.	1 cent for each 10 cents or fraction	384.0	211.0	173.0
Leases of boxes or seats	20 percent	11 percent	.2	.1	.1
Ticket broker sales in excess of regular price	do	do	.8	.4	.4
Cabarets, roof gardens, etc	do	5 percent	45.0	14.0	31.0
Bowling alleys, billiard and pool tables	$20 per alley or table	$10 per alley or table	4.0	2.2	1.8
Club dues and initiation fees	20 percent	11 percent	28.0	16.0	12.0
Coin-operated gaming devices	$100 per machine per year	$50 per machine per year	(5)	(7)	
Telephone, telegraph, and radio messages:					
Domestic cable and radio messages	25 percent	10 percent			
Leased wires	do	do			
Domestic telegraph messages	do	do	310.0	133.0	177.0
Telephone toll service	do	5 cents for each 50 cents or fraction			
Wire and equipment service	8 percent	5 percent			
Telephone, local service	15 percent	6 percent	225.0	92.0	133.0
Transportation of persons	do	5 percent	240.0	88.0	152.0
Transportation of property:					
Coal	4 cents per ton	None	340.0		340.0
All other	3 percent	do			
Total, miscellaneous taxes			1,577.0	556.7	1,020.3
Grand total			5,522.2	3,248.5	2,273.7

[1] Amounts shown represent reductions in excise tax collections only. These estimates take account of increased consumption resulting from the reduced rates. They do not take into account increased income taxes which might result from lower business deductions and increased profits. It was also assumed that exemptions of specified articles from the tax base provided by legislation enacted subsequent to 1941 would continue to be operative. No assumptions were made regarding floor stocks.

[2] Draw-back of $6 per gallon allowed on distilled spirits withdrawn for certain non-beverage purposes contingent on paying special occupational taxes.

[3] Draw-back of $6 per gallon allowed under present law. Draw-back not provided in 1941. Draw-backs under present law amount to about $30,000,000.

[4] Less than $10,000.

[5] Not available, probably small.

[6] Watches selling at retail for not more than $65 and alarm clocks selling at retail for not more than $5, taxed at 10 percent.

[7] Small.

WILL SAVE $2,300,000,000

Mr. MALONE. Mr. President, It will be noted in this exhibit that the estimated revenue from excise taxes will fall from $5,500,000,000 to $3,200,000,000. This is a reduction of $2,300,000,000. This represents a reduction of approximately 5 percent in Federal tax revenues, based on revenues received since the war.

If America is to remain the champion of the freedom of the private citizen, and is to continue to grow in economic strength and prosperity, taxes must be cut down by even more than the amount proposed in my bill. The proposed 5 percent cut is most conservative, and has been designed to come out of excise tax revenues, since these have increased so much more rapidly than taxes in general.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an editorial entitled "Repeal of War Excise Taxes." which appeared in the New York Herald Tribune on August 1, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REPEAL THE WAR EXCISE TAXES

In a national tax structure marred by inequities and fiscally inappropriate levies, the retention of war-created excise taxes is one of the most irritating features. Designed to help suppress wartime inflation, the taxes continue to discourage consumer spending with great but undesired efficiency at a time when our concern is to keep the flow of consumer spending at a high level. Although the force of this truth is not lost upon Congress, it is naturally reluctant to repeal the taxes because it fears that the resultant loss in revenue would add further to the deficit already anticipated for 1949–1950.

We have reason to applaud, therefore, the excellent presentation of the case for repeal made by Mr. Beardsley Ruml, a private citizen who has performed distinguished service for the Government in fiscal matters on other occasions. Mr. Ruml points out that the industries subject to the levies suffered disproportionately during the sales and employment declines of the last few months. With consumers buying more warily and searching for bargains, the taxes on such things as furs, leather goods, communications, and transportation, to name a few, have been strong deterrents.

Taking account of the danger of losing Federal revenue and adding to the deficit, Mr. Ruml meets the issue head-on. He believes that the loss in excise-tax revenue would be almost entirely offset as a result of the boost in sales and employment the affected industries would enjoy. This boost would raise Federal revenues through the additional corporate income taxes paid by these industries and through the personal income taxes of people who might otherwise be unemployed; and it would reduce unemployment insurance payments as individuals now unemployed are returned to their jobs.

It would be foolish to make exaggerated claims either for the stimulus that repeal would provide or for the offsetting revenues it would engender. But if Congress is still concerned about losing the billion dollars, more or less, that repeal might entail, it has a further offset at hand. That would be an across-the-board cut in the original appropriation requests for all purposes on which it has not yet acted. On the grounds of eliminating sheer waste in Federal spending practices, such a cut has ample justification. As a companion piece to excise-tax repeal, its justification is strengthened.

FEDERAL, STATE, AND LOCAL TAX INCREASE

Mr. MALONE. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD an exhibit showing Federal, State, and local taxes, first, the amount of the taxes from 1925 to 1929, inclusive, showing Federal, State, and local taxes, and the total. The total is 44.1 billion annually.

The table then shows the taxes from 1935 to 1939, the Federal, State, and local taxes collected, together with the total, which is 59.1 billion. This shows that

10 years later than the first figure the taxes had increased from 44,000,000,000 to 59,000,000,000.

The table then shows the taxes collected from 1945 to 1949, divided between Federal, State, and local taxes, and shows that the amount in that 10-year period has increased to $245,100,000,000.

I ask unanimous consent that the table be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Federal, State, and local taxes

[In billions]

	Federal	State	Local	Total
1925–29	15.7	8.1	20.4	44.1
1935–39	22.4	14.1	22.7	59.1
1945–49	186.9	28.9	29.2	245.1

NOTE.—The tax receipts after refunds, transfers to social security trust fund, and exclusive of miscellaneous receipts.

INCREASE IN TAX BURDEN PER CAPITA

Mr. MALONE. Mr. President, I also ask to have printed a table entitled Taxes—References, Facts and Figures on Government Finance, 1948–49."

The reference is made to The Tax Foundation, pages 48, 50, 51, 58, 59, 60, and 67, showing the tax burden per capita in dollars for 1938, 1945, and 1948.

The exhibit also shows the percentage of the distribution of Federal, State, and local tax receipts for the same years, 1938, 1945, and 1948.

It shows also the percentage of national production used for taxes for the years 1929, 1938, 1945, and 1947, indicating an increase from 1929, when the figure was 10.8 percent, to 1947, when the figure was 24.8 percent. It then shows that about one-fourth of the production now goes to Federal, State, and local taxes.

I ask unanimous consent to have the table appear at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Taxes—References, facts and figures on Government finance, 1948–49

[Tax burden: Per capita in dollars]

	Total	Federal	State	Local
1938	101.69	41.94	24.31	35.44
1945	378.33	308.99	32.81	36.53
1948	357.32	263.99	47.75	45.58

Percentage distribution of Federal, State, and local tax receipts

	Total	Federal	State	Local
1938	100.0	41.2	23.9	34.8
1945	100.0	81.7	8.7	9.7
1948	100.0	73.9	13.4	12.8

Percentage of national production used for taxes

	Percent
1929	10.8
1938	18.5
1945	25.7
1947	24.8

ADMINISTRATION USES CORPORATIONS AS INDIRECT TAX COLLECTORS

Mr. MALONE. Mr. President, again emphasizing the fact that the Congress of the United States and the administration have used the corporations, business partnerships, and public utilities of the country as indirect taxing agencies, and have concealed the real effect and impact of the taxes, I wish to say that the average American in contemplating the Government spending spree has difficulty in understanding that this is not a mere abstraction, but is in fact paid directly by him. The general attitude of those who do not have large incomes, if any thought is given to the subject at all, is that these moneys come from direct taxes levied on the rich, on corporations, on companies, on partnerships, and upon the people who are doing the business of the United States.

TAXES DIRECTLY AFFECT PRICE OF COMMODITIES

The average American does not understand that a large share of these moneys come out of indirect taxes which directly affect the price of everything he buys. If it is called to his attention, he is apt to take a much more realistic view of the existing spending orgy. This would be the more particularly true if he understood the implications in the recent statement by former Premier Paul Reynaud, of France (now French representative in the European Consultative Assembly) that the Marshall plan has been a total failure, and that the ERP program has not achieved any of its objectives.

150 INDIRECT TAXES ON A WOMAN'S HAT

According to information prepared by Earl Richert of the Scripps-Howard Publications, based largely on statistics compiled by The Tax Foundation, there are about 150 taxes paid on every woman's hat between the hat shop and the ribbon fabric bill. The ribbon maker pays a Federal corporation income tax, a Federal stamp tax on his security transfers and issues, a Federal telephone tax of 15 percent on local service and 25 percent on long-distance calls and telegrams, a Federal transportation tax of 3 percent to get his goods hauled, a Federal tax of 20 percent on his lease of a safety deposit box, and the 1 percent social-security tax for his employees—or eight Federal taxes by the ribbon marker alone.

The trucker who hauled the ribbon from the mill to the jobber, paid Federal corporation, telephone, social security and safety deposit taxes.

The jobber who sold the ribbon to the hat manufacturer paid the same taxes as the trucker, and in addition, a 3-percent Federal transportation tax.

Now we come to the manufacturer of other accessory articles, such as flowers. He paid six Federal taxes. The manufacturer of veiling paid eight. So did the straw importer.

The hat manufacturer himself paid seven, including the 15-percent rail and air-transportation tax for his salesmen.

The trucking firm which hauled the hat from the manufacturer to the jobber paid four Federal taxes, and the hat jobber who sold the hat to the retailer, paid five. The express company which hauled the hat from the jobber to the hat shop paid five Federal taxes, and the retailer paid five.

This makes 65 separate taxes paid to the Federal Government, all of which had to be added to the cost of manufacture.

Now, of course, we also come to the State and local taxes. Here, the researchers found 43 State and 41 local taxes. In a typical trip between a New Jersey ribbon mill and a Connecticut hat shop:

The State taxes included the Connecticut sales and business gross income taxes, the New York franchise and gross earnings taxes on railway express, and the trucking firm which hauled the hat from the manufacturer to the jobber, as well as such commonly recognized taxes as gasoline, motor-vehicle registration fees, licensing and inspection fees, unemployment compensation, etc.

The 41 local taxes included property taxes, license, and inspection fees, and in New York City, an occupancy tax, and sales taxes on electricity, telephone, and telegraph service.

HIDDEN TAXES ON WHISKY AND CIGARETTES

Mr. Richert's statement figures that there are $2.10 worth of hidden taxes in every fifth of blended whisky which was purchased. This would appear to mean that whisky costs the consumer a little more than twice what it should if these hidden taxes were not present. In short, every time a man buys a bottle of whisky, he is paying out of his own pocket for the support of British socialism, as well as domestic paternalism from which he does not receive any direct benefit.

It is computed that for every pack of cigarettes sold, there is 11½ cents in tax. The United States gets 7 cents per pack, and State taxes average 3½ cents per pack. On top of these direct taxes come indirect taxes of about 1 cent a pack, which are also passed on to the consumer.

In some States these cigarette levies are even higher. Louisiana has an 8 cent per pack tax. Arkansas one of 6 cents per pack. Oklahoma 5 cents per pack.

Last year, the Federal tax alone on cigarettes came to $1,200,000,000. In short, if the subventions given the British Socialist Government alone were eliminated, the American smoker could purchase his cigarette for something like half of the price he now pays.

FOUR HUNDRED AND FIFTY DOLLARS IN INDIRECT TAXES ON AN AUTOMOBILE

The report also estimates that there is a tax of about $450 on the average automobile in the low price bracket. James D. Mooney, retiring president of Willys-Overland, is credited with making the following estimates. On a moderate priced car, there is a Federal excise tax of about $90 or more, together with State and city sales taxes that usually run about 3 percent of the tax, plus license plates and registration fees. There are also the income and withholding taxes paid by the men who make and sell the vehicle, as well as the corporation taxes, the property taxes, the transportation taxes, and so forth. Stated Mr Mooney:

In the end, all taxes must come out of the pocket of the consumer. When the

Government slaps a heavy tax on the corporation, it is really taxing the man who buys the corporation's product. This is because of the simple economic fact of life that all costs that enter into the manufacture of a product must be covered by its selling price. The break-down on the tax of $466, as estimated by General Motors, runs as follows:

Direct corporation taxes	$36.00
Income taxes by employees of manufacturers	81.00
Corporation taxes and income taxes of employees of parts suppliers	110.00
Taxes paid by the dealer and his employees	96.00
State sales taxes	52.00
Federal excise taxes	91.00

Granting that the dealer's commission of approximately 23 to 25 percent would be paid from the smaller manufacturing figure which would result after these hidden taxes have been eliminated, the price to the customer presumably could be around $1,200 for the same car—for which he has just paid $1,800—if taxes were not present.

The same study indicates that there are at least 100 taxes involved in the process of producing an egg and making it available at the grocery. I have already outlined the amount of these taxes.

The grocer pays 14 Federal, State, and local taxes. The trucker pays about 20 taxes. The egg wholesaler about 17 taxes. The poultry farmer who brought the eggs to the big city wholesale center, paid at least 10 Federal, State, and local taxes. The feed store who sold the farmer his poultry feed paid another 14 taxes. The railroad that brought the feed from a processing company paid another 11 taxes. The milling corporation paid still another 14 taxes—100 taxes in all in the start-to-finish process of producing an egg.

VACATIONERS PAY THE BILL THROUGH INDIRECT TAXES

The same study also indicates that motoring vacationers pay over $212,000,000 in taxes just for the gasoline used on their trips. The American Automobile Association estimates that the average vacationer drives 2,500 miles, averaging 15 miles to the gallon. He buys 166 gallons of gasoline and pays a national average tax of 6.4 cents per gallon—or about 25 percent of the price of the gasoline—or $10.62, collected by both State and Federal Governments. Since 20,000,000 vacationers will be on the road this summer, this assessment comes to the huge total of $212,000,000.

The motorist also pays a Federal tax of 1½ cents on every quart of oil he uses. He pays a hidden Federal manufacturers' excise tax of $1.47 on each new tire. On all new windshield wipers, spark plugs or other parts "he pays a manufacturers' excise tax of 5 percent, which is covered in the price charged." If he takes pictures, he pays a Federal excise tax of 15 percent which is added to the price of the film he uses. Ten percent is added in Federal Government tax levies on a new tennis racket or a new golf club, and 11 percent for any cartridges he uses.

The vacationer who uses the common carriers, going by rail or air, pays a Federal tax of 15 percent. The Federal tax on a first-class rail passenger ticket, including lower berth, from New York to Los Angeles, amounts to $39.66, which logically could be considered by the payer as his contribution to the current government's extravagance.

FORTY MILLION AMERICANS NOT WELL OFF

In view of the unproductive uses these tremendous tax levies have been put to, it is interesting to note that in the United States there are 30,000,000 Americans who still have no kitchen sinks, and 40,000,000 who have neither bathtub or modern toilet facilities. Everyone of these 40,000,000 Americans is paying in every cigarette he smokes, and in every necessity of life he buys, for the upkeep of such total extravagance as the British medical plan by which any Britisher can get free false teeth, free eye glasses, free X-rays, free operations, and free toupees. If any one of these 40,000,000 Americans and presumably, perhaps, 100,000,000 others in modest earning brackets, suddenly found it necessary to spend several thousand dollars for hospital services, including X-rays and operation fees, or additional sums for expensive dental work, he would have no choice but to do without, no matter what inconvenience or suffering it caused him. There is an inequity here which it would seem could usefully be pointed out to Americans.

CONSUMER FOOTS THE BILL

In closing, I merely wish to say that every appropriation passed by the Congress of the United States, every budget sent to the Congress by the President, every State and local expenditure, comes from the ultimate user of the product. It does not come from corporations, partnerships, or business organizations, because all taxes are added to the cost of doing business.

AGE-OLD BALONEY

Therefore, the people of the United States, are still falling for the age-old baloney that "It does not cost you anything; all they do is add it to the corporation's cost of doing business."

INDIVIDUALS EAT THE SAME

The rich men, if they were to examine this subject, would see that whether a man has $10,000,000, $10, or 10 cents, he wears and eats and uses approximately the same amount of things in ordinary everyday life, or perhaps a little more as he becomes more affluent. But everyone must have these necessities, and the price of a product includes its share of every appropriation passed by the Congress of the United States, as an indirect tax.

THE CALENDAR

Mr. LUCAS. Mr. President, as I stated earlier in the day, there are three bills on the calendar which were reported yesterday. I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Order No. 1215, House bill 6109.

The PRESIDING OFFICER. Is there objection?

Mr. IVES. Mr. President, reserving the right to object, I should like to ask the able Senator from Illinois if his unanimous-consent request applies solely to those three bills.

Mr. LUCAS. The unanimous consent applies only to those three bills. If consideration is desired for other bills, unanimous consent will have to be asked. They are not included in my unanimous-consent request.

Mr. IVES. Then the Senator from New York has no objection?

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I presume we should have a quorum call, although only three bills are involved. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Magnuson
Anderson	Hoey	Malone
Baldwin	Holland	Martin
Brewster	Ives	Millikin
Bridges	Johnson, Colo.	Morse
Byrd	Johnson, Tex.	Myers
Cain	Johnston, S. C.	Neely
Capehart	Kem	O'Conor
Chapman	Kerr	O'Mahoney
Connally	Kilgore	Pepper
Cordon	Knowland	Russell
Donnell	Langer	Saltonstall
Dworshak	Leahy	Schoeppel
Ecton	Lodge	Smith, Maine
Fulbright	Long	Thomas, Utah
George	Lucas	Watkins
Graham	McCarthy	Wherry
Gurney	McFarland	Williams
Hayden	McKellar	Young
Hickenlooper	McMahon	

The PRESIDING OFFICER. A quorum is present.

Under the order which has been entered by unanimous consent, the Senate will now take up the calendar, beginning with Calendar No. 1215, House bill 6109, which will be stated by title.

CONSENT OF CONGRESS TO AN INTERSTATE COMPACT CONCERNING A MISSISSIPPI RIVER BRIDGE

The LEGISLATIVE CLERK. A bill (H. R. 6109) granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes.

Mr. KEM. Mr. President, the report of the Committee on Public Works on this measure has been submitted by the senior Senator from California [Mr. DOWNEY].

The bill provides for granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri for the construction of a bridge near Caruthersville, Mo., adjoining the States of Tennessee and Missouri. The proposed bridge is to be constructed under the provisions of the General Bridge Act of 1946; and the terms of the compact and agreement follow the policy of Congress, as set forth in that act, relative to the amortization of the cost of the bridge and its operation free from tolls after the payment of the bonds which are to be used to finance the construction of the bridge.

Mr. President, it is hoped that the passage of this bill will lead to the prompt construction of the bridge, which, when completed, will form a connection between an important and an exceedingly fertile section of Missouri, known famil-

iarly and affectionately by Missourians as the Boot Heel, and the State of Tennessee. The bridge is an important and desirable public improvement. I hope the Senate will act favorably upon this measure.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. McKELLAR. Mr. President, the bridge will not only be of vast importance to the States of Tennessee and Missouri, but also to the State of Arkansas, which practically will adjoin the bridge, and to the State of Kentucky and to the State of Illinois. For those reasons, I sincerely hope there will be no objection to this measure.

The people of my State are overwhelmingly in favor of it. I doubt if there is a person against it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DONNELL. Mr. President, I should like to be heard briefly in support of the bill.

At the present time, the nearest bridge to the north of the site where this bridge will be constructed is the one which crosses from Cairo, Ill., to Bird's Point, Mo. I understand that the distance by road from Caruthersville, Mo., at or near which the new bridge is to be constructed, to Bird's Point is about 92 miles via highway.

The nearest bridge to the south of where the proposed bridge is to be constructed is one of the bridges at Memphis, which leads, as I understand, to West Memphis.

Mr. McKELLAR. Yes; that is what it is called. It is really in Arkansas.

Mr. DONNELL. The distance from Caruthersville, Mo., to the point where the bridge crosses from Arkansas to Memphis, as I understand, is by the highway in the neighborhood of 100 miles.

Mr. McKELLAR. The Senator is correct about that.

Mr. DONNELL. Mr. President, my distinguished colleague from Missouri has very clearly stated the advantages to be derived, generally speaking, from the bridge. I should like to emphasize a few facts which I think are of importance. One is, I think that the national security can reasonably be considered as being enhanced by the transportation facility which will be afforded by the new bridge. In other words, the national security will be greater if an intermediate bridge between Cairo and Memphis is constructed.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. DONNELL. I yield.

Mr. McKELLAR. Is it not true that under the terms of the bill and under the terms of the compact which has been entered into between Missouri and Tennessee, it will not cost the Government a cent to build the bridge across the great Mississippi River, and that eventually the bridge will be open, free of toll?

Mr. DONNELL. Mr. President, it is my understanding that this is contemplated. Of course, for a time, tolls will necessarily be collected; but it is my understanding that after the bonds shall have been paid off there will be freedom from tolls.

Mr. President, the bridge will act as a connecting link between the West and the section of Tennessee in which the atomic bomb plant is located.

I take it there will be increased safety as compared with the present situation, in which transportation across the river at or near Caruthersville, Mo., is confined to ferry. My distinguished colleague from Missouri is doubtless familiar, as I am, with the tragedies which have occurred as a result of ferry accidents, at or near Caruthersville.

Furthermore, Mr. President, the bridge will facilitate the transportation of agricultural products, notably, alfalfa and corn, to Tennessee from Missouri, and there is I understand, much dairying in Tennessee. It will facilitate also, conversely, the transportation of truck crops from western Tennessee to southeastern Missouri. It will provide a better opportunity for exchange of labor during harvest times. It will provide an increased opportunity for persons west of the Mississippi River to enjoy the recreational area of Real Foot Lake and the Tennessee River Lake, and conversely will permit easier access to the Ozarks by vacationists coming over to Missouri from the nearby State of Tennessee.

Mr. President, there are other matters I might mention, but suffice it to say on this phase of the subject that in my judgment it is important and advisable that the bill be passed.

I desire to call attention, however, if I may, to one further fact which I think the RECORD should show. After I had read in the bill that the compact creates a body corporate, I wondered how it was possible for the Attorney General of each of the 2 States and certain individuals to create, by their compact, a corporation. I discovered thereafter that both the Missouri General Assembly, by Senate bill 153, Sixty-fifth General Assembly, and the Tennessee General Assembly, by House bill 981, chapter 168 of the public acts of 1949, have passed enabling legislation. But the particular fact, Mr. President, to which I think attention should be called is that the General Assembly of Tennessee seems inadvertently to have left out a very important word in one of the powers granted to the commission. The word is "bonds." The importance of that word is that among the important powers granted to the Commission by the Legislature of Missouri and intended to be granted, I am quite confident, by the Legislature of Tennessee, is "to issue bonds on the security of the revenues derived from the operation of the bridge and ferries," and so forth. But the Legislature of Tennessee, in the sentence on that point, simply stated "to issue on the security of the revenues," and so forth, and omitted the word "bonds" after the word "issue." The context later in the paragraph I think quite clearly indicates that it was the intent of the Tennessee Legislature to have the word "bonds" included. But I should not be surprised, Mr. President, that careful bond attorneys may require some further action by the Legislature of Tennessee. This, however, does not in any sense militate in my mind against support of the bill. I am for the bill, but I desire it to be shown of record that that defect exists in the legislation of the State of Tennessee.

I hope the bill will be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 6109) granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

RETURN TO MEXICO OF FLAGS, ETC., CAPTURED IN THE MEXICAN WAR

The joint resolution (S. J. Res. 133) authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican War, was considered ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President is authorized to cause to be delivered to the Government of the Republic of Mexico, with such escort and such appropriate ceremony as he shall deem proper, the flags, standards, colors, and emblems of that country which were captured by the military forces of the United States in the Mexican War of 1846–48 and are now in the custody of the National Military Establishment.

SEC. 2. Such sums as are necessary to carry out the purposes of this joint resolution are hereby authorized to be appropriated.

RELIEF OF CERTAIN MEMBERS OF THE ARMY NURSE CORPS

The bill (S. 849) for the relief of certain persons who, while serving as members of the Army Nurse Corps, were commissioned as officers in the Army of the United States but were not paid the full amounts of pay and allowances payable to officers of their grade and length of service, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. CORDON. Mr. President, I ask for an explanation of the bill. I do not mean as to what the bill will do; that is perfectly apparent from the bill itself. I desire, first, an explanation as to whether, the bill being limited to two persons, there is likelihood that, first, there may be other persons who are entitled to like relief, all of whom might be granted the relief by a bill going to classes rather than to individuals. I am also interested in the fact that it would appear to me the bill should have been referred to the Armed Services Committee. I should like to have information with reference to the first matter I have mentioned.

Mr. KILGORE. Mr. President, this is a case involving merely a mistake in legislation. Similar commissions were granted to members of the WAC, to women who served as officers in the Navy, and in other service branches, at the outbreak of the war. In the endeavor to build up the Army Nurse Corps, of which there is no greater organization in

the United States, the Army granted the commission of colonel to one Army nurse, and the commission of lieutenant colonel to another Army nurse. The Comptroller General opposed payment to them because there was no law authorizing a female to be an officer of the United States Army.

As originally introduced the bill was general in character, based on a claim of a general nature. The Judiciary Committee decided to reduce it to the two persons, because they are the only ones affected by it, so far as we could learn. The two proceeded to do the work assigned to them. They proceeded to organize the Army Nurse Corps, and carried on its administration, just as they would have done had they been in the WAC's, the WAVES, or any of the other women's organizations of the armed services. They were penalized, because it so happened that it was not permitted to commission an officer in the Army Nurse Corps. It is merely a special-claim bill. It does not affect anyone else. It allows the claimants to receive pay amounting to $3,000, between them, which they would have received had the commissions been valid. That was the basis of the objection of the Comptroller General.

The interpretation of the Army was that it had the right to give them temporary commissions, and they went ahead and functioned under them.

The question has now come up, and we are faced with the situation described. It is a small matter. The bill is designed merely to recompense two very worthy women for the very worth-while job done by them. Had they been in any other branch of the service, such as the WAC's, the WAVES, or the Navy Nurse Corps, they would have received the pay. But it so happens they were in the Army Nurse Corps.

Mr. CORDON. Mr. President, did I correctly understand the Senator to say that the committee had definite, certain knowledge that these persons were the only two nurses commissioned by the Army who might be subject to the same situation?

Mr. KILGORE. That was our information. But in order to safeguard against any further claims which might arise, we made the bill a private-claim bill by amendment.

I should like to have the Senator from Missouri [Mr. DONNELL] say a further word on the question, because he was very active in the debate which took place in the committee.

Mr. DONNELL. Mr. President, I had either risen or was about to rise to request permission to say a few words in regard to this bill. I am quite keenly alive to the point which the distinguished Senator from Oregon makes with respect to the impropriety, in some instances, of specific legislation confined to specific individuals as opposed to general legislation. I will say to him that, as a general proposition, I think I have been, at least in the main, strongly in advocacy of only general legislation where general legislation could be had, instead of special legislation. It was, however, I think, largely if not entirely, at my suggestion that in this case we did not adopt that plan, but changed the bill from general legislation to specific legislation.

It is a little difficult to go back several weeks and be entirely certain of the exact mental process through which I went, but, as I recall, my thought, generally speaking, was that should we pass general legislation it might very well leave the impression that there was a considerable number of persons within this category, and thereby we might conceal the fact that there were only two persons who were seeking relief. I thought it better that the bill should specifically set forth the fact that these were the two persons who were seeking relief.

While I am, in general, quite in harmony with the Senator from Oregon, I am quite sure it was largely, if not entirely, at my insistence that the Committee on the Judiciary adopted this plan in the instant case.

May I ask the Senator from West Virginia if I am correct in that statement?

Mr. KILGORE. They were the only two persons who were certified to us by the Army.

Mr. DONNELL. I should like to ask the Senator whether the statement I have made is correct?

Mr. KILGORE. It is absolutely correct. These persons were the only two persons certified; so at the suggestion of the Senator from Missouri we made it a special claim bill rather than a general bill.

Mr. CORDON. Mr. President, I am afraid that I shall be constrained to object to the consideration of the bill, on the ground that the bill, as originally prepared as a general bill, properly should have had cognizance by the Armed Services Committee as general legislation in the field of national defense. While I regret that it may take a little time before these two persons may be properly recompensed for their services—and I certainly am not objecting on the ground that they should not be recompensed, because I think they should be—it seems to me the Senate at this late time should not act upon the bill, in view of the fact that there may be other persons in the same situation who should also have their claims equitably adjusted. I think the matter should properly wait until the Armed Services Committee itself may give attention to the principle involved. Under the circumstances, I object.

Mr. KILGORE. Mr. President, will the Senator yield a moment for a question, while he is on his feet?

Mr. CORDON. I yield.

Mr. KILGORE. The Navy, as the Senator well knows, commissioned its Nurses Corps long before the outbreak of the war. The Army failed to do that. These two women, who performed the same duty, are being penalized by reason of the negligence of the Congress and the negligence of the United States Army. They did the work. Others were paid for doing work of a similar kind. Here is a special claim bill as to which there is no question raised that they did the work. The committee, realizing that there should be an authorization and a correction made by the appropriate committee of the Senate, and, on its recommendation, by the Congress, limited it to two persons who were proved to have done the work.

I think it is somewhat of a travesty on equity and a joke on justice that these persons should be compelled to wait. We shall have to pass an ex post facto law—if the distinguished Presiding Officer can tell me how it can be done—and go clear back to 1941, which would give authority for these commissions, before we could pay anything except upon a private claim bill. To me the objection seems to be inequitably founded rather than equitably founded. We are trying to correct an inequity which grew up in the days when naval bills were handled by the Naval Affairs Committee and military bills were handled by the Military Affairs Committee, and they frequently failed to keep up with each other. Frequently there were inequities between the two services.

There has been no question raised that these women did their duty, and, in commensurate positions in the United States Navy, they would have received their pay, but, due to the fact that a congressional committee and an executive department have said that a female person could not be an officer in the United States Army, despite the fact that a female person could be a Wac in the United States Army, or a Wave in the United States Navy, or a Spar in the Coast Guard—I do not know what they call them in the Marine Corps—these nurses, who did the necessary job of taking care of our wounded soldiers and helping to build up the Army Nurse Corps, must be penalized. If the Senate of the United States wants to take that stand, I shall quietly sit down.

Mr. CORDON. Mr. President, the Senator from West Virginia is most eloquent, but my opinion is that his argument does not go to the point which I raised, and I therefore renew my objection.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

Mr. KILGORE subsequently said: Mr. President, in order to satisfy the Senator from Oregon, I desire unanimous consent at this time that Senate bill 849, Calendar No. 1218, which I still maintain was properly referred to the Senate Committee on the Judiciary, shall be referred at this time to the Senate Committee on Armed Services for action.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CORDON. Mr. President, in my humble opinion the bill should have gone to the Committee on Armed Services, and I believe there is a better chance, with the bill in that committee, to have the full matter examined and justice done to all who may have been involved.

DIXIE MARGARINE CO.

Mr. McKELLAR. Mr. President, sometime ago Calendar No. 321, Senate bill 1086, was called. That bill provides for the payment of $69,530.40 to the Dixie Margarine Co., of Memphis, Tenn. I was not present when it was called, because I was in the Committee on Appropriations at the time. This bill is a

result of litigation which went to the Supreme Court of the United States. That Court held that the company was entitled to the $69,530.40. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 1086, if there be no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

Mr. SCHOEPPEL. I must object, Mr. President.

The PRESIDING OFFICER. The Senator from Kansas objects.

Mr. McKELLAR. That ends it, then, Mr. President. I greatly regret it. If the Senator will yield to me——

The PRESIDING OFFICER. The Senator from Tennessee has the floor.

NOMINATIONS OF POSTMASTERS

Mr. McKELLAR. Mr. President, there were 68 postmasters' nominations which have come in within the past few days, and they have been approved by many Senators, so I am informed, and have been authorized by the committee. I ask unanimous consent, as in executive session, that the nominations of these postmasters may be considered and confirmed en bloc.

Mr. DONNELL. Mr. President, reserving the right to object, is the list printed for the inspection of Senators?

Mr. JOHNSTON of South Carolina. Mr. President, as I understand, it is customary on the last day the Senate is in session for the committee to report nominations of postmasters. Of course, we cannot have them printed on the Executive Calendar. We report them unanimously. So far as I know, there is no opposition on the part of any Senator.

Mr. RUSSELL. Mr. President, have these nominations been submitted to the Senators from the States where the post offices are located?

Mr. JOHNSTON of South Carolina. They have, in the customary way, and we have received back the cards from the Senators, or they have called back telling us that they did not object to the nominations.

Mr. DONNELL. Mr. President, how recently were the Senators consulted with respect to the nominations?

Mr. JOHNSTON of South Carolina. The reason why this matter is being handled in this manner is that the nominations were sent yesterday or the day before from the White House to the Senate, and we had to handle them quickly.

Mr. SALTONSTALL. Mr. President, in behalf of the Senator from South Carolina, I may say that I was spoken to yesterday regarding the appointments in Massachusetts, and I sent back word that so far as the appointments related to Massachusetts, I had no objection.

Mr. KILGORE. I may say that the same comment applies to the nominations in West Virginia.

Mr. DONNELL. Mr. President, does the Senator from South Carolina know whether or not at least one Senator from each of the States to which these nominations refer has been consulted, and has made no objection?

Mr. JOHNSTON of South Carolina. I can go further and say that both Senators have been consulted, and there is no objection.

Mr. DONNELL. I did not make clear what my inquiry was. The distinguished Senator and I are both aware of the fact that many Senators are away, and it may be that both the Senators from a State may be out of the city. The mere fact that we have heard nothing against a nomination is not necessarily conclusive that a Senator has received word and has had opportunity to object.

Mr. JOHNSTON of South Carolina. Some of the Senators who were going away were contacted prior to their leaving, and they knew of the postmaster nominations which were coming in, and gave their approval. My colleague, the senior Senator from South Carolina [Mr. MAYBANK] came to me and said, "I give my approval to any nomination of a postmaster in South Carolina that comes in." A similar experience occurred as to several of the nominations.

Mr. DONNELL. Mr. President, can the Senator and does he give assurance that at least one Senator from each of the States to which these respective appointments apply has been consulted, and that no objection has been had from the Senators from any of the States?

Mr. JOHNSTON of South Carolina. That is true.

Mr. DONNELL. I have no objection.

The PRESIDING OFFICER. Without objection, the nominations are received; and without objection, they are confirmed en bloc, and the President will be immediately notified in each instance.

EXECUTIVE SESSION

Mr. RUSSELL. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER [Mr. HOEY in the chair]. Reports of committees are in order. If there be no reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Mrs. Eugenie Anderson, of Minnesota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

Mr. DONNELL. Mr. President, may I inquire of the distinguished acting minority leader what has been the experience of Mrs. Eugenie Anderson, and the qualifications she possesses for this appointment?

Mr. RUSSELL. Mr. President, I regret very much that I am not a member of the Committee on Foreign Relations, and I have no information whatever concerning the nominee. The Senator from Connecticut [Mr. MCMAHON] is a member of the committee, and perhaps can cast some light on the matter.

Mr. McMAHON. Mr. President, I do not know the nominee personally, but as a member of the Committee on Foreign Relations I passed upon the nomination. We had read to us by the chairman, the Senator from Texas [Mr. CONNALLY], a complete history of her past activities, and a biographical sketch of her career.

Mrs. Anderson seems to be a most distinguished woman, of fine accomplishments. She was educated in Stephens College, in Missouri, the State of the senior Senator from Missouri, now acting as minority leader. She took advanced work in a couple of other colleges the names of which I have forgotten. She married quite a distinguished artist, and they have two children. She is about 40 years of age.

Mrs. Anderson has been interested all her adult life in matters civic and political, and she has taken a very active part in the political life of Minnesota. I believe that at the present time she is, or until her designation she was, the democratic national committeewoman from Minnesota.

Mrs. Anderson seems to have a host of friends, she has a pleasant personality, from what we were told in the committee, and she is a woman, as I have said, of distinguished accomplishments. From what we were told, I believe she would make a fine representative of this Government. There was no objection from any member of the committee.

Mr. DONNELL. Mr. President, I appreciate the statement made by the Senator, and I no not want the suggestion which I am about to make to be interpreted in the slightest as a reflection on Mrs. Anderson. I have read something of her accomplishments in the press, but in view of the fact that we are about to pass upon the nomination of an Ambassador, and the nominations of certain career ministers, and I assume it is the intention of the distinguished majority leader to ask that we pass upon the nominations to the Federal Trade Commission, the Federal Power Commission, chairman of a liaison committee to the Atomic Energy Commission, and others, I consider we should have a quorum, beyond doubt, and I therefore suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Magnuson
Anderson	Hoey	Malone
Baldwin	Holland	Martin
Brewster	Humphrey	Millikin
Bridges	Ives	Morse
Byrd	Johnson, Colo.	Myers
Cain	Johnson, Tex.	Neely
Capehart	Johnston, S. C.	O'Conor
Chapman	Kem	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Russell
Donnell	Knowland	Saltonstall
Downey	Langer	Schoeppel
Dworshak	Leahy	Smith, Maine
Ecton	Lodge	Thomas, Utah
Fulbright	Long	Watkins
George	Lucas	Wherry
Graham	McCarthy	Williams
Gurney	McFarland	Young
Hayden	McKellar	
Hickenlooper	McMahon	

The VICE PRESIDENT. A quorum is present.

The question is, Will the Senate advise and consent to the nomination of Mrs. Eugenie Anderson, of Minnesota, to be

Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark?

Mr. HUMPHREY. Mr. President, I understand that the acting minority leader, the distinguished senior Senator from Missouri [Mr. DONNELL] has reserved the right to object in reference to the nomination and appointment of Mrs. Anderson as Ambassador to Denmark.

I am very happy to state that Mrs. Anderson is a citizen of the State of Minnesota, and is one of the distinguished women of our State. I thought possibly the acting minority leader would like to have a more intimate and personal glimpse into her background and her training and study, which qualify her for this very important post.

I shall submit for the RECORD a complete biographical sketch which will outline her record and her family background. Mrs. Anderson's father was a very prominent Methodist clergyman in the State of Nebraska.

She herself is a graduate of Stephens College and of Carleton College, and also has done graduate work at the University of Chicago. Her husband is a well-respected and well-known farm manager in Minnesota, a gentleman who not only operates a large farm, but also a laboratory in the field of medical research. Also, he has engaged in art and is an accomplished artist in his own right.

Mr. and Mrs. Anderson have two very wonderful children. Both have been active in their respective work in the schools and in 4–H Club activities.

I believe the acting minority leader would like to know that this fine woman, who has been recommended for this post, has been extremely active in the League of Women Voters for more than 6 years, in the State of Minnesota. She served as a member of the State board and as chairman of the speakers' bureau.

I can honestly say that in my humble judgment she is one of the best informed and one of the most enlightened women in our State. Her qualifications go far beyond the jurisdictional limits of the State of Minnesota. She has a keen understanding and an ever-present knowledge of international affairs and world politics.

In the past 5 years she has actively participated in the politics of the State of Minnesota; and at present she is the Democratic national committee woman for Minnesota. I point with justifiable pride to her position as Democratic national committee woman. She has been respected by every group in our State for her excellent qualifications, her training, her knowledge, and her enlightenment. I know she will serve with distinction.

A fine precedent is being established by this appointment.

Mrs. Anderson will convey to the people of Denmark the real spirit of the people of this country. She represents the body of citizenry of this Nation.

It has been my candid judgment that, many times, those upon whom we have relied to convey the spirit of American life to the peoples of other countries have not been equipped to do so. I am confident that Mrs. Anderson will serve that purpose well. She understands the small community; she understands the problems of both rural and urban life.

In our State of Minnesota we have thousands and thousands of people of Danish extraction, and she understands their way of life. Many of such people live in her community, in her neighborhood. Mrs. Anderson has traveled abroad. She spent several months in Europe in 1937. She came back to this country after that trip and pointed out not only the ideological threat but the military threat of fascism and nazism, which were then on the march in Europe.

I might point out to Members of the Senate that she is an avowed anti-Communist. She was extremely active in our State in the successful effort to clean out from the political structure those having Communist sympathies, and those who were in any way connected with the Communist Party.

She has proved her ability not only as a mother but as a community leader and as a responsible American citizen. I hope the Senate will see fit to confirm her nomination. It will be a great honor for the State of Minnesota and an honor for the women of America to have such a splendid representative serving them so well.

I ask unanimous consent that the biographical sketch to which I have referred may be printed in the RECORD at this point.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF MRS. EUGENIA ANDERSON, RED WING, MINN.

Born May 26, 1909, Adair, Iowa.

Mrs. Anderson comes from a family of educators, doctors, clergymen, and lawyers. Her father, E. A. Moore, a graduate of the University of Nebraska and of the Boston University Theological Seminary, was a Methodist clergyman, and her mother, Flora B. McMillen, a graduate of Cornell College, was a teacher before her marriage. Rev. and Mrs. Moore were the parents of five children, who hold degrees from leading universities, two of whom are members of Phi Beta Kappa, and all of whom are active in educational and scientific fields.

Mrs. Anderson was married in 1930 to John P. Anderson. Her husband's family, of Swedish descent, likewise is a family of scientists and educators, her husband's father having been a noted inventor, scientist, and philanthropist. Mr. Anderson was educated at the University of Chicago and the Yale School of Art, and has traveled extensively in this country and abroad. He is an artist and photographer, as well as being the manager of his farm and serving as a director of a research laboratory there. Having lived on a farm for 17 years and participated in its management, Mrs. Anderson has acquired a first-hand knowledge of agricultural and business problems. Mr. and Mrs. Anderson are ardent patrons of art. Their home has long been the frequent gathering place of scholars, artists, scientists, and statesmen. They are the parents of two talented children, aged 15 and 11, who are leaders in scholastic and 4–H Club activities.

Mrs. Anderson graduated with honors from high school in only 2½ years, having been a leader in forensic activities. She attended Stephens College and Carleton College, where she was again an honor student, with majors in education, philosophy, and music. She also emphasized the study of modern languages (French and German) and political science. She helped to earn her own way through college by working in a business office and by teaching music.

After her marriage she continued the study of music in New York City at the Institute of Musical Art. She later studied child psychology with the noted psychologist, Dr. Charlotte Buehler, and also attended several seminars at the Institute of General Semantics in Chicago.

Long a serious student of social questions, Mrs. Anderson began an intensive study of international relations after a trip to Europe in 1937, when she saw the menace of nazism in Germany. She also spent considerable time in Paris and in southern France, in Austria, Czechoslovakia, and the Netherlands. Mrs. Anderson has also traveled widely in the United States.

Mrs. Anderson has been a member of the board of education in her community since 1945. Always interested in educational problems, she earlier organized and directed for 3 years a nursery school in Red Wing, Minn. She also organized and has supervised for 4 years a school-lunch program at the consolidated school which her children have attended. Other community activities include local chairmanship of the Red Cross and participation in war bond drives.

Mrs. Anderson was an active member of the League of Women Voters for about 6 years, prior to her entry into partisan politics, having served as a member of the board and of the speakers bureau for the League of Women Voters. As a spokesman for the league she has done extensive lecturing on the United Nations, on the Baruch plan of atomic energy control, and other aspects of our foreign policy, such as the Marshall plan and the Atlantic Pact.

In addition to speaking before the League of Women Voters groups, Mrs. Anderson has appeared before church groups, farm and trade-union organizations. Because of her unusual persuasiveness and her background of information, she has always been in great demand as a speaker. She has also written a number of articles dealing with social and political problems.

In addition to her activities in the League of Women Voters for many years, she was active in the Minnesota United Nations Committee and in the Minnesota chapter of Americans for Democratic Action.

Because of her concern with the international situation, Mrs. Anderson entered the Democratic Farmer-Labor Party actively in 1944, and thereafter quickly rose to prominent positions of responsibility, having been the first woman to serve as chairman of a congressional district, and having been one of the youngest members of the Democratic National Committee.

Shortly after her entry into partisan politics she became a leader in the anti-Communist movement in Minnesota, and spearheaded the drive which ousted them from control of the DFL Party. She is today a militant foe of any Communist Party influence.

Mr. DONNELL. Mr. President, I take this opportunity to thank the distinguished Senator from Minnesota for this most interesting and informative statement which he has made. I want him to understand that the reservation of the right to object was distinctly indicated not to constitute an objection on my part.

Mr. HUMPHREY. I understand.

Mr. DONNELL. I thought it well for us to have such information as we might obtain, and also that we might have a quorum of the Senate present in passing upon this and other nominations.

The Senator has referred to a precedent. I recall with much interest and

pleasure the privilege which my wife and I have had in knowing the distinguished daughter of a great American, William Jennings Bryan, Mrs. Ruth Bryan Rohde, who served as United States Minister to Denmark.

Mr. HUMPHREY. That is correct.

Mr. DONNELL. I can assure the distinguished Senator that if Mrs. Anderson shall measure up to the qualifications of Mrs. Rohde, in my opinion she will prove herself in this capacity to be a woman of great ability and will render great service to our Nation.

So far as I am personally concerned, there will be no objection to the confirmation of the nomination of Mrs. Anderson, and if it shall be confirmed, I am sure I speak the sentiment of the Senate, not alone in acknowledging this very gracious recognition of womanhood in America, but also in extending to her our most cordial best wishes for a successful career in the diplomatic service of our Nation.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Mrs. Eugenie Anderson, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark?

The nomination was confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith of her confirmation.

CAREER MINISTERS, FOREIGN SERVICE

The Chief Clerk read the nomination of Lewis Clark, to be a career minister of the United States of America.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John Dewey Hickerson, to be a career minister of the United States of America.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edwin A. Plitt, to be a carrer minister of the United States of America.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL TRADE COMMISSION

The Chief Clerk read the nomination of James M. Mead to be a member of the Federal Trade Commission.

Mr. IVES. Mr. President, I do not like to have this occasion pass without saying a word in reference to my old and very good friend, my distinguished predecessor, the former Senator from New York, James M. Mead. I am very glad, indeed, to see this recognition come to Jim Mead. I feel that he is deserving of it. He has had a distinguished career in the New York State Legislature, in the House of Representatives, and in the Senate of the United States. I am sure he will do an excellent job. I wish for him the utmost in success and happiness in his future work.

Mr. MAGNUSON. Mr. President, I merely wish to associate myself with the remarks of the Senator from New York regarding our former colleague, James M. Mead. It goes without saying that most of the Members of the Senate, and particularly those who have served in the House previous to their service in the Senate, know Jim Mead well. He had, I may say, an amazing career in the Congress of the United States. He has been elected by the people in New York to public office over a span of 33 long years. He served in the House for 20 years. He served in this body more than 8 years. Inasmuch as the Federal Trade Commission is an arm of the Congress, I am sure he will bring to that body a most intelligent understanding not only of the work of the Federal Trade Commission but of its real purposes in being an arm of the legislative body.

Mr. McKELLAR. Mr. President, many, many years ago I served in the House with Jim Mead. Later, I served in the Senate with him. I always found him a most delightful and attractive man and a most efficient and able Representative and Senator. I join my colleagues in wishing him a splendid career on the Federal Trade Commission, to which he has been appointed.

Mr. DONNELL. Mr. President, I shall not trespass but a moment upon the time of the Senate, but I would feel that I was not performing my full duty if I did not say merely a word with respect to our former colleague, Senator Mead. It was my privilege to serve with him on the Committee on Post Offices and Post Roads of the Senate a few years ago, and I came to have the very highest regard for him. In my judgment he will make a most excellent member of the Federal Trade Commission, and I am hoping his nomination will be unanimously confirmed by the Senate.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of James M. Mead to be a member of the Federal Trade Commission?

The nomination was confirmed.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

FEDERAL POWER COMMISSION

The Chief Clerk read the nomination of Mon C. Wallgren to be a member of the Federal Power Commission.

Mr. LUCAS. Mr. President, I ask that the nomination be temporarily passed over, and that we proceed with the remaining nominations on the Executive Calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

ATOMIC ENERGY COMMISSION

The Chief Clerk read the nomination of Robert LeBaron to be chairman of the Military Liaison Committee to the Atomic Energy Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed. Without objection, the President will be immediately notified of the confirmation.

JUDGES OF THE UNITED STATES COURT OF APPEALS

The Chief Clerk read the nomination of Robert L. Russell to be a judge of the United States Court of Appeals for the Fifth Circuit.

Mr. DONNELL and Mr. HOLLAND addressed the Chair.

The VICE PRESIDENT. The Senator from Missouri.

Mr. DONNELL. Mr. President, I should like, with the permission of the distinguished acting chairman of the Committee on the Judiciary, to say merely a word with respect to the two judges whose nominations for judgeships on the United States Court of Appeals are before the Senate at this moment for confirmation. It is not my privilege to know either of these two gentlemen, and as a general proposition, it has been my view, and I think that of the Judiciary Committee, that in passing upon nominees to judicial positions we should thoroughly investigate, after the opportunity, at any rate, for hearing, and after the lapse of a reasonable time during which persons who might desire to be present at such hearings would have the opportunity of notification of the time and place thereof. In the case of these two gentlemen, however, Messrs. Russell and Borah, the Senate Judiciary Committee, and I as one member of it, learned of certain facts which led us to the view that we should not insist upon this usual course of procedure. The facts, generally speaking, are the great need of additional judges upon the particular court of appeals to which they have been nominated, and, in the second place, the fact that these two gentlemen could scarcely be expected to resign their present offices as United States district judges and throw themselves upon the hazard of what might transpire should the nominations not now be confirmed to these judgeships.

So, Mr. President, as one member of the Judiciary Committee, I desire to make it clear that in consenting to and, in fact, advocating that we should waive the rule with respect to these two gentlemen, I am not in any sense, I think, a party to any precedent as to any general course of action which would forego the necessity of hearings with regard to any further nominees for judges of courts of the United States. I am personally very pleased to have these nominations brought before the Senate at this time for action.

Mr. KILGORE. Mr. President, in furtherance of the statement made by my distinguished colleague from Missouri, I should like to say with reference to Judge Russell and Judge Borah, that they had been on the district bench for a long time. We were faced by the fact that only 4 out of 6 judges are left on the Circuit Court of Appeals to which they have been appointed. It was a desperate situation. That is the reason for the activity of the Judiciary Committee in trying to cure a bad situation in a circuit by approving without the usual notice the nominations of two judges whose ability was well known and had been tried for more than 16 years as district judges.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Judge Robert L. Russell to be a judge of the United States Court of Appeals for the Fifth Circuit?

The nomination was confirmed.

Mr. HOLLAND. Mr. President, I am happy to to rise to make a few remarks with reference to Judge Russell, but more particularly with reference to his distinguished father, Judge Richard B. Russell, Sr., whom I had the privilege of

knowing. I am happy that the Senate had already unanimously confirmed the nomination before I rose to make these remarks.

This is a unique occasion, and I hope the Senators realize that such is the case.

When I was a young undergraduate at Emory College, in Georgia, in the year 1912, I went with other undergraduates to Atlanta, the State capital, where I had the pleasure of meeting and making the acquaintance of a judge who at the time was a judge of the court of appeals and who went out of his way to manifest kindness and generous friendliness to a group of youngsters who wanted to find out what they could about the courts. He made a deep impression upon me and, I am sure, upon the others who made that little journey, which could never be forgotten. I want the Senate to know that in confirming the nomination of one of his sons today, Judge Robert L. Russell, as judge of the circuit court of appeals for the fifth circuit, we are enabling that son to carry forward a tradition of judicial service which I think is without parallel in the recent past, at least in the Southland. Judge Richard B. Russell, Sr., was the father of our own distinguished colleague and also of Judge Russell whose nomination the Senate has just confirmed. He was born on April 27, 1861, near Marietta, Ga., the same little city which gave to the Nation Gen. Lucius Clay, whom we welcomed here a short while ago. Judge Russell was a graduate of the University of Georgia Law School. He devoted his life to public service in the administration of justice. He was solicitor general in the State courts from January 1889 to January 1897. He was judge of the western circuit of Georgia from January 1, 1899, to February 19, 1906. He was judge of the court of appeals from January 1, 1907, to June 5, 1916, the court of appeals being the appellate court just below the supreme court of the State. He was chief judge of the court of appeals for 3 years, from 1913 to 1916. He was chief justice of the Georgia Supreme Court from January 1, 1923, to December 1938, when he died in harness as the presiding chief justice of the Supreme Court of Georgia.

Mr. President, to me there is such value in tradition and in sentiment in a matter of this kind. I have a sense of very great appreciation to the President who has made this nomination, which the Senate has just confirmed unanimously, to thus continue in high judicial service this younger member of the distinguished house of Russell, after his years of able service as district judge in the northern district of Georgia, and to place him in the next to the highest judicial tribunal of our Nation, the circuit court of appeals.

Mr. President, while I am on my feet, I want to say that in later years, when I was a young lawyer, I had the pleasure of renewing my acquaintance from time to time with the distinguished father, and I found him always just as courteous and kindly as he had been when I was a young college boy and first made his acquaintance. Not only have he and his son, whom we have just confirmed as judge of the circuit court of appeals, made outstanding contributions to the life of their State and to the life of the Nation, but the family as such has served so ably that I think it would be appropriate for the Senate to know exactly what the Senate has done today in confirming this nomination.

There are 13 children in this family, 7 sons and 6 daughters. The daughters are all married to honorable, upstanding and outstanding American citizens. The sons have all made their mark in life in one branch or another of important human activity. One son is, of course, our distinguished associate, the junior Senator from Georgia, who served as speaker of the house in his State legislature and as Governor of the State of Georgia, and has since served here in the Senate of the United States with distinction and dignity to the honor and credit of all the people in all the States of the United States of America.

But in addition to him and his brother who is now a member of the United States Circuit Court of Appeals for the Fifth Circuit, there are three other brothers who have attained eminence. Dr. Henry E. Russell is now serving as a Presbyterian minister in Montgomery, Alabama. It will be remembered that he acted as the Senate Chaplain at one time. He was a roommate, at Theological Seminary, of Dr. Peter Marshall, whom we all knew and revered.

Then there is Dr. Fielding Russell, who is a professor at State Teachers' College, Statesboro, Georgia.

Then there is Dr. Alex Russell, a practicing physician and surgeon of the old school, living at the old family home in Winder, Ga.

Another brother, William Russell, carries on the tradition of tilling the soil, being a farmer of success and distinction, who also lives at Winder, Ga.

Then there is a contribution to the Regular Army from this family, in the person of Maj. Walter Russell of the Regular Army of the United States.

But I think the happiest of all the facts which I want to communicate to the Senate is that there is one, not here today, who probably will get more serene joy out of what has just been done than will anyone else. I refer, of course, to the mother of these 13 children who has raised this group of God-fearing, fine children around her to call her blessed. I know she will rejoice more than will any other person living over the great distinction which has been conferred upon her worthy son, young Robert L. Russell. I felt that the Senate of the United States would want to know about Mrs. Ina Dillard Russell, the mother of our distinguished colleague and of the distinguished judge whose nomination we have today confirmed. She will rejoice over what we have done today to place her devoted son in the high path of judicial service traveled so faithfully for so many fruitful years by the illustrious father who passed away in 1938.

The Chief Clerk read the nomination of Wayne G. Borah to be judge of the United States Court of Appeals for the Fifth Circuit.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

Mr. GEORGE. Mr. President, I wish primarily to thank the Judiciary Committee for permitting consideration of the nominations to the fifth circuit. In the fifth circuit we have six judges, one from each of the States in the circuit. One of the judges from the State of Louisiana passed away, and Judge Borah of the district court was nominated by the President to the fifth circuit court of appeals, and his name is now before the Senate for confirmation.

Judge Robert L. Russell is also on the Federal bench, and is the senior district judge in Georgia. Of five judges he has been longer in service than the others. He has made for himself a distinguished career on the bench, and reflects the judicial quality so ably displayed by his distinguished father, who for a long number of years was connected with the courts of Georgia.

The Georgia Senators are especially appreciative of the fact that the Committee on the Judiciary were considerate enough to bring the nominations of these two judges to the floor of the Senate, because the fifth circuit is a very busy circuit, and because of the fact that there are now two vacancies on the bench, one the result of a death, and one the result of a resignation. Judge Russell himself has been sitting on the bench of the fifth circuit court of appeals for some time at various times, in order to enable the court to keep up its work.

We are especially appreciative, as I have said, for the consideration given in this case. We would not have been disposed to ask for consideration but for the fact that both these nominees are on the Federal bench, have had distinguished service on that bench, and are well known to the people of the fifth circuit. I can give assurance to the Senate that in both instances it is not confirming new judges, it is merely voting to confirm men who are now judges and who have been elevated to a higher bench for further distinguished service to the people of the fifth circuit.

Mr. President, I am very happy to join in what has been said with reference to Judge Robert L. Russell, and I am happy to say that from reputation, from my knowledge, and from my contact with the judges of the fifth circuit, I can give assurance of the high character and great ability of not only Judge Russell, but of Judge Borah, whose nomination is now before the Senate for confirmation.

Mr. LONG. Mr. President, the people of my State of Louisiana will be exceedingly pleased and happy to know that Judge Borah has been confirmed as a judge on the circuit court of appeals to succeed Judge Elmo P. Lee. As Senators know, the Louisiana system of jurisprudence is in many respects different from that of the rest of the Nation, because it is based in part on the French civil law, and it is necessary that a Louisianian, or at least someone familiar with the French civil law, should be on the circuit court of appeals for the fifth circuit, to see that a proper understanding of Louisiana jurisprudence is had in cases of a civil nature arising from my State. Therefore all Louisianians are gratified to know that Judge Borah has been named.

Furthermore, Judge Borah has made a distinguished record over a period of many years, one that would be a credit to any judge on any Federal court. He commands the admiration of the bar of my State as a judge, as well as a citizen. His decisions have been eminently fair, and he has rendered the highest and most faithful type of service to the Federal Government. Accordingly, he deserves, by every right, to be elevated as he has been.

Mr. KILGORE. Mr. President, in order that the record may be clear in this matter, in the cases of the two judges, due to exceptional circumstances, the Committee on the Judiciary by unanimous consent agreed to waive its long-standing rule requiring 7 days' notice, and reported the nominations by unanimous consent.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Wayne G. Borah to be judge of the United States Court of Appeals for the Fifth Circuit?

The nomination was confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of George Earl Hoffman to be United States attorney for the northern district of Florida.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of Rex Bryan Hawks to be United States marshal for the western district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the United States Air Force.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Without objection, the President will be immediately notified of all the nominations which have just been confirmed.

FEDERAL POWER COMMISSION

The Chief Clerk read the nomination of Mon C. Wallgren to be a member of the Federal Power Commission.

The VICE PRESIDENT. The question is: Will the Senate advise and consent to the nomination of Mon C. Wallgren, to be a member of the Federal Power Commission?

Mr. CAIN. Mr. President, up to this minute, this afternoon has been something of an inspiration to me as an individual. It has been good to sit quietly and listen to good things being said about those who deserve them. It is also good to be acquainted with and to have some association with those about whom good things can be said. May all of those, including the departing Senator from Connecticut [Mr. BALDWIN], who have been discussed today be blessed with good fortune from now on.

Mr. President, the junior Senator from Washington will not long detain the Senate of the United States from taking action on the nomination of Mon C. Wallgren, of Washington State, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1954. I shall, however, speak frankly and sincerely, and I shall challenge, most respectfully, any Member of this body to prove that my conclusions are wrong.

Mr. President, the first the Senate knew of the nomination of Mr. Wallgren to the Federal Power Commission was yesterday morning at 11 o'clock, when the Senate convened. How many among us as individual Senators had prior notice that the nomination was coming to this floor yesterday morning I do not know. That some among us knew it, at least presumably, the day before, is both self-evident and obvious.

It was during the latter part of Monday afternoon when a unanimous-consent request was offered and agreed to which would permit the Committee on Interstate and Foreign Commerce to meet during the session of the Senate yesterday afternoon. Likewise, in yesterday morning's first edition of the Seattle Post Intelligencer, 3,000 miles from here, there was a news story to the effect that on yesterday the name of Mr. Wallgren would be sent to this body for action. The way was being prepared by somebody for action which is to be remarkably quick, if not considered.

Mr. President, because the junior Senator from Washington knew nothing of this nomination before yesterday, he is not qualified to judge whether the nominee has experience, background, and knowledge which are adequate for the duties and obligations of the Federal Power Commission.

As I, an individual Senator, am not able to render a considered judgment, I know of few among my colleagues who are. No hearings on the nomination were held and none apparently were intended. The large majority of those who are to vote today to approve the nomination will do so because they wish blindly to support a Presidential request or for personal reasons which are probably in most instances unrelated to the nominee's qualifications for an assignment on the Federal Power Commission. Should Mr. Wallgren be confirmed today I can only, and do, hope that he becomes a conscientious, honest, and capable public servant. Should he fail to acquire these virtues and requirements it can then at least be said by those who presently vote for the nominee's confirmation that he is but one member out of five members of the Commission and will be restrained by his colleagues from any misconduct which will impair the common good.

Mr. President, if there is a real need for taking affirmative action on the nomination today I do not know what it is. On yesterday I expressed my own wish to the Interstate and Foreign Commerce Committee that action be deferred until the Senate reconvenes next January, which will be several months from now. I pointed out then, as I do now, that some 40 Senators are absent from the floor of the Senate. What position our absent colleagues would assume if they were here I do not know, but I think they are entitled to be present when an important executive nomination is under consideration.

Mr. President, I need not say to you, sir, that the Federal Power Commission is an important agency of the Government. It was organized as an independent commission in its present form by the act approved June 23, 1930, 19 years ago. The Commission has a membership of five. The Commission exercises its authority in part from the provisions contained in the Federal Power Act, the several flood-control acts, the Natural Gas Act, and from emergency authority. As we consider voting on the pending nomination, we ought to be aware of the duties to be carried out by the members of the Commission. I draw only a few sentences from the enabling legislation to the attention of the Senate.

Part I of the Federal Power Act represents the declared policy of Congress to provide for the development and improvement of navigation and the development, transmission, and utilization of power on streams subject to Federal jurisdiction, upon lands of the United States, and at Government dams, by private and public agencies acting under licenses issued by the Commission.

Part II of the Federal Power Act embodies a comprehensive scheme for the regulation of electric utilities engaged in interstate commerce.

Part III provides for the prescribing and enforcement of compliance with a uniform system of accounts by licensees and interstate electric utilities, reclassification of accounts, regulation of depreciation, and like accounting matters.

Under the Flood Control Acts of 1938 and subsequent years the Commission is authorized to investigate power potentialities in the flood-control projects to be constructed by the Department of the Army, and is charged with the responsibility of making recommendations to the Secretary of the Army with regard to the installation of penstocks or similar facilities adapted to possible future use in the development of hydroelectric power in any flood-control or navigation dam to be constructed by the Department of the Army.

The Natural Gas Act is intended to regulate those engaged in the transportation of natural gas in interstate commerce or the sale in interstate commerce of such gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other purpose.

Mr. President, I have been concerned by what this agency is directed to do in wartime. I find the following references to that subject:

During the continuance of any war in which the United States is engaged or whenever the Commission determines that an emergency exists by reason of a sudden increase in the demand for electric energy, or shortage of electric energy or of facilities for the generation of electric energy, or other causes, either upon its own motion or upon

complaint, with or without notice, hearing or report, to require by order such temporary connections of facilities and such generation, delivery, interchange, or transmission of electric energy as in its judgment will best meet the emergency and serve the public interest.

The second reference to this subject of emergency in war is as follows:

During the continuance of any emergency requiring immediate action, persons not otherwise subject to the jurisdiction of the Commission may make temporary connections with public utilities or may construct temporary facilities for the interstate transmission of electric energy as may be necessary or appropriate to meet the emergency, without thereby becoming subject to the jurisdiction of the Commission. The section requires that such connections be discontinued and such construction removed or otherwise disposed of at the termination of the emergency, but permits permanent connections for emergency use only upon approval by the Commission. Many persons have requested and obtained appropriate assurances from the Commission that such temporary connections or construction would not subject them to jurisdiction of the Commission. The Commission also receives and grants requests for approval of permanent interconnections for emergency use under section 202 (d).

The Federal Power Act also provides that the United States may take over—

"May take over," Mr. President—

and operate any licensed hydroelectric project upon a written order of the President stating that the safety of the United States demands it "for the purpose of manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States."

Other Members of the Senate—perhaps every other Member of the Senate—may think that the nominee is eminently suited to the duties which have been delegated to the Federal Power Commission. My own best individual guess is that few Members have any real or substantial opinion on the question. Yet, all of us, Mr. President, recognize that the Federal Power Commission is a tremendously important agency both in peacetime and in wartime.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAIN. I should very much appreciate the opportunity to finish my brief statement and then should the Senator have any questions I would be privileged to attempt to answer them.

The VICE PRESIDENT. The Senator from Washington declines to yield.

Mr. CAIN. Mr. President, the membership on the Federal Power Commission demands a high quality of judgment, objectively, character, and intelligence. We shall be doing ourselves and the Nation a great disservice if we confirm anyone to the Federal Power Commission whom we have reason to believe is not well suited in every respect. Though we may take action today to confirm the nominee, most among us who are present will be acting on insufficient information and the many Senators who are absent will not be parties to that action. This situation does not excite me or fill me with indignation. It simply covers me with a deep feeling of sorrow. The most we can say when our action has been taken is that we do not fully appreciate or understand what we have done.

There is little I care to say about the nominee but what I shall say is important to me and it will determine my vote.

When the nomination of Mr. Wallgren to be the Chairman of the National Security Resources Board was before the Armed Services Committee I was among those who opposed the nomination, for justifiable reasons which are known to everyone. In my opening statement to that Committee I stated that I would have raised no question concerning his nomination for a post on scores of other bureaus, commissions, and agencies for which the President might have nominated him. Mr. President, I meant what I said at the time I said it. I had no personal quarrel with Mr. Wallgren then and I have none now. But after my first appearance before the Armed Services Committee Mr. Wallgren appeared as a witness in his own right. Those appearances gave me a clear right to change my mind concerning his suitability for other important Federal positions. During the course of the hearings referred to Mr. Wallgren did not tell the truth in answer to some reasonable and valid questions. He likewise had no reasonable concept of the role which he sought to play on the national stage. In the absence of hearings on his pending nomination I have no way of knowing whether he would tell the truth or understand the duties for which he is being considered. As an individual Senator I shall quite obviously refuse to vote in the dark for his confirmation.

Others among us, Mr. President, have shared, and probably continue to share, my views about the man in question. On page 6408 of the CONGRESSIONAL RECORD of May 18, I find these words which were uttered on this floor by a distinguished Senator from the other side of the aisle. This Senator said:

In all the time I have been in the Senate I have never seen such a poor witness, such an incompetent witness, and one who was in such complete ignorance of his duties in the position for which he was nominated, as was the gentleman in question. Other members of the committee who voted in favor of the distinguished former Governor of Washington have told me the same thing. The testimony lasted a week, and the subject was gone into fully.

Had hearings been conducted by the Interstate and Foreign Commerce Committee it might have happened that the nominee would have been a competent and able witness. No Member of the Senate will ever know what those hearings would have disclosed because in our anxiety to recess the committee thought it proper to bypass both questions and answers from which a sound verdict could have been reached.

Mr. President, I pondered deeply last night over the pending business. I knew it to be a fact that with help from just a few others I could probably make certain that the nomination would remain on the calendar until all Senators were present and voting several months from now. The effort to do this would have taken time. I have seen fit to decide against this possibility. It is sufficient to my own conscience to state my own views on the subject. If the Senate wishes to vote for the nominee in the absence of almost half our Members and without committee hearings the Senate, so far as the junior Senator from Washington is concerned, must be responsible for what I consider to be its own negligence and its unwillingness to live up to the requirements of the Senate's responsibilities. It is not so much that Mr. Wallgren is a good choice or a bad choice but that the Senate has no present way of knowing whether he is good or bad. The only phrase by which we can characterize our intended action is "Mediocrity is our standard."

In thinking about the pending nomination, which seemingly is destined to be approved by the Senate with the speed of light, I am thinking also about other things as we prepare to adjourn in the next few hours. I am thinking about this thing called security. I am thinking about the billions and billions of dollars which we have appropriated in its name during this session of the Congress. I am reminded that we have appropriated more than $15,000,000,000 for the requirements of security, both at home and abroad, since the Armed Services Committee tabled a Presidential nomination for the chairmanship of the National Security Resources Board in March. I have a right to wonder when, if ever, the President of the United States is going to submit the name of an American qualified to direct the activities of that Board, which was created to keep this country out of war by so preparing America that we could win any war which may be thrust upon us in the future. On the basis of what I think some of us know this Nation could not fight its way out of a paper bag if war were to break out tomorrow. We have done much, Mr. President, to provide for an adequate military establishment, but wars are not won by soldiers, sailors, airmen, and marines unless they are backed up by a total industrial mobilization at home. In its present state the National Security Resources Board merely implies to the citizens of our Nation that we are getting ready to conquer any emergency. This is not the fact and will never be the fact until the NSRB benefits from a leadership which is conspicuously and completely lacking today. It is small wonder that I feel sick when the Senate is being asked to advance the cause of Government by crony when we have so many other and more imperative obligations to meet and conquer.

Mr. President, I wish but one last word on the pending business. I repeat what I stated before the Armed Services Committee on February 17:

Every State takes pride from those among its citizenry who have been appointed to executive positions by any President. The State of Washington, which I represent, is no different in this respect from any other State. Any qualified citizen of ours who is appointed by a President to a national public office provides the State of his origin with a sense of satisfaction and achievement.

My contention, Mr. President, is that the Senate of the United States should make certain that the nominee is qualified for an intended post on the Federal Power Commission. Any person who is unqualified reflects no credit on the

President, or the country, or the State of his origin. If the nominee is confirmed today there will be thousands throughout the land who will believe that the speed with which the appointment was confirmed was intended to avoid a thoughful determination of the nominee's merits and capacity. The nominee himself is deserving of a decision which clarifies the prevailing uncertainty and doubt about his attainments.

Ordinary people throughout America are coming more and more to subscribe to an opinion expressed by one of our local Washington, D. C., newspapers in a recent editorial comment:

> For his appointments, as time goes by, Mr. Truman may have to go outside the immediate circle of his own old pals—naming someone, say, who sat three rows away in the Senate.

Mr. President, it would best serve our Nation if no affirmative action were taken today on the confirmation of the nomination which is before us. On the assumption, however, that reasons known to others justify the Senate acting affirmatively now, I wish the nominee well and to hope that something good will come from action which I find it impossible either to support or understand.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Mon. C. Wallgren, to be a member of the Federal Power Commission?

Mr. DONNELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McFARLAND. Mr. President, I agree with the junior Senator from Washington that the position of membership on the Federal Power Commission is a most important one. However, I find myself in disagreement with my good friend and colleague in regard to some of the other statements made with respect to the nomination now being discussed.

I was happy when the President of the United States submitted the name of Mon C. Wallgren to the Senate. I was happy because I consider him a man of integrity. I consider him a man of ability. I consider him a man eminently qualified for this high position.

My opinion of the nominee is not based upon the record of the hearings held before a Senate committee but it is based upon my personal experience and service with the nominee, while he was a member of this body. It has been my experience to note that we can best judge the qualifications of a man by having the opportunity to observe him as he performs his duties. Mon C. Wallgren has served in both the Senate and the House of Representatives; and, Mr. President, he served his country well in these halls. During that service, he helped write the legislation which created the Commission to which he has now been nominated. During that service he supported legislation which made possible many of the hydroelectric power projects now in operation throughout the United States. If this nomination is confirmed, Mr. Wallgren will be called upon to regulate these installations. My personal knowledge of the ability of the nominee makes me confident that he will carry out his duties in a highly satisfactory manner.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. JOHNSON of Texas. Is not the Senator aware of the fact that a committee of the United States Senate held hearings on another nomination of Mr. Wallgren for approximately a week, this year, and that more than 240 printed pages of testimony were taken at that time?

Mr. McFARLAND. Yes, I am aware that one of the Senate committees did hold hearings upon a nomination of Mr. Wallgren. I am not basing my evaluation of the nominee upon those hearings; I did not read the record of them, for that nomination was not reported to the Senate.

But it is my opinion that experience gained from association here in the Senate of the United States is a more desirable source of information regarding the qualifications of a man than any hearings which may have been held.

It was my privilege to serve with Mon C. Wallgren on some of the Senate committees. I know personally of his ability and of his honesty and of his integrity. I know he has a judicial temperament; this characteristic is one of many he possesses which make him qualified to serve on the Federal Power Commission.

Mr. President, I shall be happy to vote for the confirmation of the nomination of Mon C. Wallgren.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

Mr. MAGNUSON. Mr. President, I do not wish to detain the Senate for more than two or three minutes, nor do I wish to engage in any controversy or discussion regarding this nomination.

However, I think that in all justice, not only to the nominee, but to the great Senate Committee on Interstate and Foreign Commerce, the record should be clear. The record is clear insofar as we are concerned.

That committee has great familiarity with the powers and duties of the Federal Power Commission. The committee worked for many long weeks and months on the legislation creating that commission. The committee knows the importance of the Commission, and also knows what type of man will fit well in serving on the Commission, in carrying out the purposes of that act.

Most of the members of that committee, including myself, know the nominee; we know him well. As the distinguished Senator from Arizona has said, the best evidence to be considered in connection with advising and consenting to a Presidential nomination is evidence gained as a result of personal knowledge of the nominee himself, particularly from service with him in a great legislative body such as the Senate or House of Representatives of the United States.

Mr. President, the Federal Power Commission is an important agency to the people of Pacific Northwest. No man who has lived in the Pacific Northwest for over half a century, who has been actively engaged in the administration of the laws of the State of Washington, who has actively represented the State of Washington in connection with matters concerning the power which develops the great Columbia Basin and the great Columbia River potential, and who has been representing that State for approximately 16 years in such capacities, can fail to be well qualified and familiar with the problems and duties and purposes of the Federal Power Commission.

Mr. President, I do not wish to engage in any personalities here. I suppose that my junior colleague [Mr. CAIN] and myself could keep the Senate here for many hours, discussing Washington State politics; but I am sure that would be of no interest to the other Members of the Senate, for their only interest in this matter is in an appointment to an important Commission which has been established to take care of the utility matters of the Nation, insofar as the Federal Government regulates them, and in deciding upon the question of confirming the nominee, a man who has had great experience in these matters.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a telegram which has been received in connection with this nomination.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

> OLYMPIA, WASH., *October 18, 1949.*
> Hon. EDWIN C. JOHNSON,
> *United States Senator from Colorado, Chairman, Interstate and Foreign Commerce Committee, Senate Office Building:*
>
> Westerners join me in being pleased to urge favorable action on nomination of Mon C. Wallgren as Federal Power Commissioner. The development of the public power program and the benefiting industries of this State in a measure reflect his energy and farsightedness during his terms as Congressman, Senator, and Governor of this State. His intimate knowledge of power potentialities and problems commend him as a national servant. The rapidly developing and important West requires that a man of his capabilities contribute to the national advancement through this important agency.
>
> SMITH TROY,
> *Attorney General, State of Washington.*

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Mon C. Wallgren, of Washington, to be a member of the Federal Power Commission?

On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. NEELY. The senior Senator from West Virginia [Mr. KILGORE] is absent on official business. If he were present he would vote "yea."

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Virginia [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland

[Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oklahoma [Mr. THOMAS] are absent on official committee business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

The Senator from South Carolina [Mr. JOHNSTON] is paired on this vote with the Senator from New York [Mr. DULLES]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from New York would vote "nay."

The Senator from Rhode Island [Mr. GREEN] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Ohio would vote "nay."

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Montana [Mr. MURRAY], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], the Senator from South Dakota [Mr. MUNDT], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON], the Senator from Indiana [Mr. JENNER], and the Senator from Minnesota [Mr. THYE] are absent on official committee business.

The Senator from Ohio [Mr. TAFT] who is necessarily absent, is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from New York [Mr. DULLES] who is absent by leave of the Senate, is paired with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting, the Senator from New York would vote "nay," and the Senator from South Carolina would vote "yea."

The Senator from Connecticut [Mr. BALDWIN] is detained on official business.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The result was—yeas 47, nays 12, as follows:

YEAS—47

Aiken	Holland	Malone
Anderson	Humphrey	Millikin
Brewster	Johnson, Colo.	Morse
Bridges	Johnson, Tex.	Myers
Capehart	Kerr	Neely
Chapman	Knowland	O'Conor
Connally	Langer	O'Mahoney
Downey	Leahy	Pepper
Dworshak	Lodge	Russell
Fulbright	Long	Saltonstall
George	Lucas	Smith, Maine
Graham	McCarthy	Thomas, Utah
Gurney	McFarland	Tobey
Hayden	McKellar	Watkins
Hill	McMahon	Young
Hoey	Magnuson	

NAYS—12

Byrd	Ecton	Martin
Cain	Hickenlooper	Schoeppel
Cordon	Ives	Wherry
Donnell	Kem	Williams

NOT VOTING—37

Baldwin	Hendrickson	Smith, N. J.
Bricker	Hunt	Sparkman
Butler	Jenner	Stennis
Chavez	Johnston, S. C.	Taft
Douglas	Kefauver	Taylor
Dulles	Kilgore	Thomas, Okla.
Eastland	McCarran	Thye
Ellender	McClellan	Tydings
Ferguson	Maybank	Vandenberg
Flanders	Mundt	Wiley
Frear	Murray	Withers
Gillette	Reed	
Green	Robertson	

So the nomination of Mon C. Wallgren to be a member of the Federal Power Commission was confirmed.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1578. An act to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System;

S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; and

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes.

The message also announced that the House had agreed to the following concurrent resolutions of the House, in which it requested the concurrence of the Senate:

H. Con. Res. 146. Concurrent resolution authorizing the printing of additional copies of certain hearings held before the House Committee on Agriculture; and

H. Con. Res. 147. Concurrent resolution authorizing the Joint Committee on Atomic Energy to have printed 50,000 copies of Senate Report 1169.

ESTABLISHMENT OF FOREIGN-TRADE ZONES—CONFERENCE REPORT

The Senate resumed the consideration of legislative business.

Mr. ANDERSON obtained the floor.

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Louisiana?

Mr. ANDERSON. I yield.

Mr. LONG. Mr. President, there is on the desk a conference report on House bill 5332, to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones, heretofore submitted by the Senator from Georgia [Mr. GEORGE]. I ask unanimous consent for the present consideration of the conference report.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. LONG. Mr. President, I should like to explain that this is a bill which affects only a few ports, about five in number, in the United States, ports which have a foreign-trade zone. It would permit within those trade zones a limited amount of assembling and fabrication of items which are imported but not brought actually into the United States, in order that they may be transshipped elsewhere without paying the customs which would be required if they had been imported into this country.

This is a slight broadening of the authority for foreign-trade zones. When this bill came before the Senate an amendment relating to fur, offered by the Senator from Wisconsin, was adopted, but it was not agreed to by the conference; one of the principal reasons being that the amendment was opposed by the State Department, and its acceptance would in all probability have meant that the bill would be vetoed. In view of that fact, the conference reported the bill back without the fur amendment.

I personally would be in favor of the amendment, or of any legislation to prevent the importation of fur. I voted for such an amendment to the Reciprocal Trade Act. It might have been that the act would have been signed, if the amendment had been added to it. However, it is a virtual certainty that the pending bill would not be approved if the amendment were added.

At this late hour of the session, if the conference report is refused, it will not mean that the amendment will become law, but merely that the amendment will die with the entire bill, in conference, because the House and Senate will probably adjourn today. Therefore, in the effort to have some legislation passed on the subject of the foreign-trade zones, even though I would be in favor of the principle of the fur amendment, standing on its own bottom, I should like to see the conference report agreed to. It would have the effect of at least dropping the fur amendment, so the rest of the bill might be passed.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. LONG. I yield.

Mr. McCARTHY. Do I correctly understand that the conferees received word from the White House to the effect that the President would veto the bill unless the amendment to protect the fur farmers were rejected?

Mr. LONG. I have not received any direct word from the White House, although I have received information indirectly, which I consider to be somewhat authoritative, that the White House would not look favorably upon the amendment. I am quite aware, as I know the Senator from Wisconsin is aware, that the State Department is opposed to the amendment on the ground that it would be a precedent for many other enactments of the same nature.

Mr. McCARTHY. Do I correctly understand that the State Department informed the conferees that they would do everything in their power to get the President to veto this bill unless the amendment should be rejected?

Mr. LONG. That is my impression.

Mr. McCARTHY. The conferees were subjected to unlimited lobbying on the part of Mr. Brown and other gentlemen from the State Department during all the time the conferees were working on the bill.

Mr. LONG. I know nothing about that, although I am informed reliably that the State Department is very much opposed to the amendment. Of course, at this late stage it would be impossible, if the Senate does not agree to the conference report, to pass this legislation either with or without the amendment, because it would be too late for the conferees to act again at this session.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCARTHY. If the report in question is sent back to the conferees and the Senate conferees are instructed to insist upon the Senate amendments, am I correct in saying that even though Congress should adjourn tonight or tomorrow the bill would not automatically die, but could be called up again in January, when Congress returns?

The VICE PRESIDENT. The Chair would observe that if the report were recommitted, or if no conference report had been made, if Congress adjourned it would hold over until the next session of Congress. Legislation does not automatically die with the adjournment of a session; it dies with the adjournment of a Congress.

Mr. McCARTHY. If the Senate rejects the conference report and sends it back to conference with instructions to insist on the Senate amendments, would it be held over to the second session of the Eighty-first Congress?

The VICE PRESIDENT. The legislation would remain in status quo until the next session of the Congress.

Mr. McCARTHY. Mr. President, is a motion in order that the conference report be rejected and that the Senate conferees be instructed to insist on the Senate amendments?

The VICE PRESIDENT. The Chair supposes the Senator means to inquire whether a motion to recommit the conference report to the conferees would be in order.

Mr. McCARTHY. That is correct—with instructions.

The VICE PRESIDENT. A vote on the conference report itself would take priority over a motion to recommit. If the conference report should be rejected, it would be in order to move that it be recommitted.

Mr. McCARTHY. The pending question, then, is a vote upon the acceptance or rejection of the report?

The VICE PRESIDENT. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCARTHY. I yield to my illustrious colleague from Nebraska.

Mr. WHERRY. If the conference report is rejected, is it the intention of the junior Senator from Wisconsin to move that the conference report be sent back for further conference with instructions from the Senate?

Mr. McCARTHY. That is the intention of the Senator from Wisconsin.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. IVES. The Senator from New York would like to ask the Senator from Wisconsin if his only objection to the conference report is the fact that this particular section has been deleted? Outside of that, is the Senator satisfied with the report?

Mr. McCARTHY. Outside of that, the Senator from Wisconsin is satisfied with the report.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. DONNELL. The Senator stated it would be his intention if the conference report is rejected, to move that the bill be sent back to the conferees with instructions. May I ask the Senator whether those instructions would be to the effect that the conferees should insist upon the retention of this amendment:

> The President shall establish such regulations of the importation of furs and fur articles as are determined necessary by the Tariff Commission to prevent serious injury to the domestic fur-producing industry.

Mr. McCARTHY. That is correct.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. MILLIKIN. Mr. President, I simply wish the RECORD to show that the junior Senator from Colorado, the senior Senator from Delaware [Mr. WILLIAMS], Representative WOODRUFF, and Representative BYRNES were the Republican conferees who refused to sign the report because the amendment referred to by the distinguished Senator from Wisconsin was excluded from the bill.

Mr. McCARTHY. Mr. President, I sincerely hope the Senate will reject this report, for two reasons. I believe it is time for the Senate——

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARTHY. For a question, certainly.

Mr. LUCAS. Mr. President, will the Senator yield in order that I may ask unanimous consent that the conference report be withdrawn, and that the Senate proceed to consider the conference report on the farm bill? I do not know how long it will take.

Mr. McCARTHY. Mr. President, I promised the Senator from Louisiana [Mr. LONG] that I would cooperate with him to have this conference report brought to the floor. I know he is sincerely interested in this particular bill. He is sponsoring it.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McCARTHY. The Senator from Illinois asked if I would yield for the purpose of making a unanimous-consent request. I may say that if the Senator from Louisiana has no objection to that procedure, I have none.

Mr. LONG. Mr. President, I shall not object, in view of the importance of the farm bill, which is certainly more important than is this particular piece of legislation.

The VICE PRESIDENT. Without objection, the motion of the Senator from Louisiana is withdrawn.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES—CONFERENCE REPORT

Mr. ANDERSON. Mr. President, on behalf of the Senator from Oklahoma [Mr. THOMAS], I submit a conference report on House bill 5345, to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read.

(For conference report, see pp. 15055–15060 of today's House proceedings.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. WILLIAMS. Mr. President, would the Senator from New Mexico tell us what action was taken with reference to the amendment offered by the Senator from Washington [Mr. MAGNUSON]?

Mr. ANDERSON. It was eliminated from the bill. I recognized that there was support for it in both Houses, but in

view of the effect it would have on reciprocal trade agreements, the conferees on both sides agreed that the amendment should be dropped from the bill.

Mr. DONNELL. Mr. President, I regret that owing to the conversation I was having with another Senator I did not hear what the Senator from New Mexico said was done.

Mr. ANDERSON. The question was whether the Magnuson amendment was still in the bill, and I explained that because of the effect on reciprocal trade agreements it was thought wise to eliminate it from the bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LUCAS. It was also eliminated in order to obtain a farm bill. It was recognized by both sides of the conference that it was an amendment which it would be unwise to leave in the bill because of a threatened veto. In order to get a farm bill, Members on both sides were willing to eliminate the amendment.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. SALTONSTALL. I should appreciate it very much if the Senator would give a description of the results of the conference.

Mr. ANDERSON. If the Senator desires, I shall be happy to do so.

The first point of difference is in the portion of the Senate bill which retained 90 percent supports for 1 year. The conferees on the part of the House desired 90 percent supports for a period of at least 5 years. The matter was not one that was easy to resolve, and the final decision was that 90 percent supports should be retained on all basics for 1 year. A minimum of 80 percent would be permissible the second year, and the range would be between 80 and 90 percent. Therefore the table carried in the Senate bill ranging from 75 to 90 percent would be fully effective.

There was one additional change, which relates to the parity base. The Senate bill had used a modernized parity formula, including hired-help wages, and giving effect to wartime subsidies. The House bill had retained the old parity formula. That parity formula was, should I say, more favorable to certain grains and not so favorable to livestock farming.

The Senate conferees strongly believed that a formula favorable to the livestock farming should be the one that remained in the bill, but at the strong insistence of the House conferees that agricultural income was dropping too rapidly because of the acreage limitations coming into effect in 1950, it was voted that for a period of 4 years the Secretary of Agriculture should calculate, for basics only, the two parity bases, both the old and the new formulas, and should apply the one most favorable to the producer.

It must be said that there is a fairly substantial difference in the first year. Economists testifying before the Senate Committee on Agriculture and Forestry a year ago said that the two formulas would gradually merge and come together, and that it might take 4 or 5 years to accomplish the desired result. This means that within a reasonable time the two may come together. The Senate committee still adheres to the modernized formula carried in the Agricultural Act of 1948, plus hired labor, plus the effect of the subsidies. But there was that concession made to the House conferees with reference to the use of whichever base was desirable.

Mr. WILLIAMS and Mr. WHERRY addressed the Chair.

The VICE PRESIDENT. Does the Senator from New Mexico yield, and if so, to whom?

Mr. WHERRY. May I interrupt on the point the Senator has been discussing?

Mr. ANDERSON. I yield to the Senator from Nebraska, then I shall yield to the Senator from Delaware.

Mr. WHERRY. The Senator says the Secretary can figure on the basic crops, the old formula——

Mr. ANDERSON. He shall calculate them both and use the one most advantageous to the producer.

Mr. WHERRY. The old one, of course, is the one that has been in operation, taking as the base——

Mr. ANDERSON. 1909 to 1914.

Mr. WHERRY. Is that the parity formula which has been suggested by the distinguished Senator from New Mexico?

Mr. ANDERSON. No; it is the formula which was carried first in the Agricultural Act of 1948, but it provides for the same base period, and then permits a modification of it, depending on the relationship of the crops in the past 10 years.

Speaking now from memory, and I hope I speak correctly, as to wheat, using that formula the figure would be $1.94. Using the new formula, it would be $1.84.

Mr. WHERRY. On the present parity basis?

Mr. ANDERSON. Yes.

Mr. WHERRY. How would the same parity formula, if it is adopted for the basic crops, affect livestock?

Mr. ANDERSON. The new formula is much more advantageous to all other crops than the basic crops, with the exception, I believe, of perhaps potatoes. It is much more favorable to livestock than the old formula. Of course, the reason for using the new formula was a desire to encourage a relatively favorable ratio for livestock, thereby resulting in the consumption of more grain.

Mr. WHERRY. So in order to effect this compromise, it was determined by the conferees that either formula should be used in either case, whichever was desired to be applied. Is that correct?

Mr. ANDERSON. That is correct.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Delaware.

Mr. WILLIAMS. Do I understand correctly that in effect the report continues a portion of the Aiken bill and a portion of the Anderson bill, and there is a choice offered to the farmers to select whatever is the most advantageous?

Mr. ANDERSON. No, I do not think that would be a fair statement. As to the parity formula, it is not a question of the farmer deciding which is more advantageous to him. The Department of Agriculture must assume the responsibility. It will calculate the two parity formulas, and decide which parity formula is more beneficial to the producer, and use that one.

There are a great many sections of the Aiken bill retained in the conference report bill, I am happy to say, if that is the import of the Senator's question. It does retain that portion of the modernized parity formula which was carried in the so-called Aiken portion of the Agricultural Act of 1948. It has attempted to amend the law by the inclusion of the hired labor and by the inclusion of wartime subsidies, paid during the period of the war.

Mr. WILLIAMS. The first year, automatically, there would be 90 percent parity, but the second year it would be 80 percent only if the Secretary so decided, would it not? He could project the 90 percent another 2 years if he so desired.

Mr. ANDERSON. Yes. It was the opinion of the conferees on the part of the Senate that that theory involved one crop only, namely cotton. It is entirely possible that the position of cotton may be in the neighborhood of 135 percent in 1950, 136 or 137 percent in 1951. But it is purely a guess, because we cannot tell what the weather is going to be. It might require that the level of cotton might be dropped as low as 75 percent in 1951. The acreage of cotton is about twenty-six million, five or six or seven hundred thousand acres this year. The acreage of cotton will be reduced by virtue of the cotton-limitation bill to 21,000,000 acres, almost surely, in 1950. That means that there will be a reduction in cotton acreage of from five and a half to five and three-quarters million acres, a total bale reduction in the whole crop of about 4,000,000 bales. At $125 a bale, that means $500,000,000, at least, taken from the cotton farmers.

The committee felt it could afford to cushion the shock further by estimating 80 percent of parity in 1951 instead of 75 percent, which makes a difference of about $7.50 a bale, and cuts the 4,000,000 bales which might go into the hands of the Commodity Credit Corporation.

Mr. SALTONSTALL. Mr. President——

Mr. ANDERSON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I desire the floor in my own right.

Mr. ANDERSON. If there are additional questions, I shall try to answer them if I can. Then I shall be happy to yield the floor.

Mr. LUCAS. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Illinois.

Mr. LUCAS. With respect to the last question the Senator from Delaware pro-

pounded, with regard to the second year, the minimum is 80 percent, and the maximum is 90 percent, as I understand, and the figure would be between 80 and 90 in the second year.

Mr. ANDERSON. Yes. For example, in the case of wheat, it is entirely possible that the range would be between 83 percent and 90 percent. When we come to project what is going to happen in 1951, I dislike having my words written down as to what the range will be, because I cannot tell what the weather will be in either 1950 or 1951. But to the best of our knowledge, taking average yields, the yield of wheat, taking into consideration the present situation as to wheat, the present plantings of fall crops of winter wheat this year and the projected plantings of spring wheat next year, all those things being taken into consideration, we ought to have a minimum of 83 percent in 1950. We are saying the figure shall be 90 in 1950. The best estimates we can make indicate that wheat in 1951 would have a range of probably 84 to 90 percent. But we are saying it shall not drop below 80 percent. There could be a complete curtailment of ECA shipments, which would place the wheat supply in a bad situation. I do not believe that is going to happen, but I do say that the guaranty of 80 percent for the second year is not so necessary to protect the wheat, corn, rice, tobacco, and peanut situation as it is to protect the cotton situation.

It should be borne in mind, if the Senator will indulge me, that the cotton acreage will again be further reduced in 1950, in all probability, down to about 17,830,000 acres. The formula in the cotton-limitation bill would permit that, and if cotton acreage is dropped from 26,500,000 acres this year down to 21,000,000 in 1951, that is a very substantial reduction in a crop which in many cases is the sole source of cash income to many farmers.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. ANDERSON. Yes. I am anxious to yield to other Senators who have indicated that they wish me to yield to them, but I yield first to the Senator from Illinois.

Mr. LUCAS. I think we should further discuss briefly the first section of the bill dealing with tables 1 and 2. In other words, as I recall, the House conferees at one time made a motion to strike out those tables, which would give the Secretary of Agriculture the sole discretionary power to say whether or not the figure should be 75 percent as a minimum or 90 percent as a maximum. In other words, the Secretary could do as he pleased. The Senate conferees voted to defeat that motion, and defeated it, which left the tables in the bill. While it is the opinion of the Senator from Illinois and other Senators that the Secretary of Agriculture could fix the figure anywhere from 75 percent to 90 percent upon the basic crops after the second year, and from 80 percent to 90 percent during the second year; on the other hand the situation would have to be an extraordinary one when he did not follow the tables. So the tables are in the bill as a guide. I think I am correct in that statement. I hope the Senator from New Mexico agrees with that statement.

Mr. ANDERSON. I agree that the tables are in the bill, with clear language which provides that the support shall be not more than 90 percent nor less than the table figure. I think the table affords a very definite protection to the farmer, because as he improves his supply position, as he moves away from 130 percent, as he has in cotton, to a supply position where he may have 125 percent, he immediately begins to get support underneath the floor of the product, and it encourages him to put his own house in order.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I wanted to ask the Senator from New Mexico another question. On page 9 of the report, in section 416, I read this statement:

> Any such commodities which are not disposed of pursuant to the foregoing sentence may be made available by the Secretary and the Commodity Credit Corporation at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, as follows in the order of priority set forth: First, to school-lunch programs; and to the Bureau of Indian Affairs and Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States.

It seems to me that this provision is much broader than it was as it was passed by the Senate.

Mr. ANDERSON. No.

Mr. WILLIAMS. And I wondered what the Senator from New Mexico would have to say about it.

Mr. ANDERSON. No; I think it is even more restricted than the language passed by the Senate. May I explain it in this way: The Senate amendment presented by the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Oklahoma [Mr. THOMAS], provided for the allotment of these goods which were in danger of deterioration, to needy Indians, to public welfare organizations, and to CARE, naming a single relief organization.

Now in an attempt to overcome what we regarded to be the most serious objection to naming only a single relief organization, when there are in existence many relief organizations, we decided that the whole matter should not be put on a complete equality; that the Secretary first of all must make the food available to the school-lunch program and to Federal agencies for the relief of Indians, and publicly supported charitable institutions. If he has additional material left when he finishes with those governmental and public organizations, then, and only then, can he reach further and try to take care of—as the Representative from Wisconsin, Mr. MURRAY, said—welfare homes, or, rather, orphanages, and foster homes in various areas. But he must take care of first the school-lunch program and its needs, and he can only give food that is in danger of deterioration. Then he must take care of the public-welfare institutions where there are needy persons. But I think when he gets through with that list he will have very little left to distribute to any other group.

Mr. WILLIAMS. But assuming he did have some commodities left, the power would be in the hands of the Secretary of Agriculture to determine the eligibility of any private welfare organization, and his decision would be final. Is not that correct?

Mr. ANDERSON. That is correct, with the exception that there is a Government list which has been prepared. I might say that some years ago the Department of Agriculture had funds sent to it from good-hearted Americans who wished to have charitable contributions made to people in other countries. A special commission was established which passed upon what agencies should be eligible, and the moneys were turned over to those agencies. I imagine the Secretary of Agriculture would be guided by the same sort of semiofficial findings in case he wanted to establish some such list as that.

Mr. WILLIAMS. I recognize that there is the possibility that he would be guided by our intentions but nevertheless there is nothing in the bill which provides that he must be guided by them, and he can recognize any private welfare organization anywhere in the United States provided he chooses so to do and make contributions to that organization of any amount of commodities he wishes.

Mr. ANDERSON. That is correct, except that the conference report is more restricted than the amendment adopted by the Senate in that he must take care of these other applications first. I fully agree with the distinguished Senator from Delaware that this is a bad way to dispose of them. Other members of the conference will recognize that I even resisted this provision, and felt it should not be in the bill, but I still believe it is better than the provision that was in the amendment agreed to by the Senate.

Mr. WILLIAMS. The Senator from New Mexico will agree with me, will he not, that perhaps with the projection of this 90-percent support into the future we might have enough surplus to go around for everybody.

Mr. ANDERSON. I hope we will not have enough to go around.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. TOBEY. I wish to ask a very brief question. In the final draft of the bill as made by the conference, referring to support prices, are broilers to be construed as chickens?

Mr. ANDERSON. The amendment offered by the Senator from Delaware was in the bill as it went to conference. The House conferees objected to it and decided to reject it, and the Senate conferees agreed. I will say that if the time ever comes when the Senater from Delaware needs a friend to plead his cause

with the Secretary of Agriculture, I shall be glad to plead with the Secretary for him that the intent of the Senate was that broilers should be considered as chickens.

Mr. TOBEY. And does the Senator think that flexibility would apply to give him the results he wants?

Mr. ANDERSON. I am not certain that it would.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. I think the Senator from New Mexico, the former Secretary of Agriculture, will bear me out in this statement that during the period in which he was in office he never received an application from my office nor from the poultry growers in our area for support of broilers. The present Secretary of Agriculture, Mr. Brannan, will also support me in that same statement. I was not asking for a support price on broilers at the time I offered my amendment. I have discussed with the Senator from New Mexico, both on and off the floor, the fact that I do not think it is practical to support any type of meat, including pork, beef, and poultry. But I included broilers because, as broiler growers we resented the fact that the Secretary of Agriculture did not include broilers for reasons which I felt were purely because I have criticized the administration and the Department of Agriculture at different times. The Secretary of Agriculture some time ago issued a regulation in which he defined a broiler as not being a chicken. He failed to state, however, just what kind of an animal a broiler represents. Apparently, Mr. Brannan has never been near a poultry farm. A broiler is hatched from an egg. The father is a rooster and the mother is a hen. If a broiler is not a chicken I do not know what it is. It was purely for the purpose of clearing up the definition that I asked for the amendment. I think that further emphasizes the fact that the Secretary of Agriculture does not care to cooperate with us on the Delmarva Peninsula. However, so long as I am in the Senate I shall continue to insist that the Department of Agriculture treat our farmers on a basis of equality with the farmers elsewhere.

Mr. ANDERSON. Mr. President, I want to substantiate what the Senator from Delaware says respecting the support-price question. I explain to him only that we thought it was an amendment that could be eliminated, but we tried to retain it.

Mr. WILLIAMS. It never should have been necessary to put it in the bill, as it is absurd to define a broiler as other than a chicken.

Mr. ANDERSON. I agree.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yeld.

Mr. GURNEY. I remember, and I believe the Senator from New Mexico does, that on the farm—I know it was true in South Dakota—sometimes the old hen raised ducks.

Mr. ANDERSON. It is possible; and she proved to be a very good mother.

Mr. GURNEY. The serious question which I wished to ask was this: During the past few days I have received a good many communications to the effect that to the folks at home there seems to be some inconsistency in the fact that egg prices are not going to be supported on a mandatory basis under the terms of the conference report, inasmuch as the feed for the chickens is going to be kept at high levels. I have hurried through this report. I have had an opportunity to see it only in the past few minutes. I do not find anything on the egg question. Could the Senator from New Mexico state some reason for handling the egg situation as it has been handled in the new farm bill?

Mr. ANDERSON. As I tried to explain when the bill was under consideration in the Senate, the term "basic commodities" is probably a very bad one. "Controllable commodities" is probably the better expression, although it still does not completely define what is intended.

The difficulty with the egg program is that it is extremely hard to control. One of the reasons why the program is not included in the bill is that the Committee on Agriculture and Forestry received complaints from many persons interested in the egg business that the purchase of all eggs at a fixed price was hurting the program of grading eggs, which had been so well established by the Department of Agriculture, and up until recent years so well followed by the farmers. We felt that it would be better for the Department to work out its own separate program, not on a mandatory basis, but perhaps by giving certain supports to graded eggs, and other supports to eggs which were not so good.

Mr. GURNEY. Is it particularly and specifically ordered in the bill that the Secretary shall do that for eggs?

Mr. ANDERSON. No; it is not. However, it is permissive, and there is a provision which requires the Secretary, so far as feasible, to inaugurate programs of that character.

Mr. GURNEY. But there is nothing stating the intent of Congress to make such provision for graded eggs.

Mr. ANDERSON. No.

Mr. GURNEY. The reason our people are so much interested in the egg program is that they hear stories of 80-cent eggs in Washington and New York, while they are 30 cents in the western grain country. No one so far has been able to explain to them why there should be that large difference. As the Senator from New Mexico knows, a great part of our farm income in my area is from eggs.

Mr. ANDERSON. The Senator from South Dakota will recall that the difference which he mentions can sometimes be explained by reason of the fact that pullet eggs are being offered under this same support program; stained eggs are being offered; and all sorts of eggs are being offered which will not command a quality price, whereas when the housewife pays 80 cents a dozen in Washington she is paying for quality eggs, and larger eggs.

Mr. GURNEY. There is some merit in what the Senator says, but that is not the full explanation.

Mr. ANDERSON. I agree with the Senator.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSON of Texas. I invite the attention of the Senator to subsection 201 (a) on page 3 of the report. It reads as follows:

(a) The price of wool (including mohair) shall be supported through loans, purchases, or other operations at such level, not in excess of 90 percent nor less than 60 percent of the parity price therefor, as the Secretary determines necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool.

I should like to ask the Senator from New Mexico if it is his impression that since the annual production of wool is now substantially lower than the 360,000,000 pounds referred to, the Secretary of Agriculture, in order to encourage production to reach that amount, would support wool at 90 percent of parity until the annual production of wool reaches that point.

Mr. ANDERSON. I should say that it is extremely likely and probable that the price of wool will be supported at 90 percent. That is my impression but it may not be the impression of the Secretary of Agriculture. I think he would find it necessary to support the price at 90 percent of parity in order to increase production from 260,000,000 pounds to 360,000,000 pounds.

Mr. JOHNSON of Texas. Would that include mohair?

Mr. ANDERSON. Yes.

Mr. JOHNSON of Texas. He would not be likely to discourage increased production by reducing the amount of the support?

Mr. ANDERSON. I do not think so.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. SCHOEPPEL. I invite the attention of the Senator to page 7 of the report, section 408 (f), which reads as follows:

(f) Section 328 of such act, as so amended (relating to corn acreage allotments), is amended by striking out "reserve supply level" and inserting in lieu thereof "normal supply."

This subsection relates to the corn-acreage allotments. Can the Senator enlighten me as to what difference that is going to make with relation to the original bill which the Senate passed?

Mr. ANDERSON. I will say to the Senator from Kansas that that is language inserted by the staff in view of action taken by the committee, and was not language which we had before us at the time we were considering the conference report. If the Senator will give me a moment, I shall try to answer the question.

I think the answer is that this language was submitted by the Department of Agriculture, and was included in the original bill. It does not represent any change in conference. The purpose is to have a figure which it is believed will represent a more proper reflection of total supply. I am willing to say to the Senator that that would not be a very satisfactory explanation to me. I am not very clear on it. It is not language with which I was familiar.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I think that, taking the corn amendments in the bill all together, we find that the result is to permit a total supply of roughly 4,200,000,000 bushels before quotas are called for, as compared with, roughly, 3,980,000,000 under title II of the 1948 act, and several hundred million bushels less than that under the old law. The purpose is to permit a much larger total supply of corn before quotas are called for. As to this particular provision, I do not know exactly what it means. We are given to understand that, taken all together, the corn amendments call for a total supply of more than 4,000,000,000 bushels of corn before the farmers are asked to vote on quotas.

Mr. SCHOEPPEL. I was wondering if it was not designed to eliminate the acreage-reduction factor.

Mr. ANDERSON. It is part of the language which was submitted by the Department, designed to change the very narrow limit under which it would have to operate in 1950, in the matter of corn quotas. I subscribe to what the able Senator from Vermont has said. The language, as we got it, was designed to shift the figure above 4,000,000,000 bushels, whereas previously the supply which might have required corn quotas was just under 4,000,000,000 bushels. We are very close to that figure. Since we have never had corn quotas, and probably never will, we thought it undesirable to leave the level at which corn quotas could have been proclaimed below 4,000,000,000 bushels. I am not able to relate each particular part of the language to every other part, but the amendments submitted by the Department of Agriculture and incorporated in the bill, taken as a whole, do change the definition. There is another provision which changes the figure from 7 to 10 percent on certain items.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. Let me make a slight correction. The amendments originally submitted by the Department would have left the figure of total supply, before calling for quotas, at 3,920,000,000. The committee itself changed the figure to 4,100,000,000, or approximately that. If there had been no change in the law, it would have been inevitable that the Secretary would have to call for a vote on corn quotas for 1950.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MAGNUSON. I regret the action of the conference in eliminating the amendment sponsored by myself, but I also appreciate the situation under which the conferees were working. I should like to ask the Senator from New Mexico a question.

I still strongly believe that so long as we have section 22 in the Agricultural Act we ought to protect it. If we do not intend to protect it, we ought to repeal it. I know that it could be protected by administrative action.

In view of the fact that attention was focused upon section 22, which was designed, as I believe, to protect agricultural production when it is under price support and control, and in view of the fact that section 22 remains the law of the land, I am wondering if the Senator from New Mexico agrees with me that, despite the fact that we did not make it mandatory in the bill, the State Department should have some notice of the intent of Congress in making future agreements. Should not the State Department have some notice that section 22 does exist and is the law of the land, and should be adhered to in making future agreements?

Mr. ANDERSON. Yes; I would agree with the Senator from Washington. I say to him that language very similar that contained in his amendment was carried in both the House version and the Senate version of the bill. So I would say that would be notice to the State Department that it might be possible to incorporate similar language in a separate bill at a later date, and therefore I am sure the State Department would be most anxious to make this a point of consideration.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MILLIKIN. I wonder whether the distinguished Senator is aware of the fact that more than 80 percent of the concessions operating against this country, recently made at the Annecy conference, were with respect to agricultural products.

Mr. ANDERSON. I am not aware of that, because for the last few weeks I have been so busy receiving telegrams and sending telegrams dealing with the Farm Act, that I have gotten behind in other matters. When I get through with this measure, I shall catch up on the matters occurring elsewhere in the world.

Mr. MILLIKIN. The Senator need not worry about that; he will be hearing about it.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. FULBRIGHT. Was any change made in the amendment relating to rice production?

Mr. ANDERSON. Yes, there was; it was one submitted by the distinguished Senator from Louisiana [Mr. ELLENDER], which he assured us had been cleared with all concerned, and therefore was in proper shape.

Mr. FULBRIGHT. I mean was the provision substantially the same?

Mr. ANDERSON. Yes; substantially the same.

Mr. FULBRIGHT. How about cottonseed?

Mr. ANDERSON. Cottonseed is not included in this bill. It was the belief of the conferees that the Department is now doing about all that can be expected in reference to cottonseed, and is doing it on a basis that it hopes it will be able to continue; it is doing it on the basis of storage in warehouses where the farmer can store his cottonseed individually, or else he can join a cooperative and in that way can have access to a warehouse where the cottonseed may be stored. I think it is much better for the Department to proceed in that way, rather than to try to peg the price of cottonseed by mandatory price support, inasmuch as in many respects it is in direct competition with soybeans, soybean oil, and other oils.

Mr. FULBRIGHT. It is included in the miscellaneous section is it?

Mr. ANDERSON. Yes.

Mr. FULBRIGHT. Are soybeans likewise in that section?

Mr. ANDERSON. Yes; and they are receiving protection at the present time.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LUCAS. With respect to the inquiry propounded by the Senator from Kansas, in respect to striking out "the reserve supply level," and inserting in lieu thereof "the normal supply," I am advised by a member of the staff that that simply conforms to the 1948 act, and there is doubt whether it will in any way affect either acreage allotments or quotas. I was interested in knowing whether it would. I am not too certain about it, but I do not believe it will; at least, I hope not.

Mr. President, I should like to call the attention of the Senator to section 201, paragraph (c), which reads as follows:

(c) The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 per centum nor less than 75 per centum of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, the products of milk and butterfat.

I wish to know whether the Senator will agree with me that it was not the intention of the conferees, under this language, in any way to guarantee loans to processors of milk and butterfat, rather than to producers of milk and butterfat themselves. In other words, I am thinking about ice-cream mix, as an example.

Mr. ANDERSON. I would say there is no question as to ice-cream mix. The distinguished Representative from Wisconsin, Mr. MURRAY, presented very appealingly the desire to have the words "and the products of such commodities" inserted in the first few lines of subsection (c).

As the Senator from Illinois will recall, the Senator from New Mexico resisted that as strenuously as he could, because of the possibility of questions arising about these products. But I believe it was the clear intent of the Congress, by means of the conferees, to make sure that cheese and products of that nature, which perhaps had not received proper attention from the Department of Agriculture, should be supported; and therefore I would say that butter, cheese, evaporated milk, and dried skim-milk powders would be supported, but certainly not ice cream or ice-cream mix.

Mr. LUCAS. Or any other byproduct which comes from butter or butterfat, and so forth. I think it is important to clear up that point, because, as the Senator knows, there are many byproducts

of those two; and it will be an impossible administrative difficulty for the Department if we do not have explicit language set forth either in the bill or in the debate. It is an important point.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I wish to say that I think it is the position of the conferees that the commodities and the products the Senator from New Mexico has named should be supported.

I also think a strict, technical interpretation of this language would require milk shakes and oyster stews to be supported also; but of course there is no danger that that will be done, because I think all Senators know that recently the prices of milk shakes and oyster stews have been so far above parity that the law would not apply to them, anyway. It was not the intent of the committee that we should get down to any minor commodities processed from milk or cream.

Mr. ANDERSON. The Senator is completely correct. We were trying to make sure that cheese, dried skim-milk powder, butter, and items of that type should receive protection.

Mr. KEM. Mr. President, will the Senator yield?

Mr. ANDERSON. I am glad to yield to the distinguished Senator from Missouri.

Mr. KEM. I should like to ask the distinguished Senator from New Mexico if both the Senate and the House versions of the bill contain language similar to the Magnuson amendment which was adopted by the Senate.

Mr. ANDERSON. Yes; and I have previously stated that to the Senator from Washington.

There was in the House version of the bill a provision which was not identical with the Magnuson amendment, but probably had a different meaning from the meaning of the Magnuson amendment. There was also in the Senate version of the bill, of course, as the distinguished Senator knows, language which was a revised version of the original Magnuson amendment.

Mr. KEM. But both of them legislated in the same field; did they not?

Mr. ANDERSON. They did.

Mr. KEM. I should like to ask the Senator from New Mexico if under those circumstances he feels it was within the proper province of the conferees to eliminate the subject matter entirely from the conference report.

Mr. ANDERSON. I may say to the Senator from Missouri that I was persuaded that if that language remained in the bill, the bill would not be signed. A great many Senators, on both sides of the aisle, had worked hard to draw up a bill which would be enacted into law; but the particular language we are now discussing seemed so contrary to the language of the law respecting reciprocal trade agreements that I was persuaded that if that language was included in the bill, the bill would not be enacted into law, because it would not be signed.

When the situation was explained to the conferees, both the conferees on the part of the House and those on the part of the Senate felt that was a matter which might be dealt with in separate legislation, and that we should proceed with this bill, but should not invite the possibility of causing trouble by that amendment.

Mr. KEM. I thank the Senator from New Mexico, but I am afraid I failed to make myself clear.

Mr. ANDERSON. I think I understand exactly what the Senator has in mind.

Mr. KEM. The question I am posing to the Senator is whether it was the duty and responsibility of the conferees to reconcile the language used by the two Houses of Congress, rather than to eliminate the subject matter entirely from the bill.

Mr. ANDERSON. I think when we start to reconcile the language used by the two Houses we get into a field that is somewhat complex in itself. I say to the Senator from Missouri that I believe we might have reconciled by means of acceptance of either the House language or the Senate language. But when we try to write into the bill something that is in between the two, I think that is in a field that is very difficult of treatment.

Mr. KEM. I recognize fully the difficulties confronted by the conferees, not only in that respect but in many other respects, as presented by the bill. But I question whether it is the proper function of the conferees to eliminate the language entirely from the bill, rather than to accept either the House version or the Senate version or a combination or reconciliation of the two.

Mr. ANDERSON. I will say that the conferees felt it was within their rights to eliminate it, in view of the uncertainty which existed about it and their own conception of what it was.

Mr. KEM. Is that a consideration which should properly have moved the conferees in their consideration of that particular matter? Is it within their function to fail entirely to legislate in the matter, under those circumstances?

Mr. ANDERSON. I think it is not, if the identical provision is carried in both bills. We came to that very question, and we retained a provision that was identical in both bills.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. LUCAS. I always dislike to disagree with my friend from New Mexico, because he is so well informed upon these matters, but I cannot agree with him that we were legislating in the same field. I think we were in two entirely different fields, and that is especially so if we read the amendment that came from the House, which is as follows:

> No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

That is the law at the present time. They merely repeated here the law as passed heretofore.

Mr. ANDERSON. Yes.

Mr. LUCAS. We did something entirely different, in the Magnuson amendment. We said:

> No international agreement hereafter shall be entered into by the United States, or renewed, extended or allowed to extend beyond its permissible termination date in contravention of this section.

Meaning the particular section in question. In other words, the two are entirely different. The question was not even raised. In other words, as the Senator will recall, the House conferees in the beginning said, "No, we will not remove that section." It was one of the controversies that arose. They never contended at any time that we did not have any right to ask it, because we were legislating in the same field.

Mr. ANDERSON. I think that demonstrates the old statement that if a man who is not a lawyer tries to interpret the law, he has a fool for a client. I am not an international lawyer. I realize now that the section in the House bill was merely a repetition of title I of the Agricultural Act of 1948, and that it was in a completely separate field.

Mr. KEM. Mr. President, if the Senator will yield, permit me to say that in my judgment he is a very skillful lawyer in the field of agricultural law.

Mr. ANDERSON. I thank my distinguished friend.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. YOUNG. I understand the language in the House report contains this paragraph:

> This title of the bill contains schedules which establish minimum levels of price supports in relation to supplies. In carrying out the mandatory price support program for the basic commodities, however, the Secretary is not bound to fix the price support at the minimum level presented by the schedule, nor shall he be bound in any respect by the facts set forth in section 401 (b), and is given full discretionary authority to establish the support levels up to 90 percent of parity.

I am wondering whether there is a conflict between the Senate position and the House position, since the House report, I understand, contains this language. Does the Senator agree that the Secretary has full discretionary power to disregard the table, and support prices up to 90 percent of parity, if he deems it advisable?

Mr. ANDERSON. I think it is a matter that has been discussed between the distinguished Senator from Vermont and the Secretary of Agriculture before the Senate Committee on Agriculture and Forestry, and it has been the position of the Senator from Vermont—and he will correct me if I misstate his position—that the legislation of a year ago, of which he was the author, permitted the Secretary to use any figure between the range there provided, not above 90 percent, and not below the minimum level established in the range. That language pretty largely was repeated by the Secretary of Agriculture when he presented his report to the President on the House bill, the Agricultural Act of 1948, in a letter dated some

time in June, wherein he stated he had the full authority to use the upper or lower level of that range, up to 90 percent, and I say now he has a right to use anywhere between 90 percent and whatever would be carried in the table. I would think he had the obligation to explain why he used certain tables not called for by the act.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. ANDERSON. I yield.

Mr. YOUNG. In view of the fact that it is in the House report, not in the Senate report, will the Senator say there is no disagreement between the House position and the Senate position?

Mr. ANDERSON. No, I do not say there is no disagreement. I do not think the House conferees attempted to construe the law, but left it perhaps to the agency administering the law. I do not attempt to say there is no difference in the point of view. I say, however, that the language is so plain that I do not think it needs further amplification.

Mr. YOUNG. And the Secretary can support prices up to the 90 percent of parity. Is that correct?

Mr. ANDERSON. Absolutely. It is stated that if the producers themselves disapprove marketing quotas, he shall provide support—and that is why the exact words are used—"at a level not in excess of 90 percent * * * nor less than the amount provided in the tables." I do not see how it could be said in any plainer language.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. WILLIAMS. This is the same point I raised earlier in the discussion, namely, that the Secretary of Agriculture did have the authority to fix the support price at 90 percent, and I would refer the Senator to page 8, section 412, which reads as follows:

> Determinations made by the Secretary under this act shall be final and conclusive.

Mr. ANDERSON. Yes.

Mr. WILLIAMS. So therefore unquestionably under this act he has the power to set the support price, the second year, and the third year, at 90 percent, if he wishes. The Secretary is already on record as favoring 90 percent support, therefore, if we endorse the conference report, to all intents and purposes we might just as well be endorsing the 90-percent-support price as long as the present Secretary of Agriculture occupies his position.

Mr. ANDERSON. I think that is not the situation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I may point out it is only within the last 4 months that the Secretary and those associated with him have indicated that they would be governed by the table and would give the farmers the lowest price fixed by the table. He is clearly on record, at various times, as recognizing the fact that he could operate in the range between the minimum level fixed by the table and 90 percent under the Agricultural Act of 1948. And the same would apply in the tables fixed in the Anderson bill. It is only recently that he has indicated he would fix the level of support at the minimum determined by the table in the law, and it was only day before yesterday that Frank Woolley, of the Commodity Credit Corporation, came before the conferees and intimated the same thing. In my opinion that is done simply to frighten the farmers of the country into thinking that they would get the lowest possible support, unless such a law were passed as the Secretary recommended to the Congress. I do not think that has been a very praiseworthy thing to do on the part of the Secretary or his associates, because as I shall prove conclusively in a few minutes when I get the floor, the Secretary knew the facts all the time, and Mr. Woolley knows the facts, and everybody in the Solicitor's Office knows the facts.

Mr. ANDERSON. Mr. President, I yield the floor.

Mr. AIKEN. Mr. President, I want to say merely a few words on the bill. First, I desire to commend the Senator from New Mexico for his statesmanlike approach to the agricultural legislation. He has approached this legislation in the interest of a healthy and prosperous agriculture, in the interest of the American public, and in the interest of a democratic form of government. Furthermore he has continued the practice which has been followed by the Senate Agricultural Committee for a long time, particularly during the last 2 years, of approaching the problems in a nonpartisan manner. It has been a privilege to cooperate with him in attempting to work out better agricultural legislation.

We should continually be working to make our laws better and to make our national economy better.

The Senator from New Mexico has maintained dignity through all the efforts to promote good agricultural legislation. He maintained that dignity even in the conference committee meetings, in spite of great and ample provocation to do otherwise.

After the conference report itself, we had much the same trouble we had last year in the conference with the House. It will be recalled that we reached an agreement only in the early hours of the morning, near the close of the session in June 1948. At that time the House conferees had no bill of their own. All they had was a 1-year extension of high wartime supports for agricultural commodities. It was only at the last minute that the majority of the House conferees agreed to the bill which was finally passed, which would extend the high wartime supports for 1 year and provide that the long-range bill of the Senate should take effect on January 1, 1950. As a matter of fact, the present chairman of the House committee, Representative COOLEY, and his ranking member, Representative PACE, did not sign the conference report last year, even though failure to reach an agreement meant going back to 52 to 75 percent of parity. It looked for a while as if we had met a similar impasse this year. We did, however, finally come out of it with a conference report which I do not think suits anyone exactly, but which all the members of the conference signed. The House again stood for an extension for 1 year more of high wartime supports, but wanted to repeal all the legislation enacted last year, which represented 7 months' work of the Congress.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LUCAS. I think it is important for the RECORD to show that they not only came in with the Gore bill, but the first proposition they submitted to us was that we go along for four additional years, in other words, provide a 5-year program.

Mr. AIKEN. That was their proposition, although their bill called for only 1 year.

Mr. LUCAS. That is correct. They asked for five times as much as their bill called for. That was the first proposition they made.

Mr. AIKEN. It was simply an impossibility to go along with their proposition. So we spent several days and had some rather heated sessions before the conference report was finally agreed to.

I might point out, Mr. President, that it was yielding to the insistence of the House on continuing the highest wartime support for 1 year more, or for the crop year 1949, which has got us into the position which we now occupy, with the maximum borrowing authority of the Commodity Credit Corporation of $4,750,000,000 so nearly exhausted that by the end of this year it will probably be nonexistent.

As to the bill which the conference committee reported, so far as I was concerned, it was a borderline bill. I had a little difficulty in determining whether the bad features of it were offset by the good features. I finally decided it contained more good than bad features, so I signed the report.

The bad things about the bill are, first, a continuation of 90-percent-parity support for all basic farm commodities for the crop year 1950. That may not mean very much in dollars and cents this year. It does mean, however, that the basic crops will go under strict controls and the farmers may have to remain under Government controls and penalties for a long time to come.

The next bad feature of the bill is the provision which permits the use of two parity formulas for a period of 4 years. That can get us into trouble and be difficult of application. As an example, cotton fiber is a basic commodity. It will be under the old parity formula. Cottonseed is a nonbasic commodity, and will be under the new parity formula which increases its value approximately 20 percent over the old parity formula. The end result of using those two formulas will be that the support for cotton next year will be higher than the highest wartime support we ever had, in spite of the fact that we shall have 8,000,000 or 9,000,000 bales of cotton on hand, which we do not want and which we will not know what to do with. That is one of the provisions of the conference report which I do not like and which I opposed as long as it was worth while to oppose it.

The third provision of the conference report which is objectionable has been already mentioned by the Senator from Delaware [Mr. WILLIAMS]. That is the one which gives the Secretary of Agriculture the right to distribute surplus farm commodities which are in danger of deteriorating or spoiling to private welfare organizations for the assistance of needy persons within the United States. There are great potential political possibilities in that provision, giving the Secretary of Agriculture the power to determine what is a private welfare organization and which private welfare organization shall receive surplus materials.

Those are the bad things about the bill.

The good things about the bill are these: It puts the nonbasic commodities in a much better relationship with agriculture as a whole and with the basic commodities than has ever before been the case. It makes mandatory support for dairy products. It makes mandatory support for certain other nonbasic commodities, such as potatoes, wool, mohair, honey, tung nuts—I do not recall whether there are any others. It makes mandatory, if funds are available, support for other nonbasic commodities for which there are marketing agreements in effect. It specifies that section 32 funds shall be used principally for the support of perishable nonbasic commodities.

That is one of the strong points of the bill, because it will lend encouragement to the farmers of the country to produce commodities other than the six basic commodities of which we already have too much, and it will help to balance our national economy. I think that is the overriding advantage brought out by the bill.

I felt that the good points outweighed the three bad points to which I have called attention, and I supported the conference report.

I might as well be frank about it, Mr. President—I supported it partly because of the great effort which the Senator from New Mexico [Mr. ANDERSON] made to put agricultural legislation on a sound, permanent, and even keel. I thought he deserved support.

That is all I have to say, Mr. President, regarding the bill. There are two or three other things I should like to clear up for the RECORD before I take my seat.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. TOBEY. Mr. President, the Senator has just said, in his own way, "I might as well be frank about it." May I comment to the Senate and to my colleague that that is his outstanding characteristic, his frankness and candor and rugged honesty. He never needs to interpolate that statement. Everything he says is said in frankness and sincerity.

Mr. AIKEN. I thank the Senator from New Hampshire.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Florida.

Mr. HOLLAND. I should like to say, if I may, that I desire to join the distinguished Senator from Vermont in his expression with reference to the Senator from New Mexico, but I wish to make it very sure that the Senator from Vermont likewise gets a liberal expression of commendation and of gratitude on the part of the junior Senator from Florida, in which I am sure all other Members of the Senate join, for the fine spirit which he has manifested and the hard work which he has done in attempting to bring forth a good bill. He is entitled to real credit as a contributing factor.

I particularly appreciate what the Senator from Vermont has said with reference to what he regards as the strongest point in the bill, in which I concur, namely, the making available of section 32 funds, to give the first recognition that has been given in any price-support legislation ever passed by the Congress to the producers of fruits and vegetables and other perishable commodities, who hitherto have been the forgotten segments of agriculture, and who through that provision of the bill will for the first time have some assurance that assets of the Nation will be used to give them and their products some measure of worth-while support as against disaster by way of heavy excesses in surpluses, or from bad marketing conditions.

I wish to express my great appreciation to the Senator from Vermont and to the Senator from New Mexico.

Mr. AIKEN. Mr. President, I thank my colleague from Florida and able fellow committeeman for his remarks.

Mr. CONNALLY. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Texas?

Mr. AIKEN. I gladly yield to more tributes. [Laughter.]

The VICE PRESIDENT. The Chair has no way of knowing what is in the mind of the Senator from Texas.

Mr. AIKEN. That is a problem we have in the Senate.

Mr. ANDERSON. Mr. President, will the Senator yield to me?

Mr. AIKEN. I yield to the Senator from New Mexico.

Mr. ANDERSON. I do not wish to delay the vote on the conference report, but if I tried to express my estimation of the fine Senator from Vermont, we would not get through with the bill until sometime late this evening. Suffice it to say, there would have been no bill without the fine cooperative spirit he has shown. He has demonstrated it again by his attitude here today. I hope the RECORD will be filled many times in the future with my expressions of esteem for the Senator from Vermont, and his fine qualities demonstrated on this floor and elsewhere.

Mr. CONNALLY rose.

Mr. AIKEN. I am not sure for what purpose the Senator rises.

Mr. CONNALLY. It was not in connection with the pending report. I was going to ask permission to present a report; but I do not wish to interrupt this love feast.

Mr. AIKEN. I should like to have 5 minutes before I yield the floor, and I think we will then probably be ready for a vote on the bill.

There has been much misunderstanding about the legislation which was enacted last year, and there has been much misunderstanding as to where the President and his chief officials stood on the legislation which was enacted last year. I have heard several times recently that the President campaigned on a 90-percent basis last year. To the best of my knowledge he never made any speech in which he indicated a preference for the 90-percent-support basis. To the best of my knowledge he vigorously supported the legislation which was proposed by the Senate Committee on Agriculture and Forestry last year, and I ask unanimous consent to insert in the RECORD, as a part of my remarks, a news story which appeared in the New York Times on Tuesday, June 15, 1948, following the President's address in Los Angeles on the evening of June 14. I understand this was an extemporaneous address, but it was reported by Anthony Leviero, of the New York Times, according to this excerpt which I should like to insert in the RECORD. I call attention particularly to this portion of the article:

Besides prices, he said, Congress ought to act on the Taft-Ellender-Wagner bill, restore the appropriate cuts which he said had virtually destroyed the Department of Labor, enlarge the scope of social-security legislation, pass a health insurance bill, a Federal-aid-to-education program, a Federal power and irrigation project, and his agricultural program which he said was adequately covered in the pending Aiken bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Vermont?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

TRUMAN DEMANDS CONGRESS CONTINUE SESSION AND PASS PRICE CONTROL, SEVEN OTHER BILLS—HOUSING NEEDS CITED—FARM, EDUCATION, HEALTH, SOCIAL SECURITY ACTION ALSO TERMED VITAL

(By Anthony Leviero)

LOS ANGELES, June 14.—President Truman declared today that price controls should be in effect "right now" and demanded eleventh-hour action by Congress on seven other major issues on which he said it had been derelict.

This was the first time that the Chief Executive flatly asserted that price controls should actually be in effect, rather than in a stand-by or reserve category.

He returned to his assaults on Congress, but with a slightly more restrained tone, before an audience of 1,000 guests of the Greater Los Angeles Press Club. The last of the five scheduled major speeches of his present tour, the address was extemporaneous.

Congress is due to adjourn next Saturday. The Chief Executive insisted that in his belief it had enough time to act on the eight issues he discussed. He added that "if they haven't time, they ought to take it."

DECRIES LABOR DEPARTMENT CUTS

Besides prices, he said, Congress ought to act on the Taft-Ellender-Wagner bill, restore the appropriation cuts which he said had virtually destroyed the Department of Labor, enlarge the scope of social security legislation, pass a health-insurance bill, a Federal-aid-to-education program, a Federal power and irrigation project, and his agricultural program which he said was adequately covered in the pending Aiken bill.

Mr. AIKEN. Mr. President, in case the President is not quite high enough authority, I should like to read a brief history of the 1948 legislation as printed in document No. 203 of the Eightieth

Congress, second session. I am sure there will be no question as to the authority which I now quote, because it was no less a person than the Honorable ALBEN W. BARKLEY, then United States Senator from Kentucky, the present Vice President, for whom we have the greatest respect. I should like to read his report on the bill, and make full allowance for any political implications which might be submerged in it somewhere, because I would be the last to deny the genial Vice President the joy of inserting political implications in a statement.

The VICE PRESIDENT. If there were such implications, they were not submerged. [Laughter.]

Mr. AIKEN. Mr. President, I should like to read the story of the 1948 act as recorded by the senior Senator from Kentucky, who was majority leader at that time, beginning on page 30 of Senate Document 203:

More than a year ago the President and the Secretary of Agriculture outlined a peacetime farm plan.

The important principle of the program was: American agriculture should be keyed to a policy of abundance. Abundant production would aid everyone: the farmer, the worker, the businessman, the consumer.

The President has listed the details of the Democratic farm program many times in recent months. He sent this four-point agricultural plan to Congress in May:

"First, the Congress should enact legislation providing on a permanent basis for a system of flexible price supports for agricultural commodities.

"Second, I urge that the Congress give full support to the continuance and expansion of our program of soil conservation.

"Third, I recommend that the Congress continue and strengthen programs to assure adequate consumption of agricultural products.

"Fourth, we need to consider other means for assisting farmers to meet their special problems. For example, we must support and protect farm cooperatives. We must continue to work toward a sound system of crop insurance."

The President's program would modernize the agricultural plans that have grown through the years. Many aspects of the farm program need modernizing. For instance, the present parity formula is based on 1909–14 farm prices and expenses. Since then the tractor and other machinery have become commonplace on most farms. Their impact on farm prices and expenses should be considered.

Both House and Senate Agriculture Committees spent many days considering a modern farm program. Last fall members of the committees toured the country and talked to farmers in the fields. Page after page of committee testimony showed the need for a 1948, not a 1914 or a 1933, farm program.

But floor action on a new farm program was delayed for weeks. Finally the House acted June 12. But its farm bill was disappointing.

The measure passed by the House merely extended present farm legislation until June 30, 1950. The present laws are good, but new, modern ones would have been better.

The House action was significant in view of the 1944 Republican Party platform that condemned the Democratic farm program. The platform called it confused, unreliable, impractical. Thus they voted "me too" on the Democratic program, now that the wisdom of such a plan was proved. Unfortunately, they did not vote for continued progress.

When President Truman announced in May that he was going to send his formal request for a modernized farm program to Congress in a few days, the Senate Agriculture and Forestry Committee got busy.

I thought we had been busy for 6 months; but we will let that go. The statement continues:

The committee reported its long-range farm program May 17, less than a week after the President sent his special message on farm problems to Congress.

The President had succeeded in prodding the Senate committee into action. And the Senate committee's bill was almost a carbon copy of the sensible farm program proposed by the President.

The Senate Agriculture and Forestry Committee reported a realistic, modern farm bill early in the second session of Congress. Some of the high lights of the measure were:

1. Abundant production would be assured.
2. Agricultural income would be maintained on a flexible parity base.
3. Marketing procedures would be improved.
4. Production quotas, marketing agreements, and crop loans would be worked out.
5. Conservation practices would be encouraged.
6. Farm cooperatives would be strengthened.

These provisions indicated that the Senate committee had closely followed President Truman's recommendations.

The Senate passed this farm program that followed most of President Truman's suggestions. But the House refused to go along with the Senate in enacting a realistic farm program.

The result was that the farm legislation finally passed by Congress merely extended existing laws until June 30, 1950, and postponed a long-range farm program until that date.

Mr. President, that history is so accurate that I would be willing to let the Vice President serve as historian for this august body, provided that all the other records would be equally accurate, and I am sure they would be.

The last insertion I wish to make in the RECORD is a letter which was sent by the Secretary of Agriculture, Charles F. Brannan, to Hon. James E. Webb, Director, Bureau of the Budget, under date of June 25, 1948. Secretary Brannan reported on the agricultural bill, which had then been passed by the Congress. I ask unanimous consent that the letter may be inserted in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 25, 1948.

Hon. JAMES E. WEBB,
Director, Bureau of the Budget.

DEAR MR. WEBB: In reply to the request of your office the following report is submitted on the enrolled enactment, H. R. 6248, to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities, to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937, and for other purposes.

The bill combines the temporary extension of price-support provisions of H. R. 6248 as passed by the House of Representatives and the long-range price-support provisions of S. 2318 as passed by the Senate. In title I this bill extends existing price-support legislation to basic commodities marketed before June 30, 1950, and with certain important modifications to Steagall commodities marketed before January 1, 1950. Beyond these dates it enacts the parity and price-support provisions of the Aiken bill as title II and title III.

More specifically, title I of the bill provides a 90-percent-of-parity support for cooperating producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950. It also provides support at 90 percent of parity or comparable prices for milk and its products, hogs, chickens, and eggs marketed before January 1, 1950, and Irish potatoes harvested before January 1, 1949. Prices of other Steagall commodities of the mandatory group are to be supported until January 1950 at not less than 60 percent of parity or comparable price, nor more than the level at which the commodity was supported in 1948.

The price of wool is to be supported at not less than the 1946 average farm price until June 30, 1950.

Section 4 (b) of the Steagall amendment, which applies to commodities for which price support is permissive rather than mandatory, is extended to January 1, 1950.

In addition, title I revises section 22 of the Agricultural Adjustment Act to make possible the application of import quotas or fees on any agricultural commodity if such imports may jeopardize the effectiveness of price-support operations.

Title II of the bill amends the parity price and income formulas, changes the definitions of carry-over, normal supply, and total supply for basic commodities which had been contained in the Agricultural Adjustment Act of 1938, and provides for a new set of support-price schedules and conditions for the period beginning January 1, 1950.

The new parity-price formula keeps the same relationship between agricultural prices and industrial prices that existed during 1910 to 1914. The relationship among individual parity prices, however, is based on the actual average prices during the preceding 10 years. The new parity prices will generally be higher for livestock and livestock products, but lower on field crops.

Title II provides a schedule of minimum price supports for the basic commodities with a moving floor ranging from 60 percent of parity when the total supply is more than 130 percent of the normal supply up to 90 percent of parity when the total supply is less than 70 percent of the normal supply. Whenever acreage allotments or marketing quotas are in effect, the minimum support price provided in the schedule is automatically increased by 20 percent, but the support shall not exceed 90 percent of parity. It should be pointed out that this schedule of price supports is a minimum level, and that the Secretary has authority to support prices of these commodities up to 90 percent of parity.

An exception is made in the case of tobacco, which is to be supported at 90 percent of parity in any year in which marketing quotas are in effect.

In the event that quotas on any basic commodity are disapproved by more than one-third of the affected producers voting in a referendum, the support level is set at 50 percent of parity for the commodity voted on.

The Secretary is authorized to support prices of nonbasic commodities at any level up to 90 percent of parity, taking into consideration the ability and willingness of producers to keep supplies in line with demand and other such factors. Storable nonbasic commodities may be supported with the aid of regular Commodity Credit Corporation funds. Nonstorable nonbasic commodities can be supported only by means of section 32 funds and the Commodity Credit Corporation reserve for the postwar price support of agriculture.

However, regular funds of the Corporation may be used to support the prices of nonstorable nonbasic commodities through operations with respect to storable commodities processed from such commodities.

In addition, the Secretary is directed to support the price of wool at such a level not less than 60 percent nor more than 90 percent of parity as he may consider necessary to encourage an annual production of 360,000,000 pounds of shorn wool, and to support the price of Irish potatoes at not less than 60 percent nor more than 90 percent of parity with Commodity Credit Corporation funds.

The Commodity Credit Corporation is directed not to sell any farm commodity owned or controlled by it at such levels as would substantially impair the effectiveness of current price-support operations. Certain exceptions are provided to this directive.

Title II provides conditions which must exist before marketing quotas may be proclaimed. Marketing quotas for corn, wheat, cotton, and rice may be proclaimed when it is estimated that the total supply for the marketing year in question will exceed the normal supply by more than 20 percent (8 percent in the case of cotton) or when the average farm price for three successive months of the preceding marketing year has been 66 percent of parity or less provided the supply is not less than the normal supply. In every year, the Secretary is to proclaim a marketing quota for each kind of tobacco for which a marketing quota was proclaimed for the immediately preceding marketing year.

There are several provisions which we consider objectionable. We object to the provision which gives special treatment to certain commodities such as those which virtually assure a mandatory price support of 90 percent of parity for tobacco and wool for at least several years. We object, even though the provisions apply only to 1949, to the mandatory 90 percent of parity or comparable price for hogs, chickens, eggs, and milk and its products.

Title II contains undesirable provisions requiring the same price-support operations for broilers, ducks, ducklings, and other poultry that may be undertaken with respect to either turkeys or chickens.

The provisions requiring 50-percent-of-parity price support for basic commodities, even though marketing quotas have been disapproved, may very well lead to serious problems at some future date for some of the basic commodities.

The provision for carrying over section 32 funds up to a minimum of $300,000,000 adds needed flexibility for the wise use of these funds; however, it is undesirable that the effective date of this provision is delayed until June 30, 1950. The conditions for establishing price-support levels higher than 90 percent of parity are so restrictive that the Department may find it impossible to stimulate production of crops in the national interest such as it did in the case of flax.

Notwithstanding these objections, we recommend that the President approve the bill.

Sincerely,

CHARLES F. BRANNAN,
Secretary.

Mr. AIKEN. Mr. President, I call particular attention to two sentences of the Secretary's report to the Bureau of the Budget:

The Secretary is authorized to support prices of nonbasic commodities at any level up to 90 percent of parity, taking into consideration the ability and willingness of producers to keep supplies in line with demand and other such factors.

There can no longer be any doubt that the Secretary knew that he had the right to fix the level of support for any commodity anywhere between the minimum provided for by the formula in the act and 90 percent of parity.

I wish to read one other paragraph from the Secretary's lettter to the Bureau of the Budget:

There are several provisions which we consider objectionable. We object to the provision which gives special treatment to certain commodities such as those which virtually assure a mandatory price support of 90 percent of parity for tobacco and wool for at least several years. We object, even though the provisions apply only to 1949, to the mandatory 90 percent of parity or comparable price for hogs, chickens, eggs, and milk and its products.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. SCHOEPPEL. In view of the statement the distinguished Senator has just read, I wish to ask him if he can enlighten us why the price of corn dropped in June, or just before election day, to the low figure it did?

Mr. AIKEN. No; I cannot enlighten the Senator from Kansas on that point. Perhaps the Secretary of Agriculture could do that.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. I directed the same question to the Department, and the information I received was that the Secretary withdrew from the market during that period.

Mr. AIKEN. Mr. President, I shall conclude with this statement.

The American farmer is being put in a bad light by some of his self-appointed champions.

He is not the greedy animal which their actions might indicate.

He believes in government by the people. He believes in a policy of live and let live. He values his own freedom above all else. He is not asking to gorge himself at the Public Treasury at the expense of others.

No one can tell me, Mr. President, that the farmers of Kansas, North Carolina, or any other State are desirous of becoming wards of the Government, or exchanging their precious heritage of freedom for a Government hand-out.

They are Americans first, last, and all the time and resent the implication that they would sell their birthright for a mess of pottage.

Mr. President, I should like to have inserted in the RECORD in connection with my remarks excerpts from the testimony of the witnesses who appeared before the Republican meeting held at Sioux City, Iowa, last month.

It has been freely reported that most of the witnesses who appeared at that conference said they wanted 90 percent support. I have made a careful check of the transcript of the testimony of all the witnesses who testified at that meeting. I find that only four of the farmers testified in favor of 90-percent support. The Farmers Union testified in favor of 100-percent support. All the other witnesses who brought up the question of the level of price supports supported the flexible-support levels.

Mr. President, I ask unanimous consent that excerpts from the testimony of the witnesses who testified at the Sioux City Conference, including both those who favored 90 percent and those who did not, may be printed in the RECORD at this point in connection with my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM TESTIMONY AT SIOUX CITY CONFERENCE, SEPTEMBER 23–24, 1949

IN FAVOR OF FLEXIBLE SUPPORTS

We believe that price supports should be flexible, to go down when supplies are high and go up when supplies are low, with a minimum price established by law, and the Secretary of Agriculture having authority to set support prices from this minimum up. (Bruce Haddock, Hornick, Iowa.)

I am firmly of the belief at this time that what we need is a flexible program, one that will adjust itself to quite an extent, and when we talk about flexible supports in a flexible program, we cannot find all the answers, I don't think, shouldn't expect all the answers in a farm program of that type. But to me it is a much more stable program, one that is going to mean a lot more, gain a lot more respect from all of our economy, than a rigid program with rigid supports, which was the program that was in order during the war, when we needed a lot of production and needed it in a hurry. I don't think we in agriculture, as the minority group which we are, about 18 percent, can expect the balance of the economy to accept these rigid programs that we had during the war, and besides that our economy cannot fulfill all those things that are promised us with the rigid controls, rigid support prices. (LeRoy Getting, Sanborn, Iowa.)

Benefit payments, except in cases of emergencies, are not, to my way of thinking, anything more than a dole. You take away the initiative of the individual farmer, you have nothing left but a ward of the government. (Walter Bussey, Tabor, S. Dak.)

I was chairman of the subcommittee on agriculture that wrote the farm plank at the Philadelphia convention, and may I call to your attention that at the Philadelphia convention the Republicans endorsed a flexible support-price program on a long-range, long-term basis, and may I also call to your attention that at that convention farm organizations of all kinds and descriptions, most of them represented here today, endorsed that same flexible support program, and that includes the Secretary of Agriculture, Mr. Brannan, at one time, who also endorsed that type of a program. Ancher Nelson, member, Minnesota Legislature.

We do not want to be put in the position of seeking hand-outs. (Ancher Nelson.)

Speaking for the Minnesota delegation, and there are about 35 or 40 people here, we are united in our support of the recommendation and endorsement of the Republican platform, which supported flexible support prices. We don't say exactly where they should be, we think the Congress is smart enough to figure that out. But we want a sound program, we want one of flexible support prices, which will bring into operation the law of supply and demand. (Ancher Nelson, member, Minnesota Legislature.)

Now, the Hope-Aiken Act, I feel that that act is O. K. in theory and can work if the Republican Party or the party in power is sincere in their efforts to make it work. (Marvin Huckle, Lidgerwood, N. Dak.)

If we are to have a farm program it must be flexible, and any program that is inaugurated must be a program for the most of the people. We can't have a program that will work for just a few people. I am firmly convinced of that. (Howard Waters, Southeast, Iowa.)

I don't favor the Brannan plan and as long as we are not going to be able to get along without the politicians anyway, I am perfectly satisfied with the Aiken plan. (Sam Rymer.)

If this income is to be maintained, we must obtain it from the commodity and not the United States Treasury. (E. A. Johnson, Hawarden, Iowa.)

I believe a long-range program should have, as one of its basic aims, to increase the livestock units per capita in this country. That is the kind of a program that will appeal not only to the farmer, but to every person with a digestive system, and I might remind you that every voter has one. I realize that there are still going to be surpluses and that we are going to need flexible supports. I say let these be low enough so that the inefficient farmer is going to lose money. (Gerald Kitson, Rockford, Mich.)

The Brannan plan is democracy in reverse; the Hope-Aiken law was a step in the right direction, the Republican Party let their own farm bill down, and lost the election. I don't believe that the farmers understood about the Hope-Aiken bill, they thought that was a Democratic farm bill. I believe if we had come out and explained a little bit about the Hope-Aiken bill, and a few of the guaranties, that the farmers would have voted differently than what they did. (Adolph Winter, Weld County, Colo.)

Representative HOEVEN. Do I understand you are representing the Farmers Union of Nebraska?

Mr. MILLIUS. That is correct, sir.

Representative HOEVEN. And the Farmers Union organization in Nebraska is opposed to the Brannan plan?

Mr. MILLIUS. I can't find any sentiment in our people in Nebraska for it.

There seems to be a general agreement that a Government price-support program of some kind is needed. As an example of the sentiment, of 114 farmers who expressed their views at our State-wide meeting, 111—or all but 3 of them—favored some price supports. By an even more overwhelming margin—116 to 1—those farmers said they thought Government controls should be kept at a minimum. The consensus at a meeting held in Henry County produced the same results. But I would like to point out that a poll taken at the Ames meeting showed 94 in favor of a guaranteed floor under farm prices, 13 in favor of a Government guarantee of farm prices at 100 percent of parity and only 4 favored a 90-percent parity program. Nearly 200 farmers attended a similar meeting in Mount Pleasant and the consensus seemed to be for a minimum floor rather than for 100 percent of parity. We cannot and should not try to out-promise or to out-lie any other political party. In my opinion, the Republicans lost a lot of Middle West farm votes last fall because of half truths and in some cases downright lies regarding the grain storage situation put out by the opposition. They would have the American people believe that we Republicans are not interested in the well-being of the farmers; by a reasonable, sensible, educational campaign let's show this up for the bunk that it is. (H. L. McKenzie, St. Ansgar, Mitchell County, Iowa.)

I believe that crops should not be frozen at 100 percent of parity, but rather that the support be shifted as demand and supply shift. However, for our own protection we cannot suggest that prices be allowed to fall below 60 percent of parity. (David Gilkerson, Brookings County, S. Dak.)

In Kansas, in the group that came with me, we are utterly opposed to the Brannan plan. (Guy Schultz, Lawrence, Kans.)

The flexible program that has been presented by many other speakers and is in the Hope-Aiken bill is pretty much the plan that we are supporting. Mr. SHORT, in his presentation yesterday, expressed the opinion generally of our organization in general legislative policies. (Warren Fuqua, legislative representative, Missouri Farm Bureau Federation, Columbia, Mo.)

As to the Gore bill, which I believe is the 90 percent of parity, 90 percent of unconditional suport regardless of production, the majority of the farmers thought that that would be suicidal for the Government to support unlimited supply. As to the Aiken bill, most of them are unanimous in their support, with certain modification. (Miss Wilma Dixon, Republican committee woman, Crittenden County, Ark.)

The farmers * * * are not pleased at the necessity for making an apparent choice between whether or not they shall live in a regimented and regulated economy which must, of necessity, become more intense as time goes on, and as it has in England, or the necessity of having a repeat of 1932 and 1933. Now, they understand very well that in this dilemma the Democrats have made their choice. They also, gentlemen, understand that the Hope-Aiken formula, which is so carefully worked out, is a well constructed and intelligent compromise between those two alternatives. (R. W. Fisher, Monona County, Iowa.)

But we do not have to have 100 percent of parity. The farmers must know that they are on some sound basis, and when you gentlemen get this sound basis down, advertise it and make it pat, don't be changing, and you can win an election. (Edwin Kent, Juniata, Nebr.)

For the present they feel that they should have a parity guaranty. I personally believe that that parity should be flexible. I think it should be flexible enough to guarantee and stimulate the individual, and not be something that we would look forward to as a guarantee. I don't think the farmer can expect that. (Lloyd E. Davis, farm manager, Morrisonville, Ill.)

We are definitely opposed to the Brannan plan, and to the principle of the so-called "Trial Run." (C. B. Watson, president, Corn Belt Livestock Feeders Association, DeKalb County, Ill.)

Agriculture wants a fair price for its product in the market place of the Nation and support prices for farm products is just as essential to agriculture as minimum wages are for labor. Support prices for agriculture should not be top prices and wages paid on Government-made relief work should not be top wages. (James Wahl, representing Iowa Farmers Union.)

I would say regarding our present farm program that you are interested in, I would say most of our people are for the Anderson plan in some way or, as you may call it, the Aiken bill, amended Aiken bill, and I would say that in doing this, in passing this, I would suggest that it should be so arranged that the scale couldn't fall below 75 percent of parity. (J. B. Hartz, Murdo, S. Dak.)

The price-support level should be only high enough to prevent disastrously low prices and the economic chaos that result therefrom. Let's accept minimum support prices at, say, 70 percent of parity rather than bringing on ourselves the rigid controls as 100 percent of parity price guaranties would necessitate. We do not ask for security at the cost of the loss of freedom to plan and manage our own operations. (David Patterson, Lake Preston, S. Dak.)

Our neighbors were not in favor of the Brannan plan. They are not in favor of the socialized-medicine system, and they would like to see if our program is carried on as it now stands that it would be on the flexible support basis working downward from the high level. (Floyd Blades, Milford, Iowa.)

IN FAVOR OF 90 PERCENT AND ABOVE RIGID SUPPORTS

First, a long-range farm program; incorporated in this should be a true 100-percent-parity income based on the 1900 to 1914 base period. (Charles Jones, Davison County, S. Dak.)

The farm commodities used for domestic consumption should have a floor price of not less than 90 percent of parity, allowing a free market above 90 percent. (Einar Madsen, Minot, N. Dak.)

The farmer is a manufacturer and surely is entitled to the same stabilization of price which the grass-roots bill proposed by providing full parity at all times. (A. E. Wickett, Laurel, Nebr.)

Storage should be on the farm and commodity loans should be made at not less than 90 percent of parity; or in other words, a floor of 90 percent of parity should be placed on all basic commodities. (Charles Bruett.)

Mr. SALTONSTALL. Mr. President, I rise to say that with a great deal of regret I shall vote against the conference report. I say I shall do so with regret because I know the hard work the Senator from New Mexico [Mr. ANDERSON], the Senator from Vermont [Mr. AIKEN] and their associates have put into the preparation of the bill and the conference report.

I shall vote against the report, sir, because I believe the taxpayer and the consumer—the consumer primarily—are the forgotten men in this endeavor.

I realize that we must have and should have some form of flexible support for our farm products. We should have a flexible support that endeavors to keep production within bounds and keep prices at a fair level.

I come from what is primarily an industrial section, the major portion of whose population are consumers of farm products. As I understand the bill, and from the information I can obtain and assimilate, prices for foods will not diminish very much, if at all, under the terms of the bill. It is expected that the passage of the bill will place a considerable drain upon the taxpayers for supporting and buying substantial quantities of farm products.

New England, the section of the country, from which I come, contains many farms. However, the leaders of the farm groups, as well as I can determine from the information I have received from them, are opposed to the bill in its present form.

The bill is essentially one for the benefit of producers of food. They are the ones who are interested in it. They are the ones who should have some form of flexible support. I do not believe that in the long run the producers of our food products are going to be benefited if the consumers and if the taxpayers, who are all of us, are substantially hit by a bill which is for the sole benefit of the producers.

Very briefly, Mr. President, so as not to take further time of the Senate, I expect to vote against the conference report for the reason I have very briefly stated.

Mr. IVES. Mr. President, at the outset of my remarks, which I shall endeavor to make very brief, I desire to quote from an editorial appearing in this morning's issue of the New York Times. The editorial is entitled "A Costly 'Compromise'." It reads as follows:

A COSTLY "COMPROMISE"

Senate and House farm bill conferees agreed yesterday on what they are pleased to refer to as compromise legislation.

It is estimated that by the end of the present fiscal year the Government will have had to take title to more than $2,000,000,000 worth of surplus farm commodities. In the face of this state of affairs; in the face of the admonitions of the Nation's principal farm organizations, and in flat violation of the platform pledge of the Democratic Party, these conferees have agreed to go along, to all intents and purposes, with the very policy that has produced the present glut of farm products. Flexible price supports are promised, it is true, for sometime in the early future, but even if one could accept that promise at its face value—which in view of the postwar record, one obviously cannot—it would hardly help in the present mounting emergency. The conferees' solution of that problem is to continue the wartime policy under which farmers are encouraged to produce, not for the market but for what they can get from the Government for their products.

In only one sense can this measure be described as a compromise. It is a compromise in the sense that the consumer, the taxpayer, and in the end the farmer himself, all stand to share alike. They stand to share alike because, as a result of this act of Senate and House conferees—openly encouraged by the administration—they all stand to lose, and to lose heavily.

Mr. President, as I have stated on the floor during the course of the debate on the farm legislation, I, too, represent farmers. To the best of my knowledge, New York State ranks seventh in agriculture in the United States. I represent a great many consumers, as everyone knows. I am trying to reach a decision and to be in favor of legislation which is fair to all concerned, both producers and consumers.

Mr. President, there is not a Member of the Senate who believes that this bill is a fair bill. We all know that it is not. There is not a Member of the Senate who does not know that it has serious defects. They have been pointed out in the course of the debate which has already taken place. Furthermore, there is not a Member of the Senate who does not know that it is not necessary at this time to enact any kind of farm legislation at all. We have a perfectly good statute, the so-called Aiken law, which has never been allowed to go into effect.

It seems to me, Mr. President, that the thing for us to do at this time, above all others, rather than to agree upon a bill which is so obviously imperfect, is to allow the Aiken law to become effective.

Mr. President, I fully recognize that the Aiken law may not be perfect; and I fully recognize, moreover, that it may be utterly impossible, and probably would be, to draft a perfect piece of farm legislation at this time. For decades we have been endeavoring to do that very thing. But let me point out that only by the method of trial and error, with politics thrown out the window, can we ever reach any kind of sound decision or determination in the form of legislation in this field. For this reason I say that the bill before us should be allowed to die. There sould be no action upon it. The Aiken law should be allowed to become effective.

Mr. President, I would be strongly in favor of this conference report or any other bill of this type, for that matter, if it were only to provide high prices for the producers. But, Mr. President, much as this bill may conform to that requirement, there is much more to it than that, because if that were all there were to it, our problem would be a very simple one. This bill may provide high prices for producers. That is expected. That is its purpose. But at the same time it means ever higher prices for consumers. It means ever higher governmental expenditures.

I listened with rapt attention the other night when the distinguished senior Senator from Illinois [Mr. LUCAS], speaking on the amendment which had been adopted at that time, which made 90 percent of parity a fixed feature in the farm bill, eloquently turned to us and challenged those of us who stand for economy. Believe me, Mr. President, there are quite a number of us who strongly favor economy. I dare say that every Member of the Senate is for economy. I point out that if we are genuinely for economy, we cannot support this type of legislation. It means billions of dollars in addition to what is already being spent on our various Government programs. No one knows what the exact added cost would be.

I think it is high time for us to take stock of our position and to come down to earth and consider existing conditions. We want as high prices as can be obtained for the producer, but at the same time we must recognize the rights of the consumer and the taxpayer, as well as the rights of the American people generally. These rights are not being recognized in this particular piece of legislation.

This legislation is not geared for the welfare of all the American people. It is not even geared for the ultimate welfare of those in agriculture. As surely as we are in session here today, if this bill is enacted and left in force, Senators who support it—and I assure the Senate that I am not one of those, for I shall vote against it—will be haunted by the action they are taking in this instance.

Mr. President, this bill is no solution to anything. It will make a bad situation much worse.

Mr. YOUNG. Mr. President, I should like to say a word also for the consumer, and for the wheat growers, who have probably taken more abuse during the course of the discussions on this farm price-support legislation than any other segment of our economy. Wheat prices have dropped $1.50 a bushel in the past 1½ years, yet in every eastern city bread is selling at the same price at which it sold during the war and since. It has not dropped even 1 cent a loaf.

In New York City alone one milk distributor had a net profit last year of $26,000,000. His own salary was $150,000, and the salaries of his two assistants were $90,000 and $110,000. Those are things which ought to be investigated in behalf of the consumers.

I should like to point out that under our present support program wheat has a minimum support level of $1.94 a bushel. Under the Anderson bill as it first came before the Senate the minimum support level for wheat, at 75 percent of parity, was $1.42 a bushel. As amended by the conference with the House it now has a minimum of $1.61 per bushel. Under the Aiken Act, taking 70 percent of parity as the support price, which is being very liberal with the sponsor, the support price would be $1.26 a bushel. If the Members of the United States Senate think that they can keep our economy going and continue to get wheat at $1.26 a bushel, I think they are badly mistaken.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. IVES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I should like to make a brief statement. After what has been said by the able Senator from New York [Mr. IVES] and the Senator from Massachusetts [Mr. SALTONSTALL], very little could be added to the arguments as to why the conference report should be defeated, and why we should allow the Aiken law to go into effect January 1, 1950.

Both political parties are on record for a flexible farm-support program. That has been debated on the floor of the Senate, and most Members of the Senate voted in favor of a flexible farm-support program.

There is no reason why, at this late date, the last day of the session, we should propose to project the 90 percent level mandatorily for 12 more months, and make it optional with the Secretary of Agriculture for two additional years. The Secretary has already indicated his intention, if he is given the power, of projecting the support level at 90 percent.

As the Senator from New York pointed out, this conference report is unfair not only to taxpayer consumers but to the farmers themselves, who, if this measure is enacted, will end up with controls over their farm operations. They will be regulated by some bureaucrat here in Washington.

Mr. President, there are other reasons why I think we should not agree to the conference report—reasons which oft-times are overlooked. This Government already is operating very much in the red. At the end of the last fiscal year, on June 30, we had a deficit of $1,811,440,047. That deficit did not take into consideration the $599,505,171 which was lost on the farm-support program by the Commodity Credit Corporation during the past fiscal year. We are today still further from having a balanced budget.

Since the first day of January of this year, the Congress has appropriated $46,490,036,699.28. The contract authorizations which have been made at this session of Congress amount to $4,501,413,298. Making a total of nearly $51,000,000,000.

Mr. President, let us compare those appropriations and contract authorizations with the corresponding action taken by the second session of the Eightieth Congress, last year. When we do so, we find that the second session of the Eightieth Congress appropriated $41,764,383,348.03, and made contract authorizations in the amount of $3,886,371,715, or a total of a little more than $45,600,000,000.

The present session of Congress, has made appropriations and contract authorizations totaling $5,340,694,934.25

more than the amount which was appropriated by the Eightieth Congress last year.

When we take into consideration the fact that last year the Government operated at a deficit of around $2,000,000,000, and that we are now spending at the rate of $5,225,000,000 faster than we did a year ago, we can see that even assuming we have a national income at the same level as last year's, we shall wind up with a deficit of approximately $7,000,000,000; if we have a lower national income, we shall have a deficit of more than that.

So I think the time has come to recognize that both the taxpayers and the consumers must be given a "break" in this farm program.

In justice to the farmers, I may say that very few of them or the farm organizations have gone on record in favor of the 90 percent support program. Practically all farmers recognize that the support levels must be lowered to a more realistic basis.

Therefore, Mr. President, I shall vote against the conference report.

Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a tabulation showing the breakdown of the appropriations made at the second session of the Eightieth Congress and at the first session of the Eighty-first Congress—in other words, last year and this year.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

III. Recapitulation of appropriations by acts irrespective of fiscal years (80th Cong., 2d sess.)

REGULAR ACTS

Agriculture	$577,546,953.00
District of Columbia	99,729,483.00
Government corporations	38,479,061.00
Independent offices	967,442,551.00
Supplemental independent offices	5,819,659,851.00
Interior	407,836,974.00
Departments of Labor, Federal Security, and related independent agencies:	
Labor, Department of	14,423,700.00
Federal Security Agency	219,946,750.00
Related agencies	655,768,550.00
	890,139,000.00
Supplemental Federal Security Agency	975,914,700.00
Legislative	56,140,401.00
Military functions:	
Office of the Secretary of Defense	6,800,000.00
National Security Council	200,000.00
National Security Resources Board	3,000,000.00
Department of the Air Force	896,811,000.00
Department of the Army	5,798,607,163.00
	6,705,418,163.00
Civil functions, Department of the Army	641,575,666.00
Department of the Navy	3,749,059,250.00
State, Justice, Commerce, and the Judiciary:	
State	202,693,862.00
Justice	116,655,700.00
Commerce	172,428,000.00
The Judiciary	19,352,100.00
	511,129,662.00
Treasury and Post Office:	
Treasury	299,861,100.00
Post Office	1,696,452,325.00
	1,996,313,425.00
Supplemental Treasury and Post Office:	
Treasury	190,538,755.00
Post Office	57,875,500.00
	248,414,255.00
Total, regular acts	23,684,799,395.00

III. Recapitulation of appropriations by acts irrespective of fiscal years (80th Cong., 2d sess.)—Continued

DEFICIENCY AND SUPPLEMENTAL ACTS, 1949, 1948, AND PRIOR FISCAL YEARS

Urgent deficiency, 1948	$136,368,385.67
Foreign aid, welfare of Indians, and tax refunds	555,125,000.00
First deficiency, 1948	778,768,845.84
Supplemental national defense, 1948	949,000,000.00
Foreign aid, 1949	6,030,710,228.00
Second deficiency, 1948	549,774,876.36
Supplemental, 1949	15,300,000.00
Total, deficiency and supplemental acts	9,015,047,335.87

MISCELLANEOUS LAWS CARRYING APPROPRIATIONS

Public laws (for details see p. 774)	$1,543,704.14
Private laws (for details see pp. 775, 776)	1,627,445.02
Total, miscellaneous acts carrying appropriations	3,171,149.16
Grand total, regular annual, deficiency, supplemental, and miscellaneous acts	32,703,017,880.03

PERMANENT APPROPRIATIONS GENERAL AND SPECIAL ACCOUNTS

Interest on the public debt	$5,300,000,000.00
Refunds of taxes	2,768,000,000.00
Sinking fund and other debt retirement funds	624,763,000.00
All other permanent and indefinite, general, and special accounts	368,602,468.00
Total, permanent, general, and special accounts	9,061,365,468.00
Grand total, regular annual, supplemental, deficiency, miscellaneous acts, and permanent appropriations	41,764,383,348.03
Deduct trust fund appropriations carried in regular annual, deficiency, and miscellaneous acts and funds	

In addition, contract authorizations for the 80th Cong., 2d sess., totaled $3,886,371,715.

III. Recapitulation of appropriations by acts irrespective of fiscal years (81st Cong., 1st sess.)

REGULAR ACTS

Agriculture	$715,601,607.00
District of Columbia	102,754,447.00
Independent offices	7,617,739,361.00
Interior	584,098,797.00
Departments of Labor, Federal Security, and related independent agencies:	
Labor, Department of	16,766,200.00
Federal Security Agency	1,487,364,185.00
Related agencies	883,669,500.00
Subtotal	2,387,799,885.00
Legislative	62,262,110.00
National Military Establishment:	
Office of the Secretary of Defense	191,450,000.00
National Security Council	200,000.00
National Security Resources Board	3,500,000.00
Department of the Army	4,380,644,298.00
Department of the Navy	4,285,382,200.00
Department of the Air Force	4,088,386,000.00
Subtotal	12,949,562,498.00
Civil functions, Department of the Army	664,178,190.00
State, Justice, Commerce, and the Judiciary:	
State	265,305,656.00
Justice	132,663,141.00
Commerce	259,269,105.00
The Judiciary	20,734,200.00
Subtotal	677,972,102.00
Treasury and Post Office:	
Treasury	1,036,318,403.93
Post Office	2,054,210,500.00
Subtotal	3,090,528,903.93
Total, regular acts	28,852,497,900.93

III. Recapitulation of appropriations by acts irrespective of fiscal years (81st Cong., 1st sess.)—Continued

DEFICIENCY AND SUPPLEMENTAL ACTS, 1950, 1949, AND PRIOR FISCAL YEARS

First deficiency, 1949	$524,649,473.59
Second deficiency, 1949	854,838,710.27
Veterans' Administration (H. J. Res. 222)	595,890,000.00
Foreign Aid Appropriation Act, 1950	5,659,990,000.00
Third deficiency, 1949	177,740,619.02
Supplemental Appropriation Act, 1950	78,005,129.95
Second Supplemental Appropriation Act, 1950	[1] 1,083,161,658.73
Total, deficiency and supplemental acts	8,974,275,591.56

MISCELLANEOUS LAWS CARRYING APPROPRIATIONS

Public laws	[2] $2,929,807.79
Private laws	[2] 1,500,000.00
Total, miscellaneous acts carrying appropriations	4,429,807.79
Grand total, regular annual, deficiency, supplemental, and miscellaneous acts	37,831,203,300.28

PERMANENT APPROPRIATIONS GENERAL AND SPECIAL ACCOUNTS

Interest on the public debt	$5,450,000,000.00
Refund of taxes	2,160,000,000.00
Sinking fund and other debt retirement funds	629,191,100.00
All other permanent and indefinite, general and special accounts	419,642,299.00
Total, permanent, general, and special accounts	8,658,833,399.00
Grand total, regular annual, supplemental, deficiency, miscellaneous acts, and permanent appropriations	[3] 46,490,036,699.28

[1] Passed Senate.
[2] Estimated.
[3] In addition, contract authorizations for the 81st Cong., 1st sess., total $4,501,413,298, including $641,612,470 in the second supplemental appropriation bill, which is in conference.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 1, 4, 5, 8, 15, 21, and 25 to the bill and concurred therein, and that the House receded from its disagreement to the amendment of the Senate No. 6 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5601) to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6230) to direct the Secretary of the Interior to convey certain land to School District No. 5, Linn County, Oreg.

The message also announced that the House had agreed to a resolution (H. Res. 404) as follows:

Resolved, That a committee of two members be appointed by the House to join a

similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President had some other communication to make to them.

The message further announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

House Concurrent Resolution 148

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Wednesday, October 19, 1949, and that when they adjourn on said day, they stand adjourned sine die.

House Concurrent Resolution 149

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Eighty-first Congress, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 509. An act to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list;

S. 1232. An act to increase the allowance for equipment maintenance of rural carriers by 1 cent per day for each scheduled mile or major fraction thereof;

S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center;

S. 1284. An act to amend section 6 of the Federal Airport Act;

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes;

S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.;

S. 1825. An act to amend the Post Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops;

S. 2115. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes;

S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.;

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 1028. An act to legalize the admission into the United States of Edmea Pacho;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes;

H. R. 3793. An act to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4146. An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4586. An act to authorize the Government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5184. An act to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes;

H. R. 5191. An act to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia;

H. R. 5345. An act to stabilize prices of agricultural commodities;

H. R. 5354. An act for the relief of Itzchak Shafer;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purposes of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement-district proceedings;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public-improvement bonds;

H. R. 5856. An act to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 6007. An act for the relief of Herminia Ricart;

H. R. 6281. An act to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions;

H. R. 6301. An act to provide for parity in awards of disability compensation;

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes;

H. R. 6305. An act to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; and

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

FAILURE OF THE PRESIDENT TO NOMINATE MEMBERS OF THE BOARD OF DIRECTORS, COMMODITY CREDIT CORPORATION

Mr. WILLIAMS. Mr. President, there is another matter which I wish to bring to the attention of the Senate. It has nothing to do with the conference report on the farm bill. At the last session of the Congress, there was passed what is known as the Commodity Credit Corporation Charter Act. In that Act, we specified that the Board of Directors of the Commodity Credit Corporation shall be appointed by the President, subject to confirmation of the nominations by the Senate. That act was amended somewhat at the present session of Congress.

It has been called to my attention that the President of the United States, for some reason which perhaps he can best explain, has failed to submit to the Senate the nomination of members of the Board of Directors of the Commodity Credit Corporation. I have checked with the Solicitor of the Department of Agriculture and with the legislative counsel of the Senate; and both are in agreement to the effect that tonight, when the Senate adjourns, the Commodity Credit Corporation will be operating without an official Board of Directors as contemplated by Congress.

That is a rather serious situation. I am not an attorney, and I cannot say whether or not under that state of affairs the Corporation can legally conduct its business as it should be conducted. The courts can determine that point, and no doubt they will be called upon to do so.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD, title V, section 56, of the United States Code, 1940, which covers the point I have raised.

There being no objection, the title was ordered to be printed in the RECORD, as follows:

SALARIES TO CERTAIN RECESS APPOINTEES

(Title 5, sec. 56, U. S. Code, 1940 ed., p. 64)

No money shall be paid from the Treasury, as salary, to any person appointed during the recess of the Senate, to fill a vacancy in any existing office, if the vacancy existed while the Senate was in session and was by law required to be filled by and with the advice and consent of the Senate, until such appointee has been confirmed by the Senate. The provisions of this section shall not apply (a) if the vacancy arose within thirty days prior to the termination of the session of the Senate; or (b) if, at the time of the termination of the session of the Senate, a nomination for such office, other than the nomination of a person appointed during the preceding recess of the Senate, was pending before the Senate for its advice and consent; or (c) if a nomination for such office was rejected by the Senate within thirty days prior to the termination of the session and a person other than the one whose nomination was rejected thereafter receives a recess commission: *Provided*, That a nomination to fill such vacancy under (a), (b), or (c) hereof,

shall be submitted to the Senate not later than forty days after the commencement of the next succeeding session of the Senate. (R. S. sec. 1761; June 7, 1924, ch. 377, 43 Stat. 669; July 11, 1940, ch. 580, 54 Stat. 751.)

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a letter which I have received from the Solicitor of the Department of Agriculture, relating to this same question. It is apparent that, as of tonight, there will be vacancies on the Board of Directors of the Commodity Credit Corporation, and that this corporation will not be able to legally function until Congress reconvenes and names are submitted to the Senate by the President for confirmation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
Washington, D. C., February 17, 1949.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This letter is in confirmation of and pursuant to your conversation of February 15, 1949, with Mr. George E. Cooper of this office, regarding the members and status of the Commodity Credit Corporation Board of Directors.

The Commodity Credit Corporation Board is presently composed of Charles F. Brannan, Secretary of Agriculture, Chairman, Albert J. Loveland, Ralph S. Trigg, Glen R. Harris, and L. Carl Fry.

As you know, section 9 of the Commodity Credit Corporation Charter Act provides that the Secretary of Agriculture or his nominee shall be a member of the board, and the remaining members shall be appointed by the President by or with advice and consent of the Senate. Section 9 further authorized the appointment by the Secretary of an interim board consisting of five members, including the Secretary, to serve until October 1, 1948. Since the Senate was not in session at the termination of the term of the interim board, the present appointed members of the board, Messrs. Loveland, Trigg, Harris, and Fry, received recess appointments by the President, effective October 1, 1948.

The President's power to make recess appointments is derived from article II, section 2, third clause, of the Constitution of the United States, which provides that the President may fill vacancies during the recess of the Senate by granting commissions "which shall expire at the end of their next session." The terms of the present appointed members of the board thus will expire, by constitutional limitation, at the end of the present session, unless by action of the President and the Senate they are given regular appointments during this session.

If a present member is nominated by the President during this session but rejected by the Senate, he may still continue to hold his office for the constitutional period—that is, until the end of the next session after his appointment, unless his appointment is sooner terminated by the President. However, section 205 of the Independent Offices Appropriation Act, 1949, prohibits the payment of any salary to an appointee whose nomination has been rejected.

If during the present session the President should fail to submit any nominations, or if the Senate should fail to act upon the names of any nominees or should reject any nominees, the President could make further recess appointments to fill any vacancies which existed after the end of this session. However, under section 1761, Revised Statutes, as amended (5 U. S. C. 56), no person receiving such further recess appointment could be paid a salary unless the appointment came within one of the exceptions enumerated in section 1761.

Sincerely yours,
W. CARROLL HUNTER,
Solicitor.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I shall support the conference report. I am very happy that this report, as presented by the conferees, provides that wool, including mohair, shall be supported at not more than 90 percent nor less than 60 percent of parity, to encourage the annual production of 360,000,000 pounds of shorn wool.

At present, the annual production of shorn wool is well below this figure. It is estimated that 1949 production will not exceed 216,000,000 pounds. This means, I believe, that production will and should be supported at 90 percent of parity. As I read the report, it means that if wool is supported at 90 percent, mohair must be and will be supported at the same level. Today I have conferred with the administrative assistant to the Chairman of the Commodity Credit Board and with other Department of Agriculture officials about the conference report.

For a vast area of my State, this will be welcome news of justice long overdue. The mohair growers of the southwestern region of Texas have been held for too long under the thumbs of a few speculators who have been forcing the market price down to give-away levels. With the Government on their side now, the mohair growers can welcome the end of the era of enforced economic starvation.

This is a very fine accomplishment; and I want to pay tribute to Senator ANDERSON, of New Mexico, and the other members of the conference, who have been most cooperative and helpful in making possible a price-support program for mohair.

Mr. HICKENLOOPER. Mr. President, we have heard a good deal said this afternoon about the consumer. The consumer is entitled to have a great deal said in his behalf and for his benefit; but I call attention to the fact that one section of the consuming public of the United States, and probably the most consistent purchaser of large volumes of durable goods in our entire economy, the consuming farmers of the United States, have not been overemphasized in the giving of consideration in connection with this matter.

The farmers of the United States, composing approximately 20 percent of our population and, I think, a much higher percentage of the purchasers of durable goods in our economy, have been struggling for a great many years under organized proposals for farm programs, beginning back in 1919, 1920, and 1921. We have not yet arrived, perhaps, at a perfect farm formula; but I call attention to the fact that under any proposal which has been made, the farmer is not asking for excessive economic support. He is willing to take and to live with, if you please, economic support that is less than 100 percent of the cost of the things he has to buy when he is a consumer.

I think there are certain things wrong with the conference report and with the results attained. If the matter were left to me, I believe I could go through the conference report and could pick out a number of things which I would much prefer to have changed. But the conference report, which is the result of the discussions between the conferees on the part of the two Houses, recognizes one principle which I think it is vital to write into a farm program, and which I hope becomes a permanent part of our farm program and its philosophy, namely, the flexible feature of the approach to the parity regulations.

I had hoped that we could put into effect at the earliest possible date a flexible approach to the question of farm surpluses and farm commodities. Apparently we are not going to do that as quickly as I had hoped. But the cost of the goods the farmer has to buy has gone up and up and up; and now there is a fourth round of wage demands, which, if granted, will send still higher the prices of farm machinery and the other durable goods the farmer has to buy.

So when we talk about the consumer, let us think of the great 20 percent segment of the American population, the farmer, who perhaps is the greatest consistent, solid consumer segment of our economy, and who is entitled to great consideration coming in this economy. I do not intend to speak at any length. I could analyze the income, the actual pay-check income, if you please, Mr. President, for hourly wages—that is, for hours worked—in my own State of Iowa, which I believe is the greatest diversified farming State in the Union, and show that the hourly wage for the hours worked in order to produce the end product on the average Iowa farm is not in excess of 50 cents an hour; that is, the net pay-check return after the expenses are paid, when we take the return for the hourly wage, or the net number of hours worked in order to produce farm commodities. I submit, Mr. President, that even under the present situation, under the programs either presently operating or proposed, the actual pay check for the hourly work of those engaged in diversified farming does not even come up to the hourly wage of the man who digs a ditch for a living, or of the most unskilled labor.

When we talk about our economy, let us be fair to both sides. I do not particularly like the pending bill, because of several provisions, but I am going to vote for it, because it establishes a principle, and I believe it establishes a reasonable permanence, at least for some time in the future, of a farm program upon which we can rely. I hope that when we pass the pending bill, Mr. President, the farm program will at least for a season stop being a political football and will be taken out of the realm of partisan politics. It

never should have been in partisan politics, in the first place; it is too vital to our economy. I hope we shall end partisan politics and partisan squabbling over the farm bill, at least until this legislation can have a decent chance and a decent trial. But the farmers, under this or any other program which has been proposed, do not even ask to have as much of a reliable income as is represented by the cost of the products they have to buy—yes, products from the factories of the Senator's own State of New York, or from any of the other fabricating centers. Prices are going up, but the farmer's income is not appreciably going up at this time.

I think we have the approach at least to the beginning of a permanent farm program. I should like to see it tried. I should like to see it put into effect with the cordial support and friendly sympathy of both political parties. It has defects, I am sure, but it also has some principles which I believe are helpful and progressive. For that reason I shall support the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report. The yeas and nays having been ordered, the Secretary will call the roll.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll, anyway. [Laughter.]

The roll was called, and the following Senators answered to their names:

Aiken	Hill	McMahon
Anderson	Hoey	Malone
Baldwin	Holland	Millikin
Brewster	Ives	Morse
Bridges	Johnson, Colo.	Neely
Chapman	Johnson, Tex.	O'Conor
Connally	Kem	O'Mahoney
Cordon	Kerr	Pepper
Donnell	Kilgore	Russell
Downey	Knowland	Saltonstall
Dworshak	Langer	Schoeppel
Ecton	Leahy	Smith, Maine
Fulbright	Lodge	Thomas, Utah
George	Long	Tobey
Graham	Lucas	Watkins
Gurney	McCarthy	Wherry
Hayden	McFarland	Williams
Hickenlooper	McKellar	Young

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the conference report. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. IVES (when Mr. DULLES' name was called). The junior Senator from New York [Mr. DULLES] has a pair with the Senior Senator from Minnesota [Mr. THYE]. If the junior Senator from New York were present he would vote "nay." If the senior Senator from Minnesota were present he would vote "yea."

Mr. McCARTHY (when his name was called). I have a pair with the senior Senator from Ohio [Mr. TAFT]. If he were present and voting he would vote "nay", and if I were permitted to vote I would vote "yea."

The roll call was concluded.

Mr. LUCAS. The Senator from Virginia [Mr. BYRD], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Washington [Mr. MAGNUSON] are detained on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Virgina [Mr. ROBERTSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], and the Senator from Oklahoma [Mr. THOMAS] are absent on official committee business.

The Senator from Iowa [Mr. GILLETTE] is absent by leave of the Senate.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Idaho [Mr. TAYLOR], and the Senator from Kentucky [Mr. WITHERS] are absent on public business.

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Idaho [Mr. TAYLOR], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Nebraska [Mr. BUTLER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from New Jersey [Mr. HENDRICKSON], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] who is absent on official committee business, is paired with the Senator from Indiana [Mr. CAPEHART] who is absent on official business. If present and voting, the Senator from Michigan would vote "nay," and the Senator from Indiana would vote "yea."

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from New York [Mr. DULLES] who is absent by leave of the Senate is paired with the Senator from Minnesota [Mr. THYE] who is absent on official committee business. Their pair has been previously announced by the senior Senator from New York [Mr. IVES].

The Senator from South Dakota [Mr. MUNDT] is absent on official business with leave of the Senate. If present and voting, the Senator from South Dakota would vote "yea."

The Senator from Ohio [Mr. TAFT] is necessarily absent and his pair has been previously announced by the Senator from Wisconsin [Mr. McCARTHY].

The Senator from Indiana [Mr. JENNER] is absent on official committee business.

The Senator from Washington [Mr. CAIN] and the Senator from Pennsylvania [Mr. MARTIN] are detained on official business.

The result was announced—yeas 46, nays 7, as follows:

YEAS—46

Aiken	Hill	Malone
Anderson	Hoey	Millikin
Brewster	Holland	Morse
Chapman	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Conor
Cordon	Kem	O'Mahoney
Donnell	Kerr	Pepper
Downey	Kilgore	Russell
Dworshak	Knowland	Schoeppel
Ecton	Langer	Smith, Maine
Fulbright	Leahy	Thomas, Utah
George	Long	Watkins
Graham	Lucas	Wherry
Gurney	McFarland	Young
Hayden	McKellar	
Hickenlooper	McMahon	

NAYS—7

Baldwin	Lodge	Williams
Bridges	Saltonstall	
Ives	Tobey	

NOT VOTING—43

Bricker	Hendrickson	Reed
Butler	Humphrey	Robertson
Byrd	Hunt	Smith, N. J.
Cain	Jenner	Sparkman
Capehart	Johnston, S. C.	Stennis
Chavez	Kefauver	Taft
Douglas	McCarran	Taylor
Dulles	McCarthy	Thye
Eastland	McClellan	Thomas, Okla.
Ellender	Magnuson	Tydings
Ferguson	Martin	Vandenberg
Flanders	Maybank	Wiley
Frear	Mundt	Withers
Gillette	Murray	
Green	Myers	

So the conference report was agreed to.

NOMINATION OF SAMUEL R. VALLIERE TO BE POSTMASTER AT MIAMI, FLA.

Mr. McKELLAR. Mr. President, by accident the nomination of a postmaster at Miami, Fla., was overlooked this afternoon. The committee has reported it, and I ask unanimous consent that the nomination of Samuel R. Valliere to be postmaster at Miami, Fla., be confirmed.

Mr. WHERRY. Mr. President, I understand the nomination was omitted from the list that came up this afternoon.

Mr. McKELLAR. That is correct. I have been so informed by the chairman of the committee, who asked me to make this request.

Mr. WHERRY. There is no objection.

The VICE PRESIDENT. Without objection, as in executive session, the nomination is confirmed, and the President will be immediately notified.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1950

Mr. McKELLAR submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 10, 11, 17, 18, 19 and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 16, 22 and 23, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,250,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$125,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$5,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 15, 21, and 25.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
Managers on the Part of the House.

Mr. McKELLAR. Mr. President, I move the adoption of the report.

The VICE PRESIDENT. The question is on agreeing to the report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6427, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 19, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 8, 15, 21, and 25 to the bill (H. R. 6427) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 6 to said bill and concur therein with an amendment as follows: In lines 4 and 17 of the matter inserted by said amendment strike out "February 1" and insert "February 15."

Mr. McKELLAR. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 6. I will say in explanation of the amendment that it merely changes the date in the Korea amendment from February 1 to February 15. I move that the Senate concur.

The VICE PRESIDENT. Without objection, the motion is agreed to.

Mr. McKELLAR. Mr. President, does that conclude the conference report?

The VICE PRESIDENT. That concludes the conference report.

Mr. BREWSTER obtained the floor.

The VICE PRESIDENT. Will the Senator yield to the Senator from Arizona to present two resolutions?

Mr. BREWSTER. Certainly.

PRINTING OF HEARINGS BEFORE COMMITTEE ON AGRICULTURE, THE HOUSE OF REPRESENTATIVES

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 146, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Agriculture of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use one thousand additional copies each of the hearings held before said committee during the Eighty-first Congress entitled "General Farm Program", part 3 and part 5, and five hundred additional copies each of those entitled "Rural Telephones", "Forestry", and "1949 Fertilizer Supplies", and five hundred additional copies each of those entitled "General Farm Program", part 1, part 2, part 4, and part 6.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

PRINTING OF REPORT OF THE ATOMIC ENERGY COMMISSION

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 147, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Joint Committee on Atomic Energy be authorized to have printed for its use fifty thousand copies of Senate Report 1169, entitled "Report on Investigation into the United States Atomic Energy Commission", and which was introduced in the Senate on October 13, 1949.

Mr. HAYDEN. Mr. President, I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

Mr. HICKENLOOPER subsequently said: Mr. President, will the Senator from Maine yield for a question on a concurrent resolution which has just been adopted?

Mr. BREWSTER. It has not been adopted.

Mr. HICKENLOOPER. The House concurrent resolution was just adopted. I admit a little slowness on my part, but it went through before I realized what it was.

The VICE PRESIDENT. The Chair did declare it adopted, without objection.

Mr. HICKENLOOPER. I am not criticizing the Chair. It was adopted before I realized what it was. The House concurrent resolution just reported and adopted has to do with the printing of 50,000 copies of some report of the Joint Committee on Atomic Energy. I was wondering if I may ask what the report is, and what it consists of.

Mr. McMAHON. Mr. President, will the Senator from Maine yield to me to answer?

Mr. BREWSTER. I will yield if I may do so without losing the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. McMAHON. As I understand, the vice chairman of the committee submitted a resolution in the House for the printing of 50,000 copies of the report of the joint committee which was filed with the Senate and with the House 3 or 4 days ago.

Mr. HICKENLOOPER. Of the investigation?

Mr. McMAHON. Of the investigation.

Mr. HICKENLOOPER. I have no objection to the adoption of the resolution, but I ask the chairman of the Joint Committee on Atomic Energy, if I may be yielded to further, if he objects to amending the resolution to provide that an equal number of copies of the views of the minority of the Joint Committee on Atomic Energy, in connection with the resolution, may be printed when they are filed.

Mr. McMAHON. I would have no objection at all and I desire to cooperate to the end that the Senator gets a chance to disseminate as many copies of the minority views as he wishes, but I do not see how we can now send this concurrent resolution back to the House. It is too late for that. If an amendment were added to it, the resolution would be lost.

Mr. HICKENLOOPER. Mr. President, I think it is quite important. While the minority are not so numerous as the majority, I think the views of the minority of the joint committee rise to just as great importance in an examination of this matter, and therefore, if the Senator will indulge me, I should like to ask unanimous consent that the vote by which the concurrent resolution authorizing the printing of the copies was adopted be reconsidered for the purpose of permitting me to offer an amendment to include provision for the same number of copies of the views of the minority.

Mr. LUCAS. Mr. President, before we vote on that question, it seems to me that if the Senator would present a simple resolution, just as the Senator from Connecticut has, for the minority, there would be no objection to the Senate adopting it. But the situation being as it is, the resolution would have to go back to the House, and could not be finally adopted. In view of the fact that the Senator from Iowa has not seen fit up to this time to file the minority views, as the Senator from Connecticut has done in the case of the majority report, I do

not think he should strive to defeat the resolution, at this late hour. Certainly there would be no objection on the part of anyone to the Senator from Iowa offering a resolution, and the Senate would adopt it, so far as I am concerned, unanimously, but we should not kill this resolution simply because the Senator from Iowa has not seen fit up to this time to do what the Senator from Connecticut has done.

Mr. HICKENLOOPER. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. HICKENLOOPER. I am not attempting in any way to kill the resolution, and I am willing to cooperate in any device that will enable the minority to have the same number of copies of the minority views printed as the majority views. I had no intimation that a request for the printing of 50,000 copies would come in, not in the twilight, but in the sunset, of the session. Had I had any idea I would have gone to Representative DURHAM, who offered the resolution, and would have asked him to include the minority views, and I have no doubt that he would have consented. This is the first inkling I have had of this matter. If the Senator from Illinois can suggest a device as to how it could be done, I should appreciate it.

Mr. LUCAS. I think I could suggest some device, but it does seem to me rather unusual that the distinguished Senator from Iowa, who was responsible for the resolution in the beginning charging the Commission with incredible mismanagement, after all the hearings which have been held, would not have thought enough of the minority views to have seen to it that they were disseminated throughout the country as the majority is attempting to do with its views. The only point I am making is that the Senator from Iowa simply by an amendment would kill the resolution, because we cannot get it back to the House. Of course, so far as I am concerned, I would have to oppose the amendment, but I certainly would not oppose any resolution the Senator from Iowa desired to offer which would give him the same right so far as printing 50,000 copies of the minority views is concerned.

Mr. HICKENLOOPER. If the Senator will indulge me, I ask unanimous consent that when the views of the minority have been filed with the Senate, which they will be in a few days, that there be authorized as a Senate document 50,000 copies of the views of the minority in connection with this matter.

Mr. MCMAHON. Mr. President, reserving the right to object, I will say I believe the Senator from Iowa has hit upon a very happy solution of the difficulty. I would not want it to appear in the RECORD for one moment that the Senator from Connecticut is in any way disposed to prevent the dissemination of the views of the Senator from Iowa and his colleagues on the committee who may agree with him. I am delighted that the Senator has now hit upon this device, and I assume that consent will be given to the printing of 50,000 copies of the dissenting views.

Mr. HICKENLOOPER. I have no desire to stop the concurrent resolution. That is not the point. I merely want the minority views to have the same opportunity for dissemination as the majority views.

The VICE PRESIDENT. Without objection, the request of the Senator from Iowa is granted.

IMPORTATION OF POTATOES FROM CANADA

The VICE PRESIDENT. The Senator from Maine [Mr. BREWSTER] has the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BREWSTER. Mr. President, I think I must insist on proceeding in order to expedite the business of the Senate.

The VICE PRESIDENT. The Senator from Maine declines to yield further.

Mr. BREWSTER. I have two matters I wanted to bring to the attention of the Senate, Mr. President, in connection with the supplemental appropriation bill. The farm bill has just been passed. In that bill provisions were contained for continuing support for potatoes at 60 to 90 percent of parity—the same provisions that have been in effect for 1 year on potatoes, and have been operating very successfully.

Within the last 24 hours, I am advised by the Department of Agriculture, 1,000,000 bushels of potatoes are being loaded in Canada for dumping on our market, and 10 to 12 million bushels are backed up and are expected to be sent to the United States. That will mean the retirement of American potatoes at a cost to our Treasury of $20,000,000. That can be stopped under the provisions of section 22 of the Agricultural Act, either by the imposition of a fee because of the dumping with a 10-percent devaluation, or by an absolute quota prohibition so long as our support program is in effect. I wanted to take this opportunity to bring that matter home very clearly to the responsible authorities.

A year ago with this same situation developing, the State Department accomplished, with a celerity that I highly commend, an agreement with Canada by diplomatic negotiations under which Canada agreed to ship no more potatoes into this country except certified seed, and further gave assurance that those potatoes should be used for seed purposes. That arrangement was liberally violated. There was no way of enforcing it. However, within the past month, to the amazement of everyone, our State Department has cancelled that agreement so that potatoes may now come in from Canada freely, subject only to the restrictions of our tariff and our existing trade agreement, modifying our tariff law—1,000,000 bushels of table stock at 50 percent cut in our tariff of 75 cents, and 2,500,000 bushels of certified seed potatoes which may be used for other purposes.

The potato program this year is going to cost apparently around $40,000,000, as the result of the reduction of 75,000,000 bushels in production by the reduction of acreage, and the cooperation of potato growers everywhere. I do not believe that the potato growers of this country, from north, south, east, and west should be held responsible for the $20,000,000 additional cost that is going to be imposed on our Treasury, or a 50 percent increase in the current cost, because of the failure of the Treasury and the Department of Agriculture to exercise their admitted powers under existing law.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAGNUSON. I want to ask the Senator a question. If the State Department had carried out the provisions of section 22, probably this situation would not have occurred, would it?

Mr. BREWSTER. It may be stopped under the provisions of that section, and I hope very earnestly that those who are responsible for its administration will see to it that it is. But in any event the potato legislation of the present farm bill must not be held responsible for whatever increased costs are imposed by the importation of these potatoes from Canada.

NATIONAL ELECTION IN THE PHILIPPINES

I want to speak of one other matter which is also relevant. This is of a somewhat more delicate character, so I wish to read what I have to say.

Mr. President, a few days ago, the Congress authorized the expenditure of $27,640,000 for military assistance to Iran, the Republic of Korea, and the Republic of the Philippines. It was intended that a substantial part thereof should be made available to the Republic of the Philippines to better enable that new republic to provide for its military security, and to assist it in the development of a program to protect it against exploitation by designing or unfriendly powers. But, in taking that action, we also purposed to promote the foreign policy and provide for the defense and general welfare of the United States. I am certain that all of us are mindful of the fact that, as we provide such military assistance, we assume an obligation and a responsibility to make sure that it serves to assist the United States in the fulfillment of the role of world leadership to which destiny has called her, that is, to bring about and preserve world stability and peace.

Conscious of that responsibility, I am concerned that such purpose and objective shall not be frustrated by events beyond the control of either the Congress or the President. I refer to the national election campaign now in progress in the Philippines, through which, on November 8, the people of that country will choose their President for the ensuing 4 years.

A sovereign people, they have the right to exercise the freedom of their own choices. Valuing our own freedom and right to order our own affairs, none of us would presume to interfere nor attempt to influence them in their decision.

One of the principal candidates is Dr. Jose Laurel. It has come to my attention that a definite and determined ef-

fort has been, and is now, in progress to develop here in the United States, a public opinion favorable to Laurel. Specifically, I have been informed that an effort is being made in this country to get publishers, editors, and writers of the magazines and the press, to write and publish articles which are favorable to Dr. Laurel, and to persuade them, and also leaders in thought and in our public life, to slant their comment in his favor. Undoubtedly, the purpose must be to assist Laurel in his race for the presidency of the Philippines, by attempting to create in the minds of the Filipino people an impression, or a feeling, or a conviction, that the election of Dr. Laurel would meet with favor in the United States. It appears that there are Philippine nationals in this country who are bent on such a program. And it also appears that some of our own people are thus engaged.

I may be asked: why the attempt to build up public favor and acceptance of Laurel in the United States? That is not hard to understand. The Filipino people are gratefully appreciative to the United States for their freedom. They demonstrated that by their devotion, loyalty, and heroic sacrifice in the recent war. They want our continued support and friendship. They look to us for help and guidance.

But I remind the Senate that Laurel was installed by the Japanese as the puppet President of the Philippines. He collaborated with Japan. He, it was, who declared war on the United States. He, it was, in whom Yamashita expressed his confidence in a radio message which he sent to the Imperial Government in Tokyo, about March 1945, after the liberation of Manila, when he advised that he proposed to fly the officials of the puppet government to Tokyo.

He, it was, who, Yamashita stated on September 25, 1945, was pro-Japanese and subservient to Japanese authority because the Japanese had made him President. In fact, since the days of General Wood as Governor General of the Philippines, Laurel has generally been regarded as anti-American.

The Filipino people know that. They have not forgotten the burning and destruction of their homeland. Nor the cruelty, tortures, atrocities, butchering, and killing by the arrogant and fanatical Japanese. Laurel and his smart supporters and propagandists know that. Consequently, they are anxious to overcome opposition and prejudice resulting therefrom, by attempting to make the Filipino people believe that, here in the United States, we have condoned his treachery, and that, if elected as President, he will enjoy the confidence of the Government and the people of the United States.

Mr. President, I have not been able to discover that Mr. Laurel has had any change of heart toward the United States. So far as I know, we have no basis for any assurance that, if elected President of the Philippines, Laurel would cooperate with the United States, either in our desire to rehabilitate, support, and strengthen the Philippines, or in our effort to promote stability, progress, and peace in the Pacific and the Far East. It would appear to be a serious mistake to barge ahead and provide military assistance to the Philippines and take any chance that it might be administered, controlled, or dictated by any leader or group of leaders who might be unfriendly to the United States.

Under these circumstances, Mr. President, it seems to me that both the Congress and the President of the United States owe a duty, both to the Philippines and ourselves, to proceed with caution and to take no further steps to provide military assistance to the Philippines, until after their election is held. We may want to take another look. We may want to shift or alter our course. I have great faith in the Filipino people. But we should not take any chance which might let them down or destroy our opportunity to make their cause secure. Events might dictate that a different policy or program is desirable and necessary to promote the welfare of both the Philippines and the United States in the Far East.

THE POTATO SITUATION

Mr. LUCAS. Mr. President, the distinguished Senator from Maine [Mr. BREWSTER] has discussed the potato situation briefly in his very able address. We kept potatoes out of the argument during the debates on the farm bill; and in the conference little was said on the subject.

What the Senator from Maine says about the importation of potatoes from Canada may be true. If it is true, and his premise and his conclusions are correct, I hope the Department will look into the situation.

What I rose to say was this: One of the chief reasons why the farm program is in disrepute throughout America is the support price on potatoes.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. Would the Senator add that that was because of the support price of 90 percent last year?

Mr. LUCAS. That is correct.

Mr. BREWSTER. And that, under my amendment of last year, it was reduced to 60 percent.

Mr. LUCAS. Yes.

Mr. BREWSTER. It is now going to cost us $40,000,000 instead of $250,000,000.

Mr. LUCAS. The Senator is correct in the statement he makes with respect to the potato program. Under the bill which we passed, there is a minimum parity of 60 percent. However, I wish to place these figures in the RECORD, in view of the fact that the potato program has been discussed again.

From October 15, 1933, to June 30, 1949, the potato-support program cost the Treasury $339,410,344. In contrast with that, we have been discussing primarily in this farm program the basic commodities, which, when this program is placed in effect, will be under controls through acreage allotments or through quotas.

From October 17, 1933, to June 30, 1949, the Commodity Credit Corporation made money on corn, cotton, peanuts, rice, tobacco, and wheat. It lost money on peanuts, but made a sufficient sum on the other commodities to show a profit of $129,634,218.

I am not sure what this program is going to cost the American taxpayer in the future. We have a flexible program, one which I was not inclined to go along with in the beginning because of the double parity feature, but legislation is always a compromise, and we were compelled to compromise to get away from the rigid 90 percent support price on basic commodities and certain nonbasics which the House was insisting that we include.

I merely mention this fact to demonstrate that, after all, the basic commodities, which are worth while from the standpoint of a fundamentally sound program, up to this date have cost the taxpayers nothing. On the other hand, the Commodity Credit Corporation has made $129,000,000.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Maine.

Mr. BREWSTER. I have not looked into the figures, but I have been repeatedly told that while the results are as the Senator says up to date, we are now in a considerably more precarious position.

Mr. LUCAS. I think the Senator is correct.

Mr. BREWSTER. We have 800,000,000 bushels of corn in prospect as a carryover. We have many millions of bushels of wheat. I do not know how many million bales of cotton we have. We may have a very different result in the future.

Mr. LUCAS. I think the Senator is correct. As a result of the carryovers, and what we have stored at the present time, the future situation is not comparable.

At the same time, when we were making money from the basic commodities, we were doling that money out to the potato growers to the tune of many millions of dollars, as shown by the figures which I have placed in the RECORD.

The Senator from Maine, recognizing that the situation was bad and indefensible, offered an amendment last year which has brought the potato program down to where it is costing only from $40,000,000 to $50,000,000 a year. I think that is about right. I merely throw this in for good measure, because my good friend was seeking to show that the State Department was doing something wrong in allowing importations of potatoes. Perhaps that is correct; but at the same time we must not forget what the taxpayers have done for the potato growers of Maine during the past 4 or 5 years, to the detriment of the taxpayers of America, while the basic commodities in my section of the country were making money for the Commodity Credit Corporation.

Mr. BREWSTER subsequently said: Mr. President, I wish to express my appreciation of the fairness of the statement regarding the potato situation. The Senator from Illinois did use, I think

inadvertently, certain words which I hope will be stricken from the RECORD, when the Senator intimated that the basic commodities are the crops that are worth while, rather implying that potatoes are not worth while. I am sure the Senator from Illinois did not intend any such implication of connotation.

Mr. LUCAS. No; I would never spoil the spud in any such manner, because I think it is one of the best of the nonbasic commodities on which the American people depend.

Mr. BREWSTER. I think the record is clear about the potato program and its importance.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

Mr. KNOWLAND. Mr. President, at the request of the junior Senator from Michigan [Mr. FERGUSON] who left for Europe today with the Appropriations Committee, I ask unanimous consent to have printed in the body of the RECORD a telegram addressed to him from the American Farm Bureau Federation of the State of Michigan, relative to the farm bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

LANSING, MICH., *October 17, 1949.*

Hon. HOMER FERGUSON,
Senate Office Building:

Michigan Farm Bureau seriously opposed to proposed amendment Anderson bill which require Government quotas and controls. In 1950 recent poll 60 county Farm Bureaus express serious opposition to compulsory 90 percent support prices regardless of supply. Urge bill be amended in conference in accordance American Farm Bureau recommendation.

C. L. BRODY, *Secretary.*

NOTICES OF HEARINGS BEFORE JUDICIARY COMMITTEE ON JUDGESHIP NOMINATIONS

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary I send to the desk notices of hearings on several judgeship nominations, which came to the Committee on the Judiciary too late to hold hearings. The hearings are all set for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building.

The notices are as follows:

NOTICE OF HEARING ON NOMINATION OF THOMAS J. CLARY TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF PENNSYLVANIA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Thomas J. Clary, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF FRANK A. HOOPER TO BE UNITED STATES DISTRICT JUDGE, NORTHERN DISTRICT OF GEORGIA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Frank A. Hooper, of Georgia, to be United States district judge for the northern district of Georgia, to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF CHARLES FAHY, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Charles Fahy, of New Mexico, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF WILLIAM HENRY HASTIE, TO EE JUDGE OF UNITED STATES COURT OF APPEALS, THIRD CIRCUIT

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of William Henry Hastie, of the Virgin Islands, to be a judge of the United States Court of Appeals for the Third Circuit to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF ALLAN K. GRIM, TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF PENNSYLVANIA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m. in room 424, Senate Office Building, upon the nomination of Allan K. Grim, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF OWEN M'INTOSH BURNS, TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF PENNSYLVANIA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Owen McIntosh Burns, of Pennsylvania, to be United States district judge for the western district of Pennsylvania to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF J. SKELLY WRIGHT, TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF LOUISIANA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of J. Skelly Wright, of Louisiana, to be United States district judge for the eastern district of Louisiana, vice Honorable Wayne G. Borah, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF GUS J. SOLOMON, TO EE UNITED STATES DISTRICT JUDGE, DISTRICT OF OREGON

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Gus J. Solomon, of Oregon, to be United States district judge for the district of Oregon, to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF IRVING R. KAUFMAN, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Irving R. Kaufman, of New York, to be United States district judge for the southern district of New York to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF GREGORY F. NOONAN, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Gregory F. Noonan, of New York, to be United States district judge for the southern district of New York to fill a new position. At the indicated time and place all persons

interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF JOHN F. X. M'GOHEY, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK, TO FILL A NEW POSITION

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of John F. X. McGohey, of New York, to be United States district judge for the southern district of New York to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF DELMAS C. HILL, TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF KANSAS

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Delmas C. Hill, of Kansas, to be United States district judge for the district of Kansas to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF M. NEIL ANDREWS, TO BE UNITED STATES DISTRICT JUDGE, NORTHERN DISTRICT OF GEORGIA

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of M. Neil Andrews, of Georgia, to be United States district judge for the northern district of Georgia, vice Robert L. Russell, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF DAVID L. BAZELON, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS, DISTRICT OF COLUMBIA CIRCUIT

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of David L. Bazelon, of Illinois, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF GEORGE THOMAS WASHINGTON, TO BE A JUDGE OF THE UNITED STATES COURT OF APPEALS, DISTRICT OF COLUMBIA CIRCUIT

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of George Thomas Washington, of the District of Columbia, to be a judge of the United States Court of Appeals for the District of Columbia Circuit to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF H. NATHAN SWAIN, TO BE JUDGE OF THE UNITED STATES COURT OF APPEALS, SEVENTH CIRCUIT, TO FILL A NEW POSITION

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of H. Nathan Swain, of Indiana, to be judge of the United States Court of Appeals for the Seventh Circuit to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF SIDNEY SUGARMAN, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. MAGNUSON. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, January 3, 1950, at 10:30 a. m. in room 424, Senate Office Building, upon the nomination of Sidney Sugarman, of New York, to be United States district judge for the southern district of New York to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

Mr. MAGNUSON. The subcommittee holding the hearings will be the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from North Dakota [Mr. LANGER].

The VICE PRESIDENT. The Chair should advise the Senate that these nominations will lapse and will have to be returned to the Senate by the President at the beginning of the next session, unless the rule which prevents their being acted upon if the Congress is in adjournment for more than 30 days is suspended.

Mr. MAGNUSON. Mr. President, I was going to state that the Judiciary Committee is fully cognizant of that; but anticipating that in the main the present holders of these positions probably will be renominated, we shall take expeditious action in holding hearings on the nominations, if those who now hold the positions are renominated.

The VICE PRESIDENT. The Senator does not wish to ask that the rule be suspended, does he?

Mr. MAGNUSON. No; I do not. I merely wish to make this announcement.

Mr. DONNELL. Mr. President, will the Senator from Illinois yield, to permit me to ask one or two questions?

Mr. LUCAS. Mr. President, the request to suspend the rule is not going to be made by the Senator from Washington, and I hope we will not get into an argument about the matter.

Mr. MAGNUSON. Mr. President, I am sure there will not be an argument about it.

Mr. LUCAS. Very well; I yield.

Mr. DONNELL. I understand that the Senator is not asking that the provisions of rule XXXVIII or of any other rule be waived in connection with this matter.

Mr. MAGNUSON. No; I merely announced that should the present holders of these positions be renominated, hearings will be held on January 3, on the renominations. I make that announcement so that the Senate will know when the hearings will be held.

Mr. DONNELL. I thank the Senator, and I thank the Senator from Illinois for yielding.

Mr. WHERRY. Mr. President, will the Senator yield, so that I may ask a question?

Mr. LUCAS. I yield.

Mr. WHERRY. I do not desire to prolong the discussion of this matter, either; but the date the Senator from Washington has set for the commencement of the hearings will be the first day of the next session of the Eighty-first Congress. How could the nominations be referred to the committee on the first day of the session in time to permit hearings to be held on that day?

Mr. MAGNUSON. The nominations could be referred on that day.

However, I am making this announcement on behalf of the acting chairman of the Judiciary Committee. Apparently that is his decision.

But there are so many nominations that I assume that by the time the committee meets and decides about the witnesses to be heard, it probably will be a day later when the hearings will begin.

Mr. MAGNUSON subsequently said: Mr. President, on behalf of the Judiciary Committee, I may say I have just read the notices of hearings, in the event reappointments are made. The notices I read carries the date of January 3. I have conferred with Members, who have asked me to suggest that the notices should read January 5, rather than January 3.

The VICE PRESIDENT. Without objection, it is so ordered.

SURVEY OF PRINCIPAL LEGISLATIVE ACCOMPLISHMENTS OF THE SENATE IN THE FIRST SESSION, EIGHTY-FIRST CONGRESS

Mr. LUCAS. Mr. President, at this time I wish to place in the RECORD a comprehensive survey of the principal legislative accomplishments of the Senate from January 3 to October 19.

This is a factual summary of the major measures approved by the Senate during this long session. It represents a great deal of thought and effort upon the part of the Members of the Senate.

I ask unanimous consent to have this survey printed in the body of the RECORD, and I hope every Senator will carefully examine it.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

SENATE ACCOMPLISHMENTS DURING FIRST SESSION OF EIGHTY-FIRST CONGRESS

I. AGRICULTURE

H. R. 5345: This bill, as agreed upon by the conferees, provides a permanent price support program for agricultural commodities. The basic crops of the Nation, corn, wheat, cotton, tobacco, rice, and peanuts are supported on the basis of a sliding scale with supports ranging from 75 to 90 percent of parity, the level of support depending upon estimated production in relation to normal demand.

Price supports at 90 percent of parity are mandatory for the 1950 crops and not less than 80 percent for 1951 and, thereafter, may range from 75 percent to 90 percent, the minimum level varying by the degree of supply in relation to the demand.

The bill also provides permanent flexible price supports for certain special commodities, such as whole milk, butterfat, etc. One important section of the bill lodges major discretionary power in the Secretary of Agriculture with respect to price supports for non-basic commodities. To the modernized parity formula established in this bill there has been added the factor of farm labor which increases parity prices on an average of approximately 6 percent. Parity prices on the basic commodities cannot be less than the parity prices figured on the present formula for a period of 4 years.

S. 900: Revises charter of Commodity Credit Corporation to provide adequate crop storage facilities and exchange of surplus commodities for strategic and critical materials. This enables farmers to market their crops at the most profitable times, by making available to them vastly increased storage bins. In view of the huge crops now expected, this legislation meets an urgent need. (Public Law 85.)

H. R. 2101: Authorizes the Secretary of Agriculture to make "production-disaster" loans to farmers from $44,000,000 revolving fund. In the past, Congress has been forced to act hastily to meet disaster conditions. This bill sets aside money which will be readily obtainable by farmers in future emergencies. It is designed to help prevent economic emergencies caused by natural disasters affecting agricultural production. (Public Law 38.)

H. R. 3825: Provides for expansion of crop insurance on a sound business basis which will avoid the losses previously experienced. Offers farmers the types of insurance they want and are willing and able to pay for. Gives recognition to a new and promising form of insurance known as multiple crop insurance. Under this policy, all the major crops on a farm are insured. While the crops are considered separately in establishing the amount of coverage and the premium rate, the insurance contract is farm-wide, guaranteeing the farmer a return from all the insured crops equal to the agreement of his insurance. This kind of crop insurance is highly desirable in diversified farming areas. The bill authorizes this new form of insurance in 50 counties, with provision for the addition of other counties over the next 4 years. (Public Law 268.)

S. 1962: This bill amends the Agricultural Adjustment Act of 1938 to provide that whenever the total supply of cotton in any year exceeds the normal supply the Secretary shall proclaim a national marketing quota for the crop of cotton produced in the next current year. Referendum procedures are required in general accordance with marketing-quota programs for other farm products. The bill deals with the three major problems confronting the cotton industry: (1) Establishment of a system of marketing quotas to adjust the flow of cotton into the market; (2) to make sure that adjustments reflect current trends in production and assumption; (3) to avoid too drastic a cut in cotton acreage in any 1 year on farms in any area. (Public Law 272.)

H. J. Res. 327: Appropriated $1,750,000 for control of pests and plant disease. (Public Law 215.)

S. 930: As the bill passed the Senate, it provides for the liquidation of various trusts created under transfer agreements with State rural rehabilitation corporations. The Secretary of Agriculture, at present, acts for the United States as trustees for about $50,000,000 worth of assets acquired under agreements from 43 State rural rehabilitation corporations. These corporations were organized in 1934–35 to assist the Federal and State Governments in the administration of funds provided by the Federal Emergency Relief Act of 1933. The funds set aside for rural rehabilitation were used for loans providing seeds, livestock, equipment, additional lands, training in farm and home management, and relocating displaced farmers.

S. J. Res. 53: 1. Launches a long-range program to restore American forests. There are about 4,000,000 acres of denuded and unsatisfactorily stocked lands in our national forests. Reforestation of these lands is required to bring them back into timber production. During the war reforestation work was virtually suspended. This bill will enable the Forest Service to resume its essential job of restoring millions of acres to productive use.

2. Provides for an enlarged program to restore about 4,000,000 acres of grazing land in the national forests which are in a seriously depleted condition. Depleted range and water-shed areas can be restored to productivity and made to support from 5 to 10 times the number of livestock now carried. (Public Law 348.)

H. R. 2960: Amends the Rural Electrification Act of 1936 authorizing the Rural Electrification Administrator to finance, or refinance (not to exceed 40 percent of existing indebtedness), for the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems to furnish and improve telephone service in rural areas. Loans will be made at 2 percent annual interest. All loans will be self-liquidating.

H. R. 2296. As passed by the Senate, this bill amends the Clarke-McNary Act which is the basic legislation establishing Federal-State cooperation in forestry activities. Provides for a gradual increase in Federal participation in the forest-fire-prevention program over the next 6 years. Also increases the authorization for Federal cooperation with the States in the procurement, production, and distribution of forest-tree seeds and plants.

H. R. 3699: Provides for the amendment of the Federal Farm Loan Act, as amended, to allow the installation of national farm loan associations in Puerto Rico and Alaska; provides that the maximum limitation for any loan shall be raised from $50,000 to $100,000, but loans to any one borrower shall not exceed $25,000 unless approved by the Land Bank Commissioner.

II. APPROPRIATIONS

Treasury and Post Office (Public Law 150).

Labor and Federal Security, 1950 (Public Law 141).

Agriculture, 1950 (Public Law 146).

State, Justice, Commerce, 1950 (Public Law 179).

Legislative, 1950 (Public Law 118).

District of Columbia, 1950 (Public Law 145).

Independent Offices, 1950 (Public Law 266).

Army-Civil Functions, 1950 (Public Law 355).

Foreign Aid, 1950 (Public Law 327).

Interior, 1950 (Public Law 350).

National Military Establishment, 1950.

First deficiency (Public Law 71).

Second deficiency (Public Law 119).

Third deficiency (Public Law 343).

First supplemental (Public Law 358).

Second supplemental.

III. CIVIL RIGHTS

S. 1527: Without a dissenting vote, the Senate passed this bill to give home rule to the people of the District of Columbia. The Senate action was in accordance with the 1948 platforms of both major parties. Action on this measure to give the rights of suffrage and self-government to District of Columbia residents has not yet been taken by the House of Representatives.

IV. ECONOMIC STABILIZATION AND INDUSTRY

S. 547: Extended to September 30, 1949, the President's authority to make voluntary agreements affecting transportation, inventory control, speculative trading in commodities affecting cost of living, and for allocation of key materials in short supply. (Public Law 6.)

S. 548: Extends until June 30, 1951, the President's authority to control exports in order to protect our domestic economy by limiting shipments of scarce materials, and to channel exports to countries where needs are greatest and where our foreign policy and national economy will best be served. (Public Law 11.)

H. R. 2313: Suspends the import tax on copper entered for consumption, or withdrawn from warehouses for consumption, between April 1, 1949, and March 31, 1950. (Public Law 33.)

H. R. 5044: Continues for 1 year certain powers conferred upon the President by the Second Decontrol Act of 1947 relating to tin and tin products. (Public Law 153.)

H. R. 5240: Continues until January 1, 1951, the import controls on fats and oils, rice and rice products, under title III of the Second War Powers Act of 1942. (Public Law 155.)

H. R. 1731: Extends rent control for 15 months from March 31, 1949, with provisions designed to guarantee fair treatment for tenants and landlords. (Public Law 31.)

S. 714: Authorizes the appropriation of $40,000,000 for comprehensive planning, site acquisition, design of Federal building projects outside of the District of Columbia, transfer of jurisdiction of certain lands between departments and agencies of the United States, and $30,000 000 for modernization of existing structures. (Public Law 105.)

S. 2116: Authorizes $100,000,000 to aid States and local governments in making plans for public works. Encourages States and other public agencies to maintain reserves of fully planned public works to be available for quick construction if economic conditions should make such action desirable. Funds are to be appropriated for a 2-year period, and will be divided among the States by the Administrator of General Services under a percentage arrangement laid down in the bill. (Public Law 352.)

V. HEALTH

S. 614: Increases aid for construction of hospitals and other medical facilities where needed. This bill authorizes an appropriation for the fiscal year ending June 30, 1950, and for each of the five succeeding fiscal years, the sum of $150,000,000 for the construction of public and other nonprofit hospitals. The Federal share of the cost cannot exceed 66⅔ percent of the State's allotment percentage. It further authorizes $1,-

200,000 in Federal funds for aid to States, political subdivisions, universities, hospitals, and other nonprofit institutions for research or experimental projects relating to hospital services, facilities, and resources.

S. 522: As passed by the Senate, this bill amends the Public Health Service Act by authorizing assistance to States and political subdivisions in the development and maintenance of local public health units. This bill authorizes the establishment and maintenance of local public health units under approved State plans, aided by Federal grants, and administered by the Surgeon General.

S. 1411: As passed by the Senate, this bill provides for development of school health services, for prevention, diagnosis, and treatment of physical and mental defects and conditions. Authorizes an appropriation of $35,000,000 to provide Federal aid to States for periodic health examinations and diagnosis, including dental examinations, for all school children.

H. J. Res. 228: Appropriates $75,000 for the work of the President's Committee on National Employ the Physically Handicapped Week. (Public Law 162.)

S. 1453: As passed by the Senate, the bill provides grants and scholarships for education in the medical, dental hygiene, nursing, public health, and sanitary engineering. The bill provides that funds for construction and equipment will not exceed 50 percent of cost. It authorizes an appropriation of $2,500,000 and administrative authorizations are included under title II. Appropriations are limited to a 5-year period.

S. 2591: As passed by the Senate, this bill amends the Public Health Service Act to provide research and training in arthritis, rheumatism, multiple sclerosis.

VI. HOUSING

S. 1070: This is an act to establish a national housing objective of a decent home for every American family. It provides Federal aid for slum clearance projects and low-rent public housing projects, and Federal assistance for the construction of decent, safe, and sanitary farm dwellings. It authorizes the building of 810,000 low-rent housing units over the next 6 years, for the use of American families with small incomes. It is also designed to stimulate the private building industry to construct more than 1,000,000 housing units a year to overcome the severe housing shortage in the United States. (Public Law 171.)

S. 1184: Provides mortgage insurance of rental housing at military or naval installations. (Public Law 211.)

S. 851: To promote the settlement and development of the Territory of Alaska by facilitating the construction of housing. (Public Law 52.)

VII. INTERNATIONAL RELATIONS

Ratified International Wheat Agreement which provides a guaranteed market for 168,000,000 bushels of American wheat annually for the next 4 years, at prices ranging from $1.20 to $1.80 a bushel.

H. R. 6305: This bill will enable the United States to carry out its obligations under the International Wheat Agreement. Acting through the Commodity Credit Corporation, the President directs the operations to fulfill our commitments under the agreement. For the first year, at least, this will involve payment of a subsidy representing the difference between the cost of the wheat and wheat flour and the maximum price allowed under the terms of the agreement.

Approved the North Atlantic Pact which links 12 nations in a defensive alliance to maintain peace and stability in the Atlantic area.

S. J. Res. 36: Authorizing an appropriation of $16,000,000 as a special contribution by the United States to the United Nations for relief of more than 500,000 refugees in Palestine, Syria, Lebanon, Transjordan, Egypt, and Iraq, who were in dire need of food, clothing, shelter, and medical supplies. Twenty-one nations have announced their intention to contribute to the United Nations fund for these refugees, which will total $32,000,000. The American contribution amounts to 50 percent of the total. (Public Law 25.)

S. 1209: Extends the Marshall plan until June 30, 1590 and authorizes funds totalling $5,430,000,000 for the nations participating in this vast program of mutual economic cooperation. Crippling amendments were defeated and the final bill received overwhelming approval by both Houses of Congress. (Public Law 47.)

S. 1704: Strengthen and improve organization and administration of State Department. Provides for the reorganization of the State Department whereby the Department was authorized additional Assistant Secretaries and control of the Foreign Service was vested in the Secretary of State instead of the Director General of Foreign Service. (Public Law 73.)

H. R. 4392: Settlement of Swiss claims. Provides for payment to the Swiss Government for damage and/or war losses caused by the United States armed forces in violation of Swiss neutrality in World War II. (Public Law 136.)

H. R. 2785: Provides for continuance of United States contributions to the International Children's Emergency Fund through June 30, 1950. Out of this fund many thousands of children, who suffered from the devastating effects of World War II, were given health care, medical aid, and clothing. Although operations under the fund have thus far occurred principally in European countries and China, the fund's program also includes relief for mothers and children in the four zones of Germany, southeast Asia, Latin America, and north Africa. Thirty countries have made contributions to the Children's Fund. (Public Law 170.)

S. J. Res. 3: Provides that any future payments by Finland on the principal or interest of its debt of the First World War to the United States shall be used for educational and technical instruction. (Public Law 265.)

S. 1250: Continues and expands the work of the Institute of Inter-American Affairs to June 30, 1955. It enables the Institute to carry on its programs in public health, sanitation, agriculture, education, and related fields in cooperation with the American Republics. (Public Law 283.)

H. R. 1211: Extends for 3 years the President's authority to enter into trade agreements with other nations without restrictions. Restores our foreign trade policy to the program inaugurated by the late President Roosevelt and former Secretary of State Cordell Hull, under which new markets have been opened for American business in all parts of the world. (Public Law 307.)

H. R. 5895: Furnishes essential military assistance to enable the United States and other nations, dedicated to the purposes of the United Nations Charter, to create an effective system of individual and collective self-defense in support of those purposes. Provides for an arms program to give the free peoples of the world a reasonable amount of military strength to resist direct or indirect aggression and to maintain internal security. Appropriations not exceeding $1,300,000,000 are authorized to finance this program. At least 50 percent of the armed cargoes must be shipped in American vessels at American rates. (Public Law 329.)

H. R. 4708: To amend the United Nations Participation Act. The bill strengthens United States representation at the United Nations and permits assignment of personnel of the armed services for noncombat duties with the UN. It authorizes deputy representative to United Nations and gives the representative and deputy representative the rank of Ambassador. (Public Law 341.)

S. 2319: As the bill passed the Senate, assists the Republic of Korea by enabling it to establish a sound economy and to maintain its democratic form of government. Authorizes the appropriation of not more than $150,000,000 for the present fiscal year. Directs the RFC to advance sums for Korea not in excess of $50,000,000 pending approval of the appropriations.

S. J. Res. 128: As passed by the Senate, this resolution will enable the President, at the November conference, to offer financial assistance to the Food and Agricultural Organization of the United Nations for the construction and furnishing of a permanent headquarters in the vicinity of Washington, D. C.

Since FAO is the last of the existing permanent specialized agencies to select a site, much interest has been displayed by other countries, including Denmark and Italy, in having their country selected as the permanent site for this organization.

It is believed that the United States, as a great agricultural Nation, would be materially benefited by having the permanent home of the FAO located in the Capital City area.

VIII. LABOR

H. R. 5856: Raises the minimum wage from 40 to 75 cents; would permit the Wage-Hour Administrator, with the employee's written permission, to sue for back-wage claims on behalf of employees, or to seek out-of-court settlements with their consent; employees of retail firms doing more than 50 percent of their business within a State would be exempt, as would newsboys, Western Union messengers, and taxicab operators; small newspapers with less than 4,000 circulation would be exempt; also certain logging companies with fewer than 12 workers would not be covered. New law becomes effective 90 days after its enactment.

H. R. 858: Overtime on overtime: Outlaws overtime on overtime claims covering all industry. The ban is both retroactive and prospective. (Public Law 177.)

IX. NATIONAL DEFENSE AND INTERNAL SECURITY

H. R. 5632: Brings all branches of the armed services under the unified directorship and control of the Secretary of Defense, but does not merge them. Provides for the effective strategic directorship of the armed forces and for their integration into an efficient team of land, naval, and air forces. (Public Law 216.)

H. R. 2216: Authorizes an Under Secretary of Defense (Stephen Early). (Public Law 36.)

H. R. 1741: Establishes joint long-range proving grounds for guided missiles. Authorizes the establishment by the armed services of a $200,000,000 test center for guided missiles. (Public Law 60.)

H. R. 2546: Authorizes the establishment and development of a land based air-warning system (radar fence). (Public Law 30.)

H. R. 2663: Provides for the improvement of the administration and operation of Central Intelligence Agency. (Public Law 110.)

S. 1267: Authorizes construction of supersonic wind tunnel and engineering center.

S. 1505: Authorizes the construction of experimental submarines. (Public Law 213.)

H. R. 5007: Revamps the pay, allowances, and physical disability retirement provisions for members of the armed services, Public Health Service, National Guard, and the Coast and Geodetic Survey. (Public Law 351.)

S. 2382: Provides for a research laboratory for Quartermaster Corps.

S. 2372: Amends Atomic Energy Act of 1946 with respect to military liaison committee. (Public Law 347.)

H. R. 6303: Provides construction authorization for specific projects required immediately by the Department of Defense at locations in Alaska and Okinawa and to authorize the appropriation of funds to carry out

these projects. The total fiscal authorization in this bill, which is a temporary measure, is approximately $96,000,000.

X. NATURAL RESOURCES

S. 855: Authorizes a 5-year program of public works for Alaska (Public Law 264).

H. R. 165: Authorizes American River Basin Development, California, Folsom Dam (Public Law 356).

S. 2105: To stimulate exploration for, and conservation of, strategic minerals has been passed by the Senate. Authorizes the establishment of a Mineral Conservation Board consisting of Secretaries of Treasury, Defense, Commerce, and Interior. Private enterprise would be encouraged to supply the industrial, military, and naval requirements of the United States.

XI. REORGANIZATION, GOVERNMENT EMPLOYEES, AND DEPARTMENTS

H. R. 91: Provides for research and development program in the Post Office Department (Public Law 231).

H. J. Res. 235: Extends authority of United States Maritime Commission to sell, charter, and operate vessels to June 30, 1950 (Public Law 147).

H. R. 3005: Increases travel allowance for civilian personnel. Authorizes an increase from $6 to $9 per diem (Public Law 92).

H. R. 2989: Grants a permanent charter to Virgin Islands Company (Public Law 149).

H. R. 4754: Creates a unified property management system (Public Law 152).

H. R. 2361: Provides for the reorganization of Government agencies (Public Law 109).

XI. REORGANIZATION, GOVERNMENT EMPLOYEES, AND DEPARTMENTS

H. R. 3856: Establishes a Commission on Renovation of the White House. (Public Law 40.)

S. 103: Provides salary increases for President, Vice President, and Speaker of the House. (Public Law 2.)

Reorganization plans 2–7 took effect at close of business August 19, 1949.

H. R. 5100: Intended to correct pay inequities of certain employees of the Federal Government and the District. (Public Law 160.)

H. R. 1689: Increases the rates of compensation for the heads and assistant heads of executive departments and independent agencies. (Public Law 359.)

H. R. 5931: Overhauls the job classification and compensation of employees under civil service.

H. R. 3191: Liberalizes compensation benefits for Government employees and dependents. (Public Law 357.)

H. R. 4495: Authorizes additional benefits for certain postal employees.

XII. RESEARCH AND EDUCATION

S. 246: As passed by the Senate, the bill provides an annual appropriation of $300,000,000 for aid to the States in meeting the present crisis in education. The bill contains three fundamental principles which proved satisfactory to an overwhelming majority of the Senate. These principles are: (1) preservation of State and local control—administration of school systems is left completely in the hands of organizational units within the States; (2) the principle of equalization—the purpose of the bill is to provide, through Federal funds, vital assistance to those school systems which are in greatest need of such assistance. Allotments to States are variable from $5 per child in the largest States to $25 or more in the poorer States; (3) maintaining reasonable levels of State and local efforts—it is believed that Federal funds for the support of Federal education should not be used to replace State efforts to support public schools. Under the bill, States are not eligible to receive Federal benefits unless they are expending a minimum percentage of the income for public, elementary, and secondary education.

S. 2317: As passed by the Senate, this bill authorizes an appropriation to assist the several States to inventory existing school facilities, to survey the need for the construction of additional facilities in relation to the distribution of school population, to develop State plans for school-construction programs, and to study the adequacy of State and local resources available to meet school requirements. This bill also provides Federal aid to the States in building schools in overburdened areas and, until funds are appropriated, the RFC is authorized to advance funds to carry out the program.

S. 247: As passed by the Senate, the bill authorizes the establishment of a National Science Foundation. Hearings conducted by the Congress revealed a shortage of skilled scientists. The imperative need for greatly increasing our activities in basic research was repeatedly brought to the attention of the Senate committee which considered this bill. The measure approved by the Senate is designed to meet th objections raised by the President in 1947 when he vetoed a National Science Foundation bill passed by the Eightieth Congress.

H. R. 3829: Continues for 1 year Federal aid to local school agencies for the operation and maintenance of school facilities for children residing on Federal reservations or other federally owned property, or living in districts overburdened financially by wartime school enrollments (Public Law 306).

XIII. TAXATION

H. J. Res. 276: Grants certain extensions of time for tax purposes (Public Law 137).

H. J. Res. 242: Extends for 2 years the existing privileges of free importation of gifts from members of the armed forces of the United States on duty abroad (Public Law 241).

H. R. 5086: Accords privileges of free importation to members of the armed forces of other nations, to grant certain extensions of time for tax purposes, and to facilitate tax administration (Public Law 271).

H. R. 5114: Simplifies means of paying taxes on malt liquors (Public Law 261).

H. R. 5268: Grants additional time for farmers to file income-tax returns.

H. R. 195: Intended to assist States in collecting sales and use taxes on cigarettes.

H. R. 3704: Revenue for District of Columbia; 2 percent sales tax (Public Law 76).

XIV. VETERANS

S. 2115: To authorize payments by the VA on purchase of automobiles or other conveyances by certain disabled veterans of World Wars I and II.

S. 266: Permits payment to veterans of retroactive benefits withheld during hospitalization. (Public Law 194.)

S. 811: This bill enables the widows who were held in enemy camps at the time of the deaths of their husbands to obtain payments which would otherwise be denied them. (Public Law 195.)

S. 672: Provides educational benefits to veterans who enlisted before October 6, 1945.

S. 2146: Grants additional allowances for veterans paralyzed from service-connected brain injuries. (Public Law 286.)

H. R. 5598: Raises from 75 percent to 100 percent the rates of payment for presumed service-connected disabilities. (Public Law 339.)

S. 2596: This bill, as passed by the Senate, clarifies the intent of Congress on the proper interpretation of the GI bill regarding veterans' educational training benefits. Specifically, it provides that new courses, or new branches of existing institutions, are to be considered newly established schools. It clarifies Congress' policy on avocational training; it provides for tuition training to be determined on the realistic basis of current expenses; and it finally requires the equality of treatment between long-established night law schools and day law schools.

H. R. 6301: Providing parity in disability compensation for service-connected veterans of all wars.

Mr. WHERRY. Mr. President, does the Senator from Illinois feel that the survey should be printed in the body of the RECORD, rather than in the Appendix?

Mr. LUCAS. If the Senator from Nebraska is going to object——

Mr. WHERRY. No; I am not objecting.

Mr. LUCAS. I am not asking that the survey be printed as a public document. The other day the Senator did make such a request. I am presenting this matter for the information of the Senate. I think this is a factual statement of the accomplishments of the Senate at this session, and I think the statement should appear in the body of the RECORD. But if the Senator from Nebraska objects——

Mr. WHERRY. No; I do not object. I wish to cooperate.

Mr. LUCAS. The Senator has been cooperating for almost 10 months now.

COOPERATION BY SENATORS IN FIRST SESSION AND PROGRAM FOR THE SECOND SESSION OF THE EIGHTY-FIRST CONGRESS

Mr. LUCAS. Mr. President, I wish to make a brief statement before we adjourn.

As everyone knows, this has been a very long session. It has been a rather difficult and trying one, at times, as all of us know. I wish to take this opportunity to thank Members on both sides of the aisle for going along with the majority leader on many, many questions. Of course, on questions on which Senators who, because of their deep, conscientious convictions or because of their political philosophy, could not follow my leadership, I thoroughly understood and appreciated the reasons.

I hope all Senators will have a well-deserved vacation between now and January. We shall return here, of course, on January 3. As I recall, the oleomargarine bill is one of the first measures which we shall consider.

A number of persons throughout the country have the notion that when we return in January we shall have to go through the second half of the Eighty-first Congress session in the same way that we proceeded in the first session of the Eighty-first Congress, so far as concerns the introduction of bills, the holding of hearings, and so forth. I think it is only fair to state that when any new Congress convenes, almost a month is required before the Congress can get organized and started upon the passage of any major legislation or any controversial legislation.

At the beginning of the next session, which will be the second half of the Eighty-first Congress, we shall start immediately on measures now on the calendar on which hearings have been held and which have been reported. So we shall lose no time.

When we return, I hope I can continue to have the cooperation of members on both sides of the aisle, with a view to-

ward finishing the second half of the Eighty-first Congress as soon as possible. Next year will be election year, and a number of Members of the Senate will be up for reelection. I see the Senator from Nebraska [Mr. WHERRY] is smiling; of course he knows that he is safe. It does not make much difference to him for at least 4 years. [Laughter.]

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I wish to say to the majority leader that I thank him for his observations. All of us have cooperated; and I wish to say that we shall cooperate with the Senator from Illinois in regard to an early adjournment next year, because we know he will be interested in getting back to Illinois. All of us will cooperate, as we have done during the present session.

Mr. LUCAS. I thank the Senator from Nebraska; and probably I shall remind him of that statement about the first of February or the middle of March, when we look forward to an early adjournment.

Mr. President, I think the record of the accomplishments of this Congress will be acceptable to the majority of our people, as I know it is highly pleasing to the President of the United States. When historians compare the record of these accomplishments in respect to progressive, worth-while, and far-reaching legislation dealing with humanitarian measures and legislation affecting our national defense, it will compare favorably with any record made by any Congress preceding this one.

Again I wish to thank all Senators for agreeing with me when they could do so. Of course, I regretted when they saw matters somewhat differently from the way the Senator from Illinois has. But I think all of us must realize that the job of majority leader is a rather difficult one.

Senators come here from different sections of the country and have their independent views. The Senate is a great cross section of American life, and Senators do not always see things the way the administration sees them. Consequently, I wish to thank those Senators who have been persuaded now and then to go along with the majority leader upon some close and controversial questions. I hope I can get a more firm support in the next session than I have had during this session, from both my Democratic and my Republican friends. If so, I shall sleep a little better at night.

SINE DIE ADJOURNMENT RESOLUTION

The VICE PRESIDENT laid before the Senate a concurrent resolution (H. Con. Res. 148), which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Wednesday, October 19, 1949, and that when they adjourn on said day, they stand adjourned sine die.

The VICE PRESIDENT. The concurrent resolution is not debatable. The question is on agreeing to the concurrent resolution. [Putting the question.]

The concurrent resolution was agreed to.

Mr. WHERRY subsequently said: Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I do not wish to irritate the Chair; but in regard to the sine die adjournment concurrent resolution, did the Chair ask for the "noes," or was the vote which was taken just an affirmative vote?

The VICE PRESIDENT. The Chair does not recall whether he put the "noes" or not.

Mr. WHERRY. I ask merely for the sake of the RECORD. It is quite all right with me.

The VICE PRESIDENT. The Chair thinks he did.

Mr. WHERRY. I certainly am in favor of the resolution.

The VICE PRESIDENT. Does the Senator from Nebraska raise any question about it?

Mr. WHERRY. No. I would merely like to have the RECORD show we really agreed to adjourn today, sine die. That is all.

The VICE PRESIDENT. If there is any doubt about the matter, the Chair will put the question again. As many as favor the sine die adjournment concurrent resolution will say "aye." Contrary, "no." The resolution is unanimously adopted.

AUTHORIZATION FOR SIGNING ENROLLED BILLS AND JOINT RESOLUTIONS

The VICE PRESIDENT laid before the Senate a concurrent resolution (H. Con. Res. 149), which was read and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Eighty-first Congress, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

COMMUNICATION FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a letter received from the President of the United States, which was read, as follows:

OCTOBER 19, 1949.

Hon. ALBEN W. BARKLEY,
Vice President of the United States,
Washington, D. C.

DEAR MR. VICE PRESIDENT: As the first session of the Eighty-first Congress draws to a close, I want to express to the Members of the Senate my appreciation for the work they have done. The Congress has been faced with many momentous problems concerning both our foreign relations and our domestic affairs. To meet these problems, the Congress has remained in Washington laboring diligently through almost 10 months of the year, including one of the hottest summers in Washington history. I am confident that the American people will agree that the results have been well worth while.

I wish also to thank the Members of the Senate for the courtesies they have shown to me and for the spirit which has made it possible for the legislative and executive branches to work together effectively.

I extend to each of you my good wishes as you return to your homes. I know from my own experience that your work does not end when a session of Congress closes. A most important part of the duties of a Member of Congress is the exchanging of views with his constituents and the studying of their problems at first hand. From that association, I hope that all of you will return next year refreshed and strengthened for the tasks that still lie ahead.

Very sincerely yours,

HARRY S. TRUMAN.

SOCIAL SECURITY—ANNOUNCEMENT OF FINANCE COMMITTEE HEARINGS IN JANUARY

Mr. GEORGE. Mr. President, I wish to make an announcement with reference to the social-security bill (H. R. 6000). The bill passed the House on October 5. It was messaged to the Senate on October 6. By virtue of its size, it actually reached the Finance Committee on October 7. The bill contains more than 200 pages and covers the whole Social Security Act and related matters. The Senate, of course, could not undertake a hearing upon the bill, from October 7 until today, the 19th of October. We were expecting that we would adjourn almost any day during that period.

The additional staff has been organized, to begin the study of the social-security bill, as it passed the House, early in January. I merely wish to announce that the Senate Finance Committee will commence hearings early in January upon the social-security bill. There are a large number of interested parties who have indicated they desire to appear and be heard, and we will of course hear them as rapidly as possible during the month, and will report the bill to the Senate as soon as we can.

STATEMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair would like to ask the indulgence of the Senate for a moment, before final adjournment, to express his deep appreciation of the courtesies which have been extended to him by all Members of the Senate during this long and arduous session. It has been one of the longest and in the judgment of the Chair, one of the hardest-working sessions of the Congress of the United States since the occupant of the chair has had any connection with the Congress, either in the House or in the Senate. Of course, the Chair does not now comment upon the result of its work, but regardless of that, it has been a hard-working session. That applies to the Members on both sides of the Chamber, and to both Houses of the Congress.

The Chair wishes for every one of the Senators a very happy and pleasant vacation, and expresses the hope that Senators will come back, when we reconvene in January, refreshed in mind and body. The Chair feels sure there will be much refreshment, here and there, for all.

NOTIFICATION TO THE PRESIDENT

Mr. LUCAS. I offer a resolution and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 191), as follows:

Resolved, That a committee of two Senators be appointed by the President of the Senate to join a similar committee appointed by the House to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other communication to make to them.

The VICE PRESIDENT. Without objection, the resolution is agreed to.

The Chair appoints the Senator from Illinois [Mr. LUCAS] and the Senator from Nebraska [Mr. WHERRY] as the committee on the part of the Senate.

ACTIVITIES OF COMMITTEE ON FOREIGN RELATIONS—LETTER FROM THE SECRETARY OF STATE

Mr. CONNALLY. Mr. President, this session of the Congress has been an unusually busy one with regard to foreign relations. The Committee on Foreign Relations has worked very diligently and has handled a great many matters successfully. I have here a letter from the Secretary of State respecting the activities of the committee, together with a statement of things accomplished by the committee, in connection with nominations, bills, and treaties, which I ask unanimous consent to have printed in the RECORD, at this point, in my remarks.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D. C., October 19, 1949.

The Honorable TOM CONNALLY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CONNALLY: With the close of this session of Congress I want to congratulate you and the Senate Foreign Relations Committee for the magnificent accomplishments of this session. I dare say there have been few, if any, Congresses which have so successfully carried such a heavy foreign-relations legislative load. I believe this success is attributable to your able leadership, the effective cooperation of Senator VANDENBERG, and the objective consideration of foreign-relations legislation given by every member of the committee without thought of partisan advantage.

I think on the whole what pleases me most is the close and cordial relationship that has existed between the committee and the Department of State. This relationship has encouraged me to come to the committee for advice on executive problems as well as with legislative business. It is my fervent hope that we can maintain this close working relationship between the legislative and executive branches of the Government as we deal with the tremendous foreign-relations problems that we will find in future years.

It has been a pleasure to the Department to work with your able staff under the leadership of Mr. Wilcox. They have worked closely, conscientiously, and objectively with our people.

I hope you and the members of your committee will have a good chance to rest for the next few months.

Sincerely yours,

DEAN G. ACHESON,
Secretary.

FOREIGN RELATIONS COMMITTEE ACTION, EIGHTY-FIRST CONGRESS, FIRST SESSION, OCTOBER 18, 1949

A. CONVENTIONS, TREATIES, AGREEMENTS

1. The North Atlantic Treaty. Approved by Senate July 21, 1949.

2. The International Wheat Agreement. Approved by Senate June 13, 1949.

3. Consular Convention with Costa Rica. Approved by Senate August 17, 1949.

4. International Convention for the Safety of Life at Sea. Approved by Senate April 20, 1949.

5. Convention of the World Meteorological Organization. Approved by Senate April 20, 1949.

6. Convention on the International Recognition of Rights in Aircraft. Approved by Senate August 17, 1949.

7. International Convention for the North Atlantic Fisheries. Approved by Senate August 17, 1949.

8. Convention between the United States and Mexico for the establishment of an International Commission for the Scientific Investigation of Tuna. Approved by Senate August 17, 1949.

9. Convention between the United States and Costa Rica for the establishment of an Inter-American Tropical Tuna Commission. Approved by Senate August 17, 1949.

10. Protocol Prolonging the International Agreement on the Regulation of the Production and Marketing of Sugar. Reported August 13, 1949. Approved August 18, 1949.

B. BILLS AND RESOLUTIONS

(NOTE.—Those measures marked by an asterisk have received final approval by the Congress as of October 17, 1949.)

*1. Amending the Economic Cooperation Act of 1948. (Public Law 47.)

*2. The Mutual Defense Assistance Act of 1949. (Public Law 329.)

3. Providing for aid to the Republic of Korea. Passed Senate October 12, 1949.

*4. Providing for the payment to the Swiss Government for damage inflicted on Swiss territory during World War II by United States armed forces. (Public Law 136.)

*5. Providing that future payments by Finland on its World War debt to the United States shall be used to provide educational and technical instruction in the United States for citizens of Finland. (Public Law 265.)

6. Releasing certain funds in the United States Treasury for training of Iranian students in the United States. Reported October 11, 1949.

*7. Providing for a special contribution by the United States for the relief of Palestine refugees. (Public Law 25.)

*8. Amending the Institute of Inter-American Affairs Act. (Public Law 283.)

*9. To strengthen and improve the organization and administration of the Department of State. (Public Law 73.)

*10. To provide for further contributions to the International Children's Fund. (Public Law 170.)

*11. To amend the United Nations Participation Act. (Public Law 341.)

12. To provide for the settlement of certain claims of the United States on its own behalf and on behalf of American nationals against foreign governments. Reported July 28, 1949.

13. To settle the claims arising out of the requisitioning of Finnish vessels during World War II by the United States. Passed Senate October 17, 1949.

*14. Providing for a location survey for a railroad connecting the existing railroad system between the United States and Alaska. Passed Senate October 17, 1949.

*15. To authorize the carrying out of the provisions of the treaty between the United States and Mexico regarding the joint development of hydroelectric power at Falcon Dam on the Rio Grande. (Public Law 312.)

16. Authorizing appropriations for the construction, operation, and maintentance of the western land boundary fence project. Passed Senate August 9, 1949.

*17. To extend the time for commencing and completing the construction of a bridge across the Rio Grande, near Del Rio, Tex. (Public Law 198.)

*18. To extend the time for commencing construction of a toll bridge across the Rio Grande near Rio Grande City, Tex. (Public Law 200.)

*19. Favoring the protest in the United Nations against the persecution of certain clergymen in Hungary, Yugoslavia, and Bulgaria. Agreed to by Senate April 11, 1949.

*20. Authorizing Federal participation in the International Exposition for the Bicentennial of the Founding of Port-au-Prince, Haiti, 1949. (Public Law 251.)

*21. Amending the joint resolution creating the Niagara Falls Bridge Commission. (Public Law 244.)

*22. Extending an invitation to the International Olympic Committee to hold the 1956 Olympic Games at Detroit, Mich. (Public Law 22.)

*23. Extending an invitation to the International Olympic Committee to hold the 1956 Winter Olympic Games at Lake Placid, N. Y. Agreed to by Senate April 20, 1949.

24. To authorize the loan of funds to the UN Food and Agriculture Organization for the construction and furnishing of permanent headquarters. Reported October 7, 1949. Passed Senate October 18, 1949.

25. Authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican War. Reported October 18, 1949. Passed October 19, 1949.

C. NOMINATIONS

In addition to treaties and legislative measures the committee has also taken action on a large number of nominations. These include the following categories:

1. Officials in the Department of State, 14 (these include the Secretary of State, the Under Secretary of State, the 8 Assistant Secretaries of State, the counselor and legal adviser, the director of the military assistance program, and the United States High Commissioner to Germany).

2. Ambassadors and ministers, 43 (these include 40 ambassadors, 2 ministers, and a special representative to Israel. In the list are our Ambassadors to France, Belgium, and Russia, and many other important countries, our ambassador at large, and ECA representatives abroad).

3. United Nations and related organizations, 40 (these include members of the United States delegation to the General Assembly, our representatives on various commissions of the United Nations, the United State delegation to UNESCA, and the deputy representatives of the United States to the United Nations).

4. Other appointments in the Diplomatic and Foreign Service, 370 (these include 8 career ministers, consular appointments, and promotions of Foreign Service officers of various classes).

THE COLLECT

Mr. TOBEY. Mr. President, I shall take one moment only. There is no more representative body of women in the country than the National Federation of Business and Professional Women's Clubs. Last night it was my privilege to address this group, in Laconia, N. H., at a meeting of the Laconia Club, and representatives from Concord, Tilton, Franklin, and Manchester.

I was impressed by the collect read in unison at the beginning of the meeting. It impressed me because of its lofty sentiments and its spiritual undertones, and I should like to read it to my colleagues in the United States Senate as we are about to adjourn and return to our homes:

Keep us, O God, from pettiness; let us be large in thought, in word, in deed. Let us be done with fault-finding and leave off self-seeking. May we put away all pretense and meet each other face to face—without self-pity and without prejudice. May we never be hasty in judgment and always generous. Let us take time for all things; make us to grow calm, serene, gentle. Teach us to put into action our better impulses, straightforward and unafraid.

Grant that we may realize it is the little things that create differences, that in the big things of life we are at one.

And may we strive to touch and to know the great, common human heart of us all, and, O Lord God, let us forget not to be kind. (Mary Stewart.)

So, Mr. President, may we hold these noble sentiments of aspiration in our hearts as we sojourn in our homes, and may we bring the spirit of this prayer into our deliberations and debates when we meet again in January next.

AMERICAN NATIONAL (DOMESTIC) AND INTERNATIONAL (FOREIGN) POLICY

Mr. MALONE. Mr. President, we have continually accepted, over a period of years, the ready-made European policies and programs handed to us, all under the guise of promoting peace in the world, and of preventing the recipient nations from adopting the Communist doctrine.

It is now clear that the price of world peace, as far as the foreign nations are concerned, is the leveling or our high standard of living with such lower-wage and slave-labor nations, and that the continual and increasing demands for such financial assistance simply amounts to a not so subtle blackmail by such nations, and that the end could very well be economic chaos in the United States of America, so that we could not only not extend further help to foreign nations, but could no longer help ourselves.

We are spending ourselves into the kind of a government that we would not vote for, through following blindly foreign policies and programs that we do not understand and that do not fit into our economy.

TIME FOR REFLECTION

In the closing hours of this Congress it is time for some reflection. It is time to review the actions of this Congress since World War II, in establishing national and international policies, and to estimate the impact of such actions upon our own economy and their effect upon the nations of the world.

LINCOLN'S PHILOSOPHY

It may be well to review and to remember what Lincoln said upon such an occasion more than 80 years ago when he said:

If destruction be our lot we must ourselves be its author and finisher. As a Nation of freemen we must live through all time or die by suicide.

It is the definite conclusion of the junior Senator from Nevada, following the experience of two world wars, with nearly 30 years in the engineering field, and now 3 years of service in the United States Senate, that if this Nation ever loses the freedom enjoyed by its citizens, or if we ever lose our economic or military independence, it will be an inside job.

Abraham Lincoln further said at that time:

The answer is simple. Let every American; every lover of liberty, every well-wisher of his posterty, swear by the blood of the revolution never to violate in the least particular the laws of the country, and never to tolerate their violation by others. Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in the schools, in seminaries and in colleges; let it be written in primers, in spelling books, and in almanacs; let it be preached from the pulpits, proclaimed in the legislative halls and enforced in the courts of justice. And, in short, let it become the political religion of the Nation; and let the old and the young, the rich and the poor, the grave and the gay of all sexes and tongues and colors and conditions, sacrifice unceasingly upon its altars.

I submit that the present situation calls for a more practical application of the evident truth of Lincoln's pronouncement during that troubled time.

AMERICAN NATIONAL AND INTERNATIONAL POLICIES

It is high time that we considered American national and international policies, with the ultimate economic and military safety of this Nation uppermost in our minds, while assisting foreign nations to the best of our ability without unduly weakening the United States of America.

I suggest for consideration the separation of our national and international policies upon the following basis:

AN AMERICAN NATIONAL AND INTERNATIONAL POLICY

First, National or domestic policy:

(a) Adoption of the flexible import-fee principle by the Congress of the United States.

(b) Adoption of the parity principle for the production of raw materials.

Second. International or foreign policy as a condition of further assistance:

(a) Free convertibility of foreign currencies in terms of the dollar.

(b) A United States of Europe, including Germany, without trade restrictions of any kind.

(c) Equal access to the trade of the nations of the world, subject only to the action of such individual nations

NATIONAL OR DOMESTIC POLICY

The national or domestic policy should include the flexible import-fee principle as a floor under wages, to protect the wage-standard of living of the workingmen and the investments of America from the lower wage and slave labor of the world while we are assisting the foreign nations to raise their own standards.

FLEXIBLE IMPORT-FEE PRINCIPLE

My flexible import-fee bill, already before the Senate, would turn the long experienced Tariff Commission into a foreign-trade authority, since it more nearly represents the work to be done, and would give the authority the same latitude to adjust tariffs and import fees on the basis of fair and reasonable competition, as the Congress has long since given the Interstate Commerce Commission in the field of fixing freight rates for the carriers on the basis of a reasonable return on the investment.

The adjustment of such tariffs and import fees is entirely removed from congressional logrolling or State Department horse trading, since any specific rate fixed by the authority, under the proposed legislation, is only subject to disapproval by both Houses of Congress.

Through the flexible import-fee principle, a market is immediately established on a definite basis for the products of all foreign nations, and as they raised their general living standards the flexible import fee would be correspondingly reduced. The products, then, of the foreign nations would have the same access to American markets as our own production on the same level of costs. They cannot, in good faith, ask for more.

NO CONSIDERATION OF HIGH OR LOW TARIFF

Under this principle there would be no consideration of a high or low tariff or import fee, but such import fee would at all times correctly represent that differential between the declared customs value or offered-for-sale price of the foreign article and the cost of a like American product, mostly due to the difference in the wage standard of living.

NECESSARY TO ESTABLISH A BASIS FOR TRADE

The need for such a principle is evident when it is realized that suddenly it is necessary to establish a basis of trade between the 58 United Nations members upon a sound, economic, and friendly level without sudden dislocations of the wage standard of living of any of the participants, which range from our own high standard through the next in line of Canada, England, and France down to the slave labor of Asia and Africa.

PARITY PRICE FOR RAW MATERIALS

The parity principle has already been adopted for agricultural products which include approximately 90 percent of the raw-material production, and if it is to be continued it should be extended to forestry and mineral production.

INTERNATIONAL OR FOREIGN POLICY

The international or foreign policy should include, as a condition of further assistance, free convertibility of foreign currencies in terms of the dollar which would automatically end the generations of manipulation of the price of their respective currencies by the foreign nations of the world for trade advantage, and end all complaints of dollar trouble or dollar shortage, since such foreign nations could then use their own currencies for purchases in the United States.

A UNITED STATES OF EUROPE—INCLUDING GERMANY

A United States of Europe, including Germany, without trade restrictions of

any kind, should be a condition of further assistance. Europe could then become strong as a nation and be no longer subject to the rivalries, distrust, and suspicions which have plagued the separate European nations for more than a century. We could deal with them as one nation and not continue to strengthen their envy and distrust of each other.

Germany would no longer be the problem that it now is. We are now torn between the two policies of allowing her to become strong industrially and to pay her own way, with the danger that she may join Russia and through that union seek to dominate the world, or to turn her into a harmless agrarian state with our endless financial support and with the always-present danger that a frustrated Germany would ultimately join Communist Russia, anyway, since Russia is offering her industrial independence.

EQUAL ACCESS TO THE MARKETS OF THE WORLD

The United States should have equal access to the markets of the nations of the world, subject only to the actions of such individual nations, as a condition of further assistance.

Every nation should have the same right of independent adoption of a foreign policy as the United States of America, to establish tariffs or import fees to encourage and develop their own economy, but a third nation should not be encouraged through our financial assistance to come in, or stay in, through the guise of protection or any other subterfuge, and continue the long-established "empire preferential rate" system on exports and imports favoring the mother country, thereby making it inconvenient or impossible for this Nation to trade with such dependent nations except through such mother country.

O'MAHONEY-MALONE HAYDEN-MALONE MINERAL BILL, SENATE 2105, NATIONAL RESOURCES ECONOMIC COMMITTEE REPORT

Mr. MALONE. Mr. President, the National Resources Economic Committee, a special subcommittee of the Interior and Insular Affairs Committee, during 1947 and 1948, of which I was chairman, was created to investigate the factors affecting the production, development, and utilization of the national resources of the United States, and in that connection it completed and published volume No. 1 of a report entitled "Mineral Position of the United States."

The factors affecting such production include import fees, tariffs, trade agreements, subsidies, quotas, empire preferential rates, bulk buying by governments, and the manipulation of currency systems of foreign nations for trade advantages, including operation of the pound sterling, the franc, and the guilder areas, and other marketing practices.

MINERAL PRODUCTION—NATIONAL DEFENSE—EMPLOYMENT AND TAXABLE PROPERTY

Mr. President, referring to volume 1 of "Mineral Position of the United States" and to subsequent evidence, the mineral position of this country is not healthy. Many of the strategic and critical mines have already closed or are closing due to foreign competition.

This is a dangerous situation.

Mr. President, I ask unanimous consent to include in the RECORD at this point in my remarks a list of strategic and critical minerals found at page 41 of the hearings before a subcommittee of the Committee on Public Lands, held May 15, 16, and 20, 1947.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The current list of strategic and critical materials was published by the Army-Navy Munitions Board in January 1945. In presenting the list, the Board submits the following definition: "Strategic and critical materials are those materials required for essential uses in a war emergency, the procurement of which in adequate quantities, quality, and time is sufficiently uncertain for any reason to require prior provision for the supply thereof."

The list is divided into three groups on the following basis:

A. Those strategic and critical materials for which stock piling is deemed the only satisfactory means of insuring an adequate supply for a future emergency.

B. Additional strategic and critical materials, the stock piling of which is practicable. The Army and Navy Munitions Board recommends their acquisition only to the extent they may be made available for transfer from Government agencies because adequacy of supply can be insured either by stimulation of existing North American production or by partial or complete use of available substitutes.

C. Those strategic and critical materials which are not now recommended for permanent stock piling because in each case difficulties of storage are sufficient to outweigh the advantages to be gained by this means of insuring adequate future supply.

The metals and minerals included in these three groups are as follows:

A

Antimony; asbestos; bauxite; beryl; bismuth; cadmium; celestite; chromite; cobalt; columbite; copper; corundum; diamonds, industrial—graphite: Amorphous lump, flake; iodine; kyanite, Indian; lead—manganese ore: Battery grade, metallurgical grade; mercury; mica: Muscovite block, and film, good, stained, and better; monazite; nickel; platinum group metals: Iridium; platinum; quartz crystals; rutile; sapphire and ruby; talc, steatite, block or lava; tantalite; tin; tungsten; vanadium; zinc; zirconium ores: Baddeleyte; zircon.

B

Aluminum; barite; chalk, English; chromite, chemical grade; cryolite, natural; emery; fluorspar: Acid grade, metallurgical grade; graphite, crystalline fines; magnesium—mica: Muscovite block, stained, or lower; phlogopite block; molybdenum; platinum group metals: Osmium; palladium; rhodium; tuthenium; selenium; talc, steatite, ground.

C

Asbestos, Canadian chrysotile; iron ore; petroleum and petroleum products; radium.

Mr. MALONE. Mr. President, for example, when the events at Pearl Harbor precipitated us into World War II, late in 1941, we were producing about 45 percent of our domestic consumption of tungsten which was 8½ percent of the world production.

Pearl Harbor cut us off from China and Burma where 67 percent of the world supply was being produced. We could have lost the war for lack of that indispensable metal if our own mines had not been in production with the trained personnel and with the know-how to increase production.

Within a few months we were almost self-sufficient in the production of this indispensable metal and continued so until the sea lanes were opened up again.

The same principle applies to mercury, zinc, lead, copper, manganese, chromite, and many other strategic and critical minerals and materials.

With war and threats of war in many areas throughout the world, and with our own State Department and President warning the Congress and the public that war may be imminent, for national security reasons alone to say nothing about the taxable property and employment, and with a national defense program of vast proportions confronting us, this Nation cannot afford to face the immediate future with most of our metal mines closed.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the report by the National Resources and Economics Subcommittee of the Committee on Insular Affairs created in March 1946.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INTRODUCTION

The National Resources Economic Subcommittee of the Committee on Interior and Insular Affairs was created in March 1947 to investigate all those factors affecting the production, development, and utilization of the national resources of the United States, to report the findings of its investigations, and to make appropriate recommendations.

Extended hearings were held in Washington during the year 1947, at which time leading representatives of the various Federal Government agencies dealing with national resources, including such agencies as the Department of the Interior, Department of Agriculture, Department of State, United States Tariff Commission, Department of Justice, Department of Commerce, the War Department and the Army-Navy Munitions Board were invited to testify.

Their testimony covered minerals, metals, forestry, and fishery resources, and basic agricultural products. A total of 8 volumes of typewritten testimony was taken and the testimony received from the Department of the Interior through Secretary J. A. Krug, Dr. R. R. Sayers, Dr. W. E. Wrather, and others, including a 350-page exhibit. The committee published volume No. 1 of its findings entitled "The Mineral Position of the United States," which was published late in 1947.

This report summarizes the hearings which were held in February and March 1948 in Denver, Colo., and in Washington, D. C. Hearings were held in Denver on February 3, 4, 5, and 7, 1948 and in Washington on February 18 and March 2. Since the 1947 hearings were held to permit representatives of Government agencies to present their views on our national resources problems, the hearings in Denver and Washington this year, were held especially in order to permit private producers of the country's basic mineral resources, as well as individual State representatives dealing with mineral problems to present testimony.

There were 35 witnesses who testified in Denver and 6 additional witnesses who were heard in Washington on February 18 and March 2. These witnesses represented the producers of all the country's leading metallic minerals, except iron, and covered every State in the Union where such mining is an important industry. In addition to these industry witnesses, each of the 11 Western States was invited to send a representative to

Denver to summarize the present position of the mining industry in his State and to recommend action which should be taken to solve existing problems. The list of the witnesses who appeared at Denver and those who testified in Washington on February 26 and March 2 appears as appendix A to this report.

A study completed shortly after the close of World War II indicates that 13,000 mines have been closed down in the United States since 1930. These mines involved 776,000 stockholders and $377,000,000 of capital.

Since the end of World War II, hundreds of additional mines have shut down in various parts of the country, particularly those operated by marginal producers of lead, copper, zinc, and other important strategic metals and minerals.

Of 51 lead mines in operation in southern Wisconsin in 1946, only 4 are in operation today. In Colorado, the number of lead and zinc mines in operation has fallen from 313 in 1939 to 70 at the present time. More than 52 lead and zinc mines shut down within 6 months after the termination of the price premium plan on July 1, 1947. In Montana, the number of lode mines producing gold, silver, copper, lead, and zinc has declined from 687 in 1940 to 250 in 1947, while the number of placer mines during the same interval declined from 285 to 44.

Similar declines in recent years in the number of mines operating could be cited for many other States. In Utah, for example, the number of mines producing gold, silver, copper, lead, zinc, and manganese declined from 191 in 1940 to 112 in 1947, while placer mines and manganese mines during the same period declined from 19 to 1. In Arizona the number of active mines declined from approximately 950 before World War II to only 276 on October 1, 1947.

In Nevada, 297 mines closed down within 2 months after President Truman vetoed the price premium bill in July of 1947. This number represents more than 90 percent of all mines in the State of Nevada. Additional mines have been forced to close down since that time.

In California, of 2,000 gold mines in operation before 1940, only 350 are in operation today, including dredges. Of 32 lead, copper, and zinc mines operating in 1946, over 80 percent have closed down since the termination of the price premium plan. Mercury mines in operation in California have fallen from 102 mines in 1940 to 20 in early 1947, and 1 or 2 in early 1948. Tungsten mines in operation have dropped from 38 in 1944 to 12 in 1947 and practically all are closed now, while manganese and chromite show even more drastic declines. Manganese mines operating have dwindled from 65 in 1944 to 3 in 1947, while chromite mines have fallen from 101 in 1944 to 2 mines in operation in 1947.

FACTORS RESPONSIBLE FOR PRESENT UNSATISFACTORY STATE OF MINING IN THE UNITED STATES

Those who testified at the hearings were in general agreement that a combination of factors has been responsible for the present unsatisfactory status of the mining industry. Some of the adverse factors at work are the product of the free play of economic forces during recent years, while others are the direct result of deliberate Government policies adopted and enforced since 1933.

Among the natural economic forces which have helped produce present conditions in the industry are the prolonged depression in the 1930's, the abnormal demands and conditions of production during the period of World War II, and the high levels of demand coupled with rapidly rising operating costs during the current postwar period.

The following factors have exerted an adverse effect upon the mining industry and are a direct result of Government policies: Restrictive practices of the Securities and Exchange Commission; tax policies of the Federal and local governments; restriction by the Federal Government of mineral entries on forest reserves; drastic reductions in protective tariff duties through the progressive lowering of tariffs under the Reciprocal Trade Agreements Act of 1934 and its subsequent renewals; price ceilings; and special excise taxes levied on transportation during the war and continued since that time.

EVENTS LEADING UP TO PRESENT SITUATION

During the decade of the 1930's, the American mining industry was subjected to numerous depressing influences such as low prices, little demand for its products, and unfavorable market conditions, which prevented the industry in the absence of a sound mineral policy on the part of the Government, from developing the mineral resources of the country. Spokesmen of the industry urged upon the Government, at that time, the desirability of stock piling minerals for use during a possible war emergency and pointed out that ample labor was available, supplies plentiful, and the time ideal for encouragement of the production of minerals for future use. These pleas, however, went unheeded.

As a result of the years of depression and the lack of stock-piling support from the Federal Government, the mining industry found itself at the beginning of World War II with reserves well below desired levels. The imperative requirement during the war period to maximize output, coupled with Government policies designed to get the greatest output in the shortest possible time, regardless of exploration and development of additional reserves, found many of the mineral producers at the end of the war with their known reserves approaching exhaustion, and their richest ore bodies completely used up. Wartime practices, coupled with shortages of labor and equipment, did not permit the normal practice of mining both rich and poor ores, but resulted in skimming the cream, often called "gutting the mine," meaning development work was neglected.

In view of the widely held belief among geologists and other mining experts that tremendous quantities of metals and minerals remained to be found in the United States, in addition to those already discovered and developed, there was general agreement among the industry representatives at the hearings that the mining industry should devote a major part of its efforts immediately to the exploration and development of additional mineral reserves, and that the Government should give positive assistance to such a program. A comprehensive program of exploration and development should be inaugurated not only to meet domestic requirements, but possible emergency needs as well, and should attempt to demonstrate the extent of America's self-sufficiency in minerals.

The likelihood that America may have to meet future emergency needs, as well as normal domestic requirements, for metals was stressed. Evidence introduced emphasized the gathering war clouds on the horizon and the rapid increase in exploration of minerals by the Soviet Union.

In this connection, it was pointed out that Russia in 1947 doubled its 1940 appropriations for geological prospecting. Over 4,500 university-trained men, armed with 140 airplanes, geo-radar apparatus, seismometric instruments, and other modern tools took the field in search of new mineral resources. In contrast, the United States Government today has only about 650 geologists at work, and not all of these are engaged in activities in the field.

GENERAL CONCLUSIONS OF THE MINING INDUSTRY

The following conclusions were generally agreed upon by representatives who submitted testimony at the hearings. In some instances, the conclusions represent the unanimous opinion of all those who appeared while, in every instance, the conclusions represent the view of an overwhelming majority of those who testified.

Conclusion 1

"The policies and practices of the Securities and Exchange Commission as carried out under the Securities Act of 1933, and the Securities Exchange Act of 1934, have retarded the investment of venture capital in new mining enterprises, and are partly responsible for the failure of minerals reserve to keep up with the increasing demand for metals."

Witnesses representing mining interests throughout the West testified that the Securities and Exchange Commission has imposed rules and regulations, in regard to prospect and selling literature, which make it extremely difficult to market new mining securities and have resulted in venture capital seeking outlets in foreign mining enterprises or in other fields of investment in the United States.

They also declared that officials of the Securities and Exchange Commission were guilty of star-chamber procedures, and have conducted their investigations in such a fashion as to intimidate and bully prospective investors in new mining enterprises. Hence, it is more difficult for those in the security business, and in the business of promoting new mining ventures, to raise the necessary capital for prospecting, exploration, and development.

It was also charged that the Securities and Exchange Commission shows a tendency to substitute its judgment in place of that of private mining corporations in regard to the economic feasibility of a given mining venture for which the right of selling securities is requested. It was strongly urged that the Securities and Exchange Commission limit itself to its legitimate function of preventing fraud and to stop trying to determine the economic feasibility of the enterprises reviewed.

Those who presented testimony further declared that their complaints had been brought to the attention of the Securities and Exchange Commission but had gone unheeded. They strongly recommended, therefore, that present legislation be amended in such a manner as to put an end to the defects and abuses which now exist and submitted a specific list of the changes desired in the various sections and paragraphs of the 1933 and 1934 acts.

Conclusion 2

"The Trade Agreements Act, which expires June 12, 1948, should not be renewed."

The Trade Agreements Act was first passed on June 12, 1934, and was extended for 3 years each in 1937 and 1940, and 2 years in 1943, and again for 3 years in 1945. The original 1934 act provides for negotiation of trade agreements with foreign countries and gives the President power to lower or raise tariffs on articles on the dutiable list up to a maximum of 50 percent of the duties prevailing June 12, 1934. No article can be transferred from the dutiable list to the free list or vice versa, and the most-favored-nation principle must be preserved.

Before the conclusion of any trade agreement, interested parties must be given the opportunity to present their views to the President, or any agency which he may designate.

The Committee for Reciprocity Information was created to serve as such an agency and acts under the jurisdiction and control of the State Department.

The original 1934 act gave the President power to vary the tariffs by 50 percent and the renewals in 1937 and 1940, as well as 1943, merely continued these powers. In the act of July 5, 1945, however, the President was enabled to reduce or raise the tariffs 50 percent below or above the levels prevailing on January 1, 1945, in any further trade agreements.

It was the consensus of opinion of those who testified that the Trade Agreements Act has not been carried out in a fashion designed to bring about reciprocal concessions, but that it has been used to bring about a progressive lowering of protective tariffs on American minerals to levels so low that, in many instances, they afford little or no protection and approximate a condition of free trade. Witnesses pointed out that, although the act enables the President to increase tariffs by 50 percent as well as to lower them, in not a single instance has any tariff ever been raised. The actual administration of the Trade Agreements Act has amounted to a one-way street toward free trade and the principle of reciprocity or Yankee horse trading has been practically ignored.

Witnesses also charged that the intent of the act has been violated in that little or no consideration has been given to testimony and evidence submitted by affected industries to show that a further lowering of tariffs would be harmful to them. Although the Committee for Reciprocity Information, in accordance with the terms of the act, has invited representatives of affected industries to appear and present testimony against reductions in tariffs, in no instance was there any evidence that the committee gave any weight to such testimony.

Conclusion 3

"Legislation should be passed to provide for a system of flexible tariffs and import fees administered in such a way that the amount of tariff levied will be equal to the difference between the cost of production of foreign producers and similar costs among United States producers. The fixing of tariffs should be taken away from the President and given to an independent administrative Commission which will report to Congress directly and which will determine tariffs in individual cases upon the basis of comprehensive fact-finding studies covering production costs here and abroad."

Widespread agreement prevailed among both representatives of private mining enterprises and of the 11 western State governments that a system of flexible tariffs to equalize costs, administered by a Commission reporting directly to Congress, was necessary for the creation and maintenance of a healthy mining industry in the United States. Several witnesses emphasized, however, that a system of flexible tariffs, alone, might not be sufficient to guarantee prosperous conditions throughout the domestic mining industry, but that other forms of Government assistance, including a system of incentive and conservation payments to mineral producers, should supplement a flexible tariff system.

Extensive testimony was introduced comparing wage rates paid in various foreign countries with those paid by minerals producers in the United States. For several industries in various foreign countries, it was shown that wages amount to only $1 to $3 per day compared with $10 per day in the United States. This pronounced differential in wages prevails in many countries in southern, central, and eastern Europe, including Russia, as well as countries in Africa, Asia, South America and other parts of the world. Even in the most advanced industrial countries of western Europe, wages per day, at current rates of exchange, tend to approximate one-half or less of the American level. In England, for example, at the present time, the average wage of a factory worker amounts to $24.70 per week compared with an average of $51.02 per week in the United States.

This great difference in the level of wages paid handicaps domestic American producers in comparison with foreign producers of the same products, even though it is generally recognized that the amount of the handicap is not commensurate with the difference in wages. Consideration must also be given to the difference in the productivity or efficiency of labor. Comparative costs of production and ability to compete depend to an important extent upon the productive efficiency of labor, rather than the amount of monetary wages paid.

If American labor produces twice as much per day as foreign labor, the American producers can pay twice the daily wages that their foreign competitors do and still compete on even terms. Even after allowances have been made, however, for the superior productive efficiency of American labor, witnesses declared that the differential in wages abroad and here was so great that it more than counterbalanced the greater productive efficiency of American labor and threatened to destroy the American minerals industry.

They also called attention to the fact that American mining machinery and equipment were being shipped to foreign countries so that the productive efficiency of foreign labor could be expected to increase rapidly in the future and to approach the American level.

Another argument advanced in favor of the adoption of a flexible tariff system, administered by a nonpolitical commission of experts, was that such a system would make possible protection against unfair competition on the part of foreign producers created by foreign governments devaluing their currencies or juggling their exchange rates. If a government should devalue its currency by 50 percent, thereby lowering the cost of production of its products in terms of American dollars by 50 percent, the Tariff Commission of the United States, under a flexible tariff, could quickly raise tariffs sufficiently to prevent a flood of foreign imports.

France was pointed out as a recent example of a European country which has resorted to devaluation of its currency in order to give its producers a comparative advantage over foreign producers. In the present unsettled state of international affairs, other foreign countries may reasonably be expected to juggle their currencies in a similar fashion in order to favor their own producers at the expense of American producers.

ANTIDUMPING CONTROLS

Certain witnesses pointed out, furthermore, that a flexible tariff system standing by itself alone might not be able to cope adequately with the problem of "dumping." In countries where industries are government-owned, or monopolistically controlled by private cartels, a large share of the produce may be "dumped" in foreign markets at prices way below cost of production. In such cases, a flexible tariff system which only balances differences in wage costs would not be successful in preventing a flood of imports.

It was suggested that the "dumping" problem might be solved either by placing a quantitative limitation on imports or by expanding the flexible tariff system so that tariffs would be set, not just to equal differences in wage costs, but to equalize the difference in the domestic price of a mineral and the delivered foreign price, regardless of the foreign cost of production.

Conclusion 4

"The Federal Government should build up stock piles of strategic and critical minerals adequate for any national emergency which may occur and, in order to build up required stock piles as quickly as possible, should procure minerals from both foreign and domestic sources. The procurement policy, however, should be such as to promote the exploration, development, and production of domestic minerals. Foreign purchases should only be made when adequate quantities of material are not available domestically. Safeguards should be established so that minerals stock piled by the Government will not be 'dumped' at any future date on the market, thus causing depressed prices and injury to the domestic mining industry."

It was generally agreed that only the Government itself could determine the necessary quantities of metals which are needed for adequate stock piles. There were many witnesses, furthermore, who felt that, because of the present shortage of various metals, the Government stock pile should be built up primarily from additional production generated by the inauguration of a system of incentive and conservation payments to domestic marginal producers.

Strong condemnation was leveled at the present Government policy of securing as many metals as possible from abroad for stock-piling, in order to conserve domestic minerals. It was repeatedly pointed out that the way to increase the quantity of domestic minerals is not to "conserve" them by buying from abroad but to increase the production of domestic metals and minerals by adopting policies which encourage exploration and development, and which make American mining profitable. "Ore begets ore."

Attempts to conserve domestic minerals by not buying them or by reducing the demand for them through buying abroad tends to dry up domestic sources of supply, while increased demand for domestic ores tends to beget additional ores and develops our mineral resources.

Conclusion 5

"Federal and State tax laws are unduly burdensome and are seriously retarding the investment of venture capital in new mining enterprises. Revision of existing tax laws, as well as more liberal administrative interpretation of existing statutes, should be made so as to encourage the investment of risk capital."

Existing tax laws were designed to fit the needs of manufacturing and marketing corporations and are not well suited to an industry with the peculiar economic characteristics of mining. In the mining industry, fluctuations in prices, production, and income are more extreme than in other industries and, hence, the factor of risk is much greater.

A mining enterprise, for example, may show a profit for 1 year and losses for several years running. If the Government takes a huge slice of the profits during the one good year in the form of taxation, while making no allowance for the losses over a series of consecutive bad years, it amounts to collecting taxes out of capital rather than out of income. This is true because over the series of years, the profits of one or two good years are frequently below the losses of the bad years. Under such conditions, there is no incentive whatever for venture or speculative capital to enter the American mining industry.

It was pointed out that the risk of failure could be reduced somewhat by restricting exploration and prospecting to a few large companies who could engage in a dozen or more exploration projects simultaneously. Out of a dozen, one might be expected to turn out well and recoup the losses on all the others. But, history demonstrates that most new ore bodies have been discovered, not by big well-established mines, but by small enterprises. It is a well-known axiom that almost all big mines were, at one time, small mines. Hence, the Government should adopt tax policies which encourage small enterprises to enter the field of exploration and development.

It was also charged that present Government tax policies, in many instances, result in double taxation which is highly discriminatory and unjust to those persons who are taxed twice—once through paying a corporate income tax and, a second time, through paying a personal income tax on the same earnings. Relief from such double taxation was urged.

Emphasis was also placed on the burdensomeness of the special excise tax placed on

railway freight by the Federal Government early during World War II. It was urged that this excise tax be repealed immediately.

Conclusion 6

"The Federal Government should encourage the exploration, development, and conservation of strategic and critical metals and minerals in the United States by adoption of a system of incentive conservation and exploration payments to private producers of such ores."

Spokesmen for the entire mining industry presented in brief outline form the principles and pattern of conservation and exploration payments to the mining industry which they would like to see adopted by the Government as soon as possible.

The pattern was worked out in such a way as to satisfy the requirements of the marginal producers of lead, copper, and zinc in the Tri-States and Wisconsin-Illinois districts, as well as those of the western producers of newly mined strategic or critical meals.

In the case of marginal production of lead, copper, and zinc in the midwestern part of the United States, many ore bodies are already discovered and the mines are in a state ready to operate. The purpose of the conservation payments is to make it profitable to mine known ore bodies and encourage discovery of new ones and to prevent the complete shutting down of the mines with the resultant loss of known ores in the mines. If the mines are forced to shut down, they will flood, timbers will cave and other destruction will take place, and it may prove impossible ever to recover the ores therein. If, in the future, an attempt should be made to recover such ores because of a national emergency, the cost of pumping out the mines and putting them in shape for production would not only be prohibitive but would probably take too long to be of any use during the war crisis.

In the case of production of strategic and critical metals other than lead, copper, and zinc the payments are designed to provide adequate incentives to stimulate a sufficient degree of exploration and development of new ore bodies to expand our reserves to the maximum extent necessary for national security and national prosperity.

Under certain conditions carefully worked out by the industry, on a graduated scale, a mine may receive both conservation and exploration payments but the total amount which can be so received is limited to a certain sum in any one year. As worked out during the hearings, this sum was $150,000 and payments in the case of lead, copper, and zinc ranged from 7 cents per pound of metal on the first 250 tons down to 1.5 cents per pound on tonnage in excess of 1,500 tons.

ECONOMIC JUSTIFICATION FOR SUCH PAYMENTS

Testimony was introduced to show the high cost to the Government and the economic losses to the American economy of importing foreign ores as a substitute for the purchase of domestic ores. It was pointed out that during the 1930's, unemployment insurance cost $5 per man shift or $80 for each ton of zinc not produced because of unemployment. Hence, every ton of zinc imported from abroad which kept American mining labor unemployed, cost America not only the current market price but an additional $80 per ton which had to be paid to American idle labor in the form of unemployment insurance.

It was emphasized further that, even in times of prosperity, incentive payments for the mining of new ores will create much more new mineral wealth than the amount of such incentive payments, so that the cost of the incentive payments to the Government can be recouped from additional tax revenue and still add substantially to the national income.

In this connection, it was stated that even in 1939 when zinc sold for only 5 cents per pound, the production of 1 ton of zinc in the West provided full employment, directly and indirectly, for 196 people and resulted in the production of $294 of new wealth.

Since taxes in the United States amount to between 30 percent and 40 percent of the total national income, a system of Government incentive payments for the mining of strategic metals would merely result in the mining industry getting back part of the taxes already being paid to the Government. Emphasis was on production during the war and development of new reserves was sacrificed to the war effort.

TYPE OF INCENTIVE AND CONSERVATION PAYMENTS SYSTEM DESIRED

The industry was unanimous in recommending the establishment of a system of conservation and development payments which would encourage private rather than public enterprise in the mining and development of minerals and metals and which would be as free from Government bureaucratic control and as nearly automatic in operation as possible.

It was agreed that the defects of the price premium payments plan inaugurated during the war and discontinued on June 30, 1947 should be carefully avoided and that all producers should be treated exactly alike. The primary purpose of the newly proposed incentive system of payments for mining producers is to work out a system which will maximize incentives for the small operator and make it possible for him to build a prospect into a mine.

In addition, the pattern of incentive payments makes it attractive for the larger producers to engage in exploration and development work by providing Government incentive payments if these are matched by the private companies out of their own funds. The requirement of matching funds is designed to insure protection against graft and waste of public funds and to see that the money is spent by men in the industry with the necessary know-how.

OTHER PROPOSALS PRESENTED AT THE HEARINGS

Several constructive proposals were put forward by various witnesses for aiding in the solution of the present problems confronting the American mining industry, but no single one of these proposals was recommended by a sufficiently large number of witnesses to make it possible to say that it represented the general opinion in the industry.

It was proposed by one witness that consideration be given to underground stock piling of mercury and certain other strategic metals such as an alternative to building up stock piles above the surface. Government payments would be made to mercury producers to encourage them to search for new reserves and block them out and payments would be proportioned to such newly discovered reserves. Then, the Government would pay a stand-by charge for keeping the mines open and the reserves in a condition ready to be mined in case of any national emergency. It was argued that this kind of a plan for underground stock piling would result in expanding the supply of available reserves and be more economical than surface stock piling of such strategic metals.

It was also suggested that serious consideration be given to the advisability of preventing the possible flooding of the American market by "dumping" on the part of foreign governments or cartels by the imposition of quantitative import quotas. It was even suggested that a combination of import quotas and parity price payments similar to those used in agriculture might be effective in controlling imports through "dumping." Whenever the prices of strategic metals sank to the parity level, all imports of such metals from abroad would automatically be shut off.

Two or three witnesses suggested the adoption of a system of parity price payments for strategic and critical metals and minerals similar to the parity price system now in use for basic agricultural commodities. No discussion of this proposal took place at the hearings.

Finally, although the industry agreed that the exploration and development of new minerals reserves could best be accomplished by private enterprise, they gave full recognition to the valuable assistance which has been furnished to the industry by the Bureau of Mines and the Geological Survey of the Department of the Interior. They felt that the Bureau and the Survey should continue their present type of activities in this field, and should do all in their power to bring about the introduction of improved techniques for recovering, economically, metals from lower grades of ore.

FINDINGS AND RECOMMENDATIONS

The findings and recommendations of the National Resources Economic Subcommittee are based upon the testimony and exhibits introduced at the hearings in Denver and at the subsequent hearings in Washington, together with supplementary letters, exhibits, and documents submitted to the committee by those unable to appear at the hearings. First, the findings will be briefly stated, followed by specific recommendations for constructive action based upon the findings.

FINDING NO. 1

The Securities Act of 1933 and the Securities Exchange Act of 1934, with the rules and regulations which have been made by the Securities and Exchange Commission under the act, have been administered in such a fashion as to seriously retard the investment of private venture capital in mining enterprises in the United States. This has resulted in driving venture capital to foreign countries and has prevented the exploration and development of new domestic minerals reserves to take the place of those rapidly used up during and since World War II.

Recommendation No. 1

It is recommended that the acts of 1933 and 1934 be specifically amended so as to encourage and promote the investment of venture capital in new mining enterprises in the United States. To accomplish this, the following changes in existing legislation and in the rules and policies of the Commission are advocated:

(1) A new section should be added to section 3 of the Securities Act of 1933 placing the securities of issuers engaged in the exploration and development of mineral resources in a special category. Under this category, only limited information would be required from such issues. There would be no necessity to go through the difficulties of registration where the Commission undertakes to apply the material-fact formula to evaluate the mining property, consider its feasibility, and delay the public offering by stop orders and deficiency citations as now take place under the existing law. All other provisions of the original Securities Act should be retained, including civil liability, criminal responsibility, and the fraud sections. The new paragraph to be added in section 3 would take nothing away from the present power of the Commission.

(2) Subsection (b) of section 19 and subsection (a) of section 20 of the Securities Act of 1933 should be amended to read as follows:

"SEC. 2. (b) When in possession of material written evidence and facts which, in the opinion of the Commission, clearly justify an investigation for the enforcement of this title, and upon its written order, any member of the Commission, or any officer or

officers designated by it, is empowered to administer oaths and affirmations, subpena witnesses, take evidence, and require the production of any books, papers, or other documents which the Commission deems relevant or material to the inquiry. Such hearings and investigations as may be required shall be held in such place or places as the Commission may designate, but no witness shall be required by subpena to appear at a place outside the Federal judicial district in which he may reside without his consent.

"SEC. 3. Subsection (a) of section 20 of the Securities Act of 1933, as amended, is amended to read as follows: (a) Except as otherwise provided in section 8 of this title, the Commission shall investigate only such violations of the provisions of this title or of any rule or regulation prescribed under authority thereof, as shall be based upon a written complaint of a person outside the staff of the Commission setting forth material facts and circumstances showing that a substantial violation has occurred or is about to occur, and the Commission may thereupon, if in its opinion the public interest will thereby be served, authorize an investigation by written order, and a copy of such order and written complaint shall be made available promptly to the person subject to the investigation."

These proposed two amendments will limit the Commission in its power to conduct roving, inquisitorial, compulsory investigations without following rules of legal procedure or of evidence and subjecting the private affairs of an individual person or company to a searching investigation, with the objective of looking for something as a basis for a civil or criminal action against such citizen.

It is a well-established policy of the Commission under its subpena power to order books, records, and other papers to be brought before it for examination, where such private records are inspected and the accompanying witnesses are subjected to incriminating, misleading, and suggestive questions. This process is conducted behind closed doors where the parties are without benefit of counsel, and is one of the most tyrannical methods ever developed in American administrative procedure. It is clearly an abuse of the power granted by Congress, and must be corrected.

(3) Section 21 of the Securities Act of 1933 should be amended by the addition of the following new sentence, to read as follows:

"Any person who is under investigation and who shall testify in such hearings or in any preliminary investigation shall be permitted to obtain at cost a copy of his testimony, and to be represented by counsel."

Under existing practices, the testimony of the witness is not available to him and it may be used as a basis for a civil or criminal action in the courts. This practice was positively condemned by the Supreme Court of the United States but it is, nevertheless, being followed because the courts have held that such is the will of Congress, otherwise Congress would change the law.

(4) Section 3 of the Securities Exchange Act of 1934, as amended, should be further amended by the addition of the following new subsection:

"(d) No provision of this title shall apply to or be deemed to include any market place or facilities for the purchase and sale of securities of an issuer engaged exclusively in the exploitation, development, or operations of mines, or in the exploitation, development, and production of oil, gas, or other natural mineral resources."

This amendment provides a trading post for the sale of mining and oil securities wherever brokers care to auction them off in secondary distribution between buyers and sellers, using the same plan for the sale of such securities as adopted for the sale of first grade industrial issues. At the present time, all open bidding in over-the-counter mining stocks is prohibited. They may not be auctioned off to the highest bidder on the same basis as registered securities are sold on registered exchanges.

The present law has taken away the trading privileges of about 90 percent of the mining securities being bought and sold by the public in the Western States. It unfortunately deprives the public of a basis for arriving at a true value for over-the-counter mining stocks in secondary distribution.

The purpose of the new amendment is to reestablish the right of the brokers to trade in second-grade, unlisted, over-the-counter stocks of all categories upon the basis of the bid and asked price arrived at in open competition among buyers and sellers. The public remains amply protected under section 15 of the Exchange Act, which governs the conduct of over-the-counter brokers and dealers in such stocks.

(5) The rules and regulations of the Securities and Exchange Commission which have been imposed under the existing law should be liberalized in respect to requirements relating to prospectuses and selling literature. The following changes should be made:

(a) Eliminate the requirement that the selling commission and other emoluments received by underwriters, promoters, and issuers be printed on the first page of the prospectus and, instead, allow these items to be printed on any page selected by the issuer.

(b) Liberalize "tombstone" advertisements and allow the use of "tombstone" letters so that a prospectus does not have to be sent in the first letter, but, on the other hand, may be subject to request by the prospective investors.

(6) The Securities and Exchange Commission should introduce a regulation requiring that a man experienced in the selling of primary mining-venture securites be added to its mining division in order to help formulate final decisions covering new mining ventures and the sale of mining securities.

FINDING NO. 2

The Trade Agreements Act passed on June 12, 1934, has resulted in the subsequent progressive lowering of protective tariffs on metals and minerals and has not only prevented the development of domestic mining in the United States, but has brought about a relative decline in the mining of certain strategic domestic metals.

Recommendation No. 2

It is recommended that the Trade Agreements Act be allowed to expire on June 12, 1948, and that revised tariff legislation, to be described later, be substituted therefor.

The Trade Agreements Act of 1934, which has been successively renewed in recent years, has resulted in such a progressive lowering of tariff duties on American minerals, that the present duties afford little or no protection to the American mining industry and approximate conditions of free trade.

In the case of manganese ore, for example, the Tariff Act of 1930 provided for a duty of 1 cent per pound of contained manganese. Under the Trade Agreements Act this was cut 50 percent to one-half cent per pound on January 1, 1936. This duty was reduced another 50 percent to one-fourth cent as a result of the trade agreements at Geneva, to take effect January 1, 1948.

It will be noted that these cuts from 1 cent to ¼ cent per pound amount to a reduction of 75 percent in the tariff duties, but in reality the reduction in protection is much more than 75 percent when consideration is taken of the change in the price of manganese during the period under review. In 1933, the average price of manganese (per unit of 22.4 pounds) was about 20 cents, while during the first quarter of 1948, the price averaged about 70 cents. Hence, in 1933, a 1-cent-per-pound duty was equal to 110 percent of the market price per pound of manganese, while a ¼-cent-per-pound duty in 1948 represents only 8 percent of the market price per pound of manganese. The actual decline, therefore, in tariff protection has been from 110 percent to only 8 percent ad valorem. In other words, a rise in the price of any metal which is protected by a specific tariff duty, automatically reduces the tariff protection by a corresponding amount.

The first reduction in tariff duties on manganese under the Trade Agreements Act took place on January 1, 1936 when duties were cut 50 percent. Some indication of the effects on domestic production of manganese of the 50-percent cut in tariff duties may be seen by comparing domestic production and imports of manganese in 1935, the year before the cut took place, with the same figures for 1936, the first full year after the cut in protective tariffs took effect.

In 1935, domestic production constituted 4.34 percent of all manganese consumed in the United States. In 1936, this percentage dropped sharply to 2.28 percent. Looked at in another way, the result is even more striking—imports of manganese into the United States skyrocketed from 383,502 long tons in 1935 to 813,362 long tons in 1936, an increase of 112 percent. During the same interval, domestic production increased from only 16,679 long tons to 18,557 long tons, an increase of only 11 percent.

FINDING NO. 3

The tariff system of the United States under the Trade Agreement Acts has been administered in such a way that tariffs have been changed in one direction only, namely, downward. There has been no two-way flexibility in tariff duties to take care of changing prices and costs between foreign producers and domestic producers in the United States. Furthermore, the administration of the present tariff system has been largely controlled and determined by the Department of State, which has let its decisions be governed primarily by international political considerations, rather than the prosperity and economic welfare of domestic producers of mineral, agricultural, and other basic raw materials.

The present tariff legislation is defective in that it is incapable of providing adequate protection to American producers paying high levels of wages in competition with foreign producers paying wages varying from ½ to only $\frac{1}{10}$ of the American level. The low wage levels prevailing abroad, combined with devalued currencies and Government "dumping," make it possible for foreign producers to undersell domestic producers in the American market and threatens to drive them out of business unless new legislation is quickly passed creating conditions which equalize competition here and abroad.

Recommendation No. 3

It is recommended that upon expiration of the trade agreements amendment on June 12, 1948, a Foreign Trade Authority be established and delegated responsibility to administer a flexible tariff system under which import duties would be adjusted upward or downward as need arises. The basing of import duties on the difference in production costs here and abroad is no longer feasible, both because foreign costs can seldom be obtained and because with state trading and socialization of industry growing abroad, foreign production costs are meaningless even if they could be secured. The comparison should be between the duty paid price of imported articles and the price (including a reasonable profit) of like domestic articles. The object would be to specify rates which would put the foreign and the domestic producers on a basis of "fair and reasonable competition."

The Authority should not be allowed to continue unneeded import duties and should

be prevented from protecting inefficient or wasteful domestic producers.

It should be provided that the Foreign Trade Authority would set rates which promoted fair and reasonable competition between domestic and foreign producers and that the decision of the Authority on this point should be final except that it should be subject to congressional veto. The objective would be not to shut off all foreign imports but to create and preserve a healthy degree of competition without damage to domestic producers nor without undue dislocation of trade which results from promoting uneconomic and necessarily temporary increases in either imports or exports under the present system where import duties are set by international bargaining.

FINDING NO. 4

Government stock piles of strategic and critical metals, minerals, and other materials have not been built up as yet to the levels determined necessary by our military authorities for the national defense and security of the United States in case of war. Present stock piles of most of the strategic and critical materials required are only a fraction of the minimum objectives set.

The policy of the Government apparently has been to build up stock piles as much as possible from foreign sources of supply rather than from domestic sources. This policy is making the country increasingly dependent upon foreign countries for those strategic materials necessary for national security and could well lead to national suicide in case of another world war.

Recommendation No. 4

The Government should build up national stock piles of strategic and critical metals and materials to the minimum objectives set as rapidly as can be achieved. The necessary purchases should be made from both foreign and domestic sources, with increasing emphasis on purchases from domestic producers, and a price and procurement policy which will lead to the rapid development and expansion of domestic production of strategic metals and minerals should be promptly adopted.

Premium prices should be paid by procurement authorities for the purchase of domestic strategic minerals for stock-piling purposes, to expand domestic production to the level required for national security and a reasonable degree of economic self-sufficiency.

FINDING NO. 5

The American mining industry is in a critical condition resulting from a combination of factors, some of which are a product of the free play of economic forces while others are the result of Government policies. Thousands of mines have closed down since 1930 and additional hundreds have been forced to go out of business since the expiration of the price premium plan on June 30, 1947.

Positive financial aid by the Government is immediately necessary to restore the industry to a flourishing and healthy condition, and to stimulate the exploration, development, mining, and production of strategic and critical metals necessary to meet the imperative industrial and military needs of the United States.

Recommendation No. 5

It is recommended that the Federal Government adopt a system of incentive payments to producers of strategic and critical metals and minerals for the purpose of conserving existing supplies and to stimulate development and exploration operations for the discovery of new reserves and bringing to market additional metals and minerals.

The system of incentive payments adopted should be consistent with the following principles:

(a) All producers should be treated on a uniform basis.

(b) Incentive payments should be based on a certain amount per ton of ore or per pound of metal produced with the amounts paid becoming less as additional tonnage is produced and an absolute maximum placed on the amount of financial assistance which can be paid to any one producer.

(c) Decentralizing of administration by mining regions should be carried out to the maximum degree possible, with extensive delegation of responsibility to regional officials in order that men familiar with local conditions and sympathetic to local problems may make binding policy-level decisions.

(d) The maximum payments to be paid per unit of metal produced should be specified in the legislation, such maximum to be raised only when it is deemed necessary to the national security or national economy by that Cabinet officer whose agency is concerned with the administration of the act.

(e) In order to achieve both economy and administrative efficiency, those operators producing less than 300 tons of recoverable metal a year should receive maximum incentive payments per unit of metal without consideration or analysis of cost factors. Administration of the price premium payments plan during World War II demonstrated that three-fourths of the entire administrative load lies in analysis of small mine operations producing under 300 tons of metal annually. Studies also show that small mining operations are dwindling and monopolistic trends should be checked if the national interest is to be served.

The above recommendations cover two types of incentive payments: (1) Payments to marginal producers of lead, copper, and zinc and other metals whose mines are already in operation but who cannot profitably salvage the remaining ore in their mines at present selling prices for metals without the assistance of a premium; and (2) payments to producers for exploration and development of these and other strategic and critical metals and minerals to compensate for the extreme risks involved and to make such operations sufficiently profitable to encourage the desired expansion in exploration and development work. Limits on incentive exploration payments necessary to achieve the required expansion in exploration activities should be fixed by Congress or left to the discretion of the Administrator of the system with reasonable limits being placed by Congress.

One of the major advantages of a system of incentive payments based on the principles just described will be the assistance it will give to mass mining. This type of mining in the long run is considered the most economical and efficient method of ore extraction. It consists of mining both low and high grade ores simultaneously rather than skimming the cream from a given mine and leaving the inferior ores.

The desirability of incentive payments for stimulating new sources of supply and for conservation of metals and minerals in existing ore bodies is especially clear when it is borne in mind that the greatest source of new ore in this country is the peripheral exploration around and below existing producing deposits as well as in newly discovered areas. Incentive payments, therefore, should be made for both type of exploration; that is to say, for exploring for new ore bodies and for exploring for additional ores within existing operating mines. It should be emphasized that peripheral exploration can best be pursued by a large and varied number of private operators and that exploration incentives are thus inseparably linked to conservation payments if the largest possible number of mines is to be maintained in operation.

Mr. MALONE. Mr. President, to keep the domestic strategic and critical mining industry alive and in condition to function properly, in both peace and war, until such adjustments can be made in the national policy in the protection of the workingmen and investments of America in competition with the lower-wage standard of living and slave-labor nations, the junior Senator from Nevada, in company with the senior Senator from Wyoming [Mr. O'MAHONEY], the senior Senator from Arizona [Mr. HAYDEN], and the junior Senator from Arizona [Mr. MCFARLAND] introduced a bill (S. 2105) to stimulate the development and conservation of such strategic and critical minerals.

The junior Senator from Nevada has also offered a "flexible import fee" principle that would adequately protect the floor under wages and the investments in this important industry, and it is now pending in the Senate Finance Committee.

Mr. President, at this time I ask unanimous consent to have placed in the RECORD at this point a copy of the bill S. 2105, as submitted.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2105

An act to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes.

Be it enacted, etc., That this act may be cited as the "National Minerals Act of 1949."

SEC. 2. (a) It is the policy of the Congress that every effort be made to stimulate exploration for and conservation of strategic and critical metals and minerals and other essential metals and minerals by private enterprise to supply the industrial, military, and naval needs of the United States, and that every effort be made to encourage the development and maintenance of sources of these metals and minerals within the United States in order to decrease and prevent, wherever possible, a dangerous and costly dependence by the United States upon foreign nations for supplies of such materials. To this end it is the further policy of the Congress that every effort be made to maintain a sound and active mining industry within the United States; to expand exploration for those ores and other mineral substances which are essential to the common defense or the industrial needs of the United States; and to prevent the discontinuance of mine operations under such circumstances as to make it probable that production would not or could not be resumed when needed for the national economy or security.

(b) In carrying out these policies small mining enterprises shall be encouraged to apply for aid under this act, and for this purpose the Secretary of the Interior shall provide small mining enterprises with full information concerning this act, and shall make special provision for expeditious handling of applications from small mining enterprises.

SEC. 3. A Minerals Conservation Board, consisting of the Secretary of the Interior, the Secretary of Defense, the Secretary of Commerce, and the Secretary of the Treasury, is hereby established. The Secretary of the Interior shall be the executive chairman of the Board. The members of the Board may delegate their powers, functions, and duties, including those relating to appeals, to suitable officers of their respective agencies.

SEC. 4. To carry out the policy of this act, the Board shall by regulation determine—

(a) the amount of appropriated money to be allocated to the aid of exploration, on the one hand, and to the aid of conservation, on the other hand;

(b) the amount of appropriated money to be allocated to the aid of exploration for any metal or mineral or group of metals or minerals, as specified by the Board;

(c) the amount of appropriated money to be allocated to the aid of conservation of any metal or mineral or group of metals or minerals, as specified by the Board;

(d) the maximum price or the minimum price, or both, which may be paid for the purchase of any metal or mineral for conservation: *Provided*, That adequate allowance shall be made for depletion and depreciation in computing costs of operation or maintenance;

(e) the maximum amount or the minimum amount, or both, which may be paid on account of participation in the costs of maintenance for conservation with respect to any metal or mineral;

(f) the maximum amount or the minimum amount, or both, which may be paid to any producer or class of producers on account of exploration for any metal or mineral or group of metals or minerals, and the ratio which the Government's contribution for exploration shall bear to the contribution of any producer or class of producers for exploration;

(g) the particular metals or minerals or ores thereof and specifications therefor that shall be eligible for aid for conservation;

(h) the particular metals or minerals that shall be eligible for aid for exploration; and

(i) the time limits or dates within which contracts for aid for conservation shall terminate.

SEC. 5. (a) The Board shall promulgate such rules and regulations as may be necessary to carry out its functions and duties under this act, and to provide fair and equitable treatment for all applicants for aid.

(b) The Secretary, subject to the rules and regulations of the Board, may prescribe rules and regulations for carrying out the provisions of this act and which must be complied with by applicants for contracts under the provisions of this act.

(c) The Secretary may delegate any of his functions under this act.

(d) All rules and regulations issued under the authority contained in this section shall be published in the Federal Register.

SEC. 6. (a) Any producer may file with the Secretary an application for financial aid in carrying out a specified project for exploration or financial aid to conserve a deposit of ores or minerals. An application to conserve may be either for aid by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from such deposit. The application and the project for aid disclosed by the application must conform to the express policy and provisions of this act and with the rules and regulations of the Board and of the Secretary: *Provided, however*, That simple contracts covering exploration projects shall be awarded upon application to small base metal mines and such contracts shall provide for the payment by the United States of one-half of the total reasonable costs of all tunnels, shafts, winzes, and raises in such a mine if the application or examination discloses that there is a reasonable promise of developing unknown or undeveloped sources of metals or minerals. All contracts covering exploration projects shall contain provisions for repayment to the United States of sums paid by the United States pursuant thereto, liability for such repayment to be limited to payment of a reasonable portion of profits accruing from production resulting from such exploration.

(b) The Secretary shall cause qualified mining engineers, geologists, and any other necessary technicians to make examination of and to report on each application, and to certify it to the Secretary either for acceptance, as presented or subject to specified modifications, or for rejection. In the case of a project for exploration, the examining experts shall certify whether the project offers reasonable promise of discovering unknown or undeveloped sources of metals or minerals. In the case of a project for aid to conserve a deposit of ores or minerals, either by participating in the costs of maintaining the property in stand-by condition or by purchasing all or any part of the metals or minerals resulting from production from such deposit, the examining experts, considering economic and practical factors, shall certify whether the project offers reasonable promise of maintaining in stand-by condition or in production, as the case may be, a property the production from which would, in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances as to make it probable that for economic or technical reasons such production would not or could not be resumed when needed for the national economy or security.

(c) The Secretary shall either accept and approve the application, subject to any modification therein which he may require, or he shall reject it: *Provided*, That if the Secretary's action on the application conflicts with the recommendation and certification of the examining experts, he shall refer the application to the Board; and the Board shall either confirm and approve the action of the Secretary, or shall reverse it, or shall direct the Secretary to reconsider it. Confirmation or reversal of the Secretary's action by the Board shall be final, and direction to reconsider shall place the application in the same status it was in before action upon it by the Secretary. If the Secretary accepts the application, either in its original or modified form, the terms of the application and acceptance shall be merged in a formal, written contract. Any applicant who is dissatisfied with the decision of the Secretary upon his application, may at any time within 30 days after receipt of notice of the decision, unless further time is granted by the Board, appeal to the Board, and the Board, as expeditiously as possible, shall review the entire matter, make its findings thereon, and notify the applicant of its decision, which shall be final.

(d) All metals or minerals purchased under the provisions of this section, or such equivalent quantities thereof as may be permitted by the contract with the producer, shall be delivered by the producer to and shall be received by the Administrator of Genera' Services at such places and times as may be provided in the contract. The Administrator shall from time to time, and in any event before selling them in the open market, notify the Munitions Board of the inventory of metals or minerals held by him under the provisions of this act and shall continue to hold all metals or minerals received by him under this act until at least 60 days after he has given the Munitions Board notice that they are so held. The Munitions Board may, as long as any such metals or minerals are held by the Administrator, (1) direct the Administrator to transfer any of them to the national security stock pile in accordance with the provisions of the Strategic and Critical Materials Stock Piling Act, as amended (53 Stat. 811, 60 Stat. 596), or (2) within 60 days after such notice from the Administrator direct him to hold any such metals or minerals listed in the notice until 60 days after the next succeeding appropriation for purchases for the stock pile has become available. Unless notified by the Munitions Board to either transfer any of such metals or minerals or to continue to hold them as provided in this subsection, the Administrator shall sell them in the open market if and when open-market prices will return to the Government at least the approximate average price paid by the Government for the metals or minerals, and only in such quantities as will not materially depress the market. No metal or mineral shall be transferred into the national security stock pile under the provisions of this act unless the material has been found to be strategic and critical as provided in the Strategic and Critical Materials Stock Piling Act, and meets established specifications as to quality and degree of refinement or processing, and unless such transfer is consistent with the current stock-piling procurement program of the Munitions Board. All moneys received by the Administrator of General Services from such sales in the open market shall be for deposit in miscellaneous receipts of the Treasury, and any transfer of metals or minerals to the national security stock pile shall be covered by a transfer of funds from appropriations available for purchases for the stock pile to miscellaneous receipts of the Treasury in amounts approximating what the cost of the metals or minerals would have been if purchased in the open market at the time of transfer.

(e) All contracts entered into under the provisions of this section (1) shall contain an express provision that they are subject to the availability of appropriated money; and (2) may be entered into without regard to sections 3648 and 3709 of the Revised Statutes, as amended, or other provisions of law prescribing the manner of making contracts on behalf of the United States.

(f) No contracts shall be entered into under the provisions of this section for a period exceeding 2 years or after the expiration of 3 years from the effective date of this act.

SEC. 7. As used in this act—

(a) "Secretary," standing by itself, means the Secretary of the Interior.

(b) "Administrator" means the Administrator of General Services.

(c) "Board" means the Minerals Conservation Board.

(d) "Exploration" means exploration in the United States for unknown or undeveloped sources of metals or minerals, including undeveloped extensions of known deposits, conducted from the surface or underground, by surface trenching, core or churn drilling, tunnels, raises, winzes, or shafts, including recognized and sound procedures for obtaining pertinent geological information, and including metallurgical research on processes for the production of such metals or minerals.

(e) "Production" means the production of ores or minerals from mines in the United States, or from tailings, dumps, slags, or residues of such mines, which the Secretary determines would, in the absence of financial aid by the United States, be discontinued or remain discontinued under such circumstances with respect to each particular mine as to make it probable that for economic or technical reasons such production would not or could not be resumed promptly when needed for the national economy or security.

(f) "Small base metal mines" means mines or deposits of ores primarily producing or which in the course of conducting an exploration project primarily produce lead, zinc, or copper ores, or ores containing a combination of such metals, the average aggregate monthly production of which does not exceed 100 tons of lead, zinc, and copper metal combined.

(g) "Producer" means any person or persons or legal entity by whom or for whose account and interest exploration, maintenance, or production is to be or is being performed.

(h) "United States", when used in a geographical sense, means the United States and its Territories and possessions.

SEC. 8. This act shall not be construed as superseding or amending the Atomic Energy Act of 1946 (60 Stat. 755), as amended.

SEC. 9. There is hereby authorized to be appropriated not to exceed $80,000,000 annually for carrying out the provisions of this act, including payments to producers for exploration, maintenance, and production, and the costs of administration, such funds to remain available until expended.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, the Senate committee report on S. 2105.

There being no objection the report was ordered to be printed in the RECORD, as follows:

THE O'MAHONEY, MALONE, HAYDEN, AND MCFARLAND BILL (S. 2105) TO STIMULATE EXPLORATION FOR AND CONSERVATION OF STRATEGIC AND CRITICAL ORES, METALS, AND MINERALS, AND FOR OTHER PURPOSES

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 2105) to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes, having considered the same, report favorably thereon with an amendment in the nature of a substitute, and recommend unanimously that the bill as amended do pass.

PURPOSE OF THE BILL

The general objective of the proposed legislation is to develop and maintain through private enterprise mineral reserves in the United States vital to the Nation's security and industrial needs. Overwhelming evidence was presented to the committee that known reserves of ores, minerals, and metals within the country have been critically depleted, that wholly inadequate exploration and development of new sources have been undertaken during the past 17 years, and that a large part of our domestic mining industry is in grave danger of disintegration.

This situation engenders a perilous and costly dependence by the United States upon ocean-borne supplies from foreign nations, constituting a most serious threat to our national security and to our long-range industrial peacetime needs as well.

Specifically, S. 2105 as amended has two immediate major purposes: First, to stimulate exploration for new or undeveloped sources of minerals and metals within the United States; second, to promote the conservation of known mineral resources which, because of declining prices and high costs as well as difficulties of operation, are in danger of being permanently lost. Such conservation would be accomplished by maintaining either in stand-by condition or in partial or total operation properties containing important minerals or ores, the production of which in the absence of aid such as that authorized by this bill would be discontinued or remain discontinued under such circumstances as to make it probable that for economic or technical reasons such production would not be resumed promptly when needed for the national economy or security.

It must be borne in mind that successful mining results in the depletion of the deposits which are mined and that because of the peculiar physical conditions under which mining operations take place, many mines once shut down can never be reopened. In many cases, a mine not in production fills with water, metal equipment corrodes and rusts away, supports disintegrate, and large-scale cave-ins occur. It is always difficult and, in many cases impossible, either technically or economically, to reactivate a mine that has once closed. Meanwhile the experienced and skilled-labor force necessary to operate such a mine has become dispersed. Thus, the mine and its ore body (as well as the essential operating personnel) is, for practical purposes, lost.

So, too, with exploration. Technical experts have informed the committee that it usually takes at least a year or more after discovery to bring an ore body into production. The committee has been reliably informed that since 1932 adequate exploration and development of new sources of raw metals and minerals within the United States have not kept pace with the demands of our expanding economy.

THE PRESIDENT'S MESSAGE

The exploration and conservation objectives of S. 2105 are very clearly in line with the recommendations of the President of the United States. The Task Force on Natural Resources of the Commission on Organization of the Executive Branch of the Government in its report also recognizes the factual situation which has prompted the committee to report this bill.

In his budget message of January 10, 1949, President Truman said:

"Two world wars as well as subsequent needs for world recovery have drawn heavily upon our mineral resources. The Federal Government has a responsibility for assuring the adequacy of these resources through intensive surveys, investigations, and exploration; fundamental research; and sound conservation practices. Funds recommended for the Bureau of Mines and some activities of the Geological Survey are directed to these purposes. In addition, I recommend legislation which will authorize incentive payments for the exploration and development of strategic and critical minerals."

The report of the Hoover Commission task force states (p. 50):

"A pressing need of the Nation is a more adequate supply of a long list of minerals to support and strengthen our industrial economy and to insure our national security. Hence, encouragement of exploration should be the principal objective of policies dealing with minerals and fuels on the public domain. Maintenance of the Nation's mineral reserves requires not only the discovery of concealed ore bodies in old districts, but the finding of ore bodies in entirely new regions where signs of ore or evidence of conditions favorable for mineralization are not sufficient to have induced adequate exploration."

EXPLANATION OF THE BILL

Under S. 2105 exploration would be stimulated and promoted by the Government's sharing with private mining enterprises the cost of a project which offers, in the opinion of competent engineers and geologists, reasonable promise of the discovery of an unknown or undeveloped source of metals or minerals and which, on the record as established in accordance with rules and regulations under the law, could not be carried out without Government cooperation. The private operator would have to invest his own money in order to receive exploration aid from the Government.

Conservation would be accomplished either by the Government's contributing to the cost of maintaining particular mining properties in a stand-by condition, or by purchasing the products of such properties at prices which would enable them to continue in production. Conservation aid would be accorded only to those properties which, in the absence of such aid, would be discontinued or remain discontinued under such circumstances as to make it probable that the property could not be brought back into production promptly when needed.

In all cases, the exploration or conservation aid would be obtained by individual contract, with American producers contracting with their Government to expand or preserve the mineral resources of the Nation in conformity with the efficiency of private enterprise. The committee feels that there is a definite public interest in the preservation of existing mineral resources and the discovery of new deposits.

Exploration or conservation contracts under the bill can extend for a period not in excess of 2 years, and no contracts may be made after 3 years from the effective date of the act. While they are exempted from the provisions for routine Government contracts requiring advertisement, competitive bids, and the like, all agreements entered into under the bill must contain an express provision that they are subject to the availability of appropriated money.

Existing governmental agencies will be utilized in the administration of the functions for which provision is made in the legislation. The policy determinations which must necessarily be made within the legislative mandates are placed in the hands of the agencies best qualified to pass judgment: The Departments of Interior, Defense, Commerce, and Treasury, with the heads of each of these agencies constituting a Minerals Conservation Board, and with the Secretary of the Interior constituted as executive chairman. Administration of the Board's policy determinations is placed in the Department of the Interior where the Bureau of Mines already has the organization and much of the personnel necessary for its administration. Included in the functions of the Department of the Interior is the approval or disapproval of applications for aid certified by technical experts with a dissatisfied applicant having an automatic right of appeal to the full Board.

In general, the amount to be paid for exploration aid or for maintenance is determined by the Board as are the prices paid for metals and minerals purchased as conservation aid.

DISPOSAL OF PURCHASES

Materials so purchased are delivered to the Administrator of General Services. The Administrator must first offer them to the Munitions Board for transfer to the strategic stock pile. If the Munitions Board does not deem it advisable to acquire such minerals or metals, then the Administrator may sell them in the open market but only if and when the open market prices will return to the Government at least the price paid for them and in such quantities that sales will not depress the market.

It is the considered opinion of the committee that the above provisions adequately protect the open metal market, and will not in any way interfere with the working of the law of supply and demand. Any materials purchased under the bill for conservation aid necessarily will be bought at prices higher than those current on the open market at the time of purchase. These materials may not be sold at prices less than the above-mentioned cost price, and then only in such quantities as will not depress the market. Thus the committee believes that the prices for materials produced and sold under usual practices and procedures will be in no way adversely affected.

This measure is not an amendment to the Strategic and Critical Materials Stock Piling Act of 1946 (60 Stat. 596). The minerals which are to be purchased will be made available first to the Munitions Board although the Board is not required to accept them. This provision is in accord with the recommendation of Munitions Board officials. It should be noted, however, that the objectives of the strategic stock-pile law are themselves predicated upon a healthy, going mining industry within the United States.

SMALL MINING ENTERPRISES

History shows that most of the principal mines now producing were developed from small mines. In fact, small mines are often producers of big mines. Evidence presented to the committee shows that current economic trends have driven many small mines out of existence and are threatening to drive

out many more, with the consequent dangers of monopoly control to our historic concepts of competition and free enterprise.

Therefore, the committee has written into the bill a "small mining enterprise" section and has set certain standards for aid to small base metal mines. A small base metal mine is defined in the bill as a mine with an average monthly production of less than 100 tons in the aggregate of copper, lead, and zinc combined. Such mines, when they offer reasonable promise of developing unknown or undeveloped sources of metals or minerals, are to be awarded simple exploration contracts providing for payment by the Government of one-half of the approved reasonable costs of tunnels, shafts, winzes, and raises made in connection with such exploration.

There is appended to this report a table, marked "Appendix A," prepared by the Bureau of Mines showing the approximate number of domestic lead-, zinc-, and copper-producing mines such as would be eligible for aid under the provisions of this section.

OTHER MINERALS

In providing for simple contracts for small base metal mines, the committee intended to avoid possible expense and harassment to the operator and delay in processing his application. There was no intention whatever of excluding from aid under the bill producers of other strategic, critical, or essential ores, metals, or minerals, such as manganese, tungsten, antimony, and mercury. It so happens that small copper, lead, and zinc mines lend themselves readily to legislative definition and action. A specific procedure for each of the other minerals can more readily be provided in the rules and regulations of the Board which will have the benefit of the advice of experts for each metal or mineral.

It is the intent of this legislation to avoid narrow, technical construction of terms or phrases by either the board or by the Secretary of the Interior. Each exploration applicant will be using his own money as well as the aid he obtains under this legislation. The efficiency of private enterprise can be expected to result in substantial contributions to the replenishment of our mineral reserves.

DIVISION OF FUNDS

While it is the intention of the committee to preserve the sources of supply, which without conservation assistance would be lost, it is felt that emphasis must be placed on the search for new deposits, and that the program is likely to be more successful through support given to small independent mines rather than to those affiliated with integrated concerns having overseas mining interests. This is a measure designed to conserve and discover domestic sources of necessary mineral supply.

The committee hopes, therefore, that the Administration will devote not less than 50 percent of the appropriated funds for this type of operation.

As stated in the report of the Secretary of the Interior, it is impossible to make an accurate estimate in advance what appropriations may be required. However, the committee is informed that on the basis of the number of mines in the United States which may require the aid provided by this bill, and the information on domestic mineral deposits available in the Department of the Interior, it is believed that an appropriation of between $77,000,000 and $80,000,000 will probably permit attainment of the minimum objectives of this bill.

An accurate statement of requirements will be dependent upon the number of applications that may be filed. Actual appropriations of course will be controlled by Bureau of Budget estimates and the action of the Appropriations Committees of Congress.

Expenditures under this measure would not be mere outlay. New sources of mineral wealth would be developed through the exploration provisions. Other sources would be saved through conservation aid purchases or by maintaining them in a stand-by condition. In addition, minerals purchased by the Government as conservation aid would be potentially useful for the national strategic and critical materials stock pile, or would be salable in the open market at prices involving no loss to the Government.

Inasmuch as the bill provides a program for only 3 years, and no contract can be made for any project extending more than 2 years, no large, long-term obligations of Federal funds can be incurred. As has been pointed out, each contract made under the measure must contain an express provision that it is subject to the availability of appropriated funds.

TAX RELIEF

Cogent evidence has been presented to the committee that tax allowances for exploration and development costs are an effective means of attracting much needed venture capital into mining. The committee recommends, therefore, that the appropriate congressional committee undertake a study of the possibility of providing tax incentives for the domestic mining industry. However, it realizes the impossibility that any such action can be taken, or that its effects would be felt, in time to deal with the present emergency situation in respect to domestic sources of essential minerals and metals.

S. 2105 provides a new approach to the extremely complex and difficult problem of developing our reserves and revitalizing our mining industry, which has been and is a cornerstone of our national economy in peace or war. Time is very much of the essence in this situation, and the committee respectfully urges prompt action on the bill.

The favorable report of the Department of the Interior, signed by Secretary Krug, under date of August 15, 1949, together with the report of the Bureau of the Budget, are hereinbelow set forth in full and made a part of this report.

APPENDIX A

Estimated number and output of lode mines in the United States in 1948, classified according to production of base metals

[Those mines producing more than 1,200 short tons yearly of recoverable copper, lead, and zinc, combined, are designated noneligible]

State	Number of lode mines			Production (short tons)								
	Total	Noneligible		Copper			Lead			Zinc		
		Number	Percent	Total	Noneligible	Percent	Total	Noneligible	Percent	Total	Noneligible	Percent
States west of Mississippi River:												
Arizona	360	16		375,121	371,851		29,899	26,150		54,478	49,861	
California	241	1		481	54		9,110	5,862		5,325	4,487	
Colorado	271	10		2,298	1,428		25,143	18,383		45,164	40,904	
Idaho	194	26		1,624	1,191		88,544	77,502		86,267	81,542	
Arkansas, Kansas, Missouri, and Oklahoma	294	32		2,370			127,614	104,581		85,892	27,228	
Montana	250	8		58,252	56,380		18,411	15,050		59,095	55,238	
Nevada	350	3		45,242	44,656		9,777	4,936		20,288	17,652	
New Mexico	91	10		74,687	73,489		7,653	4,901		41,502	38,991	
Utah	118	10		227,007	226,196		55,950	51,679		41,490	39,314	
Washington	30	5		5,665	5,657		7,147	6,823		12,638	12,416	
Other States	35			41			522			51		
States east of the Mississippi River	110	30		42,025	35,709		10,706	9,221		177,787	168,864	
Total	2,344	151	6	834,813	816,611	98	390,476	325,088	83	629,977	536,497	

Mr. MALONE. Mr. President, the proposed legislation was passed by the Senate. It was then submitted to the House of Representatives on October 10. Subsequently it was brought onto the floor of the House for a vote without the benefit of a rule from the Rules Committee. It was defeated by vote of the House since a two-thirds vote was needed in the absence of a rule, so the Senate bill, S. 2105, was defeated, and thereby delayed until January of the second session of the Eighty-first Congress, when it can again be considered by the House of Representatives. It does not again have to come before the Senate except for review of any amendments offered by the House.

Mr. President, a combination of extremely high and onerous taxes—and the actions of the National Securities Exchange Committee—has, according to Mr. Schram, effectively halted the availability of new venture capital for the mining and other hazardous industries.

AMENDING THE SECURITIES EXCHANGE COMMISSION ACT IN THE INTEREST OF NEW VENTURE CAPITAL INVESTMENT

Mr. MALONE. Mr. President, the mining business is a speculative business until large bodies of ore have been blocked out, which is a long, expensive, and a financially hazardous process.

The National Securities Commission performs a useful work—in requiring the truth to be told the public before an offering of stock can be made.

COMMISSION GOES BEYOND THE LAW

But the Commission goes beyond the matter of requiring the statements regarding a mine or prospect to be truthful. They often attempt to determine the feasibility of the enterprise which is obviously impossible before the very work has been done that is to be accomplished through the sale of stock.

Also hearings are often called or official statements are made by the Commission indicating fraud or lack of feasibility before a proper investigation—which means scaring potential investors even if the mining organization is later given a clean bill of health.

Mr. President, it is to furnish the proper protection of the public that I offer an amendment to the National Securities Act.

Mr. President, in this connection I offer for printing in the body of the RECORD at this point an interview with Emil Schram, who is the head of the New York Stock Exchange. This dispatch appeared in the Journal of Commerce of April 5, 1949.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SCHRAM HITS DRIVE ON VENTURE CAPITAL—WOULD LOWER GAINS TAX RATES, LIBERALIZE OFFSET PROVISIONS

DENVER, May 24.—A "relentless" attack on venture capital which, he said, had started "in earnest around 1936," with the tax structure, as its "weapon," was charged here tonight by Emil Schram, president of the New York Stock Exchange, in addressing a dinner of the Denver Chamber of Commerce.

He said that as the tax rates on corporate earnings and on individual income have risen, and particularly since 1936, "the burden on a dollar's income from business has mounted beyond any point originally contemplated or visualized."

"I believe," said Mr. Schram, "that the present Federal tax structure is actually causing a creeping paralysis in our economy that has alarming implications for the future expansion, productiveness and resilience of business enterprise. It is having this effect primarily by impending the creation and flow of venture capital, the life blood of a progressive economy."

Three principal features of the tax structure were held mainly responsible by Mr. Schram. The surtax rates on individual income, double taxation of dividend income and the capital gains tax provisions.

Regarding the capital gains tax, Mr. Schram said that lower rates and more liberal offset provisions "would increase the mobility of capital instead of tending to freeze it."

OFFERINGS HELD INADEQUATE

Mr. Schram observed that "when I contemplate the taxes on income from investment in securities or business interest and the added contingent liability if one is fortunate enough to have a gain and wishes to capture it, I sometimes wonder not at the little interest in ownership of any kind, but that the spirit of investment has not been completely killed."

Noting that common-stock offerings for new capital through the end of April have been at the rate of $50,000,000 a month, he termed this "an utterly inadequate trickle if we want to keep 60,000,000 persons gainfully employed." He said that the volume of trading on the stock exchange in relation to the number of shares listed is at a rate of only about one-seventh of that in 1926."

"The country and the whole world need new capital. That means a larger part of savings need to be devoted to new ownership investment, in new companies and in existing enterprises. It is fantastic to think that the standard of living can be improved here and abroad with the present tax structure."

Mr. MALONE. Mr. President, I ask unanimous consent to introduce a bill proposing an amendment to the Securities and Exchange act, and I ask that the bill be appropriately referred and printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, the bill will be received, referred to the appropriate committee, and printed in the RECORD.

There being no objection, the bill (S. 2765) to amend certain provisions of the Securities Act of 1933, and section 3 of the Securities and Exchange Act of 1934, was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (a) of section 3 of the Securities Act of 1933, as amended, is amended by adding thereto a new paragraph as follows:

"(12) Any security the issuer of which is engaged in the exploration and development of natural mineral resources: *Provided*, That the issuer shall file with the Securities and Exchange Commission, before a public offering is made, a written statement containing substantially the following information: The full name and complete mailing address of (a) the issuer, (b) the directors and officers of the issuer, (c) the person by or on behalf of whom the offering is to be made, and (d) the principal underwriter of the securities to be offered; the title and amount of the security to be offered; the amount of the offering and of the underwriting discounts and commission; the date of the proposed offering; the States in which it is proposed to sell the security; the purpose for which the net proceeds are to be used; and three copies of every written communication, advertisement, or radio broadcast to be delivered thereafter to investors by the issuer or the principal underwriter, of any such security to more than 25 persons."

SEC. 2. Subsection (b) of section 19 of the Securities Act of 1933, as amended, is amended to read as follows:

"(b) When in possession of material written evidence and facts which, in the opinion of the Commission clearly justify an investigation for the enforcement of this title, and upon its written order, any member of the Commission, or any officer or officers designated by it, is empowered to administer oaths and affirmations, subpena witnesses, take evidence, and require the production of any books, papers, or other documents which the Commission deems relevant or material to the inquiry. Such hearings and investigations as may be required shall be held in such place or places as the Commission may designate, but no witness shall be required by subpena to appear at a place outside the Federal judicial district in which he may reside without his consent."

SEC. 3. Subsection (a) of section 20 of the Securities Act of 1933, as amended, is amended to read as follows:

"(a) Except as otherwise provided in section 8 of this title, the Commission shall investigate only such violations of the provisions of this title or of any rule or regulation prescribed under authority thereof, as shall be based upon a written complaint of a person outside the staff of the Commission setting forth material facts and circumstances showing that a substantial violation has occurred or is about to occur, and the Commission may thereupon, if in its opinion the public interest will thereby be served, authorize an investigation by written order, and a copy of such order and written complaint shall be made available promptly to the person subject to the investigation."

SEC. 4. Section 21 of the Securities Act of 1933 is amended by adding thereto a new sentence to read as follows: "Any person who is under investigation and who shall testify in such hearings or in any preliminary investigation shall be permitted to obtain at cost a copy of his testimony and to be represented by counsel."

SEC. 5. Section 3 of the Securities Exchange Act of 1934, as amended, is amended by adding thereto a new subsection as follows:

"(d) No provision of this title shall apply to, or be deemed to include, any market place or facilities for the purchase and sale of securities of an issuer engaged exclusively in the exploitation, development, or operation of mines, or in the exploitation, development, and production of oil, gas, or other natural mineral resources."

Mr. MALONE. Mr. President, the offered amendment to the Securities Exchange Commission Act is offered to encourage new venture capital investment in the interest of the development and conservation of the strategic and critical minerals of this Nation.

REGULATION OF FOREST PRACTICES—STATEMENT BY SENATOR ANDERSON

Mr. ANDERSON. Mr. President, so many unfair presentations have been circulated on S. 1820, a bill I introduced on May 10 to provide for certain forest practices, that in the interest of a better understanding of the true objectives of this bill, I ask unanimous consent to have printed in the RECORD, as part of my remarks, a statement of observations in connection with S. 1820.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OBSERVATIONS IN CONNECTION WITH S. 1820

A comprehensive program is needed, involving wholehearted cooperation of Federal and State forestry agencies and of the private owners—large and small.

Our virgin timber resources are dwindling. Forest industries in one locality after another feel the pinch of shortage. More and more they realize that good forestry is good business. The Nation as a whole is becoming increasingly aware of the need to keep forest lands continuously productive. The time is not far off when the volume of second-growth timer reaching maturity each year will of necessity measure the output of our forest industries.

In this situation the national forests are an anchor to windward. They contain one-third of our saw timber today. About 4,000,000,000 board-feet of timber are being cut from them annually—more than three times as much as before the war. These forests can supply even more—but this calls for construction of access roads, completion of management plans and other measures to facilitate intensive management. State forests and other public forests also have a contribution to make.

But three-fourths of the commercial forest land is in private ownership—the bulk of it in the hands of small owners whose holdings average only 62 acres each. The lumber and pulp industries, which justifiably take pride in the forestry progress of many of their leaders, own only 15 percent of the commercial forest land in private ownership. However successful their own programs may be, the bulk of the problem will still be unsolved.

The small owners, as a group, have made least progress in forestry and are least likely to adopt good practices of their own accord. In a 1945 survey, cutting practices were rated poor or destructive on 71 percent of the small private holdings. On the holdings above 5,000 acres in size, more than half of the cutting would maintain the land in reasonably productive condition, but even here 43 percent was still rated poor or destructive.

This generally unsatisfactory situation exists notwithstanding efforts of the States and

the Federal Government over a period of 40 years to encourage private owners to practice forestry. Since 1911 the Federal Government has cooperated with the States in the protection of forests from fire, but there are still almost 100,000,000 acres without organized protection. Federal forest research, through regional forest experiment stations, dates back about 30 years. The cooperative farm forest extension program has been in effect for 25 years and, for a like period, the Federal Government has extended financial aid to the States for the production and distribution of forest planting stock for farmers. Technical assistance in growing, harvesting, and marketing of timber crops, a program in which a few of the States took leadership, has been greatly stimulated by Federal cooperation since 1937. But such aid is spread very thin and is not yet available at all in more than one-third of the counties where small-forest ownership is important. All of these public aids are essential and need to be strengthened. In addition, private-forest management could be stimulated by special credit arrangements adapted to the long-term needs of timber growing.

However, our own experience to date, and the experience of European countries where forestry is more advanced, make it clear that more positive action is also needed to stop needless destruction and keep forest lands reasonably productive. Good markets such as we have had in recent years improve the opportunity for profitable forest management; but they also lead to heavier exploitation and premature liquidation of growing stock. The badly deteriorated forests in much of the East bear witness to this.

In short, public aids to private owners must be supplemented and supported by public regulation of cutting and other forest practices. And where conditions render good forestry in private ownership uneconomic, or where special public interests, such as watershed protection, are dominant, the lands should be purchased by the State or Federal Government.

Public regulation of private forest practices is not new. Some 14 States already have regulatory laws in this field, and 10 others have considered such legislation in recent years. There is wide variation in the effectiveness of these laws and, from a national view, State action is far from adequate.

Federal leadership in regulation is needed to establish basic standards and assure Nation-wide application within a reasonable time. S. 1820 proposes a Federal-State system in which the States would have opportunity to enact and administer regulation within their borders and would receive Federal financial aid in doing so. In this it follows a precedent which has been widely accepted in other phases of forestry. But this bill provides that the Federal Government would administer regulation in States which requested it or which failed to provide regulation meeting the Federal standards. The public needs such a guarantee that forest lands generally will be kept productive and that its large investments to that end will not be nullified by destructive cutting and other poor forest practices.

Such Federal legislation does not mean nationalization of our resources or an end to private enterprise. Certainly no one would claim that the railroads, the public utilities, radio broadcasting, the meat-packing industry, or industrial labor itself had been nationalized because they are subject to Federal regulation. In our complicated society some degree of public control of individual action is needed in many fields.

Nothing in the regulation proposed in S. 1820 can be fairly characterized as nationalization. It does not contemplate taking over industry nor acquiring forest lands that private owners desire to hold. It does not dictate how much in the aggregate or when an owner may cut, nor whom he shall hire to do the work. It does no more than impose such restrictions as are necessary to safeguard the collective public interest. Neither is S. 1820 arbitrary in its impact on the individual property owners. It contains every reasonable administrative and legal safeguard for the rights of land owners and operators. As Lyle Watts, Chief of the Forest Service, has said, "The threat to our democratic way of life lies in depleted resources, not in a strong and reasonable plan to conserve them."

LAWS PROVIDING CRIMINAL PENALTIES FOR ENFORCEMENT

21 United States Code 63: Violations of provisions of law prohibiting manufacture and shipment of filled milk are punishable by a fine of not more than $1,000 or imprisonment of not more than 1 year, or both.

21 United States Code 88: Violations of provisions relating to examination of animals, meat and meat products in interstate or foreign commerce are misdemeanors punishable by a fine not exceeding $10,000 or imprisonment for not more than 2 years, or both.

21 United States Code 104: Persons knowingly violating the provisions relating to importation of diseased cattle shall be deemed guilty of a misdemeanor punishable by a fine not exceeding $5,000 or imprisonment not exceeding 3 years, and vessels used in such importation shall be forfeited.

21 United States Code 122: Persons guilty of knowingly violating law relating to prevention of introduction and spread of contagious diseases of animals and/or live poultry, or the orders or regulations made in pursuance of such law, shall be guilty of a misdemeanor punishable by a fine of not less than $100 nor more than $1,000, or by imprisonment of not more than 1 year, or both.

21 United States Code 127: Violations of provisions relating to transportation of livestock and/or live poultry from quarantined States are misdemeanors punishable by fine of not less than $100 nor more than $1,000 or imprisonment of not more than 1 year, or both.

21 United States Code 333: Violations of Federal Food, Drug, and Cosmetic Act are misdemeanors punishable by imprisonment of not more than 1 year or a fine of not more than $1,000, or both; if violation committed after a conviction under this section has become final, and in case of violation with intent to defraud, fine to be not more than $10,000 or imprisonment not more than 3 years, or both.

15 United States Code 78 and following: Persons violating Securities Exchange Act or regulations thereunder, shall upon conviction be fined not more than $10,000 or imprisoned not more than 2 years, or both, except that when such person is an exchange, a fine not exceeding $500,000 may be imposed; but no person to be subject to imprisonment if he proves that he had no knowledge of such rule or regulation.

7 United States Code 13: Penalty for violations under the Commodity Exchange Act is a fine of not less than $10,000 or imprisonment for not more than 1 year, or both.

7 United States Code 13a: Penalty for violations of orders to desist issued under the Commodity Exchange Act is a fine of not less than $500 nor more than $10,000 or imprisonment for not less than 6 months nor more than 1 year, or both.

7 United States Code 163: Penalty for unlawful importation and transportation of nursery stock is fine not exceeding $500 or imprisonment not exceeding 1 year, or both.

7 United States Code 195: Violations of orders issued under the Packers and Stockyards Act are punishable by fine of not less than $500 nor more than $10,000 or imprisonment for not less than 6 months nor more than 5 years, or both.

7 United States Code 1596: Penalty for violations under the Federal Seed Act, or the rules and regulations promulgated thereunder is a fine of not more than $1,000 for the first offense and not more than $2,000 for each subsequent offense.

TRIBUTE TO SENATOR LUCAS

Mr. PEPPER. Mr. President, I have a few matters I desire to ask to have inserted in the RECORD, but before doing so I wish to say just a word in tribute to the distinguished majority leader, the Senator from Illinois [Mr. LUCAS], at the conclusion of this session of the Eighty-first Congress.

In January of this year the senior Senator from Illinois came to the challenging task of the majority leadership of the Senate. His duties were made more difficult and more challenging due to the fact that he succeeded as majority leader one of the greatest majority leaders who ever led the Senate, one of the greatest of Americans, now the Vice President of the United States.

Mr. President, without experience in the difficult task of leadership, the senior Senator from Illinois stepped into the great shoes of his predecessor and with rare distinction, courage, and fortitude, and, I think it may be added, with statesmanship and farsighted vision, discharged his very onerous duties.

The record of this Congress will of course speak for itself, but I am sure that it is the sentiment of his colleagues that not only has he made our task easier and more pleasant, and has cultivated a spirit of cooperation in this distinguished body, but his own personal contribution to the record of the Eighty-first Congress has been a most commendable one, both in his leadership off the body and in his own duties as an individual Senator.

Mr. President, I felt it might not be inappropriate at this time, when we are about to take a temporary adjournment, to express our great appreciation to the Senator from Illinois, to pay tribute to his distinguished leadership, and to extend our affectionate good wishes, which will accompany him to his home, in the hope that he will return here in January much refreshed to continue his eminent leadership in the Senate of the United States.

Mr. WHERRY. Mr. President, in his remarks the very able Senator from Florida said that our present majority leader succeeded one of the greatest majority leaders of all times. He succeeded Senator White, of Maine, and I appreciate the very flattering tribute the Senator from Florida has paid the former leader of the Senate.

Before the Senator from Maine as leader was ALBEN BARKLEY, of Kentucky, and it was a great pleasure for me to be associated with such able and distinguished leaders as the Senator from Maine, who preceded the present majority leader, and also the distinguished Senator from Kentucky, who we all agree was a great and able leader, and whom we all respect.

Mr. PEPPER. Mr. President, I thank very warmly the distinguished minority leader for correcting the technical inac-

curacy in my reference to the Senator from Illinois following the majority leader of the Eightieth Congress. It might have been that inadvertence on my part was due to the lighter impression the Eightieth Congress made upon my memory. [Laughter.] It was perhaps only the natural thing for me to leap over that period in our national history back to the illustrious leadership of the gentleman who is now the Vice President of the United States.

However, I join in a warm tribute to and recognition of the personal and statesmanlike qualities of the eminent Senator from Maine, Mr. White, who has passed from the Senate.

Mr. WHERRY. With respect to the lighter impression the Eightieth Congress left upon the Senator from Florida, of course the work of that Congress will still be an issue which will not only be subject to review, but which will be passed upon, I may say to my good friend from Florida, by the American people in the election of 1950.

Mr. PEPPER. Mr. President, I was not ignoring the contribution that had been made by the distinguished minority leader. Colleagues of the Senator, not only members of his own party, but on the other side of the aisle, highly esteem him. He was most cooperative as majority leader, in the Eightieth Congress.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. RUSSELL. Without becoming involved in any political discussion, I should like to say a word of good wishes to and of affection for the distinguished majority leader. There are few men in this body who have any idea of the difficulties which beset one who serves as majority leader. It is one position in which because of the shifting scenes, it is absolutely impossible to please many persons from day to day. If a man were endowed with the wisdom of Solomon and with greater patience than Job he would still need to have the hide of a rhinoceros to serve in the capacity of majority leader.

Certainly the present majority leader has been beset with perplexities and difficulties which have been as numerous and as great as those which have confronted any of his predecessors in this seat. He has dealt with them with courage and with understanding. As a member of the majority policy committee I have had some little inkling of the many different problems he has been compelled to confront and to deal with. He deserves, and I hope will have, a most pleasant vacation. I salute him for work well done under great difficulties.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. FULBRIGHT. I wish to associate myself with the sentiments expressed by the Senator from Florida. As one of the junior Members of this body, I have, of course, felt some of the pressures and difficulties of this session, the longest, certainly, that I can remember. But that is as nothing compared to what the majority leader has been wrestling with during 10 months. I express my admiration for and my congratulations to the majority leader for the fine job he has done. Particularly, I think in recent months the business of the Senate has moved along in an extraordinarily smooth and orderly fashion, and I think it bodes very well for the second session of this Congress. I think his leadership is developing most rapidly. I have only one regret, that as his leadership in the Senate is developing, the quality of his golf game is rapidly deteriorating.

ADDITIONAL SPONSORS OF SENATE JOINT RESOLUTION 126

Mr. PEPPER. Mr. President, I ask unanimous consent that Senate Joint Resolution 126, to direct the Administrator of Veterans' Affairs to construct certain additional hospital beds, and for other purposes, may be printed, with the inclusion of the names of additional Senators who have requested that their names be added as sponsors, as follows: The Senator from Kentucky [Mr. WITHERS], the Senator from Mississippi [Mr. STENNIS], the Senator from Oklahoma [Mr. KERR], the Senator from Pennsylvania [Mr. MYERS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Missouri [Mr. KEM], the Senator from Missouri [Mr. DONNELL], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Oregon [Mr. CORDON], the Senator from New York [Mr. IVES], and the Senator from California [Mr. KNOWLAND].

Mr. WHERRY. What is the joint resolution?

Mr. PEPPER. I simply ask for a reprint of the joint resolution which deals with veterans' hospitals, and the addition of the names of Senators who have asked to be joined as sponsors of the measure.

Mr. WHERRY. I have no objection.

There being no objection, Senate Joint Resolution 126 was ordered to be printed, with the additional sponsors.

FEDERAL OLD-AGE AND SURVIVORS INSURANCE SYSTEM—AMENDMENT

Mr. PEPPER. Mr. President, I ask unanimous consent to submit for appropriate reference amendments intended to be proposed by me to the bill (H. R. 6000) to extend and improve the Federal old-age and survivors insurance system, to amend the public assistance and child-welfare provisions of the Social Security Act, and for other purposes, and I ask unanimous consent to have printed in the body of the RECORD in that connection a table and a statement entitled "The American Public Pension System," presented and prepared by the Public Affairs Institute, which is merely a commentary upon the social security pension system.

The VICE PRESIDENT. Without objection, the amendments will be received, printed, and referred to the Committee on Finance, and the matter referred to by the Senator from Florida will be printed in the RECORD. The Chair hears no objection.

The matter referred to is as follows:

PROVISION IN THE SOCIAL SECURITY ACT AS PASSED BY THE HOUSE ON AID TO THE BLIND AND AID TO DEPENDENT CHILDREN AND DATA ON PRESENT PAYMENTS

AID TO BLIND

Change under H. R. 6000:

Old matching formula: three-fourths of first $20 plus one-half of next $30.

New matching formula: four-fifths of first $25 plus one-half of next $10 plus one-third of next $15.

Net effect: Poorer States will be able to increase payments. No change in maximum Federal grant of $30.

Average monthly aid to the blind, June 1949:

National average	$46.50
Highest State (California)	82.54
Lowest States (West Virginia, Alabama)	25.02
Florida	42.21

Source: H. Rept. 1300 on H. R. 6000.

AID TO DEPENDENT CHILDREN

Change under H. R. 6000:

Old matching formula: three-fourths of first $12 per child plus one-half of the balance. Maximum: $27 for first child, $18 for succeeding children.

New formula: four-fifths of $15 plus one-half of next $6 plus one-third of next $6. Maximum: $27 for the relative keeping the child and $27 for first child plus $18 for additional.

Average family payments, June 1949:

National average	$72.71
Highest State (Washington)	135.44
Lowest State (Mississippi)	26.49
Florida	41.95

Source: H. Rept. 1300 on H. R. 6000.

THE AMERICAN PUBLIC PENSION SYSTEM [1]—A MEMORANDUM ON THE FACTS OF THE BENEFITS UNDER THE SOCIAL-SECURITY PENSION SYSTEM WITH AN EVALUATION OF THE ADEQUACY OF THE CHANGES AS PROPOSED IN H. R. 6000

(Presented by the Public Affairs Institute by Dewey Anderson, executive director, and G. Barr King, staff economist)

Introduction

Social security is a tremendously significant subject on which thousands of printed pages of technical materials appear every month. But like so many fields of increasing political importance—the field of natural resources, of a workable farm program, to mention only two—there is very little general understanding of the central issues or of the basic facts.

Because of the intrinsic importance of social security, the concerted drive for pension benefits by organized workers in present contract negotiations, and the current legislative developments in Congress, we at the Public Affairs Institute have thought it worth while to prepare a brief and readable description of one phase of the social-security system—current benefits under the old-age-pension program. We believe that the complexity of the social-security system makes it worth while to deal with the problem one step at a time. Consequently the very large issues connected with the financing of the pension program have not been treated in this memorandum. They will be discussed in a later publication.

This paper is not written for the specialist but for the intelligent layman who is interested in brushing up on the central problem of old-age security benefits. While the intent has been to do primarily a descriptive

[1] In the interests of informality and readability, this memorandum has dispensed with a multiplicity of footnoted references. Essential sources include: (1) The Advisory Council on Social Security, Public Assistance—A Report to the Senate Committee on Finance, June 1948; (2) The Advisory Council on Social Security, Old-Age and Survivors Insurance—A Report to the Senate Committee on Finance, April 1948; (3) United States Congress (81st Cong., 1st sess.), House of Representatives, Report No. 1300 to accompany H. R. 6000, Social Security Amendments of 1949; (4) Eveline M. Burns, The American Social Security System, 1949.

job, we have not refrained from critical evaluation in the last section of the memorandum.

DEWEY ANDERSON,
Executive Director, Public Affairs Institute.

I. THE ORIGIN OF THE PRESENT SYSTEM

A. The situation prior to 1935

Even in the wealthiest country in the world there is no serious question of the inability of a large part of the aged population to provide for old age. The decline in earning power associated with age in an economy in which current wages and salaries are the major source of livelihood has for a long time meant that the average worker is not self-supporting in his late years.

The success of the medical profession in prolonging life together with the falling birth rate has had the effect of emphasizing the importance of the problem. An ever-growing proportion of the population is in the older age groups. Whereas fewer than 3 percent of the population in 1850 was over 65 years of age, in 1940 the proportion was 7 percent and is predicted to grow to 10 percent in 1970.

It was no coincidence that the 1930's forced on our society a recognition that social security for aged workers could no longer be provided by local charity, county poorhouses, and private help from relatives and friends. By 1935, even the conservative elements in the community had come to recognize that old age dependency was increasing, and was not just a product of individual improvidence, but was deeply rooted in our social institutions.

The Social Security Act of 1935 embodied America's recognition that society as a whole had definite responsibilities to the worker whose productivity inevitably becomes impaired after a lifetime of useful employment. It was appropriate and inevitable that the Federal Government should enter the picture as the representative of all citizens in a national problem knowing no State or county boundaries.

B. The philosophy of the Social Security Act of 1935

1. The Fundamental Assumption

As a basic premise the act recognized the inability of the average wage earner to provide by voluntary savings from current income sufficient funds to support his family in his old age. For example, in 1947 the Federal Reserve Board reports that 64 percent of all spending units spent more than they earned. The act implicitly recognized the difficulty of maintaining savings in an economy subject to conditions of unemployment beyond the control of individual workers; it recognized the effectiveness of modern advertising in inducing spending rather than saving; it recognized the reluctance of private employers to give employment to workers over 45 when younger workers were available. In short, the Social Security Act took account for the first time of the practical barriers to independently secured freedom from want facing the large majority of our population.

2. The Social Insurance Principle

In realistically facing the issue, the Social Security Act represented one of several possible solutions to the problem. In rejecting the charity approach the act adopted the contributory principle of social insurance in which the worker shares directly in meeting the costs of the system and in which the benefits are directly (but not proportionately) related to his own productive efforts as reflected in his income during his participation in the plan.

In relating benefits to worker contribution, it was assumed that individual ambition and effort are encouraged; that productivity, individual and national, is stimulated.

The long-run provision for old age insecurity under the Social Security Act was Federal participation in a social-insurance plan, the so-called old-age and survivors insurance (OASI).

The adoption of the insurance system did not help the present generation of aged workers. A short run supplementary device was needed as a stopgap in the immediate transition period before the insurance system was fully operative. Accordingly, the old-age assistance program (OAA) was developed whereby Federal grants-in-aid were made available to the States. OAA is a State program, basing eligibility and the amount of payment upon the absolute need of the individual aged person as determined by a means test. It is State administered and only partly federally financed. This program was intended to bolster existing State programs until such time as social insurance would provide security for the great majority of retired workers.

Briefly then, the American pension system under the Social Security Act of 1935 and as later amended consisted of a long-range contributory insurance system in which benefits are related to the level of past earnings, and a grant-in-aid program providing Federal funds to State systems in which assistance is rendered on the basis of case-work determination of individual need.

II. THE CURRENT LEVEL OF PENSIONS

A. Old-age insurance

The amount of pension accruing to a wage earner in employment covered [2] by the act depends on actual life earnings since the act became effective. The average monthly wage is computed by dividing the total amount of earnings in covered employment (up to $3,000 per year) by the number of months since the end of 1936. Thus the theoretical maximum average monthly wage is $250, although if the worker had in fact worked only during half the period, his average wage is defined as $125.

The "monthly primary' benefit is directly related to the average monthly wage as computed above. It is obtained by taking the sum of 40 percent of the first $50 of the average monthly wage and 10 percent of the remaining sum up to an additional $200. To this basic amount is added 1 percent of the primary benefit for each year in which the worker earned $200 or more in covered employment.

The monthly primary benefit can in no circumstances fall below $10. The maximum benefit for a man retiring at the end of the current year who has worked continuously for the maximum pay throughout the life of the act would be $44.80 per month.[3] In addition the wife of the pensioner may draw a benefit equal to one-half of the husband's primary benefit when she becomes 65.

Under the present law a worker who has 40 years of service at the maximum wage ($3,000 per year) will receive $56 per month. Nor can the total of benefits accruing to a family exceed $85 per month.

At the present time the actual payments to retired individuals are running at much less than the theoretical maximum since very few persons have had continuous employment at $250 per month since 1937. In 1948, the average retired male worker received a payment of $25.60; an average payment of $39.90 went to families consisting of a worker and wife each over 65.

By no means are all persons reaching the age of 65 eligible for the benefits under the act. It has been estimated that in 1948 only 20 percent of the population aged 65 and over is either insured or receiving benefits. In order to qualify today the worker must have had at least six full years [4] of work in covered employment. When it is recalled that not more than three out of five civilian jobs are covered by the act, the difficulty in qualifying becomes readily apparent.

In addition, the so-called "retirement clause" of the original act has been interpreted to mean that the total benefit must be withheld in any month in which the pensioner earned more than $14.99 in wages.

As a result of these restrictions the Social Security Board reports that about one million aged persons received primary benefits at the end of 1948. Counting primary recipients, their wives and survivors, a total of 1,600,000 aged persons receive benefits of some kind under OASI. Inasmuch as there are 11,000,000 persons who have reached the age of 65, the vast majority of the existing aged population is not provided for by the existing social insurance plan.

B. Old-age assistance (OAA)

It was recognized at the outset of the social security program that for the first two or three decades following the passage of the act there would be the need for a supplementary program to fill in the gaps and provide for the existing aged population who could never qualify for social insurance. In addition it was believed that there might always be a small but significant part of the population which for a variety of reasons could not qualify under the insurance program. On the whole, however, the old-age assistance program was thought to be a transitional system to operate until the social insurance scheme matured. Thus it could be expected that OAA would taper off gradually, both in the number of persons receiving aid and in terms of the expenditures under the program. While this underlying theory may still be correct, the peculiar economic developments since 1935 have produced unanticipated results.

Old-age assistance had been a local government program with the States entering only with the inability of local city and county governments to finance adequate assistance to the needy aged. It has been administered on a needs test basis taking into account all income in determining both eligibility and the amount of payment.

The National Government also entered the assistance field primarily for financial reasons. Under the Social Security Act, the Federal Government assumed new and substantial responsibility through the grant-in-aid device.

Under the act as amended in 1948, the Federal Government provides three-fourths of the first $20 of the average monthly payment plus one-half of the remainder up to a $50 maximum. Thus the Federal contribution has a $30 per person ceiling.[5] The operation of OAA is entirely local (non-Federal) aside from the usual Federal practice of setting minimum standards in order to qualify for Federal money.

As a result there is extremely wide variation in OAA practices among the States,

---

[2] The system now covers approximately 35,000,000 workers. An industry which is under the social-security system is usually called a "covered" industry.

[3] The average monthly wage would be $250: 40 percent of $50 equals $20; 10 percent of $200 equals $20; a total of $40. The annual increment is 1 percent of $40 or $0.40. Twelve years increment yields $4.80. The total benefit is $40 plus $4.80 or $44.80.

[4] Half as many quarters as could have been accumulated by continuous employment since 1937 *or* at least 40 quarters of employment.

[5] If the State payment is $50, the Federal share is 75 percent of the first $20 or $15, plus 50 percent of the next $30 or an additional $15. Any payment above $50 must be locally financed.

both with respect to eligibility requirements and the level of payments. In December 1948, for example, the proportion of persons over 65 receiving assistance ranged from 79 percent in Louisiana to less than 5 percent in the District of Columbia. The national average was 23 percent. This variation, of course, arises out of differences in the economies of the different States as well as because of varying State laws. Appendix table 1 presents the information for each State, ranked according to the proportion receiving assistance.

The level of payment also varies tremendously from State to State. In June 1949, average monthly payments ranged from $20.54 in Georgia to $70.55 in California, with the national average being $43.60.[6]

The following table[7] shows how the monthly average payments were distributed in June 1949 over the different States and Territories:

Average monthly payments

Number of States (51):	
9	Less than $25.
5	$25.01 to $35.
4	$35.01 to $40.
11	$40.01 to $45.
9	$45.01 to $50.
7	$50.01 to $55.
6	Over $55.
Average	$43.60.

It is worth noting that in only nine States was the monthly payment less than the national average for present OASI payments. Appendix table 1 presents the individual State-payment figures.

The extreme variation in the size of payments from State to State reflects both differences in ability to pay as measured by State income levels and differences in State attitudes toward needy aged.

It is obvious that the relative wealth of a State affects its fiscal capacity and its ability to pay. The fact that some States do not choose to utilize all of the Federal funds which are available on a matching basis despite the pressure of the old-age lobby is testimony to the extreme pressure on fiscal resources in the poorer States. In order to receive the maximum of Federal funds, $30, the State and local authorities must contribute $20. In one State, Mississippi, not all of the Federal funds available on a 3-to-1 (75 percent of the first $20) basis was drawn upon.

The figures presented above were average monthly payments in various States. Since the assistance program is based on individual needs, the payments vary tremendously in size between individuals in the same State. Data on the distribution of payments by size in October 1947 reveals this clearly and also drives home the tremendous disparities existing between States. In California and Colorado more than 70 percent of all recipients were paid between $60 to $70 per month; in Alabama, Arkansas, Georgia, Kentucky, Mississippi, and North Carolina over 60 percent received between $10 and $20.

[6] These measures of differences among the various State programs do not characterize completely the actual discrepancies in treatment accorded the needy aged. Among the more important differences are the question of minimum property resources allowed before aid is given, the minimum standard of living against which the individual's resources are tested, and the responsibility of relatives for support. This memorandum will not attempt to deal with these details, although their importance is recognized.

[7] Calculated from United States Congress, Eighty-first Congress, first session, House Report No. 1300, p. 39.

C. Comparison between OAA and OASI

The previous section makes it clear that despite the intentions of the Social Security Act, the assistance program is now the major element in our old-age pension program, both from the point of view of the number of beneficiaries and the size of benefits.[8] Appendix table 1 shows by States the relative coverage of the two programs. The unforeseen growth in importance of old-age assistance has extended the transition period and will continue to delay the effective operation of social insurance unless substantial changes are made in the Social Security Act.

The reason for this development is readily ascertainable and may be summed up as follows: Assistance payments have proved to be more easily adjusted to the rise in the cost of living which has occurred since 1940.

In 1940 the average OASI payment to a retired male worker was about $23 per month. In June 1945, it was $24.10 and by June 1948, it was $25.60. Thus the insurance benefit, starting from an extremely low level increased hardly more than 10 percent during a period in which the cost of living had risen between 70 and 75 percent.

Assistance payments were slightly lower in 1940 than OASI. But from $20.26 in 1940, the average OAA payment increased to $43.60 in 1949. Thus assistance benefits more than doubled in the period while OASI payments increased by little more than 10 percent. If we take account of the consumer-price changes, the assistance payments *increased* in real value by more than 40 percent while the insurance benefits were *falling* by 35 percent.

The comparative financial benefit accruing to a pensioner on OAA is beyond any doubt. The factual situation prevailing raises serious questions for the present public-pension system.

III. AN EVALUATION OF THE PUBLIC-PENSION SYSTEM

The previous sections have attempted to summarize very briefly the present status of old-age pensions in the United States. The developments of the last decade make clear two cardinal facts.

First, the inadequate level of public pensions from either source is painfully evident.

Secondly, as a consequence of the greater rigidity of the existing social-insurance plan (OASI), the structure of the pension system has been seriously distorted from the objective envisaged in the Social Security Act. The Advisory Committee on Social Security in its report to the Senate Finance Committee characterized the situation in this way: [9]

"The fact that these changes in the public-assistance program have preceded changes in social-insurance coverage and benefits is * * * a matter of serious concern. Unless the insurance system is expanded and improved so that it in fact offers a basic security to retired persons * * *, there will be continual and nearly irresistible pressure for putting more and more Federal funds into the less constructive assistance programs."

Our unwillingness to liberalize the social-insurance program while subsidizing an outmoded old-age program based on the means test is paradoxical.

The entire development of social-security legislation throughout the world (and in the United States since 1935) has been away from the poor law tradition in which meager benefits were given upon proof of dire need. The trend has been away from charity and toward the goal of a guaranteed minimum standard of living. The device of a guaranteed minimum cash income as a matter of right is becoming the accepted technique for providing security for the retired worker.

In this context the trend of the last decade has been retrogressive to an extreme degree. The failure to liberalize OASI in order to mitigate the effects of wartime inflation on the aged population has resulted in a reemphasis of the assistance program which appeared to have been consigned to a relatively minor role in the public pension system. We have in effect given the older system a new lease on life. Virtually no one [10]—certainly not the pensioners—is pleased with the result.

Consequently, the local campaigns by organized groups of "senior citizens" to improve the assistance programs have sought not only to increase the levels of benefit but to eliminate the evidences of charity implicit in the program. In effect, the old-age lobbies are saying: If you will not give us adequate social insurance as a matter of right and not charity, we want adequate State assistance programs as a matter of right, not charity.

Recent California history is a case in point. By constitutional amendment in 1948, the State assistance program has been almost completely converted into a guaranteed pension for all needy aged. It is characterized [11] as resting on the "basic concept * * * that the aged are entitled to a minimum degree of security so that they may live out their remaining years in peace and dignity. * * * It recognizes pensions as something earned by our elder citizens * * * which the State has a moral duty to pay if they are needy. It also assures that this moral duty shall be discharged without destroying the dignity and peace of the aged."

The amendment to the California Constitution (so-called proposition No. 4) not only provided for a liberalized pension but moved substantially away from the means test; it allowed a recipient to retain real property assessed in the amount of $3,500, and personal property of $1,500; it materially decreased the legal responsibility of relatives toward the aged. Thus it is possible for an aged couple with property assessed at $7,000 (and presumably worth substantially more) and personal property of $3,000 to be eligible for individual pensions totaling $150 per month. In addition the age requirement was lowered to 63 even though Federal grants are not available for persons younger than 65.

Proposition 4, passed as a result of a well-organized campaign, has gone a long way toward providing a guaranty of a substantial State pension to all aged citizens as a matter of right. Administrative features of the California plan are also significant in that the executive head of the State pension program is an elective official responsible only to the voters. This arrangement was secured with the object of insuring "sympathetic and humane administration" of the new program under the constitutional amendment.

In a rapidly aging society, in which an ever larger proportion of the voters are pensioners, there is no doubt that the California model will be increasingly attractive politically—if drastic revisions of the social insurance plan are not effected.

IV. THE PRESENT PLAN TO AMEND THE SOCIAL SECURITY ACT

The contradictory features of our social security system today have been recognized

[8] It is, of course, recognized that the two payments are not strictly comparable.

[9] Report on Public Assistance, p. 3.

[10] Lewis Meriam of Brookings Institution is conspicuously isolated among professional experts in his repeated championing of the charity principle.

[11] Committee for Protection of the Aged and Blind, case book of facts on why proposition No. 2 should be defeated at the coming election, November 8, 1949.

for a good many years. For a variety of reasons (with which this memorandum does not attempt to deal) amendments designed to deal constructively with the problem have taken a long time to reach the legislative stage. The culmination of a long campaign was reached recently when the House passed H. R. 6000, after a brief debate.

What does H. R. 6000 contain to remedy the situation?

A. Extension of insurance coverage

Under the bill, approximately 11,000,000 would be added to the 35,000,000 already covered. With minor exceptions the bill extends coverage to all workers except agricultural employees, certain self-employed groups, regular Federal, and railroad employees (the latter two categories are covered by special retirement programs).

B. Liberalization of benefits

1. To Existing Pensioners

The present scale of OASI benefits would be increased from an average of $26 per month to about $44, or a gain of 70 percent. The increase would be greatest in the lowest group, as the minimum is increased from $10 to $25, and least in the highest group in which the current maximum of $45 would become $64.

2. To Future Pensioners

(a) Level of benefits

Persons who retire when the bill becomes law will receive benefits substantially double existing payments. Appendix table 2 compares the level of benefits under the new and old plans. The detailed calculation of the monthly primary benefit has been liberalized. Earnings up to $3,600 will be considered in the computation of the average wage, and the procedure is changed to reflect actual employment history rather than the total time elapsing since the effective date of the act. The monthly primary benefit is obtained by taking 50 percent of the first $100 (formerly $50) of the average monthly wage plus 10 percent of the remaining sum (up to an additional $200). This amount is increased by one-half of 1 percent for each year of coverage, as compared to the present increment of 1 percent per year.

A further complication has been introduced in H. R. 6000 to reflect the continuity of the worker's employment. The operation of the so-called continuation factor is best shown by an example:

Assume that a man has an average monthly wage (as defined in the act) or $200 during 9 years of work in the last 12 years. The computation of his monthly benefit under H. R. 6000 is—

50 percent of $100	$50
10 percent of $100	10
Total (called the base amount)	60

Since he has worked in only 9 out of 12 possible years, his "continuation factor" is defined as 75 percent—the ratio of 9 to 12—75 percent of $60 equals $45.

To this amount is added the increment of one-half of 1 percent per year worked or ½ times 9 equals 4.5 percent. Four and five-tenths percent times the base amount ($60) equals $2.70.

His primary monthly benefit equals $45 plus $2.70, or $47.70.

Both the increment and the continuation factor are designed to give additional benefit to seniority in employment covered by the bill.

The minimum benefit is increased from $10 to $25; the theoretical maximum family benefit from $85 to $150.

(b) Eligibility for benefits

A new means of qualifying for benefits is provided: 20 quarters (5 years) of covered employment out of the 10-year period ending at death or age 65. The bill also permits a pensioner to earn up to $50 per month without loss of benefits. At present the limit is $14.99. After the age of 75, there is no "retirement" restriction in the new bill.

C. Increase in old-age assistance grants to the States

The bill changes the grant-in-aid program in order to make it easier for the poorer States to match Federal funds. The maximum contribution remains unchanged at $30 but Federal funds now will pay 80 percent of the first $25 of benefit (formerly 75 percent of the first $20) plus 50 percent of the next $10 and 33⅓ percent of the next $15 (formerly 50 percent of the amount exceeding $20 and below $50). This change will not benefit the wealthier States but will boost the poorer-State benefits. It is estimated that States with payments of between $20 and $25 would be able to raise their benefits by $5 without additional local expense.

To summarize, the immediate effect of the bill on the old-age pension system would increase existing benefits on the average about 70 percent, bringing old-age and survivors' insurance payments up to the old-age assistance national average. At the same time, OASI coverage is increased by about one-third. In addition, the assistance program in the poorer State is considerably liberalized.

V. EVALUATION OF H. R. 6000

The important question is, of course, whether or not the admitted improvements are adequate to remedy the old system so universally characterized as deplorable. To answer the question completely is really beyond the scope of the present descriptive paper, but a few remarks on the central issue are in order.

The adequacy of H. R. 6000 can conveniently be discussed on two levels—its short-run and long-run adequacy. In the short run, the practical issue is whether or not the proposed bill provides for the present needy aged. The facts show that even the increased coverage proposed will not permit the majority of the population over 65 to benefit under the insurance (OASI) program. "Of the 5,200,000 men now aged 65 and over, only one-third are insured under the program and of the 5,500,000 women * * *, only one-fourth are either insured themselves or are wives or widows of insured men." [12]

Since the present aged actually included are among the more well-to-do part of the older population, the inadequacy of the reform amendments is even greater than the above quotation indicates. The fact is that even with the extension of coverage under the bill, the overwhelming majority of aged persons needing assistance will not receive insurance benefits, but will continue to rely on the assistance program.

Secondly, the inadequacy of the new levels to provide support is almost beyond debate. The primary effect is to compensate for the cost-of-living increases since 1940. Since the level of benefits before the war was extremely low, it still remains pitifully inadequate.

Thirdly, the assistance program itself has been modified in order to allow the poorer States to receive Federal funds more easily. There is a serious question (raised emphatically by the minority members of the Ways and Means Committee) that the practical effect of the change will be to discourage the other States from paying adequate benefits. After the State payment reached $35, the Federal Government no longer matches the local expenditure as in the existing law, but finances only one-third of the payment over $35. Fearing that the tendency will be to standardize benefits at this level, the minority members comment:

"The result of the proposed formula is to start a trend in old-age assistance away from case-work determination and turn it into a mass-production benefit-roll technique."

It is probably fair to conclude that the present amendments to the act neither remove the competitive nature of the two pension programs nor achieve an adequate level of support for our aged citizens.

More explicitly, the increase of about 70 percent (from $26 to $44) in OASI average payments is not adequate to maintain a reasonable minimum standard of living; neither does the extension of coverage substantially affect the existing aged population. Older citizens must still rely on assistance payments. The bill does not move forward materially the extension of automatic pension benefits on a noncharity principle. Implicitly, however, the effect may be to accomplish this purpose indirectly. As the minority indicates, the effect of the bill may be to speed the conversion of the assistance program into a flat pension based on right rather than individual need. By not legislating boldly to extend the insurance program to present old citizens, we may drift into a program which accomplishes a complete reversal of the original intent of the Social Security Act of 1935, i. e., the social insurance system may go by default in favor of a flat pension.

The paradox between the avowed intentions and the effective results of the amendment illustrates what may be an insuperable difficulty in the assumptions of the social insurance principle.

The major difficulty which has precipitated the current crisis, the inflexibility of an insurance system during an inflationary period (and the reluctance of politically powerful elder citizens to take a licking from the swollen cost of living without fighting back) raises serious questions as to the feasibility of the existing plan of social security in the United States. In the absence of a very stable price level, the current situation is likely to be chronic. Even after the transition to complete coverage of OASI is effected, the difficulty of adjusting benefits calculated on dollars paid in to the system at different price levels will remain. If the price level should prove to have a long term increasing trend, there will be a continuously spiraling revision process, periodically boosting benefits (always with a lag) in a vain attempt to protect the real equity of the pensioned citizens.

Should the reverse situation prevail and prices tend downward, the equities in the social product accruing to the productive groups in the population are adversely affected. Only in the event of an unlikely stability in the general level of prices will political tension in the social security field be relaxed. The fundamental character of this conflict has not been touched in the present legislating to "catch up."

The insurance system (OASI) is premised on the social desirability of basing the individual's pension benefits on the amount of his past earnings. Today's situation suggests that this objective cannot be achieved under the present techniques of the Social Security Act (which are not modified by H. R. 6000). The present actuarial scheme can guarantee only money benefits; to accomplish a meaningful objective, benefits in real terms must be provided. The contributor to the social-security fund today will never be content with the hollow satisfaction that at 65 he will receive X dollars if he has no assurance that the value of those dollars will not be the same when he retires. The present act can never give this guaranty. The choice facing us should be clear. Either the theory of the act with its premise

[12] Minority views of Representative CARL T. CURTIS, House Report 1300 on H. R. 6000, p. 174.

of tying benefits to past earnings or the technique of the act must be revised.

Changing the basic premise of the act would mean a flat pension system to all aged citizens as a matter of right not need.

If we eventually choose the latter alternative, changing the technique by tying the level of benefits to some kind of cost-of-living index, we are departing a long way from the relatively straightforward actuarial principles of the original act. A real question exists as to whether the effort is worth while to maintain the actuarial facade.

The present bill does not grapple with this central issue. In addition, it fails to revise the level of insurance benefits and the effective coverage of the act to a degree which will satisfy anyone for long.

H. R. 6000 must be regarded as a patch on the tube of an old tire. While it may hold for a while and give us additional mileage, it only defers the day when we must buy a new casing.

APPENDIX TABLE 1.—*The percent of population over 65 years of age receiving old-age assistance (OAA), old-age insurance (OASI), and the average monthly assistance (OAA) payment: December 1948 by States*

	Percent of population over 65 receiving		Monthly assistance payment (OAA)	
	Assistance (OAA) [1]	Insurance (OASI) [2]	December 1948 [3]	June 1949 [4]
	Percent	*Percent*		
United States average	22.8	13.3	$42.02	$43.60
Louisiana	79.1	8.6	47.02	47.05
Oklahoma	59.3	6.7	51.69	52.10
Georgia	51.9	8.5	20.38	20.54
Texas	49.3	7.8	33.90	34.23
Colorado	46.4	11.2	78.18	67.08
Alabama	46.3	10.2	22.58	22.61
Mississippi	43.9	4.9	16.38	18.80
Arkansas	43.9	7.2	20.99	20.95
South Carolina	39.7	8.8	24.18	24.70
Washington	34.9	17.4	60.85	67.11
Florida	34.4	14.6	39.80	40.19
New Mexico	34.0	6.6	33.10	34.22
Missouri	31.0	9.6	41.97	42.57
Arizona	29.6	11.1	52.24	54.86
Idaho	28.4	10.1	46.28	46.57
Tennessee	27.0	7.5	26.56	27.15
Utah	26.3	11.5	50.38	50.27
North Carolina	25.9	8.8	20.44	21.55
Kentucky	25.5	8.4	20.72	20.83
California	25.1	15.3	61.16	70.55
Wyoming	24.7	10.0	56.40	55.63
Montana	23.6	9.7	44.84	44.93
Nevada	23.0	12.1	53.97	54.05
South Dakota	22.9	4.5	36.94	38.02
Minnesota	21.9	9.1	45.95	47.15
Michigan	21.8	14.8	42.30	42.88
Massachusetts	21.2	19.1	61.48	61.13
Kansas	20.3	8.2	42.72	50.10
Oregon	19.7	18.5	47.46	48.21
Nebraska	19.5	6.6	41.55	42.00
Ohio	19.3	15.4	46.60	46.72
West Virginia	19.0	13.4	20.68	21.35
North Dakota	18.9	3.6	44.61	46.56
Iowa	18.7	7.4	47.16	48.08
Illinois	18.0	13.8	42.18	44.87
Vermont	17.5	12.6	34.94	32.13
Wisconsin	16.6	11.7	40.71	41.60
Maine	15.9	17.3	34.23	41.34
Indiana	15.4	13.2	34.21	35.22
Rhode Island	14.3	22.7	43.21	45.04
New Hampshire	12.9	16.6	42.68	43.48
Hawaii	12.2	n. a.	34.37	35.33
Pennsylvania	10.7	17.8	39.70	40.01
Connecticut	9.9	20.1	53.93	54.01
New York	9.7	16.4	53.84	52.74
Virginia	9.4	10.2	19.58	20.28
Maryland	8.1	13.8	36.40	36.88
New Jersey	6.7	19.2	44.12	47.80
Delaware	5.8	16.4	27.58	28.06
District of Columbia	4.7	10.3	42.72	41.67

[1] U. S. Congress, Hearings on H. R. 2892 before the Committee on Ways and Means, House of Representatives, 81st Cong., 1st sess., p. 5.
[2] Same, p. 1171.
[3] Same, p. 62.
[4] U. S. Congress, House of Representatives, 81st Cong., 1st sess., H. Rept. No. 1300 on H. R. 6000, p. 39.

APPENDIX TABLE 2.—*Comparison of the monthly benefits under the present law and under H. R. 6000*

Average monthly wage [2]	Present law		H. R. 6000	
	Single	Married	Single	Married
INSURED WORKER COVERED 10 YEARS [1]				
$50	$22	$33	$26	$39
$100	28	41	52	79
$200	38	58	63	94
$250	44	66	68	102
$300	44	66	74	110
INSURED WORKER COVERED 20 YEARS [1]				
$50	$24	$36	$28	$40
$100	30	45	55	80
$200	42	63	66	99
$250	48	72	72	107
$300	48	72	77	116
INSURED WORKER COVERED 40 YEARS [1]				
$50	$28	$40	$30	$40
$100	35	52	60	80
$200	49	74	72	108
$250	56	84	78	117
$300	56	84	84	126

[1] Continuous coverage is assumed in the table. If the employment period was 10 years out of a possible 15, or 20 years out of a possible 30, etc., the benefit would be reduced roughly by one-third. See pp. 9–10 for the effect of the continuity of employment.
[2] H. R. 6000 provides for a new definition of average monthly wage which in general will produce a higher monthly wage from a worker's employment history.

Source: U. S. Congress, House of Representatives, 81st Cong., 1st sess., H. Rept. 1300 on H. R. 6000, p. 21.

ERECTION OF BUST IN MEMORY OF J. W. FLANAGAN, AT CARTAGENA, COLOMBIA

Mr. PEPPER. Mr. President, when an American business man who has had some 20 years of active life in a foreign country, so conducts himself, although at the head of a great American business enterprise, that the people among whom he has labored love him and esteem him so much that they will themselves, through their Chamber of Commerce, erect a bust in one of the prominent parks of a great city in his honor, it is a credit to that man and to American business enterprise abroad and the way it has been conducted.

Recently at the city of Cartagena, in Colombia, a bust was erected by a grateful people to an old friend of theirs and a distinguished American citizen, James W. Flanagan, a citizen of Texas, who served illustriously in the Spanish-American War, and who has been a great credit to his own country.

I have had the privilege of a long friendship with him. At one time he was a resident also of Florida. Now he has gone back to his native State of Texas. He is well known to many Members of the Senate. He is an old and very treasured friend of the senior Senator from Texas [Mr. CONNALLY], the chairman of the Foreign Relations Committee who was obliged to leave the Senate Chamber, and who asked to associate himself with these remarks.

Mr. President, I ask unanimous consent to have printed in the RECORD the clippings, in English translation, from the newspapers of Colombia in tribute to Colonel Flanagan and in reference to this very significant ceremony.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Diario de la Costa, Cartagena, Colombia, August 10, 1949]

Mr. J. W. Flanagan, a North American gentleman who is a very dear friend of Cartagena, will arrive today.

Since the year 1920 he has visited the country, and especially Cartagena, in his negotiations for the establishment of oil businesses in Colombia. The tradition of our city, its legends, and history attracted him, and when the companies Tropical and Andian were already in full activity in our midst, with great foresight he gave the land where the Hotel del Caribe was constructed and donated the first 10,000 pesos for its construction. With very keen view Colonel Flanagan understood the future of Cartagena, has always shown a splendid generosity in all its projects. The municipal council declared him its adoptive son.

The chamber of commerce arranged for the erection of a bust where the memory of its benefactor, of its adoptive son who presented the city with the greatest gift it has ever received, will be perpetuated for the inhabitants of Cartagena.

He has the military rank of colonel, earned in Europe during the war of 1914, fighting for his country and for the ideals of humanity.

A man of wide business connections, he has also a great heart always open to those who know him, and when he can be called friend he is one to such an extent that it surpasses any thoughts that may be had on friendship.

Diario de la Costa registers with pleasure the presence of this illustrious visitor in Cartagena, wishing him many happy moments among the friends who love him.

[From the Diario de la Costa, Cartagena, Colombia, August 11, 1949]

SELF-MADE

Very few lives are so full as that of Colonel Flanagan, visitor and benefactor of Cartagena. A typical North American life; only there is a man of work appreciated. Born in a home of hard workers, he made himself independent through his own efforts to attend to his own life.

Thus he undertook different activities. Among others, he was a locomotive mechanic between California and northern United States. We cannot imagine an individual who worked harder or with heavier responsibilities. Mechanic-conductor in a railroad carrying hurrying men, who need every minute as though they were years.

Thus, knowing the hardest toil, the greatest responsibilities, he joined the oil companies that were coming to Latin America in search of lands for exploitation.

Thus he arrived in Colombia. He discovered many places and fell in love with Cartagena. This dormant, quiet city, forgetful of the present, loving only its past, presented to him unknown charms. Residing at the Hotel Americano, he paced the central streets when the city of the second decade of this century slept; he stopped to listen to the lost notes of mysterious pianos which let softly escape the anxieties of the old residences, where their melodies seemed lamentations from another world.

He became acquainted with people of the locality, visited homes, made inquiries of its customs, lived its life, and learned to sleep without misgiving in his hotel room, to live unhurried in the city, where a business talk was always put off for a month until it was thought over.

While other sections of the country were trying to convince him of the advantages he would find there for the establishment of the pipe-line terminal, in love with Cartagena, he decided to remain for some time and enjoy the peaceful quiet it offered him.

Cartagena, with its port at Mamonal, was selected as the line terminal. The period of progress and advancement for Cartagena dates back to the establishment of the business of the Andian National in Cartagena and its pipe-line terminal in Mamonal. The great sums of money which had never before been employed in the construction of anything here brought work to the people, and movement of the millions that flowed under its virgin earth, and great business dealings with North America. The modern district of Bocagrande, the Hotel del Caribe, the land for which was a gift of the company, and the first funds for its construction donated by Colonel Flanagan, the development of its port activities, the boost of its commercial activities, the human effort of foreign families established here to give new civilized life to the city, all this represents Col. James W. Flanagan.

Today, after eight decades of agitated life, ennobled by work, by continued use of the most distinguished human virtues, by the exercise of his Catholic religion, he comes to reminisce, to relive moments, to pray before the graves of so many deceased friends, to recall old times, always better than the present, but in this case even more so.

You will find here, Colonel Flanagan, the same, your Cartagena, that of your dreams as an industrialist, of your old friendly memories, of the street urchins running after a "Gringo" to hear him speak English. Your country is now so familiar with Cartagena that we must defend it in order not to lose its character which once captivated you. The street urchins now speak in English to the Gringoes that continually visit here. The Hotel del Caribe which you once conceived and planned as a beautiful residence is a beautiful dream of progress come true. The pianos are now silent because the record players and radios from your country have brought the waves of the most renowned European pianists. Nevertheless, of a night you will find, Colonel Flanagan, someone who still dreams, who still lives on memories and who will always be grateful for all that your love, that your heart did for Cartagena, for the old Cartagena of noisy streets and urchins aghast before the Gringo.

There is your work. There are your dreams, there is your innermost glory.

[From El Diario De La Costa, Cartagena, August 12. 1949]

TRIBUTE PAID BY THE COUNCIL TO CAPT. J. W. FLANAGAN.—EXCERPT FROM THE MINUTES OF THE SESSION

We publish hereunder an excerpt from the minutes of the Cartagena Municipal Council referring to the session in which this city paid tribute to Capt. J. W. Flanagan on March 21, 1932. The pertinent part reads as follows:

"Councilman Portela Roman together with Councilman Tono propose: 'Vary the order of the day and consider the following proposed resolution No. 9: The Municipal Council of Cartagena, considering: That Capt. J. W. Flanagan has contributed to the successful negotiation for the construction of new piers for Cartagena. That the captain himself has on several occasions given proofs of his interest in this city, and, that it is in order that the representative corporations of the people publicly record the gratitude of the people for the demonstration of appreciation shown by private persons or entities, *Resolves,* To manifest to Capt. J. W. Flanagan and to the company of which he is the worthy president, the sentiments of gratitude of the people of Cartagena for the important services which said captain and his company have rendered to this city with their valuable moral and monetary aid in connection with the construction of the new piers for Cartagena. This resolution shall be forwarded by air mail to Capt. Flanagan, at present in Toronto, Canada, and a copy shall be sent to the general manager of the Andian National Corp. in this city. Further, it shall be published by posters, Cartagena, March 21, 1932.'

"At the first secret voting Councilmen Mercado and Portela Roman announced that it had been unanimously approved. When the proposal was open to discussion Councilman Caballero Carbarcas, using the floor, announced his negative vote because they were acknowledging the assistance rendered the city through the loan of 1,000,000 pesos for the construction of the new piers and that he understood this attitude to be part of the imperialistic plan of the North and that he (Caballero) had a right to oppose it. Councilman Portela Roman defended the motion explaining tha they were only doing what banking and commercial concerns in the city had done and that this construction work would assist many workmen who were out of work. (Entrance of the municipal treasurer.) Councilman Tono expressed his agreement with everything said by Councilman Portela Roman. Having closed the discussion, it was approved. Councilman Lorduy requested a check on same, which confirmed the approval by ten affirmative votes against one negative, that of Councilman Caballero Cabarcas.

SPEECH DELIVERED BY MRS. EMMA VILLA DE ESCALLON IN A CEREMONY WHICH TOOK PLACE YESTERDAY TO UNVEIL COL. JAMES W. FLANAGAN BRONZE BUST

It is the desire of the honorable chamber of commerce to start a tradition as this is the first time that a woman is designated to deliver the statue of a benefactor and a very dear friend.

It is the belief of this institution that only a woman's words can express truly, discreetly, and precisely our deep gratitude.

It happened during the second decade of the nineteen hundreds. Cartagena slept placidly in its glorious past. Her sons had fought pirates, and the bravery of her men made Bolivar, the great liberator, exclaim, "If Caracas gave me birth, Cartagena gave me glory." The Cartageneros were living in these past glories and forgetting the progress of the city.

It was at this time that James W. Flanagan arrived. The city enchanted him and at the same time the most modern machineries that Cartageneros had ever seen started coming; towns were founded; and buildings that seemed eager to reach heaven, were constructed. People who were active, hurrying and constantly working started arriving and made the Cartageneros active and willing to work. Black gold together with yellow gold started to circulate in the old, historic city.

It was an era of progress. Today Cartagena can look fearlessly to her future as a result of the era started by James W. Flanagan.

Cartagena, represented by its honorable chamber of commerce, offers you this bronze bust. Let us unveil it, so that it, in place of the man it represents, will always be at our side cooperating toward the progress of our city.

Colonel Flanagan, here side by side with the Caribbean, admiring this modern avenue under the most beautiful sky of all America, beneath murmuring palm trees, you shall live forever in the hearts of all the Cartageneros.

VALUABLE GIFT TO THE PASTOR

Col. James W. Flanagan, wishing to join in the celebrations on occasion of the silver Episcopal anniversary of His Excellency the Archbishop of this Archdiocese, sent him, together with a very courteous and respectful letter of salutation, the amount of 1,000 pesos to assist in the pastor's trip to Rome.

His Excellency the Archbishop replied to his kind letter and generous gift offering special benedictions on this Catholic who so kindly joined in the social celebrations.

Gestures such as this one of legitimate appreciation for his church and its representatives are very rare, and we rejoice with the illustrious receiver of the gift.

[From the Diario De La Costa of August 14, 1949]

Country Club of Cartagena invites you to the ceremony of the unveiling of the bust of Col. James W. Flanagan, honorary president of the club, which will take place on Tuesday, August 16, at 5 p. m., in the park in front of the Hotel del Caribe in Bocagrande.

[From the Diaria de la Costa of August 14, 1949]

Cartagena's chamber of commerce invites the merchants and citizens in general to the inauguration of the bust of Col. J. W. Flanagan, which will take place on Tuesday, August 16, at 5 p. m. in the gardens in front of Hotel del Caribe as an homage of affection for the services given to Cartagena by this distinguished citizen.

[From El Tempo, Bogotá, Colombia, August 12 1949]

COL. J. W. FLANAGAN

After many years of absence Col. James W. Flanagan has arrived in the country for a short visit. He is an American magnate who is retired from petroleum activities which have occupied him most of his long life of business. Colonel Flanagan was president of the International Petroleum Co., also of the Imperial Oil Co. and of the Andian National Corp., Ltd. This latter company is the builder of the public pipe line which joins Barranquilla with Mamonal in Cartagena (400 kilometers) which work was contracted by Colonel Flanagan himself in 1923. Colonel Flanagan has been one of the most constant and loyal friends of Colombia and his intervention in political and financial circles of Washington and New York in benefit of our country was always especially favorable which justified the grant of the Cruz de Boyacá by the Colombian Government some years ago. But his main interest and affection has been for Cartagena, which has declared him with good reason "adoptive son." Owing to the enthusiasm and to the generosity of Colonel Flanagan the city has the modern suburb of Bocagrande, where the Hotel del Caribe is located, and due to his suggestions the completion by Frederick Snark Corp. of the terminals and port facilities, as other public works of the city, with the financial help of the Andian. There, in the beautiful suburb of Bocagrande, located between the harbor and the sea, the gratefulness of the Cartageneros will be made everlasting with the erection of a bust of the colonel which will be inaugurated during his visit to Cartagena. We present to Colonel Flanagan, who will be coming to Bogotá next week, our sincere greetings and hope that his stay in Colombia will be especially pleasing to him.

[From El Liberal, Bogotá, August 20, 1949]

HE WAS PRESENT AT THE DEDICATION OF HIS STATUE

After assisting in Cartagena at the inauguration of his own bust, Colonel Flanagan, a great friend of Colombia, who has carried out a well known campaign in benefit of the country, arrived in Bogotá, stopping at the Hotel Continental. There he was surprised yesterday afternoon by one of our

photographers while he inhaled his favorite pipe, throwing aside his eye glasses.

SIMPLE AND BEAUTIFUL CEREMONY TOOK PLACE YESTERDAY AFTERNOON IN THIS CITY—IN A SOLEMN CEREMONY THE HONORABLE CHAMBER OF COMMERCE UNVEILS A BRONZE BUST OF COLONEL FLANAGAN

A solemn ceremony for the unveiling of a bronze bust, with which the city of Cartagena renders homage of affection and sympathy to its benefactor Col. James W. Flanagan, took place yesterday at 5 p. m. at Central Avenue in front of the Hotel del Caribe.

The President of the Chamber of Commerce, Mr. Rafael del Castillo, arrived in his car together with Colonel Flanagan. A delegation from the naval base paid military honors and the naval base band played a symbolic hymn in honor of the distinguished guest.

Mrs. Emma Villa de Escallón was designated by the Chamber of Commerce to deliver the unveiling speech. Colonel Flanagan answered with deep emotion and sincere appreciation of the honors paid him.

Mrs. Laurina Emiliani de Martinez then proceeded to unveil the statue. Shortly afterwards, the President of the Chamber of Commerce invited all present, among which were the Governor, the mayor, the commander of the naval base, to a champagne toast at the Hotel del Caribe in honor of Colonel Flanagan.

We are publishing a few photographs of this beautiful ceremony organized by the Honorable Chamber of Commerce of Cartagena in honor of its adopted son.

[From El Universal, Cartagena, Colombia, August 17, 1949]

THE BUST OF COLONEL FLANAGAN WAS UNVEILED YESTERDAY—SPEECHES AND MILITARY HONORS BY SECTIONS OF THE NAVAL BASE

Yesterday during the late afternoon took place the ceremony organized by the chamber of commerce and other distinguished elements of the city in honor of Colonel Flanagan, illustrious son of North America and great benefactor of Cartagena, which has counted him for several years among its favorite friends and from whom it has received marked proof of appreciation among which stands out his valuable cooperation in several works of urban progress which are now a reality. The ceremony to which we refer was the unveiling of an artistic bust of Colonel Flanagan erected on one of the gardens facing the Hotel del Caribe, as an eloquent symbol of the gratitude of our city to the distinguished American citizen. This work was done by the well-known American artist Florence Darnault, and its pedestal bears the following legend: "Cartagena to its adopted son J. W. Flanagan."

THE CEREMONY

Shortly before the ceremony the following persons arrived at the appointed place: The Governor of the Department, Dr. Ramon P. de Hoyos and his private secretary, Dr. Francisco Seba Patron; Dr. Alberto H. Torres and senora; Mr. and Mrs. C. T. Armstrong and daughter; Sr. Henrique Lecompte, Jr.; Sr. Henrique Piñeres and senora; Sr. Roberto Lequerica and senora; Sr. Enrique Mendez Polanco; the mayor of the city, Don Ignacio de Villarreal Franco; Sr. Teófilo Barbur; Sr. Juan Cuesta; Sr. Antonio Bustillo Franco, secretary of the chamber of commerce; Sr. Augusto Tono and senora; Sr. Miguel A. Valiente and senora; Sr. Raimundo Emiliani and senora; Sr. Antonio Lequerica and senora. There were also present the director of the naval base, Capt. Demetrio Salamanca; Capt. Antonio J. Tanco, and other naval officers; Messrs. Manuel Esteban Pomares and Jorge Franco Muneral from El Universal; the correspondent from El Tiempo, Sr. Pablo Emilio Nieto; the correspondent from El Espectador, Sr. Lacides Orozco. The naval base band and many other persons were also present.

ARRIVAL OF MR. FLANAGAN

Mr. Flanagan arrived in company with Don Vicente Martinez Martelo and his senora, Senora Emma de Escallon, Sr. Rafael del Castillo, president of the chamber of commerce, and senora, the Navy Queen, Norma Escallon Villa. As a cordial salutation to the adoptive son of Cartagena the public warmly applauded his arrival.

Then Mr. Flanagan and his companions went near the bust, and Senora Emma de Escallon, previously appointed to present the tribute, delivered a cordial and warm speech, meriting repeated applause. Doña Laurina Emiliani de Martinez unveiled the bronze effigy of the fervent admirer of Cartagena, at the moment when Doña Emma pronounced the final words of her speech.

When the applause for Senora Escallon had subsided, Mr. Flanagan expressed his appreciation for the warm tribute in a few sincere words which were received with enthusiastic applause.

Then the naval base band played a hymn and the armed forces present rendered honors to the colonel, Mr. Flanagan, who watched this patriotic ceremony with solemn respect, which made even more manifest his affection and friendship for Cartagena and our country.

Thus ended the tribute to Colonel Flanagan, with which the chamber of commerce has honored this distinguished son of the northern Republic and a just acknowledgment of his benefits to Cartagena.

Mr. MILLIKIN. Mr. President, will the Senator yield so I may identify myself with what the Senator has just said about Colonel Flanagan?

Mr. PEPPER. Yes; I yield.

Mr. MILLIKIN. I am glad the Senator from Florida got over his unfortunate aphasia so far as the Eightieth Congress is concerned, and gave his very fine tribute to Colonel Flanagan. I have been associated with Colonel Flanagan over a long period of years. During most of that time he was a resident of Denver, Colo., where he was an excellent citizen, highly esteemed. He is a very adventurous man, possesses an extremely interesting and attractive personality and has a record of great accomplishment. As the Senator has so well pointed out, Colonel Flanagan carried the finest Americanism with him to the countries to the south of us. This token, which has been put up in admiration of him by Cartagena, is, I am certain, very well deserved.

I thank the Senator from Florida.

Mr. LUCAS obtained the floor.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

THE CHINESE SITUATION

Mr. MORSE. Mr. President, I had intended to make two additional speeches in this session of the Eighty-first Congress, but I shall forego that pleasure. Nevertheless, I want to make just a few brief remarks on the subject matter of those speeches.

The first one was to be on the subject of the Chinese situation. That speech was going to be built around a very able address which Roger D. Lapham, chief of the ECA mission to China, delivered before the Commonwealth Club of California in San Francisco on September 8, 1949. In that speech he said the collapse of China was due not only to the military defeat suffered, but also to China's failure to institute reforms behind the front lines or to make even a half-hearted or intelligent attempt to decrease its budget deficit. He said that the success of the Communists can be largely attributed to the weakness and incompetence of the Kuomintang government headed by the generalissimo.

I had intended, Mr. President, to discuss Mr. Lapham's speech in detail and read its entire contents into the RECORD. Without taking the time to do it now, because I think the paragraph which I have referred to goes to the very thesis of the speech I intended to make, I ask unanimous consent to have Mr. Lapham's speech printed at this point in the RECORD as a part of my remarks, and really as a substitute for the speech I had intended to make.

There being no objection, the address of Roger D. Lapham was ordered to be printed in the RECORD, as follows:

THE CHINESE SITUATION AS I SAW IT

Mr. Chairman, members and guests of the Commonwealth Club; this is my first public talk on China since I resigned as chief of the ECA mission to that country on June 30.

I am no old China hand—nor do I claim that my year in China qualifies me to speak as an expert. But the job I held brought me in direct contact not only with top-side China Government officials, but with many Chinese in all walks of life, and in widely different parts of that huge country where I traveled over 30,000 miles by air, ranging from Mukden to Canton and from Chungking to Formosa in a little less than a year.

Our mission's task was the proper supervision of the spending of $275,000,000 voted by Congress for economic aid, but we had no responsibility for, nor supervision of, the $125,000,000 for military aid authorized by Congress at the same time; the disbursal of those moneys was left entirely to the discretion of the Chinese Nationalist Government.

In the Foreign Assistance Act of April 3, 1948, Congress directed that the funds later appropriated be used in support of the Republic of China; the Nationalist Government headed by Chiang Kai-shek. It further required the chief of the China mission to keep in close touch with Ambassador Stuart in order that our activities should in no way conflict with our foreign policy objectives with respect to China. Not only was our mission in constant touch with our Embassy in Nanking, with Admiral Badger, commanding our naval forces in the Far East, and with the military attachés assigned to our Embassy, but our eight regional offices were in daily contact with our consul-generals stationed in their areas. We were also fortunate enough to receive much valuable assistance and advice from American businessmen, medical missionaries and others who had lived in China for many years, and understood local conditions far better than we did.

The funds allotted us were spent primarily for food, cotton, and petroleum products. In six of the larger cities we rationed a certain amount of rice, wheat, or flour to every inhabitant—man, woman, or child. This food was sold and paid for in Chinese currency at a price below that of the open market. Enough raw cotton was supplied to the textile mills in Tientsin, Tsingtao, and Shanghai, to take care of more than 50 percent of the yarn and cloth produced; this was also sold, and the proceeds used to purchase more cotton. Fuel oil and gasoline were supplied for civilian purposes, to keep essential

power plants going, and for other industrial uses.

We had planned to spend money for a reconstruction and replacement program—rebuilding railroads, building additional power plants, modernizing coal mines, and for various other necessary projects in different parts of China. But practically none of the funds allocated for this purpose were spent, when it became apparent that the Communists were likely to occupy most of China by the time any work could be started, let alone completed.

I have said that I am no old China hand, but I had been there twice before my duty with the ECA mission. In June 1937 I visited China for the first time, spending 3 weeks in Shanghai and Peiping. Conditions were generally good; the Chinese dollar was well stabilized, and the exchange rate was Chinese $3 to US$1. Shanghai was then an international settlement, trade was flourishing, and everything was high, wide, and handsome—save for one cloud on the horizon. Everyone expected Japan to move in. The hope constantly expressed was "Give us a few more years to get ready." Chiang Kai-shek was at the height of his popularity, and was working hard to unify his country.

I do not need to go into the tragic events of the next 12 years in China at any great length. From 1937 to 1941 Japan was not only conquering a great part of China, but was also rushing preparations for a greater war; and the United States did little or nothing to check her, refusing even to embargo shipments of scrap iron and other strategic materials destined for Japan.

I visited China again on a trip around the world in June 1947, spending 2 days in Shanghai. At that time US$1 could purchase Chinese $50,000; a year previous the exchange rate was Chinese $2,000 to US$1. American business men I talked to were pessimistic with regard to China's future, and felt the Nationalist Government could not last another 6 months unless aggressive and affirmative steps were taken to clean house, start reforms, and establish a sound currency. And speaking of currency inflation, when I arrived in China June 7, 1948, US$1 could purchase $1,400,000 Chinese. On August 19 it could purchase $12,000,000 Chinese. It was then that the government initiated its so-called currency reforms—issuing new gold yuan notes, and fixing the rate of gold yuan 4 to US$1. At the same time prices and wages were frozen by decree, and everyone was urged and required to turn in their gold, silver, and foreign exchange for the new gold yuan notes. Eight months later this new currency was worthless and the Chinese had pretty well lost all confidence in the Nationalist Government.

The collapse of the government was due not only to the military defeats it suffered, but also to its failure to institute reforms behind the front lines; to make even a half-hearted or intelligent attempt to decrease its budget deficit. The success of the Communists can be largely attributed to the weakness and incompetence of the Kuomintang government headed by the generalissimo.

In making these drastic statements, I do so with the full knowledge that credit is due Chiang Kai-shek for retaining control of such a loosely knit country as China for over 20 years. I give him credit for his refusal of opportunities to sell out his country to the Japanese; and I give him credit for opposing the ideologies of Moscow communism. But the good work a man did yesterday cannot offset his failures of today, and the fact remains that the generalissimo is a stubborn, obstinate man, who refused to delegate authority, who relied on incompetent favorites for many of his subordinates, and who put on the shelf competent military men who could have helped him. Not only is he responsible for the defeat of the military front, but as I have already said, he can largely be blamed for the failure on the economic front. Lacking first-hand knowledge in this field, he did little or nothing to establish civil reforms, or to take effective steps to offset the well-planned operations and propaganda of the Communists. He made little effort to find the right people who could have helped in this field, and those he did use were largely "yes men," unwilling to assert themselves, or perhaps even to tell him the truth.

General Marshall, as you will recall, spent the year 1946 in China attempting unsuccessfully to bring the Nationalists and Communists together in a coalition government. And here, by way of comment, our efforts to bring about a coalition government were undoubtedly induced by the feeling generally held at that time, that any differences of opinion between Russia and the United States could be ironed out by sitting down at a conference table, and as reasonable men on a give and take basis, reach a reasonable and mutual understanding. The actions of Moscow leadership since then have demonstrated how far off the beam we were. But our policy with respect to China was based on that erroneous assumption—we got off on the wrong track—and have never since admitted our mistake, either publicly or officially.

Early in 1947 Marshall became Secretary of State, and in June of that year laid down the principles of the Marshall plan. I believe that when the Secretary first advocated this plan, he was thinking not of China, but of Europe, as his public statement of January 7, 1947, made at the time he left China, clearly indicates how hopeless he felt the Chinese political situation then was, and seems to imply that he felt that our best policy would be to let the Chinese people work out their own salvation. When Secretary Marshall submitted his recommendation for economic aid to China—$550,000,000—in February 1948, my guess is that he did so mainly for political expediency; for it was certainly an about-face from his previously implied opinion of "A plague on both your houses." But he knew that many Members of Congress wanted to aid China, and perhaps he felt it wise to advocate something for China, if only to make the going easier for congressional approval of his European recovery plan. I may be wrong—but it is hard not to believe that the policy of "Let the fires burn out and the dust settle" has been the real policy of our State Department toward China ever since Marshall left that country early in 1947.

One thing stands out today—American influence in China is far, far less than it was on VJ-day. Who is responsible for this loss of influence, and what might have been done which wasn't done can be debated indefinitely. Our mission did all that it could be reasonably expected to do to carry out the general objectives laid down by Congress—viz: to strengthen and assist the Republic of China controlled by the Kuomintang Party, but the handicap was too great. I have referred at times to the mission as a successful failure, but that is really a misnomer; for what we were doing was fighting a rear-guard action against tough odds with a staff which at no time numbered more than 100 Americans, and 400 non-Americans, mostly Chinese, distributed among the eight cities where we operated.[1] The termination of the mission was due to factors entirely outside of its control—those which I have already mentioned—the incompetence of the Chinese Government, the depreciation of the currency, and the lack of will-to-fight manifested by the Chinese Nationalist troops—and to this list I must add one other factor; our American policy as enunciated by Congress was to support the Nationalist Government, and so in effect the United States took part in a Chinese civil war without being willing to accept the responsibility, or to commit itself to the extent that was necessary to make this policy effective. The result is of course apparent; the side we backed has lost every round to date, both on the military and economic fronts.

But on the credit side of the mission's ledger must be placed these material facts: we made certain that the moneys we handled were actually spent for the purposes intended; we still have at least $50,000,000 of the original grant left, which will be returned to the Treasury by February 15, 1950[2]—the time ECA has left to spend it, unless conditions in China change so drastically within the next few months that it can be used for its original purpose; we were able to avert serious rioting in several cities by the procurement of food at critical periods, we maintained employment in the textile mills, and I do not feel that the funds spent or the tremendous efforts made have been wasted.

And in addition to these material facts there were certain intangibles which are hard to describe but no less important. Among these I would name the respect for the honesty of purpose and integrity gained for our group from all the organizations with whom we dealt, and the real friendship of many high-class and truly patriotic Chinese. Among the latter I would like to speak of Wong-Wen-Hao, the former premier; of General Fu-Tso-Yi who did his best to hold North China, and of K. C. Wu, mayor of Shanghai, acting under circumstances of the utmost difficulty with the greatest intelligence and cooperation. He and I often compared notes on the problems one faced as mayor of a great city. I must also mention Li Tsung-jen the acting president and president in name only as Chiang Kai-shek refused to release to him either power or funds with which to make an effective stand against the Communist offensive. When Chiang entered retirement—and an extremely active retirement it was—on January 21 last, he continued to exercise effective control behind the scenes. He kept possession of the Nationalist cash box, and many important military and civilian leaders, including many reactionary members of the Kuomintang party still seek and accept his guidance.

The Chinese by and large are a great people. Can we blame them if they are tired and sick of war after 12 years of it? It seems to me I remember there was quite a hue and cry to get our boys home for Christmas after 4 years of fighting. When the Japanese invaded their homeland, the Chinese resisted the foreigner; when the Chinese moved their capital from Nanking to Chungking, they did a magnificent job in transporting factories and machinery, and establishing an industrial center in Szechuan. But when the Japanese war was over and the Chinese reoccupied their homeland, a natural let down followed. The struggle for control between the Nationalists and the Communists has been a civil War, and conditions were very different from when they were fighting a foreign enemy. For centuries the Chinese peasant has struggled to grow enough food to live on. The great majority of them are more interested in where their next meal is coming from than they are in what party controls their central government. But never forget this—the Chinese have a great sense of humor, and I honestly do not believe you can sell Moscow ideology to a people who possess that trait. Have you ever seen a Communist who could laugh at himself? I haven't, but poor as they are and hungry as they are, the Chinese can and do laugh at themselves.

Let me tell you of one little incident. My wife was visiting a Chinese refugee home and school in Canton one day. It is financed

[1] Today only 19 Americans remain with the ECA in China and probably not over 75 non-Americans are left on the mission's pay roll there.

[2] This is an underestimate—chances are $75,000,000 or more will be returned to the United States Treasury out of the $275,000,000 appropriated for economic aid.

and operated by Chinese for war orphans, and they feed, train, and teach over 100 children in what remains of a bombed out American mission school. The older boys make plates, cups, and saucers out of discarded tin cans retrieved from garbage heaps. The older girls reknit old, worn wool from sweaters or other articles which have been thrown away, to make warm socks for the younger children. It was raining that day, so all the children were under partial shelter. One group of younger teen-age boys were practicing on band instruments which some visiting American had obtained for them from a famous American company. When she first saw them they were playing the Hymn of Joy theme from the Beethoven Ninth Symphony. Ragged and hungry—they have only two meals of rice and vegetables a day—they were playing the Hymn of Joy. They saw her, finished their piece, the leader with a shy smile and a twinkle in his eye, tapped twice with his drumstick, and they burst into Yankee Doodle. Do you wonder that tears came into her eyes and a choke into her throat?

Aside from their sense of humor the Chinese have long memories, and in spite of the fact that they have been exploited by their own Government for centuries, taxed to the point of diminishing returns, forced by foreign governments to give up their treaty ports as well as making other tremendous concessions to them, the work of many Americans who, with no ulterior motives, have spent their lives among them has not been without far-reaching effect. Someday—even though in the now unpredictable future—the dust will settle, and I am certain that the efforts of our schools, our colleges, and our unselfish missionary workers will not have been in vain.

Now—so much for the past and present, but what of the future? The two questions I am most frequently asked are: "Is there a government in China that it is worth our while to support today?" and—second—if not, What should American policy be from here on in? Many Americans still want to support Chiang Kai-shek; his name is an anti-Communist symbol. He was our ally, the Chinese Christian leader in World War II. But I must reiterate my personal conviction that any leader who has lost as much of the confidence of his people as he has in the recent past, is not the man to back today. I have heard that the Generalissimo believes that a war between Russia and the United States is inevitable; and that, if he can hang on until that takes place, he is bound to receive our military support. If war with Russia should develop, and we need China's aid—let us not back a Chinese leader who has lost the confidence of his people.

Whom then, should we choose? The Acting President Li Tsung-jen? I believe he is sincere and honest, and does represent the more liberal elements in the Kuomintang. Perhaps he could rise to the occasion, but to date there has been little to indicate that he can lead a successful war against the Chinese Communists.

Are we going to search for and pick some relatively unknown leader and place our bets on him? Are we going out of our way to back any untried leader or group, so that the Chinese Communists can advertise to the world that such a leader is the hand-picked puppet of imperialist United States? Personally I cannot advocate that; but one thing is certain—we should not again make the mistake which we made a year ago, when the Congress appropriated $125,000,000 for military aid to China to be used without restrictions and solely as the Nationalist Government directed. That was a grave mistake. If military aid is again given, then we should assume full supervision and control over its end use. This $125,000,000 can be considered as thrown down the rat hole. The Nationalist allocation of those funds to the different branches of their military forces was, to say the least, most unwise. There seemed to be no disposition in Washington in any way to influence a proper allocation of these moneys or, for that matter, to do the utmost to expedite shipments of the munitions ordered. As long as the Congress had voted this sum, the Administration had some implied responsibility to see the best and quickest use was made of it.

Although I believe that military aid would have been the most effective means of combating Chinese communism in the past, I am convinced that the granting of such aid is neither practical nor feasible at this time. Nor do I think that we should today try to pick any Chinese leader or leaders, backing them with military assistance even under our supervision and control. If new leaders are to arise in China to carry the banner against the Communists, they must arise by their own power and first demonstrate their fitness, before we help them. I see nothing else to do now but to abandon any thought of military help either to Chiang Kai-shek, Li Tsung-jen, or any other anti-Communist as now known. What we should do a year, 3 years, or 5 years hence, is another matter and should be decided in the light of what the situation may be at that time.

A natural follow-up of question number two what our policy should be from now on is: "Are the Chinese Communists really Moscow-dominated or not? Or are they not progressive Chinese interested in land reform, and trying to improve the lot of the Chinese peasant?" On the answer to this, hinges the answer to our future policy toward China. I have had no personal contact with any Chinese Communist leaders, but many people of our mission have had, in previous years, as have other Americans whom I met in China. There is no doubt in my mind that the leadership of the Chinese Communists is in tune with Moscow. Certainly their strategy and tactics including their clever propaganda prove, without question, that they have been and are following the Moscow pattern. The recent statements of Moatze-tung are evidence. We can speculate plenty on whether the Communists, once they are really established, will not turn out to be more Chinese and antiforeign than tools of Moscow, but we must face realities and not indulge in wishful thinking. In all probability the Communists will control most, if not all, of the mainland whenever they see fit to take it. Their government will be one unfriendly to the United States. This is understandable if you recall the conflicting policies we have followed in dealing with the Chinese, and that we have been and still are backing an incompetent government which the Communists have defeated all along the line.

I have no more use for the ideologies of communism as practiced by the totalitarian Politburo of Moscow than any real American should have. I believe in the principles of the Marshall plan; and I endorse the Atlantic pact. I think the only effective way to deal with Moscow is not the way of appeasement. We must decide what principles are right to stand for—and then stand. The world outside the Russian orbit faces a clever and ruthless enemy, whose one objective is to impose and spread its ideologies as widely as possible, by whatever means are feasible at the time. History teaches that a totalitarian power, dominated by one man or a few men, never stands still. Having established arbitrary control over its own people—teaching them one viewpoint and refusing them any opportunity for accurate knowledge—a totalitarian power which will not permit its people to travel outside its boundaries or permit foreigners free opportunities to travel within its possessions, must always remain a threat to those people accustomed to individual rights and freedom of speech and religion.

The victories of the Communists on China's mainland have had a widespread and disturbing effect on the world situation of today. The Communists control the most important part of China. Manchuria and North China, rich in coal deposits and material resources, form the backbone of the country. The psychological effect of Communist advances on the people of Japan, of countries south of China, as well as of the Philippines and of India is far reaching. Many believe that Moscow, continuously aggressive on the European flank, has been and is more interested in the spreading of its ideologies in Asia than in Europe. The western powers have centered their attention in the west and appear to have overlooked the importance of Moscow's Pacific flank. Recent happenings in China, evidenced by the shelling of British warships on the Yangtze last April, have brought plenty of loss of face not only to Britain but to the United States as well; and never forget the possibility that a few ruthless, determined men with one objective, no matter what their nationality, can in a short time entirely dominate millions of their fellow countrymen. What has happened in Russia during the past 30 years is proof of this in itself.

Certainly no one can deny that the Chinese Communists are enemies of the United States and utterly opposed to any democratic form of government. We should use every means to stop the spread of their influence and control. But, what are the means open to accomplish this objective? We are critical, and properly so, of past mistakes we have made in China policy. The policy we have followed has been a failure—results speak for themselves. It is hard not to argue that military assistance is the only effective way to oppose the Chinese Communists—but do we want to go to extreme limits? Send half a million or more men, well-trained Americans in uniform, to actually conduct a war of our own on China's mainland? Would the Congress authorize that, and the necessary funds to conduct a large-scale war? I do not think so; nor do I, personally, advocate it.

Can we conduct a successful military campaign by using only an air force? Perhaps much could be accomplished that way, for the time being; but would a successful air offensive be decisive? Would it not mean that success in the air would have to be followed by occupying ground troops? I cannot believe that the advocates of any such plan, if there are any such advocates, can persuade the Congress and the American people to follow that line.

Now let us consider the important and rich island of Formosa or Taiwan as it is now called. That island, lying between Japan and the Philippines, was largely settled by the Chinese some centuries ago; but was ceded to Japan after China lost the 1894 Sino-Japanese War. In the 50 years Japan ruled the island, she developed its resources and, although the economy was tied to Japan 100 percent, she gave the native Taiwanese a stable government and treated them with reasonable decency.

Came VJ-day and, pending the signing of a final peace treaty between Japan and the Allies, Taiwan was turned over to the Government of China, in accordance with an understanding reached at Cairo, November 1943.

The record of the 4-year Nationalist rule, during which the native Taiwanese were shamelessly exploited by carpetbagging mainlanders, is disgraceful. The first governor appointed by Chiang Kai-shek was a rapacious warlord. In February 1947, a minor incident gave him an excuse to liquidate ruthlessly some thousands of Taiwanese who had resented the treatment accorded them.

During the past 7 or 8 months, many thousands of Nationalists from the mainland have taken refuge on the island—perhaps a million or more, including some 400,000 of Nationalist military forces. There is

every indication that the reactionary elements of the Kuomintang intend to use the island as a base from which to attack the Communists on the mainland.

Some of our topside military people believe it vital to our national security that Taiwan be not occupied or controlled by a government unfriendly to us; and some advocate going to any extreme if necessary to prevent such a happening.

Technically, the future of the island cannot be decided until the Japanese peace treaty is signed; and it appears now there will be no early peace treaty.

A United Nations trusteeship for this island has been suggested; but can we expect the Soviets to agree to that? And we face the fact that outright military occupation by us would afford plenty of ammunition to Communist propaganda against so-called American imperialism; and, more important, would alienate the sympathy of millions and millions of orientals.

But the island does need our economic assistance. We might well consider spending ECA funds still uncommitted on that island for badly needed fertilizers and for capital expenditures to increase power production and to improve transportation facilities—provided a way could be found to insure that whoever controlled the government of that island would not only listen to but actually follow the directives of American advisers. This precaution must be taken to insure that our taxpayers' money would be in no way wasted—and would be spent for the benefit of the Taiwanese, and not for the benefit of reactionary mainlanders.

That approach should be thoroughly explored today.

To get back to what we can do to check or neutralize the influence of Chinese communism on the mainland.

As time goes on, the Communists will need more and more to trade with the outside world, principally through such ports as Tientsin and Shanghai. They will want to export and import, to buy and to sell. They cannot depend on Russia to supply their material needs; but Britain has many business interests in China; she still holds Hong Kong; there is every indication she intends to keep the door open in China in order to continue her trade. It seems obvious that Britain and the United States should make every effort to agree on a policy toward the Chinese Communists. It is to our mutual advantage to do so.

I do not believe that economic blockade is the right approach. Such a policy would give notice to the world that we had, on our own initiative, abandoned our Chinese friends. It would give Moscow a free field in which to operate, and to justify the oft-repeated statement that American imperialism is selfish and cares nothing for the welfare of the Chinese people as a whole. For these reasons I am opposed to an economic blockade.

America has countless Chinese friends—people of education and capacity—whom the Chinese Communists will need to employ. Their position can be immeasurably strengthened if our skill is great enough and our patience enduring. The odds are stiff against us; but there is still a fighting chance of our influencing the trend. If the friendship of China cannot be won—at least the animosity of leading Chinese Communists may be neutralized. In the long run, there is the chance that Russian ambition and restraints will promote antagonism on which we can capitalize.

For the present my recommendations are as follows:

1. Continue American private business with the Chinese, as far as it may be possible, in such a way as not to enhance to any dangerous degree the very limited war potential of the country.

2. Extend all possible help to American endowed enterprises—educational, medical, and missionary—efforts being made to promote the continuation of the private support which these enterprises have received in the past.

3. Keep open our embassy and consulates in China, staffing them with the ablest personnel procurable, in order that we may pit our best capacities against the serious problems still to be faced.[3]

4. The only practical way to keep the door open, as well as to listen and observe what goes on behind the bamboo curtain, is to accept the fact that we may soon have to recognize in such areas as they control, the Communist government, as the de facto government, and be prepared to recognize it whether or not we like it.

The snow-balling interest in China and the problems of the entire Far East are hopeful indications that we are aroused to the dangers and the difficulties confronting us in those areas. This is a dark hour for China; but the Chinese have a proverb:

"Better to light one candle than to curse the darkness."

Perhaps just our very awareness of the situation and our desire to do something about it may provide the spark which lights the candle.

In closing, let me emphasize this—I have no wish to take sides in a Democratic-Republican political fight about our foreign policy toward China. I hope that this country can develop a real bipartisan policy toward China, as well as toward every other country we have relations with. On the other hand, any administration is responsible under the Constitution for the direction of foreign policy; and can be and should be called upon by interested citizens to explain its motives and actions.

As mayor of San Francisco I always tried to call my shots as I saw them, This is what I am doing today in attempting to comment briefly on one of the most confused and complex problems which has ever faced our State Department. My views may not be the same tomorrow or a few months from now. For there is one thing my year in China taught me—you cannot afford to hold fixed ideas. You must keep your thinking fluid, facing things as they are and not as you would like them to be.

[3] The United States Ambassador to China returned to Washington last month. The sub-Embassy and Consular offices at Canton recently were closed and since this address was made the State Department has announced the closing of the consulate at Hankow as well as staff reductions in other consulate offices in China.

THE WELFARE STATE

Mr. MORSE. Mr. President, the second speech which I intended to deliver, but I shall forego the pleasure of delivering it, was a speech on the interesting political slogan which the Democrats are using now called "The Welfare State." In regard to this Democratic slogan I fear that many of our Republican leaders, I say most respectfully, are, as usual, completely fumbling the ball once again. They are permitting the Democrats to get the idea across to the rank and file of the American people that it is the Democrats who are for the welfare of the people, and that the Republicans are against it.

As I listen to some of the Republican speakers going about the country talking in a very negative and name-calling way about proposals for legislation which are offered by the Democrats under the claim that they will promote the welfare of our people in terms of the welfare state, and as I hear the Republican jargon and platitudes about statism, I wonder if the Republicans will ever learn that, after all, the American people are interested in the promotion of the general welfare of all our people.

In these closing minutes of the first session of the Eighty-first Congress, I want once again to give some gratuitous advice to the Republican leaders of my party. I do not expect them to follow it, any more than they have followed some of the advice which I have given them in the past. Thus I fear that the Republican Party will continue to lose national elections unless it starts to offer the American people some affirmative, constructive, legislative proposals for meeting the needs of the people.

Mr. President, the American people are interested in the general welfare of all the people, and they are interested in putting into practice the true meaning of the general-welfare clause of the United States Constitution. That calls for affirmative action in terms of specific legislation to put into practice the liberalism of the Constitution.

I want to say that I think it is a great mistake——

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I shall not yield at this time. I think it is a great mistake for the Republican leaders to let the Democrats run away again with the ball in this game of politics, so to speak, and create the impression that it is only the Democratic Party that is taking an interest in the general welfare of the people. I think we have got to come out affirmatively and constructively against some of the unwise features in a great many of the Democratic proposals which tend to increase the arbitrary and capricious power of the Executive branch of the Government. We need to interpret for the American people, in terms of specific legislative measures, the meaning of constitutional liberalism and to show them that democracy will never be any stronger in this Nation than its strength at the local governmental level. That does not mean that we cannot have Federal aid and Federal legislation cooperating with the States in connection with the many social and economic problems which are confronting the American people.

Thus, Mr. President, the speech I intended to give was going to be built around a very excellent address by Edwin E. Witte, chairman of the Department of Economics of the University of Wisconsin, which he gave in the Town Hall program in Los Angeles on July 25, entitled "The 'Bug-a-boo' of 'the Welfare State.'" I intended to discuss in my speech, paragraph by paragraph, this very fine speech of Mr. Witte's. I do not agree with everything in the speech, but there is a philosophical point of view in the speech which I think the Republican leadership of the country would be wise to take under consideration.

Therefore, Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the full text of Mr. Witte's speech to which I have referred.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE BUG-A-BOO OF THE WELFARE STATE

When Mr. Miller asked me to talk to you on the subject of "The Bug-a-Boo of the Welfare State," I accepted because I was intrigued by the "Bug-a-Boo." I believed bug-a-boo to be accurately descriptive, not only because the people who talk about the welfare state picture it in most alarming terms, but also because I believed that this term was being misused by many of these alarmists. Examination of as many of these alarmist statements as I have been able to find, which I have made since then, has convinced me that my impressions were correct. At least most of those who talk so much about the welfare state in such alarming terms are using this term as a propaganda slogan to oppose pending legislative measures. In doing so they display shocking lack of knowledge of our American Constitution and of our history and traditions.

I believe in the welfare state, but only in the meaning in which welfare is used in the Constitution of the United States and in which our American Government has always been a welfare state. I am opposed as are the alarmists to the sort of welfare state they picture. I regard the American Government as the best on earth and our most precious heritage. I look upon the Constitution as the finest political instrument ever conceived by man. In making this statement, I have in mind, particularly, the remarkable adaptability of the Constitution to changing conditions. This characteristic has enabled the United States to grow from a small, almost exclusively rural and agricultural state to the greatest Nation on earth, with predominant industrial strength, without fundamental changes in the basic principles which were incorporated in the Constitution and the first 10 Amendments, the Bill of Rights, which were adopted so early that they must be regarded as a part of the original Constitution. It is only through the three Amendments which resulted from the Civil War and the adoption of the Twentieth Amendment in 1920 that any major changes were made in the basic principles in which our Government was grounded and these were to extend to all Americans regardless of race or color and to women rights previously enjoyed only by whites and males. Yet with such a paucity of basic changes, our Nation, operating under the Constitution, has always been able to alter its laws and institutions in accordance with changing conditions and the needs of the times. It is the kind of a welfare state conceived by the founding fathers—one which ever serves the welfare of the people, in accordance with the varying needs of the times, which I staunchly support.

There are concepts of the welfare state which are foreign to American principles, traditions, and ideals. Totalitarian government, whether of the left or the right, is un-American. So is an all-powerful government and one which dominates the lives of its citizens in all respects. Advocates of foreign ideologies like to describe their systems of government as those of a welfare state, but their welfare state is not the sort of a welfare state grounded in the Constitution and the American traditions which I favor. I am equally opposed to those who denounce the welfare state to foster reaction completely at variance with the American concepts of continuous progress. I recognize that the legislative measures which these politicians seek to defeat by their outcry against the welfare state are debatable and I do not condemn them because they oppose these measures. But I do not want them, in their political endeavors, to play directly into the hands of our foreign enemies, by giving the impression that it is only a socialistic or communistic government which is concerned with the welfare of its citizens.

Such propaganda is not only against the best interests of our country but completely false and contrary to concepts of the Founding Fathers and all of American history. These propagandists would make "welfare" a suspect word and talk as if a government which seeks to promote or protect the welfare of its citizens were un-American. But the founding fathers in the Preamble to the Constitution of the United States recited as one of the six reasons for the adoption of the Constitution, "to promote the general welfare." In article I, section 8, they specifically gave the Congress the power "to lay and collect taxes * * * for the general welfare of the United States," which the Supreme Court has held includes also the power to expend money for this purpose.

The American concept has never been that of a government removed from the people which oppresses them. Rather the American theory of government has always been that expressed by Abraham Lincoln in the closing line of the Gettysburg Address, "a government of the people, by the people, and for the people." It is the concept of a government which is the servant of the people, not their master, which they control, which aids them and which serves their purposes. Again quoting Lincoln, from his "Fragment Government," written in 1854, when he first identified himself with the Kansas-Nebraska movement out of which grew the Republican Party: "The purpose of government is to do for the people what they cannot do for themselves or cannot do so well for themselves."

An examination of what our Government has done in the past establishes that from the very outset it was concerned with and sought to promote the economic and social welfare of its citizens. All of the powers under which the Government now regulates our economy were incorporated in the Constitution adopted in 1789 and soon thereafter were given broad construction by the Supreme Court under John Marshall, a Federalist and a conservative in politics. The first Congress of the United States, on the basis of Alexander Hamilton's famous report on "manufactures"—the first of many instances of economic planning in the history of the United States—adopted a protective tariff for the express purpose of aiding manufactures and promoting the development of industry in the United States. Later Henry Clay championed protection and internal improvements as "the American system," urging most eloquently, with help from Daniel Webster, that governmental aid to industry was in the general public interest. Tariff duties were repeatedly increased with this objective in mind, and supplemented in many instances by direct subsidies to industry. To supply capital for their development, the railroads were given public lands equal in area to the entire State of Texas. More recently, the Government has subsidized the air lines and merchant shipping. Even more important are vast public expenditures for improved highways upon which the development of our great automobile, oil, trucking, and numerous other industries is dependent. Directly beneficial to industry, also, are the rapidly increasing expenditures for research, which, particularly in the atomic energy field, afford hope for putting American industry even much further ahead of the rest of the world than it is today. When industry in the 1930's faced universal bankruptcy, the Government came to its rescue through the Reconstruction Finance Corporation—established while Herbert Hoover was in the White House and with his approval—and through numerous other agencies. Again at the end of World War II, aid was given to industry in effecting reconversion to civilian production, by the refund of wartime taxes where losses resulted during the 2 years following the war. These are only a few of many instances in which Government in the United States has aided either industry generally or particular industries. Numerous instances of such aid continue to this day and have become a definite part of the American way of life.

But it is false, as the critics of our way of life are saying, that Government in the United States has been concerned only with the welfare of industry. To the contrary, the American concept that government shall promote the general welfare has extended to all citizens, the poor and the weak, no less than the rich and successful. Every American State almost as soon as it was organized wrote into its statutes the obligation that the public must foot the bill for the support and care of those of its numbers who are without other means of support. The National Government began its activities in the relief field at least as early as 1798 when Congress established a hospital service for indigent seamen. Early in the nineteenth century, it adopted the policy of disposing of the public domain in such a way as to give aid to the actual cultivators, rather than to land speculators. This culminated, when Lincoln was President and the Republicans for the first time controlled the Government, in the enactment of the Homestead Act, under which most of the tillable lands of this country were given free to bona fide settlers. As was noted recently by Nelson Cruikshank and earlier by President Roosevelt, this policy was in effect a social-security program suited to the then prevailing conditions. It enabled the unemployed and the poor of the East to make a new start on the wild lands of the West, which the Government made available to them. Beyond that, when the frontiersman found that there were no schools on the frontier and he lacked the means to pay for private schools, he demanded that his Government provide the schools at general expense. It was on the frontier that our free public-school system first developed, which as an educator, I believe, had a lot to do with the great progress which has since been made by American industry. The frontiersman also called on Government to provide roads, canals, and later, railroads, because they were needed to enable him to make a living on the land which the Government gave him for settlement. Ever jealous, as nearly all Americans have been, to guard their individual rights from encroachment by Government, the frontiersman yet expected the Government to help him when he needed help with his economic and social problems. And it was a frontiersman, Abraham Lincoln, who most truly expressed the basic American principle regarding how far the Government should go in promoting the general welfare—to do for a people what they cannot do for themselves or cannot do so well for themselves.

I could go on much longer with this recital of what the American Government has done in the past in aiding its people with their economic problems, but what I have brought to your attention should suffice to establish that it is thoroughly American for the Government to concern itself with the welfare of its citizens. And what it should do at a given time depends upon the conditions and the needs of the time.

But I must come back to the current alarm regarding the welfare state. Nearly all of the propaganda along this line seems to arise from opposition to legislative measures now before the Congress of the United States which have been recommended by the President. Specifically these appear to be the proposals against which the propaganda about the welfare state is directed: legislation to abolish the poll tax in the South and to make lynching a Federal offense; the Brannan program for a new form of aid to agriculture, which will at the same time benefit

many urban dwellers (but not the continuance of the existing program for aid to agriculture); the proposed increase in the minimum rate for workers employed in industries engaged in interstate commerce to 75 cents per hour; Federal aid for housing, including a modest program of public housing for veterans; Federal aid for education; compulsory health insurance (but not the counterproposal of Senator TAFT and other Republicans for greatly increased Federal aid for public medical services); and the administration program for extension and improvement of the Social Security Act. All these, as I have indicated, are debatable proposals, about which something is to be said on both sides.

In the time remaining, I shall deal only with the last of these measures, in part, because it appears to be the one which is most frequently referred to when the alarmists about the welfare state come down to particulars.

I was the executive director of the President's Committee on Economic Security which sponsored the Social Security Act in 1935. That act was the result of an extensive study by a staff which embraced most of the specialists in this field, including some of the country's ablest actuaries. It also was gone over by an advisory council which had on it some of the leading industrialists of the country, among them Mr. Swope, president of the General Electric; Mr. Teagle, president of the Standard Oil Co. of New Jersey; Mr. Folsom of Eastman-Kodak; and Mr. Raymond Moley then one of the closest advisors of the President. The administration bill, prepared by our committee, was given extended hearings by the House Ways and Means Committee and the Senate Finance Committee, and was altered quite extensively by these committees. The bill was brought before both Houses under an open rule. It was long debated and numerous amendments were offered and some of them adopted. But when it came to passage, the great majority of both the Democrats and the Republicans voted for it, with only 6 votes against the measure in the Senate and 23 in the House.

The assistance programs included in the Social Security Act became operative early in 1936 when Congress passed the first appropriation for this purpose. The social insurance parts of the program came into operation January 1, 1937. That was after something like a referendum on the act had been held in the presidential election of 1936, when the Republican National Committee distributed millions of copies of attacks upon the act, which were put into the last pay-roll envelopes before the election by thousands of companies, only to have its candidate defeated in the most one-sided contested election we have ever had. Since then no major political party or its candidates have ever attacked any of the basic provisions of the Social Security Act.

In many respects the old-age insurance system has worked remarkably well. It is the world's largest insurance institution, with 80,000,000 living Americans having credits in the system. Before the act came into operation it was feared by many that the American workers would resent having to contribute to the costs of their old-age benefits. But the workers never complained nor have they ever objected to increases in contribution rates, to provide better benefits. From an efficiency standpoint, also, the old-age insurance system has had an unusually fine record. Today its costs of administration are only 2½ percent of the contributions or 4½ percent of the total benefit payments.

But it is far from an adequate system. Since the Social Security Act was passed 14 years ago, it has been extensively amended only once—in 1939. The amendments then adopted were of a very mixed character. Retirement benefits were increased in the early years of the system and small dependents' and survivors' benefits were added. At the same time a large percentage of all those who would have been entitled to benefits on attainment of age 65 were reduced, immediately preceding the outbreak of World War II, during which it would have been no hardship upon either employers or employees to have paid the full costs of the system, which has been accumulating large actuarial deficits year after year.

Since 1939, the old age and survivors insurance system has not been improved in any major respect and definitely weakened in some respects. In the meantime, the real value of the benefits in the contributory old age and survivors insurance has been reduced by the increase in prices. On the other hand, noncontributory old-age assistance payments, made under State laws but with Federal financial aid, have been greatly increased. Where originally they were less than the benefits in the contributory insurance system—as they should be—these noncontributory old-age assistance payments are now nearly twice as large on the average throughout the country and in California three times as large.

The consequences of the failure of Congress to change the old age and survivors insurance system as required by changed conditions have been well nigh tragic. The present law fails to cover two out of every five jobs in this country. Among those excluded, moreover, are many of the people who need old-age protection most—to mention only a few of the excluded groups: The domestics, the farm workers, the employees of educational, religious, and charitable organizations and all of the self-employed. At least equally serious are the tricky eligibility provisions introduced in 1939 to keep down costs, under which close to half of all those who pay contributions can never hope to get benefits. The retirement benefits paid under the act average only $25 per month and all benefits only $20 per month, in contrast with average old-age assistance payments in May in this State of $71 per month.

Amendments to correct these obvious inadequacies have been repeatedly recommended by the Social Security Administration and the President in their messages to the Congress. In the Eightieth Congress, the Republican Senate Finance Committee organized the Social Security Advisory Council, many of whose members were leading industrialists who also served on the Social Security Committee of the Chamber of Commerce of the United States. This Social Security Advisory Council in a unanimous report presented to the Congress in April 1948 urged prompt extension of the coverage of the old age and survivors insurance system to include practically the entire adult population of the United States, liberalization of benefits, and an increase in contribution rates. Congress instead narrowed the coverage and otherwise did nothing about the recommendations of the Advisory Council. In the present Congress, the administration has come forward with a bill for amendment of the Federal old age and survivors insurance system, which follows very closely the recommendations of the Social Security Advisory Council of the Eightieth Congress. Extensive hearings were held on this bill by the Ways and Means Committee and it then considered the measure for several weeks in executive session. Very recently it has been reported to have reached agreement upon a bill which does not go nearly as far as did the administration bill or the Social Security Advisory Council.

This bill would extend the coverage of the old-age and survivors insurance system by somewhere around 8,000,000 people, principally the urban self-employed and the domestics, but still leaving outside of the act the farmers and farm laborers. It would change the benefit provisions to increase the average payments to slightly more than the present average payments in old age assistance—that is throughout the Nation but still a third less than California's present old age assistance grants. And it proposes to increase the tax rates from the present 1 percent each on employers and employees to 1½ percent, to be further increased to 2 percent in 1952, to 2½ percent in 1960, and 3 percent in 1965.

It is this prospect of an increase in social security taxes, more than anything else, which has led to the alarms about the welfare state. Combined with the costs of other parts of President Truman's Fair Deal, the increase in social-security taxes is represented as being certain to destroy our economy of free enterprise. The entire program, it is claimed, is one under which Government responsibility for support is substituted for self-support with results which will be ruinous to thrift, initiative, and enterprise. The final consequence will be the regimentation of everybody by government, with complete loss of individual freedom.

These results are ascribed to a program for a more inclusive and liberal system of old age insurance, financed by equal contributions of employers and employees. The Social Security Advisory Council of the Eightieth Congress and the administration's bill in the present Congress proposed ultimate triparty financing of old age and survivors insurance, with the costs equally shared among employers, employees, and the Government. The Ways and Means Committee has again rejected all commitments even for ultimate Government contributions and is proposing tax rates which it believes will be sufficient for financing the program from employer and employee contributions alone for at least a generation. This is possible only because the committee's program calls for retirement benefits which will be only slightly better than the present average noncontributory old age assistance payments—around $50 per month to the fully insured retired workers, with lesser payments to some of their dependents and survivors, with an absolute maximum of $150 per month to any family, regardless of the number of primary beneficiaries or dependents.

The merits of this proposal must be appraised in the light of possible alternatives. A civilized society cannot do what Hitler did condemn the dependent aged to the gas chambers. As we have done in this country from the beginning of settlement, the public must support the aged dependents and all of the rest of the people who have no other means of support.

There are only three possible methods for dealing with this problem of the people who in old age, when they can no longer work, lack means of support, ruling out Hitler's gas chamber and the equally barbarous method of letting them starve. The first of these is a universal pension system in which payments of a flat amount are made to everybody who attains a specific age—say 60 or 65—regardless of their financial situation, which are financed from taxes levied upon everybody. The second is old age assistance, in which payments are made to old people in need and in varying amounts depending upon their needs, again financed from general tax sources. The third is a contributory old age insurance system, in which the benefits are paid to persons qualifying by reason of the contributions which they have consciously made to the costs of the system and which vary, at least to some degree, with the total or average contributions made by the individual prior to retirement. The last two of these possible programs are now in operation in this country: old age assistance, a State-determined and State-administered program, but with more than half of the financing provided by the national government; and old age and survivors' insurance, nationally controlled and administered and financed exclusively from pay-roll taxes on employers and employees. Universal old age pensions have not been adopted in this or any country, except for veterans.

Of these alternatives, I rule out universal old age pensions because of their costs and uncontrollability. With 11,000,000 people now in the United States, even a modest universal pension of $50 per month would cost $3,600,000,000 per year, contrasted with a total of $2,000,000,000 to be raised from employer and employee pay-roll taxes under the plan for an improved old age insurance system recommended by the Ways and Means Committee. The number of the aged is increasing nearly 3 percent per year and the costs of universal pensions will, at the minimum, increase correspondingly. With many millions of people who make no direct contributions to the costs on the rolls as beneficiaries, it is, also, completely unrealistic to assume that universal old age pensions can be kept down to $50 per month or any similar figure.

Old age assistance appeals to many people as a potentially less costly method of dealing with the problem of old age support, because only old people in need are to receive benefits and only in amounts measured by their needs. As experience with old age assistance has demonstrated, however, these expectations are illusory. Need is a flexible concept and already half of the old people are qualifying for old age assistance in some States, with the percentage still increasing. As your referendum proposition No. 4 illustrates, the amounts of the old age assistance payments tend to become uncontrollable, where prospective beneficiaries do not consciously contribute to the costs.

There is some danger also that benefits may be increased unreasonably in a contributory old-age insurance system. But that has not occurred in any country which, unlike the United States, places reliance for the support of the aged dependents principally upon contributory old-age insurance. The fact that prospective beneficiaries know that increased benefits will also require increased contributions serves as a powerful deterrent against unreasonable increases.

A contributory old-age insurance system is not inconsistent with an economy of free enterprise; rather, it is a bulwark to such an economy. A proper system of social security is not a featherbed, but a net to catch those that fall, or rather it is a floor of protection assuring all Americans the minimum income needed for a decent existence in all contingencies of life. Above such a minimum, individual and family responsibility must be retained. For the luxuries and even the conveniences of life, reliance must be placed upon individual savings and insurance and supplemental private pension, health and welfare plans. Social security, thus conceived, is clearly essential to private enterprise, as it is the only basis on which it can survive.

In presenting this viewpoint, I recognize that the social-security movement, like everything else, is fraught with danger. As John Maurice Clark has observed, there is far less danger of "a police state" in this country than of a "Santa Claus state to which the people in general look for handouts, with no thought of reciprocal obligations." It is precisely because I want a welfare state, in the sense contemplated by the Constitution, and not a Santa Claus state that I am so strongly urging extension and improvement of our old-age and survivors insurance. As I see it, unless this is done very promptly, referendum No. 4 is only the beginning of what we will have to face and the contributory principle in relation to old-age support will be entirely lost.

But I may be wrong and those who favor universal pensions or exclusive reliance upon old-age assistance and private pension programs may be right. Similarly, there is much to be said against all the other parts of President Truman's Fair Deal program, just as there is a case to be made for each of these proposals.

But I submit, it is regrettable that so many of the opponents have substituted the outcry about the welfare state for solid arguments against the Truman proposals. This outcry is contrary to American concept of a "government of the people, by the people, and for the people," one of whose purposes is to promote the general welfare. In conveying the impression, at home and abroad, that the American Government is not interested in welfare, it undermines the foundation of our democracy, our economy, and our security. Let us continue to debate, as we have always done, what will best promote the general welfare, but let us not play Stalin's game by proclaiming that our Government is not interested in the welfare of the common man.

Mr. MORSE. Mr. President, in closing, I want to say that I understand the distinguished Vice President of the United States, for whom I have a great deal of love, affection, and fondness, is, in the very near future, going to be a visitor to the great State of Oregon. I want to assure the distinguished Vice President that I shall consider it a matter of great personal enjoyment to extend to him the hospitality of our State when he arrives. I hope that when he comes this time he will have a story which will be of greater help to the junior Senator from Oregon, so far as his nomination in the Republican primary is concerned, than was the last story he told in the State of Oregon.

The Vice President will recall that when he stopped over at the Portland airport during the 1948 campaign, on his trip from Seattle to San Francisco, he did not honor us with a speech in our great State. We were very much disappointed about that. He did tell a story on the junior Senator from Oregon which I hope he will improve upon when he next visits Oregon.

The Vice President will recall that Larry Smith, of the Oregon Journal, at the press conference at the Portland airport asked the Vice President, then the Senator from Kentucky, what he thought of the junior Senator from Oregon. In answer to the question the Vice President told this story. He said, "Well, you know, Wayne reminds me of the turtle that was going down the road with his neck stuck out in front of him, plodding along. A couple of boys came along and discovered the turtle. One of them took out a jack-knife and cut off the turtle's head, but the turtle kept right on plodding down the highway." Our beloved Vice President then said, "You know, the turtle just didn't know the difference, and that reminds me of my good friend and colleague, your junior Senator WAYNE MORSE. Wayne is a Republican, but he really doesn't know the difference between a Republican and a Democrat." [Laughter.]

I want to assure the Vice President that his story did not help me any in my State among Republicans. Now I assume that the Vice President as Presiding Officer over the Senate has now become so nonpartisan that he will want to help me become renominated in the next election.

The VICE PRESIDENT. If the Senator will permit the Chair to correct the story. An argument arose between two people as to whether a turtle was dead or not. One said he was dead because his head was cut off, but the other said he was not dead because he was still crawling. They called in a third, who said he was dead but didn't know it. The Vice President, at that time the Senator from Kentucky, was intimating that the Senator from Oregon was a Democrat but didn't know it. [Laughter.]

Mr. MORSE. Mr. President, that is a new version of the story. I hope the Vice President will not make his correction in my State.

In all seriousness, I do wish to say to the Vice President that all of us in the officialdom of our State, Republicans and Democrats alike, will be very happy to welcome the Vice President as a visitor to Oregon. We look forward to his visit.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield the floor.

Mr. DONNELL. I should like to ask the Senator a question, if he will permit me, and before doing so I should like to invite the Vice President most graciously to visit Missouri occasionally. [Laughter.]

The VICE PRESIDENT. The present occupant of the chair appreciates that invitation, and in view of its sincerity, the Chair may accept it.

Mr. DONNELL. I will say to the Vice President that I was quite confident that he would when I extended the invitation.

The VICE PRESIDENT. The Chair would like to state that if he does accept the invitation, it will not be in his capacity as Vice President of the United States. [Laughter.]

Mr. DONNELL. I should like to ask the Senator from Oregon a very brief question. He referred to the general welfare clause of the Constitution. I assume he was referring to section 8 of article 1 of the Constitution, which says that—

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States.

Is that the clause to which he was referring as the general-welfare clause?

Mr. MORSE. I was referring to that clause, but I was referring also to what I think is one of the primary meanings of the entire Constitution, read from its four corners. I think that under our system of representative self-government one of the primary objectives of our Government should be to pass legislation consistent with the constitutional checks and balances of the Constitution and which legislation promotes general welfare of all our people. Such was Lincoln's view when he said, "The purpose of government is to do for the people what they cannot do for themselves or cannot do so well for themselves."

Mr. DONNELL. The particular question I wanted to be clear on was as to whether that was the clause to which the Senator referred in his expression "general welfare clause," when he used that expression.

Mr. MORSE. That is correct.

Mr. DONNELL. I ask the Senator whether he agrees with me, generally

speaking, that that clause does not create power to legislate, but is a taxing clause, and specifies certain of the purposes for which taxes, imposts, duties, and excises may be used. Am I correct?

Mr. MORSE. The Senator has raised the very question I intended to discuss for about 2 hours out of the 6-hour speech, which I have decided not to make in the closing period of this session. In order to do justice to my point of view with regard to that clause the Senator will have to hold that question in abeyance until January.

Mr. DONNELL. I thank the Senator for his courtesy in yielding.

TRIBUTE TO SENATOR WHERRY, MINORITY LEADER

Mr. DONNELL. Mr. President, reference has been made this afternoon to different gentlemen, and there is one man who has not been mentioned, so far as I have heard, namely, the minority leader.

I wish to say just very briefly something about the work of the minority leader. I have observed him from the time I came to the Senate only a few years ago and saw him as a Senator, then as a whip, and ultimately as the minority leader. I think his work has been characterized by a very, very high degree of intelligence and energy, fairness, diligence, and industry. We have been exceedingly fortunate in the Senate of the United States in having as the minority leader, with the arduous duties which are attached to that position, the distinguished junior Senator from Nebraska [Mr. WHERRY], and as one member of the minority party—and I believe I speak for all the members—I tender him at this time our very sincere appreciation for his diligent, conscientious, and skillful leadership in the duties which have been assigned to him.

NOTIFICATION TO THE PRESIDENT

Mr. LUCAS and Mr. WHERRY advanced in the center aisle, and

Mr. LUCAS said: Mr. President, the committee appointed about 2 hours ago to confer with the President reports back that we have talked with the President and he advises us that he has no further business to send to the United States Senate.

EXPRESSIONS OF THANKS TO ATTACHÉS OF THE SENATE AND TRIBUTE TO THE VICE PRESIDENT

Mr. LUCAS. Mr. President, I wish to thank the Members of the Senate who have been kind enough to say a few words about the senior Senator from Illinois. I also wish to take this opportunity of thanking all the legislative employees of the Senate, including the page boys, who have always been ready to run all errands for Senators wherever it might be, and I wish for them a very happy vacation. I hope they will return fully recovered from the long and arduous and strenuous duties they have been performing.

Mr. WHERRY. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Mr. President, I, too, wish to join with the distinguished majority leader in thanking those who make the Senate go. I am glad he mentioned it before I took the floor. I had intended especially to thank the page boys, the clerks at the desk, the Parliamentarian, and I even wish to thank the President of the Senate. He has had some important decisions to make this year. I have not agreed with all of them, but I wish to give him the compliment he paid me once. I know of no man I love more with whom I so often disagree, as the President of the Senate, the Vice President of the United States. I want him to know we appreciate his officiating as our President, and the manner in which he has presided over the proceedings of the Senate.

I thank everybody on both sides of the aisle, and I, too, join in wishing them a very happy vacation, and admonish them to be on hand on January 3 for the second round of the Eighty-first Congress.

Mr. LUCAS. Mr. President, I was leaving the best to the last. The Senator from Nebraska has referred to the distinguished Vice President, and I agree with everything he has said. In fact, I can go even further than the distinguished minority leader did, because the Vice President and I agree about 99 percent of the time, and he is usually right the 1 percent when he does not agree with me.

I wish to say to the Vice President that as one who is new in this position, I am exceedingly grateful to him for the advice and counsel he has given me all through these 10 months of strenuous struggle. He well knows I have conferred with him many times on questions of policy and questions of procedure, and at no time has he given me advice which was wrong. His long experience in the legislative halls of Congress makes him unusually fitted and adapted to rule over this great deliberative body. He has done it with fairness and courtesy and kindness to all.

I also wish especially to express my appreciation to Charlie Watkins, the Parliamentarian, because without Watkins I hardly know how the Senate could run. He is always on the job and he really knows the rules and precedents. I hope he stays with us forever.

Mr. President, that is all, with the exception of three orders, which I send to the desk.

PLACE OF MEETING OF SECOND SESSION OF EIGHTY-FIRST CONGRESS

On motion of Mr. LUCAS, and by unanimous consent, it was

Ordered, That upon the convening of the second regular session of the Eighty-first Congress on January 3, 1950, the Senate meet in its Chamber: *Provided, however*, That in the event construction work now in progress on the new roof has not been completed by that date, the Senate shall resume its sessions in the Old Supreme Court Room.

AUTHORIZATION TO MAKE APPOINTMENTS TO COMMISSIONS OR COMMITTEES DURING ADJOURNMENT

On motion of Mr. LUCAS, and by unanimous consent, it was

Ordered, That notwithstanding the final adjournment of the present session of the Congress, the President of the Senate be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

AUTHORIZATION TO RECEIVE MESSAGES FROM THE HOUSE DURING ADJOURNMENT

On motion of Mr. LUCAS, and by unanimous consent, it was

Ordered, That the Secretary of the Senate be, and he is hereby, authorized to receive messages from the House of Representatives subsequent to the adjournment of the present session.

ADJOURNMENT SINE DIE

Mr. LUCAS. In line with the concurrent resolution heretofore agreed to, I now move that the Senate adjourn sine die.

The motion was agreed to; and (at 8 o'clock and 11 minutes p. m.) the Senate, under terms of the House concurrent resolution (H. Con. Res. 148), heretofore agreed to, adjourned sine die.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

Subsequent to the sine die adjournment of the Senate, the Vice President, under the authority of House Concurrent Resolution 149, signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

S. 1578. An act to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication system;

S. 1580. An act concerning common trust funds and to make uniform the law with reference thereto;

S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense;

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians;

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950;

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes;

H. R. 5601. An act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes;

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.;

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; and

H. J. Res. 33. Joint resolution to vest title to certain lands of the Three Affiliated Tribes

of the Fort Berthold Reservation, N. Dak., in the United States, and to provide compensation therefor.

ENROLLED BILLS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

The Secretary of the Senate reported that on October 20, 1949, he presented to the President of the United States the following enrolled bills:

S. 509. An act to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list;

S. 1232. An act to increase the allowance for equipment maintenance of rural carriers by 1 cent per mile per day for each scheduled mile or major fraction thereof;

S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center;

S. 1284. An act to amend section 6 of the Federal Airport Act;

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes;

S. 1578. An act to authorize the Secretary of the Army to proceed with construction at stations of the Alaska communication system;

S. 1580. An act concerning common trust funds and to make uniform the law with reference thereto;

S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.;

S. 1825. An act to amend the Federal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops;

S. 2115. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes;

S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.;

S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense;

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; and

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950.

REPORT OF A COMMITTEE AND MINORITY VIEWS FILED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority of the order of the Senate of October 19, 1949, Mr. HICKENLOOPER submitted on October 26, 1949, minority views (pt. 2 of Rept. No. 1169) on the investigation into the United States Atomic Energy Commission of the Joint Committee on Atomic Energy.

Pursuant to the authority of the order of the Senate of October 15, 1949, Mr. MYERS, on October 31, 1949, from the Committee on Interstate and Foreign Commerce, submitted a report (No. 1204) to accompany the bill (S. 211) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended, heretofore reported.

APPROVAL OF SENATE BILLS AND JOINT RESOLUTION AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to sine die adjournment of the Senate, notified the Secretary of the Senate that he had approved and signed acts and a joint resolution, as follows:

On October 19, 1949:

S. 627. An act for the relief of Keon Moore.

On October 25, 1949:

S. 76. An act to authorize the Secretary of the Interior to convey a certain tract of land in the State of Arizona to Lillian I. Anderson;

S. 443. An act to authorize the construction and equipment of a radio laboratory building for the National Bureau of Standards, Department of Commerce;

S. 489. An act to authorize the refund to the Florida Keys Aqueduct Commission of the sum advanced for certain water facilities, and for other purposes;

S. 614. An act to amend the Hospital Survey and Construction Act (title VI of the Public Health Service Act), to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes;

S. 939. An act to remove certain lands from the operation of Public Law 545, Seventy-seventh Congress;

S. 1232. An act to increase the allowance for equipment maintenance of rural carriers by 1 cent per mile per day for each scheduled mile or major fraction thereof;

S. 1284. An act to amend section 6 of the Federal Airport Act;

S. 1542. An act to authorize the withdrawal of public notices in the Yuma reclamation project and for other purposes;

S. 1829. An act to authorize the Secretary of the Interior to transfer to the Crow Indian Tribe of Montana the title to certain buffalo;

S. 2226. An act relating to the compensation of certain employees of the Panama Canal;

S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.;

S. 2316. An act to authorize the construction and equipment of a guided-missile research laboratory building for the National Bureau of Standards, Department of Commerce; and

S. J. Res. 134. Joint resolution to amend the National Housing Act, as amended, and for other purposes.

On October 26, 1949:

S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately 40 acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.; and

S. 2360. An act to amend the Federal Airport Act so as to authorize appropriations for projects in the Virgin Islands.

On October 27, 1949:

S. 509. An act to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired to the rank of lieutenant colonel on the retired list);

S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O–17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes;

S. 1578. An act to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System; and

S. 1580. An act concerning common-trust funds and to make uniform the law with reference thereto.

On October 28, 1949:

S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; and

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950.

On October 29, 1949:

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes; and

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops.

On October 31, 1949:

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians.

DISAPPROVAL OF SENATE BILLS AFTER SINE DIE ADJOURNMENT

The message also announced that the President had vetoed the following bills of the Senate on the dates indicated:

FEDERAL RECLAMATION LAW

S. 1385. I am withholding my approval from S. 1385, a bill providing that the excess-land provisions of the Federal reclamation laws shall not apply to lands that will receive a supplemental water supply from the San Luis Valley project, Colorado.

Under the excess-land provisions of the Federal reclamation laws, water from a Federal reclamation project may be supplied to any one landowner, on a permanent basis, for not to exceed 160 acres of irrigable land within the project. Where the land is held in community or joint ownership by a husband and wife, water may be furnished for as much as 320 acres. The enrolled bil' would increase the basic limitation, insofar as lands within the San Luis Valley project are concerned, from 160 acres to 480 acres. This change would have the effect of increasing the husband-and-wife limitation, for lands within that project, from 320 acres to 960 acres.

One great objective of the Federal reclamation program is to foster the establishment and maintenance of farm homes throughout those portions of our country where agricultural operations cannot rely solely upon nature for a water supply. The excess-land provisions of the law provide the legal mechanism for assuring that the benefits of the irrigation systems will inure to family-size farming enterprises. This is true whether the purpose of the particular project is to open up new land for settlement by providing an original water

supply, or to stabilize an existing irrigation economy as in the case of the San Luis Valley project. In the absence of requirements designed to channel the water to those who are striving to build or conserve farm homes for their families, the heavy investments of interest-free funds being made for the reclamation program would lose much of their justification.

The San Luis Valley project, when completed, will provide a supplemental supply of water for approximately 500,000 acres. The only unit of the San Luis Valley project planned for construction at the present time is the Conejos division. The great bulk of the 86,000 acres that would be served by this division is already held in farm units that comply with the excess-land provisions of the Federal reclamation laws. Most of these existing farm units will be fully capable of supporting a farm family at an acceptable standard of living, once a regulated water supply is made available. On the other hand, approximately 24,000 acres of land within the Conejos division are of such quality, considering the comparatively short growing season of the region, as to make questionable their capacity to provide satisfactory family livelihoods if the farming operations must be in units meeting the present limitations. The enrolled bill, however, is not restricted to these 24,000 acres, or to the Conejos division, but would apply to the San Luis Valley project as a whole. In striving to meet the problems of a small part of the area, it would relax the existing acreage limitations for a much larger block of lands where adequate family-size farms can be maintained within these limitations.

It does not seem to me to be desirable or necessary to enact a bill of this sweeping character in order to achieve whatever corrective action may be needed to adapt the principle of aiding family-size farms to the particular conditions of the San Luis Valley project. It will be at least 2 years before the construction work on the Conejos division is completed. In the meantime, I hope that the Congress will consider legislation amending the excess-land provisions of the reclamation laws so as to authorize appropriate adjustments in maximum acreages, where necessary, under carefully worked-out standards, which could be applied not only to the San Luis Valley project, but also to other projects in which some adjustment may be warranted. Such legislation would seem to me to provide the proper way to meet special and unique situations, such as those in the San Luis Valley, without doing violence to the basic and often reaffirmed principle of maintaining the family-size farm on reclamation projects.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 29, 1949.*

AUTOMOBILES FOR DISABLED VETERANS

S. 2115. I have withheld my approval of S. 2115, to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

The purpose of the enactment is to authorize the payment of not to exceed $1,600 on the purchase price of an automobile or other conveyance for any veteran of World War I or World War II entitled to compensation under laws administered by the Veterans' Administration for the loss, or loss of use, of one or both hands or feet or for defective vision to a prescribed degree.

The First Supplemental Appropriation Act, 1947, granted a similar benefit for each World War II veteran entitled to compensation for loss, or loss of use, of one or both legs at or above the ankle, with the requirement that the veteran be qualified to operate the conveyance. This authority was extended and most of the eligible World War II veterans with leg disabilities have already qualified for a conveyance under that law. Hence, the primary effect of the present proposal on World War II veterans would be to grant a vehicle to those with service-connected disabilities of the upper extremities and to those with seriously impaired vision. It would also qualify World War I veterans for this benefit for the first time.

Any provision that will assist those veterans who have suffered the most severe disabilities as a result of their service naturally commands, and should command, our most sympathetic consideration. However, we should not lose sight of the basic purpose in fulfilling our primary obligation to veterans disabled in the service, which is not only to give them timely help to surmount the physical and economic handicaps of their disability, but at the same time to preserve and stress the underlying objective of assisting them to be as nearly as possible self-reliant and self-sustained members of society.

A comprehensive program has already been adopted by the Government which is based squarely upon the policy of directly assisting the disabled veteran to the maximum extent possible in overcoming his service disability. This consists of medical and hospital care, prosthetic appliances, vocational rehabilitation training, waiver of insurance premiums during continuous total disability, and liberal rates of monthly compensation, including additional amounts for dependents in severe cases. Blind veterans may be provided with guide dogs and electrical or mechanical equipment designed specifically to aid them in overcoming their physical handicaps. Moreover, special increased rates of compensation are provided for those with certain specific disabilities, such as loss of one or both hands or feet or blindness. At the present time, the veterans who would be benefited by S. 2115 receive monthly compensation payments ranging from $97 to $360, with, in most instances, extra amounts depending on the number of their dependents. This is, of course, in addition to the medical and other services which they receive. Within the last month I have approved legislation, effective December 1, 1949, to provide a minimum of 8.7-percent increase in basic compensation rates for disabled veterans. This increase will benefit those veterans receiving compensation on the basis of the degree of their disability, which includes the great majority of those who would be benefited by the present proposal.

This proposal would now add to the presently available sound rehabilitative measures the one-time gift of an automobile or other conveyance based on the fact that the veteran had lost one or both hands or his vision in the service. The original program of automobiles for disabled veterans was intended to provide timely rehabilitative assistance to help those veterans readjust to civilian life. It was limited to veterans of World War II entitled to compensation for the loss, or loss of use, of one or both legs at or above the ankle, who were personally able to operate automobiles. The cars were intended to serve the purpose of additional prosthetic appliances for the direct use of veterans whose mobility had been impaired by injury or loss of lower limbs. Under S. 2115, the factor of mobility would be largely disregarded. Certainly, the gift of an automobile to a blind veteran who has no one to drive it for him is, in no sense, a prosthetic appliance. Nor is an automobile necessary for the rehabilitation of each and every veteran who has lost one or both hands. S. 2115 would abandon the principle upon which the original program was based. If we abandon sound principles of rehabilitation, it is not clear how or where we can stop this progressive expansion of the granting of automobiles short of providing one for every disabled veteran.

The practice of making gifts of special nonmonetary benefits, such as automobiles, to a particular group of disabled veterans, leads both to serious inequity and to abuse. Under S. 2115, for example, a veteran who has suffered the loss of a hand and who may be rated as 60 percent or 70 percent disabled would receive an automobile, though his mobility may be impaired only slightly, if at all. At the same time a much larger number of veterans rated as high as 100 percent disabled, but without the specific disabilities covered by this proposal, will not receive automobiles. These instances of discrimination would not be isolated cases. This bill would create wholesale inequities. Of the estimated 9,780 additional World War II veterans who could become eligible for free automobiles under this bill, the best available data indicate that 40 percent, or 3,900, would be cases rated as disabled 70 percent or less. Only about 2,700 of those to receive this benefit would be rated as 100 percent disabled. On the other hand, there would be over 65,000 World War II veterans on the rolls of the Veterans' Administration receiving compensation for 100-percent disability who would be completely excluded. The situation with respect to World War I veterans would also be similar. This bill would qualify an estimated 5,700 veterans of various degrees of disability but would exclude over 25,000 World War I veterans who are rated 100 percent disabled. It seems obvious that inequities are bound to arise when specific gifts are made without references to a distinctive need which is both substan-

tial and urgent to those concerned. The step-by-step distribution of such gifts to wider and wider groups of veterans would destroy the delicately balanced disability compensation structure which has been worked out through the years.

In addition to the inequities mentioned, this measure would lead to abuses. Many of the veterans eligible under this proposal are unable to drive an automobile, and some of these may have no one to drive for them. Yet, such veterans may have a legitimate need for some other aids or conveniences suitable to their own individual cases. Their only recourse will be to apply for and receive the automobiles and immediately sell them. It is surely unsound public policy to give a special group of veterans special gifts so poorly fitted to their requirements that many will be forced to sell them in order to use the proceeds for purposes better suited to their needs.

When we move beyond the provision of individually fitted prosthetic appliances for disabled veterans into the field of compensation, the sound and equitable method of meeting the needs of disabled veterans is through the provision of a carefully considered scale of compensation rates paid in cash on a monthly basis. This is our long-tested practice from which I believe we should not depart.

Accordingly, I am compelled to withhold approval of S. 2115.

HARRY S. TRUMAN.

THE WHITE HOUSE, *October 31, 1949.*

NOMINATIONS

Executive nominations received by the Senate October 19 (legislative day of October 17), 1949:

IN THE ARMY

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officer without specification of branch, arm, or service:

First Lt. George Raymond Krough, O38580, Medical Service Corps, United States Army.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947:

To be first lieutenants

Frederic Ackerson, O50562.
Hugh Boyd Casey, O56763.
Herbert Lee Jordan, O50564.
Clarke Lewis Shumaker, Jr., O50568.
Frank Clyde Stewart, Jr., O50563.

To be first lieutenants, Women's Army Corps

Fannie Lyle Davis, L200.
Johnita Heslinga, L292.
Virginia Helen Kaufmann, L199.
Marie Louise Malone, L198.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947:

To be captains, Army Nurse Corps

Ethel J. Britt, N753.
Virginia M. Brychel, N925.
Barbara M. Cullom, N1101.
Florine Hughes Cutts, N1393.
Elmira Dalrymple, N922.
Hazel L. Evans, N1404.
Mildred M. Furlong, N1401.
Agnes C. Glunt, N1400.
Margaret E. Jackson, N918.
Florence L. Kimmel, N917.
Eleanora Scheessele Lathery, N1402.
Mary Anne Massoni, N927.
Marjorie M. Mohler, N919.
Mary Kate Platt, N1405.
Dorothy F. Shaw, N1731.
Marjorie Elizabeth Sodt, N1676.
Mary Willie Wilborne, N1728.
Lurline V. Zuerner, N1673.

To be captains, Women's Medical Specialist Corps

Solveig Christi Peterson, R10048.
Mabel E. Pierce, J39.

To be first lieutenants, Women's Medical Specialist Corps

Tommye J. Duncan, J24.
Marian Margaret Poitrast, R10060.
Eleanor M. Vance, J25.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 625, Eightieth Congress, and Public Law 36, Eightieth Congress:

To be majors

Silvia Cortesi, WAC, L904048.
Nick Perlmutter, MC, O930142.
Sanford M. Vaughan, MC, O395934.
Wilhelm A. Zuelzer, MC, O484406.

To be captains

Paul F. Brookshire, Jr., MC, O440311.
Walter J. Bolbat, DC, O477483.
William D. Bumsted, DC, O1786096
John D. Dimichele, MC, O1704772.
John R. Ervin, MC, O1785785.
Gus J. Furia, MC, O1767230.
Longstreet C. Hamilton, MC, O1735272.
Warren S. P. Henderson, MC, O1786624.
Stanley Karansky, MC, O423605.
Henry P. Rosack, MC, O423100.
Walter A. Schoen, Jr., MC, O1766680.
Leonard K. Schreiber, DC.
Edward H. Stiesmeyer, DC, O1766061.

To be first lieutenants

Joseph J. Asta, MC, O960846.
Lorenz L. Beuschel, VC, O935999.
Heath D. Bourdon, MC, O965833.
Murray E. Burton, MC, O961038.
George J. Charlebois, Jr., VC, O1785428.
Richard J. Deegan, JAGC, O383820.
William C. Dunckel, Jr., MC.
Richard H. DuPree, MC, O962912.
Robert F. Eaves, Jr., MC, O960859.
Charles V. L. Elia, VC, O1775597.
Jack D. Fetzer, MC, O963268.
John T. Flynn, VC, O1784862.
Robert B. Greiner, VC, O1745729.
Donald E. Guy, VC, O933073.
Walter D. Hammer, VC, O1725719.
Carlos B. Harmon, DC.
John T. Hayes, CHC, O931276.
Nicholas L. Holowach, MC.
Donald L. Howie, MC, O948537.
Daniel W. Hubbard, VC, O1716505.
Loren J. Jacobson, MC, O960467.
Robert T. Jensen, MC, O964251.
Harold B. Lawson, CHC, O949086.
Francis P. Martin, MC, O968434.
Robert C. McCord, VC, O1785299.
Albert C. McCully, DC, O1767574.
Ora H. McKenney, Jr., CHC, O546033.
Walter G. McLeod, CHC, O502334.
Martin S. Oster, VC, O939012.
Elwin R. Prather, VC, O386789.
Joseph S. Quigley, VC, O1725228.
George J. Race, MC, O961439.
Albert M. Richards, MC, O963144.
Harry C. Robertson, DC, O945350.
Donald J. Summerson, MC, O935461.
David C. White, MC, O965831.
John O. Wilson, VC, O1745608.

To be second lieutenants

Beverly E. Bochman, ANC, N792562.
Joan M. Check, ANC, N792077.
Jean M. Clawson, ANC, N793226.
Jeanette M. Confort, ANC, N792570.
Fred H. Diercks, MSC, O954634.
Margaret E. Hallam, ANC, N785293.
Adrian D. Mandel, MSC, O533784.
Pettrina M. Mead, ANC, N792346.
Marilynn M. Minton, ANC, N779710.
Marguerite E. Moeller, ANC, N792217.
Mary H. Moltzen, ANC, N777247.
Ralph W. Morgan, MSC, O453617.
Florence L. Pettey, ANC, N764781.
William S. Rooney, MSC, O958932.
Helen M. Slater, ANC, N792167.
Patricia A. Thrush, ANC, N792099.
Rebecca L. Williams, WMSC, R2518.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Oscar F. Danner, Jr., O979330.
John O. Ford, O1109294.
David P. Heekin, O453825.
Raymond A. Love, O968456.
Charles A. Matiach, O956230.
Patrick P. McCurdy, O971245.
Donald W. Moak, O971375.
Aldo A. Modena, O970555.
John L. Reed, O975150.
Ernest P. Robinson, O958300.
Rufus C. Streater, O977651.
Erwin C. Thornton, O972208.
Billy M. Vaughn, O956215.
Kenneth Y. Wright, Jr., O975141.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 19 (legislative day of October 17), 1949:

DIPLOMATIC AND FOREIGN SERVICE

To be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark

Mrs. Eugenie Anderson

To be career ministers of the United States of America

Lewis Clark
John Dewey Hickerson
Edwin A. Plitt

FEDERAL TRADE COMMISSION

James M. Mead to be Federal Trade Commissioner for the term of 7 years from September 26, 1948.

FEDERAL POWER COMMISSION

Mon C. Wallgren to be a member for the remainder of the term expiring June 22, 1954.

ATOMIC ENERGY COMMISSION

Robert LeBaron to be chairman of the Military Liaison Committee to the Atomic Energy Commission.

JUDGES OF THE UNITED STATES COURT OF APPEALS

Robert L. Russell to be judge of the United States Court of Appeals for the Fifth Circuit.

Hon. Wayne G. Borah to be judge of the United States Court of Appeals for the Fifth Circuit.

UNITED STATES ATTORNEY

George Earl Hoffman to be United States attorney for the northern district of Florida.

UNITED STATES MARSHAL

Rex Bryan Hawkes to be United States marshal for the western district of Oklahoma.

UNITED STATES AIR FORCE

The nominations of Harry George Armstrong and other officers for promotion in the United States Air Force, under the provisions

of sections 502 and 510 of the Officer Personnel Act of 1947, and the nominations of Franklin L. Bowling and other persons for appointment in the United States Air Force, which were confirmed today, were received by the Senate on October 15, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Harry George Armstrong which occurs on page 14707 and ending with the name of Warren B. Wisdom which is shown on page 14708.

IN THE MARINE CORPS

The nominations of Walter F. Connell and other officers for appointment in the Marine Corps, which were confirmed today, were received by the Senate on October 14, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Walter F. Cornnell which is shown on page 14584, and ending with the name of Edwin M. Clements which is shown on page 14585.

POSTMASTERS

ALABAMA

Edward M. Bosarge, Bayou La Batre.
Elliott D. Sadler, Beatrice.

CALIFORNIA

Frederick H. Meyer, Clearlake Oaks.
Erwin R. Lang, La Crescenta.
Alice E. Wyman, Nuevo.
Michael G. Hernandez, San Joaquin.
Richmond D. Atkeson, Sierra City.

COLORADO

Frances M. Ver Straeten, Laporte.

FLORIDA

George H. Sadler, Bay Pines.
Irma A. Cox, Bradenton Beach.
Samuel R. Valliere, Miami.
Fred J. Fuchs, Jr., Naranja.
Eric D. Hartline, South Bay.

GEORGIA

Osmont V. Barkuloo, Tifton.

ILLINOIS

Henrietta A. Ditzler, Davis.
Francis Marion Owen, East St. Louis.

INDIANA

Damon M. Chesterson, Advance.
William W. Moore, Newport.

IOWA

Tim J. Rohweller, Doon.
Clement P. McKenna, Oto.
Daniel V. Lawler, Wall Lake.
Thomas M. McNally, Waterloo.

LOUISIANA

Clyde L. Bibb, Branch.
Edgar S. Burleigh, Port Barre.
Lillie R. Gammage, Westlake.

MAINE

James R. Blanch, West Enfield.

MARYLAND

Jeanette H. McCall, Charlestown.

MASSACHUSETTS

Ralph W. Maggs, Fitchburg.
Oscar R. Anderholm, Gardner.
Mary V. Meagher, Middleton.
Samuel F. Knowles, Jr., Rowley.
Frederick H. Bearse, South Chatham.
Samuel J. Martineau, South Vernon.

MICHIGAN

Joseph P. Adamski, Manistee.

MINNESOTA

Ray A. Harris, Angora.
Howard I. Trana, Henning.
Myron F. Griffin, Steen.

MISSISSIPPI

Ernest L. York, Benoit.

MISSOURI

John H. Richardson, Norwood.

NEBRASKA

Roy Cecil Plants, Loup City.
James W. Boyd, Kearney.

NEW HAMPSHIRE

John F. Sullivan, Salem Depot.

NORTH CAROLINA

Raymond Bowers, Lexington.

OHIO

Oliver W. Hook, Bellbrook.
Albert A. Dete, Glenmont.

OKLAHOMA

John W. Bonar, Fargo.
Louis P. Broadway, Oilton.

OREGON

Ernest M. Chandler, Siletz.

SOUTH DAKOTA

Ray C. Bonzer, Hecla.
Albert J. Maass, Jr., Yale.

TEXAS

Clifford H. Hultquist, Ganado.
William L. Butler, Karnes City.
Raymond L. Toft, Kirkland.
Bruno H. Morisse, Tordheim.
Marion L. McElveen, Rockport.

VIRGINIA

Virginia D. Shufflebarger, Bluefield.
Clyde E. Collins, Christiansburg.
Grover E. Orr, Dryden.
Lucy F. Williams, Hollins.
Wallace H. Armistead, Mathews.
Earle I. Lipscomb, Schuyler.

WASHINGTON

Lester L. Spangler, Orting.

WEST VIRGINIA

Wash Hornick, Jr., Anawalt.
Dorothy M. Albright, Everettville.

WISCONSIN

Leland W. Chenoweth, Blair.
Emil G. Krzywkowski, Cudahy.
Alvin B. Halverson, Holmen.
Harry A. Wiseman, Rock Springs.
George R. Schoenfeld, Wausau.

HOUSE OF REPRESENTATIVES

WEDNESDAY, OCTOBER 19, 1949

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, who hast crowned our days with goodness and mercy, in all our labors we would magnify Thy holy name. Thou who art the secret of wisdom, O bring sight out of our blindness and purity out of every stain.

As we separate for a while, we look back in earnestness and forward in confidence, for we know that naught Thou hast made can separate us from Thy tender care. Bend over our whole family of loved ones and be gracious to every State under the folds of our flag. Give to every Member a restful satisfaction that comes to those who have borne wisely and well their part, and bring them back in good health and good cheer.

The Lord bless you and keep you. The Lord make His face to shine upon you and be gracious unto you; the Lord lift the light of His countenance upon you and give you peace. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 1028. An act to legalize the admission into the United States of Edmea Pacho;

H. R. 3793. An act to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 5191. An act to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia;

H. R. 5354. An act for the relief of Itzchak Shafer;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 6007. An act for the relief of Herminia Ricart;

H. R. 6281. An act to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions;

H. R. 6301. An act to provide for parity in awards of disability compensation; and

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4692. An act to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1019. An act conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon any claim arising out of personal injuries sustained by Carl J. Freund and Pauline H. Freund, his wife, of Seattle, Wash.;

S. 1027. An act for the relief of the Merit Co.;

S. 1543. An act to authorize the disposal of withdrawn public tracts too small to be classed as a farm unit under the Reclamation Act;

S. 1747. An act to require the United States District Court for the Eastern District of Michigan (northern division) to sit during a part of its term at Flint, Mich.;

S. 1916. An act for the relief of Edna A. Bauser;

S. 2114. An act for the relief of Mitsue Shigeno;

S. 2128. An act to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder;

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950;

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; and

S. J. Res. 128. Joint resolution to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of permanent headquarters, and for related purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1232. An act to increase the equipment maintenance allowance payable to rural carriers; and

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4146) entitled "An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 99 to the above-entitled bill.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills and a joint resolution of the House of the following titles:

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes;

H. R. 4495. An act to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes;

H. R. 5856. An act to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes;

H. R. 5931. An act to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes;

H. R. 6305. An act to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; and

H. J. Res. 33. Joint resolution providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the Senate of the following titles:

S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center;

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes; and

S. 2115. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes.

SUPPLEMENTAL APPROPRIATION BILL, 1950

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6427) making supplemental appropriations for the fiscal year 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, KERR, RABAUT, KIRWAN, TABER, and WIGGLESWORTH.

DR. JAMES SHERA MONTGOMERY

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, today, October 19, is the eighty-seventh anniversary of the birth of our beloved and distinguished Chaplain, Dr. James Shera Montgomery.

Dr. Montgomery has been the spiritual leader of the House of Representatives for nearly 29 historic years. He was elected Chaplain of the House on March 1, 1921, and there are only a handful of Members today who were here on that day. But all of us have gained great inspiration through his opening prayers and through our association with him in this body.

It was during the second year of the Civil War—1862—that Dr. Montgomery was born in Mount Carmel, Ind. He was the son of the late Reverend William M. and Anna Montgomery. He followed the footsteps of his father into the ministry. It was in 1881 that he graduated from the Indiana Academy at Muncie. He studied at DePauw University and Northwestern University and finished at Oxford in England. He graduated from the B. D. Garrett Bible Institute in 1892, and became a doctor of divinity in 1900. Before that, he was ordained in the Methodist Episcopal Church in 1893. He served for long periods in pastorates at Toledo and Minneapolis, finally coming to the Metropolitan Methodist Episcopal Church in Washington in 1916. It was 5 years later that he became Chaplain of the House of Representatives.

Throughout all these years, Dr. Montgomery has been a recognized leader in religious affairs and is so recognized by all religious faiths.

It is my pleasure and honor to congratulate Dr. Montgomery on the attainment of his eighty-seventh birthday today and to wish him many more.

The inspired writer has said, "Gray hairs are a crown of glory when found in the way of righteousness." This certainly is true—literally true—as to our beloved Chaplain and friend, Dr. Montgomery.

The SPEAKER. Without objection, all Members who desire to extend their remarks in the RECORD on the life and service of Dr. Montgomery may do so at this point.

There was no objection.

Mr. RAYBURN. Dr. Montgomery has been a faithful servant, a real help in all our needs. He is a real soldier, a real worker in the vineyard.

Mr. RICH. Dr. Montgomery, our beloved Chaplain, we hail thee as one of the best friends, counselors, and advisers the House of Representatives has had in the 18 years I have been associated with this body.

We all love, honor, and respect you. We rejoice that you have celebrated your eighty-seventh birthday, and here's hoping that you live to be at least a hundred and continue to do the good work you have been doing. No, let me amend this, for if you live 100 years we might wish that you live 100 and a day, for fear we live to see you pass away.

Amen and amen and amen.

Mr. HOEVEN. Dr. Montgomery, our beloved Chaplain, is truly a man of God. He has inspired the membership of the House of Representatives with his fervent prayers and his kind deeds. I think we are all better men and women because we have been privileged to associate with him from day to day. Congratulations and best wishes to this Christian gentleman on his eighty-seventh birthday.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was given permission to extend his remarks in the RECORD and include a statement he made before the Committee on Foreign Affairs on World Federation.

Mr. BIEMILLER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD and include extraneous material.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include extraneous material.

Mr. DOLLINGER asked and was given permission to extend his remarks in the RECORD.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include a poem entitled "Democratic Dialogue," which was sent to him by a prominent member of the Democratic Party in the State of Georgia.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article in this morning's Post entitled "Nourse on Way Out Lays Fire on Ills of Nation's Economy," by Alfred Friendly; and in another instance, to include an article by Hon. RALPH W. GWINN.

Mrs. ST. GEORGE (at the request of Mr. SADLAK) was given permission to extend her remarks in the RECORD and include therewith a report.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in four instances and in each to include extraneous matter.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include some resolutions.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD and include an article from the Saturday Evening Post.

Mr. DOLLIVER asked and was given permission to extend his remarks in the RECORD and include a resolution of the Iowa Motor Truck Association.

Mr. FELLOWS asked and was given permission to extend his remarks in the RECORD.

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include the International Treaty outlawing the use of poisonous gases in war.

(Mr TOLLEFSON (at the request of Mr. MCGREGOR) was given permission to extend his remarks in the RECORD.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a resolution of the Territorial legislature, and in the other a speech by the former Delegate from Hawaii, Mr. King.

Mr. REES asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDERS GRANTED

Mr. REES asked and was given permission to address the House for 5 minutes today following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD.

Mr. COUDERT asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a radio speech, and in the other to include certain comments and quotations.

Mr. CORBETT asked and was given permission to extend his remarks in the RECORD and include a speech on the Constitution by Hon. Timothy Ryan, of the city of Pittsburgh.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD, notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing and is estimated by the Public Printer to cost $225.50.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the RECORD and include a statement made by him before the House Foreign Affairs Committee.

THREE AFFILIATED TRIBES OF FORT BERTHOLD RESERVATION, N. DAK.

Mr. MORRIS submitted the following conference report and statement on the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from three affiliated tribes of Fort Berthold Reservation, N. Dak., and other related purposes:

CONFERENCE REPORT (H. REPT. NO. 1458)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, North Dakota, and for other related purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2 and to the amendment of the Senate to the title of the joint resolution, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following: "That, if within six months from the date of its enactment the Three Affiliated Tribes of the Fort Berthold Reservation accept the provisions of this Act by an affirmative vote of a majority of the adult members, the sums herein provided for shall be made available as herein specified; and all right, title and interest of said tribes, allottees and heirs of allottees in and to the lands constituting the Taking Area described in section 15 (including all elements of value above or below the surface) shall vest in the United States of America.

"SEC. 2. The fund of $5,105,625 appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, Eightieth Congress), shall not lapse into the Treasury as provided therein, but shall be available for disbursement under the direction of the Commissioner of Indian Affairs, Bureau of Indian Affairs, United States Department of the Interior (hereinafter called the 'Commissioner') for the following purposes:

"(a) Payment for tribal and allotted Indian lands and improvements, including heirship interests, and values above and below the surface, within the Taking Area;

"(b) Costs of relocating and reestablishing the members of the tribes who reside within the Taking Area; and

"(c) Costs of relocating and reestablishing Indian cemeteries, tribal monuments, and shrines within the Taking Area.

"Any unexpended balance remaining from the said fund of $5,105,625 after the completion of the purposes set forth in subsections (a), (b), and (c) shall remain in the Treasury to the credit of the tribes.

"SEC. 3. There is hereby established a board of appraisal which shall consist of one member designated by the Secretary of Agriculture, one member designated by the Secretary of the Interior, and one member designated by the Chief of Engineers. It shall be the duty of the board to prepare an appraisal schedule of the tribal and individual allotted lands and improvements, including heirship interests, located within the Taking Area. In the preparation thereof, the board shall determine the fair value of the land and improvements, giving full and proper weight to the following elements of appraisal: Value of any tract of land, whether full interest or partial interest, including value of standing timber, mineral rights, and the uses to which the lands are reasonably adapted. Upon completion of the said schedule of appraisal it shall be submitted to the Chief of Engineers.

"SEC. 4. Upon receipt of such schedule of appraisal by the Chief of Engineers, he shall transmit to the tribal council the schedule of appraisal in its entirety and such portions of the said schedule to individual Indians as relate to their respective interests. The tribal council and the interested individual Indians shall have ninety days from the date of receipt of such schedule of appraisal in which to present to the Commissioner their objections, if any, for consideration and action thereon.

"SEC. 5. The right of the tribes and of the allottees and heirs of allottees to accept or reject the appraisal covering their respective property is reserved to them. Upon the rejection of the appraisal affecting the lands or the respective interests, the Department of the Army shall institute proceedings in the United States District Court for North Dakota for the purpose of having the just compensation for such property judicially determined. Any judgment entered against the United States in such proceedings shall be charged against the said fund of $5,105,625: *Provided*, That if said sum should be inadequate to cover the purposes provided for in section 2 (a), (b) and (c) hereof, and such judgments as may be obtained in such proceedings, then the amount in excess of the said fund of $5,105,625 shall be paid out of the $7,500,000 provided for in section 12 hereof.

"SEC. 6. In all proceedings instituted in accordance with section 5 of this Act, individual members of the tribes may request the Commissioner of Indian Affairs to designate attorneys of the Bureau of Indian Affairs to represent them.

"SEC. 7. The amount determined to be due the individual allottees and other individual Indians shall be deposited to the credit of such individual Indians in their individual Indian money accounts.

"SEC. 8. The tribes and the members thereof may salvage, remove, reuse, sell, or otherwise dispose of all or any part of their improvements within the Taking Area without any deduction therefor in the appraised schedule to be prepared by the Commissioner, subject to the condition that the district engineer, Garrison district, may

not enter for the purpose of clearing the said improvements until at least October 1, 1952, and subject further to the condition that the district engineer shall serve notice of such purpose at least three months prior thereto.

"SEC. 9. The tribes and the members thereof shall have the privilege of cutting timber and all forest products and removing sand and gravel, and may use, sell, or otherwise dispose of the same until at least October 1, 1950, without any deduction therefor in the appraisal schedule to be prepared by the Commissioner, subject to the condition that the said date may be adjusted to a later date by the Chief of Engineers on the request of the Commissioner, and subject to the further conditions that the district engineer, Garrison district, shall serve notice of clearing at least three months prior thereto.

"SEC. 10. The tribes and the members thereof may remove, sell, or otherwise dispose of lignite until such date as the district engineer, Garrison district, fixes for the impoundment of waters.

"SEC. 11. The district engineer, Garrison district, will give notice at least six months in advance of the date on or after which impoundment of waters may begin, and no damage for loss of life or property due to impoundment of waters on or after the date specified in said notice may be claimed. The date established by such notification will not be earlier than October 1, 1952.

"SEC. 12. In addition to the $5,105,625 appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, Eightieth Congress), the further sum of $7,500,000 less any part thereof that may be required to cover balance due said tribes or allottees or heirs as provided for in section 5 hereof shall, upon acceptance of the provisions of this Act by the tribes, be placed to the credit of the tribes in the Treasury of the United States, which sums notwithstanding anything contained in this Act to the contrary shall be in full satisfaction of (1) all claims, rights, demands and judgments of said tribes or allottees or heirs thereof arising out of this Act and not compensated for out of the said $5,105,625; (2) and of all other rights, claims, demands, and judgments of said tribes, individual allottees or heirs thereof, of any nature whatsoever existing on the date of enactment of this Act, whether of tangible or intangible nature and whether or not cognizable in law or equity in connection with the taking of said land and the construction of said Garrison Dam project.

"SEC. 13. The fund of $5,105,625, appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, Eightieth Congress), and the fund provided for by section 12 of this Act shall bear interest at 4 per centum per annum from the date of acceptance of this Act until disbursed. No part of either of such funds shall be used for payment of the fees or expenses of any agent, attorney, or other representative of any individual Indian or tribe.

"SEC. 14. When electric power is available from Garrison Dam project, the said Three Affiliated Tribes and the members thereof shall have equal rights and privileges on an equal basis which are accorded the persons, cooperative associations and others by the Rural Electrification Act of 1936 and all Acts amendatory thereof or supplemental thereto as fully as if said tribes and members thereof were named in said Rural Electrification Act of 1936.

"SEC. 15. The Taking Area is described as follows:

"PART A—WITHIN RESERVATION BOUNDARIES

"Beginning at the Northwest corner of Section 6, Township 150 North, Range 93 West of the 5th P. M.; thence East to the West sixteenth line; thence South to the East and West quarter line; thence East to center of said Section; thence South to South quarter corner; thence East to the"; and the Senate agree to the same.

TOBY MORRIS,
JOHN R. MURDOCK,
WESLEY A. D'EWART,
WM. LEMKE,
Managers on the Part of the House.

ROBERT S. KERR,
ERNEST W. MCFARLAND,
ZALES N. ECTON,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the three affiliated tribes of Fort Berthold Reservation, N. Dak., and for other related purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Places to the credit of said tribes in the United States Treasury $7,500,000 in addition to the $5,105,625 fund appropriated by the War Department Civil Appropriation Act, 1948 (Public Law 296, 80th Cong.), which sums shall, upon acceptance of the provisions of this joint resolution (H. J. Res. 33) by the tribes, be placed to the credit of said Indians in the Treasury of the United States and bear interest at the rate of 4 percent per annum from the date of such acceptance until disbursed, which sums shall be in full satisfaction of all claims, rights, and demands of said three affiliated tribes arising out of this act, whether of tangible or intangible nature and whether or not cognizable in law or in equity in connection with the taking of the said lands described in the joint resolution and the construction of the said Garrison Dam project, North Dakota.

That no part of the funds so appropriated or authorized to be appropriated shall be used for the payment of fees or expenses of any agent, attorney, or other representatives of any individual Indian or tribe. The attorney or attorneys are being compensated out of other tribal funds.

That a board of appraisal shall be appointed consisting of three members, one member to be designated by the Secretary of Agriculture, one member designated by the Secretary of the Interior, and one member designated by the Chief of Engineers, who shall make appraisements of all elements of damages involved and the schedule of appraisement shall be transmitted to the tribal council and individual Indians as such appraisement affects their respective interests. The tribes and/or any individual Indian or Indians may reject such appraisal within 90 days.

That, if upon rejection of such appraisal, the Department of the Army will institute proceedings in the United States District Court for North Dakota for determination. The individual Indians may request the Commissioner of Indian Affairs to designate attorneys of the Bureau of Indian Affairs to represent them, without charge.

The tribes and the members thereof may use, salvage, remove, reuse, sell, or otherwise dispose of all or any part of their improvements within the Taking Area without any deduction therefor in the appraisal schedule for a specified time. The district engineer will give notice of at least 6 months in advance of when impoundment of waters may begin, which date specified in said notice shall not be earlier than October 1, 1953.

Amendment No. 2: The language embodied in amendment No. 1 is a substitute for the language stricken out by amendment No. 2, and the amendment of the Senate to the title of the joint resolution is agreed to.

TOBY MORRIS,
JOHN R. MURDOCK,
WESLEY A. D'EWART,
WM. LEMKE,
Managers on the Part of the House.

Mr. MORRIS. Mr. Speaker, I call up the conference report on the joint resolution (H. J. Res. 33), and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, may I ask what this bill is?

Mr. MORRIS. This is the conference report on House Joint Resolution 33, a resolution offered by the gentleman from North Dakota [Mr. LEMKE].

Mr. MILLER of Nebraska. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. MORRIS]?

There was no objection.

The Clerk read the statement.

Mr. MORRIS. Mr. Speaker, I do not care to take any great length of time on this matter, especially in these last hours, but the author of the bill, the gentleman from North Dakota [Mr. LEMKE], wishes to make a short statement and the gentleman from Montana [Mr. D'EWART] wishes to make a statement.

I now yield to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, this bill, if accepted by the three affiliated tribes located at Fort Berthold, will be in full and complete settlement for approximately 155,000 acres of valuable land in connection with the construction of the Garrison Dam in North Dakota. I do not consider it a just or moral settlement. We are again violating a treaty solemnly entered into with these tribes—a treaty in which we promised them never to disturb them again.

Unfortunately, the Indians have no choice. It is not a voluntary settlement. These Indians would pay the Government a substantial sum if it would leave them alone and respect its treaty.

However, the dam is being constructed and they will have to accept this settlement or face eminent-domain proceedings which would mean years of litigation. They have to move now or their homes would be flooded and destroyed. I am sure they will accept this settlement because it is the only thing they can do. It is a legal settlement binding upon these Indians, but it is not a just settlement.

In taking these lands we are driving a hard bargain; depriving these tribes of their land for less than its value. The Subcommittee on Indian Affairs and the Public Lands Committee felt that these Indians made a showing that would have justified an appropriation of twenty million. The Bureau of Indian Affairs, however, recommended $14,625,125. The

Bureau, however, felt that that would be the best settlement that the Indians could get under all the circumstances.

We wish, however, to call attention that this $12,605,625 is to be used exclusively for the purposes set forth in sections 2, 5, and 12 of this bill and for no other purposes. That no part of it shall be used for property destroyed that belongs to the Federal Government or for church or other property not belonging to the Indians or for any other governmental expenditures necessary in connection with the construction of the Garrison Dam and in carrying out the provisions of this settlement.

I am not criticizing any Member of Congress. I do criticize the system that this Government indulges in when it treats with the Indians. Here is a factory that produces food for 2,200 Indians—a factory that produced a net income last year of $774,000. That alone capitalized at 4 percent equals about twenty million. Surely no one would voluntarily surrender an income of 4 percent on twenty million for less than twenty million cash.

In addition, there are undoubtedly several billion tons of lignite coal on this land. Lignite coal had little value some years ago, but it now sells for $3.50 a ton at the mine and $7.50 at Fargo, N. Dak. Made into briquettes it sells for $19.50 a ton. In addition, there are many byproducts.

Mr. MORRIS. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, I have served as a member of the conference committee and hope the conference report will be adopted. However, this is not the right way to arrive at this kind of agreement.

This agreement proposes to settle with the Fort Berthold Indians because of damages to their reservation which was granted them under a treaty, because of the building of the Garrison Dam. I have visited this project and this Indian reservation and I know they are not being properly treated.

We propose to pay these Indians a sum of money to be determined finally by a board of three men. The wrong in this method is that negotiations with the Indians were not started until after construction was actually begun on this project. A settlement has not yet been reached although these Indians are being faced with the prospect of being flooded out. Better ways could be found to reach this kind of agreement. Negotiations such as these are going to come up again in the case of the Indian salmon rights along the Columbia River; it is going to come up in the case of the Hardin project on the Crow Indian Reservation and in the case of the Souris project on the Fort Peck Reservation, in Montana, and many others.

These agreements have to be reached when we construct large irrigation projects on Indian reservations, but the negotiations should be started and concluded before construction begins.

I have signed this conference report, and I hope it will be adopted; but I also hope that in the future we shall treat these wards of the Government in a better way, a way which will recognize their treaty rights before we proceed to drown them out.

Mr. MORRIS. Mr. Speaker, I certainly do not desire to use any more of our valuable time in this matter unless it is absolutely necessary. In conclusion, as chairman of the conferees on the part of the House, I may say that I have studied this matter carefully, and as chairman of the Subcommittee on Indian Affairs of the Committee on Public Lands, I have also gone into it at great length. I am of the opinion that, in justice, this is not enough to the Indians involved; I think they ought to have more money than we are allowing them, but certainly what we are allowing them ought to be speeded on its way as soon as possible.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

DEPARTMENT OF COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 162) to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PRIEST, SADOWSKI, and O'HARA of Minnesota.

REHABILITATION OF THE NAVAJO AND HOPI TRIBES OF INDIANS

Mr. MORRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALLECK. Mr. Speaker, reserving the right to object, will the gentleman tell us what the bill is and whether or not it has been cleared with minority members of the committee?

Mr. MORRIS. Mr. Speaker, in explanation of this bill may I say that it is exactly the same bill as passed by this House and by the other body and sent to the President a few days ago with the objectionable feature that the President found in it, eliminated. He vetoed the original bill, that was passed by both bodies, because of the objectionable feature, according to his view of it, in such bill. That feature was, taking the Indians involved, the Navajos and Hopis, and putting them under the jurisdiction of the laws of the States affected—New Mexico, Arizona, and Utah. The President of the United States found that to be objectionable and vetoed the bill by reason thereof.

We have taken that feature out of the bill and the bill now is exactly the same bill that we passed, with that objection removed.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman from New Jersey.

Mr. KEAN. Is the portion of the bill by which the Federal Government would pay certain social security taxes which normally would have been paid by the State of New Mexico and the other States taken out of the bill?

Mr. MORRIS. No. That remains in the bill. I may make the following explanation in regard to that particular feature. I realize that matter has been questioned by some Members of the House, but let me say, Mr. Speaker, that that particular feature, the social security angle, is intended only as a stopgap, as a purely temporary emergency measure involving only these Indians and is not intended to set any precedent in regard to the whole problem all over the United States. It is intended only to take care of a situation that is acute, that is important, and I think is absolutely necessary in order to do justice to all parties involved.

Mr. KEAN. The gentleman says "temporary." Does this bill provide that it will be done for 1 or 2 years only?

Mr. MORRIS. No; it does not have that specific limitation in it, but the purpose is to bring about a temporary adjustment of the matter until this Congress can have time to give the subject full and careful consideration and determine what our policy shall be in regard to it.

Mr. KEAN. Mr. Speaker, I am forced to object to consideration of the bill at the present time.

Mr. MORRIS. Will the gentleman withhold his objection a moment?

Mr. KEAN. Yes.

Mr. MORRIS. Mr. Speaker, I would like very much to have a further explanation made by one or two of the interested Members. I yield to the gentleman from Arizona [Mr. MURDOCK] for a few words in regard to this matter.

Mr. MURDOCK. Mr. Speaker, because of the provision that we had concerning social security, I greatly regret that the bill relating to the welfare of the Navajo and Hopi Indians was vetoed. I know that there is a vast difference of opinion regarding social security for Indians. There are some who say that social security should be borne by each State for Indians as well as for all other citizens. However, that would place an unbearable burden on the States of Arizona and New Mexico, where there is a concentration of destitute Indians. Certainly they do need care from Congress.

I felt, when I introduced H. R. 1921, which was referred to the Committee on Ways and Means, that that was going as far as my young State would want to go. That provided for cooperation between the State of Arizona and the Federal Government in furnishing social security to Indians on the reservation. We had been furnishing it to others. I know that there are a great many people in Arizona who are taxpayers that do not want to go

that far in burdening the State to care for Uncle Sam's wards. There have been numerous conferences between Dr. Altmeyer and the Social Security Administration, and the delegations from Arizona and New Mexico in regard to social-security matters for our Indians. We have had a working agreement, and this legislation which the President vetoed simply embodied that legislation.

The working agreement was this: During the pendency of legislation adjusting this matter, it shall be handled as the vetoed bill provided, but now that provision is to be done away with since the bill has been vetoed unless we enact a new, revised bill as brought before us at this moment. This is going to cause great distress if not passed.

Let me say this, that there are many old people in the State of Arizona, and I presume in New Mexico, but in the State of Arizona there are more than 10,000 aged people, other than Indians, who are dependent upon their checks under social security. Now, if they are cut off from the Federal contribution it will mean that only the State portion shall be paid to them until we can provide other legislation. I feel that the Legislature of Arizona would not be willing that the Indians should be given full social security to the extent of 100 percent as under existing law. Our people feel that the Indians out there on that vast reservation have been neglected for 80 years. They are the responsibility of the Federal Government. Their state of health is very, very bad. We in Arizona cannot carry that burden. Therefore, if the State of Arizona, for instance, is found to be in noncompliance and the Federal contribution is thus shut off, more than 10,000 elderly people will have their checks reduced 50 percent, and the Indians will not be benefited at all.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Pennsylvania.

Mr. RICH. I have heard that same story for the last 15 or 20 years since I have been a Member of this House. Fifteen or twenty years ago you fellows who are looking after the Indians said you wanted to make them self-supporting. You asked for additional appropriations, until today we are appropriating five times as much money for the Indians, when you said that in 4 or 5 years we would have the Indians self-supporting if we helped them then. Now you are going on and saying that we have not done anything for 80 years. I do not know where you get that stuff, because you are talking different than you did 4 or 5 or 10 years ago.

Mr. MURDOCK. The gentleman uses the word "you" in a very loose form. For 14 years I have stood in the well of this House asking the Congress to provide sufficient money to take care of those Indians, and they have never been properly taken care of. This bill that the President vetoed because of one provision embodies a splendid program for rehabilitation. I told my committee yesterday that if this bill does not become law, I do not expect to live to see the day when the Indians on this Navajo Reservation are properly taken care of as wards of the Government. Eighty years ago we promised them schools, and a teacher for every 30 pupils. We have neglected their health. They are oppressed with all kinds of diseases; trachoma, tuberculosis, malnutrition as well as social diseases. Arizona financially cannot step in now and furnish them full social security like other citizens. Legally no local official can step on the reservation. They are an obligation of the Federal Government and under Federal Government control. We as a Congress will be shirking our duty if we do not take proper care of them. If this bill does not pass, I shall expect appropriations at least equal in amount to be made just the same as called for under this 10-year program.

Mr. RICH. Why did the President veto this legislation?

Mr. MURDOCK. He vetoed it because he did not want State laws extended over those reservations. That was the full and only point of his veto message.

Mr. RICH. He vetoed it because it was a bad law and it should not pass.

Mr. MURDOCK. It was vetoed because of just one provision in the bill and we have removed that item in the bill now before us.

Mr. O'SULLIVAN. If the gentleman will yield, is it not a fact that this is not an expenditure of money, it is giving back to the Indians a small amount of money out of the enormous amount of money stolen from them by the pioneers of this country?

Mr. MURDOCK. That is one way to look at it.

I trust the gentleman will permit this bill to become law. It is a serious responsibility to block it.

Mr. REED of New York. If the gentleman will yield, I was surprised that the people who objected to my bill to give the Indians $5,000 are here now wanting us to give the Indians of the West some money.

Mr. MORRIS. May I say to the gentleman from New York, let us not get sectional in regard to this matter. The gentleman from New York knows I am for his bill. I have done everything I could to get his bill over. I think he has a good bill and I am for it. But let us not become sectional. Let us think about these three States out here in the West, Arizona, New Mexico, and Utah in the light of facts. They are very sparsely settled. The impact of 65,000 Indians upon them is quite an impact. Let us see the picture from their standpoint. Let us not get sectional on this. Let us not thwart the progress of these Indians out there. Let us not get them caught in the middle of a controversy between us and the executive branch or somebody else.

I regret deeply that the President vetoed this bill. In my judgment, he should not have vetoed it. He just should not have done it. But he did, and he had that prerogative, of course. I regret that he did it. I think that he was sincere, of course, but he should not have vetoed it. But since he did veto it, there is just one proposition for us to consider at this time, that is, whether or not this present bill is good legislation. I think it is excellent legislation. Let us think about these poor Indians out there. We have another winter coming on. They need food and they need clothing. Let us not hold this against the Indians. Let us not forget them. Let us think a little bit about Utah, New Mexico, and Arizona. This bill does not mean anything to me personally but I do want to make a fight for these people who are involved here. I want to make a fight for what I think is justice in this matter.

Mr. REED of New York. If the gentleman will yield, I am not objecting to this bill.

Mr. MORRIS. I thank the gentleman. I appreciate that. I hope there will be no objection to this bill. I do not see how anybody could figure that we cannot straighten out a little later any problem that you have raised. I am sure we can.

I agree with the gentleman from Wisconsin that this kind of legislation probably ought to be applied to all the States in the Union, my good State of Oklahoma and other States, but, just because we cannot get it applied to our States now, let us not hold it against these States that can get it applied. This is not a change from what the program actually is now. The program now is that they are working along this particular line with some sort of arrangement out there that it seems had to be made in order to be just to these people.

Mr. KEEFE. If the gentleman will yield, let me ask the gentleman if there is anything emergent in the situation in Arizona and New Mexico that will affect these Indians at the present time or in the next number of months that this bill will correct.

Mr. MORRIS. Yes. We will be back here in January in dead winter. If we get this authorization bill over now I feel certain the Committee on Appropriations will give them some money to live on out there this winter for food and clothing, and also for other purposes. But if we do not get this authorization bill over now I do not know whether or not they will get one thin dime that is provided for in this bill. So there is an emergency.

Mr. KEEFE. The gentleman seems to indicate by his remarks that there is no present authorization by law that will permit the Congress to make emergency appropriations for direct relief. The gentleman must know that that statement gives a wrong impression because the Committee on Appropriations last year on two separate occasions very definitely provided funds for this specific purpose and it has the authority to do that. This does not provide for anything of an emergency character. It does do one thing, namely, it repeals the present social-security law that has been under discussion between the States of Arizona and New Mexico and the Social Security Administration, and it pretends—it does not pretend, but actually does, as a matter of substantive of law repeal the provisions of the social-security law insofar as they affect Arizona and New Mexico.

My State is confronted with exactly the same situation as far as the Indians are concerned. Should I not propose a special law to repeal the Social Security Act insofar as that act operates with respect to Indians in the State of

Wisconsin? Should not the gentleman from South Dakota do the same thing for the State of South Dakota and the gentleman from Montana the same thing for the State of Montana, and so on all along the line?

If we are going to deal with this problem we must deal with it on a national basis. We have been doing this piecemeal biting at this problem for years and that is why we have not gotten anywhere. I hope the gentleman's committee will give us an opportunity to study this problem and bring in a long-range program that will do something for the Hopis and the Navajos. Under this bill you do not give them anything unless the Congress appropriates money. But you do give relief to the States of Arizona and New Mexico and relieve them of their plain responsibility under existing law. I do not think we should repeal legislation which is the basic law of the land in such a haphazard, piecemeal manner as this.

Mr. MORRIS. May I say to the gentleman, if he had the same situation in his good State, I would be up here making the same fight for him that I am making now. The gentleman knows my high personal esteem and regard for him. If he had the same situation, I would be crying my heart out in his favor. That is what I would do.

Yes; it is true that the Committee on Appropriations may appropriate money without this authorization bill. That is right. I left no inference otherwise, or at least I did not intend to do so. I know what the law is in that respect. They have the right to do it, but from a practical standpoint it will not be done without this authorization bill, I am afraid. I am just afraid that we will be leaving these Indians out in the cold actually as well as figuratively.

Mr. Speaker, I would like for a statement to be made by the gentleman from New Mexico [Mr. FERNANDEZ], and probably another short statement by the gentleman from Arizona [Mr. MURDOCK], whose States are so vitally affected. I do not want to take up any more time because I know that these are the last hours of this session of the Congress, but I am pleading with you and begging you to stay with us on this legislation. Please do not object to this. Let us go ahead with this legislation. Whatever you want to go into later, I will give you my word of honor that I will do everything within my power, whatever it might be, to see that you are heard. I will contact others and see if I cannot get others interested in the proposition to help you solve your problem.

But let us not forget these Indians. You know it is kind of trite nowadays to make the statement that one has been against all this foreign spending. But it is true that I have voted against most all of it.

Whether I was right or wrong, that is what I did. I do not like to repeat this matter, but we have given so much, in fact, all over the world, and I implore you that we not forget our own people. I implore you not to turn this bill down. Do not object to it, please.

I now yield to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Speaker, this provision in the bill merely puts into effect the very thing that the Social Security Agency in the States of Arizona and New Mexico agreed to some months ago, extra legally, I might say, because I doubt that they had the authority to do it. I appreciate that this appears to favor Arizona and New Mexico in a way that other States are not. But it is only because of the peculiar problem applicable to the Navajo Reservation.

New Mexico has other Indians than the Navajos, many thousands of them. As to them we are not asking for this consideration. When the gentleman from Wisconsin [Mr. KEEFE] was chairman of the Subcommittee on Appropriations dealing with this subject in the House, he brought this problem before the House, and in their report they pointed out the tremendous difficulty facing New Mexico and Arizona as to the Navajo Indians. The present method is entirely unsatisfactory. We appropriate money to the Indian Office, and the Indian Office doles it out for relief in a more or less haphazard manner. This bill will make it possible for the States to actually put them under the social-security program, which is what Mr. KEEFE has been pleading for, and so have I. We want the Indians under social security, and this will be a start.

It is only expected that this law will remain on the books until the Ways and Means Committee can iron out the problem and make such changes as it deems proper. I sincerely hope that you do not object to this. I will give you my word of honor that we will do everything we can to bring the matter before the Ways and Means Committee for the over-all consideration of the problem.

Mr. MORRIS. If I may ask your indulgence for just a few more moments, I will conclude.

You gentlemen certainly have a right to object. That is your prerogative. I hope you will not. I almost implore you not to object. I just think you will do wrong to do so. But you have a right to object of course and certainly I am going to respect your views, whatever they may be. I would now like to yield to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. I wanted to ask a question. We have just heard the gentleman from New Mexico [Mr. FERNANDEZ] speak in favor of this bill. This bill is the same as the bill we passed, with the objection that was found in the veto removed. Is that not true?

Mr. MORRIS. That is true.

Mr. MURDOCK. The objection found in the veto was what was known as the Fernandez amendment?

Mr. MORRIS. That is correct.

Mr. MURDOCK. Therefore, the gentleman from New Mexico is asking that the bill be replaced, although we struck out his original amendment?

Mr. MORRIS. The gentleman from New Mexico was deeply concerned over that amendment. He is still for it. I am for it. But we could not help it. It was stricken out by the veto. He is for the bill, notwithstanding that fact, and so am I. I am still for the principle that was in section 9, but if we cannot have that now, let us not hold it against the Indians.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield for a question.

Mr. RICH. When is an Indian an Indian? Is everybody who walks across an Indian reservation in your State an Indian?

Mr. MORRIS. No, sir. If you will come down to Oklahoma and walk across our Indian lands out there, we will not say you are an Indian. But there are good people.

Mr. RICH. Do you call everybody in Oklahoma an Indian?

Mr. MORRIS. Well, you might say "a good Indian." They are most all good scouts.

Mr. RICH. We have a very good country, trying to take care of these Indians. You have increased your appropropriation tenfold in 10 years. It is about time that you got somebody to look after them who will get them self-supporting. You cannot do it the way you have been doing for the last 15 years.

Mr. MORRIS. Of course, I have not been here that long.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. TACKETT. Does the gentleman have in mind the figure that we paid the Indians for the country we took away from them up around Pennsylvania?

Mr. MORRIS. We have mistreated the Indians in many respects. We should make amends as best we can. I do not think we have done nearly as much for them as we could. I think the finest thing we can do is to help them help themselves by making it possible for them to rehabilitate themselves, by giving them schooling, by giving them good roads and an opportunity to be self-supporting. That is what this bill is mostly all about.

Mr. BIEMILLER. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. BIEMILLER. Do I understand correctly that the gentleman from the State of Oklahoma, the gentleman from New Mexico, and the gentleman from Arizona, and others who are vitally interested in the Indian problem are willing in the next session to have an over-all job done in these other States which also have Indian problems, States other than Arizona and New Mexico, in making the adjustments made on the basis this bill makes them?

Mr. MORRIS. I appreciate the gentleman's statement. I may say to him that we are not only willing, but are anxious to do our best to help other States solve their problems. We appreciate the gentleman's support. We will give the gentleman every consideration within our jurisdiction if he will come down to our committee.

Mr. RICH. The gentleman from Oklahoma just suggested letting the Indians take over the State of Pennsylvania. After the New Deal gets through with us I do not think they would want to have anything to do with it or that there would be anything left in the State for the Indians or anybody else.

Mr. MORRIS. That, of course, is the gentleman's philosophy, and he is entitled to his view. By the way, the gentleman [Mr. TACKETT] is from the great State of Arkansas and not Oklahoma, but we would be glad to have him move into Oklahoma as he is certainly all right.

Mr. Speaker, I do not know of anything else that can be said. We are through, as far as I know. I hope the bill will be supported and that no one will object.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

Mr. KEAN. Mr. Speaker, I object.

PERMISSION TO COMMITTEE ON HOUSE ADMINISTRATION TO SIT DURING SESSION OF HOUSE TODAY

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may meet while the House is in session this afternoon.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. HARRIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. COX asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by Mr. Earl Bunting, managing director of the National Association of Manufacturers, at Chattanooga, Tenn., on October 18.

RECESS

The SPEAKER. The House will stand in recess until 1:30 p. m.

Thereupon (at 12 o'clock and 54 minutes p. m.) the House stood in recess until 1 o'clock and 30 minutes p. m.

AFTER RECESS

The recess having expired at 1 o'clock and 30 minutes p. m., the House was called to order by the Speaker.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1580. An act concerning common-trust funds and to make uniform the law with reference thereto; and

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians.

The message also announced that the Senate recedes from its amendments to the bill (H. R. 162) entitled "An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3699) entitled "An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral and canceling the mortgages and satisfying and discharging the lien of record; and for other purposes."

AGRICULTURAL ACT OF 1949

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The conference report and statement follow:

CONFERENCE REPORT

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Agricultural Act of 1949'".

"TITLE I—BASIC AGRICULTURAL COMMODITIES

"SEC. 101. The Secretary of Agriculture (hereinafter called the 'Secretary') is authorized and directed to make available through loans, purchases, or other operations, price support to cooperators for any crop of any basic agricultural commodity, if producers have not disapproved marketing quotas for such crop, at a level not in excess of 90 per centum of the parity price of the commodity nor less than the level provided in subsections (a), (b), and (c) as follows:

	The level of support shall be not less than the following percentage of the parity price:
"(a) For tobacco (except as otherwise provided herein), corn, wheat, and rice, if the supply percentage as of the beginning of the marketing year is:	
"Not more than 102	90
More than 102, but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75

	The level of support shall be not less than the following percentage of the parity price:
"(b) For cotton and peanuts, if the supply percentage as of the beginning of the marketing year is:	
"Not more than 108	90
More than 108 but not more than 110	89
More than 110 but not more than 112	88
More than 112 but not more than 114	87
More than 114 but not more than 116	86
More than 116 but not more than 118	85
More than 118 but not more than 120	84
More than 120 but not more than 122	83
More than 122 but not more than 124	82
More than 124 but not more than 125	81
More than 125 but not more than 126	80
More than 126 but not more than 127	79
More than 127 but not more than 128	73
More than 128 but not more han 129	77
More than 129 but not more than 130	76
More than 130	75

"(c) For tobacco, if marketing quotas are in effect, the level of support shall be 90 per centum of the parity price.

"(d) Notwithstanding the foregoing provisions of this section—

"(1) if producers have not disapproved marketing quotas for such crop, the level of support to cooperators shall be 90 per centum of the parity price for the 1950 crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect;

"(2) if producers have not disapproved marketing quotas for such crop, the level of support to cooperators shall be not less than 80 per centum of the parity price for the 1951 crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect;

"(3) the level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity; and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;

"(4) the level of price support for corn to cooperators outside the commercial corn-producing area shall be 75 per centum of the level of price support to cooperators in the commercial corn-producing area;

"(5) price support may be made available to noncooperators at such levels, not in excess of the level of price support to cooperators, as the Secretary determines will facilitate the effective operation of the program.

"(e) Notwithstanding any of the provisions of this Act, section 2 of the Act of July 28, 1945 (59 Stat. 506), shall continue in effect.

"TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

"SEC. 201. The Secretary is authorized and directed to make available (without regard to the provisions of title III) price support to producers for wool (including mohair), tung nuts, honey, Irish potatoes, milk, butterfat, and the products of milk and butterfat as follows:

"(a) The price of wool (including mohair) shall be supported through loans, purchases, or other operations at such level, not in excess of 90 per centum nor less than 60 per centum of the parity price therefor, as the Secretary determines necessary in order to encourage an annual production of approximately three hundred sixty million pounds of shorn wool;

"(b) The price of tung nuts, honey, and early, intermediate, and late Irish potatoes, respectively, shall be supported through loans, purchases, or other operations at a level not in excess of 90 per centum nor less than 60 per centum of the parity price therefor;

"(c) The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 per centum nor less than 75 per centum of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, the products of milk and butterfat.

"TITLE III—OTHER NONBASIC AGRICULTURAL COMMODITIES

"SEC. 301. The Secretary is authorized to make available through loans, purchases, or other operations price support to producers for any nonbasic agricultural commodity not designated in title II at a level not in excess of 90 per centum of the parity price for the commodity.

"SEC. 302. Without restricting price support to those commodities for which a marketing quota or marketing agreement or order program is in effect, price support shall, insofar as feasible, be made available to producers of any storable nonbasic agricultural commodity for which such a program is in effect and who are complying with such program. The level of such support shall not be in excess of 90 per centum of the parity price of such commodity nor less than the level provided in the following table:

"If the supply percentage as of the beginning of the marketing year is:	The level of support shall be not less than the following percentage of the parity price:
"Not more than 102	90
More than 102 but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75

Provided, That the level of price support may be less than the minimum level provided in the foregoing table if the Secretary, after examination of the availability of funds for mandatory price support programs and consideration of the other factors specified in section 401 (b), determines that such lower level is desirable and proper.

"SEC. 303. In determining the level of price support for any nonbasic agricultural commodity under this title, particular consideration shall be given to the levels at which the prices of competing agricultural commodities are being supported.

"TITLE IV—MISCELLANEOUS

"SEC. 401. (a) The Secretary shall provide the price support authorized or required herein through the Commodity Credit Corporation and other means available to him.

"(b) Except as otherwise provided in this Act, the amounts, terms, and conditions of price support operations and the extent to which such operations are carried out, shall be determined or approved by the Secretary. The following factors shall be taken into consideration in determining, in the case of any commodity for which price support is discretionary, whether a price-support operation shall be undertaken and the level of such support and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relation to corn, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand.

"(c) Compliance by the producer with acreage allotments, production goals and marketing practices (including marketing quotas when authorized by law), prescribed by the Secretary, may be required as a condition of eligibility for price support.

"(d) The level of price support for any commodity shall be determined upon the basis of its parity price as of the beginning of the marketing year or season in the case of any commodity marketed on a marketing year or season basis and as of January 1 in the case of any other commodity.

"SEC. 402. Notwithstanding any other provision of this Act, price support at a level in excess of the maximum level of price support otherwise prescribed in this Act may be made available for any agricultural commodity if the Secretary determines, after a public hearing of which reasonable notice has been given, that price support at such increased level is necessary in order to prevent or alleviate a shortage in the supply of any agricultural commodity essential to the national welfare or in order to increase or maintain the production of any agricultural commodity in the interest of national security. The Secretary's determination and the record of the hearing shall be available to the public.

"SEC. 403. Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall, so far as practicable, be made in such manner that the average support price for such commodity will, on the basis of the anticipated incidence of such factors, be equal to the level of support determined as provided in this Act. Middling seven-eighths inch cotton shall be the standard grade for purposes of parity and price support.

"SEC. 404. The Secretary, in carrying out programs under section 32 of Public Law Numbered 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it.

"SEC. 405. No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this Act unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent the Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

"SEC. 406. The Secretary shall, insofar as practicable, announce the level of price support for field crops in advance of the planting season and for other agricultural commodities in advance of the beginning of the marketing year or season (January 1 in the case of commodities not marketed on a marketing year or season basis), but the level of price support so announced shall not exceed the estimated maximum level of price support specified in this Act, based upon the latest information and statistics available to the Secretary when such level of price support is announced; and the level of price support so announced shall not be reduced if the maximum level of price support when determined, is less than the level so announced.

"SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities or storable nonbasic commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity at less than 5 per centum above the current support price for such commodity, plus reasonable carrying charges. The foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of loss or waste through detrioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses.

"SEC. 408. For the purposes of this Act—

"(a) A commodity shall be considered storable upon determination by the Secretary that, in normal trade practice, it is stored for substantial periods of time and that it can be stored under the price-support program without excessive loss through deterioration or spoilage or without excessive cost for storage for such periods as will permit its disposition without substantial impairment of the effectiveness of the price-support program.

"(b) A 'cooperator' with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purpose of this subsection, a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

"(c) A 'basic agricultural commodity' shall mean corn, cotton, peanuts, rice, tobacco, and wheat, respectively.

"(d) A 'nonbasic agricultural commodity' shall mean any agricultural commodity other than a basic agricultural commodity.

"(e) The 'supply percentage' as to any commodity shall be the percentage which the estimated total supply is of the normal supply as determined by the Secretary from the latest available statistics of the Department of Agriculture as of the beginning of the marketing year for the commodity.

"(f) 'Total supply' of any nonbasic agricultural commodity for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

"(g) 'Carry-over' of any nonbasic agricultural commodity for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any part of the crop or production of such commodity which was produced in the United States during the calendar year then current. The carry-over of any such commodity may also include the quantity of such commodity in processed form on hand in the United States at the beginning of such marketing year, if the Secretary determines that the inclusion of such processed quantity of the commodity is necessary to effectuate the purposes of this Act.

"(h) 'Normal supply' of any nonbasic agricultural commodity for any marketing year shall be (1) the estimated domestic consumption of the commodity for the marketing year for which such normal supply is being determined, plus (2) the estimated exports of the commodity for such marketing year, plus (3) an allowance for carry-over. The allowance for carry-over shall be the average carry-over of the commodity for the five marketing years immediately preceding the marketing year in which such normal supply is determined, adjusted for surpluses or deficiencies caused by abnormal conditions, changes in marketing conditions, or the operation of any agricultural program. In determining normal supply, the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

"(i) 'Marketing year' for any nonbasic agricultural commodity means any period determined by the Secretary during which substantially all of a crop or production of such commodity is normally marketed by the producers thereof.

"(j) Any term defined in the Agricultural Adjustment Act of 1938, shall have the same meaning when used in this Act.

"SEC. 409. (a) Section 301 (a) (1) (B) of the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948 (defining 'adjusted base price'), is amended by adding at the end thereof the following: 'As used in this subparagraph, the term "prices" shall include wartime subsidy payments made to producers under programs designed to maintain maximum prices established under the Emergency Price Control Act of 1942.'

"(b) Section 301 (a) (1) (C) of such Act, as so amended (defining 'parity index'), is amended (1) by inserting after the word 'buy' a comma and the following: 'wages paid hired farm labor', and (2) by inserting after 'such prices' a comma and the word 'wages'.

"(c) Section 301 (a) (1) of such Act, as so amended, is amended by adding at the end thereof the following new subparagraph:

"'(G) Notwithstanding the foregoing provisions of this section, the parity price for any basic agricultural commodity, as of any date during the four-year period beginning January 1, 1950, shall not be less than its parity price computed in the manner used prior to the enactment of the Agricultural Act of 1949.'

"(d) Section 301 (b) (10) (A) of such Act, as so amended (defining 'normal supply'), is amended by striking out '7 per centum in the case of corn' and inserting in lieu thereof '10 per centum in the case of corn'.

"(e) Section 322 (a) of such Act, as so amended (relating to corn marketing quotas), is amended by adding at the end thereof the following: 'With respect to the 1950 crop of corn the determination and proclamation required by this section may be made, notwithstanding the foregoing, at any time prior to February 1, 1950, using 1949 as "such calendar year" for the purposes of (1) and (2) of the preceding sentence.'

"(f) Section 328 of such Act, as so amended (relating to corn acreage allotments), is amended by striking out 'reserve supply level' and inserting in lieu thereof 'normal supply'.

"SEC. 410. Section 4 of the Act of March 8, 1938, as amended (15 U. S. C., 1946 edition, 713a–4), is amended by substituting a colon for the period at the end of the next to the last sentence thereof and adding the following: '*Provided*, That this sentence shall not limit the authority of the Corporation to issue obligations for the purpose of carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1946 edition, sec. 841).'

"SEC. 411. Section 32, as amended, of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by inserting before the last sentence thereof the following: 'The sums appropriated under this section shall be devoted principally to perishable nonbasic agricultural commodities (other than those designated in title II of the Agricultural Act of 1949) and their products.'

"SEC. 412. Determinations made by the Secretary under this Act shall be final and conclusive: *Provided*, That the scope and nature of such determinations shall not be inconsistent with the provisions of the Commodity Credit Corporation Charter Act.

"SEC. 413. This Act shall not be effective with respect to price support operations for any agricultural commodity for any marketing year or season commencing prior to January 1, 1950, except to the extent that the Secretary of Agriculture shall, without reducing price support theretofore undertaken or announced, elect to apply the provisions of this Act.

"SEC. 414. Section 302 of the Agricultural Adjustment Act of 1938, as amended, and any provision of law in conflict with the provisions of this Act are hereby repealed.

"SEC. 415. (a) Except as modified by this Act or by Public Law 272, Eighty-first Congress, sections 201 (b), 201 (d), 201 (e), 203, 207 (a), and 208 of the Agricultural Act of 1948 shall be effective for the purpose of taking any action with respect to the 1950 and subsequent crops upon the enactment of this Act. If the time within which any such action is required to be taken shall have elapsed prior to the enactment of this Act, such action shall be taken within thirty days after the enactment of this Act.

"(b) No provision of the Agricultural Act of 1948 shall be deemed to supersede any provision of Public Law 272, Eighty-first Congress.

"(c) Section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended by section 201 (d) of the Agricultural Act of 1948, is amended (1) by striking out of subparagraph (A) the following: 'cotton,', (2) by striking out of subparagraph (A) the following: '30 per centum in the case of cotton;', and (3) by adding at the end thereof the following subparagraph:

"'(C) The "normal supply" of cotton for any marketing year shall be the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 30 per centum of the sum of such consumption and exports as an allowance for carry-over.'

"(d) Section 301 (b) (16) of the Agricultural Adjustment Act of 1938, as amended by section 201 (e) of the Agricultural Act of 1948 is amended (1) by striking out of subparagraph (A) the following 'cotton,', and (2) by adding the following subparagraph:

"'(C) "Total supply" of cotton for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of cotton in the United States during the calendar year in which such marketing year begins and the estimated imports of cotton into the United States during such marketing year.'

"(e) Sections 201 (c), 205, 206, and 207 (c) of the Agricultural Act of 1948 are hereby repealed.

"SEC. 416. In order to prevent the waste of food commodities acquired through price support operations which are found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized, upon application by the Munitions Board or any other Federal agency and on such terms and under such regulations as may be deemed in the public interest, to make such commodities available to any such agency for use in making payment for commodities not produced in the United States. Any such commodities which are not disposed of pursuant to the foregoing sentence may be made available by the Secretary and the Commodity Credit Corporation at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, as follows in the order of priority set forth: First, to school-lunch programs; and to the Bureau of Indian Affairs and Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States.

"SEC. 417. (a) Section 41 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134c) is amended by adding at the end thereof the following:

"'Notwithstanding any limitations or conditions imposed by law, but subject to the availability of funds, each Bank for Cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of structures for the storage of agricultural commodities (other than structures to provide refrigerated cold storage or structures in areas in which existing privately owned storage facilities for the commodity concerned are adequate) in amounts up to a maximum of 80 per centum of the cost of such structures, as approved by the Bank for Cooperatives to whom application is made for the loan: *Provided*, That the cooperative association which has applied for any loan shall have furnished to the Bank for Cooperatives an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease or guarantee utilization of not less than 75 per centum of the storage space contained in such structures when completed for a

period of at least three years if such structures are not additions to existing structures, or two years if such structures are additions to existing structures.'

"(b) Section 34 of the Farm Credit Act of 1933 (U. S. C., title 12, sec. 1134j) is amended by adding at the end thereof the following:

"'Notwithstanding any limitations or conditions imposed by law, but subject to the availability of funds, the Central Bank for Cooperatives shall have power and authority to make separate loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for the purpose of financing the construction of structures for the storage of agricultural commodities (other than structures to provide refrigerated cold storage or structures located in areas in which existing privately owned storage facilities for the commodity concerned are adequate) in amounts up to a maximum of 80 per centum of the cost of such structures, as approved by such bank: *Provided*, That the cooperative association which has applied for any loan shall have furnished to such bank an appropriate commitment from the Commodity Credit Corporation that the Commodity Credit Corporation will lease or guarantee utilization of not less than 75 per centum of the storage space contained in such structures when completed for a period of at least three years if such structures are not additions to existing structures, or two years if such structures are additions to existing structures.'

"SEC. 418. (a) Sections 353, 354, 355, and 356 of the Agricultural Adjustment Act of 1938, as amended, are amended to read as follows:

"'APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

"'SEC 353. (a) The national acreage allotment of rice for each calendar year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the five-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period.

"'(b) The State acreage allotment shall be apportioned to farms owned or operated by persons who have produced rice in any one of the five calendar years immediately preceding the year for which such apportionment is made on the basis of past production of rice by the producer on the farm taking into consideration the acreage allotments previously established for such owners or operators; abnormal conditions affecting acreage; land, labor, and equipment available for the production of rice; crop rotation practices; and the soil and other physical factors affecting the production of rice: *Provided*, That if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the act, he may provide for the apportionment of the State acreage allotment to farms on which rice has been produced during any one of such period of years on the basis of the foregoing factors, using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for such owners or operators. Not more than 3 percent of the State acreage allotment shall be apportioned among farms operated by persons who will produce rice during the calendar year for which the allotment is made but who have not produced rice in any one of the past 5 years, on the basis of the applicable apportionment factors set forth herein: *Provided*, That in any State in which allotments are established for farms on the basis of past production of rice on the farm such percentage of the State acreage allotment shall be apportioned among the farms on which rice is to be planted during the calendar year for which the apportionment is made but on which rice was not planted during any of the past 5 years, on the basis of the applicable apportionment factors set forth herein.

"'(c) Notwithstanding any other provisions of this act—

"'(1) if farm acreage allotments are established by using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for owners or operators, the State acreage allotment shall be apportioned among counties in the State on the same basis as the national acreage allotment is apportioned among the States and the county acreage allotments shall be apportioned to farms on the basis of the applicable factors set forth in subsection (b) of this section: *Provided*, That the State committee may reserve not to exceed 5 percent of the State allotment, which shall be used to make adjustments in county allotments for trends in acreage and for abnormal conditions affecting plantings;

"'(2) any acreage planted to rice in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments.

"'MARKETING QUOTAS

"'SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 10 per centum, the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year.

"'(b) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective.

"'AMOUNT OF FARM MARKETING QUOTA

"'SEC. 355. The farm marketing quota for any crop of rice shall be the actual production of rice on the farm less the normal production of the acreage planted to rice on the farm in excess of the farm acreage allotment. The normal production from such excess acreage shall be known as the "farm marketing excess": *Provided*, That the farm marketing excess shall not be larger than the amount by which the actual production of rice on the farm exceeds the normal production of the farm acreage allotment if the producer establishes such actual production to the satisfaction of the Secretary.

"'PENALTIES AND STORAGE

"'SEC. 356. (a) Whenever farm marketing quotas are in effect with respect to any crop of rice, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 per centum of the parity price per pound for rice as of June 15 of the calendar year in which such crop is produced.

"'(b) The farm marketing excess of rice shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to rice in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 355, the difference between the amount of the penalty computed upon the farm marketing excess before such adjustment and as computed upon the adjusted marketing excess shall be returned to or allowed the producer.

"'(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"'(d) Until the penalty on the farm marketing excess is paid, postponed, or avoided, as provided herein, all rice produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of rice produced on the farm shall be in effect in favor of the United States.

"'(e) The penalty on the farm marketing excess on any crop of rice may be avoided or postponed by storage or by disposing of the commodity in such other manner, not inconsistent with the purposes of this act, as the Secretary shall prescribe, including, in the discretion of the Secretary, delivery to Commodity Credit Corporation or any other agency within the Department. The Secretary shall issue regulations governing such storage or other disposition. Unless otherwise specified by the Secretary in such regulations, any quantity of rice so stored or otherwise disposed of shall be of those types and grades which are representative of the entire quantity of rice produced on the farm. Upon failure so to store or otherwise dispose of the farm marketing excess of rice within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess shall become due and payable. Any rice delivered to any agency of the Department pursuant to this subsection shall become the property of the agency to which delivered and shall be disposed of at the direction of the Secretary in a manner not inconsistent with the purposes of this act.

"'(f) Subject to the provisions of subsection (g) of this section, the penalty upon the farm marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored except depletion resulting from some cause beyond the control of the producer or from substitution of the commodity authorized by the Secretary.

"'(g) (1) If the planted acreage of the then current crop of rice for any farm is less than the farm acreage allotment, the amount of the commodity from any previous crop of rice stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm acreage allotment exceeds the acreage planted to rice.

"'(2) If the actual production of the acreage of rice on any farm on which the acreage of rice is within the farm acreage allotment is less than the normal production of the farm acreage allotment, the amount of rice from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount which, together with the actual production of the then current crop will equal the normal production of the farm acreage allotment: *Provided*, That the reduction under this paragraph shall not exceed the amount by which the normal production of the farm acreage allotment less any reduction made under paragraph (1) of this subsection is in excess of the actual production of the acreage planted to rice on the farm.'"

"(b) Section 301 (b) (1) (B) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the word 'cotton' a comma and the word 'rice'.

"(c) Section 301 (b) (9) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the comma following the word 'cotton' the word 'rice'.

"SEC. 419. Section 344 (a) (3) of the Agricultural Adjustment Act of 1938, as amended by Public Law 272, Eighty-first Congress, is amended (i) by striking the figure '10' in the first sentence and inserting therefor the figure '15', and (ii) by striking the figure '30' in the proviso and inserting therefor the figure '20'."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,
REID F. MURRAY,
Managers on the Part of the House.

ELMER THOMAS,
ALLEN J. ELLENDER,
SCOTT W. LUCAS,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, submit the following statement in explanation of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the bill struck out all after the enacting clause and inserted in lieu of the text of the House bill the amended text of a bill as passed by the Senate. The conferees have agreed upon amendments to the Senate amendment to bring it more closely into conformity with the objectives of the bill as passed by the House.

Except for clarifying, minor, or technical changes the differences between the House bill and the bill as agreed upon by the committee of conference and recommended in the accompanying report are explained below.

GENERAL STATEMENT

The bill as recommended by the conferees repeals the price-support sections of title II of the Agricultural Act of 1948 and establishes a permanent support program for agricultural commodities embodying the following major factors:

(1) Establishment of a modernized parity formula that includes wages paid hired labor in the computation of parity prices;

(2) A provision that for four crop years beginning with the 1950 crop year, in order to cushion the transition from uncontrolled to controlled production or marketing of basic commodities and the shift to the new parity formula, that the parity price for the basic commodities shall not be lower than the parity price for such commodities as computed under the parity formula now in effect;

(3) A classification of agricultural commodities under three main groups for purposes of price support—(*a*) basic commodities, (*b*) designated nonbasic commodities, and (*c*) all other nonbasic commodities;

(4) In order to cushion further the transition from wartime production, the bill also provides that, regardless of the supply position, the support level for the six basic commodities shall not be less than 90 percent of parity for the 1950 crop and not less than 80 percent of parity for the 1951 crop, provided producers have not disapproved marketing quotas and acreage allotments or marketing quotas are in effect on such crops.

TITLE I—BASIC AGRICULTURAL COMMODITIES

Mandatory price supports are provided to cooperators for the basic commodities—corn, wheat, cotton, rice, peanuts, and tobacco. For the four crop years 1950, 1951, 1952, and 1953, in order to cushion the transition period during which producers are required to reduce production, support levels for the basic crops are to be computed both under the existing parity formula and under that established in the bill, and producers given the advantage of the higher of the two parity prices, hereinafter referred to as "alternative parity." It is estimated that for the first few years the existing formula will provide a higher parity for certain of the basics, while the new formula will provide a higher parity for livestock and certain other commodities.

The support level for the basic commodities will be 90 percent of parity for the crop year 1950 and not less than 80 percent for the crop year 1951, if producers have not disapproved marketing quotas and if acreage allotments or marketing quotas are in effect. Tobacco is to be supported permanently at 90 percent of parity whenever marketing quotas are in effect. The alternative parity will be available each of these years and it is estimated that for the years 1950 and 1951, the level of support to producers of cotton and probably other basic commodities will be higher than it would be at 90 percent of modernized parity. After the crop year 1951, the support level for all of the basics, except tobacco, will be not more than 90 percent of parity and not less than the minimum level specified in the tables in this title, and the alternative parity will continue through the crop year 1953.

It is the understanding of the conferees that in computing the parity price under the existing formula, the weights and factors used to make up the parity index at the time of the conference (October 18, 1949) will continue to be used.

This title of the bill contains schedules which establish minimum levels of price support in relation to supplies. In carrying out the mandatory price-support program for the basic commodities, however, the Secretary is not bound to fix the price support at the minimum level prescribed by the schedules, nor shall he be bound in any respect by the factors set forth in section 401 (b), but is given full discretionary authority to establish the support level at any point up to 90 percent of parity.

If producers disapprove marketing quotas, the support level will be 50 percent of parity except in the case of tobacco, for which there will be no price support if marketing quotas are disapproved.

The level of price support for corn to cooperators outside the commercial corn-producing area will be 75 percent of the level of price support to cooperators in the commercial corn-producing areas.

Under the House bill the basic commodities were to be supported for 1 year at 90 percent of the parity price whenever producers had not disapproved marketing quotas.

TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

Beginning in 1950 permanent mandatory price support is made available for certain nonbasic agricultural commodities, at levels to be determined by the Secretary of Agriculture within the minimums and maximums provided in the bill. Wool, including mohair, is to be supported at such levels between 60 to 90 percent of the parity price as the Secretary of Agriculture determines necessary, in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool. Tung nuts, honey, and Irish potatoes are to be supported within a range of 60 to 90 percent of parity. Whole milk, butterfat, and the products thereof, are to be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. The Secretary is required to provide price support for milk, butterfat, and the products thereof, through loans on, or purchases of, the products of milk and butterfat.

In providing price support for milk, butterfat, and the products of such commodities, it is intended that programs will be carried out through loans on, or purchases of, butter, cheese, evaporated milk, and dry milk powders so as to assure to the producers of milk and butterfat the benefit of the price support authorized by the bill.

The requirement that the price of wool, including mohair, be supported at not less than 60 or more than 90 percent of parity contemplates that separate parity price will be computed for sheep's wool and mohair, respectively. The level of support for mohair may vary from that for sheep's wool within the range indicated. The level of support for sheep's wool must, however, be such as to encourage an annual production of 360,000,000 pounds of shorn wool independent of pulled wool or mohair. In establishing the level of support for mohair within the 60 to 90 percent of parity range the Secretary would, of course, be expected to take into account the level of support established for sheep's wool and to establish a level of support for mohair in proper relationship to the level of support for sheep's wool. The term "wool" includes both shorn and pulled wool.

Under the House bill mandatory price support was provided for hogs, chickens, milk, butterfat, and eggs, until January 1, 1951, at 90 percent of the parity or comparable price. Irish potatoes, dry peas (certain varieties), dry beans (certain varieties), soybeans for oil, peanuts for oil, American-Egyptian cotton, sweetpotatoes, and turkeys were given mandatory price support at not less than 60 percent of the parity or comparable price and not more than the level of the parity or comparable price at which such commodities were supported in 1948, which in most instances was 90 percent of the parity or comparable price. Wool was given mandatory price support until June 30, 1951, at the 1946 support price level.

Mohair was given mandatory price support at not in excess of 90 percent of the parity price, taking into account the parity price at which wool was being supported.

Cottonseed was given mandatory price support at levels not in excess of the parity price, taking into account the price levels at which other commodities are being supported.

Price support was authorized until January 1, 1951, for all other agricultural commodities at the discretion of the Secretary. Price-support programs with respect to any such commodities were required to be carried out so as to bring the price and the income of the producers of such commodities to a fair parity relationship with the other commodities receiving mandatory price support. Price support for these commodities were also dependent upon the availability of funds for such operations.

TITLE III—OTHER NONBASIC AGRICULTURAL COMMODITIES

Under this title of the bill the Secretary of Agriculture is authorized to support any agricultural commodity other than those designated title I and title II at levels not in excess of 90 percent of the parity price.

Within the availability of funds for mandatory price-support programs, and after consideration of certain factors enumerated below, price support is required, insofar as feasible, to be made available to producers

of any storable nonbasic agricultural commodity for which a marketing quota or marketing agreement or order is in effect.

The factors to be taken into consideration by the Secretary in determining whether price-support operations shall be undertaken, and the level of such support, are as follows:

(1) The supply of the commodity in relationship to the demand therefor;

(2) The price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relationship to corn;

(3) The availability of funds;

(4) The perishability of the commodity;

(5) The importance of the commodity to agriculture and the national economy;

(6) The ability to dispose of stocks acquired in price-support operations;

(7) The need for offsetting temporary losses of export markets;

(8) The ability and willingness of producers to keep supplies in line with demand.

In the case of any commodity for which price support is not mandatory, the determination as to whether a price-support operation shall be undertaken and the level of such support is to be made after consideration of the factors enumerated above.

These factors are substantially the same as contained in title II of the Agricultural Act of 1948, the main exception being the addition of the reference to feed values of feed grains in relation to corn.

CHANGES IN THE PARITY FORMULA

The bill recommended by the conferees continues the provision of title II of the Agricultural Act of 1948 for a modernized parity formula to become effective in 1950, with the additional provision that wages paid hired farm labor are to be used in computing the parity index and that wartime subsidy payments to producers to maintain ceiling prices under the Emergency Price Control Act of 1942 shall be taken into consideration in determining parity prices.

The parity formula thus established sets up a parity price structure favorable to a livestock agricultural economy. The parity prices for most livestock and animal products are relatively higher under the new parity and those for the grains and certain other basic commodities are relatively lower. In order to bridge the transition from the existing parity formula to that established in the bill, the provision has been included which requires that for the first four crop years after the effective date of the act (1950 through 1953) support prices for basic commodities shall be based upon the higher of the two parity formulas—that established in the bill and that now in operation—thus setting up the existing parity for the basic commodities as an effective minimum parity for the next 4 years.

METHODS AND PREREQUISITES OF PRICE SUPPORT

The Secretary is authorized to require such compliance by producers with acreage allotments, production goals and marketing practices (including marketing quotas when authorized by law) as he determines necessary, in order to be eligible for the price support. This provision is substantially the same as the provision contained in the Agricultural Act of 1948 and, among other things, will authorize the Secretary of Agriculture to condition price support for potatoes and other nonbasic agricultural commodities upon producers agreeing to use marketing agreements and orders issued pursuant to the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, with respect to such commodities in such production or marketing areas as the Secretary may designate.

FORWARD PRICING

The bill provides for forward pricing and directs the Secretary of Agriculture, insofar as practicable, to announce the level of price support for field crops in advance of the planting season and for other agricultural commodities in advance of the beginning of the marketing season. The level of price support so announced may not exceed 90 percent of the estimated parity price, but in no event shall the level of price support so announced be reduced if the level provided in the schedules in the bill is less than the level so announced.

The words "insofar as practicable" were included in this section so as not to preclude the Secretary from providing price support in instances where no announcement was made prior to the planting or marketing season. For example, situations might arise under which conditions might not have warranted the announcement of a price-support program with respect to a nonbasic agricultural commodity until after the planting season or the beginning of the marketing season had passed. This provision would permit the Secretary to provide price support for such a commodity even though he had made no announcement prior to the planting or marketing season.

DISPOSAL OF AGRICULTURAL COMMODITIES

In determining general sales policies for basic agricultural commodities or storable nonbasic commodities, the Commodity Credit Corporation and the Secretary of Agriculture are required to establish such prices, terms, and conditions as will not discourage or deter manufacturers, processors, or dealers from acquiring and carrying normal inventories of the current crop of the commodity. The Corporation is not permitted to sell any basic agricultural commodity or storable nonbasic commodity at less than 5 percent above the current support price for such commodity, plus reasonable carrying charges. In determining reasonable carrying charges the Secretary or the Corporation is not required to compute the actual cost incurred in carrying the commodity, but it is intended that there should be established a reasonable amount for carrying charges sufficiently realistic to discourage manufacturers, processors, and dealers from relying on Commodity Credit Corporation stocks as a source of supply rather than carrying normal inventories of their own.

In order to prevent waste of food commodities acquired through price-support operations found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price-support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized, upon such terms and conditions as may be deemed in the public interest, to make such commodities available to the Munitions Board or any other Federal agency for use in making payment for commodities not produced in the United States. Any such commodities not disposed of in the manner referred to above may be made available at point of storage, at no cost except handling and transportation costs incurred in making delivery, in the following order of priority: (1) the school-lunch program and to the Bureau of Indian Affairs and Federal, State, and local public-welfare organizations for the assistance of needy Indians and other needy persons; (2) to private welfare organizations for the assistance of needy persons within the United States; and (3) to private welfare organizations for the assistance of needy persons outside the United States.

RICE

The bill completely revises the method of establishing and apportioning acreage allotments and marketing quotas for rice, and authorizes allotments to farms upon farm history, upon the recommendation of the State committee and approval of the Secretary, instead of to producers upon personal history, as was previously the case.

AMENDMENTS TO THE FARM CREDIT ACT

The Farm Credit Act is amended to authorize banks for cooperatives and the Central Bank for Cooperatives to make loans to cooperative associations for the purpose of financing up to 80 percent of the cost of the construction of structures for the storage of agricultural commodities (other than structures to provide refrigerated cold storage or structures in areas in which existing privately owned storage facilities for the commodity concerned are adequate). Such loans are not authorized unless the cooperative association making application for the loan shall have furnished the bank an appropriate commitment from the Commodity Credit Corporation that the Corporation will lease or guarantee the utilization of not less than 75 percent of the storage space contained in such structures, when completed, for a period of at least 3 years in the case of completely new structures or 2 years if such structures are an addition to existing structures.

MISCELLANEOUS PROVISIONS

Price support in excess of 90 percent of the parity price may be made available for any agricultural commodity if the Secretary of Agriculture determines, after reasonable notice and public hearing, that price support at such increased levels is necessary in order to prevent or alleviate a shortage in the supply of any such agricultural commodity essential to the national welfare, or in order to increase or maintain production of any such commodity in the interest of national security.

Appropriate adjustments are authorized to be made in the support price for differences in grade, type, staple, quantity, location, and other factors. Middling ⅞-inch cotton is made the standard grade for purposes of parity and price support, continuing the policy which has heretofore prevailed with respect to cotton and is in accord with a similar provision contained in Public Law 272, Eighty-first Congress.

Sums made available under section 32 of the act approved August 24, 1935, which represent 30 percent of the gross receipts from duties collected under the custom laws, are directed to be devoted principally to the support of perishable nonbasic agricultural commodities other than those designated under title II of the Agricultural Act of 1949.

The bill amends section 344 (f) (3) of the Agricultural Adjustment Act of 1938, as amended by Public Law 272, Eighty-first Congress, which relates to cotton, so as to authorize county committees to reserve not in excess of 15 percent of the county allotment for the uses authorized therein.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
GEORGE M. GRANT,
CLIFFORD R. HOPE,
AUGUST H. ANDRESEN,
REID F. MURRAY,
Managers on the Part of the House.

The Clerk read the statement.

The SPEAKER pro tempore (Mr. COOPER). The gentleman from North Carolina [Mr. COOLEY] is recognized.

Mr. COOLEY. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER pro tempore. Will the gentleman yield so that Members may ask permission to extend their remarks?

Mr. COOLEY. I yield.

EXTENSION OF REMARKS

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include an article by Constantine Brown.

Mr. ROONEY asked and was given permission to extend his remarks in the

RECORD and include a statement by the Very Reverend Monsignor John J. McClafferty.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. BARING asked and was given permission to extend his remarks in the RECORD.

Mr. CAVALCANTE asked and was given permission to extend his remarks in the RECORD on House Document No. 336.

Mr. BENNETT of Florida asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DAVIES of New York (at the request of Mr. SUTTON) was granted permission to extend his remarks in the RECORD.

Mr. JACOBS asked and was given permission to extend his remarks in the RECORD.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include testimony given before the Foreign Affairs Committee.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD in three instances, in one to include extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD.

Mrs. BOLTON of Ohio asked and was given permission to extend the remarks she made before the House on Thursday, October 13, and to include several documents pertinent to the Council of Europe.

Mrs. HARDEN asked and was given permission to extend her remarks in the RECORD and include a speech she delivered at French Lick, Ind., before the annual convention of National Grain and Feed Dealers' Association; also to extend her remarks in the RECORD and include a speech delivered by K. Frances Scott, M. D.; also to include a summary of my remarks before the Republican National Committee on January 26, 1949.

Mr. LECOMPTE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD in two instances and to include an editorial.

Mr. HORAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article on transportation.

Mr. BENNETT of Michigan asked and was given permission to extend his remarks in the RECORD and to include extraneous matter.

VETERANS' TRAINING PROGRAM

Mr. HAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Speaker, the vice of attaching legislative riders to appropriation bills has been well illustrated by our recent action, when we passed an appropriation bill for the Veterans' Administration and other agencies, but at the same time improperly included legislation which has had a serious adverse effect on the veterans' training program.

Among other things, the legislation provided that no schools which had been established for less than 1 year could be certified as training schools for veterans.

This is especially unfortunate in a district such as mine where vocational training has not been emphasized and where there are few, if any schools established for that purpose. A particularly pertinent illustration of these difficulties has been called to my attention by a veterans' service officer where an established school of drafting approved by the State of New Jersey desired to establish a branch of this established school in my district, which from the very beginning would have afforded night school training to 65 eligible veterans—but even a branch of an established school was forbidden under the inflexible "rider" which was found in the appropriation bill. Of course, if the appropriation bill had been rejected for this reason, the Veterans' Administration would have been without any operating funds.

Mr. Speaker, the distinguished Senator from Ohio, Mr. TAFT, succeeded in having the Senate pass his bill, S. 2596, which goes a long way toward correcting these errors. Among other things, for example, the bill provides that—

> Upon the certification of any State approval agency that a new institution is essential to meet the requirements of veterans in such State, the Administrator in his discretion may approve such an institution notwithstanding the provisions of this paragraph.

On yesterday, our colleague, the gentleman from Texas [Mr. TEAGUE], who had introduced his own similar bill, H. R. 6378, sought the unanimous consent of the House to pass this legislation, and, unfortunately, his efforts were blocked by a single objection. I am quite sure the objection would not have been made if the contents of the proposal had been fully understood.

This corrective legislation is urgently needed. There are many schools in my district that could be of great service in the veterans' training program if they are not barred by this arbitrary and inflexible situation with which we are confronted.

Mr. William E. Sturm, the county service officer of the Cape May County Veterans' Bureau, has written me in part as follows:

> We have obtained approximately 65 certificates of eligibility and entitlement for World War II veterans for the express purpose of attending this school. Approximately 2,500 more veterans in this county have never applied for certificates of eligibility under Public Law 346 because no private trade or public vocational schools were available in this county where they could attend in their spare time—that is, evening courses, and so forth—while earning a living at their usual occupation in the daytime. In addition we have many disabled veterans needing rehabilitation under Public Law 16 whom this contemplated drafting school would have helped considerably.
>
> We would like to see this law repealed in order to have an existing trade school open a subsidiary or branch school in Cape May County. Your earnest efforts in helping us in this matter will be deeply appreciated. I can furnish you a list of the World War II veterans now in my files who are ready to attend this school if we can open same. Veterans without sufficient credits to attend institutions of higher learning are deprived under this new law of privileges that were granted or implied under title II of Public Law 346. If your efforts in having this law repealed are successful; rest assured that you will obtain all the gratitude and credit that your good work will deserve.

From every section of my congressional district has come similar pleas.

Mr. Speaker, one of the soundest and wisest things that the Congress has done in the entire veterans' program is to provide for veterans' training. Of course, in many instances it has been abused, but the over-all results will be of great benefit, not only to the veterans themselves, but to the country. I sincerely hope that you will find a way to consider and pass the Taft bill or the Teague bill on this, the last day of the current session, and if the opportunity is given the House by you, Mr. Speaker, I trust that all of the Members will unanimously agree to immediate passage.

Mr. COLE of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLE of Kansas. Mr. Speaker, it has become a habit to enact farm legislation on the day Congress adjourns. This is not because it is naturally the last order of business. Rather it is because farm legislation has become the No. 1 political battleground. So heated and bitter is the issue that agreement on any one bill is almost impossible.

The debates on the Brannan plan, the Anderson bill, the Hope-Aiken law have high-lighted the parity issue. The great argument has been flexible versus inflexible parities.

Another side of the problem has been worrying farmers in the First District of Kansas. While price is an important item with them, they are now greatly concerned over the method of fixing quotas and allotments.

This is particularly true of the farmer who lives on an 80-acre or a quarter section farm. He has a different attitude toward his farm than the commercial wheat grower. The 80-acre farmer looks upon his land as his home. It is his castle, not to be invaded at will. So, he deeply resents being told how many acres of wheat he can plant.

The question becomes, then, Can we have price support, and still recognize the claims of the small-acreage farmer?

I believe there is a distinction between these farmers. For this reason I have been studying the possibility of granting an exemption of 40 acres of wheat, which may be planted free from the quota or allotment.

This distinction seems proper because the large operator is conducting a commercial business and the 80-acre farmer is managing a home.

It is also true because the free wheat would be consumed on the small farm.

It would not be a part of the wheat supply of the Nation.

Farm legislation will again be a major issue in the next session of Congress. I am hopeful that consideration be given to the idea of helping the farmer on the small acreage.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HARDIE SCOTT asked and was given permission to extend his remarks in the RECORD.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the RECORD and include an address he delivered in Fredericksburg, Va., in one instance, and in another instance to include certain extraneous matter.

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, and in one to include extraneous matter.

Mr. RHODES asked and was given permission to extend his remarks in the RECORD.

Mr. NORRELL asked and was given permission to extend his remarks in the Appendix of the RECORD.

AGRICULTURAL ACT OF 1949

Mr. COOLEY. Mr. Speaker, I yield myself 15 minutes.

The SPEAKER pro tempore. The gentleman from North Carolina is recognized for 15 minutes.

Mr. COOLEY. Mr. Speaker, I am certain that all of us appreciate the importance of the legislation which is now about to be considered. We may all be happy in the glad thought that at least temporarily farm legislation has been removed from partisan politics.

In the outset I want to commend and congratulate both my Democratic and Republican colleagues and conferees on the very splendid manner in which they approached the performance of their duties, and upon the excellency with which they have discharged those duties. In conference we sought as best we could to vindicate the position of this House, and I am revealing no secret when I say that your seven conferees saw eye to eye on every proposition presented; never for a moment was there any division along party lines. We went into the conference with open minds, fully aware of the gravity of the responsibilities involved. I know that all of you realize that for many long and weary hours we sat in conference after conference and apparently accomplished absolutely nothing. We went into the conference believing that this House had taken a very definite position with regard to a farm price support program; we went into the conference believing that this House wanted to repeal the price formula for a support program as provided in the Aiken bill. Forty-eight hours ago the situation looked very discouraging, but on yesterday we reached unanimous agreement. So we bring you today a conference report signed by every Democrat and every Republican to whom had been assigned the responsibility of reaching an agreement and composing differences.

This bill is not perhaps exactly like I would have it; it perhaps does not meet with the entire approval of anyone. But all of us know that legislation is the result of compromise. We went into the conference knowing that we would have to compromise, and in an effort to compose our differences we did compromise. We bring to you a bill now of such character that I believe that every Democrat and every Republican can take just pride in the accomplishment of your conferees.

Mr. COUDERT. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. COUDERT. I would like to observe that there are 8,000,000 consumers in the city of New York who will not share the gentleman's satisfaction with the handiwork of the conferees.

Mr. COOLEY. That proves what I said a moment ago that we do not expect this legislation to meet with the entire approval of everybody. I doubt very much if the gentleman who has just spoken is authorized to speak for the millions for whom he has attempted to speak. I do not know whether or not the gentleman heard this report read a moment ago, but I think the statement just read to the House is broad and comprehensive enough to alleviate the fears which are apparently entertained by the gentleman and some of his constituents.

I know that some people of this country have been led to believe that there is a farm bloc in the Congress and that this farm bloc is a selfish one seeking to gain advantage over other people. There is nothing in the farm program that could justify such a belief. It was stated when we were here before, considering farm legislation, that in this very session of Congress we had voted to lift the minimum wage level, we have voted to increase the pay of postal workers, of all Government workers, of the Army, the Navy, and the Marine Corps as well as the Air Corps; yes, to increase the pay of every bureaucrat and cabinet officer. We have increased the pay of every man and woman over whose livelihood we have any control. Yet we were faced with the proposition that in this situation when all Government employees have been increased and when industry is reaching up and up for higher and higher wages and better pension plans, we should take the farmer back to prewar days and lower the support price.

Mr. Speaker, the support price was used in war to bring about a much-needed increase in production. Actuated by that incentive the farmers of this Nation performed magnificently. Now in the postwar period agriculture is faced with the necessity of bringing about drastic reductions in production. So, now, we are attempting to use the support program to prevent the production of surpluses. It is not for the purpose of bringing about a program of scarcity, but, rather, to encourage a program of abundance, yet to encourage a program which will eliminate the possibility of surpluses that might well destroy our agricultural economy.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield briefly to the gentleman from Pennsylvania.

Mr. RICH. What does the gentleman intend to do with the surpluses that are now on hand?

Mr. COOLEY. That is covered in the bill and will be discussed hereafter by speakers who will follow me. May I say right here and now that it shall not be my purpose to discuss the details of this measure. I intend to yield immediately to the distinguished chairman of the subcommittee, the gentleman from Georgia [Mr. PACE], and if the membership of this House will be patient for a little while and will listen to the gentleman from Georgia, who will be followed by the distinguished gentleman from Kansas [Mr. HOPE], the former chairman of my committee, who will be followed by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], and by the gentleman from Wisconsin [Mr. MURRAY], I think that we could obviate the necessity of asking so many questions about what we are doing in the bill before us.

Mr. RICH. I would like to ask one question. In regard to the statement the gentleman has just made about the fact that you are trying to limit the amount of production, when you limit the amount of production and you increase the price, then are you going to blame it on the Republicans for having a high cost of living?

Mr. COOLEY. No, and I maintain that the price-support programs of the past have not resulted in bringing about the high cost of living. But for those programs which caused the farmers of this Nation to bring about the production which they have achieved, you would have had a scarcity of production and would not have had an abundance from which to have made your purchases in the cities. Whenever a city Congressman has to go back to his district to answer to his constituents, he need not apologize to them for having supported farm legislation, and anyone who understands the farm program knows that. The trouble is that the people who criticize it know very little about it.

Mr. RICH. Well, what are we going to do about it when you increase prices?

Mr. COOLEY. We are not attempting to increase prices, and the fact is that during the time that we have had these programs in effect most of the commodities have been selling above the support price. But, now we are facing a period of transition. We are told that American agriculture will, in the future, be faced with the necessity of taking out of production 28 to 30 million acres of land; that we will be faced with the necessity of making drastic changes in the pattern of American agriculture. Instead of criticizing this report it seems to me that every Member of this House, be he from a city district or from a rural district, should take pride in the fact that we are bringing here a reasonable bill; not a bill that seeks to gouge the city consumer, not a bill that seeks to enrich the farmer, but a bill that seeks to deal fairly with the great segment of our economy.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Would the gentleman be willing to take off supports entirely on poultry and eggs, except what the Secretary might give to them?

Mr. COOLEY. I would like to say in that connection that the House bill reported by our committee included hogs and eggs. Every conferee representing this House voted to keep hogs and eggs in this measure. But we realized, as I said a moment ago, that all legislation is the result of compromise, and we could not get all that we wanted. But, I do want to say on our own behalf that we stood by the position of the House.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. KEATING. The gentleman has outlined the very able and distinguished representatives of cotton, tobacco, and peanuts who will be heard on this measure, and I am anxious to hear them. May I inquire whether there will be any opportunity for the opponents of the compromise to be heard?

Mr. COOLEY. If there is any time left I will be very glad to yield to the opponents, if there are any opponents in the House. But I did not know that we were going to have any opponents.

Mr. KEATING. I would appreciate it if the gentleman would afford me 5 minutes to be heard in opposition.

Mr. COOLEY. If, after the conferees have been heard, time remains, I should be very glad to see to it that anyone who wants to speak in opposition is afforded an opportunity to be heard.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I am not in opposition, but I should like to have the gentleman, who has the respect of every Member of this House as far as agriculture is concerned, tell us why it is we cannot sell our tobacco in foreign countries.

Mr. COOLEY. The answer to that is that foreign countries do not have the dollar exchange with which to purchase American tobacco. No one is more interested in selling tobacco abroad than I. However, that is the situation, and we all seem to realize it. We are trying to sell it in foreign markets, and we are largely dependent on foreign markets. But for the instability of foreign currencies we would be able to broaden our exports.

Mr. NICHOLSON. Is it because they put up such a tariff that we cannot sell our tobacco in England, Canada, France, and other countries?

Mr. COOLEY. I doubt if the tariff has very much to do with it, although I agree with the gentleman that the tariff is far too high. I hope that under our international policy we may be able to lower the tariffs on tobacco so that we may sell it in foreign markets more easily.

Mr. NICHOLSON. I thank the gentleman from North Carolina.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield to me for a commendatory statement?

Mr. COOLEY. I yield to the gentleman from Tennessee.

Mr. JENNINGS. As a Republican Member of this House and as a Representative from both a great agricultural and industrial region, may I say that I am in accord with what the gentleman has had to say. He has done it in a nonpartisan and a statesmanlike manner. I think it is a good job that has been done. It will put in the hands of the farmers of this country a purchasing power that will enable them to buy the products of the industrial sections with which they cultivate their land.

Mr. COOLEY. I thank the gentleman very much.

In conclusion, I do want to ask the House to be patient and attentive as I yield to three or four of my colleagues who will discuss the details of this measure. I think it will be advantageous for all of you to know just what is in this measure, so that when you return home you will be able to discuss and explain it to your constituents.

Mr. Speaker, I yield 15 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Speaker, I shall undertake to give you very quickly and briefly the provisions contained in the bill and the intentions of the Conference Committee. I presume practically every Member of the House would like to take with him tonight or tomorrow either a full knowledge of the bill or at least a copy of the CONGRESSIONAL RECORD which contains a statement of the bill.

The bill breaks down the some 200 or more agricultural commodities into four classes; the basics, the storable nonbasics, some five or six special nonbasics, and then all other agricultural commodities.

Now, as to the basics, which are cotton, corn, wheat, rice, tobacco and peanuts, the bill provides that the producer shall enjoy a support price not in excess of 90 percent, with some exceptions which I will mention, nor less than 75 percent of parity. Then there are included in the bill, to be found in sections 101 (a) and (b) on page 2 of the committee report, certain tables which fix minimums between 75 and 90 percent, depending upon the supply. I should like to make it clear at this point and I hope to have an opportunity to refer to it later, that it is the distinct purpose of the tables to do no more than fix the lowest possible minimum levels of support and not the maximum.

As to the basics, the bill provides that next year, 1950, the support price, when they are under control, that is, under acreage allotments or marketing quotas, shall be 90 percent of parity. Then in the next year, 1951, if still under controls, it shall be not less than 80 percent of parity. That, of course, was done, as was stated in the statement of the managers on the part of the House, in order to be sure to cushion the fall in the support level under the general terms of the bill.

A new parity formula, which goes into effect under this bill, known as the 10-year moving average, would drastically cut the parity price of some commodities and to keep that from coming about immediately, the bill provides that for the basic commodities during the next 4 years the Secretary shall use as the support price the parity index which is the highest under either the current parity formula, or under the new parity formula contained in the bill. That is a further cushion against any drastic drop in prices.

The bill then provides that if the producers are asked to go under marketing quotas and they disapprove by two-thirds majority, then their support prices will drop to 50 percent of parity.

Those are the general provisions of the bill as to the basic commodities.

We also have in the bill what is a new grouping of commodities, which has not been in previous legislation, known as storable nonbasic commodities. While I shall not try to mention them all, they are, for example, such commodities as oats, rye, barley, grain sorghums, soybeans and commodities which, like wheat and cotton, can be stored without serious loss.

As to those the bill provides that when production of those commodities are either under marketing quotas or under a marketing agreement or order, they, too, shall be supported at not in excess of 90 percent of parity nor less than the level shown in the table which you will find in section 302 on page 4 of the conference report. I think I should add that the bill does not contain provisions setting up authority for either marketing quotas or marketing agreements for the storable nonbasic commodities, and that is the job which remains for the committee on the convening of the next Congress.

Then there are certain nonbasic commodities which are specially treated in the bill. The first is wool. Its support price shall be from 60 percent to 90 percent, the level to be determined by the Secretary as necessary to encourage the production of 360,000,000 pounds of shorn wool in this country.

The next three commodities are honey, Irish potatoes, and tung nuts. The bill provides they shall be supported at from 60 percent to 90 percent.

The next are dairy products, which are of great importance from the standpoint of value of all agricultural commodities in the United States. Whole milk, butterfat and the products thereof shall be supported at from 75 percent to 90 percent, the level to be determined by the Secretary as necessary in order to assure an adequate supply.

Then there remains that great field, all other commodities, such as fresh fruits, vegetables, and commodities of that kind. They are to be supported at from zero percent to 90 percent of parity. The Secretary determines the level of support, the terms and the conditions and the extent to which such operations are to be carried out in this type of support-price program.

In making the determination whether the producers who produce that type of

commodity shall enjoy from zero to 90, these are the factors that the Secretary must take into consideration:

First, the level at which competing commodities are supported. The supply in relation to the demand; the levels at which other commodities are being supported, and, in case of feed grains, the feed value of such grains in relation to corn; the availability of funds; the perishability of the commodity, the importance of the commodity to agriculture and the national economy; ability to dispose of stocks acquired by the Government; the need for offsetting temporary losses of exports; the ability and willingness of producers to keep supplies in line with demand, that is, the compliance with marketing quotas, acreage allotments, production goals and marketing practices.

That covers briefly the four classes of commodities.

Here are the other principal provisions of the bill: The Secretary may raise the support above 90 percent in only two instances, in both of which there must be public hearings. One is where it is essential in order to secure an increased supply for the national welfare, and the other is to increase and maintain higher production in the interest of national security; for example, in time of an emergency or war.

In all support programs appropriate adjustments are required to be made as to grade, types, staple, quantity, location, and other factors. In the case of cotton, ⅞-inch Middling shall be the standard grade for purposes of parity and price support.

The bill provides that the commodity shall be the sole security for loans under the support program. If practicable, that is, if he has the information as to the approximate acreage to be planted, and the average yields in the past, or other means of estimating the anticipated yields, the Secretary must announce to the producers the support price before planting time. After being so announced to the producers the support may not be reduced. That, of course, is a matter of great importance to producers, in order that they may know before they pitch the crop what the support level will be.

Now, this is very important to many Members. The question was raised: What is the Government going to do with the surpluses they now have on hand? The bill authorizes the Commodity Credit Corporation to sell commodities it has acquired and have not deteriorated. It sets up the pattern under which they may be sold. They might sell such commodities, but in doing so they must establish policies that will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the current crop.

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. COOLEY. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. PACE. So, in selling these commodities back into the market, the price must be fixed at a high enough level that buyers will not stand by and let the Government take over the whole crop and then come to Washington to get their supplies. It must be maintained at a level where the ordinary businessman will buy his own needs in the market.

The bill then provides that they shall not set such commodities at less than 5 percent above the current support price, plus reasonable carrying charges. Of course, you understand it would never do to take surplus commodities owned by the Government and dump them into the market and break either the support price or the prevailing market price at the time.

The bill defines basic and nonbasic agricultural commodities, supply percentages, total supply, carry-over, normal supply, and other terms. The bill does something that this committee has been seeking for the last 10 years; it provides that in determinations under the new parity formula, in arriving at the parity index, there shall be taken into account wages paid hired workers.

May I say a word to our distinguished friend from New York. He stated a moment ago that the 3,000,000 people in the City of New York would be against this bill. I do not believe that the 8,000,000 people in New York would be against this bill any more than they were against raising the minimum wage to 75 cents an hour.

Certainly the teeming millions of New York, all 8,000,000 of them, applauded when this Congress raised the minimum wage to 75 cents an hour. But what did you do when that was done? You increased the wage rate the farmer must pay in order to get his hired hands, and I cannot believe that the 8,000,000 people in the City of New York expect me as the representative of a great agricultural section to vote for that measure and then appear here and try to break the income of the people who must work in the fields in the sun to produce the food for them.

Mr. COUDERT. Mr. Speaker, will the gentleman yield?

Mr. PACE. Not now; I am sorry.

Nor do I believe that the teeming millions for whom the gentleman speaks complained when this Congress almost doubled the benefits under the Social Security Act. I do not know of anybody who has been benefited more by this Congress than the 8,000,000 people for whom the gentleman from New York speaks.

What does the farmer get from the increase, the doubling of the benefits under social security? He gets only one thing, the privilege of paying for it; that is all. When men rise here—I do not care who they are—and tell me that the people they serve are against this bill they do not know whereof they speak, because the time has come—Listen to me. The farmers of this Nation have learned that if they are going to sell their commodities to people in New York City the people in that city must have regular work and make a good wage; and I believe that the people in New York City know that if they are going to sell their manufactured products that the farm people must have good prices and stable incomes in order to buy those products.

I believe, and I will not accept the contrary statement of any city representative here today who takes the time to think this thing through and understand it, that there is a complete community of interest, a complete interdependence of one upon the other, the farmer and the wage earner, if we are going to maintain a prosperous Nation.

Mr. ROONEY. Mr. Speaker, will the gentleman yield for a question?

Mr. PACE. I yield.

Mr. ROONEY. Does the gentleman realize that social security is paid for by the employee and the employer? Is the gentleman comparing that with funds paid out of the Public Treasury?

Mr. PACE. No, I am not.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield.

Mr. COOLEY. Does not the gentleman know that it all goes into the total cost the farmer has to pay when he purchases an article manufactured in the city?

Mr. PACE. Everyone should agree to that; that is what I am talking about.

Mr. Speaker, I do not seek differences here; I am trying to find a common ground. I am trying to show that the man in the city should have and must have a sympathetic interest in the income and welfare of the farmers. There is a movement under way in this country today to add to the cost of manufactured goods the cost of a pension for all the workers in industry. This the farmers must pay in part every time they buy a manufactured article.

Another item in this bill which will be of great benefit to the teeming millions of the gentleman's city is the more liberal use of section 32 funds, that is, money received from import duties; that they must be used principally in disposing of the perishable commodities which the cities consume in such great quantities, that is, these funds can be used to make those commodities cheaper to the city people.

The next section repeals section 302 of what is known as the Aiken Act or the Agricultural Act of 1948, which was the support-price section and the heart of the Aiken bill. This repeal should please every farmer in the country.

The next section authorizes the Bank for Cooperatives to make loans under certain conditions to farmer cooperatives up to 80 percent of the cost for the construction of agricultural storage structures, that is, for the storage of agricultural commodities. But it provides that they cannot construct refrigerating units nor can they make these loans in communities which are already adequately served by storage facilities.

Now let me turn to the section in which many of you are interested. The Senate bill carried a provision for giving away agricultural commodities owned by the Commodity Credit Corporation which were about to spoil. For example, Irish potatoes. Instead of letting those commodities spoil this bill provides, not merely Irish potatoes but any agricultural commodity which is deteriorating and is about to spoil, that the Commodity Credit Corporation and the Secretary of Agriculture can give them

first, to the Munitions Board or to any other Federal agency to be used in furthering the purchase of some commodity not produced in the United States. Secondly, they shall be given to the school-lunch program, to the Bureau of Indian Affairs, to any Federal, State, or local public-welfare organization, for assistance to needy Indians and other needy persons. Those are public institutions and they shall be given away in that order. Third, to private-welfare organizations for the assistance of needy persons in the United States. A lot of you have received telegrams from CARE and CROP and other similar organizations. Fourth, if there is any remaining, they are given to private-welfare organizations for assistance of needy persons outside of the United States. No organization is named. In order to receive any, these organizations must give such commodities to needy persons outside of the United States.

Mr. Speaker, let me say that results under this bill are going to depend upon its administration. We have provided in the bill and the conference report clearly states that the Secretary of Agriculture shall have full discretion in determining the level of support for the basic commodities up above the minimums fixed in the tables. As you go home I think it is important that you and those whom you serve understand that the tables are nothing but minima and there is full discretion in the Secretary of Agriculture to go above them up to 90 percent of parity regardless of the tables and regardless of the factors set forth in section 401 in this bill.

The statement of the managers on the part of the House, which was read to you a few minutes ago, says this in no uncertain terms; here is the language:

> In carrying out the mandatory price support program for the basic commodities the Secretary is not bound to fix the price support at the minimum level prescribed by the schedules, nor shall he be bound in any respect by the factors set forth in section 401 (b).

We were fully authorized by all members of the conference on the part of the Senate to incorporate that statement in our statement, and it is likewise the unanimous view of the members of the conference on the part of the House. These tables were never intended and are not now intended to do anything more than to fix minimums, not maximums. The Secretary of Agriculture is entirely free to use his own discretion in the consideration he shall give these tables and in announcing and maintaining support prices at levels higher than the minimums set forth in these tables, up to the full maximum. He is free to consider the general welfare, economic conditions, the need of maintaining a constant and high national income, and the effect the respective support levels will have upon the farmer's income.

We believe it is the duty and responsibility of the Secretary of Agriculture to protect and support the general welfare of the farmers, to raise and maintain their standard of living, and to see that they have the purchasing power necessary to provide a constant and ready market for manufactured and industrial goods.

Only recently the President of the United States stated that he favored a support level of 90 percent of the parity price and that the farmers should have a program which will assure them of their fair and full share of the national income. The Secretary of Agriculture has said as much, and we believe it is not only his solemn duty but is his desire and intention to see that the farmers enjoy those kinds of prices and that kind of income. We intend by this bill to see that he is vested with the free and unquestioned right and authority to do so insofar as the basic commodities are concerned, without restraint as to tables, factors, or any other conditions.

That, as we understand it, is the view of every member of the conference, House and Senate, and it was only by oversight and inadvertence that there was not stricken from section 401 (b) of the bill the words "and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity," or else that they were not modified to exempt their application to the basic commodities. They were not intended to apply to the basic commodities.

Mr. COUDERT. Mr. Speaker, will the gentleman yield?

Mr. PACE. I yield to the gentleman from New York.

Mr. COUDERT. I thank the gentleman for yielding to me. I was a little afraid the gentleman was going to permit his assumption of representation of my district to stand and deprive the metropolitan area of an opportunity to be heard.

The gentleman has spoken of the income enjoyed by the great consumer population which I have the honor to represent. Let me ask the gentleman where in the statutes of the United States the consumer population of my area are guaranteed 90 percent of income return for their goods and services that they would need to put them on a par with farmers.

Mr. PACE. Let me say this to the gentleman—hear me, please, because I am stating facts as I have found them—that if the farmers and farm workers of this Nation enjoyed a minimum wage of 75 cents an hour, the support price would be considerably above 90 percent of parity. The price at which a farmer sells his commodity only reflects his costs and the wages that he and his sons and daughters and hired workers receive for work in the field from sunup to sundown. I respectfully submit to my distinguished friend from New York, and I was never more sincere in my life, that when his people enjoy a minimum wage of 75 cents an hour, they are at the hands of this Congress enjoying greater protection than we today propose to throw around the people who work in the fields.

In conclusion I should like to have inserted in the RECORD at this point under the authority granted me, the table used by the members of the conference in judging the different parity prices and support levels under the House bill, the Senate bill, and the Agricultural Act of 1948:

Specified commodities: Estimated maximum support levels for 1950 based on parity index for July 15, 1949, and estimated average prices received by farmers, 1940–49

Commodity	Unit	90 percent present parity (Gore bill)	90 percent, title II, 1948 act (Aiken Act)		90 percent, title II, 1948 act, including wage rates [1] (Anderson plan)		Income support standard (Brannan plan)
			Including transitional [2]	Excluding transitional [3]	Including transitional [2]	Excluding transitional [3]	
		(1)	(2)	(3)	(4)	(5)	(6)
Basic commodities:							
Wheat	Bushel	$1.94	$1.84	$1.62	$1.84	$1.71	$1.86
Corn	do	1.41	1.34	1.29	1.36		1.45
Cotton	Pound	.2723	.2587	.2418	.2587	.2557	.2776
Rice	Bushel	1.78	1.96		2.07		2.24
Peanuts	Pound	.105	.100	.081	.100	.085	.0937
Tobacco:							
Flue-cured	do	.422	.428		.453		.487
Burley	do	.410	.435		.460		.490
Nonbasic commodities:							
Butterfat	do	.578	.586		.657		.663
Milk, wholesale	Hundredweight	3.51	3.69		4.09		4.19
Hogs	do	15.90	16.60		17.50		18.80
Eggs	Dozen	.472	.448	.400	.448	.423	.454
Chickens	Pound	.250	.257		.272		.288
Flaxseed	Bushel	3.71	3.78		3.99		4.27
Soybeans	do	2.11	2.24		2.37		2.52
Beans, dry edible	Hundredweight	7.40	7.44		7.87		8.38
Potatoes	Bushel	1.61	1.53	1.40	1.53	1.47	1.57
Beef cattle	Hundredweight	11.90	14.70		15.60		16.70
Lambs	do	12.90	15.80		17.00		18.20
Oats	Bushel	.877	.833	.731	.833	.773	.818
Barley	do	1.36	1.29	1.08	1.29	1.14	1.71
Apples	do	2.11	2.31		2.44		2.59
Wool	Pound	.402	.446		.471		.492
Oranges	Box	3.29	3.13	1.94	3.13	2.05	2.06

[1] Adjusted base prices for beef cattle, lambs, milk, and butterfat include wartime subsidy payments. Farm wage rates combined with the present parity index. Farm wage rates are weighted 7.8 percent and the present parity index is weighted 92.2 percent.

[2] Transitional parity prices for 1950 are 95 percent of parity prices according to the present formula. Transitional parity prices would apply for wheat, corn, cotton, peanuts, eggs, potatoes, oats, barley, and oranges in column 2. For all these commodities except corn transitional parity prices also apply in column 5.

[3] Prices appear in these columns only for those commodities for which the transitional parity price is higher than the parity price according to the new formula. The transitional parity prices appear in columns 2 and 4. Prices in columns 3 and 5 are parity prices according to the new formulas disregarding the transitional feature.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REASON FOR FARM-PRICE SUPPORTS

Mr. LANHAM. Mr. Speaker, the national farm-price-support program which has brought prosperity and well-being to the farmers of our Nation has recently been under attack from various sources which do not believe in the program. For this reason, Mr. Speaker, I think it is high time for us to consider these attacks and repel them by a concise statement of the real reason for, and justification of, the farm-price-support program.

In the first place, the farmer has no control over the price at which his products sell on the market. He must buy on a protected market. But until the price-support program came into effect he had no protection against prices that meant bankruptcy and suffering for himself and his family.

In the second place, the farmer is the greatest gambler in the world. And this must of necessity be so. For he spends his time and energy in preparing his land, and his money for seed and fertilizer which are then committed to the good earth with the eternal hope in his breast that the seasons will be kind, and that his land will blossom and bear much fruit. But he has no control over the elements. Floods may destroy his crops and drought parch them beyond recovery. Even if the elements are kind and his crop is damaged neither by drought nor floods, nevertheless, a hoard of insects and any number of plant diseases are always hovering near, ready to steal from him the fruits of his labor.

In my opinion, the price-support program is absolutely necessary, not only for the protection of the farmer, but for the stability of our economy in all its phases.

In this connection, I am submitting a portion of a report submitted by the distinguished gentleman from North Carolina [Mr. COOLEY], chairman of the Committee on Agriculture, to accompany H. R. 5345. The bill referred to, H. R. 5345, was known as the Agricultural Act of 1949 and called the Pace bill due to the fact that it was drawn by a subcommittee, headed by the gentleman from Georgia, the Honorable STEPHEN PACE, of the House Committee on Agriculture.

Among other things the report said:

The big question that Congress must pass upon in deciding the issue—

Of price supports—

is whether it will try to insure favorable economical conditions throughout the Nation by maintaining agriculture on a sound and prosperous basis.

The farmers have come to realize the interdependence and community of interest between themselves and the wage earners in the towns and cities. They know that the reason they couldn't sell their commodities in 1932 was because there wasn't anybody in town with money to buy. They understand that the best assurance for prosperous conditions for themselves is steady, full employment at good wages for the workers in the towns and cities. They have supported and will continue to support the measures needed to maintain those conditions.

But they also understand that those working in manufacturing industries cannot receive good wages nor keep a job very long unless farmers have the money with which to buy after paying their production costs.

IMPORTANCE OF A SOUND PRICE-SUPPORT PROGRAM

The report goes on to say, and I quote, with full approval:

Agriculture is a vital part of our national economy. Every other element involved in the prosperity of the Nation is affected by what takes place on the farms of this country and in the market places where the products from these farms are sold. A sound agriculture is basic to our system of free enterprise and to our economic welfare. We are dependent on agriculture for our very existence. Its products feed the Nation and provide industry with necessary raw materials. Maintenance of a permanently healthy and productive agriculture is in the interests of all the people of this country. This is recognized as established national policy under which price supports have been authorized by the Congress as the main device for helping farmers achieve a reasonably stable income at a level fair both to farmers and nonfarmers. In the absence of a better means by which farmers can accomplish this objective, price supports must remain an integral part of our program for agriculture; otherwise our entire national economy will suffer.

The real function of farm commodity price supports is to maintain the income of farmers at a level below which it is not in their interest or in the interest of other economic groups to permit returns from agricultural production to fall. Time and again this country has seen what happens to our entire economy when there is a collapse in farm income. Whenever the farmer receives a fair return from his labors, he is a good customer for our towns and cities. His readiness to buy means millions of jobs in business and industry throughout the Nation. But when his income drops, the farmer is forced to retrench and the effects of this are immediately reflected in a reduced flow of goods to the Nation's rural communities with resulting unemployment throughout our whole economy. Thus the elements of a depression are set into motion.

This country cannot afford any unnecessary risk of depression. With the national debt above $250,000,000,000 the Nation has little choice but to maintain high employment and a high level of income. Otherwise, the burden of servicing that debt can become unbearable if not impossible.

Secretary of Agriculture Brannan stated to the committee during the hearings on this bill—and I quote:

Price supports are the farmers' equivalent of the laboringman's minimum wage, social security, and collective-bargaining arrangements.

As long as industry enjoys the protection of laws forcing the farmer to buy in a protected market, the farmers should be given the protection and security of price supports. Congress appropriates annually hundreds of millions of dollars to give over 2,000,000 Government employees the security and protection of retirement pensions. Moreover, Congress votes millions each session to subsidize our shipowners, our allies, our newspapers, our mail-order concerns, and others.

Can it be wrong to give some protection to the men and women who work in the sun, who labor on the farms, to produce the food to sustain the remainder of our population?

In his testimony before the Committee on Agriculture, Secretary Brannan presented clearly the requirements of a farm production and stabilization program. The Secretary said, and I quote:

(1) The program must effectively serve the farmer and his family. * * * (2) In serving the farmer the program must not discriminate unfairly against any group. * * * (3) The program must be efficiently operated and costs must be commensurate with the benefits to the Nation. (4) It must serve general policy objectives, including national security, the maintenance of high-level employment, and cooperation with other nations in the interest of peace and prosperity.

In other words, as the Secretary of Agriculture says, an effective farm program must serve the interest of all the people. It can do this as suggested by the Secretary of Agriculture in several ways:

First. It can help prevent a depression. Most depressions have been farm-led and farm-fed. While declines in farm prices are not the sole cause of depressions, they certainly contribute greatly.

Second. A farm-production and price-adjustment program can help build markets for industrial goods and help maintain employment for labor. Industry today is dependent on the farm market to a greater degree than it has ever been.

Third. Stable farm prices and incomes encourage high-level production with the great assurance of reasonable prices to consumers.

Fourth. A program that helps maintain farm income helps to maintain agricultural resources. City people, just as much as farm people, are concerned with the problem of conservation.

Fifth. An effective farm program is essential to our national security, will provide a reservoir of goods which protects the Nation against crop failure, and will assure supplies for an even flow of world trade.

Sixth. A price-support program which safeguards our rural economic strength can help stabilize a rural community and help maintain individual opportunity in our free-enterprise system.

H. R. 5345, THE PACE BILL, NOT BRANNAN PLAN

Congressman STEVE PACE, of the Third District of Georgia, and the man who has done more than any other, without exception, for the farmers of Georgia and the South, sponsored, and I voted for, a bill that would have continued your support price of cotton at near 100 percent of parity. It has been referred to by some as the Brannan-plan bill. This is not correct. Nobody knew what the Brannan plan would cost, nor what its effects would be. On the other hand, many of us, including the gentleman from Georgia, Congressman PACE, knew that for the Government to continue to support perishable farm products, such as potatoes, milk, and eggs, as at present, and for the Government to continue to allow potatoes to rot and dried eggs to spoil, would mean a black eye for the entire support program. We knew, too, that it would mean in the end the de-

struction of the entire price-support program. This would mean disaster to the farmers of Georgia.

Knowing these things, and having the best interest of the farmers at heart, the gentleman from Georgia [Mr. PACE], after months of study by his subcommittee of the whole problem, included in his bill power for the Secretary of Agriculture to try his suggested method of supporting prices on farm products that could not be stored, by letting the products sell on the market at a price that would be determined by the law of supply and demand, and then to make up the difference to farmers by a payment from the Treasury. This would have meant lower prices for the consumer, which would have stimulated demand, and would have kept the market in sound condition. It would also have allowed people who needed potatoes and eggs to use them instead of allowing them to rot. The idea of the gentleman from Georgia [Mr. PACE] and his committee was to try the plan to see whether or not it would work. If so, it could next year be extended to other perishable or nonstorage crops. If not, it could have been discontinued. In this way the gentleman from Georgia [Mr. PACE] and the majority of his committee members thought the price support program might be saved. It sounded like good sense to try the plan, and I therefore supported the gentleman from Georgia [Mr. PACE] and his bill.

PACE BILL PROVIDED 100-PERCENT SUPPORT FOR STAPLE CROPS

Remember, this had nothing to do with cotton, corn, wheat, and other crops that can be stored. The Pace bill did not propose subsidy payments for these crops, but would have been used only on the two crops, potatoes, eggs, and shorn wool. So you see the Pace bill would not have changed in any way the present support price of cotton, corn, or wheat. And was just a trial on the eggs and potatoes to see whether Mr. Brannan, the Secretary of Agriculture, had hit upon a solution to the puzzling problem of giving the farmer a fair price for his crops that cannot be stored because they spoil or rot quickly, without wasting these crops that people need, and which should not be destroyed. The Pace bill was defeated.

HOUSE PASSED 90-PERCENT PARITY BILL INSTEAD OF PACE BILL

The House then passed a bill known as the Gore bill to continue present price supports on staple crops, which would maintain the present support price of 29 cents on cotton and repeal the Aiken bill. In the Senate a compromise bill was passed allowing the Secretary of Agriculture to reduce the support price to 75 percent of parity. This is known as the Anderson bill and is the same thing as the Aiken bill except that "it wears a new pair of socks," as Vice President BARKLEY says. Remember, the original Aiken bill which would have gone into effect on January 1, 1950, unless we had repealed it would have reduced the price of cotton still lower.

At long last, the conference committee appointed to iron out the differences between the House bill to continue price support on staple farm products at 90 percent of parity and the Senate bill which would permit the lowering of support prices to as low as 75 percent of parity, has agreed upon a compromise. This compromise bill would continue present price support at 90 percent of parity for the next year, at 80 to 90 percent of parity for 1951 and from 75 to 90 percent for the next 2 years. Since this bill will continue 90 percent support prices for the year 1950, I voted for the conference report rather than let the Aiken bill go into effect on January 1, 1950. Besides, the bill finally agreed upon establishes a new formula for determining parity which is more favorable to the farmer since it includes the cost of farm labor. The House members of the conference committee, headed by our own Congressman STEPHEN PACE, of the Third Georgia District, are to be congratulated on winning such a victory for the farmers of the South.

Since I have been in Congress I have supported every bill for the benefit of the farmers, including ample appropriations for rural electrification, soil conservation, and price-support payments. This year the House passed, with my support and vote, a bill to encourage the building of rural telephone lines. The Senate has now passed this bill and sent it to the President. The housing bill also contains provisions for Government help for building farmhouses and other buildings. I have insisted that since parity means only a fair price for the farmer, his staple crops should be supported at 100 percent of parity. Why should the farmer be asked to accept anything less than a fair price for his products? Why should anyone agree to less than 90 percent at the lowest for farm-price supports? I have refused to agree to any such compromise. The Pace bill for which I voted would have supported farm prices on staple farm crops at 100 percent of parity. This is another reason I voted for it.

TRUTH ABOUT AIKEN FARM BILL

The Aiken farm bill was passed in the dying hours of the Eightieth Congress, early Sunday morning just before the Republican Party held its national convention in Philadelphia in June 1948. Word had come down from the Republican big shots in Philadelphia that the bill must be passed before adjournment. The bill had passed the Senate, where it was introduced and sponsored by Senator AIKEN, of Vermont.

The House Committee on Agriculture had never studied the bill. Yet it was accepted by a Republican-controlled conference committee and submitted to the House for a vote after an all-night session. One Republican member, the gentleman from Wisconsin [Mr. MURRAY], was so incensed with his own party that he resigned from the conference committee rather than be a party to the passage of the bill. Before reporting it, the Democrats on the committee, led by our own gentleman from Georgia [Mr. PACE], got the effective date of the bill postponed until January 1, 1950. Even with this provision, every Democrat in the House voted against the bill, and every Republican, with the exception of the gentleman from Wisconsin [Mr. MURRAY] and the gentleman from South Dakota [Mr. CASE], voted for the bill.

This bill would have been ruinous to the South if it had become a law, even if it had been amended to make support prices 75 to 90 percent of parity instead of 60 to 90 percent of parity. I say it would have been ruinous because it would have allowed the Secretary of Agriculture to support the staple crops—corn, cotton, tobacco, and wheat—at 75 percent of parity instead of 90 percent of parity as at present. This would have meant a support price for cotton of around 22 cents instead of 29 cents as at present.

CROP SUPPORTS MEAN CONTROL OF ACREAGE

During the war years the Government was able to support prices without any loss to the Treasury due to the abnormal demand for farm products. Now that demand is slackening and supplies have increased so that we have a big surplus of many crops, it is absolutely necessary that future production on the farm be controlled.

So the present Congress has passed a law providing for a limitation on acreage to be planted to cotton and other staple crops coming under the price-support program.

Such a bill is always unpopular, and because of the many differences in farming conditions throughout our country occasionally works a hardship on some section of the country or some individual farmer. Yet the law is absolutely necessary if the farm-support-price program is to be continued.

It is my hope that the parties administering this crop-control law will administer it fairly. If injustices arise, I will appreciate your reporting to me any such, which I will be glad to have investigated and corrected if possible under the law.

LONG-RANGE FARM BILL STILL NEEDED

Mr. CASE of South Dakota. Mr. Speaker, of course I am voting for the adoption of the conference report, as anyone who knows anything about the situation knows it is the only legislation which can be had at this time—and something is needed.

At the same time, this must not blind us to the need for more than a program of price supports if we are to have a truly long-range farm program.

Storage and loans help but will not solve a succession of bumper crops in hybrid corn, rustless wheat, and weevil-free cotton.

Support prices are no long-range answer to high yields in perishable fruits, vegetables, and dairy products.

Any program which depends upon an unlimited flow of money from the Federal Treasury will fall of its own weight in time. Temporary help—yes; but a solution which carries the seeds of its own destruction.

If anything has been learned in 30 years of war and postwar farm legislation it is this:

First. A cushion is needed when war-spurred production adjusts itself to a peacetime economy.

Second. A permanent program must be self-financing.

Third. Farmers want and deserve a continuing program of soil conservation which they themselves plan and in which they have a real voice. This most independent group of people in any country is the very soil of free institutions.

Fourth. Farmers do not demand a United States parity price for what is sold abroad but they do rightfully expect a price for what is domestically consumed that is comparable to the protected price for what they have to buy. And they do expect the American market.

While we do what we can today, we must continue to study and strive to work out a truly long-range farm program. We must not put it off.

Mr. McDONOUGH. Mr. Speaker, since the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has suggested a popular title for this bill such as the Truman-Pace-Anderson-Cooley-Thomas bill should this not be briefed down to the Truman Agricultural Pact of 1949 for purpose of easy identification and source of authorship?

Mr. KEATING. Mr. Speaker, it is proposed by this compromise to postpone the shift over from a rigid to a flexible price-support program. Without the passage of this measure, this desirable change, so essential to our national well-being, would take place next January 1. If it is a good thing for 4 years from now, why not now?

While this measure is concededly a vast improvement over the original vote-buying scheme of the Secretary of Agriculture it still represents an effort to postpone sound economics at the expense of the public welfare. It means a continuation of extravagant Government purchase of certain favored commodities. It spells further huge Government surpluses, purchased at a high price and destroyed or given away. It discriminates against the growers of those farm products which do not command sufficient political support to accomplish their inclusion on the favored list. It guarantees that the consumer will have no relief within the indefinite future from present artificially inflated food and clothing costs. It continues all of the abuses which have characterized the rigid price support practices of the past with mounting indignation on the part of those who must foot the bill.

Finally, with the exception of a small but powerful group of large western and southern landowners, it injures more than it helps the long-range interest of the farmers of this country. It subjects them to a governmental control and regulation over their property and their lives through acreage controls, marketing quotas, and all the rest of the Government package of rules, regulations, forms, and restraints. It makes chattels of the state out of one of the most stable and stalwart segments of our citizenry. Under the guise of protecting agriculture, it hastens and fortifies the likelihood of violent adverse reaction to any sound, constructive agricultural program.

In summary, it harms everybody, the taxpayer, the consumer and the farmer. It is a craven and irresponsible effort to purchase votes with public funds. It should be defeated, thereby permitting the farm program already enacted to go into effect the first of next year. This provides a sensible varying floor of agricultural price supports directly related to the supply of each commodity. The greater the supply, the lower the support price. Only thereby can a curb be imposed on the understandable temptation of the cotton, wheat, and tobacco growers to produce huge surpluses for purchase out of the hard-earned pay envelopes of our people. Farmers should be encouraged to produce, it is true, but for the market, not for what they can get from the Government for their products.

Further procrastination in enacting a sound farm program, the pledge of both political parties, as opposed to a political booby trap, can only result in making chronic and progressively more dangerous the present disordered, expensive, and discriminatory practices. We should have the fortitude and foresight to call a halt now by rejection of this misnamed compromise.

Mr. HOEVEN. Mr. Speaker, the Truman-Anderson farm bill will soon become law. The conference report now before us is perhaps the best that could be obtained under the circumstances. For a while, it looked as if we would have no farm bill at this session. I am not in accord with all that has been done and especially regret that the conferees failed to set a definite support price for hogs. It is true that the Secretary of Agriculture at his discretion can fix the support price on hogs from zero to 90 percent of parity, but I fear that the uncertainty of the situation will cause our hog producers much concern. A definite and fixed parity figure, even though flexible, would have been more desirable. Therefore, I want the hog producers of the country to know that the responsibility of fixing price supports on hogs now lies entirely and completely with the Secretary of Agriculture. If hog prices further decline after the first of the year when this program takes effect, it will be the sole responsibility and duty of the Secretary of Agriculture to see to it that the hog producers receive a proper and adequate support price. They most certainly will hold him accountable if prices start to toboggan.

It is ridiculous to think that our great $5,000,000,000 hog-producing industry should be relegated to the background in this conference report. Almost every agricultural commodity seems to have been placed under the price support tent except hogs, cattle, poultry, and poultry products. Even peanuts and rice, which, after all, are comparatively minor crops, enjoy a guaranteed 90 percent of parity. Milk and milk products are supported at from 75 percent to 90 percent; and wool, mohair, potatoes, honey, and tung nuts are given special treatment at from 60 percent to 90 percent, but price supports on hogs and poultry and poultry products are left to the whim of the Secretary of Agriculture. There is absolutely no rhyme or reason for such unfair discrimination.

I want to serve notice right now that if the Secretary of Agriculture fails to properly support hogs under the terms of this bill it will be my purpose to introduce proper legislation in the next session of Congress to place hogs in the proper price-support category so that the hog producers of the Nation may be relieved of the uncertainty which is bound to exist on and after this conference report is approved and enacted into law.

Mr. H. CARL ANDERSEN. Mr. Speaker, I am opposed to this conference report. In my estimation its provision for a sliding scale of supports on farm commodities is an invitation to an agricultural depression. The farmer will not be able to operate on 75 percent of parity in 1952, as provided in this legislation, any more than he could do so today. Congress would show just as much logic if it passed a bill calling for a 25-percent reduction, over a 3-year period, in the wages of everyone working for hire in the Nation.

Under this measure we are asked to approve this afternoon, there is no mandatory support for hogs, the sale of which constituted at least one-seventh of the total income of the farmers of the country this past year.

There is no mandatory support for poultry or poultry products. The Secretary may, in his discretion, give up to 90-percent support for hogs, poultry, and eggs, but I will not agree to give any one man the power to make or break the fortunes of the hog and poultry producers throughout America. The products raised in the South have been very well cared for in this report. It is amazing to note that tung nuts are protected yet one-fourth of our agricultural economy represented by hogs, poultry, and poultry products, is left to the discretion of the Secretary of Agriculture.

In the closing hours of the regular session of the Eightieth Congress in June 1948, at about 6 o'clock in the morning when a weary Congress finally adopted the Hope-Aiken conference report, in a speech on the floor of the House, I said:

> I do not care to agree to any program which would guarantee less than 90 percent of parity on our basic commodities.

Mr. Speaker, I hold the same view today. We cannot afford to gamble with an untried and untested formula for supporting farm prices during a deflationary period such as we are now experiencing.

On January 27, 1948, just before the first real postwar break in farm prices which occurred in February 1948, I introduced a bill to extend the 90-percent price-support floors for a period of 2 years. I felt that a 2-year extension of the 90-percent supports would remove our vital agricultural policy from politics in the election year, which was then just commencing. The Congress refused to accept this 2-year extension but a 1-year extension was voted by the House through what is known as the Hope bill, the law under which we are operating today. Unfortunately, however, the Senate insisted on the adoption of the so-called Aiken bill, which would have become law on January 1, 1950, but for the fact that this past summer the House voted, almost unanimously, to repeal the Aiken Act and to reenact the 90-percent price-support floor. This was exactly in line with my proposal to the House which I introduced this past March. Mr. Speaker, I sincerely regret that politics and unwarranted interference from labor and

consumer groups who are clamoring for cheap food have so colored the picture that it is impossible to secure justice for the many millions of farmers in this Nation through the adoption of a good permanent farm program. After hearing and reading the rosy promises of the leaders of the administration made to the farmers at election time, they must certainly be chagrined to have to admit that the best program this Democrat-controlled Congress can produce is this conference report we have before us today. I repeat, Mr. Speaker, I cannot, in good conscience, vote for this legislation.

Mr. DOLLIVER. Mr. Speaker, regrettably, the conference report on the agricultural bill does not include a mandatory direction for the support of hog prices. It is hard for me to understand why this very important agricultural commodity was omitted from the bill. However, it is provided that the Secretary of Agriculture may support hog prices at any percentage up to 90 percent. The farmers of Iowa and the entire swine producing community will look to the Secretary for fair treatment. The entire economy of great segments of agriculture depends upon hog prices. The responsibility is on the shoulders of Mr. Brannan, Secretary of Agriculture.

Mr. TALLE. Mr. Speaker, it seems most strange to me that the Agricultural Act of 1949 contains mandatory supports for tung nuts and goat's whiskers but not for hogs and poultry, and I predict that the American farmer will be chagrined at the manner in which the Truman administration fulfills its campaign pledges to agriculture.

Mr. LECOMPTE. Mr. Speaker, the conference report on the agriculture bill appears to be far from satisfactory in every detail to any member of the conference committee, but inasmuch as this is the best thing that is offered in the way of farm legislation there seems to be nothing to do but accept the bill. I regret that it does not offer support prices for hogs, cattle, and poultry, three of the great farm products produced in Iowa far beyond any other State in the Union. Perhaps eventually there will be more adequate recognition of the importance that Iowa agriculture contributes to the economy of the Nation.

Mr. MARTIN of Iowa. Mr. Speaker, I deeply appreciate having the opportunity to express my views briefly on the Agricultural Act of 1949 now under consideration.

Inasmuch as I represent the First Congressional District of Iowa which holds the highest place in the Nation in hog production I have been particularly concerned about the matter of reasonable and equitable support prices for hogs. A few weeks ago we were told that the present national administration planned a trial run on hogs under the so-called Brannan plan. Between that time and now the amazing development is that hogs are left completely out of the support-price program provided in the Agricultural Act of 1949 before us today. Hogs are not given any guaranteed support by the legislation before us today. The support price of hogs under this proposed legislation will be entirely within the discretion of the Secretary of Agriculture. He can support hogs anywhere from zero percent to 90 percent and he is not obligated to support them at any minimum percentage as is provided for many other farm commodities.

Hog production is one of the greatest single items in our agricultural economy. More than 50 percent of our commercial corn supply is fed to hogs alone. The total value of our hog production will run between four and five billion dollars per year at parity prices. One year ago the top on hogs was 26 cents. Today it is 18½ cents. That fluctuation covers identical periods of the year and is not seasonal. It is tremendous in scope as you can see the total value of our annual hog production in terms of today's price is $1,000,000,000 less than it was 1 year ago. The prices of lard and of fats and oils remain in such a chaotic state today that I predict there is a danger of a further drop in the price of hogs below present support levels and hogs may need the protection provided in this legislation to other agricultural products before the Agricultural Act of 1949 has been law for very long.

Inasmuch as Secretary Brannan has the complete power to manipulate the support price of hogs from zero to 90 percent of parity I sincerely hope he does not manipulate hog prices to the end that hogs will be the guinea pig for the Brannan plan. The hog producers of my district are alert to this situation and we will all observe the treatment accorded hogs by the Secretary of Agriculture with special interest in the period immediately ahead. Our hog raisers have already absorbed a billion-dollar decrease in their annual revenue from hogs within the past year. Our Nation cannot afford to abandon the hog raisers when the hog price storm warnings ahead are so foreboding. I vigorously support the proposed Agricultural Act of 1949 now under consideration but I look forward to the opportunity to build this legislation more equitably for the hog raisers.

Mr. JENSEN. Mr. Speaker, I am sure I express the sentiment of every Iowa Member of Congress and a great majority of Iowa people when I say we are not the least bit pleased with the fact that the conference committee has seen fit to take from us the supports under the price of hogs and poultry. Why did you do it? I ask in all sincerity, was it because you found it necessary to use hogs and poultry as trading stock so certain members of the conference could get what they wanted for their people? Well let me tell you gentlemen Iowa will not long stand for this kind of a sell-out.

Mr. HAGEN. Mr. Speaker, I cannot fully agree to this compromise on the agricultural support-price legislation.

I definitely believe that the majority of the conference committee made a big mistake in leaving out a support-price program for poultry, eggs, and hogs. These farm products represent about one-fifth of the Nation's farm income.

Without support prices on these important farm products, we cannot say that this Congress approved an adequate farm program.

We should correct this injustice at once and not wait until some later date.

Mr. FORD. Mr. Speaker, during the discussion on this vitally important conference report to accompany H. R. 5345, I think it most apropos to insert in the RECORD as a part of my comments pertinent excerpts from letters of the two gentlemen from the Fifth District who attended the Republican Farm Conference at Sioux City, Iowa, in September. I believe the ideas expressed by Mr. Kitson and Mr. Rymer deserve attention.

First, the letter from Gerald Kitson, of Rockford, Mich., to me, dated October 1, 1949:

DEAR GERALD: On looking back at the National Farm Conference, I feel that it was very successful and was very well arranged and well handled. I was much impressed by the sincerity of the chairman, Mr. Axel Beck. Representative HOPE and Senators BUTLER, MUNDT, AIKEN, and YOUNG, contributed a lot and I believe are very capable.

We had a very full schedule, but everyone who wished to talk was given the opportunity, including myself. I presume you can get a complete record if you wish.

The testimony ranged from those who favored the Brannan plan to those who wanted no farm program at all and from those who wanted no price supports to those who wanted guaranteed 100 percent of parity supports. A very large majority was outright in opposition to the Brannan plan. The weight of the testimony seemed to favor a pretty high support price level.

The feeling is growing on me that we placed far too much emphasis on the negative phases of the farm program—price supports, quotas, allotments, restrictions, and so forth. If we are going to develop a winning program I believe we will have to put most of the emphasis on the positive ideas brought out at the conference—increased research on marketing, chemurgic uses of farm crops, exports, more livestock units per capita, a stamp plan to make surpluses quickly available to low-income families, and a real effort to keep everyone constantly informed on production probabilities and market conditions.

I believe support prices should be used only to keep prices from going disastrously low and perhaps high supports on certain items could be used to stimulate production of shortage crops and to cause a switch from surplus crops.

As far as I know price ceilings were not mentioned. In all fairness to other groups (after all, farmers are only 16 percent of the population) it seems to me that we should have ceilings corresponding to the floors.

Let's oppose any plan which calls for quotas, restrictions, or production controls of any kind.

A long-range program with emphasis on those plans which will increase consumption, stimulate more intelligent production and marketing, create a larger market, feed our people better, with the use of low supports and high ceilings to gradually bring the law of supply and demand into action and halt extreme price fluctuations, should be popular with all groups. Such a program need not be too costly. In fact, I believe we could eliminate a considerable number of the bureaus, etc., now in operation. Such a plan is in keeping with our American tradition.

Are the Republicans courageous enough to tackle such a program with the real vigor and dramatic approach which will be necessary for success? A lot of bricks would be thrown. Most of the farm organizations would be opposed to it. However, I believe that if our Republican Congressmen and Senators were to really get behind it and face the issues most of the criticism would disappear and we would win back a good share of the independent vote as well as a lot of the

younger vote which went Democratic in the rural areas at the last election.

Frankly, my views have crystallized considerably since the conference and I would like to testify again if the Agriculture Committee holds hearings in Washington this fall or winter.

Thanks for the opportunity of going to the conference.

* * * * *

Sincerely,

GERALD KITSON.

And, second, I quote the letter from Mr. Sam Rymer, of Spring Lake, Mich., dated September 26, 1949:

DEAR JERRY: The trip to Sioux City was in my mind a very successful one, and we should come out with a farm plan or program which will be approved by the farmers in general.

The Brannan plan is a dead goose, only a few Farmers Union boys are in favor of it. Nebraska Farm Union is opposed to it and while the National Farm Union favors it, many of their members oppose it and are not willing to trade their freedom for a plan of 100 percent of parity. Most farmers approve the 60 to 90 percent of parity or the new Anderson plan of from 75 to 90 percent of parity.

The conference was a great success, there were many farmers from all over the Nation, they participated freely, over 100 of us testified before the agricultural committee as to the kind of a program we wanted, and while Truman held the news of Russia's atom bomb until the day the conference opened, it didn't affect things too much. There was still much interest and we had 19 news hounds there representing different newspapers.

* * * * *

I am mailing some newspapers from Sioux City and more will follow. They will give you a good line on what went on, and was accomplished.

Yours truly,

SAM RYMER.

Frankly, I admire these farmers who see the farm problem from an unselfish point of view. Furthermore, and this is most commendable, neither Mr. Rymer nor Mr. Kitson seem to favor any farm plan that will destroy our great American freedom.

During this session the Members of the House have been faced with a number of alternatives in dealing with agricultural legislation. The Brannan plan has been the bugaboo. Few Members of the House favor the basic philosophy in the Brannan plan. I certainly cannot accept in toto such a program. I have a dislike for a completely inflexible price-support program. The Anderson bill, which seemed to incorporate the good features of the Aiken Act, seemed like the best compromise for both farmers and consumers. The bill submitted by the conference report to a great degree is a heterogeneous compromise which satisfies few as the proper solution. According to Representative AUGUST H. ANDRESEN to a large degree the workability of the bill presented by the conferees will depend on the administration of it by the Secretary of Agriculture, Mr. Charles Brannan. He has professed great concern for the farmers and consumers of the United States. We can only wait and see whether or not he administers the new farm law fairly and equitably. If not administered properly the Congress must take further corrective action.

Mr. GROSS. Mr. Speaker, reluctantly I will support the conference committee version of the Agricultural Act of 1949 because there is no alternative.

But I say to Members of the House that it is high time Congress stopped this piecemeal, patchwork method of enacting what purports to be farm legislation. This changing, every 6 to 12 months, of the rules under which the economic fortunes of the farmers are ordered is senseless and simply compounds the confusion and insecurity that already exists.

What other industry or business could expect to live and prosper under such procedure? Can it be that in all of this there is a deliberate design to destroy the individualism and independence of the farmer, the producers of the Nation's new wealth and the backbone of this or any other democratic government?

It is time to take the problems of the farmer off the political football field and provide him with a basic price formula that is readily understandable and designed to remain in effect for more than a single 12-month period.

It is time to stop dealing in terms of 60, 75, or 90 percent of so-called parity and estabilsh farm commodity prices on the true formula of cost of production plus a reasonable profit. On no other basis will the farmer have any real sense of security or a ready understanding of the program that has been designed for his benefit.

It is not possible here to discuss fully the conference report, but I am absolutely unable to understand why no floor was established under hog prices, leaving this determination solely to the Secretary of Agriculture. I denounce with all the vigor at my command this throwing of the Iowa hog raiser completely upon the mercy of any Secretary of Agriculture, and I insist that this situation be rectified at the earliest possible moment when the next Congress convenes. In the meantime, it is incumbent upon the present Secretary of Agriculture to take immediate steps to halt break in hog prices that can be expected to result from the passage of this legislation.

Furthermore, I am at loss to understand why a provision was stricken from this bill while in conference that would have prohibited importation of foreign agricultural products when surpluses of those supplies already existed in this country. As this measure now stands, there is nothing to prevent foreign imports from piling surplus upon surplus to break the back of the American farmer.

It is not an adequate answer to say that retention of this proviso might jeopardize some of the stupid reciprocal trade treaties that have already been negotiated.

Is our memory so short that we cannot remember the importation of millions of pounds of fats and oils into this country last year and the devastating effects these imports had upon the domestic lard and edible-oil markets as well as the price of hogs on the hoof?

To those Members of the House, particularly those who represent the centers of population in the eastern seaboard area, who never miss an opportunity to scream about high food costs when farm legislation is being considered, let me say that you would do well to sweep off your own doorsteps before trying to dust off the farmers.

Only a few weeks ago Iowa farmers were being compelled to sell their eggs for about 45 cents a dozen, but at the very same time those eggs were selling in New York City for $1 a dozen. Is anyone stupid enough to believe that it costs any substantial part of that tremendous differential to transport eggs by the truck or carload from Iowa to New York City? And it should be kept in mind that the support price for eggs is only 35 cents a dozen so that no part of the high cost of eggs to consumers can be blamed on support-price legislation.

It may well be asked why the city or State governments of the eastern-seaboard area have never taken action to wipe out this unconscionable spread between the prices received by producers and prices paid by consumers. Is it because there exists in those cities and States a combine so powerful politically that it can go on indefinitely bleeding extortionate profits from consumers?

Instead of these municipal and State governments ascertaining who is victimizing who and why, then using legal procedures that are readily available, their representatives come to Washington venting their ire upon farmers who never have had a full voice in determining a fair return for their services and their toil.

The measure we have before us here today is not good permanent-farm legislation. I say again that it is with the greatest reluctance that I am compelled, under the circumstances of the imminence of adjournment, to support it.

Mr. GORE. Mr. Speaker, the need to protect the farmer and the Nation from a recurrence of the calamity of two decades ago is acknowledged by all thoughtful people. The controversy has raged about how and to what extent it should be done.

Farming is so highly individualistic that the mass-production techniques, the easy production and supply controls, now common in corporate industry, are inapplicable to agriculture with its millions of entirely separate and independent farms. We have found no way by which farmers can sufficiently cooperate one with another to effectively limit unwieldly and uneconomic surpluses, or by which an adequate plan of price and supply stabilization can be financed except through governmental agencies and programs.

That is why a governmental farm program is necessary. These are the underlying reasons why we are about to enact this farm program.

There have been honest and vigorous differences of views. Each of us has in our own way, as we have seen the way, made our contribution. I daresay none of us are wholly satisfied with the result. What we have arrived at is, as usual, a compromise.

The bill preserves intact, for at least 1 year, most of the provisions of the present farm program, which my bill, as ap-

proved by the House, would have extended. The wisdom of these provisions has proven sound in maintaining farm income and thereby a high level of national income.

Some provisions may prove unworkable. If this develops, these can be corrected next year without causing a collapse of our farm economy.

I wish to pay high compliment to my colleagues who represented the House in conference with the Senate. They did a fine job under difficult and pressing circumstances.

The treatment accorded basic commodities in this bill is, in my opinion, fairly satisfactory. More is to be desired, however, than has been done for nonbasic commodities. I am particularly disappointed that no mandatory supports are provided for any meat product. Much can be accomplished, though, by a wise and sympathetic administration of the program by the Secretary of Agriculture. Much discretion, more than I would have chosen, is vested in him. I have every confidence that the Secretary and the Department will undertake to do the best job possible under all the circumstances.

This bill continues the fundamentals of a farm program that has evolved from 16 years of progressive governmental leadership and farmer cooperation. We have found certain modifications necessary. Others will surely appear. But the essentials remain and are still unexcelled though by no means perfect.

This bill will contribute mightily toward maintenance of a stable, prosperous, national economy. Moreover, it will assure an abundance of food at reasonable farmer prices.

Mr. COOLEY. Mr. Speaker, I yield 1 minute to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I wish to congratulate the chairman and the House conferees for the splendid job they did in salvaging most of the House bill. I am not entirely satisfied with this bill. I am opposed to the sliding scale of 75 to 90 percent parity which, under the bill, will go into effect in 1951. I feel, however, that when we come back here in 1950, we will all get together and pass permanent farm legislation—cost of production.

Today I shall talk about the farmers—to those who till the soil and feed the Nation. I shall also talk about the farmers' friends—the laborer, the professional and the small-business man. There is not a professional or businessman or laborer whose success and welfare does not depend upon the success and prosperity of agriculture—whose welfare is not linked and intermingled with that of the farmer.

I am not interested in the human drones that wish to have the farmer feed them for less than it costs. These do not realize that the farmer can no more continue his farming operations for less than cost than a businessman can continue his business for less than cost—at a loss. In order to have successful businessmen we must have successful farmers.

We must never forget that the farmers produce the food that produces the energy for the industrial workers. Without food there could be no industries. The men and women that work in the factories live on that which the farmer produces. The time has come for the laborer and the business and professional man and woman to familiarize themselves with the problems that the farmer has to meet in order to feed them.

Eighty percent of all the new wealth created each year comes directly or indirectly from the soil. It is produced by the farmer and the laborer. It comes from the fields, the mines, and the forest. Nearly every building in every village, city, and town has been or will be built and largely paid for with the wealth produced by the farmer and the laborer from and out of the soil.

The farm situation must not be judged as of yesterday, but as of today and tomorrow. Economic agricultural readjustment of our Nation is yet to come. There are many crises—many pitfalls ahead. The false prosperity—the fool's gold—the 30-cent dollar that the farmer has been receiving has not kept pace with the increased cost of production, the increased cost of farm implements, buildings, labor, and repairs. We must remember that the farmer's dollar has only 30 cents' purchasing power, the same as ours.

I am not interested in the betrayers of agriculture. I am not interested in those who give lip service to the farmer and then sell him down the river. This, whether through ignorance, a money consideration, or political aggrandizement. I am not interested in the Daily Worker or any of its agricultural coherents. I am interested in the farmer who produces the food this Nation consumes—the farmer whose battles I have fought ever since I entered public life. We have not accomplished all that we had hoped, but we have made a good start.

Just prior to the election last November, Secretary of Agriculture Brannan, at Albert Lea, Minn., told the farmers of the Nation over the radio that if Dewey were elected agricultural prices would tumble. Dewey was not elected, but agricultural prices have tumbled. The truth was that at that very moment agricultural prices were tumbling, and the Secretary was largely responsible for their tumbling. In fact, he was just making an excuse. He added insult to injury. He assumed that the farmer was so gullible as not to know what was going on.

The Secretary and his administration were responsible for the reciprocal trade agreements. Unfortunately for agriculture, some farm leaders—not the farmers—were foolish enough to swallow this betrayal. Then last fall, under these agreements, Canadian potatoes were shipped into this country and sold below the $2 per hundred pounds support price. As a result the American potatoes accumulated while our people were eating the cheaper Canadian potatoes.

Then, even before the ballots were counted, Secretary Brannan lowered the support price, but not low enough to prevent Canadian potatoes from entering under these agreements. As a result the Government, under the support price, bought the high-grade American potatoes and later in the year dumped and destroyed millions of bushels, while the consumer had to pay high prices and be satisfied with the poorer grades.

Now that the war-torn nations are recovering, the result of these reciprocal trade agreements will come back with a vengeance. Foreign agricultural products, produced by slave and underpaid labor, are already entering the American market. The growers of pecans and walnuts are bitterly complaining. They cannot compete in producing these products in competition with the slave and underpaid labor of other countries.

South American meat products are already flooding our markets. Soon there will again be hundreds and thousands of cattle, hogs, and sheep from Canada, Australia, and Latin America. As a result, agricultural prices were not only tumbling while the Secretary made his speech at Albert Lea, but they have continued to tumble, and he has offered no intelligent solution.

Under our insane foreign policy these foreign products will be poured into our domestic market in an ever-increasing quantity. This because our Government has provided at the farmer's and taxpayer's expense, improved implements for agricultural production throughout the world. Implements that rightfully belong to the American farmer were and are being sent to the four corners of the earth.

Unfortunately for the American farmer there are too many Wall Streeters in the executive departments of our Government. They are more interested in foreigners than in Americans. They are surrendering our domestic markets to foreign nations—markets that belong to our farmer, laborer, and small industrialist. Former Under Secretary of State Bill Clayton stated boldly that our ranchers should surrender the sheep and wool industry to Australia and other British possessions.

Now Secretary Brannan attempts to make the farmer the shock absorber of this disastrous foreign policy. He attempts to flimflam the farmers and the consumer by telling them that he has a plan by which he could reduce the cost of living by regimenting and subsidizing the farmer. Nothing could be further from the truth. Under this plan, the farmer is to sell his products in the open market in competition with the world and, according to the Secretary, in that way reduce the cost of living.

Then to lull the farmer asleep, the Secretary tells him that he will pay the difference between the world market and the Brannan 100-percent parity. This parity is 9 cents less per bushel of wheat than 90 percent, and 29 cents less than 100 percent, parity under the present law.

When the Secretary sprung this deceptive program on the public, every farm organization but one, and many of the locals of that organization and individual members, rejected it. These farm leaders, local organizations and individual members sent telegrams and letters to their representatives in Congress repudiating the Brannan plan.

They insisted upon the repeal of the Hope-Aiken law and demanded 100 percent parity under the present law.

When the Secretary appeared before the House Committee on Agriculture, it also repudiated him. It threw his faked scheme into the wastebasket and started to draft a bill of its own.

The concealed purpose of the Brannan program is to compel the farmer to sell his products on the world market in competition with peon, coolie, and slave labor—to surrender his domestic markets to foreign nations. That is why our Government insisted on the devaluation of the British pound. The British producer can now pay the British farmer and laborer in the depreciated pound and then undersell the depreciated American dollar. The full effect of this un-American policy will be felt when our domestic market will again be flooded with foreign products.

I know the Secretary says he will pay the farmer the difference between the world market and his 100 percent parity. The farmer is not fooled. He knows that in order to do this, the Secretary will have to get the money by appropriations. It will have to be raised by taxation. The farmers as a group pay a large part of the taxes. I have yet to find a farmer, who understands it, who is for that part of the Brannan program. If carried to its logical conclusion that program would require an appropriation each year for agriculture of $18,000,000,000. This amount is so staggering that anyone with common horse sense knows that Congress would never appropriate it.

Neither can Brannan fool the consumer at the expense of the farmer. He, too, is a taxpayer. Both the farmer and the consumer know that for every dollar they receive in subsidies or lower cost of living via taxation, they will have to pay $2. The extra dollar will be for the collectors and distributors of the tax and for interest and overhead expenses.

The farmer knows that because of our large indebtedness, appropriations will be hard to get even though they come out of his and the consumers' tax dollar. He knows that the farm population has decreased from 30,000,000 in 1930 to 24,000,000 in 1948, while the general population has increased 20,000,000. He knows that as a result his strength in Congress has been reduced from one-third to one-seventh. He knows that he must get permanent legislation—100 percent real parity or better still, 100 percent cost of production.

During the 14 years that I have been a Member of Congress, the farmer has been made the political football. During those 14 years, about all that he got from either party was lip service, and occasionally subsistence help.

No permanent farm legislation has been passed. We gave him so-called parity. We started in with 65 percent, then 75 percent, then 85 percent, and finally 90-percent-parity support prices. There never was any reason why we should not have given agriculture a fair break—100 percent real parity—100 percent justice—better still, cost of production. This as a floor, not as a ceiling.

It is for this reason that I again introduced the cost-of-production bill H. R. 1686. This bill is the combined work of many Members of Congress and farm leaders. It was first introduced in 1933. Since then it has been improved and reintroduced in every session of Congress. This is the final and streamlined twentieth revision. While Congress has just extended, with some modifications, the present Support Price Act, the final solution of the agricultural problem must be cost of production. We will eventually get it, why not now?

If that kind of a bill had been passed, then the farmer would be getting about $2.70 for a bushel of wheat today, and comparable prices for his other products. That would allow him and his family the average wage that those working in industry get for the time they labor—about 57 cents an hour. Surely no honest person can object to the farmer getting paid for his labor the same as his brothers and sisters working in industry are paid.

The farmer is not responsible for the high cost of living. Let us stop camouflaging. The high taxes, as a result of our international flirtations, are alone responsible for at least 125 percent increase in the cost of living.

If we continue to squander the Nation's wealth abroad, these taxes will continue. Your Uncle Sam, with future commitments, now owes $623,000,000,000; twice the normal value of all our property. He has a blanket mortgage—a tax lien—for this amount on every man, woman, and child.

I repeat, the farmer is entitled to cost of production; to 100 percent parity. Only a parasite will attempt to get what the farmer produces for less than it cost. The farmer in the future will not be the farmer of yesteryear. He is not going to submit to again being made the shock absorber. He is going to demand equality with industry.

In place of giving the farmer cost of production for that part of his products domestically consumed, we have now wrangled and fooled with the brain-trust ideas of the Department of Agriculture from Wallace on down to Brannan. Now we have before us the Brannan baby. No one knows who is its mother or its father. From the debate it seems to be the illegitimate offspring of many brain trusters and brain busters.

In conclusion, from the days of Wallace to the days of Brannan, the Secretaries of Agriculture seem to have been wallowing in mud. They have been lost in the dismal swamps. If they ever hit upon the right thing, it will not be by the law of average, but by the law of accident, and I doubt that they will ever hit it right, by accident.

Mr. COOLEY. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Kansas [Mr. HOPE].

Mr. CANFIELD. Mr. Speaker, will the gentleman yield for a parliamentary inquiry bearing on the time remaining?

Mr. HOPE. I yield for that purpose.

Mr. CANFIELD. How much time remains, Mr. Speaker?

The SPEAKER. Fourteen minutes, when the gentleman from Kansas has consumed 10 minutes.

Mr. FULTON. A further parliamentary inquiry, Mr. Speaker.

Mr. HOPE. I will yield for this particular inquiry, but no more.

Mr. FULTON. How much of the 14 minutes then is reserved for the opposition to this conference report?

The SPEAKER. That is entirely in the hands of the gentleman from North Carolina.

Mr. FULTON. May I ask the gentleman that question?

Mr. COOLEY. The answer is that no time is reserved for the opposition. I am trying to divide the time among the conferees on both sides of the aisle. I expect to yield to the gentleman from Minnesota [Mr. ANDRESEN], to be followed by the gentleman from Wisconsin [Mr. MURRAY], and then we will see how much time is left.

Mr. HOPE. Mr. Speaker, if I have time to yield after I have completed my statement, I will be very happy to do so, but I do not desire to yield until then.

Mr. Speaker, from what has been said in the course of this debate I am sure there is a misapprehension on the part of some of the Members representing city districts as to the effect which this bill will have upon their constituents. And, I can understand why there should be that apprehension, if they read the Washington Post this morning, because it carries a big headline half across the top of the page saying, "Price supports highest ever." Then the article begins as follows:

> Senate and House conferees on a farm bill yesterday unanimously agreed on a new measure to give the Nation's farmers the highest schedule of price supports ever granted even in wartime.

Let me say in the very beginning of my remarks that there absolutely is not a word of truth in that statement or the headline and I hope that if the Washington Post proceeds now to carry its customary editorial attacking the farmers of this Nation it will not base that editorial upon the entirely false and misleading statements contained in its news columns this morning. I hope also if that editorial is written it will call attention to the fact that this Congress has practically doubled the minimum-wage rates in this country, that the salaries of every one of the thousands of Government workers in Washington have been increased not only this year but last year and in other recent years, that we have passed bills providing for extensive public housing subsidies and that the House has passed legislation greatly increasing social-security benefits. I hope also that it will comment upon those things in exactly the same vein it comments upon the farm price support bill which we are passing today and that it will correct the error in its news columns and point out correctly that this bill reduces price supports lower than they have been any time since before the war.

In support of that statement and in refutation of the inaccurate and misleading article contained in this morning's Washington Post, I desire to call attention to just what this country had in the way of price supports, first, during the war; second, during the year 1949; and, third, the rates contained in this bill.

During the war period prices were supported on more than a hundred agricultural commodities. On the six basic commodities prices were fixed by law at 90 percent of parity with the exception of cotton on which the supports were 92½ percent of parity. On the group of commodities known as the Steagall commodities price supports were mandatory at not less than 90 percent of parity and in some cases they were fixed at over 100 percent. Under the law these mandatory price supports were in effect until December 31, 1948.

Among the Steagall commodities which were required by law to be supported at not less than 90 percent of parity were hogs, eggs, chickens, turkeys, milk and butterfat, dry peas of certain varieties, edible beans of certain varieties, soy beans for oil, flaxseed for oil, peanuts for oil, Anglo-Egyptian cotton, potatoes, and sweetpotatoes. Thus, during the war period five of the basic commodities were required to be supported at 90 percent of parity. One, cotton, was required to be supported at 92½ percent and 13 Steagall commodities which I have enumerated were required to be supported at not less than 90 percent of parity and many of them were supported at a considerably higher rate. In addition, as already stated, the Commodity Credit Corporation under its general powers supported the price of something like a hundred additional commodities including wool. Price supports on this large number of commodities, however, were not required by any specific legislation passed by Congress.

Under the 1949 act now in effect supports at 90 percent of parity were required upon the six basic commodities of wheat, corn, cotton, rice, tobacco, and peanuts, and upon milk and its products, hogs, chickens, and eggs. Wool was required to be supported at the level at which it was supported during the war. In addition price supports at from 60 percent to 90 percent of parity were made mandatory upon turkeys, dry peas of certain varieties, edible beans of certain varieties, soy beans for oil, flaxseed for oil, peanuts for oil, Anglo-Egyptian cotton, potatoes, and sweetpotatoes.

The act in effect in 1949 further declared it to be the policy of the Congress that the lending and purchasing operations of the Department of Agriculture should be carried out during the year 1949 in such a way as to bring the price and income of the producers of agricultural commodities, other than those which I have just enumerated, to a fair parity relationship with the enumerated commodities to the extent that funds were available.

Now what does this bill do in the way of price supports as compared with those which were in effect during the war and during the year 1949? First, it provides that for the year 1950 price supports shall be maintained on the basic commodities at not less than 90 percent of parity; that they shall be maintained on milk and butterfat at from 75 to 90 percent of parity; and upon wool, tung nuts, honey, and potatoes at from 60 to 90 percent of parity. Thus the number of commodities upon which price supports were to be supported at 90 percent of parity was reduced to six; one commodity, milk and butterfat, was to be supported at from 75 to 90 percent; and wool, tung nuts, honey, and potatoes at from 60 to 90 percent of parity. Thus the 10 commodities supported at 90 percent of parity in 1949 will be reduced to 6 in 1940; one which was formerly supported at 100 percent—milk and butterfat—will be supported at from 75 to 90 percent; and 4 commodities instead of 9 will be supported at from 60 to 90 percent. It should be noted also that this group of four includes two very minor commodities, tung nuts and honey. Mandatory supports are provided on no other commodities, but as was the case during the war and during 1949 the Secretary of Agriculture and the Commodity Credit Corporation have authority to support other commodities at a rate of from zero to 90 percent of parity. As to succeeding years it is provided that the six basic commodities shall be supported in 1951 at from 80 to 90 percent and thereafter at from 75 to 90 percent; and that milk and butterfat shall be supported at from 75 to 90 percent and the four other commodities mentioned above at from 60 to 90 percent.

In the case of the six basic commodities the bill provides that for the next 4 years the support price shall be based on whichever is higher, the old parity formula or the new formula contained in this bill. This means that at present and probably for the entire 4 years wheat, cotton, peanuts, and corn will be supported on the basis of the formula now in effect, and tobacco and rice on the new formula set up in this bill since that formula gives these two commodities a slightly higher parity price. However, in the case of rice the price has been considerably above parity and it is doubtful whether price supports will be needed, at least during the coming year.

The provision as to using either parity formula applies only to the basic commodities and does not in any way affect the other commodities upon which price supports are mandatory or those on which price supports are permissive. The parity price of some of those commodities is increased under the formula in this bill while the price of others is decreased.

It will thus be seen that a comparison of the levels of price support which were in effect during the war, during 1949, and under the provisions of the bill shows definitely that price supports in general were higher and that mandatory price supports existed on a far larger number of commodities during both periods than under this bill. Yet if readers of the Washington Post believe what they see in the headlines and in the news columns of that paper, they are undoubtedly complaining today that Congress has passed legislation to give the country the highest price supports it has ever had, even in wartime. A great newspaper like the Post is certainly doing its readers a disservice when it misleads them with accounts of legislation which is of importance to every one of its readers.

In view of the fact that a number of Members have indicated that they desire me to yield for questions I will do so in the brief time I have remaining.

I believe the gentleman from Minnesota [Mr. H. CARL ANDERSEN] was on his feet a moment ago.

Mr. H. CARL ANDERSEN. I would like to ask the gentleman the meaning of the three words in the first paragraph of the report "and other operations."

Mr. HOPE. I presume the gentleman there has in mind that they mean payments; is that true?

Mr. H. CARL ANDERSEN. I mean just that.

Mr. HOPE. May I say to the gentleman it does not mean payments. The term has been in all the legislation which goes back as far as the Triple A Act of 1938. It has been construed time and time again by the Secretary of Agriculture and the Solicitor General as not meaning payments.

I now yield to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. I would just like to say that the people of my district feel just as the people from the district of the gentleman from New York [Mr. COUDERT]. They are against the 90-per-cent-fixed-parity price legislation. May I point this out to the gentleman: Much has been made of the increase in the minimum wage. It is a fact that a factory worker's income has doubled in the cities since before the war, but it is a fact, too, that the aggregate farm income has about quadrupled in the same period.

Mr. CASE of South Dakota. No; that is not a fact.

Mr. JAVITS. Farm income, it is my recollection, has gone up from $9,000,000,000 per year before the war to over $30,000,000,000 per year currently, so you cannot blame city Representatives from raising these questions, while the wages of factory workers have about doubled in the same period. City people want a good economic basis for farm people and will support reasonable farm programs. They do not, however, want the relationship to get entirely out of hand between city income and farm-product prices.

Mr. HOPE. May I reply to the gentleman by saying that the income of the average person living on a farm in this country, earning his livelihood by farming, is less than half of the nonfarm per capita income. To be exact the respective figures were $712 and $1,617. So the gentleman from New York is representing a constituency which, if it is an average constituency, is receiving more than double the average income of the farmers of this country.

Mr. JAVITS. Will the gentleman just yield for one further point?

The gentleman does not dispute the over-all figure that farm income has quadrupled from 1939?

Mr. HOPE. And the average income of the farmer is still only about two-fifths of the average income of the nonfarmer. Furthermore, as compared with prewar, food prices have not advanced as fast as consumer income. In other words the same percentage of income will buy more food today than before the war. Wage rates and pension benefits are still going up but food prices are coming down. Farm prices have declined far more than any other prices.

I would like to yield to the gentleman from New York [Mr. KEATING].

The SPEAKER. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. COOLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, the gentleman from New York [Mr. COUDERT] was not talking through his hat when he discussed the concern of the teeming millions in the metropolitan area of New York and New Jersey in which I am also privileged to live.

Let me quote briefly from an editorial in today's New York Times:

> In only one sense can this measure be described as a compromise. It is a compromise in the sense that the consumer, the taxpayer, and in the end the farmer himself, all stand to share alike. They stand to share alike because they all stand to lose, and to lose heavily.

I trust that the President of the United States, if the Congress approves this measure, will, acting for all the people of the United States, proceed to veto it.

The SPEAKER pro tempore. The time of the gentleman from New Jersey [Mr. CANFIELD], has expired.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, it is difficult to explain in detail all of the provisions of the conference report in the short time allocated to me. In many respects, the provisions of this report are not acceptable to me. However, since it is necessary for this session of Congress to write a new farm law, I wish to state that the compromise agreed to reflect the best bill that we could secure in the conference committee.

The conference committee was made up of eight Democrats and six Republicans, from the House and the Senate. Naturally, the majority party members largely dictated the terms of the agreement. I feel that this report is an improvement over title II of the Agricultural Act of 1948, which would have gone into operation on January 1, 1950.

The conference report gives the Secretary of Agriculture wide discretionary authority in the fixing of support prices for dairy products and other non-basic commodities. The success of the new program will therefore depend upon the administration of the new law by the Secretary of Agriculture.

The gentleman from Wisconsin [Mr. MURRAY] and I offered amendments in our conference meeting to establish mandatory supports for milk, butterfat, and dairy products for the year 1950 at 90 percent of parity. We also offered amendments to include mandatory supports for hogs and eggs. All of the House conferees concurred in these amendments, but they were rejected by a majority of the Senate conferees.

The conference report provides for price support of milk, butterfat, and products of such commodities at from 75 to 90 percent of parity at the discretion of the Secretary of Agriculture. Using the same discretion, the Secretary is authorized to support the price of hogs and eggs at not in excess of 90 percent of parity. In other words, the Secretary of Agriculture is given full authority to fix the support price on the nonbasic commodities. The farmers of the Nation will look to him to carry out the law for their best interests and in accordance with the intent of Congress.

The gentleman from Georgia [Mr. PACE] and the gentleman from Kansas [Mr. HOPE] have already explained the provisions of the conference report relating to basic commodities. There can be no question over the advantage given to cotton, tobacco, peanuts, rice, and wheat in the conference report. The support price for these products is pegged at 90 percent of parity for the crop year 1950 under the old parity formula. I do not like the idea of operating a farm program under two parity formulas. All farm commodities produced in this country, and all of our farmers, should be treated on the same basis, without giving preference to any section or commodity. In view of the discrimination shown in this report against nonbasic commodities, which make up the bulk of the income for American farmers, I would suggest that when Congress reconvenes in January, the Committee on Agriculture in the House should review and revise the report agreed to today. There must be justice and equity for all branches of our American agriculture.

This conference report in no manner authorizes the so-called Brannan plan. That is out of the bill. Production payments are not authorized in any manner, and I hope that it is clear to everyone that the conference report does not directly or indirectly authorize the Secretary to put his plan into operation. The term "other operations" in the report does not refer to production payments, and no construction can be placed upon the term "other operations" by the Secretary which would authorize him to make production payments or put the Brannan plan into operation.

Members of the House from New York City and adjacent consuming areas are against this conference report on the assumption that its provisions will increase the cost of food to their constituents. It is quite apparent that they would like to have the farmers of the United States provide them food without cost. I would like to say to these colleagues that if the farmers of the United States, who produce the food, would give it to the consumers of New York without any cost, these consumers would still pay from 75 to 85 percent of what they are paying today, because of high transportation, processing, and distribution costs. This is something that these colleagues should look into, rather than to place the blame for their high food costs upon American farmers. I know whereof I speak when it comes to handling and distribution costs in New York City. Recently, I visited the food markets in New York City, and I can tell you that the waste and handling costs are terrific, and the consumers pay the bill.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HOPE. Complaint was made about the high price paid for meat in the city of New York. Is it not a fact that there has never been any price support on beef cattle?

Mr. AUGUST H. ANDRESEN. The gentleman from Kansas is correct.

I agree with my colleague from North Carolina the distinguished chairman of our committee [Mr. COOLEY], that this measure is not a political measure. There was no politics that entered into the conference committee meetings on the bill. So it is strictly a nonpartisan, nonpolitical measure, agreed to by the members of the conference committee on both sides of the House.

As a member of the Committee on Agriculture who has served on that committee for nearly 24 years, I will say that the Republican members of the committee during all of that period have never injected politics into the formulation of farm legislation. We do not intend to do so now. Unfortunately it crept into our committee when the Brannan plan was proposed but which was voted down here by a large majority.

Now, I understand that the President will approve this bill. One of the conferees who appears to speak for the President says that the President will sign the bill if it is approved.

Mr. JENSEN. Who is responsible for excluding from this bill support for hogs and poultry?

Mr. AUGUST H. ANDRESEN. I am glad the gentleman mentioned that, because I offered an amendment—so did my colleague, the gentleman from Wisconsin [Mr. MURRAY]—to have eggs and hogs included at a mandatory support of between 60 to 90 percent. The House conferees were unanimously for it, but it was turned down by a majority of the Senate conferees. We tried twice to get it.

Mr. JENSEN. Where did the orders come from? Did they come from the White House?

Mr. AUGUST H. ANDRESEN. I cannot say that. I know we tried to put it in at a mandatory support of between 60 and 90 percent of parity but we were voted down. We did the best we could.

The whole success of this measure will depend upon the administration of it in the hands of the Secretary of Agriculture. Discretionary power is given to the Secretary of Agriculture. He claims that he is for the farmers of the United States. I do not know whether he is or not. I recognize the difficulty in writing a permanent long-range farm program. The problem is complex because of the diversity of American agriculture. I am convinced that we will continue for a long time to deal with the surplus problem. As long as I remain a Member of Congress, I will continue to work for an over-all farm program that will assure freedom of operation for this great basic industry, so that all of our farmers will be in a position to enjoy the blessings of our American standard of living and other opportunities provided by our American system.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. COOLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, there is not much possibility of

getting any partisan politics into this issue here today. It has always been disappointing to me that the issue has been made a political football ever since President Truman issued Executive Order No. 2714 that put a termination date on the Steagall bill.

Mr. JENSEN. Is it sectional politics? You left Iowa out entirely.

Mr. MURRAY of Wisconsin. I realize hogs and eggs are out but every effort was made by our colleague the gentleman from Minnesota and by me to have them given a semibasic status. There are a couple of angles in connection with American agriculture which I wish to bring up at this time; one of them is the irritating fact that some people who are here criticizing this bill are the same ones who are always here trying to scatter billions of dollars to all other parts of the world, every place they can find a crack to stuff it in. Let us not be childish for a few minutes.

I wish to ask anyone who has taken the time to study this subject rather than listen to and read a great deal of stuff that goes over the radio and is written in the papers by people who have not any background but who just want to listen to the music of their own voices—to spend a little time trying to find out what is going on. Let us look back a few years; let us go back to 1932, a year that our Democratic friends like to talk about. At that time we had a national parity average of 55 percent. I do not know of anybody on either side of the aisle who wants to go back to that level, certainly none of those who have lived long enough to go through that period. As far as that is concerned, let us go back no further than 1939 which was the seventh year of the more abundant life. You will find that we had a national parity average at that time of only 90 percent. Some crops were down to 50 to 60 percent parity at that time, too. During the last 6 years surely we have had 115 to 120 percent of parity average all over the United States. Sometimes during these years one group or one section gets an advantage over another.

The consumers of this country do not realize that if prices are high, if the consumer is paying a high price, he is not doing it because prices are 90 percent of parity. He is paying them because it has been a third more than 90 percent of parity. There is no fair-minded man, with all due respect to Dr. Nourse and everyone else, who can complain about the farmers of this country getting a support price of 75 to 90 percent. It is substandard at that.

The farmers are entitled to at least 90 percent, and I will tell you why. You go down to the Bureau of Agricultural Economics and you will find a 19-year study down there that will show you that the labor returns at 90 percent of parity are between 50 cents and 60 cents per hour outside of the winter wheat belt. It will be higher there. If you believe in giving a minimum wage straight across the board, if you think the farmers of this country are entitled to 50 cents or 60 cents an hour, you will not offer any complaint against this conference report, you will be for it, because you will then have the idea of fair play, you will indicate that you do want the rural people of the United States to have 50 cents or 60 cents an hour.

It irritates me to find people who get exercised, who get their blood pressure so high, come in here with bills costing millions and billions of dollars, and throw them all around, yet they do not want the farmers of the United States to get a bathtub. As a matter of fact, only 1 farmer out of 10 has a bathtub now. Let us let a few more get bathtubs. This is just based on fairness, equity, and justice.

Mr. Speaker, there is one more thing I wish to call to your attention. Many people do not realize it, but during the last year we imported $1,600,000,000 worth of competitive agricultural products. We import more agricultural products than we export or give away. When the Honorable John Flanagan was chairman of the Committee on Agriculture he called attention to it in the Seventy-ninth Congress; that is, that the world price plus the duty was less than our support price. What we are doing at the present time, right or wrong, is supporting not only the production in the United States but we are supporting the price on $1,600,000,000 worth of competitive agricultural products. I am not talking about noncompetitive products like coffee, and so forth. This situation must be ironed out or the support program will cost additional millions. There has been considerable criticism because the Magnuson amendment was eliminated. Regardless of its merits, how many people think the President would sign this bill with the Magnuson amendment in it?

CONDENSED SUMMARY OF THE AGRICULTURE SITUATION

First. The 90-percent-of-parity support provides a 50-to-60-cent-per-hour labor return.

Second. There is nothing to be said in opposition to the Steagall, Gore, and Hope bills, which are all practically the same except the administration of them. Politics and economics do not mix too well for the public welfare.

Third. The Anderson bill gives agriculture the short end of support, but the conference report represents the best your conferees could obtain.

Fourth. The Anderson bill delegates too much power to the Secretary of Agriculture. This is not a desirable approach for two reasons: One is that the legislative branch should pass laws and the executive branch should execute them; two is that this places too much responsibility on the Secretary. The Secretary can give the farmer all the things he has been promising him if he has the funds to do it.

Fifth. The dairy farm is guaranteed 75-to-90-percent-of-parity support on whole milk, butterfat, and products thereof, which includes butter, dried milk, cheese, and evaporated milk.

Sixth. Egg and pork prices are to be at the discretion of the Secretary of Agriculture. It is ridiculous, I admit, to give a $4,000,000 tung-nut industry where 16,000,000 pounds are produced and 133,000,000 pounds imported a semibasic status and not give any consideration to a $3,500,000,000 hog crop. I also admit it looks ridiculous to give a $7,000,000 mohair crop a semibasic status and leave a $3,000,000,000 poultry crop without any mandatory supports.

Seventh. We of the House in the Eighty-first Congress, have doubled the take-home pay of the President; we have provided a 50-percent increase in salary of the top officials of the Government like the Cabinet members; we have provided an increase in salary for over 1,000,000 civil-service employees; we have passed a social-security bill that excluded the rural people; we have passed a minimum-wage bill but left the farm labor out of consideration; we have appropriated millions and billions for the welfare of citizens of other lands—and now as the last act of this session we are asked to weaken the economic position of the rural people of America. I regret this bill does it, but it is the best we could get.

We have noted that the Secretary of Agriculture has provided a 25 cents per hour minimum wage for labor in the Virgin Islands and the 32 cents per hour for labor in Louisiana under the Sugar Act.

What has taken and is taking place? First, farm land prices are declining, farm indebtedness is increasing; national farm income is decreasing and yet the American farmer is subjected to unfair, senseless criticism by people who should have more common sense. Farm wages are less than last year too. It seems people in the administrative positions in the executive department consider it more desirable to blame the farmer for programs over which he as an individual has nothing to do with nor nothing to say about in regard to them. The farmer is in fact used as the whipping boy by certain Government officials to cover up their own lack of experience and background.

Let us hope that from now on politics be left out of this most important legislation, and that this law is administered for the best interests of all the people of our land.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Texas.

Mr. BECKWORTH. Thank you, Mr. MURRAY, for yielding to me. This is, indeed, considerate of you.

It was my contention as the debate on the cotton quota legislation August 3, 1949, proceeded that not enough consideration was given to the small family-size farmer such as the veteran who had been away or the small family-size farmer who had worked in a defense plant or the successor of the defense plant. I refer, of course, to a genuine farmer found so to be by the county agricultural committee of the respective county. Many of these farmers, genuine farmers they are, are at home now. They deserve a fair deal as to peanuts and cotton and other crop quotas. This fair deal they must have. I offered several amendments August 3. They were opposed. I quote some of the statements made about changing the cotton quota bill then.

I quote Representative PACE, one who has worked on the cotton quota bill diligently. His remarks are on page 10711:

Mr. PACE. Mr. Speaker, the sentiments expressed here by the distinguished gentleman from Texas have motivated his entire service in the Congress. That is, his interest in the family-sized small farm. It gives me pleasure to tell him that there has never been a bill, such as that now before the House, which concerns itself so much with the welfare of the family-size farm.

I may also say there has never been a bill presented to the House that is as liberal in authorizing allowances for new farms and small farms.

I quote again Representative PACE. His remarks appear on page 10714 of the same CONGRESSIONAL RECORD of August 3, 1949:

I said a while ago to the gentleman from Texas [Mr. BECKWORTH] that there never has been a bill brought to the Congress giving more consideration to the small operator than does this bill. We have gone just as far as we can go, because every man who has been growing cotton, big or little, has some rights that must be protected.

Now I quote the distinguished chairman of the House Agriculture Committee; his remarks appear on page 10712.

To talk about the little grower and about protecting and providing for the little fellow, to talk about the new grower, as the matter has been discussed here, seems to me to indicate a lack of understanding of the measure that has been presented.

This bill makes rather liberal provision for both little growers and new growers.

Already the cotton quota bill is being amended—less than 3 months after the passage of the 1949 cotton quota bill. I am not surprised. My remarks of August 3 establish clearly that I would not be surprised. To give the small family-size cotton farmer a fair deal, it should be amended some more—at least to the extent he can earn a living. I refer only to genuine cotton farmers, cotton farmers found so to be by their County Agricultural Committees. Be it recalled I emphasized this when I spoke several times August 3, 1949. My amendments of that date disclose this as my meaning.

Yes, the 1949 cotton quota bill is being amended today.

The amendment was offered originally in the Senate by Senator ANDERSON. It is on page 14324—at the middle of the first column—of the October 12, 1949, CONGRESSIONAL RECORD.

Here is the amendment. It was not explained.

Mr. ANDERSON. Mr. President, I have an amendment which is on the desk, and which I ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The amendment was, on page 23, after line 4, to insert the following:

"SEC. —. Section 344 (f) (3) of the Agricultural Adjustment Act of 1938, as amended by Public Law 272, Eighty-first Congress, is amended (i) by striking the figure '10' in the first sentence and inserting therefor the figure '15', and (ii) by striking the figure '30' in the proviso and inserting therefor the figure '20'."

I have not heard it explained today; it is found on the last page of the conference report we have before us today. The report is not numbered but accompanies H. R. 5345.

I sought an explanation and include the explanation at this point.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., October 17, 1949.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is with reference to your letter of October 13, 1949, relating to an amendment being submitted pertaining to subsection (f) 3 of section 344 of Public Law 272, Eighty-first Congress.

This amendment proposed to increase the reserve which county committees may withhold for specified use and adjustments from 10 to 15 percent and, changing the percentage of any such reserve withheld, for use in adjusting allotments otherwise computed between 5 and 15 acres from 30 to 20 percent.

The Department, in its work this year with the Congress pertaining to the cotton-acreage allotment and marketing-quota legislation, has consistently recommended greater flexibility in the allotment procedures by providing adequate reserves for the State and county production and marketing administration committees to use in making specified adjustments which mathematical formulas so often fail to recognize.

This amendment does provide additional flexibility to the county committee by making it possible for them to have more acreage to adjust allotments below 5 acres and above 15 acres and does not alter the acreage that they would have for adjustments for allotments between 5 and 15 acres. Also, such amendment, by increasing the reserve from which new farm allotments may be made, would, if the committees so provided, make more acreage available for this use. The Department, therefore, feels that such an amendment is desirable.

Sincerely yours,

K. T. HUTCHINSON,
Acting Secretary.

I am glad to note that among others to benefit under the terms of the amendment are those farmers who grow 5 bales or less.

Again I assert for peanut quotas to endure, for cotton quotas to endure, they both must be fair to the family-size peanut or cotton farmer. In this direction we must move forward. All types of farmers must receive their fair share of the agricultural income.

I quote a letter I recently received from a constituent of mine:

MINEOLA, TEX.

Hon. Mr. BECKWORTH.

DEAR SIR: See, I am a renter and I want to know how much cotton I will be allowed to plant next year before I start farming cotton. I am enclosing a letter from the Quitman AAA office.

Will say under the new law you fellows have made instead of putting more fellows on the farm you all are fixing laws to put them off the farm. Me and my son have now about $900 worth of peanuts we can't sell because there wasn't any allotment on these farms, and there are thousands of farms that don't have allotments, so you can see cotton will be on the same order the farms have been laying out during the war and can't get allotments in Wood County.

So let me know how much cotton I will be allowed. If I am cut very bad I will be forced off the farm. I am 60 years old, and farming is all I know and can do, but when you fellows make laws to stop me and others from farming it is too bad. So let me hear from you at once.

I could write a book of how the farmers are being pressed off the farm, and you can see, can't you?

Yours respectfully,

U. S. BELCHER.

Mr. MURRAY of Wisconsin. I thank the gentleman. I have introduced a bill to meet this situation. It provides for a 5-bale minimum for cotton and 500 bushels for wheat.

Mr. COOLEY. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, on account of time limitations there is, of course, no opportunity for Members of the House who are not members of the Committee on Agriculture to adequately express themselves with respect to the long-range farm bill now before the House of Representatives. As I understand the matter, the situation is this. We either have to approve the bill before us or the farmers of the Nation will be saddled with the so-called Aiken Farm Act. That act provides that agriculture would start downward through a 60 to 90 percent sliding scale arrangement toward collapse and disaster for the farmer and eventually for the country at large. The Aiken Act cannot be tolerated or defended. There is no doubt but that the bill before us is better than the Aiken law.

Moreover as I understand it, the bill before us is far superior to the so-called Anderson bill, and the committee members writing the present bill feel the measure presently being considered is the best that could be secured at this time.

Mr. Speaker, this year and last year and for many previous years I have attended numerous farm meetings and I think I know something about what the agricultural producers desire in a farm program.

The bill before us does not meet the minimum requirements of what we need in a farm program. We should have a guaranteed support of not less than 90 percent of parity on cotton, wheat, grain, sorghum, and other major crops. This bill does not meet these requirements. It only goes part way.

Undoubtedly, the bill before us will become the law. It is either this measure or a less satisfactory law. I hope that the measure can be improved in the future and made more adequate and I shall work with the friends of agriculture in that direction.

May I say that I am amazed at the action of some of the Members of the House from industrial areas who have today expressed emphatic objection to this present bill, claiming that the bill is too generous toward agricultural producers. On the contrary, the measure is inadequate and does not give producers the consideration they deserve. I regret that these Members do not seem to understand the facts.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would like to know how the opposition to this bill can break through the gag rule of the farm bloc

here to give us more than 1 minute of time. There have been 59 minutes for this particular legislation and but 1 minute against.

Mr. COOLEY. I decline to yield further. But, I would like to observe that this is not supposed to be controversial. It is supposed to be an explanation of a conference report, and I have given to the conferees the time which was placed at my disposal so that they might advise the House concerning the contents of this report. It is not a controversial report, and I do not see any reason why the gentleman should insist on the opposition being heard.

Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Speaker, it had not been my intention to inject myself into this discussion. The bill has been clearly and concisely explained by my distinguished colleague from Georgia [Mr. PACE].

As one of the conferees on this measure I supported the compromise which is now before you. I felt and I still feel that it was the best possible compromise that we could secure at the hands of the representatives of the other body some of whom seem to feel very strongly that we should do as little as possible in the way of supporting farm prices. I had, therefore, accepted this compromise as better than the Aiken bill which would have gone into effect had we not been able to agree. I had recognized that this proposal gave to the farmer less than his fair share of the national income, but gave him more than he would have received had the representatives of the House remained adamant. I had not, therefore, felt any enthusiasm for the measure. However, when Members from metropolitan areas whose constituents have been recipients of all manner of favors at the hands of this Congress, began to snipe at this program and to criticize it because it would assure the producer of food and fiber some portion of a fair price for his products. I felt that I should come forward and apologize for the legislation. I offer, however, no apology to the citizens of the large cities nor to their Representatives. They have received far more at the hands of this Congress than the Congress has ever provided for the farmer.

They have within the last few months received an increase in the minimum wage which almost doubles the wage guarantee. They have received an increase in social-security payments which almost doubles the payments and greatly increases the number of recipients. In fact, this Congress has extended these benefits to almost every group of American citizens save and except the farmers of our land. Those of our urban citizens who work for the United States Government have within the last few days received substantial salary increases, in fact, every group of Government employees, save Congressmen, from the President to the janitor in my home post office have received salary raises by this Congress. Every individual privately employed over whose income the Government has been able to exercise any degree of control, has likewise enjoyed an increase in his wages and in most cases an improvement in his working conditions.

The farmer still works by the sun and not by the law and when he reduces his hours to those of the average city worker we will no longer need to consider the problem of so-called agricultural surplus—there will not be any. No, my friends, I cannot find myself greatly disturbed over the sad plight of the urban consumer who is complaining about paying 90 cents per dozen for eggs and charging it to a farm-support program that brought the farmer from 30 to 35 cents for those same eggs. In no case does the farm-support program involve supports in excess of 90 percent of a fair price. Does any Representative of a urban district seriously contend that the consumers of this Nation should be given the opportunity to buy their food and fiber at less than a fair price? Does anyone object to the farmer receiving a fair price? Neither this compromise nor any other farm legislation that has been passed during my 13 years in Congress undertakes to assure any farmer anything more.

The truth of the matter is that the prices my urban friends complain of are not the result of the prices paid the farmer. They are the result of the high cost of transportation, distribution and dealers' profits. As a matter of fact the investigations of our Committee have indicated that the food that is sold in the retail stores in Manhattan and Brooklyn more than doubles in price from the time it leaves the Jersey piers on the west side of the Hudson River. That food has come from all parts of the United States—20 percent of it has moved clear across the continent from California and yet when it comes to rest on the Jersey piers with all the freight, all the insurance, all of the middle-man's profits up to that time, all of the labor, all of the harvesting, all of the cost of making the crop and whatever profit the farmer has, we can only account for half of the price that will be asked the housewife just across the river.

Obviously the price that the farmer receives is a small part of the price that the housewife pays. I would, therefore, suggest that our friends from the metropolitan areas might do well to do some house cleaning at home before they criticize the farmer for asking for 75 to 90 percent of a fair price and that, my friends, is all this bill gives to anyone. I do not think that it is enough for the farmer and in all frankness I expect to come back at a later date asking for a better deal for the farmers of America. Nor would I ask this House or the farmers of this land to take this bill if I saw any possibility of securing a more equitable piece of legislation. I, therefore, direct my apology, not to the consumer, but to the man who toils from sun to sun producing the food and fiber needed to feed and clothe our Nation. To him I would say that I sincerely regret that the conferees on the part of the House were unable to secure the guarantee of at least 90 percent of a fair price for his products when he submits himself to production controls. I would say to him that it is my belief that at any time that farmers are willing to keep their production of a basic crop within the limits fixed by the allotment laws they should in turn be assured of a price of at least 90 percent of parity, but we were not faced with the choice of a fair and equitable bill as against this bill. We were faced with a choice between this compromise and the Aiken bill which would have reduced farm income even further. We were faced with conferees of the other body some of whom in effect said that "if we give the farmer a fair price for a few years some future Congress will reduce his status and probably bring him to bankruptcy." Therefore, these representatives propose to save the farmer from future destruction by destroying him at the moment with either the Aiken or the Anderson bill. For my part, I am going to get for my farmers the very best assurances I can and if they are ever destroyed I want it to be at the hands of those who frankly admit themselves to be the farmer's enemies and not at the hands of alleged friends.

You cannot maintain a prosperous and a sound economy over the Nation with a bankrupt agriculture. The industrial workers of this Nation must know that they cannot long enjoy full or profitable employment when farmers are required to sell and produce at less than the cost of production. The whole Nation can be prosperous together, but New York City cannot prosper while the farmers in the Middle West or the South are in distress. This compromise does not go as far as it should in behalf of the farmer, but it goes just as far as it was possible for your conferees to go. I, therefore, urge the House to adopt the report.

The SPEAKER. The time of the gentleman from Texas has expired. All time has expired.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 175, noes 34.

Mr. HERTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty-three Members are present, a quorum.

Mr. FULTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF FEDERAL FARM LOAN ACT

Mr. POAGE submitted the following conference report and statement on the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the

surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 1460)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows:

Change the figure "$75,000" to "$100,000"; and the Senate agree to the same.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

ALLEN J. ELLENDER,
By S. L. H.
SPESSARD L. HOLLAND,
OLIN D. JOHNSTON,
EDWARD J. THYE,
B. B. HICKENLOOPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

As the bill passed the House there was no limitation on the amount of a Federal land-bank loan which could be made to any one borrower. The Senate amendment placed a limitation of $75,000 on such loans. The amendment agreed to in conference increases this limitation to $100,000. This has the effect of increasing from $50,000 to $100,000 the limitation now in the act. Retained in the act are the requirements that any loan exceeding $25,000 must be approved by the Land Bank Commissioner and that preference is to be given loans of $10,000 and under.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill H. R. 3699 and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

Mr. POAGE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 396) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 340, Eighty-first Congress, incurred by the Committee on the District of Columbia, not to exceed $10,000, including expenditures for the employment of experts, special counsel, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee and signed by the chairman of the committee and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON BANKING AND CURRENCY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 332) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by H. Res. 331, Eighty-first Congress, incurred by the Committee on Banking and Currency, acting by a whole or by subcommittee, not to exceed $60,000, including expenditures for employment, travel, and subsistence of accountants, experts, investigators, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee or subcommittee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

Strike out "$60,000" and insert "$25,000".

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Con. Res. 146) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Agriculture of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies each of the hearings held before said committee during the Eighty-first Congress entitled "General Farm Program," part 3 and part 5, and 500 additional copies each of those entitled 'Rural Telephones", "Forestry", and "1949 Fertilizer Supplies", and 500 additional copies each of those entitled "General Farm Program", part 1, part 2, part 4, and part 6.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT COMMITTEE ON ATOMIC ENERGY

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Con. Res. 147) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Joint Committee on Atomic Energy be authorized to have printed for its use 50,000 copies of Senate Report 1169, entitled "Report on Investigation into the United States Atomic Energy Commission," and which was introduced in the Senate on October 13, 1949.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

LOUISE KAELBER

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 403) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Louise Kaelber, widow of George E. Kaelber, late an employee of the House of Representatives an equal amount to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $350 toward defraying the funeral expenses of said George E. Kaelber.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXCHANGE OF LANDS SITUATED IN IOSCO COUNTY, MICH.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5601, an act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, after "amended", insert ": *Provided,* That if the mayor or other appropriate official of said town of East Tawas

certifies in writing to the Secretary of Agriculture that any such lands authorized to be exchanged will be used for public purposes, the value of the lands to be accepted in exchange therefor by the Secretary of Agriculture shall be of a value at least equal to the sum of (1) the value of such lands used for nonpublic purposes, and (2) 50 percent of the value of such lands used for public purposes: *Provided further*, That if, at any time during the 5-year period after such exchange, such lands originally used for public purposes cease to be so used, title thereto shall revert to the United States unless said town of East Tawas pays or transfers to the United States money, lands, or other valuable consideration equal to 50 percent of the value (computed as of the date of such exchange) of such lands."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD.

RESEARCH LABORATORY, QUARTERMASTER CORPS, UNITED STATES ARMY

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2382) to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. KILDAY]?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, will the gentleman from Texas make an explanation of this bill?

Mr. KILDAY. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK] to explain this bill.

Mr. MCCORMACK. Mr. Speaker, this bill authorizes the construction of a research laboratory for the Quartermaster Corps of the Army. There is no question but that one is very vitally needed. It is an important element in our national defense.

There has been some honest disagreement between delegations in Congress as to prior bills, but it has all been ironed out in this bill, because the bill provides that a committee of experts—I presume they will be scientists—shall be appointed to make the selection.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $11,000,000 for the acquisition of land and for the construction thereon of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense, and for such utilities and appurtenances thereto as, in the judgment of the Secretary of the Army, may be necessary in connection therewith. The site shall be chosen on the basis of recommendations of an impartial ad hoc committee of experts to be appointed by the Research and Development Board.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA COMMUNICATION SYSTEM

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1578) to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. KILDAY]?

Mr. ARENDS. Mr. Speaker, reserving the right to object, I wish the gentleman from Texas would make an explanation of this bill.

Mr. KILDAY. Mr. Speaker, this bill provides for an extension of the communication system in Alaska. It is actually a portion of a bill for improvements in Alaska, which was passed by the House recently. Because of the civil nature of it, the military supplies and communications for the civilian population of Alaska comes in a separate bill, but it is actually a part of the bill heretofore passed. If there is any further detailed explanation desired, I will be glad to give it.

Mr. ARENDS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized to establish or develop installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, at stations of the Alaska Communication System at the following locations:

Adak, Aleutian Islands: Area utilities for use jointly with the Department of the Air Force and the Department of the Navy, $175,000.

Anchorage, Alaska: Family quarters, operational buildings, warehouse, garage, and utilities, $800,900.

Anchorage-Fairbanks, Alaska: Line maintenance buildings and utilities between Anchorage and Fairbanks, $175,000.

Anchorage-Fairbanks, Alaska: Operational buildings, garage, warehouse, and utilities at three locations between Anchorage and Fairbanks, $545,550.

Bethel, Alaska: Operational buildings and utilities, $20,000.

Big Delta, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $354,579.

Cathedral Bluffs, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $350,684.

Cape Fanshaw, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Cold Bay, Alaska: Family quarters, operational buildings, garages, and utilities, $83,500.

Cordova, Alaska: Operational buildings and utilities, $28,400.

Eielson Field, Alaska: Family quarters, operational buildings, garages, and utilities, $307,255.

Fairbanks, Alaska: Family quarters, operational buildings, garages, warehouses, and utilities, $1,407,220.

Haines, Alaska: Family quarters, operational buildings, and utilities, $60,500.

Juneau, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $233,340.

Kotzebue, Alaska: Operational building and utilities, $30,000.

Lena Point, Alaska: Family quarters, operational buildings, warehouse, garage, and utilities, $149,900.

Mile 33, Alaska: Operational building and utilities, $46,400.

Mitchell Point, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Naknek, Alaska: Family quarters, operational buildings, and utilities, $480,600.

Narrow Point, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Nome, Alaska: Family quarters, operational buildings, and utilities, $289,000.

Northway, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $377,204.

Petersburg, Alaska: Operational buildings and utilities, $74,400.

Point Agassiz, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Portage, Alaska: Operational building and utilities, $100,000.

Skagway, Alaska: Family quarters, warehouse, garages, and utilities, $91,900.

Thane, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Ketchikan, Alaska: Rehabilitation of family quarters, operational buildings, and utilities, $157,800.

Kodiak, Alaska: Operational buildings and utilities, $12,580.

Seattle, Washington: Family quarters, operational buildings, warehouse, submarine cable tanks, garages, and utilities, $436,500.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary toward meeting the purposes of this act; and with respect to projects within and without continental United States, the approximate partial cost for each project enumerated and authorized in section 1 of this act may, in the discretion of the Secretary of the Army, be varied upward 10 percent, but the total cost of the work on the projects authorized by this act shall not exceed $7,663,212. Any such appropriation shall be available under the direction of the Secretary of the Army for expenses incident to construction, including administration, overhead, planning, and surveys, and shall be available until expended: *Provided*, That any work undertaken under this authorization may be prosecuted by direct appropriations, or by both direct appropriations and continuing contracts subject to the availability of subsequent appropriations: *Provided further*, That construction of family quarters under this authorization shall be subject to the terms and conditions set forth in the last six provisos of section 3 of the act of June 12, 1948 (Public Law 626; 62 Stat. 379-380).

SEC. 3. To accomplish the above-authorized construction the Secretary of the Army is authorized to acquire lands and rights pertaining thereto, or other interest therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO AMEND THE INDEPENDENT OFFICES APPROPRIATION ACT FOR THE FISCAL YEAR 1950

Mr. DURHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2668) to

amend the Independent Offices Appropriation Act for the fiscal year 1950.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DURHAM]?

Mr. ARENDS. Mr. Speaker, reserving the right to object, will the gentleman make a statement with reference to this bill?

Mr. DURHAM. I will be glad to. This measure is brought about due to the fact that last year when the independent offices appropriation bill was under consideration there was a rider placed on the bill in the Senate which provided at that time that no new construction project, for which an estimate was not included in the budget for the current fiscal year, could be allowed. The Atomic Energy Commission desires, of course, at this time to start some new construction, which was not included in the present fiscal year budget. This proviso also states that it shall not apply to any construction except technical construction, construction where you cannot carry out your completed plans. It in no way applies to any construction such as housing or ordinary construction that is used in the atomic energy plants.

The Independent Offices Appropriation Act, 1950, contains the following language relating to construction projects of the Atomic Energy Commission:

Provided further, That no part of this appropriation or contract authorization shall be used—

(A) to start any new construction project for which an estimate was not included in the budget for the current fiscal year;

(B) to start any new construction project the currently estimated cost of which exceeds the estimated cost included therefor in such budget; or

(C) to continue any community facility construction project whenever the currently estimated cost thereof exceeds the estimated cost included therefor in such budget;

unless the Director of the Bureau of the Budget specifically approves the start of such construction project or its continuation and a detailed explanation thereof is submitted forthwith by the Director to the Appropriations Committee of the Senate and the House of Representatives and the Joint Committee on Atomic Energy; the limitations contained in this proviso shall not apply to any construction project the total estimated cost of which does not exceed $500,000; and, as used herein, the term "construction project" includes the purchase, alteration, or improvement of buildings, and the term "budget" includes the detailed justification supporting the budget estimates: *Provided further,* That whenever the current estimate to complete any construction project (except community facilities) exceeds by 15 percent the estimated cost included therefor in such budget or the estimated cost of a construction project covered by clause (A) of the foregoing proviso which has been approved by the Director, the Commission shall forthwith submit a detailed explanation thereof to the Director of the Bureau of the Budget and the Committees on Appropriations of the Senate and of the House of Representatives and the Joint Committee on Atomic Energy.

At the time this provision was being considered by the Congress, the Atomic Energy Commission expressed concern to this committee that the restrictive effect on construction might well seriously impede the Commission in moving forward with all necessary speed with its construction projects.

In recent hearings with this committee and in a letter dated October 12, 1949, from the chairman of the Commission, the Commission has expressed its continued deep concern about the restrictive effect of the construction provision and has stated that its experience, to date, in working under the construction provision has reinforced its view that continuing in effect the construction provision for noncommunity buildings is inconsistent with the urgent needs of the atomic energy program for speed.

It is the belief of the Joint Committee on Atomic Energy that the construction provision unduly emphasizes the importance of the desirability of obtaining firm cost estimates on Atomic Energy Commission technical construction projects which are used to make the product for which the Commission is responsible. This committee and the Congress expect the Atomic Energy Commission to drive ahead with its essential construction projects with all possible dispatch. With this principle as our guide, we recognize that speed is primary.

The committee fully recognizes that many atomic energy facilities possess unique characteristics and, in fact, are of a type that have never before been built. Furthermore, the committee is impressed by the fact that it is necessary in many cases, in order to obtain the necessary drive, to proceed immediately with construction in situations where time permits only the preparation of incomplete plans and specifications. In addition, the committee is fully aware that it is necessary during various stages of atomic energy construction projects to adapt the structure to allow the incorporation of equipment and the employment of new ideas not contemplated when the construction project was begun.

The McMahon Act itself states of atomic energy, "It is a field in which unknown factors are involved." The truth of this statement is certainly demonstrated by the necessities of atomic energy construction projects.

It is the firm conviction of this committee that the Commission should drive ahead with all possible speed with its essential construction projects and should not be required to wait for firm engineering plans and specifications to be drawn up before proceeding with vitally needed construction. We must face up to the fact that in the field of atomic energy, in order to assure the atomic energy supremacy of this Nation, cost must be subordinated to getting the job done speedily.

For these reasons the joint committee believes that the present construction provision should not be applicable to those construction projects of the Commission which are necessary in the interest of the common defense and security. Accordingly, the joint committee proposes the following amendment to the existing construction provisions which will have the effect of eliminating the provision insofar as it relates to those construction projects of the Commission which it certifies to the Director of the Bureau of the Budget to be necessary in the interest of the common defense and security, and further providing that the Director of the Bureau of the Budget concurs therein.

Mr. ARENDS. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sentence in title I, Public Law 266, Eighty-first Congress, pertaining to appropriations for the use of the Atomic Energy Commission is hereby amended by striking out the period at the end thereof, inserting a colon, and adding the following new clause: "*Provided further,* That the two foregoing provisos shall have no application with respect to technical and production facilities (1) if the Commission certifies to the Director of the Bureau of the Budget that immediate construction or immediate continuation of construction is necessary to the national defense and security, and (2) if the Director agrees that such certification is justified."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SCHOOL DISTRICT NO. 5, LINN COUNTY, OREG.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6230) to direct the Secretary of the Interior to convey certain land to School District No. 5, Linn County, Oreg., with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "convey, without payment therefor," and insert "convey."

Page 1, line 5, after "Oregon", insert "in consideration of a sum equal to 50 per centum of the fair market value."

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, this simply provides for payment for the land rather than giving it?

Mr. MURDOCK. That is right.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was given permission to extend the remarks he made earlier today and to include therein statistics.

Mr. BURDICK asked and was given permission to extend his remarks in the Appendix of the RECORD on two subjects.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein an address by Sir Oliver Franks. It is possible that this may exceed the limit established by the Joint

Committee on Printing, but since there will not be an opportunity to learn by how much, I ask unanimous consent that notwithstanding the excess the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection the extension may be made.

There was no objection.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and in each to include editorials.

Mr. PHILBIN asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances.

Mr. O'NEILL asked and was given permission to extend his remarks in the Appendix of the RECORD.

RECORD OF THE EIGHTY-FIRST CONGRESS

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. Mr. Speaker, at long last, after almost 10 months of continuous session, the first session of this Eighty-first Congress will adjourn today. And what are the results?

Not a single major problem, foreign or domestic, has been solved. On the contrary, because of the lack of competent national leadership many new problems have been created.

President Truman promised something for everyone. And the results are exactly what one would expect. There will be nothing for anyone.

At this very moment we are experiencing a Nation-wide strike in two basic industries: coal and steel. And our whole national economy is grinding to a complete stop.

Production now being lost, because this administration puts politics before national welfare, is essential to our national welfare. Without it we cannot possibly be economically strong. Why talk about housing shortages, high prices, and various foreign-aid programs, when you help by your own inaction to create the shortages of essential materials?

Many appeals have been addressed to him, but President Truman has refused to invoke the Taft-Hartley Act in the national emergency that now exists. He condones, if not encourages, the loss of production so necessary for national and international strength.

And at this very moment, Mr. Speaker, we see our whole national defense machinery in jeopardy because of violent differences between our military and naval leaders. Under our Constitution the President of the United States is Commander in Chief of the armed services. The Congress has indeed provided adequate funds for the armed services, but mere dollars appropriated are meaningless so long as we do not have competent leadership for a unification of our military might.

I do not believe there has ever been a session of Congress, Mr. Speaker, when there has been so much uncertainty, so much confusion, and utter lack of definite direction. That is understandable when one recognizes that our national leadership has based every decision and every recommendation and every appointment and every statement issued on its political effect. This confusion, uncertainty, and lack of direction is understandable when one appreciates that politics—the Missouri type of machine politics—is the primary consideration.

It is not a question as to whether a man is qualified by training and experience for a responsible Government post. The primary question to this administration is whether he is politically right. It is not a question as to whether some particular program is good for the country as a whole. The primary question to this administration is whether it is good for getting votes on election day.

And so it is understandable why, after 10 long months, this session of Congress has accomplished so little. And it is understandable why we are faced with graver problems than faced us when we assembled last January.

There is one thing that has been accomplished by the Truman administration in this session. It has succeeded in spending more money than any other session of Congress in history. It has succeeded in unbalancing the national budget, and it has succeeded in putting the country in such a precarious fiscal situation that our people are faced with the prospects of additional taxes.

According to the best calculation I can make, as we pass the last appropriation bill, in this first session of the Eighty-first Congress, around $46,500,000,000 will be appropriated. This stupendous sum, together with the contract authorizations, makes a total expenditure of $50,992,000,000.

This is a larger sum than we spent for the conduct of the war itself. This is a larger sum than we spent in the extraordinary expenditures during the depression.

Mr. Speaker, this first session of the Eighty-first Congress has done a splendid job in putting this great country of ours on the road to bankruptcy. Some of us have protested again and again. But all our protests and all our warnings have been without avail. Money has been appropriated here without any concern whatever as to what it means to the American taxpayers.

A few days ago I saw a publication that depicted the taxes paid by our people, Federal, State, and local. It showed the taxes hidden in the various items we buy. I wish I could have the pictures printed in the RECORD. Do you know, for example, that in the price of $3 baby shoes, $1 represents taxes? That in a 25-cent gallon of gasoline, 11 cents represents taxes. And that taxes in the amount of $1.75 enter into a $5 electric light bill.

And yet, we continue to spend and spend. The spending policy of this administration was condemned yesterday by Dr. Edwin G. Nourse, one of the economic advisers to President Truman, who has submitted his resignation.

Dr. Nourse's ability and integrity are beyond question. He could no longer be identified with an administration that was obviously playing politics with the country's fiscal affairs.

Mr. Speaker, I believe that the American people are glad that this session of Congress is adjourning. And I believe that when the Members return home they will find that the people have heard the words of warning of such men as Dr. Nourse when he said, "Unless we do put our house in order, our dreams of progress will go glimmering," and the warning of former Secretary of State and Supreme Court Justice James M. Byrnes when he called attention to the fact that "we are on the road to statism."

REVIEW OF ACCOMPLISHMENTS OF THE EIGHTY-FIRST CONGRESS, FIRST SESSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 hour and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, when the Eighty-first Congress convened nearly 10 months ago we faced an accumulation of postwar problems both at home and abroad and the grave threat of a new aggression to the peace of the world.

The terror of communism, already entrenched in the east, stalked an almost helpless western Europe then taking its first halting steps toward mutual cooperation and recovery under the Marshall plan. Our defensive military policy, with the armed services geared to demobilization, had not been fully developed.

Confronted by the possibility of a dangerous inflationary spiral, our own economic situation was unsettled. Hesitation and uncertainty were the major trends all along the line at the beginning of the session. The picture was difficult to analyze.

Today, as we prepare to adjourn one of the longest congressional peacetime sessions in our history, the House of Representatives can be proud that it has made a notable contribution toward promotion of peace in the world, toward the maintenance of our armed security, and the improvement of the general welfare and prosperity of our people at home.

The House has met the monumental problems in statesmanlike fashion. The record of the Eighty-first Congress as a whole is one of historic achievement. I believe the people of the United States will say, "Well done, thou good and faithful servant."

To this, I want to add my personal word of thanks to my colleagues on both sides of the aisle, who have all labored so long and conscientiously in working out a constructive legislative program. This was accomplished despite sincere differences on many issues.

In a large part, the legislation that has been completed responds and conforms to the various requests of President Truman in his state of the Union, budget, and other messages. Certain measures,

some partly through Congress, remain on the agenda for the second session beginning in January.

The outstanding characteristic of the Eighty-first Congress, as demonstrated by its actions this session—and as will be emphasized in its final record to be written next year—is the enlightened viewpoint of its Democratic Party majority.

In a changing world of rapid population growths and amazing scientific advances, America continually must go forward. To stand still is retrogressive. Progress is the keynote of our policies and performance is the goal of our pledges. The contrast at this session to the backward-looking philosophies of the Republican-controlled Eightieth Congress is obvious.

Internationally we have faced up to new responsibilities upon which our very survival—and that of all western civilization—depends. Taking first things first we have, of necessity, concentrated upon the field of international relations and the safeguarding of our security in a world menaced by an unpredictable and aggressive totalitarian force bent upon conquest and subjugation.

But the entire record, foreign and domestic, bespeaks a philosophy of progressively higher living standards for the people of the United States and improvement of conditions elsewhere in order to eliminate the fears, poverty, and insecurity upon which communism thrives.

INTERNATIONAL RECOVERY AND PEACE

It is clear that friendly nations, stricken economically, unable to participate in normal trade relations, and weak psychologically and militarily would be easy targets for purveyors of communism. So, in a policy of enlightened self-interest, we have helped to bolster their morale, to stabilize their economy, and to strengthen their arms.

At its first session, the Eighty-first Congress accomplished this by enacting laws authorizing continuance of the European recovery program, initiating the military assistance program, ratifying the North Atlantic Pact, and providing funds to implement these epochal undertakings.

The Congress made a start on legislation to give technical aid to underdeveloped countries and to guarantee American investments abroad in line with President Truman's "bold new program," known as point 4.

A great forward step in the restoration of the free flow of world commerce was the enactment by this Congress of the Reciprocal Trade Agreements Act. In approving this measure designed to clear away deadening barriers to international trade, the President's authority to negotiate trade agreements was extended to June 1951. Crippling restrictions imposed by the Eightieth Congress were removed.

The Congress has further facilitated world recovery by passage of a law authorizing member banks of the Federal Reserve System to deal in the securities of the International Bank for Reconstruction and Development.

Our representation in the United Nations has been strengthened by a law, revising the UN Participation Act, authorizing appointment of a Deputy United States Representative, fixing the salaries of our delegation at a higher scale and giving them ambassadorial rank.

Thus, in a rounded program, the Congress has moved in the economic, military, and political fields to bolster the cause of peace, keystone of the Truman administration's foreign policy.

The ravages of war left in its wake numerous problems upon which this Congress has acted.

The use of United States contributions to the International Children's Emergency Fund was authorized for another year, making available the $17,300,000 balance of our $57,700,000 total contributions for that period.

The war damage claims of European neutrals were authorized to be settled, including $16,000,000 to be paid to Switzerland.

A bill establishing machinery for the settlement of international claims with former enemies was passed by the House and reported by the Senate Foreign Relations Committee. Final action can be expected at the next session.

Similarly the House passed a bill liberalizing the Displaced Persons Act by removing discriminatory provisions enacted by the Eightieth Congress. Although valiant efforts were made to obtain final passage, completion of this bill was deferred to the next session. The Senate Judiciary Committee is under instructions to report the measure by January 25.

We have remembered also our good neighbors to the south. The Congress enacted a law extending for another 5 years the Institute of Inter-American Affairs and authorized $35,000,000 to be appropriated to continue its program of cooperative health, education, agriculture, and other projects to improve living standards in those countries.

By joint resolution the Congress authorized a contribution of $16,000,000 by this country to the United Nations to aid in the resettlement of Arabs and Jews displaced in the Palestinian War.

The Congress has enacted a law providing that payments being received by this country from faithful little Finland on its old World War I debt be used to finance scholarships here for its citizens. This legislation was introduced by our late and beloved colleague Sol Bloom and its good effects in promoting amity between Finland and the United States will be a fitting tribute to his memory and service as chairman of the Foreign Affairs Committee.

NATIONAL DEFENSE AND INTERNAL SECURITY

The strongest deterrent to a rash act by any would-be aggressor lies in the vast strength of our own armed forces. Hence, this Congress has approved a record peacetime military budget. It authorized a number of necessary steps which demonstrate our preparation for any eventuality.

Our armed forces have been unified into a more efficient and economical Department of Defense, and an Under Secretaryship of Defense was created to relieve the Secretary of too great a load of administrative detail.

The pay scale for all branches of the armed services was raised at a total cost of more than $300,000,000 a year, providing deserved increases and adjusting inequities.

The composition of the Air Force has been fixed in final legislation at 58 air groups, a powerful offensive and defensive set-up.

The Congress authorized the construction of a system of land-based air warning and control installations to provide an effective radar screen that would warn against possible sneak air attacks.

In view of the world approach to push-button warfare, a long-range guided-missile proving ground to provide joint military and naval facilities for testing and perfecting modern rocket weapons was authorized by the Congress. In step with this advancement another bill providing for construction and equipment of a guided-missile research laboratory for the National Bureau of Standards was approved by the Congress.

To further expedite the development of improvements in high-speed and high-flying aircraft, the Congress authorized construction of supersonic wind tunnels and an engineering center to conduct research for safer aircraft now on the planning boards.

The Congress has authorized additional funds for development of better submarines and has taken steps to strengthen our important military installations along the far-flung frontier of Alaska and in Okinawa, across the Pacific.

No military organization is complete without its eyes and ears all over the world. On the basis of confidential reports to its Armed Services Committees, Congress enacted a law defining the authority and improving the administration and operations of the Central Intelligence Agency.

Passed by the House and awaiting Senate action is a bill establishing a new uniform code of military justice for all branches of the service.

A series of measures dealing with the problem of the Nation's internal defenses against infiltration by enemy agents are in legislative process.

As was attempted without success, at the recent trial in New York City, a favorite device of the Communists to subvert our democratic system of justice is to stage large-scale demonstrations at our courts. To prevent such future efforts to weaken the power of the judiciary the House has passed and the Senate has reported a bill prohibiting picketing of the courts.

House and Senate committees each has reported its own bills to strengthen present laws against espionage and sedition, to stiffen the penalties and to extend the statue of limitations for such offenses.

Bills to tighten control and supervision over aliens awaiting deportation and to require identification of mailing matter by organizations listed as subversive by the Attorney General have been reported by the House Judiciary Committee.

HOUSING

The first real long-range attack on the post-war shortage of homes was launched by the action of the Eighty-first Congress in authorizing the most

comprehensive urban and rural housing program in the Nation's history.

Providing for construction of 810,000 public-housing dwelling units in the next 6 years, this $7,000,000,000 program will be financed over 40 years. Enacted over the bitter opposition of a strong real-estate lobby, this law also authorizes $1,000,000,000 in loans and $500,000,000 in grants to State and local agencies to help rid our metropolitan centers of slums. Veterans and families of veterans are given preference in the program.

Nearly 500 local public housing agencies are in existence in 42 States, and, upon complying with the qualifying conditions, can bring the benefits of this legislation to their respective communities.

Loans of $300,000,000 to farmers for construction or repair of farm dwellings is provided, as well as a research program to stimulate home construction and to cut building costs.

In separate legislation, the Congress authorized continuance and expansion of the Government's mortgage financing program for private construction for a temporary period.

An additional 60,000 housings units are authorized to relieve a shortage of family housing at Army, Navy, and Air Force installations throughout the continental United States under another law enacted at this session. Construction of these rental-housing projects will also be by private industry. This legislation provides for Government mortgage insurance totaling up to $500,000,000.

Earlier in the session, and also over the bitter opposition of the powerful real estate lobby, the Eighty-first Congress passed a stronger rent-control law with a local-option feature calling for decontrol of areas where the local governmental units formally declare control no longer necessary.

Designed to maintain a constant inventory of housing needs, the House has passed and sent to the Senate a bill providing for a regular decennial census of housing.

SOCIAL SECURITY, HEALTH, AND WELFARE

Liberalization of the Social Security Act was started on the road to enactment by the House of Representatives' prompt and overwhelming approval, after a long and careful study by the Committee on Ways and Means.

This pending legislation, which will come up in the Senate after the Congress reconvenes in January, would extend the coverage of old-age and survivors' insurance provisions to approximately 11,000,000 persons, in addition to 35,000,000 now covered by the law.

The groups that would be added to the system under this bill include four and a half million nonfarm self-employed persons, with certain exceptions; 3,800,000 employees of State and local governments, if they so elect; and numerous others, including salesmen and taxicab drivers.

The benefits now being received by approximately 2,600,000 persons on the old-age insurance rolls would be increased approximately 70 percent. The average benefit would increase from $26 to about $45 a month. The bill also permits higher part-time earnings and provides for temporary and permanent disability insurance for these beneficiaries.

Wage credits of $160 a month are authorized to be given to World War II veterans under old-age and survivors disability insurance program for the time spent in military service between September 16, 1940, and July 24, 1947.

Two of the Nation's fundamental social problems, the people's health needs and overcrowded and understaffed schools, remain upon the agenda for final action next year. The Congress nevertheless has dealt with some phases of these problems

A law has been enacted continuing for another year Federal aid for schools in communities with war-swelled populations and for the education of children on Federal reservations. Seven million five hundred thousand dollars was provided.

The Congress authcrized a 4-year extension of the program of Federal aid for hospital construction, liberalized the Government's grants on a sliding-scale basis ranging from one-third to two-thirds the cost of a project, and doubled its total authorization from seventy-five to one hundred and fifty million dollars a year. These funds are granted to the various States under a program prepared and approved by State health authorities and the United States Surgeon General.

The Congress has provided a special appropriation of $1,500,000 for crippled children, in addition to regular annual grants to the States for this purpose, to meet emergency needs of the polio epidemic and lack of hospital facilities.

Also by House joint resolution, an appropriation was authorized for the President's Committee on National Employ the Handicapped Week.

In the last few days the Senate has passed and sent to the House a bill to authorize $1,000,000 for a survey of school construction needs throughout the country and providing $9,000,000 for emergency loans by the RFC to school districts in extreme need of new building, upon application of State school authorities.

Also passed by the Senate and pending in the House are bills to provide Federal assistance in the development of local public-health units, and to provide various health services to school children.

The House has reported and the Senate has passed bills to provide Federal scholarships for education in the medical professions and for grants and loans to medical educational institutions for expansion of their facilities.

Establishment of a National Science Foundation to promote basic scientific research and encourage an increase in the number of trained scientists is proposed in a bill passed by the Senate, reported to the House, and before the House Rules Committee for action next session.

REORGANIZATION

The Eighty-first Congress lists among its major accomplishments passage of the law granting broad authority to the President to reorganize the executive departments and various agencies. It did this to help streamline and simplify our Federal structure expanded so much by the war and postwar problems.

As a consequence of this action an extensive program of streamlining and modernizing the housekeeping of the vast Federal establishment is now in process. The result will be the elimination of duplications and of overlapping functions at estimated savings to the taxpayers of several billion dollars.

The program now on its way to reality is in line with many recommendations of the Hoover Commission.

The President submitted eight plans for proposed changes, subject to rejection within 60 days by either branch of the Congress. The House gave its tacit approval to all. The Senate rejected that providing for creation of a Department of Welfare.

The substance of the plan for reorganization of our armed services into a Department of Defense and unifying budgetary control and other functions was put into effect by quickly approved legislation.

The six plans which became effective on August 19 will—

Strengthen the Labor Department by transferring to it the Bureau of Employment Security, the Veterans' Placement Service Board, and the Federal Advisory Council.

Permit reorganization of the executive level of the Post Office Department.

Transfer the National Security Council and the National Security Resources Board to the Executive Office of the President.

Improve the operations of the Civil Service Commission by making the Chairman its chief executive and administrative officer.

Make a similar realignment of authority in the Maritime Commission.

Bring public roads agencies under supervisory authority of the Secretary of Commerce.

The House and the Senate by separate legislation had already authorized a reorganization of the State Department, establishing clearer lines of authority and integrating the Foreign Service more directly into the organizational structure of the Department.

In another important action the Congress created the General Services Administration, merging into a single agency the functions of supply, surplus disposal, records management, and the administration, operation, and maintenance of public buildings. The purpose of this is to promote efficiency and economy.

In addition, the House has passed and sent to the Senate a bill which will relieve the President of the United States of burdensome routine duties by authorizing him to delegate certain tasks to other officers of the Government. I hope this bill, which I sponsor, will be approved by the Senate.

The salaries of the President, Vice President, and the Speaker of the House have been increased in conformity with the great responsibilities of their respective offices. Increases for various

top-flight executives are provided in new legislation enacted in an effort to make the public service more attractive to able men and to lessen the competition of private industry for their services. The latter was especially urged by President Truman to assist him in getting good men for important Government posts.

NATIONAL ECONOMY

The Congress, early in its session, extended to September 30, 1949, the President's wartime authority to make voluntary agreements for allocation of key materials in short supply, and trading in various commodities affecting the cost of living. This was a necessary step at that uncertain period. Later, when the economic barometer dipped from threatened inflationary levels and finally leveled off, these controls were permitted to lapse. Government control over tin and tin products was retained by separate enactment. The benefits of rent control were continued for millions of families by extension of this law for another 15 months, as mentioned in connection with the housing situation.

In the field of foreign commerce, authority to control imports of fats, oils, rice, and rice products was continued. The President's authority to control exports was extended to June 30, 1951.

Legislation to suspend for another year the import duties on scrap metal, except aluminum, was passed by the House and is pending in the Senate.

Possibly the most forward-looking step taken by this Congress in the economic field was authorization of Federal aid to States and local governments for advance planning of public works. Appropriations of $100,000,000 for this purpose was authorized to facilitate blueprinting of a shelf of public-improvement projects to be available in the event of a recession.

Of similar economic effect was the law enacted authorizing planning and purchase of sites for $40,000,000 for new Federal public buildings and for modernization of existing structures at an additional cost of $30,000,000.

The House of Representatives took steps to plug a gaping loophole in the antitrust laws by passing a bill to prohibit acquisitions, or mergers, by purchase of assets of one corporation by another if the transaction stifles competition or tends to create a monopoly. Court tests, findings of the Federal Trade Commission, and studies by a House committee indicated a shift to the method of asset-purchase as a means of bypassing the law which now only prohibits monopolistic control through majority stock purchases.

Final action on this bill was deferred to the next session. Similarly, another measure proposing to legalize the basing-point price system will come up in the next session. The latter, permitting manufacturers to absorb freight costs under certain conditions, was intended to clear up confusion resulting from outlawing of this system under court decisions.

AGRICULTURE

Thanks to the stanch and steadfast position of the House of Representatives the farmers of the United States will continue to receive 90-percent price support on the six basic farm products through the 1950 harvest.

Upsetting the proposed reduction to a sliding scale system of payments, which would have gone into effect January 1, 1950, under the law enacted by the Eightieth (Republican) Congress, this Eighty-first Congress has enacted its own long-range program.

The new measure, now awaiting the President's signature, retains for another year the present program and formula for parity payments for wheat, cotton, corn, peanuts, rice, and tobacco.

A new parity formula is to become operative for the crop years 1951 through 1953 under which some of these items would be supported at 80 or 90 percent, at the discretion of the Secretary of Agriculture, depending upon which is higher. In some cases the lower percentage of price-support under the new formula may be higher than 90 percent under the old, since the new formula includes the cost of hired farm labor.

After 1953—that is, beginning with the 1954 crop—the provisions of the so-called Anderson bill become effective, providing a sliding scale of support from 75 to 90 percent under the new parity formula.

In addition to provisions for the six basic products, the new bill provides for certain mandatory price supports on potatoes, wool, dairy products, eggs, and tung nuts.

Passage of enabling legislation for American participation in the International Wheat Agreement, which was ratified by the Senate, marks another favorable action by the Eighty-first Congress redounding to the benefit of agriculture.

Under the treaty signed by 40 nations, the world's largest wheat-importing countries agree to buy 456,000,000 bushels a year from the biggest wheat-producing countries, including the United States. Our farmers thus gain an outlet for at least 168,000,000 bushels a year at a world ceiling price of $1.80 per bushel, with the Government making up the difference where this figure falls below the domestic support price.

That difference represents the cost of maintaining a stable world market in this vital commodity, assures a supply of bread to the countries in greatest need, and is insurance against surpluses here that could drive down the producers' prices.

This Congress also has assured the farmers of the Nation of adequate crop storage space. In contrast to the situation a year ago when the Republican Eightieth Congress failed to act in this matter, and corn prices fell for want of storage facilities, the Eighty-first Congress enacted a new revised charter of the Commodity Credit Corporation. This authorizes the Corporation to provide the necessary grain storage bins and to exchange surplus commodities for strategic and critical materials.

The crop-insurance program has been continued and expanded to include new products. The Government corporation supporting it has been refinanced upon a stable basis.

Legislation authorizing Government loans for a vast expansion of rural telephone service has been enacted by this Congress. The law empowers the Rural Electrification Administration to make 30-year loans at 2 percent interest to cooperative farm groups to finance new lines and to rural telephone companies to provide for extension and improvement of existing facilities.

The Congress has passed legislation providing for a national marketing and acreage allotment plan for cotton production.

A bill passed by the House repealing the tax on oleomargarine is on the Senate calendar for consideration at the next session.

LABOR

All labor will benefit under the new law increasing minimum wages from 40 to 75 cents an hour. About a million and a half workers will receive pay increases estimated to aggregate $300,000,000. This amendment to the Fair Labor Standards Act was enacted over strong antilabor pressure. Some new groups, including workers in the fishing and canning industries, were brought under provisions of the act. In a few instances others were exempted. The compromise between Senate and House measures as finally passed carries numerous defining and clarifying provisions as to exemptions in fields of employment heretofore under dispute.

Much-needed clarification of the overtime provisions of the Fair Labor Standards Act has been accomplished in a separate measure enacted into law earlier in the session.

An average increase of $120 per year for the half million employees of the United States postal service has been enacted along with provisions for improved working conditions.

More than 800,000 Government employees receive an average increase of $141 in their annual salary under another law reclassifying the pay schedules.

At the same time, the Congress established a liberalized schedule of benefits paid to employees of the Federal Government injured in line of duty by amending its own workmen's compensation law.

Expense allowance and mileage rates for civilian employees traveling on Government business were increased to bring them more fairly into line with current transportation and hotel costs.

Repeal of the Tart-Hartley Act could not be accomplished at this session, and the Senate-approved amendments to this Republican-enacted labor-management-relations law remain in the House Committee on Education and Labor. Conditions existing when we resume work in January may largely determine whether another effort will be made by the Eighty-first Congress to replace the existing basic law. But record votes were taken in both the House and Senate. These pinpoint the friends and foes of labor.

VETERANS

The Eighty-first Congress rendered a just obligation to the men who served this Nation in time of war by enactment of a law liberalizing veterans' disability, death, and dependency benefits. It will mean additional payments of approximately $112,000,000 next year to more than 2,000,000 veterans and thousands of widows and dependents.

The new law provides full payment instead of 75 percent for presumed service-connected disabilities. It also provides higher death benefits for veterans' widows with children and increases various rates of service-connected disabiilty payments. It liberalizes payments to veterans for arrested cases of service-connected tuberculosis and makes eligible for payments dependents of veterans whose service-connected disability exceeds 50 percent, instead of 60 percent under present law.

Certain crippled veterans of both world wars would be provided with automobiles under legislation approved by both House and Senate.

Laws permitting payment to veterans of retroactive benefits withheld during hospitalization, and extending the time for filing, in certain cases, for pensions and compensation, have been enacted into law.

Protection of patent rights held by World War II veterans while in the service would be provided in another bill passed by the House and pending in the Senate.

Also approved by the House and sent to the Senate was a bill providing increased adjusted compensation payments to veterans and their dependents under certain conditions.

The House Veterans' Affairs Committee has reported a bill directing construction of Veterans' Administration hospital facilities to provide 16,000 additional beds.

CIVIL RIGHTS

The House of Representatives of this Congress, as some of its predecessors, has again passed a bill to outlaw requirement of poll tax as a qualification for voting. The measure is in the Senate.

The House Education and Labor Committee approved a bill for the establishment of a permanent Fair Employment Practices Commission. A similar bill has been reported in the Senate and both measures are expected to reach the floor in the next session.

A Senate committee has approved a bill to make lynching a violation of the Federal code.

NATURAL RESOURCES

This first session of the Eighty-first Congress has reestablished the traditionally Democratic Party policy of developing the Nation's resources for the benefit of the people.

Reversing the action of the Republican-controlled Eightieth Congress, funds were appropriated for the Johnsonville steam plant to provide for the power needs of the thriving region of the Tennessee Valley Authority.

Over the heavy opposition fomented by the special-interest agents of the private power-utility lobby all along the line, we have provided substantial funds for the Bonneville Power Administration in the Pacific Northwest for the Southwestern Power Administration in that region. In the Southeast a new program of public-power marketing was made possible by an appropriation for this purpose. In the Northeast an investigation and report on the Passamaquoddy project in conjunction with Canada was authorized.

In the West where a flourishing new agricultural empire is being created from once arid lands we have provided more than a third of a billion dollars for further development of water, land, and power resources.

Legislation has been enacted for expansion of the Folsom Dam project as a step in development of the American River Basin in California. Construction of irrigation canals to serve the Sacramento Valley, as part of the Central Valley project, has been approved by the House and awaits Senate action.

The Congress has enacted a law for construction of the Weber Basin project in Utah for irrigation, water supply, flood control, and hydroelectric power for a vast area.

The Congress has renewed authority of the Agriculture Department to develop irrigation farming at Angostura, S. Dak., as part of the Missouri Basin project.

The Congress enacted authority for an irrigation and development project at Buffalo Rapids, Mont.

Various individual projects for improvements in the Columbia River area are included in the omnibus authorization bill for improvements of rivers and harbors and flood-control works which was passed by the House and lies over on the Senate calendar until January.

Development of the joint Falcon Dam hydroelectric project of the United States and Mexico on the Rio Grande, in pursuance of a treaty between the two nations, was authorized by the Congress.

Various interstate compacts for division of water rights between groups of Western States were given congressional approval.

As part of the policy of conservation, the first national survey of forest resources was authorized and a law enacted increasing Federal aid to the States in cooperative programs for forest-fire prevention. A 15-year program to recover more than 2,000,000 acres of forest land and 4,000,000 acres of grazing land was authorized.

A 5-year program of public works approved for Alaska will facilitate the development of this Territory so rich in natural resources as well as a key point in our defense system.

CONCLUSION

The job of this Congress in enacting 17 appropriation bills, giving effect to the budget as submitted and later supplemented by the President, was in itself a tremendous task.

It is significant that more than 70 percent of the funds provided are for national defense, foreign aid, and military assistance, to our war veterans and for the interest on the public debt. Yet, ample funds were provided to carry on the administration's progressive domestic program. This program is aimed at making better living for the Nation's citizens, and it is accomplishing just that.

It was necessary, of course, to provide nearly $16,000,000,000 for our national defense. Appropriation of this great sum was acknowledgment by Congress of its responsibility for the safety of our Nation and its people in a threatening world situation.

This Congress backed up the impressive foreign policy of President Truman not only with the necessary legislation, but with funds to aid friendly countries to rehabilitate their economic and military strength.

This foreign-policy program, the prime purpose of which is to bring peace and prosperity to the world, is the greatest undertaking by any government on earth. Our esteemed President, Mr. Harry S. Truman, instituted it and history will record his effort as the greatest ever made to wipe the ravages of war from the face of the earth. Personally, I am proud, and I know my colleagues are proud, to be a Member of the Congress which gave the tools to our leader for the most gigantic enterprise ever undertaken in the history of mankind.

RECESS

The SPEAKER. The House will stand in recess until 4 p. m. today.

Thereupon (at 3 o'clock and 24 minutes p. m.) the House stood in recess until 4 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 15 minutes p. m.

SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1950—CONFERENCE REPORT

Mr. CANNON submitted the following conference report and statement on the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 1467)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 9, 10, 11, 17, 18, 19, and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 16, 22, and 23, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$7,250,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$125,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amend-

ment insert "$5,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 15, 21, and 25.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
Managers on the Part of the House.
KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6427) making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1 appropriates a gratuity to the widow of a deceased Senator as proposed by the Senate.

Amendment No. 2 appropriates $10,000 for the Joint Committee on the Economic Report instead of $22,360 as proposed by the Senate.

Amendment No. 3 eliminates a legislative provision proposing certain increases in compensation proposed by the Senate.

Amendment No. 4 is reported in disagreement.

Amendment No. 5 is reported in disagreement.

Amendment No. 6 is reported in disagreement.

Amendments Nos. 7 and 8 make provision for housing of the Seventeenth Decennial Census at Philadelphia, Pa., as proposed by the Senate instead of at Suitland, Md., as proposed by the House.

It is agreed by the managers on the part of the House and the Senate that space in Philadelphia is to be provided for the Census Bureau without moving any office of the Veterans' Administration.

Amendments Nos. 9, 10, and 11 provide $5,000,000 for public works in Alaska as proposed by the House instead of $10,000,000 as proposed by the Senate.

Amendment No. 12 appropriates $7,250,000 for assistance to schools instead of $7,000,000 as proposed by the House and $7,500,000 as proposed by the Senate.

Amendment No. 13 provides $125,000 for administrative expenses instead of $100,000 as proposed by the House and $250,000 as proposed by the Senate.

Amendment No. 14 appropriates $650,000 for the Rural Electrification Administration instead of $600,000 as proposed by the House and $700,000 as proposed by the Senate.

Amendment No. 15 is reported in disagreement.

Amendment No. 16 inserts formal language as proposed by the Senate.

Amendment No. 17 appropriates $8,581.68 for salaries and expenses as proposed by the House.

Amendment No. 18 eliminates an appropriation of $250,000 for the San Luis Valley project proposed by the Senate.

Amendment No. 19 eliminates an appropriation of $150,000 for salt-water investigations proposed by the Senate.

Amendment No. 20 eliminates an appropriation of $175,000 for physical improvements proposed by the Senate.

Amendment No. 21 is reported in disagreement.

Amendment No. 22 appropriates $101,000 for Fish and Wildlife Service as proposed by the Senate instead of $167,000 as proposed by the House.

Amendment No. 23 strikes out authority for purchase of automobiles proposed by the House.

Amendment No. 24 appropriates $5,500,000 for post-office motor-vehicle service instead of $5,000,000 as proposed by the House and $7,700,000 as proposed by the Senate.

Amendment No. 25 is reported in disagreement.

CLARENCE CANNON,
JOHN H. KERR,
LOUIS C. RABAUT,
MICHAEL J. KIRWAN,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill H. R. 6427, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

Mr. CANNON. Mr. Speaker, there are few differences between the House and the Senate on this bill.

The first difference of any importance is an amendment added by the Senate increasing the pay of all legislative employees on the Hill by 5 percent. This is in keeping with a general increase in pay recently accorded all other Government employees. Within the last 30 days we have increased the pay of every employee of the Government throughout the Departments, and this provision merely proposes to equalize legislative salaries with the pay of the rest of the Government employees.

The second item on which the two Houses are in disagreement is an amendment added by the Senate providing $30,000,000 to carry on ECA work that is now in progress in Korea. We have previously provided $30,000,000 for that purpose, carrying it up to October 15. The Senate amendment provides another $30,000,000 to continue the work at the present rate from October 15 to February 15.

The third item provides for the erection of a building to accommodate the next decennial census. The House originally provided for a temporary building to cost $3,000,000, to be located at Suitland, Md. The Senate amended that by putting the Census office back in Philadelphia, but provided that no other department of the Government should be discommoded or supplanted as to office space, and that any housing provided for this purpose should be outside of any present Government offices.

The Senate also proposes to supplement our recent appropriation for supersonic airplanes by construction of a wind tunnel to be built either at Langley Field or at Moffett Field for the Air Corps.

And, last, we agreed to the amendment of the Senate providing $5,500,000 to pay Finland's claim against the United States for certain shipping which we requisitioned from Finland during the war.

Mr. Speaker, this is the last appropriation bill, and this conference report closes the appropriation record for the year. The committee and the House have made a remarkable record for the session. Every regular annual appropriation bill was passed and messaged to the Senate prior to April 15. Not since the abolition of the biennial short session of the Congress in 1933 has the House anywhere nearly approached that record. And certainly never before have the bills been more exhaustively studied or painstakingly digested. This is shown by the fact that they were accepted and approved by the House with less debate and amendment than in any recent Congress.

As a result of reorganization of the procedure and routine of the Committee on Appropriations under which members were assigned to one subcommittee only and subcommittees were reduced to compact groups of five, responsibility has been fixed and the time and attention of members and the committee staff have been centered on the one bill for the session. Duplication has been eliminated; consideration has been expedited and the five men have acquired a comprehensive knowledge of the departments under their jurisdiction impossible when the same men attempted to process and report out several bills of equal range and importance in the same session. This accounts for the exceptional dispatch and efficiency with which the supply bills have been handled in the House for the fiscal year 1950.

I submit a comparative tabulation summarizing the estimates and appropriations for the year as follows:

Comparison of budget estimates and appropriations, 1st sess., 81st Cong.

	1950 estimate	1950 law	Increase (+) or decrease (−) in 1950 appropriation from 1950 estimate
Agriculture	$726,906,908.00	$715,601,607.00	−$11,305,301.00
Civil functions	772,458,220.00	664,178,190.00	−108,280,030.00
District of Columbia	103,878,727.00	102,754,447.00	−1,124,280.00
Foreign aid	6,322,544,000.00	5,659,740,000.00	−662,804,000.00
Independent offices	8,051,243,830.00	7,617,739,361.00	−433,604,469.00
Interior	624,810,436.00	584,098,797.00	−40,711,639.00
Labor-Federal Security	2,233,970,785.00	2,253,529,385.00	+19,558,600.00
Legislative	73,582,184.00	62,262,110.00	−11,320,074.00
Military functions	13,248,960,700.00	12,949,562,408.00	−299,398,202.00
State, Justice, Commerce, and Judiciary	740,362,956.00	677,972,102.00	−62,390,854.00
Treasury and Post Office	3,176,266,750.00	3,090,528,903.93	−85,737,846.07
Total	36,075,085,496.00	34,377,967,400.93	−1,697,118,095.07
Disaster relief, 1949	1,000,000.00	500,000.00	−500,000.00
Disaster relief, 1949	500,000.00	500,000.00	0
First deficiency, 1949	558,783,148.59	524,649,473.59	−34,133,675.00
Second deficiency, 1949	915,924,334.81	850,838,710.27	−65,085,624.54
Veterans' readjustment benefits, 1949	595,890,000.00	595,890,000.00	0
Third deficiency, 1949	214,730,794.51	177,740,619.02	−36,990,175.49
Insect control, 1949	3,500,000.00	1,750,000.00	−1,750,000.00
Supplemental, 1950	90,832,963.95	78,005,129.95	−12,827,834.00
Second supplemental, 1950	1,100,633,695.41	1,079,082,880.41	−21,550,815.00
Total	39,556,880,433.27	37,686,924,214.17	−1,869,956,219.10

As will be noted, the Budget estimates for the year aggregate $39,556,880,433.27 and the appropriations made in response to the estimates total $37,686,924,214.17, a net gross reduction of $1,869,956,219.10 or a little less than 5 percent of the appropriation requests considered.

Within the appropriation total of $37,686,924,214.17, there is provision for effectuating legislation enacted by the Eightieth Congress, which was left unprovided for. The Budget estimates for such purpose amount to $2,260,540,958. Bearing in mind that added load, actually chargeable to the Eightieth Congress, the total given compares with $32,703,017,880 voted at the preceding or final session of the Eightieth Congress. Obviously, the trend in the aggregate is upward, but it scarcely could be otherwise considering the composition and nature of 75 percent of the budget, in consequence of past wars and the measures we are embarked upon for avoiding another war—or being prepared for another war should our determined efforts to escape another armed conflict prove unavailing.

Of course, we have not been able to effect reductions that will anywhere near yield an expenditure reduction of proportions that would be necessary to avoid a deficit. The appropriation reductions we have made, in terms of lesser expenditures, I should say, would lessen Treasury withdrawals by an amount upward of $1,275,000,000. This amount is roundly 70 percent of total of reductions.

How much the deficit will be in the fiscal year 1950 no one can foretell. There are too many influences which either may add to or subtract from any amount anyone might attempt to prophesy. Income that will be used to finance fiscal year 1950 spending will partly be revenue coming in many months hence, and for many reasons such revenue is not now definitely determinable or susceptible of close approximation.

We must agree with the President that the outlook ahead is good and that we are upon firm ground. We are near the end of a transitional period of economic adjustment, and all signs point to a growth in production, and employment, and an expansion in buying, and consequently a larger flow of Federal income.

Moreover, we can visualize no long need to continue the tremendous outlays we are now devoting to national defense and international programs. Such outlays now account for half our spending. But building up military power and economic security in Western Europe is the best way—if not the only practical way—of avoiding war and establishing enduring peace.

In addition we may look for appreciable economies to flow from the reorganization measures and the effectuation of many of the recommendations presented as a result of the extensive studies directed by former President Hoover, for which the Nation is deeply indebted to him.

And lastly, we have every right to expect material economies as result of the improvement in the conduct of the work of the Appropriations Committee at the present session and from the consolidation of all appropriations in one omnibus appropriation bill in the next session.

But the Committee on Appropriations can not carry the load alone. It is only through the cooperation and selfless interest and courage of the entire membership of the House and Senate in resisting the importunities of organized interests, both at home and here in the Capitol, against adequate revenues and in behalf of needless spending, that a business-like balance between national income and national expeditures may be attained.

In this connection I would like to digress for a word of advice to the agencies of government which have in mind any thought of exceeding the provisions made for them in the 1950 budget. I have heard in the last few days that some of the beneficiaries of these bills consider themselves as "invited to come back next year" for supplementary funds. Let me say to them the committee will view with grave disfavor any unjustified request for deficiency appropriations. Unless changed circumstances not now foreseen warrant further funds unmistakably, they had better plan now to live within their income—as most American taxpayers are under the compulsory necessity of doing.

Mr. Speaker, in conclusion, may I remind those who are disposed to criticize the magnitude of the expenditures we are making this year and must make in the coming year, that this is, in effect, a military budget. The only way we can ensure world peace is to be so strong that no one will dare to attack us. If in our anxiety to economize and reduce the burden of taxation, we permit hostile nations to outstrip us in the race for armament, the blood of our young men and the glory of our cities and the millions who will die or go through life maimed and warped and twisted and blind, will pay the forfeit. Peace is cheap at any price—and this is a part of the price.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER.]

Mr. TABER. Mr. Speaker, the gentleman from Massachusetts [Mr. WIGGLESWORTH] and I have not signed this report. There were some things we did not understand and I do not know as I understand them yet. I shall call attention to them briefly.

There is an item in here, amendment No. 4 which is in disagreement, where paragraph 2, page 4, reads:

> The aggregate amount of the basic compensation authorized to be paid for clerical assistants and messenger service in the office of each Senator is increased by $11,520.

I understand from what the representatives of the Senate told us in conference that the actual increase is $3,520 and that is all it is supposed to be. When the amendment is up for consideration I shall call attention to it.

There is another amendment in disagreement, No. 5, relating to the Architect of the Capitol. My understanding is that of the $950,000 which that amendment carries, the only expenditures are to be for engineering and planning under the direction of the Architect of the Capitol and the House Office Building Commission and if there is anything left after that is done the only item of construction that they are going to start on will be the new electric wiring which undoubtedly is necessary.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I may say that my understanding is substantially the same as that expressed by the gentleman from New York.

The SPEAKER. Will the gentleman yield?

Mr. TABER. I yield to the Speaker.

The SPEAKER. As Chairman of the House Office Building Commission I may say that the statement the gentleman makes is correct. That is what is going to be done with this money and nothing else.

Mr. TABER. That satisfies me as to that amendment.

There are a number of amendments in disagreement that the gentleman from Missouri has described. I shall not go over them at this time.

I may say that there probably is nothing to do with reference to amendment No. 6, the Korean item, except to change the date from February 1 to February 15. I understand that that is to be done when the amendment is reached. I do not see how we can avoid continuing that operation until the House gets an opportunity to pass on the question of whether or not it is to be a matter of permanent policy.

Another amendment in disagreement is No. 25 under the State Department. There is an item for payment to the Government of Finland of $5,500,000, which has not been authorized by law, and that will be up for a vote. Frankly, I do not just see how we are going to avoid making this payment, and for my own part I shall vote to concur in that amendment.

This, as the gentleman from Missouri has said, is the last appropriation bill. The appropriations for this year are running very nearly $6,000,000,000 above what they were for the last session of the Congress. The contract authorizations are nearly $1,000,000,000 more than they were last year. It is a very serious picture. Unless we are able to stop this terrific drift toward inflation, I fear for the solvency of the United States. We have passed a lot of bills that are going to call for additional appropriations that are not covered by appropriations already made, and those appropriations will have to be made in the next session of Congress in order to permit us to meet the obligations that have been incurred as the result of those acts, increasing pay, and all that sort of thing.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. REES. Does the gentleman from New York have any idea as to the amount of authorizations made by this Congress that have not been appropriated for? In other words, how much are we short?

Mr. TABER. Of course, there were over $6,000,000,000 in contract authorizations that we carried in appropriation bills. On the other hand, there are those items of increased pay, and that sort of thing, and increased emoluments, insofar as they go to those who are under

the Social Security Act, if that bill should pass the other body. They would run into the millions and millions. I have no idea as to what these authorizations would run to.

Mr. REES. Now a question on the bill. On page 4, No. 2, it says: "Aggregate amount of the basic compensation authorized to be paid for clerical assistants and messenger service in the office of each Senator is hereby increased by $11,520." Just reading plain language, I do not understand what it means, excepting that they will get $11,520 for each Senator.

Mr. TABER. If the gentleman will read paragraph 1 which just precedes that he will see that instead of the increase being of that amount, that the administrative assistants that have been appropriated for have been set up separately, they would not hereafter be set up separately, but would be included in the clerical assistants, so that really $8,000 is to be deducted from the $11,520 before you come to figuring the amount of increased money that the Senators will have as a basic proposition for increased allowances to their clerical staff, or increased number of employees.

As a result of paragraph 1, that $8,400 is added to the item for the aggregate basic compensation which the Senators can allow to their employees, so that really there is only a $3,000 increase in that picture.

I hope I have made that clear because that is what was represented to us they were trying to do. I want the Members of the House to realize just what has been done and what they are being asked to do with reference to this particular item. Of course this item will be up for a separate vote later and there will be an opportunity to discuss that item at that time, I hope.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a table I have prepared indicating the amounts of the appropriations and the contract authorizations contained in the different bills.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The table referred to is as follows:

Appropriation and contract authorization comparisons, 81st Cong., 1st sess., excluding permanent and trust fund accounts

	Approved by 80th Cong.	1950 request	House action	Senate action	Public law	Public law increase or decrease over 80th Cong.
Appropriations:						
Independent offices	$6,787,102,402	$7,775,566,830	$7,103,506,553	$7,663,429,323	$7,617,739,361	$830,636,959
Civil functions	641,575,666	767,733,220	593,292,270	751,440,690	664,178,190	22,602,524
State-Justice-Commerce	511,129,662	740,023,456	684,616,102	671,782,281	677,972,102	166,842,440
Labor-Federal Security	1,866,053,700	2,235,065,685	2,211,794,085	2,409,827,265	2,387,799,885	521,746,185
Treasury-Post Office	2,244,727,680	3,172,666,750	3,072,817,903	3,113,068,503	3,090,528,903	845,801,223
Agriculture	577,546,953	726,879,908	943,117,979	965,079,149	957,597,507	380,050,554
District of Columbia	99,729,483	103,321,427	98,923,621	103,132,153	102,754,447	3,024,964
Government corporations	38,479,061					[38,479,061]
Interior	407,836,974	616,805,020	536,461,908	595,262,257	584,008,797	176,171,823
Armed services	11,403,477,413	13,219,835,700	13,272,815,800	12,731,834,478	12,949,562,498	1,546,085,085
Deficiencies	2,034,554,306	3,232,431,055	3,048,328,965	3,399,669,699	3,327,472,761	1,292,918,455
Foreign aid (ECA)	6,030,710,228	6,322,200,000	5,617,470,000	5,723,724,000	5,809,990,000	[220,720,228]
Legislative	56,140,401	73,898,184	62,200,705	62,262,110	62,262,110	6,121,709
Total	32,699,063,929	38,986,427,235	37,245,345,891	38,190,511,908	38,231,866,561	5,532,802,632
Contract authority:						
Independent offices	577,851,500	983,500,000	942,314,628	922,189,628	922,189,628	344,338,128
State-Justice-Commerce	76,400,000	68,000,000	62,600,000	68,700,000	68,200,000	[8,200,000]
Labor-Federal Security	114,745,750	97,377,300	106,707,300	125,582,300	109,207,300	[5,538,450]
Treasury-Post Office		211,000,000	250,000,000	250,000,000	250,000,000	250,000,000
Agriculture	400,000		100,000	100,000	100,000	[300,000]
Interior	51,547,500	55,300,000	42,112,500	74,051,700	66,251,700	14,704,200
Armed services	220,000,000	2,058,546,000	2,636,301,000	2,058,546,000	2,536,301,000	2,316,301,000
Deficiencies	2,866,447,499	927,972,470	884,566,470	911,966,440	911,966,470	[1,954,481,029]
Total contract authorization	3,907,392,249	4,401,695,770	4,924,701,898	4,411,136,068	4,864,216,098	956,823,849
Grand total	36,606,456,178	43,388,123,005	42,170,047,789	42,601,647,976	43,096,082,659	6,489,626,481

Figures in brackets are deductions.

Mr. Speaker, we must add to this figure permanent appropriations of $6,600,000,000 making a total available of $44,831,866,561 of appropriations and $4,864,216,098 of contract authority making a total of $49,696,032,659. This makes a total of over $6,400,000,000 over the appropriations and contract authority granted in the second session of the Eightieth Congress.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the following amendments be considered en bloc, and I may say that they are merely amendments on which we expect to move to recede and concur: Nos. 1, 4, 5, 8, 15, 21, and 25.

Mr. TABER. Reserving the right to object, Mr. Speaker, I would not like to have No. 4 considered with the others, and there is objection on the part of some to the inclusion of amendment No. 25 in the amendments being considered en bloc.

Mr. CANNON. Mr. Speaker, I ask that the Clerk report Senate amendment No. 1.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 1, line 9, insert the following:

"For payment to Carolin H. Miller, widow of Bert H. Miller, late a Senator from the State of Idaho, $12,500."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT of Pennsylvania. Mr. Speaker, the section of H. R. 6427 pertaining to funds for the Public Buildings Administration should remain as passed by the Senate yesterday (page 9, lines 7–12, inclusive), which would be in conformance with the President's instruction to Secretary of Commerce Sawyer to authorize employment projects for areas suffering from adverse economic conditions.

Mr. TABER. Mr. Speaker, we must add to this figure permanent appropriations of $6,600,000,000, making a total available of $44,831,866,561 of appropriations and this work and it would be a waste of Government funds at this time to construct temporary buildings in Suitland, Md., for this purpose. Either the Lincoln Building at Eighteenth and Lehigh Streets or the Ford Building at Broad and Lehigh would be suitable and available for immediate occupancy. The Commissioner of the Public Buildings Administration, Mr. W. E. Reynolds, has indicated his approval of either of these locations.

Additionally, to undertake this project at Suitland would entail housing difficulties which would not be presented in Philadelphia as the employees would be local persons.

I therefore recommend that this portion of H. R. 6427 remain as approved by the Senate.

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: On page 3, line 1, insert the following:

"INCREASED PAY FOR LEGISLATIVE EMPLOYEES

"That (a) each officer or employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is

increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 5 percent of the aggregate rate of his basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, and section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948.

"(b) The provisions of section 603 (b) of the Federal Employees Pay Act of 1945, as amended, section 7 (b) of the Federal Employees Pay Act of 1946, as amended, and section 303 (c) of the Postal Rate Revision and Federal Employees Salary Act of 1948 shall not apply to officers and employees subject to the provisions of this section or to employees in the offices of Senators, but (except as provided in subsection (d)) no such officer or employee shall, by reason of any provision of such acts or of this section be paid with respect to any pay period basic compensation, or basic compensation plus additional compensation, at a rate in excess of $10,346 per annum.

"(c) (1) The basic compensation of the administrative assistant to a Senator shall be charged against the aggregate amount authorized to be paid for clerical assistance and messenger service in the office of such Senator.

"(2) The aggregate amount of the basic compensation authorized to be paid for clerical assistance and messenger service in the office of each Senator is hereby increased by $11,520.

"(3) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears under the heading "Clerical assistance to Senators" in the Legislative Branch Appropriation Act, 1947 (60 Stat. 390; U. S. C., title 2, sec. 60f), is amended to read as follows: *'Provided further,* That no salary shall be fixed under this paragraph at a basic rate of more than $5,280 per annum, except that the salary of one employee, other than the administrative assistant, in the office of each Senator may be fixed at a basic rate of not more than $6,720 per annum and the salary of the administrative assistant to each Senator may be fixed at a basic rate of not more than $8,400 per annum.'

"(d) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses) are hereby increased by 5 percent.

"(e) This section shall take effect on the first day of the first month which begins after the date of its enactment."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this is the amendment which increases the compensation of all officers and employees of the House 5 percent, and all employees of the committees and of the Members 5 percent.

Frankly, I feel that I cannot support this. I do not believe the need exists for it in our own offices, and I do not believe we should do it at this time. That is all I care to say on the subject.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES. The gentleman from New York explained that the increase to employees of Members of the other body amounted to something over $3,000. It really amounts to considerably more than $3,000. As I understand it it is something more like $5,000 because those are the basic figures.

Mr. TABER. That is the basic figure and it would depend on how it was handled as to whether it amounted to $5,000. It would probably amount to $4,500, anyway, and if it is split, it would amount to $5,000.

Mr. REES. I would not, of course, want to dictate what the allowances should be, but it seems to me we were extremely liberal in connection with the allowances provided for Members of the other body when we considered the bill sometime ago. That is the way I feel about it. Perhaps I am wrong, but I still feel we were very liberal.

Mr. TABER. I do not care to criticize the other body, but they are asking for an additional allowance, and I feel that the general increase is beyond what we should do at this time.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BROWN of Ohio. I understand this bill does provide for an increase for clerical hire for the other body and provides only for a 5 percent increase in pay to legislative employees other than those taken care of in the other body. However, can the gentleman tell us whether or not this 5 percent increase would apply to, for example, the telephone operators, the girls who work in the cafeteria and so on, who I understand have had no raise in compensation for a long, long time, if they have received any raise at all?

I wonder if the gentleman knows whether they would be included or not.

Mr. TABER. It says "all hired help," that would include charwomen, and I would say that it would include everyone because on page 3, line 2, it says each officer or employee in or under the legislative branch of the Government, other than the employee in the office of a Senator, would be raised 5 percent.

Mr. BROWN of Ohio. Mr. Speaker, of course I would not want to violate the principle of comity between the two branches of the legislature and will not attempt to do so, but if this measure does not include these poor girls who work down here hour after hour in the cafeteria, I am going to suggest that they quit their jobs and seek positions in some other legislative body where the compensation is much better.

Mr. TABER. I would say that they are covered, but frankly, I do not know.

Mr. CANNON. Mr. Speaker, the increase applies to all employees of the House and Senate who are on the rolls. I am advised that includes the telephone operators and the people in the restaurant. Employees in the restaurant are under the Architect of the Capitol and he is authorized to provide for them.

We expect everyone employed by either the House or the other body to receive this over-all increase of 5 percent on their present gross salary.

Mr. BROWN of Ohio. I understand if there is any error in that statement that the gentleman from Missouri will take care of the difference out of his own pocket?

Mr. CANNON. Let them draw a sight draft on me.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

Mr. FORD. Mr. Speaker, I ask for a division.

The SPEAKER. The gentleman's request comes too late, as the question was put and carried.

Mr. FORD. I was on my feet before the Speaker had announced the vote.

The SPEAKER. If the gentleman says that he was on his feet, of course that is so, but inasmuch as the Chair put the question and the motion was carried, the Chair holds the gentleman's request comes too late, since the gentleman did not ask for a division until after the motion had been carried.

Mr. CANNON. Mr. Speaker, of course the matter was already disposed of.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 5, line 3, insert:

"ARCHITECT OF THE CAPITOL

"CAPITOL BUILDINGS AND GROUNDS

"Changes and improvements, Capitol Power Plant: Toward carrying out the changes and improvements authorized by H. R. 6281, $950,000, to be expended by the architect of the Capitol under the direction of the House Office Building Commission: *Provided,* That the availability of this appropriation is contingent upon the enactment into law of said H. R. 6281."

Mr. CANNON. Mr. Speaker, I offer a motion, which is at the Clerk's desk.

The Clerk read as follows:

Mr. CANNON moves that the House recede and concur in the amendment of the Senate numbered 5.

Mr. FORD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and eighteen Members are present; a quorum.

The Clerk will report the motion offered by the gentleman from Missouri.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement with the amendment of the Senate numbered 5 and concur therein.

The SPEAKER. The question is on the motion.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 6: On page 6, line 17, insert:

"ASSISTANCE TO THE REPUBLIC OF KOREA

"For expenses necessary to continue assistance to the Republic of Korea during the period October 15, 1949, to February 1, 1950, at the same rate and under the same terms and conditions as in the fiscal year 1949, pending the enactment of legislation outlining the terms and conditions under which

further assistance is to be rendered, $30,000,000: *Provided*, That all obligations incurred during the period between October 15, 1949, and the date of enactment of this act in anticipation of such appropriation and authority are hereby ratified and confirmed if in accordance with the terms thereof: *Provided further*, That this appropriation shall be consolidated and merged with the appropriation for economic assistance to the Republic of Korea made by Public Law 343, approved October 10, 1949, and such consolidated appropriation may be used during the period October 15, 1949, to February 1, 1950: *Provided further*, That not to exceed $675,000 of such consolidated appropriation shall be available for administrative expenses during such period."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein, with an amendment, as follows:

In line 4 and 17 of the matter inserted by said amendment strike out "February 1" and insert in lieu thereof "February 15."

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 93, noes 28.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 8: On page 9, line 18, insert:

"Salaries and expenses, public buildings and grounds outside the District of Columbia: For an additional amount for 'Salaries and expenses, public buildings and grounds outside the District of Columbia,' without regard to section 322 of the act of June 30, 1932 (40 U. S. C. 278a), as amended, $870,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 18, line 6, insert:

"For an additional amount, subject to the enactment of S. 1267, Eighty-first Congress, for 'acquisition and construction of real property,' to enable the Secretary of the Air Force, subject to the approval of the Secretary of Defense, to carry out the purposes of S. 1267, Eighty-first Congress, $6,000,000, to be available until expended, and in addition thereto, the Secretary of the Air Force is authorized to enter into contracts for the purposes of S. 1267, in an amount not to exceed $24,000,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 20, line 8, insert:

"Appropriations available to the National Park Service for the fiscal year 1950 shall be available for the purchase of five passenger motor vehicles in addition to the number specified in the Interior Department Appropriation Act, 1950."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 25: Page 23, line 14, insert:

"STATE DEPARTMENT

"For payment to the Government of Finland in settlement of claims arising out of the requisitioning of Finnish vessels by the United States, $5,500,000, together with interest thereon at 4 percent per annum from June 30, 1949, to the date of payment: *Provided*, That the funds made available by this paragraph shall be subject to the agreement of the Government of Finland that such payment shall constitute full satisfaction of obligations of the United States incident to the requisitioning of the following-named Finnish vessels in 1941 and 1942: *Aagot, Advance, Anja, Asta, Atlas II, Aurora, Delaware, Koura, Kurikka, Kuurtanes, Marisa Thorden, Olivia, Pandia, Saimaa, and Wipunen.*"

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. Does the gentleman from Missouri desire to yield time on this amendment?

Mr. CANNON. I do not, Mr. Speaker. I move that the House recede from its disagreement with the Senate amendment and concur therein.

Mr. Speaker, the amendment of the Senate proposes to appropriate $5,500,000 to compensate the Government of Finland for claims based on the requisition of 17 ships seized on December 21, 1941, by act of Congress.

These Finnish ships were in American ports at the outbreak of the war and were seized by the United States Government. Finland originally claimed $16,000,000, but a settlement has been reached under which Finland agrees to accept $5,500,000 in full of all claims.

This settlement has been approved by the State Department, the Department of Justice, and by the legislative committees of the House and Senate having jurisdiction, and a bill authorizing the payment has been passed by the Senate. In view of the fact that there is such unanimity of opinion on the subject, the managers on the part of the House recommend the Senate amendment be agreed to.

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 117, noes 16.

So the motion was agreed to.

On motion of Mr. CANNON, and by unanimous consent, a motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the conference report be given 5 days in which to extend their remarks; and I ask unanimous consent to include in my remarks a table regarding appropriations.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. VORYS. Mr. Speaker, I voted against three things in the conference report on the supplemental appropriation bill (H. R. 6427); the pay increase for House employees, the $30,000,000 for Korea, and the $5,500,000 for Finland. I regret that there was no opportunity for a record vote on these items and no opportunity to oppose them on the floor. Adjournment fever is running high, and I want to get away as much as anybody, but I think a little more time on this bill would have made the record of this first session a little less worse.

There is just no excuse at all for raising the pay of our own employees at this time. They have recently had an increase. We ought to be an example to the country, and not raise the pay of our employees when we expect labor in industry not to ask for increases.

The $30,000,000 for Korea for unlimited, unlegislated assistance, with a commitment for further legislation, is unjustified for our security and is not based on any obligation or commitment to Korea or under any international agreement, according to State Department witnesses. It is an unprecedented step, but it will create a precedent that will haunt us in the future. I feel sorry for Korea, for all of Asia that we have abandoned to communism, but tossing a few millions to Korea for economic aid merely makes a richer prize for the Communists in the absence of any far eastern policy.

The $5,500,000 for Finland is either too much, or too little. This item has never received a formal State Department recommendation. The Finns claim $12,000,000 for these ships and have a case pending in the Court of Claims. If they are entitled to it, they should get it, but there are several important questions of law and fact involved. Our War Shipping Administration Board on Just Compensation, the only body that has ever passed on these claims, found that only $2,601,794 was due. Nevertheless, the House has just voted $5,500,000 for this purpose.

These three items are too typical of the Eighty-first Congress so far. We all like our office help, we like the Koreans, we like the Finns. That does not mean we have to vote them millions of taxpayers dollars.

I venture to say that if these three votes were not anonymous, if these proposals were considered, as they should be, in separate pieces of legislation, not one would receive a majority vote in the House. This goes to show that not only is it expensive to have Congress in session; it is expensive to get Congress adjourned.

Mr. TABER. Mr. Speaker, it seems to me that the least the House can do under the circumstances would be to permit the gentleman from Wisconsin [Mr. SMITH] to extend his remarks just prior to the vote on the last amendment

in disagreement; and I make that request.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON. Mr. Speaker, I have no objection to that, and I ask unanimous consent to extend my remarks at the same point.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. PACE asked and was given permission to revise and extend the remarks he made earlier in the day and include therein tables and a statement relating to the subject.

Mr. EVINS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement.

ADJOURNMENT RESOLUTION

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 148).

The Clerk read as follows:

Resolved, That the two Houses of Congress shall adjourn on Wednesday, October 19, 1949, and that when they adjourn on said day, they stand adjourned sine die.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

SPEAKER OF THE HOUSE AND PRESIDENT OF THE SENATE AUTHORIZED TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 149) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That notwithstanding the adjournment of the first session of the Eighty-first Congress, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The resolution was agreed to.

COMMITTEE TO NOTIFY PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 404) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other communication to make to them.

The resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Tennessee [Mr. PRIEST] and the gentleman from Massachusetts [Mr. MARTIN] as a committee to notify the President.

CLERK AUTHORIZED TO RECEIVE MESSAGES FROM THE SENATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPEAKER AUTHORIZED TO APPOINT COMMISSIONS, ETC.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the first session of the Eighty-first Congress, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered, subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORTS OF THE COMPTROLLER GENERAL OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 405) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the reports of the Comptroller General of the United States made to Congress, pursuant to section 5 of the act of February 24, 1945 (59 Stat. 6), and the Government Corporation Control Act (59 Stat. 597), after the sine die adjournment of the first session, Eighty-first Congress, shall be printed as House documents of the second session of the Eighty-first Congress.

The resolution was agreed to.

STATEMENT ON CHINA POLICY

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, 2 months ago after the State Department had issued its so-called white paper on China, I asked here that it make public certain additional telegrams, correspondence, reports, and other documents which had been omitted, but which I believe are essential to an understanding of why and how our Government came to adopt policies with respect to China which have led to unmitigated disaster for the interests of the United States in the whole Pacific area.

On August 24 the Secretary of State in a press conference endeavored to explain the omissions by saying the documents requested were not in the Department's files, or were not considered important to the story, or did not give substantially different meanings or impressions from extracts or other material which had been included in the white paper.

I had hoped that the Department would see fit to secure and make public the requested documents. If they are not substantially different, why should they refuse? The American people can read; and in so important a matter, they are entitled to be given the opportunity to make their own judgments as to whether the omission of these documents change the impressions sought to be given in the white paper. I must, therefore, renew the request I made on August 19, 1949, as reported on pages 11881 and 11882 of the CONGRESSIONAL RECORD for that date.

Since that time I have released a secret report made in 1945 by our military intelligence service whose conclusions regarding the nature of the Communist movement in China and whose recommendations for American policy were the opposite of those which prevailed in the Department of State. If those in charge of American policy in Asia failed to secure and study the considered reports of G–2, then they were guilty of negligence. If they ignored the conclusions of such a report, they were guilty of something worse.

I feel constrained today to release another document. This is a memorandum by John S. Service, a foreign service officer assigned to China, prepared while he was stationed at the Communist headquarters in Yenan, and submitted on October 10, 1944, to General Stilwell, transmitted to the American Ambassador at Chungking, the American Army headquarters in the China-Burma-India theater, and obviously to the State Department because a brief quotation from it appears on page 574 of the white paper.

The memorandum illustrates the conniving against highest officials of the Government of China, being carried on even during the war by representatives of our Government. The Chinese Government had the right to expect that the representatives of the United States, its ally, would do their best to help it with its overwhelming problems, which it knew better than anyone else it could not possibly solve without sympathetic understanding and support from us. Instead, officials of the United States were insisting that our Government intervene to coerce the responsible heads of the Chinese Government into so-called cooperation with a Communist rebellion. The memorandum repeats the Communist propaganda slogan "democratic" or "undemocratic" eight times. It portrays the Communists in China as more democratic than the government—as more willing to cooperate with us, and

equates Chiang Kai-shek's reluctance to arm the Communists and take them into the Government with unwillingness to cooperate with ourselves. Was it a crime for him to know then, as Service and many other American leaders did not, that the aim of Communists—whether in China or Europe or in an American political party or labor union—is not cooperation but conquest.

The difficulties and weaknesses of the Government of China which he portrayed were in part accurate. It required no special insight or wisdom to see them. They were known to all. They constituted the problems it was the business of our representatives to try to solve; not an alibi for not solving them. But his conclusions regarding the Communist movement in China represent either incredible miscalculation or misrepresentation. Such mistakes in the armed forces, leading to disaster, would produce a court martial. In the State Department they earn promotions.

After Mr. Service was transferred from China at the insistence of our Ambassador, General Hurley, he was involved in the Amerasia case. Suitcases of documents from his office were found by the FBI in the office of a notoriously pro-Communist magazine. The case was hushed up under circumstances never yet disclosed or explained. Since then he has been promoted several times and is now chairman of the committee within the State Department which makes recommendations for all promotions.

The Congress of the United States is so disturbed by events in China that it has approprited $75,000,000 to be used at the discretion of the President in seeking to stop further Communist spread in China and Asia. Such genuinely American organizations as the American Legion and the American Federation of Labor have passed strong resolutions demanding that our Government exert every possible effort to that end.

Is the administration to follow the expressed desires of the elected representatives of the American people, the American Legion, the American Federation of Labor? Or the recommendations of men who could prepare a memorandum like the one enclosed, and be rewarded for it.

This document is 1 of 12 which General Hurley, in testifying before the Senate Committee on Foreign Relations after his resignation as Ambassador to China, requested the committee to secure and make public. Nothing was done. When the white paper itself quoted from several of the documents, it was obvious they could no longer be classified as secret. Furthermore, if to release them would break American codes, the State Department itself had already broken them.

Therefore, I asked General Hurley for his copies of the documents he had referred to and he has agreed to let them be made public. It would be far better for all concerned if the Department itself were to release them. If it can take 1,050 pages representing its side of the case, it can afford perhaps 50 more pages for certain other documents which, for whatever reason, have been omitted. If it still declines, then I must make them public.

In contrast with the estimate of the Government of China and its chief leaders which Mr. Service presented, may I include also a statement by Lt. Gen. Albert C. Wedemeyer, on October 10, 1946. This is the judgment of the man who succeeded brilliantly in China where his predecessor, General Stilwell, had failed. I will always follow the judgment of men who demonstrate they can succeed in a difficult situation, rather than the judgment of those who, for whatever reasons, fail.

I hope my colleagues will read at least the last three paragraphs of General Wedemeyer's extraordinary tribute. Unfortunately, Chiang Kai-shek was not given the full support of his allies which Wedemeyer said his loyal and unstinting assistance during the war days fully merits. It was inevitable, as we have warned so many hundreds of times, that without full support it would not be possible for the Government of China, greatly weakened by all it had gone through, to carry out reconstruction—always more difficult than war—and at the same time put down a determined Communist rebellion, ably assisted by certain forces in many parts of the world and also within our own country that were seeking to destroy it.

UNITED STATES ARMY OBSERVER,
SECTION, APO 879,
October 10, 1944.

SECRET

Subject: The need for greater realism in our relations with Chiang Kai-shek.

To: General Stilwell, commanding general, USAF–CBI.

1. You have allowed me, as a political officer attached to your staff, to express myself freely in the past regarding the situation in China as I have seen it. Although in Yenan I am only a distant observer of recent developments in Chungking and Washington, I trust that you will permit the continued frankness which I have assumed in the attached memorandum regarding the stronger policy which I think it is now time for us to adopt toward Chiang Kai-shek and the central government.

2. It is obvious, of course, that you cannot act independently along the lines suggested. The situation in China and the measures necessary to meet it have both military importance and far-reaching political significance; the two aspects cannot be separated. Because of this interrelation, and because of the high level on which action in China must be taken, there must be agreement and mutual support between our political and military branches. But this will be ineffective without clear decision and forceful implementation by the President.

3. It is requested that copies of this report be transmitted, as usual, to the American Ambassador at Chungking and Headquarters USAF–CBI, for the information of Mr. Davies.

(s) J. S.
(t) JOHN S. SERVICE.

[Enclosure: Memorandum, as stated. 1st Ind.]

United States Army Observer Section, APO 879, October 16, 1944.

To: Gen. Joseph W. Stilwell, commanding United States Army Forces, China, Burma, and India, APO 897.

Approved:

DAVID D. BARRETT,
Colonel, GSC.

MEMORANDUM

Our dealings with Chiang Kai-shek apparently continue on the basis of the unrealistic assumption that he is China and that he is necessary to our cause. It is time, for the sake of the war and also for our future interests in China, that we take a more realistic line.

The Kuomintang Government is in crisis. Recent defeats have exposed its military ineffectiveness and will hasten the approaching economic disaster. Passive inability to meet these crises in a constructive way, stubborn unwillingness to submerge selfish power-seeking in democratic unity, and the statements of Chiang himself to the Peoples Political Council on October 10, are sufficient evidence of the bankruptcy of Kuomintang leadership.

With the glaring exposure of the Kuomintang's failure, dissatisfaction within China is growing rapidly. The prestige of the party was never lower, and Chiang is losing the respect he once enjoyed as a leader.

In the present circumstances, the Kuomintang is dependent on American support for survival. But we are in no way dependent on the Kuomintang.

We do not need it for military reasons. It has lost the southern airbases and cannot hold any section of the seacoast. Without drastic reforms, which must have a political base, its armies cannot fight the Japanese effectively no matter how many arms we give them. But it will not permit these reforms because its war against Japan is secondary to its desire to maintain its own undemocratic power.

On the other hand, neither the Kuomintang nor any other Chinese regime, because of the sentiment of the people, can refuse American forces the use of Chinese territory against the Japanese. And the Kuomintang's attitude prevents the utilization of other forces, such as the Communist or Provincial troops, who should be more useful than the Kuomintang's demoralized armies.

We need not fear Kuomintang surrender or opposition. The party and Chiang will stick to us because our victory is certain and is their only hope for continued power.

But our support of the Kuomintang will not stop its normally traitorous relations with the enemy and will only encourage it to continue sowing the seeds of future civil war by plotting with the present puppets for eventual consolidation of the occupied territories against the Communist-led forces of popular resistance.

We need not fear the collapse of the Kuomintang government. All the other groups in China want to defend themselves and fight Japan. Any new government under any other than the present reactionary control will be more cooperative and better able to mobilize the country.

Actually, by continued and exclusive support of the Kuomintang we tend to prevent the reforms and democratic reorganization of the government which are essential for the revitalization of China's war effort. Encouraged by our support the Kuomintang will continue in its present course, progressively losing the confidence of the people and becoming more and more impotent. Ignored by us, and excluded from the government and joint prosecution of the war, the Communists and other groups will be forced to guard their own interests by more direct opposition.

We need not support the Kuomintang for international political reasons. The day when it was expedient to inflate Chiang's status to one of the Big Four is past, because with the obvious certainty of defeat Japan's pan-Asia propaganda loses its effectiveness. We cannot hope that China under the present Kuomintang can be an effective balance to Soviet Russia, Japan, or the British Empire in the Far East.

On the contrary, artificial inflation of Chiang's status can only add to his unreasonableness. The example of a democratic, nonimperialistic China will be much better counterpropaganda in Asia than the present regime, which even in books like China's Destiny, hypnotizes itself with ideas of consolidating minority nations (such as Tibet and Mongolia), recovering lost territories (such as the Southern Peninsula), and protecting the rights and at the same time national ties of its numerous emigrants (to such areas as Thailand, Malaya, and the East Indies). Finally, the perpetuation in power of the present Kuomintang can only mean a weak and disunited China—a sure cause of international involvements in the Far East. The key to stability must be a strong, unified China. This can be accomplished only on a democratic foundation.

We need not support Chiang in the belief that he represents pro-American or democratic China. All the people and all other political groups of importance in China are friendly to the United States and look to it for the salvation of the country, now and after the war.

In fact, Chiang has lost the confidence and respect of most of the American-educated, democratically minded liberals and intellectuals. The Chen brothers, military, and secret police cliques which control the party and are Chiang's main supports are the most Chauvinist elements in the country. The present party ideology, as shown in Chiang's own books China's Destiny and Chinese Economic Theory, is fundamentally antiforeign and antidemocratic, both politically and economically.

Finally, we need feel no ties of gratitude to Chiang. The men he has kept around him have proved selfish and corrupt, incapable and obstructive. Chiang's own dealings with us have been an opportunist combination of extravagant demands and unfilled promises, wheedling and bargaining, bluff and blackmail. Chiang did not resist Japan until forced by his own people. He has fought only passively—not daring to mobilize his own people. He has sought to have us save him—so that he can continue his conquest of his own country. In the process, he has worked us for all we were worth.

We seem to forget that Chiang is an oriental; that his background and vision are limited; that his position is built on skill as an extremely adroit political manipulator and a stubborn, shrewd bargainer; that he mistakes kindness and flattery for weakness; and that he listens to his own instrument of force rather than reason.

Our policy toward China should be guided by two facts: First, we cannot hope to deal successfully with Chiang without being hard-boiled. Second, we cannot hope to solve China's problems (which are now our problems) without consideration of the opposition forces—Communist, Provincial, and Liberal.

The parallel with Jugoslavia has been drawn before but is becoming more and more apt. It is as impractical to seek Chinese unity, the use of the Communist forces, and the mobilization of the population in the rapidly growing occupied areas by discussion in Chungking with the Kuomintang alone, as it was to seek the solution of these problems through Mikhailovitch and King Peter's government in London, ignoring Tito.

We should not be swayed by pleas of the danger of China's collapse. This is an old trick of Chiang's.

There may be a collapse of the Kuomintang government, but it will not be the collapse of China's resistance. There may be a period of some confusion, but the eventual gains of the Kuomintang's collapse will more than make up for this. The crisis itself makes reform more urgent—and at the same time increases the weight of our influence. The crisis is the time to push—not to relax.

We should not let Chiang divert us from the important questions by wasting time in futile discussion as to who is to be American commander. This is an obvious subterfuge.

There is only one man qualified by experience for the job. And the fact is that no one who knows anything about China and is concerned over American rather than Chiang's interests will satisfy Chiang.

We should end the hollow pretense that China is unified and that we can talk only to Chiang. This puts the trump card in Chiang's hands.

Public announcement that the President's representative had made a visit to the Communist capital at Yenan would have significance that no Chinese would miss—least of all the Generalissimo. The effect would be great even if it were only a demonstration with no real consultation. But it should be more than a mere demonstration; we must, for instance, plan on eventual use of the Communist armies and this cannot be purely on Kuomintang terms.

Finally if these steps do not succeed, we should stop veiling our negotiation with China in complete secrecy. This shields Chiang and is the voluntary abandonment of our strongest weapon.

Chinese public opinion would swing violently against Chiang if he were shown obstructive and noncooperative with the United States. We should not be misled by the relatively very few Kuomintang die-hards; they are not the people. The Kuomintang government could not withstand public belief that the United States was considering withdrawal of military support of recognition of the Kuomintang as the leader of Chinese resistance.

More than ever, we hold all the aces in Chiang's poker game. It is time we start playing them.

(s) J. S.
(t) John S. Service.

OCTOBER 10, 1944.

ADDRESS OF LT. GEN. A. C. WEDEMEYER, UNITED STATES ARMY, AT DOUBLE TENTH CELEBRATION OF THE CHINESE REPUBLIC, ROOSEVELT HOTEL, NEW YORK, OCTOBER 10, 1946

Today marks the thirty-fifth anniversary of the founding of the Chinese Republic. It is particularly fitting that we Americans join our Chinese friends in recalling that memorable day when the Chinese people indicated their determination to turn away from autocratic imperialism and adopt the principles of democracy. Also we appropriately pay tribute to the immortal Dr. Sun Yat-Sen, the first president of the Republic of China. It was his patriotic fervor, tireless energy and inspiring leadership, that overthrew the forces of feudal oppression and offered new opportunities in free enterprise and personal liberties to the Chinese people.

The political and social evolution within China has extended over a period of many turbulent years. There is marked similarity between the struggles of the Chinese and those of the peoples of Europe. History records first, how tribes united for mutual protection and well-being, forming feudal dynasties and ducal kingdoms. Gradually the latter were fused into monarchies, empires, and republics, with governments designed to give the people greater freedom, both political and economic.

During the past 100 years within China, a similar evolution has been in process. The Chinese Empire consisted essentially of feudal dynasties, whose leaders, or war lords, paid tribue to the Emperor. This governmental structure did not promote participation in the government by the people, nor did it produce a strong, nationalistic spirit. Gradually through the processes of evolution and revolution, the people of China emerged triumphant in their struggle to create a unified, democratic country, dedicated to the principles of free enterprise, personal liberty and constitutional government. It is understandable that even today there remain recalcitrants among those Chinese, who have been shorn of autocratic powers, and who have been deprived of their opportunities to exploit the people.

When Generalissimo Chiang Kai-shek assumed the mantle of the late Dr. Sun Yat-Sen, he announced his determination to carry on the fight for liberty as symbolized by his illustrious predecessor. An objective analysis of events, transpiring in China after the Generalissimo became President, proves conclusively that he has followed faithfully the program envisaged by Dr. Sun Yat-Sen. During the period 1927 to 1937, phenomenal progress was made toward unification and democratization of China. A sound stabilized economy was in process. Modern means of communications, scientific developments, improved educational facilities and greater opportunities for all citizens were emphasized and accomplished with varying degrees of success.

Realistic progress was made toward unifying the country and improving the lot of the common man. Tremendous strides were made in commerce and trade. It became apparent to the Japanese war mongers, who planned to conquer Asia, that a strong patriotic fervor and unified China was unfolding under democratic procedures. A unified and prosperous China would present definite obstacles to the Japanese plans of aggression.

In 1937 therefore they made the decision to attack the peace-loving Chinese in the hope that they could destroy the spirit of freedom and patriotism that now swept across China.

The gallant stand made by the Chinese against the modern war machine of the Japanese added brilliant pages to the history of China, and also to the record of the world struggle for freedom, justice and decency in human relationships.

The actual contribution that our Chinese allies made in the recent war has not, in my opinion, been properly evaluated or appreciated. Prior to the advent of the airplane, China was considered an area so remote from Europe and from the Americas that events transpiring there were not deemed significant. Consequently, China's long sustained struggle against overwhelming odds did not receive the attention commensurate with its impact upon world affairs. However, subsequent to Pearl Harbor, when the Japanese enjoyed success after success in their initial efforts against the Americans and the British, there was for the first time definite realization that the Japanese were a relentless and capable foe. Admiration and respect for the staunch Chinese defenders replaced apathy and indifference on the part of the Americans and other allies.

The Chinese have never been a warlike, aggressive people. Consequently neither their political nor their economic structure was attuned to the demands of a modern military struggle with Japan. After the Pearl Harbor attack, it was only natural that China turned to her traditional friends, the Americans, for cooperation and coordination of the joint war effort. Unfortunately, we could not give much material aid to China. Our commitments in far-flung theaters were beyond production capabilities. Nevertheless, the Chinese doggedly continued their fight against ever increasing odds. Even when shut off from all surface communication with the outside world, the Chinese resistance continued unabated.

Very favorable terms of peace were offered by the enemy on many occasions to the generalissimo during this, the darkest period in China's history. However, the generalissimo was adamant in his refusals, holding fast to his pledge to fight on with his allies and to render the full assistance of China in crushing the foe.

The steadfast determination of the generalissimo, as well as the Chinese people, to fight on against overwhelming odds saved countless American lives and accelerated our final victory. The Japanese were compelled to retain over a million and a half of their best troops in China. These troops were sorely needed in the East Indies, Burma, the Philippine Archipelago, and other strategic areas, to meet the allied advances under MacArthur, Nimitz, and Mountbatten.

In the closing days of the war, increased supplies were pouring into China to give renewed strength and fighting effectiveness to the Chinese troops. I should like to emphasize that on VJ-day there were over a million and a half Japanese combat troops who were contained in China by the generalissimo's armies.

Japanese capitulation was received with justifiable acclaim throughout China as in other parts of the world. The generalissimo was jubilant. He would now be able to undertake the peaceful rehabilitation of his country and to continue his interrupted program that visualized political freedom, social reforms, and sound economy throughout China.

The sovereign rights of China to Manchuria were recognized by the great powers at Yalta and reaffirmed at Potsdam. The traditional enemy, the Japanese, were defeated and completely amenable. The Chinese Communist leaders, Mao Tze-Tung and Chou En-Lai, were present in Chungking conferring with representatives of the National Government to effect a coalition of the principal political parties. VJ-day and the trend of events immediately thereafter were indeed cause for great rejoicing.

However, China was confronted with many problems, the natural aftermath of a great and prolonged war. The unusual conditions and chaos that prevailed were similar to those present throughout Europe. There were homes, factories, and lines of communications to be restored. Millions of displaced persons awaited return to their homes. Approximately 4,000,000 Japanese soldiers and civilians presented an urgent problem of repatriation. With courage and wisdom, the generalissimo initiated his program of reconstruction and rehabilitation.

During the past 12 months, the generalissimo has worked selflessly and energetically to achieve economic stability and to create national unity through democratic procedures. In many parts of the world and also within our own country there are certain forces that seek to destroy the processes of democracy and to supplant the constitutional form of government with totalitarian concepts.

For eight arduous years the Chinese fought bravely to eliminate totalitarianism in the Far East. The generalissimo with the same fortitude and patience that marked his war leadership is today striving to protect those principles of democracy and freedom for which he and his countrymen endured hardships, dangers, and sacrifices.

There are few people who could speak more authoritatively than I do this evening concerning the sincerity, high moral purpose, and Christian humility of China's present leader, Generalissimo Chiang Kai-shek. I had frequent, practically daily, contacts with him under the most trying conditions. I can attest to his unselfish devotion to the Chinese people and his earnest desire to provide a democratic way of life within China. I am confident that if he were given the full support of his allies, the support that I feel his loyalty and his unstinting assistance during the war days fully merits, Generalissimo Chiang Kai-shek will evolve a solution to the political and economic problems that confront his country today and he will establish a happy, prosperous, united, and democratic China.

A COMPLETE INVESTIGATION OF ALL LOBBIES SHOULD BE MADE

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, a joint congressional committee of the House and Senate has recently been appointed to conduct investigations in the activities of lobbyists in the Eighty-first Congress. I trust this committee will go into action and make a complete investigation.

In view of statements made against the Republican Eightieth Congress, concerning the activities of lobbyists, this action is somewhat tardy.

In July 1948 the now Vice President discussed the activities of pressure groups in Washington. He told the national convention of his party there were more than 1,400 registered lobbyists in Washington, or approximately three for each Member of Congress, both House and Senate.

It is interesting to observe that the press has carried a recent statement by the distinguished chairman of the Committee on Rules of the House that during the first session of the Eighty-first Congress there are more than 1,900 lobbyists who have registered, and that many more failed to register. This would indicate that since the Eightieth Congress more than 500 have been added to the list.

Vice President BARKLEY, in his speech in 1948, said "the increase in lobbying registrations and the enormous expense involved might be a source of revealing information to the American people if the truth were ascertained."

I call attention to the fact that the Eighty-first Congress has been in session for almost 10 months, and has done no more than establish a committee, during the last days of this session, to investigate lobbyists.

The press quotes the chairman of the Committee on Rules as stating that lobbyists are reported to have spent more than $2,000,000 during the first 3 months of this year. In my judgment, the American people are entitled to full facts and information concerning lobbyist activities. It would appear from the statement of the chairman of the Committee on Rules that we have 35 percent more lobbyists than in the Eightieth Congress, and the number is still growing.

Mr. Speaker, I suggest that this committee go a little further and examine the influence of a group that are not required to register. I have in mind the great pressure group representing the various agencies of Government. By their nonrestricted lobbying activities, many of them perpetuate themselves in their jobs by supplying information favorable to themselves and to their activities. Representatives of some of these agencies not only have free access to congressional offices, but spend a considerable amount of time in the galleries and near the floors when legislation in which they are interested is being considered.

Even though the Eighty-first Congress has been slow to act with respect to a full revelation of the activities of lobbyists, registered and nonregistered, I trust their promise for action will bring results, and I hope we may have a report from the committee within the near future.

EXTENSION OF REMARKS

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a table, which may or may not exceed the authorized amount, but if it should exceed the authorized amount I ask unanimous consent that it be printed notwithstanding that fact.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. Marvin Jones.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD and include an article.

NAVAJO REHABILITATION BILL

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, I do not want this session to close without registering my deep chagrin at the action of the President in vetoing the Navajo rehabilitation bill. The lawyers in the Attorney General's office who were studying the effect of section 9 with respect to water rights agreed with us that as the matter stood on the record no water rights would be subjected by the bill to adjudication by the State courts.

As to their dealings and transactions among themselves and with their white neighbors, including transactions with respect to personal property, the thousands of Indians who live outside the reservation attest to the fact that they can live at peace and with profit under State laws. The representatives of the Navajo Reservation who came from outside the boundaries testified before the council as to their complete confidence and satisfiaction with State jurisdiction.

The President again echoed Collier's words in saying that the Navajo people are not sufficiently advanced for this step. If so, how in the name of common sense do they expect these Indians to be able to govern a reservation larger than the State of Virginia with 60,000 people who now live without law and order and without any courts in which to adjust their problems? They are pleading for some protection in this respect. How can you industrialize and rehabilitate a people unless you provide them with a system of law under which alone can trade and commerce prosper? You cannot isolate a people as completely as the Navajo Reservation has been isolated and keep it under the autocratic rule of the agency and the tribal council without injury to

them and retardation in their efforts at development and assimilation.

Mr. Speaker, this issue is not dead. I want to read a telegram I received while the council was in session from one of its more educated and thinking members:

ANTONIO M. FERNANDEZ,
House of Representatives,
Washington, D. C.:

Navajos in New Mexico favor President signing bill and everything possible should be done so that New Mexico Navajos get full benefit of same. If President does not sign it can you get New Mexico Navajos away from jurisdiction of Indian Bureau and under State? Would appreciate answer immediately while tribal council still in session.

NELSON DAMON,
Member Navajo Tribal Council.

The New Mexico Navajo Indians—and in this telegram he emphasizes "New Mexico Navajo Indians" where the greatest problem exists—the New Mexico Navajo Indians will continue to insist on being granted their full civil rights as citizens of my State and they shall, so long as I am in Congress, know that I will be here battling for their rights. I repeat, Mr. Speaker, that the issue is not dead and I challenge John Collier, the leader and high priest of the philosophy of keeping the Indian as an Indian for the edification of his fellow writers and as a museum piece forever—I challenge him to debate the issue in New Mexico, within or without the reservation either now or at my next campaign.

The President says in his veto message that existing law is sufficient to authorize the 10-year program and to put it into effect. If so, why in the name of common sense has the Department lost two valuable years piddling with this Navajo authorization bill? The program has been ready and in print for 2 years, and yet no requests have been made for the necessary appropriations to the Appropriations Committee, and none have been approved by the Bureau of the Budget. It seems to me they should have put their heads together with the President long ago and found out what the law is.

Is John Collier's accusation true, that the purpose of this bill was to distract attention from the failure of the Indian Office and to saddle it on Congress?

FELICITATIONS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I want to wish you and all the Members of the House a great big turkey for Thanksgiving, a merry Christmas, and a happy New Year.

Mr. NICHOLSON. Mr. Speaker, if the gentleman will yield, I would like to ask the gentleman from Pennsylvania where we are going to get the money to buy the turkey.

Mr. CANFIELD. May I supplement the remarks made by the gentleman from Pennsylvania and ask this question: Where are you going to get the money?

Mr. RICH. I hope you will not ask the Federal Government for it.

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

NATIONAL RESEARCH COUNCIL DEMONSTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning I was privileged to witness a demonstration by amputees at the meeting called by the Advisory Council on Artificial Limbs of the National Research Council. Much of that work is being done as the result of a million-dollar yearly appropriation for research in artificial arms and legs. I think the House never appropriated money more wisely than for that purpose. I would like to commend the Army, the Navy, and the Veterans' Administration, and all of the people on the outside who are doing this research work for the men in order that they may become more nearly normal again. I also would like to congratulate the amputees who hour after hour have tried out these new prosthetic appliances and made them available for other disabled all over the country.

Mr. Speaker, I would like to thank you and the other Members of the House for the help that has been given me during this session of Congress. There are many things that each and everyone of us would like to have seen pass. We have not been successful in some instances. Although there is no holiday for a Member of Congress, I hope that during the recess we can make plans to pass legislation that is so essential.

I wish you, Mr. Speaker, and every one of you Members of Congress and personnel, a very happy work season at home.

LEGISLATIVE EMPLOYEES

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, I am quite sure I bespeak the feelings of every Member of this body when I express appreciation to these men who have taken down a good deal of "hot air," some wisdom, and a great many words through these many weary months.

In addition, I think we should also like to express our appreciation of the conscientious work done by all committee clerks, early and late. We have so little opportunity to see them, unless we are working them to death, that we hardly feel we have human contact with them.

I am sure you all are happy to join with me in a general appreciation and the hope that this House next year will adjourn at a little more reasonable time of the year.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mrs. ROGERS of Massachusetts. I know the gentlewoman intends to include the page boys and every other employee of the House.

Mrs. BOLTON of Ohio. Everybody. We do not know how these page boys stand it. We have all been young, and we know how it feels to be cooped up in this room, which smells of old shoe leather, and the back rooms are even worse. I think they have been exceedingly patient.

As far as the press is concerned, I think they perhaps have had the luxury quarters back there, where they have not had to look at us and where they have big, comfortable chairs, except for the very few who take their turn in the back row here. I want to thank all of them.

EXTENSION OF REMARKS

Mr. LODGE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

A JOINT COMMITTEE OF HOUSE AND SENATE SHOULD HOLD COMPLETE HEARINGS AND EXAMINATION OF UNIFICATION OF ARMED FORCES AND MAKE REPORT AND RECOMMENDATIONS AT THE BEGINNING OF THE SESSION IN JANUARY

Mr. REES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, the dispute and bickering among high top officials in the armed forces has created a most unfortunate situation and has weakened our defense program.

In view of the serious problem involved, a joint committee composed of Members of the House and Senate should be appointed immediately to examine the problem and go to the bottom of it. The committee should hold full and complete hearings and get all sides of the case. This committee should report to the Congress at the beginning of the session in January, and make such recommendations as it deems advisable. The Joint Chiefs of Staff and members of the Weapons Evaluation Board should be requested to attend the hearings in an advisory capacity.

I supported the unification of the armed forces in the belief it would create better coordination between the Army, the Navy, and the Air Force. Instead, it appears we have the greatest disunity since Pearl Harbor.

One of the major factors calling for unification was the elimination of wasteful duplication and overlapping of functions and useless competition between the services. It appears, however, that we still have bidding up costs of items of common use by all three services.

We must have a sound, adequate defense. I believe the people of this country are willing to appropriate funds necessary to maintain such defense, but the budget should not be dissipated by competition between the services for items of supply and personnel. All supply functions should be combined. There is no reason why the supply agencies cannot buy the same mattresses used by the Army, the Navy, and the Air Force. The

same is true of food, of clothing, equipage, transportation, medical services, personnel, and many other items.

By this I do not intend we should remove from the respective services authority to procure weapons and equipment that particularly belong to such service. The Air Force should purchase its own airplanes, the Navy its own warships. Unless we have unity in the supply of our armed forces and unity of purpose of those responsible for our defense, the intent of the Unification Act will not be achieved.

REPRESENTATIVE HELEN GAHAGAN DOUGLAS

Mr. KEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. KEE. Mr. Speaker, I join with her many friends in the House in wishing the fullest measure of success to the gentlewoman from California, Representative HELEN GAHAGAN DOUGLAS.

The House will sustain a very real loss through her decision not to run for reelection to her present post, for she has become an outstanding member of the Committee on Foreign Affairs and a leader in the House of Representatives through her untiring devotion of her legislative responsibilities and her thorough understanding of current fundamental problems, both foreign and domestic.

The gentlewoman from California [Mrs. DOUGLAS] has been a member of the Foreign Affairs Committee since 1945 and is chairman of two major subcommittees. The committee's prestige has been greatly enhanced by her service. She has never hesitated to give unstintingly of her time and and energy to the work of the committee, regardless of whether that work was of vital urgence or of almost routine drudgery. The gentlewoman from California [Mrs. DOUGLAS] is, and has been a mainstay on the committee. While we understand the reasons which led to her decision, her going will leave a vacancy that will test the legislative skill and try the mettle to the utmost of whoever tries to succeed her.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD during the consideration of the conference report on the agricultural bill.

REPRESENTATIVE HELEN GAHAGAN DOUGLAS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, may I say to the gentleman from West Virginia [Mr. KEE], the chairman of the committee on Foreign Affairs, that I very much appreciate the remarks he has made about our good friend, HELEN GAHAGAN DOUGLAS. I join him in wishing her the greatest success, and also in regretting that she will leave the House at the end of the Eighty-first Congress.

Perhaps it is a little previous for us to be speaking of this today, but since the chairman has started the ball rolling I want the Members to know that I personally very much appreciate the unusual ability and the splendid cooperation that HELEN GAHAGAN DOUGLAS has given to the House of Representatives.

I sincerely hope that if elected she will find in the Senate the opportunity to render the same type of service she has so faithfully given as a member of the Committee on Foreign Affairs and as a Member of the House of Representatives. Helen, we wish for you the greatest success. We know you are going to have it and we feel that when you get to the Senate—and we know you will—you will do something to liven up some of the old-fashioned ideas that exist over there at the present time.

EXTENSION OF REMARKS

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article from the Saturday Evening Post by the Assistant Secretary of State, Mr. John E. Peurifoy, despite the fact that the article may exceed the limit allowed by the Joint Committee on Printing. I make this special request because of the lateness of the hour.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by Gen. Omar N. Bradley before the Committee on Armed Services, notwithstanding the fact that the extension may exceed the limit set by the Joint Committee on Printing. I, too, make this special request because of the lateness of the hour.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HON. SAM RAYBURN

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for a moment.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, in behalf of the membership of this great body, I wish to salute its presiding officer in appreciation of his uniform courteous treatment to all Members. He ever runs true to form. He is a great Speaker, a wise statesman, and a good man.

HON. SAM RAYBURN

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, in behalf of the minority Members of the House, I wish to join in the splendid tribute paid to a great American by the gentleman from Georgia.

It has been my pleasure throughout the years to know many presiding officers, and the presiding officer of this body, the Speaker of the House, you, sir, have been one of the fairest and most impartial and most friendly presiding officers I have ever had the pleasure of knowing. We all wish you godspeed and happy and healthful vacation. May you come back to us in January of 1950 greatly refreshed and invigorated for the coming session.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include excerpts from report of the head of the Veterans' Administration at Jackson, Miss.

THE NEW 21-DAY RULE IS A MAJOR ACCOMPLISHMENT OF THE EIGHTY-FIRST CONGRESS

Mr. HOLIFIELD. Mr. Speaker, the first session of the Eighty-first Congress has made a great beginning toward fulfillment of the pledge of the Democratic Party of a legislative program "to serve the interests of all and not the few."

Our 1948 national platform recognized that—

> The free peoples of the world look to us for support in maintaining their freedom. If we falter in our leadership, we may endanger the peace of the world—and we shall surely endanger the welfare of our own Nation.

It was proper, therefore, for the Democratic leadership in the Eighty-first Congress to give first priority to continuation of the Marshall plan, extension of the Reciprocal Trade Agreements Act without the restrictive amendments imposed last year by the Eightieth Congress, to the North Atlantic Pact, and the implementing legislation for military assistance to the signatory nations.

In the interest of greater security and happiness at home we have passed laws continuing rent control, and providing for low-rent public housing, and slum clearance, a 75-cent minimum wage, more adequate pensions for veterans, their widows and orphans, expansion of the hospital construction program, and authority to the President to reorganize the executive branch of the Government in the interest of efficiency and economy.

The Senate has ratified the International Wheat Agreement so essential to the farmers, and has sent to the House bills for Federal aid to education, and health services for school children. And the House has bills upon which the Senate has all next session, if needed, in which to act on expansion of social security, program of planned construction of public buildings, abolition of poll taxes, repeal of the tax on oleomargarine, and improvements to rivers and harbors and construction of flood-control projects.

All of these legislative accomplishments are a tribute to the leadership within the Democratic Party. Of perhaps even greater importance than any single law passed by the Eighty-first Congress is the change in rules made on

the opening day of the session. I refer, of course, to the new procedure under which a legislative committee may after a delay of 21 days bring to the floor a bill that has not been scheduled for debate by the Committee on Rules. In fact, the record of the Eighty-first Congress up to this point would be much impaired except for the foresight that led to the adoption of this change in the rules of the House.

I want to cite for the RECORD instances in which the will of a majority of the membership of this House would have been blocked without the new 21-day rule. And there may be many other instances in which the new rule supplied a stimulus to the Rules Committee to give clearance that would not otherwise have been granted.

Mr. Speaker, I insert at this point in the RECORD a summary prepared by the Legislative Reference Service on the operation of the 21-day rule:

OPERATION OF NEW 21-DAY RULE CURBING POWERS OF HOUSE RULES COMMITTEE DURING EIGHTY-FIRST CONGRESS, FIRST SESSION

On January 3, 1949, the House of Representatives agreed to House Resolution 5 which amended paragraph (2) (c) of rule XI of the standing rules of the House. This paragraph defines the duties of the Committee on Rules. The effect of this amendment was to provide a procedure whereby blockades in the Rules Committee could be broken. Prior to its adoption, no report of a legislative committee could reach the floor of the House via the Rules Committee route without a "green light" from that committee. The House had been denied an opportunity to work its will on many important bills over the years by roadblocks in the Rules Committee.

The revised procedure is worth describing since it is not yet fully understood. When one of the legislative committees reports a measure favorably, the chairman of that committee may introduce a resolution asking for House consideration of the measure. The bill is placed on the calendar and the resolution is referred to the Rules Committee. Theoretically, the Rules Committee's function is that of traffic officer, deciding the order of business on the floor and how much time shall be allowed for debate. It is not supposed to examine the substance or consider the merits of legislation, though it often does.

Under the revised procedure, if the Rules Committee has taken no action within 21 days after a resolution has been referred to it, or has reported adversely, the chairman of the legislative committee may call up the resolution for consideration by the House. He may do this on days when motions to discharge committees are in order, i. e., on the second or fourth Monday in any month, following expiration of the 21-day period. If the House approves the resolution, the bill then comes before it for debate.

CASES OF ACTUAL USE OF NEW PROCEDURE

1. The first use of the new procedure was in connection with the bill (H. R. 3199) prohibiting the payment of poll taxes as a condition of voting in elections for national officers. The anti-poll-tax bill was favorably reported by the Committee on House Administration on June 24, 1949 (Rept. No. 912). On July 1, Chairman NORTON filed a resolution (H. Res. 276) providing for the consideration of H. R. 3199. Thereafter the resolution was never discussed in the Rules Committee, and after a lapse of 21 days the poll-tax bill was called up on the floor of the House on July 25 and passed on July 26, 1949.

2. The second instance of the use of the new procedure was in connection with the rivers and harbors bill (H. R. 5472). This bill was favorably reported from the Committee on Public Works on July 6, 1949 (Rept. No. 969). Chairman WHITTINGTON immediately applied to the Rules Committee for a rule allowing floor consideration of the bill, but after a delay of 22 days it was apparent that no rule would be granted. On July 28, therefore, Mr. WHITTINGTON, by direction of the unanimous vote of his committee, filed a resolution (H. Res. 302) providing for the consideration of H. R. 5472 under the new 21-day rule. On August 22 the House approved the resolution and passed the bill.

During the consideration of the resolution three members of the Rules Committee explained its refusal to grant a rule on this bill. Mr. SABATH stated it was "because of the belief that it was purely a pork-barrel bill." Mr. Cox stated that "it was their feeling the condition of the Treasury and the financial condition of the country were such as to make it not advisable for the granting of authorizations or the commitments which the bill permits." Mr. WADSWORTH explained that the Rules Committee had become deeply concerned over "the general tendency of legislation as it might affect the future financial commitments of the Government. * * * The poor, old Rules Committee," he said, "is the only committee that has apparently been interested in understanding and measuring this trend. * * * If we keep on this way the Government will be bankrupt." In other words, the members of the Rules Committee have now developed so grandiose a conception of their role that they think of themselves as watchdogs of the Treasury, taking over in their minds the function of the Committee on Appropriations and the responsibility of the Joint Committee on the Legislative Budget.

CASES IN WHICH THREAT OF NEW PROCEDURE HAS FORCED ACTION

1. One case in which the antibottlenecking rule passed by the House early in the present session apparently had a salutary effect on the Rules Committee was in connection with the housing and slum clearance bill (H. R. 4009). This bill was reported from Banking and Currency on May 16, 1949, by a vote of 14 to 7. A similar bill (S. 1070) had passed the Senate by a vote of 57 to 13. Chairman SPENCE applied to the Rules Committee for a rule, but the committee stalled, held hearings for 3 days, and stalled some more. On June 7 the Rules Committee voted 7 to 5 to table the housing bill, whereupon Mr. SPENCE filed a resolution to bypass Rules. Responding to this move and to pressure from the House leadership and in part, perhaps, to public opinion, the Rules Committee finally reversed itself and cleared the housing measure for floor consideration by a vote of 8 to 4. And on June 29, 1949, the House passed the Housing Act of 1949.

The high-handed nature of the Rules Committee's action in this case was illustrated by its probing into cost figures and the extent of the Government's obligations under the bill. The committee corresponded with the Director of the Budget regarding the merits of the measure. These were problems for the Banking and Currency Committee, the Appropriations Committee, and the House itself. They had nothing to do with the Rules Committee's function of routing measures to the floor in an orderly fashion.

In explaining his final vote to report a rule for the consideration of the national housing bill, Mr. Cox voiced his belief that "considering it under a special rule will afford better opportunity for resistance than would be the case if considered under the new discharge rule." (CONGRESSIONAL RECORD, June 14, 1949, p. 7684.)

2. Another case in which the new discharge procedure forced action by the Rules Committee was in connection with the Fair Labor Standards Act of 1949. A minimum-wage bill (H. R. 3190) was reported from the Committee on Education and Labor on March 16, 1949. Chairman LESINSKI asked for a rule on this bill, but was informed by Mr. SABATH, chairman of rules that "I could not see my way clear whereby I could obtain favorable action on his resolution" because of the opposition of the four Republican and three Democratic members of the Rules Committee." (CONGRESSIONAL RECORD, August 8, 1949, p. 10993.) Thereafter, on April 7, Mr. LESINSKI filed House Resolution 183 to discharge the Rules Committee under the 21-day rule.

Four months later, on August 5, Chairman LESINSKI appeared before the Rules Committee at its invitation and requested a rule on H. R. 5856, a revised version of the original minimum-wage bill which, he stated, "was developed and passed by a majority of the Committee" on Education and Labor. After considerable confusion, the Rules Committee on August 8 reported House Resolution 183 which provided for the consideration of the revised minimum-wage bill (H. R. 5856). After debate, the Lucas substitute for this bill, as amended, passed the House on August 11.

It was evident from the debate on the House floor on August 8 that the Rules Committee would not have granted a rule on the Lesinski bill had it not been for the new 21-day discharge procedure. Chairman SABATH admitted as much himself when he told the House that—

"Had we not adopted House Resolution 5 on the first day of the session, this bill never would be here before us today, because the Committee on Rules, as constituted, would not have granted a rule on the original Lesinski bill. * * *

"I wish to state that had the chairman's bill not been in order today under House Resolution 5, this rule never would have been granted. But the majority of the Committee on Rules, the Republicans who were working closely with the three Democrats, did not want it to come up; they did not want the bill called up under the change in rules today. They wanted a rule, and in desperation I succeeded in obtaining a majority in favor of the amended rule now before us." (CONGRESSIONAL RECORD, August 8, 1949, p. 10995.)

Two other statements made in the course of the debate on this rule are of collateral interest. The first was a statement by Mr. WADSWORTH, himself a member of Rules, in which he said that—

"I am convinced we should not establish the precedent under which the Rules Committee may ignore the legislative committees and thrust before the House bills which have had no consideration in those committees." (CONGRESSIONAL RECORD, August 8, 1949, p. 10991.)

This statement was an affirmation of a belief that the Rules Committee has no right to substitute its judgment for that of the legislative committees of the House on substantive matters.

The other significant statement was that of Mr. COLMER, also a member of Rules, who raised the question "whether there should be a Rules Committee * * * if it is going to be bypassed" under the new rules of the House. (CONGRESSIONAL RECORD, August 8, 1949, p. 10992.)

Mr. Speaker, this memorandum points out that the new rule has been actually used in two instances to enable a majority of the House to vote on legislation bottled up in the Rules Committee—first, on the anti-poll-tax bill; and second, in connection with the rivers and harbors bill. This memorandum lists two other instances in which the threat of use of the 21-day rule has forced action by the Rules Committee. It is doubtful whether rules would have been granted for the housing and slum-clearance bill, or for

the minimum-wage bill, but for the adoption of the new rule.

The social-security bill, in my opinion the most important legislation considered this session, passed the House by a vote of 333 to 14. Yet it is extremely doubtful that the bill could have been scheduled without the threat of the 21-day rule. During the August recess the chairman of the Rules Committee issued a press release in denial of charges that he was holding up action on social security. He said:

As a matter of fact, not being quite sure that I would get favorable action by the Committee on Rules, I advised the Ways and Means Committee to file their own rule under the amended rules of the House which I proposed at the beginning of the session. I understand that Mr. EBERHARTER has so done. I assure you that when the bill does reach the Committee on Rules, I will do all that I possibly can to expedite favorable consideration.

As it happened, 3 days of hearings on the merits were required before a 5-to-4 green light was flashed by the Rules Committee. Yet the vote on final passage was 333 to 14.

Mr. Speaker, recognition of his crucial role in initiating this legislative reform should be given the gentleman from Pennsylvania [Mr. EBERHARTER]. Others played an important part, but to him must go the lion's share of the credit.

On December 10, 1948, the gentleman from Pennsylvania wrote each Member-elect of the Eighty-first Congress, in part, as follows:

The spectacle of a legislative committee unable to bring a bill to the floor after a favorable recommendation based on careful hearing and consideration, because members of the Rules Committee do not favor that bill on its merits, adds nothing to the luster of the democratic process.

He promised the membership to have ready an amendment to the House Rules when the Eighty-first Congress convened on January 3, 1949, for, he stressed "on the opening day the House operates under general parliamentary law until it adopts the rules for the session, and a proposed amendment has a unique opportunity to reach the floor without benefit of the approval of the very Rules Committee whose powers it seeks to curtail. For a brief hour, we have a golden opportunity to strike a blow for democratic procedure and majority rule. We must not let it slip by."

Mr. Speaker, the response of the membership of the House to the letter of the gentleman from Pennsylvania was gratifying indeed. The initial replies from one-third of the Members were overwhelmingly in favor of taking away the power of the Rules Committee to block legislation.

The press commented favorably. Editorials in support appeared in the Christian Science Monitor, St. Louis Post-Dispatch, the Pittsburgh Press, Pittsburgh Post-Gazette, Chicago Sun-Times, and elsewhere. The Washington Post on December 17, 1948, editorialized:

The important point, as Mr. EBERHARTER says, is to restore the Rules Committee to its proper function of legislative traffic director. If Mr. EBERHARTER can induce the House to adopt this reform on its opening day, so that the reform itself will not be buried in the Rules Committee, he will earn the applause of the entire country.

And, Mr. Speaker, that is just what he did, and for it he does richly deserve the applause of the country, and especially of the Members of the Eighty-first and subsequent Congresses.

The gentleman from Pennsylvania received many replies to his letter accepting his invitation of cooperation. And from them he selected an informal steering committee, including the gentleman from Illinois, the chairman of the Committee on Rules [Mr. SABATH], the gentleman from Ohio [Mr. KIRWAN], the gentleman from Montana [Mr. MANSFIELD], the gentleman from Utah [Mr. GRANGER], the gentleman from Colorado [Mr. CARROLL], and myself.

Plans were laid for discussing the proposed amendment of the House Rules with other Members and with the Democratic leadership before the meeting of the Democratic caucus. The proposal received the enthusiastic endorsement of our eminent and revered Speaker and majority leader. The chairman of the Committee on Rules, himself, agreed to offer the amendment in the House on opening day.

Mr. Speaker, there is honor and glory sufficient for all who participated in this great achievement made by the House of Representatives in the Eighty-first Congress toward the more effective and efficient exercise of the will of the people. Each of the 225 Democrats and 49 Republicans who voted for the change can point with justifiable pride that this House is now the better able to fulfill its constitutional obligations by his having served here.

The immediate fruits of reform—legislation on minimum wages, social security, plans for rivers and harbors development, low-cost housing, and so forth, are but the first of perennial harvests of constructive laws that might otherwise be blocked in years to come.

Yes, Mr. Speaker, the new 21-day rule has been tried, and I proclaim it a great procedural success. It is here to stay. Under it the House leadership shares with the chairman of the legislative committees the responsibility for scheduling legislation unduly delayed in the Committee on Rules. Additional strength is given to the committee system, on which the business of the House must so heavily rest, for the legislative committees can no longer be frustrated by ursurpations of power by a few obdurate members of the Committee on Rules. The wisdom of the reform is now widely recognized by Members on both sides of the aisle. One of the best explanations of the amendment was made by the gentleman from New Jersey [Mr. WOLVERTON] in the House on January 5, 1949.

I conclude, Mr. Speaker, with an acknowledgment of personal gratitude for the brilliant and timely statesmanship of the gentleman from Pennsylvania in initiating this far-reaching reform. I am confident he will serve his country as ably as a judge as he has as a Member of Congress.

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 13 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 56 minutes p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 148. Concurrent resolution providing for the adjournment of the two Houses of Congress on October 19, 1949, sine die; and

H. Con. Res. 149. Concurrent resolution providing authority for the Speaker and the Vice President to sign enrolled bills notwithstanding the adjournment of the two Houses.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 133. Joint resolution authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican War.

The message also announced that the Senate had adopted the following resolution:

S. Res. 191. Resolution appointing a committee to ascertain whether the President has any further communication to make to Congress prior to adjournment.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6427) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 6 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5345) entitled "An act to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes."

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I asked unanimous consent earlier in the day to extend my remarks in the RECORD and include a letter and excerpts from a statement but I find they will exceed two pages of the RECORD. Notwithstanding that the extension exceeds the amount allowed I ask unanimous consent that they may be inserted regardless of the cost.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. PRIEST. Mr. Speaker, your committee appointed to join the committee of the Senate to inform the President that the Congress is ready to adjourn, and ask him if he had any further communication to make to the Congress, has performed that duty.

The President has directed us to say that he has no further communications to make.

COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following letter from the President of the United States which was read:

OCTOBER 19, 1949.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: As the first session of the Eighty-first Congress draws to a close, I want to express to the Members of the House of Representatives my appreciation for the work they have done. The Congress has been faced with many momentous problems concerning both our foreign relations and our domestic affairs. To meet these problems, the Congress has remained in Washington laboring diligently through almost 10 months of the year, including one of the hottest summers in Washington history. I am confident that the American people will agree that the results have been well worth while.

I wish also to thank the Members of the House for the courtesies they have shown to me and for the spirit which has made it possible for the legislative and executive branches to work together effectively.

I extend to each of you my good wishes as you return to your homes. I know from my own experience that your work does not end when a session of Congress closes. A most important part of the duties of a Member of Congress is the exchanging of views with his constituents and the studying of their problems at first hand. From that association, I hope that all of you will return next year refreshed and strengthened for the tasks that still lie ahead.

Very sincerely yours,

HARRY S. TRUMAN.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Louis Johnson.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1019. An act conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon any claim arising out of personal injuries sustained by Carl J. Freund and Pauline H. Freund, his wife, of Seattle, Wash.; to the Committee on the Judiciary.

S. 1027. An act for the relief of the Merit Co.; to the Committee on the Judiciary.

S. 1543. An act to authorize the disposal of withdrawn public tracts too small to be classed as a farm unit under the Reclamation Act; to the Committee on Public Lands.

S. 1747. An act to require the United States District Court for the Eastern District of Michigan (northern division) to sit during a part of its term at Flint, Mich.; to the Committee on the Judiciary.

S. 1916. An act for the relief of Edna A. Bauser; to the Committee on the Judiciary.

S. 2114. An act for the relief of Mitsue Shigeno; to the Committee on the Judiciary.

S. 2128. An act to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder; to the Committee on the Judiciary.

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; to the Committee on Public Lands.

S. J. Res. 128. Joint resolution to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of permanent headquarters, and for related purposes; to the Committee on Foreign Affairs.

S. J. Res. 133. Joint resolution authorizing the return to Mexico of the flags, standards, colors, and emblems that were captured by the United States in the Mexican War; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 1028. An act to legalize the admission into the United States of Edmea Pacho;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes;

H. R. 3793. An act to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia;

H. R. 4000. An act to amend section 16 of the Hawaiian organic act relative to disqualification of legislators;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4146. An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4495. An act to provide additional benefits for certain postmasters, officers, and employees in the postal-field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes;

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 5184. An act to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes;

H. R. 5191. An act to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia;

H. R. 5345. An act to stabilize prices of agricultural commodities;

H. R. 5354. An act for the relief of Itzchak Shafer;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purposes of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, Territory of Hawaii, to issue public improvement bonds;

H. R. 5856. An act to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 5931. An act to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended, and for other purposes;

H. R. 6007. An act for the relief of Herminia Ricart;

H. R. 6281. An act to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions;

H. R. 6301. An act to provide for parity in awards of disability compensation;

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes;

H. R. 6305. An act to give effect to the International Wheat Agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market; and

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 509. An act to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list;

S. 1232. An act to increase the allowance for equipment maintenance of rural carriers

by 1 cent per day for each scheduled mile or major fraction thereof;

S. 1267. An act to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center;

S. 1284. An act to amend section 6 of the Federal Airport Act;

S. 1479. An act to discontinue the operation of village delivery service in second-class post offices, to transfer village carriers in such offices to the city delivery service, and for other purposes;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes;

S. 1660. An act providing for the conveyance to the Franciscan Fathers of California of approximately forty acres of land located on the Hunter-Liggett Military Reservation, Monterey County, Calif.;

S. 1825. An act to amend the Postal Pay Act of 1945, approved July 6, 1945, so as to provide promotions for temporary employees of the mail equipment shops;

S. 2115. An act to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; and

S. 2290. An act to authorize an appropriation for the making of necessary improvements in the cemetery plots at the Blue Grass Ordnance Depot, Richmond, Ky.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 2186. An act providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska;

H. R. 2369. An act to authorize an appropriation to complete the International peace Garden, North Dakota;

H. R. 2517. An act directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3718. An act for the relief of George Seeman Jensen;

H. R. 3816. An act for the relief of Alexis Leger;

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States;

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4090. An act to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico;

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.;

H. R. 5170. An act to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation;

H. R. 5305. An act to increase the retired pay of certain members of the former Lighthouse Service;

H. R. 5319. An act granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society;

H. R. 5489. An act to ratify and confirm Act 251 of the Session Laws of Hawaii, 1949;

H. R. 5674. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead;

H. J. Res. 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy;

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen;

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia;

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

ADJOURNMENT SINE DIE

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock p. m.), pursuant to House Concurrent Resolution 148, the House adjourned sine die.

BILLS AND A JOINT RESOLUTION ENROLLED AFTER ADJOURNMENT SINE DIE

Mrs. NORTON, from the Committee on House Administration, reported that the committee had on October 20, 1949, examined and found truly enrolled bills and a joint resolution of the House of the following titles:

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes;

H. R. 5601. An act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes;

H. R. 6109. An act granting the consent of Congress to a compact of agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.;

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; and

H. J. Res. 33. Joint resolution to vest title to certain lands of the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., in the United States and to provide compensation therefor.

ENROLLED BILLS AND A JOINT RESOLUTION SIGNED AFTER SINE DIE ADJOURNMENT

The SPEAKER, pursuant to the authority granted him by House Concurrent Resolution 149, first session of the Eighty-first Congress, did on October 20, 1949, sign enrolled bills and a joint resolution of the House of the following titles:

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes;

H. R. 5601. An act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes;

H. R. 6109. An act granting the consent of Congress to a compact of agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.;

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; and

H. J. Res. 33. Joint resolution to vest title to certain lands of the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., in the United States, and to provide compensation therefor.

ENROLLED BILLS OF THE SENATE SIGNED AFTER SINE DIE ADJOURNMENT

The SPEAKER, pursuant to the authority granted him by House Concurrent Resolution 149, Eighty-first Congress, did on October 20, 1949, sign enrolled bills of the Senate of the following titles:

S. 1578. An act to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System;

S. 1580. An act concerning common-trust funds and to make uniform the law with reference thereto;

S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense;

S. 2404. An act authorizing an appropriation for the construction, extension, and improvement of a county hospital at Albuquerque, N. Mex., to provide facilities for the treatment of Indians; and

S. 2668. An act to amend the Independent Offices Appropriation Act for the fiscal year 1950.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mrs. NORTON, from the Committee on House Administration, reported that the Committee did on the following dates present to the President for his approval bills and joint resolutions of the House of the following titles:

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine amounts due to and render judgment upon the claims of the employees of the Alaska Railroad for overtime work performed;

H. R. 1028. An act to legalize the admission into the United States of Edmea Pacho;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes;

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record, and for other purposes;

H. R. 3793. An act to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4146. An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4495. An act to provide additional benefits for certain postmasters, officers, and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion, and for other purposes;

H. R. 4586. An act to authorize the Government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5184. An act to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Standfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district to authorize their execution, and for other purposes;

H. R. 5191. An act to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia;

H. R. 5345. An act to stabilize prices of agricultural commodities;

H. R. 5354. An act for the relief of Itzchak Shafer;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public-improvement bonds;

H. R. 5601. An act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes;

H. R. 5856. An act to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes;

H. R. 5931. An act to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended, and for other purposes;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 6007. An act for the relief of Herminia Ricart;

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.;

H. R. 6281. An act to provide for certain improvements relating to the Capitol power plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions;

H. R. 6301. An act to provide for parity in awards of disability compensation;

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes;

H. R. 6305. An act to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market;

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes;

H. J. Res. 33. Joint resolution to vest title to certain lands of the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., in the United States, and to provide compensation therefor; and

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment, notified the Clerk of the House of Representatives that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On October 14, 1949:

H. R. 165. An act to authorize the American River Basin development, California, for irrigation and reclamation, and for other purposes;

H. R. 733. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California, to hear, determine, and render judgment upon the claim of Frank Haegele;

H. R. 1474. An act to confer jurisdiction upon the United States District Court for the Southern District of New York to hear, determine, and render judgment upon the claim of Miguel A. Viera for damages sustained as the result of an accident involving a United States Army truck at Leghorn, Italy, on January 11, 1946; and

H. R. 6008. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes.

On October 15, 1949:

H. R. 1689. An act to increase rates of compensation of the heads and assistant heads of executive departments and independent agencies.

On October 18, 1949:

H. R. 160. An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended.

On October 19, 1949:

H. R. 86. An act to amend the Civil Service Retirement Act so as to make such act applicable to the officers and employees of the Columbia Institution for the Deaf;

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes; and

H. R. 2514. An act to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes.

On October 20, 1949.

H. R. 5956. An act to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes; and

H. R. 6213. An act to authorize reimbursement to the appropriations of the Bureau of Narcotics of moneys expended for the purchase of narcotics.

On October 25, 1949:

H. R. 1370. An act to authorize the appointment of three additional judges of the municipal court for the District of Columbia and to prescribe the qualifications of appointees to the municipal court and the municipal court of appeals, and for other purposes;

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 2369. An act to authorize an appropriation to complete the International Peace Garden, North Dakota;

H. R. 2517. An act directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.;

H. R. 3816. An act for the relief of Alexis Leger;

H. R. 4059. An act to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution;

H. R. 4414. An act for the relief of Dora M. Barton;

H. R. 4749. An act to remove the requirement of residence in the District of Columbia for membership on the Commission on Mental Health;

H. R. 4789. An act to provide for the issuance of a license to practice chiropractic in the District of Columbia to Abraham J. Ehrlich;

H. R. 5268. An act to amend certain provisions of the Internal Revenue Code;

H.R. 5319. An act granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society;

H. R. 5674. An act to extend the time for the collection of tolls to amortize the cost, including reasonable interest and financing cost, of the construction of a bridge across the Missouri River at Brownville, Nebr.;

H. R. 6185. An act to amend the Federal Credit Union Act;

H. R. 6259. An act to provide for the installation of a carillon in the Arlington Memorial Amphitheater, Arlington National Cemetery, Fort Myer, Va., in memory of World War II dead;

H. J. Res. 230. Joint resolution authorizing the Secretary of the Navy to construct and the President of the United States to present to the people of St. Lawrence, Newfoundland, on behalf of the people of the United States, a hospital or dispensary for heroic services to the officers and men of the United States Navy;

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia; and

H. J. Res. 353. Joint resolution authorizing the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Executive Mansion during the period of renovation.

On October 26, 1949:

H. R. 162. An act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes;

H. R. 1028. An act to legalize the admission into the United States of Edmea Pacho;

H. R. 2186. An act providing for a location survey for a railroad connecting the existing railroad system serving the United States and Canada and terminating at Prince George, British Columbia, Canada, with the railroad system serving Alaska and terminating at Fairbanks, Alaska;

H. R. 2296. An act to amend and supplement the act of June 7, 1924 (43 Stat. 653), and for other purposes;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3300. An act for the relief of Mary Thomas Schiek;

H. R. 3718. An act for the relief of George Seeman Jensen;

H. R. 3793. An act to provide for the furnishing of quarters at Brunswick, Ga., for the United States District Court for the Southern District of Georgia;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4042. An act for the relief of Konstantinos Yannopoulos;

H. R. 4090. An act to extend the benefits of section 23 of the Bankhead-Jones Act to Puerto Rico;

H. R. 4686. An act to authorize the issuance of certain public-improvement bonds by the Territory of Hawaii;

H. R. 4966. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds;

H. R. 4967. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu;

H. R. 4968. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds;

H. R. 5105. An act to authorize the sale of certain allotted inherited land on the Pine Ridge Reservation, S. Dak.;

H. R. 5170. An act to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation;

H. R. 5191. An act to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia;

H. R. 5354. An act for the relief of Itzchak Shafer;

H. R. 5459. An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings;

H. R. 5489. An act to ratify and confirm Act 251 of the Session Laws of Hawaii, 1949;

H. R. 5490. An act to enable the Legislature of the Territory of Hawaii to authorize the county of Kauai, T. H., to issue public-improvement bonds;

H. R. 5601. An act to authorize the exchange of certain lands of the United States situated in Iosco County, Mich., for lands within the national forests of Michigan, and for other purposes;

H. R. 5856. An act to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes;

H. R. 5934. An act to amend the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), and for other purposes;

H. R. 6109. An act granting the consent of Congress to a compact or agreement between the State of Tennessee and the State of Missouri concerning a Tennessee-Missouri Bridge Commission, and for other purposes;

H. R. 6230. An act to direct the Secretary of the Interior to convey certain land to school district No. 5, Linn County, Oreg.;

H. R. 6281. An act to provide for certain improvements relating to the Capitol Power Plant, its distribution systems, and the buildings and grounds served by the plant, including proposed additions; and

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949.

On October 27, 1949:

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. R. 5184. An act to approve contracts negotiated with the Belle Fourche irrigation district, the Denver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district to authorize their execution, and for other purposes;

H. R. 6007. An act for the relief of Herminia Ricart;

H. R. 6303. An act to authorize certain construction at military and naval installations, and for other purposes; and

H. R. 6305. An act to give effect to the international wheat agreement signed by the United States and other countries relating to the stabilization of supplies and prices in the international wheat market.

On October 28, 1949:

H. R. 2960. An act to amend the Rural Electrification Act to provide for rural telephones, and for other purposes;

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States;

H. R. 4495. An act to provide additional compensation and other benefits for postmasters, officers, and employees in the postal field service;

H. R. 5931. An act to establish a standard schedule of rates of basic compensation for certain employees of the Federal Government; to provide an equitable system for fixing and adjusting the rates of basic compensation of individual employees; to repeal the Classification Act of 1923, as amended; and for other purposes;

H. R. 6427. An act making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes;

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen; and

H. J. Res. 373. Joint resolution relating to the sale of certain shipyard facilities at Orange, Tex.

On October 29, 1949:

H. R. 3699. An act to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes;

H. R. 4146. An act making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 5305. An act to increase the retired pay of certain members of the former Lighthouse Service;

H. R. 6301. An act to provide for parity in awards of disability compensation; and

H. J. Res. 33. Joint resolution to vest title to certain lands of the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., in the United States, and to provide compensation therefor.

On October 31, 1949:

H. R. 5345. An act to stabilize prices of agricultural commodities.

On November 1, 1949:

H. R. 219. An act to confer jurisdiction upon the Court of Claims to determine the amounts due to and render judgment upon the claims of the employees of The Alaska Railroad for overtime work performed.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1000. A letter from the Comptroller General of the United States, transmitting a report on the audit of Veterans Canteen Service for the fiscal year ended June 30, 1948 (H. Doc. No. 378); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1001. A letter from the Secretary of Defense, transmitting a letter by the Secretary of the Army recommending the enactment of a proposed draft of legislation entitled "A bill to prohibit the unauthorized manufacture, use, or sale of the cremation urn used to contain the cremated remains of deceased members of the armed forces"; to the Committee on Armed Services.

1002. A letter from the Chairman, United States Maritime Commission, transmitting the quarterly report of the United States Maritime Commission on the activities and transactions of the Commission under the Merchant Ship Sales Act of 1946 from July 1 through September 30, 1949; to the Committee on Merchant Marine and Fisheries.

1003. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated July 28, 1949, submitting a report, together with accompanying papers and an illustration on a review of reports on inland waterway, Beaufort to Cape Fear River, N. C., including waterway to Jacksonville, N. C., with a view to determining whether a side channel improvement to Peltier Creek, located west of Morehead City, is advisable, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on November 30, 1945 (H. Doc. No. 379); to the Committee on Public Works and ordered to be printed, with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee of conference. House Joint Resolution 33. Joint resolution providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other purposes; without amendment (Rept. No. 1458). Ordered to be printed.

Mr. COOLEY: Committee of conference. H. R. 5345. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; without amendment (Rept. No. 1459). Ordered to be printed.

Mr. COOLEY: Committee of conference. H. R. 3699. A bill to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; without amendment (Rept. No. 1460). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 396. Resolution providing for expenses of conducting an investigation by the Committee on the District of Columbia pursuant to House Resolution 340, Eighty-first Congress; without amendment (Rept. No. 1461). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 332. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 331; with an amendment (Rept. No. 1462). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 146. Concurrent resolution authorizing the printing of additional copies of certain hearings held before the House Committee on Agriculture; without amendment (Rept. No. 1463). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 147. Concurrent resolution authorizing the Joint Committee on Atomic Energy to have printed 50,000 copies of Senate Report No. 1169; without amendment (Rept. No. 1464). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 403. Resolution providing for the payment of 6 months' gratuity and $350 funeral expenses to Mrs. Louise Kaelber, widow of George E. Kaelber, late an employee of the House; without amendment (Rept. No. 1465). Ordered to be printed.

Mr. KILDAY: Committee on Armed Services. S. 2382. An act to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; without amendment (Rept. No. 1466). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference. H. R. 6427. A bill making supplemental appropriations for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 1467). Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1468. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H. R. 6506. A bill to make unlawful certain transportation of minors in interstate or foreign commerce where such transportation is connected with the sale of parental rights and duties with respect to such minors, and for other purposes; to the Committee on the Judiciary.

By Mr. BUCHANAN:

H. R. 6507. A bill to extend the time for completing the construction of a free highway bridge across the Monongahela River in Allegheny County, Pa.; to the Committee on Public Works.

By Mr. FARRINGTON:

H. R. 6508. A bill to make the calendar fixed and perpetual; to the Committee on Foreign Affairs.

By Mr. SUTTON:

H. R. 6509. A bill to provide for the establishment of the Franklin National Monument in Franklin, Tenn.; to the Committee on Public Lands.

By Mr. KENNEDY (by request):

H. R. 6510. A bill to provide for the annual issuance of a postage stamp in commemoration of the heroism of four Army chaplains in the sinking of the Army transport *Dorchester* on February 3, 1943; to the Committee on Post Office and Civil Service.

By Mr. GILMER:

H. R. 6511. A bill to facilitate the allotment of lands, and the administration thereof, in the reservation of the Agua Caliente Band of Mission Indians in Riverside County, Calif., and the administration of restricted lands on such reservation, and for other purposes; to the Committee on Public Lands.

By Mr. KING:

H. R. 6512. A bill to amend section 3115, Revised Statutes, as amended; to the Committee on Ways and Means.

By Mr. MORRIS:

H. R. 6513. A bill designating Indian Day; to the Committee on the Judiciary.

By Mr. MURRAY of Wisconsin:

H. R. 6514. A bill to provide for minimum acreage allotment for cotton and wheat that will provide not less than 5 bales of cotton or 500 bushels of wheat; to the Committee on Agriculture.

By Mr. STIGLER:

H. R. 6515. A bill to provide for the rehabilitation of the Five Civilized Tribes of eastern Oklahoma, and for other purposes; to the Committee on Public Lands.

Mr. BENNETT of Florida (by request):

H. R. 6516. A bill to provide for the creation of a memorial park at Tampa in the State of Florida, to be known as the Spanish War Memorial Park, to repeal the act of August 20, 1935 (49 Stat. 661), and for other purposes; to the Committee on Public Lands.

By Mr. BOYKIN:

H. R. 6517. A bill to establish a United States Air Force Academy; to the Committee on Armed Services.

By Mrs. DOUGLAS:

H. R. 6518. A bill to provide a deduction for income-tax purposes for housekeeping expenses of gainfully employed persons; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 6519. A bill to prohibit membership in, or participation in the activities of, the Antidefamation League; to the Committee on Un-American Activities.

By Mr. KENNEDY (by request):

H. J. Res. 382. Joint resolution designating the 3d day of February in each year as Dorchester Day; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. Res. 401. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study facts concerning development of the petroleum industry in Mexico; to the Committee on Rules.

H. Res. 402. Resolution to provide funds for the expenses of an investigation and study, pursuant to House Resolution 401, of facts concerning development of the petroleum industry in Mexico; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 6520. A bill to grant to Vincent Pulvirenti additional seniority rights and compensation benefits in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota:

H. R. 6521. A bill to authorize the sale of certain land on the Pine Ridge Indian Reservation, S. Dak., allotted to Lucy Arapahoe Iron Bear; to the Committee on Public Lands.

By Mr. GOODWIN:

H. R. 6522. A bill for the relief of Louis R. Chadbourne; to the Committee on the Judiciary.

By Mr. GORSKI of New York:

H. R. 6523. A bill for the relief of Linda Azar Karam Batrouny; to the Committee on the Judiciary.

H. R. 6524. A bill for the relief of Emmanuel Caralli; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 6525. A bill for the relief of Emanuel J. Mavris; to the Committee on the Judiciary.

By Mr. KERR:

H. R. 6526. A bill for the relief of Michael Post-Posniakoff and Zinaida Post-Posniakoff; to the Committee on the Judiciary.

By Mr. KING:

H. R. 6527. A bill for the relief of Thomas Pfeiffer; to the Committee on the Judiciary.

By Mr. McKINNON:

H. R. 6528. A bill for the relief of the Western Chemical & Manufacturing Co.; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 6529. A bill for the relief of Willmore Engineering Co.; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 6530. A bill for the relief of Houston B. Teehee; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 6531. A bill to legalize the entry of Solomon Joseph Sadakue, a native of Syria; to the Committee on the Judiciary.

By Mr. WERDEL:

H. R. 6532. A bill for the relief of Mrs. Elsie Katherine Reese; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1541. By Mr. GRAHAM: Memorial of the Pennsylvania Bar Association, condemning the picketing of courts, Federal and State, as an interference with and obstruction of the administration of justice; to the Committee on the Judiciary.

1542. By Mrs. ST. GEORGE: Petition requesting the Congress to prohibit transportation of alcoholic beverages in interstate commerce and to prohibit advertising of alcoholic beverages in interstate commerce; to the Committee on Interstate and Foreign Commerce.

1543. By the SPEAKER: Petition of the National Citizens' Committee for United Nations Day, Washington, D. C., expressing appreciation of participating organizations for what has been done by the House of Representatives to support and strengthen this country's participation in the work of the United Nations; to the Committee on Foreign Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the third calendar quarter of 1949.

To carry out the provisions of the Lobbying Act, three forms were printed and used in making detailed statements (Form A), registrations (Form B), and filing quarterly reports (Form C).

Section 308 (b) requires the printing of information received and filed. Forms B and C, upon which this information was submitted, are reproduced as follows:

FORM B

REGISTRATION (IN DUPLICATE) WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE UNDER THE LOBBYING ACT

(Public Law 601, 79th Cong.)

Name_____
Business address_____

INFORMATION REQUESTED FROM PERSONS REGISTERING

(1) The name and address of the person by whom employed:
(1)_____
(2) In whose interest he appears or works:
(2)_____
(3) The duration of such employment:
(3)_____
(4) How much he is paid and is to receive:
(4)_____
(5) By whom he is paid or is to be paid:
(5)_____
(6) How much he is to be paid for expenses:
(6)_____
(7) What expenses are to be included:
(7)_____
See form C for quarterly report to be filed.

OATH OF REGISTRANT

[Omitted in printing]

FORM C

QUARTERLY REPORT OF PERSONS REGISTERING UNDER LOBBYING ACT TO BE FILED, IN DUPLICATE, WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES AND SECRETARY OF THE SENATE

(Public Law 601, 79th Cong.)

Name_____
Business address_____
Employed by_____
Address_____

INFORMATION REQUIRED IN QUARTERLY REPORT

Each such person so registering shall, between the 1st and 10th day of each calendar quarter, so long as his activity continues, file with the Clerk of the House of Representatives and Secretary of the Senate—

(1) A detailed report under oath of all money received and expended by him during the preceding calendar quarter:

(1) _____
(2) To whom paid:
(2) _____
(3) For what purposes:
(3) _____
(4) The names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials:
(4) _____
(5) The proposed legislation he is employed to support or oppose:
(5) _____

OATH OF REGISTRANT FILING QUARTERLY REPORT

[Omitted in printing]

REGISTRATIONS

The following registrations were received for the third calendar quarter 1949, and filed, using Form B, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space, the questions in Form B (see above) are not repeated. Only the answers to questions are printed and are indicated by numbers in parentheses.)

Arnold, Thurman, 1200 Eighteenth Street NW., Washington, D. C. (1) Council of California Indians, San Francisco, Calif. (2) Indians of California. (3) Two years. (4) Nothing. (5) [Blank.] (6) Out-of-pocket expenses. (7) Cab fares, telephone calls, etc.

Awalt, Clark & Sparks, a law partnership, consisting of the following partners: F. G. Awalt, Samuel O. Clark, Jr., Raymond Sparks, and W. V. T. Justis, 822 Connecticut Avenue NW., Washington, D. C. (1) National Association of Electric Companies, 1200 Eighteenth Street NW., Washington 6, D. C. The filing of this registration is not to be taken as an admission that the Federal Regulation of Lobbying Act is applicable. (2) Approximately 94 member companies and approximately 7 subscribing companies of the National Association of Electric Companies, located in 39 States and the District of Columbia. (3) Indefinite. (4) No payment has been received but the firm of Awalt, Clark & Sparks will be paid an annual retainer of $25,000 as general counsel of the association, with compensation for additional or extra services (not within the regular routine duties of general counsel) to be made the subject of special agreement when the occasion arises. (5) National Association of Electric Companies. (6) Usual out-of-pocket expenses will be reimbursed. (7) Expenses customary in legal work, such as carfare, taxi fares, telephone and telegraph charges, transportation and travel expenses.

Ball, Joseph H., 1713 K Street NW., Washington, D. C. (1) Association of American Ship Owners, 90 Broad Street, New York 4, N. Y. (2) Association of American Ship Owners. (3) Indefinite. (4) The portion of registrant's compensation which may be applicable to services referred to in Public Law 601 is estimated to be less than $5,000 per annum. (5) Association of American Ship Owners. (6) No specific sum authorized. (7) Actual expenses necessarily incurred.

Barnes, James M., 1025 Connecticut Avenue NW., Washington, D. C. (1) Lehigh Valley Railroad Co. and other holders of awards of the Mixed Claims Commission on which sums are unpaid. (2) Same as (1). (3) December 31, 1952. (4) $10,000 plus a reasonable fee. (5) Lehigh Valley Railroad Co.; Kingsland Underwriters group; Agency of Canadian Car & Foundry Co., Ltd. (6) Reimbursement of out-of-pocket expenses. (7) Telephone, telegraph, travel.

Barta, A. K., 810 Eighteenth Street NW., Washington D. C. (1) The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (2) The Ethanol Committee. (3) Annual. (4) No compensation. (5) [Blank.] (6) As may be necessary. (7) All expenses incurred.

Birdwell, Russell;[1] 1401 Chestnut Avenue, Long Beach, Calif. (1) By the board of directors (15 men) of Seaside Memorial Hospital, of Long Beach, Calif. (2) No one. I work solely in the interests of beds for sick people for Seaside Memorial Hopital, Community Hospital, and Long Beach Osteopathic Hospital, all nonprofit institutions. (3) I hold a 1-year contract. (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Boggs,[2] Maywood, 825 Bowen Building, 815 Fifteenth Street NW., Washington, D. C. (1) International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

Bolding, W. H., 23 Broad Street SW., Atlanta, Ga. (1) CWA (CIO) Southern Division No. 49, 23 Broad Street SW., Atlanta, Ga. (2) CWA (CIO) and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office

[1] Registration with the Secretary only.

expiring November 8, 1950. (4) $27.77 per day when working. (5) CWA-Southern Division No. 49. (6) Reimbursed for actual expenses. (7) See (6).

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C. (1) Fraser, Morris & Co., Inc., 119 West Fifty-seventh Street, New York 19, N. Y., and British-American Trading Corp., 135 Broadway, New York 6, N. Y. (2) Fraser, Morris & Co., Inc., and British-American Trading Corp. (3) Indefinite. (4) No fixed amount; fees to be paid from time to time for legal and other services based upon time spent and services rendered. (5) Fraser, Morris & Co., Inc., and British-American Trading Corp. (6) Reimbursement for actual out-of-pocket expenses. (7) Telephone, telegraph, taxi, meals, travel, and miscellaneous office expenses.

Bowden, Benjamin Edward, 267 Robbins Drive, Newark, Ohio. (1) American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill. (2) American Train Dispatchers Association, 10 East Huron St., Chicago, Ill. (3) Temporary, possibly not exceed 30 days. (4) $16.37 per day during such employment. (5) American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill. (6) Actual living expense, plus transportation, communication expense. (7) Lodging, meals, taxi, pullman, laundry, telephone and telegraph expense.

Burgett,[2] Lula, 40 West Ohio Street, Indianapolis, Ind. (1) CWA (CIO) Indiana Traffic Division No. 56, 40 West Ohio Street, Indianapolis, Ind. (2) CWA (CIO) and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expires October 1949. (4) $65 per month and $9 per day when working for the division. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6) in above.

Burt, Sherman E., 821 Fifteenth Street NW., Washington, D. C. (1) Sagamore Coal Co., P. O. Box 198, Knoxville, Tenn. (2) Sagamore Coal Co. (3) The duration of such activity is limited to legislation affecting such coal company. (4) I am retained by Sagamore Coal Co. on an annual basis, for general legal work, and in my best judgment only about one-tenth of my $500-per-month fee could be considered payment for activities under the Lobbying Act. (5) Sagamore Coal Co. (6) Actual out-of-pocket expenses incident to travel and usual general business expenses. (7) See answer to No. 6.

Butts, Joseph G. (law offices of Gall & Lane), 1625 K Street NW., Washington, D. C. (1) Atlantic & East Carolina Railway Co., Kinston, N. C. (2) Atlantic & East Carolina Railway Co. (3) Indefinite. (4) $250 per month, plus supplemental compensation to be agreed upon. (5) Atlantic & East Carolina Railway Co. (6) None. (7) None.

Caskey, Fred A., attorney at law, 837 Woodward Building, Washington, D. C. (1) G. F. Heublein & Bro., Inc., Hartford, Conn.; the Distillers Co., Ltd., 620 Fifth Avenue, New York, N. Y. (2) G. F. Heublein & Bro., Inc., the Distillers Co., Ltd., on legislation affecting rectification of alcoholic beverages, including excise taxes thereon. (3) 1 year, beginning August 1, 1949. (4) Fees, $10,000. (5) G. F. Heublein & Bro., Inc., $5,000; the Distillers Co., Ltd., $5,000. (6) G. F. Heublein & Bro., Inc., $1,000. (7) Additional stenographic services, postage, mimeographing, and miscellaneous.

Coe, Joseph R., 715 Louisiana Street, Little Rock, Ark. (1) CWA (CIO), Southwestern Division, No. 20, 5927A Easton Avenue, St. Louis, Mo. (2) CWA (CIO) and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expiring November 1, 1949. (4) $19 per day. (5) Reimbursed for actual expenses; see (1), above. (6) Reimbursed for actual expenses. (7) See (6).

Counihan, Donald M., 1420 New York Avenue NW., Washington, D. C. (1) Harnischfeger Corp., Milwaukee, Wis. (2) Harnischfeger Corp., Milwaukee, Wis. (3) Indefinite. (4) This employment is an ordinary attorney-and-client relationship and is based on a regular retainer. Lobbying is incidental to other duties of representing the above-named client before Government departments and agencies, and it is impossible to allocate in advance the amount of remuneration chargeable to work on legislation. (5) Harnischfeger Corp., Milwaukee, Wis. (6) No fixed amount. (7) Reimbursement for out-of-town travel and extraordinary expenses.

Stanley Cummings, Truitt & Cross, and Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C. (1) New Process Co., Warren, Pa. (2) New Process Co., Warren, Pa. (3) Indefinite. (4) Registrant is employed as general counsel for New Process Co. The services performed by registrant for said company are various in nature, and it is not possible to make any allocation of its agreed compensation to activities which may be within the scope of Public Law 601, Seventy-ninth Congress, and this registration. (5) New Process Co., Warren, Pa. (6) Not fixed. Reimbursement of ordinary out-of-pocket expenses. (7) Telephone, telegraph, travel, and other incidental expenses.

Danielian, N. R., 1630 I Street NW., Washington, D. C. (1) Great Lakes-St. Lawrence Association. (2) Great Lakes-St. Lawrence Association. (3) Indefinite. (4) $1,500 per month. (5) Great Lakes-St. Lawrence Association. (6) Out-of-pocket expenses. (7) Travel, taxis, business lunches.

Deeds, John F., 430 Washington Building, Washington, D. C. (1) Rocky Mountain Oil and Gas Association, Casper, Wyo. (2) As a member of the public-lands committee of the association. (3) Indefinite. (4) Voluntary. (5) No one. (6) None contemplated. (7) None contemplated.

Dempsey, Wallace G., 701 Union Trust Building, Washington, D. C. (1) Rederi A/B Pandia, Mariehamn, Aland islands, Finland; Rederi A/B Olivbank, Mariehamn, Aland Islands, Finland; Rederi A/B Asta, Mariehamn, Aland Islands, Finland; Rederi A/B Atlanta, Helsingfors, Finland; Finnish Steamship Co., Helsingfors, Finland; Jenny Ja Antti Wihuri Rahasto, Helsingfors, Finland; O. Y. Sea Freight A. B., Helsingfors, Finland. (2) Same as (1). (3) Indefinite. (4) Amount earned under normal attorney-client retainer. The fee will be computed on the basis of time expended. (5) Same as (1) and (2). (6) Expense as incurred. (7) Traveling, telephone, and telegraph.

Disney, Wesley E., 434 Southern Building, Washington, D. C. (1) American Potash & Chemical Corp., 609 South Grand Avenue, Los Angeles, Calif. (2) See (1) above. (3) Indefinite, relates to percentage depletion. (4) $10,000. (5) American Potash & Chemical Corp. (6) None. (7) [Blank.]

Disney, Wesley E., 434 Southern Building, Washington, D. C. (1) National Building Granite Quarries Association, Inc., 114 East 40th Street, New York, N. Y. (2) Same as (1) above. (3) Indefinite. (4) Monthly retainer of $500, with final fee to be determined but not to exceed $7,500. (5) National Building Granite Quarries Association, Inc. (6) Only incidental expenses. (7) Incidental.

Dodson, Philip F., 4001 Morrison Street NW., Washington, D. C. (1) Paul W. Sampbell, trustee of Shannahan Bros., Inc., bankrupt, 111 West Seventh Street, Los Angeles 14, Calif. (2) In the interest of the bankrupt estate. (3) Until final determination of claim before administrative agency or United States courts. (4) Complying with order of referee in bankruptcy, $750 cash and 7½ percent of the amount collected—payable if, as, and when collected. This includes appearing for claimant before administrative agencies and the courts. (5) The trustee of the bankrupt. (6) None, except court costs. (7) None, except court costs.

Dushane,[1] Matthew, 1424 K Street NW., Washington, D. C. (1) Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (2) Seafarers International Union of North America and its affiliates. (3) Subject to the pleasure of the executive board of the Seafarers International Union of North America. (4) The registrants' salary is $7,800 per annum and covers all services performed as the union's Washington representative, including services performed pertaining to legislation. (5) Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (6) The registrant's duties are such that, in the course of normal and regular union activities in appearances before Government departments and agencies, he may be required to appear before committees of Congress. Any action taken in connection with pending legislation is done under the direction of the executive board of the union (international). No expense account is allowed chargeable as representative. (7) None. Any expenses are carried by the registrant and are not reimbursable by the international union, unless specifically ordered by the union, in which case the registrant will be reimbursed.

Eccles, John B., 1105 D Street SW., Washington, D. C. (1) Royal Typewriter Co., Inc., 2 Park Avenue, New York City, N. Y. (2) Royal Typewriter Co., Inc., 2 Park Avenue, New York City, N. Y. (3) At the pleasure of Royal Typewriter Co., Inc. (4) It is impossible to estimate because compensation is derived from being district manager and operating a Royal Typewriter Co. branch. (5) Royal Typewriter Co., Inc. (6) No expenses. (7) None.

Engel, Leon J., 20 Hopkins Place, Baltimore, Md. (1) J. Engel & Co., Inc., 20 Hopkins Place, Baltimore, Md. (2) Jewelry Industry Tax Committee. (3) Indefinite, since January 1949. (4) No compensation. (5) [Blank.] (6) [Blank.] (7) Out-of-pocket expenses only.

Gardner, Morrison & Rogers, 1126 Woodward Building, Washington, D. C. (1) The Lehigh Valley Railroad Co., 143 Liberty Street, New York, N. Y.; agency of Canadian Car & Foundry Co., Ltd., 30 Broad Street, New York, N. Y.; and other holders of awards of the Mixed Claims Commission, United States and Germany, World War I. (2) Same as (1). (3) Indefinite. (4) Reasonable compensation for services rendered. (5) Same as (1). (6) To be reimbursed for reasonable and necessary out-of-pocket expenses. (7) Telephone, telegram, travel, and other incidental expenses.

Garnett,[1] Charles V., 1000 Temple Building, Kansas City, Mo. (1) Stephens-Brown, Inc., 301 West Armour Boulevard, Kansas City, Mo. (2) Stephens-Brown, Inc., and Western Casualty & Insurance Co., Kansas City, Mo. (3) Until passage of Senate bill 873. (4) No compensation other than compensation to be paid him as attorney in prosecution of claim of *Stephens-Brown, Inc.*, v. *United States* now pending in the District Court of Missouri, and which will be affected by proposed bill. (5) Stephens-Brown, Inc., contingent on outcome of litigation. (6) Only expenses actually incurred. (7) Traveling expenses and expenses incident to litigation only.

Grant,[2] Robert A., 624 Associates Building, South Bend, Ind. (1) The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (2) The Ethanol Committee. (3) Annual. (4) $2,500, which includes expenses. (5) The Ethanol Committee. (6) As may

[1] Registration with the Secretary only.
[2] Registration with the Clerk only.

be necessary (included in (4) above). (7) Any necessary expenses.

Halvorson, Lloyd C., 744 Jackson Place NW., Washington, D. C. (1) National Grange, Patrons of Husbandry. (2) National Grange, Patrons of Husbandry. (3) Until terminated. (4) Salary of $6,000 per year as National Grange economist; only a small fraction of my time may be spent in lobbying. (5) National Grange. (6) Actual expense paid by National Grange; lobbying expenses will be mostly taxi fare, amounting to probably $10 per year for lobbying work. (7) Taxi fare.

Higgins, Mary, 1025 Connecticut Avenue NW., 412–A, Washington, D. C. (located at 2400 Sixteenth Street NW., from 3:15). (1) Philippine-American Committee, 1025 Connecticut Avenue NW., 412–A, Washington 6, D. C. (2) Secretary-treasurer of the committee, my duties consisting of maintaining the office of the committee, doing the necessary clerical work, and receiving and disbursing the contributions to the committee. (3) Anticipated to be approximately 18 months. (4) $625 per month. (5) Out of contributions made to the committee. (6) None. (7) [Blank.]

Hill, Thurman, 1025 Connecticut Avenue NW., Washington, D. C. (1) Kansas Independent Oil & Gas Association, 517 Beacon Building, Wichita, Kans. (2) Same as (1). (3) On or about September 15, 1949. (4) $2,500, payable as follows: $1,000 as of August 1, 1949, balance of $1,500 to be paid on or about September 15, 1949. (5) Kansas Independent Oil & Gas Association. (6) Reimbursement of out-of-pocket expenses. (7) Telephone, telegraph, travel, and hotel.

Howard,[2] S. H., 1328 Evergreen Avenue, Millvale, Pittsburgh, Pa. (1) Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill. (2) [Blank.] (3) [Blank.] (4) Salary, none; expenses, none; no legislative activities. (5) [Blank.] (6) [Blank.] (7) [Blank.].

Hudson, Minor, Creyke, Geoffrey, Jr., and Lipscomb, Andrew A., doing business as Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C. (1) Byrne Organization, 2607 Connecticut Avenue NW., Washington, D. C. (2) Byrne Organization. (3) Until House Joint Resolution 285 is acted upon, insofar as lobbying activities are concerned, or until an appropriation bill is enacted for the Sesquicentennial Commission. (4) Fee of $200 per month. (5) Byrne Organization. (6) All out-of-pocket expenses. (7) All out-of-pocket expenses, which it is believed will be limited to travel expenses and telephone costs.

Hunter, John F., 901 Prince Street, Alexandria, Va. (1) Ritter & Boesel, law firm, 230 Huron Street, Toledo, Ohio. (2) Same. (3) On request. (4) No moneys received during this quarter for lobbying and no lobbying done. (5) Ditto. (6) [Blank.] (7) [Blank.]

Ingles, William, 1624 I Street NW., Washington, D. C. (1) Sangamo Electric Co., Springfield, Ill. (2) Sangamo Electric Co., Springfield, Ill. (3) Indefinite. (4) Not definitely fixed. (5) Sangamo Electric Co., Springfield, Ill. (6) Nothing, except when and as authorized. (7) See paragraph 6 above.

Kendrix,[1] Moss H., legislative assistant, legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (2) Legislative-Federal relations division. (3) Annual basis. (4) Quarterly salary, $1,200, which covers both legislative and nonlegislative activities; $240 estimated for legislative service. (5) Legislative-Federal relations division. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Kennedy, Harold L., 203 Commonwealth Building, Washington, D. C. (1) The Ohio Oil Co., Findlay, Ohio. (2) The Ohio Oil Co., Findlay, Ohio. (3) Regular employment which began October 1, 1949. (4) Only a relatively small amount of time to be allocated to legislative activities; would estimate that $2,000 per annum would be a fair share to allocate to these legislative activities. (5) The Ohio Oil Co., Findlay, Ohio. (6) To be reimbursed for out-of-pocket expenditures. (7) Transportation and incidental out-of-pocket expenditures.

King, Rufus G., Jr. (law offices of Norman M. Littell), 1422 F Street NW., Washington, D. C. (1) Jointly by the following Mission Indian Bands: La Jolla, Rincon, Pauma, Campo, Old Campo, El Capitan (Baron Long), Manzanita, Santa Ysabel, Mesa Grande, Inaja, Pala, Los Coyotes, San Luis Rey, Soboba, Santa Rosa, Pechanga, and San Juan Capistrano, all of California. (2) The bands of Mission Indians named in (1) above if, as, and when matters pertaining to their interest come before Congress. (3) The undersigned is employed as associate counsel for the above-named bands of Mission Indians for 10 years, with possible termination in 5 years. (4) $5,000 per annum as compensation for legal services by the undersigned in association with Norman M. Littell and S. King Funkhouser. That portion of compensation payable for possible appearances before congressional committees or other matters affecting the Congress is not separately indicated, but may be said to be a very small portion of the $5,000 retainer which is primarily for legal services in the handling of all the legal problems of the above-named bands. (5) From funds to the credit of the above-named bands and/or from funds recovered in actions brought in their behalf (pursuant to contract approved by the Secretary of the Interior on February 18, 1949). (6) Provision is made in the above-mentioned contract for reimbursement for all reasonable and proper expenses incurred, subject in all cases to approval by the Commissioner of Indian Affairs. (7) None except as indicated in question (6) above.

Kline, Robert E., Jr., 322 Munsey Building, Washington, D. C. (1) Kirlin, Campbell, Hickox & Keating, 120 Broadway, New York 4, N. Y. (2) Committee representing the following companies: American President Lines, Ltd.; Grace Line, Inc.; Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; Mississippi Shipping Co., Inc.; Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; United Mail Steamship Co. (3) Indefinite. (4) Not yet determined. (5) By the companies mentioned in question (2), probably through their attorneys. (6) Probably will be reimbursed for out-of-pocket expenses. (7) Presume expenses will be for taxis, luncheons, long-distance telephone calls, telegrams, etc.

Krock, Thomas P., Thomas Krock Associates, 1408 New Hampshire Avenue NW., Washington, D. C. (1) Protestants of America and Others United, Inc. (PAOU), 1835 K Street NW., Washington, D. C. (2) Protestants of America and Others United, Inc. (PAOU) for separation of church and state. (3) Indefinite. Registrant is directing all public-relations activities on Nation-wide basis, as well as congressional liaison and national fund raising on permanent basis. (4) $1,000 per month. (5) Protestants of America and Others United, Inc. (PAOU) for separation of church and state. (6) What is necessary to carry out work involved—no set amount as yet. (7) Travel and transportation, entertainment, publicity, advertising, and promotional activities.

Laylin, John G., 701 Union Trust Building, Washington, D. C. (1) Rederi A/B Pandia, Mariehamn, Aland Islands, Finland; Rederi A/B Olivbank, Mariehamn, Aland Islands, Finland; Rederi A/B Asta, Mariehamn, Aland Islands, Finland; Rederi A/B Atlanta, Helsingfors, Finland; Finish Steamship Co., Helsingfors, Finland; Jenny Ja Antti Wihuri Rahasto, Helsingfors, Finland, and O. Y. Sea Freight A. B., Helsingfors, Finland. (2) Same as (1). (3) Indefinite. (4) Amount earned under normal attorney-client retainer. The fee will be computed on the basis of time expended. (5) Same as (1) and (2). (6) Expense as incurred. (7) Traveling, telephone, and telegraph.

Lieberman, Irving, 1722 H Street NW., Washington, D. C. (1) American Library Association, 50 East Huron Street, Chicago, Ill. (2) Same. (3) Two weeks or until Congress adjourns. (4) $20 per day and living expenses. (5) American Library Association. (6) No other. (7) No other.

Liebert, John G., suite 1132, Dupont Circle Building, Washington, D. C. (1) [Blank.] (2) In association with Edward E. O'Neill, 810 Eighteenth Street NW., Washington, D. C., who appears on behalf of the People's Committee of the Cattaraugus and Allegany Reservations of the Seneca Nation of Indians, New York, in conjunction with H. R. 4942. (3) Pending final action on said legislation. (4) None. (5) [Blank.] (6) [Blank.] (7) [Blank.]

Littell, Norman M., 1422 F Street NW., Washington, D. C. (1) Jointly by the following Mission Indian Bands: La Jolla, Rincon, Pauma, Campo, Old Campo, El Capitan (Baron Long), Manzanita, Santa Ysabel, Mesa Grande, Inaja, Pala, Los Coyotes, San Luis Rey, Soboba, Santa Rosa, Pechanga, and San Juan Capistrano; all of California. (2) The bands of Mission Indians named in (1), above, if, as, and when matters pertaining to their interest come before Congress. (3) Undersigned is employed as chief counsel for the above-named bands of Mission Indians for 10 years, with possible termination in 5 years. (4) $5,000 per annum as compensation for legal services by the undersigned and his associates, S. King Funkhouser and Rufus G. King, Jr. That portion of compensation payable for possible appearances before congressional committees or other matters affecting the Congress is not separately indicated, but may be said to be a very small portion of the $5,000 retainer which is primarily for legal services in the handling of all the legal problems of the above-named bands. (5) From funds to the credit of the above-named bands and/or from funds recovered in actions brought in their behalf (pursuant to contract approved by the Secretary of the Interior on February 18, 1949). (6) Provision is made in the above-mentioned contract for reimbursement for all reasonable and proper expenses incurred, subject in all cases to approval by the Commissioner of Indian Affairs. (7) None, except as indicated in question (6), above.

Lorence,[2] Walter E., 3937 Livingston Street NW., Washington, D. C. (1) In private business as a legal-engineering consultant, specializing in examinations, surveys, and reports for the development of our natural resources. (2) I will appear, when necessary, in the interests of clients such as communities, business interests, or associations. (3) On a service-charge basis. (4) Based on services rendered and expenses incurred. (5) By clients. (6) None, since charge will include expenses incurred. (7) Transportation and lodgings when away from home; also taxis, telephone calls, and other proper business expenses.

McCracken, Edith, 637 East Capitol Street, Washington, D. C. (1) Working for my daughter, who has International Fiesta Peace Pageant (copyright 3028), entitled "World's Original All Nations Peace Pageant." (2) In-

[1] Registration with the Secretary only.
[2] Registration with the Clerk only.

troduced to embassies and legations Eightieth Congress, and Senators, as a plan for all peace, to establish good will; copyright secured September 20, 1945; will lobby on above trying to get money to execute her project; also to lobby against infringement and to secure payment for any and all infringements. (3) [Blank.] (4) [Blank.] (5) [Blank.] (6) [Blank.] (7) [Blank.]

McCracken, Grace Eleanor, 637 East Capitol Street, Washington, D. C. (1) I represent my own copyright, International Fiesta Pageant (copyright 3028), subentitled "World's Original All Nations Peace Pageant," introduced to embassies and legations, Eightieth Congress, and Senate, as the plan for all-nations peace; introduced in "fair style" to establish good will. Copyright secured September 20, 1945. (2) In behalf of my original peace work, and pageant and all-nations fair, to secure Government funds to set up and direct one production of my all-nations peace pageant and fair, and to lobby against any and all infringements, and to secure pay for same. (3) I will expect to lobby on above until I receive funds to execute my peace project, copyrighted as above, and also to lobby against infringements, and to secure payment for any and all infringements. (4) Presently I am not being paid and received no pay for all of my preliminary work introducing my peace work and plan to avert atomic warfare. However, since my plan proved so contagious and infringement has sprung up, I will expect pay for same. (5) I will expect payment for Government use of my peace platform to date, and I intend to lobby against Freedom Fair, as infringement of my all-nations peace pageant and fair, and lobby against the world federalist bills that plagiarize my international peace terms copyrighted. (6) I expect full payment, for I protested communism in the United States, and I protested MGM infringements as communistic and subversive, for I have a world peace plan, and many aggressive persons have tried to override me, with world-government moves which I hereby dub dictatorship, and have persistently opposed since World War II and I. (7) My expenses while introducing this peace pageant and copyright, the expensive delays Government officials and the Communist Party have put me to, while I wrote House Labor Subcommittee complaining of MGM on fiesta infringement in 1947, Warner Icecapades of 1948, and agriculture, all-nations freedom, all-nations train, and picture with Warners. I made reports to FBI and SS on above of such plagiarism.

McEnerney, Edward B., National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) National Economic Council, Inc., 7501 Empire State Building, New York City, N. Y. (2) National Economic Council, Inc. (3) Indefinite. (4) $380 per month. (5) National Economic Council, Inc. (6) Actual expenses. (7) Incidental expenses.

Mahon,[1] Don, 518 East Grand Avenue, Des Moines, Iowa. (1) Confederated Unions of America, Milwaukee, Wis., and its affiliate, the National Brotherhood of Packinghouse Workers, Des Moines, Iowa. (2) Confederated Unions of America, Milwaukee, Wis. (3) Indefinite. (4) Actual expenses and wages lost while away from job. (5) Confederated Unions of America, Milwaukee, Wis. (6) Actual itemized expenses. (7) Transportation, room, meals, telephone, telegraph, postal, and secretarial expense. Actual wages for lost time from employment.

Marks,[2] Raymond E. (amending registration filed April 7, 1947, amended April 1, 1948, and further amended July 5, 1949). 43 Sierra Street, Reno, Nev. (1) Nevada Railroad Association, 43 Sierra Street, Reno, Nev. (2) Three major steam railroads operating within the State of Nevada (Southern Pacific Co., Union Pacific Railroad Co., the Western Pacific Railroad Co.). (3) Continuing. (4) All other answers as shown on previously amended statements. (5) [Blank.] (6) [Blank.] (7) [Blank.]

Miller, Dale, Mayflower Hotel, Washington, D. C. (1) William J. Goodwin, Roslyn, N. Y. (2) See (1) above. (3) Indefinite. (4) $400 monthly. (5) See (1) above. (6) Unspecified. Any expenses incurred will be reported on Form C. (7) See (6) above.

Miller & Hornbeck, 1708 Union Commerce Building, Cleveland, Ohio (1) Wytana Cattle Co., Lewiston, Mont. (2) Wytana Cattle Co. (3) Indefinite. (4) $1,000 a month, plus expenses. (5) Wytana Cattle Co. (6) Not ascertainable; only such expenses as are actually incurred. (7) All expenses as incurred in relation to matters pertaining to client's interest, such as traveling expenses, telephone, telegraph, and hotel.

Mode,[1] Douglas G., 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Ronald C. Seeley, 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (2) Jansson Gage Co., 19208 Glendale, Detroit, Mich. (3) One year or completion of assignment. (4) $250. (5) Ronald C. Seeley. (6) Any extraordinary expenses approved in advance. (7) Travel and out of pocket.

National Retail Dry Goods Association,[1] 100 West Thirty-first Street, New York, N. Y. (1) Not employed to influence legislation (see supplemental statement appended[4]). (2) In the interest of the retail craft see supplemental statement appended). (3) The association's existence is perpetual. (4) The association will annually appropriate such sum for legislative activities, including expenses thereof and the compensation of legislative representatives, as it finance and budget committees establish with the approval of the board of directors. The association receives no funds from its membership specifically allocated for legislative activities. On occasion, however, and subject to the approval of the board of directors the association may invite voluntary contributions from members of the retail craft specially interested in a specific legislative proposal. In such event the association's legislative budget will be supplemented by any contributions so received and such contributions and their disbursement will be fully disclosed in appropriate reports in accordance with the provisions of the act. (5) The membership of the association pay membership dues predicated upon their annual sales volume. Such dues are in no way related to legislative activities. (6) See (4) and (5) above. (7) Compensation of legislative representatives, traveling, hotel bills, printing and mailing, telegraph and telephone, indicated in Form C simultaneously filed herewith.

O'Connor,[1] J. J., Washington Building, Washington, D. C. (1) Society of Merchant Marine Inspectors, P. O. Box 628, Washington, D. C. (2) Same. (3) Monthly. (4) For various matters for the society $300 per month. Impossible to apportion any amount for work in connection with legislation. (5) Same. (6) No arrangement. (7) No arrangement.

O'Hara, Charles Thomas, 147-144 Barclay Avenue, Murray Hill Flushing, New York, N. Y. (1) Personal representative (self-employed). (2) Primarily veterans' legislation, representing the interests of the individual veteran and associated groups. (3) Permanency in this field, objective desired. (4) Indefinite at present registration. (5) To be governed by procurement of clientele. (6) Dependent upon expenses involved. (7) Justifiable expenses incurred while representing clientele interests.

Peer, George Sherman, 744 Jackson Place NW., Washington, D. C. (1) National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (2) National Council of Farmer Cooperatives. (3) Until terminated. (4) Salary of $5,000 per year, which includes services of all kinds rendered by me to my employer; my complete legislative activities will consume less than 10 percent of my time Since legislative activities form only a small part of my work and I do not receive any salary "to be used principally to aid or the principal purpose of which is to aid in the accomplishment of a * * * the passage or defeat of any legislation by the Congress of the United States," or "to influence directly or indirectly the passage or defeat of any legislation by the Congress of the United States," I have been advised that I am not required to register under the Lobbying Act, but since neither my employer or I have anything to conceal with respect to my activities, I am giving such information in this registration statement as I would be required to give if I were required to register. (5) National Council of Farmer Cooperatives. (6) Limited to actual expenses. (7) Traveling expenses only.

Peil,[3] Edward V., 759 South Milwaukee Street, Milwaukee, Wis. (1) CWA (CIO), Wisconsin Division, No. 23, 759 South Milwaukee Street, Milwaukee, Wis. (2) CWA (CIO) and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expires November 1950. (4) $5,500. (5) Same as (1) above. (6) Reimbursed for actual expenses. (7) See (6) above.

Plummer, L. M., 23 Broad Street SW., Atlanta, Ga. (1) CWA, Southern Division, No. 49, 23 Broad Street SW., Atlanta, Ga. (2) CWA and its divisions (CIO), 917 G Place NW., Washington, D. C. (3) Term of office expiring November 8, 1950. (4) $27.77 per day when working. (5) CWA, Southern Division, No. 49. (6) Reimbursed for actual expenses. (7) See (6).

Poole, Rufus G., 1625 K Street NW., Washington, D. C. (1) Bell, Jones & Taylor, 350 Fifth Avenue, New York City. The principals whom Bell, Jones & Taylor represent are S. H. Kress & Co., 114 Fifth Avenue, New York City; McCrory Stores Corp., 1107 Broadway, New York City; W. T. Grant Co., 1441 Broadway, New York City; McLellan Stores Co., 55 Fifth Avenue, New York City; J. J. Newberry Co., 245 Fifth Avenue, New York City; H. L. Green Co., Inc., 902 Broadway, New York City. (2) Same as answer to question (1). (3) Indefinite. (4) This is an attorney-client retainer on the basis of $1,500 per month for advice and work in connection with pending legislation with respect to the Fair Labor Standards Act. (5) Bell, Jones & Taylor, 350 Fifth Avenue, New York City. (6) Reimbursement for actual expenses. (7) Telephone, telegraph, taxi, and miscellaneous office.

Posner, Stanley I., 1002 Ring Building, Washington, D. C. (1) National Federation of Private School Associations, Inc., 2601 Sixteenth Street NW., Washington, D. C. (2) Same as above. (3) One year from October 1, 1949. (4) $5,000 per annum plus disbursements. (5) Client. (6) Reimbursement for long-distance telephone, telegraph, and travel. Per diem $12.50 when traveling plus $100 monthly for minor out-of-pocket disbursements. (7) All expenses.

Pyle,[1] H. R., executive secretary, Arkansas Education Association, 503 Union Life Building, Little Rock, Ark. (1) Arkansas Education Association, 503 Union Life Building, Little Rock, Ark. (2) Arkansas Education Association. (3) During the time S. 246 is

[1] Registration with the Secretary only.
[2] Amended registration.
[3] Registration with the Clerk only.
[4] Not printed, filed in the Secretary's office.

being considered by the Congress. (4) Paid at the rate of $800. (5) Arkansas Education Association. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Quigley, Frank, 195 Broadway, New York, N. Y.; 725 Thirteenth Street NW., Washington, D. C. (1) American Telephone & Telegraph Co., 195 Broadway, New York, N. Y. (2) Same as original statement in registration filed January 13, 1947. (3) See (2) above. (4) $30,000 per annum. (5) See (2) above. (6) See (2) above. (7) See (2) above.

Radner,[1] William, Tower Building, Washington, D. C. Coastwise Line, 150 Sansome Street, San Francisco, Calif. (2) Coastwise Line. (3) Indefinite. (4) Reasonable compensation, hereafter to be determined. (5) Coastwise Line. (6) Actual disbursements. (7) Travel, long-distance communications, etc.

Rains, Alan T., 2017 S Street NW., Washington, D. C. (1) United Fresh Fruit & Vegetable Association, 2017 S Street NW., Washington, D. C. (2) United Fresh Fruit & Vegetable Association. (3) Continuous. (4) $12,500 annually to discharge the duties of acting secretary of the United Fresh Fruit & Vegetable Association. (5) United Fresh Fruit & Vegetable Association. (6) Actual and necessary expenses for discharging the duties of the position occupied. (7) See answer to No. 6 above.

Reiter, Robert H., suite 601, McKim Building, 1311 G Street NW., Washington, D. C. (1) Such of his legal clients whose interests require. (2) Such of his legal clients whose interests require. (3) Indefinite. (4) Only legal fees. (5) Legal clients. (6) Only actual expenses in connection with legal work. (7) Expenses actually incurred.

Rinier, George G., 1508 Fletcher Trust Building, Indianapolis, Ind. (1) International Chiropractors Association, 838 Brady Street, Davenport, Iowa. (2) International Chiropractors Association. (3) Duration of Eighty-first Congress. (4) Annual salary as general counsel of the International Chiropractors Association; receive no extra or special compensation regarding legislation. (5) International Chiropractors Association. (6) Expenses will be billed as incurred, and paid by the International Chiropractors Association. (7) General traveling, including meals, hotel, telephone, and necessary miscellaneous expense items.

Schulberg, Hilliard, 4810 Georgia Avenue NW., Washington, D. C. (1) Washington, D. C., Retail Liquor Dealers' Association, Inc., 4810 Georgia Avenue NW., Washington. D. C. (2) Washington, D. C., Retail Liquor Dealers' Association, Inc. (3) March 16, 1949, to March 15, 1950. (4) $6,000 per annum. (5) Washington, D. C., Retail Liquor Dealers' Association, Inc. (6) All expenses incurred in connection with the position of executive director of the association. (7) Entertainment, lunches, parking, etc.

Seeley,[1] Ronald C., 414 Ring Building, 1200 Eighteenth Street NW., Washington, D. C. (1) Jansson Gage Co. (Harold Norberg, president), 19208 Glendale, Detroit, Mich. (2) Own. (3) One year or completion of assignment. (4) $500. (5) Harold Norberg, president, Jansson Gage Co., Detroit, Mich. (6) Any extraordinary expenses approved in advance. (7) Travel and out-of-pocket.

Shuman, William I., 1026 Seventeenth Street NW., Washington, D. C. (1) Export-Import Institute (an association). (2) Export-Import Institute. (3) One year from September 1, 1949. (4) Office and traveling expenses with salary yet to be determined. (5) Export-Import Institute. (6) Approximately $250 monthly. (7) Office rent, telephone, and stenographic services.

[1] Registration with the Secretary only.

Slattery,[2] Harry, 1011 National Press Building. (1) Monolith Portland Midwest Co., Los Angeles, Calif. (2) Same as (1). (3) Indeterminate. (4) $5,000. (5) Monolith Portland Midwest Co. (6) None. (7) None.

Smith, Howard J., 510 Goodrich Building, Phoenix, Ariz. (1) Central Arizona Project Association, Wayne M. Akin, president, 510 Goodrich Building, Phoenix, Ariz. (2) Central Arizona Project Association, Phoenix, Ariz. (3) Indefinite. (4) $750 per month. (5) Central Arizona Project Association, Phoenix, Ariz. (6) Actual and necessary expenses, car mileage, plane and train fare, room and board, when engaged in travel in interest of work of the association. (7) All expenses listed above and any additional expenses which may occur in connection with work of the association.

Smith,[2] Frances V., 510 Lafayette Building, Detroit, Mich. (1) CWA (CIO) Michigan Division, No. 44, 510 Lafayette Building, Detroit, Mich. (2) CWA (CIO) and its divisions, 917 G Place NW., Washington, D. C. (3) Term of office expires December 31, 1950. (4) $7,500 per annum. (5) CWA (CIO) Michigan Division No. 44, 510 Lafayette Building, Detroit, Mich. (6) Actual expenses not to exceed $10 per day. (7) Transportation, hotel, and meals.

Stong, Benton J., 300 B Street SE., Washington, D. C. (1) National Committee on Resources, same address. (2) National Committee on Resources. (3) Indefinite. (4) Nothing. (5) Employed and paid by National Farmers Union and Regional Committee for an MVA. (See prior registration.) (6) Nothing. (7) [Blank.]

Sutherland, Tuttle & Brennan (law partnership), 1012 Ring Building, Washington, D. C. (1) Opa Locka Villas, Inc., Opa Locka, Fla., care of William A. Lane, Dupont Building, Miami, Fla. (2) Opa Locka Villas, Inc., is a corporation which has a direct interest in housing legislation. William A. Lane is one of the stockholders of said corporation. (3) Indefinite. Anticipate employment until Congress passes some law making disposition of temporary war housing. (4) No agreement as to salary. Expect at completion of work to render bill for services rendered. (5) Opa Locka Villas, Inc. (6) Indefinite. (7) Out-of-pocket expenses, where necessary; e. g., taxi fares.

Thatcher, H. K., 726 Jackson Place NW., Washington 6, D. C. (1) The American Beekeeping Federation, Hamilton, Ill. (2) The American Beekeeping Federation. (3) Until the close of the first session of the Eighty-first Congress or until final action is taken on the general agricultural bill. (4) [Blank.] (5) The American Beekeeping Federation. (6) Current out-of-pocket expenses. (7) Long-distance telephone calls, telegrams, taxis, stenographic help.

Theus, Harold C., 2517 Connecticut Avenue NW., Washington, D. C. (1) Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (2) Reserve Officers Asscciation of the United States. (3) Indefinite. (4) $6,600 per annum salary paid by above association, with no specified amount designated for work as lobbyist. (5) Reserve Officers Association of the United States. (6) Reimbursed for personal travel expenses. (7) Personal travel expense.

Titus, Mary, legislative assistant for local education association, Legislative-Federal Relations Division, National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Legislative-Federal Relations Division, National Education Association. (2) Legislative-Federal Relations Division, National Education Association. (3) Annual basis. (4) Quarterly salary: $1,312.50 which covers both legislative and nonlegislative activities; $262.50 estimated for legislative service. (5) Legislative-Federal Relations Division. (6) Refund of actual expenses. (7) Travel, meals, cabs, hotel bills, tips, and usual personal expenses.

Van Buren, W. J., 729 Fifteenth Street NW., Washington, D. C. (1) National Organization of Masters, Mates, and Pilots, 729 Fifteenth Street NW., Washington, D. C. (2) National Organization of Masters, Mates, and Pilots. (3) Indefinite. My position is national secretary-treasurer, to which position one must be elected every 2 years. (4) $7,500 per annum is my compensation for all work done for the National Organization of Masters, Mates, and Pilots. It is impossible to segregate what proportion of this would be for work within the purview of Public Law 601, Seventy-ninth Congress, but it would be small. (5) National Organization of Masters, Mates, and Pilots. (6) Allowed $1,000 per annum for expenses. It should be noted, however, that the expenses within the provisions of Public Law 601, Seventy-ninth Congress, would be a small part of this amount. (7) Travel, entertainment, taxis, etc.

Wade, Robert Ney, 600 Heath Street, Rockwall, Tex. (1) Universal Corp., Denton Drive, Dallas, Tex.; James Stewart & Co., Magnolia Building, Dallas, Tex.; The James Stewart Corp., Magnolia Building, Dallas, Tex. (2) The above-named clients. (3) From September 1, 1949, to end of the Eighty-first Congress. (4) $1,000 retainer reasonable fee depending on time spent in Washington. (5) The above-named clients (item (1)). (6) Transportation and $100 per week. (7) All expenses while in Washington, D. C.

Walde, W. Lowe, Room 907 Hill Building, 839 Seventeenth Street NW., Washington, D. C. (1) Peanut Butter Manufacturers Association, 907 Hill Building, Washington, D. C.; National Preservers Association, 839 Seventeenth Street NW., Washington, D. C. (2) Members of the associations named above. (3) Indefinite. (4) $9,900 per year. (5) Peanut Butter Manufacturers Association; National Preservers Association. (6) Out-of-pocket expenses. (7) Actual out-of-pocket expense.

Warfield, Ethelbert, attorney for Tin Processing Corp., 49 Wall Street, New York, N. Y. (1) Tin Processing Corp., Texas City, Tex. (2) Tin Processing Corp., Texas City, Tex. (3) Indefinite. (4) Fee for legal services based upon duration and nature of employment, paid to firm of Satterlee, Warfield & Stephens, of which I am a member. (5) Tin Processing Corp. (6) Reimbursement of actual expenses. (7) Travel and hotel expenses, telephone, telegraph, postal, and other incidental expenses as attorney.

Welsh, William E., 1119 National Press Building, Washington, D. C. (1) National Reclamation Association, William E. Welsh, secretary-manager, 1119 National Press Building, Washington, D. C. (2) National Reclamation Asscciation, comprising 17 western reclamation States. (3) Permanent. (4) $12,000 annually. (5) National Reclamation Association. (6) Maximum of $2,000 per year for travel and out-of-pocket expenses not to exceed $500 per year. (7) (See above); copy of constitution of the National Reclamation Association attached.[3]

Wilkinson, Ernest L.; Goodwin, Francis M.; and Wilkinson, Glen A., doing business under the name of Ernest L. Wilkinson, 744 Jackson Place NW., Washington, D. C. (1) Indians of California, care of Clyde F. Thompson, Post Office Box 901, Redding, Calif. (2) See (1). (3) Ernest L. Wilkinson, Francis M. Goodwin, and Sam Clammer have been engaged under a 10-year contract to prosecute claims against the United States Government

[2] Registration with the Clerk only.

[3] Not printed. Filed in the Clerk's office.

on behalf of the Indians of California. (4) Actual, reasonable, and proper expenses are to be paid, not to exceed 10 percent of any judgment that may be awarded by a court or Indian Claims Commission as a fee. (5) Indians of California. (6) See (4).) (7) Expenses usual and incidental to the prosecution of a lawsuit.

QUARTERLY REPORTS

The following quarterly reports were received for the third calendar quarter, 1949, and filed, using Form C, with the Clerk of the House of Representatives and the Secretary of the Senate:

(NOTE.—In order to reduce space the questions in Form C (see p. 15104) are not repeated. Only the answers are printed and are indicated by numbers in parentheses.)

Adams,[6] Lynn, West Twenty-fifth Street, Baltimore, Md.; the National Committee for Mental Hygiene, Inc., 1790 Broadway, New York, N. Y. (1) $1,450.87. (2) Myself—telephone and telegraph companies. (3) Salary, expenses, telephone calls, and telegrams. (4) None. (5) Support appropriations, National Mental Health Act.

Adkerson, J. Carson, 976 National Press Building, Washington, D. C.; self. (1) Receipts, $950; expended, $901.85. (2) Various. (3) General expenses. (4) None. (5) Interested in any legislation having to do with manganese or strategic minerals.

Alifas, Nels Peter, District No. 44, International Association of Machinists, Machinists Building, Washington, D. C. (1) Salary, $1,999.98; reimbursed to the extent of $25 for legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying; that is, supporting or opposing as the case may be, legislation affecting working conditions of Government employees and, incidentally, organized labor in general. Not more than 30 percent of time spent on this work. (4) The Federal Machinist, a monthly periodical, of which he is editor. (5) All legislation affecting working conditions of Government employees and occasionally organized labor in general.

Allman, Roy G., 927 Fifteenth Street NW., Washington, D. C.; self. (1) Received $500 as fees. Expended approximately $100 per month. (2) Transportation, taxis, telephone, cables, postage, entertainment. (3) Private bills and to promote bills to pay Americans for damages received as a result of war in the Far East. (4) None. (5) Private bills and to pay Americans for war damages.

American Nurses' Association, Inc., 1790 Broadway, New York, N. Y. (1) $126. (2) Edith M. Beattie, chairman of American Nurses' Association special committee on Federal legislation. (3) Postage, telephone, transportation, miscellaneous. (4) The American Journal of Nursing is the official publication of the American Nurses' Association. Through the medium of the American Journal of Nursing, membership is kept informed of pending legislation affecting nurses, nursing, or health by means of editorials or signed articles. (5) Legislation pertaining to health, nurses, or nursing.

Amundsen,[6] Paul A., assistant to president, the American Association of Port Authorities, Washington Building, Washington, D. C.; the American Association of Port Authorities. (1) Received $600 salary, April 1–June 30. (2) Self. (3) Salary. (4) Independently employed as editor of World Ports, a monthly trade journal. (5) Merely keep membership advised on legislative developments for their own individual or collective action, with recommendation; tidelands, Government reorganization, legislative changes in Merchant Marine Act, known current interests.

[6] Filed for second quarter, 1949.

Amundsen, Paul A., assistant to president, the American Association of Port Authorities, Washington Building, Washington, D. C. (1) Received $600 salary, July 1–September 30. (2) Self. Salary. (4) Independently employed as editor of World Ports, a monthly trade journal. (5) Merely keep membership advised on legislative developments for their own individual or collective action, with recommendation; tidelands, Government reorganization, legislative changes in Merchant Marine Act, known current interests.

Ansberry, T. Peter, 815 Fifteenth Street NW., Washington, D. C. The firm with which registrant is associated has been retained to represent the Chamber of Commerce of Panama and the Chamber of Commerce of Colon in the protection of their commercial interests in matters before the United States Congress and United States Government departments. This undertaking will include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities, including those named herein, fall within the terms "attempting to influence the passage or defeat of any legislation" as used in the Federal regulation of Lobbying Act. This registration is being filed because of the uncertain interpretation of that act. (1) None. (2) None. (3) None. (4) None. (5) Any legislation affecting employers; none in above quarter. (See attached statement.)

Anthony, Richard H., the American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y. (1) Received for 9 months ending September 30, 1949: Salary, $9,375; reimbursement for expenses, $451.26; total, $9,826.26. Of the above, the amount represented by salary ($9,375) was expended for registrant's private disbursements. Reimbursed expenses consisted of: Meals (including those of accompanying staff members), $280.90; transportation, $100.60; tips, $51; hotel accommodation, $18.76; total, $451.26. This sum ($451.26) was expended chiefly in connection with registrant's trips to Washington and were made to railroads, hotels, restaurants, taxies, hotel employees, etc. (2) See (1). (3) See (1). (4) Although statements made by registrant are known to have found their way into publications and may have appeared in publications unknown to registrant, none of them did registrant "cause to be published," as he construes the language in the act. (5) Although registrant, in his opinion, is not employed to support or oppose any particular proposed legislation within the meaning of the act, registrant is interested in any legislation relating to tariff.

Apsey, Lawrence C., Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass. (1) None. (2) See (1), above. (3) See (1), above. (4) None. (5) H. R. 577.

Aring, Hector M. (Johns-Manville Corp.), 826 Woodward Building, Washington, D. C. (1) See original registration form for complete explanation. No other contributions received. (2) None. (3) None. (4) None. (5) Opposed to appropriation for cotton subsidy under section 32 of the Agriculture Appropriations Act, 1947; tax legislation; labor legislation.

Arnold, Fortas & Porter, 1200 Eighteenth Street NW., Washington, D. C.; Consumer Mail Order Association of America, box 1025, Joplin, Mo. (1) $1,500 received by Arnold, Fortas & Porter on account of legal fees. (2) Telephone, telegraph, railroad, taxi fares, mimeographing, photostating, and other actual expenses have been advanced by the firm of Arnold, Fortas & Porter in the amount of $107.18, of which amount $90.04 has been billed to and paid by Consumer Mail Order Association of America. The remainder will be so billed and paid. (3) [Blank.] (4) None. (5) Oppose H. R. 195 and similar bills.

Arnold, Fortas & Porter, 1200 Eighteenth Street NW., Washington, D. C.; the Western Union Telegraph Co., 60 Hudson Street, New York, N. Y. (1) $131.07 has been advanced by the firm of Arnold, Fortas & Porter and billed to the Western Union Telegraph Co. but payment has not been received as of this filing. (2) Telephone, telegraph, and railroad and taxi fares in amount of $131.07. As stated above, this amount has been billed but no payment has been made by the Western Union Telegraph Co. (3) [Blank.] (4) [Blank.] (5) Any legislation involving the company's operations, particularly measures repealing the 25-percent excise tax on domestic telegraph messages.

Arnold, W. C., Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash. (1) None. (2) See above. (3) See above. (4) None. (5) None.

Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed March 1, 1949, and letters dated January 3, 1947, and February 24, 1949, on file. (2) Same as (1) above. (3) Same as (1) above. (4) None. (5) Same as (1) above.

Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) No money has been received by the registrant for any purposes, including activities in furtherance of any object necessitating registration under Public Law 601. No expenditure has been made by or on behalf of the registrant to any person for any amount or value in furtherance of any such object, except that registrant has paid salaries to and expenses of George W. Morgan, its president, and Lynn E. Mote, its vice president, whose withdrawal of registration was given under date of September 7, 1949, and except that registrant has paid salary to Joseph H. Ball, its vice president. For the extent, if any, to which such expenditures for salaries and expenses have been applied to activities in furtherance of any object necessitating registration, reference is hereby made to the reports being concurrently filed by such officers of the registrant and such reports are hereby made a part hereof. (2) See item (1). (3) See item (1). (4) See item (1). (5) The registrant is not employed to support or oppose any proposed legislation. Reference is hereby made to paragraph 2 of the registrant's registration statement on form B, which paragraph is hereby made a part hereof.

Association of Casualty and Surety Companies, 60 John Street, New York, N. Y. See attached membership list.[5] (1) See exhibit A attached to Form A. (2) See (1). (3) See (1). (4) The association publishes the Casualty and Surety Journal. Also issues releases to insurance trade press and to papers and periodicals of general circulation, such releases being mainly concerned with accident-prevention problems. (5) Legislation affecting casualty and surety companies.

Aulsbrook, Knight G., Southern Building, Washington, D. C.; Construction Men's Association, 82 Beaver Street, New York, N. Y. (1) $1,000, $46.80 unreimbursed expenditures. (2) [Blank.] (3) Taxicab fares, postage, photostating, telephone tolls, and telegrams, $46.80. (4) What's Cooking, monthly publication of Construction Men's Association. (5) H. R. 6000 in first session, Eighty-first Congress; H. R. 5615; H. R. 6026.

Ayer & Son.,[6] Inc., N. W., a Delaware corporation, and Marvin Murphy, a vice president thereof, and Raymond C. Baker and Oscar Leiding, employees thereof (collectively herein called registrant). J. Vance Babb,

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

formerly included as registrant on account of certain activities as an employee of N. W. Ayer & Son., Inc., ceased such activities on April 28, 1949; 30 Rockefeller Plaza, New York, N. Y. (1) N. W. Ayer & Son, Inc. (Ayer) received from National Association of Electric Companies $16,282.27 for compensation and out-of-pocket expenses. (See item (2) below.) The only money received or spent by registrants Marvin Murphy, Raymond C. Baker, and Oscar Leiding was for out-of-pocket expenses. (2) Traveling expenses, telephones, telegrams, mimeographing, postage, materials, prints, clippings, messengers, and miscellaneous expenses totaling $3,741.93. (3) The amounts described in items (1) and (2) above were received or expended by Ayer in the performance of its services in advising on public relations and in connection with publicity affecting the industry as described in amended registration dated April 28, 1949. (Neither the services nor the expenditures involved lobbying within the meaning of the Lobbying Act.) (4) None. (5) None, except that Ayer's services, during a portion of this period included public relations services and publicity regarding the proposed appropriation to the Tennessee Valley Authority for construction of a steam power plant. This quarterly report is filed subject to the reservations contained in the amended registration dated April 28, 1949

Ayer & Son, Inc., N. W., a Delaware corporation, and Marvin Murphy, a vice president thereof, and Raymond C. Baker and Oscar Leiding, employees thereof (collectively herein called registrant); 30 Rockefeller Plaza, New York, N. Y. (1) N. W. Ayer & Son, Inc. (Ayer) received from National Association of Electric Companies $14,064.48 for compensation and out-of-pocket expenses. (See item (2) below.) The only money received or spent by Registrants Marvin Murphy, Raymond C. Baker, and Oscar Leiding was for out-of-pocket expenses. (2) Traveling expenses, telephones, telegrams, mimeographing, postage, materials, prints, clippings, messengers, and miscellaneous expenses totaling $1,681.85. (3) The amounts described in items (1) and (2) above were received or expended by Ayer in the performance of its services in advising on public relations and in connection with publicity affecting the industry as described in amended registration dated April 28, 1949. (Neither the services nor the expenditures involved lobbying within the meaning of the Lobbying Act.) (4) None. (5) None, except that Ayer's services, during a portion of this period, included public relations services and publicity regarding the proposed appropriation of the Reclamation Bureau of the Department of the Interior for the construction of transmission lines, substations, and steam power plants.

Babcock, Charles E., route 4, box 73, Vienna, Va.; National Council, Junior Order United American Mechanics of the United States of North America, 3027 North Broad Street, Philadelphia, Pa. (1) Receives $1,000 per year salary payable monthly. During the quarter ended September 30, 1949, received $249.99. (The $1,000 is for expenses and salary.) (2) Various, see below. (3) Services at gasoline stations, postage, telegrams, meals, hotel rooms, transportation to and from Washington to Vienna, and any other strictly personal expenses. (4) The Junior American. The official journal of the Junior order. See above. (5) Immigration, deportation, and naturalization; free public schools; any other legislation of interest to the order or its members.

Bailey, C. Lloyd, Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary, July, August, September, $1,075; travel expense, $458.34. (2) Various. (3) To assist members of the Society of Friends and others with information about certain legislative issues and concerns of the society being considered by the Congress and to interpret the basic testimonies of the society to our elected and appointed representatives. (4) A newsletter is sent to a limited number of subscribers and friends about once a month. (5) In general, to support measures leading to peace and humanitarian ends, such as world organization and world economic stability, world disarmament, foreign relief, aid to refugee, protection for racial minorities, support for the rights of conscience, opposition to conscription and the militarization of America.

Bailey, Frazer A., National Federation of American Shipping, Inc., 7809 G Street NW., Washington, D. C. (1) Registrant believes that $3,750 represents the amount of his salary received from the National Federation of American Shipping, Inc., during the third quarter of 1949 which is allocable to legislative activities. (2) No expenditures except for taxicabs and similar items. (3) See item (2). (4) None. (5) During the past quarter supported legislation relating to overtime-on-overtime and war risk insurance bill. Also supported amendments to Foreign Military Assistance Act, 1949, and to Merchant Marine Act, 1936.

Baldinger, Mary Alice, 4607 Connecticut Avenue NW., Washington, D. C.; American Civil Liberties Union, 170 Fifth Avenue, New York, N. Y. (1) Part-time employment, July 1–September 30, 1949, $284.75; expenses, same dates, $62.63. (2) Expenditures made for travel, transportation, office work and supplies, etc. (3) Same as (2). (4) [Blank.] (5) Any legislation affecting civil liberties.

Baldrige, H. M., United States Cane Sugar Refiners Association, 408 American Building, Washington, D. C., and 115 Pearl Street, New York City, N. Y. (1) $2,000 per month or $6,000 for the quarter. No money expended on any legislative activity. (2) None. (3) None. (4) None. (5) No legislation at present nor none contemplated.

Baldwin,[7] William H., 205 East Forty-second Street, New York, N. Y.; Committee for the International Trade Organization, 816 Twenty-first Street NW., Washington 6, D. C. (1) Retainer from Committee for the International Trade Organization, $3,000; reimbursement of out-of-pocket expenses, $628.99; total, $3,628.99. (2) Various. (3) Telephone and telegraph service, mimeographing, travel, postage, and messenger service. (4) [Blank.] (5) To develop public understanding of and support for the Havana Charter and ITO.

Ball, Joseph H., 1713 K Street NW., Washington, D. C.; Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During quarter for which this report is made, no money received or expended by registrant for activities in furtherance of any object necessitating registration under Public Law 601. (2) Inapplicable. (3) Inapplicable. (4) Registrant did not cause any article or editorial to be published during quarter for which this report is filed. (5) Registrant is employed as vice president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During quarter for which this report is filed the registrant did not support or oppose any proposed legislation.

Barber, Hartman, Room 301, 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio. (1) No money received except regular salary and expenses; total salary for quarter, $1,393; total expenses for quarter, $503.70. (2) None. (3) Travel and hotel expenses, telephone and telegram, notary fees and postage. (4) None. (5) All legislation directly or indirectly affecting railway clerks and employees in any manner whatsoever.

[7] Filed with the Clerk only.

Barger, Harry S., National Union Building, Washington, D. C.; National Economic Council, Inc., Empire State Building, New York, N. Y. (1) Salary, at $666.66 a month, total $1,999.98; also was reimbursed for incidental expenses, $25.37. (2) [Blank.] (3) [Blank.] (4) None. (5) During the quarter I prepared and filed with the House Banking and Currency Committee a statement in opposition to bill to empower the Export-Import Bank to guarantee American investments abroad.

Barker, Richard B., 306 Southern Building, Washington, D. C.; Eastman Kodak Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barker, Richard B., 306 Southern Building, Washington, D. C.; the Haloid Co., Rochester, N. Y. (1) No funds received. (2) Not applicable. (3) Not applicable. (4) Not applicable. (5) Excise tax on photographic materials.

Barnes, James M., 1025 Connecticut Avenue NW., Washington, D. C. Advance Aluminum Castings Corp. et al. (See original registration statement containing names of 18 companies.) (1) The sum of $2,200 has been received during the quarter July 1, 1949, through September 30, 1949. The companies contributing such $2,200 are as follows: (See attached sheet.[5]) (2) None. (3) None. (4) None. (5) Extension of social security to all gainfully employed, including a method of covering the self-employed appropriately.

Barnes, James M., 1025 Connecticut Avenue NW., Washington, D. C. (agency of Canadian Car & Foundry). (1) The sum of $10,000 was received from agency of Canadian Car & Foundry Co., Ltd., during the quarter ending September 30, 1949. (2) None. (3) None. (4) None. (5) To provide for completion of payments to Americans holding adjudicated awards of the Mixed Claims Commission.

Barnett, Arthur R., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $3,375 as an officer and employee of the National Association of Electric Companies, and reimbursements of $239.16 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) various hotels, restaurants, railroads, air lines, telephone and telegraph companies, taxicabs, bookstores, and stationers. (3) Railroad and transportation, $38.35; hotel and restaurants, $166.91; gratuities and miscellaneous, $33.90. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am an officer and employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in legislation that might affect its members as going business concerns.

Barta,[6] A. K., the Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills relating to use of nonbeverage ethyl alcohol.

Barta, A. K., the Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills relating to the nonbeverage use of ethyl alcohol.

Barta, A. K., the Proprietary Association, 810 Eighteenth Street NW., Washington, D. C. (1) Total received during quarter, $724.55; expenditures, $182.40; salary, $542.15. Note.—Salary here reported represents salary received for the proportionate time devoted to Federal legislation. (2) Taxis, hotels, meals,

[5] Not printed. Filed in the clerk's office.
[6] Filed for second quarter 1949.

and miscellaneous, $182.40. (3) Travel, subsistence, entertainment, etc. (4) None. (5) All bills affecting the proprietary medicines industry endorsed or opposed by the Proprietary Association.

Bartlett, John Stanton, 2800 Woodley Road NW., Washington, D. C.; National Association of Federal Career Employees, 712 Jackson Place NW., Washington, D. C. (1) Received and disbursed $250 covering out-of-pocket expenses such as long-distance tolls, telegrams, and taxicab fares for self. (2) Telephone company and various taxicab drivers. (3) To procure and send information to officers of member chapters re pending legislation of interest to them. (4) The Government Employees' Exchange of Washington, D. C., an article on September 28, 1949, captioned: "Vets Hinder Employees' Careers, States Association Head." Also, a booklet for membership recruitment purposes, per copy attached.[5] (5) Klein H. R. 2446.

Bass, Frank E., legislative-Federal relations division, National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Expenses, $772.87. (2) Air lines, hotels, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative news flash, NEA journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Bauer,[7] Charles J., Building Owners and Managers Association of Metropolitan Washington, room 517, Barr Building, 910 Seventeenth Street NW., Washington, D. C. (1) None. (2) None. (3) [Blank.] (4) BOMA letter (bimonthly news letter). (5) I was not employed to support or oppose any proposed legislation. I was employed as permanent secretary of Building Owners and Managers Association of Metropolitan Washington with duties including appearance at public hearings on legislative and regulatory matters of direct concern to the association.

Bell, C. Jasper, 904 Bryant Building, Kansas City, Mo.; Anderson T. Herd, West Palm Beach, Fla.; S. A. Markel, care of Markel Services, Richmond, Va.; Mrs. Rose Porter Carden and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased, care of O. M. Ruebhausen, 20 Exchange Place, New York, N. Y. (1) See attached list.[5] (2) Persons and corporations whose names appear in the list attached.[5] (3) As set forth in attached list.[5] (4) None. (5) The Carden and Herd claim arising out of the sale of seven Austrian ships to the United States, H. R. 4064.

Bell, Jones & Taylor (a partnership consisting of Luther K. Bell and O. A. Taylor), 350 Fifth Avenue, New York, N. Y. See statement attached.[5] (1) Total receipts $16,321.63. (In addition registrant received proportionate share of the annual retainer from S. H. Kress & Co., and McCrory Stores as stated in the registration statement on Form B.) Total expenditures, $11,239.76. (2) See statement attached.[5] (3) See statement attached.[5] (4) None. (5) See answer to question 2 of registration statement on form B.

Bennett,[6 7] Jess B., 625 Bowen Building. 815 Fifteenth Street NW., Washington, D. C.; Braniff International Airways, Washington, D. C., Love Field, Dallas, Tex. (1) Salary, $2,250. Reimbursement for actual expenditures: Taxi, telephone, postage, supplies, dinners, entertainment, $528. (2) No money paid to any specific individual. See (1). (3) [Blank.] (4) None. (5) all constructive legislation which will advance civil aviation.

[5] Not printed, filed in the Clerk's office.
[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.

Benson, Ernest H., national legislative representative, 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Maintenance of Way Employees, 61 Putnam Avenue, Detroit, Mich. (1) Salary at rate of $12,000 per annum beginning July 1, 1949. No expense account. (2) Ernest H. Benson. (3) Activities in connection with legislative matters. (4) None. (5) Legislation directly or indirectly affecting the interests of the Brotherhood of Maintenance of Way Employees.

Berckes,[6] Herbert C., secretary, Southern Pine Industry Committee, 520 Canal Building, New Orleans, La. (1) Received for services as secretary, $750; expended for travel expense, including transportation and per diem, $1,162.70. (2) Various. (3) Legislation. (4) None. (5) Any legislation affecting the southern pine lumber industry.

Berge, Wendell, 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Receipts, none (fee paid in first quarter). Expenditures, $184.15 (to be reimbursed by employe). (2) Commercial interests such as taxicabs, railroads, telephone companies, public stenographer, notary public, etc. (3) Taxi travel locally, railroad travel, telephone, notary fees, etc. (4) The case against increasing third-class postal rates. Statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third-class postal rates.

Berger, Raoul, suite 1116, Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Werner Droesse, care of American Engineering & Sales Co., 111 West C Street, Wilmington, Calif. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Bill H. R. 3570 for the relief of Mrs. Clara Raffloer Droesse.

Bergin, Preston B., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $400 salary, $26.40 expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security-law revision, inflammable-fabric legislation.

Bernard, William S., Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Bethge, Charles A., Aldens, Inc., 511 South Paulina Street, Chicago, Ill. (1) $120.14 received from Aldens, Inc., 511 South Paulina Street, Chicago, Ill. (2) Mayflower Hotel, Washington, D. C.; Baltimore & Ohio Railroad. (3) Railroad travel to and from Washington, D. C., $79.24; hotel, meals, and incidental expenses, $40.90. (4) Postal Service Bulletin, National Council on Business Mail, Inc., a monthly publication. (5) Postal-rate legislation.

Biorn, Norman E., Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn. (1) Salaries from Minnesota Associated Businessmen, none. Received for actual expenses, $158.73. Spent for legislative activities, none. (2) Mary Lou Kustelski, $150; United States Government, $4.38; Northwest Bell Telephone Co., $4.35. (3) Stenographic service, postage, phone. (4) None. (5) Elimination of inequalities in tax legislation.

Bison, Henry, Jr., Tyre Taylor, 1112 Dupont Circle Building, Washington, D. C. (1) Received $1,581.27, expenditures for living purposes only. (2) See (1) above. (3) See (1) above. (4) None. (5) Legislation favorable to the maintenance of the free-enterprise system.

[6] Filed for second quarter, 1949.

Black, James C., employed by Republic Steel Corp., 1625 K Street NW., Washington, D. C. (1) Portion of usual compensation possibly attributable to activities within scope of act, estimated $600; reimbursement of such actual and out-of-pocket expenses as may possibly be within scope of act, estimated, $500. (2) Reimbursed expenditures paid to hotels, restaurants, golf clubs, telephone and telegraph companies, railroads, air lines, taxicab companies, florists, etc. (3) To defray the expenses of advancing interests and affairs of my employer. (4) None. (5) I am not employed to support or oppose legislation but I am interested in such legislation as affects my employer.

Blanchard, Helen, 1034 Warner Building, Washington, D. C.; Amalgamated Clothing Workers of America, CIO, 15 Union Square, New York, N. Y., 718 Jackson Place NW., Washington, D. C. (1) Received salary of $1,110. Received $1,070.40 to reimburse actual expenses incurred; $825.66 of this amount was for expenses incurred in Washington, the remainder for expenses outside of Washington. (2) Hotels, railroads, restaurants, cab drivers, air lines. (3) Personal expense and travel. (4) CIO News and the Advance. (5) Support all legislation favorable to the national peace, security, democracy, prosperity and general welfare. Oppose legislation detrimental to these objectives.

Bledsoe, Samuel B., 1730 I Street NW.; American Cotton Manufacturing Association, Charlotte, N. C. (1) $1,800 fee, $163.30 expenses. (2) Mimeographing, postage, telephone, Western Union, taxies. (3) Self-explanatory. (4) We tried to disseminate information favorable to labor legislation but cannot say categorically that we caused any such articles to be published. (5) Labor legislation.

Bodary, D. A., national legislative and general representative, Brotherhood Railway Carmen of America, 10 Independence Avenue SW., Washington, D. C.; Brotherhood Railway Carmen of America, 4229 Main Street, Kansas City, Mo. (1) Annual compensation of $6,000 and $12 per diem for expenses, hotels, meals, etc. (2) D. A. Bodary. (3) As national legislative and general representative, Brotherhood Railway Carmen of America, my duties include handling of legislative matters and handling and progressing of grievances and other activities of my organization. (4) None. (5) Legislation directly and indirectly affecting the interests of the Brotherhood Railway Carmen of America.

Bodfish, Morton, United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill. (1) See attached statement.[5] (2) See attached statement.[5] (3) For travel, hotel, and maintenance in Washington, D. C. (4) Only the customary materials found in our trade papers, in our trade association periodicals, and in our trade association bulletins. Chapter 13 in book by Stanley L. McMichael entitled "How to Finance Real Estate" (unrelated to legislative matters) and Directors Digest, July 1949, Construction Loans, Summer, 1949. (5) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home financing objectives and oppose legislation detrimental to home ownership and these institutions.

Boggs,[6] Maywood, 825 Bowen Building, 815 Fifteenth Street NW., Washington, D. C.; International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America, 522 Brotherhood Block, Kansas City, Kans. (1) No money received except regular salary and expenses. No money expended for the purpose of attempting to influence passage or

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

defeat of any legislation. Total salary for quarter, $2,400; total expenses for quarter, $1,549. (2) No one. (3) None. (4) None. (5) Incidental to other duties which take major portion of my time, all legislative proposals of concern to labor generally.

Bolding,[6 7] W. H., CWA (CIO), Southern Division, No. 49, 23 Broad Street SW., Atlanta, Ga. (1) Expenses, $835.67; salary, $534.99; total, $1,370.66. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America (CIO), none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America (CIO) or its divisions.

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C.; American Jewish Congress, Inc., 1834 Broadway, New York, N. Y. (1) Received $125 for services under Public Law 601 (based on annual retainer for all legal services rendered, of which not over $500 per year is allocable to legislative activity); expended $2.80. (2) Taxicab fares in Washington, D. C., 80 cents; taxicab fares and notary fees re filing Forms C quarterly reports, $2. (3) Same as (2). (4) Civil Liberties Bulletin for September 1949, issued by National Civil Liberties Clearing House, article on Important Civil Liberties Issues Face Supreme Court this Term. (5) Legislation designed to implement the report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to prohibit group libel; to investigate denazification policy.

Bolz, Sanford H., 927 Fifteenth Street NW., Washington, D. C.; Fraser, Morris & Co., Inc., and British-American Trading Corp., 119 West Fifty-seventh Street, New York, N. Y., and 135 Broadway, New York, N. Y. (1) Received no fees for services under Public Law 601 this quarter; expended $9.85. (2) $4.80, taxicab fares and telephone calls in Washington, D. C.; $4.30, lunches in Capitol restaurants; 75 cents, notary fees re filing of Farm B supplemental registration under Lobbying Act. (3) Same as (2). (4) Civil Liberties Bulletin for September 1949, issued by National Civil Liberties Clearing House, article on Important Civil Liberties Issues Face Supreme Court This Term. (5) Legislation affecting export controls and governmental subsidies in connection with shipment of relief and gift parcels abroad.

Bonamarte, Robert F., Sr., 429 Investment Building, Washington, D. C.; Fleet Reserve Association, 1511 K Streets NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation affecting the armed forces of the United States and veterans' legislation.

Booth, Herman M., Jr., Great Lakes Licensed Officer's Amalgamated Marine Chapter No. 159, 1627 Cadillac Tower, Detroit, Mich. (1) None. (2) None. (3) None. (4) None. (5) None; lobbying activities discontinued during the second quarter of 1949.

Borkin, Joseph, 1017 Ring Building, Washington, D. C.; American-Indonesian Corp., 40 Wall Street, New York City. (1) No activity this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Borkin, Joseph, 1017 Ring Building, Washington, D. C.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) No activity this quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Bourg, Clarence J., 510 Union Trust Building, Washington, D. C.; American Sugar Cane League, main office, New Orleans, La.; Farmers & Manufacturers Beet Sugar Association, main office Saginaw, Mich. (1) $180.40 has been received and expended in connection with legislation and other contacts with the Government, of which not more than one-fourth has been expended in connection with legislation, such as taxicab fares about Washington and an occasional lunch when Congress is in session. (2) Various. (3) Expenses. (4) Sugar Bulletin of New Orleans, La.; Sugar Beet Journal of Saginaw, Mich. (5) Any legislation affecting the domestic sugar industry.

Bowden, Benjamin Edward, 267 Robbins Drive, Newark, Ohio; American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill. (1) Nineteen days' salary, $311.03; expense, $194.58. (2) Hamilton Hotel, various restaurants, Pullman Co., telephone and telegraph companies, taxi, cleaning and pressing. (3) Lodging, meals, transportation, communication, valet services. (4) None. (5) Legislation to promote safety on American railroads.

Bowden, Ray B., 100 Merchants Exchange, St. Louis, Mo., or 608 Hibbs Building, Washington, D. C. (part time each place); Grain and Feed Dealers National Association, St. Louis, Mo. (1) For salary, $3,750; refund for travel expenses, $705.66. (2) Salary used for personal living expenses. Travel refunds paid to railroads, air lines, hotels, etc., for routine travel expense. Not for lobbying purposes. (3) None for lobbying purposes. (4) None as far as known. (5) No specific legislation. Interested in any legislation touching upon grand and feed trade. In past quarter have reported freely to membership on meaning of wage-hour proposals in Congress.

Boyd, H. B., United States Beet Sugar Association, 1001 Tower Building, Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Boyd, William R., Jr., 50 West Fiftieth Street, New York, N. Y.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) See attached schedule [8] for answers to items 1 to 5. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Bradford, Ira P., 1108 Sixteenth Street NW., Washington, D. C.; Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (1) Undersigned has neither received nor expended any money during the quarter July through September 1949 for the purposes as defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Interested generally in legislation affecting the petroleum industry.

Bradley, Otis T., 15 Broad Street, New York, N. Y. Guaranty Trust Co., of New York as trustee of the several trusts described as the Frances G. Phipps trust, Herbert Sanford Ward trust, Sarita E. Barclay trust, and Colville Herbert Sanford Barclay trust, under indenture dated December 24, 1913, and various indentures supplemental thereto made by Charles H. Sanford, 140 Broadway, New York, N. Y. (1) (a) No expenditures made. (b) The law firm of Davis, Polk, Wardwell, Sunderland & Kiendl, 15 Broad Street, New York 5, N. Y., of which registrant is a member, received $78.74 representing reimbursement for disbursements being on account of the aggregate of $81.20 previously reported by registrant for transportation and similar expenses, New York to Washington, and a notary fee in the previous reports filed in this matter. (2) None. (3) None. (4) None. (5) The employment is for the purpose of attempting to secure an amendment to the Federal Gift Tax involving gifts in trust and the effect for gift-tax purposes of the surrender by the grantor of a retained power to alter the disposition of the property but not in any way beneficial to himself, and the employment is expected to continue until such amendment is either secured or rejected.

Brady, Joseph E., Brewery Workers International Union, 2347 Vine Street, Cincinnati, Ohio. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Oppose, dry legislation.

Breed, Arthur H., Jr., 310 Fifteenth Street, Oakland, Calif.; Pacific Maritime Association (formerly Waterfront Employers Association), 16 California Street, San Francisco, Calif. (1) July 1, 1949, through August 15, 1949; salary $1,650; miscellaneous office expense (postage, telephone and telegraph and transportation), $75.40. (2) James D. Hahn, associate, $50 per week plus expenses. (3) Supporting overtime-on-overtime legislation. (4) None. (5) Overtime on overtime.

Brewbaker, James M., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts, salary, $2,375; expenses reimbursed by employers, $683.15, expenditures, $683.15. (2) Expenses paid to various restaurants, hotels, taxicabs, railroads, and air lines. (3) Traveling, attending meetings to discuss general conditions in Washington of interest to business and industry in particular. (4) [Blank.] (5) All bills affecting the following subjects: National labor policy, portal-to-portal wage claims, tax laws, reduction of Federal expenditures, control of atomic energy, Federal subsidization of research, patents and trademarks, wartime control powers, and revision of the SEC and RFC Acts.

Brightman,[6] Melvin H., 1112 Barr Building, Washington, D. C.; Dairy Industry Committee. (1) $3,000 salary as executive secretary of Dairy Industry Committee. (2) None. (3) None. (4) None. (5) To observe legislation possibly affecting dairy industry.

Brightman, Melvin H., Dairy Industry Committee, 1112 Barr Building, Washington, D. C. (1) $3,000 salary as executive secretary of the Dairy Industry Committee. (2) None. (3) None. (4) None. (5) To observe legislation possibly affecting the dairy industry.

Brinegar, David F., Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (1) $212.21 for food, lodging, transportation, stenographic services, communications, and incidentals. (2) Business firms within Arizona, at Phoenix, Ajo, Tucson, and Prescott, principally. (3) Normal business expenses while traveling. (4) None. (5) S. 75, as amended, and H. R. 934 and H. R. 935.

Brockenbrough, Eugene W., Institute of Shortening and Edible Oils, Inc., 1025 Vermont Avenue NW., Washington, D. C. (1) Registrant received regular salary shown in registration statement; none of his activities concerned the purposes set forth in Public Law 601, section 307 (a) and (b). (2) None. (3) None. (4) None. (5) Legislation concerning or affecting fats and oils.

Brooding. Milton E., California Packing Corp., 101 California Street, San Francisco, Calif. (1) An annual salary is received by registrant from the employer, California Packing Corp, for all duties performed by him, of which, not to exceed about $4,000 per annum, is devoted to activities covered by the Lobbying Act. The allocable portion of this amount, applying to the third quarter, is estimated to be about $1,200. Total expenses incurred during this quarter, of which an indeterminable amount applies to activities covered by Public Law 601, are as follows: American Airlines, $341.66; hotels, restaurants, incidentals, $763.30; total, $1,104.96. (2) Railroads, air lines, hotels, restaurants, etc. (3) Travel, entertainment, and incidental expenses. (4) [Blank.] (5) Proposed legislation affecting food processing and related activities.

Brooks, A. E., 2202 Fort Worth National Bank Building, Fort Worth, Tex., American

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

[8] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

Chamber of Commerce of Mexico, Cook Building, Mexico, D. F. (1) None. (2) None. (3) None. (4) None. (5) To exempt from income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad.

Brooks, William F., National Grain Trade Council, 604 Hibbs Building, Washington, D. C. (1) Salary and expenses received during period amounted to $3,341.24, of which less than $5 was spent for any purpose covered by the act. (2) Taxicab fares, no one of which was in excess of 90 cents. (3) Transportation. (4) None other than weekly news letter published by employer. (5) Legislation affecting agriculture in general and the grain trade in particular.

Brown, Carl, Foreman's Association of America, 1627 Cadillac Tower, Detroit, Mich. (1) None. (2) None. (3) None. (4) None. (5) None. Lobbying activities discontinued during the second quarter of 1949.

Brown,[5] [6] Edgar G., director, National Negro Council, 1717 Euclid Street NW., Washington, D. C. (1) $1,200 memberships and contributions. (2) Postage, $70; railroad travel, $200; National Republic Printing Co., 511 Eleventh Street NW., Washington, D. C., $172.20; Mailagraph Co., Twelfth and Arch, Philadelphia, Pa., $72; transportation of loudspeaker and sound equipment, $90; telephone and telegraph service, $65; Hotel Broadwood, Philadelphia, Callo, Chicago, YMCA, New York, $185; garage storage, Eglins, Philadelphia, Woodson, Chicago, $108. (3) Printing and publicity, storage of sound equipment and transportation, circulation of petitions. (4) None. (5) Civil rights and nondiscriminatory amendments to pending legislation.

Brown, Frederick E., National Independent Meat Packers Association, Investment Building, Washington, D. C. (1) La Roe, Brown & Winn, law firm, received from the National Independent Meat Packers Association $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 3997; S. 56; Taft-Hartley; 3 percent, transportation tax; S. 1721; H. R. 4538.

Brown, Lund & Fitzgerald (Wendell Lund, a partner in this firm, performs no service under this arrangement and does not participate in the fee), Washington Loan and Trust Building, Ninth and F Streets NW., Washington, D. C.; National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received: July, $5,022.95; August, $2,507.05; September, $2,515.81; total, $10,045.81. Expended, $8,522.82. (2) A. Manning Shaw, $4,833.32; Bernard M. Fitzgerald, $2,000; Prentiss M. Brown, $1,666.64; taxi drivers, $15.75; Chesapeake & Potomac Telephone Co., $7.11; total, $8,522.82. (3) To taxi drivers for transportation, Chesapeake & Potomac Telephone Co. for telephone service, Bernard M. Fitzgerald for services, Prentiss M. Brown for services, A. Manning Shaw for services. (4) None. (5) Any legislation that might affect the members of the National Association of Electric Companies.

Brown, Paul W., Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. (1) $125, traveling expense funds. (2) Hotels, air lines, railroads, taxis, restaurants, telegraph company, telephone company. (3) Personal transportation and living expenses while traveling. (4) None. (5) Not employed to support or oppose legislation. As company operating executive responsible for transportation costs, am interested in postal-rate legislation.

Brown, Russell B., Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered within the scope of the act, $60. (2) See (3) below. (3) Taxi fares. (4) My normal duties include periodic reporting to members of the association on pending legislation. (5) I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry, and taking such action with respect to such legislation as directed by the association.

Bryans,[6] William A., III, 1044 Gas and Electric Building, Denver, Colo.; Public Service Co. of Colorado, 900 Fifteenth Street, Denver, Colo. (1) The undersigned has received actual and necessary expense of transportation, hotel, and meals on trip from Denver, Colo., to Washington, D. C., May 28, 1949, to June 16, 1949. (2) None. (3) None. (4) None. (5) Registrant is of counsel for Public Service Co. of Colorado and in that connection, as a part of such employment, is opposing proposed legislation for appropriations for the Bureau of Reclamation for the construction of certain electric power transmission lines in the State of Colorado.

Bryans, William A., III, 1044 Gas and Electric Building, Denver, Colo.; Public Service Co. of Colorado, 900 Fifteenth Street, Denver, Colo. (1) The undersigned has received actual and necessary expense of transportation, hotel, and meals on trip from Denver, Colo., to Washington, D. C., July 20, 1949, to August 6, 1949. (2) None. (3) None. (4) None. (5) Registrant is of counsel for Public Service Co. of Colorado and in that connection, as a part of such employment, is opposing proposed legislation for appropriations for the Bureau of Reclamation for the construction of certain electric power transmission lines in the State of Colorado.

Bryson, Jack, Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C. (1) Salary received, $6,280.79. Expended, $3,280.79. (2) To self. (3) For personal and family needs. No sums received or expended in connection with activities covered by act. (4) None. (5) Legislation affecting the motion-picture industry.

Buck,[6] Mrs. J. L. Blair, 1734 N Street NW., Washington, D. C. (1) For April, May, and June 1949; $4,873.33, travel and miscellaneous expense in connection with work of the General Federation of Women's Clubs. (2) See question (1). (3) See question (1). (4) General Federation Clubwoman and State federation magazines. (5) Not employed for pay. The president of the general federation supports or opposes legislation, and asks the organization membership to do likewise, when authority for such action has been provided through the adoption of a resolution in national convention.

Buck, Mrs. J. L. Blair, 1734 N Street NW., Washington, D. C. (1) July, August, and September 1949; $874.68, travel and miscellaneous expense in connection with work of the General Federation of Women's Clubs. (2) See question (1). (3) See question (1). (4) General Federation Clubwoman and State federation magazines. (5) Not employed for pay. The president of the general federation supports or opposes legislation, and asks the organization membership to do likewise when authority for such action has been provided through the adoption of a resolution in national convention.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Chevy Chase, Md.; Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla. (1) Received from Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla., for professional services, pro rata, $1,350; for reimbursement for long-distance telephone and miscellaneous expenses, pro rata, $83.30; expended, pro rata, for long-distance telephone and miscellaneous expenses, $83.30. (2) Chesapeake & Potomac Telephone Co. and others, all of Washington, D. C. (3) Long-distance telephone calls, telegrams, taxicab fares, and miscellaneous petty-cash expense. (4) None. (5) Interested in all legislation relating to river and harbor works, flood control, and other water use and conservation. Specifically interested in all War Department civil functions appropriations bills.

Buckman, Henry Holland, consulting engineer, 405 Dorset Avenue, Chevy Chase, Md.; the Vulcan Detinning Co., Sewaren, N. J. (1) Received from the Vulcan Detinning Co., Sewaren, N. J., for professional services, pro rata, $1,000; for reimbursement for long-distance telephone calls, pro rata, $51.85; expenditures, pro rata, for long-distance calls, $25.88. (2) Chesapeake & Potomac Telephone Co., Washington, D. C. (3) Long-distance telephone calls. (4) None. (5) Interested specifically in S. 1433, H. R. 2585, S. 1432, H. R. 3524, House Joint Resolution 324, and generally all legislation dealing with tin, detinning, steel scrap, and related subjects.

Bugbee, George, American Hospital Association, 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $5,374.98; reimbursement for travel, $1,026.59. (2) Various air lines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of American Hospital Association; Trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Building Products Institute, 1032 Shoreham Building, Washington, D. C. (1) See attached sheet.[5] The Building Products Institute is an organization devoted to economic research and analysis of trends in construction, disseminating its findings to those interested in the construction industry and to the public. However, in view of certain provisions of the regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "to influence directly or indirectly the passage or defeat of any legislation, etc., we are filing this form giving a full disclosure of the information required under the act. (2) See attached sheet.[5] (3) See attached sheets.[5] (4) Construction Trends, press releases, and certain economic studies. (5) Proposals which may affect the producers of building materials.

Bulow, William J., Jr., American Nurses' Association, 1790 Broadway, New York. (1) Money received, none; money expended, $17.40. (2) Various transportation, telephone, and telegraph companies and United States post office. (3) Customary business expense for transportation, telephone calls, telegrams, and postage. (4) None. (5) Legislation relating to nurses, nursing or health, in which the American Nurses' Association is interested.

Bulow, William J., Jr., National Postal Committee for Books, 62 West Forty-seventh Street, New York. (1) Money received, none; money expended, $70.50. (2) Various transportation, telephone, and telegraph companies and United States post office. (3) Customary business expense for transportation, telephone calls, telegrams, and postage. (4) None. (5) Postage-rate legislation.

Bundy,[6] William P., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) This representation is carried on jointly with Howard C. Westwood. Mr. Westwood's financial statement gives the amounts received and expended, to whom paid, for what purposes, and the replies to the other items on

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

this form. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Bundy, William P., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) This representation is carried on jointly with Howard C. Westwood. Mr. Westwood's financial statement gives the amounts received and expended, to whom paid, for what purposes, and the replies to the other items on this form. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Burdick,[6] Roy D., 310 Wallace Building, Little Rock, Ark.; Dierks Lumber & Coal Co., 1001 Grand Avenue, Kansas City, Mo. (1) Retainer fee, $900; expenses, $229.30; total, $1,129.30. (2) Various parties, $229.30. (3) Travel and office expenses. (4) None. (5) Authorization for a Federal flood-control project on Little River, Okla., and Ark.

Burdick, Roy D., 310 Wallace Building, Little Rock, Ark.; Dierks Lumber & Coal Co., 1001 Grand Avenue, Kansas City, Mo. (1) Retainer fee, $900; expenses, $112.30; total, $1,012.30. (2) Various parties, $112.30. (3) Travel and office expenses. (4) None. (5) Authorization for a Federal flood-control project on Little River, Okla. and Ark.

Burke, Harold, United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y. (1) Salary for 3 months at $708.33⅓ per month equals $2,125; no expenses received or expended on any legislative activity. (2) No one. (3) None. (4) None. (5) None.

Burnham, George B., 111 First Street NE., Washington, D. C.; various stockholders of the Burnham Chemical Co., 5653 College Avenue, Oakland, Calif. (1) A total of $3,232.98 was received from numerous stockholders from July 1, to September 30, 1949. A total of $2,414.70 was expended for the same period. (2) G. B. Burnham. (3) Salary and expenses, including secretarial services, printing and mailing of literature, etc., to promote favorable interest in bills S. 1910 and H. R. 4985, to amend the antitrust laws. (4) None. (5) Supporting bills S. 1910 and H. R. 4985 to amend the antitrust laws.

Burr, Robert M., National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (1) Allocated salary and pay roll overhead received, $994.39. (2) None. (3) None. (See 2 above.) (4) Information relating to excise tax legislation has been sent by bulletins to members and others. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and electric fans.

Burrows, Orrin A., International Brotherhood of Electrical Workers, A. F. of L., 1200 Fifteenth Street NW., Washington, D. C. (1) $1,937.01 (salary for July, August, and September 1949). (2) None. (3) None. (4) The Electrical Workers Journal. (5) All legislation affecting the electrical workers in particular and labor in general.

Butler, Eugene J., National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C. (1) $2,350, salary for 3 months. (2) $799.76 paid to various persons for printing, postage, transportation, meals, long-distance telephone calls, and hotels. (3) Salary for 3 months and printing, postage, transportation, meals, long-distance telephone calls, and hotels. (4) None. (5) All legislation affecting religious, charitable, and educational institutions and organizations.

Butts, Joseph G., Jr. (law firm of Gall & Lane), 1625 K Street NW., Washington, D. C.; Atlantic & East Carolina Railway Co., Kinston, N. C. (1) $1,000 received by firm from the Atlantic & East Carolina Railway Co., Kinston, N. C.; expended, $25.02. (2) Retainer received by above firm. Expenses paid as indicated below. (3) Taxi, $1.60; Western Union, $1.62; photostat, Abel & Co., Washington, D. C., $7.30; Chesapeake & Potomac Telephone Co., Washington, D. C., $14.50. (4) None. (5) To support H. R. 4766.

Butts, Joseph G., Jr. (law firm of Gall & Lane), 1625 K Street NW., Washington, D. C.; Nonsubsized Insulation Manufacturers Committee, Riverton, Va. (1) Receipts, $2,000; expenses, $2.24. (2) Retainer received by above firm. Expenses paid as follows: Taxi, $0.80; Western Union, $1.44. (3) Retainer for legal services. Expenses as indicated above. (4) None. (5) Supported insulation limitation, Public Law 146, page 22.

Caffrey, Charles G., Room 403, 1026 Seventeenth Street NW., Washington, D. C.; the American Cotton Manufacturers Institute, Inc., 203–A Liberty Life Building, Charlotte, N. C. (1) None. (2) No payments were made to anyone by Charles G. Caffrey for any purpose during the quarter in question (normal out-of-pocket expenses excepted). (3) None. (4) None. However, I might state for the record that I spent about $150 during the quarter for cab fares and lunches. Most of the expense was for trips to and from the Capitol to get and make studies of bills. (5) I am not hired to support or oppose any particular legislation, but do report to my members bills which I think might have some effect upon the cotton textile industry.

Carpenter,[6] Austin W., New York Associated Businessmen, Inc., Main Street, Sherburne, N. Y. (1) No money received or expended for lobbying purposes during quarter covered by this report. (2) [Blank.] (3) [Blank.] (4 [Blank.] (5) To support all legislation which has as its objective Government economy, lower taxes, and equality of competitive opportunity.

Carpenter, Austin W., Main Street, Sherburne, N. Y., New York Associated Businessmen, Inc., Sherburne, N. Y. (1) No money received or expended for lobbying purposes during quarter covered by this report. (2) No one. (3) None. (4) None. (5) [Blank.]

Carter, Albert E., 1026 Sixteenth Street NW., Washington, D. C.; Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Received $3,000 as compensation; expended $626.71 which will be reimbursed; reimbursed $621.59 for expenses advanced. (2) Munsey Real Estate Co., Chesapeake & Potomac Telephone Co. and incidentals. (3) Rent, telephone service, and incidentals. (4) [Blank.] (5) Retained to represent the company before administrative agencies and commissions and on legislative matters affecting the company's interest.

Carter, Clarence B., Railroad Pension Conference, post-office box 798, New Haven, Conn. (1) Received $105 for traveling expenses. (2) Clarence B. Carter. (3) Traveling expenses. (4) None in this quarter. (5) Support of S. 1826 and H. R. 4123.

Carter, Jack, Veterans of Foreign Wars; Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $400 per month as salary minus social-security and withholding taxes; $34.60 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW legislative newsletter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the National Council of Administration.

Carver, Leslie O., associate general counsel, National Paint, Varnish and Lacquer Association, 1500 Rhode Island Avenue NW., Washington, D. C. (1) Salary at the rate of $7,000 per annum for performance of regular and usual duties incidental to my employment. Expenses for travel, hotel, subsistence, and incidentals totaled $290.51, $5.30 of which was spent for activities contemplated by the act. (2) Taxi drivers. (3) Transportation between Washington office and the Capitol. (4) None. (5) Fats and oils provisions of the farm price suppor bills.

Case, Fox, 815 Seventeenth Street NW., Washington, D. C.; National Education Committee, American Medical Association, 1 North La Salle Building, Chicago, Ill. (1) Salary same as reported on form B. A total of $886.59 received to cover out-of-pocket expenses during the last quarter. (2) Penn Railroad, Pullman Co., taxis, bus, street cars, subways; Hotels Statler, Carlton, Mayflower, Shoreham, New York, New Weston, Drake, Penn, New York restaurants, Washington restaurants, National Press Club, Western Union; apartment phone and pay-station phone, local and long distant; extra copies newspapers, magazines; postage stamps; office supplies and various individuals in nominal amounts. (3) Transportation, $218.69; hotels, rooms, meals, $412.98; telegrams, telephone, $80.46; newspapers, magazines, clippings, $77.58; postage stamps, $70.06; office supplies, $2.44; miscellaneous, tips, etc., $24.38. (4) None. (5) Any legislation pertaining to compulsory health taxation.

Case, Ralph H., 889 National Press Building, Washington, D. C. Sioux Tribe of Indians of Cheyenne River Reservation, S. Dak., under attorney's contract approved May 20, 1948, by Commissioner of Indian Affairs, Oahe Dam project, Cheyenne Agency, S. Dak. (1) Receipts: $1,082.02, composed of following items; $500 for period February 20 to May 19, 1949; and $500 for period May 20 to August 19, 1949; for services rendered under attorney's contract, two quarters, and $82.02, reimbursable expenses incurred in 1948 for travel, approved by Commissioner of Indian Affairs under authority of attorney's contract. (2) Expenditures: none. (3) [Blank.] (4) [Blank.] (5) H. R. 5372, S. 1488.

Case, Ralph H., 889 National Press Building, Washington, D. C.; Sioux Tribe of Indians, Standing Rock Reservation, N. Dak. and S. Dak., under attorney contract approved May 12, 1949, by Commissioner of Indian Affairs, Oahe Dam project, Fort Yates, N. Dak. (1) Receipts: $2,089.37, composed of following items: $1,500 compensation for services rendered under attorney's contract for period August 20, 1948 to May 19, 1949, three quarters; $500 compensation for services rendered under attorney's contract for period May 20 to August 19, 1949; $89.37, reimbursable expenses incurred in 1948 for travel, approved by Commissioner of Indian Affairs under authority of attorney's contract. (2) Expenditures: none. (3) [Blank.] (4) [Blank.] (5) H. R. 5372, S. 1488.

Case, Ralph H., 889 National Press Building, Washington, D. C.; Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., under attorney's supplemental contract approved December 10, 1946, by Commissioner of Indian Affairs, Garrison Dam project, Elbo-Woods, N. Dak. (1) Receipts: $1,432, composed of the following items: $1,000, compensation for services rendered under attorney's contract for period April 1 to June 30, 1949 (2d quarter); and $432.20, reimbursable expenses incurred in 1948 for travel and sundry expenses, 1948–49, for printing, copies of records, etc., approved by Commissioner of Indian Affairs under authority of attorney's contract. Expenditures: $18.17 reimbursable expenses under authority of attorney's contract; and $10.30 sundry other expenses. (2) Western Union & Telephone Co. (3) Communications. (4) None. (5)

[6] Filed for second quarter, 1949.

[6] Filed for second quarter, 1949.

House Joint Resolution 33; Senate Joint Resolution 11.

Casey, D. E., American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C. (1) Received as salary $2,649.99. (2) None. (3) None. (4) None. (5) None specified.

Casey, Joseph E., Committee for Equalization of Tobacco Taxes, 1025 Connecticut Avenue NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 2016, which provides for a fair and equitable tax on cigarettes depending upon the price at which these cigarettes are sold.

Caskie, Maxwell, Reynolds Metals Co., 417 Barr Building, Washington, D. C. (1) No expenditures for third quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Castiglioni, Paul M., National Federation of Post Office Motor Vehicle Employees, 112 C Street NW., Washington, D. C. (1) Salary $1,500, less deductions for withholding tax and social-security tax; expenses for quarter, $372. (2) Paul M. Castiglioni. (3) To promote the welfare of the motor-vehicle employees of the Post Office Department covering both legislative and nonlegislative work. (4) Rotor and bulletins called Motor Vehicle News. (5) Supporting all legislation of benefit to motor-vehicle employees.

Cates,[6] Larry, 1185 National Press Building; Air Line Pilots Association, 3145 West Sixty-third Street, Chicago, Ill. (1) Received, $1,909.66; expended, $280.89. (2) Various companies and business firms for transportation, communications, gasoline, oil, airplane operations, miscellaneous entertainment, meals, hotels, tips, and incidental expenses. (3) Travel and all expenses in connection therewith, taxi, telegraph, telephone, etc. (4) Air Line Pilot. (5) All legislation concerning aviation safety and hours, wages, and working conditions of pilots on our commercial air lines.

Chace, William E., the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $20 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Chamblin, Walter, Jr., 623 Investment Building, Washington, D. C.; National Association of Manufacturers, 14 West Forty-ninth Street, New York, N. Y. (1) Receipts: Salary, $6,250; expenses in Washington reimbursed by employer, $963.63; expenditures in Washington, $963.63. (2) Expenses paid to hotels, restaurants, taxicabs, telephone company, trade associations, and clubs. (3) Attending meetings and making speeches to discuss general conditions in Washington of interest to business and industry in particular. (5) Bills affecting national labor policy, tax laws, reduction of Federal expenditures, Federal subsidization of research, patents and trade-marks, control powers, foreign aid, Federal housing, Government competition with business, and such other matters as may affect industry.

Cherry, L. Byron, General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) Since registrant did no work on legislative matters during this period, no portion of registrant's salary allocated to this matter. Employer reimbursed registrant during this period for various expenses incurred, committed for, or arising in connection with, work during prior periods, amounting to $411.50. (2) Telephone, restaurants, hotels, etc. (3) Telephone, meals, and related expenses. (4) None. (5) Such Federal labor law revision as will serve the public interest, and be fair to employees, unions, and employers, while adequately protecting innocent bystanders and the whole public.

Church,[6][7] R. R., 6000 Champlain Avenue, Chicago, Ill.; National Council for a Permanent Fair Employment Practice Committee, 930 F Street NW., Washington, D. C. (1) I receive no salary; $10 per day allowance when away from home for hotel and meals only as incurred, plus railroad transportation when necessary. I advance out of my funds paying these expenses, after which I am reimbursed by the National Council for a Permanent Fair Employment Practice Committee. (2) Dunbar Hotel, Washington, D. C., McAlpin Hotel, New York, Baltimore & Ohio Railroad, and Pennsylvania Railroad. (3) For subsistence of myself, when actively engaged for aforesaid council. (4) None. (5) Federal Fair Employment Practice Act, S. 1728.

Clark,[7] Burton, 1813 F Street NW., Washington, D. C. (1) None. (2) No one. (3) Amendment to copyright statute. (4) None. (5) Amendment to copyright statute.

Clarke, David R., 120 South La Salle Street, Chicago, Ill.; National Metal Trades Association, 122 South Michigan Avenue, Chicago, Ill. (1) Approximately $250. (2) None. (3) None. (4) None. (5) Legislation affecting manufacturers generally.

Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C.; Foremen's League for Education and Association (resigned July 31, 1949), Room 603, 11 West Monument Street, Dayton, Ohio. (1) Received from Foremen's League for Education and Association, Room 603, 11 West Monument Street, Dayton 2, Ohio, during third quarter, 1949, fee $1,500 plus $31.34 telephone and entertainment; total, $1,531.34. (2) Clovis, Edwards & Reed, Inc., 927 Fifteenth Street NW., Washington, D. C. (3) To represent the Foremen's League for Education and Association in Washington, D. C. Representation concluded by resignation effective July 31, 1949. (4) None. (5) To support the existing supervisors' clause in new labor legislation and for no other purpose.

Coakley,[6] Joseph, 901 Massachusetts Avenue, Washington, D. C.; Building Service Employees International Union, 749 North Second Street, Milwaukee, Wis. (1) Salary, $1,500; expenses, $1,769.58 (included travel expense to various parts of the United States, hotels, meals, phones, etc. Nothing expended for legislative purposes. (2) None. (3) None. (4) None. (5) Legislative activity incidental. Main activity is my work as an international representative wherever and whenever required.

Colborn, Miss Fern M., Division of Social Education and Action, Board of Christian Education, Presbyterian Church, U. S. A., 830 Witherspoon Building, Philadelphia, Pa. (1) Personal expenses refunded: Travel, $44.63; hotel $12; meals, $16.50; total, $73.13. Salary Quarterly, $350. (2) [Blank.] (3) Lobbying in the interest of social legislation on which the Presbyterian General Assembly has taken action. (4) Social Progress (magazine); special bulletins. (5) Same as No. 3.

Coleman, Russell, the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $50 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc., Washington 5, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Coles, Marvin J., Ingoldsby, Coles & Wright, attorneys, 813 Washington Building, Washington, D. C. (1) During the past calendar quarter registrant has received legal fees in the amount of $2,000 from Dichmann, Wright & Pugh, Inc., for services rendered as attorney. Out-of-pocket expenditures have been $43.70. Fees received have been for all legal services rendered. (2) Payments have been made to the telephone and telegraph companies, restaurants, taxicab companies, etc. (3) Long-distance telephone calls, telegrams, luncheons, dinners, taxicabs. etc, (4) [Blank.] (5) Legislation concerning the authority of the Maritime Commission to sell, charter, and operate vessels.

Coles, Marvin J., 813 Washington Building, Washington, D. C.; committee of attorneys and accountants representing Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; American President Lines, Ltd.; Grace Lines, Inc.; Mississippi Shipping Co., Inc.; Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; United Mail Steamship Co. Registrant does not directly represent any of these companies. (1) During the past calendar quarter no money has been received; expenditures have been a total of $12.49. (2) Telephone company, taxicab companies, restaurants, etc. (3) Long-distance telephone charges, luncheons, transportation, etc. (4) [Blank.] (5) the Committee by which registrant is retained is seeking clarification of the effect of section 9 of the Merchant Ship Sales Act of 1946 in computing the depreciation base for vessels affected by that section.

Coles, Marvin J., 813 Washington Building, Washington, D. C.; New York Foreign Freight Forwarders and Brokers Association, Inc., 18 Pearl Street, New York, N. Y. (1) During the past calendar quarter registrant has received legal fees from the New York Foreign Freight Forwarders and Brokers Association, Inc., in the amount of $600 and reimbursement for expenses in the amount of $40.99. (2) Expenditures have been for incidental matters such as long-distance telephone calls, lunches, and transportation, and have been paid to the telephone company, restaurants, taxicab companies, etc. (3) Telephones, transportation, luncheons, etc. (4) [Blank.] (5) Registrant has been employed as attorney to present to the Congress and to the governmental agencies concerned information concerning foreign-freight forwarders and use of their services under the foreign relief program.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal-tax legislation affecting the interests of the Chase National Bank of the City of New York.

Colgan, Howard O., Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal-tax legislation affecting the interests of the New York Stock Exchange and its members.

Collett, F. G., 1330 Quincy Street NW., Washington, D. C.; Indians of California, Inc. (1) Receipts, $790.80; expended, $693.64. (2) To various persons and concerns for miscellaneous services, such as stenographic services, stationery and supplies, rooms and meals, telephone and telegraph, postage, transportation, and expenses and maintenance of delegates representing Indians of California, and for other persons. (See attached report of expenditures.) (3) To secure remedial legislation. (4) None. (5) Legislation relating to the Indians of California.

Compton, R. T.; National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts (salary),

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

$3,750; expenses reimbursed by employer, $883.41; expenditures, $883.41. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, telephone company, etc. (3) For expenses incurred in course of business, such as travel, meals, and hotel accommodations and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Comstock, Boyd, legislative assistant, legislative federal-relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,320, which covers both legislative and nonlegislative activities; estimated for legislative service, $264; expenses, $58.15. (2) Self (salary); expenses, hotels, railroads, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Condon, Arthur D., 815 Fifteenth Street NW., Washington, D. C.; Chamber of Commerce of Panama and others. (1) None. (2) None. (3) [Blank.] (4) None. (5) The firm with which registrant is associated has been retained to represent the Chamber of Commerce of Panama and the Chamber of Commerce of Colon in the protection of their commercial interests in matters before the United States Congress and United States Government departments. This undertaking will include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities, including those named herein, fall within the terms "attempting to influence the passage or defeat of any legislation" as used in the Federal Regulation of Lobbying Act. The registration is being filed because of the uncertain interpretation of that act.

Condon, Arthur D., 815 Fifteenth Street NW., Washington, D. C.; S. H. Kress & Co., 114 Fifth Avenue, New York., N. Y.; McCrory Stores Corp., 1107 Broadway, New York, N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McLellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; H. L. Green Co., Inc., 902 Broadway, New York, N. Y. (1) None. (2) None. (3) Services in connection with pending wage-and-hour legislation. (4) None. (5) Registrant is retained in connection with pending wage-hour legislation by the group named, for the purpose of informing, advising, and counseling them concerning the progress, interpretation, constitutionality and legal effect of pending wage-hour and related legislation, including amendments currently proposed or which may be proposed, insofar as such legislation affects the vital interests of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities, including those named herein, fall within the term "attempting to influence the passage or defeat of any legislation" as used in the Federal Regulation of the Lobbying Act. This registration is being filed because of the uncertain interpretation of that act.

Cone, D. C., Brotherhood of Railroad Signalmen of America, room 307, Labor Building, 10 Independence Avenue SW., Washington, D. C. (1) Annual compensation for 1949, $6,120. (2) D. C. Cone. (3) As vice president and part-time national legislative representative of the Brotherhood of Railroad Signalmen of America covering all service rendered, including services entirely unrelated to legislative matters. (4) [Blank.] (5) Legislation directly and indirectly affecting the interests of labor generally, employees of carriers under the Railway Labor Act, and particularly the interests of the employees represented by the Brotherhood of Railroad Signalmen of America.

Cone, John C., care of Pan American Airways, 815 Fifteenth Street NW., Washington, D. C.; Pan American Airways, Inc., 815 Fifteenth Street NW., Washington, D. C. (1) During the quarter ended September 30, 1949, I have not received or spent any funds in connection with legislation. (2) None received or spent in connection with legislation. (3) Same as above. (4) None. (5) Not employed to support or oppose legislation but may be concerned with any legislation relating to aviation which may be pending.

Connaughton, John H., 717 District National Building, Washington, D. C.; National Association of Hot House Vegetable Growers, Terre Haute, Ind. (1) Received compensation as general counsel of $500 per quarter. (2) Received by me; none paid out. (3) Compensation as general counsel. (4) None. (5) Directed as part of duties as general counsel to oppose extension of reciprocal trade agreement except with reservations included in 1948.

Conroy, Eugene J., Prudential Insurance Co., of America, 763 Broad Street, Newark, N. J. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Cooper, J. Milton, National Coal Association et al.; room 544, Washington Building, Washington, D. C. (1) This is the usual attorney and client relationship. It is difficult to allocate what part of this employment may be subject to the act and, therefore, the entire compensation for the quarter is reported, to wit: National Coal Association, Southern Building, Fifteenth and H Streets NW., Washington 5, D. C., $3,000; National Lime Association, 927 Fifteenth Street NW., Washington, D. C. (retainer fee previously reported); total, $3,000. (2) No money expended. (3) [Blank.] (4) None. (5) Any legislation affecting the client.

Cooperstock, John, 30 Bellingham Avenue, Revere, Mass.; Veterans' Association of Federal Employees' Naval Shipyard, Brooklyn, N. Y., Sarruth Hall, Waverly and Myrtle Avenues, Brooklyn, N. Y. (1) None this quarter. (2) Self. (3) Expenses when on official business at Washington. (4) None. (5) Support or oppose legislation affecting veterans' preference in Federal employment.

Corbett, John T., 10 Independence Avenue SW., Washington, D. C.; Brotherhood of Locomotive Engineers, 1118 Brotherhood of Locomotive Engineers Building, Cleveland, Ohio. (1) $3,295.56 as wages; $670 as expense accounts ($5.39, postage; $4.75, office supplies; pullman reservations, Hollenden Hotel, Cleveland, Ohio, restaurants, and taxi service, $25); $200.01 for office rental. (2) $200.01 to Labor for office rental. (3) As assistant grand chief engineer and national legislative representative, Brotherhood of Locomotive Engineers, covering all services rendered, including services entirely unrelated to legislation and legislative matters. (4) [Blank.] (5) Legislation directly and indirectly affecting the interest of labor.

Cortright, Frank W., National Association of Home Builders, suite 1116, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary $4,999.98; per diem, $644; expenses, $646.86; total, $6,290.84. (2) paid out in cash to taxis, restaurants, hotels, telephone, and telegraph companies, etc. (3) Transportation, telephones, telegrams, tips, etc. (4) News releases are sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. I also write an article each month for the American Builder, a monthly publication devoted to the interests of the housing industry. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) [Blank.]

Courtney, John J.,[6] 843 Investment Building, Washington, D. C.; John Ii Estate, Ltd., Honolulu, T. H. (1) $7.30. (2) Max Scheer Co., Washington, D. C. (3) Photostats of public documents. (4) None. (5) H. R. 4989.

Courtney, John J., 843 Investment Building, Washington, D. C.; John Ii Estate, Ltd., Honolulu, T. H. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) H. R. 4989.

Covington, J. Harry, III, 701 Union Trust Building, Washington, D. C.; American Smelting & Refining Co., 120 Broadway, New York. (1) Received: None; expended in connection with all matters for client, $30.47. (2) Telephone and telegraph expense, $12.57; miscellaneous, $17.90. (3) Long-distance telephone calls, telegrams, etc. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Cowan, Nathan E., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, CIO, 1500 Commonwealth Building, Pittsburgh, Pa. (1) Salary, $1,875; expenses, $1,032.30. (2) Hotels, railroads, restaurants, cabs, etc. (3) [Blank.] (4) Union News Service and CIO News. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Coxe, W. W., Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va. (1) I received $313.20 from Norfolk & Western Railway Co., Roanoke, Va., representing reimbursement for expenses, all of which were expended during the preceding calendar quarter. See attached statement. (2) Hotels in Washington as follows: Statler, Carlton, and Mayflower; and Occidental Restaurant, Washington; taxicab companies, tips, Chesapeake & Potomac Telephone Co., etc. (3) Hotel accommodations, food, and other incidental expenses. (4) None. (5) Proposal to canalize Big Sandy River and its Tug and Levisa Forks in the States of Kentucky and West Virginia.

Cramer,[6] G. C., CWA Southwestern Division No. 20, 1122 Paul Brown Building, St. Louis, Mo. (1) During the period of the second quarter I did not participate in any activities regarding the Federal Regulation of Lobbying Act. (2) See (1). (3) See (1). (4) See (1). (5) See (1).

Crampton, Charles J., 700 Insurance Building, San Antonio, Tex.; State Tax Association, post office box 2559, Houston, Tex. (1) None received. (2) Expended, $142.82. (3) See (2); none of the expenditures this quarter are believed to be within the scope of this act. (4) None. (5) To bring about constructive cooperation between community-property and common-law States for the development of a plan of tax equalization which will afford an equitable basis for income, estate, and gift taxation in the Federal tax structure. To support complete retroactive repeal of the 1942 estate and gift-tax amendments as they apply to community-property States in an unfair, discriminatory, inequitable manner. We have supported and will continue our support of the American Bar Association's recommendation for tax equalization.

Crawford,[6] William A., Railroad Association of Georgia, 545 Hurt Building, Atlanta,

[6] Filed for second quarter, 1949.

Ga. (1) No money received or expended for any lobbying activities. (2) No one (see reply to question (1) above). (3) None (see reply to question (1) above). (4) None. (5) None.

Crawford, William A., Railroad Association of Georgia, 545 Hurt Building, Atlanta, Ga. (1) No money received or expended for any lobbying activities. (2) No one (see reply to question (1) above). (3) None (see reply to question (1) above). (4) None. (5) None.

Crowley, Leo J., 922 Equitable Building, Denver, Colo. The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, 509 Seventeenth Street, Denver, Colo. (1) No money received or expended during the preceding calendar quarter in connection with influencing the passage or defeat of any legislation by the Congress of the United States. (2) None. (3) None. (4) None. (5) Legislation affecting railroads operating in and having trackage in the State of Colorado.

Cullum, Robert M., Committee for Equality in Naturalization, 302 Fifth Street NE., Washington, D. C. (1) Received salary totaling $1,250. (2) [Blank.] (3) [Blank.] (4) None. (5) Legislation to provide that the privilege of becoming a naturalized citizen of the United States shall not be denied or abridged because of race.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C., American Export Lines, Inc., 25 Broadway, New York, N. Y. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroad, air line, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C., American President Lines, Ltd., 311 California Street, San Francisco, Calif. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroad, air line, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Farrell Lines, Inc., 26 Beaver Street, New York, N. Y. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroad, air line, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Grace Lines, Inc., 10 Hanover Square, New York, N. Y. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation and postage. (2) Telephone and telegraph companies, taxicabs, air line, railroad. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Lykes Bros. Steamship Co., Inc., box 2879, Tampa 1, Fla. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroad, air line, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; Bernard Peyton, executor, estate of Anne Peyton, deceased, Pettybrook Road, Princeton, N. J. (1) Received, none; expended $6,297 for telephone, telegraph, local travel. (2) Telephone, local trave', telegraph. (3) to attend conferences. (4) None. (5) H. R. 5045 and H. R. 5398 and similar legislation.

Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; United States Lines, 1 Broadway, New York, N. Y. (1) Received $1,800; expended $2.50 for long-distance telephone and telegraph tolls, transportation, and postage. (2) Telephone and telegraph companies, railroad, air line, taxicabs. (3) Consultation and communication with client; local transportation to hearings. (4) None. All proposed legislation relating to maritime and shipping matters.

Cuneo, John C., post office box 1054, Modesto, Calif.; the Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio. (1) Gross: Townsend Plan, Inc., $2,657.69; less deductions at source, $494.51; net for operations in California, $2,163.18; Townsend Legislative Committee of California (reimbursement office and operation expense), $1,516.34; total, $3,679.52; personal compensation to John C. Cuneo, $540; balance for operations in California, $3,139.52; expended, $1,304.74. (2) Various. (3) Office expenses, etc. (4) None. (5) Support of the Townsend plan, H. R. 2135 and 2136.

Curry, James E., 519 East Capitol Street, Washington, D. C. See attached statement.[5] (1) Alaska Native Brotherhood, $109.50; National Congress of American Indians, $174; Oglala Sioux, $250. These payments were made for legal service, a minor part of which concerned legislation. (2) Landlord, stenographers, assistant attorneys, stationers, etc. (3) Office expenses and salaries, more than $533; postage. (4) None. (5) All legislation concerning Indiana.

Curtiss, Ralph E., 1422 F Street NW., Washington, D. C.; retained by Associated Tavern Owners of America, Inc., 420 Seventh Street, Racine, Wis. (1) Received, $450; retainer for July, August, September at $150, total, $450; expended, nothing. (2) No expenditures. (3) [Blank.] (4) ATOA News (monthly publication of the association). (5) Any legislation affecting tavern industry.

Daley, William L., 817 Investment Building, Washington, D. C.; National Editorial Association, 222 North Michigan Avenue, Chicago, Ill. (1) Receipts and expenditures on behalf of the National Editorial Association (receipts, $1,014.26). (2) Telegraph, telephone companies, taxicabs, office supply companies. (3) Reimbursement for expenses, transportation, and communications, $189.26. (4) Interpretative articles in official bulletins of National and State publishers associations; also in trade publications of publishing industry. (5) Measures affecting the press.

Dameron, William V., grand lodge representative, Machinists' Building, Washington, D. C.; Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) None. (3) None. (4) None. (5) None.

Damon, Eugene J., St. Louis-San Francisco Railway Co., chairman, Missouri Railroad Committee, 906 Olive Street, St. Louis, Mo. (1) No money was received or expended for Federal legislative matters during the last quarter. On July 1, 1949, my total salary was increased from $825 to $866.66 per month otherwise the statements contained in Form B, as amended, remain the same. (2) None. (3) None. (4) None. (5) None.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; the Firestone Tire & Rubber Co., Akron, Ohio. (1) $900 for services rendered as attorney for the Firestone Tire & Rubber Co. (2) None. (3) None. (4) None. (5) H. R. 1412 and S. 640.

[5] Not printed. Filed in the Clerk's office.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; the Fuller Brush Co., Hartford 2, Conn. (1) $3,000 for all services performed as attorney for the Fuller Brush Co. of Hartford, Conn. (2) Chesapeake & Potomac Telephone Co., $5.05. (3) Long-distance telephone calls. (4) None. (5) As attorney for the Fuller Brush Co., appearing in favor of extension of social security to all gainful employment, including a method of covering the self-employed.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; the B. F. Goodrich Co., 500 South Main Street, Akron, Ohio. (1) $900 for services rendered as attorney for the B. F. Goodrich Co. (2) None. (3) None. (4) None. (5) H. R. 1412 and S. 640.

Danaher, John A., 1625 K Street NW., Washington, D. C., and 50 State Street, Hartford, Conn.; Revere Copper & Brass, Inc., 230 Park Avenue, New York 17, N. Y. (1) Since filing Form B, July 6, 1949, $1,000 for July, $1,000 for August, $1,000 for September. (2) Chesapeake & Potomac Telephone Co., $35.90; Pennsylvania Railroad Co., $24.68; Virginia Bowman, $35; A B A Electric Typed Letters Co., $10; Marion S. Brown, $100. (3) Long-distance telephone calls, travel, mimeographing services, duplicating service, and secretarial services. (4) None. (5) S. 2022 or H. R. 5327 each of which would repeal the suspension of the import tax on copper.

Danielian, N. R., Great Lakes-St. Lawrence Association, 1830 I Street NW., Washington, D. C. (1) (4 months—June through September) $5,000 for retainer; $291.23 for expenses of travel, taxis, postage, etc. (2) Travel expenses to Northwest Airlines, Washington to Milwaukee, Detroit and return, hotels, restaurants, United States Government for stamps. (3) [Blank.] (4) [Blank.] (5) Senate Joint Resolution 99.

Daugherty, Paul J., 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio; Ohio Chamber of Commerce, Columbus, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

Davies, Aled P., 59 East Van Buren Street, Chicago, Ill., American Meat Institute, 59 East Van Buren Street, Chicago, Ill. (1) Salary received from American Meat Institute, $2,423.12; travel expenses when out in Chicago, including lodging, meals, taxicabs, entertainment, transportation, telephone, and telegraph, $1,319.53. (2) Various railroads, air lines, hotels, restaurant, taxicab, and telephone and telegraph companies. (3) See above (1). (4) None. (5) Legislation affecting specifically the meat-packing industry.

Davis, John H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for July, August, and September 1949 $3,300 less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Washington Situation—a weekly mimeographed newsletter of the National Council of Farmer Cooperatives. (5) Agricultural legislation.

Davis & Gilbert (a partnership), the Best Foods, Inc., 1 East Forty-third Street, New York, N. Y. (1) Expenditures, $20.12 for telephone calls and telegrams; receipts, the registrant was reimbursed in part by the Best Foods, Inc., during the quarter for the aforementioned expenditures and will be reimbursed by said company for the entire sum thereof. Registrant has received from the Best Foods, Inc., the usual equal monthly installments of its annual legal fee of $35,000, which fee the registrant has received every year for many years. (2) To telephone and telegraph companies. (3) Telephone calls

and telegrams. (4) None. (5) Registrant is not and was not employed specifically for the purpose of supporting or opposing any pending legislation nor was registrant employed specifically for the purpose set forth in the first sentence of section 308 (a) of Public Law 601, Seventy-ninth Congress. Registrant is paid a yearly retainer for acting as legal counsel to the Best Foods, Inc., and, in addition to registrant's major duties as such counsel, registrant presented the cause of the company in respect to legislation affecting margarine, which is one of the many products manufactured by that company.

Davis, Sherlock, 1117 Barr Building, 910 Seventeenth Street NW., Washington, D. C.; United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (1) None. During the preceding calendar quarter, registrant has not engaged in any activities covered by section 308 (a) of the Federal Regulation of Lobbying Act and, accordingly, has received no funds and made no disbursements for the purposes covered by the act, but is filing this report for purposes of record. (Annual salary reported on form B.) (2) No one. (3) [Blank.] (4) None. (5) None.

Dawes, Bourbon, Hotel Association of Washington, D. C., 1331 G Street NW., Washington, D. C. (1) Salary, $1,875; expenses, $99. (2) Taxis and transportation, $45.70; miscellaneous luncheons, dinners, $44.50; miscellaneous expenses, $8.80. (3) Normal operating expenses. (4) None. (5) Legislation affecting District of Columbia hotels.

Dawson, Clarence E., Milbank, Tweed, Hope & Hadley, 821 Fifteenth Street NW., Washington, D. C. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

Dawson, Clarence E., Milbank, Tweed, Hope & Hadley, 821 Fifteenth Street NW., Washington, D. C. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1). Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Deegan, Thomas J., Jr., 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Traveling expenses, $436.18. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) None. (5) None.

Denning, William I., 1518 K Street NW., Washington, D. C.; National Association of Magazine Publishers, 232 Madison Avenue, New York, N. Y. (1) $1,875 was received as retainer for services plus $91.41 reimbursements for personal expenses in connection with work for the association. (2) William I. Denning, 1518 K Street NW., Washington, D. C. (3) For general legal representation in Washington, D. C. (4) None. (5) Have advised employer in matters of proposed postal rates but have not supported or opposed any legislation.

Dickerman, John M., National Association of Home Builders, suite 1116, 1028 Connecticut Avenue NW., Washington, D. C. (1) Salary, $3,000; expenses, including lunches, taxis, tips, telephone, etc., reimbursement for out-of-pocket expense, $122.45; total $3,122.45. The salary and expense listed under (1) are charged against that portion of the association's budget allocated to the legislative department, of which I am in charge, which allocation, as revised by the executive committee of the association, is $47,000 for the calendar year 1949. Only some of the functions of this department might be deemed as coming within the purview of the Federal Regulation of Lobbying Act. (2) Paid out in cash to taxis, restaurants, hotels, telephone and telegraph companies, etc. (3) Transportation, telephone, telegrams, tips, hotel rooms, etc. (4) News releases are sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material deemed to affect legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. The association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, containing material of interest to the membership, including information on legislative matters. (5) All legislation affecting the home-building industry.

Disbrow, Walter L., Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C. (1) Salary, $1,331.40; expenses, $151.70. (2) Walter L. Disbrow. (3) To represent members of the Retirement Federation of Civil Service Employees of the United States Government. (4) Quarterly Retirement News Bulletin. (5) All legislation affecting civil-service retirement and United States employees' compensation acts.

Disney, Wesley E., Independent Natural Gas Association of America et al., 434 Southern Building, Washington, D. C. (1) Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif., $1,500; Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C., $833.33; American Potash & Chemical Corp., Trona, Calif., $5,000. (2) None. (3) None. (4) None. (5) None.

Dodge, Homer, 1244 National Press Building, Washington, D. C.; Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York City. (1) $600 salary and $225 expenses. (2) Chesapeake & Potomac Telephone Co., postmaster, Public Printer, and others. (3) Telephone service, postage, public documents, rent, and minor office expenses. (4) None. (5) None.

Donald, W. J., National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y. (1) Allocated salary and pay roll overhead, $444.02. (2) None. (3) None (see 2 above). (4) None. (5) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment and electric fans, and legislation with respect to the amendment of the Labor Management Relations Act.

Donnelly, James L., Illinois Manufacturers' Association, 120 South La Salle Street, Chicago, Ill. (1) Approximately, $301.75. (2) Railroad fares, hotel accommodations, meals, taxicab fares, etc. (further detail will be supplied upon request). (3) See (2) above. (4) Industrial Review and miscellaneous bulletins. (5) Legislation of general interest to manufacturers.

Dorsett, J. Dewey, Association of Casualty & Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $75 received by registrant during the third quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant does not believe he has engaged in any activities in this quarter within the purview of this act. Registrant has expended no money in this quarter. (2) None. (3) None. (4) Accident Prevention and Financial Responsibility—August 1949 issue of Credit and Financial Management. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies.

Dorson, C. L., Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C. (1) Salary, $985.65; expenses, $37. (2) C. L. Dorson. (3) To represent members of the Retirement Federation of Civil Service Employees of the United States Government. (4) Quarterly Retirement News Bulletin. (5) All legislation affecting the Civil Service Retirement and United States Employees Compensation Acts.

Dougherty, Robert E., National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,500; expenses, $225.55; only part of the sums expended in the course of duties having to do with legislation. (2) Local hotels, restaurants, transportation, phone calls, tips. (3) Local hotels, restaurants, transportation, phone calls, tips. (4) None. (5) Legislation affecting the interests of the lumber-manufacturing industry.

Dougherty, John E., Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $665.81 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation. $150.10 was expended by me as expense money, during the third quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. In addition to this amount, I also received $350.20 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $150.10 was expended by me as expense money, during the third quarter of 1949 for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

Dow, Fayette B., Munsey Building, Washington, D. C.; Committee for Pipe Line Companies, box 1349, Tulsa, Okla. (1) The Committee for Pipe Line Companies was organized to represent, as occasion may arise, in Washington, before departments of the Government, including Congress, the petroleum pipe lines that are regulated by Interstate Commerce Commission under the Interstate Commerce Act. The committee is not proposing or advocating any changes in existing laws. Deponent believes that in the period covered by this quarterly report he has taken no action that comes within the provisions of the Lobbying Act. Deponent believes that, of his total compensation for all services rendered to the Committee for Pipe Line Companies, $500 would be a fair apportionment for any services which might be considered to be within the provisions of the Lobbying Act.

In the quarter ending September 30, 1949, deponent received $225.71 reimbursement for May, June, and July 1949, expenses covering postage, telephone, and miscellaneous items. None of the foregoing items deponent believes relate to activities within the scope of the Lobbying Act. (2) See (1). (3) See (1). (4) None. (5) No legislation is proposed by Committee for Pipe Line Companies, deponent's employer. The committee is opposed to S. 571, which would make it unlawful for oil companies to own and operate pipe lines.

Dowd, M. J., Imperial Irrigation District, El Centro, Calif. (1) For third quarter of year 1949 (salary) $960 per month; incidental traveling expenses, $992.62. (2) The salary is regular compensation for my full-time employment as consulting engineer for Imperial Irrigation District on irrigation, power, drainage, and related matters. Expenses represent reimbursement to me for personal travel, hotel, and subsistence expenses. (3) [Blank.]. (4) None. (5) Legislation relating to the Colorado River and affecting Imperial irrigation district.

Drysdale, Robert M., Jr., Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) salary $2,499.93 as executive vice president of the federation; traveling expenses, $373.52. (2) Various hotels and travel agencies for traveling expenses. (3) Traveling expenses. (4) None. (5) None.

DuBois, Ben, Independent Bankers Association, Sauk Centre, Minn. (1) I went to Washington, leaving Sauk Centre on August 1, staying overnight in St. Paul and returned to Sauk Centre on August 7, again spending the night in St. Paul. The total cost of this trip was $251. This included travel, hotel, sustenance, and incidentals. The association pays me a salary as secretary on the basis of $7,500 per year. This salary basis started on April 14. Prior to that time it was lower. The principal objective of our organization at the present time is to secure legislation that will adequately control the bank holding company and to oppose the marked trend toward banking concentration (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

DuBrul, Stephen M., 11-162 General Motors Building; General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. (1) See statement attached.[5] (2) See statement attached.[5] (3) See statement attached.[5] (4) None. (5) Registrant has supported Federal legislation consistent with and opposed Federal legislation inconsistent with the position on such legislation taken by Mr. C. E. Wilson as president of General Motors Corp., in testifying before the Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement attached to previous quarterly report dated April 11, 1949.

Dudley,[6] Henry A., 910 Seventeenth Street NW., Washington, D. C.; American International Underwriters Corp., and other insurance companies associated in the American International Co., Inc., group, retain our law firm, a partnership doing business as law offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Dudley, Henry A., 910 Seventeenth Street N. W., Washington, D. C.; American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group, retain our law firm, a partnership doing business as law offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Dushane, Matthew, 1424 K Street NW.; Seafarers International Union of North America, 105 Market Street, San Francisco, Calif. (1) Salary received for all work connected with Government agencies and departments, including legislation and other labor matters totals to date $6,500 (this includes withholding and social-security taxes). Expended $105 in connection with registrants work during last quarter, this amount is not reimbursable by the international union. (2) [Blank.] (3) Outside telephone calls, taxi, meals, and entertainment. (4) The Seafarers Log and the West Coast Sailor. (5) All legislation affecting the general welfare of merchant seamen and legislation of interest to the members of unions that are affiliated with the Seafarers International Union of North America.

Dwyer, Joseph L., 1625 K Street NW., Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) Salary previously reported. Expenses reimbursed by employer, $913.27. (2) Various railroads, hotels, restaurants, retail stores, taxicabs, telephone companies, Government Printing Office, Hickey Bros. (3) Administrative, traveling, and incidental expenses, newspapers, periodicals, cigars, cigarettes, etc. Meals and entertainment. (4) None. (5) All legislation affecting petroleum and its products, or natural gas.

Edelman, John W., 910 Warner Building, Washington, D. C.; Textile Workers Union of America, 99 University Place, New York, N. Y. (1) Salary, $1,499.94; $283.96 to reimburse actual expenses incurred, $118.30 of this amount for expenses incurred in Washington; remainder for expenses outside of Washington. (2) Railroads, hotels, restaurants, cab drivers, bus companies, air lines. (3) Personal expense and travel. (4) Textile Labor, CIO News, Labor Press Associates. (5) Support legislation favorable to the national peace, security, democracy, prosperity and general welfare; oppose legislation detrimental to these objectives.

Ehlers, Joseph H., 1026 Seventeenth Street NW., room 600. (1) From American Society of Civil Engineers, 33 West Thirty-ninth Street, New York, N. Y., $30 plus salary. (Includes period from June 2, date of registration.) (2) Taxicabs, postage. (3) Transportation, $20; postage, $5; miscellaneous, $5 (4) Civil Engineering (monthly magazine of the American Society of Civil Engineers). (5) Legislation affecting professional engineers, National Science Foundation, professional provisions of the labor-management bill, etc.

Eliason, Courtleigh W., General Motors Corp., General Motors Building, Detroit, Mich. (1) See statement attached.[5] (2) See statement attached.[5] (3) See statement attached.[5] (4) None. (5) Registrant has supported Federal legislation consistent with and opposed Federal legislation inconsistent with the position on such legislation, taken by Mr. C. E. Wilson, as president of General Motors Corp., in testifying before the Senate Committee on Labor and Public Welfare of the Eightieth Congress, as per statement attached to a previous quarterly report dated April 8, 1949.

Elliott, John Doyle, 305 Pennsylvania Avenue SE., Washington, D. C.; Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio. (1) Salary of $60 per week and allowance averaging $30 per week traveling expenses when engaged in duties away from the above location. (2) Mileage costs, fares, hotels, meals when engaged in duties away from the above location. (3) Contacting Townsend Clubs, other organizations and citizens in the promotion of the Townsend Plan. (4) None (5) H. R. 2135, Eighty-first Congress, first session, generally known as the Townsend Plan.

Ellis, Clyde T., National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C. (1) Salary (3 months ending September 30, 1949), $3,450; expense accounts, $686.61; total, $4,135.61. (2) To self for salary and reimbursement for meals, hotel, tips, and transportation, $4,135.61. (3) Travel incident members meetings, board of directors meetings, etc. (4) Rural Electrification. (5) Legislation affecting the growth and welfare of rural electric cooperative corporations, public power, and public utility districts, and legislation affecting public power developments where they would in turn affect the rural electric cooperative corporations, public power, and public utility districts.

Ellison, Newell W., 701 Union Trust Building, Washington, D. C.; H. C. Bohack Co., Inc., Brooklyn, N. Y.; Metropolitan and Flushing Avenues, Brooklyn, N. Y. (1) None received, and $11.37 expended during the previous quarter for incidental expenses such as postage and taxicab costs. (2) United States post office and taxi operators. (3) See (1) above. (4) None. (5) Legislation seeking amendment of the Fair Labor Standards Act so as to curtail the present exemption for retail establishments.

Ellsworth, Charles K., Hill and Knowlton, Inc., 300 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C. (1) Salary, $2,400; expenses, $94. (2) Expense money paid out only to restaurants and cab drivers. (3) Covered above. (4) Have no records of any such publications. (5) Not employed to oppose or support legislation. Have been assigned by Hill & Knowlton, Inc., to prepare educational information and material showing consequences of measure proposing to remove Federal restrictions on the manufacture and sale of yellow oleomargarine.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; general counsel, American Public Power Association, 1757 K Street NW., Washington, D. C. (1) $353.90 representing reimbursement of expenses for travel to association convention in Los Angeles. (2) Airline company, hotel for room and meals, taxies, etc. (3) Transportation, furnishing room and meals, etc. (4) None. (5) Services this quarter have not involved the supporting or opposing legislation. At the request of the association regular analyses and opinions are rendered on legislation affecting public power.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Colorado River Board of California and Six Agency Committee, 315 South Broadway, Los Angeles, Calif. (1) $7,817.99, representing legal fees for services and expenses of this office and in California in legislation and litigation affecting California's interest in the Colorado River. Of this amount, $2,000 was paid by the Colorado River Board and $5,817.99 (of which $317.99 represented reimbursement of expenses) was paid by the Six Agency Committee. (2) Office staff, building owner for rent, telephone and telegraph companies, suppliers of office materials. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting California's rights in the Colorado River, including Senate Joint Resolution 4, S. 2305, and House Joint Resolution 3 (and counterparts); S. 75, H. R. 934 and 935; H. R. 1770 and related bill; Senate Joint Resolution 111; S. 1140; H. R. 3838; H. R. 5764; H. R. 6000; H. R. 6031 and S. 2444.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for Imperial irrigation district, El Centro, Calif (1) $2,100, representing legal fees for services of this office and in California in connection with power and water contracts, conferences with Government departments, etc., and consultation with respect to litigation and legislation. (2) Office staff, building owner for rent, telegraph and telephone companies, suppliers of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting Imperial's rights in the Colorado River, including Senate Joint Resolution 4, S. 2305, and House Joint Resolution 3 (and counterparts); S. 75; H. R. 934 and 935; H. R. 1770 ad related bills; Senate Joint Resolution 111; S. 1140; H. R. 3838; H. R. 4116; H. R. 6000; H. R. 6031 and S. 2444; H. R. 165 and S. 2459.

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; attorney for Water Project Authority of the State of California, Sacramento, Calif. (1) $1,500, the entire amount of which represents legal fees for services of this office and in California in connection with Central Valley water and power questions. (2) Office staff, building owner for rent, telegraph and telephone companies, suppliers of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice, it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to clients on legislation affecting the Central Valley project including H. R. 163, H. R. 165, and related bills; H. R. 1770 and related bills; H. R. 3838; legislation affecting California's rights in the Colorado River, including Senate Joint Resolution 4, S. 2305, and House Joint Resolution 3 (and counterparts); S. 75; H. R. 934 and 935; Senate Joint Resolution 111; S. 1140; S. 2459; and legislation affecting California flood control and river and harbor project, including H. R. 3734 and H. R. 5472; H. R. 6000.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel for Water Resources Board of the State of California, Sacramento, Calif. (1) None. Services as special counsel are loaned by the Water Project Authority of the State of California, which pays a fee of $500 per month. See registration under that employment. (2) See (1) above. (3) See (1) above. (4) None. (5) Conferences and reports to clients on civil functions appropriations bill, H. R. 3734; and on rivers and harbors and flood control authorization bill, H. R. 5472.

Ely, Northcutt, 1209 Tower Building, Washington, D. C.; special counsel, department of water and power, city of Los Angeles, Los Angeles, Calif. (1) $1,600, representing legal fees for services of this office and in California in connection with power and water contracts, conferences with Government departments, and litigation and consultation as to legislation. (2) Office staff, building owner for rent, telegraph and telephone companies, supplies of office materials, etc. Approximately one-third of total income is expended for these items, but since this is part of a general law practice it is impossible to allocate specific items of salary, rent, etc., to particular clients. (3) Salaries, office overhead, telegraph, telephone, office rent, and general maintenance of law offices. (4) None. (5) Conferences and reports to client on legislation affecting its interest in the Colorado River including Senate Joint Resolution 4, S. 2305, and House Joint Resolution 3 (and counterparts); S. 75, H. R. 934 and 935; H. R. 1770 and related bills; Senate Joint Resolution 111; H. R. 165; H. R. 3838; H. R. 422; H. R. 5764; S. 2459; H. R. 6000.

Engel, Leon J.; J. Engel & Co., Inc., 20 Hopkins Place, Baltimore, Md. (1) None. (2) [Blank.] (3) [Blank.] (4) Jewelry trade publications. (5) Jewelry excise tax.

Ennis, P. Bateman, 844 Shoreham Building, Washington, D. C.; Antivivisection Society of the District of Columbia, P. O. Box 4271, Washington, D. C. (1) No moneys were received from the Antivivisection Society of the District of Columbia during the preceding calendar quarter, and no moneys were expended by affiant on behalf of the Antivivisection Society for the District of Columbia for the preceding quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Senate bill 1703.

Evans,[5] [6] Walter M., 512 Travelers Building, Richmond, Va.; self-employed. (1) See exhibit A, attached.[5] (2) See exhibit A, attached; [5] Walter M. Evans, 512 Travelers Building, Richmond, Va. (3) See exhibit A, attached;[5] amounts paid the undersigned by Virginia Associated Businessmen, Richmond, Va., were paid and received in his capacity as secretary and general counsel. (4) None; during said quarter there were published in various Virginia newspapers certain ads relative to the taxation of cooperatives. The costs were paid direct and not through the undersigned. (5) Legislation relating to the elimination of Federal tax inequalities, especially the tax exemptions accorded the cooperatives and other so-called tax-exempts.

Evans, Walter M., Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va. (1) From Virginia Associated Businessmen, for reimbursement for advances made, $634.19 (see exhibit A, hereto attached); from same for general office expense, $450; from National Tax Equality Association, 231 South LaSalle Street, Chicago, Ill., for same, $600 (see exhibit A [5]). (2) See attached exhibit A.[5] (3) See attached exhibit A.[5] (4) See attached exhibit B.[5] (5) Legislation seeking to remove the tax exemption now enjoyed by the cooperative business under Federal tax laws and regulations.

Everett, Robert A., Box 262, Union City, Tenn.; Tennessee Cotton Ginners Association, Newbern, Tenn. (1) Received and expended as expenses (meals, travel, and lodging), the sum of $877.01; received and expended as salary, $500. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) For the benefit of the cotton producers of Tennessee. Employment ended.

Fahy, Kathleen (Mrs. Jack B.), 132 Third Street SE., Washington, D. C.; American Parents Committee. (1) Received, $66.33; expended, $66.33. (2) Various. (3) Entertainment and miscellaneous expense. (4) Parents' Magazine and school management. (5) National child-research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics-education bill, public-school survey and construction bill.

Fakler, Herman, 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) I received $5,500 salary as an officer of the Millers' National Federation; I am not employed specifically to engage in activities described in section 307 of title 3, Public Law 601, Seventy-ninth Congress; during the preceding quarter I devoted approximately 4 days to such activities which were incidental to my regular employment; my expenditures for these activities total $39.06 for which I have been reimbursed by Millers' National Federation. (2) [Blank.] (3) My expenditures were for telegraph, teletype, taxi fares, and other expenses attending congressional hearings. (4) None. (5) I am not employed to support or oppose specific legislation; during the preceding quarter my legislative activity was confined to opposition to proposed amendments to the Food, Drug, and Cosmetic Act, in support of an amendment to the wage and hour law, and an appearance before the Senate Committee on Agriculture and Forestry in support of S. 2383 relating to the international wheat agreement.

Farrington, Charles J., National Coal Association, 804 Southern Building, Washington, D. C. (1) Salary and expenses, $2,776.73. (2) [Blank.] (3) Lunches, taxicabs, phone. (4) Blank.] (5) All bills affecting the coal industry.

Farshing, Donald D., Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C. (1) $1,300 gross salary received. (2) Transportation, hotels, and restaurants. (3) Transportation and other out-of-pocket expenses. (4) None. (5) No specific legislation.

Ferguson, Abner H., 1139 Shoreham Building, Washington, D. C. (1) July 1 to September 30, 1949: Telephone calls, telegrams, and taxicabs, $67.74; general retainer as Washington counsel, United States Savings and Loan League, $2,250; total, $2,317.74; less than one-half of work is in connection with legislation. (2) American Telephone & Telegraph Co., Western Union Telegraph Co., and taxi drivers. (3) Charges for services rendered. (4) None. (5) Legislation affecting savings and loan association and general mortgage lending.

Ferguson, John A., Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) Salary, $2,080 (allocated); this salary also shown in report of the Independent Natural Gas Association of America; expenses (allocated), $159.45. (2) Reported as disbursements by Independent Natural Gas Association of America; miscellaneous, including taxis, tips, luncheons, etc., $159.45; not for Members of Congress, but for industry people, members, membership prospects. (3) See (2) above. (4) Regular natural gas news publications. (5) Any legislation concerning natural gas, we observe and make reports to members.

Ferris,[6] Muriel, League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (1) Received, $1,287.51 salary for the quarterly period ending June 30, 1949; received and expended, carfare to and from the Capitol and travel, $32. (2) None expended in carrying on work except for carfare and travel. (3) Carfare and travel only. (4) Trends in Government and Member magazine, publications of the League of Women Voters of United States, 726 Jackson Place NW., Washington, D. C. (5) I am employed principally to inform league members on legislative matters; secondarily to influence legislation. For legislation, see league platform adopted by national convention, 1948, attached.[5]

Ferris, Muriel, League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (1) Received, $1,287.51, salary for 3-month period; received and expended, carfare to and from Capitol and travel, $24.80. (2) None expended in carrying on work except for carfare and travel. (3) Carfare and travel only. (4) Trends in Government and Member magazine, publications of the League of Women Voters of United States, 726 Jackson Place NW., Washington, D. C. (5) I am employed principally to inform league members on legislative matters; secondarily to influence legislation; for legislation, see league platform adopted by national convention, 1948, attached.[5]

Filer, Harry L., the New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $5,300. (See statement attached to original registration.) No expenses. (2) None. (3) None. (4) None. (5) Any legislation affecting employer.

Fillius, Maurice W., 703 National Press Building, Washington, D. C.; G. R. Kirk Co., Tacoma, Wash. (1) None received and none expended; activity affecting or having any influence on this legislation has been terminated. (2) See (1). (3) See (1). (4) None. (5) H. R. 2633.

Finucane, James, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Compensation at the annual rate of $3,800; expenses received during quarter, $74.88. (2) Expenses for newspapers, books, transportation, and other incidentals. (3) For newspapers, books, and transportation. (4) Peace Action and various newspapers using NCPW releases and various letters to editor. (5) To support peace legislation.

Fisher, Lewis H., 1416 F Street, Washington, D. C.; National Association Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C.; Canal Construction Serv-

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

ice Committee, Balboa Heights, C. Z. (1) National Association Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C., $600; Canal Construction Service Committee, Balboa Heights, C. Z., nothing. (2) Various individuals, firms, and corporations. (3) Taxis and streetcars, $15.95; four meals, $15.32; rent, $120; office help, $154; postage, $6.90; tax, $10.25; stationery, $22; telephone, $35. (4) Annuitant (quarterly publication). (5) Civil retirement and related measures.

Fitzgerald, Bernard M., Washington Loan and Trust Building, Ninth and F Streets, Washington, D. C.; Brown, Lund & Fitzgerald, Washington, D. C., and National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Receipts, $2,000; expenses, reported by registrant, Brown, Lund & Fitzgerald. (2) See (1). (3) See (1). (4) None. (5) Any legislation that might affect the members of the National Association of Electric Companies.

Fitzpatrick, F. Stuart, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C. (1) Received: Salary, $3,875; expenses, $20; expended: Luncheons, $20. (2) Statler Hotel. (3) Necessary normal expenses. (4) [Blank.] (5) Legislation in the general field of public works, city planning, urban redevelopment, and housing.

Fleming, Roger W., 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $1,383.96 expended. (See item (6) of Form B, filed May 1948.) (2) Taxis, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, rural telephones, health, displaced persons, amendments to Clark-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, social-security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944, amendment of Food and Drug Act, extension of Bankhead-Flannagan Act to Puerto Rico, amendment of Federal Crop Insurance Act, construction of Prairie du Chien, Wis., municipal dock and wharf, amendment to Air Commerce Act to apply to animal and plant quarantine.

Flinn, W. G., grand lodge representative, Machinists' Building, Washington, D. C., International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Forbes, E. F., Western States Meat Packers Association, Inc., room 304, 604 Mission Street, San Francisco, Calif. (1) $5,000.04 salary, $918.06 expenses. (2) For ordinary traveling expenses, such as railroad fare, taxi fares, pullman fares, hotel accommodations, meals, telephone, and telegraph, etc. (3) Ordinary expenses in connection with routine work as president and general manager of the Western States Meat Packers Association, Inc. (4) None. (5) Not employed to propose or oppose legislation. This work is only incidental to the regular work of the president and general manager of the association.

Ford, Mrs. J. A., 305 Pennsylvania Avenue SE., Washington, D. C., Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Average approximately $30 per week while away from home in carrying on this work. (2) Hotels, transportation, railroad, etc. (3) Traveling, hotels, meals, etc., while away from own home. (4) The Townsend Plan, Inc. (5) H. R. 2135 and H. R. 2136, a bill to provide every citizen in the United States with equal basic Federal insurance, permitting retirement with benefits at age 60, and also covering total disability, from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide ever-expanding market for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

Ford, John B., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) A fair proportion of my salary allocable to lobbying is $150 per month ($450 for the quarter). I have not expended or received any other money for lobbying purposes. (2) To me. (3) Compensation for personal services. (4) I caused no articles or editorials to be published relating to legislation. (5) Legislation affecting the American merchant marine—numerous bills amending the Merchant Marine Act of 1936.

Fort, J. Carter, Association of American Railroads, 929 Transportation Building, Washington, D. C. (1) For all services rendered to the Association of American Railroads, legislative and nonlegislative, as described in registration form B, filed December 1946, registrant received salary during the third quarter of 1949 at the rate shown in such registration, as amended by the supplement thereto, filed January 10, 1948, and received in addition $228.62 as reimbursement for all traveling expenses in connection with such services while away from Washington and all reimbursable business expenses in Washington, such as cab fares, business meals, etc. Of the salary received, $6,365 is estimated to be assignable or allocable to legislative activities. Of the expenses for which registrant was reimbursed, $108.59 is estimated to be assignable or allocable to legislative activities. The legislative activities referred to include those with respect to bills and measures registrant was called upon to consider, analyze, etc., but which were neither supported nor opposed by him. (2) The expenses above shown as assignable or allocable to legislation were paid to various clubs, hotels, and restaurants in Chicago, Washington, D. C., and Atlantic City, N. J., to dining cars while traveling between those points, etc. (3) Traveling expenses while away from Washington and such expenses in Washington as business meals, taxis, etc. Passes were used for rail transportation and, accordingly, no expense was incurred in that connection. (4) None. (5) Generally, to support all legislation which the railroads believe to be in their interest and in the interest of a sound national transportation policy and to oppose all legislation which they believe to be contrary to such interests. Bills supported, in whole or in part, during this quarter, or which it was contemplated would be supported if occasion arose, included bills to eliminate or reduce excise taxes on transportation; bills to increase parcel-post rates; bills to extend section 22 (b) (9) and (10) of the Internal Revenue Code; bills dealing with absorption of freight charges and the making of delivered prices. Bills opposed included measures for the authorization of the St. Lawrence project; bills or provisions thereof which would make railroad employees subject to the hours provisions of the Fair Labor Standards Act; bills which would have provided subsidies for ships engaged in domestic commerce; proposals to reduce Panama Canal tolls; bills to increase capitalization of the Inland Waterways Corporation; bills to extend jurisdiction of the Interstate Commerce Commission over railroad operating rules and practices; bills to repeal the Reed-Bulwinkle Act; certain bills which would increase benefits under the Railroad Retirement Act. In addition to the support of or opposition to particular measures, the legislative work during the quarter consisted of the study and analysis of numerous measures which affect or might affect the interests of the railroads. A large number of such measures were studied, including Senate Resolution No. 50, providing for an investigation of transportation; House Resolution No. 137, investigation of the laws dealing with monopolies; bills dealing with mail subsidies for air lines; bills dealing with the refund of retirement taxes paid by Mexican labor.

Foster, Charles E., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary, July, August, September 1949 (after taxes and social security), $1,245.50; expenses, July, August, September (including travel to Cleveland, Ohio), $193.12; total $1,438.62. (2) Charles E. Foster. (3) See No. (1) above. (4) DAV Semimonthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Foutz, Dave, 1730 K Street NW., Washington, D. C.; Veterans Organizations Council of Altadena, 2246 North Lake Avenue, Altadena, Calif. (1) Money received, $3,931.44; money expended, $3,931.44. (2) Dave Foutz: salary, $1,800; living expenses, $376; Congressional Hotel, $600; stenographic, $600; L. E. Breuninger, $270; Western Union, $77.74; Chesapeake & Potomac Telephone Co., $183.20; petty cash, $24.50. (3) Foutz's salary and living expenses; secretarial duties; Western Union messages; Chesapeake & Potomac Telephone Co. (calls to office in Altadena); L. E. Breuninger, rent of office; petty cash, office maintenance. (4) None. (5) Housing amendments of 1949.

Fox, Melvin J., Committee for the International Trade Organization, 816 Twenty-first Street NW., Washington, D. C. (1) Salary, July 1 through September 30, 1949, $2,400; travel expenses, July 1 through September 30, 1949, $54.37. (2) No entry. (3) No entry. (4) No entry. (5) House Joint Resolution 236, providing for membership and participation by the United States in the International Trade Organization.

Francis, Joseph H., National Board of Fur Farm Organizations, Morgan, Utah. (1) $3,745.60, National Board of Fur Farm Organizations. (2) Joseph H. Francis by National Board of Fur Farm Organizations for acting as secretary for above-named organization. (3) $3,000 salary and $745.60 personal expenses, paid out for transportation, hotel expenses for room and board, telegrams, telephone, and clerical services when required. (4) American Fur Breeder, National Fur News, Fur Journal and Black Fox Magazine. (5) Any and all legislation effecting the fur-farming industry of the United States.

Fredrickson, Fred J., Valley City, N. Dak. (Washington, D. C., address, Hotel Lafayette); North Dakota Resources Board, 311 North Broadway, Fargo, N. Dak., and North Dakota State Water Conservation Commission, Bismarck, N. Dak. (1) Quarterly salary for July, August, and September, 1949, before deductions, $1,650; and reimbursed expenses for same period, $1,363.91. (2) Hotels, eating establishments, railroad, airline, bus, transit, and taxicab companies; service stations; telephone and telegraph companies; office suppliers, post offices; and registration at water conservation meetings. (3) Lodging, meals, transportation, communications, office supplies, postage, and attendance at water conservation conferences and meetings. (4) None. (5) Legislation affecting irrigation, reclamation, water conservation, flood control, river basin improvement,

land and mineral development and utilization in North Dakota; H. R. 3734, H. R. 3838, H. R. 5472, H. R. 3751, S. 1384.

Fuller, George M., National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C. (1) July, $560.32; August, $1,487.49; September, $326.82. (2) Miscellaneous. (3) Entertainment and transportation. (4) None. (5) Oppose any legislation inimical to the interests of the lumber industry and support any legislation which would be helpful to it.

Fyffe & Clark (David R. Clarke, John Harrington, Albert J. Smith), Illinois Manufacturers' Association, 120 South LaSalle Street, Chicago, Ill. (1) Approximately $360. (2) None. (3) None. (4) None. (5) Legislation affecting manufacturers generally.

Gage, Charles E., 927 Fifteenth Street NW., room 904, Washington, D. C.,The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (1) None. An annual salary from the American Tobacco Co. in the amount of $10,000 per annum as agricultural consultant; he will receive no compensation in addition to his regular salary for any activities with respect to legislation covered by the act which he may perform, and any such activities would be only occasional and incidental to his regular duties with no portion of his salary allocated thereto. (2) None. (3) None. (4) None. (5) None.

Gall, John C. (law firm of Gall & Lane), Commonwealth Building, Washington, D. C.; General Electric Co., 570 Lexington Avenue, New York, N. Y. (1) Firm received $5,000; expended $2.63. (2) Expenditures paid to Chesapeake & Potomac Telephone Co., Washington, D. C. (3) Retainer received for legal services; expenditures made for long-distance telephone call. (4) None. (5) Legal services rendered included general consultation and advice on pending labor legislation.

Galvin, M. J. (for quarter of the calendar year ending September 30, 1949), 207 Union Depot Building, St. Paul, Minn.; Minnesota railroads, St. Paul, Minn. (1) None. All of the undersigned's clients as listed on his registration have paid the expenses reported herein, and the undersigned's salary, on the ratio of the mileage which they have within the State of Minnesota; amount paid is the same as that expended. (2) None. (3) None. (4) None. (5) None.

Gammons, Earl H., Columbia Broadcasting System, Inc., 801 Warner Building, Washington, D. C. (1) $150. (2) Restaurants, hotels, and incidental expenses. (3) Entertainment and out-of-pocket expenses. (4) None. (5) None.

Gardiner, Elizabeth, 303 Lexington Avenue, New York, N. Y.; Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) Employment terminated August 24, 1949. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Gardner, Morrison & Rogers, 1126 Woodward Building, Washington, D. C. The Lehigh Valley Railroad Co., 143 Liberty Street, New York, N. Y., agency of Canadian Car & Foundry Co., Ltd., 30 Broad Street, New York, N. Y., and other holders of awards of Mixed Claims Commission, United States and Germany, World War I. (1) None received. Approximately $216.20 expended for travel, telephone calls, photostats, etc. (2) See (1) above. (3) See (1) above. (4) None. (5) Legislation relating to World War I awards, such as H. R. 6074, Eighty-first Congress.

Garstang, Marion R., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Gross salary for the quarter $1,924.98; expended $2.50 for taxi fares. (2) See (1). (3) See (1). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Garvey, Francis J., American Dental Association, 222 East Superior Street, Chicago, Ill. (1) Salary, January 1 to September 30, 1949, $6,750. (2) Reimbursement for expenses, January 1 to September 30, 1949, $2,462.18. (3) Travel expenses in connection with legislative matters, railroad and plane fares, meals, entertainment, hotel rooms, taxicabs, local transportation. (4) The Journal of the American Dental Association. (5) To present the views of the American Dental Association as fixed by action of its house of delegates and board of trustees, with regard to Federal legislation affecting the health of the American people, particularly dental health, and legislation which affects directly or indirectly the practice of the profession of dentistry.

Gavitt, Frank, Carl Byoir & Associates, Inc., 10 East Fortieth Street, New York, N. Y. (1) We are retained as public relations counsel for Schenley Industries, Inc., at a fixed fee of $3,000 per month, plus disbursements. For the period covered by this report, such fee amounted to $9,000. Salaries of employees working full time on general public relations for Schenley Industries, Inc., including work on legislative matters and expenses of specialty departments of Carl Byoir & Associates, $10,387.38. Expenses for travel, hotel, telephone, telegraph, and messenger service, $422.11. Expenses for mimeographing, mailing, and distribution of stories and pictures relating opposition of Schenley Industries, Inc., to the present rate of Federal excise tax on distilled spirits, $225. (2) Salaries and bills payable as indicated in (1) above. (3) Reimbursement of expenses incurred as indicated above in opposing the present rate of Federal excise tax on distilled spirits. (4) Stories or pictures were distributed at one time or another during the period covered by this report to every press association (and distributed by them to every daily newspaper), major radio network, and liquor trade publication in the United States. (5) Incidental to our engagement as public relations counsel for Schenley Industries, Inc., we have worked with Schenley in opposing the present rate of Federal excise tax on distilled spirits.

Geary, Paul M., National Electrical Contractors Association, 610 Ring Building, Washington, D. C. (1) No expenses incurred and no money received other than salary originally reported on F.rm B, filed May 22, 1947. (2) [Blank.] (3) None. (4) None. (5) No special legislation under consideration.

Geaslin, Bon, 1740 G Street NW., Washington, D. C.; Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala. (1) No expenditures made during this quarter. No money received for the purpose of attempting to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) I am not engaged for the purpose of attempting to influence the passage or defeat of any particular legislation by the Congress of the United States, but as an incident to my position as general counsel of the Waterman Steamship Corp., I am interested in legislation affecting the United States merchant marine, civil aeronautics, and transportation generally, and frequently support or oppose legislation dealing with these subjects.

Gebhard,[6] Mrs. Paul, 1000 Eleventh Street NW., Washington, D. C.; Presbyterian Church, United States of America, Division of Social Education and Action, Board of Christian Education, 830 Witherspoon Building, Philadelphia, Pa. (1) Personal expenses refunded: Travel, $140.14; hotel, $30; food, $23.50; honorarium, $80; total, $273.64. (2) [Blank.] (3) Lobbying in the interest of social legislation on which the Presbyterian General Assembly has taken action. (4) Social Progress (magazine), special bulletins. (5) Same as No. 3.

George, J. M.; Brehmer, H. K.; and McMahon, C. S.; law firm of George, Brehmer & McMahon; the Interstate Manufacturers Association, 163–165 Center Street, Winona, Minn. (1) (a) None; (b) $1,500 for general legal services without regard to Federal legislative matters paid by the Interstate Manufacturers Association, 163–165 Center Street, Winona, Minn. (2) (a) To hotels, restaurants, railroad companies, telephone and telegraph companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893, H. R. 6000.

George, J. M.; Brehmer, H. K.; and McMahon, C. S., constituting the partnership of George, Brehmer & McMahon; National Association of Direct Selling Companies, 165 Center Street, Winona, Minn. (1) (a) None; (b) $4,500 for general legal services without regard to Federal legislative matters, paid by the National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn. (2) (a) To hotels, restaurants, railroad companies, telephone and telegraph companies, taxicabs, and minor personal service; (b) retainer retained by selves. (3) (a) For traveling expenses actually paid out; (b) for retainer for general legal services to client. (4) None. (5) H. R. 2945, S. 1103, H. R. 2893, H. R. 6000.

George, Leo E., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, July, August, and September 1949, $2,499.99; travel expenses, $992.28; general organization expenses (not legislative), $1,203.33. (2) Travel expenses include hotels, meals, and minor incidental expenses due to attendance at local and State meetings and conventions, plus transportation as follows: TWA Airlines, $28.98; Baltimore & Ohio Railroad, $35.06; Atlantic Coast Line Railroad, $28.24. General organization expenses include transportation, Baltimore & Ohio Railroad, $103.33; and expense incident to convention of the A. F. of L. at St. Paul, Minn., October 3 to 14, 1949. (3) Expenditures for hotels, meals, and incidentals are an actual reimbursement for cash expended for such purposes in connection with attendance at meetings and conventions. (4) The Union Postal Clerk, the Federation News Service Bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve and strengthen the civil-service retirement system, improve the hours, wages, and conditions of post-office clerks, and to improve the postal service.

Gerrity, Harry J., suite 1001, Hill Building, Washington, D. C.; Oregon-Washington Bridge Co., 301 Security Building, Olympia, Wash. (1) None. (2) None. (3) None. (4) None. (5) S. 786.

Giddings, Ernest, assistant director, legislative and Federal-relations division, National Education Association, Washington, D. C., 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, which covers both legislative and nonlegislative activities, $1,507.50, estimated for legislative services, $301.50; expenses, $68.60. (2) Self (salary); expenses, hotels, railroads, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Gilbert, C. C., Southern States Industrial Council, Stahlman Building, Nashville, Tenn. (1) $1,437.50, salary as secretary, Southern States Industrial Council, Nashville, Tenn. (2) None. (3) None. (4) None. (5) Such legislation as may be of interest to or affecting industry generally.

Gilchrist, Thomas B., Jr., care of Bleakley, Platt, Gilchrist & Walker, 120 Broadway, New York, N. Y., Elisabeth von Elverfeldt, who is a client of the above-named law

[6] Filed for second quarter, 1949.

firm, of which I am a member, Hotel New Weston, Madison Avenue and Fiftieth Street, New York, N. Y. (1) No money has been received. Expenditures have consisted only of disbursements made in connection with one trip to Washington. In due course, such disbursements will be billed to the client for whom we are acting. The disbursements were $75.66. (2) See (1). (3) See (1). (4) None. (5) H. R. 1848, entitled "A bill to amend section 32 (a) (2) of the Trading With the Enemy Act."

Gilliam, A. W., 727 National Press Building, American Meat Institute, 59 East Van Buren Street, Chicago, Ill. (1) Received salary from American Meat Institute of $2,500; no travel expenses. (2) No one. (See (1), above.) (3) None. (See (1), above.) (4) None. (5) Legislation affecting specifically the meat-packing industry.

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; International Longshoremen's and Warehousemen's Union (CIO), 150 Golden Gate Avenue, San Francisco, Calif. (1) Salary, $1,235.04; expenses, $559.26. (2) Expenses include those in Washington as well as air transportation and living expenses while out of town. (3) See (2). (4) The Dispatcher, publication of the International Longshoremen's and Warehousemen's Union (CIO). (5) To support all legislation of interest to American workers and longshoremen and warehousemen specifically; oppose undemocratic legislation.

Glazier, William, room 510, 930 F Street NW., Washington, D. C.; National Union of Marine Cooks and Stewards (CIO), 86 Commercial Street, San Francisco, Calif. (1) No salary or personal expenses; $450, or $150 per month received toward cost of office operations. (2) See (1). (3) See (1). (4) The Voice, publication of the National Union of Marine Cooks and Stewards (CIO). (5) To support all legislation of interest to American workers and maritime workers specifically; oppose all undemocratic legislation.

Goddard, Livingston, 4500 Chrysler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) Salary as secretary-treasurer of the federation, $1,350; traveling expenses, $140.14. (2) Various hotels and transportation agencies for traveling expenses. (3) Travel expenses. (4) None. (5) None.

Goodman,[6] Leo, 1129 Vermont Avenue NW., Washington, D. C., Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) Salary, $1,500; expenses, $791.90. (2) [Blank.] (3) [Blank.] (4) CIO News, auto worker. (5) Rent control, housing, and community development and planning.

Goodwin, William J., the Loch, Roslyn, N. Y.; Chinese News Service, Inc., 30 Rockefeller Plaza, New York, N. Y. (1) Receipts, $14,000; expenditures, $4,933.37. See attached sheet 5.[5] (2) See attached sheet.[5] (3) See attached sheet.[5] (4) None; I furnished the various news services and certain newspapers with material relating to Nationalist China but do not know to what extent this information was used. Several newspapers have printed articles making reference to my activities as the lobbyist for Nationalist China. (5) Any legislation which affects Nationalist China.

Gordon, Spencer, Union Trust Building, Washington, D. C.; American Institute of Accountants, 270 Madison Avenue, New York, N. Y. (1) No money received. Small amounts expended to telegraph and telephone companies. (2) Small amounts to telegraph and telephone companies. (3) Telegrams and long-distance telephone calls. (4) The Journal of Accountancy and the Certified Public Accountant. (5) Advancing the interests of the accounting profession in reference to bills relating to practice before Government agencies and practice before the Tax Court.

Goss,[7] Albert S., The National Grange, 744 Jackson Place NW., Washington, D. C. (1) I receive $1,875 in salary for the quarter which is my total compensation for all my services as master of the National Grange, of which legislative activities form only a part. I paid out none of it. (2) [Blank.] (3) [Blank.] (4) The National Grange Monthly. (5) I am not employed to support or oppose any specific legislation. As master of the National Grange, however, it is my duty to support or oppose legislation in conformity with the policies of the National

Goss; Bert C., Hill & Knowlton, Inc., 725 Fifteenth Street NW., Washington, D. C. (1) Received no money other than salary as vice president of Hill & Knowlton, Inc., plus essential traveling and entertainment expenses. I estimate that less than 10 percent of my time for the 3 months ended September 30 (and less than $500 of my salary for that period) may be allocated to matters directly or indirectly concerned with legislation, though it is not possible to maintain an accurate account since my firm serves numerous clients and the interests of each in legislation vary to an extreme. I estimate that of my travel and entertainment expenses for the 3 months ended September 30, 1949, less than $175 was expended for purposes that might be interpreted as subject to being reported under this law. (2) Paid to taxicabs and restaurants. (3) For travel to and from the Capitol, for luncheons and dinners for committee personnel and Congressmen, etc. (4) Supervised issuance of numerous press releases; maintain no record of publication. (5) Not employed specifically to support or oppose legislation. Interested in legislation affecting aviation, Federal regulation of oleomargarine, steel plants, and in other legislation affecting interests of clients of Hill & Knowlton.

Gourley, Lawrence L., 902 Shoreham Building, Washington, D. C.; American Osteopathic Association, 212 East Ohio Street, Chicago, Ill. (1) $4,750 retainer. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills affecting the public health.

Gran,[6] Cedric G., assistant to the president, American Plant Food Council, Inc., 910 Seventeenth Street NW., Washington, D. C. (1) Cedric C. Gran did not engage in any activity during the months of April, May, and June 1949, for the purpose of attempting to influence the passage or defeat of any legislation by the Congress of the United States. (2) See answer to question (1) above. (3) See answer to question (1) above. (4) See answer to question (1) above. (5) Opposed to H. R. 588 and 3045, Eighty-first Congress. (See statement filed with original registration.)

Grant,[6 7] Robert A., 624 Associates Building, South Bend, Ind.; The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Bills relating to the nonbeverage use of alcohol, including H. R. 3978.

Grant, Robert A., 624 Associates Building, South Bend, Ind.; The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C. (1) None received. Expended during preceding quarter for travel $525. (2) Railroad, hotel, meals, taxi, and incidentals. (3) Same. (4) None. (5) Bills relating to the nonbeverage use of alcohol, including H. R. 3978.

Gray, David G., post office box 2180, Humble Oil & Refining Co., Houston, Tex. (1) Of my total salary $750 might be considered applicable to services in connection with consultations with reference to legislation. (2) Expenses July 1 to September 30, 1949, Shoreham Hotel, $2,491.69; taxi fares, $165. (3) Living, communication, and transportation expenses. (4) None. (5) Not employed to support or oppose any particular legislation. My duty was to watch the program of legislation affecting the petroleum industry.

Greene, Ernest W. (Hawaiian Sugar Planters' Association), 731 Investment Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) I am not employed to support or oppose any legislation.

Greenstreet, M. F., 1917 Claremont, Independence, Mo.; secretary of Greenback Party, year 1949, Indianapolis, Ind. (1) Received of Missouri Townsend Leader, $1; others, 30 cents. Expenses: postage, $5.95; stationery, $2.20; literature, $6.85; miscellaneous, $1.30; total, $16.30. (2) Post office, Englewood Print Shop, and remnant store; pen and ink at stationery store; Englewood Dime Store, (3) Pen and ink, $1.30; paper, $1.40; envelopes, 80 cents; circulars, 80 cents; Searchlight magazine, $1, San Francisco, Calif. (4) Equalitarian Bulletin, box 297, North Hollywood, Calif., donated $5.25 for articles. (5) Money and pension reform for Greenback Party for year 1949; national secretary for year 1949.

Griffith, H. McAllister, National Economic Council, Inc., 7501 Empire State Building, New York, N. Y. (1) Salary, $2,700; expenses for activity in respect to legislation, $277.78. (2) Expenses were paid to railways, hotels, restaurants, taxis, etc., for four trips to Washington, totaling $277.78. (3) See answer next above. (4) Economic Council Letter, Economic Council action report, Economic Council papers. (5) To support all legislation favorable to maintenance of a free society and economic system; to oppose all legislation inimical to the well-being of a free society and free economy which is in consequence subversive of the best interests of the people of the United States and our form of government.

Grimes, Weston B., 436 Bowen Building, 821 Fifteenth Street NW., Washington, D. C.; Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn. (1) Received (includes office, travel, and general expenses totaling $2,042.39), $14,245.52; expended (for purposes designated in the Lobbying Act), $2. (2) Taxicabs. (3) For taxicabs to and from the Capitol. (4) None. (5) Legislation concerning agriculture, commodity exchanges, international commodity agreements, and export-import controls.

Grinberg,[6] P. Irving, Jewelers Vigilance Committee, 17 West Forty-fifth Street, New York, N. Y. (1) Three trips to Washington, railroad and air line, $45.12; hotel and meals, $80.88; total, $126. (2) [Blank.] (3) [Blank.] (4) National Jeweler, Jewelers' Circular-Keystone, Jewelry, Jewelers' Newsletter, Executive Jeweler, ANRJA bulletin, NACJ bulletin, Midcontinent Jeweler, Northwestern Jeweler, Southern Jeweler, Pacific Goldsmith, Trader and Canadian Jeweler, Manufacturing Jeweler. (5) Interested in securing relief from excise taxes as applied to jewelry.

Grinberg, P. Irving; Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York 19, N. Y. (1) Expended $281. (2) Various. (3) Railroad fares, hotels, etc. (4) National Jeweler, Jewelers' Circular-Keystone, Jewelry, Jewelers' Outlook, Jewelers' Newsletter, ANRJA Bulletin, NACJ Bulletin, Mid-Continent Jeweler, Northwestern Jeweler, Southern Jeweler, Pacific Goldsmith, Manufacturing Jeweler, Trader & Canadian Jeweler. (5) Interested in securing relief from excise taxes as applied to jewelry.

Haas, Frank E., the Association of Western Railways, 204 South Canal Street, Chicago, Ill. (1) Salary, as per original registration and reimbursement of expenses, in the amount of $295.85. (2) Raleigh Hotel, Washington, D. C.; the Pullman Co.; to various restaurants, taxicab companies, and to various others in nominal amounts. (3) To Raleigh Hotel, Washington, D. C., $58.24; to

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.
[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.
[6] Filed for second quarter, 1949.

Pullman Co. for Pullman space, $64.06; to various taxicab and bus companies, etc., for local transportation, $22.85; to various restaurants, hotels, etc., for meals, $95.75; for postage, telephone, stenographic services, and miscellaneous expenses, $54.95. (4) None. (5) Any legislation of mutual interest to class-I railroads operating in the western district and their employees.

Haddock, Hoyt S., CIO Maritime Committee, 132 Third Street SE. (1) $1,560 in salary and $130 for expenses; three-fourths time devoted to legislative activity. (2) To taxi companies, telephone companies, dispensers of periodicals. (3) Taxis, telephone calls, periodicals. (4) NMU Pilot. (5) Support legislation in the interest of seamen, fishermen, and allied maritime workers, and oppose legislation detrimental to them.

Hadley,[6] Harlan V., 830 Transportation Building, Washington, D. C.; Automobile Manufacturers' Association, 320 New Center Building, Detroit, Mich. (1) None, other than one-quarter of the annual compensation of $2,500 as set forth in supplemental registration (Form B) filed April 9, 1948. (2) See above. (3) See above; quarter ended June 30 last, during which period registrant performed no functions covered by the act. (4) None. (5) Federal tax (excise) legislation, materials-control legislation, and such other legislation as the association may hereafter from time to time indicate.

Hadley, Harlan V., 830 Transportation Building, Washington, D. C.; Automobile Manufacturers' Association, 320 New Center Building, Detroit, Mich. (1) None, other than one-quarter of the annual compensation of $2,500 as set forth in supplemental registration (Form B) filed April 9, 1948. (2) See above. (3) See above. (4) None. (5) Federal tax (excise) legislation, materials-control legislation, and such other legislation as the association may hereafter from time to time indicate.

Haines, Samuel P., 4407 Sixteenth Street NW., Washington, D. C.; Twenty-Percent Cabaret Tax Committee, 171 West Randolph Street, Chicago, Ill. (1) See exhibit A, attached.[5] (2) See exhibit B, attached.[5] (3) See exhibit B, attached.[5] (4) None. (5) Reduction or repeal of the 20-percent excise tax applying to dine-and-dance rooms of hotels.

Hale, William C., Tennessee Eastman Corp., Kingsport, Tenn., Tennessee Eastman Corp., Kingsport, Tenn. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Revisions in the Tariff Act—Drawback regulations.

Halfpenny, Harold T., 111 West Washington Street, Chicago, Ill., Committee to Remove Discriminatory Automotive Excise Tax. (1) $210.13. (2) (See attached.[5]) (3) To amend for clarification purposes section 3403 (c) of the Internal Revenue Code. (4) [Blank.] (5) [Blank.]

Hallbeck, E. C., National Federation of Post Office Clerks, 1510 H Street NW., Washington, D. C. (1) Salary, July, August, and September 1949, $1,999.98; travel expenses, $446.89; legislative expenses, $197.60. (2) Travel expenses include meals, taxicabs, hotel, and other incidental expenses in connection with attendance at meetings and conventions plus transportation as follows: American Air Lines, $66.30; Baltimore & Ohio Railroad, $269.19; legislative expenses include meals, taxicabs, and entertainment of guests at Washington, D. C. (3) All expenses except transportation are an actual reimbursement for cash expended for the purposes stated. (4) The Union Postal Clerk, the Federation News Service Bulletin, the Federation Press Service. (5) Support of measures designed to improve and strengthen the civil service; improve the civil service retirement system; improve the wages, hours, and conditions of post-office clerks and to improve the postal service.

Hallett, James B., National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. (1) See registration form B. (2) None. (3) None. (4) Life Association News, 11 West Forty-second Street, New York, N. Y. (5) See registration Form B. Items of interest were amendments to Social Security Act.

Halvorson,[7] Lloyd C., the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received salary, $1,500 for quarter, economist; office expenses, $6.65. (2) Transportation agencies. (3) Transportation. (4) [Blank.] (5) H. R. 4538, fats and oils bill, supported; title V, H. R. 4312, local public health bills, supported; school health services, supported.

Hamlet, Harry G., Retired Officers Association, 1600 Twentieth Street NW., Washington, D. C. (1) Received $750. No part of this sum was received specifically for the purpose of attempting to influence legislative action. (2) Expended, nothing. (3) See (1) above. (4) Retired Officers Association Bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

Hanscom,[6] William A., 1700 I Street NW. (room 406), Washington, D. C.; Oil Workers International Union, CIO, 1840 California Street, Denver, Colo. (1) Received salary, $1,500; expenses, $135. (2) Hotels, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) Union News Service and the International Oil Worker. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to those objectives.

Hanscom, William A., 1700 I Street NW. (room 406), Washington, D. C.; Oil Workers International Union, CIO, 1840 California Street, Denver, Colo. (1) Received salary, $1,500; expenses, $135. (2) Hotels, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) Union News Service and the International Oil Worker. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to those objectives.

Harmanson, L. James, Jr., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for July, August, and September, 1949, $1,774.98; less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Washington Situation, a weekly mimeographed news letter of the National Council of Farmer Cooperatives. (5) Agricultural legislation.

Harper, Elsie Dorothy, National Board of the Young Women's Christian Associations, 600 Lexington Avenue, New York, N. Y. (1) Salary, $425; expenses, $280. (2) Elsie Dorothy Harper. (3) Presenting to the President, the Cabinet, and both Houses of Congress (a) the opinion on subjects related to (5) below of the convention of the Young Women's Christian Association, held triennially, and (b) the opinion of the national board of the Young Women's Christian Association in line with actions taken by the convention. (4) Legislation related to international security, social and economic justice, education, health, and civil liberties. (5) [Blank.]

Harper, Robert E., managing director, National Business Publications, Inc. (an association of publishers of trade, technical, scientific, and professional periodicals), suite 89, 1001 Fifteenth Street NW., Washington, D. C. (1) For such ordinary expenses as cabs to and from Capitol Hill and courtesy luncheons, $50.17. (2) Various cab drivers and personnel of restaurants on Capitol Hill. (3) See (1). (4) NBP Report (official association news letter circulated to association members). (5) That which affects postal rates of controlled-circulation periodicals published by members of the above-named association. (Such activity is but a small portion of his year-round duties as managing director).

Harris, Winder R., 441 Washington Building, Washington, D. C.; Shipbuilders Council of America, room 2501, 21 West Street, New York, N. Y. (1) Received: Office expense, $378.05; personal expenses, $140.95; total, $519. Expended: Office expense, $378.05; personal expense, $140.95; total, $519. (2) Various. (3) Office expenses, etc. (4) None. (5) Not employed primarily for the purpose, but took an active interest in H. R. 5346; also one provision of H. R. 6008 and one provision of H. R. 5895.

Hart, Merwin K., National Economic Council, Inc., Empire State Building, New York, N. Y. (1) Salary, $3,750; expenses, $127.90. (2) It is difficult to allocate the appropriate part, whatever that may be, of the money spent by me in the quarter in question to lobbying activities. However, I was in Washington in September and had a total cost of $41.57, and I am crediting to lobbying one-half the amount $979.58 spent by me on a trip to Europe from August 8 to September 18. As you see, for most of this expenditure I have not yet been reimbursed. (3) See (2). (4) Economic Council Letters Nos. 217A, 218, 219, 219A, 220, 221, 221A, 222, 223; Action Report No. 13. (5) See copy of Action Report attached hereto.[5]

Hart, Stephen H., 350 Equitable Building, Denver, Colo.; National Livestock Tax Committee, Cooper Building, Denver, Colo. (1) During the quarter, the National Livestock Tax Committee paid to me a per diem of $50 for office work and $100 out of town for actual time spent in study, advice, conferences, and correspondence concerning general livestock tax questions including the analysis of the present provisions of the Internal Revenue Code and current rulings and decisions concerning Federal taxation of livestock operators. Such activities also included work in connection with the position of the National Livestock Tax Committee toward amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and the deduction of ranching expenditures. It is impossible to determine what part of my services related to this legislative problem, but it is my opinion that none of my activities during the preceding quarter could be interpreted as lobbying. (2) During the quarter a total of $1,245 for legal services was paid to me for all my activities and services. I was also reimbursed for out-of-pocket expenses in the amount of $356.37. (3) [Blank.] (4) [Blank.] (5) [Blank.]

Harter, Dow W., 412–414 Washington Building, Washington, D. C.; the B. F. Goodrich Co., Akron, Ohio. (1) Receive annual retainer from the B. F. Goodrich Co. for all services as its Washington counsel. Allocation of amount paid for my services between legal and legislative activities is not feasible. Amount received during third quarter of 1949, $1,875. In addition, receive reimbursement for long-distance telephone, travel, taxicab fares, and out-of-pocket expenses. (2) None. (3) [Blank.] (4) [Blank.] (5) The B. F. Goodrich Co. is interested in legislation relating to the maintenance of facilities for the production of an ample supply of synthetic rubber in the United States for commercial and national defense purposes. It is interested in various proposals now under study by Congress for a long-range rubber program for this country. It is also

[5] Not printed. Filed in the clerk's office.
[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.

interested in the repeal of the present excise taxes on tires and tubes, and in other legislative prcposals which come before Congress from time to time.

Hartley, Fred A., Jr., 1001 Fifteenth Street NW., Washington, D. C.; Tool Owners Union, Inc., 1802 Massachusetts Avenue (national headquarters), Lexington, Mass. (1) Receipts (salary), $5,000; expenses reimbursed by employers, $3,058.34; to be reimbursed, $123.85. Expenditures, $3,182.19. (2) Paid to various railroads for transportation, restaurants, secretary, H. L. Rust Co., telephone company, post office, various office-supply firms, various hotels. (3) Traveling to attend meetings and speaking engagements; secretarial service; rent, telephone, and telegraph bills; postage; office supplies; mimeographing press releases; entertainment provided at press conferences. (4) A news letter to the membership published by the national headquarters, publication entitled "Program for Progress." (5) Any legislation which affects the welfare of and the security of investments of those individuals who own or share in the ownership of tools of production in this country. This will include but is not limited to national labor policy, wage-and-hour legislation, tax laws, reduction of Federal expenditures, Government controls over production and distribution of manufactured products, or the raw materials going into such products, Federal subsidization of research patent and trade-mark legislation.

Hawkins, Paul M., 1405 K Street NW., Washington, D. C.; American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y. (1) Received, $2,050, only a small fraction of which was for lobbying activities; $163.40 expenses, only a small fraction of which was expended for lobbying activities. (2) Taxicabs, railroads, restaurants, hotels, air lines. (3) Transportation, meals, rooms. (4) [Blank.] (5) Legislation affecting the hotel industry.

Hayden, Harry Vere, Jr., 724 Fifteenth Street NW., Washington, D. C.; The American Legion (national organization), 777 North Meridian, Indianapolis, Ind. (1) $250 salary semimonthly, less withholding and social-security taxes; $32 incidental expenses (taxi and car fare, phone calls, meals, etc.) (2) Harry Vere Hayden, Jr. (3) $32 incidental expenses as listed under (1). (4) The American Legion Magazine, New York, N. Y., The National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws, child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil-aviation programs and policies; and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Haynes, Kit H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for July, August, and September, 1949, $1,625.10. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Assists in the preparation of Washington Situation, a weekly mimeographed newsletter of the National Council; also prepares farm-news releases at irregular intervals and special reports at irregular intervals. Such reports are distributed to members of the National Council, news services, radio networks and stations, and miscellaneous persons who have requested inclusion on mailing lists. (5) Agricultural legislation.

Hays, Joseph H., The Association of Western Railways, 204 South Canal Street, Chicago, Ill. (1) During the third quarter of 1949 this registrant was not assigned to and did not engage in activity in connection with Federal legislation or covered by the Federal Regulation of Lobbying Act and thus received no compensation and incurred no expense subject to report hereunder. (2) None. (3) None. (4) None. (5) None.

Hazen, John C., 1008 Munsey Building, Washington, D. C.; National Retail Dry Goods Association, 100 West Thirty-first Street, New York City, N. Y. (1) Meals, $24.85; taxis, $11.50; telephone bills, $21.55; notary public, $1. (2) [Blank.] (3) [Blank.] (4) The Special Bulletin, published weekly; NRDGA Washington News Letter, published monthly. (5) Wage-hour legislation.

Hebert, Felix, 602 Turks Head Building, Providence, R. I., Associated Factory Mutual Fire Insurance Companies, Turks Head Building, Providence, R. I. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) Amendment to Internal Revenue Code.

Heberton, K. W., 1405 G Street NW., Washington, D. C.; Western Union Telegraph Co., 60 Hudson Street, New York, N. Y. (1) Salary of $860 per month, which is paid for all services, only a part of which concerns legislation; out-of-pocket travel and incidental expenses, $163.85. (2) Taxi drivers and restaurants. (3) Transportation and luncheons. (4) None. (5) Any legislation affecting the interests of the Western Union Telegraph Co.

Hecht, George J., 52 Vanderbilt Avenue, New York, N. Y.; American Parents Committee (without salary), 132 Third Street SE., Washington, D. C. (1) Received $22.40; expended $22.40. (2) Various. (3) Railroad fare, etc. (4) Parents' Magazine and School Management. (5) National child research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public school survey and construction bill.

Heiney, Robert B., National Canners' Association, 1739 H Street NW., Washington, D. C. (1) $1,712.49 as one-quarter year's salary as assistant to secretary, National Canners' Association for all work performed; $77.25 has been received as reimbursement for expenses incurred. (2) Taxi fares and miscellaneous expense $77.25. (3) See above. (4) National Canners' Association information letter. (5) Opposing marketing orders on commodities for canning, changes in overtime exemptions of the Fair Labor Standards Act, and changes in the export provisions of the Federal food and drug law. Generally following all legislation affecting canning industry.

Henderson, Joseph D.,[6] American Association of Small Business, 431 Balter Building, New Orleans, La. (1) Salary of $6,000 per year, this quarter $1,500. (2) [Blank.] (3) [Blank.] (4) Official monthly publication of the American Association of Small Business; Small Business Review; routine news releases; weekly column to weekly newspapers, entitled "Minding Your Own Business." (5) To support any legislation for the good of the people, especially favorable to small business. Legislation detrimental to the people and small business in general is to be opposed.

[6] Filed for second quarter, 1949.

Henderson, Joseph D., American Association of Small Business, 431 Balter Building, New Orleans, La. (1) Salary of $6,000 a year, this quarter, $1,500. (2) [Blank.] (3) [Blank.] (4) Official monthly publication of the American Association of Small Business, the Small Business Review, routine news releases, weekly column to weekly newspapers entitled "Minding Your Own Business." (5) To support any legislation for the good of the people, particularly that beneficial to small business; to oppose any legislation to the detriment of the people, particularly to the detriment of small business.

Hendrickson, Roy F., National Federation of Grain Cooperatives, 723 Kass Building, Washington, D. C. (1) Expended, $6.90 for taxi fares, $4.50 for postage. (2) See (1). (3) See (1). (4) Co-op Grain Quarterly; Grain Producers News. (5) Any legislation that may affect grain producers or the cooperatives through which they act together to market their produce.

Hensel, Robert E., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address of which registrant is an associate, made no expenditures during the quarter ended September 30, 1949, in connection with the proposed legislation described in item (5) hereof on behalf of the American Tobacco Co. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation extending the 85-percent-dividend-received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Herndon, Maurice G., 1002 Washington Loan & Trust Building, Ninth and F Streets NW., Washington, D. C.; National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y. (1) No money received or expended during preceding calendar quarter. Status of registrant the same as stated in original Form B and accompanying letter of explanation, Filed March 6, 1947. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Hess, Amiel Edgerton, Oil-Heat Institute of America, Inc., 6 East Thirty-ninth Street, New York, N. Y. (1) None. (2) None. (3) [Blank.] (4) None. (5) Nothing at present.

Hester, Ewart A., Law offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C. (1) Salary (July, August, and September), $2,500; no expenses incurred for this quarter. (2) No expenses incurred. (3) None. (4) None. (5) See supplementary statement, paragraph 2, attached to Form B, filed by me January 9, 1948 (H. R. 2428, H. R. 2433, H. R. 6111, S. 978, S. 1847).

Hewes & Awalt (a law partnership, consisting of the following partners: Thomas Hewes, F. G. Awalt, Samuel O. Clark, Jr., Harold E. Mitchell, Raymond Sparks, Henry L. Shepherd, John S. Martha, Maxwell M. Merritt, and W. V. T. Justis), 93 Elm Street, Hartford, Conn., and 822 Connecticut Avenue NW., Washington, D. C.; National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) The filing of this report is not to be taken as an admission that the Federal Regulation of Lobbying Act is applicable. This registrant received during the third quarter of 1949 the sum of $8,333.34 from the National Association of Electric Companies on account of retainer fee as general counsel of the association. This registrant also received during the third quarter of 1949 the sum of $14.26 in reimbursement of out-of-pocket expenses, of which $11.21 represented expenditures made during the second quarter of 1949 and reported on Form C for that quarter. The balance of $3.05 received represents the following expenditures made during the third quarter of 1949: to taxicab drivers, $3.05. This registrant also made certain out-of-pocket expenditures

during the calendar quarter ended September 30, 1949, in connection with its employment by the above-named association for which registrant has not received reimbursement, these being listed in detail as follows: to C. & P. Telephone Co. for long-distance calls, $1.07; traveling expenses (New York City), $5.57; to taxicab drivers, 60 cents; total, $7.24. (2) See (1). (3) Expenses for transportation and communication, as listed on the attached statement. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which this firm is counsel, is to provide the members with a medium through which they can exchange ideas and take appropriate action on all problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in any and all legislation that might affect its members directly or indirectly as going business concerns.

Hibben,[6] Robert C., International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C. (1) One-fourth annual salary reported in original registration. (2) None. (3) None. (4) None. (5) Legislation that may affect the ice-cream industry.

Hibben, Robert C., International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D. C. (1) One-fourth annual salary reported in original registration. (2) None. (3) None. (4) None. (5) Legislation that may affect the ice-cream industry.

Higgins, Mary, Philippine-American Committee, 1025 Connecticut Avenue NW., 412A, Washington, D. C. (1) Received, $5,500; expended, $4,018.01. (See statement attached.[5]) (2) See (1). (3) See (1). (4) None. (5) No legislation is now pending, but I am the secretary-treasurer of the Philippine-American Committee, the aims of which committee are set forth in the attached statement: On March 25, 1949, there was organized a voluntary committee by the name of the Philippine-American Committee, for the purpose of presenting to our Government officials and to the Congress the picture of the Philippine economic recovery, the place the war-damage payments occupy in that economy, and the need for an appropriation over and above that authorized by the Philippine Rehabilitation Act of May 1, 1946 (Public Law 370, 79th Cong.). No member of the committee is to be compensated, and the purpose of procuring contributions to the committee is merely to have funds to defray office and clerical expenses, including telephone, rent, postage, supplies, stationery, printing, and the salaries of two stenographer secretaries, of which I am one.

Hill & Knowlton, Inc., American Butter Institute et al., 300 Higgs Building, 725 Fifteenth Street NW., Washington D. C. (1) See attached.[5] (2) See attached.[5] (3) See attached.[5] (4) Have no records of such publication. (5) Not employed to oppose or support legislation. Are retained to prepare educational information and material.

Hill, Thurman, 1025 Connecticut Avenue NW., Washington, D. C.; Kansas Independent Oil and Gas Association, 513 Beacon Building, Wichita, Kans. (1) $2,500, payable as follows: $1,000 paid on August 1, 1949, and $1,500 paid on September 22, 1949. (2) None. (3) None. (4) None. (5) To oppose imports of crude oil into the United States in excess of 5 percent of the market demand.

Hilts,[6] Harry B., Empire State Petroleum Association, Inc., and Atlantic Coast Oil Conference, Inc., 122 East Forty-second Street, New York, N. Y. (1) In addition to salary reported on form B, Empire State Petroleum Association, Inc., $268.13; Atlantic Coast Oil Conference, Inc., $614.28. (2) Railroads, hotels, taxis, etc. (3) General association work. (4) ESPA, official publication of Empire State Petroleum Association, Inc.; ESPA Weekly Letter, Atlantic Coast Oil Conference Weekly Letter. (5) None in particular. We are interested in all matters pertaining to the petroleum industry.

Hilts, Harry B., Empire State Petroleum Association, Inc., and Atlantic Coast Oil Conference, Inc., 122 East Forty-second Street, New York, N. Y. (1) In addition to salary reported on Form B, the following expenses: Empire State Petroleum Association, Inc., $118.47; Atlantic Coast Oil Conference, Inc., $225. (2) Railroads, hotels, taxis, etc. (3) General association work. (4) ESPA, official publication of Empire State Petroleum Association, Inc.; ESPA Weekly Letter, Atlantic Coast Oil Conference Weekly Letter. (5) None in particular. We are interested in all matters pertaining to the petroleum industry.

Hinders, Justin, 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) See attached itemized statement.[5] (2) See attached itemized statement.[5] (3) See attached itemized statement.[5] (4) Attached list[5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Hines, Lewis G., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for July, August, and September, $2,210; expenses for July, August, and September, $304.80. (2) Taxi drivers, messengers, and phone company. (3) Cab service and phone calls. (4) None. (5) Affecting labor.

Hinman, Ray C., Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y. (1) Salary, $1,250 (this represents one-quarter of the amount of registrant's annual remuneration, which is attributable to the performance of duties which are subject to the Lobbying Act); reimbursement for traveling expenses, $122.38; total, $1,372.38. Money expended in connection with duties related to the Lobbying Act, $122.38. (2) Railroads, air lines, taxis, hotels, restaurants, telephones, and tips. (3) Normal traveling expenses. (4) None. (5) Legislation affecting the petroleum industry.

Hitchner, Lea S., National Agricultural Chemicals Association, 910 Seventeenth Street NW., Washington, D. C. (1) No expenditures. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Hobbie, Edgar V. H., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Gross salary for the quarter, $2,100; expended, $89.30. (2) Taxicab fares. (3) See (2). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Hoffman, Frank N., 718 Jackson Place NW., Washington, D. C.; United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa. (1) $1,999.98 salary; $2,475.50 expenses. (2) Hotels, railroads, air lines, restaurants, cab drivers, etc., for expenses. (3) Personal expenses and travel in and away from Washington. (4) Column entitled "Keep an Eye on Congress" in monthly publication of United Steelworkers of America, Steel Labor. (5) Support legislation authorized by the convention and executive board of the United Steelworkers, and by the convention and executive board of the national CIO; oppose legislation contrary to the stand of these organizations.

Hogg, Robert L., American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (1) Salary (8 days) $548; expenses (travel, hotel, meals, taxi, and similar incidental expenses), $514.80. (2) Railroads, pullman, air lines, $144.16; hotel ($48.95), meals, and tips ($141.42), $190.37; porter, luggage, taxi and air porter ($47.90), telephone and telegraph ($132.37), $180.27. (3) Travel, hotel, meals, and tips, taxi, telephone and telegraph, etc. (4) None. (5) None (see exhibit attached to Form B).

Holloway, William J.,[6] [8] 2816 First National Building, Oklahoma City, Okla., Oklahoma Gas & Electric Co. of Oklahoma City. (1) On July 9 while at Washington, D. C., I filed with you my quarterly lobby report, which stated that for the quarter including April, May, and June, 1949, I had received no attorney's fees for legal services performed under the United States Lobbying Act. I stated further in said report that I had received several checks for refund of personal expenses, incurred in the performance of legal services under the Lobbying Act, and that the amount of these checks would be reported when I had returned to my office where my records were available.

I, therefore, wish to report that during April, May, and June 1949, I received from the Oklahoma Gas & Electric Co. of Oklahoma City, three checks totaling $1,018 as a refund for personal expenses. Said expenses were for travel, hotel bills, meals, telephone, and telegraph, and incidentals, for legal services under the Lobbying Act. (2) See (1). (3) See (1). (4) [Blank.] (5) [Blank.]

Holloway, William J., 2816 First National Building, Oklahoma City, Okla. (Oklahoma Gas & Electric Co.) (1) Receipts during July, August, and September 1949; attorney's fee and refund for necessary personal expenses for travel from Oklahoma Gas & Electric Co. of Oklahoma City, and attorney's fee from Southwestern Gas & Electric Co., of Shreveport, La. (2) William J. Holloway. (3) Oklahoma Gas & Electric Co., attorney's fee, $1,450; Oklahoma Gas & Electric Co., refund for travel expenses, $1,142.58; Southwestern Gas & Electric Co., attorney's fee, $2,500. (4) None. (5) In opposition to certain proposed appropriations for Southwestern Power Administration.

Holman, Charles W., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Gross salary, $4,125 per quarter; expended $65.80. (2) Taxi fares and luncheons. (3) See (2). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Hood, J. M., president, the American Short Line Railroad Association, the American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C. (1) Salary received from the American Short Line Railroad Association, $5,000; expenses incurred for account of the American Short Line Railroad Association and for which reimbursement has been or will be made, $1,135.14; impossible to accurately allocate either salary or expenses, but carefully calculated estimate is that 5 percent of salary, $250, and 10 percent of expenses, $113.51, total $363.51, expended for purpose of influencing legislation. (2) Expenses paid to hotels, clubs, transportation, and communication companies. (3) For travel and entertainment in connection with the furtherance of the legislative program of the 323 common carrier by rail members of the American Short Line Railroad Association. (4) Agenda for 1949 annual meeting of members of the American Short Line Railroad Association, copy attached.[5] (5) Legislation affecting

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.
[8] Amended report.

member lines of the American Short Line Railroad Association (see legislative program in full, attached to return for first quarter 1949).

Horsky,[9] Charles A., 701 Union Trust Building, Washington, D. C.; P. E. Harris & Co., Dexter Horton Building, Seattle 4, Wash.; Libby, McNeill & Libby, food products, Chicago, Ill.; New England Fish Co., Smith Tower, Seattle, Wash.; Kadiak Fisheries Co., Lowman Building, Seattle, Wash.; Pacific American Fisheries, Inc., South Bellingham, Wash. (1) Received, none; expended, none. (2) No one. (3) None. (4) None. (5) This employment is an ordinary attorney-client retainer on a per diem basis for the purpose of assisting in the formulation and presentation of a proposed legislative program, being developed jointly for presentation to Congress by various interested salmon-canning companies and the Department of the Interior, relating to stabilizing certain phases of the Alaska salmon industry. The per diem is computed at $250 a day for each day of legal services rendered.

Horsky,[6] Charles A., 701 Union Trust Building, Washington, D. C.; P. E. Harris & Co., Dexter Horton Building, Seattle 4, Wash.; Libby, McNeill & Libby, food products, Chicago, Ill.; New England Fish Co., Smith Tower, Seattle, Wash.; Kadiak Fisheries Co., Lowman Building, Seattle, Wash.; Pacific American Fisheries, Inc., South Bellingham, Wash. (1) Received, none; expended, none. (2) No one. (3) None. (4) None. (5) This employment is an ordinary attorney-client retainer on a per diem basis for the purpose of assisting in the formulation and presentation of a proposed legislative program, being developed jointly for presentation to Congress by various interested salmon-canning companies and the Department of the Interior, relating to stabilizing certain phases of the Alaska salmon industry. The per diem is computed at $250 a day for each day of legal services rendered.

Horsky, Charles A., 701 Union Trust Building, Washington, D. C.; P. E. Harris & Co., Dexter Horton Building, Seattle 4, Wash.; Libby, McNeill & Libby, food products, Chicago, Ill.; New England Fish Co., Smith Tower, Seattle, Wash.; Kadiak Fisheries Co., Lowman Building, Seattle, Wash.; Pacific American Fisheries, Inc., South Bellingham, Wash. (1) Received $34.65; expended, none. (2) Chesapeake & Potomac Telephone Co., $23.76; Western Union Telegraph Co., $8.99; cab drivers in the District of Columbia, $1.90. (3) Long-distance telephone calls; telegrams; transportation within the District of Columbia. All of this expense was incurred during 1948. (4) None. (5) This employment is an ordinary attorney-client retainer on a per diem basis for the purpose of assisting in the formulation and presentation of a proposed legislative program being developed jointly for presentation to Congress by various interested salmon-canning companies and the Department of the Interior, relating to stabilizing certain phases of the Alaska salmon industry. The per diem is computed at $250 a day for each day of legal services rendered.

Horton,[7] Jesse V., Continental Hotel, mezzanine floor, Washington, D. C.; National Association of Postal Supervisors, post office box 2013, Washington, D. C. (1) None except salary expended for personal living and related expense. (2) [Blank.] (3) [Blank.] (4) The Postal Supervisor, Louisville, Ky. (5) That affecting postal supervisors.

Hosking, Floyd J., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses (see below). (2) Notary public, $2; postage, 6 cents. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Householder,[6] Glen M., the Holstein-Friesian Association of America, 1 South Main Street, Brattleboro, Vt. (1) Regular salary $666.66 per month; $805.59 expense account (for period reporting). (2) [Blank.] (3) Time and expense devoted entirely to regular duties as director of extension service carried on by the Holstein-Friesian Association of America. No portion of time or expense devoted to any other activity. (4) [Blank.] (5) [Blank.]

Houston, William J., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received $1,875, expenses $500. (2) Landlady, taxes, grocery stores, service stations, restaurants, miscellaneous, for tips, postage, supplies, etc., banks, savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, rent, and taxes. (4) None. (5) Pay legislation for Federal employees, support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Howard,[10] W. J., McKay Building, Missoula, Mont., Tax Equality Association of Montana (not employed but performing voluntary services), Missoula, Mont. (1) Travel expense, $300; travel and meeting expense, $107.66. (2) W. J. Howard. (3) To reimburse for expenses incurred in traveling to and from meetings, hearings, etc., in re Tax Equality Association of Montana. (4) None that we know of. (5) Not employed. Revision of the revenue act to eliminate income-tax exemptions now enjoyed by organizations engaged in buying or selling or rendering services normally competitive with such activities conducted by others for profit.

Howard, W. J., Tax Equality Association of Montana (not employed but performing voluntary services), McKay Building, Missoula, Mont. (1) None. (2) None. (3) [Blank.] (4) None. (5) Not employed. Revision of the revenue act to eliminate income-tax exemptions now enjoyed by organizations engaged in buying or selling or rendering services normally competitive with such activities conducted by others for profit.

Howe, Harold K., 2480 Sixteenth Street NW., Washington, D. C.; American Institute of Laundering, Joliet, Ill. (1) Received $1,500 as salary and $413.78 as reimbursement for general expenses. (2) Various. See answer to question (3). (3) Miscellaneous and incidental, including local transportation, lunches, gratuities, committee meeting expenses, and other incidental expenses of Washington office, American Institute of Laundering. (4) Not applicable under section 308 (a). (5) I am interested in all legislation affecting the laundry industry and the members thereof. My primary function as to legislation is to report status, prospects, etc., to my employer, the American Institute of Laundering. See, also, letter attached to Registration Form B, which is made a part hereof.

Howe, Joseph, 13534 Woodward Avenue, Highland Park, Mich; Foreman's Association of America, Barlum Tower Building, Detroit, Mich. (1) None. (2) [Blank.] (3) None. (4) None. (5) None.

Howell,[10] W. J., McKay Building, Missoula, Mont.; Tax Equality Association of Montana (not employed but performing voluntary services), Missoula, Mont. (1) Check No. 129 dated February 12, 1949, travel expenses, $150; check No. 133 dated March 9, 1949, travel expenses, $150; check No. 137 dated April 20, 1949, travel expenses re special advertising campaign, $178.41. (2) W. J. Howell. (3) To reimburse for expenses incurred in traveling to and from meetings, hearings, etc., in re Tax Equality Association of Montana. (4) None that we know of. (5) (Not employed), revision of the revenue act to eliminate income-tax exemptions now enjoyed by organizations engaged in buying or selling or rendering services normally competitive with such activities conducted by others for profit.

Hudson, Minor, Geoffrey Creyke, Jr., and Andrew A. Lipscomb, doing business as Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C.; Byrne Organization, 2607 Connecticut Avenue NW., Washington, D. C. (1) Received $602.80; disbursements, $3.21. (2) Long-distance telephone calls, $3.21. (3) [Blank.] (4) [Blank.] (5) To seek passage of the National Capital Sesquicentennial Commission appropriation.

Hudson, Minor, Geoffrey Creyke, Jr., and Andrew A. Lipscomb, doing business as Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C.; Mrs. Dora Fruman, 735 South Third Street, Philadelphia, Pa. (1) None. (2) None. (3) None. (4) None. (5) H. R. 1637, a private bill for the benefit of Mrs. Dora Fruman.

Hudson, Minor, Geoffrey Creyke, Jr., and Andrew A. Lipscomb doing business as Hudson, Creyke & Lipscomb, 444 Washington Building, Washington, D. C.; Gardner Displays, 477 Melwood Streets, Pittsburgh, Pa. (1) Received $621.86, disbursements, $74.04. (2) Long-distance telephone calls, $41.42; trip to New York City by Minor Hudson, $32.62. (3) [Blank.] (4) [Blank.] (5) To seek passage of the National Capital Sesquicentennial Commission appropriation.

Huff, W. T., Transcontinental & Western Air, Inc., 806 Connecticut Avenue NW., Washington, D. C. (1) Regular salary, as previously listed, plus $155.10 in expenses. (2) [Blank.] (3) Transportation, meals, documents, telephone, and telegraph. (4) None. (5) Duties are to analyze bills which might affect air-transport industry for company management. Support all those beneficial to industry.

Hunter, John F., 901 Prince Street, Alexandria, Va.; Ritter & Boesel, attorneys, 230 Huron Street, Toledo, Ohio. (1) No moneys received for lobbying; no moneys spent; no lobbying done. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Huntress, Carroll B., 17 Battery Place, New York, N. Y.; National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C. (1) Carroll B. Huntress, vice president, Republic Coal & Coke Co., 17 Battery Place, New York, N. Y., acting as chairman for the National St. Lawrence Project Conference, without compensation and for reimbursement of expenses. (2) Railroads, hotels, $893; newsstands, $11.50; luncheon meetings, $54.50. (3) [Blank.] (4) [Blank.] (5) House Joint Resolution 53, Senate Joint Resolution 99.

Huschke, Henry A., Agricultural Limestone Institute, 1415 Elliot Place NW., Washington, D. C. (1) It is estimated that $250 of my salary during the previous quarter is allocable to legislative activities. (2) [Blank.] (3) [Blank.] (4) None. (5) Any legislation that might affect the agricultural-limestone industry, such as H. R. 5268.

Hushing, W. C., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for months of July, August, and September, $2,210; expenses for July, August, and September, $123.40. (2) Taxi drivers, phone company (when away from office), and messengers. (3) Ast stated in (2). (4) None. (5) Affecting labor.

Hutson, John B., suite 719, 1424 K Street NW., Washington, D. C.; Tobacco Associates, Inc., Raleigh, N. C. (1) Salary at the rate previously reported on Form B, which registrant filed as a matter of information to the

[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.
[9] Filed for first quarter, 1949.
[10] Filed for first and second quarters, 1949.

Congress, although of the opinion that he does not come within the purview of the act (Public, 601, 79th Cong.). (2) None. (3) None. (4) None. (5) None.

Idol, Edgar S., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration; he expended a total of $6.50. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Building. (3) The money was paid taxi drivers for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) See attachment.[5] (2) See attachment.[5] (3) See attachment.[5] (4) None. We issue regular informative bulletins and news letters to members. (5) Any legislation concerning natural gas.

Ingles, William, Allis-Chalmers Manufacturing Co. et al., 1624 I Street NW., Washington, D. C. See schedule 1 (A) attached.[5] (1) See schedule 1 (A) and 1 (B) attached.[5] (2) See schedule 1 (B).[5] (3) Normal office-operating expenses. (4) Unable to state. A distribution of editorial material has been made to a list of 370 newspapers and writers. (5) Legislation affecting industry.

Jackson, Charles E., National Fisheries Institute, Inc., 228 Victor Building, 724 Ninth Street NW., Washington, D. C. (1) Expended $3.20. (2) Taxicab operators. (3). Transportation. (4) National Fisheries Institute, Inc., Flashes published weekly (50 issues) mailed to institute membership. (5) No particular legislation.

Jackson, Robert C., 1832 M Street NW., Washington, D. C.; National Cotton Council of America, Memphis, Tenn. (1) In addition to regular salary received from National Cotton Council, as reported on Form B, received expense reimbursements amounting to $70.30 which may be construed as relating to legislative activity. (2) Telephone calls, $11.55; cab fares, $49.10; meals for guests, $9.65. (3) Communication, transportation, and meals. (4) None. (5) Not employed to support or oppose any specific legislation. Interested only in legislation that affects consumption of cotton, cottonseed, or products thereof. Expenditures reported above relate to activities on Labor-Management Relations Act of 1947, amendments to Fair Labor Standards Act, margarine repeal legislation, cotton acreage allocations legislation, appropriation for ECA and farm legislation.

Jennes,[6] Ernest W., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) This representation is carried on jointly with Howard C. Westwood. Mr. Westwood's financial statement gives the amounts received and expended, to whom paid, for what purposes, and the replies to the other items on this form. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank].

Jhung, Walter, Korean American Trading Co., 221 Chrystie Street, New York, N. Y. (1) See attached sheet.[5] (2) See attached sheet.[5] (3) See attached sheet.[5] (4) None. (5) To support S. 554, S. 761, S. 853, H. R. 167, H. R. 374, and H. R. 1897, and the Judd bill, H. R. 199, as well as House Joint Resolution 238.

Jobe, William T., National Association of Ice Industries, 1706 L Street NW., Washington, D. C. (1) Employed on a full-time annual basis as general counsel for the National Association of Ice Industries at a salary of $10,800 per annum. I have received my regular monthly salary for the past calendar quarter of 1949, plus $92.25 as reimbursement for out-of-pocket expense covering local taxicab transportation, business lunches, etc. Pursuant to the requirements of Public Law 601, I have expended no money. (2) None. (3) None. (4) None. (5) None.

Joers, Peter Dierks, Mountain Pine, Ark.; Dierks Lumber & Coal Co., 1006 Grand Avenue, Kansas City, Mo. (1) No moneys received or expended for the purpose of lobbying. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) I am against construction of the Millwood Dam as outlined in the 1945 Flood Control Act, and favor upstream dams in its place. I am a vice president and director of our company and am receiving a fixed salary which has no bearing on the above.

Johnson, Curtis E., 4619A South Thirty-sixth Street, Arlington, Va.; Citizens Committee on Displaced Persons, 303 Lexington Avenue, New York, N. Y. (1) None. Compensation and expenses received as stated on registration statement. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 1344 and S. 311.

Johnson, Elmer, president, National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C. (1) $316. (2) None. (3) Fee of $225 per month; $91 to cover transportation, meals, etc. (4) The Annuitant, the quarterly publication of this association. (5) In support of any measure designed to improve the Federal retirement system.

Johnson, Gilbert R., 874 Rockefeller Building, Cleveland, Ohio; Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) Pro rata of annual retainer as legal counsel (including 8 percent increase effective September 1, 1948) as set forth in my letter of April 9, 1948, amending initial registration dated January 10, 1947. No expenses were incurred during this period. (2) Retainer to self. (3) See (2). (4) None. (5) During this quarter I have given attention to legislation relating to Great Lakes shipping as part of my work as legal counsel for Lake Carriers' Association. I do not consider that I am engaged for the purpose of attempting to influence legislation and this report is made without prejudice to that position.

Johnson,[6] James G., Jr., Cleary, Gottlieb, Friendly & Cox, 224 Southern Building, Washington, D. C. (1) Disbursements by Cleary, Gottlieb, Friendly & Cox from April 1, 1949, through July 11, 1949; receipts from Stapleton Lumber & Piling Co., $458.42. In accordance with arrangements between registrant and Cleary, Gottlieb, Friendly & Cox, this money paid to Cleary, Gottlieb, Friendly & Cox. (2) Disbursements, $1.50 notary fees; $6.92 telegrams and tolls. Receipts to Cleary, Gottlieb, Friendly & Cox. See answer (1) above. (3) Disbursements, see answer (2) above. Receipts, $450 for professional services; $8.42 reimbursement for previous expenditures. (4) None. (5) H. R. 6253 and S. 2539, both bills entitled "For the relief of James A. Stapleton, Ruth Burk, and Mildred Ovren, copartners doing business under the name and style of Stapleton Lumber & Piling Co." These bills were enacted into law as Private Law 24, effective April 18, 1949.

Johnson, James G., Jr. (assisted by Lykes M. Boykin), care of Cleary, Gottlieb, Friendly & Cox, 224 Southern Building, Washington, D. C.; Graves, Kizer & Graves, Old National Bank Building, Spokane, Wash. (1) Received $300 in fees for services rendered through June 30, 1949. Expended $40.16. (2) Miscellaneous expenditures only. (3) Postage, telegrams, and tolls, and photostats. (4) None. (5) S. 639 and H. R. 1326.

Johnson, Jerry P., Terminal Refrigerating & Warehousing Corp., Fourth and D Streets SW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Johnson, Vernon A., Lockheed Aircraft Corp., 1025 Connecticut Ave. NW., Washington, D. C.; Lockheed Aircraft Corp., Burbank, Calif. (1) Received a total of $3,077.20, all from the Lockheed Aircraft Corp. Of this amount, $2,750 was salary and the balance of $327.20 was expenses which are itemized as follows: Auto travel $6.93, taxi fares, $21.65, entertainment $293.65, auto parking 85 cents, and telephone and telegraph $4.12. (2) Various taxicab companies, hotels, restaurants, etc. (3) In the course of normal business activities. (4) None. (5) All legislation affecting aviation.

Johnson, W. D., room 312, Labor Building, 10 Independence Avenue, Washington, D. C.; Order of Railway Conductors, Cedar Rapids, Iowa. (1) January, 1949, annual compensation of $8,500. (2) W. D. Johnson. (3) As vice president and national legislative representative of the Order of Railway Conductors of America, covering all services rendered, including services entirely unrelated to legislative matters. (4) None. (5) Legislation directly and indirectly affecting the interests of labor, generally, employees of carriers under the Railway Labor Act, and particularly the interests of various classes and crafts of railway employees represented by the Order of Railway Conductors of America.

Johnson, Walter R., National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C. (1) Salary for June and July, $3,000. Expenses, July and August, $1,005. (2) Registrant. (3) Transportation $78, meals $900, car storage $27. (4) None. (5) To confirm and establish titles in States to lands beneath navigable waters within State boundaries.

Jones, J. M., National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah. (1) $2,100, salary; $914.18, expenses; total, $3,014.18. (2) [Blank.] (3) The above paid to J. M. Jones as secretary of the National Wool Growers Association for duties in connection with association work; all expenses included for all the work in Washington, whether in connection with legislative work or not. (4) The National Wool Grower, coeditor, J. M. Jones. (5) Farm program, reciprocal trade agreements, various and sundry land bills, appropriation bills, and any other legislation affecting the sheep industry.

Jones, L. Dan, Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C. (1) Salary previously reported plus the following expenses which might be considered to be within the scope of the act: $20. (2) See (3) below. (3) Taxi fares. (4) None. (5) I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation which might affect the petroleum industry and taking such action with respect to such legislation as directed by the association.

Jones, Lyle W., 1737 De Sales Street NW.; National Small Business Men's Association, Akron, Ohio. (1) $600 monthly less withholding tax and social-security tax; $139.36 personal expenses July, August, and September. (2) Lyle W. Jones, 1737 De Sales Street NW. (3) Luncheons, taxicabs, and miscellaneous expenses. (4) Pulling Together, monthly bulletin, National Small Business Men's Association. (5) [Blank.]

Jones, Mark M., 159 Library Place, Princeton, N. J.; Bell, Jones & Taylor, 350 Fifth Avenue, New York, N. Y. (1) Fees, $3,525; expenses, $13.56. (2) Telephone company. (3) Telegraph and telephone. (4) The executive's policy letter. (5) See answer to question 2 of registration statement on Form B.

Jones, Rowland, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $400, salary; $308.30, expenses. (2) Restaurants and cab drivers. (3) Food and transportation. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revi-

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

[6] Filed for second quarter, 1949.

sion, social-security-law revision, inflammable-fabric legislation.

Kane, John E., 1625 K Street NW, Washington, D. C.; American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) Received regular salary as previously reported in Form B heretofore filed pursuant to act; expenses reimbursed by employer, $160.40. (2) Various taxicab companies, restaurants, hotels, other service establishments. (3) Administrative expenses, transportation, meals, etc. (4) None. (5) Matters affecting the petroleum industry and its customers.

Kane, John E., District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C. (1) Received $629.98 as treasurer of District of Columbia Petroleum Industries Committee. The sum of $629.98 expended on behalf of committee during quarter. (2) See schedule A attached.[5] (3) See schedule A attached.[5] (4) None. (5) Legislation affecting the sale and distribution of petroleum products in the District of Columbia.

Keefe, Thomas J.,[6] American Road Builders Association, 1319 F Street NW., Washington, D. C. (1) Salary, 3 months ending June 30, 1949, $1,725; expenses reimbursed, $851.37. (2) To self for salary and reimbursement for meals, special events, transportation, postage, telephone, etc. (3) Routine duties as an executive and consultant for the American Road Builders Association. (4) None. (5) None.

Keehn,[6] Thomas B., 1751 N Street NW., Washington, D. C.; Council for Action of the Congregational Christian Churches, 289 Fourth Avenue, New York, N. Y. (1) Salary, $1,305; expense, $400. (2) Money paid to self for salary and expenses such as railroad fare, food, taxis. (3) To cover living expenses and special expenses allowable within expense account. (4) Social Action; Legislative Action Service. (5) Same as material filed October 1946, indicates, especially, displaced persons' legislation, housing, Federal aid to education. More time spent on education of constituents than on opposing or supporting legislation.

Keesling, Francis V., Jr., 315 Montgomery Street, San Francisco, California; city and county of San Francisco, City Hall, San Francisco, Calif. (1) $3,000 retainer. $2,489.39 reimbursement for travel, subsistence, secretarial, stenographic, telephone, telegraph, and postage expense. (This also covers services concerning matters before the various executive departments, in addition to legislative matters of interest to the city and county of San Francisco, and includes expenses at Washington, D. C., San Francisco, and elsewhere. (2) No payments made except as set forth in (1). (3) In connection with various legislative matters of interest to the city and county of San Francisco. (4) Discussion of projects with editorial departments of San Francisco Chronicle, San Francisco News, San Francisco Examiner, and San Francisco Call-Bulletin. (5) Various bills of interest to the city and county of San Francisco, including Army civil functions, housing, surplus property, in lieu taxes, repeal of amusement taxes, transbay bridge, civil defense, ship construction on the west coast, and other matters of interest to the city and county of San Francisco. (Also Fort Funston and Palace of Fine Arts.)

Kelly,[6] Eugene, Munsey Building, Washington, D. C.; Retail Credit Institute of America, Inc., 917 Fifteenth Street NW., Washington, D. C. (1) (See attached statement.[5]) Total amount, $238.29, plus $1,500 in fees. (2) For Postage, telephone, telegraph, stenographic, etc., expense. (See attached statement.[5]) (3) See attached statement.[5] (4) I know of none. (5) I am employed by the Retail Credit Institute of America as public-relations counsel, in connection with which I report to the institute the status of legislation generally of interest to retailers. (See attached statement also.)

Kendrix, Moss H., legislative and Federal-relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, which covers both legislative and nonlegislative activities, $1,200; estimated for legislative service, $240; expenses, $12.20. (2) Self (salary); expenses, hotels, railroads, air lines, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Kennedy, Harold L., 605 Commonwealth Building, Washington, D. C.; Mid-Continent Oil & Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Received 3 months' retainer in the amount of $3,250; expended $18. (2) Forty-five taxi fares at 40 cents. (3) See (2) above. (4) None. (5) All proposed legislation that might affect the oil and gas industry.

Kennedy, James A., American Cable & Radio Corp., 67 Broad Street, New York, N. Y. (1) I have been for several years vice president and general attorney of American Cable & Radio Corp., which owns the Commercial Cable Co., All America Cables, and Radio, Inc., and Mackay Radio & Telegraph Co., all engaged in the international telegraph business. In said capacity, a part of my duties has been to appear in hearings, conferences, and other governmental meetings in Washington. My company has directed me, as an incidental part of my duties, to speak to Members of Congress and other governmental agencies in favor of legislation which would permit the merger of telegraph companies engaged in international traffic. I have not, and do not expect to receive any additional remuneration for this service above my previous salary. Neither have I made nor do I intend to make any contribution for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The Lobbying Act would appear inapplicable; however, if this declaration is not sufficient, I will be glad to furnish any further information desired. My salary is the same as heretofore reported, no part of which is for the purpose of influencing legislation. (2) See (1). (3) See (1). (4) None. (5) As an incidental part of my ordinary work, I am supporting legislation which will permit the merger of Western Union cable properties into my company's system, if such is necessary, or legislation which will authorize the merger of internationa' telegraph companies.

Kenney, James F., 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Any fees are paid to the law firm of Posner, Berge, Fox & Arent, which employs registrant. This work is part of regular duties of registrant, for which a salary is paid. (2) See quarterly report of Mr. Wendell Berge, filed this date. (3) See quarterly report of Mr. Wendell Berge, filed this date. (4) None. (5) Increase in third-class postal rates.

Ketcham, Ronald M.,[6] 1757 K Street NW., Washington, D. C.; Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif. (1) For the period April 1 to June 30, 1949, $2,025 regular compensation, plus $300 Washington expense allowance. (2) None. (3) None. (4) None. (5) None during the second calendar quarter of 1949.

Ketcham, Ronald M., 1757 K Street NW., Washington, D. C.; Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif. (1) For the period July 1 to September 30, 1949, $2,025 regular compensation, plus $300 Washington expense allowance. (2) None. (3) None. (4) None. (5) None during the third calendar quarter of 1949.

Ketchum, MacLeod & Grove, Inc.,[6] 411 Seventh Avenue, Pittsburgh, Pa.; Main & Co., First National Bank Building, Pittsburgh, Pa. (1) Received from Main & Co.: April 1949, $176.; May 1949, $316.40; June 1949, $552.86; total, $1,045.26. (2) (a) Ketchum, MacLeod & Grove, Inc., $4.26; (b) Ketchum, MacLeod & Grove, Inc., $1,040.40; total, $1,045.26. (3) (a) Postage, production; (b) services. (4) News releases sent to the Pittsburgh Press, Pittsburgh Post Gazette, Pittsburgh Sun-Telegraph, Wall Street Journal, New York Times, Associated Press, United Press, International News Service, and general distribution to Washington news and radio correspondents. (5) The incentive income-tax plan, a program of income-tax revision prepared by Frank Wilbur Main and other partners in Main & Co., certified public accountants, with headquarters office in Pittsburgh.

Ketchum, Omar B., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $1,000 per month as salary minus social-security and withholding taxes, $105.50 as expenses for transportation and luncheons in connection with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative News Letter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration, and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

King, Joseph T., suite 302, the Ring Building, Eighteenth and M Streets NW., Washington, D. C. (National Retail Lumber Dealers Association). (1) $1,950 salary and $357.55 expenses. (2) Restaurants, cab drivers, hotels, railroads, pullman companies, porters. (3) Meals, taxi fares, and tips while traveling on official business, business luncheons, entertainment. (4) National affairs reports and bulletins. (5) Legislation directly affecting the retail building supply dealers, such as Fair Labor Standards Act, wage-and-hour legislation, housing legislation, tax legislation, freight rates, price and allocation controls.

King, Thomas H., 1025 Vermont Avenue NW., Washington, D. C.; Reserve Officers' Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) No remuneration received for lobby activities. (2) No remuneration received or expended for lobby activities. (3) No remuneration received or expended for lobby activities. (4) None. (5) Legislation for development of military policy for the United States which will guarantee adequate national security.

King, Willford I., room 300, 205 East Forty-second Street, New York City; Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York 17, N. Y. (1) During the past quarter, I received an overall of $3,063.99 net, including salary and expenses. (2) I am not a disbursing officer and have made no payments for the Committee for Constitutional Government, by whom I am employed. (3) [Blank.] (4) Upward of 40 newspapers carry King's Comments, a syndicated weekly column in which I express

[5] Not printed. Filed in the clerk's office.
[6] Filed for second quarter, 1949.

[6] Filed for second quarter 1949.

[6] Filed for second quarter 1949.

freely my personal views concerning current economic problems. America at the Crossroads, in October 1949 American magazine. (5) Not employed for this purpose, but at my own discretion, I oppose legislation which I believe to be antisocial and favor that which I believe to be socially beneficial.

Kittrell, W. H., Empire Bank Building, Dallas, Tex.; Melben Oil Co., Benedum and Trees Building, Pittsburgh, Pa. (1) Fee, or retainer, $3,000; expenses, $2,599.01. (2) Hotels, restaurants, phone company, Western Union Telegraph Co., cab drivers, air lines, etc. (3) For traveling, hotel, phone, and telegraph expense. (4) None. (5) Legislation affecting the oil industry, particularly tidelands.

Klepinger,[7] Robert F., 1720 M Street NW., Washington, D. C.; Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y. (1) $7.50. (2) Registrant. (3) As local counsel and to advise with respect to advocacy of or opposition to proposed legislation affecting, or of interest to, said committee. (4) None. (5) See (3), supra.

Kline, Allan B., American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $327.50 expended. (See item (6) on form B filed January 1948.) (2) Taxi fares, train fares, hotel, and restaurants. (3) Transportation, lodging, and luncheon conferences. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation; charter amendments, reciprocal trade-agreements extension, Federal aid to education, rural housing, rural telephones, health, displaced persons, amendments to Clark-McNary Act; postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, social-security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944, amendment of Food and Drug Act, extension of Bankhead-Flannagan Act to Puerto Rico, amendment of Federal Crop Insurance Act, construction of Prairie du Chien, Wis., municipal dock and wharf, amendment to Air Commerce Act to apply to animal and plant quarantine.

Kline, Robert E., Jr., 322 Munsey Building, Washington, D. C.; Washington counsel for Kirlin, Campbell, Hickox & Keating, 120 Broadway, New York, N. Y. (1) None. (2) None. (3) None. (4) None. (5) (a) Legislation to permit steamship companies to engage in foreign and overseas air transportation, (b) legislation to clarify meaning of section 9 of Merchant Ship Sales Act, 1946.

Kneipp, Leon F., 3700 Massachusetts Avenue NW., Washington, D. C.; Organization of Professional Employees of United States Department of Agriculture, South Building, Department of Agriculture, Washington, D. C. (1) Only money received was in compensation for services rendered during months of July, August, and September, 1949, at the rate of $100 per month. (2) No money paid to any person, company, corporation, or otherwise, during this period. (3) [Blank.] (4) None, other than small publication OPEDA published by organization for issuance to its members, a part of which consists of a letter from the executive officer apprising members of current developments in subjects of interest. (5) Measures relating to interests of Federal professional employees: pay, per diem, classification, retirement, auto mileage, annual and sick leave, disability compensation, civil service, and other like subjects.

Knowles, Burt L., the Associated General Contractors of America, Inc., Munsey Building, Washington, D. C. (1) See statement filed by the Associated General Contractors of America, Inc., dated March 1, 1949, and letters dated January 3, 1947, and February 24, 1949, on file. (2) None. (3) Same as (1) above. (4) None. (5) Same as (1) above.

Knox,[10] James K., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Salary, $4,110.76; reimbursement by employer for travel expense and per diem, $3,705.45; total, $7,816.21. (2) See attached itemized statement.[5] (3) See attached itemized statement.[5] (4) Attached list,[5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed; complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real-estate industry.

Koch, Robert M., National Agricultural Limestone Association, Inc., 1424 K Street NW., Washington, D. C. (1) It is estimated that, as executive secretary of the National Agricultural Limestone Association, Inc., $1,000 of my salary represents that part of my time covered by Public Law 601 during the third quarter of 1949. This was all disbursed for personal living expenses. In addition, I received $19.40 for reimbursement for taxis and carfare in connection with legislation of interest to members of the association. (2) See (1). (3) See (1). [Blank.] (5) Any legislation directly or indirectly affecting the agricultural limestone industry.

Kreutz, Oscar R., executive manager, National Savings and Loan League, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C. (1) $5,000 and $1,751.84, expense. Approximately 25 percent of my time was devoted to legislative matters, so that $1,250 of my salary would be allocable. Of the expense item, none of it could be construed as applicable. (2) No one (none expended by me). (3) None. (4) National Letter and National Savings and Loan Journal. (5) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing. Oppose legislation inimicable to interests of savings and loan industry.

Krueger, A. H., 847 National Press Building, Washington, D. C.; Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill. (1) During the quarter July–September, I was paid a salary of $2,687.48 (includes an annual bonus) by the Millers' National Federation (trade association) for various services most of which are not related to the activities described in section 307, title 3, Public Law 601, Seventy-ninth Congress. Section 307 activities, if any, would be incidental in relationship to my regular employment and no amount of my salary is specifically allocated for such activities. (2) $4.20 for taxis. (3) Attending public congressional hearings. (4) Association bulletins. (5) No specific legislation. My activity, for the purpose of this report, during quarter July–September included assistance in preparation of statement filed with Senate Labor Committee requesting clarification of section 13 (a) 10, Fair Labor Standards Act; modification of H. R. 562 and S. 2383. Future activity, if any, dependent on legislation, which may affect the wheat-flour-milling industry.

Kruse, Herman C., Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif. (1) Salary for quarter, $3,000 for all services to employer not all of which pertained to legislation; reimbursement of hotel, travel, and incidental expenses for quarter, $4,181.48. (2) Hotel Statler, Washington, D. C., $2,384.99; air lines $332.68; restaurants, telephone, and telegraph companies; taxis and incidentals, $1,463.80. (3) Hotel, travel, and incidental expenses as stated above. (4) None. (5) Legislation affecting water and power projects, flood control, and reclamation.

LaChapelle, Lloyd, Michigan Division 43, Communications Workers of America, 510 Lafayette Building, Detroit, Mich. (1) Salary, $484; expenses, $169.94; received from Michigan Division 43, Communications Workers of America. (2) Normal living expenses plus railroads, air lines, hotel, restaurants, taxicabs, and other incidental and related expenses. (3) To perform the normal function of my position with the Communications Workers of America and Michigan Division 43, none of which is related to legislative activities. 4) None. (5) Any proposed legislation which would affect the Communications Workers of America or Michigan Division 43.

Lacques, Paul H., Bigham, Engler, Jones & Houston, 99 John Street, New York, N. Y. (1) Received various sums during the quarter period (July, August, September 1949) at various times (none of which amounted to $100), a total of $684.19 from Bigham, Engler, Jones & Houston. (2) Railroad companies, hotels and club. (3) Transportation, accommodations, meals, telephones, and telegraph charges. (4) None. (5) H. R. 6061 and H. R. 6053.

LaFrance, Francis X., Swan, Keeney & Smith, 911 Turks Head Building, Providence, R. I.; Narragansett Brewing Co., New Depot Avenue, Cranston, R. I. (1) None. (2) None. (3) None. (4) None. (5) S. 257, any corelative bills and any amendments thereto.

Lane, John F., care of Gall & Lane, attorneys; American Institute of Laundering, Joliet, Ill., 1625 K Street NW., Washington, D. C. (1) Received as legal fees and reimbursement for disbursements, $3,935; expended, $55. (2) Expenditures paid to telephone, telegraph, transportation, etc., companies. (3) Telephone, telegraph, local transportation, etc. (4) None. (5) Retained in a usual attorney-client relationship as Washington counsel for the American Institute of Laundering and as such are interested in all legislation affecting laundries.

Landa, Alfons B., 815 Fifteenth Street NW., Washington, D. C.; S. H. Kress & Co., 114 Fifth Avenue, New York., N. Y.; McCrory Stores Corp., 1107 Broadway, New York., N. Y.; W. T. Grant Co., 1441 Broadway, New York, N. Y.; McClellan Stores Co., 55 Fifth Avenue, New York, N. Y.; J. J. Newberry Co., 245 Fifth Avenue, New York, N. Y.; H. L. Green Co., Inc., 902 Broadway, New York, N. Y. (1) None. (2) None. (3) Services in connection with pending wage and hour legislation. (4) None. (5) Registrant is retained in connection with pending wage-hour legislation by the group named, for the purpose of informing, advising, and counseling them concerning the progress, interpretation, constitutionality, and legal effect of pending wage-hour and related legislation, including amendments currently proposed or which may be proposed, insofar as such legislation affects the vital interests of the variety chain stores named and of the consuming public which they serve. This undertaking will also include, if necessary, advising and assisting them in supporting or opposing legislation affecting those interests by all proper and legitimate means. Registrant does not believe that any of his activities including those named herein fall within the term "attempting to influence the passage or defeat or any legislation" as used in the Federal regulation of the Lobbying Act. This registration is being filed because of the uncertain interpretation of that act.

Lanham, Fritz G., Woodley Park Towers, 2737 Devonshire Place NW., Washington, D. C.; National Patent Council, Inc., 1434 West Eleventh Avenue, Gary, Ind.; American Fair Trade Council, Inc., 11 East Forty-Fourth Street, New York, N. Y.; Trinity Im-

[7] Filed with the Clerk only.

[5] Not printed. Filed in the Clerk's office.

[10] Filed for first and second quarters, 1949.

provement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex. (1) From National Patent Council as retainer, $1,500; from American Fair Trade Council as retainer, $1,000; from Trinity Improvement Association for rental and clerical expenses and other expenses, $750; no expenditures for any of these organizations except small sums for postage and office supplies; $414 for rental and garage. (2) $414 to Woodley Park Towers, Washington, D. C. (3) Rental, garage. (4) None. (5) Those I represent are nonprofit organizations, and I serve in an advisory capacity. Their purposes are principally educational with reference to the objectives of their organizations, and I keep them advised with reference thereto concerning legislative proposals and governmental programs.

Wilbur, La Roe, Jr., Investment Building, Washington, D. C. (National Independent Meat Packers Association). (1) La Roe, Brown & Winn, law firm; received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 3997; S. 56; Taft-Hartley; 3 percent transportation tax; S. 1721; H. R. 4538.

Laugherty, R. R., 10 Independence Avenue SW., Washington, D. C.; Railway Employees' Department, A. F. of L., room 1309, 608 South Dearborn Street, Chicago, Ill. (1) Salary, $1,500; expenses, $750. No money expended except for personal maintenance. (2) Landlady, 208 First Street SE., Washington, D. C.; taxi fare, postage, telephone and telegraph, cleaning and pressing, and meals. (3) Necessary living, transportation, and communication expense. (4) None. (5) Legislation affecting and detrimental to railroad employees.

Lavelle, William, Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (1) Salary, $1,750; expenses, $1,706.97. (2) Hotels, air lines, railroads, restaurants, cab drivers. (3) Personal expenses and travel. (4) CIO Legis-Letter. (5) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Lawrence,[6] [8] John V., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary, changed to $22,500, effective May 1, 1949; he expended a total of $47.40. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Lawrence, John V., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his amended report of August 15, 1949; he expended a total of $43.50. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate Office Buildings, and to clerks and cashiers for lunches at restaurants. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Lawrence, Joseph S., M. D.,[6] American Medical Association, suite 301, 1302 Eighteenth Street NW., headquarters, 535 North Dearborn Street, Chicago, Ill. (1) Total receipts, $4,675.14, total expenses, $734.07. (2) Various air lines. (3) Travel, hotels, meals, etc. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

Lawrence, Joseph S., M. D., American Medical Association, suite 301, 1302 Eighteenth Street NW., headquarters, 535 North Dearborn Street, Chicago, Ill. (1) Total receipts, $3,969; total expenses, $386.44. (2) Various. (3) Travel, hotels, meals, etc. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

Laylin, John G., 701 Union Trust Building, American Smelting & Refining Co., 120 Broadway, New York. (1) Received, none; expended in connection with all matters for client, $30.47. (2) Telephone and telegraph expense, $12.57; miscellaneous, $17.90. (3) Long-distance telephone calls, telegrams, etc. (4) None. (5) Appropriation for continuation of drainage tunnel by Bureau of Mines at Leadville, Colo.

Layne, A. Alvis, Jr., 1002 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Associated Third Class Mail Users, Inc., 1010 Vermont Avenue NW., Washington, D. C. (1) Any fees are paid to the law firm of Posner, Berge, Fox and Arent, which employs registrant. This work is part of regular duties of registrant for which a salary is paid. (2) See quarterly report of Mr. Wendell Berge filed this date. (3) See quarterly report of Mr. Wendell Berge filed this date. (4) The case against increasing third-class postal rates, statement in opposition to section 5 of H. R. 2945, Eighty-first Congress, April 1949. (5) Increase in third-class postal rates.

Lea, Clarence F., 1200 Eighteenth Street NW., Washington, D. C.; Transportation Association of America, 130 North Wells Street, Chicago, Ill. (1) $2,124.03, see attached;[8] all of the expenses included in this submission will also be shown in the quarterly filing of the Transportation Association of America. (2) Clarence F. Lea. (3) Retainer fee, incidental expenses at Washington and travel away from Washington. (4) None. (5) None.

League of Women Voters of the United States, 726 Jackson Place NW., Washington, D. C. (1) Registrant has received no contributions for the purposes designated in subparagraph (a) or (b) of section 307, Public Law 601; expenditures, salary, carfare, $1,212.32. (2) Muriel Ferris, salary and carfare. (3) As indicated in (1). (4) Trends in Government and member magazine, both published by registrant. (5) See program of the League of Women Voters of the United States, previously filed.

Lee, Ivy, and T. J. Ross, 405 Lexington Avenue, New York, N. Y.; United States Cuban Sugar Council, 136 Front Street, New York, N. Y. (Registrant disclaims that Public Law 601 has any application to it but is filing this form in the event that the act may be deemed to be applicable to it.) (1) See appended statement I.[5] (2) See appended statement I.[5] (3) See appended statement I.[5] (4) See appended statement II.[5] (5) Registrant advises the United States Cuban Sugar Council on public-relations matters pertaining to sugar legislation relating to the Sugar Act of 1948.

Lee,[7] James R., 731 National Press Building, Washington, D. C.; Gas Appliance Manufacturers Association, 60 East Forty-second Street, New York, N. Y. (1) $1,797.98 salary and expenses for months of July, August, and September. (2) Various. (3) Transportation, telephone, office expense, meals, secretarial services, etc. (4) None. (5) Any legislation concerning the members of the Gas Appliance Manufacturers Association.

Leopold, Joseph F., 937 National City Building, Dallas, Tex.; Self, also on retainer by National Tax Equality Association, 231 South La Salle, Chicago, Ill. (1) Received only $500 per month retainer from National Tax Equality Association and refund of actual out-of-pocket expenses for travel, etc. (2) Paid no money or anything of value to anyone except normal travel expense to railroads, air lines, and for hotels, meals, etc. (3) For expenses only as above. (4) None except where reported by local press following an address before convention or business group. (5) Tax equality in general—no specific legislation.

Letts, David S., attorney at law, 901 Tower Building, Washington, D. C.; American Transit Association, 292 Madison Avenue, New York, N. Y. (1) Received for services as attorney for the American Transit Association, $2,250; also reimbursed for actual business expenses amounting to $76.95. (2) Railroads, taxicabs, etc.; hotels and restaurants; merchants and others. (3) Traveling and living expenses away from Washington; expenses in Washington for transportation, fees, dues, entertainment, and miscellaneous. (4) None. (5) Registrant is no longer employed by the American Transit Association to support or oppose proposed legislation. Accordingly, this is his final quarterly report as a person registered under the Lobbying Act.

Levine, Seth, CIO Maritime Committee, 132 Third Street SE., Washington, D. C. (1) $1,365 expenses and $130 expenses; one-half of time devoted to legislative activity; remainder of time spent on research work. (2) Expenses paid to taxi companies, telephone companies, dispensers of periodicals. (3) Taxis, telephone calls, periodicals. (4) NMU Pilot, IFAWA Fishermen. (5) Support legislation in the interest of seamen, fishermen, and allied maritime workers and oppose legislation detrimental to them.

Levy, Herman M.,[11] 152 Temple Street, New Haven, Conn.; Theatre Owners of America, 1501 Broadway, New York City, N. Y. (1) No money received other than annual retainer as general counsel of Theatre Owners of America for all legal services. (2) None. (3) None. (4) [Blank.] (5) Affecting the motion-picture industry.

Levy, Herman M.,[12] 152 Temple Street, New Haven, Conn.; Theatre Owners of America, 1501 Broadway, New York City, N. Y. (1) No money received other than anual retainer as general counsel of Theatre Owners of America, for all legal services. (2) None. (3) None. (4) [Blank.] (5) Affecting the motion-picture industry.

Levy, Herman M.,[8] 152 Temple Street, New Haven, Conn.; Theatre Owners of America, 1501 Broadway, New York City, N. Y. (1) No money received other than annual retainer as general counsel of Theatre Owners of America, for all legal services. (2) None. (3) None. (4) The Independent, 1501 Broadway, New York City, N. Y. (5) Affecting the motion-picture industry.

Levy,[6] Herman M., 152 Temple Street, New Haven, Conn.; Theater Owners of America 1501 Broadway, New York City, N. Y. (1) No money received other than annual retainer as general counsel of Theater Owners of America, for all legal services. (2) None. (3) None. (4) [Blank.] (5) Affecting the motion-picture industry.

Levy, Herman M., 152 Temple Street, New Haven, Conn.; Theater Owners of America, 1501 Broadway, New York City, N. Y. (1) No money received other than annual retainer as general counsel of Theater Owners of America, for all legal services. (2) None. (3) None. (4) [Blank.] (5) Affecting the motion-picture industry.

[6] Filed for second quarter, 1949.
[8] Amended report.
[8] Not printed. Filed in the Clerk's office.
[7] Filed with the Clerk only.
[6] Filed for second quarter, 1949.
[8] Amended report.
[11] Filed for third quarter, 1948.
[12] Filed for fourth quarter, 1948.

Lewis, C. Huffman, 1525 Slattery Building, Shreveport, La.; Union Producing Co. and United Gas Pipe Line Co., United Gas Building, Shreveport, La. (1) Traveling expenses, $491.40; compensation yet to be paid, $350. See statement attached.[5] (2) See (1). (3) See (1). Am attorney for Union Producing Co. and United Gas Pipe Line Co. See statement attached. (4) None. (5) See attached statement.[5]

Lewis, George J., Union Station, Lexington, Ky.; Kentucky Railroad Association, Louisville, Ky. (For fuller details see form B, filed by me on June 3, 1947.) (1) No moneys received, except reimbursements for out-of-pocket expense amounting to $250. (2) Hotel, restaurant, dining car, pullman, taxies, telephone, etc. (3) For living and traveling expenses. (4) None. (5) Employed to support legislation favorable to the railroad industry, and to oppose legislation detrimental to that industry.

Lewis, John R., 1108 Sixteenth Street NW., Washington, D. C.; Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. (1) The undersigned has neither received nor expended any money during the quarter July through September 1949 for the purposes as defined in section 307 (a) (b) of Public Law 601. My activities have been wholly directed toward the maintenance of an information service for the benefit of my company. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Interested generally in legislation affecting the petroleum industry.

Libby, Frederick J., executive secretary, National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Salary, $1,174.98. (2) [Blank.] (3) [Blank.] (4) Peace Action, monthly news bulletin of the National Council for Prevention of War; The Jewish Forum, for September 1949. (5) Supports, in pursuance of the purposes of the organization, legislation which promotes peace and opposes legislation which, in our judgment, leads to war.

Litschert, Robert G., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $2,250 as an employee of the National Association of Electric Companies, and reimbursements of $415.86 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses was for the purposes described in section 308 (a), or otherwise within the scope of Public Law 601, Seventy-ninth Congress. (2) Various hotels, restaurants, taxicab companies, telephone and telegraph companies, book stores, and stationers. (3) Transportation, $123.95; meals, $173.95; telephone, $12.90; publications, $26.06; miscellaneous, $79. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am an employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in legislation that might affect its members as going business concerns.

Little, Charles R., executive secretary, 7280 Kenwood Road, Cincinnati 27, Ohio; Ohio Valley Conservation and Flood-Control Congress (Dr. Charles E. Holzer, Sr., president, Holzer Hospital, Gallipolis, Ohio). (1) Total received for salary, $900; total received for expenses, $200; total expenses, $283.29 (actual amounts directly chargeable to lobbying would be less than totals shown above). (2) Various railroads, restaurants, hotels, vendors, stores, etc. (3) Transportation, $99.25; lodging, $30.03; meals, $55.06; tips, $9.90; office (communication, equipment, periodicals, supplies, etc), $89.05. (4) None. (5) Not solely employed for this purpose, but concerned with any legislation (Federal or State) dealing with flood control and allied conservation in the Ohio Valley.

Little, Walter J., 510 West Sixth Street, Los Angeles, Calif.; Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles; Southern Pacific Co., and Northwestern Pacific Railroad, 65 Market Street, San Francisco; Union Pacific Railroad, 422 West Sixth Street, Los Angeles; and Western Pacific Railroad, 526 Mission Street, San Francisco. (1) Received from Atchison, Topeka & Santa Fe Railway, Southern Pacific Co., Union Pacific Railroad, Northwestern Pacific Railroad, and Western Pacific: Compensation, $2,397.50; reimbursement for expenses as shown below, $2,293.23. (2) (*a*) Carlton Hotel and Statler Hotel, Washinton, D. C., and Palmer House, Chicago, Ill., $1,300.55; (*b*) Pullman Co., Western Air Lines, Pennsylvania Railroad, and Chicago & Northwestern Railroad, $410.62; (*c*) Taxicab companies, Western Union, telephone companies, United States post office, and various restaurants, $582.06, total, $2,293.23. (3) (*a*) For room, restaurant, telephone, and telegraph charges; (*b*) for transportation and pullman charges; (*c*) For taxies, telegrams, telephone, postage, tips, and meals. (4) Registrant solicited the support of all of the newspapers published in California, in behalf of the railroad's position on H. R. 378 and S. 238. Written information explaining that position was mailed to these newspapers under registrant's instruction. No attempt was made to compile a list of the publications which commented on the legislation, because it was impracticable and almost impossible to do so. Furthermore, registrant has no way of determining whether those papers which commented on the legislation did so because of his solicitation, or because of the voluntary interest of the editors. (5) All legislation affecting the railroads.

Littlepage, John M., 832 Investment Building, Washington, D. C.; the American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. (1) None. (See attached statement,[5] which was filed with registration statement.) (2) None. (3) None. (4) None. (5) None.

Locke, Gordon C., Committee for Pipe Line Companies, 632 Munsey Building, Washington, D. C. (1) Total compensation received, $3,375, for all activities, including those which have no relation to Federal legislation. (2) None. (3) None. (4) None. (5) All legislation that might affect the oil industry as related to petroleum and petroleum products pipe lines.

Lodge, F. S., the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $25 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Lofgren, Charles E., 429 Investment Building, Washington, D. C.; Fleet Reserve Association. (1) $1,500 salary. (2) Self. (3) Living expenses, salary. (4) Naval Affairs magazine, official publication of Fleet Reserve Association. (5) Personnel legislation affecting armed services, with particular reference to Navy and Marine Corps, active, Fleet Reserve and retired.

Lord, Day & Lord, 25 Broadway, New York; 1216 Tower Building, Washington, D. C.; agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York. (1) No money received in the third quarter of 1949; $446.63 disbursements. (2) Railroads, hotels, etc., for the purposes given below. (3) Travel expense, hotel accommodations, etc. (4) None. (5) Legislation having relation to World War I claims.

Lorence,[6 7] Walter E., the Ohio Valley Improvement Association, Inc., 730 Federal Reserve Bank Building, Cincinnati, Ohio. (1) Regular salary for April and May 1949 as reported on Form B. Resigned from the Ohio Valley Improvement Association, Inc., effective June 1, 1949. (2) Self. (3) [Blank.] (4) Progress News, a publication of the Ohio Valley Improvement Association, Inc. (5) In the interest of navigation and flood-control projects in the Ohio Valley.

Love, Richard H., Judge Advocates Association, 312 Denrike Building, Washington, D. C. (1) For services of Richard H. Love as executive secretary, $2,200; for expenditures for rent, secretarial hire, printing, postage, and office maintenance, etc., $3,862.52. (2) Landlord, secretary-stenographer, printer, stationer, mailing service, post office. (3) Maintenance of national offices of association. No direct expenditures for lobbying activity. Activity of association limited to advising members of developments, soliciting their views and making composite views of membership known to Congress at public hearing. (4) 1. Judge Advocate Journal, December 1948 and June 1949 issues. 2. Copy of proposed Uniform Code of Military Justice and Questionnaire, April 1949. (5) Legislation affecting military justice: the functions, administration, and operation of the legal departments of the armed forces and agencies related to national security.

Lovelady, Rufus M., care of AFGE, 900 F Street NW., Washington, D. C.; Lodge 14, American Federation of Government Employees, Box 1703, Balboa, C. Z. (1) Received $905 ($850 as salary for month of July; $55 as transportation to Canal Zone). Activity for first session of Eighty-first Congress ceased as of July 31, 1949. (2) $175 to landlady; $300 for food, clothing, and home incidentals; $165 transportation for self and family to Canal Zone; $90 to transport private automobile. (3) As in (2)—for rent, living expenses, and transportation. (4) None. (5) Support retirement legislation for Canal Zone employees; pay bills; injury compensation; oppose anything generally unfavorable to Federal employees.

Lucas, James C., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) $200 salary, $17.90 expenses. (2) Taxi drivers and restaurants. (3) Transportation and meals. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor-law revision, social-security law revision.

Lunn, Dr. Carl E., 1501 West Washington, Phoenix, Ariz.; Townsend plan headquarters, 6875 Broadway, Cleveland, Ohio. (1) No salary. I did receive $69.17 during past quarter as a small commission on local club dues—not enough to cover printing, mailing postage of local club notices. I donate difference. (2) Postage, stationery, printing of club meeting notices, telephone, and other incidental expenses with local club work. (3) In behalf of the aged and needy, the Townsend plan insurance, H. R. 2135, and State social-security matters. (4) None, except newspapers occasionally announce club meetings. (5) Security for the aged and other needy through national Townsend program.

Lynch, Thomas F., George A. Pflauu Pub., Inc., and Classroom Periodical Publishers Association, 124 East Third Street, Dayton, Ohio. (1) Received in salary, $1,885; received in expenses, $471,45. (2) Hotel, meals, travel, and clerical assistance. (3) As above. (4) None. (5) H. R. 2945, oppose; S. 1103, oppose.

[5] Not printed. Filed in the Clerk's office.

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

Lynn, A. L., Island Creek Coal Co. and Pond Creek Pocahontas Co., Guaranty Bank Building, Huntington, W. Va. (1) For all services rendered the companies listed below I received the following salaries during the last calendar quarter: Island Creek Coal Co., $3,750; Pond Creek Pocahontas Co., $1,240. Although the above salaries are not paid for the purpose of influencing legislation, they are reported in full for the reason that I am unable to determine what part, if any, of my services comes within the scope of Public Law, 601, Seventy-ninth Congress. (3) Travel, hotel accommodations, meals, telephone and telegraph, and miscellaneous. Reimbursement for expenditures to cover items listed under question (3), $90. (4) None. (5) I am not employed to support or oppose specific legislation. I am interested generally in all legislation affecting the coal industry, such as taxes, labor, transportation, Government controls, Government expenditures, hearings concerning monopolistic practices etc.

Lynn, John C., 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $322.17 expended (see item (6) of Form B, filed December 1948). (2) Taxis, air lines, railroads, restaurants, hotels. (3) Transportation, meals, lodging. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, rural telephones, health, displaced persons, amendments to Clarke-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, International Wheat Agreement, social-security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944, amendment of Food and Drug Act, extension of Bankhead-Flannagan Act to Puerto Rico, amendment of Federal Crop Insurance Act, construction of Prairie du Chien, Wis., municipal dock and wharf, amendment to Air Commerce Act to apply to animal and plant quarantine.

Lyon, A. E., executive secretary, Railway Labor Executives' Association, 10 Independence Avenue SW, Washington, D. C. (1) No money received except regular salary and expenses. No money expended for the purpose of attempting to influence the passage or defeat of any legislation. Total salary for quarter, $3,000; total expenses for quarter, $632.48. (2) None. (3) None. (4) None. (5) Incidental to other and varied duties which comprise the major part of work, all legislative proposals of concern to labor and railway labor in particular.

McAvoy, Harold,[7] National Association Post Office and Railway Mail Service, Mail Handlers, Watchmen, and Messengers, 900 F Street NW., Room 916. (1) $1,680, which must take care of all expenses for the quarter. (2) Harold McAvoy, our legislative representative. (3) Legislation for the benefit of all mail handlers, watchmen, and messengers employed by the Post Office Department. (4) The Mail Handlers Journal. (5) He must support all legislation that will benefit all mail handlers, watchmen, and messengers employed by the Post Office Department.

McBride, Jonas A., 10 Independence Avenue, Washington, D. C.; Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio. (1) Salary of Jonas A. McBride, vice president and national legislative representative, $2,500; salary of employees, $1,111.56; printing and supplies, $19.50; rent, $270; personal expenses, $1,275; telephone and telegraph, $75.43. (2) Salary to Jonas A. McBride and Glenn C. Russell, stenographer; printing and supplies to various printers and stationary firms; rent to labor newspaper, 10 Independence Avenue. (3) For maintenance of office of national legislative representative of Brotherhood of Locomotive Firemen and Enginemen. (4) None. (5) All legislation affecting the interests of the Brotherhood of Locomotive Firemen and Enginemen.

McCarthy, Frank J., Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $1,600 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $364.35 was expended by me as expense money, during the third quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals; in addition to this amount I also received $728.70 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $364.35 was expended by me as expense money during the third quarter of 1949 for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

McCaskill, James L., department of higher education, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,757.50, which covers both legislative and nonlegislative activities; estimated for legislative services, $100; expenses, none. (2) Self (salary only), no expenses. (3) No expense incurred. (4) College and University Bulletin. (5) To support any and all legislation designed to strengthen public education in all its areas.

McCloskey, Bryson deHaas, post office box 1657, Washington, D. C.; self in the interest of the organizations named on the attached form supplement, 1316 L Street NW., Washington, D. C. (1) No money received or expended during the preceding calendar quarter. (2) None. (3) None. (4) Publix Patriot (a prepublication 4-page copy prepared especially for the Members of the Congress of the United States was attached to the last preceding quarterly report). (5) Please see the attached sheet appended hereto and made apart hereof.[5]

McClure,[6] Warren C., box 207, Camden, Ark.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) None for legislative purposes. (2) None for legislative purposes. (3) [Blank.] (4) None. (5) None at the present time.

McClure, Warren C., box 207, Camden, Ark.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total expenses in connection with legislative matters, $179.34; reimbursed by Mississippi Valley Association, $100. (2) See statement attached.[5] (3) Travel subsistence and incidentals. (4) None. (5) Legislation relating to soil conservation and flood control.

McDonald, Angus H., 300 B Street SE., Washington, D. C.; National Farmers Union, 1555 Sherman Street, Denver, Colo. (1) None (except salary). (2) None. (3) None. (4) None. (5) All major pending legislation.

McDonald,[6] E. L., the Townsend Plan, 524 Governor Building, Portland, Oreg. (1) $971.31. (2) Hotels, restaurants, transportation, etc. (3) Living and travel. (4) None. (5) H. R. 2135, 2136, the Townsend plan.

McGough, Richard, Washington Railroad Association, 515 Hoge Building, Seattle, Wash. (1) Salary as stated in original registration; expenditures in connection with Federal legislation, none. (2) [Blank.] (3) [Blank.] (4) None. (5) Any legislation affecting transcontinental railroads operating in the State of Washington.

McGrath, Tom J., Fuels Research Council, Inc., 324 Shoreham Building, Washington, D. C. (1) Regularly retained by Fuels Research Council, Inc., for services having no relationship to legislative matters. During third quarter of 1949 performed no services which might be classed as legislative. (2) No payments. (3) [Blank.] (4) None. (5) Legislation affecting competitive fuels.

McGrath, Thomas Edward, Taxpayers, United States of America, general delivery, Washington, D. C. (1) Approximately $165. (2) Thomas Edward McGrath. (3) To expend in behalf of the taxpayers of the United States of America, the Nation's welfare. (4) For fee, none; soliciting support for or against certain legislation; innumerable, such as against confirmation of Sherman Minton to Supreme Court bench. (5) It is my desire to participate in all legislation before Congress.

McKercher, M. C., the Order of Railroad Telegraphers, 3860 Lindell Boulevard, St. Louis, Mo. (1) Salary for 2 months of quarter, $785; expenses for 2 months of quarter, $552.65; no money expended in connection with legislative work. (2) Hotel Hamilton, various restaurants, telephone, telegraph, postage, railroad, pullman, streetcar and taxi fares. (3) Necessary living and transportation expenses. (4) None. (5) Legislation affecting the welfare of railroad employees.

McKinley, Royce B., National Grain Trade Council, 604 Hibbs Building, Washington, D. C. (1) Salary and expenses received during period amounted to $1,022.20 of which less than $5 was spent for any purpose covered by the act. (2) Taxicab fares, no one of which was in excess of 70 cents. (3) Transportation. (4) None other than weekly news letter published by employer. (5) Legislation affecting agriculture in general and the grain trade in particular.

McLaughlin, Joseph V., general auditor, 923 Chestnut Street, Chattanooga, Tenn.; Railway Express Agency, Inc., 230 Park Avenue, New York, N. Y. (1) Received for full quarter $2,800 regular salary as general auditor, Railway Express Agency, Inc. (July 1 to September 30, 1949, on this assignment intermittently, $1,156.34); for traveling expenses, this assignment, $521.95. (2) Various hotels, restaurants, pullman. (3) Hotel, meals, pullman fare, taxicabs. (4) None. (5) H. R. 2945, S. 1103, bills to readjust postal rates.

McLaughlin, Robert E., National Association of United States Storekeeper-Gaugers, Mayflower Office Building, Washington, D. C. (1) Received quarterly retainer of $350. (2) See (1). (3) See (1). (4) None. (5) To support legislation beneficial to this client and civil-service employees in general.

McMains, W. H., Distilled Spirits Institute, Inc., 1135 National Press Building, Washington, D. C. (1) Salary same as previous report. No expenses have been authorized or incurred for purposes listed under this act. (2) See (1). (3) See (1). (4) None. (5) Any legislation affecting the industry represented is reported to members, including such bills in the Eighty-first Congress as H. R. 2547, H. R. 2548, H. R. 3541, and 5486.

McMillan, Robert W., Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C. (1) $2,100, with less than one-twentieth of the time and services for which such compensation was paid being for activities which might conceivably be construed as coming within the purview of any of the provisions of title III of the Legislative Reorganization Act of 1946,

[7] Filed with the Clerk only.

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

$78.65, reimbursement of expenses allocable to foregoing activities. (2) Taxi drivers and operators of eating and refreshment places. (3) Transportation and other normal out-of-pocket expenses. (4) None. (5) No specific legislation.

McQuatters,[6] Geneva F., 1917 I Street NW., Washington, D. C.; National Federation of Business & Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y. (1) Salary, $1,249.98; expenses, $243.60. (2) Travel, postage, office supplies, telephone and telegraph. (3) Travel, postage, office supplies, telephone and telegraph. (4) The Independent Woman. (5) Support: Merit system, Women's Bureau appropriations, equal rights amendment, Federal aid to public education, jury service for women, child-labor legislation, UN participation, universal military training. Oppose: Discriminations against women, compulsory health insurance.

McCracken, William P., Jr., 1152 National Press Building, Washington, D. C., see attached sheet.[5] (1) See attached sheet.[5] (2) See answer 1 attached.[5] (3 See answer 1 attached.[5] (4) None. (5) See attached sheet.[5]

Mack, James Edward, 1028 Connecticut Avenue NW.; National Confectioners' Association of the United States, 1 North LaSalle Street, Chicago, Ill. (1) Salary $2,000, reimbursement for out-of-pocket expenses, $403.41. (2) Paid out in cash to taxis, restaurants, hotels, railroads, and telephone companies. (3) Travel, meals, telephone, and other miscellaneous out-of-pocket expenses. (4) Trade publications of the candy manufacturing industry. (5) Any legislation of concern to the candy manufacturing industry.

Macleay, Lachlan, Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) Total reimbursable expenses in connection with general work done for the Mississippi Valley Association; all reimbursed by association, $556.24. (2) Railroads, air lines, etc., $279.74; hotels and miscellaneous, $276.50. (3) Travel, subsistence, and incidentals. (4) None. (5) A portion of Mr. Macleay's time was used in regard to legislation relating to river and harbor maintenance and improvement, the American merchant marine, soil conservation, flood control, regulation of domestic transportation.

Macleay & Lynch, Commonwealth Building, Washington, D. C., Henry F. DeBardeleben and Associates, care of DeBardeleben Coal Corp., Transportation Building, Birmingham, Ala. (1) Total expenses related to proposed legislation, $32.20 (all to be reimbursed). (2) C. & P. Telephone Co., taxicabs, etc. (3) Long-distance telephone calls, cabs, and miscellaneous. (4) None. (5) Legislation relative to Inland Waterways Corporation.

Macnamee, W. Bruce, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $350 a month ($1,050 per quarter) allocable to legislative activities, received from the National Federation of American Shipping, Inc., $36.20 (August 19, 1949) received for luncheon expenses. (2) The undersigned. (3) See item (1). (4) None. (5) Not employed to support or oppose any particular legislation.

Madaris, James B., 220 South Alfred Street, Alexandria, Va.; Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo. (1) $300 for salary and $72 per diem for expenses. Also about $9.52 for miscellaneous expenses. (2) Paid out for transportation, meals, hotels, and other miscellaneous expenses by James B. Madaris. (3) Living expenses, hotels, meals, transportation, etc. (4) None. (5) Legislation directly or indirectly affecting employees of Brotherhood Railway Carmen of America.

Magee, Elizabeth S., National Consumers League, 348 Engineers' Building, Cleveland, Ohio. (1) No money received or expended. (2) [Blank.] (3) [Blank.] (4) National Consumers League Bulletin. (5) Supporting minimum-wage legislation, extension of social security.

Maloney, Walter E., 40 Wall Street, New York, N. Y.; National Federation of American Shipping Co., Inc., 1809 G Street NW., Washington, D. C. (1) $16.55. (2) Taxicab drivers, telephone company. (3) Transportation and communication to and from Capitol. (4) None. (5) H. R. 858, S. 386.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Business Publications, Inc., 1001 Fifteenth Street NW., Washington, D. C. (1) Fee, $2,400; expenses, $146.25. (2) Meals, $100 to restaurants; cab fares, $42.60 to taxi companies; $3.65 to Chesapeake & Potomac Telephone Co., pay stations. (3) Meals, cab fares, and telephone calls. (4) None. (5) All legislation affecting controlled business publications.

Manasco, Carter, 3611 Greenway Place, Alexandria, Va.; National Coal Association, Southern Building, Washington, D. C. (1) Fee, $2,600; expenses, $146.25. (2) Meals, $100 to restaurants; cab fares, $42.60 to taxi companies; telephone company, $3.65, Chesapeake & Potomac Telephone Co. pay stations. (3) Meals, cab fares, and telephone calls. (4) None. (5) All legislation affecting the bituminous coal industry.

Marchbanks, (Miss) Modane, 901 Lincoln Tower, Chicago, Ill.; National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $4.47. (2) Various persons. (3) Miscellaneous expenses. (4) None. (5) Any margarine legislation.

Margolin, Olya, 1637 Massachusetts Avenue NW., Washington, D. C.; National Council of Jewish Women, 1819 Broadway, New York, N. Y. (1) $1,305 (gross, before income-tax deduction) in salary received from the National Council of Jewish Women, none of which was spent in connection with work; $21.70 received from above, spent for carfare, postage, etc. (2) No one. (3) None. (4) [Blank.] (5) Not employed specifically to support or oppose any legislation, but for the purpose of securing information to be transmitted to headquarters for the preparation of educational and other material.

Markham, Baird H., American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y. (1) See attached schedule[5] for answers to items 1–5. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Marks, Herbert S., 1200 Eighteenth Street NW., Washington, D. C.; the Detroit Edison Co., 2000 Second Avenue, Detroit, Mich. (1) Fee for professional legal services, $800; reimbursement for disbursements, $73.73; total disbursements, $71.26. (These figures represent that portion of the total receipts from and disbursements for client during the quarter fairly allocable to services described in paragraph (5), below.) (2) Telephone companies, taxis, post office, and notary public. (3) Communications and miscellaneous. (4) None. (5) Registrant's general legal services to this client include services in connection with support of H. R. 858 and other measures to eliminate so-called overtime on overtime under the Fair Labor Standards Act.

Marks, Raymond E., Nevada Railroad Association (formerly reported as Southern Pacific Co., same address), 43 Sierra Street, Reno, Nev. (1) Expended and was reimbursed $30, which was expended as follows: Meals, $17.50; hotel, $8; tips, $4.50. (2) Nevada hotels, restaurants, bellboys, waiters. (3) Meals and lodging. (4) To the best of my knowledge articles and editorials have appeared in the following newspapers: Elko Daily Free Press, Elko Independent, Humboldt Star, Lovelock Review Miner, Nevada State Journal, Reno Evening Gazette, Reno Shopping News. (5) Federal legislation affecting Nevada railroads (Southern Pacific, Union Pacific, Western Pacific).

Marran, Donald J., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, made no expenditures during the quarter ended September 30, 1949, in connection with the proposed legislation described in item (5) hereof on behalf of the American Tobacco Co. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation extending the 85 percent dividend-received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

Marran, Donald J., Chadbourne, Wallace, Parke & Whiteside, 25 Broadway, New York, N. Y. (1) The firm of Chadbourne, Wallace, Parke & Whiteside, of the above address, of which registrant is an associate, did not receive or expend any sums during the quarter ended September 30, 1949. (2) [Blank.] (3) [Blank.] (4) None. (5) Tax legislation proposing to amend section 116 (a) and section 1621 of the Internal Revenue Code, pertaining to United States citizens earning income from sources outside the United States and withholding required on such income.

Marsh, Benjamin C., executive secretary People's Lobby, Inc., 810 F Street NW., Washington, D. C. (1) Contributions, $1,241.70; expenditures, $2,013.89; Benjamin C. Marsh, salary, $450, less $42.30 withholding tax; other expenditures listed below. (2) Arline Ryan, Graphic Arts Press, postage, J. B. Stein, Andrew Walker, Addressograph Co., telephone company, Government Printing Office, R. P. Andrews, bank charge, janitor, District of Columbia property tax, etc. (3) Office secretary, salaries and wages, rent, for publicity and clerical work, other for maintaining office and getting out material. (4) We have not caused any article to be published but have sent material and releases to hundreds of papers. (5) Support attached program and oppose that against it.

Marshall, J. Paull, 528 Union Trust Building, Washington, D. C.; William J. Goodwin, the Loch, Roslyn, N. Y. (1) Receipts, $2,058.30; expenditures, $89.91. (2) Various. (3) Postage, taxi fares, telephone calls, etc. (4) None. (5) Any legislation which affects Nationalist China.

Marshall, J. Paull, 528 Union Trust Building, Washington, D. C.; Magothy River Association, 908 St. Paul Street, Baltimore, Md. (1) None. (2) None. (3) None. (4) None. (5) Legislation involving construction of airport at United States Naval Academy.

Marston, R. B., director, legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $2,220, which covers both legislative and nonlegislative activities; estimated for legislative service, $444; expenses, $33.15. (2) Self (salary); expenses: hotels, railroads, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative news flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Martin,[7] Robert F., Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Masaoka, Mrs. Etsu, 300 Fifth Street NE., Washington, D. C.; Japanese American Citizens League, Anti-Discrimination Committee, Inc., 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary as explained in Form B, filed January 3, 1949; (2) None. (3) None. (4) None. (5) Legislation affecting persons of Japanese ancestry in the United States.

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.
[5] Not printed. Filed in the clerk's office.
[7] Filed with the Clerk only.

Masaoka, Mike M., national legislative director, Anti-Discrimination Committee, Japanese American Citizens League, 300 Fifth Street NE., Washington, D. C.; Japanese American Citizens League Anti-Discrimination Committee, 406 Beason Building, Salt Lake City, Utah. (1) All moneys received include only monthly salary and expenses as explained in Form B, filed January 3, 1949. (2) Telegraph and telephone companies, taxicabs. (3) Information, contacts, transportation. (4) News stories in Japanese language and Japanese American newspapers relating to work here are the only articles known to have been published because of our contacts with them. See accompanying list.[5] (5) Legislation affecting persons of Japanese ancestry in the United States.

Maslow, Will, American Jewish Congress, 1834 Broadway, New York, N. Y. (1) Received $112.50 for services under Public Law 601. In addition received for services not under Public Law 601, $2,750. No moneys expended. (2) [Blank.] (3) [Blank.] (4) (a) Law and Social Action, May–June 1949; (b) Law and Social Action, July–August 1949; (c) Civil Rights in the United States: A Balance Sheet of Group Relations; (4) Congress Weekly. (5) Legislation designed to implement the report of the President's Committee on Civil Rights; to keep separate church and state; to liberalize immigration laws; to liberalize Senate rules; to prevent racial or religious defamation.

Mason, Walter J., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for July, August, and September, $2,210; expenses for July, August, and September, $311. (2) Taxi drivers, messengers, and phone company. (3) Cab service and phone calls. (4) None. (5) Affecting labor.

Mathews, John Clifford, 914 Clay Street, Topeka, Kans.; Synod of the Reformed Presbyterian Church of North America for the Christian Amendment Movement, 209 Ninth Street, Pittsburgh, Pa. (1) July–September 1949, salary received from J. S. Tibby, treasurer, $750; preaching fees to be applied on expenses, $251. (2) Salary used for personal and family expenses only; expenses, meals and lodging, $28.51; railroad fare, $95.77; auto mileage, $35.75; postage, telephone, etc., $2.27; money order to J. S. Tibby, treasurer, $100. (3) Travel and work in behalf of House Joint Resolution 181. (4) The Christian Patriot and The Covenanter Witness, 1121 Buchanan Street, Topeka, Kans. (5) In support of a proposed amendment to the Constitution of the United States which would recognize Jesus Christ as Saviour and Ruler of Nations, House Joint Resolution 181.

Mathews, P. H., Association of American Railroads, 929 Transportation Building, Washington, D. C. (1) For services rendered to the Association of American Railroads as described in registration filed October 1, 1948, registrant receiving salary at rate as reported therein; registrant further received for reimbursement of expenses incurred for the period January to September, inclusive, 1949, the sum of $572.31; such expenses were for business meals, taxis, tips, etc. (2) See item (1). (3) See item (1). (4) None. (5) Registrant has worked on various legislation pertaining to the railroad industry as a whole, worked in opposition to the St. Lawrence seaway project (S. J. Res. 99); certain projects as embodied in the Army civil functions appropriation bill (H. R. 3734), and various motions related thereto; in opposition to legislation giving the Interstate Commerce Commission jurisdiction over the operating rules of the railroad industry (H. R. 378; S. 238); to certain authorizations for appropriations to increase the capital stock of the Inland Waterways Corporation; in support of legislation to increase rates on parcel post (S. 1103; H. R. 2945); to extend the date of the provisions of sections 22 (b) (9) and (10) of the Internal Revenue Code as included in H. R. 5086, as amended; H. R. 4965, and H. R. 5347; observed progress of S. 1596; H. R. 4271. Registrant has observed and studied various bills introduced and committee reports as filed. Observed hearings conducted under House Resolution 137.

Meeks, E. A., National League of District Postmasters, 1110 F Street NW., Washington, D. C. (1) Salary only, $1,500 for quarter ending September 30, 1949. (2) E. A. Meeks. (3) Salary. (4) The Postmasters' Advocate, 1110 F Street NW., Washington, D. C. (5) Any legislation affecting postmasters.

Meredith, George Frederick,[7] National Alliance of Independent Business, 1010 Vermont Avenue NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) To support all legislation for equal opportunity and fair competition in industry and commerce. Incidental to educational and reporting service for independent businesses.

Messer, Ross A.,[6] National Association of Post Office Maintenance Employees, post office box 1611, room 512, Victor Building, Washington, D. C. (1) Salary, $1,500; expenses, $1,150.19, including postage, office supplies, box rent, postage for mailing monthly publication and bulletins and other necessary expenses for handling legislation and grievances, and expenses while attending conventions and to and from Trenton, N. J.; Des Moines, Iowa; Clarksburg, W. Va.; and Chicago, Ill. (2) [Blank.] (3) In support of all beneficial legislation for postal employees, and in handling grievances between the membership and the Post Office Department. (4) The Post Office Maintenance News and special news bulletins advising the membership as to legislative activities and other beneficial information. (5) All beneficial legislation for postal employees and custodial employees in particular.

Messer, Ross A., National Association Post Office Maintenance Employees, Post Office Box 1611, room 512 Victor Building, Washington, D. C. (1) Salary, $1,500; expenses, $996.26, including postage, office supplies, box rent, postage for mailing monthly publication and bulletins, and other necessary expenses for handling legislation and grievances, and expenses while attending convention and to and from Winston-Salem, N. C. (2) [Blank.] (3) In support of all beneficial legislation for postal employees, and in handling grievances between the membership and the Post Office Department. (4) The Post Office Maintenance News and special news bulletins advising the membership as to legislative activities and other beneficial information. (5) All beneficial legislation for postal employees and custodial employees in particular.

Middleton, P. Harvey, Railway Business Association, 38 South Dearborn Street, Chicago, Ill. (1) The only money received by me during the period from July 1 to September 30, 1949, was $4,999.98 in gross salary. No part of this salary was spent in legislative activities. (2) None. (3) None. (4) None. (5) [Blank.]

Miles, Clarence R., Chamber of Commerce of the United States, 1516 H Street NW., Washington, D. C. (1) Received salary, $1,125; expenses, $49.89 (transportation, $10.45; telephone, $33.44; meals, $6. (2) Taxi companies, telephone company, and restaurants. (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Miller, Charles C., 715 Ring Building, Washington, D. C.; Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) I have received from my employers, the Rubber Manufacturers Association, Inc., for the quarter ended September 30, 1949, prorated on the basis of total expenditures for salary of self and secretary and for office expenses at the rate of 15 percent to cover time spent on legislative matters, a total of $739.97. (2) Salaries to secretary and self, $482.25; rent to Ring Building, $94.50; guest meals and personal meals while traveling, including hotel accommodations, $41.17; transportation, rail, air, and taxies, $31.67; tips and miscellaneous, $14.39; telephone and telegraph, $46.09; postage, $5.51; printing and office supplies, $9.31; dues, subscriptions, and miscellaneous office expenses, $15.08. (3) [Blank.] (4) Daily newspapers and rubber trade journals, general coverage of industry statistics on production and consumption. (5) Modification of excise tax on tires and any legislation pertaining to rubber controls.

Miller, Dale, Mayflower Hotel, Washington, D. C.; Dallas Chamber of Commerce, Dallas, Tex.; Intracoastal Canal Association of Louisiana and Texas, Houston, Tex.; Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.; William J. Goodwin, Roslyn, N. Y. (1) Received $1,500 plus $750 expenses, from Dallas Chamber of Commerce; $1,500, plus $203.76 expenses, from Intracoastal Canal Association; $1,500, plus $1,047.06 expenses, from Texas Gulf Sulphur Co.; $1,200, no expenses, from William J. Goodwin. Expended: Expenses noted above. This sum includes all business expenses in Washington, only a small portion of which would apply to activities within the purview of the act. (2) Mayflower Hotel, United States Post Office, telephone and telegraph companies, local transportation facilities, stationers, food and beverage establishments. (3) For purposes within scope of the act: Total office rent, $720; taxi fares, etc., $31.20; telephone and telegraph, $93.05; stamps, stationery, other usual office expenses, $140.09; entertainment and miscellaneous, $179. (4) Monthly article in Dallas magazine, official publication of Dallas Chamber of Commerce. (5) Legislation affecting flood control, water transportation, river and harbor improvement, appropriations, and taxes.

Miller & Hornbeck, 1708 Union Commerce Building, Cleveland, Ohio; Wytana Cattle Co., Lewiston, Mont. (1) Receipts: $4,000. Expenses: Transportation, $325; telephone, $265; hotel bills, $380. (2) None. (3) None. (4) None. (5) In support of amendment to the Natural Gas Act of 1938, H. R. 1758, and S. 1498.

Mollin, F. E., American National Live Stock Association, 515 Cooper Building, Denver, Colo. (1) Have had no special contributions for lobbying purposes. The association finances handled in normal fashion. My compensation as executive secretary of the American National Live Stock Association is $1,000 a month. In addition, I received in January of this year a bonus of $1,000 for last year. (2) No payments to anyone in connection with lobbying activities. I made no trips to Washington during the third quarter. (3) [Blank.] (4) Our own official magazine, the American Cattle Producer. (5) [Blank.]

Molnar,[6 7] Joseph, 225 Indiana Avenue NW., Washington, D. C. (1) [Blank.] (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) H. R. 3593.

Mooney, William W., 406 Bernice Building, Tacoma, Wash.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) Amount received for 3-month period, $1,043.57. Out of this amount $285 was spent for travel, by bus, train, auto; hotel bills, taxi, food while out of home city. (2) The $1,043.57 paid to William W. Mooney as a percentage of moneys contributed to national headquarters in Cleveland, Ohio. Also for visiting the different clubs of the organization. (3) To build morale in the clubs and explain the activities carried on in different sections and action in Congress on pension measures. Organize

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

new clubs and set up special meetings other than club meetings. (4) Send notices and short articles to the Townsend National Weekly, printed in Cleveland, Ohio. Also at times send notices of meetings set up other than club meetings. Also write bulletins to send to the different clubs over the State. (5) To support the Townsend Plan, Inc., now in Congress of the United States. Known in the House as H. R. 2135 and H. R. 2136, two identical bills.

Moore, Chester B., Western Growers Association, 606 South Hill Street, Los Angeles, Calif. (1) Regular salary as managing director of Western Growers Association, plus traveling expenses. (2) To all regular accounts of my personal and business life. (3) [Blank.] (4) Western Grower and Shipper. (5) Am paid regular salary. Not directly employed to support or oppose any specific legislation. I do oppose or support any legislation of interest to our members.

Moore, Clayton, R. J. Reynolds Tobacco Co., Fourth and Main Streets, Winston-Salem, N. C. (1) Actual expenses incurred, $52.33. (Salary same as stated in first quarter of 1949 report for full-time services as associate counsel for the purposes fully set out in registration form.) (2) Hotel, meals, and phones, $21.50; railroad, pullman, and taxicab fares, $30.83. (3) Hotel room, meals, phone, travel, and taxicab expenses. (4) None. (5) Tax legislation affecting R. J. Reynolds Tobacco Co.

Montgomery,[9] Donald E., 1129 Vermont Avenue NW., Washington, D. C.; International Union, United Automobile, Aircraft, Agricultural Implement Workers of America, CIO (UAW-CIO), 411 W. Milwaukee Avenue, Detroit, Mich. (1) Salary (13 weeks at $100), $1,300; subsistence (13 weeks), $819; expenses (13 weeks), $368.01; total, $2,487.01. (This amount covers nonlegislative work as described under (4) in form B, as well as legislative work. Legislative work accounts for less than half of total duties.) (2) Subsistence, transportation, hotels, etc. (3) Subsistence and travel. (4) Auto Workers, Ammunition and Washington Report (UAW-CIO publications); Economic Outlook (CIO publication); Antioch Review; Labor and Nation. (5) Support all bills favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to these objectives.

Montgomery,[8] Donald E., 1129 Vermont Avenue NW., Washington, D. C.; International Union, United Automobile, Aircraft, Agricultural Implement Workers of America, CIO (UAW-CIO), 411 West Milwaukee Avenue, Detroit, Mich. (1) Salary (13 weeks at $100), $1,300; subsistence (13 weeks), $819; expenses (13 weeks), $251.66; total, $2,370.66. (This amount covers nonlegislative work as described under (4) in form B, as well as legislative work. Legislative work accounts for less than half of total duties.) (2) Subsistence, transportation, hotels, etc. (3) Subsistence and travel. (4) Auto Worker, Ammunition, and Washington Report (UAW-CIO publications); Economic Outlook (CIO publication); Antioch Review; Labor and Nation. (5) Support all bills favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose legislation detrimental to these objectives.

Morgan, George W., Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During the quarter for which this report is made registrant received only his salary and expenses. The portion of registrant's salary applicable to activities in furtherance of any object necessitating registration under Public Law 601 is estimated to be less than $1,250. The portion of registrant's expenses applicable to activities in furtherance of any object necessitating such registration is estimated to be less than $175.32. (2) No expenditures except for transportation, meals, and similar out-of-pocket expenses. (3) See item (2). (4) The registrant did not cause any article or editorial to be published during this quarter for which this report is filed. (5) The registrant is employed as president of the Association of American Ship Owners and is not employed to support or oppose any specific legislation. During the quarter for which this report is filed the registrant did, however, support, advocate, or oppose certain bills to amend the Merchant Marine Act, 1936, Suits in Admiralty Act, National Labor Relations Act, and certain provisions of certain appropriation bills.

Morgan, Gerald D., and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C.; (1) Aluminum Research Institute, 20 North Wacker Drive, Chicago, Ill.; (2) The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y.; (3) Avon Products, Inc., 30 Rockefeller Plaza, New York, N. Y.; Beauty Counselors, Inc., 17108 Mack Avenue, Grosse Pointe, Mich.; Better Brushes, Inc., Palmer, Mass.; Stanley Home Products, Inc., Westfield, Mass.; C. H. Stuart & Co., Inc., Newark, N. Y.; (4) National Rehabilitation Association, 1025 Vermont Avenue, Washington, D. C.; (5) National Tax Equality Association, 231 South La Salle Street, Chicago, Ill. (1) (1) No receipts during quarter; no expenditures. (2) $300; no expenditures. (3) $600 from each company listed, or a total of $3,000; no expenses. (4) $450; no expenditures. (5) $1,700; no expenditures. (2) See (2). (3) See (2). (4) None. (5) (1) H. R. 5327, to extend to June 30, 1950, the suspension of duties and import taxes on metal scrap; (2) legislation providing for relief from the existing 20 percent retail tax on toilet preparations; (3) firm employed to advocate and support legislation providing for extending social-security coverage to all persons gainfully employed, and in connection therewith to advocate and support coverage of the self-employed persons, who market a company's products, as self-employed persons; (4) no particular legislation; the association is interested in any legislation affecting the vocational rehabilitation program; (5) firm retained as Washington counsel for all legal matters affecting NTEA, including legal aspects of various legislative proposals relating to taxation of cooperatives and other corporations enjoying tax exemptions or special privileges.

Morris Plan Corp. of America, 103 Park Avenue, New York., N. Y. (1) None received; none expended. (2) None. (3) None. (4) None. (5) The corporation in its interests and in the interests of its stockholders opposes the adoption of bank holding company legislation in the forms represented by S. 829 and H. R. 3351 of the Eightieth Congress.

Morrison, Donald S., American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y. (1) Receipts: $5,499.99 salary plus $448.85 reimbursement of the expenditures referred to in (2) and (3) below. (2) Transportation and communications services, hotel accommodations, restaurants, etc. (3) Travel and business expenses connected with employment. (4) None. (5) Legislation affecting shipping industry which concerns employer.

Morrow, Giles, Freight Forwarders Institute, 1220 Dupont Circle Building. (1) Salary, $3,000; in addition, received $358.38 as reimbursement for expenses incurred in conducting institute business in Washington, New York, and Delaware. (2) Taxicabs, restaurants, and hotels in Washington, New York, Wilmington, Del.; American Airlines; Pennsylvania Railroad. (3) Local and interstate transportation, meals, and other traveling expenses, all incurred in connection with meetings and other business of the Freight Forwarders Institute. (4) The ICC Practitioners Journal (editor, freight forwarder section). (5) Any legislation directly affecting the freight-forwarding industry. Testified before Senate Committee on Interstate and Foreign Commerce in support of bill S. 2113.

Morse, Henry Hoyt, 99 Pearl Street, Gardner, Mass.; Institute of Cooking and Heating Appliance Manufacturers; Shoreham Hotel, Washington, D. C. (1) No money received. (2) No money paid. (3) No work undertaken. (4) Stove builder. (5) None.

Mosier, Harold G., Shoreham Hotel, Washington, D. C.; the Glenn L. Martin Co., Middle River, Baltimore, Md. (1) In addition to the regular annual salary previously reported on Form B the registrant has been or will be reimbursed for certain expenditures for travel, subsistence, communications, etc. Payment of these amounts so expended has been made directly to the hotels, railroads, restaurants, etc., which rendered the services to which reference is made. Expenditures referred to were $667.56. (2) See (1). (3) See (1). (4) None. (5) All legislation affecting aviation.

Mote, Lynn E., 1713 K Street NW., Washington, D. C.; Association of American Ship Owners, 90 Broad Street, New York, N. Y. (1) During the quarter for which this report is made, registrant received only his salary and expenses. The total salary received by the registrant during the quarter was $1,666.65 and the total expenses received by the registrant amounted to $160.20. Only a small portion of such salary is applicable to activities in furtherance of any object necessitating registration. (2) No expenditure except taxicabs, meals, railroads, and similar out-of-pocket expenses. (3) See item (2). (4) None. (5) The registrant was employed as vice president of the Association of American Ship Owners and was not employed to support any specific legislation. Notice of the termination of such employment and the withdrawal of registrant's registration was given under date September 7, 1949. During the quarter for which this report is filed the registrant did, however, support, advocate, or oppose certain bills to amend the Merchant Marine Act, 1936, Suits in Admiralty Act, National Labor Relations Act, and certain provisions of certain appropriation bills.

Mougey, William J., 200 Hill Building, Washington, D. C.; General Motors Corp., Detroit, Mich. (1) None. (2) [Blank.] (3) Registrant is filing this quarterly report merely to avoid any technical claim of violation of the act for failure to file report. (4) None. (5) None.

Murph, Daniel S., the National Fertilizer Association, 616 Investment Building, Washington, D. C. (1) Of salary received by me during the preceding calendar quarter, $25 may be allocable to attempts to influence the passage or defeat of legislation. (2) [Blank.] (3) [Blank.] (4) Fertilizer News, Fertilizer Review, Agronomic Notes, and Pasture Progress, all published by the National Fertilizer Association, Inc., Washington, D. C. (5) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, H. R. 855, and H. R. 3045.

Murphy, Dr. Emmett J., chiropractor, 5737 Thirteenth Street NW., Washington, D. C.; National Chiropractic Insurance Co., Webster City, Iowa. (1) Salary, $100 a month. (2) None. (3) None. (4) Journal of the National Chiropractic Association. (5) All legislation adversely affecting or discriminating against National Chiropractic Insurance Co. and its policyholders.

[8] Filed for second quarter, 1949.
[9] Filed for first quarter, 1949.

Murphy, Ray, Association of Casualty & Surety Companies, 60 John Street, New York, N. Y. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $75 received by registrant during the third quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant does not believe he has engaged in any activities in this quarter within the purview of this act. Registrant has expended no money in this quarter. (2) None. (3) None. (4) None. (5) Registrant doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock casualty insurance and surety companies.

The National Association of Life Underwriters, 11 West Forty-Second Street, New York, N. Y. (1) See Registration Form B, no receipts earmarked for any purposes of Public Law 601; total expenses conceivably allocable to Public Law 601 purposes, $210.80, telephone tolls, July 6 to August 30, 1949. (2) New York & Ohio Telephone Co. (3) Long-distance telephone charges. (4) Life Association News, 11 West Forty-Second Street, New York, N. Y. (5) See Form B; no personnel employed for purposes specified in Public Law 601; items of interest were amendments to Social Security Act.

National Association of Real Estate Boards, its realtors Washington committee, and its public relations department, Chicago and Washington headquarters. (1) Schedule attached.[5] (2) Schedule attached.[5] (3) Schedule attached.[5] (4) Attached list [5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) All legislation affecting real estate.

National Association of Stevedores, 140 Cedar Street, New York, N. Y. (1) No contributions; $279.20 expended. (2) Various. (3) Hotels and telegrams. (4) None. (5) H. R. 858.

National Federation of Independent Business, Washington office, 714 Bond Building, Washington, D. C. (1) Total receipts for Washington office, $5,783.44; total disbursements, Washington office, $5,783.44. (2) General office expense. (3) Salaries, rent, retainer fee, telephone and telegraph, postage, and office supplies; bills before Congress, publicity. (4) The Mandate, official publication of the National Federation of Independent Business, Inc. (5) Antitrust law enforcement; all laws affecting small business.

National Food Brokers Association, 527 Munsey Building, Washington, D. C. (1) No money received for lobbying activities; $190 was spent on behalf of the association for the purpose of keeping the membership informed on any legislative problems which may affect their own operations. (2) Allocation of general office expenditures and salary of employees. (3) See Nos. 1 and 2. (4) None except weekly news bulletin of association and special letters to membership only. (5) Opposing S. 2190, a bill to amend the Robinson-Patman Act.

National Postal Committee for Books, room 305, 62 West Forty-seventh Street, New York, N. Y. (See registration for statement of membership of committee.) (1) Receipts, contributions from publishing companies, $2,500; expenditures, reimbursement of travel expenses of Mr. John O'Connor, $767.21; telegrams and messenger service, $3.64; mimeographing and mailing, $5.50. (2) First item above to Grosset & Dunlap, New York, N. Y.; other items to American Book Publishers Council, New York, N. Y. (3) For the purposes above indicated. (4) Publishers' Weekly, New York, N. Y. (5) The committee opposes unfair increases in postal rates and discrimination in postal rates.

National Retail Dry Goods Association,[10] 100 West Thirty-first Street, New York, N. Y. (1) See attached rider.[4] (2) See attached rider.[4] (3) See attached rider.[4] (4) The Association's Special Bulletin, its Washington News Letter, and its bulletin, News from Washington. (5) The association is not employed to support or oppose legislation. However, the legislation with which this activity was and is concerned was LIFO and wage-hour legislation.

Franklin, L. S., director, National Tax Relief Coalition, 2309 Pine Croft Road, Greensboro, N. C. (1) Received $450 for July, August, September 1949. (2) L. S. Franklin, $375 for salary. (3) Quarterly salary; total quarterly expenses, $375. (4) None. (5) Tax relief and less spending.

Nau, Carlton L., The American Public Power Association, 1757 K Street NW. (1) See attached sheet.[5] (2) See attached sheet.[5] (3) See attached sheet.[5] (4) None. (5) See attached sheet.[5]

Neal, William S., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) $3,761.35, of which $386.35 was expended for general expenses. (2) Expenses paid for railroad, air transportation, hotels and restaurants, miscellaneous. (3) For attendance at meetings, luncheons, similar matters. (4) NAM News. (5) NAM program, which embraces regulatory labor legislation, freedom from unnecessary economic controls, for National Science Foundation, against Office of Technical Services in parts, for economy in government.

Neel, Samuel E., 1001 Fifteenth Street NW., Washington, D. C., Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill. (1) Retainer, $2,750; office expenses, $1,423.95. (2) The only money expended was that for office expenses. The office expenses were paid for postage, office supplies, etc. (3) See (2). (4) Washington News Letter, published biweekly by Mortgage Bankers Association of America; Letter to Members, published irregularly by Mortgage Bankers Association of America; The Mortgage Banker, published irregularly by Mortgage Bankers Association of America. (5) Matters affecting the mortgage banking industry.

Nelson, G. W., Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) No money received or expended in connection with legislation. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Nelson, George R., Grand Lodge representative, International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) Salary, $750, July 10 to October 10, 1949; expenses, $150, July 10 to October 10, 1949. (2) Personal. (3) Personal. (4) None. (5) None.

Nelson, Herbert U., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Reimbursement by employer for travel expenses and per diem, $2,117.51; salary (20 percent of time devoted to legislative activities), $1,250; total, $3,367.51. (2) See attached itemized statement.[5] (3) See attached itemized statement.[5] (4) Attached list [5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real-estate industry.

Neumann, Harold F., New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J. (1) Receipts, $153.80; expenditures, $153.80. (2) New Jersey Bell Telephone Co., United States post office, and stenographer. (3) Telephone calls, postage, typing, and mailing. (4) About 75 newspapers in New Jersey, which I have sent the same news releases to. I have no way of knowing which of the papers printed the releases. (5) Any laws or proposals adversely affecting business.

Noffsinger, J. S., executive secretary, National Council of Business Schools, 2601 Sixteenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., director, National Council of Technical Schools, 2601 Sixteenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised.

Noffsinger, J. S., director, National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C. (1) Received $5,500 during quarter for operation of the association; received from treasurer, H. O. Balls, Nashville, Tenn., only a small fraction of which was for lobbying purposes. (2) Western Union, $54.97; telephone, Chesapeake & Potomac Co., $154.63; E. Ray Rambeau, $190.36; Plymouth Printing & Duplicating Service postage, $220. (3) Advising member schools re status of legislation. (4) None. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised. H. R. 1966, S. 1150, and S. 2596.

Noffsinger, J. S., director, National Home Study Council, 2601 Sixteenth Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) Legislation in the Congress is a very small part of my duties. If legislation should arise so as to affect the above association, I would act in the proper interest as I may be advised.

Norgord,[6] Christian P., 1617 Rhode Island Avenue NW., Washington, D. C.; American Humane Association, 135 Washington Avenue, Albany, N. Y. (1) Per diem, $353.41; expenses, $57.41. (2) To business houses of Washington, D. C., for living and office expenses. (3) As stated under (2). (4) National Humane Review. (5) S. 1821, H. R. 4737, H. R. 2779, S. 1703, H. R. 5208, H. R. 2945, S. 1407. Appropriation for control of cattle grubs.

Nortman, Walter, Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis. (1) Total received and expended, $95.50. (2) Mayflower Hotel, Washington, D. C., $30; various persons for traveling and living expenses, $65.50. (3) Traveling, meals, taxies, hotel accommodations. (4) None. (5) All matters affecting interests of railroads.

Notarianni, Alfred E. (acting on behalf of United States Lines, Farrell Lines, Inc., American President Lines, Ltd., American Export Lines, Inc., Grace Lines, Inc., Lykes Bros. Steamship Co., Inc.); Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Receipts, none. No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (2) Not applicable. (3) Not applicable. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

[4] Not printed. Filed in the Secretary's office.

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

[10] Filed with the Secretary only.

Nyce, Peter Q., 1266 National Press Building, Washington, D. C. (1) No money received and none expended. (2) None paid. (3) None paid. (4) None. (5) Legislation pertaining to lands of the United States.

O'Brien, John, 1 Wall Street, New York, N. Y.; Riegel Textile Corp., 342 Madison Avenue, New York, N. Y. (1) None received. Expenditures for transportation, meals, lodging, and telephone, $100.89. (2) Hotel, meals, and lodging, etc. (3) Same as (1). (4) None. (5) Proposals for relief of work glove manufacturers on account of payments made in settlement of controversy with Office of Price Administration.

O'Bryan, Paul A., 600 Munsey Building, Washington, D. C.; National Fur Industry Tax Committee, suite 300, 101 West Thirtieth Street, New York, N. Y. (1) Total fee of $3,000 for months of July, August, and September. Total expenditures of $744.99. (2) Railroads, air lines, hotels, taxicab operators. (3) General travel expense. (4) None. (5) To reduce excise tax on furs.

O'Connor, Edward H., Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill. (1) Salary received during quarter, $3,000; reimbursement for traveling expenses, $482.86. (2) Paid out $482.86 in traveling expenses to various railroads, hotels, restaurants, and miscellaneous items of personal expense. (3) For personal traveling expenses of the undersigned incurred in carrying out my work for the Insurance Economics Society of America. No moneys expended during this quarter for lobbying activities. (4) Insurance Economics Surveys, our own monthly publication. (5) S. 5 and its companion House bills, H. R. 345 and H. R. 783; also, H. R. 782, H. R. 2893, H. R. 6000, S. 1106, S. 1456, S. 1581, S. 1679, and Senate Resolution No. 147.

O'Dunne, Eugene Jr., Southern Building, Washington, D. C.; National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y. (1) Expenditures, $35.31. Annual retainer for legislative and legal services still same as reported at time of original registration on March 22, 1947. Difficult to apportion between two types of work, but the $5,000 annually allocated to lobbying, based on best estimate, still appears fair and reasonable. (2) [Blank.] (3) Telephone and taxi, $35.31. (4) None. (5) S. 2582 in first session, Eighty-first Congress, H. R. 5089, H. R. 5091, and H. R. 1211 in first session, Eighty-first Congress.

O'Hara, Bart W., Secretary-Treasurer, Colorado Associated Businessmen, Inc., 335 Symes Building, Denver, Colo. (1) None. (2) None. (3) None. (4) None. (5) All legislation that may be designed to bring about tax equality concerning corporations.

Oliver, Fred N., senior partner, Oliver & Donnally, 110 East Forty-second Street, New York, N. Y., and 1110 Investment Building, Washington, D. C. (1) Estimated $262.50 from the National Association of Mutual Savings Banks. About $7,000 is the estimated proportion of distribution received by registrant as partner of Oliver & Donnally of total annual compensation from the National Association of Mutual Savings Banks for all legal services performed by the firm for the year 1949. Registrant estimates that not in excess of 15 percent of that amount is for purposes mentioned in the Lobbying Act, or $1,050 annually, of which about $262.50 is for the preceding calendar quarter. (2) No expenditures. (3) No expenditures. (4) None. (5) No specific legislation. Function during this quarter was to analyze proposed legislation affecting mutual savings banks.

O'Malley,[7] [6] Gerda T., Illinois Traffic Division 14, CWA–CIO, 205 West Wacker Drive, Chicago, Ill. (1) None. (2) None. (3) [Blank.] (4) None. (5) Labor legislation of interest to telephone workers.

O'Neal, Sam, 211 National Press Building, Washington, D. C.; National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill. (1) Received: Fees amounting to $2,500 for the 3-month period. Expended: Approximately $100 for taxicabs and other incidental expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to postal rates and regulations.

O'Neal, Sam, 211 National Press Building, Washington, D. C.; Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Market Streets, Chattanooga, Tenn. (1) Received: Fees of $1,875 for the 3-month period. Expended: Approximately $100 for miscellaneous expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) All legislation pertaining to public power.

O'Neill, John E., general counsel, Small Brewers Association, 604 Washington Building, Washington, D. C.; Small Brewers Association, 188 West Randolph Street, Chicago, Ill. (1) Received from Small Brewers Association for salary, as its general counsel, the sum of $1,999.98 plus reimbursement for actual office, travel, and incidental expenses. (2) Retained for personal use; none disbursed to others. (3) No moneys received, or expenses incurred or paid, incidental to attempt to influence legislation. (4) None. (5) To support legislation of benefit to small brewers; in particular H. R. 2433 and S. 978.

Ottinger,[7] Mrs. Julia M., Tennessee WCTU, 1939 Cowden Avenue, Memphis, Tenn. (1) 1949: July 1, balance forwarded, $1.58; September 3, Mrs. Julia M. Ottinger, $5.64; September 20, Mrs. Y. R. Holman, $1; total, $8.22. (2) September 3, the Letter Shop, $2.50; Kress & Co., 50 cents; United States Post Office, $2.64; balance, September 30, $2.58. (3) Mimeographing, envelopes, postage. (4) [Blank.] (5) State and Federal legislation re intoxicating liquors, chiefly the Bryson and Langer bills in the House and Senate.

Owens, T. R., 718 Jackson Place NW., Washington, D. C.; United Rubber Workers of America–CIO, URWA Building, Akron, Ohio. (1) Salary, $960; expenses, $820.54. (2) Hotels, railroads, restaurants, and other travel expenses. (3) Personal expenses and travel. (4) United Rubber Workers. (5) Support all legislation favorable to the national peace, security, democracy, and prosperity and general welfare. Oppose legislation detrimental to these objectives.

Oxholm, Mrs. Theodor, volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y. (1) None. (2) None. (3) None. (4) [Blank.] (5) Federal legislation specifically affecting children and child welfare.

Palmer, Robert S., Colorado Mining Association, 204 State Office Building, Denver, Colo. (1) $2,389.06, traveling and actual expenses while in Washington; registrant, an attorney and State official on special work for basic industry of his State (mining); evidently not under the act. (2) United, American, and Eastern air lines, $788.76; stenographic services, $45; Mayflower Hotel, $694.55; sundry restaurants, cabs, telephone, and telegraph, and incidental items, $860.75. (3) Reimbursement for expense. (4) Mimeographed leaflets. (5) Measures affecting the mining industry and effect on the economy.

Parel, James Donald, 261 Constitution Avenue NW., Washington, D. C.; American Farm Bureau Federation, 109 North Wabash Avenue, Chicago, Ill. (1) Approximately $14.15 expended. (See item (6) of Form B, filed December 1946). (2) Taxis, restaurants. (3) Transportation, meals. (4) None. (5) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Fertilizer, labor-management relations, wage-hour amendments, Economic Cooperation Administration, acreage allotments, Commodity Credit Corporation charter amendments, reciprocal trade agreements extension, Federal aid to education, rural housing, rural telephones, health, displaced persons, amendments to Clark-McNary Act, postal rates, rural roads, amendment of section 7 of Clayton Act, international wheat agreement, social security amendments, Atlantic Charter, amendments to Agricultural Act of 1948, amendments to the Department of Agriculture Organic Act of 1944, amendment of Food and Drug Act, extension of Bankhead-Flannagan Act to Puerto Rico, amendment of Federal Crop Insurance Act, construction of Prairie du Chien, Wis., municipal dock and wharf, amendment to Air Commerce Act to apply to animal and plant quarantine.

Parker, Lester S., 1615 Oakley Avenue, Topeka, Kans.; Communication Workers of America, Southwest Division No. 20-CIO, 611 Pickwick Building, Kansas City, Mo. (1) None received or expended. (2) [Blank.] (3) [Blank.] (4) None. (5) To support all prolabor legislation, to oppose all antilabor legislation.

Parks, Richard B., general manager, Smaller Business Association of New England, Inc., 116 Newbury Street, Boston, Mass. (1) None. (2) None. (3) None. (4) Bulletin of Small Business. (5) None specific. See attached outline of association's program.[8]

Patterson, Belknap & Webb, 1 Wall Street, New York, N. Y.; employed by American Jewish Committee, 386 Fourth Avenue, New York, N. Y. (1) No money received; expended $309.64. (2) Pennsylvania Railroad; American and Eastern Air Lines; taxies; telephone company; Commerce Photoprint Co. for photostats; stenographers. (3) Telephone, photostat, and stenographic charges. (4) None. (5) As counsel, for the purpose of obtaining an amendment to the Trading With the Enemy Act, whereby alien property in this country formerly owned by persons under persecution by an enemy government, in cases where the owner is dead and left no heirs, may be turned over to the organizations for the relief of survivors.

Patton, James G., National Farmers Union, 1555 Sherman Street, Denver, Colo., and 300 B Street SE., Washington, D. C. (1) None (except salary). (2) None. (3) None. (4) None. (5) All major pending legislation.

Paul,[7] Randolph E. (a partner in the law firm of Paul, Weiss, Wharton & Garrison), 1614 I Street NW., Washington, D. C., Gillette Safety Razor Co., Boston, Mass. (1) Receipts, none; expenditures, none. (2) [Blank.] (3) [Blank.] (4) None relating to the subject below. (5) An amendment to eliminate section 131 (b) (2) of the Internal Revenue Code.

Ravenstedt,[10] Edmund W., care of White & Case, 14 Wall Street, New Yerk, N. Y. (1) The registrant's employer has reimbursed the registrant for traveling expenses, hotel bills, meals, etc., totaling $188.54. This amount will be paid to registrant's employer by International Minerals & Chemical Corp., 20 North Wacker Drive, Chicago, Ill. (2) See (1) above. (3) See (1) above. (4) None. (5) To support amendment to Trading With the Enemy Act protecting interests to American stockholders in enemy corporations assets of which have been vested by United States Alien Property Custodian.

Payne, Albert Alford, Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (1) $1,875 salary, $39.85

[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.
[7] Filed with the Clerk only.
[8] Not printed. Filed in the Clerk's office.
[7] Filed with the Clerk only.
[10] Filed with the Secretary only.

expenses. (2) Various. (3) Taxi fares, etc. (4) None. (5) Any legislation affecting the real-estate industry.

Perry,[7] Leslie S., National Association for the Advancement of Colored People, 100 Massachusetts Avenue NW. (1) Expended $30.25. (2) Various. (3) Transportation, meals, etc. (4) NAACP Bulletin. (5) FEPC, anti-poll-tax, antilynching, minimum wage, housing, health, social security, and similar legislation.

Petersen, William J., Wisconsin State Chamber of Commerce, 704 Insurance Building, Madison, Wis. (1) Received my regular salary as general manager for the Wisconsin State Chamber of Commerce, for which I performed my regular duties as chief administrative officer of the chamber, which said duties were related only incidentally to Federal legislation. Aside from my regular salary, nothing was received nor spent for the purpose of influencing Federal legislation. (2) None. (3) None. (4) None. (5) Such legislation affecting business and industry generally as I may be instructed to give attention to from time to time.

Petty, Don, National Association of Broadcasters, 1771 N Street NW., Washington, D. C. (1) $3,750 received for services as attorney for the National Association of Broadcasters for quarter ending September 30, 1949; $1,093 received from the association as reimbursement for business expenses for same period. (2) Various railroads, air lines, taxi companies, communications companies, hotels, restaurants, etc. (3) The amounts set forth in (1) above were received and/or expended in carrying out my normal duties as general counsel handling all of the legal affairs of the National Association of Broadcasters, only a small part of which duties directly or indirectly involved Federal legislation. The amount of $20.48 was expended for telegrams for the specific purpose of calling to the attention of certain Members of Congress suggestions concerning the amendment of the Fair Labor Standards Act of 1938. (4) None. (5) None. I am interested in any legislation, Federal or State, which may affect the radio broadcasting industry. During the past quarter I have contacted certain Members of Congress regarding the passage of H. R. 5887 and various bills relating to the amendment of the Fair Labor Standards Act of 1938.

Phillips, George C., 13534 Woodward, Highland Park, Mich.; Foreman's Association of America, Barlum Tower Building, Detroit, Mich. (1) None. (2) [Blank.] (3) None. (4) None. (5) None.

Pierson, Albert T., the New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn. (1) Salary, $1,815 and no expenses; no part of salary chargeable to lobbying work. (2) None. (3) None. (4) None. (5) Any legislation affecting employer.

Pike, Albert, Jr., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $127.34. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Pillen, Herbert G., 522 Munsey Building, Washington, D. C.; Controlled-Circulation Newspapers of America, Inc., 5309 Hamilton Avenue, Cleveland, Ohio. (1) Received $715.95; $500 for legal services, $210.95 for traveling expenses; $5 for subscription to Editor and Publisher magazine. (2) Baltimore & Ohio Railroad; Drake and Edgewater Beach Hotels, Chicago; traveling expenses and expenses while in Chicago for meeting of trustees, and annual convention. (3) None. (4) Phases of social-security legislation; wage-and-hour amendments; postal-rate legislation; taxation. (5) [Blank.]

[7] Filed with the Clerk only.

Pittman & Roberts, Texas Independent Producers and Royalty Owners Association; 815 Fifteenth Street NW., Washington, D. C. (1) Receipts: Retainer, $5,000; monthly retainer (August and September), $2,000. Expenses: Taxi fares, $40.70; telephone, $52.51; telegraph, $2.94; notary fee, $0.50; Redskin tickets, $201.90; air transportation, $40; hotel bills, etc., $408.88. (2) None. (3) None. (4) None. (5) In support of amendment to the Natural Gas Act of 1938, H. R. 1758 and S. 1498.

Plummer,[6 7] L. M., Communications Workers of America (CIO), Southern Division, No. 49, 23 Broad Street SW., Atlanta, Ga. (1) Expenses, $428.46; salary, $261.91; total, $690.37. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxicabs, and other incidental and related expenses. (3) To perform to the normal functions of my positions with the Communications Workers of America (CIO), none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America (CIO) or its divisions.

Pollitzer,[7 8] Anita (not employed—no remuneration); national chairman, National Woman's Party, 144 B Street NE., Washington, D. C. (1) Received from National Woman's Party, January 8, 1949, $34.04; February 17, 1949, $150; March 22, 1949, $400; March 1, 1949, $100; March 28, 1949, $450. (2) Reimbursement for administration organizing expenses, 1946–49, reimbursement for moneys advanced. (3) Administration organizing expenses. (4) Equal Rights magazine. (5) Equal Rights magazine.

Poole, Rufus G., 1625 K Street NW., Washington, D. C.; Bell, Jones & Taylor, 350 Fifth Avenue, New York City. The principals whom Bell, Jones & Taylor represent are: S. H. Kress & Co., 114 Fifth Avenue, New York City; McCrory Stores Corp., 1107 Broadway, New York City; W. T. Grant Co., 1441 Broadway, New York City; McLellan Stores Co., 55 Fifth Avenue, New York City; J. J. Newberry Co., 245 Fifth Avenue, New York City; H. L. Green Co., Inc., 902 Broadway, New York City. (1) $3,000 on account of legal fees. (2) Telephone, taxi fares, special stenographic and other actual expenses in the amount of $95.19 have been advanced by registrant and will be billed to Bell, Jones & Taylor. (3) Telephone calls, taxi transportation, stenographic services, and meals. (4) [Blank.] (5) Legislation with respect to Fair Labor Standards Act.

Poole, Rufus G., 1625 K Street NW., Washington, D. C.; National Automobile Dealers Association, 1026 Seventeenth Street NW., Washington, D. C. (1) $2,500 on account of legal fees and $29.13 on account of expenses. (2) Telephone and taxi fares in the amount of $29.13 was advanced by registrant and billed to and paid by National Automobile Dealers Association. In addition, registrant has advanced $32.01 for telegrams, taxi fares, and miscellaneous office expenses. Said $32.01 will be billed to National Automobile Dealers Association. (3) Telephone calls, telegrams, taxi fares and meals. (4) [Blank.] (5) Labor legislation affecting retail automobile dealers.

Pope, Ballard & Loos, 707 Munsey Building, Washington, D. C.; California Fruit Growers Exchange and California Walnut Growers Association, both of Los Angeles, Calif.; Northwest Nut Growers of Dundee, Oreg.; California Almond Growers Exchange, Sacramento, Calif.; and California Grape and Tree Fruit League, San Francisco, Calif. (1) Receipts, $2,540.48; disbursements, $84.68. (2) Various. (3) Telegrams, postage, taxis, and lunches and dinners. (4) None. (5) H. R. 3997, H. R. 5300, H. R. 3748; S. 1209, S. 1089, S. 1464; H. R. 1211, H. R. 4263; S. 2522.

[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.
[8] Amended report.

Posner, Stanley I., 1002 Ring Building, Washington, D. C.; National Institute of Diaper Services, et al. (1) National Institute of Diaper Services, fees, $1,249.98; expenses, $510.56. Kex National Association, fees, none; expenses, $444.49. Institute of Industrial Launderers, fees $1,500; expenses, $672.47. Linen Supply Association of America, fees, $1,500; expenses, $269.63. National Council of Technical Schools, fees, none; expenses, $163.94. National Council of Business Schools, fees, none; expenses $245.90. National Federation of Private School Associations, fees, none; expenses, none. (2) Miscellaneous commercial accounts. (3) Taxis, railroad, mimeographing, telephone, telegrams, and similar purposes. (4) Mimeographed bulletins of Linen Supply Association and Institute of Industrial Launderers. Also Linen Supply News. (5) Labor legislation on behalf of Linen Supply Association, Institute of Industrial Launderers, National Institute of Diaper Services. Veterans' training program on behalf of National Council of Technical Schools, National Council of Business Schools, and National Federation of Private School Associations.

Poston, Robert R., 734 Fifteenth Street NW., Washington, D. C.; the American Legion (national organization), 777 North Meridan, Indianapolis, Ind. (1) $625 monthly salary, less withholding and social-security taxes; $79.47 reimbursement for travel and expenses to Philadelphia national convention; $47.01 incidental expenses (taxis, phone calls, lunches, etc.), July, August, and September 1949. (2) Robert R. Poston. (3) Incidental expenses and travel as listed under (1), above. (4) The American Legion Magazine, New York, N. Y.; the National Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws, child welfare, not only for children of veterans but for all children, aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil aviation programs and policies; and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee, which are the ruling and policy-making bodies of the American Legion.

Poulton, James E., grand lodge representative, Machinists' Building, Washington, D. C.; International Association of Machinists, Ninth and Mount Vernon Place NW., Washington, D. C. (1) No money expended or received for lobbying. (2) No one. (3) None. (4) None. (5) None.

Powell,[6] Bolling R., Jr., 910 Seventeenth Street NW., Washington, D. C.; American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group retain our law firm, a partnership doing business as Law Offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding

[6] Filed for second quarter, 1949.

calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Powell, Boiling R., Jr., 910 Seventeenth Street NW., Washington, D. C.; American International Underwriters Corp. and other insurance companies associated in the American International Co., Inc., group retain our law firm, a partnership doing business as Law Offices Paul V. McNutt, to represent them generally in all legal matters. (1) No money has been received or expended by affiant for the purpose of supporting or opposing legislation during the preceding calendar quarter. (2) No one. (3) None. (4) None. (5) None.

Powell, E. Henry, partner, Oliver & Donnally, 110 East Forty-second Street, New York, N. Y., and 1106 Investment Building, Washington, D. C. (1) Estimated $315 received from Oliver & Donnally as portion of partner's drawing account and distribution. (See appendix.[5]) $173.55 received and expended for travel, etc. (See appendix.[5]) (2) See (1). (3) See (1). (4) None. (5) Any legislation which the mutual savings banks have a legitimate interest in supporting or opposing.

Pratt, Edith, National Committee To Defeat the Mundt Bill. 930 K Street NW., Washington, D. C. (1) $540 salary, $135 expenses. (2) Railroads, cabs, restaurants, etc. (3) Travel and living expenses. (4) News Letter of the National Committee To Defeat the Mundt Bill. (5) To defeat the Mundt bill (S. 2311) in any form.

Pray, Kenneth L., 1026 Seventeenth Street, NW., Washington, D. C.; Schenley Distillers, Inc., and affiliated companies, Empire State Building, New York, N. Y. (1) Salary, $5,000; expenses, allowance, $1,260. (2) University Club, National Press Club, hotels, taxicabs, railroad, airlines, etc. (3) Dues, meals, transportation, etc. (4) [Blank.] (5) My services insofar as legislative matters are concerned consist primarily of factually reporting the status and content of proposals affecting Schenley Distillers, Inc., and affiliated companies.

Prentice, Howard A., 1329 E Street NW., Washington, D. C.; Corn Industries Research Foundation, 3 East Forty-fifth Street, New York, N. Y. (1) Received $2.06 as miscellaneous expenses (see below). (2) Notary public, $2; postage, 6 cents. (3) Notarizing quarterly report, postage. (4) None. (5) No specific legislation.

Press, William H., Washington Board of Trade, 204 Evening Star Building, Washington, D. C. (1) $3,000 salary, $145.10 expenses. (2) Miscellaneous taxi and transportation, $115.40; miscellaneous luncheons, $21; miscellaneous expenses of visitors, $8.70. (3) Normal operating expenses. (4) Releases sent to Washington newspapers—Washington Post, Times-Herald, Evening Star, Washington Daily News. (5) Legislation affecting the District of Columbia.

Pretzman, Allen I., 50 West Broad Street, Columbus, Ohio; Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Federal appropriations for Rocky Fork Reservoir, Ohio.

Pritchard, E. Anthony, National Lead Co., 1025 Connecticut Avenue NW., Washington, D. C.; National Lead Co., 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as assistant to the manager of the Washington office of the National Lead Co. Impossible to segregate amount for legislative activities. Only $25 was expended during third quarter 1949 on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., various garages, taxicabs, and restaurants, (3) Telephone calls, telegrams, transportation, and meals. (4) None. (5) Legislation affecting the operation of the National Lead Co., including the manufacture and sale of its products.

Proctor, Harry E., attorney at law, 1110 Investment Building; Oliver & Donnally, 110 East Forty-second Street, New York, N. Y. (1) $2,000 paid the registrant as salary by Oliver & Donnally. (2) No expenditures. (3) None. (4) The registrant contributed articles for the July, August, and September issues of Mutual Savings Banking, a trade publication of the National Association of Mutual Savings Banks. (5) The registrant studied, analyzed, and reported upon a number of bills pertaining to banks, savings and loan associations, taxes, railroads, veterans, and housing.

Producers Council, Inc., The, 815 Fifteenth Street NW., Washington, D. C. (1) Otis Elevator Co., New York, N. Y., $3,000; National Concrete Masonry Association, $150. See exhibits A[5] and B[5] attached. The Producers Council, Inc., is an organization established in 1928. The purpose as stated by the charter of incorporation are attached hereto as exhibit C.[5] In view of the uncertain interpretation of certain provisions of the Regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "to influence directly or indirectly the passage or defeat of any legislation, etc.," we are filing this form giving a full disclosure of the information as required under the act. (2) See item 1 above. (3) As indicated by items on attached exhibits.[5] (4) Technical Bulletin, Producers' Council News, press releases, and certain informative, economic, and technical studies. (5) None.

Purves, Edmund R., executive director, the American Institute of Architects; The American Institute of Architects, 1741 New York Avenue, N. W., Washington, D. C. (1) None, except salary for this period, which amounted to $3,750, and taxi fare in connection with H. R. 3224, which amounted to $3. (2) None. (3) None. (4) None. (5) Legislation in relation to the architectural profession.

Putt, C. J., the Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans. (1) Reimbursed by the Atchison, Topeka & Santa Fe Railway Co., for actual expenses incurred as follows: Statler Hotel, room and phone, $29; Pullman Co., including Federal tax, $30.02; dining cars, hotels, and restaurants, for meals, $66.65; various taxicabs, $15.70; various redcaps and checking stands, $3.50; cigars, entertainment, and miscellaneous expenses, $15.50. (2) See (1) above. (3) See (1) above. (4) None. (5) Various bills affecting railroads.

Pyle, Schuyler S., Fleet Reserve Association, 429 Investment Building, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Quaal, Ward L., director, Clear Channel Broadcasting Service (CCBS), 532 Shoreham Building, Washington, D. C. (1) Although only a portion of his activities came within the purview of the Lobbying Act, registrant reports herewith all receipts and expenditures. Receipts: gross salary, $3,249.96 ($541.66 on July 1, July 16, August 2, August 16, September 1, and September 16). Expenditures reimbursed by employer: $573.16 ($50.90 on July 16, $104.29 on August 2, $169.80 on August 16, $134.51 on September 1, and $113.66 on September 16). Registrant expended $202.54 during the period September 15 to 30 for which he was not reimbursed this quarter but for which he will be reimbursed next quarter. (2) Expenditures paid to various railroads, hotels, restaurants, taxicabs, telephone and telegraph companies, trade associations, clubs, etc. (3) For expenses incurred in course of employment as director of CCBS, such as travel, meals, and entertainment. (4) None. (5) S. 491 and H. R. 4004 to limit the power of broadcast stations and to duplicate clear channels.

Quigley, Frank, 725 Thirteenth Street NW., Washington, D. C.; American Telephone & Telegraph Co., 195 Broadway, New York, N. Y. (1) $691.58. (2) Madison Hotel, New York City, N. Y., $25; Pennsylvania Railroad, transportation Washington, D. C., to New York, and return, $24.68; transportation, Washington to Absecon, N. J. (conference), and return, $21.90; Metropolitan Club, Washington, D. C., $45. (3) Conferences with representatives of telephone industry and others regarding matters of general information and public relations. (4) None. (5) H. R. 2960, Mr. Poage; S. 1254, Mr. Hill, et al., as introduced, and any legislation primarily affecting Bell Telephone Cos.

Quinlan, William A., 1317 F Street NW., Washington, D. C. See exhibit B[5] attached. (1) Received $62.50 each from the National Candy Wholesalers' Association, Inc., and the United States Wholesale Grocers' Association, Inc., in re hearing on S. 1008 before House Small Business Committee. As to expenditures, please see exhibit A[5] attached. (2) Please see exhibit A.[5] (3) Please see exhibit A.[5] (4) Gave information and suggestions to Bakers' Weekly and Bakers' Helper, also prepared press releases for various trade papers and association bulletin material. (5) Legislation to bar portal-to-portal liabilities for the period subsequent to enactment of the Portal-to-Portal Act, May 14, 1947, in addition to other legislation, if any, which may be of interest to clients employing the undersigned on general retainers.

Radner, William, Tower Building, Washington, D. C.; Coastwise Line, 150 Sansome Street, San Francisco, Calif. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Legislation affecting ship sales and chartering authority and related matters.

Radner, Zito & Donoghue (the firm members and associates are William Radner, Frank J. Zito, Odell Kominers, Robert F. Donoghue, J. Franklin Fort, Mary L. Schleifer, and William F. Ragan) 529 Tower Building, Washington, D. C.; Pacific Maritime Association (formerly Waterfront Employers Association of the Pacific Coast), 16 California Street, San Francisco, Calif. (1) Seven hundred and fifty dollars, representing compensation at the rate of $250 per month, July to September 1949; estimated reimbursement for long-distance telephone and other communications expense, travel, etc., $209.94. (2) Radner, Zito & Donoghue. (3) Compensation for work done by firm members or associates and reimbursement of expenses as above noted. (4) None. (5) Legislation affecting maritime industry, particularly in relation to wage-and-hour law.

Raesly, Leon, Leon Raesly Organization, Inc., 1218 Shoreham Building, Washington, D. C. (1) Six hundred dollars and assigned under agreement to Leon Raesly Organization, Inc. (2) [Blank.] (3) [Blank.] (4) None. (5) S. 2068 and S. 2069.

Ragland, Edward F., Associated Tobacco Manufacturers, 109-110 Willard Hotel, Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None, but am interested in any legislation affecting tobacco industry.

Ramsey, DeWitt C., Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) Nothing received except salary and expenses, no part of which was paid for activities covered by Public Law 601, Seventy-ninth Congress; no expenditures. (2) None. (3) None. (4) None. (5) Legislation to establish a national air policy.

[5] Not printed. Filed in the Clerk's office.

[5] Not printed. Filed in the Clerk's office.

[5] Not printed. Filed in the Clerk's office.

Ramsey, Donald J., Silver Users Association, 1612 I Street NW., Washington, D. C. (1) Salary (before withholding taxes), $3,499.98; reimbursement for expenses, $1,699.59; total, $5,199.57; expended, $1,319.85. (2) Various. (3) Railroad fares, hotels, meals, etc. (4) Silver News Letter. (5) Legislation affecting the silver-using industry.

Ramspeck, Robert, Air Transport Association of America, 1107 Sixteenth Street NW., Washington, D. C. (1) Received no compensation other than regular salary ($5,750 for the calendar quarter); expended, $6.45. (2) Taxicab fares. (3) Transportation to and from United States Capitol. (4) I have not caused to be published in any publication during this period any articles or editorials attempting to influence legislation within the meaning of this act. (5) Legislation for the proper advancement of the air-line industry in the public interest. For specific legislation supported during this quarter, see exhibit A,[5] attached.

Rankin, J. Lee, Beghtol & Rankin (partnership), 714 Stuart Building, Lincoln, Nebr. (1) None. (2) None. (3) None. (4) None. (5) All legislation designed to bring about equality of taxation between private business and cooperatives.

Ray,[6] L. S., 2015 Louire Drive, Silver Spring, Md., Disabled Emergency Officers of the World Wars, Washington, D. C. (1) $750. (2) Myself. (3) Salary. (4) None. (5) Legislation affecting retired emergency officers.

Ray, L. S., 2015 Louire Drive, Silver Spring, Md., Disabled Emergency Officers of the World Wars, 1604 K Street NW., Washington, D. C. (1) $750, salary. (2) Myself. (3) Salary. (4) None. (5) Legislation affecting retired emergency officers.

Reck, Jacob, National Beauty and Barber Manufacturers Association, National Press Building, Washington, D. C. (1) $22.65. Registrant is paid an annual retainer as counsel of the above-mentioned association. No determinable amount of said retainer is allocable to activities covered by this law. Normally, the activities of the registrant covered by this law are infinitesimal. (2) Expended for postage, telephone, and taxicabs. (3) In connection with legislation to repeal tax on cosmetics. (4) National Hairdressers and Cosmetologists Bulletin. (5) Repeal of tax on cosmetics sold at retail and used in beauty and barber shops.

Reed, Otie M., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington, D. C. (1) Gross salary for the quarter, $1,924.98; expended, $4.85. (2) Taxicab fares. See attached schedule. (3) See (2). (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C.; C. Jasper Bell, 904 Bryant Building, Kansas City, Mo. (1) No money received or expended. (2) [Blank.] (3) [Blank.] (4) None. (5) H. R. 4064, a private relief bill (Carden & Herd).

Reeves, Albert L., Jr. (acting on behalf of Bernard Peyton and Bernard Peyton, executor, estate of Anne Peyton, deceased, Prettybrook Road, Princeton, N. J.), 1625 K Street NW., Washington, D. C.; Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Received, none. No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. Expenditures of $72.97 for telephone and local transportation, all reimbursed. (2) Taxicab fares and long-distance telephone calls. (3) For attending conferences. (4) None. (5) H. R. 5045, H. R. 5398, and similar legislation.

Reeves, Albert L., Jr. (acting on behalf of United States Lines, Farrell Lines, Inc., American President Lines, Ltd., American Export Lines, Inc., Grace Lines, Inc., Lykes Bros. Steamship Co., Inc.), Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C. (1) Receipts, none. No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration. (2) Not applicable. (3) Not applicable. (4) None. (5) All proposed legislation relating to maritime and shipping matters.

Reeves, Albert L., Jr., 1625 K Street NW., Washington, D. C.; Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City, Mo. (1) No money received or expended. (2) [Blank.] (3) [Blank.] (4) None. (5) H. R. 5564, a private relief bill (Wilcox Electric Co.).

Reilly, Gerard D., Tower Building, 1401 K Street NW., Washington, D. C.; General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. (1) Received from General Motors Corp., of Detroit, Mich., $12,167.50, and expended $13.87. (2) Chesapeake & Potomac Telephone Co., $13.87. (3) Long-distance calls. (4) None. (5) Bills relating to Labor-Management Relations Act, including S. 249 and H. R. 2032.

Reilly, Gerard D., Tower Building, 1401 K Street NW., Washington, D. C.; Pond Creek Pocahontas Co., Huntington, W. Va. (1) Received from Pond Creek Pocahontas Co., of Huntington, W. Va., $1,000 retainer as labor consultant, for which legislative work is incidental, and expended $24.74. (2) (a) Chesapeake & Potomac Telephone Co., $20.74; (b) taxis, $4. (3) (a) Long-distance calls; (b) local transportation. (4) None. (5) Bills relating to Labor-Management Relations Act, including S. 249 and H. R. 2032.

Reinhold, James P., 525 Shoreham Building, Washington, D. C.; Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. (1) Received salary for third calendar quarter 1949, same as reported on Form C, filed by me January 10, 1949, for services as representative of president of the Atchison, Topeka & Santa Fe Railway Co. No money was received or expended by me during third calendar quarter for purposes covered in the act. Note line 1, paragraph 1, of Form C, filed by me April 9, 1949, erred in stating "second calendar quarter"; this should have read "first calendar quarter." Note line 1, paragraph 1, of Form C, filed by me July 11, 1949, erred in stating "third calendar quarter"; this should have read "second calendar quarter." (2) None. (3) None. (4) None. (5) Legislation affecting the interest of the Atchison, Topeka & Santa Fe Railway Co.

Rhodes, Hubert M., 3308 Fourteenth Street NW., Washington, D. C.; Credit Union National Association, Inc., 1342 East Washington Avenue, Madison, Wis. (1) Registrant is a regular employee of the Credit Union National Association, Inc., and receives no additional compensation for service on legislative work. The amount received and expended by him was $10.80. (2) Various. (3) Telephone calls to Congressmen, trips to offices of Congressmen, and notarizing lobbying report for quarter ended June 30, 1949. (4) None. (5) Legislation affecting credit unions.

Rice, Richard M., Wisconsin Associated Business, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis. (1) None. (2) No one. (3) None. (4) None. (5) Any legislation affecting business.

Richards,[7] D. D., 1238 National Press Building, Washington, D. C.; Mail Order Association of America, 1061 West Thirty-fifth Street, Chicago, Ill. (1) None. (2) No one. (3) None. (4) None. (5) None specifically.

Riepma, Siert F., National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $3.20. (2) Cab drivers. (3) Cab fares. (4) None. (5) Any margarine legislation.

Riggle, John H., National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C. (1) Salary for July, August, and September 1949, $2,125.98. Less than 10 percent of this amount could be chargeable to activities designed directly to influencing legislation. (2) No one. (3) None. (4) Foreign Trade Memo—a mimeographed résumé of foreign trade regulations and activities of the Federal Government. Distribution to members of National Council of Farmer Cooperatives only. Legislative Digest—a mimeographed résumé of action taken on bills introduced in Congress. Distributed to members of National Council of Farmer Cooperatives only. (5) Agricultural legislation.

Riley, George D., American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C. (1) Salary for months of July, August, and September, $2,210; expenses for months of July, August, and September, $160.29. (2) Taxi drivers, phone company (when away from office), and messengers. (3) As stated in (2). (4) None. (5) Affecting labor.

Rising, E. W., 1215 Sixteenth Street NW., Washington, D. C.; Western Beet Growers Association, Great Falls, Mont., and National Water Conservation Conference, Philadelphia, Pa. (1) (a) From Western Beet Growers Association, Great Falls, Mont., $227.28. (b) From National Water Conservation Conference, Philadelphia, Pa., $1,163.77. (2) (a) E. W. Rising, personal time, $100; office rent, $17.50; stenographer, $10.80; air line, $50; District taxes, $3.60; Western Union, $4.36; meals and miscellaneous, $41.02. (b) E. W. Rising, Western Union, $25.02; stenographer, $831; postage, $128.06; bank service, $1; telephone, $21; printing, $14; express, $5.89; stationery, $33.93; transportation and expense on trip to Boston to attend convention, $103.87; total, $1,163.77. (3) (a) In connection with information service furnished members on matters of interest to growers of sugar beets. (b) In connection with information service furnished members on development and conservation of natural resources, and in preparation for national conference held at Chicago, Ill., September 21 to 23, 1949. (4) None during the third quarter of 1949. (5) (a) Legislation of interest to growers of sugar beets. (b) Legislation in connection with development and conservation of land and water resources. Tidelands legislation. Regional and valley authorities.

Roark, L. E., National Foundary Association, 120 South La Salle Street, Chicago, Ill. (1) Annual salary, National Foundary Association, $10,000; no expenses this quarter. (2) None. (3) See (2) above. (4) None. (5) Labor legislation, tax legislation, and legislation affecting the foundary industry.

Robb, George Mackay, 121 Warner Avenue, Syracuse, N. Y.; Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa. (1) No money received nor expended during the quarter as I was not engaged in lobbying activity during this period. (2) None; see (1). (3) None; see (1). (4) None. (5) Support of House Joint Resolution 181, providing for a suitable divine acknowledgment in our Nation's Constitution.

Robbins, Paul H., National Society of Professional Engineers, 1121 Fifteenth Street

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

[7] Filed with the Clerk only.

NW., Washington, D. C. (1) Received salary $500, and expenses, $50 for July, August, September 1949, for attention to legislative matters. (2) Regular office and travel expenses. (3) As executive director, National Society of Professional Engineers. (4) American Engineer, Legislative Bulletin, National Society of Professional Engineers. (5) All legislation affecting the welfare of professional engineers.

Rogers, R. L.,[7] [9] OWA (CIO) Northwestern Division No. 45, 2202 Douglas Street, Omaha, Nebr. (1) Expenses, $637.48; salary, $752.70. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxies, and other incidental and related expenses. (3) To perform the normal functions of my positions with the Communications Workers of America (CIO) northwestern division No. 45, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America (CIO) within northwestern division No. 45.

Rogers, R. L.,[6] [7] CWA (CIO) Northwestern Division No. 45, 2202 Douglas Street, Omaha, Nebr. (1) Expenses, $782.36; salary, $858. (2) Normal living expenses plus railroads, air lines, hotels, restaurants, taxies, and other incidental and related expenses. (3) To perform the normal functions of my positions with the Communications Workers of America (CIO) northwestern division No. 45, none of which were related to legislative activities. (4) None. (5) Any proposed legislation which would affect the Communications Workers of America (CIO) within northwestern division No. 45.

Rogers, Watson, president, National Food Brokers Association, 527 Munsey Building, Washington, D. C. (1) No money received for lobbying activities specifically. Paid an annual salary for serving as president and chief administrative officer of the association; allocation of salary for time spent on legislative work, $200; miscellaneous expense, $40 (includes proportion of expense for trip to New York on other association business, at which time I discussed proposed legislation with local members of the association). (2) See (1). (3) See (1). (4) Statement prepared for Journal of Commerce, New York, at their request. (5) Opposing S. 2190, a bill to amend the Robinson-Patman Act.

Rowe, Roland H., 400 Investment Building, Washington, D. C. (1) No money was received or expended by the undersigned for the purpose of influencing Federal legislation except $54 (19 hours estimated, at $3 per hour) as part of annual salary of $5,780 received by the undersigned as vice president and secretary of the United States Wholesale Grocers' Association, Inc., allocable to the preparation of the following documents in which Federal legislation was advocated, opposed, or mentioned: bulletins, news letters to Members of Congress and others on S. 1008 (basing-point-delivered pricing bill) and S. 2190 (amending brokerage provision of Robinson-Patman Act), and to attendance on conference with Congressman Wright Patman and trade representatives on S. 2190. (2) See (1). (3) See (1). (4) Washington News Letter and other releases of United States Wholesale Grocers' Association, Inc. (5) Any and all legislation that affects the welfare of wholesale grocers.

Rubin,[6] Seymour J., 1822 Jefferson Place NW., Washington, D. C.; self. (1) None, except as shown in registration statement: $400. Employment terminated as of May 1949 with no further payments. Fee arrangements canceled. No activities covered by Federal Registration of Lobbying Act since March 1949. (2) No payments. (3) None. (4) None. (5) Displaced-persons bill; employment terminated May 1949.

Rudy, John Forney, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) $300, received as salary from National Federation of American Shipping during third quarter 1949, allocable to legislative activities; and $129.65 for lunches and entertainment. (2) To restaurants and dining rooms. (3) Lunches and entertainment. (4) None. (5) As director of public relations, am not employed to support or oppose any particular legislation.

Rule, Gordon W., Committee for World Travel, Inc., Union Trust Building, Washington, D. C. (1) No money received or expended during the preceding calendar quarter. (2) [Blank.] (3) [Blank.] (4) None. (5) See memorandum attached to Form B on file in your office.

Rule, Gordon W., Union Trust Building (room 427), Washington, D. C.; Gillette Safety Razor Co., Boston, Mass. (1) Received $320 fee and $15.46 out-of-pocket disbursements for work done for the company; of these amounts, approximately $100 fee and $1 disbursements for taxicabs, long distance telephone calls, etc., are applicable to this registration; in addition 50 cents has been expended for cabs. (2) [Blank.] (3) [Blank.] (4) None. (5) Retained in connection with a proposed amendment to the Internal Revenue Code relating to the foreign tax credit.

Rule, Gordon W., Union Trust Building (room 427), Washington, D. C.; Miss Cathryn A. Glesener, 1126 Bush Street, San Francisco, Calif. (1) None received; following amount expended for taxicabs and telephone calls, $35.15. (2) [Blank.] (3) [Blank.] (4) None. (5) Retained in connection with private companion bills S. 469 and/or H. R. 3325 of the Eighty-first Congress for the relief of Miss Cathryn A. Glesener.

Rumely, Edward A., 205 East Forty-Second Street, New York, N. Y.; Committee for Constitutional Government, Inc., 205 East Forty-Second Street, New York, N. Y. (1) I receive my salary, commissions, and expenses as reported on earlier form B; the corporation has reported its disbursements separately on form A. (2) Disbursements were corporation disbursements and are reported separately on form A. (3) [Blank.] (4) We never pay to have news articles printed but issue news releases, some of which are reprinted, and of these I have no record. (5) I am not employed for the purpose of supporting or opposing legislation. Sometimes the committee trustees take a stand for or against an issue (on legislation) where they think a constitutional principle is involved. Then I distribute educational material on the question.

Rush, Charles J., Washington Real Estate Board, 1417 K Street NW., Washington, D. C. (1) Received $666.66 per month as executive secretary. (2) None paid out. (3) None. (4) [Blank.] (5) Measures affecting the ownership and operation of real estate.

Russell, Francis M., National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C. (1) $442.60 (expended for matters relating to legislation). (2) See (3) below. (3) Telephone and telegraph; taxi fares; entertainment. (4) None. (5) As a part of registrant's duties as Vice President in Charge of Washington Office of National Broadcasting Co., Inc., including operation of the company's radio stations in Washington, registrant may engage in activities relating to legislation affecting radio communication companies.

Russell, Horace, 7 South Dearborn Street, Chicago, Ill.; United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill. (1) Received retainer at the rate of $11,000 per annum, only a small portion of which is for legislative activity; incurred expenses were $161.40. (2) Various. (3) Railroads, hotels, etc. (4) Contents of Legal Bulletin of the United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill. (5) Legislation affecting the savings and loan business.

Ryan, M. O., 1405 K Street NW., Washington, D. C.; American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y. (1) Salary for quarter, $3,549. July 1, 1949, to September 30, 1949, inclusive, total personal expenses for taxis, lunches and dinners, phones, etc., in Washington, D. C., were $876.85, of which insignificant amount was for activities related in any way to lobbying. (2) Taxis, Washington restaurants, and hotels. (3) Transportation, lunches, and dinners. (4) Organizational bulletins for American Hotel Association. (5) Any legislation affecting hotel industry.

St. Clair,[6] Labert, 2633 Fifteenth Street NW., Washington, D. C.; National Automobile Dealers Association, Washington, D. C.; International Paper Co., New York City; Stran Steel Division, Great Lakes Steel, Detroit, Mich. (1) Received from National Auto Dealers Association, $1,250; Stran Steel Division, $1,875; International Paper Co., $3,750. (2) See above. (3) Personal services to firms above listed. (4) None. (5) Anything of interests to clients.

Sanders,[7] J. T., the National Grange, 744 Jackson Place NW., Washington, D. C. (1) I received $1,500 as salary for the quarter as legislative counsel of the National Grange; in addition I received $87 for expenses, as follows: Transportation, $31.50; meals and incidentals, $55.50. (2) Transportation agencies and restaurants. (3) Transportation, food, etc. (4) The National Grange Monthly. (5) Vivisection; FAO site loan; International Wheat Agreement; rural telephones; Leland Olds reappointment; farm bill, S. 2522.

Sands, Charles E., 4211 Twenty-sixth Street NW., Washington, D. C.; Hotel and Restaurant Employees and Bartenders International Union, 528 Walnut Street, Cincinnati, Ohio. (1) $2,700; only a portion of my time is spent on legislation. (2) None. (3) None. (4) None. (5) We support all legislation endorsed by the American Federation of Labor. We oppose all legislation recommended for opposition by the American Federation of Labor.

Sasuly, Elizabeth, room 516, 930 F Street NW., Washington, D. C.; Food, Tobacco, Agricultural, and Allied Workers Union of America, CIO, 158 North Twentieth Street, Philadelphia, Pa. (1) Salary, $506.25; expenses, $130. (2) Air lines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) FTA News, publication of Food, Tobacco, Agricultural, and Allied Workers Union of America, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their interests.

Sasuly, Elizabeth, room 516, 930 F Street NW., Washington, D. C.; International Union of Mine, Mill, and Smelter Workers, CIO, 431 South Dearborn Street, Chicago, Ill. (1) Salary, $562.50; expenses, $252.65. (2) Air lines, railroads, hotels, and restaurants while traveling, taxi fares, etc. (3) See (2) above. (4) The Union, publication of International Union of Mine, Mill, and Smelter Workers, CIO. (5) Support all legislation advancing the interests of organized labor and the American people generally; oppose undemocratic legislation against their interests.

Saunders, Stuart T., Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va. (1) Have received $272 from

[6] Filed for second quarter, 1949.
[7] Filed with the Clerk only.
[9] Filed for first quarter, 1949.

Norfolk & Western Railway Co., Roanoke, Va., for reimbursement of expenses, all of which were expended during the preceding calendar quarter. (2) The following hotels in Washington, D. C.: Carlton, Statler, Mayflower; Occidental Restaurant, Washington, D. C., taxicab companies, Chesapeake & Potomac Telephone Co., tips, etc. (3) Food, hotel accommodations, and other incidental expenses. (4) None. (5) Proposed canalization of Big Sandy River and its tributaries in States of Kentucky and West Virginia.

Saville,[6] Russell, American Pension Committee, Inc., 15 E Street NW., Washington, D. C. (1) Salary paid by American Pension Committee, Inc., $975. (2) Paid to Russell Saville by American Pension Committee, Inc. (3) For services as national secretary and legislative representative. (4) Comet, weekly report of American Pension Committee, Inc. (5) Legislation pertaining to social security and old-age pensions generally, H. R. 2620, specifically.

Sayler, Frances, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio, and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $960; expenses, $130. (2) Hotels, restaurants, railroads, cab drivers, etc. (3) Personal expenses in Washington and travel; these expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives.

Saylor, Richard D., 1025 Connecticut Avenue NW., Washington, D. C.; National Lead Co., 111 Broadway, New York, N. Y. (1) All money received by this registrant was for salary and expenses in connection with his duties as manager of the Washington office of the National Lead Co.; impossible to segregate amount for legislative activities; only $45 was expended during third quarter 1949 on legislative work. (2) Chesapeake & Potomac Telephone Co., Western Union Telegraph Co., Weaver Bros., Inc., various garages, taxicabs, and hotels. (3) Office rent, telephone service, telegrams, transportation, and meals. (4) None. (5) Legislation affecting the operation of the National Lead Co., including the manufacture and sale of its products.

Schell, Orville H., Jr., 1 Wall Street, New York, N. Y.; member of the firm of Hughes, Hubbard & Ewing, 1 Wall Street, New York, N. Y. (1) See rider item (1)[5] attached. (2) See rider item (1)[5] attached. (3) See rider item (1)[5] attached. (4) None. (5) H. R. 4653, S. 1247, for the relief of Mallinckrodt Chemical Works, Merck & Co., Inc., and New York Quinine & Chemical Works, Inc.

Schell, S. D., National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (1) Approximately $300 of regular salary for the quarter is allocable to services performed on matters relating to legislation; activities consisted mainly of answering questions of various officials in the Government and others interested in general legislation pending in Congress, with no particular activity on any pending legislation. (2) No expenditures. (3) No expenditures. (4) None. (5) No particular legislation activities during the quarter, except continuing activities re bills referred to in last report.

Schoen, Paul W., Forest Farmers Association Cooperative, post-office box 692, Valdosta, Ga. (1) Salary (2 weeks which was maximum time spent on Legislative activity), $265; travel expense, including hotels, meals, etc., $75; office expense; clerical help, postage, mimeographing, telegraph, etc., $200; total, $540. (2) No payments made to anyone, only personal salary and expense allowed as part of regular association activity. (3) Supporting forestry bill, H. R. 2296, and forestry amendment to H. R. 5896; opposing S. 1820. (4) The Forest Farmer and press releases of which no record of publication is available. (5) Forestry legislation applicable or affecting private timberland owners.

Schoene, Freehill, Kramer & Davis, a law partnership composed of Lester P. Schoene, Joseph H. Freehill, Milton Kramer, and John F. Davis, 1625 K Street NW., Washington, D. C.; Railway Labor Executive's Association, 10 Independence Avenue SW., Washington, D. C. (1) None received or expended. (2) [Blank.] (3) [Blank.] (4) All written materials are delivered to the client and dissemination is entirely in the client's control. (5) Railroad retirement, unemployment insurance, and employers' liability matters.

Schulberg,[6] Hilliard, Washington, D. C., Retail Liquor Dealers' Association, Inc., 4810 Georgia Avenue NW., Washington, D. C. (1) Received $1,500 salary, April–June; $120.95, reimbursed for expenses, April–June. (2) Hilliard Schulberg. (3) Salary and expenses. (4) Letters to the editor of the daily papers, association bulletins. (5) Legislation pertaining to the alcoholic beverage industry in the District of Columbia.

Schulberg, Hilliard, Washington, D. C., Retail Liquor Dealers' Association, Inc., 840 Woodward Building, Fifteenth and H Streets NW., Washington, D. C. (1) Received $1,500, salary July–September; $243.19 reimbursed for expenses July–September. (2) Hilliard Schulberg. (3) Salary and expenses. (4) Letters to the editor of the daily papers, associated bulletins. (5) Legislation pertaining to the alcoholic beverage industry in the District of Columbia.

Scott, Jack Garrett, National Association of Motor Bus Operators, 839 Seventeenth Street NW., Washington, D. C. (1) No receipts except annual retainer for general legal services as shown in registration statement; no expenditures for legislative purposes. (2) None. (3) None. (4) None. (5) Generally all legislation affecting the intercity motor-bus industry.

Scott, John W., 1025 Vermont Avenue NW., Washington, D. C., Victor J. Evans & Co., et al. (1) None other than salary received at the total monthly rate of $300 from Harry B. Jacobson and a total sum of $100 from John N. Randolph during the last quarterly period; no expenditures made. (2) Does not apply. (3) Does not apply. (4) None. (5) As previously stated in my registration statement. (NOTE.—The firms of McMorrow, Berman & Davidson, Victor J. Evans & Co., Patrick D. Beavers, and John N. Randolph are attempting to cancel contracts of employment with me, and they are not currently paying me any sum of money.)

Scott, Vernon and Schuler, Loring A., constituting the partnership of Vernon Scott and Loring Schuler, organization and industry counselors, 231 South La Salle Street, Chicago, Ill.; National Associated Businessmen, Inc. (1) The firm of Scott & Schuler received $1,666.66 from National Associated Businessmen, Inc., as retainer fee; the amount of $27.70 was spent for purposes that might fall within the scope of Public Law 601, Seventy-ninth Congress. (2) Taxi drivers. (3) For taxicabs in going from National Associated Businessmen, Inc., office to House and Senate Office Buildings and the Capitol. (4) None. (5) Legislation causing the Government to engage in business activities in competition with private companies and legislation dealing with the taxation of various types of business corporations.

Scott, William C. (report as attorney for American Nurses' Association), 49 Wall Street, New York, N. Y.; American Nurses' Association, 1790 Broadway, New York, N. Y. (1) Receipts: $4,965.24 for legal fees and disbursements paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities; expenditures: Hotel Carlton, $27.45; telephone calls, $2.40; taxi fares, $1.70. (2) Telephone charges paid to various telephone companies; taxi fares paid to various taxicab companies; see also answer to question 1. (3) For hotel rooms and meals, telephone calls, and taxi fares. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing or health, on which the American Nurses' Association has taken a stand, including the question of amendments to the Labor-Management Relations Act of 1947.

Scott, William C. (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) Receipts: No receipts during said period; expenditures: Hotel Carlton, $39.77, for rooms and meals. (2) See answer to question 1. (3) For hotel rooms and meals. (4) None. (5) Legislation relating to postage rates on books.

Sears, W. J., 715 Ring Building, Washington, D. C.; Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) I neither engaged in any legislative activity during the quarter ended September 30, 1949, nor incurred any expenses for that purpose. (2) None. (3) None. (4) None. (5) Excise tax on tires and any legislation which might be introduced relative to controls on rubber.

See, Harry, Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C. (1) $128.85. (2) Restaurants. (3) Lunches and dinners. (4) None. (5) Opposing antilabor legislation and supporting legislation beneficial to labor.

Selvage & Lee (in Washington: Selvage, Lee & Bledsoe), 1 East Forty-third Street, New York, N. Y.; 1730 I Street NW., Washington, D. C.; National Association of Margarine Manufacturers, Munsey Building, Washington, D. C. (1) Fee $6,000 plus expenses as shown below. (2) Printing, mimeographing, postage, telephone, press clippings, traveling expense, supplementary staff, etc., $5,715.34. (The above items were billed to the National Association of Margarine Manufacturers and reported by them in their quarterly report.) (3) Publicity and lobbying actively in connection with the repeal of discriminatory legislation affecting margarine. (4) We did all within our power to disseminate information favorable to margarine and to the legislation which would remove unfair restrictions on margarine but cannot say categorically that we caused any articles to be published or any radio comment. (5) As above.

Shaw, A. Manning, Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Ninth and F Streets, Washington, D. C. (1) Receipts, $4,833.32; expenses, reported by registrant, Brown, Lund & Fitzgerald. (2) See (1). (3) See (1). (4) None. (5) Any legislation that might affect the members of the National Association of Electric Companies.

Shaw, Mark R., 114 Trenton Street, Melrose, Mass.; National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C. (1) Traveling expenses, $49.70. (2) Railroads, restaurants, hotels, gas stations. (3) Travel to conferences, committees, speaking dates, etc. (4) Bulletins of the NCPW. (5) Military-aid program, oppose; dismantling of essential industries in Germany, oppose; increased admission of

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

[6] Filed for second quarter, 1949.

displaced persons, favor; other measures related to issue of peace and war.

Shepherd, Bruce E., Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $21.70 (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Shield, W. Lee, American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (1) None. (2) No one. (3) None. (4) None. (5) None.

Shields, Robert H., 1001 Tower Building, Washington, D. C.; United States Beet Sugar Association. (1) None; report subject to the qualifications stated in my registration of February 7, 1947. (2) [Blank.] (3) [Blank.] (4) None. (5) Interested in legislation affecting sugar but not employed for the purpose of supporting or opposing any legislation.

Shryock, Col. T. J., Remington Rand, Inc., 1615 L Street NW. (1) See answer (5). (2) See answer (5). (3) See answer (5). (4) None. (5) I have engaged in no legislative activities during the months of July, August, and September 1949.

Sifton,[6] Paul, 1129 Vermont Avenue NW., Washington, D. C.; International Union, United Automobile, Aircraft & Agricultural Implement Workers of America, CIO, 411 West Milwaukee Avenue, Detroit, Mich. (1) $1,200 salary; $1,138.44, expenses; total, $2,338.44. (2) Subsistence, transportation, hotel, etc. (3) Subsistence and travel. (4) Auto Worker. (5) Support all bills favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

Silberstein, Robert J., National Lawyers Guild, 902 Twentieth Street NW. (1) Only payment received is of regular salary as executive secretary of the National Lawyers Guild at the annual rate of $6,240, a small portion of the service of such secretary being directed to legislative work. Only expenditures made were for transportation and telephones amounting to less than $10. (2) Moneys received by Robert J. Silberstein, moneys paid by him to cab drivers and telephone company. (3) Moneys received as salary of executive secretary; moneys paid for transportation and telephones. (4) None. (5) Not paid to support any particular legislation, but to execute general policies of National Lawyers Guild, which include opposition to or support for certain types of legislation. The organization has supported S. 249, H. R. 2893, H. R. 4009, S. 1042, H. R. 29, H. R. 3707, and opposed such bills as S. 1194, S. 1196, H. R. 3342, H. R. 1002, S. 1694, S. 1832, H. R. 3776, and the North Atlantic Treaty.

Simon, William, 1 North La Salle Street, Chicago, Ill.; the Council for Clarification of Pricing Practices, 111 West Washington Street, Chicago, Ill. (1) $6,000 paid to registrant's law firm, Miller, Gorham, Wescott & Adams, by the Council for Clarification of Pricing Practice during preceding quarter. No expenditures excluding normal office expenses of registrant's firms. Registrant has been reimbursed by the council for traveling and other expenses expended by him as itemized in No. 2, and will be reimbursed for other such expenses incurred by him in September. (2) The registrant expended during the periods shown and was reimbursed during the preceding quarter for the following expenditures made by him: To Trans World Airlines in May, $42.32; in June, $368.13; July, $321.56; and August $401.95; to Illinois Bell Telephone Co., and Western Union for telephone calls and telegrams in Chicago in June, $161.38; July, $164.56; and August, $128.29; to Mayflower Hotel for telephone calls in Washington in June, $140.05; July, $195.38; and August $201.82; to Mayflower Hotel for other than telephone calls in June, $139.90; July, $147.75; and August, $132.98; to railroads for transportation in June, $102.06; and August, $25.71; to hotels (other than Mayflower), restaurants, taxis, stenographic reporter for congressional hearings, and other miscellaneous expenses in May, $105.28; June, $239.27; July, $140.50; and August, $189. (3) See above, No. 2. (4) Registrant has made several speeches on the subject of competitive freight absorption and good faith competition which have been reproduced in whole or in part by others, but never at his request, direction, or suggestion. Registrant has reproduced speeches by him but not for publication in any publication. (5) Legislation permitting competitive freight absorption and delivered prices and good faith competition.

Slipher, Stephen, 711 Fourteenth Street NW., Washington, D. C.; United States Savings and Loan League; 221 North La Salle Street, Chicago, Ill. (1) Received and expended, $45.80; also received salary of $1,750, of which 40 percent ($700) is for legislative work. (2) Hotel Shoreham and various taxis. (3) Hotel expenses, meals, and transportation. (4) A Glance Behind the Housing Act of 1949; Savings and Loan News, August 1949. (5) Legislation affecting housing, thrift, home ownership and savings and loan associations.

Smith, Allen L., Louisiana Tax Equality Association, Inc., post office box 1526, Baton Rouge, La. (1) No money received or expended for lobbying. (2) No one. (3) None. (4) None. (5) To support any legislation to amend the Internal Revenue Code so as to improve basic taxation principles providing for removal of tax disparities between competitors.

Smith, Anthony W., Congress of Industrial Organizations, 718 Jackson Place NW., Washingto , D. C. (1) Portion of salary allocable to legislative employment, $75; this is computed as stated in registration statement at $300 a year; salary paid by CIO, see 2. (2) Miss Mary W. Sollenberger, 300 B Street SE., Washington, D. C.; National Committee on Resources, $275. (3) Salary received in compensation for legislative work as above; salary paid by CIO to Miss Sollenberger for secretarial work for National Committee on Resources. (4) CIO news, 718 Jackson Place NW., Washington, D. C. (5) Forestry legislation, River Valley development, resource conservation.

Smith, Donald W. (report as attorney for American Nurses' Association), Satterlee, Warfield & Stephens, attorneys for American Nurses' Association, 4 Wall Street, New York, N. Y. (1) Receipts: $4,965.24 for legal fees and disbursements paid to Satterlee, Warfield & Stephens for services by firm as counsel in all capacities; expenditures: No expenditures during said period. (2) No expenditures. (3) No expenditures. (4) No articles or editorials relating to legislation during the above period. (5) Legislation relating to nurses, nursing or health, on which the American Nurses' Association has taken a stand, including extension of social security, Federal aid to nursing education, and legislation to authorize commissioning of men nurses in the armed services.

Smith, Dudley, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C. (1) $1,250 monthly from the Association of Sugar Producers of Puerto Rico, but not for the principal purpose of influencing legislation, which is a minor part of my activities. (2) None for the purpose of influencing legislation. (3) None. (4) None. (5) None.

Smith, Harold O., Jr., United States Wholesale Grocers' Association, Inc., 837 Investment Building, Washington, D. C. (1) During the past quarter I did not have occasion to engage in any activities which I believe could be construed as lobbying; serving full time as executive vice president of the United States Wholesale Grocers' Association, Inc.; my activities are those of a trade association executive and any contracts with members of Congress are purely incidental to my many other activities in connection with trade association work. (2) No one. (3) None. (4) In our association's bulletins and weekly news letters to members, we occasionally report on legislative matters affecting the trade. (5) No legislation in particular, any legislation in general affecting the interests of wholesale grocers.

Smith, Hilda W., National Committee for the Extension of Labor Education, 1508 Seventeenth Street NW., Washington, D. C. (1) $500. (2) Paid to self. (3) For living expenses for self. (4) Occasional articles sent out through labor press associates. Occasional newspaper articles. (5) Bill for a Labor Extension Service in the Department of Labor.

Smith, Howard J., Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (1) July salary, $750 per month.; August salary, $750 per month; September salary, $750 per month plus travel expense, $607.12. (2) Howard J. Smith, executive secretary, Central Arizona Project Association, 510 Goodrich Building, Phoenix, Ariz. (3) Salary, travel expense, room and board, when engaged in travel in interest of work of the association. (4) The case for water in central Arizona, work for water; California's stake in Arizona's share of Colorado River, what the central Arizona project means to you. (5) Employed to support Senate bill S. 75.

Smith, Lloyd W., room 425, Shoreham Building, Fifteenth and H Streets NW., Washington, D. C.; Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. (1) Received salary as reported on registration form B for services as special representative of the Chicago, Burlington & Quincy Railroad Co. during the period July 1 to September 30, 1949. No money was received or expended for the purposes as defined in section 307 (A) (B) of Public Law 601, Seventy-ninth Congress. (2) None. (3) In furtherance of duties described in registration form B, which involve legislation only incidentally and to a limited extent; affiant states upon information and belief that none of his activity during the period covered by this report was within the scope of section 307 of Public Law 601, Seventy-ninth Congress. (4) None. (5) Legislation affecting interests of Chicago, Burlington & Quincy Railroad Co.; other duties for said company comprise the major part of this work.

Smith, Purcell L., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $16,250 as president of the National Association of Electric Companies and reimbursements of $183.49 of routine expenses incurred in the performance of all official duties, only a part of which salary and expenses were for those purposes described in the act. (2) Various railroads, air lines, taxicabs, telephone and telegraph companies, and restaurants. (3) Railroad and transportation, $17.50; telephone and telegraph, $8; restaurants and other meals, $156.19; gratuities and miscellaneous, $1.80. (4) None. (5) One of the purposes and activities of the National Association of Electric Companies, of which I am president, is to provide its members with a medium through which they can exchange ideas and take appropriate action on

[6] Filed for second quarter, 1949.

problems of mutual concern and interest, including legislative matters; the association therefore is interested in legislation that might affect its members as going business concerns.

Smith, Ray E., Indiana State Medical Association, 1021 Hume Mansur Building, Indianapolis, Ind. (1) None; expended, $2,490.46. (2) See attached list.[5] (3) Postage, advertising, traveling expenses of committeemen, expense of meetings, printing, addressing, stationery, clerical assistance, telephone and telegraph tolls, and speakers' fees and traveling expenses. (4) [Blank.] (5) All bills pending before Congress which would create national health insurance.

Smith, Robert E.,[6] Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y. (1) Received, $739.30; expended, $19.60. (2) Various. (3) Travel expense, etc. (4) [Blank.] (5) [Blank.]

Smith, Robert E., Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y. (1) Receipts, $2,757.50; expenditures, $15.80. (2) Various. (3) Traveling expenses, etc. (4) None. (5) To support legislation which directly or indirectly is believed to be beneficial to holders of life insurance and their beneficiaries; and to oppose such legislation as is believed to be unfavorable to same.

Smith, Russell, 300 B Street SE, Washington, D. C.; National Farmers Union, 1555 Sherman Street, Denver, Colo. (1) None (except salary). (2) None. (3) None. (4) None. (5) All major pending legislation.

Smith, Sylvester C., Jr., Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J. (1) None. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Snyder, Calvin K., Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C. (1) Salary, $3,000; reimbursement for expenses July 1 to September 30, $780.10. (2) Various. (3) Traveling expenses, etc. (4) None. (5) Any legislation affecting the real-estate industry.

Snyder, James D., room 1040 Hotel La Salle, Chicago, Ill.; Illinois Legislative Committee room, 1236 La Salle Street Station, Chicago, Ill. (1) None. (2) [Blank.] (3) [Blank.] (4) None. (5) [Blank.]

Spence, Hotchkiss, Parker, & Duryee, 40 Wall Street, New York N. Y.; Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Spencer & Louisell, 1712 G Street NW., Washington, D. C.; Peder Kristian Kristensen. (1) None (see 3 below). (2) None (see 3 below). (3) Payments made from time to time by Peter Kristian Kristensen to this firm on account of disbursements in law suit. This has nothing to do with Lobbying Act. (4) None. (5) H. R. 3410, Eighty-first Congress, first session, a bill for the relief of Peter Kristian Kristensen. This firm is his counsel in litigation.

Spencer, Lyndon, Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio. (1) None. (2) None. (3) None. (4) None. (5) None.

Spingarn, Jerome H., counselor at law, 3 Thomas Circle, Washington, D. C.; Goldwater & Flynn, attorneys at law, 60 East Forty-second Street, New York, N. Y. (1) None. Inasmuch as my activities in opposition to H. R. 858 were concluded with the final passage of that bill on July 14, 1949, I hereby request withdrawal of my registration as of that date. (2) I made no expenditures and received no money during the quarter beginning July 1, 1949. (3) [Blank.] (4) [Blank.] (5) [Blank.]

Stack, Thomas George, National Railroad Pension Forum, Inc., 1104 West One Hundred and Fourth Place, Chicago, Ill. (1) $1,200 salary. (2) Thomas George Stack, 1104 West One Hundred and Fourth Place, Chicago, Ill. (3) To have necessary legislation passed by Congress, so that railroad employees would get more benefits out of the present Railroad Retirement Act. (4) Rail Pension News, publication of the National Railroad Pension Forum, Inc., June, July, and August edition, with 100,000 circulation cost $1,400 for printing and circulation to railroad workers and Congress. (5) S. 1379 and S. 1318 in United States Senate; H. R. 4282, H. R. 2741, and H. R. 2146 in the House of Representatives.

Starling, Howard M., 837 Washington Building, Washington, D. C.; Association of Casualty and Surety Companies, 60 John Street, New York City. (1) Registrant does not receive funds earmarked for purposes set forth in this act. Registrant has estimated, however, that $150 received by registrant during the third quarter of 1949 might come within scope of act as registrant understands act has been interpreted by the Department of Justice. Registrant has also been reimbursed for out-of-pocket expenses in the amount of $13.50. (2) Capital Transit Co. and various taxicab drivers. No single item $10 or more. (3) Local transportation to and from Capitol, Senate Office Building, and House Office Buildings. (4) None. (5) Registrants doubts that he is employed to support or oppose legislation. However, on very infrequent occasions, he has supported or opposed legislation as it specifically affects capital stock, casualty, and surety-insurance companies.

States, Hugh W., 718 Jackson Place NW., Washington, D. C.; Transport Workers Union of America (CIO), 153 West Sixty-fourth Street, New York, N. Y. (1) Received salary from Flight Radio Officers Section, Local 505, Transport Workers Union of America (CIO), $1,830; expenses from Transport Workers Union, $1,073.10; expenses from Flight Radio Officers Air Safety Committee of $269.82; total, $3,172.92. (2) Salary deposited in South San Francisco Branch, Bank of America, account of Mr. and Mrs. Hugh W. States; expenses were bona fide; see attached reports.[5] (3) See attached reports.[5] (4) CIO News, TWU Express. (5) S. 1768 (support).

Stebbins, Frank L., Illinois Associated Businessmen, Inc., 231 South La Salle Street, Chicago, Ill. (1) No money received or expended by me for lobbying purposes. (2) No one. (3) None. (4) None. (5) Any legislation designed to tax like business organizations.

Steele, Raymond E., National Fisheries Institute, Inc., 228 Victor Building 724 Ninth Street NW., Washington, D. C. (1) 80 cents taxi to Capitol to attend hearings re wage-hour law. (2) Taxicab operators. (3) Transportation. (4) N. F. I. Flashes, published weekly (50 issues) mailed to institute membership. (5) No particular legislation.

Stengle, Charles J., American Federation of Government Employees, 900 F Street NW. (1) $32.40 (2) Taxi drivers. (3) Trips to and from Capitol. (4) None. (5) Legislation for or against Government employees.

Stewart, Annalee (Mrs. Alexander Stewart), Women's Committee To Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa. (1) No report for the third quarter. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Stewart, Annalee (Mrs. Alexander Stewart), Women's International League for Peace and Freedom, 1734 F Street NW., Washington, D. C. (1) July to September totals: Travel, $29.96; rent, $69.50; means, $34.30; carfare and taxi, $10.69; tips, $3.35; secretarial help, $12.50; telephone and telegrams, $10.38; postage, $8.65; laundry, $6.76; office supplies, $17.25; miscellaneous papers, magazines, etc., $4.20. (2) [Blank.] (3) Actual living expenses while in Washington. (4) Four Lights. (5) Oppose UMT and conscription measures and further control of domestic and international policies by the military including opposition to the North Atlantic Pact; support legislation for improving domestic and international relations.

Stewart Charles T., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Salary, $3,000 (50 percent of time devoted to legislative activities); reimbursement by employer for travel expenses, incidental expenses and per diem, $276.56; total, $3,276.56. (2) See attached itemized statement.[5] (3) See attached itemized statement.[5] (4) Attached list[5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Any legislation affecting the real-estate industry.

Stockhausen,[6] William E., 49 Wall Street; National Postal Committee for Books, a committee of the American Book Publishers Council, Inc., 62 West Forty-seventh Street, New York, N. Y. (1) $445.42. (2) Transportation agencies, hotels, etc. (3) Transportation rooms meals, etc. (4) None. (5) H. R. 2945 (postal rate readjustments).

Stockhausen, William E., 49 Wall Street, New York, N. Y.; National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. (1) Hotel Carlton, $40.75; American Airlines, $55.72; taxi fares, $2.35. (2) Taxi fares paid to various taxicab companies (see (1)). (3) For hotel rooms and meals, transportation, and taxi fares. (4) None. (5) Legislation relating to postage rates on books.

Stockton, Kenneth E., American Cable & Radio Corp., 67 Broad Street, New York, N. Y. (1) I have been associated with International Telephone & Telegraph Corp. in various capacities for many years and have been president of its subsidiary, American Cable & Radio Corp. for the past year and a half. This company has been negotiating with Western Union Telegraph Co. for the purchase of the latter company's cables, which negotiations have reached the point of necessitating several governmental approvals and possibly congressional action. Activities in the foregoing connection and with reference to possible merger legislation necessarily require my contact with Members of Congress and other Government officials. However, this is an incidental function under my duties for which I receive no additional remuneration above my regular salary. Neither have I made nor do I intend to make any contributions for the purposes designated in paragraph 307. It is not the principal purpose of my employment to influence legislation, nor do I receive my compensation principally for the purpose of influencing legislation. The above-mentioned activities would not seem to come within the purview of the Lobbying Act; however, I have no objection to filing under the same and will furnish any further information if desired. My salary is as heretofore reported, no part of which is specifically for the purpose of influencing legislation. (2) [Blank.] (3) [Blank] (4) None. (5) I have not been employed to support or oppose any particular legislation, but as president of the American

[5] Not printed. Filed in the Clerk's office.
[6] Filed for second quarter, 1949.

Cable & Radio Co. I favor and will urge the enactment of appropriate legislation which will permit my company or its subsidiaries to purchase Western Union cables under authority of an amendment to section 222 (c) (2) of the Communications Act.

Stoll, Edwin L., 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill. (1) Salary $1,950 (only 50 percent of the time, however, is devoted to legislative activities); expenses incurred, $20. (2) See attached itemized statement.[5] (3) See attached itemized statement.[5] (4) Attached list[5] shows names of papers, periodicals, magazines, and other publications to which news releases and articles have been mailed. Complete information as to the extent to which material has been published by these publications is not available. (5) Legislation affecting the real-estate industry.

Stoudenmire, Sterling F., Jr., 1740 G Street NW., Washington, D. C.; Waterman Steamship Corp., Waterman Building, 61 St. Joseph Street, Mobile, Ala. (1) (a) A total of $2,400 was received as salary by registrant during this quarter, as compensation for employment as attorney for Waterman Steamship Corp. and subsidiaries. Only a very small portion of my time was spent in any activity relating to the purposes for which this statement is required to be filed. (b) A total of $42.30 was received from Waterman Steamship Corp. and subsidiaries, which amount could possibly be allocable as expenses incurred in connection with the purpose for which this statement is required to be filed. (2) (a) Taxicabs, $12; (b) restaurants and cafes, $30.30; total, $42.30. (3) (a) Taxicabs and transportation, $12; (b) meals, $30.30. (4) None. (5) I am not engaged specifically "for the purpose of attempting to influence the passage or defeat of any legislation by Congress." My employment is as attorney in the legal division of Waterman Steamship Corp., and subsidiaries, and such employment requires a small portion of my time in supporting or opposing legislation which might affect the merchant marine, the operation of aircraft, or transportation generally. During the quarter for which this report is filed I was interested in and discussed with Members of Congress H. R. 5346, H. R. 3419, H. R. 4146, and matters relating to Army civil functions bill.

Strachan, Paul A., national president, American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C. (1) As national president, AFPH, I am authorized to direct the development of programs to continually increase employment of handicapped, as well as improve all rehabilitation plans in their interest. By action of AFPH council, my salary was fixed at $10,000 per year. Only a part of this work deals with legislation. During past 3 months, spent approximately $145 for taxies, luncheons, etc., attending conferences, hearings, etc. (2) [Blank.] (3) [Blank.] (4) Bulletins to AFPH members; Members of Congress. (5) Federal Commission on Services for the Physically Handicapped; National Cerebral Palsy Act; National Epilepsy Act; National Leprosy Act; survey (census) of handicapped; repeal of prohibition debarring amputee drivers, otherwise qualified, to drive trucks or other vehicles in interstate commerce.

Strackbein, O. R., America's Wage Earners' Protective Conference, and International Allied Printing Trades Association, 601 Carpenters' Building, Washington, D. C. (1) Receipts, July–September 1949, $4,380; expenses, July-September 1949, $4,928.26 (consisting of salary, executive secretary, $3,380.78, salary of secretary to executive secretary, $965, total, $4,345.78; remainder, or $582.48, expenses). (2) None paid to individuals. Character of expenses is listed below. (3) Rent, telephone, traveling expenses, office supplies, taxicab fares, several lunches a month with individuals, purchase of government publications, etc. (4) Editorials in the Photo-engravers, a monthly publication of the International Photo-Engravers' Union; in the Glass Cutter, a monthly publication of the Window Glass Cutters' League. (5) Matters relating to tariffs, foreign trade, copyright, and postal rate legislation.

Sturgis, Arthur, Jr., American Retail Federation, 1627 K Street NW., Washington, D. C. (1) Two hundred dollars salary; $32.40 expenses. (2) Taxi drivers. (3) Transportation. (4) American Retail Federation informational bulletins to the retailing industry. (5) Legislation affecting retail industry, including tax revision, labor revision, social-security law revision, inflammable-fabric legislation.

Sturrock, J. E., Texas Water Conservation Association, 207 West Fifteenth Street, Austin, Tex. (1) Salary for July, August, and September 1949, $1,800, less income taxes. Traveling and routine office expenses for July, August, and September 1949, $233.91. (2) Two hundred thirty-three dollars and ninety-one cents paid to bus and taxi companies, hotels, restaurants, and stores. (3) Covering transportation, meals, lodging, miscellaneous office supplies, and entertainment. (4) Texas Water Conservation Association bulletins and pamphlets and various analyses of bills pending in Congress. (5) Employed to support all legislation, both State and National, concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and Federal agencies; to oppose all legislation creating Federal valley authorities and all legislation seeking to superimpose Federal control over State control in the distribution of the State's water resources.

Sullivan, Francis M., Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C. (1) Salary, July, August, September, 1949 (after taxes and social security), $1,878.60; expenses, July, August, September (including travel to Cleveland, Ohio), $143.17; total, $2,021.77. (2) Francis M. Sullivan, 1701 Eighteenth Street NW., Washington, D. C. (3) See (1) above. (4) DAV Semi-Monthly. (5) Legislation affecting service-connected disabled veterans, their families, and the survivors of deceased service men and women.

Sullivan, Francis M., 1336 Gallatin Street NW., Washington D. C.; National Association of Storekeeper-Gaugers, care of secretary-treasurer, 4543 North Hicks Street, Philadelphia, Pa. (1) $150 per quarter. (2) Francis M. Sullivan. (3) Associate counsel in representing association's membership before appropriate Federal governmental agencies. I study legislation beneficial to such membership and to civil-service employees generally. None of my duties have involved lobbying. Such duties are assumed by an associate counsel, when required. (4) None. (5) See (3) above.

Sutlive, Carey R., National Association of Manufacturers, 623 Investment Building, Washington, D. C. (1) Receipts (salary), $2,250.02; expenses reimbursed by employer, $773.63; expenditures, $773.63. (2) Expenses paid to various railroads, hotels, restaurants, taxicabs, etc. (3) For expenses incurred in course of business, such as travel means and hotel accommodations and expenses of conducting conferences for discussion of business matters. (4) [Blank.] (5) All legislation affecting industry, such as legislation relating to national labor policy, taxation, public expenditures, industrial controls, social security, research, patents, and investments.

Swanson,[6] Walter S. J., National Highway Users Conference, Inc., 938 National Press Building, Washington D. C. (1) Registrant received only his regular salary as shown in his registration. During the quarterly period just ended, he has expended no money and has made no payments to anyone in connection with any activities coming within the Lobbying Act. (2) None. (3) None. (4) Prepared articles for Highway Highlights and certain bulletins released by the National Highway Users Conference. (5) Within the general responsibility of my office, I have carried out the work outlined above. During the past quarter, this has been solely confined to reportorial coverage of congressional activities dealing with Federal highway aid and highway taxation, the only legislation in which I am interested. I have conducted no activity during the quarterly period coming within the purview of the Lobbying Act.

Swanson, Walter S. J., National Highway Users Conference, Inc., 938 National Press Building, Washington, D. C. (1) Registrant received only his regular salary as shown in his registration. During the quarterly period just ended, he has expended no money and has made no payments to anyone in connection with any activities coming within the Lobbying Act. (2) None. (3) None. (4) Prepared articles for Highway Highlights and certain bulletins released by the National Highway Users Conference. (5) Within the general responsibility of my office, I have carried out the work outlined above. During the past quarter, this has been solely confined to reportorial coverage of congressional activities dealing with Federal highway aid and highway taxation, the legislation in which I am interested. I have conducted no activity during the quarterly period coming within the purview of the Lobbying Act.

Switzer, John B., 70 North Thirteenth Avenue, Beech Grove, Ind.; Indiana Divisions No. 1 and No. 56, Communications Workers of America (CIO), room 5, 27 West Ohio Street, Indianapolis, Ind. (1) Wages (64 hours at $1.97½), $126.40; reimbursement for expense, $212.30; total received, $338.70. (2) Transportation, $92.55; meals and miscellaneous, $80; lodging, $36; telephone, $2.25; postage, $1.50; total expended, $212.30. (3) Wage remuneration for time absent from work. (4) None. (5) For amendment to Fair Labor Standards Act, 1938.

Swomley, John M., Jr., National Council Against Conscription, 1013 Eighteenth Street NW., Washington, D. C. (1) Travel expenses between Washington and New York plus out-of-pocket expenses in Washington, $56.11. (2) John M. Swomley, Jr., for personal expenses indicated above. (3) Indicated above. (4) Conscription News, Fellowship Magazine. (5) I serve as acting director of the National Council Against Conscription on a volunteer basis to promote the achieving of the international abolition of conscription, world-wide disarmament, and the defeat of conscription.

Taylor,[6] C. Tracy, 1317 F Street NW., Washington, D. C. Schenectady County Chapter of the New York Society of Professional Engineers, affiliated with the National Society of Professional Engineers, care of E. H. Bancker, 1 River Road, Schenectady, N. Y. Pennsylvania Bakers Association, 5700 North Broad Street, Philadelphia, Pa. (1) Registrant has received (May 5, 1949) $559.37 from the Schenectady County Chapter of the New York Society of Professional Engineers, of which $500 represented fee and $59.37 represented

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

reimbursement for telephone tolls, etc. He has also received (June 27, 1949) $500 from Pennsylvania Bakers Association on account of fee for services relating to legislation. Registrant has expended no moneys during the preceding calendar quarter on account of the employments for which he is registered other than incidental long-distance telephone and mimeographing charges totaling not in excess of $150. (2) See (1). (3) See (1). (4) None. (5) Provisions of any labor-management relations legislation affecting professional employees. Provisions of any legislation amending Fair Labor Standards Act in a manner affecting baking industry.

Taylor, Edward D., Office Equipment Manufacturers Institute, 1903 N Street NW., Washington, D. C. (1) I receive no money from the Office Equipment Manufacturers Institute apart from my regular salary as compensation for my services as administrative vice president and reimbursement for actual expenses advanced by me for purposes of the institute. Of the total amount received during the quarter ending September 30, 1949, it is estimated that not more than $700 can be attributed to activities within the scope of the Regulation of Lobbying Act, as follows: registrant's salary (estimated), $500; clerical, $85; taxis, $5; notary fee, $1; telephone and telegraph, $100; postage, $9; total, $700. (2) See (1). (3) See (1). (4) None except institute's regular weekly bulletin in which reference to proposed legislation affecting excise tax on business machines was reported. (5) Legislation to repeal the excise tax on business and store machines.

Taylor,[6 7] Hugh W., 1507 M Street NW., Washington, D. C., Burley and Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky. (1) Amount received from Burley and Dark Leaf Tobacco Export Association for salary, less social security and tax, $2,250; for expenses incurred, $43.95. (2) Various. (3) Travel and other expenses. (4) None. (5) Legislation which affects tobacco production and foreign trade in leaf tobacco.

Taylor,[7] Hugh W., 1507 M Street NW., Washington, D. C., Burley and Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky. (1) Amount received from Burley and Dark Leaf Tobacco Export Association for salary, less social security and tax, $2,250; for expenses incurred, $249.53. (2) Various. (3) Travel and other expenses. (4) None. (5) Legislation which affects tobacco productions and foreign trade in leaf tobacco.

Taylor, John Thomas, 734 Fifteenth Street NW., Washington 5, D. C., the American Legion (national organization), 777 North Meridian, Indianapolis 6, Ind. (1) $500 salary, semimonthly, less withholding and social security taxes, $603.01 reimbursement for traveling expenses—July, August, September, 1949, trips to Pittsburgh, Milwaukee (2), St. Louis, North Dakota, Minnesota, Maine, Rhode Island, Chicago; $49.70 incidental expenses (taxis, meals, etc.) July, August, September and Philadelphia convention. (2) John Thomas Taylor. (3) Expenses (traveling and incidental) as shown under (1). (4) The American Legion Magazine, New York, N. Y., Legislative Bulletin, Washington, D. C. (5) The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, their rehabilitation, hospitalization, reeducation and housing; all matters affecting the general welfare of our country with regard to national defense; Americanization, included in which is opposition to all subversive activities and particular attention to our immigration and naturalization laws, child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agricultural development; matters dealing with our foreign policy and foreign relations, the development of sound civil aviation programs and policies; and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services; and all other matters included in the mandates and program of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee which are the ruling and policy-making bodies of the American Legion.

Taylor, Margaret K., National Cooperative Milk Producers Federation, 1731 I Street NW., Washington 6, D. C. (1) Gross salary for the quarter $1,924.98; expended, $18.15. (2) Various. (3) Taxicabs, lunches, etc. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Taylor,[6] Russell J., United Shoe Workers of America, CIO, 917 Fifteenth Street NW., Washington, D. C. (1) Salary, $80; expenses, $21; hotel, $10. (2) Russell J. Taylor. (3) Legislative representative, United Shoe Workers of America, CIO. (4) [Blank.] (5) [Blank.]

Taylor, Tyre, 1112 Dupont Circle Building, Washington, D. C.; National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill. (1) Received $3,000 as one-fourth of adjusted annual retainer by National Association of Retail Grocers. Expenditures as follows: (a) Adjusted regular office expense amounting to $842.21; (b) traveling expenses, $75.15. (2) (a) Landlord, secretary, postage, telephone, etc.; (b) Washington taxicab operators. (3) See (1) above. (4) National Grocers Bulletin (published monthly). (5) Repeal of margarine licenses taxes and other legislation of interest to independent retail food distributors.

Taylor, Tyre, 1112 Dupont Circle Building, Washington, D. C.; Southern States Industrial Council, Nashville, Tenn. (1) Received $3,378.16 as one-fourth of adjusted annual retainer by Southern States Industrial Council, expenditures as follows: (a) Adjusted regular office expense amounting to $339.69; (b) research and technical assistance, $1,581.27; (c) travel expense, $75.15. (2) (a) Landlord, postage, telephone, etc.; (b) Henry Bison, Jr.; (c) Washington taxicab operators. (3) See (1) above. (4) Semimonthly News Bulletin of Southern States Industrial Council. (5) The general legislative program of the council with particular emphasis on legislation favorable to the maintenance of a free-enterprise system.

Teel, Donald, Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich. (1) No money received or expended for lobbying. (2) No one. (3) See above. (4) None. (5) Legislation designed to have all business corporations taxed in the same manner and on the same basis.

Temple, Marjorie L.; American Association of University Women, 1634 I Street NW., Washington, D. C. (1) Receive salary, only a portion of which is for legislative work; (2) [Blank.] (3) [Blank.] (4) Journal of American Association of University Women (quarterly); General Director's Letter (three or four times a year as program guide to branch officers). (5) Federal aid to education, ECA appropriations, displaced persons, repeal of oleo taxes, library bill, appropriations under Smith-Mundt Act.

Terrell, John U.; Colorado River Association, 306 West Third Street, Los Angeles, Calif. (1) Received from Colorado River Association the sum of $2,999.66. (2) Expended for transportation, hotels, personal living expenses, personal salary, office expenses, and business expenses. (3) Public relations for above organization. (4) All wire services and newspapers serving California. (5) Support of House Joint Resolution 3 and Senate Joint Resolution 4; opposition H. R. 934 and S. 75.

Tharin, Whitney, executive secretary; National Potato Council, 930 F Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) None. (5) None.

Theus, Harold C.; Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C. (1) Registered August 1949; August 1949, $550 salary (no specific amount for lobbying), September 1949, $550 salary. (2) The landlord, grocer, taxi driver, etc. (3) Ordinary living expenses of self and family, transportation and taxes. (4) The Reserve Officer, 2517 Connecticut Avenue NW., Washington, D. C. (5) Legislation for development of military policy for the United States which will guarantee adequate national security.

Thompson, Chester C.; the American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C. (1) Received salary from the American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C., $5,000 covering July, August, September, 1949. (2) Miscellaneous expenses, $70.35. (3) Local transportation and miscellaneous expenses. (4) None. (5) All legislation affecting domestic water carrier and operator industry of the United States.

Thore, Eugene M.; Life Insurance Association of America, 165 Broadway, New York, N. Y. (1) $44.89. (2) Expenditures confined to expenses paid by employee for travel, meals, lodging, and miscellaneous out-of-pocket expenses. (3) See answer to (2). (4) None. (5) Employed only to scrutinize Federal legislation which might affect the welfare of life-insurance policyholders and annuitants.

Tinney, William H., the Pennsylvania Railroad Co., 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C. (1) Salary, $558.31 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; $120.75 was expended by me as expense money during the third quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. In addition to this amount, I also received $362.30 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act. (2) Various transportation companies, restaurants, garages, communication companies, etc. (3) $120.75 was expended by me as expense money, during the third quarter of 1949, for taxicabs, meals, automobile expenses, and incidentals. (4) None. (5) Legislation affecting the interest of the Pennsylvania Railroad Co.

Titus, Mary, legislative assistant for local education association, legislative-Federal relations division, National Education Association of the United States; legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,312.50, which covers both legislative and nonlegislative activities. Estimated for legislative service, $262.50; expenses, none. (2) Self (salary); expenses, hotels, railroads, air lines, cabs, restaurants, etc. (3) Lodging, transportation, food, and customary personal expenses. (4) Legislative-News Flash; NEA Journal (articles therein); informative articles in State educational magazines. (5) To support any and all legislation designed to

[7] Filed with the Clerk only.

[6] Filed for second quarter, 1949.

strengthen public education in all of its areas.

Tobin, Fred A., 821 Fifteenth Street NW., Washington, D. C.; International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers Union of America, 222 East Michigan Street, Indianapolis, Ind. (1) My salary is $1,250 per month, or $3,750 for the quarter year. I do not incur any expenses in the performance of legislative work. (2) Fred A. Tobin. (3) I am an attorney representing the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers Union and its affiliated locals before the Interstate Commerce Commission and the National Labor Relations Board. Am the liaison representative between various Government agencies and international union and the affiliated locals. The above includes general services of a nonlegislative nature pertaining to business and operation of International Brotherhood of Teamsters and its affiliated locals; also for part-time services in connection with legislation, both Federal and State, for the International Brotherhood of Teamsters and its affiliated locals. (4) [Blank.] (5) Legislation, Federal and State, which may affect the interests of the International Brotherhood of Teamsters and its affiliated locals, particularly in the field of labor law.

Tobler, H. Willis, National Cooperative Milk Producers Federation, 1731 Eye Street NW., Washington, D. C. (1) Gross salary for the quarter, $1,750.02; expended, $41.65. (2) Various. (3) Luncheons, taxi fares, etc. (4) [Blank.] (5) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

Todd,[7] John H., 1037 Woodward Building, Washington, D. C.; National Cotton Compress & Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn. (1) None for purposes covered by the act, other than expenses such as taxi fares, telephone and telegraph, mimeographing expense, and postage, reimbursed by National Cotton Compress & Cotton Warehouse Association, which are included in its quarterly reports on Form A. (2) Same as (1) above. (3) Same as (1) above. (4) The Cotton Trade Journal, the Cotton Digest. (5) No specific legislation.

Tolman, Neil, 1025 Connecticut Avenue, Washington, D. C.; Phillips Chemical Co., Bartlesville, Okla. (1) Received on account for purposes covered in the act compensation and expenses in the amount of $2,000 during the calendar quarter, July, August, and September, for services as Washington attorney for Phillips' Chemical Co. Approximately $500 of this amount was used for expenses. (2) Paid to hotels, various restaurants, taxicabs and automobiles, telephone calls, and postage. (3) For furtherance of the duties described in Registration Form B, of which personal legislative activity is not a principal activity in my profession but is occasional and incidental. (4) None. (5) Legislation affecting fertilizer industry, especially as it pertains to Phillips Chemical Co.

Tool Owners Union, Inc., 1802 Massachusetts Avenue, Lexington, Mass. (1) See attached schedule.[5] (2) See attached schedule.[5] (3) See attached schedule.[5] (4) Articles: the New York Sales Executive magazine, May 1949; the Queensborough magazine, September 1949; see attached release [5] of Senator Mundt, South Dakota; news reprints: Omaha, Nebr., Council Bluffs, Iowa; St. Maurice Chronicle, Three Rivers, Quebec; and program for Progress, volume III, No. 4. (5) No specific legislation.

Townsend, Wallace, 306–311 Commercial National Bank Building, Little Rock, Ark.; Southwestern Gas & Electric Co., Shreveport, La. (1) July 13, 1949, $200 salary; August 11, 1949, $200, salary; September 7, 1949, $2,909.30; September 11, 1949, $200 salary. $409.30 of the September 7 payment was refund of expenses, see (2). (2) This money was paid out for traveling expenses and long-distance telephone calls. (3) See answer above. (4) None. (5) The only legislation I have been opposing has been the appropriation for the Southwest Power Administration to build transmission lines.

Troester, Carl A., Jr., American Association for Health, Physical Education, and Recreation, 1201 Sixteenth Street NW., Washington, D. C. (1) Salary, $1,812.50, which covers both legislative and nonlegislative business; received for legislative service (5 percent of time) $90.62. (2) Self (salary and expenses). (3) Salary, lunches, transportation, tips. (4) The Journal of the American Association for Health, Physical Education, and Recreation. (5) To support or oppose any and all legislation designed to strengthen public education, especially school health, physical education, and recreation.

Truitt, Paul T., National Association of Margarin Manufacturers, 1028 Munsey Building, Washington, D. C. (1) $1.60. (2) Cab drivers. (3) Cab fares. (4) None. (5) Any margarine legislation.

Turner, Harold J., Spokane, Portland & Seattle Railway Co., Southern Pacific Co. and Union Pacific Railroad Co., 325 Henry Building, Portland, Oreg. (1) One long-distance telephone call, amount $4.10, on Federal legislation. (2) Pacific Telephone & Telegraph Co., Portland, Oreg. (3) Federal legislation. (4) Oregon City Enterprise, Oregon City, Oreg., September 1, 1949. (5) Not employed to support or oppose any particular proposed Federal legislation. See statement A to my registration, form B.

Turner, Philip C., Food Producers' Council, Inc., Equitable Building, 10 East Calvert Street, Baltimore, Md. (1) July 1949 monthly salary, $226.50 net August 1, 1949, July expenses, $35.30; August 1949 monthly salary, $226.50 net September 2, 1949, August expenses, $14.37; September 1949 monthly salary, $226.50 net. (2) Hotels and meals, transportation, telegraph. (3) Expenses incidental to travel. (4) None. (5) Taft-Hartley law.

Urheim, Bernard E., American Retail Coal Association, 858 First National Bank Building, Chicago, Ill. (1) $625, the proportion of salary chargeable to activities within the scope of the Lobbying Act, and $500 travel expense, paid by employer of registrant. (2) Registrant. (3) Salary and expense. (4) None. (5) Revision of Fair Labor Standards Act.

Van Nostrand, George C., American Airlines, 1437 K Street NW., Washington, D. C. (1) As assistant vice president of American Airlines, on a permanent basis, I received a monthly salary of $1,100 or $3,300 for the quarter for all of my activities. Approximately 2 days was devoted to legislation and $3.20 was expended. (2) Taxi drivers. (3) Transportation. (4) None. (5) Legislation affecting air transportation.

Van Osdol, Paul, Jr., Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo. (1) None. (2) No one. (3) None. (4) None. (5) Legislation designed for taxing all business corporations on an equal basis. Although I doubt my activities constitute lobbying as defined in the act, since I occasionally write Congressmen or businessmen in behalf of tax legislation, I am filing regular reports nevertheless.

Vaughan, Wales, 1730 K Street NW., Washington, D. C.; Veterans Organizations Council of Altadena, 2246 North Lake Avenue. Altadena, Calif. (1) Money received, $1,985; money expended, $1,985. (2) Salary $975; living expenses, $470; Hotel Congressional, $540 (hotel expenses). (3) Salary, living expenses, and hotel accommodations. (4) None. (5) Housing amendments of 1949.

Vernon, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1); proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

Vernon, Weston, Jr., Milbank, Tweed, Hope & Hadley, 15 Broad Street, New York, N. Y. (1) None. (2) See answer to (1). (3) See answer to (1). (4) None. (5) See answer to (1); proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

Versen, Albert F. (Missouri Valley Chapter, Association of Refrigerated Warehouses), 508 Security Building, St. Louis, Mo. (1) See statement attached.[5] (2) See statement attached.[5] (3) See statement attached.[5] (4) None. (5) None.

Versen, Albert F., 508 Security Building, St. Louis, Mo.; St. Louis Local Meat Packers Association. (1) See statement attached.[5] (2) See statement attached.[5] (3) See statement attached.[5] (4) None. (5) None at present.

Viles, A. L., The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y. (1) No time devoted to legislative work. (2) [Blank.] (3) [Blank.] (5) Any legislation proposed or enacted which does now or may affect the rubber-manufacturing industry.

Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C. (1) No activities covered by the act. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) [Blank.]

Walker, Jimmie, (voluntary) Mississippi Associated Businessmen, Inc., post-office box 1329, 301–303 Millsaps Building, Jackson, Miss. (1) None. (2) No one. (3) None. (4) None. (5) Tax equality among all business.

Walter, Stephen M., National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. (1) Received salary of $6,625.02 as an employee of the National Association of Electric Companies, and reimbursements of $433.08 of routine expenses incurred in the performance of all duties and assignments, only a part of which salary and expenses were for those purposes described in section 308 (a) or otherwise within the scope of Public Law No. 601, Seventy-ninth Congress. (2) Various hotels, restaurants, taxicab companies, telephone and telegraph companies, book stores and stationers. (3) Transportation, $127.55; meals, $184.60; telephone, $42.05; publications, $16.83; miscellaneous, $62.05. (4) [Blank.] (5) One of the purposes and activities of the National Association of Electric Companies, of which I am an employee, is to provide its members with a medium through which they can exchange ideas and take appropriate action on problems of mutual concern and interest, including legislative matters. The association, therefore, is interested in legislation that might affect its members as going business concerns.

Walters, Thomas G., Government Employees' Council, A. F. of L., room 1008, 900 F Street NW., Washington, D. C. (1) As operations director, receives a monthly salary ($600.30), minus withholding tax and social-security tax; expended for personal living expenses. (2) Thomas G. Walters. (3) Salary received and expended for personal services as operations director of council; lobbying is minor and incidental. (4) Washington newspapers, international union publications, weekly council bulletins for the dis-

[5] Not printed. Filed in the Clerk's office.

[7] Filed with the Clerk only.

semination of organizational news, including legislation. (5) Favorable to Federal Government employees and opposition to adverse legislation.

Warfield, Ethelbert (report as attorney for American General Corp.), 49 Wall Street, New York, N. Y.; American General Corp., 1 Exchange Place, Jersey City, N. J. (1) No receipts or expenditures with reference to legislative activities during said period. (2) No expenditures. (3) No expenditures. (4) None. (5) To oppose bills similar to S. 829 and H. R. 3351, Eightieth Congress.

Warfield, Ethelbert (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; National Postal Committee for Books, 2 West Forty-seventh Street, New York, N. Y. (1) No receipts during said period. Expenditures: Alderson Reporting Co. for transcript of proceedings, $36.85; Stenographic & Translation Bureau, for mimeographing copies of bills, $18.36; Metropolitan Club, for room and meals, $8.55; telephone calls, $60.86; miscellaneous expenses, $15. (2) Telephone charges paid to various telephone companies; miscellaneous expenses paid to various taxicab companies, restaurants, etc. (See also (1).) (3) See (1). (4) None. (5) Legislation relating to postage rates on books.

Warfield, Ethelbert (report as attorney for Tin Processing Corp.), 49 Wall Street, New York, N. Y.; Tin Processing Corp., Texas City, Tex. (1) No receipts during said period for legislative services. Expenditures: Pennsylvania Railroad, $9.25; Hotel Carlton, $42.27; Stenographic & Translation Bureau, $55.08; telephone charges, $46.87; miscellaneous expenses, $5. (2) Telephone charges paid to various telephone companies; miscellaneous expenditures paid to various taxicab companies, restaurants, etc. (See also (1).) (3) Pennsylvania Railroad for transportation; Hotel Carlton for rooms and meals; Stenographic & Translation Bureau for mimeographing copies of statement; telephone companies for telephone calls; miscellaneous expenses for taxi fares, meals, and other travel expenses. (4) None. (5) Legislation for permanent operation of the Government-owned tin smelter at Texas City, Tex.

Watson, J. R., Mississippi Railroad Association, room 1, I. C. Railroad Passenger Station, Jackson, Miss. (1) Salary monthly, without segregation; and reimbursement of expenses incurred in the amount of $385.71. (2) Hotel Statler, Pullman Co., telephone company, telegraph company, and various restaurants, dining cars, taxicabs, and nominal sums, including tips to individuals, stationery, postage, and other incidental travel and subsistence expenses in the aggregate sum of $385.71. Hotel, travel, communication, meals, and other expenses incident to my employment, as stated above. (4) None. (5) Employment is on annual basis, primarily for services not related to Federal legislation. Matters of Federal legislation are other and different from and only incidental to principal employment and purpose; but, as an incident thereto, legislation pertaining to railroads in Mississippi.

Waybur, Bruce, 1000 Eleventh Street NW., Washington, D. C.; United Electrical, Radio, and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y. (1) Salary, $1,060; expenses, $130. (2) Hotels, railroads, restaurants, cab drivers, etc. (3) Personal expenses in Washington and travel. These expenses cover both legislative and nonlegislative activity. (4) UE News. (5) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare. Oppose legislation detrimental to these objectives.

Weathersby, Newton Patrick, District No. 44, I. A. of M., room 303, Machinists Building, Washington, D. C. (1) Salary, $1,000; $25 legislative expenses during quarter. (2) Taxi drivers and operators of eating and refreshment places. (3) Lobbying—i. e., supporting or opposing, as the case may be—legislation affecting working conditions of Government employees and incidentally organized labor in general. Not more than 15 percent of time spent on this work. (4) [Blank.] (5) All legislation affecting working conditions of Government employees and occasionally organized labor in general.

Webb, William H., Robert F. Klepinger, 1720 M Street NW., Washington, D. C. (1) None. (2) No one. (3) [Blank.] (4) None in this connection. (5) Legislation to restore certain funds seized under the Trading With the Enemy Act, as amended.

Webb, William H., National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C. (1) Salary, $1,302.70; expenses, $144.20; money expended, $396.28. (2) Various individuals, corporations, and organizations, as indicated on attached schedule. (3) As indicated in attached schedule and for miscellaneous office, personal, and traveling expenses. (4) Collier's Yearbook, 1949. (5) All laws and regulations needed to promote the maintenance and improvement of waterways, the development and protection of water transportation, etc.

Weingarten, J. W., 1004 Farnam Street, Omaha, Nebr.; Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill. (1) No money received or expended by me during the quarter ending September 30, 1949, on account of lobbying activities. I received my regular monthly compensation described in last report for the duties of my office but neither received nor expended any money in connection with any lobbying activity. (2) None. (3) None. (4) None. (5) Legislation affecting railroad business.

Weishaar, Wayne M., Aeronautical Training Society, 1025 Connecticut Avenue NW., Washington, D. C. (1) Received quarterly salary of $3,000 and expended $4.50. (2) (a) Taxis, $2.40; (b) Senate restaurant, $2.10. (3) (a) Transportation to Capitol; (b) luncheon. (4) None. (5) Supported Thomas amendment to H. R. 4177; S. 1150; also, aerial-star-route bills S. 3842 and S. 1597; opposed S. 1575.

Weitzer,[6] Bernard, 3147 Sixteenth Street NW., Washington, D. C.; the Jewish War Veterans of the United States of America, 50 West Seventy seventh Street, New York, N. Y. (1) Money expended: plane fare, $19.78; hotel bills (including room and meals), $41.13; taxi fares, $75.70; miscellaneous office expenses, $16.02; postage, $17.86; telephone, $11.05 (from booths). Salaries received by Bernard Weitzer, $2,124.99. (2) Plane, American Airways; hotel, Ambassador; various restaurants; various taxi drivers; various telephone booths; office expenses. (3) As indicated by the nature of expenses in (1). (4) The Jewish Veteran, the Evening Star, the Washington Post. (5) He is to support such legislation as will carry out the purpose of the Jewish War Veterans of the United States of America as expressed in the preamble to its constitution which follows and to oppose legislation which would tend to frustrate the purposes therein expressed: "To maintain true allegiance to the United States of America, to foster and perpetuate true Americanism, to combat whatever tends to impair the efficiency and permanency of our free institutions, to uphold the fair name of the Jews and fight his battles wherever unjustly assailed, to encourage the doctrine of universal liberty, equal rights, and full justice to all men, to combat the powers of bigotry and darkness wherever originating and whatever their target; to preserve the spirit of comradeship by mutual helpfulness to comrades and their families; to cooperate with and support existing educational institutions and establish educational institutions and foster the education of ex-servicemen and our members in the ideals and principles of Americanism; to instill love of country and flag and to promote sound minds and bodies in our members and our youth; to preserve the memories and records of patriotic service performed by the men of our faith; to honor their memory and shield from neglect the graves of our heroic dead."

[6] Filed for second quarter, 1949.

Weitzer, Bernard, 3147 Sixteenth Street NW,. Washington, D. C.; Jewish War Veterans of the United States of America, 50 West Seventy-seventh Street, New York, N. Y. (1) Money expended: Plane fare, $29.27; hotel bills (including room and meals) $25.85; taxi fares, $75.20; miscellaneous office expenses, $16.96; postage, $12.17; telephone, $7.50 (from booths); salaries received by Bernard Weitzer, $1,875. (2) Plane, Eastern Airways, Hotel Commodore, various restaurants, various taxi drivers, various telephone booths, office expenses. (3) As indicated by the nature of in (5). (4) The Jewish Veteran. (5) He is to support such legislation as will carry out the purpose of the Jewish War Veterans of the United States of America as expressed in the preamble to its constitution which follows and to oppose any legislation which would tend to frustrate the purposes therein expressed. To maintain true allegiance to the United States of America; to foster and perpetuate true Americanism; to combat whatever tends to impair the efficiency and permanency of our free institutions; to uphold the fair name of the Jew and fight his battles wherever unjustly assailed; to encourage the doctrine of universal liberty, equal rights, and full justice to all men; to combat the powers of bigotry and darkness wherever originating and whatever their target; to preserve the spirit of comradeship by mutual helpfulness to comrades and their families; to cooperate with and support existing educational institutions and establish educational institutions and foster the education of ex-servicemen and our members in the ideals and principles of Americanism; to instill love of country and flag and to promote sound minds and bodies in our members and our youth; to preserve the memories and records of patriotic service performed by the men of our faith; to honor their memory and shield from neglect the graves of our heroic dead.

Welch, Don, Post Office Box 231, those named in original declaration, as shown in original declaration. (1) My salary as shown in my original declaration and the sum of $535.94 as traveling expenses as shown below. (2) To various persons for traveling expenses on trips home from Washington, D. C., July 1 and 2, 1949 (end of trip begun in previous quarter and on two other trips from Madill, Okla., to Washington, D. C., and return, from July 4 to 15, 1949, and from August 13 to 19, 1949. (3) For traveling expenses only. (4) None. (5) S. 238 and H. R. 378.

Welsh,[5] [6] National Reclamation Association, 1119 National Press Building, Washington, D. C. (1) Total receipts for period, $14,271.75 (see schedule I [5]); total expenditures for period, $1,135.21 (see schedule II [5]). (2) See attached schedules.[5] (3) See attached schedules.[5] (4) National Reclamation Association Bulletin (see enclosure [5]). (5) Amendment to Reclamation Project Act of 1939 and any other legislation affecting resources of the 17 Western States. (See sec. 3, purposes, first page, our constitution, enclosed herewith.[5])

[5] Not printed. Filed in the Clerk's office.

[6] Filed for second quarter, 1949.

Welliver, Edward M., American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C. (1) Registrant received only his regular salary as shown in his registration. He expended a total of $51.60. (2) The money was paid to various taxi drivers employed in taking registrant between his office and the Capitol or House or Senate office buildings. (3) The money paid taxi drivers was for transportation to and from my office as indicated in (2). (4) None. (5) Any legislation affecting the trucking industry.

Winchel, Tannenbaum & Nunan, 1625 K Street NW., Washington, D. C.; David Rosenthal, Scarsdale, N. Y., and Henry Kalman, New Rochelle, N. Y., through their counsel, Brozan & Holman, 25 Broadway, New York, N. Y. (1) None. (2) No funds expended. (3) See answer to (2). (4) None. (5) Acting only as attorneys for the clients above named, to support changes in the Internal Revenue Code with respect to family partnerships, at such time when legislation of that nature is being considered by the Congress or committees thereof.

Westwood,[6] Howard C., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) Received, $1,500; expended, $277.94. (2) Chesapeake & Potomac Telephone Co., $159.04; Western Union, $49.12; miscellaneous expenses, $69.78. (3) Long-distance telephone calls, telegrams, teletype messages, transportation within the District of Columbia, and miscellaneous expenses. (4) None. (5) This employment is an ordinary attorney-client retainer for the purpose of rendering general legal advice and assistance. Considerable time is being currently spent and may continue to be spent in the preparation of materials for presentation to Congress in support of proposed legislation to improve marketing conditions in the fruit industry during the postwar interruption in normal export marketing.

Westwood, Howard C., 701 Union Trust Building, Washington, D. C.; Northwest Horticultural Council, Wenatchee, Wash. (1) Received $1,000 (as of October 1, no compensation has been received for the month of September), expended $55.51. (2) Chesapeake & Potomac Telephone Co., $19.75; Western Union, $3.98; miscellaneous expenses, $31.78. (3) Long-distance telephone calls, telegrams, teletype messages, transportation within the District of Columbia, and miscellaneous expenses. (4) None. (5) This employment is an ordinary attorney-client retainer for the purpose of rendering general legal advice and assistance. Considerable time is being currently spent and may continue to be spent in the preparation of materials for presentation to Congress in support of proposed legislation to improve marketing conditions in the fruit industry during the postwar interruption in normal export marketing.

Wheeler, Edward K., 704 Southern Building, Washington, D. C.; Commercial Pacific Cable Co., 67 Board Street, New York, N. Y. (1) The Commercial Pacific Cable Co. of New York, N. Y., has retained Edward K. Wheeler, for a remuneration of $750 per month, to act as special Washington representative and to assist the company in the collection of war damage claims. The nature of the employment necessarily involves conferences with the Navy Department, the State Department, and other agencies incidental thereto, support of the enactment of appropriate legislation which may be of assistance to the company. Incidental expenses for taxi fares, $5.80. (2) See (1). (3) See (1). (4) None. (5) To support the enactment of appropriate legislation to assist the company in the collection of war damage claims.

[6] Filed for second quarter, 1949.

Wheeler, Burton K., 704 Southern Building, Washington, D. C.; Jacob Neubauer, Billings, Mont. (1) No contributions received this quarter. Incidental expenses for taxi fares, $1.85. (2) See above. (3) See above. (4) None. (5) To support the enactment of appropriate legislation to assist Mr. Neubauer, now residing in Montana, in the immigration of relatives from Germany.

White, John C., care of Fulbright, Crooker, Freeman & White, 838 Transportation Building, Washington, D. C.; American Cotton Shippers Association, Cotton Exchange Building, Memphis, Tenn. (1) No expenses. (2) [Blank.] (3) [Blank.] (4) [Blank.] (5) Reports have been given on legislation affecting the merchandising and exportation of cotton, such as S. 2522 and H. R. 5345. The association has supported extension of Reciprocal Trade Agreements Act and the ECA appropriation legislation.

White, Richard P., American Association of Nurserymen, Inc., 635–636 Southern Building, Washington, D. C. (1) Receipts of salary, $2,874.96; expenses reimbursed by employers, $503.67. (2) Expenses paid to various air lines, railroads, hotels, clubs, restaurants, taxies, associations, etc. (3) Attending meetings of association committees, local associations, and payment for miscellaneous publications. (4) [Blank.] (5) Any legislation affecting the nursery industry.

Whitaker, Clem, National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill. (1) $4,736.55 for services and $1,638.45 as reimbursement for personal expenses. (See the attached statement[5] which is hereby made a part of this report and a part of the answer under each paragraph hereof.) (2) See (1). (3) See (1). (4) None. (5) Any legislation for compulsory health insurance.

Whitaker, Leone Baxter, National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill. (1) $4,736.55 for services and $1,638.45 as reimbursement for personal expenses. (See the attached statement[5] which is hereby made a part of this report and a part of the answer under each paragraph hereof.) (2) See (1). (3) See (1). (4) None. (5) Any legislation for compulsory health insurance.

Whitehall, Albert V., 1756 K Street NW., Washington 6, D. C.; American Hospital Association, 18 East Division Street, Chicago, Ill. (1) Quarterly salary, $2,374.98; reimbursement of travel expenses, $194.53. (2) Various air lines, railroads, hotels, and recipients of miscellaneous amounts for taxicabs, meals, and similar necessary expenses. (3) Necessary traveling expenses as indicated. (4) Hospitals, the official journal of the American Hospital Association, trustee, the journal for members of hospital governing boards. (5) Legislation which might affect the quality of hospital service to the people of this country.

Whitlock, Douglas, partner of the firm of Sanders, Gravelle, Whitlock & Howrey, 1032 Shoreham Building, Washington 5, D. C., Building Products Institute. (1) From the Building Products Institute, Washington, D. C.; total fee, $4,500, allocated $1,500 to legislative and $3,000 to legal and administrative; total expense, $2.50 allocated to legislative. (2) Notary fee, $2.50. (3) As indicated by items above. (4) None. (5) All legislation which may affect the producers of building materials.

Whyte, Louis E., Independent Natural Gas Association of America, 1700 I Street NW., Washington, D. C. (1) Salary $483.33 (allocated); this salary also shown in report of the Independent Natural Gas Association of America. (2) No expenditures. (3) None. (4) Regular natural gas news publications. (5) Any legislation concerning natural gas, we observe and make reports to members.

[5] Not printed. Filed in the Clerk's office.

Wickenden, Elizabeth, American Public Welfare Association, 522 Transportation Building, Washington, D. C., American Public Welfare Association, 1313 East Sixtieth Street, Chicago, Ill. (1) $792.64 (part time) salary received. (2) None. (3) [Blank.] (4) APWA letter to members. (5) Any legislation affecting public welfare administration.

Wiley,[6] Mrs. Harvey W., chairman of legislation, District of Columbia Federation of Women's Clubs, 2345 Ashmead Place, Washington, D. C. (1) For April, May, June, 1949, voluntary worker, no money received during preceding calendar quarter. (2) [Blank.] (3) [Blank.] (4) District of Columbia Federation magazine. (5) [Blank.]

Wilken, Carl H., 976 National Press Building, Washington, D. C. (1) $400 Independent Packing Association; $300 Western States Packing Association; $1,000 tung-oil industry. (2) Carl H. Wilken. (3) Research and technical information. Testimony before Gillette committee investigating farm prices, House Agricultural Committee. (4) Analysis of farm problem before Republican farm conference at Sioux City, Iowa. (5) Testified in favor of parity prices for agricultural products as a foundation for a prosperous national income. About one-third of time spent in preparation for committee.

Wilkinson, Ernest L., Francis M. Goodwin, and Glen A. Wilkinson, a law firm practicing under the name of Ernest L. Wilkinson, 744 Jackson Place NW., Washington, D. C. Klamath Tribe of Indians et al. (1) See attached statement.[5] (2) See attached statement.[5] (3) See attached statement.[5] (4) None. (5) See attached statement.[5]

Willenbucher, Franz Otto, Retired Officers Association, 1600 Twentieth Street NW., Washington, D. C. (1) Received $1,650; no part of this sum was received specifically for the purpose of attempting to influence legislative action. (2) Expended, nothing. (3) See (1) above. (4) Retired Officers Association Bulletin. (5) Legislation affecting retired officers, warrant officers, and nurses of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.

Williams, Myers & Quiggle, a law partnership consisting of the following partners: Paul F. Myers, James Craig Peacock, Martin W. Meyer, John E. Skilling, and Robert H. Myers, 817 Munsey Building, Washington, D. C.; National Food Brokers Association, 527 Munsey Building, Washington, D. C. (1) No payment has been made, but Williams, Myers & Quiggle expect to be paid at the per diem rate of $150 for each day of ordinary legal services rendered, subject to the Federal Regulation of Lobbying Act. (2) [Blank.] (3) [Blank.] (4) None. (5) Williams, Myers & Quiggle is employed to oppose the passage of S. 2190, a bill to amend the Robinson-Patman Act.

Williamson, C. J. S., 901 Shoreham Building, Washington, D. C.; California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif. (1) Salary at the rate of $8,000 or $2,000; Washington expense allowance at the rate of $1,800 or $450. (2) [Blank.] (3) During the third quarter of 1949 none of my activities fell within the interpretation of title 111, Public Law 601, Seventy-ninth Congress. (4) [Blank.] (5) [Blank.]

Williamson, John C., Veterans of Foreign Wars of the United States, 1026 Seventeenth Street NW., Washington, D. C. (1) $541.67 per month as salary minus social-security and withholding taxes; $58.95 as expenses for transportation and luncheons in connection

[5] Not printed. Filed in Clerk's office.

[6] Filed for second quarter, 1949.

with legislative activities. (2) No record kept of recipients of taxicab fares and luncheons. (3) Transportation, social obligations, and normal luncheon requirements. (4) VFW Foreign Service, VFW Legislative News Letter. (5) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities, and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the national encampment and the national council of administration.

Willingham, Carl H., Washington Loan and Trust Building, Washington, D. C.; Oneida, Ltd., Oneida, N. Y., National Association of Chain Drug Stores, 4 Park Avenue, New York, N. Y. (1) Received, $4,500; expended, $400. (2) Railroad, planes, trains, meals. (3) Travel. (4) None. (5) Excise taxes; Fair Labor Standards Act.

Wilson, E. Raymond, Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (1) Gross salary, July, August, September, $1,625; travel expense, $296.97. (2) Carfare, room, meals, etc. (3) Travel is for the purpose of attending yearly meetings, quarterly meetings, conferences of Friends and other groups to interpret developments in national and international policy with special reference to legislation, and for other committee business. (4) A newsletter is sent to a limited number of subscribers and Friends about once a month. (5) Working for legislation, including the admission of displaced persons, relief of Arab refugees, programs of relief and recovery, Federal aid to education, extension of civil rights, and more support of the United Nations and its specialized agencies. Opposition to conscription, the militarization of America, and the shipment of arms abroad.

Wilson, Eugene E., Aircraft Industries Association, 610 Shoreham Building Washington, D. C. (1) None. (2) No one. (3) None. (4) None. (5) Legislation to establish a national air policy.

Wilson, Everett B., Jr., Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C. (1) $750 monthly from Association of Sugar Producers of Puerto Rico, but not for principal purpose of influencing legislation, which is a minor part of my activities. (2) None for purpose of influencing legislation. (3) None. (4) Newspapers in Puerto Rico only. (5) None.

Wilson, Frank E., M. D.,[6] American Medical Association, suite 301, 1302 Eighteenth Street NW., Washington, D. C. (headquarters, 535 North Dearborn Street, Chicago, Ill.). (1) Received $3,245.52; expended $230.22. (2) Hotel Carolina, travel, railroad, local transportation. (3) Travel, hotels, meals, local transportation, miscellaneous, conferences. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

Wilson, Frank E., M. D., American Medical Association, 1302 Eighteenth Street NW., Washington, D. C. (headquarters, 535 North Dearborn Street, Chicago, Ill.). (1) Received $3,183.70; expended $220.15. (2) B. & O. Railroad, Palmer House, local transportation, miscellaneous. (4) None. (5) Bills relating to public health endorsed or opposed by the section of the house of delegates of the American Medical Association or the principles espoused by that body.

[6] Filed for second quarter, 1949.

Wilson, Mary Faith, American Parents Committee, 132 Third Street SE., Washington, D. C. (1) Received $4.60; expended $4.60. (2) Various. (3) Miscellaneous. (4) Parents' Magazine and School Management. (5) National child research bill, National School Health Services Act, National Science Foundation, appropriations for United States Children's Bureau, Federal aid for education, pediatrics education bill, public school survey and construction bill.

Wingert, E. L., 1 West Main Street; Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis. (1) Received my share of retainer fee paid my firm for general services as legal counsel for Wisconsin State Chamber of Commerce, involving mainly services unrelated to Federal legislation; aside from that, received nothing for use in influencing Federal legislation, and expended nothing for that purpose. (2) [Blank.] (3) [Blank.] (4) None. (5) Such legislation affecting business and industry generally as I may be instructed to give attention to from time to time.

Winn, Arthur L., Jr., National Independent Meat Packers Association, Investment Building, Washington, D. C. (1) La Roe, Brown & Winn, law firm, received from the National Independent Meat Packers Association, $4,500, total of monthly payments for general legal services, of which I received a share as partner. (2) No payment made to any other person. (3) [Blank.] (4) None. (5) H. R. 3997, S. 56, Taft-Hartley, 3-percent transportation tax, S. 1721, H. R. 4538.

Winter, Everett T., 719 Omaha National Bank Building, Omaha, Nebr.; Mississippi Valley Association, 511 Locust Street, St. Louis, Mo. (1) None for legislative purposes. (2) None for legislative purposes. (3) [Blank.] (4) None. (5) None at the present time.

Woodrum, Clifton A., American Plant Food Council, Inc., 910 Seventeenth Street NW., Washington, D. C. (1) (Please see letter filed with original registration.) Neither the registrant nor his employers receive nor expend any funds for the purpose of influencing legislation. (2) None. (3) During the quarter, an amount less than $100 was expended in stenographic services, taxi fare, etc., in attending committee hearings as an interested observer. (4) None. (5) This trade association, as such, neither favors nor opposes legislation. We furnish information to the membership. Our membership is interested in knowing the status of legislation affecting the fertilizer industry. The membership would oppose H. R. 855, the Lemke bill. They would be interested in but not opposed to S. 139, H. R. 207 (Sabath), and H. R. 323 (Keefe).

Woodson, George W., lock box 367, Lansing, Mich.; Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio. (1) I have received 25 percent of the income from the State of Michigan, and I am required to pay all of my expenses, and I have spent it all for my expense (personal) and for telegrams, telephone, hotel, meals, taxi, supplies, and travel. (2) I have paid out for clerical help in my office about $25. (3) Typing and mailing out bulletins in the usual course of my work. (4) None. (5) H. R. 2135 (Townsend-plan bill).

Woodul, Walter F., Chronicle Building, Houston, Tex.; Angelina & Neches River Railroad Co., Keltys, Tex.; Burlington-Rock Island Railroad Co., Houston, Tex.; the Chicago, Rock Island & Pacific Railway Co., Fort Worth, Tex.; Fort Worth & Denver City Railway Co., Fort Worth, Tex.; Gulf, Colorado & Santa Fe Railway Co., Galveston, Tex.; the Kansas City Southern Railway Co., Kansas City, Mo.; Louisiana & Arkansas Railway Co., Kansas City, Mo.; International-Great Northern Railroad, Houston, Tex.; Missouri-Kansas-Texas of Texas, Dallas, Tex.; New Orleans, Texas & Mexico Railway Co., Houston, Tex.; Panhandle & Santa Fe Railway Co., Amarillo, Tex.; Paris & Mount Pleasant Railroad Co., Paris, Tex.; St. Louis, San Francisco & Texas Railway Co., Fort Worth, Tex.; St. Louis Southwestern Railroad Co. of Texas, St. Louis, Mo.; Southern Pacific Co., San Francisco, Calif.; Texas & New Orleans Railroad Co., Houston, Tex.; Texas Southeastern Railroad Co., Diboll, Tex.; the Texas & Pacific Railway Co., Dallas, Tex.; the Texas Mexican Railway Co., Laredo, Tex.; the Union Terminal Co., Dallas, Tex.; Wichita Falls & Southern Railroad Co., Wichita Falls, Tex.; the Wichita Valley Railway Co., Fort Worth, Tex.; Quanah, Acme & Pacific Railway Co., Quanah, Tex. (1) Compensation $3,000, and reimbursement of out-of-pocket expenses for months of June, July, and August 1949, in the sum of $1,893.32; I expended in July, August, and September 1949, the sum of $1,610.48. (2) Atchison, Topeka & Santa Fe Railway Co., Houston, Tex., $97.95; Shoreham Hotel, Washington, $1,063.75; and to various hotels, eating places, and others in amounts less than $10. (3) Transportation, $120.45; hotels, $1,063.75; meals, $96.80; entertaining, $200.43; and telephones, tips, taxies, and incidentals, $129.05. (4) None. (5) All legislation affecting Texas railroads.

Woodward, Guy H., 605 Commonwealth Building, Washington, D. C.; Mid-Continent Oil and Gas Association, 308 Tulsa Building, Tulsa, Okla. (1) Attorney's retainer fee, $6,250, which amount includes compensation for services in connection with legislative matters in which the oil and gas industry is interested; expended, $20 (estimated). (2) Taxi fares. (3) See (2) above. (4) None. (5) Legislation with respect to which the oil and gas industry is interested.

Wotton, Edward W., Wine Institute, 900 National Press Building, Washington, D. C. (1) Three thousand dollars salary and $600 general expense received quarterly as manager of the Washington office of the Wine Institute, principal offices at 717 Market Street, San Francisco. (2) Received by the undersigned for all services as manager of this office, some of which services involve legislative activity. (3) See (1) and (2) above. No expenditures were made by undersigned to any other person for legislative purposes. (4) None. (5) Activity with reference to bills affecting California wine and brandy industry and particularly Fair Labor Standards Act, Reciprocal Trade Agreements Act and proposed revision of provisions of Internal Revenue Code relating to wine and brandy operations.

Wozencraft, Frank W., 605 Southern Building, Washington, D. C.; Independent Bankers Association, Twelfth Federal Reserve District, Failing Building, Portland, Oreg. (1) Three thousand dollars, fees for services; $357.75, reimbursement for traveling, telephone, and telegraph (including that paid to firm of Case & Wozencraft). (2) Air lines, hotels, etc., in connection with travel involved, Western Union, and telephone company. (3) See (2) above. (4) None. (5) Bank holding company legislation.

Mrs. Leslie B. Wright, chairman of legislation, General Federation of Women's Clubs, 4620 Thirtieth Street NW., Washington, D. C. (1) July, August, and September 1949: telegrams and miscellaneous, $72.97. (2) See answer No. 1. (3) See answer No. 1. (4) [Blank.] (5) Not "employed" for pay. A volunteer worker for the General Federation of Women's Clubs. The General Federation supports legislation which pertains to the welfare of the home and to the general welfare, after given authority through the adoption of resolution by the delegate body.

Wyatt, Joseph M., 501 Keyser Building, Baltimore, Md., District Cab Co., Inc., et al. (1) $1,500 received as per statement of April

8, 1949, filed with your office on Form B, expenses, $115.42. (2) Railroad fare, $46.92; meals (mostly on train), $44; cab fare, $24.50. (3) Transportation and meals. (4) None. (5) Regulation of taxicabs in District of Columbia.

Wyatt,[6] Robert H., legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C. (1) Actual expenses only $100. (2) Air lines, hotels, cabs, restaurants, etc. (3) Lunches, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Wyatt, Robert H., legislative-Federal relations division, National Education Association of the United States, legislative-Federal relations division, National Education Association, 1201 Sixteenth Street NW., Washington, D. C. (1) Actual expenses only, $978.97. (2) Air lines, hotels, cabs, restaurants, etc. (3) Hotels, transportation, food, and customary personal expenses. (4) Legislative News Flash, NEA Journal (articles therein), informative articles in State educational magazines. (5) To support any and all legislation designed to strengthen public education in all of its areas.

Yaden, James G., American Federation of Government Employees, 900 F Street NW., Washington, D. C. (1) Salary received, $2,750 and expenses. (2) Taxes, grocery stores, service stations, merchants, restaurants, miscellaneous—for tips, postage, supplies, etc., banks, and savings bonds. (3) Bank account, Government savings bonds, food, gasoline and oil, meals taken out, taxicabs, incidental living expenses, taxes. (4) The Government Standard. (5) Pay legislation for Federal employees; support any other proposed legislation beneficial to Federal employees; oppose any which would adversely affect them.

Yeaman, Addison, Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky. (1) Registrant, during the quarter ending September 30, 1949, has received no moneys and has expended no moneys except his regular salary and traveling expenses which were paid without regard to registrant's activities under the so-called Lobbying Act. (2) See (1) above. (3) See (1) above. (4) None. (5) H. R. 2016.

Young, Donald A., Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C. (1) Salary $1,375; expended, $42.67; meals, $17.28; transportation, $4.45; telephone, $20.94. (2) Restaurant, taxi companies, telephone companies. (3) [Blank.] (4) [Blank.] (5) All legislation of interest to business.

Young, Robert R., 4500 Chrsyler Building, New York, N. Y.; Federation for Railway Progress, 1430 K Street NW., Washington, D. C. (1) None. (2) None. (3) None. (4) Railway Progress, volume III, No. 5, July 1949; volume III, No. 6, August 1949; volume III, No. 7, September 1949. (5) None.

Zimmerman & Norman, 111 West Monroe Street, Chicago, Ill.; Marquette Cement Manufacturing Co., 20 North Wacker Drive, Chicago, Ill. (1) $5,115 was received for legal services previously reported on July 8, 1949. $382.24 was received for expenses previously reported. No expenditure of money during the preceding calendar quarter falls within the scope of the Federal Regulation of Lobbying Act. (2) Not applicable. (3) Not applicable. (4) None. (5) None of the legal services rendered during the preceding calendar quarter falls within the scope of the Federal Regulation of Lobbying Act.

Zook,[6] John D., 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio; Ohio Chamber of Commerce, Columbus 15, Ohio. (1) Columbus to Washington, D. C., and return, May 24 through 27: Transportation, $58.53; hotel, $20.80; other expenses, $14.17; total, $93.50. (2) Pennsylvania Railroad and Statler Hotel. (3) Actual and necessary traveling expenses on employer's business. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

Zook, John D., Ohio Chamber of Commerce, 820 Huntington Bank Building, 17 South High Street, Columbus, Ohio. (1) None. (2) None. (3) None. (4) None. (5) Legislation dealing with social security, business, taxation, and other matters of interest to our organization.

[6] Filed for second quarter, 1948.

[6] Filed for second quarter, 1949.